

City Council Meeting
November 21, 2016 - 7:00 PM
Auburn Community and Event Center
AGENDA

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Meeting videos are not available until 72 hours after the meeting has concluded.

I. CALL TO ORDER

A. **Pledge of Allegiance**

B. **Roll Call**

II. ANNOUNCEMENTS, PROCLAMATIONS, AND PRESENTATIONS

III. APPOINTMENTS

A. Appointments to Parks & Recreation Board
City Council to confirm the appointments of three new Parks & Recreation Board Members as follows:

Appointment to a new three year term to expire December 31, 2019:

- Lisa Russell
- Bailey Stober

Appointment to fill an unexpired term to expire December 31, 2018:

- Wayne Osborne

(RECOMMENDED ACTION: City Council confirm the appointments to the Parks and Recreation Board.)

IV. AGENDA MODIFICATIONS

V. CITIZEN INPUT, PUBLIC HEARINGS & CORRESPONDENCE

A. **Public Hearings**

1. **Public Hearing on 2017-2018 Preliminary Biennial Budget (Coleman)**
City Council to conduct a final public hearing to receive public comments, proposals and suggestions on the 2017-2018 Preliminary Biennial Budget

B. **Audience Participation**

This is the place on the agenda where the public is invited to speak to the City Council on any issue. Those wishing to speak are reminded to sign in on the form provided.

C. **Correspondence**

There is no correspondence for Council review.

VI. **COUNCIL AD HOC COMMITTEE REPORTS**

Council Ad Hoc Committee Chairs may report on the status of their ad hoc Council Committees' progress on assigned tasks and may give their recommendation to the City Council, if any.

VII. **CONSENT AGENDA**

All matters listed on the Consent Agenda are considered by the City Council to be routine and will be enacted by one motion in the form listed.

A. **Minutes of the November 7, 2016 City Council Meeting***

B. **Claims Vouchers (Coleman)**

Claims voucher numbers 441395 through 441596 in the amount of \$4,624,426.93 and three wire transfers in the amount of \$395,136.41 and dated November 21, 2016.

C. **Payroll Vouchers (Coleman)**

Payroll check numbers 536845 through 536877 in the amount of \$575,481.48 and electronic deposit transmissions in the amount of \$1,450,093.51 for a grand total of \$2,025,574.99 for the period covering November 3, 2016 to November 16, 2016.

D. **Public Works Project No. CP0765* (Snyder)**

City Council approve Final Pay Estimate No. 9 to Contract No. 15-04 in the amount of \$5,747.50 and unilaterally accept construction of Project No. CP0765, Lakeland Hills Reservoir 5 Improvements

E. **Public Works Project No. CP1218* (Snyder)**

City Council grant permission to advertise for bids for Project No. CP1218, Auburn Way South Corridor Safety Improvements (Muckleshoot Plaza to Dogwood St SE)

F. **Public Works Project No. CP1412* (Snyder)**

City Council approve Final Pay Estimate No. 13 to Contract No. 15-12 in the amount of \$31,193.69 and accept construction of Project No. CP1412, Auburn Community and Teen Center

(RECOMMENDED ACTION: City Council approve the Consent Agenda.)

VIII. **UNFINISHED BUSINESS**

IX. **NEW BUSINESS**

X. **ORDINANCES**

A. **Ordinance No. 6619* (Snyder)**

An Ordinance of the City Council of the City of Auburn, Washington, granting to Northwest Pipeline LLC, a Delaware LLC, a franchise for gas

(RECOMMENDED ACTION: City Council adopt Ordinance No. 6619.)

B. **Ordinance No. 6621* (Coleman)**

An Ordinance of the City Council of the City of Auburn, Washington, adopting the 2017-2018 Biennial Budget for the City of Auburn, Washington

(RECOMMENDED ACTION: City Council adopt Ordinance No. 6621.)

C. **Ordinance No. 6624* (Heid)**

An Ordinance of the City Council of the City of Auburn, Washington, ratifying the Franchise Agreement with Lakehaven Utility District adopted by Resolution No. 3650

(RECOMMENDED ACTION: City Council adopt Ordinance No. 6624.)

D. **Ordinance No. 6628* (Coleman)**

An Ordinance of the City Council of the City of Auburn, Washington, establishing the levy for regular property taxes by the City of Auburn for collection in 2017 for general City operational purposes in the amount of \$20,962,812.00

(RECOMMENDED ACTION: City Council adopt Ordinance No. 6628.)

E. **Ordinance No. 6629* (Coleman)**

An Ordinance of the City Council of the City of Auburn, Washington, amending Ordinance No. 6533, the 2015-2016 Biennial Budget Ordinance, as amended by Ordinance No. 6558, Ordinance No. 6563, Ordinance No. 6570, Ordinance No. 6571, Ordinance No. 6580, Ordinance No. 6592, and Ordinance No. 6608, authorizing amendment to the City of Auburn 2015-2016 Budget as set forth in Schedule "A" and Schedule "B"

(RECOMMENDED ACTION: City Council adopt Ordinance No. 6629.)

XI. **RESOLUTIONS**

A. **Resolution No. 5252* (Faber)**

A Resolution of the City Council of the City of Auburn, Washington, authorizing the Mayor to execute an agreement between the City of Auburn and the Auburn Symphony Orchestra for tourism promotion services

(RECOMMENDED ACTION: City Council adopt Resolution No. 5252.)

B. **Resolution No. 5256* (Hinman)**

A Resolution of the City Council of the City of Auburn, Washington, approving the City of Auburn Ten-Year Economic Development Strategic Plan

(RECOMMENDED ACTION: City Council adopt Resolution No. 5256.)

XII. **MAYOR AND COUNCILMEMBER REPORTS**

At this time the Mayor and City Council may report on their significant City-related activities since the last regular Council meeting.

A. From the Council

B. From the Mayor

XIII. ADJOURNMENT

Agendas and minutes are available to the public at the City Clerk's Office, on the City website (<http://www.auburnwa.gov>), and via e-mail. Complete agenda packets are available for review at the City Clerk's Office.

*Denotes attachments included in the agenda packet.



AGENDA BILL APPROVAL FORM

Agenda Subject:

Public Hearing on 2017-2018 Preliminary Biennial Budget

Date:

November 15, 2016

Department:

Finance

Attachments:

No Attachments Available

Budget Impact:

\$0

Administrative Recommendation:

City Council to conduct a final public hearing to receive public comments, proposals and suggestions on the 2017-2018 Preliminary Biennial Budget.

Background Summary:

All persons interested are encouraged to participate in this public hearing by making comments, proposals, and suggestions to the City Council and Mayor to consider prior to adoption of the City of Auburn's 2017-2018 Biennial Budget.

Reviewed by Council Committees:**Councilmember:****Staff:**

Coleman

Meeting Date: November 21, 2016

Item Number: PH.1



AGENDA BILL APPROVAL FORM

Agenda Subject:

Minutes of the November 7, 2016 City Council Meeting

Date:

November 16, 2016

Department:

Administration

Attachments:

[Minutes](#)

Budget Impact:

\$0

Administrative Recommendation:**Background Summary:****Reviewed by Council Committees:****Councilmember:****Staff:**

Meeting Date: November 21, 2016

Item Number: CA.A



City Council Meeting
November 7, 2016 - 7:00 PM
Auburn Community and Event Center
MINUTES

I. CALL TO ORDER

A. Pledge of Allegiance

Mayor Nancy Backus called the meeting to order at 7:00 p.m. in the Auburn Community and Event Center located at 910 9th Street SE in Auburn. Mayor Backus led those in attendance in the Pledge of Allegiance.

B. Roll Call

City Councilmembers present: Deputy Mayor Wales, Bob Baggett, Claude DaCorsi, John Holman, Bill Peloza, Yolanda Trout-Manuel and Rich Wagner.

Mayor Nancy Backus was in attendance, and the following department directors and staff members were present: Finance Director Shelley Coleman, Community Development and Public Works Director Kevin Snyder, Innovation and Technology Director Paul Haugan, Assistant Director of Engineering Services/City Engineer Ingrid Gaub, City Attorney Daniel B. Heid, Assistant City Attorney Jessica Leiser, Assistant Director of Innovation and Technology Ashley Riggs, Director of Administration Dana Hinman, Police Commander Mike Hirman, and City Clerk Danielle Daskam.

II. ANNOUNCEMENTS, PROCLAMATIONS, AND PRESENTATIONS

A. GIS Day Proclamation

Mayor Backus to proclaim November 16, 2016 as GIS Day in the city of Auburn.

Mayor Backus read and presented a proclamation declaring November 16, 2016 as GIS Day in the city of Auburn to Assistant Director of Innovation and Technology Ashley Riggs. Assistant Director Riggs displayed a new 3D map of the city. GIS staff will facilitate user presentations that will show how they use GIS in their daily workflows, and GIS staff will have some new feature demonstrations.

B. Small Business Saturday

Mayor Backus to proclaim November 26, 2016 as Small Business Saturday in the City of Auburn and encourage residents to support our local retail establishments.

Mayor Backus read and presented a proclamation declaring November 26, 2016 as Small Business Saturday in the city of Auburn to Auburn Area Chamber of Commerce CEO/President Julia Jordan. Ms. Jordan,

encouraged residents to support our local retail establishments on November 26th and throughout the year.

C. Auburn Mountainview High School Stress Less Week

Mayor Backus to proclaim November 7-11, 2016 as Stress Less Week in the City of Auburn.

Mayor Backus read and presented a proclamation declaring November 7-11, 2016 as Stress Less Week in the city of Auburn to Auburn Mountainview High School DECA students Amanda Enz, Alexis Grames, and Devan Pierce.

III. APPOINTMENTS

There was no appointment for City Council consideration.

IV. AGENDA MODIFICATIONS

There was no change to the agenda.

V. CITIZEN INPUT, PUBLIC HEARINGS & CORRESPONDENCE

A. Public Hearings

1. Public Hearing on 2017-2018 Preliminary Biennial Budget (Coleman)

City Council to conduct a public hearing to receive public comments, proposals and suggestions on the 2017-2018 Preliminary Biennial Budget.

Finance Director Shelley Coleman presented the staff report for the second hearing on the 2017-2018 Preliminary Biennial Budget. Director Coleman reminded that the third public hearing on the preliminary budget will be held November 21st. Budget adoption and tax levy approval are also scheduled for November 21st. Director Coleman reported the preliminary budget will be revised to include a debt service fund for the South Correctional Entity (SCORE) debt obligation. Since the contract revenues at SCORE are sufficient and are being used to pay the debt service, there is no debt service to be paid; however, the debt service must be budgeted. The net effect to the City's budget will be \$0.00.

Mayor Backus opened the public hearing at 7:15 p.m. No one spoke regarding the preliminary budget, and the hearing was closed.

2. Public Hearing for Franchise Agreement No. 16-54 for Northwest Pipeline LLC (Snyder)
City Council to conduct a public hearing in consideration of Franchise Agreement No. 16-54 for Northwest Pipeline LLC

At 7:16 p.m., Mayor Backus opened the public hearing on the request of Northwest Pipeline LLC for a franchise agreement to operate a natural gas transmission and distribution pipeline within the City's rights-of-way. No one in the audience requested to comment, and the hearing was closed.

3. Public Hearing on Ordinance No. 6624 ratifying the Franchise Agreement with Lakehaven Utility District (Heid)
City Council to conduct a public hearing on the ordinance ratifying the Franchise Agreement with Lakehaven Utility District adopted by Resolution Number 3650.

At 7:16 p.m., Mayor Backus opened the public hearing on Ordinance No. 6624 ratifying the Franchise Agreement with Lakehaven Utility District adopted by the Council under Resolution No. 3650. There was no public comment, and the hearing was closed.

B. Audience Participation

This is the place on the agenda where the public is invited to speak to the City Council on any issue. Those wishing to speak are reminded to sign in on the form provided.

No one in the audience requested to address the Council.

C. Correspondence

There was no correspondence for Council review.

VI. COUNCIL AD HOC COMMITTEE REPORTS

Council Ad Hoc Committee Chairs may report on the status of their ad hoc Council Committees' progress on assigned tasks and may give their recommendations to the City Council, if any.

Councilmember Baggett reported on behalf of the Finance ad hoc committee that reviews claims and payroll vouchers. Councilmember Baggett reported he and Councilmember Wagner reviewed the claims and payroll vouchers as presented and described on this evening's agenda and recommend City Council approval of the expenses.

VII. CONSENT AGENDA

All matters listed on the Consent Agenda are considered by the City Council to be routine and will be enacted by one motion in the form listed.

- A. Minutes of the October 17, 2016 City Council Meeting
- B. Claims Vouchers (Coleman)
Claims voucher numbers 441129 through 441394 in the amount of \$2,871,150.58 and seven wire transfers in the amount of \$257,919.84 and dated November 7, 2016.
- C. Payroll Vouchers (Coleman)
Payroll check numbers 536814 through 536844 in the amount of \$703,151.81 and electronic deposit transmissions in the amount of \$1,429,248.29 for a grand total of \$2,132,400.100 for the period covering October 13, 2016 to November 2, 2016.
- D. Call for Public Hearing on 2017-2018 Preliminary Biennial Budget (Coleman)

City Council to call for a public hearing to be held November 21, 2016 to receive public comments and suggestions with regard to development of the preliminary 2017-2018 Biennial Budget.

Deputy Mayor Wales moved and Councilmember Holman seconded to approve the Consent Agenda.

The Consent Agenda includes approval of minutes, claims and payroll vouchers, and a call for hearing on the 2017-2018 Preliminary Biennial Budget.

MOTION CARRIED UNANIMOUSLY. 7-0

VIII. UNFINISHED BUSINESS

Deputy Mayor Wales moved and Councilmember Wagner seconded to rescind the motion made and approved on Oct 3rd on the topic of Council study sessions and committee organization and that the topic be scheduled for the November 14th Council study session.

MOTION CARRIED UNANIMOUSLY. 7-0.

IX. NEW BUSINESS

Deputy Mayor Wales moved and Councilmember Trout-Manuel seconded that the topic of the Council's 2017-2018 travel budget be scheduled for discussion at the November 14th Council Study Session.

MOTION CARRIED UNANIMOUSLY. 7-0

X. RESOLUTIONS

- A. Resolution No. 5253 (Snyder)
A Resolution of the City Council of the City of Auburn, Washington, authorizing the Mayor to negotiate agreements and execute documents necessary to acquire property rights related to City Project CP1218 – Auburn Way South Corridor Safety Improvements, Muckleshoot Plaza to Dogwood Street SE

Deputy Mayor Wales moved and Councilmember Trout-Manuel seconded to adopt Resolution No. 5253.

MOTION CARRIED UNANIMOUSLY. 7-0

XI. MAYOR AND COUNCILMEMBER REPORTS

At this time the Mayor and City Council may report on their significant City-related activities since the last regular Council meeting.

A. From the Council

Deputy Mayor Wales reported she attended the Veterans Day Parade. Deputy Mayor Wales also shared some of the findings and recommendations of the Seattle-King County Board of Health Heroin and Prescription Opiate Addiction Task Force as reported at the most recent

Board of Health meeting.

Councilmember Holman reported he represented Mayor Backus at the swearing in of two new police officers, Andrew Mann and Alexander Gruber. Councilmember Holman also reported on his attendance at a meeting of the Puget Sound Regional Council Growth Management Policy Board.

Councilmember Wagner reported he attended the Pierce County Regional Council meeting where members discussed their legislative agenda and priorities. Councilmember Wagner also attended the Cities and Schools Forum where attendees discussed diversity and race relations.

Councilmember Trout-Manuel reported on her attendance at a community meeting organized by a Latino group regarding resources available to the Latino community youth.

B. From the Mayor

Mayor Backus reported on her attendance at the Cities and Schools Forum, the Mayor's Task Force on Homelessness, the Halloween Harvest Festival, the Blue Ribbon Panel on Making Auburn the Healthiest City, the Veterans Got Talent competition, and the Affordable Housing Forum for South King County. Mayor Backus also commented on the Auburn Veterans Day Parade and the high school marching band competition held later that evening. Mayor Backus announced that a Mayor's Roundtable for all King County Mayors will be held tomorrow to discuss the heroin and prescription opioid addiction that has become so prevalent.

XII. EXECUTIVE SESSION

At 7:39 p.m. Mayor Backus recessed the meeting to executive session for approximately 15 minutes in order to discussion pending litigation pursuant to RCW 42.30.110(1) (i). City Attorney Dan Heid and Assistant City Attorney Jessica Leiser attended the executive session. It was indicated that action may follow the executive session.

Mayor Backus reconvened the meeting at 7:46 p.m.

City Attorney Heid read Resolution No. 5254 by title:

Resolution No. 5254

A Resolution of the City Council of the City of Auburn, Washington, authorizing the settlement of all claims against Green Solution Place Preludio Management, LLC, and Green Solution Place, Inc. related to Case Number 16-2-09405-8 KNT, *City of Auburn V. Green Solution Place Preludio Management, LLC, et al*

Councilmember Holman moved and Councilmember DaCorsi seconded to adopt Resolution No. 5254.

MOTION CARRIED UNANIMOUSLY. 7-0

City Attorney Heid read Ordinance No. 6625 by title:

Ordinance No. 6625

An Ordinance of the City Council of the City of Auburn amending Section 5.20.250 of the Auburn City Code and amending Auburn Ordinance Number 6613, related to marijuana related businesses and activities

Councilmember Holman moved and Councilmember Baggett seconded to adopt Ordinance No. 6625.

MOTION CARRIED UNANIMOUSLY. 7-0

XIII. ADJOURNMENT

There being no further business to come before the Council, the meeting adjourned at 7:49 p.m.

APPROVED this 21st day of November, 2016.

NANCY BACKUS, MAYOR

Danielle Daskam, City Clerk



AGENDA BILL APPROVAL FORM

Agenda Subject:

Claims Vouchers

Date:

November 16, 2016

Department:

Finance

Attachments:

No Attachments Available

Budget Impact:

\$0

Administrative Recommendation:

City Council approve the claims vouchers.

Background Summary:

Claims voucher numbers 441395 through 441596 in the amount of \$4,624,426.93 and three wire transfers in the amount of \$395,136.41 and dated November 21, 2016.

Reviewed by Council Committees:**Councilmember:****Staff:**

Coleman

Meeting Date: November 21, 2016

Item Number: CA.B



AGENDA BILL APPROVAL FORM

Agenda Subject:

Payroll Vouchers

Date:

November 16, 2016

Department:

Finance

Attachments:

No Attachments Available

Budget Impact:

\$0

Administrative Recommendation:

City Council approve payroll vouchers.

Background Summary:

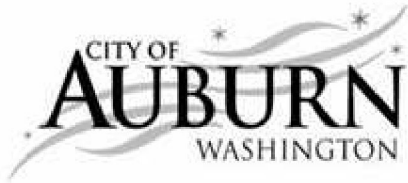
Payroll check numbers 536845 through 536877 in the amount of \$575,481.48 and electronic deposit transmissions in the amount of \$1,450,093.51 for a grand total of \$2,025,574.99 for the period covering November 3, 2016 to November 16, 2016.

Reviewed by Council Committees:**Councilmember:****Staff:**

Coleman

Meeting Date: November 21, 2016

Item Number: CA.C



AGENDA BILL APPROVAL FORM

Agenda Subject:

Public Works Project No. CP0765

Date:

November 14, 2016

Department:

CD & PW

Attachments:

[Vicinity Map](#)

[CP0765 Final Pay Estimate](#)

[CP0765 Budget Status Sheet](#)

Budget Impact:

\$0

Administrative Recommendation:

City Council approve Final Pay Estimate No. 9 to Contract No. 15-04 in the amount of \$5,747.50 and unilaterally accept construction of Project No. CP0765, Lakeland Hills Reservoir 5 Improvements.

Background Summary:

This project rehabilitated and improved the operations, water quality, and overall safety of the existing reservoir. Specifically, this project removed and replaced the existing interior and exterior coating system (including a decorative mural), improved the current mixing system, and installed seismic equipment such as flexible/expandable couplings, sensors, and isolation valve actuators. Other safety upgrades included a new spiral staircase, roof perimeter handrail, roof access platform/landing, security gate, and access hatch. Additionally, this project improved the operation of the system by providing electrical and telemetry improvements, which were integrated into the City's SCADA system.

The contractor has opted to not sign the final pay estimate because the Contractor is objecting to liquidated damages charged to the Contractor for exceeding the allowed Contract time. In accordance with the contract, the City has provided the Contractor at least 30 calendar days notice of its intent to establish a Completion Date and unilaterally accept the Contract. The Contractor's objection regarding liquidated damages is being handled with the involvement of the City's Legal Department.

A project budget contingency of \$167,542.00 remains in the 460 Water Fund.

Reviewed by Council Committees:

Councilmember:

Staff:

Snyder

Meeting Date: November 21, 2016

Item Number: CA.D

CITY OF AUBURN
CP0765
PAY ESTIMATE #9 & FINAL

CO. NO. 15-04
Lakeland Hills Reservoir 5 Improvements
SCHEDULE A: Water Utility Improvements

ITEM NO.	ITEM DESCRIPTION	ESTIMATE QUANTITY	TOTAL QUANTITY	PERIOD QUANTITY	UNIT TYPE	UNIT COST	TOTAL COST	PERIOD COST	PERCENT EST. QTY.
1	Minor Changes	1	0.1447045	0	Eq. Adj.	20,000.00	\$ 2,894.09	\$ -	14%
2	Record Drawings	1	1	0	LS	1,500.00	\$ 1,500.00	\$ -	100%
3	Mobilization	1	1	0	LS	55,000.00	\$ 55,000.00	\$ -	100%
4	Clearing and Grubbing	1	1	0	LS	7,500.00	\$ 7,500.00	\$ -	100%
5	Removal of Structures and Obstructions	1	1	0	LS	17,500.00	\$ 17,500.00	\$ -	100%
6	Unsuitable Foundation Excavation	10	0	0	CY	100.00	\$ -	\$ -	0%
7	Controlled Density Fill	10	0	0	CY	175.00	\$ -	\$ -	0%
8	Crushed Surfacing Top Course	165	0	0	TON	55.00	\$ -	\$ -	0%
9	Crushed Surfacing Base Course	10	0	0	TON	65.00	\$ -	\$ -	0%
10	Commercial HMA	20	0	0	TON	200.00	\$ -	\$ -	0%
11	Polyvinyl Chloride (PVC) Storm Pipe, SDR-21, 15-Inch Diam.	15	12	0	LF	160.00	\$ 1,920.00	\$ -	80%
12	Storm Drainage Manhole Type 1, 48 Inch Diam.	1	1	0	EA	2,500.00	\$ 2,500.00	\$ -	100%
13	Trash Rack	1	1	0	EA	2,000.00	\$ 2,000.00	\$ -	100%
14	Connect to Existing Manhole	1	1	0	EA	1,000.00	\$ 1,000.00	\$ -	100%
15	Select Pipe Trench Backfill	70	60.22	0	TON	50.00	\$ 3,011.00	\$ -	86%
16	Shoring or Extra Excavation, Class B	1	1	0	LS	1,600.00	\$ 1,600.00	\$ -	100%
17	Connect to Existing Water Main	2	2	0	EA	1,050.00	\$ 2,100.00	\$ -	100%
18	Special Class 52 Ductile Iron Pipe for Water Main, 12 Inch	50	70.5	0	LF	500.00	\$ 35,250.00	\$ -	141%
19	Special Class 52 Ductile Iron Pipe for Water Main, 10 Inch	5	5	0	LF	600.00	\$ 3,000.00	\$ -	100%
20	Gate Valve, 12 Inch	3	4	0	EA	3,600.00	\$ 14,400.00	\$ -	133%
21	Butterfly Valve with Seismic Control, 12 Inch	1	1	0	EA	10,000.00	\$ 10,000.00	\$ -	100%
22	Temporary Water Pollution/Erosion Control	1	1.161435	0	Eq. Adj.	2,000.00	\$ 2,322.87	\$ -	116%
23	ESC Lead	30	0	0	DAY	1.00	\$ -	\$ -	0%
24	PSIPE, Thuja Occidentalis 'Hetz Wintergreen' 3-4 Ft. Height	51	61	0	EA	100.00	\$ 6,100.00	\$ -	120%
25	Surface Restoration	1	1	0	LS	10,000.00	\$ 10,000.00	\$ -	100%
26	Coated Chain Link Fence Type 1	555	515	0	LF	35.00	\$ 18,025.00	\$ -	93%
27	Valve Vault, Complete	1	1	0	LS	10,000.00	\$ 10,000.00	\$ -	100%
28	Interior Reservoir Recoating, Complete	1	1	0	LS	310,000.00	\$ 310,000.00	\$ -	100%
29	Exterior Reservoir Recoating, Complete	1	1	0	LS	123,000.00	\$ 123,000.00	\$ -	100%
30	Mural Complete	1	1	0	LS	18,000.00	\$ 18,000.00	\$ -	100%
31	Containment, Complete	1	1	0	LS	75,000.00	\$ 75,000.00	\$ -	100%
32	Removal of Mill Scale	1500	2000	0	SF	1.00	\$ 2,000.00	\$ -	133%
33	Mixing Improvements, Complete	1	1	0	LS	55,000.00	\$ 55,000.00	\$ -	100%
34	Rooftop Landing and Railings, Complete	1	1	0	LS	26,000.00	\$ 26,000.00	\$ -	100%
35	Ground Level Landing and Railings, Complete	1	1	0	LS	7,500.00	\$ 7,500.00	\$ -	100%
36	Roof Vent, Complete	1	1	0	LS	10,000.00	\$ 10,000.00	\$ -	100%
37	Stairway and Ladder, Complete	1	1	0	LS	72,500.00	\$ 72,500.00	\$ -	100%
38	36-Inch Diam. Manway, Complete	2	2	0	EA	6,000.00	\$ 12,000.00	\$ -	100%
39	Sample Port and Lines, Complete	1	1	0	LS	5,000.00	\$ 5,000.00	\$ -	100%
40	Foundation Seal Grout Replacement, Complete	1	0	0	LS	3,900.00	\$ -	\$ -	0%

SCHEDULE SUBTOTAL \$ -

CA.D

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Period Dates
Begin: June 21, 2016
End: Sept. 7, 2016
1 of 5

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11/14/2016 at 9:48 AM

CITY OF AUBURN
CP0765
PAY ESTIMATE #9 & FINAL

CO. NO. 15-04
Lakeland Hills Reservoir 5 Improvements
SCHEDULE A: Water Utility Improvements

ITEM NO.	ITEM DESCRIPTION	ESTIMATE QUANTITY	TOTAL QUANTITY	PERIOD QUANTITY	UNIT TYPE	UNIT COST	TOTAL COST	PERIOD COST	PERCENT EST. QTY.
41	Integration Complete	1	1	0.1571428	LS	35,000.00	\$ 35,000.00	\$ 5,500.00	100%
42	Seismic Improvements, Complete	1	1	0	LS	220,250.00	\$ 220,250.00	\$ -	100%
43	Electrical, Complete	1	1	0	LS	39,500.00	\$ 39,500.00	\$ -	100%
CO-2	Two Way Radio Antenna	1	1	0	LS	5,221.01	\$ 5,221.01	\$ -	100%

SCHEDULE TOTAL \$ 5,500.00

Period Dates
Begin: June 21, 2016
End: Sept. 7, 2016

CA.D

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CITY OF AUBURN
CP0765
PAY ESTIMATE #9 & FINAL

CO. NO. 09-01
Lakeland Hills Reservoir 5 Improvements
SCHEDULE A: Water Utility Improvements

MATERIALS ON HAND

ITEM NO.	ITEM DESCRIPTION	TOTAL QUANTITY	PERIOD QUANTITY	UNIT TYPE	UNIT COST	TOTAL COST	PERIOD COST
43	Electrical						
	Material on Hand	0.4430379		LS	\$ 39,500.00	\$ 17,500.00	\$ -
	Material Installed				\$ 39,500.00	\$ (17,500.00)	\$ -
	TOTAL					\$ -	\$ -

SCHEDULE TOTAL

Period Dates
Begin: June 21, 2016
End: Sept. 7, 2016

CA.D

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PAY ESTIMATE #9 & FINAL

	Original Contract Amount	Contract Change Orders	Total Payment	This Period	Percent/Contract
SCHEDULE A: Water Utility Improvements					
Contract	\$ 1,242,580.00	\$ 5,221.01	\$ 1,223,593.96	\$ 5,500.00	
Material on Hand (MOH)			\$ -		
Liquidated Damages			\$ (42,388.65)		
Sales Tax (+9.5%)	\$ 118,045.10	\$ 496.00	\$ 112,214.50	\$ 522.50	
Retainage (-5%)			\$ (59,060.27)	\$ (275.00)	
SCHEDULE TOTAL	\$ 1,360,625.10	\$ 5,717.01	\$ 1,234,359.55	\$ 5,747.50	

TOTAL CONTRACT AMOUNT TO DATE (including Sales Tax)	\$ 1,293,419.81	95%
TOTAL PAYMENT TO CONTRACTOR	\$ 1,234,359.55	\$ 5,747.50
PAYMENT DUE CONTRACTOR:	\$ 5,747.50	

Period Dates
Begin: June 21, 2016
End: Sept. 7, 2016

PAY ESTIMATE # 9 & FINAL

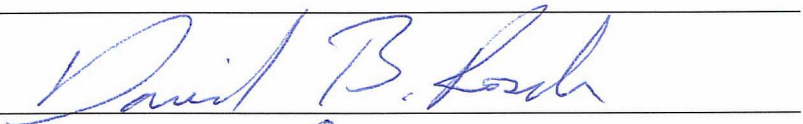
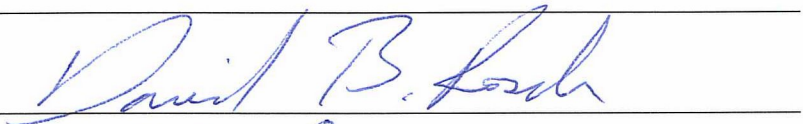
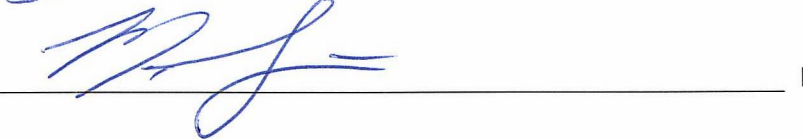
CONTRACTOR:

Paso Robles Tank, Inc.
826 26th Street
Paso Robles, CA 92653
Phone: 805-227-1641

The undersigned has reviewed and approved this final pay estimate. I agree that it is a true and correct statement showing all monies due me from the City of Auburn under this contract; that I have carefully examined the final pay estimate estimate and understand it and that I hereby release the City of Auburn from any and all claims of whatsoever nature which I may have, arising out of this contract, which are not set forth in this estimate.

PAYMENT DUE TO CONTRACTOR = \$ 5,747.50

Signatures:

Contractor		Date	_____
Inspector		Date	11/14/2016
Project Manager		Date	11/14/2016
City Engineer	_____	Date	_____

BUDGET STATUS SHEET

Project No: CP0765	Project Title: Lakeland Hills Reservoir 5 Improvements
Project Manager: Matthew Larson	

Initiation Date: April 7, 2008
 Advertisement Date: March 24, 2015
 Award Date: April 6, 2015

- ☐ Project Initiation

☐ Project Update

☐ Contract Award

☐ Change Order Approval

☒ Contract Final Acceptance

Date: November 16, 2016

The "Future Years" column indicates the projected amount to be requested in future budgets.

Funds Budgeted (Funds Available)

Funding	Prior Years	2015	2016	Future Years	Total
460 Fund - Bond Proceeds	84,335	1,251,774	34,034		1,370,143
460 Fund - Water	43,334		344,632	0	387,966
Total	127,669	1,251,774	378,666	0	1,758,109

Estimated Cost (Funds Needed)

Activity	Prior Years	2015 (Actual)	2016	Future Years	Total
Design Engineering - City Costs	48,312	11,726			60,038
Design Engineering - Consultant Costs	79,357	9,615			88,972
Design Engineering - Other (DOH Permit, Ad, Copies, Etc.)		3,653			3,653
Construction - Contract		1,153,421	207,204		1,360,625
Line Item Changes			(72,922)		(72,922)
Change Order No. 1			0		0
Change Order No. 2			5,717		5,717
Construction Engineering - City Costs		49,672	42,000		91,672
Construction Engineering - Consultant Costs			2,200		2,200
Construction Engineering - Other		23,687	26,925		50,612
Total	127,669	1,251,774	211,124	0	1,590,567

460 Water Budget Status

	Prior Years	2014 (Actual)	2015	Future Years	Total
*460 Funds Budgeted ()	(127,669)	(1,251,774)	(378,666)	0	(1,758,109)
460 Funds Needed	127,669	1,251,774	211,124	0	1,590,567
*460 Fund Project Contingency ()	0	0	(167,542)	0	(167,542)
460 Funds Required	0	0	0	0	0

* (#) in the Budget Status Sections indicates Money the City has available.



AGENDA BILL APPROVAL FORM

Agenda Subject:

Public Works Project No. CP1218

Date:

November 14, 2016

Department:

CD & PW

Attachments:

[Vicinity Map](#)

[CP1218 Budget Status Sheet](#)

Budget Impact:

\$0

Administrative Recommendation:

City Council grant permission to advertise for bids for Project No. CP1218, Auburn Way South Corridor Safety Improvements (Muckleshoot Plaza to Dogwood St SE).

Background Summary:

This project consists of improving access management, providing u-turns, upgrading transit stops and street lighting, widening to accommodate turn lanes and 10-foot wide sidewalks, installing ADA accessible pedestrian push buttons with audible countdown pedestrian signal heads, and upgrading traffic signals. See the attached project map for the exact intersections and specific improvements included in this project.

Advertising for construction bids is anticipated to begin in January 2017 with construction anticipated to begin in February 2017. Construction of the project is expected to last 12 months.

Unless bids are lower than expected, it is anticipated that a budget adjustment of \$850,800.00 from the 102 Arterial Street Fund and \$108,004.00 from the 460 Water Fund will be required to fund the project. The actual amount of this increase (if any) will be addressed in the award consent item brought to Council.

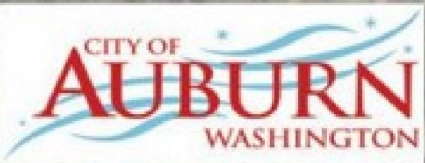
Reviewed by Council Committees:**Councilmember:****Staff:**

Snyder

Meeting Date: November 21, 2016

Item Number: CA.E

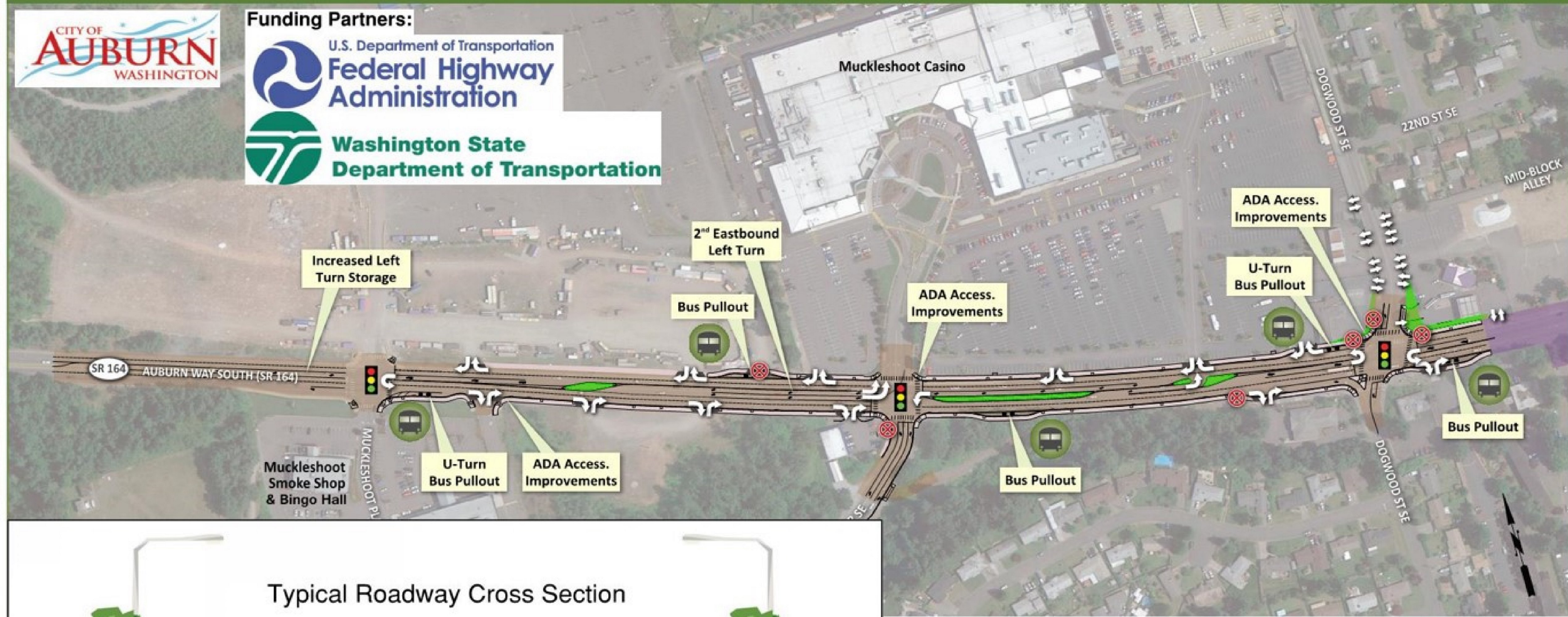
CP1218 Auburn Way South Corridor Safety Improvements
Muckleshoot Plaza to Dogwood Street SE



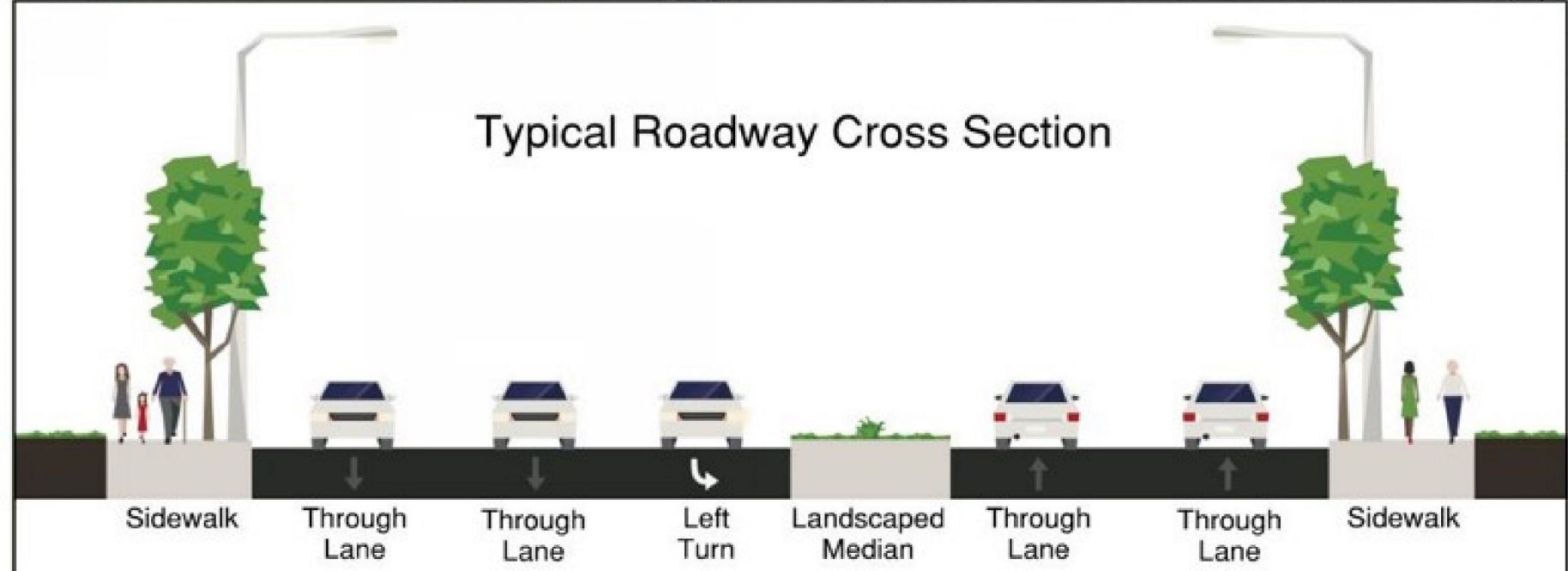
Funding Partners:

U.S. Department of Transportation
Federal Highway Administration

Washington State
Department of Transportation



Typical Roadway Cross Section



- LEGEND**
- Subject Project Limits
 - Previously Constructed Project
 - Bus Pullout
 - Full-Access Traffic Signal
 - Access to be Maintained/Added
 - Full Access Driveway
 - Existing Driveway to be Closed/Removed

BUDGET STATUS SHEET

Project No: CP1218	Project Title: Auburn Way South Corridor Safety Improvements (Muckleshoot Plaza to Dogwood St SE)
---------------------------	--

Project Manager: Matthew Larson

Date: November 16, 2016

Initiation Date: 09/17/12

Advertisement Date: _____

Award Date: _____

- ☐ Update

☒ Permission to Advertise

☐ Contract Award

☐ Change Order Approval

☐ Contract Final Acceptance

Funds Budgeted (Funds Available)

Funding	Prior Years	2015	2016	2017	Total
102 Fund - Federal Grant	98,554	262,087	1,972,467		2,333,108
102 Fund - WSDOT GCB 1913 (Federal Funds)*			440,000		440,000
102 Fund - Traffic Impact Fees			250,000		250,000
102 Fund - Unrestricted Street	2,684				2,684
460 Fund - Water			1,161,340		1,161,340
Total	101,238	262,087	3,823,807		4,187,132

*Anticipated

Estimated Cost (Funds Needed)

Activity	Prior Years	2015 (Actual)	2016	2017	Total
Design Engineering - City Costs (Streets)	23,379	33,773	15,000		72,152
Design Engineering - City Costs (Water)			30,000		30,000
Design Engineering - Consultant Costs (Streets)	77,859	228,314	142,905		449,078
Design Engineering - Consultant Costs (Water)			122,072		122,072
Design Engineering - SEPA Permit (Streets)			920		920
ROW - Consultant Costs (Streets)			10,000		10,000
ROW - City Costs (Streets)			18,500		18,500
ROW - Property Acquisitions (Streets)			65,000		65,000
Construction Estimate (Streets)				2,937,088	2,937,088
Construction Contingency (5%) (Streets)				146,854	146,854
Construction Estimate (Water incl. Sales Tax)				1,006,926	1,006,926
Construction Contingency (5%) (Water)				50,346	50,346
Construction Engineering - State Costs (Streets)				2,000	2,000
Construction Engineering - City Costs (Streets)				150,000	150,000
Construction Engineering - City Costs (Water)				50,000	50,000
Construction Engineering - Materials Testing (Streets)				25,000	25,000
Construction Engineering - Mt's Testing (Water)				10,000	10,000
Total	101,238	262,087	404,397	4,378,215	5,145,937

102 Arterial Street Budget Status

	Prior Years	2015 (Actual)	2016	2017	Total
*102 Funds Budgeted ()	(101,238)	(262,087)	(2,662,467)	0	(3,025,792)
102 Funds Needed	101,238	262,087	252,325	3,260,977	3,876,592
*102 Fund Project Contingency ()	0	0	(2,410,142)	0	0
102 Funds Required	0	0	0	3,260,977	850,800

460 Water Budget Status

	Prior Years	2015 (Actual)	2016	2017	Total
*460 Funds Budgeted ()	0	0	(1,161,340)	0	(1,161,340)
460 Funds Needed	0	0	152,072	1,117,272	1,269,344
*460 Fund Project Contingency ()	0	0	(1,009,268)	0	0
460 Funds Required	0	0	0	1,117,272	108,004

*(#) in the Budget Status Sections indicates Money the City has available.



AGENDA BILL APPROVAL FORM

Agenda Subject:

Public Works Project No. CP1412

Date:

November 10, 2016

Department:

CD & PW

Attachments:

[Pay Estimate](#)

[CP1412 Final Payment Budget Status Sheet](#)

Budget Impact:

\$0

Administrative Recommendation:

City Council approve Final Pay Estimate No. 13 to Contract No. 15-12 in the amount of \$31,193.69 and accept construction of Project No. CP1412, Auburn Community and Teen Center.

Background Summary:

This project constructed a community and teen center at the north end of the Les Gove Community Campus. The community and teen center provides approximately 21,000 square feet of building space to be used for educational, cultural, and social activities. Emphasis has been made on creating spaces that will attract teens and encourage cross-generational interactions with the existing neighboring Senior Center. The community and teen center was created by renovating the City's existing Parks, Recreation and Arts Administration Building (approximately 7,100 square feet) and adding approximately 13,700 square feet of new building space.

A project budget contingency of \$32,632.00 remains in the 328 Municipal Parks Construction, as indicated on the attached budget status sheet.

The final contract amount is within the budget and within the authorized contingency for the project.

Reviewed by Council Committees:**Councilmember:****Staff:**

Snyder

Meeting Date: November 21, 2016

Item Number: CA.F

CITY OF AUBURN
CP1412
PAY ESTIMATE #13 & FINAL

CO. NO. 15-12
Auburn Youth Center & Community Center
SCHEDULE A: Auburn Youth Center & Community Center

ITEM NO.	ITEM DESCRIPTION	ESTIMATE QUANTITY	TOTAL QUANTITY	PERIOD QUANTITY	UNIT TYPE	UNIT COST	TOTAL COST	PERIOD COST	PERCENT EST. QTY.
1	Auburn Youth Center & Community Center	1	1	0.0064864	LS	4,601,980.00	\$ 4,591,207.65	\$ 29,850.42	100%
2	Trench Safety	1	0		LS	900.00	\$ -	\$ -	0%
CO-1-1	Kitchen Equipment, Complete	1	1		LS	113,017.00	\$ 113,017.00	\$ -	100%
CO-1-2	Landscaping, Complete	1	1		LS	89,076.00	\$ 89,076.00	\$ -	100%
CO-1-3	Minor Changes	1	1.593142334		Eq. Adj.	150,000.00	\$ 238,971.35	\$ -	159%
CO-2-1	Additional Site Lighting, Complete	1	0.9892843		LS	93,321.00	\$ 92,321.00	\$ -	99%
CO-2-2	Credit for Data Deletion	1	1		LS	(5,969.00)	\$ (5,969.00)	\$ -	100%
CO-3-1	Additional Monies to Minor Changes	1	1		LS	100,000.00	\$ 100,000.00	\$ -	100%
CO-3-1	Schedule Recovery associated with PSE	1	1		LS	53,149.00	\$ 53,149.00	\$ -	100%
CO-4-1	Minor Changes	1	0.437138493		LS	103,340.25	\$ 45,174.00	\$ -	44%

SCHEDULE TOTAL \$ 29,850.42

Period Dates
Begin: Aug 21, 2016
End: Nov 21, 2016

CA.F

Page 30 of 186

CITY OF AUBURN
PROJECT SUMMARY

PAY ESTIMATE #13 & FINAL

	Original Contract Amount	Contract Change Orders	Total Payment	This Period	Percent/Contract
SCHEDULE A: Auburn Youth Center & Community Center					
Contract	\$ 4,602,880.00	\$ 694,934.25	\$ 5,316,947.00	\$ 29,850.42	100%
Sales Tax (+9.5%)	\$ 437,273.60	\$ 66,018.75	\$ 505,109.96	\$ 2,835.79	
Retainage (-5%)			\$ (265,847.35)	\$ (1,492.52)	
SCHEDULE TOTAL	\$ 5,040,153.60	\$ 760,953.00	\$ 5,556,209.61	\$ 31,193.69	

TOTAL CONTRACT AMOUNT TO DATE (including Sales Tax)	\$ 5,822,056.96		100%
TOTAL PAYMENT TO CONTRACTOR	\$ 5,556,209.61	\$ 31,193.69	
PAYMENT DUE CONTRACTOR:		\$ 31,193.69	

Period Dates
Begin: Aug 21, 2016
End: Nov 21, 2016

CITY OF AUBURN
CP1412

CO. NO. 15-12

PAY ESTIMATE # 13 & FINAL

CONTRACTOR:

Pease Construction, Inc.
PO Box 98496
Lakewood, WA 98496
Phone: 253-581-6606

The undersigned has reviewed and approved this final pay estimate. I agree that it is a true and correct statement showing all monies due me from the City of Auburn under this contract; that I have carefully examined the final pay estimate estimate and understand it and that I hereby release the City of Auburn from any and all claims of whatsoever nature which I may have, arising out of this contract, which are not set forth in this estimate.

PAYMENT DUE TO CONTRACTOR = \$ 31,193.69

Signatures:

Contractor



Date

11/9/16

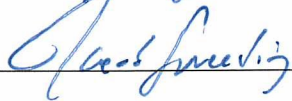
Project Manager



Date

11/9/16

Asst. City Engineer



Date

11/9/16

City Engineer

Date

BUDGET STATUS SHEET

Project No: CP1412	Project Title: Auburn Community and REC Center
---------------------------	---

Project Manager: Jacob Sweeting

Initiation Date: 10/6/14
 Advertisement Date: 6/9/15
 Award Date: 7/20/15

	Project Initiation
	Schematic Design
	Contract Award
	Change Order Approval
X	Contract Final Acceptance

Date: 11/14/16

The "Future Years" column indicates the projected amount to be requested in future budgets.

Funding	Previous Years (Actual)	2016	Future Years	Total
State Appropriation	2,208,319	691,681		2,900,000
328 fund	0	4,540,781		4,540,781
REET 1	492,670	1,016,549		1,509,219
Total	2,700,989	6,249,011		8,950,000

Activity	Previous Years (Actual)	2,016	Future Years	Total
Design - Consultant	843,700			843,700
Design - City	12,608			12,608
Permits and Fees	131,454	6,000		137,454
Construction Contract	1,491,989	3,548,165		5,040,154
Change Orders 1,2,3 and 4	0	760,952		760,952
Line Item Adjustment	0	20,951		20,951
Construction Management - Consultant	172,592	347,084		519,676
Construction Management - City	11,251	30,000		41,251
Other Construction Costs (Furniture, Equipment, Signage)	37,395	648,227		685,622
H Street SE Extension Project (Off-Site Improvements)		855,000		855,000
Total	2,700,989	6,216,379		8,917,368

* Change order utilized authorized contingency funds

** Change order approved by Council, did not utilize authorized contingency funds

328 Municipal Parks Construction Fund Budget Status

	Previous Years (Actual)	2,016	Future Years	Total
*Parks Funds Budgeted ()	(2,700,989)	(6,249,011)	0	(8,950,000)
Parks Funds Needed	2,700,989	6,216,379	0	8,917,368
*Parks Funds Project Contingency ()	(0)	(32,632)	0	(32,632)
Parks Funds Required	0	0	0	0

* (#) in the Budget Status Sections indicates Money the City has available.



AGENDA BILL APPROVAL FORM

Agenda Subject:

Ordinance No. 6619

Date:

October 6, 2016

Department:

CD & PW

Attachments:

[Ordinance No. 6619](#)

Budget Impact:

\$0

Administrative Recommendation:

City Council introduce and adopt Ordinance No. 6619.

Background Summary:

Per Auburn City Code Chapter 20.06.010, a franchise shall be required of any commercial utility operator who desires to occupy public ways of the City and to provide commercial utility services to any person or area of the City.

During review of facilities located in City right-of-way the City determined that Northwest Pipeline LLC is required to obtain a Franchise Agreement per Auburn City Code Chapter 20.06.010. NWP has applied for a Franchise Agreement for a term of ten (10) years to continue to operate within the City's rights of way natural gas transmission and distribution pipeline within the City of Auburn.

NWP's existing facilities currently only serve Enumclaw Natural Gas located in south Auburn off of Auburn Way South in the Academy Drive neighborhood. NWP currently has no plans to expand services as the rest of Auburn is currently served by PSE. Any construction, maintenance, improvement or change to NWP's facilities is managed through the City's permitting processes as a requirement of the Franchise Agreement. Safety of NWP's facilities is regulated and inspected through the Washington Utilities and Transportation Commission.

A staff presentation was given at the October 24th Study Session discussing Draft Ordinance No 6619. A Public Hearing to consider this application and hear public comment was held before the City Council on November 11, 2016 in accordance with Auburn City Code Chapter 20.06.030.

Ordinance No. 6619, if adopted by City Council, approves Franchise Agreement No. 16-54 subject to terms and conditions outlined in the Ordinance.

Reviewed by Council Committees:

Councilmember:

Staff: Snyder

Meeting Date: November 21, 2016

Item Number: ORD.A

ORDINANCE NO. 6 6 1 9

**AN ORDINANCE OF THE CITY COUNCIL OF THE
CITY OF AUBURN, WASHINGTON, GRANTING TO
NORTHWEST PIPELINE LLC, A DELAWARE LLC, A
FRANCHISE FOR GAS**

WHEREAS, Northwest Pipeline LLC ("Grantee") has applied to the City of Auburn ("City") for a non-exclusive Franchise for the right of entry, use, and occupation of certain public right(s)-of-way within the City, expressly to install, construct, erect, operate, maintain, repair, relocate and remove its facilities in, on, over, under, along and/or across those right(s)-of-way; and

WHEREAS, following proper notice, the City Council held a public hearing on Grantee's request for a Franchise, at which time representatives of Grantee and interested citizens were heard in a full public proceeding affording opportunity for comment by any and all persons desiring to be heard; and

WHEREAS, from information presented at such public hearing, and from facts and circumstances developed or discovered through independent study and investigation, the City Council now deems it appropriate and in the best interest of the City and its inhabitants that the franchise be granted to Grantee.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN WASHINGTON, DO ORDAIN as follows:

Section 1. Grant of Right to Use Franchise Area

A. Subject to the terms and conditions stated herein, the City grants to the Grantee general permission to enter, use, and occupy the right(s)-of-way and/or other public property specified in Exhibit "A", attached hereto and incorporated by reference (the "Franchise Area").

B. The Grantee is authorized to install, remove, construct, erect, operate, maintain, relocate and repair the types of facilities specified in Exhibit "B", attached hereto and incorporated by reference, and all necessary appurtenances thereto, ("Grantee Facilities") for provision of those services set forth in Exhibit "C" ("Grantee Services") in, along, under and across the Franchise Area.

Ordinance No. 6619
Franchise Agreement No. 16-54
August 29, 2016
Page 1 of 30

C. This Franchise does not authorize the use of the Franchise Area for any facilities or services other than Grantee Facilities and Grantee Services, and it extends no rights or privilege relative to any facilities or services of any type, including Grantee Facilities and Grantee Services, on public or private property elsewhere within the City. This Franchise is intended to convey only a limited right and interest and is not a warranty of title or interest in the City's right-of ways. The Agreement does not convey any right to Grantee to install Grantee Facilities on or to otherwise impact, city-owned or leased properties, easements, or rights-of way outside the ones identified in Exhibit A.

D. This Franchise shall be nonexclusive, and subject to all prior rights, interests, easements or licenses granted by the City or its predecessors to use any property, Right-of-Way, easement, right, interest or license for any purpose whatsoever, including the right of the City to use same for any purpose it deems fit, including the same or similar uses allowed the Grantee hereunder. The City may at any time grant authorization to use the Right-of-Way for any purpose not incompatible with the Grantee's authority under this Agreement and for such additional franchises as the City deems appropriate.

E. Except as explicitly set forth herein, this Franchise does not waive any rights that the City has or may hereafter acquire with respect to the Franchise Area or any other City roads, rights-of-way, property, or any portions thereof. This Franchise shall be subject to the power of eminent domain, and in any proceeding under eminent domain, the Grantee acknowledges its use of the Franchise Area shall have no value.

F. The City reserves the right to change, regrade, relocate, abandon, or vacate any right-of-way within the Franchise Area. If, at any time during the term of this Franchise, the City vacates any portion of the Franchise Area containing Grantee Facilities, the City shall reserve an easement for public utilities within that vacated portion, pursuant to RCW 35.79.030, within which the Grantee may continue to operate any existing Grantee Facilities under the terms of this Franchise for the remaining period set forth under Section 3.

G. The Grantee agrees that its use of Franchise Area shall at all times be subordinated to and subject to the City and the public's need for municipal infrastructure, travel, and access to the Franchise Area, except as may be otherwise required by law.

H. This Franchise is subject to the provisions of Auburn City Code ("ACC"), including specifically ACC Chapter 20.10, "CONDITIONS OF PUBLIC WAY AGREEMENTS, FRANCHISES, AND FACILITIES LEASES", and all federal and state laws, codes and regulations as currently exist or as amended. However, if the provisions of city code, as amended or superseded, conflict with any terms and conditions of this agreement, the provisions of this agreement shall govern. A conflict does not exist where this agreement is silent about a condition or matter addressed by city code.

Section 2. Notice

A. Whenever this Franchise calls for notice to or notification by any party, the same (unless otherwise specifically provided) shall be in writing and directed by certified mail to the recipient at the address set forth in this Section. If the date for making any payment, notice, or performing any act is a legal holiday, payment or notice may be made or the act performed on the next succeeding business day which is not a legal holiday.

City: Engineering Aide,
Community Development and Public Works Department
City of Auburn
25 West Main Street
Auburn, WA 98001-4998
Telephone: (253) 931-3010; Fax: (253) 931-3048

with a copy to: City Clerk
City of Auburn
25 West Main Street
Auburn, WA 98001-4998

Grantee: Land Department
Northwest Pipeline LLC
P.O. Box 58900
Salt Lake City, UT 84158
Telephone: (800) 453-3810

B. Any changes to the above-stated Grantee information shall be sent to the City's Engineering Aide, Community Development and Public Works Department, with copies to the City Clerk, referencing the title of this agreement.

C. The above-stated Grantee voice and fax telephone numbers shall be staffed at least during normal business hours, Pacific time zone.

Section 3. Term of Agreement

A. This Franchise shall run for a period of 10 (ten) years, from the date of execution specified in Section 5.

B. **Renewal Option of Term:** The Grantee may renew this Franchise for an additional ten (10) year period upon submission and approval of the application specified under ACC 20.06.130, as it now exists or is amended, within the timeframe set forth therein (currently between 180 and 240 days prior to expiration of the then-current term). Any materials submitted by the Grantee for a previous application may be considered by the City in reviewing a current application, and the Grantee shall submit those materials that differ from the previous materials or as deemed necessary by the City to address changes in the Grantee Facilities or Grantee Services, or to reflect specific reporting periods mandated by the ACC.

C. **Failure to Renew Franchise – Automatic Extension.** If the Parties fail to formally renew this Franchise prior to the expiration of its term or any extension thereof, the Franchise automatically continues month to month until renewed or either party gives written notice at least one hundred and eighty (180) days in advance of intent not to renew the Franchise.

Section 4. Definitions

For the purpose of this agreement:

"ACC" means the Auburn City Code.

"Emergency" means a condition of imminent danger to the health, safety and welfare of persons or property located within the City including, without limitation, damage to persons or property from natural consequences, such as storms, earthquakes, riots, acts of terrorism or wars.

Ordinance No. 6619
Franchise Agreement No. 16-54
August 29, 2016
Page 4 of 30

"Maintenance or Maintain" shall mean examining, testing, inspecting, repairing, maintaining and replacing the existing Grantee Facilities or any part thereof as required and necessary for safe operation.

"Relocation" means permanent movement of Grantee facilities required by the City, and not temporary or incidental movement of such facilities, or other revisions Grantee would accomplish and charge to third parties without regard to municipal request.

"Rights-of-Way" means the surface and the space above and below streets, roadways, highways, avenues, courts, lanes, alleys, sidewalks, easements, rights-of-ways and similar public properties and areas.

"Grantee Facilities" means, collectively, any and all natural gas systems owned or operated by Grantee, including but not limited to gas pipes, pipelines, mains, laterals, conduits, feeders, regulators, valves, meters meter-reading devise, fixtures, communication systems, and any and all other equipment appliances, attachments, appurtenances and other items necessary, convenient, or in any way appertaining to any and all of the foregoing for the purpose of transmission of natural gas, whether the same be located over or under ground.

"Hazardous Substance" shall specifically include, but shall not be limited to, petroleum and petroleum products and their by-products, residue, and remainder in whatever form or state.

"Operate" or "Operations" shall mean the operation, use, and maintenance of Grantee Facilities, pursuant to the terms of this Agreement.

"Party" or "Parties" means collectively the City and Grantee, and individually either the City or Grantee.

"Public Works Project" means, any City capital improvement or the construction, relocation, expansion, repair, maintenance, or removal of any part of the Public Way or City-owned facilities located on or in the Public Way for: parks; streets; sidewalks; curbs; pedestrian and/or vehicle traffic; sewers, storm water drains; water facilities, and; City owned fiber optic cable, conduit or network facilities.

"Third Party" means any person, party, or entity other than the City and Grantee.

"FERC" means the Federal Energy Regulatory Commission, or such other successor regulatory agency having jurisdiction over interstate pipeline companies.

Section 5. Acceptance of Franchise

A. This Franchise, and any rights granted hereunder, shall not become effective for any purpose unless and until Grantee files with the City Clerk (1) the Statement of Acceptance, attached hereto as Exhibit "D," and incorporated by reference, (2) all verifications of insurance coverage specified under Section 17, (3) the financial guarantees specified in Section 18 and (4) payment of any outstanding application fees per the City fee schedule. These four items shall collectively be the "Franchise Acceptance". The date that such Franchise Acceptance is filed with the City Clerk shall be the effective date of this Franchise.

B. Should the Grantee fail to file the Franchise Acceptance with the City Clerk within thirty (30) days after the effective date of the ordinance approving the Franchise Agreement, the City's grant of the Franchise will be null and void.

Section 6. Construction and Maintenance

A. The Grantee shall apply for, obtain, and comply with the terms of all permits required under ACC Chapter 12.24 for any work done upon Grantee Facilities. Grantee shall comply with all applicable City, State, and Federal codes, rules, regulations, and orders, as they now exist or as may be hereafter amended or superseded, in undertaking such work, which shall be done in a thorough and proficient manner.

Grantee's work within the Public Way which directly affects Grantee's construction, operation, and maintenance of Grantee Facilities shall be performed in accordance with Federal law and regulation.

B. Grantee agrees to coordinate its activities with the City and all other utilities located within the public right-of-way within which Grantee is undertaking its activity. Such efforts shall include, at a minimum, reasonable and diligent efforts to keep the other party and other utilities within the Public Way informed of its intent to undertake such construction work.

C. In addition to complying with ACC 20.10.80, as hereafter amended or superseded, Grantee Facilities shall be located and maintained within the Right-

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of-way so as not to interfere with the reasonable ingress or egress to the properties abutting the right-of-ways as they exist at the time of installation of the Grantee Facilities. The City expressly reserves the right to prescribe how and where Grantee Facilities shall be installed within the public right-of-way and may from time to time, pursuant to the applicable sections of this Franchise, require at the expense of the Grantee, the removal, relocation and/or replacement thereof, subject to any approval or modification of the City's requested removal, relocation or replacement by the FERC pursuant to 18C.F.R.157.

D. Grantee shall continuously be a member of the State of Washington One Number Locator service under RCW 19.122, or an approved equivalent as determined by the City, and shall comply with all such applicable rules and regulations. Before commencing any work within the public right-of-way, the Grantee shall comply with the One Number Locator provisions of RCW Chapter 19.122 to identify existing utility infrastructure.

E. Tree Trimming. Upon prior written approval of the City and in accordance with City ordinances, Grantee shall have the authority to reasonably trim trees upon and overhanging streets, public rights-of-way, and places in the Franchise Area so as to prevent the branches of such trees from coming in physical contact with the Grantee Facilities. Grantee shall be responsible for debris removal from such activities. If such debris is not removed within twenty-four (24) hours of completion of the trimming, the City may, at its sole discretion, remove such debris and charge Grantee for the cost thereof. This section does not, in any instance, grant automatic authority to clear vegetation for purposes of providing a clear path for radio signals. Any such general vegetation clearing will require a land clearing permit.

H. Markers demarcating the pipeline's location shall be placed on the surface at least every 100 yards so as to provide clear warning of the presence of the pipeline but in a manner that does not interfere with trails or other public uses in that area. Additionally, Grantee shall place continuous underground markers demarcating the pipeline's location each time Grantee digs to the pipeline for any reason.

Section 7. Repair and Emergency Work

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In the event of an emergency, the Grantee may commence such repair and emergency response work as required under the circumstances, provided that the Grantee shall notify the City telephonically during normal business hours (at 253.931.3010 and during non-business hours at 253-876-1985 as promptly as possible before such repair or emergency work commences, and in writing as soon thereafter as possible. Such notification shall include the Grantee's emergency contact phone number for the corresponding response activity. For any emergency or after normal business hour issues involving the Grantee's facilities which requires the Grantee's immediate response the City shall contact the Grantee at 801-584-6949, which is operated 24 hours a day, seven days a week. If, in the opinion of the City Director of Community Development & Public Works, the City Engineer, or the Mayor, an emergency presents a serious and immediate danger to the public health, safety and welfare, they, separately or together, may take reasonable immediate action to mitigate the damage. All costs associated with such actions will be the sole responsibility of the Grantee, and the Grantee shall reimburse the City for such costs within thirty (30) days after receipt of an itemized bill. Grantee will not be held liable for damages as a result of the City's repair and emergency work that arise out of the negligent acts or willful misconduct of the City, its successors, assigns, permittee, agents or contractors.

Section 8. Damages to City and Third-Party Property

A. Grantee agrees that if any of its actions under this Franchise impairs or damages any City property, survey monument, or property owned by a third-party, Grantee will restore, at its own cost and expense, said property to a safe condition. Such repair work shall be performed and completed to the satisfaction of the City Engineer.

B. The City may at any time perform or have performed any and all work that it considers necessary to restore to a safe condition any area within the Public Way disturbed by Grantee in the performance of this Agreement. Grantee shall pay all reasonable costs of such work upon demand of the City.

C. All survey monuments which are disturbed or displaced by Grantee in its performance of any work under this Agreement shall be referenced and restored by Grantee, as per WAC 332-120, as from time to time amended, and all pertinent federal, state, and local standards and specifications.

Section 9. Location Preference

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A. Any structure, equipment, appurtenance or tangible property of a utility, other than the Grantee's, which was installed, constructed, completed or in place prior to the execution of this Franchise shall have preference as to positioning and location with respect to any new or relocated Grantee Facilities. However, to the extent that the Grantee Facilities are completed and installed prior to another private utility's submittal of a permit for new or additional structures, equipment, appurtenances or tangible property, then the Grantee Facilities shall have priority. These rules governing preference shall continue in the event of the necessity of relocating or changing the grade of any City road or right-of-way. A relocating utility shall not necessitate the relocation of another utility that otherwise would not require relocation. This Section shall not apply to any City facilities or utilities that may in the future require the relocation of Grantee Facilities. Such relocations shall be governed by Section 11.

B. When constructing new facilities, or replacing or reconstructing facilities, Grantee shall maintain a minimum underground horizontal separation of ten (10) feet from City water and five (5) feet from City sanitary sewer and storm sewer facilities; provided, that for development of new areas, the City, in consultation with Grantee and other utility purveyors or authorized users of the Public Way, will develop and follow the City's determination of guidelines and procedures for determining specific utility locations, subject additionally to this agreement .

Section 10. Grantee Information

A. To the extent City agrees to take the protective steps described in Section 10(C) Grantee agrees to supply, at no cost to the City, any information reasonably requested by the City Engineer to coordinate municipal functions with Grantee's activities and fulfill any municipal obligations under state law. Said information shall include, at a minimum, as-built drawings of Grantee Facilities, and maps and plans showing the general location of existing or planned facilities within the City. Said information may be requested either in hard copy or electronic format, reasonably compatible with the City's data base system, as now or hereinafter existing, including the City's geographic information Service (GIS) data base. If said electronic format is not compatible then Grantee will supply hard copies to scale and size requested by the City. Grantee shall keep the City Engineer informed of its long-range plans for coordination with the City's long-range plans.

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B. Upon the City's reasonable request, in connection with the design of any Public Works Project, Grantee shall verify the location of its underground Facilities within the Public Way by excavating (e.g., potholing) at no expense to the City. In the event Grantee performs such excavation, the City shall not require any restoration of the disturbed area in excess of restoration to the same condition as existed immediately prior to the excavation.

C. The parties understand that Washington law limits the ability of the City to shield from public disclosure any information given to the City. Grantee shall clearly mark any information that it provides to the City as "Proprietary" information if Grantee believes that disclosure of that information would be exempt under the trade secrets exemption in RCW 42.56.270. The City agrees that if it receives a request for Grantee's proprietary information, it will initially assert the exemption under 42.56.270, and will notify Grantee of the request.

The City shall not initiate legal action to prevent disclosure of Grantee's proprietary information. If a requestor files a lawsuit to compel disclosure, Grantee agrees to defend the action at Grantee's sole expense. Grantee shall indemnify and hold harmless the City for any loss or liability for fines, penalties, and costs (including attorney fees) imposed on the City because of non-disclosures requested by Grantee under Washington's open public records act, provided the City has notified Grantee of the pending request or Grantee is made aware of the request or claim.

Section 11. Relocation of Grantee Facilities

A. Except as otherwise required by law, Grantee agrees to relocate, remove, or reroute its facilities within one hundred eighty (180) days, and the terms of its FERC Certificate, of being ordered by the City Engineer at no expense or liability to the City, except as may be required by RCW Chapter 35.99. Such alternate location for relocation of Grantee's facilities shall be determined and approved jointly by the City and Grantee at no cost to the City. Pursuant to the provisions of Section 16, Grantee agrees to protect and save harmless the City from any customer or third-party claims for service interruption or other losses in connection with any such change, relocation, abandonment, or vacation of the Public Way.

B. If a readjustment or relocation of the Grantee Facilities is necessitated by a request from a party other than the City, that party shall pay the Grantee the actual costs thereof. Any contractor doing work pursuant to contract with the City shall not be considered a Third Party for purposes of this section.

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C. Any condition or requirement imposed by the City upon any Third Party (including, but not limited to, any condition or requirement imposed pursuant to any contract or in conjunction with approvals or permits obtained pursuant to any zoning, land use, construction or other development regulation) which requires the relocation of Grantee's Facilities within the Rights-of-Way shall be a condition or requirement causing relocation of Grantee's Facilities to occur subject to the provisions of Subsection B above; provided, however in the event the City reasonably determines and notifies Grantee that the primary purpose of imposing such condition or requirement upon such Third party is to cause or facilitate the construction of a Public Works Project to be undertaken within a segment of the Right-of-Ways on the City's behalf and consistent with the City's Capital Facility Plan or Transportation Improvement Program, then Grantee shall relocate its Facilities within such segment of the Rights-of-Way in accordance with this Agreement.

D. As to any relocation of Grantee's Facilities whereby the cost and expense thereof is to be borne by Grantee in accordance with this Section 11, Grantee may, after receipt of written notice requesting such relocation, submit in writing to the City alternatives to relocation of its Facilities. Upon the City's receipt from Grantee of such written alternatives, the City shall evaluate such alternatives and shall advise Grantee in writing if one or more of such alternatives are suitable to accommodate the work which would otherwise necessitate relocation of Grantee's Facilities. In evaluating such alternatives, the City shall give each alternative proposed by Grantee full and fair consideration with due regard to all facts and circumstances which bear upon the practicality of relocation and alternatives to relocation. In the event the City determines that such alternatives are not appropriate, Grantee shall relocate its Facilities as otherwise provided in this Agreement.

E. Nothing in this Section 11 shall require Grantee to bear any cost or expense in connection with the relocation of any Facilities under benefit of easement independent of this Agreement or other rights not arising under this Agreement, nor shall anything in this Section 11 require the City to bear any such cost or expense. Nothing in this Section 11 shall be construed to be a waiver of any right of either Grantee or the City to contest any claim or assertion by the other of responsibility to pay such cost or expense.

F. Subject to ACC 20.10.160, in the event of an emergency posing a threat to public safety or welfare requires the relocation of Grantee's Facilities

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within the Rights-of-Way, the City shall give Grantee notice of the emergency as soon as reasonably practicable. Upon receipt of such notice from the City (and subject to the issuance of any necessary order(s) of the Federal Energy Regulatory Commission), Grantee shall endeavor to respond as soon as reasonably practicable to relocate the affected Facilities.

Section 12. Abandonment and or Removal of Grantee Facilities

A. Subject to ACC 20.10.130, within one hundred and eighty days (180) of Grantee's permanent cessation of use of the Grantee Facilities, or any portion thereof, the Grantee shall (subject to any necessary approval(s) and/or order(s) to be provided by FERC concerning abandonment), at the City's discretion, either abandon in place or remove the affected facilities. Grantee will remove the facilities if the City deems removal reasonably necessary. Abandonment or removal shall be at the sole cost and expense of Grantee. Any Facilities left in place shall be made inert by purging all natural gas from such Facilities (including displacement of natural gas with an appropriate inert gas) and disconnecting and sealing such Facilities, all in compliance with applicable regulations and industry standards. The City's consent shall not relieve Grantee of the obligation and/or costs to subsequently remove or alter such Facilities in the event the City reasonably determines that such removal or alteration is necessary or advisable for the health and safety of the public, in which case Grantee shall perform such work at no cost to the City. The obligations contained in this Section shall survive the expiration, revocation, or termination of this Agreement.

Section 13. Encroachment Management

Grantee shall manage and inspect encroachments as defined by federal and applicable state and local laws, rules, regulations and industry standards, as now enacted or hereinafter amended, and any other future laws or regulations that are applicable to Grantee, the Facilities, and business operations. Upon notification to Grantee of planned construction by another within ten (10) feet of Grantee's pipeline, Grantee shall flag the precise location of its Facilities before the construction commences, provide a representative to inspect the construction when it commences, and periodically inspect thereafter to ensure that Grantee's pipeline is not damaged by the construction.

Section 14. Emergency Management, Leaks, Ruptures, and Emergency Response.

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A. Upon the request of the City, Grantee shall meet with the Valley Regional Fire Authority, the Auburn Police Department, and the City's Emergency Management Office to coordinate emergency management operations at the request of the City, Grantee personnel shall actively participate with the Valley Regional Fire Authority and the City in emergency preparedness drills or planning sessions.

B. Grantee shall have in place, at all times during the term of this Agreement, a system for remotely monitoring pressures and flows across the Public Way.

C. During the term of this Agreement, Grantee shall have a written emergency response plan and procedure for locating leaks and ruptures and for shutting down valves as rapidly as possible.

D. Upon acceptance of this Agreement, Grantee shall provide, for the City's review, a copy of its emergency response plans and procedures, including, but not limited to, emergency rupture response. If the parties disagree as to the adequacy of Grantee's emergency response plan, the parties will submit the plan to independent, third party review. If the review recommends that Grantee make modifications or additions to Grantee's emergency response plan, Grantee covenants to consider said recommendations in good faith. If Grantee declines to follow the recommendations, Grantee shall provide a written report to the City explaining its reasoning for not following said recommendations. The parties agree to comply with the dispute resolution provisions contained herein to resolve any dispute over whether to follow the recommendations. Upon completion of the review of Grantee's emergency plans and procedures set forth in this section, Grantee shall provide a copy of the plans and procedures to the City and to the Valley Regional Fire Authority.

E. Grantee's emergency plans and procedures shall designate Grantee's responsible local emergency response officials and a direct twenty four (24) hour emergency contact number for the control center operator. Grantee shall, after being notified of an emergency, cooperate with the City and make every effort to respond as soon as possible to protect the public's health, safety and welfare.

F. Grantee shall be solely responsible for all its necessary costs incurred in responding to any leak, rupture or other release of natural gas from Grantee's Facilities, including, but not limited to, detection and removal of any contaminants from air, earth or water, and all remediation costs.

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G. If requested by the City in writing, Grantee shall provide a written summary concerning any leak or rupture within thirty (30) days concluding Grantee's prompt investigation, including, but not limited to, the leak or rupture's date, time, amount, location, response, remediation and other agencies Grantee has notified.

H. The City may request that any substantial leak or rupture be investigated by the WUTC or PHSMA. Grantee shall be solely responsible for paying all of the costs and expenses incurred in investigating the occurrence and reporting the findings. Grantee shall meet and confer with the WUTC or PHSMA following their investigation to address whether any modifications or additions to Grantee's pipeline(s) and/or Facilities may be warranted.

I. If the WUTC or PHMAS recommends that Grantee make modifications or additions to Grantee's pipeline(s) and/or Facilities, Grantee covenants to consider said recommendations in good faith. If Grantee declines to follow the WUTC or PHMAS's recommendations, Grantee shall provide a written report to the City explaining its reasoning for not following said recommendations. The parties agree to comply with the dispute resolution provisions contained herein to resolve any dispute over whether to follow the consultant's recommendations.

Section 15. Maintenance, Inspection, and Testing.

Grantee shall remain solely and separately liable for the operation, testing, maintenance, replacement and/or repair of the pipeline or other activities permitted under this Agreement. Grantee shall operate, maintain, inspect, and test the Facilities in full compliance with all applicable federal, state, and local laws, rules, regulations, and industry standards, as now enacted or hereinafter amended, and any other future laws or regulations that are applicable to Grantee, the Facilities, and business operations.

Section 16. Indemnification and Hold Harmless

A. The Grantee shall defend, indemnify, and hold the City and its officers, officials, agents, employees, and volunteers harmless from any and all costs, claims, injuries, damages, losses, suits, or liabilities of any nature including attorneys' fees arising out of or in connection with the Grantee's performance under this Franchise, except to the extent such costs, claims, injuries, damages,

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losses, suits, or liabilities are caused by the sole negligence or wrongful misconduct of the City.

B. The Grantee shall hold the City harmless from any liability arising out of or in connection with any damage or loss to the Grantee Facilities caused by maintenance and/or construction work performed by, or on behalf of, the City within the Franchise Area or any other City road, right-of-way, or other property, except to the extent any such damage or loss is directly caused by the sole negligence or wrongful misconduct of the City, or its agent performing such work.

C. The Grantee acknowledges that neither the City nor any other public agency with responsibility for firefighting, emergency rescue, public safety or similar duties within the City has the capability to provide trench, close trench or confined space rescue. The Grantee, and its agents, assigns, successors, or contractors, shall make such arrangements as Grantee deems fit for the provision of such services. The Grantee shall hold the City harmless from any liability arising out of or in connection with any damage or loss to the Grantee for the City's failure or inability to provide such services, and, pursuant to the terms of Section 14(A), the Grantee shall indemnify the City against any and all third-party costs, claims, injuries, damages, losses, suits, or liabilities caused by the City's failure or inability to provide such services.

D. Acceptance or inspection by the City of any work performed by the Grantee shall not be grounds for avoidance of this section.

E. In addition to the promise of indemnification required by ACC 20.10.230, Grantee shall indemnify, defend and hold the City, its appointed and elective officials, agents, officers, employees, and volunteers harmless from and against any and all claims, demands, liability, loss, cost, damage or expense of any nature whatsoever including all costs and attorney's fees, made against the City on account of violation of any environmental laws applicable to the Grantee Facilities, or from any release of natural gas or Hazardous Substances on or from the Grantee Facilities. This indemnity includes, but is not limited to: (a) liability for a governmental agency's costs of removal or remedial action for hazardous substances; (b) damages to natural resources caused by hazardous substances, including the reasonable costs of assessing such damages; (c) liability for any other person's costs of responding to hazardous substances; and (d) liability for any costs of investigation, abatement, correction, cleanup, fines, penalties, or other damages arising under any environmental laws.

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F. The Grantee, further agrees to indemnify, hold harmless and defend the City against any claims for damages, including, but not limited to, business interruption damages and lost profits, brought by or under users of the Grantee's facilities as the result of any interruption of service due to damage or destruction of the Grantee's facilities caused by or arising out of activities conducted by the City, its officers, agents, employees, or contractors, except to the extent any such damage or destruction is caused by or arises from the sole negligence or any willful or malicious actions on the part of the City, its officers, agents, employees, or contractors.

G. Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Grantee and the City, its officers, officials, employees, and volunteers, the Grantee's liability hereunder shall be only to the extent of the Grantee's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Grantee's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

Section 17. Insurance

A. The Grantee shall maintain or cause to be maintained for the duration of this Franchise, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Grantee, its agents, representatives, or employees in the amounts and types set forth below. The required Commercial General Liability limit can be met under a combination of primary and excess liability policies:

1. Automobile Liability insurance covering all owned, non-owned, hired, and leased vehicles with a minimum combined single limit for bodily injury and property damage of \$2,000,000.00 (two million dollars) per accident. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.

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2. Commercial General Liability insurance with limits no less than \$100,000,000.00 (one hundred million dollars) each occurrence, \$100,000,000.00 (one hundred million dollars) general aggregate and a \$100,000,000.00 (one hundred million dollars) products-completed operations aggregate limit. Coverage shall be written on ISO occurrence form CG 00 01, or an equivalent occurrence based form, or on a claims made form with tail coverage of three years and a retroactive date to cover the services provided pursuant to this agreement and shall cover liability arising from premises, operations, independent contractors, products-completed operations, stop gap liability, and personal injury and advertising injury and liability assumed under an insured contract. There shall be no endorsement or modification of the Commercial General Liability insurance for liability arising from explosion, collapse, or underground property damage. The City shall be named as an additional insured under the Grantee's Commercial General Liability insurance policy with respect to the work performed under this Franchise using ISO Additional Insured Endorsement CG 20 10 and Additional Insured-Completed Operations endorsement CG 20 37 or substitute endorsements providing similar coverage.

3. The Grantee's general liability coverage, proof of which is provided by Grantee to the satisfaction of the City, shall evidence sudden and accidental pollution limit of \$10,000,000.00.

4. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

B. The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability and Commercial General Liability insurance:

1. The Grantee's insurance coverage shall be primary insurance as respects the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be in excess of the Grantee's insurance and shall not contribute with it.

2. The Grantee's insurance (with the exception of Workers' Compensation) shall be endorsed to provide the City thirty (30) days' prior written notice of cancellation.

C. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

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D. **Verification of Coverage.** Grantee shall furnish the City with documentation of insurer's A.M. Best rating and with original certificates and a copy of amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Consultant before commencement of the work.

E. Grantee shall have the right to self-insure any or all of the above-required insurance. Any such self-insurance is subject to approval by the City.

F. Grantee's maintenance of insurance as required by this Franchise shall not be construed to limit the liability of Grantee to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy to which the City is otherwise entitled at law or in equity.

Section 18. Performance Security

The Grantee shall provide the City with a financial guarantee in the amount of Fifty Thousand Dollars (\$50,000.00) running for, or which shall annually automatically renew over, the term of this Franchise, in a form and substance acceptable to the City. In the event Grantee shall fail to substantially comply with any one or more of the provisions of this Franchise, then there shall be recovered jointly and severally from the principal and any surety of such financial guarantee any damages suffered by City as a result thereof, including but not limited to staff time, material and equipment costs, compensation or indemnification of third parties, and the cost of removal or abandonment of facilities hereinabove described. Grantee specifically agrees that its failure to comply with the terms of Section 22 (Enforcement & Remedies) shall constitute damage to the City in the monetary amount set forth therein. Such a financial guarantee shall not be construed to limit the Grantee's liability to the guarantee amount, or otherwise limit the City's recourse to any remedy to which the City is otherwise entitled at law or in equity.

Section 19. Relationship of the Parties

A. Nothing in this Agreement shall be construed to create or confer any right or remedy upon any person(s) other than the City and Grantee. No action may be commenced or prosecuted against any Party by any Third Party claiming as a Third Party beneficiary of this Agreement. This Agreement shall not release or discharge any obligation or liability of any Third Party to either Party.

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B. Nothing contained in this Agreement shall be construed to create an association, trust, partnership, agency relationship, or joint venture or to impose a trust, partnership, or agency duty, obligation or liability on or with regard to any party. Each party shall be individually and severally liable for its own duties, obligations, and liabilities under this Agreement.

C. Grantee accepts any privileges granted by the City in an "as is" condition. Grantee agrees that the City has never made any representations, implied or express warranties or guarantees as to the suitability, security or safety of Grantee's location of facilities or the facilities themselves in public property or rights of way or possible hazards or dangers arising from other uses of the public rights of way or other public property by the City or the general public. Grantee shall remain solely and separately liable for the function, testing, maintenance, replacement and repair of the pipeline or other activities permitted under this Agreement.

D. Except as specifically provided herein, this Agreement shall not create any duty of the City or any of its officials, employees or agents and no liability shall arise from any action or failure to act by the City or any of its officials, employees or agents in the exercise of powers reserved to the City. Further, this Agreement is not intended to acknowledge, create, imply or expand any duty or liability of the City with respect to any function in the exercise of its police power or for any other purpose. Any duty that may be deemed to be created in the City shall be deemed a duty to the general public and not to any specific party, group or entity.

Section 20. Successors and Assignees

A. All the provisions, conditions, regulations and requirements herein contained shall be binding upon the successors, assigns of, and independent contractors of the Grantee, and all rights and privileges, as well as all obligations and liabilities of the Grantee shall inure to its successors, assignees and contractors equally as if they were specifically mentioned herein wherever the Grantee is mentioned.

B. This Franchise shall not be leased, assigned or otherwise alienated without the express prior consent of the City by ordinance.

C. Grantee and any proposed assignee or transferee shall provide and certify the following to the City not less than sixty (60) days prior to the proposed

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date of transfer: (a) Complete information setting forth the nature, term and conditions of the proposed assignment or transfer; (b) All information required by the City of an applicant for a Franchise with respect to the proposed assignee or transferee; and, (c) An application fee which shall be set by the City, plus any other costs actually and reasonably incurred by the City in processing, and investigating the proposed assignment or transfer.

D. Prior to the City's consideration of a request by Grantee to consent to a Franchise assignment or transfer, the proposed Assignee or Transferee shall file with the City a written promise to unconditionally accept all terms of the Franchise, effective upon such transfer or assignment of the Franchise. The City is under no obligation to undertake any investigation of the transferor's state of compliance and failure of the City to insist on full compliance prior to transfer does not waive any right to insist on full compliance thereafter.

Section 21. Dispute Resolution

A. In the event of a dispute between the City and the Grantee arising by reason of this Agreement, the dispute shall first be referred to the operational officers or representatives designated by Grantor and Grantee to have oversight over the administration of this Agreement. The officers or representatives shall meet within thirty (30) calendar days of either party's request for a meeting, whichever request is first, and the parties shall make a good faith effort to achieve a resolution of the dispute.

B. If the parties fail to achieve a resolution of the dispute in this manner, either party may then pursue any available judicial remedies. This Franchise shall be governed by and construed in accordance with the laws of the State of Washington. In the event any suit, arbitration, or other proceeding is instituted to enforce any term of this Agreement, the parties specifically understand and agree that venue shall be exclusively in King County, Washington. The prevailing party in any such action shall be entitled to its attorneys' fees and costs of suit, which shall be fixed by the judge hearing the case, and such fees shall be included in the judgment.

Section 22. Enforcement and Remedies

A. If the Grantee shall willfully violate, or fail to comply with any of the provisions of this Franchise through willful or unreasonable negligence, or should it fail to heed or comply with any notice given to Grantee under the provisions of

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this agreement, the City may, at its discretion, provide Grantee with written notice to cure the breach within thirty (30) days of notification. If the City determines the breach cannot be cured within thirty days, the City may specify a longer cure period, and condition the extension of time on Grantee's submittal of a plan to cure the breach within the specified period, commencement of work within the original thirty day cure period, and diligent prosecution of the work to completion. If the breach is not cured within the specified time, or the Grantee does not comply with the specified conditions, the City may, at its discretion, either (1) revoke the Franchise with no further notification, or (2) claim damages as provided in ACC 20.10.340 per day against the financial guarantee set forth in Section 18 for every day after the expiration of the cure period that the breach is not cured.

B. Should the City determine that Grantee is acting beyond the scope of permission granted herein for Grantee Facilities and Grantee Services, the City reserves the right to cancel this Franchise upon thirty days (30) written notice to Grantee and require the Grantee to apply for, obtain, and comply with all applicable City permits, franchises, or other City permissions for such actions, and if the Grantee's actions are not allowed under applicable federal and state or City laws, to compel Grantee to cease such actions.

Section 23. Compliance with Laws and Regulations

A. In carrying out any authorized activities under the privileges granted herein, Grantee shall meet accepted industry standards and comply with all applicable laws, rules, and regulations, of any governmental entity with jurisdiction over the pipeline and its operation (specifically including, but not limited to, all requirements, rules, regulations, and orders of FERC and the applicable provisions of the City's comprehensive plan). This shall include all applicable laws, rules and regulations existing at the Effective Date of this Franchise or that may be subsequently enacted by any governmental entity with jurisdiction over Grantee or the pipeline(s) and the Facilities. Furthermore, notwithstanding any other terms of this agreement appearing to the contrary, the Grantee shall be subject to the police power of the City to adopt and enforce general ordinances necessary to protect the safety and welfare of the general public in relation to the rights granted in the Franchise Area.

B. The City reserves the right at any time to amend this Franchise to conform to any hereafter enacted, amended, or adopted federal or state statute or regulation relating to the public health, safety, and welfare, or relating to roadway regulation, or a City Ordinance enacted pursuant to such federal or state statute

Ordinance No. 6619
Franchise Agreement No. 16-54
August 29, 2016
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or regulation upon providing Grantee with thirty (30) days written notice of its action setting forth the full text of the amendment and identifying the statute, regulation, or ordinance requiring the amendment. Said amendment shall become automatically effective upon expiration of the notice period unless, before expiration of that period, the Grantee makes a written call for negotiations over the terms of the amendment. If the parties do not reach agreement as to the terms of the amendment within thirty (30) days of the call for negotiations, the City may enact the proposed amendment, by incorporating the Grantee's concerns to the maximum extent the City deems possible.

C. The City may terminate this Franchise upon thirty (30) days written notice to the Grantee, if the Grantee fails to comply with such amendment or modification.

Section 24. License, Tax and Other Charges

This Franchise shall not exempt the Grantee from any future license, tax, or charge which the City may hereinafter adopt pursuant to authority granted to it under state or federal law for revenue or as reimbursement for use and occupancy of the Franchise Area.

Section 25. Consequential Damages Limitation

Notwithstanding any other provision of this Agreement, in no event shall either party be liable for any special, incidental, indirect, punitive, reliance, consequential or similar damages.

Section 26. Force Majeure

In the event that either Party is prevented or delayed in the performance of any of its obligations under this Agreement by reason beyond its reasonable control (a "Force Majeure Event"), then that Party's performance shall be excused during the Force Majeure Event. Force Majeure Events shall include, without limitation, war; civil disturbance; flood, earthquake or other Act of God; laws, regulations, rules or orders of any governmental agency; sabotage; strikes or similar labor disputes involving personnel of a party, its contractors or a Third party; or any failure or delay in the performance by the other party, or a Third Party who is not an employee, agent or contractor of the Party claiming a Force Majeure Event, in connection with this Agreement. Upon removal or termination of the Force Majeure Event, the Party claiming a Force Majeure Event shall promptly

Ordinance No. 6619
Franchise Agreement No. 16-54
August 29, 2016
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perform the affected obligations in an orderly and expedited manner under this Agreement. The Parties shall use all commercially reasonable efforts to eliminate or minimize any delay caused by a Force Majeure Event. The occurrence of a Force Majeure Event shall not alter or impair any of the provisions concerning liability and/or insurance as provided in this Agreement.

Section 27. Severability & Survival

In the event that a court or agency of competent jurisdiction declares a material provision of this Franchise to be invalid, illegal or unenforceable, the parties shall negotiate in good faith and agree, to the maximum extent practicable in light of such determination, to such amendments or modifications as are appropriate actions so as to give effect to the intentions of the parties as reflected herein. If severance from this Franchise of the particular provision(s) determined to be invalid, illegal or unenforceable will fundamentally impair the value of this Franchise, either party may apply to a court of competent jurisdiction to reform or reconstitute the Franchise so as to recapture the original intent of said particular provision(s). All other provisions of the Franchise shall remain in effect at all times during which negotiations or a judicial action remains pending.

All provisions, conditions and requirements of this Agreement that may be reasonably construed to survive the termination or expiration of this Agreement shall survive the termination or expiration of the Agreement. Subject to Section 15 above, the Parties' respective rights and interests under this Agreement shall inure to the benefit of their respective successors and assigns.

Section 28. Titles

The section titles used herein are for reference only and should not be used for the purpose of interpreting this Franchise.

Section 29. Implementation.

The parties each represent and warrant that they have full authority to enter into and to perform this Agreement, that they are not in default or violation of any permit, license, or similar requirement necessary to carry out the terms hereof, and that no further approval, permit, license, certification, or action by a governmental authority is required to execute and perform this Agreement, except such as may be routinely required and obtained in the ordinary course of business.

Ordinance No. 6619
Franchise Agreement No. 16-54
August 29, 2016
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Whenever this Agreement sets forth a time for any act to be performed, such time shall be deemed to be of the essence, and any failure to perform within the allotted time may be considered a material violation of this Agreement.

Section 30. Entire Agreement

This Agreement, as subject to the appropriate city, state, and federal laws, codes, and regulations, and the attachments hereto represent the entire understanding and agreement between the parties with respect to the subject matter and it supersedes all prior oral negotiations between the parties. All previous Agreements between the parties pertaining to GRANTEE's operation of its pipeline(s) and/or Facilities are hereby superseded.

Section 31. Effective date.

This Ordinance shall take effect and be in force five days from and after its passage, approval and publication as provided by law.

INTRODUCED: _____

PASSED: _____

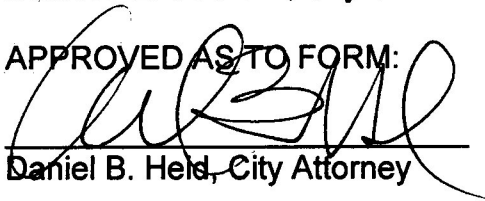
APPROVED: _____

NANCY BACKUS, MAYOR

ATTEST:

Danielle E. Daskam, City Clerk

APPROVED AS TO FORM:



Daniel B. Heid, City Attorney

Ordinance No. 6619
Franchise Agreement No. 16-54
August 29, 2016
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Published: _____

Ordinance No. 6619
Franchise Agreement No. 16-54
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Insert Exhibit "A"

Ordinance No. 6619
Franchise Agreement No. 16-54
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Exhibit "B"

**Description or plans of facilities that are in the ground:
26inch, 30inch and 36inch diameter high pressure natural gas transmission
pipelines, together with cathodic protection equipment and appurtenances.**

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Franchise Agreement No. 16-54
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Page 27 of 30

Exhibit "C"

Description of services offered from facilities in Exhibit B to customers within the Auburn City Limits: High pressure natural gas transmission pipeline services for local natural gas distribution companies, powerplants or other industrial users.

Ordinance No. 6619
Franchise Agreement No. 16-54
August 29, 2016
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EXHIBIT "D"

STATEMENT OF ACCEPTANCE

_____, for itself, its successors and assigns, hereby accepts and agrees to be bound by all lawful terms, conditions and provisions of the Franchise attached hereto and incorporated herein by this reference.

[Grantee]

By: _____ Date: _____
Name: _____
Title: _____

STATE OF _____)
_____)ss.
COUNTY OF _____)

On this ____ day of _____, 20xx, before me the undersigned, a Notary Public in and for the State of _____, duly commissioned and sworn, personally appeared, _____ of _____, the company that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said company, for the uses and purposes therein mentioned, and on oath stated that he/she is authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on the date hereinabove set forth.

Signature

NOTARY PUBLIC in and for the State of _____, residing at _____

Ordinance No. 6619
Franchise Agreement No. 16-54
August 29, 2016
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MY COMMISSION EXPIRES: _____

Ordinance No. 6619
Franchise Agreement No. 16-54
August 29, 2016
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AGENDA BILL APPROVAL FORM

Agenda Subject:

Ordinance No. 6621

Date:

November 15, 2016

Department:

Finance

Attachments:

[Ordinance No. 6621](#)

Budget Impact:**Administrative Recommendation:**

City Council to introduce and adopt Ordinance No. 6621, establishing the City's budget for 2017-2018.

Background Summary:

Budget Process: In April, the City began the process of developing the budget for the 2017-2018 biennium. This included budget workshops as follows:

- June 22: Fund and budget process overview (workshop #1)
- August 16: General, Proprietary, Capital and Special Revenue Funds (workshop #2)
- August 23: General, Proprietary, Capital and Special Revenue Funds (workshop #3)
- August 30: General, Proprietary, Capital and Special Revenue Funds (workshop #4)

During these presentations and workshops, Council provided policy guidance to the administration. These included clarifying 2015-2016 accomplishments and expanding upon 2017-2018 goals and objectives.

2017-2018 Preliminary Budget: A copy of the 2017-2018 Preliminary Budget was filed with the City Clerk, distributed to Council, and made available to the public on October 17, 2016.

Ordinance No. 6621: Council's approval of Ordinance No. 6621 will establish the City's 2017-2018 biennial budget. As the budget has been reviewed by Council during the budget workshops, adoption of Ordinance No. 6621 is scheduled as follows:

- October 17: First public hearing.
- November 7: Second public hearing
- November 21: Council adoption.

Staff recommends Council approval of Ordinance No. 6621.

Reviewed by Council Committees:

Councilmember:

Staff: Coleman

Meeting Date: November 21, 2016

Item Number: ORD.B

ORDINANCE NO. 6 6 2 1

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
AUBURN, WASHINGTON, ADOPTING THE 2017-2018
BIENNIAL BUDGET FOR THE CITY OF AUBURN,
WASHINGTON

THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, DO
ORDAIN AS FOLLOWS:

Section 1. That pursuant to the provisions of Chapter 35A.34, the Mayor of the City of Auburn has heretofore duly completed and placed on file with the City Clerk of the City of Auburn a preliminary biennial budget for 2017-2018, and that notice was thereupon duly published, as required by law, stating that the Mayor had completed and placed on file such preliminary budget and a copy would be furnished to any taxpayer who would call therefore at the office of the City Clerk, and that the City Council of the City of Auburn would meet on November 21, 2016 at 7:00 p.m. for the purpose of fixing the budget and any taxpayer might appear at such time and be heard for or against any part of such budget, and designated the place of such meetings as the Auburn Community and Events Center, 910 9th Street SE, Auburn, Washington; That the Mayor of the City of Auburn duly provided a suitable number of copies of such detailed preliminary budget to meet the reasonable demands of taxpayers therefore; That the Mayor and the City Council of the City of Auburn met at the time designated in said notice in the Auburn Community and Events Center, 910 9th Street SE, Auburn, Washington on November 21 at 7:00 p.m.; That any and all taxpayers of the City of Auburn were given full opportunity to be heard for or against such budget; That the City Council has conducted public hearings on October 17, 2016, November 7, 2016, and November 21, 2016 to consider this preliminary

Ordinance No. 6621

November 15, 2016

Page 1 of 5

ORD.B

budget; That at said meetings said budget was considered; and that, at the meeting held by the City Council on the 21st day of November 2016 the City Council considered modifications of said budget and thereafter approved the 2017-2018 biennial budget for the City of Auburn as herein adopted by this Ordinance as shown on Schedule A.

Section 2. **Implementation.** The Mayor is hereby authorized to implement such administrative procedures as may be necessary to carry out the directives of this legislation.

Section 3. **Severability.** The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this ordinance, or the invalidity of the application thereof to any person or circumstance shall not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

Section 4. **Effective Date.** This Ordinance shall take effect and be in force five (5) days from and after its passage, approval and publication as provided by law.

INTRODUCED: _____

PASSED: _____

APPROVED: _____

NANCY BACKUS, MAYOR

ATTEST:

Danielle E. Daskam
City Clerk

Ordinance No. 6621
November 15, 2016
Page 2 of 5

ORD.B

APPROVED AS TO FORM:



Daniel B. Heid
City Attorney

PUBLISHED: _____

Schedule A

2017 BUDGET SUMMARY - ALL FUNDS

Fund		Beginning Fund Balance	2017 Resources	2017 Expenditures	Ending Fund Balance
GENERAL FUND		\$16,191,731	\$65,919,560	\$69,487,982	\$12,623,309
SPECIAL REVENUE FUNDS	Arterial Street	1,632,556	2,539,076	2,794,818	1,376,814
	Local Street	1,401,882	1,909,100	2,417,839	893,143
	Hotel/Motel Tax	84,044	110,400	110,400	84,044
	Arterial Street Preservation	1,378,878	3,755,600	4,768,470	366,008
	Drug Forfeiture	357,897	87,100	251,016	193,981
	Housing & Community Development	54,905	710,000	712,450	52,455
	Recreational Trails	49,658	7,340	-	56,998
	Business Improvement Area	48,516	55,200	55,000	48,716
	Cumulative Reserve	7,546,199	20,500	200,000	7,366,699
	Mitigation Fees	4,274,362	1,520,200	1,365,081	4,429,481
DEBT SERVICE	1998 Library Bond	-	283,850	283,850	-
	City Hall Annex 2010 A&B Bond	-	1,683,192	1,683,192	-
	Local Revitalization 2010 C&D Bond	-	589,071	589,071	-
	LID #350	11,706	7,499	7,246	11,959
	Golf / Cemetery 2016 Refunding	-	554,393	554,393	-
	SCORE 2009 A&B Bond	-	2,033,474	2,033,474	-
CAPITAL PROJECTS	Municipal Park Construction	453,426	2,186,796	2,358,106	282,116
	Capital Improvements	7,347,302	3,172,114	2,722,117	7,797,299
	Local Revitalization	325,651	600	326,251	-
ENTERPRISE FUNDS	Water	4,641,113	22,153,450	21,172,517	5,622,046
	Sewer	9,518,732	9,695,290	10,158,093	9,055,929
	Sewer Metro	2,374,705	17,238,490	17,294,700	2,318,495
	Storm Drainage	13,319,582	11,218,627	12,414,086	12,124,123
	Solid Waste	3,849,877	14,912,500	14,528,476	4,233,901
	Airport	346,975	1,129,967	1,041,034	435,908
	Cemetery	434,887	1,128,300	1,161,977	401,210
INTERNAL SERVICE FUNDS	Insurance	1,312,689	1,500	229,980	1,084,209
	Workers' Compensation	787,022	1,056,900	850,777	993,145
	Facilities	1,330,105	3,462,500	3,507,030	1,285,575
	Innovation and Technology	1,992,399	6,184,022	6,661,610	1,514,811
	Equipment Rental	3,634,008	4,792,733	4,566,369	3,860,372
FIDUCIARY FUNDS					
	Fire Pension	2,417,899	84,000	177,717	2,324,182
PERMANENT FUNDS					
	Cemetery Endowment Care	1,720,479	37,800	-	1,758,279
TOTAL		\$88,839,185	\$180,241,144	\$186,485,122	\$82,595,207
TOTAL BUDGET		\$269,080,329		\$269,080,329	

Ordinance No. 6621
November 15, 2016

Schedule A

2018 BUDGET SUMMARY - ALL FUNDS

Fund		Beginning Fund Balance	2018 Resources	2018 Expenditures	Ending Fund Balance
GENERAL FUND		\$12,623,309	\$66,091,810	\$72,860,044	\$5,855,075
SPECIAL REVENUE FUNDS	Arterial Street	1,376,814	6,215,417	6,643,292	948,939
	Local Street	893,143	1,909,100	2,418,270	383,973
	Hotel/Motel Tax	84,044	113,700	113,700	84,044
	Arterial Street Preservation	366,008	3,067,340	2,880,440	552,908
	Drug Forfeiture	193,981	87,100	253,221	27,860
	Housing & Community Development	52,455	460,000	468,446	44,009
	Recreational Trails	56,998	7,340	-	64,338
	Business Improvement Area	48,716	55,200	55,000	48,916
	Cumulative Reserve	7,366,699	20,500	250,000	7,137,199
	Mitigation Fees	4,429,481	1,520,200	1,219,817	4,729,864
DEBT SERVICE	1998 Library Bond	-	282,150	282,150	-
	City Hall Annex 2010 A&B Bond	-	1,675,120	1,675,120	-
	Local Revitalization 2010 C&D Bond	-	589,595	589,595	-
	LID #350	11,959	7,812	7,246	12,525
	Golf / Cemetery 2016 Refunding	-	554,367	554,367	-
	SCORE 2009 A&B Bond	-	2,021,294	2,021,294	-
CAPITAL PROJECTS	Municipal Park Construction	282,116	664,590	872,000	74,706
	Capital Improvements	7,797,299	3,869,857	4,015,148	7,652,008
	Local Revitalization	-	-	-	-
ENTERPRISE FUNDS	Water	5,622,046	20,432,455	20,550,922	5,503,579
	Sewer	9,055,929	8,837,670	9,207,219	8,686,380
	Sewer Metro	2,318,495	18,190,923	18,250,200	2,259,218
	Storm Drainage	12,124,123	11,120,902	11,097,770	12,147,255
	Solid Waste	4,233,901	16,065,850	15,691,927	4,607,824
	Airport	435,908	2,571,467	2,547,309	460,066
	Cemetery	401,210	1,183,800	1,197,391	387,619
INTERNAL SERVICE FUNDS	Insurance	1,084,209	1,500	241,230	844,479
	Workers' Compensation	993,145	1,103,700	862,683	1,234,162
	Facilities	1,285,575	3,875,400	3,911,293	1,249,682
	Innovation and Technology	1,514,811	6,803,327	7,097,732	1,220,406
	Equipment Rental	3,860,372	4,753,014	4,336,260	4,277,126
FIDUCIARY FUNDS					
	Fire Pension	2,324,182	84,000	178,225	2,229,957
PERMANENT FUNDS					
	Cemetery Endowment Care	1,758,279	39,900	-	1,798,179
TOTAL		\$82,595,207	\$184,276,400	\$192,349,311	\$74,522,296
TOTAL BUDGET		\$266,871,607		\$266,871,607	

Ordinance No. 6621
November 15, 2016



AGENDA BILL APPROVAL FORM

Agenda Subject:

Ordinance No. 6624

Date:

November 16, 2016

Department:

City Attorney

Attachments:

[Ordinance No. 6624](#)

Budget Impact:

\$0

Administrative Recommendation:

City Council adopt Ordinance No. 6624.

Background Summary:

During review of existing franchise agreements, the City determined that the Lakehaven Utility District franchise agreement was adopted by resolution instead of ordinance. Because resolutions are adopted with a less formalized procedure, there is no evidence that the Lakehaven Utility District franchise agreement was adopted in conformity with statutory procedural requirements that typically accompany an ordinance.

Ratification of the Resolution Number 3650 by Ordinance will ensure compliance with the statutory procedural requirements for franchise agreements, including publication of notice, and a public hearing. The terms of the agreement will remain unchanged.

Reviewed by Council Committees:**Councilmember:****Staff:**

Heid

Meeting Date: November 21, 2016

Item Number: ORD.C

ORDINANCE NO. 6 6 2 4

**AN ORDINANCE OF THE CITY COUNCIL OF THE
CITY OF AUBURN, WASHINGTON, RATIFYING
THE FRANCHISE AGREEMENT WITH LAKEHAVEN
UTILITY DISTRICT ADOPTED BY RESOLUTION
NO. 3650**

WHEREAS, the Lakehaven Utility District currently owns, operates, and maintains a water system within the City of Auburn's public rights-of-way within the City of Auburn corporate boundary; and

WHEREAS, in 2004, the City and Lakehaven Utility District negotiated a franchise agreement that was approved by the City Council through Resolution Number 3650; and

WHEREAS, Revised Code of Washington 35A.47.040 includes certain procedural requirements not typically followed when adopting a resolution; and

WHEREAS, the City wishes to ensure that the benefits and obligations inured to Lakehaven Utility District through Resolution Number 3650 are not invalidated by any procedural deficiency; and

WHEREAS, ratification of Resolution Number 3650 by this Ordinance will resolve any omission in the procedural requirements of RCW 35A.47.040 and conform to the City's standard practice of franchise adoption by ordinance; and

WHEREAS, following proper notice, the City Council held a public hearing on ratification of Resolution Number 3650; at which time interested citizens were heard in a full public proceeding affording opportunity for comment by any and all persons desiring to be heard; and

WHEREAS, from information presented at such public hearing, and from facts and circumstances developed or discovered through independent study and investigation, the City Council now deems it appropriate and in the best interest of the City and its inhabitants that Resolution Number 3650 be ratified.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, DO ORDAIN as follows:

Section 1. Grant of Franchise The provisions of Resolution Number 3650, attached hereto as Exhibit A and incorporated herein by this reference, are hereby adopted as if fully set forth herein.

Section 2. Implementation. The Mayor is hereby authorized to implement such administrative procedures as may be necessary to carry out the directions of this legislation.

Section 3. Severability. The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this ordinance, or the invalidity of the application thereof to any person or circumstance shall not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

Section 4. Effective date. This Ordinance shall take effect and be in force five days from and after its passage, approval and publication as provided by law.

INTRODUCED: _____

PASSED: _____

APPROVED: _____

CITY OF AUBURN

NANCY BACKUS, MAYOR

ATTEST:

Danielle E. Daskam, City Clerk

APPROVED AS TO FORM:



Daniel B. Heid, City Attorney

Published: _____

RESOLUTION NO. 3 6 5 0

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, AUTHORIZING THE MAYOR TO EXECUTE A FRANCHISE AGREEMENT BETWEEN THE LAKEHAVEN UTILITY DISTRICT AND THE CITY OF AUBURN, ALLOWING THE LAKEHAVEN UTILITY DISTRICT TO CONNECT, INSTALL, OPERATE, MAINTAIN AND REPAIR WATER SYSTEM, FACILITIES, AND APPURTENANCES IN, OVER, ALONG, ACROSS AND UNDER THE FRANCHISE AREA FOR THE PURPOSE OF PROVIDING WATER SERVICE

WHEREAS, the Lakehaven Utility District currently owns, operates, and maintains a water system within Auburn's public right of way located in the franchise area; and

WHEREAS, the Lakehaven Utility District is seeking a new comprehensive franchise with Auburn for public water facilities installed within Auburn's current and future public right of way; and

WHEREAS, in order to maintain control over the use of City of Auburn right-of-ways by utilities operating within the City of Auburn, it is appropriate to enter into franchise agreements with such utilities; and

WHEREAS, Lakehaven Utility District is such a utility, and has negotiated this franchise agreement with the City of Auburn acceptable to both parties; and

WHEREAS, the City of Auburn has determined that it is in the best interests of the public to grant the Lakehaven Utility District a water franchise on the terms and conditions set for in this Agreement.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, HEREBY RESOLVES as follows:

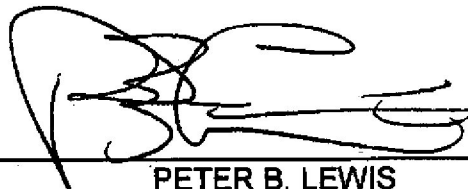
Section 1. The Mayor of the City of Auburn is herewith authorized to execute a Franchise Agreement between the Lakehaven Utility District and the City of Auburn in substantial conformity with the Agreement attached hereto, marked as Exhibit "A" and incorporated herein by this reference.

Section 2. The Mayor is hereby authorized to implement such administrative procedures as may be necessary to carry out the directives of this legislation.

Section 3. This resolution shall be in full force and effect upon passage and signatures hereon.

DATED this 2nd day of February, 2004.

CITY OF AUBURN



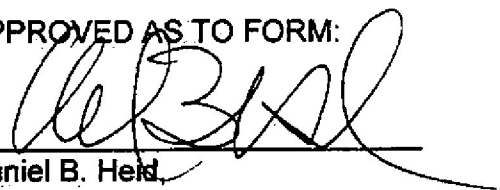
PETER B. LEWIS
MAYOR

ATTEST:



Danielle E. Daskam,
City Clerk

APPROVED AS TO FORM:



Daniel B. Held,
City Attorney



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PACIFIC NW TIT AG
PAGE 001 OF 010
11/08/2004 14:48
KING COUNTY, WA

34.00

Return Address:
Auburn City Clerk
City of Auburn
25 West Main St.
Auburn, WA 98001

RECORDER'S COVER SHEET

Document Title(s) (or transactions contained therein):

Franchise Agreement (Resolution No. 3650)

16/34 PNWT
W 9249-12

Reference Number(s) of Documents assigned or released:

☐ Additional reference #'s on page _____ of document

Grantor(s)/Borrower(s) (Last name first, then first name and initials)

Auburn, City of

Grantee/Assignee/Beneficiary: (Last name first)

1. Lakehaven Utility District

Legal Description (abbreviated: i.e. lot, block, plat or section, township, range)

PER RCW 39.34

☐ Additional legal is on page _____ of document.

Assessor's Property Tax Parcel/Account Number

N/A

☐ Assessor Tax # not yet assigned

EXHIBIT "A"

CITY OF AUBURN, WASHINGTON WATER FRANCHISE AGREEMENT WITH THE LAKEHAVEN UTILITY DISTRICT

THIS FRANCHISE AGREEMENT, made and entered into this 23rd day of September, 2004, by and between the CITY OF AUBURN, Washington and the LAKEHAVEN UTILITY DISTRICT:

WITNESSETH:

WHEREAS, the Lakehaven Utility District currently owns, operates, and maintains a water system within Auburn's public right-of-way located in the franchise area; and

WHEREAS the Lakehaven Utility District is seeking to establish a comprehensive franchise with the City of Auburn for water system lines within Auburn's current and future public right-of-way; and

WHEREAS, in order to maintain control over the use of City of Auburn rights-of-way by utilities operating within the City of Auburn, it is appropriate to enter into franchise agreements with such utilities; and

WHEREAS, Lakehaven Utility District is such a utility, and has negotiated this franchise agreement with the City of Auburn acceptable to both parties; and

WHEREAS, the City of Auburn has determined that it is in the best interests of the public to grant the Lakehaven Utility District a franchise on the terms and conditions set forth in this franchise agreement.

NOW, THEREFORE THE CITY OF AUBURN AND THE LAKEHAVEN UTILITY DISTRICT AGREE AS FOLLOWS:

SECTION 1 DEFINITIONS

Where used in this franchise agreement ("Franchise"), the following definitions shall apply:

1.1 "Franchisee" means the Lakehaven Utility District, a Washington municipal corporation, and its respective successors and assigns.

1.2 "City" means the City of Auburn, a Washington municipal corporation.

1.3 "Franchise Area" means all of the public roads, streets, avenues, alleys, highways, and other rights-of-way of the City as now laid out, platted, dedicated or improved; and any and all public City roads, streets, avenues, alleys, highways, and other rights-of-way that may hereafter be laid out, platted, dedicated or improved within the area in which the City has jurisdiction, as described in Attachment 1 and as depicted in

Attachment 2, both attachments attached hereto, which is by this reference incorporated as if fully set forth herein; provided, that the Franchise Area shall not include or convey any right to the Franchisee to install facilities on, or to otherwise use, City owned or leased properties; and provided that the terms of this franchise (i.e., permitting and enforcement) shall not apply to those public roads, streets, avenues, alleys, highways, and other rights-of-way that may hereafter be laid out, platted, dedicated or improved within the area as described in Attachment 1 and depicted in Attachment 2 until such time that the City has assumed jurisdiction thereof.

1.4 "Facilities" means the Franchisee's water system, lines, mains, pump stations, appurtenances, and all other necessary or convenient appurtenances for the purpose of providing water service.

SECTION 2 FRANCHISE GRANT

Subject to the terms and conditions set forth in this Franchise, the City grants to the Franchisee the right to construct, own and maintain its Facilities, including, but not limited to, water pipelines, pump stations, and appurtenances within the City's public right-of-way and the Franchisee's water service area. In exercising authority to construct and install its Facilities and to excavate trenches in City roads for the purposes of constructing, installing, operating, maintaining, removing, and replacing its Facilities, and making connections between the same to the dwellings and other buildings of the consumers, the Franchisee shall be governed by and conform to the general rules adopted by the Public Works Department of the City, and the Franchisee, at no expense to the City, shall complete all work and shall replace and restore the City roads to the condition of the City roads existing immediately prior to such disturbance; PROVIDED, HOWEVER, that no such work shall be done prior to the obtaining of a permit therefor issued by the City's Public Works Director (hereinafter "Director"), which permit shall set forth conditions pertaining to the work to be done and specifications for the restoration of the roads to the same condition as they were immediately prior to such work. If the Franchisee does not repair the City roads to the satisfaction of the Director, the City may, at its sole discretion, repair such City roads, or cause them to be repaired, and the Franchisee hereby agrees to reimburse the City for the cost of such work, including reasonable overhead costs.

SECTION 3 FRANCHISE TERM

This Franchise shall take full force and effect five calendar days after being approved by the City, and shall be valid for a period of 25 years, expiring in 2029; provided, that this Franchise shall not take effect and the Franchisee shall have no rights under this Franchise unless the Franchisee files a written acceptance of this Franchise with the City pursuant to Section 4 of this Franchise.

SECTION 4 ACCEPTANCE BY FRANCHISEE OF TERMS AND CONDITIONS

The full acceptance of this Franchise and all of its terms and conditions shall be filed with the City Clerk within forty-five (45) days from the date of the resolution approving this Franchise by the Franchisee's duly elected Board of Commissioners. Full acceptance of this Franchise is a condition precedent to its taking effect, and unless this Franchise is

accepted within the time specified, this grant will be null and void and have no force or effect.

SECTION 5 NON-EXCLUSIVE FRANCHISE

This Franchise is not exclusive. It does not prohibit the City from granting franchises for other public or private utilities in, over, along, across, and under any City property, including the Franchise Area. This Franchise does not prevent or prohibit the City from constructing, altering, maintaining or using any of the Franchise Area. The City retains full power to make all changes, relocations; repair, maintenance or other work to or in the Franchise Area as the City deems fit.

SECTION 6 JURISDICTION

This Franchise is intended to convey limited rights and interest only as to those roads and rights-of-way in which the City has an actual interest within the Franchise Area. It is not a warranty of title or of interest in City road rights-of-way. None of the rights granted to the Franchisee shall affect the jurisdiction of the City over City road rights-of-way or the City's power to perform work upon its roadways, rights-of-way or appurtenant drainage facilities including by constructing, altering, renewing, paving, widening, grading, blasting or excavating. The parties shall comply with all applicable rules and regulations pertaining to them in connection with the matters covered herein.

SECTION 7 REGULATION OF USE AND CONTROL

This Franchise does not deprive the City of any powers, rights, or privileges it now has or may later acquire in the future to regulate the use of and to control the City road rights-of-way covered by this Franchise. The City reserves the right and power at all times to exercise its police powers with respect to the time, manner and location of the placement of the Franchisee's Facilities.

SECTION 8 EMINENT DOMAIN

This Franchise and the limited rights and interests granted by this Franchise are subject to the exercise of eminent domain. In the event of an exercise of eminent domain by the City, the value to be attributed to all the rights and interests granted under this Franchise shall not exceed the actual amount the Franchisee paid to the City in obtaining this Franchise.

SECTION 9 VACATION

If at any time the City vacates any City rights-of-way covered by this Franchise, the City will not be held liable for any damages or loss to the Franchisee by reason of such vacation. The City may, after giving thirty (30) days written notice to the Franchisee, terminate this Franchise with respect to any City road or rights-of-way vacated. However, should Franchisee notify the City that an easement is required for existing or proposed facilities within the proposed vacation area, the City shall withhold approval of such vacation until the Franchisee has notified the City that the necessary easement(s) have been secured, or provisions otherwise made to maintain the viability and use of existing Facilities.

SECTION 10 ENFORCEMENT

The City's failure to enforce any provision of this Franchise does not constitute a waiver of its right to enforce that provision or any other provision of this Franchise.

SECTION 11 INDEMNITY AND HOLD HARMLESS

11.1 The Franchisee shall defend, indemnify and hold harmless the City, its appointed and elected officials, and its employees and agents from and against liability for all claims, actions, injuries, demands, liabilities, losses, costs, damages and judgments, including costs of defense thereof, (collectively referred to as "damages") for injury to persons, death or property damage caused by, arising out of, or incidental to the Franchisee's exercise of the rights and privileges granted by this Franchise, except for damages caused by or arising out of the City's sole negligence. In the event that any such claim or demand for damages is presented to or filed with the City, or if any suit or action is initiated against the City based on such claims or demands for damages, the City shall promptly notify the Franchisee of the claim, demand, suit or action and the Franchisee shall have the right, at its election and its sole cost and expense, to settle and compromise such claim, demand, suit or action, or defend the same at the Franchisee's sole cost and expense.

11.2 If it is determined that RCW 4.24.115 applies to this Franchise, the Franchisee agrees to defend, hold harmless and indemnify the City to the maximum extent permitted under that statute, and specifically for the Franchisee's negligence concurrent with that of the City to the full extent of the Franchisee's negligence.

SECTION 12 INSURANCE

12.1 The Franchisee shall keep a policy of insurance in force with a minimum limit of five million dollars (\$5,000,000.00). Verification of insurance coverage is a condition precedent to the effectiveness of this Franchise.

12.2 The insurance shall be maintained in full force and effect at the Franchisee's sole expense throughout the term of the Franchise, and, should such insurance be terminated, this Franchise shall terminate as of the date of the termination of insurance coverage.

12.3 The coverage provided by the Franchisee's insurance policies shall be primary to any insurance maintained by the City, except as to losses or damages attributable to the sole negligence of the City. Any insurance maintained by the City that might relate to this Franchise shall be in excess to the Franchisee's insurance and shall not contribute with or to it. The City has no obligation to report occurrences to the insurance companies unless a claim is filed with the City's City Council; and the City has no obligations to pay the Franchisee's premiums.

12.4 The Franchisee shall be solely and completely responsible to perform all work related to this Franchise in compliance with all applicable federal, state, county and city statutes, rules, regulations, ordinances, orders and codes. The Franchisee's attention is directed to the requirements of the Washington Industrial Safety and Health Act, Chapter 49.17 RCW. The Franchisee shall be solely and completely responsible for

safety and safety conditions on its job sites and for its work within the Franchise Area, including the safety of all persons and property during performance of any works therein. The services of the City or City's consultant personnel in conducting construction review of the Franchisee's work relating to the Franchise is not intended to include review of the adequacy of the Franchisee's work methods, equipment, scaffolding, or trenching, or safety measures in, on or near such Franchise Area or job site. The Franchisee shall provide safe access for the City and its inspectors to adequately inspect the work and its conformance with applicable statutes, ordinances, rules, regulations, and the Franchise.

SECTION 13 INSTALLATION, REPAIR, REMOVAL OR RELOCATION

13.1 The Franchisee shall, at no expense to the City, expeditiously repair all existing Facilities that it owns within the Franchise Area, including any damage caused directly or indirectly by its Facilities, all appurtenant Facilities and service lines connecting its system to users, if the City requires such repair for any reasonable purpose.

13.2 The Franchisee shall, at no expense to the City, adjust, remove or relocate existing Facilities within the Franchise Area, including all appurtenant Facilities and service lines connecting its system to users, if the City determines such adjustment, removal or relocation is reasonably necessary to allow for an improvement or alteration planned by the City. The City shall give the Franchisee written notice of such requirement as soon as practicable. The written notice shall include all available information, such as plans and specifications, as is reasonably necessary for the Franchisee to plan for such adjustment, removal or relocation.

13.3 Franchisee's Facilities shall be constructed, installed, maintained and repaired within the Franchise Area so as to provide safety of persons and property, and not interfere with the free passage of traffic, all in accordance with the laws of the State of Washington, and the ordinances, resolutions, rules and regulations of the City.

13.4 For projects that are a part of the City's capital improvement program, in addition to any other notice given to the Franchisee, the City shall provide a copy of the capital improvement plan and six (6) year transportation improvement plan when requested. Further, the City shall provide a horizontal plan and vertical profile of the roadway and drainage facilities within it, both existing and as proposed by the City, and the proposed construction schedule. The initial design information shall be given at least one hundred and eighty (180) days before construction is scheduled to begin, except in cases of urgent construction or emergencies. The Franchisee shall respond to this notice, and to any later notices of revised designs, within twenty (20) days of the date of the notice, by providing to the City the Franchisee's best available information as to the location of all the Franchisee's Facilities, including all appurtenant Facilities and service lines connecting its system to users, and all Facilities that it has abandoned, within the area proposed for the project.

13.5 The City shall offer the Franchisee the opportunity to participate in the preparation of bid documents for the selection of a contractor to perform the public works project as well as all required adjustments, removals or relocations of the Franchisee's Facilities. The City shall have sole authority to choose the contractor to perform such

work. Such bid documents shall provide for an appropriate cost allocation between the parties. In addition to the Franchisee's allocation of contractor costs, the Franchisee shall reimburse the City for all costs, to include but not be limited to legal, engineering, inspections, administration and/or soils testing, related to the Franchisee's work and reasonably incurred by the City in the administration of such joint construction contracts. Such costs shall include the direct salary cost of the time of City professional and technical personnel, including the City's consultants, spent productively engaged in such work, plus overhead costs at the standard rate charged by the City on other similar projects. The specific terms of the joint participation on any public work shall be as set forth in a written agreement between the parties.

13.6 It is understood that emergency situations may arise that could threaten public health and/or continued operation of the Franchisee's utility system and the Franchisee may be unable to notify the City in the manner prescribed in Section 14 of this Franchise. In such a situation the Franchisee shall immediately correct the hazardous situation and continue to use best efforts to contact the City staff. The Emergency Phone Number for the City of Auburn is (253) 931-3048, and that for the Lakehaven Utility District is (253) 941-1516. Dialing 911 is advised for emergency situations that may result in imminent threats to life and/or property.

SECTION 14 REQUIREMENT OF CONSTRUCTION PERMITS

14.1 The Franchisee has the right, privilege and authority to enter the City road rights-of-way for the purpose of constructing, installing, operating, maintaining, replacing or repairing its Facilities on the condition that it obtains construction, excavation, and right-of-way use permits issued by the City. Any work performed, whether by Franchisee, its contractors, or third parties, shall include necessary paving, patching, grading and any other reasonably necessary repair or restoration to the City rights-of-way. All work shall be done to the City's satisfaction.

14.2 All equipment, pipelines and appurtenances which are used in the construction, installation, operation, maintenance or repair of the Franchisee's Facilities and which are located within the City road rights-of-way and owned by the Franchisee shall be considered to be part of the Franchisee's system and shall be the responsibility of the Franchisee. All permits for the construction, installation, operation, maintenance or repair of the Franchisee's system shall be applied for and given in the name of the Franchisee, who will be responsible for all work done under the permit. The Franchisee remains responsible whether the work is performed by the Franchisee, its contractors, or by third parties.

14.3 When required by the City's Public Works Director, the Franchisee shall post a bond to the City in the amount sufficient for any road repair or restoration. The amount of the bond shall be set by the City and must be filed with the City before a permit will be issued.

SECTION 15 PERFORMANCE OF WORK

15.1 Any work performed by the Franchisee in the Franchise Area shall conform to all City ordinances and requirements including, but not limited to, Auburn City Code and the City's Design and Construction Standards in force when the work is performed. All traffic control shall conform to the current edition of the Manual of Uniform Traffic Control Devices in force when the work is performed.

15.2 If work performed under this Franchise makes it necessary to turn off or diminish water pressure or potential flow to any fire hydrant, the Franchisee shall notify the City's Fire Department by telephone and by written notice, that water pressure or fire flow conditions have been affected. Except in the case of an emergency, the notice shall be provided at least 48 hours prior to the water pressure or potential flow being suspended or diminished. If more than one fire hydrant will be affected, the Franchisee shall provide a map of the affected area to the Fire Department. Out-of-service fire hydrants must be identified as not operational by covering with a properly secured burlap or plastic bag. Fire hydrants should be returned to full service as soon as reasonably possible or no longer than two working days from the date service was suspended or diminished. The Franchisee shall notify the City's Fire Department when the hydrant(s) is/are returned to full service.

SECTION 16 RESTORATION OF CITY RIGHTS-OF-WAY

After performing work on, under or adjacent to City road rights-of-way, the Franchisee is responsible for and shall leave all City road rights-of-way in the condition of the City road rights-of-way existing immediately prior to such disturbance. If the Franchisee, its contractors, or third parties working under permit should fail to diligently restore City road rights-of-way to the satisfaction of the City, the City may make such repairs or restorations as are necessary to return the City road rights-of-way to a condition reasonably comparable to the condition of the City road rights-of-way existing immediately prior to such disturbance. Upon presentation of an itemized invoice for repairs or restorations, including all applicable costs, both direct and indirect, to include, but not be limited to, the cost of labor, tools, materials and equipment, the Franchisee shall pay the invoice within sixty-five (65) days of its receipt and approval.

SECTION 17 INFORMATION ON LOCATION OF FACILITIES

The Franchisee shall provide the City with all information requested by the City regarding the location of the Franchisee's current Facilities, including, but not limited to, copies of all record drawings for such Facilities. If the Franchisee performs any work to install, repair, reconstruct, or replace Facilities in the Franchise Area after this Franchise's effective date, the Franchisee shall provide the City with all information requested by the City regarding the location of those Facilities, including, but not limited to, copies of record drawings.

SECTION 18 COORDINATION OF WORK IN FRANCHISE AREA

To facilitate the coordination of work in City rights-of-way, if either the Franchisee or the City plans to make excavations in the Franchise Area, the party planning such excavation shall provide written notice to the other of the planned excavation, affording the other party the opportunity to share in the excavation; provided, that (1) such joint use shall not unreasonably delay the work of the party causing the excavation to be made, (2) such joint use shall be arranged and accomplished on terms and conditions satisfactory to both parties, and (3) either party may deny such request for safety reasons.

SECTION 19 BLASTING REQUIREMENTS

The Franchisee's right to construct, install, operate, maintain and repair Facilities does not preclude the City, its agents or contractors from blasting, grading, or doing other road work contiguous to the Franchisee's Facilities. When practical, the City shall give the Franchisee forty-eight (48) hours notice of blasting or excavating.

SECTION 20 SURVEY MARKERS AND MONUMENTS

Before any work is performed under this Franchise, the Franchisee shall establish two or more reference marks to all monuments and markers of every nature relating to subdivisions, plats, rights-of-way, and all other surveys. The reference points shall be located so that they will not be disturbed during any of Franchisee's operations under this Franchise. The method of referencing monuments or other markers or points shall be approved by the City before placement. The replacement of all markers or monuments disturbed during any construction of the Franchisee shall be made as promptly as conditions permit. The cost of monuments or markers lost, destroyed, or disturbed and the expense or replacement with approved markers or monuments shall be borne by the Franchisee.

SECTION 21 RESERVATION OF RIGHTS

21.1 The City reserves the right to impose, to the extent authorized by law, a utility tax on the Franchisee and/or to charge the Franchisee a reasonable fee for services provided or rights granted under this Franchise.

21.2 The Franchisee agrees that it shall be subject to all authority now or later possessed by the City or any other governing body having competent jurisdiction to fix just, reasonable and compensatory rates for services under this Franchise.

21.3 The City reserves the right, upon thirty (30) days written notice to the Franchisee, to amend or modify the provisions or conditions of this Franchise to conform to any state, county, federal, or City statute, ordinance, rule or regulation. The City may terminate this Franchise upon thirty (30) days written notice to the Franchisee if the Franchisee fails or refuses to comply with such amendment or modification.

SECTION 22 ASSIGNMENT

The Franchisee shall not have the right to assign this Franchise without the written consent of the City. No assignment shall be effective unless an acceptance by the assignee of all rights, conditions, terms, provisions and responsibilities contained within the Franchise, as well as surety bonds which the City deems necessary to be posted, are received as allowed by law. The City's approval of the assignment may be made subject to the assignee's acceptance of new or modified terms of the Franchise.

SECTION 23 PENALTY FOR VIOLATION OF CONDITIONS

If the Franchisee fails to comply with any material term, condition or responsibility under this Franchise, the City may provide the Franchisee with written notice of the City's intent to revoke the Franchise if the Franchisee's failure is not cured within thirty (30) days of the date of the notice. During the thirty (30) days following the date of the notice, the Franchisee shall have the opportunity to remedy the failure to comply. A public hearing shall be scheduled before the Auburn City Council at least thirty (30) days following the notification on the issue of the revocation. If at the hearing, the City Council finds that grounds exist to revoke the Franchise under this paragraph and that the revocation is in the public interest, the City Council may by resolution revoke the Franchise. The revocation shall be effective ninety (90) days after the public hearing.

SECTION 24 EXPIRATION AND RENEWAL

24.1 If the Franchisee requests a renewal of this Franchise prior to its expiration date, which renewal shall be granted, on terms reasonable to the parties, unless the City can demonstrate, in good faith, that such renewal would be contrary to its operation of the right of way, the City may, at the City's sole discretion, extend the term of this Franchise for up to one year beyond the expiration date to allow for processing of the renewal. If the City elects to extend the term of this Franchise, written notice of the extension shall be provided to the Franchisee prior to the Franchise expiration date.

24.2 If the Franchisee has not requested a renewal of this Franchise prior to its expiration date, the City has the right, upon thirty (30) day's prior notice to the Franchisee, to remove or relocate any of the Franchisee's Facilities as is reasonably necessary for the public's health, welfare or safety, or for the construction, alteration, or improvement of the Franchise Area, or for the construction or installation of lines or facilities of other franchise holders. The Franchisee shall be liable for costs incurred in any removal or relocation of the Franchisee's Facilities under this section.

24.3 Upon the expiration of this Franchise, the Franchisee shall continue to be responsible for the operation and maintenance of the Franchisee's existing facilities in the Franchise Area, but shall not have the right to provide additional services. This Section and Sections 11, 13, 14, 15, 16, 18, and 20 of this Franchise shall continue in force until such time as the Franchisee's Facilities are abandoned to the City's satisfaction.

SECTION 25 COMPLIANCE WITH LAWS

The Franchisee shall conform to all applicable federal, state and local laws and regulations including, but not limited to, the State Environmental Policy Act and the City's Environmental Standards and Ordinances.

SECTION 26 NON-DISCRIMINATION CLAUSE

In all hiring or employment made possible or resulting from this Franchise, there shall be no discrimination against any employee or applicant for employment because of sex, sexual orientation, age, race, color, national origin, marital status or the presence of any sensory, mental, or physical handicap, unless based upon a bona fide occupation qualification. No person shall be denied or subjected to discrimination in receipt of the benefit of any services or activities made possible by or resulting from this Franchise on the grounds of sex, sexual orientation, race, color, national origin, age, except minimum age and retirement provisions, marital status, or the presence of any sensory, mental or physical handicap.

SECTION 27 NOTICE

All notices between the two agencies hereunder may be delivered or mailed. If mailed, they shall be sent to the following respective addresses:

City of Auburn:
City Engineer
25 West Main Street
Auburn, WA 98001-4998
Tel: 253-931-3010

Lakehaven Utility District:
General Manager
31627 1st Ave South
PO Box 4249
Federal Way, WA 98063-4249
Tel: 253-941-1516

or to such other representative addresses as either party may hereafter from time to time designate in writing. All notices and payments mailed by regular post (including first class) shall be deemed to have been given on the second business day following the date of mailing, if properly mailed and addressed. Notices and payments sent by certified or registered mail shall be deemed to have been given on the day next following the date of mailing, if properly mailed and addressed. For all types of mail, the postmark affixed by the United States Postal Service shall be conclusive evidence of the date of mailing. If an emergency situation develops, it is recommended that the City or the Franchisee call 911 to solicit an emergency response.

SECTION 28 ATTORNEYS' FEES

If either party shall be required to bring any action to enforce any provision of this Franchise, or shall be required to defend any action brought by the other party with respect to this Franchise, and in the further event that one party shall substantially prevail in such action, the losing party shall, in addition to all other payments required therein, pay all of the prevailing party's reasonable costs in connection with such action, including such sums as the court or courts may adjudge reasonable as attorney's fees in trial court and in appellate courts.

SECTION 29 SEVERANCE

If any term, provision, condition or portion of this Franchise is held to be invalid, such invalidity shall not affect the validity of the remaining portions of this Franchise which shall continue in full force and effect, unless the dominant purpose of the Franchise would be prevented or the public interest would no longer be served, as determined by the City.

SECTION 30 EFFECTIVE DATE

The resolution approving the Franchise, having been introduced at least five days prior to its date of passage and submitted to the city attorney, and being approved by at least a majority of the entire city council at a regular city council meeting, shall take effect and be in force five calendar days after its passage and approval by both parties to this Franchise.

SECTION 31 EXISTING UTILITIES

This Franchise shall govern existing and future water system facilities currently owned, operated and maintained by Lakehaven Utility District within the City of Auburn.

SECTION 32 DISPUTE RESOLUTION

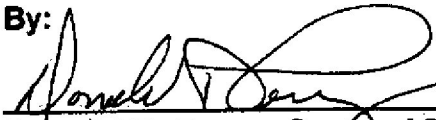
In the event that a dispute arises with regard to the terms of this Franchise Agreement, either party may request that the dispute be submitted to non-binding mediation or arbitration prior to court action. Such request for non-binding mediation or arbitration shall be made in writing and mailed by first class, U.S. Mail to the other party. The mediator or arbitrator shall be chosen by agreement of the parties. Either party may refuse to submit to the dispute resolution process. Refusal to engage in the dispute resolution process shall not prejudice the refusing party in any way.

IN WITNESS WHEREOF the parties hereto have executed this Franchise Agreement as of the day and year first above written.

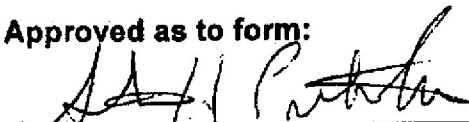
LAKEHAVEN UTILITY DISTRICT

Approved by Resolution No. 2004-1006 of the Lakehaven Utility District, Federal Way, Washington, at its regular meeting held on the 8th day of January, 2004.

By:


Donald T. Perry, General Manager
Lakehaven Utility District

Approved as to form:


Steven H. Pritchett, General Counsel
Lakehaven Utility District

CITY OF AUBURN

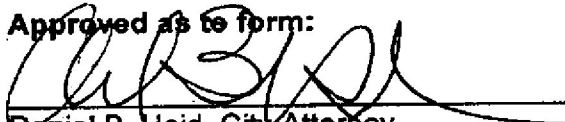
By:


Peter B. Lewis, Mayor
City of Auburn

Attest:


Danielle Daskam, City Clerk

Approved as to form:


Daniel B. Heid, City Attorney

AUBURN RESOLUTION NO: 3650

LAKEHAVEN REFERENCE NUMBER: 2004-1006

Exhibit "A", Auburn Resolution No. 3650
Auburn - Lakehaven Water Franchise
Page 12 of 12

Attachment 1

Auburn Ordinance No. 3650

Description of Lakehaven Utility District's Water Franchise Area

BEGINNING AT THE SOUTHWEST CORNER OF SECTION 23, TOWNSHIP 21 NORTH, RANGE 4 EAST, W.M.;

THENCE NORTH ALONG THE WEST LINE OF SAID SECTION 23 TO THE NORTHWEST CORNER OF SAID SECTION 23 AND THE SOUTHEAST CORNER OF SECTION 15, TOWNSHIP 21 NORTH, RANGE 4 EAST, W.M.;

THENCE WESTERLY ALONG THE SOUTH LINE OF SAID SECTION 15 TO THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 15;

THENCE NORTHERLY ALONG THE NORTH-SOUTH CENTERLINE OF SAID SECTION 15 TO THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF SECTION 10, TOWNSHIP 21 NORTH, RANGE 4 EAST, W.M.;

THENCE NORTHERLY ALONG THE NORTH-SOUTH CENTERLINE OF SAID SECTION 10 TO THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF SECTION 3, TOWNSHIP 21 NORTH, RANGE 4 EAST, W.M.;

THENCE NORTHERLY ALONG THE NORTH-SOUTH CENTERLINE OF SAID SECTION 3 TO THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF SECTION 34, TOWNSHIP 22 NORTH, RANGE 4 EAST, W.M.;

THENCE NORTHERLY ALONG THE WEST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 34 TO THE NORTHWEST CORNER OF SAID SOUTHEAST QUARTER OF SAID SECTION 34;

THENCE EASTERLY ALONG THE NORTHERLY LINE OF SAID SOUTHEAST QUARTER OF SAID SECTION 34 TO THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF SECTION 35, TOWNSHIP 22 NORTH, RANGE 4 EAST, W.M.;

THENCE EASTERLY ALONG THE EAST-WEST CENTERLINE OF SAID SECTION 35 TO THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF SECTION 36, TOWNSHIP 22 NORTH, RANGE 4 EAST, W.M.;

THENCE EASTERLY ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 36 TO THE NORTHEAST CORNER OF SAID SOUTHWEST QUARTER OF SAID SECTION 36;

THENCE SOUTHERLY ALONG THE NORTH-SOUTH CENTERLINE OF SAID SECTION 36 TO THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 1, TOWNSHIP 21 NORTH, RANGE 4 EAST, W.M.;

THENCE SOUTHERLY ALONG THE NORTH-SOUTH CENTERLINE OF SAID SECTION 1 TO THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION 1;

THENCE WESTERLY ALONG THE SOUTH LINE OF SAID SECTION 1 TO THE NORTHEAST CORNER OF SECTION 11, TOWNSHIP 21 NORTH, RANGE 4 EAST, W.M.;

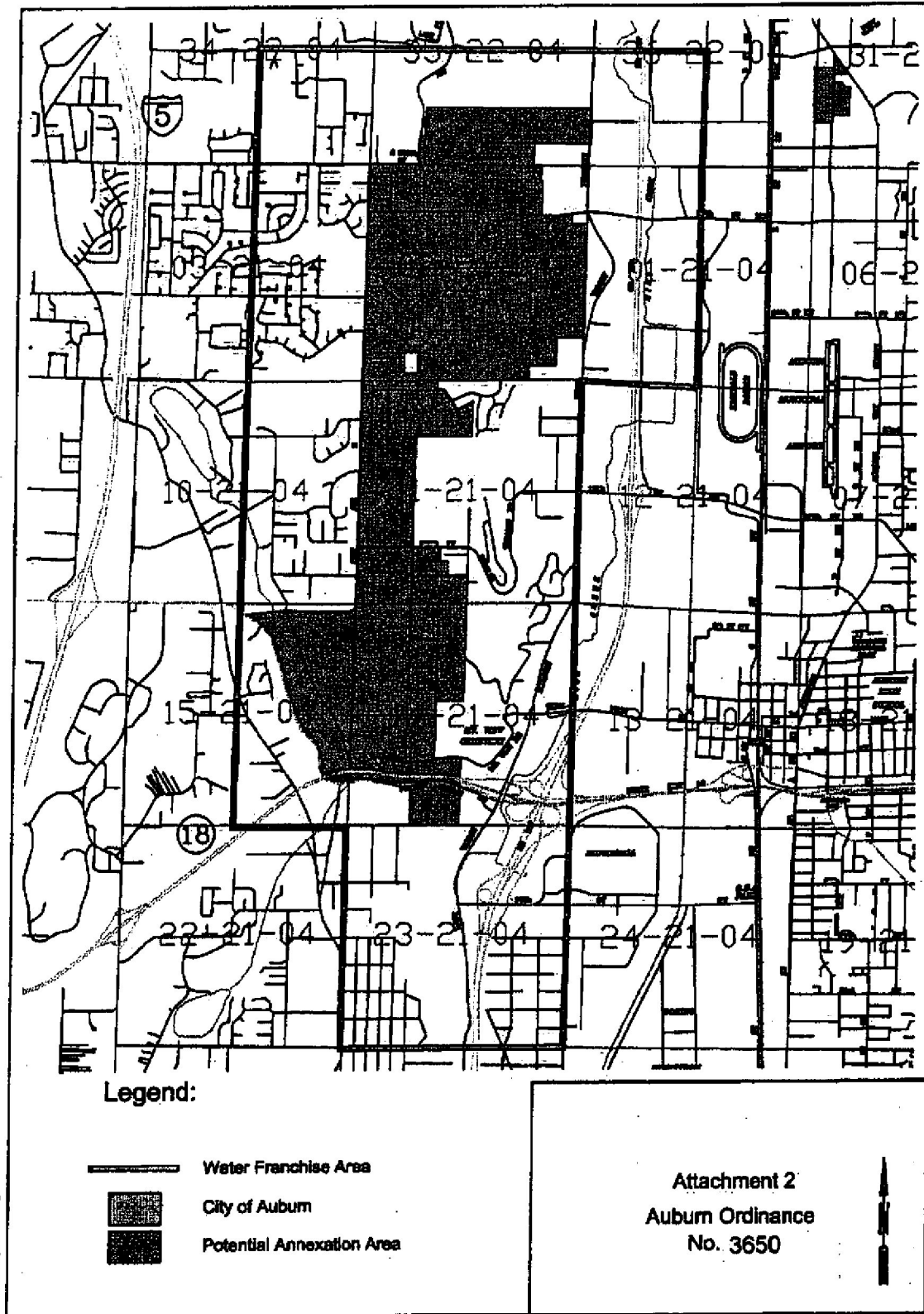
THENCE SOUTHERLY ALONG THE EAST LINE OF SAID SECTION 11 TO THE NORTHEAST CORNER OF THE NORTHEAST QUARTER OF SECTION 14, TOWNSHIP 21 NORTH, RANGE 4 EAST, W.M.;

THENCE SOUTHERLY ALONG THE EAST LINE OF SAID SECTION 14 TO THE NORTHEAST CORNER OF THE NORTHEAST QUARTER OF SECTION 23, TOWNSHIP 21 NORTH, RANGE 4 EAST, W.M.;

THENCE SOUTHERLY ALONG THE EAST LINE OF SAID SECTION 23 TO THE SOUTHEAST CORNER OF SAID SECTION 23;

THENCE WESTERLY ALONG THE SOUTH LINE OF SAID SECTION 23 TO THE POINT OF BEGINNING.

SITUATE IN KING COUNTY, WASHINGTON.





AGENDA BILL APPROVAL FORM

Agenda Subject:

Ordinance No. 6628

Date:

November 15, 2016

Department:

Finance

Attachments:

[Transmittal Memo](#)
[Ordinance No. 6628](#)

Budget Impact:

\$0

Administrative Recommendation:

City Council to introduce and adopt Ordinance No. 6628, establishing the Property Tax levy for calendar year 2017

Background Summary:

Attached is proposed Ordinance No. 6628, establishing the 2017 Property Tax Levy. The 2017 Property Tax Levy is based upon preliminary information from King County as of November 7, 2016 and represents an increase over the 2016 levy of \$2,583,723 plus the increase due to new construction of \$279,369 and refund levy of \$29,860. These numbers are as of November 7, 2016. King County will not finalize the City's assessed valuation (AV), new construction, and refund levies until December. Therefore the levy is based upon preliminary information as it is scheduled for Council adoption on November 21, 2016. The following table summarizes the 2017 Property Tax levy:

Table 1. 2017 Property Tax Levy Calculations

2016 property tax levy	\$	18,069,860
Use of banked capacity		2,388,752
0.953% inflation increase		194,971
Estimated new construction		279,369
Estimated refund levy		29,860
Total Estimated property tax levy	\$	20,962,812

As of this date the County has preliminarily established the 2017 assessed valuation (including estimated new construction) for the City of Auburn at \$9,387,700,988 which is a 6.4% increase over the 2016 level of \$8,826,618,865. The total 2017 Property Tax Levy will be distributed to the General Fund to support general governmental operations.

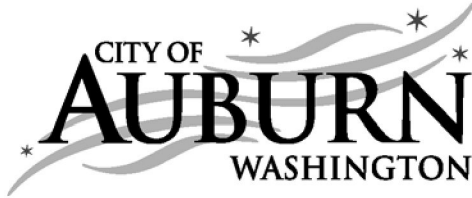
Reviewed by Council Committees:

Councilmember:

Staff: Coleman

Meeting Date: November 21, 2016

Item Number: ORD.D



Interoffice Memorandum

To: City Council
From: Shelley Coleman, Finance Director
CC: Nancy Backus, Mayor
Date: November 7, 2017
Re: 2017 Property Tax Ordinance No. 6628

Attached is proposed Ordinance No. 6628, establishing the 2017 Property Tax Levy. The 2017 Property Tax Levy is based upon preliminary information from King County and represents an increase over the 2016 levy of \$2,583,723, not including new construction and refund levy.

The estimated increase on new construction is \$279,369. King County will not finalize the City's assessed valuation (AV) and new construction until December therefore the levy will be based upon preliminary information as it is scheduled for Council adoption on November 16, 2016. The following table summarizes the 2017 Property Tax levy:

Table 1. 2017 Property Tax Levy Calculations

2016 property tax levy	\$	18,069,860
Use of banked capacity		2,388,752
0.953% inflation increase		194,971
Estimated new construction		279,369
Refund levy		29,860
Estimated Property Tax Levy	\$	20,962,812

As of this date the County has preliminarily established the 2017 assessed valuation (including estimated new construction) for the City of Auburn at \$9,387,700,988 which is a 6.4% increase over the 2016 level of \$8,826,618,865.

The total 2017 Property Tax Levy will be distributed to the General Fund to support general governmental operations.

Attachments:

- ❖ 1. Ordinance No. 6628

ORDINANCE NO. 6 6 2 8

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
AUBURN, WASHINGTON, ESTABLISHING THE LEVY FOR
REGULAR PROPERTY TAXES BY THE CITY OF AUBURN
FOR COLLECTION IN 2017 FOR GENERAL CITY
OPERATIONAL PURPOSES IN THE AMOUNT OF
\$20,962,812.00

WHEREAS, the City Council of the City of Auburn has met and considered
its budget for the calendar year 2017; and

WHEREAS, pursuant to RCW 84.55.120 the City Council held public
hearings on October 17, 2016, November 7, 2016, and November 21, 2016, after
proper notice was given, to consider the City of Auburn's 2017 budget and the
regular property tax levy to support it; and

WHEREAS, the City Council of the City of Auburn, after public hearing,
and after duly considering all relevant evidence and testimony presented, has
determined that the City of Auburn requires property tax revenue and any
increase of new construction and improvements to property, any increase in the
value of state-assessed property, annexations, and any refund levies in order to
discharge the expected expenses and obligations of the City and in its best
interest; and

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF
AUBURN, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Regular property taxes for collection in the City of Auburn
for the year 2017 are authorized in the amount of \$20,962,812.00. Not including

the addition of new construction and improvements to property, any increases related to the value of state assessed property, and any refund levies available, the regular property tax levy for 2017 collection represents an increase from regular property taxes levied for collection in 2016 of \$2,583,723 which is a 14.3% increase in revenue from the previous year.

Section 2. Implementation. The Mayor is hereby authorized to implement such administrative procedures as may be necessary to carry out the directives of this legislation.

Section 3. Severability. The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this ordinance, or the invalidity of the application thereof to any person or circumstance shall not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

Section 4. Effective Date. This Ordinance shall take effect and be in force five (5) days from and after its passage, approval and publication as provided by law.

INTRODUCED: _____

PASSED: _____

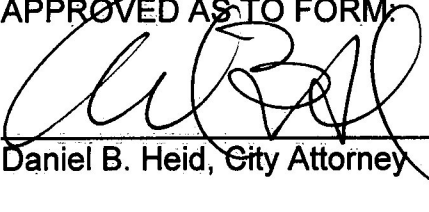
APPROVED: _____

NANCY BACKUS, MAYOR

ATTEST:

Danielle E. Daskam, City Clerk

APPROVED AS TO FORM:



Daniel B. Heid, City Attorney

PUBLISHED: _____



AGENDA BILL APPROVAL FORM

Agenda Subject:

Ordinance No. 6629

Date:

November 15, 2016

Department:

Finance

Attachments:

[Transmittal Memo](#)
[Ordinance No. 6629](#)
[Schedule A - BA#7](#)
[Schedule B - BA#7](#)

Budget Impact:

\$8,459,390 (see
attached)

Administrative Recommendation:

City Council to introduce and adopt Ordinance No. 6629.

Background Summary:

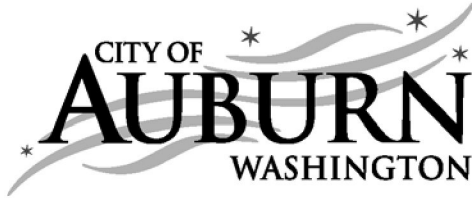
Ordinance No. 6629 (Budget Amendment #7) represents the seventh and final budget amendment for the 2015-2016 biennium and the fourth budget amendment for 2016. For details, see the attached transmittal memorandum and supporting attachments.

Reviewed by Council Committees:**Councilmember:****Staff:**

Coleman

Meeting Date: November 21, 2016

Item Number: ORD.E



Interoffice Memorandum

To: City Council
From: Shelley Coleman, Finance Director
CC: Nancy Backus, Mayor
Date: November 9, 2016
Re: Ordinance #6629 – 2015-2016 Budget Amendment #7

The City's biennial 2015-2016 budget was approved by Council as two one-year appropriations. Budget Amendments #1 through #3 amended the budget for calendar year 2015 and Budget Amendments #4 through #6 amended the budget for calendar year 2016. This amendment is the seventh and final budget amendment for the biennium and the fourth budget amendment for calendar year 2016.

Proposed amendments to the 2016 budget are as follows:

FTE Additions: No new FTEs are authorized under this amendment.

Project Funding Requests: Project funding requests included in this budget amendment establish spending authority for new projects or changes in spending authority for existing projects.

- Facilities Fund (Fund 505: –\$35,000.00)
 - Increase budget for the Justice Center painting project (\$40,000.00).
 - Reduce budget for Municipal Court carpet upgrades (–\$75,000.00).

Other Requests: Other requests included in this budget amendment establish spending authority for new items such as contracts for services, receipt of grant revenues, purchase of vehicles and equipment, Innovation and Technology items, etc.

- General Fund (Fund 001: –\$55,600.00)
 - Police – \$19,400.00 Target Zero Task Force grant from the WA Traffic Safety Commission for patrol overtime.
 - Human Resources– \$75,000.00 reduction in interfund charges for Municipal Court carpet upgrades.
- Mitigation Fees Fund (Fund 124: \$350,000.00)
 - Increase budgeted expenditures by \$350,000.00 to fund acquisition of a replacement fire engine, offset by \$250,000.000 in fire impact fees.
- Capital Improvements Fund (Fund 328: \$10,000.00)
 - \$10,000.00 4Culture Preservation Special Projects grant for the new Arts & Culture Center.

- Sewer Utility Fund (Funds 431/461: \$3,000,000.00)
 - Transfer \$3,000,000.00 from Sewer Operations to Sewer Capital to provide adequate working capital in that subfund.
- Storm Drainage Utility Fund (Funds 432/462: \$2,000,000.00)
 - Transfer \$2,000,000.00 from Storm Operations to Storm Capital to provide adequate working capital in that subfund.
- Solid Waste Fund (Fund 434: \$29,990.00)
 - \$29,990.00 Commercial Food Waste Outreach grant from King County.
- Airport Fund (Funds 435/465: \$150,000.00)
 - Transfer \$150,000.00 from Airport Operations to Airport Capital to provide adequate working capital in that subfund.
- Innovation & Technology Fund (Funds 518/568: \$1,500,000.00)
 - Transfer \$1,500,000.00 from IT Operations to IT Capital to provide adequate working capital in that subfund.
- Equipment Rental Fund (Funds 550/560: \$1,000,000.00)
 - Transfer \$1,000,000.00 from ER&R Operations to ER&R Capital to provide adequate working capital in that subfund.

Council approval of proposed Ordinance No. 6629 would amend the 2016 budget as follows:

Table 1: 2016 Budget as Amended

2016 Budget as Amended	\$ 301,802,917.89
Budget Amendment #7 (Ord #6629)	<u>8,459,390.00</u>
Revised Budget as Amended	\$310,262,307.89

Attachments:

- ❖ 1. Proposed Ordinance #6629 (budget adjustment #7).
- ❖ 2. Summary of proposed 2016 budget adjustments by fund and department (Schedule A).
- ❖ 3. Summary of approved changes to adopted 2016 budget by fund (Schedule B).

ORDINANCE NO. 6 6 2 9

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, AMENDING ORDINANCE NO. 6533, THE 2015-2016 BIENNIAL BUDGET ORDINANCE, AS AMENDED BY ORDINANCE NO. 6558, ORDINANCE NO. 6563, ORDINANCE NO. 6570, ORDINANCE NO. 6571, ORDINANCE NO. 6580, ORDINANCE NO. 6592, AND ORDINANCE NO. 6608, AUTHORIZING AMENDMENT TO THE CITY OF AUBURN 2015-2016 BUDGET AS SET FORTH IN SCHEDULE "A" AND SCHEDULE "B"

WHEREAS, the Auburn City Council at its regular meeting of December 1, 2014, adopted Ordinance No. 6533 which adopted the City of Auburn 2015-2016 Biennial budget; and

WHEREAS, the Auburn City Council at its regular meeting of April 6, 2015, adopted Ordinance No. 6558 (BA#1) which amended Ordinance No. 6533 which adopted the City of Auburn 2015-2016 Biennial budget; and

WHEREAS, the Auburn City Council at its regular meeting of July 6, 2015, adopted Ordinance No. 6563 (BA#2) which amended Ordinance No. 6558 which amended the City of Auburn 2015-2016 Biennial budget; and

WHEREAS, the Auburn City Council at its regular meeting of December 7, 2015, adopted Ordinance No. 6570 (BA#3) which amended Ordinance No. 6563 which amended the City of Auburn 2015-2016 Biennial budget; and

WHEREAS, the Auburn City Council at its regular meeting of December 7, 2015, adopted Ordinance No. 6571 (BA#4) which amended Ordinance No. 6570 which amended the City of Auburn 2015-2016 Biennial budget; and

WHEREAS, the Auburn City Council at its regular meeting of January 19, 2016, adopted Ordinance No. 6580 (Comprehensive Plan) which amended Ordinance No. 6571 which amended the City of Auburn 2015-2016 Biennial budget; and

WHEREAS, the Auburn City Council at its regular meeting of April 4, 2016, adopted Ordinance No. 6592 (BA#5) which amended Ordinance No. 6580 which amended the City of Auburn 2015-2016 Biennial budget; and

WHEREAS, the Auburn City Council at its regular meeting of June 27, 2016, adopted Ordinance No. 6608 (BA#6) which amended Ordinance No. 6592 which amended the City of Auburn 2015-2016 Biennial budget; and

WHEREAS, the City of Auburn deems it necessary to appropriate additional funds to the various funds of the 2016 budget as outlined in this Ordinance (BA#7); and

WHEREAS, this Ordinance has been approved by one more than the majority of all councilpersons in accordance with RCW 35A.34.200.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON DO ORDAIN AS FOLLOWS:

Section 1. **Amendment of the 2015-2016 Biennial Budget.** The 2015-2016 Biennial Budget of the City of Auburn is amended pursuant to Chapter 35A.34 RCW, to reflect the revenues and expenditures as shown on Schedule "A" attached hereto and incorporated herein by reference. The Mayor of the City of Auburn, Washington is hereby authorized to utilize revenue and expenditure amounts shown

on said Schedule "A" and Schedule "B". A copy of said Schedule "A" and Schedule "B" is on file with the City Clerk and available for public inspection.

Section 2. Implementation. The Mayor is hereby authorized to implement such administrative procedures as may be necessary to carry out the directions of this legislation.

Section 3. Severability. The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this ordinance, or the invalidity of the application thereof to any person or circumstance shall not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

Section 4. Effective Date. This Ordinance shall take effect and be in force five (5) days from and after its passage, approval and publication as provided by law.

INTRODUCED: _____
PASSED: _____
APPROVED: _____

NANCY BACKUS, MAYOR

ATTEST:

Danielle E. Daskam, City Clerk

APPROVED AS TO FORM:

A handwritten signature in black ink, appearing to read 'Daniel B. Heid', written over a horizontal line.

Daniel B. Heid, City Attorney

PUBLISHED: _____

Schedule A
Summary of 2016 Budget Adjustments by Fund
Budget Amendment #7 (Ordinance #6629)

	Beg. Fund Balance	2016 Revenues	2016 Expenditures	Ending Fund Balance
General Fund (#001)				
2016 Adopted Budget	10,547,126	59,354,240	64,735,515	5,165,851
Previous Budget Amendments	9,019,640	804,239	3,797,998	6,025,880
2016 Amended Budget	19,566,766	60,158,479	68,533,514	11,191,731
BA#7 (Ordinance #6629, Proposed):	-	19,400	(55,600)	75,000
Police Department:				
Target Zero Task Force Grant (WA Traffic Safety Commission)	-	19,400	19,400	-
Non-Departmental:				
Reduce Interfund Charge for Municipal Court Carpet Upgrades (F505)	-	-	(75,000)	75,000
Revised 2016 Budget - Fund 001	19,566,766	60,177,879	68,477,914	11,266,731
Mitigation Fees Fund (#124)				
2016 Adopted Budget	2,614,431	994,890	1,221,827	2,387,494
Previous Budget Amendments	3,239,938	400,000	2,369,018	1,270,920
2016 Amended Budget	5,854,369	1,394,890	3,590,845	3,658,414
BA#7 (Ordinance #6629, Proposed):	-	250,000	350,000	(100,000)
Increase Budget to Fund Acquisition of Replacement Fire Engine	-	250,000	350,000	(100,000)
Revised 2016 Budget - Fund 124	5,854,369	1,644,890	3,940,845	3,558,414
Capital Improvements Fund (#328)				
2016 Adopted Budget	8,627,868	1,756,036	5,561,324	4,822,580
Previous Budget Amendments	3,363,114	2,254,210	3,788,602	1,828,722
2016 Amended Budget	11,990,982	4,010,246	9,349,926	6,651,302
BA#7 (Ordinance #6629, Proposed):	-	10,000	10,000	-
4Culture Preservation Special Projects Grant	-	10,000	10,000	-
Revised 2016 Budget - Fund 328	11,990,982	4,020,246	9,359,926	6,651,302

Schedule A
Summary of 2016 Budget Adjustments by Fund
Budget Amendment #7 (Ordinance #6629)

	Beg. Fund Balance	2016 Revenues	2016 Expenditures	Ending Fund Balance
Sewer Fund (#431)				
2016 Adopted Budget	8,825,703	8,171,011	9,793,074	7,203,640
Previous Budget Amendments	(4,562,844)	(242,303)	(2,367,120)	(2,438,027)
2016 Amended Budget	4,262,859	7,928,708	7,425,954	4,765,613
BA#7 (Ordinance #6629, Proposed):	-	-	3,000,000	(3,000,000)
Transfer from Operating to Capital Subfund	-	-	3,000,000	(3,000,000)
Revised 2016 Budget - Fund 431	4,262,859	7,928,708	10,425,954	1,765,613
Storm Drainage Fund (#432)				
2016 Adopted Budget	7,781,286	9,576,161	9,784,729	7,572,718
Previous Budget Amendments	(5,089,904)	(302,135)	(1,896,560)	(3,495,479)
2016 Amended Budget	2,691,382	9,274,026	7,888,169	4,077,239
BA#7 (Ordinance #6629, Proposed):	-	-	2,000,000	(2,000,000)
Transfer from Operating to Capital Subfund	-	-	2,000,000	(2,000,000)
Revised 2016 Budget - Fund 432	2,691,382	9,274,026	9,888,169	2,077,239
Solid Waste Fund (#434)				
2016 Adopted Budget	2,858,461	13,427,400	13,040,599	3,245,262
Previous Budget Amendments	618,926	150,000	164,310	604,616
2016 Amended Budget	3,477,387	13,577,400	13,204,910	3,849,877
BA#7 (Ordinance #6629, Proposed):	-	29,990	29,990	-
Commercial Food Waste Outreach Grant from King County	-	29,990	29,990	-
Revised 2016 Budget - Fund 434	3,477,387	13,607,390	13,234,900	3,849,877

Schedule A
Summary of 2016 Budget Adjustments by Fund
Budget Amendment #7 (Ordinance #6629)

	Beg. Fund Balance	2016 Revenues	2016 Expenditures	Ending Fund Balance
Airport Fund (#435)				
2016 Adopted Budget	292,109	881,900	826,807	347,202
Previous Budget Amendments	24,495	(133,031)	(99,898)	(8,637)
2016 Amended Budget	316,604	748,869	726,908	338,565
BA#7 (Ordinance #6629, Proposed):	-	-	150,000	(150,000)
Transfer from Operating to Capital Subfund	-	-	150,000	(150,000)
Revised 2016 Budget - Fund 435	316,604	748,869	876,908	188,565
Sewer Capital Fund (#461)				
2016 Adopted Budget	-	-	-	-
Previous Budget Amendments	8,600,000	242,303	4,138,460	4,703,843
2016 Amended Budget	8,600,000	242,303	4,138,460	4,703,843
BA#7 (Ordinance #6629, Proposed):	-	3,000,000	-	3,000,000
Transfer from Operating to Capital Subfund	-	3,000,000	-	3,000,000
Revised 2016 Budget - Fund 461	8,600,000	3,242,303	4,138,460	7,703,843
Storm Drainage Capital Fund (#462)				
2016 Adopted Budget	-	-	-	-
Previous Budget Amendments	11,900,000	659,941	4,783,512	7,776,429
2016 Amended Budget	11,900,000	659,941	4,783,512	7,776,429
BA#7 (Ordinance #6629, Proposed):	-	2,000,000	-	2,000,000
Transfer from Operating to Capital Subfund	-	2,000,000	-	2,000,000
Revised 2016 Budget - Fund 462	11,900,000	2,659,941	4,783,512	9,776,429

Schedule A
Summary of 2016 Budget Adjustments by Fund
Budget Amendment #7 (Ordinance #6629)

	Beg. Fund Balance	2016 Revenues	2016 Expenditures	Ending Fund Balance
Airport Capital Fund (#465)				
2016 Adopted Budget	-	-	-	-
Previous Budget Amendments	200,000	278,321	469,911	8,410
2016 Amended Budget	200,000	278,321	469,911	8,410
BA#7 (Ordinance #6629, Proposed):				
	-	150,000	-	150,000
Transfer from Operating to Capital Subfund	-	150,000	-	150,000
Revised 2016 Budget - Fund 465	200,000	428,321	469,911	158,410
Insurance Fund (#501)				
2016 Adopted Budget	1,395,231	1,000	218,900	1,177,331
Previous Budget Amendments	135,358	-	-	135,358
2016 Amended Budget	1,530,589	1,000	218,900	1,312,689
BA#7 (Ordinance #6629, Proposed):				
	-	500,000	-	500,000
T/F In from GF for Ongoing Payments for Employment Security Taxes	-	500,000	-	500,000
Revised 2016 Budget - Fund 501	1,530,589	501,000	218,900	1,812,689
Facilities Fund (#505)				
2016 Adopted Budget	1,346,478	3,598,400	3,797,528	1,147,350
Previous Budget Amendments	1,064,276	(100,000)	781,520	182,756
2016 Amended Budget	2,410,754	3,498,400	4,579,048	1,330,105
BA#7 (Ordinance #6629, Proposed):				
	-	-	(35,000)	35,000
Increase Budget for the Justice Center Painting Project	-	-	40,000	(40,000)
Reduce Budget for Municipal Court Carpet Upgrades	-	-	(75,000)	75,000
Revised 2016 Budget - Fund 505	2,410,754	3,498,400	4,544,048	1,365,105

Schedule A
Summary of 2016 Budget Adjustments by Fund
Budget Amendment #7 (Ordinance #6629)

	Beg. Fund Balance	2016 Revenues	2016 Expenditures	Ending Fund Balance
Innovation & Technology Fund (#518)				
2016 Adopted Budget	1,828,866	5,639,465	5,582,582	1,885,749
Previous Budget Amendments	476,329	33,538	166,200	343,667
2016 Amended Budget	2,305,195	5,673,003	5,748,782	2,229,416
BA#7 (Ordinance #6629, Proposed):	-	-	1,500,000	(1,500,000)
Transfer from Operating to Capital Subfund	-	-	1,500,000	(1,500,000)
Revised 2016 Budget - Fund 518	2,305,195	5,673,003	7,248,782	729,416
Equipment Rental Fund (#550)				
2016 Adopted Budget	3,184,883	3,669,480	4,638,010	2,216,353
Previous Budget Amendments	(210,764)	(89,655)	(1,127,562)	827,143
2016 Amended Budget	2,974,119	3,579,825	3,510,449	3,043,495
BA#7 (Ordinance #6629, Proposed):	-	-	1,000,000	(1,000,000)
Transfer from Operating to Capital Subfund	-	-	1,000,000	(1,000,000)
Revised 2016 Budget - Fund 550	2,974,119	3,579,825	4,510,449	2,043,495
Equipment Rental Capital Fund (#560)				
2016 Adopted Budget	-	-	-	-
Previous Budget Amendments	3,100,001	1,120,578	3,630,065	590,513
2016 Amended Budget	3,100,001	1,120,578	3,630,065	590,513
BA#7 (Ordinance #6629, Proposed):	-	1,000,000	-	1,000,000
Transfer from Operating to Capital Subfund	-	1,000,000	-	1,000,000
Revised 2016 Budget - Fund 560	3,100,001	2,120,578	3,630,065	1,590,513
IT Capital Fund (#568)				
2016 Adopted Budget	-	-	-	-
Previous Budget Amendments	1,400,000	442,562	1,579,579	262,983
2016 Amended Budget	1,400,000	442,562	1,579,579	262,983
BA#7 (Ordinance #6629, Proposed):	-	1,500,000	-	1,500,000
Transfer from Operating to Capital Subfund	-	1,500,000	-	1,500,000
Revised 2016 Budget - Fund 568	1,400,000	1,942,562	1,579,579	1,762,983

Schedule A
Summary of 2016 Budget Adjustments by Fund
Budget Amendment #7 (Ordinance #6629)

	<u>Beg. Fund Balance</u>	<u>2016 Revenues</u>	<u>2016 Expenditures</u>	<u>Ending Fund Balance</u>
Grand Total - All Funds				
2016 Adopted Budget	70,939,707	169,297,448	185,515,188	54,721,967
Previous Budget Amendments	44,971,362	16,594,401	37,040,117	24,525,645
2016 Amended Budget	115,911,069	185,891,849	222,555,305	79,247,613
TOTAL BA#7 (Ordinance #6629, Proposed)	-	8,459,390	7,949,390	510,000
 Revised 2016 Budget	 115,911,069	 194,351,239	 230,504,695	 79,757,613
		310,262,308	-	310,262,308

Schedule B
2016 Appropriations by Fund

Fund	CFP (Ord #6580) and Set Up of Capital Funds							Revised Budget
	2016 Adopted Budget	BA#4 (Ord #6571)	BA#5 (Ord #6592)	BA#6 (Ord #6608)	BA#7 (Ord #6629)	Total Amendments		
General Fund (#001)	69,901,366	2,993,307	-	3,019,833	3,810,739	19,400	9,843,279	79,744,645
Arterial Street Fund (#102)	13,197,491	3,701,861	-	3,189,470	269,524	-	7,160,855	20,358,346
Local Street Fund (#103)	1,951,068	236,856	-	924,345	730,921	-	1,892,122	3,843,190
Hotel Motel Fund (#104)	242,971	6,905	-	-	61,668	-	68,573	311,544
Arterial Street Preservation Fund (#105)	3,588,500	(203,936)	-	1,920,390	(213,063)	-	1,503,391	5,091,891
Drug Forfeiture Fund (#117)	395,157	34,416	-	-	111,351	-	145,767	540,924
Housing and Community Development Grant Fund (#119)	487,371	17,533	-	715,398	(10,000)	-	722,931	1,210,302
Recreation Trails Fund (#120)	50,977	(761)	-	-	(558)	-	(1,319)	49,658
Business Improvement Area Fund (#121)	96,332	(9,841)	-	-	17,025	-	7,184	103,516
Cumulative Reserve Fund (#122)	6,252,504	3,017,482	-	20,214	209,297	-	3,246,993	9,499,497
Mitigation Fees Fund (#124)	3,609,321	801,664	-	1,253,082	1,585,192	250,000	3,889,938	7,499,259
1998 Library Fund (#229)	285,100	-	-	-	-	-	-	285,100
2010 Annex A&B Bond Debt Fund (#230)	1,688,444	-	-	-	-	-	-	1,688,444
2010 C&D Local Revitalization Debt Fund (#231)	592,472	-	-	-	-	-	-	592,472
Golf Course Debt Service Fund (#237)	351,553	-	-	-	-	-	-	351,553
LID Guarantee Fund (#249)	22,589	-	-	-	-	-	-	22,589
LID #350 (#275)	15,130	1,995	-	-	-	-	1,995	17,125
Municipal Park Construction Fund (#321)	9,523,236	(2,971,834)	-	1,338,045	521,117	-	(1,112,672)	8,410,564
Capital Improvements Fund (#328)	10,383,904	(763,636)	156,710	4,576,892	1,647,358	10,000	5,627,324	16,011,228
Local Revitalization Fund (#330)	-	329,450	-	135,101	-	-	464,551	464,551
Water Fund (#430)	19,639,589	3,560,046	(4,887,989)	(13,251)	(193,823)	-	(1,535,017)	18,104,572
Sewer Fund (#431)	16,996,714	726,461	(2,371,137)	(17,613)	(3,142,858)	-	(4,805,147)	12,191,567
Storm Drainage Fund (#432)	17,357,447	477,264	(1,175,657)	(13,251)	(4,680,395)	-	(5,392,039)	11,965,408
Sewer Metro Fund (#433)	18,825,535	(346,911)	-	-	213,281	-	(133,630)	18,691,905
Solid Waste Fund (#434)	16,285,861	223,816	-	-	545,110	29,990	798,916	17,084,777
Airport Fund (#435)	1,174,009	(18,274)	-	(133,031)	42,769	-	(108,536)	1,065,473
Cemetery Fund (#436)	1,334,748	184,237	-	-	(235,039)	-	(50,802)	1,283,946
Water Capital Fund (#460)	-	-	4,905,785	4,415,123	170,394	-	9,491,302	9,491,302
Sewer Capital Fund (#461)	-	-	3,552,000	590,823	4,699,480	3,000,000	11,842,303	11,842,303
Storm Drainage Capital Fund (#462)	-	-	2,850,618	1,938,168	7,771,155	2,000,000	14,559,941	14,559,941
Airport Capital Fund (#465)	-	-	351,237	111,705	15,379	150,000	628,321	628,321
Cemetery Capital Fund (#466)	-	-	-	12,699	257,301	-	270,000	270,000
Insurance Fund (#501)	1,396,231	40,926	-	-	94,432	500,000	635,358	2,031,589
Workers Compensation Self Insurance Fund (#503)	1,029,599	317,004	-	-	294,730	-	611,734	1,641,333
Facilities Fund (#505)	4,944,878	618,685	-	518,500	(172,909)	-	964,276	5,909,154
Innovation and Technology Fund (#518)	7,468,331	404,683	(480,000)	666,376	(81,192)	-	509,867	7,978,198
Equipment Rental Fund (#550)	6,854,363	528,598	(1,169,254)	(313,797)	879,034	-	(75,419)	6,778,944
Equipment Rental Capital Fund (#560)	-	-	1,738,048	1,575,217	682,313	1,000,000	4,995,578	4,995,578
IT Capital Fund (#568)	-	-	480,000	749,579	612,983	1,500,000	3,342,562	3,342,562
Fire Pension Fund (#611)	2,562,300	28,981	-	-	(2,724)	-	26,257	2,588,557
Cemetery Endowment Fund (#701)	1,732,064	(24,016)	-	-	12,431	-	(11,585)	1,720,479
Total	240,237,155	13,912,960	3,950,362	27,180,018	16,522,423	8,459,390	70,025,153	310,262,308



AGENDA BILL APPROVAL FORM

Agenda Subject:

Resolution No. 5252

Date:

September 29, 2016

Department:

Parks/Art and Recreation

Attachments:

[Resolution No. 5252](#)

Budget Impact:

\$0

Administrative Recommendation:

City Council adopt Resolution No. 5252.

Background Summary:

The City of Auburn has supported the Auburn Symphony Orchestra for the past several years to assist in promoting and marketing Auburn as a destination for arts and events that in turn contribute to the economy. Performing art programs serve as an economic driver and the activities of the Auburn Symphony Orchestra assists in attracting visitors to Auburn. For 2017, it is proposed that the City enters into one contract with a specific scope of services that outlines sponsorship services, marketing, outreach and audience building, and organization efforts that assist in showcasing Auburn as a destination for arts and events.

Reviewed by Council Committees:**Councilmember:****Staff:**

Faber

Meeting Date:

November 21, 2016

Item Number:

RES.A

RESOLUTION NO. 5 2 5 2

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT BETWEEN THE CITY OF AUBURN AND THE AUBURN SYMPHONY ORCHESTRA FOR TOURISM PROMOTION SERVICES

WHEREAS, the City is interested in promoting and marketing Auburn as a tourist Destination; and

WHEREAS, there are activities located and occurring within the corporate boundaries of the City the promotion of which would be beneficial to the City and to the residents and businesses of the City; and

WHEREAS one source of such activities is the Auburn Symphony Orchestra, the Service Provider, herein; and

WHEREAS, a program of advertising for such events would help to insure the success of such activities by informing people about them encouraging people to attend and attracting tourists to the City; and

WHEREAS, in order to advertise the City, attract visitors, and encourage tourism it would be advantageous for the City to contract with the Service Provider for promotional services in connection therewith.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, HEREBY RESOLVES as follows:

Section 1. That the Mayor is hereby authorized to execute an Agreement between the City and the Auburn Symphony Orchestra for tourism promotion services, which agreement shall be in substantial conformity with the agreement attached hereto as Exhibit A and incorporated herein by this reference.

Section 2. That the Mayor is authorized to implement such administrative procedures as may be necessary to carry out the directives of this legislation.

Section 3. That this Resolution shall take effect and be in full force upon passage and signatures hereon.

Dated and Signed this _____ day of _____, 2016.

CITY OF AUBURN

NANCY BACKUS, MAYOR

ATTEST:

Danielle E. Daskam, City Clerk

APPROVED AS TO FORM:



Daniel B. Heid, City Attorney



**CITY OF AUBURN and AUBURN SYMPHONY ORCHESTRA
CONTRACT FOR SERVICES**

THIS CONTRACT is made and entered into on the _____ day of _____, 2016, by and between the CITY OF AUBURN, a municipal corporation of the State of Washington, hereinafter referred to as the "City," and the AUBURN SYMPHONY ORCHESTRA, a not-for-profit corporation organized pursuant to 26 U.S.C. 501 (C)(3), hereinafter referred to as the "Service Provider" or "ASO," on the following terms and conditions.

1. **SCOPE OF SERVICES BY SERVICE PROVIDER** The Service Provider shall engage, enrich and inspire our community through artistically vibrant performances; will uphold the highest artistic and professional standards; will present a broad range of repertoire; will serve a wide and diverse audience; and will provide quality educational experiences for all ages. Service Provider will provide classical music opportunities to area youth through reduced ticket prices to concerts as well as outreach to Auburn area schools. Service Provider will actively participate in community events and include City of Auburn logo in all applicable promotional materials. Service Provider will comply with requirements listed in Attachment 'A'.
2. **TERM OF CONTRACT:** The Term of this Contract shall be from January 1, 2017, through December 31, 2017.
3. **COMPENSATION TO SERVICE PROVIDER:**
 - a. The parties understand that the Service Provider operates on a fiscal year that runs from July 1 through the following June 30, and that its concert season is consistent with its fiscal year. The City's fiscal year is from January 1 through the following December 31. The parties agree that the marketing services provided throughout the year are adequate consideration for the City to pay the Service Provider its full consideration due for the calendar year by the end of June each year in order to support the Service Provider's budget cycle.
 - b. The total contract is for \$75,000 per calendar year. For 2017, the first payment of \$25,000.00 will be paid on January 31, 2017. The second payment of \$25,000.00 will be paid on March 30, 2017. The third payment of \$25,000.00 will be paid on June 1, 2017.
 - c. **Invoicing and Reports.** The Service Provider will submit invoices and reports not later than 30 calendar days before payment is due. For each reporting period, the Service Provider will provide report outlining how the Service Provider met the performance measures set forth in this Agreement.
4. **NON-APPROPRIATION OF FUNDS:** If sufficient funds are not appropriated or allocated for payment under this Agreement for any future fiscal period, the City will not be obligated to

make payments for Services or amounts incurred after the end of the current fiscal period, and this Agreement will terminate upon the completion of all remaining Services for which funds are allocated. No penalty or expense shall accrue to the City in the event this provision applies.

5. **RECORDS INSPECTION AND AUDIT:** All compensation payments shall be subject to the adjustments for any amounts found upon audit or otherwise to have been improperly invoiced and all records and books of accounts pertaining to any work performed under this Contract shall be subject to inspection and audit by the City for a period of up to three 3 years from the final payment for work performed under this Contract.
6. **CONTRACT ADMINISTRATION:** This Contract shall be administered by Auburn Symphony Orchestra Manager Lee Valenta on behalf of the Service Provider and by Mayor or designee on behalf of the City. Any written notices required by terms of this Contract shall be served or mailed to the following addressees unless changed by written notice to the other party:

If to the City: City of Auburn, 25 West Main Street, Auburn WA 98001

If to the Service Provider: Auburn Symphony Orchestra, P.O. Box 2186, Auburn WA 98071

7. **NOTICES:** All notices or communications permitted or required to be given under this Contract shall be in writing and shall be deemed to have been duly given if delivered in person or deposited in the United States mail postage prepaid for mailing by certified mail return receipt requested and addressed if to a party of this Contract to the address set forth next to such party's signature at the end of this Contract or if to a person not a party to this Contract to the address designated by a party to this Contract in the foregoing manner. Any party may change his or its address by giving notice in writing stating his or its new address to any other party all pursuant to the procedure set forth in this section of the Contract.
8. **INSURANCE:** The Service Provider shall be responsible for maintaining during the term of this Contract and at its sole cost and expense insurance coverages in amounts not less than the amounts set forth herein below. The Service Provider shall furnish evidence satisfactory to the City of all such policies during the term hereof the Service Provider shall take out and maintain in full force and effect the following insurance policies:
 - a. Comprehensive general liability insurance including automobile and property damage insuring the City and the Service Provider against loss or liability for damages for personal injury death or property damage arising out of or in connection with the performance by the Service Provider of its obligations hereunder with minimum liability limits of \$1,000,000.00 combined single limit for personal injury death or property damage in anyone occurrence.
 - b. Such workmen's compensation and other similar insurance as may be required by law.

9. **INDEMNIFICATION:** The Service Provider shall indemnify and hold harmless the City and its officers agents and employees or any of them from any and all claims actions suits liability loss costs expenses and damages of any nature whatsoever by any reason of or arising out of the negligent act or omission of the Service Provider its officers agents employees or any of them relating to or arising out of the performance of this Contract. If a final judgment is rendered against the City its officers agents employees and or any of them or jointly against the City and the Service Provider and their respective officers agents and employees or any of them the Service Provider shall satisfy the same to the extent that such judgment was due to the Service Provider s negligent acts or omissions.
10. **RESTRICTION AGAINST ASSIGNMENT:** Service Provider shall not assign this Contract or any interest herein nor any money due or to become due hereunder without first obtaining the written consent of the City nor shall the Service Provider subcontract any part of the services to be performed hereunder without first obtaining the written consent of the City.
11. **AMENDMENT MODIFICATION OR WAIVER:** No amendment modification or waiver of any condition provision or term of this Contract shall be valid or of any effect unless made in writing signed by the party or parties to be bound or such party s or parties duly authorized representative s and specifying with particularity the nature and extent of such amendment modification or waiver Any waiver by any party of any default of the other party shall not effect or impair any right arising from any subsequent default Nothing herein shall limit the remedies or rights of the parties hereto under and pursuant to this Contract.
1. **TERMINATION AND SUSPENSION:** Either party may terminate this Contract upon Ninety (90) days written notice to the other party It is provided however that if the Service Provider has performed services pursuant to the Contract the Service Provider shall be compensated for such services in accordance with the rate of compensation provided herein.
13. **PARTIES IN INTEREST:** This Contract shall be binding upon and the benefits and obligations provided for herein shall inure to and bind the parties hereto and their respective successors and assigns provided that this section shall not be deemed to permit any transfer or assignment otherwise prohibited by this Contract This Contract is for the exclusive benefit of the parties hereto and it does not create a contractual relationship with or exist for the benefit of any third party including contractors sub contractors and their sureties.
14. **COSTS TO PREVAILING PARTY:** In the event of litigation or other legal action to enforce any rights responsibilities or obligations under this Contract the prevailing parties shall be entitled to receive its reasonable costs and attorney's fees.
15. **APPLICABLE LAW:** This Contract and the rights of the parties hereunder shall be governed by the interpreted in accordance with the laws of the State of Washington and venue for any action hereunder shall be King County State of Washington provided however that it is agreed and understood that any applicable statute of limitation shall commence no later than the substantial completion by the Service Provider of the services.

16. **CAPTIONS HEADINGS AND TITLES:** All captions headings or titles in the paragraphs or sections of this Contract are inserted for convenience of reference only and shall not constitute a part of this Contract or act as a limitation of the scope of the particular paragraph or sections to which they apply As used herein where appropriate the singular shall include the plural and vice versa and masculine feminine and neuter expressions shall be interchangeable Interpretation or construction of this Contract shall not be affected by any determination as to who is the drafter of this Contract this Contract having been drafted by mutual agreement of the parties.
17. **SEVERABLE PROVISIONS:** Each provision of this Contract is intended to be severable If any provision hereof is found by a court of competent jurisdiction to be illegal or invalid or not applicable to any person or circumstance for any reason whatsoever such illegality invalidity or non applicability shall not affect the legality or validity of the remainder of this Contract or its applicability to other persons or circumstances.
18. **ENTIRE AGREEMENT:** This Contract contains the entire understanding of the parties hereto in respect to the transactions contemplated hereby and supersedes all prior agreements contracts and understandings between the parties with respect to such subject matter.
19. **COUNTERPARTS:** This Contract may be executed in multiple counterparts each of which shall be one and the same Contract and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party.

IN WITNESS WHEREOF the parties hereto have caused this Contract to be executed effective the day and year first set forth above:

AUBURN SYMPHONY ORCHESTRA

CITY OF AUBURN

Title: _____

Date: _____

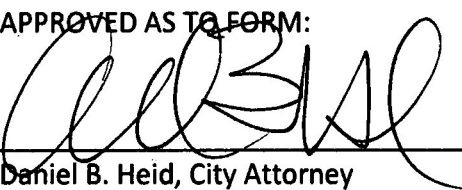
Nancy Backus, Mayor

Date: _____

ATTEST:

Danielle Daskam, City Clerk

APPROVED AS TO FORM:



Daniel B. Heid, City Attorney

Contractor: Auburn Symphony Orchestra

Contract # _____

ATTACHMENT A Scope of Services

Scope of Work:

1. Auburn Symphony Orchestra (ASO) will engage, enrich and inspire our community through artistically vibrant performances; will uphold the highest artistic and professional standards; will present a broad range of repertoire; will serve a wide and diverse audience; and will provide quality educational experiences for all ages.
2. ASO will produce, at the minimum, three full symphony programs, four chamber concerts, three summer concerts each performing arts season.
3. ASO will conduct outreach into Auburn public schools and offer reduced price student tickets.
4. Conduct outreach to new audiences through programming and marketing efforts.
5. Participate in community events and/or festivals through hosting a booth and/or partnering to present programming as part of the event program.

Service Provider Agrees to:

1. Credit the City of Auburn in all appropriate public announcements, programs, advertising, and other forms of notice relating to the activity and service covered under this agreement and produced by, for, and under the direction of the organization. Where possible, the City of Auburn logo should be used. If logo is not appropriate, ASO may list the funder as : City of Auburn.
2. Provide access to members of the City Council and Auburn Arts Commission for purposes of evaluation to at least three performances each year.
3. Meet with the City Council, Arts Commission, or the Arts Coordinator once during the contract period, to provide information regarding programming and administration of the programs.
4. Provide the City of Auburn reports and data as outlined as part of the payment schedule.
5. Make available to the City of Auburn the service providers financial and other records, upon request, to determine compliance with this agreement.
6. Include City Council members and Arts Commissioners in their mailing list

Payment Schedule

Phase I: To be completed by January 31, 2017. NTE \$25,000.00 upon receipt or completion of the following:

- Full execution of this contract
- Receipt of completed invoice
- Receipt of schedule of activities and programming for 2016-17 performing arts season

- Submission of all printed material and copies of paid advertisements completed between June 2016 and January 2017¹.
- Attendance reports for concerts; including zip code demographic summary of patrons and student discount tickets claimed, and tracking of new versus returning attendees.
- Outline summary of outreach activities and community participation efforts
- Receipt of annual report from prior ASO fiscal year
- Submission of marketing plan and budget for ASO 2016-2017 performing arts season

Phase II: To be completed by March 30, 2017. NTE \$25,000.00 upon receipt or completion of the following:

- Receipt of completed invoice
- Submission of all printed material and copies or documentation of paid advertisements completed between January 2017 and March 2017
- Attendance reports for ASO concerts; including zip code demographic summary of patrons and student discount tickets claimed, and tracking of new versus returning attendees.
- Outline summary of outreach activities and community participation efforts

Phase III: To be completed by June 1, 2017. NTE \$25,000.00 upon receipt or completion of the following:

- Receipt of completed invoice
- Submission of all printed material and copies of paid advertisements completed between March 2017 and June 2017.
- Attendance reports for ASO concerts; including zip code demographic summary of patrons and student discount tickets claimed, and tracking of new versus returning attendees.
- Outline summary of outreach activities and community participation efforts
- Summary of annual fundraiser

¹ NOTE: While this Contract covers performances during 2016 and 2017, references are made to the ASO's 2015-2016 season, which includes periods covered in this Contract.



AGENDA BILL APPROVAL FORM

Agenda Subject:

Resolution No. 5256

Date:

November 17, 2016

Department:

Administration

Attachments:

[Resolution No. 5256](#)
[Plan](#)

Budget Impact:

\$0

Administrative Recommendation:

City Council adopt Resolution No. 5256.

Background Summary:

The completed Council adopted plan will allow the City to be more strategic in future policy making, investment decisions and infrastructure planning to maximize return on investment. The Plan will increase the City's overall market awareness, how it lags, competes and excels in the market, the target industries that the City should pursue to create taxable value and employment opportunity value for the community. Further, this Plan will assist the City in making appropriate decisions to insure that both the community's quality of life and the quality of its workforce are at a level to insure that the City can effectively compete in the global marketplace.

Reviewed by Council Committees:**Councilmember:****Staff:**

Hinman

Meeting Date: November 21, 2016

Item Number: RES.B

RESOLUTION NO. 5 2 5 6

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF AUBURN, WASHINGTON, APPROVING
THE CITY OF AUBURN TEN-YEAR ECONOMIC
DEVELOPMENT STRATEGIC PLAN**

WHEREAS, in the fall of 2015, the City of Auburn embarked on a process to develop an Economic Development Strategic Plan; and

WHEREAS, it was intended that this plan could provide a guideline for the City's economic development activities over the next decade; and

WHEREAS, to assist in this endeavor, the City hired a team that included TIP Strategies, Heartland, and the Retail Coach. Building on the recent Imagine Auburn Comprehensive Plan, the consulting team developed this strategic plan with the input of more than 200 stakeholders and based on findings from a detailed analysis of demographic, economic, and market data; and

WHEREAS, the goals and strategies were also informed by the consulting team's knowledge of trends and best practices that shape economic development outcomes and programs across the nation. The result is a set of goals, strategies, and actions that will propel the City of Auburn forward towards its vision for 2025; and

WHEREAS, the City's development and adoption of this strategic plan is timely. Auburn is in the path of growth and has already attracted high-profile investments in multi-family housing (Trek Apartments and Merrill Gardens), manufacturing (Orion Industries), and community services (Junior Achievement);
and

WHEREAS, these successful investments highlight Auburn's competitive advantages, its central location, historic downtown, regional transportation linkages, and access to labor; and

WHEREAS, the spillover growth from Seattle is just beginning in Auburn. With large tracts of land coming into to play, such as the 129-acre General Services Administration (GSA) Complex and the 70-acre Valley Drive-In, and the momentum that has already built up around Auburn, the City is wise to contemplate how it wants to grow so it can be better positioned to guide its future; and

WHEREAS, Auburn can and should harness Seattle's success to shape its own economic development future as a vibrant, connected City with a strong and diverse employment base; and

WHEREAS, the City of Auburn should also build opportunity from within by encouraging companies to start, stay, and grow in the City. All of this work must be accomplished without losing sight of its purpose: to benefit the citizens of Auburn and provide employment opportunities for the children that grow up there; and

WHEREAS, this work will take discipline and direction, leadership and collaboration, and patience and perseverance across the City and multiple partners. The City of Auburn's Ten-Year Economic Development Strategic Plan provides the foundation and lays out the framework to coordinate the City's transformation into a unique and thriving hub in the Seattle-Tacoma region.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN,
WASHINGTON, HEREBY RESOLVES as follows:

Section 1. That the Economic Development Plan, a copy of which is attached hereto, marked as Exhibit "A" and incorporated herein by this reference, is adopted as the City of Auburn Ten-Year Economic Development Strategic Plan.

Section 2. That the Mayor is authorized to implement such administrative procedures as may be necessary to carry out the directives of this legislation.

Section 3. That this Resolution shall take effect and be in full force upon passage and signatures hereon.

Dated and Signed this ____ day of _____, 2016.

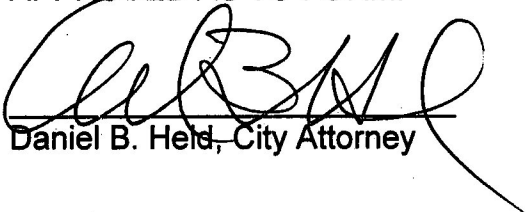
CITY OF AUBURN

NANCY BACKUS, MAYOR

ATTEST:

Danielle E. Daskam, City Clerk

APPROVED AS TO FORM:



Daniel B. Heid, City Attorney

NOVEMBER 16, 2016



CITY OF AUBURN, WASHINGTON ECONOMIC DEVELOPMENT STRATEGY



H E A R T L A N D



ACKNOWLEDGEMENTS



PROJECT STEERING COMMITTEE:

Mayor Nancy Backus
Dana Hinman
Kevin Snyder
Doug Lein
Bob Lee
Shelley Coleman
Ingrid Gaub
Jeff Tate
John Holman
Paul Haugan
Daryl Faber

Tiffany Dickman, Project Coordinator



TIP STRATEGIES, INC. is a privately held economic development consulting firm with offices in Austin and Seattle. TIP is committed to providing quality solutions for public and private-sector clients. Established in 1995, the firm's primary focus is economic development strategic planning.

CONSULTING TEAM:

Jeff Marcell Caroline Alexander
Senior Partner Project Manager

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HEARTLAND

HEARTLAND is a Seattle-based real estate advisory and investment firm with over 30 years of experience designing, analyzing, and implementing strategies to manage risk and optimize value in all aspects of both the built and natural environment. Our five business lines include public-sector advisory, private-sector advisory, capital markets, brokerage services and investment.

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RETAIL COACH is a premier national retail recruitment and development consulting firm, founded by C. Kelly Cofer, President and Chief Executive Officer. Since 2000, The Retail Coach has provided the research, relationships and strategies to achieve retail recruitment and development results that have helped more than 350 communities throughout the US become better, stronger places to live and work through an expanded sales tax base.

CONSULTING TEAM:

C. Kelly Cofer, CCIM
President/CEO

Aaron Farmer
Senior Vice President

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EXECUTIVE SUMMARY

In the fall of 2015, the City of Auburn embarked on a process to develop an economic development strategic plan. This plan will provide a guide for the City’s economic development activities and investment over the next decade. To assist in this endeavor, the City hired a team that included TIP Strategies, Heartland, and the Retail Coach. Building on the recent Imagine Auburn Comprehensive Plan, the consulting team developed this strategic plan with the input of more than 200 stakeholders and based on findings from a detailed analysis of demographic, economic, and market data. The goals and strategies were also informed by the consulting team’s knowledge of trends and best practices that shape economic development outcomes and programs across the nation. The result is a set of goals, strategies, and actions that will propel the City of Auburn forward towards its vision for 2025.

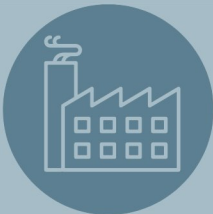
The City’s development and adoption of this strategic plan is timely. Auburn is in the path of growth and has already attracted high-profile investments in multi-family housing (Trek Apartments and Merrill Gardens), manufacturing (Orion Industries), and community services (Junior Achievement). These successful investments highlight Auburn’s competitive advantages—its central location, historic downtown, regional transportation linkages, and access to labor. But the spillover growth from Seattle is just beginning in Auburn. With large tracts of land likely to be redeveloped, such as the 129-acre General Services Administration (GSA) Complex and the 70-acre Valley Drive-In, and the momentum that has already built up around Auburn, the City is wise to contemplate how it wants to grow so it can be better positioned to guide its future.

Auburn can and should harness Seattle’s success to shape its own economic development future as a vibrant, connected City with a strong and diverse employment base. It should also build opportunity from within by encouraging companies to start, stay, and grow in the City. All of this work must be accomplished without losing sight of its purpose: to benefit the citizens of Auburn and provide employment opportunities for the children that grow up there.

This work will take discipline and direction, leadership and collaboration, and patience and perseverance across the City and multiple partners. The City of Auburn’s Ten-Year Economic Development Strategic Plan provides the foundation and lays out the framework to coordinate the City’s growth as a unique and thriving hub in the Seattle-Tacoma region.

AUBURN’S TARGET INDUSTRIES

As part of the analysis, the consulting team examined industry data, Auburn’s competitive positioning, as well as available buildings and sites in order to identify a set of industries to target with marketing and outreach efforts related to business attraction. A look at the top ten traded industry clusters reveals the growth potential for four key sectors in Auburn’s economy:



MANUFACTURING



**DISTRIBUTION,
LOGISTICS &
TRANSPORTATION**



**OFFICE-USING
BUSINESSES**



RETAIL

Within each of these broad sectors, niches were identified that are good fits for Auburn and likely to expand in Auburn. Detailed information on each of the sectors can be found in Appendices C and F.

STRATEGIC PLAN SUMMARY: FOCUS AREAS & STRATEGIES

The strategic plan is structured around four focus areas that have the potential to set the stage for Auburn's success through a more robust, proactive, and focused economic development program. The four areas were derived from key findings from an analysis of the City's Strengths, Weaknesses, Opportunities, and Threats. The SWOT analysis summarizes the input of more than 200 stakeholders and augmented by the results of the various analyses carried out by the consulting team that were components of the planning process. The strategies that support each of the four areas will help address Auburn's primary weaknesses and position it to capitalize on its principal opportunities.

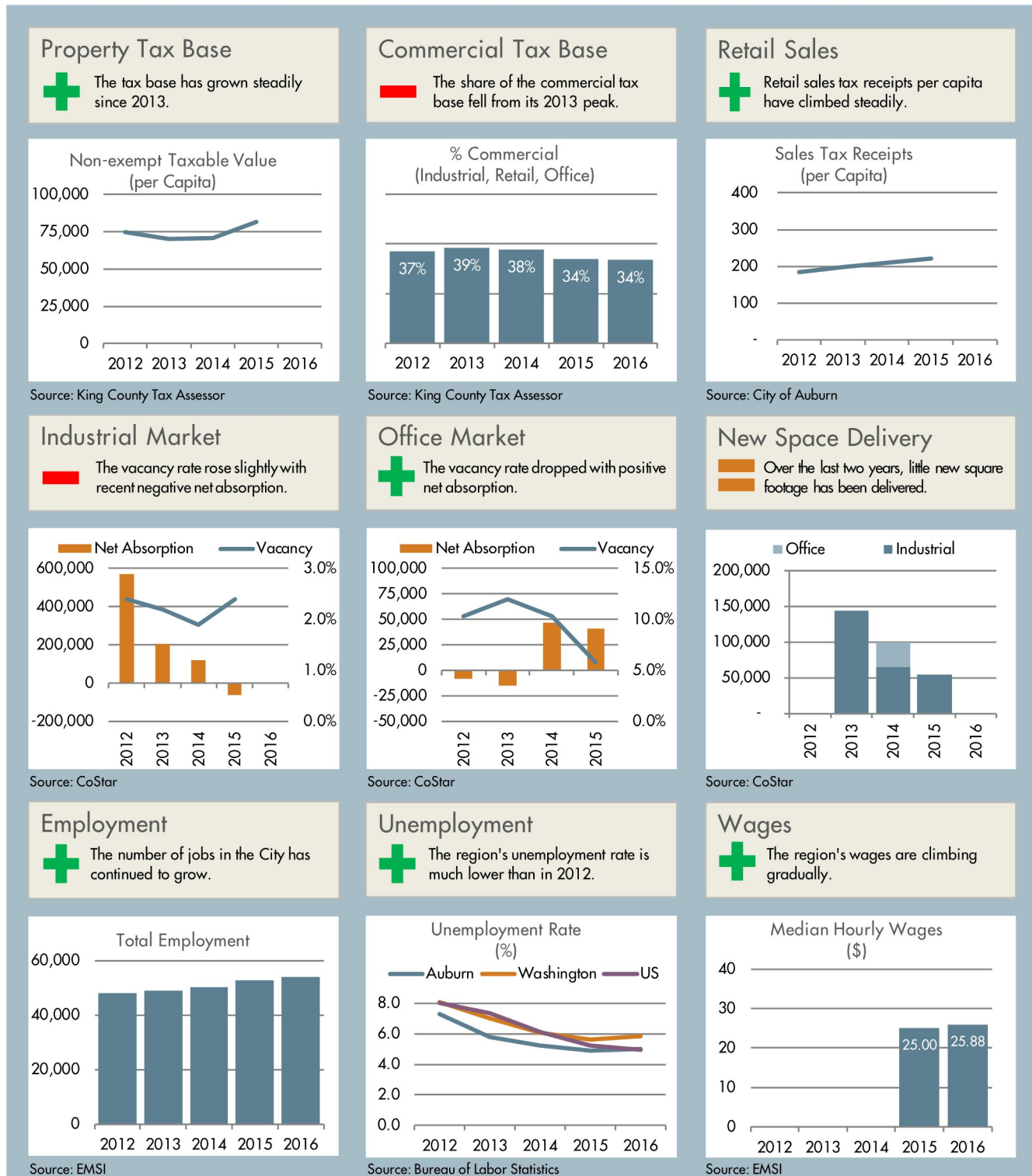
These focus areas and their supporting strategies are summarized below. Detailed actions for each of the strategies are provided on pages 4 through 36 of the Strategic Plan.

 1. DELIVERY <i>A comprehensive service delivery system that actively identifies and advances economic development opportunities in Auburn</i>	 2. PRODUCT <i>An inventory of sites, a business climate, and a physical environment that foster business growth and ensure a resilient employment base</i>
1.1 Value-Added Services. Clearly define the services that the City of Auburn provides to businesses both directly and through partnerships 1.2 Local Business Visitation. Formalize a business visitation program in partnership with the Chamber of Commerce to track trends among Auburn employers and identify any businesses in need of assistance 1.3 Business Recruitment. Recruit new businesses, including retail, to Auburn to provide better economic opportunities and enhance Auburn's quality of place 1.4 Catalyst Projects. Identify and advance catalyst projects that will facilitate Auburn's evolution 1.5 Strategic Relationships. Foster relationships with key entities that support economic activity in the City	2.1 Labor Market Information. Design and maintain information resources that demonstrate Auburn's strength in terms of its access to skilled labor 2.2 Deal-Ready Sites. Ensure a supply of deal-ready sites to accommodate new business investment in Auburn 2.3 Economic Development Toolbox. Create a robust toolbox to influence economic development outcomes 2.4 Continuous Process Improvement. Evaluate and continue to improve the City's land use and building permit process and performance 2.5 Zoning Modification. Reevaluate zoning districts and modify certain aspects of the code 2.6 Cost Comparison. Annually compare Auburn's development/impact fees, tax rates, and rebate programs to peers

 3. PLACE <i>Attractive gateways, impression corridors, and destinations that define the character of Auburn</i>	 4. MESSAGING <i>A coordinated marketing and branding campaign that elevates Auburn's reputation among internal and external audiences</i>
3.1 Strategic Investment. Create a target investment program to guide infrastructure investments that enhance Auburn's economic development opportunities 3.2 Regional Transportation. Maintain and enhance regional transportation connections to ensure ease of travel to, from, and within Auburn 3.3 Downtown Revitalization. Continue to invest in downtown revitalization 3.4 Auburn Way South Revitalization. Designate Auburn Way South as an additional Targeted Investment Area 3.5 Destination Connections. Create stronger connections between Auburn's primary tourism assets and develop new assets to attract more visitors to Auburn 3.6 Regional Tourism. Strengthen regional tourism connections	4.1 Brand Enhancement. Develop a stronger brand for Auburn and reinforce this with unified messaging across organizations 4.2 Internal Image. Build a more positive perception and a greater sense of community among Auburn residents through a strong partnership with the Auburn Reporter and other local media outlets 4.3 Social Media. Continue to strengthen the City's social media strategy to improve Auburn's internal and external perceptions 4.4 Public Relations. Launch a formal public relations campaign to change the region's perception of Auburn 4.5 Real Estate Market Reports. Develop a system for effective communication to the marketplace that educates businesses, developers, and brokers on opportunities available in the City 4.6 Strategic Outreach. Reach out to decision makers in the target industries to encourage them to consider expanding or relocating in Auburn

The City of Auburn's Ten-Year Economic Development Strategic Plan is an ambitious plan that will require specialized staff and additional resources to implement. The transition to a more robust and proactive economic development program necessitates additional capacity in deal making; economic and market research; prospecting and prospect management; real estate finance; as well as marketing and outreach. Most municipally run economic development departments or offices that undertake this type of comprehensive economic development program are staffed by three to four specialists. Over the next three years, the City of Auburn must build up its economic development capacity, both in terms of staff and operating budget, in order to execute on these recommended strategies. The ideal staffing pattern would be an experienced economic developer supported by three economic development specialists (business development, marketing, and redevelopment) in addition to the tourism coordinator and real estate analyst.

Successful implementation will require not only additional resources but also an evaluation system that will demonstrate progress and provide feedback to the City about which strategies are working and which must be strengthened. Below is dashboard of outcome measures that should be tracked over the course of implementation. A more comprehensive list of metrics and measurement tools can be found on page 51.



STRATEGIC PLAN

INTRODUCTION

The City of Auburn (the City) benefits from a number of advantages including a rich cultural and economic history and a hard-working, civic-minded community. Auburn takes pride in its unique history while looking to the future. The annual Veterans Day Parade is an example of the value placed on family, community, and country by the City. From its origins as a farming community that capitalized on its access to rail, the City has transformed into a center for industry. The City's manufacturing sector expanded and includes one of Boeing Commercial Airplanes' most essential fabrication sites and the largest airplane parts plant in the world. The community's commitment to quality of place is demonstrated by the Auburn Environmental Park (a 200-acre passive open space and educational facility located one mile west of downtown) and the attention to detail given to civic spaces in recent downtown redevelopment projects. Nothing could be more emblematic of the community's focus on its future than Junior Achievement's World Learning Center in Auburn, which holds the successful BizTown and Finance Park programs that serve children around western Washington. The Innovation Partnership Zone further illustrates Auburn's forward-thinking approach and demonstrates its focus on economic success through partnerships.

Even with all of its successes, the City understands that the only path to a sustainable, healthy economy is through good jobs and a diversified economic base. Leaders have seen firsthand what happens when a single concentration of businesses in one industry is too large. The region boasts one of the country's largest clusters of distribution centers, of which the City has historically held a major concentration. These facilities were attracted to the area due to exceptional highway access and close proximity to two deep-water ports and an international airport. Despite low employment per building area, relatively low wage jobs, and the strain they place on city transportation infrastructure, these centers benefited the City because of the large amount of sales tax revenue they generated. However, in 2008, changes made by the Washington State legislature impacted these revenues. These changes redefined how the point-of-sale location was determined, moving it away from the distribution point. As a result, the City found itself facing all of the challenges of the industry without the associated tax revenue.

The City is at a pivotal time in its history. Over the last several years, remarkable development has taken place. New buildings have emerged and more are planned in and around the authentic downtown, like the recently completed 126-unit Trek Apartments, the 129-unit Merrill Gardens at Auburn that is currently under construction, and the 592-unit multifamily and senior housing development called the Reserve. New businesses are building and expanding in the community, such as Orion Industries' 100,000 square foot manufacturing facility that employs 265 people. Momentum has been built through hard work from elected leaders, City staff, and visionary business leaders and investors. With growth from Seattle spilling southward, the City will no doubt continue to see its own growth accelerate over the next ten years.

With the opportunity to shape its own future in mind, the City of Auburn embarked on a process to develop a ten-year economic development strategic plan to formalize its economic development program and transform it into a proactive, entrepreneurial effort. This plan will provide a guide for the City's economic development activities and investment over the next decade.

APPROACH AND METHODOLOGY

To assist in the development of the strategic plan, the City hired a team that included TIP Strategies, Heartland, and the Retail Coach. The scope of work was comprehensive and ambitious and took place over the course of eleven months. The pieces of the scope are described below:

- **Deep dives into the economic context and Auburn’s real estate market fundamentals:** This task required an in-depth analysis of Auburn’s position in the region versus its peer communities from the standpoint of demographics, schools, housing, job growth, tax rates and fees, and industrial and office markets (rents, stock, age, and development). The findings from this task painted a clear picture of Auburn’s strengths and weaknesses within the region.
- **A regulatory review:** A review of the regulatory environment (both policy and process) provided insights into any constraints to development in Auburn.
- **A market capacity study:** Heartland estimated the square footage of office and industrial space needed to meet the demand from project job growth and compared this figure to the amount of square footage the remaining developable land could support. This comparison provides a tool to evaluate whether or not Auburn can support future job growth.
- **An analysis of retail opportunities:** The Retail Coach defined Auburn’s retail trade areas and analyzed the demographics and psychographics of these areas to identify potential retailers that would be a good fit for Auburn. They assisted the City in creating and distributing customized marketing materials to these target retailers and worked with the City to identify potential sites for interested retailers. Their deliverables provide tools for the Economic Development Division and community partners to use when recruiting retail. These tools include demographic profiles for the retail trade areas, an interactive mapping application, and general instructions on how to use the information to target retailers.
- **A perception survey:** A survey to regional commercial real estate brokers documented the perceptions they hold about Auburn.
- **An assessment of Auburn’s competitive positioning:** This task assessed Auburn’s relative positioning based on the top ten factors that are important to corporate site selection and location.
- **Target industry analysis and profiles:** TIP analyzed industry clusters and segments to identify industry niches to target for business recruitment. Once the categories of industries and specific niches were identified, detailed profiles were created as a tool for the Economic Development Division as they develop industry knowledge and position Auburn for success in targeted business recruitment.
- **A review of key marketing materials:** The City’s online presence is the most important tool for the Economic Development Division to support its outreach activities. TIP evaluated the existing economic development webpage and made recommendations to improve its effectiveness.
- **Organizational recommendations:** TIP evaluated the City’s capacity to implement the strategic plan and made recommendations for resources needed from an operational standpoint.

The resulting deliverables are included as supporting documentation and analysis. In addition, the team conducted extensive public input, reaching more than 200 employers, community and regional leaders, residents, and other stakeholders. The key findings from both of these exercises are summarized in the next section.

KEY FINDINGS

The key findings below provide the City, the Economic Development Division, and its economic development partners information about Auburn's competitive positioning—from both a business attraction and a development standpoint. It also identifies major constraints or barriers to economic development as well as key opportunities.

Demographics. The City of Auburn has been growing rapidly, adding almost 18,000 new residents over the last ten years. According to Esri, a leading data provider, the population of Auburn is expected to reach almost 85,000 residents by 2020. With a median age of 33.5 years old, Auburn's population is relatively young and the senior (age 65+) is smaller than many of its peers in the region. However, Auburn's population has lower educational attainment levels than many of its regional peers and has lower median household incomes.

Workforce. More than 37,000 residents are part of Auburn's labor force. However, Auburn-based employers draw labor from a large area that extends across densely populated areas of the Seattle-Tacoma region. In fact, more than 35,000 workers commute into Auburn each day for work while more than 25,000 workers leave Auburn for jobs outside of the city limits. Auburn's position within the region and its access to labor is one of its greatest strengths from a business attraction standpoint. Within a 45-minute drive time, there are an estimated 1.5 million workers.

Economy. Auburn has a diverse economic base with notably strong manufacturing and retail sectors. Auburn's employment base grew by more than 6,500 jobs (14 percent) between 2010 and 2015 and is projected to add another 6,400 over the next ten years. Though Auburn's manufacturing sector remains strong, the sector's outlook is largely dependent upon Boeing specifically and the aerospace industry more generally.

Tax Base. Sales tax and property tax revenues account for more than two-thirds of the City's sources of funds. This structure highlights the importance of a robust retail sector and a healthy commercial tax base. Motor vehicle sales are a vital part of the City's retail tax revenue. Industrial uses, aerospace-related being one of the largest, are the most prominent segments of the commercial tax base. The City's dependence on motor vehicle sales and aerospace could leave the City's revenue at-risk in light of current trends in these two industries.

Quality of Place. Auburn is fortunate to have a strong and improving school district and Green River College to provide educational opportunities and workforce training. Relatively low and declining crime rates and a wide array of recreational and entertainment amenities support a high quality of life. Downtown Auburn is one of the City's most unique and distinguishing features. Although conditions in the downtown have improved greatly over the last few years, much opportunity remains. The state of Auburn Way South, as one of the main perception corridors in the City, is an area with great potential and in need of significant enhancement. The issue of homelessness remains a problem both in Auburn and in the greater region.

Real Estate Market & Product. Auburn is a regional industrial center with a large stock of space 20 to 30 years old. Auburn's industrial rents are the third highest in the South Sound subregion and its vacancy rate is one of the lowest. Its office market is relatively small and most of the square footage was built before 1990, but its vacancy rate is one of the lowest and its rents are about average for its peer group. Auburn's low vacancy rates and lack of available buildings are its major constraints to job growth and economic diversification.

Regulatory Environment. Auburn's regulatory environment was found to be comparable to its peer communities. Permitted uses are generally flexible. Height is prescriptive and massing is flexible for most zoning

categories. Parking requirements are comparable to peers. The development process is relatively predictable and responsive. Auburn's fee structure makes it "average" in terms of the cost of doing business.

Market Capacity. Auburn's developable lands that are zoned for industrial and office uses are adequate to support Auburn's projected job growth over the next ten years. Opportunities for growth include the redevelopment of Valley 6 and the GSA Property as well as further development in Downtown Auburn and around the airport. The conversion of warehouse space to manufacturing represents another opportunity for strengthening and diversifying the tax base.

Retail Market. Auburn's primary retail trade area, which is the draw area for the "everyday shopper," has a population of 169,377 with median household incomes of more than \$70,000. Auburn's retail trade area, which is the draw area for its destination retailers such as those at the Outlet Collection, has a population of 525,778 with median household incomes of about \$68,000. The most significant areas of retail leakage were food and beverage stores, foodservice and drinking places, building material and garden equipment stores, and general merchandise stores.

Site Selection Competitiveness. Auburn is fortunate to be in a region that is known for being a magnet for world-class talent and companies. This regional strength can put Auburn on the list in the competition for business recruitment. Within the Seattle-Tacoma region, Auburn stands out for its central location, access to labor, and quality of life. The City's willingness and creativity in offering business assistance is another strength. The lack of available buildings and sites is Auburn's primary constraint.

Broker & Developer Perception. Among the more than 50 brokers who participated in an online survey, their perception of Auburn is more negative than their perception of regional peers. Respondents' perception of Auburn's business climate is more negative than other South Sound peers. In addition, respondents ranked the likelihood of clients considering Auburn for projects as lower than its peers. Among developers interviewed, there was more awareness of opportunities to invest in Auburn and the developers held a more favorable perception of Auburn's business climate. Promoting a more positive perception of Auburn and making sure brokers and developers in the region are aware of Auburn's value proposition is a significant opportunity.

Target Industry Analysis. Auburn's greatest opportunities for business expansion and attraction are still related to manufacturing and warehousing. Within these sectors, there are opportunities to expand and diversify into new or growing areas. In manufacturing, Auburn has a robust supply chain that supports the aerospace sector. These specializations and capabilities can support a wide range of innovative manufacturers. Auburn has the elements to become a regional hub for innovative "makers", but must work to build its reputation in this regard. Auburn is the heart of the regional distribution network. While warehousing uses are the dominant use currently, there is an opportunity for Auburn to deliberately grow its base of employers that support transportation and warehousing such as third-party logistics providers, wholesale trade agents and brokers, and transportation arrangement. The City's desire to increase its base of office-using businesses will require a degree of "market-making" as Auburn has a very small existing office market. The Sounder Station and the associated Transit-Oriented Development as well as the future redevelopment of the Valley 6 Drive-In are Auburn's key office opportunities. Finally, targeting retailers and restaurants will continue to be an opportunity for Auburn and an important component of diversifying and growing Auburn's tax base. Retail recruitment will also play a vital role in the revitalization of Downtown and Auburn Way South and in enhancing Auburn's quality of place, in general.

Marketing Tools. Websites are the single most important marketing and outreach tool in economic development. The City of Auburn's primary online presence for economic development is through www.auburnwa.gov. The Economic Development Division is under the "Doing Business" section and reflects the consistent look and feel of the City's website. While most all of the useful elements of an economic development website are there in www.auburnwa.gov/doing_business/economic_development.htm, it is difficult to find certain key information or requires many clicks to find it. Reorganizing and optimizing the City's economic development online presence will improve the effectiveness of Auburn's economic development marketing and outreach efforts.

Organizational Capacity. The City of Auburn's Economic Development Division is a division of the Administration Department and is staffed by an economic development manager with a part-time contractor. Recently, a real estate analyst was transferred from Facilities to the Economic Development Division and a part-time tourism coordinator has been hired to support tourism promotion. This lean division is supported by many contributions of other departments, most directly by the Community Development and Public Works Department and the Finance Department. Under this current organizational structure, the City does not have excess capacity to implement a strategic plan or staff a proactive, entrepreneurial economic development initiative. Many peer cities both inside and outside of the region staff their departments with three to four economic development professionals or specialists and additional administrative support as needed.

THE RESPONSE

The City's decision to develop and adopt a ten-year economic development strategic plan speaks to its acknowledgement that shaping Auburn's future requires a formalized economic development program. Such programs have systematic processes for generating leads, managing prospects and projects, and providing a clear set of value-added services. Leads are generated through marketing and outreach efforts, and relationship management is an essential building block of a high-quality lead generation network. Leads are converted to prospects and projects through effective sales, and the depth of knowledge from the findings of this body of work informs and enhances the economic development team's ability to articulate Auburn's value proposition. In addition, forward-looking economic development programs build in mechanisms for identifying transformative projects that, if realized, would attract additional private investment to the City. Finally, the most successful programs recognize that strong partnerships greatly increase the impact and reach of their programs. All of these aspects of economic development programs are grouped into the strategic plan's first focus area: **Delivery**.

Sales and marketing of any kind requires a clearly defined "product." In economic development, the "product" is the real estate as well as the assets, amenities, business climate, and other factors that influence the attractiveness of the real estate. Auburn's greatest strength is its access to a large labor pool. The City can make sure that its workforce strengths are documented and packaged well as a means of product enhancement. One of Auburn's primary constraints is the lack of available buildings and sites that are "deal-ready." This constraint is notable because businesses cannot expand or locate where there are no appropriate sites. Generating leads is futile if there is not suitable real estate. Auburn's business and regulatory climate is not a constraint, but there are a few changes and enhancements that could make it even better. Auburn can directly influence its supply of available sites and buildings and can ensure that its business climate is competitive and supportive of responsible business growth. Strategies related to product enhancement and development are grouped into the plan's second focus area: **Product**.

Quality of place is important to both business and talent retention and attraction. A community's assets and amenities are central to its quality of place and define the community's character. A programmatic process for defining target areas and making strategic investments can have a transformative impact on a community's quality of place.

Downtown Auburn and Auburn Way South are the two areas that stakeholders prioritized for investment. Better connecting these and other assets can be a way of building critical mass that can propel Auburn to the tipping point. Strategies pertaining to enhancing Auburn's quality of place are grouped into the third focus area: **Place**.

A clear barrier to Auburn's success that came across through stakeholder input is the perception that internal and external audiences hold of the City. This perception can be influenced through branding, consistent messaging, as well as social media and public relations campaigns. More targeted outreach is needed to change perceptions and build awareness of Auburn among the regional real estate community and companies in the target sectors.

Strategies to change this perception and reach target audiences are grouped in the fourth focus area: **Messaging**.

These four focus areas define the structure of the plan. Each area was chosen for its potential contribution to moving Auburn forward towards its vision for the future. Each area also directly addresses an existing barrier to economic development and positions Auburn for future success.

STRATEGIC FRAMEWORK: FOCUS AREAS	
	1. Delivery: A comprehensive service delivery system that actively identifies and advances economic development opportunities in Auburn
	2. Product: An inventory of sites, a business climate, and a physical environment that foster business growth and ensure a resilient employment base
	3. Place: Attractive gateways, impression corridors, and destinations that define the character of Auburn
	4. Messaging: A coordinated marketing and branding campaign that elevates Auburn's reputation among internal and external audiences

THE REPORT

On the following pages, we define discuss Auburn's economic development vision. Then, we present each focus area with the strategies, actions, projects, and partnerships that support it. After discussing the recommended strategies, we propose responsible parties and a timeline for implementation as well as an organizational structure and resource plan for the City to expand its capacity dedicated to economic development.

The detailed findings and deliverables associated with each task in the scope of work are contained in a separate report of supporting documentation and analysis. Within this section of appendices are additional implementation tools to support the economic development team, such as strategic considerations in the target industry profiles and retail market analysis. There is also additional information that can and should inform how the economic development team positions Auburn in its marketing and outreach activities. The wealth of information contained in these pages should be a valuable resource to the implementation team.

VISION & GUIDING PRINCIPLES

A clear vision and guiding principles provide an overarching direction for strategic plans. In 2015, Auburn set out a vision for itself in the Comprehensive Plan. This vision was established through the Imagine Auburn visioning exercise and developed in the context of the Washington State Growth Management Act, King and Pierce County Planning Policies, and the Puget Sound Regional Council's VISION 2040.

The vision that emerged was:

"In 2035, Auburn is a city of connected and cherished places, from a vibrant downtown to quiet open spaces and everything in between, where a community of healthy, diverse, and engaged people live, work, visit, and thrive."

Along with this statement, the Comprehensive Plan set out a series of values that encapsulated the vision and formed an evaluation and decision-making framework for future city policies, regulations, initiatives, and investments. Each of these values is defined in detail in the Comprehensive Plan, which provides a very useful reference point for this economic development strategic plan. The value and vision from the Comprehensive Plan provides a clear guide for economic development activities over the next ten years and beyond.

Auburn's seven value statements are:

- 1. Character.** Developing and preserving attractive and interesting places where people want to be.
- 2. Wellness.** Promoting community-wide health and safety wellness.
- 3. Service.** Providing transparent government service.
- 4. Economy.** Encouraging a diverse and thriving marketplace for consumers and businesses.
- 5. Celebration.** Celebrating our diverse cultures, heritage, and community.
- 6. Environment.** Stewarding our environment.
- 7. Sustainability.** Creating a sustainable future for our community.

In addition to these value statements, the "Economy" value statement and description is further fleshed out with the articulation of a vision statement in the economic development element of the Comprehensive Plan. This vision statement is:

"Auburn is a community that has a robust and diverse economy where businesses seek to locate, people desire to visit, and residents enjoy a range of commercial offerings. Businesses that locate in Auburn find it easy to enter the marketplace, encounter ideal conditions for their long-term success, and become rooted and involved in the community. Visitors continue to return to Auburn because of its high-quality natural resources, parks, public spaces, and commercial attractions. Residents choose to live in Auburn because of the diverse, family wage employment opportunities and access to entertainment, restaurant, retail and services."

The vision above paints a picture of a vibrant commercial, employment, entertainment, and recreation center that has a regional draw. It is a magnet for businesses, talent, and visitors due to its high quality of place, diverse employment opportunities, and various entertainment and recreation options.

It is with this vision and values in mind that the strategic planning process of Auburn's ten-year economic development plan was defined. The process was driven by the understanding that achieving Auburn's vision will take a deliberate, sustained, and strategic approach to economic development.

This planning effort builds off the Imagine Auburn initiative by adopting a simplified economic development vision and guiding principles that are consistent with the overarching vision laid out in the Comprehensive Plan, but narrower in scope and specific to this planning effort. This statement and principles will guide the economic development strategy and will help the City articulate its competitive advantages and its intentions. The framework that encompasses the City's economic development approach is presented below.

VISION
<i>Auburn is the City that Works</i>
GUIDING PRINCIPLES
1. A vibrant, connected, healthy community for residents to live, visitors to enjoy, and businesses to thrive 2. A robust, diverse employment base that provides good economic opportunities for residents and supports high-quality city services 3. A strong educational system that prepares residents with skills that Auburn-based employers seek

This simplified economic development vision is an acknowledgement of Auburn's heritage as an agricultural and manufacturing center and to the strong work ethic of its residents. It also speaks to the City's willingness to partner with the private sector to achieve its vision. The guiding principles define the City's goals for its community, employment base, and educational system. The goal for the community is to be vibrant, connected, and healthy, in terms of both its residents and its physical environment. The employment base is to be diverse, resilient, and sustainable, supporting both current and future residents of Auburn. The educational system is aligned with employers' needs, with a strong workforce development component and a K-12 system that prepares students with 21st Century skills. This vision and these guiding principles form the foundation of Auburn's Ten-Year Economic Development Strategic Plan.



FOCUS AREA 1. DELIVERY

A comprehensive service delivery system that actively identifies and advances economic development opportunities in Auburn

Auburn is fortunate to be in the path of growth, and, in the past years, the City has successfully set the stage for increased investment. As a result, the interest in and momentum around Auburn have been increasing and continue to build.

In 2014, Auburn's population was almost 76,000. By 2020, Esri, a leading demographic data provider, estimates that Auburn's population will be nearly 85,000. With the cost of housing continuing to climb throughout the Seattle region, Auburn and its South Sound peers will likely see population growth accelerate even more than these conservative projections predict.

Currently, the City is a net importer of labor with more workers commuting to Auburn for jobs each day than leaving. As new residents move into the community, Auburn's economic development activities will influence whether there are job opportunities for these new residents in Auburn or whether they will commute outside the city limits for work.

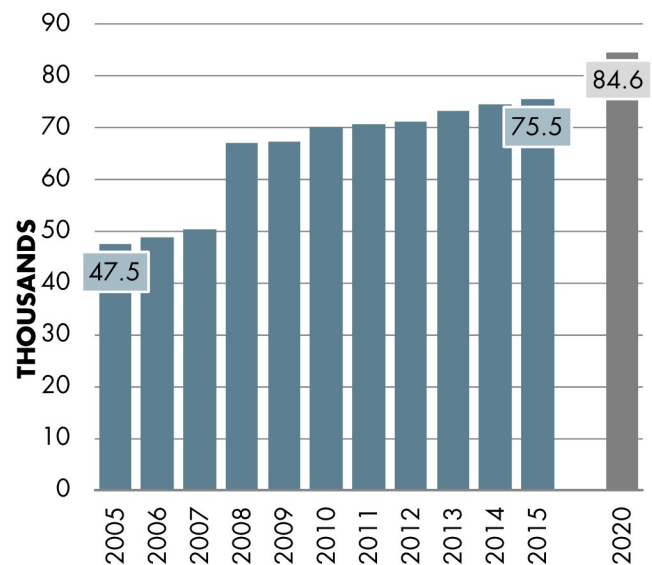
According to EMSI, a leading economic and labor market data provider, the City is projected to add over 6,400 jobs over the next 10 years. This number is also likely conservative. The actual number and composition of jobs could change dramatically with a targeted, entrepreneurial economic development program.

The City's current economic development resources and structure allow the City to be responsive to opportunities that come its way. It has a proven track record of dedication and creativity that has yielded impressive results to date. However, the current program does not provide the capacity needed for the City to be proactive in seeking out the opportunities that it wants. To transform Auburn's economic development delivery system to be both responsive and proactive, the City will need to augment its program with additional resources and stronger partnerships. This will position the City to better support the attraction, formation, retention, and expansion of businesses that form the economic backbone of the community and provide more and better economic opportunities for Auburn residents.

PRIORITY PROJECTS

- ① New & Improved Website (1.1)
- ② Structure for Identifying and Realizing Catalyst Projects (1.4)

FIGURE 1. CITY OF AUBURN, WA
ANNUAL ESTIMATES JULY 1 OF EACH YEAR



Source: The Washington State Office of Financial Management, Forecasting and Research Division. Projections via Esri.

- 1.1. Value-Added Services.** Clearly define the services that the City of Auburn provides to businesses both directly and through partnerships. The list below lays out the value-added services that the City and its partners can or do provide existing businesses and businesses looking to relocate to Auburn. The City's economic development webpage should be organized around these areas. (See Appendix G for more recommendations on the website)

Value-Added Service Area	Supporting Actions
RELOCATION ASSISTANCE: <i>Activities include: site selection, development services, incentives</i>	1.1.1. Utilize the IPZ Taskforce as TEAM AUBURN to help sell Auburn to prospects. Organize regular meetings of these team members to keep them informed of the prospect pipeline, meetings with prospects, and potential recruitment trips. Educate the team members on Auburn's value proposition and the associated messaging to present a unified voice to prospects. 1.1.2. Continue to assist prospects in finding suitable sites, navigating the development process in Auburn, and securing available incentives from local and state sources
SMALL BUSINESS ASSISTANCE: <i>Activities include: incubator management, 3No Networking, workshops and technical assistance, access to capital</i>	1.1.3. Launch and manage a business incubator 1.1.4. Continue to organize weekly 3No Networking at Auburn-based businesses 1.1.5. Continue to partner with the Small Business Assistance Center at Green River College on technical assistance and workshops for small businesses 1.1.6. Establish partnerships with area SBA lenders, community development financial institutions, and other nonprofit microlenders to provide better access to capital for businesses that do not qualify for bank financing 1.1.7. Assemble a list of revolving loan funds and other financing resources that are available to Auburn-based businesses (a good start can be found here: http://www.oria.wa.gov/?pageid=737)

Value-Added Service Area	Supporting Actions
WORKFORCE DEVELOPMENT: <i>Activities include: custom training, talent pipeline partnerships</i>	1.1.8. Continue to partner with Green River College and WorkSource to provide customized training 1.1.9. Strengthen the partnership between Auburn Public Schools, Green River College, and Auburn’s business community by organizing industry sector partnerships that explore workforce demand, critical occupations, and available curricula
INFORMATION RESOURCES AND PUBLICATIONS: <i>Activities include: demographic and economic data, real estate market information, retail trade area data, supplier database, investment opportunities</i>	1.1.10. Maintain a catalog of information and resources relevant to economic development on the City’s webpage 1.1.11. Employ data such as CoStar, the King County Assessor database, and City-managed development tracking datasets to establish systems that regularly collect and visualize market trends, including new development, asking rents, vacancy rates, absorption, sales activity, and sales and leasing activity. Update and review this data at least quarterly and distribute the findings to stakeholders as part of the effort to espouse “Why Auburn” to the regional real estate community 1.1.12. Update retail trade area data on an annual basis and make this accessible to stakeholders and partners electronically 1.1.13. Provide profiles on the City’s target investment areas (See <i>Strategy 3.1</i>). These should include a map, basic information, public investment projects, as well as resources and tools available for private projects

1.2. Local Business Visitation. Formalize a business visitation program in partnership with the Chamber of Commerce to track trends among Auburn employers and identify any businesses in need of assistance

- 1.2.1.** Establish a visitation protocol, a list of information to be collected during each visit, and set a goal how many businesses each year. Visiting four to eight businesses each month is a reasonable goal that would allow the City to reach a critical mass of employers.
- 1.2.2.** Create a database of Auburn-based employers with the City’s business license database, paying particular attention to the inclusion of employers in key economic drivers (business & professional services, manufacturing, healthcare, distribution)

- 1.2.3.** Using CoStar or other sources, identify employers who have leases that will be expiring in the next two or three years to be prioritized for visitations
- 1.2.4.** Maintain detailed notes on visits in the economic development project database to document the relationship over time
- 1.2.5.** Compile information collected from visits to track trends among employers and distribute these findings to stakeholders, such as local and regional economic development partners, the mayor, the city council, and city department heads, in an annual report and presentation

1.3. Business Recruitment. Recruit new businesses, including retail, to Auburn to provide better economic opportunities and enhance Auburn's quality of place

- 1.3.1.** Strengthen relationships with brokers, developers, and industry associations in the metro area and create an education outreach program targeted to these groups to ensure that Auburn stays top of mind for business relocation. NAIOP (Commercial Real Estate Development Association), International Council of Shopping Centers (ICSC), and Urban Land Institute (ULI) are important organizations in which to be actively involved. In addition, industry associations, such as the Pacific Northwest Aerospace Alliance, the Aerospace Futures Alliance and the Center for Advanced Manufacturing Puget Sound, are also good vehicles for cultivating strong relationships.
- 1.3.2.** Cultivate strong partnerships with the Economic Development Council of Seattle & King County, the Economic

RETAIL RECRUITMENT

Retail recruitment will be an important part of Auburn's business attraction activities. An expanded and more robust retail sector not only generates sales tax for the City but also augments the City's quality of place by providing additional amenities. Thus, retail recruitment reinforces the City's efforts to diversify the tax base, attract new employers and residents, as well as revitalize target areas such as downtown and Auburn Way South.

As part of this strategic planning process, the Retail Coach (TRC) defined Auburn's primary retail trade area and retail trade area. For each area, TRC summarized key demographic characteristics, examined the retail opportunities, and established the major psychographic profiles. These analyses are provided both online and in Appendix C.

TRC then identified target retailers, created custom retailer feasibility packages for each retailer, and sent these packages to the real estate departments of each of the retailers. Any leads that came about from this outreach were referred to the City's Economic Development Office.

In addition, TRC created retail market profiles that the City and its partners can use to reach out to additional retailers.

Finally, TRC made recommendations on how the City can best approach retail recruitment:

1. Continue to focus on the recruitment of developers, as they tend to drive much of the retail development in Washington.
2. Attend ICSC RECON every year as well as ICSC regional events taking place in Washington, Oregon, and California throughout the year.
3. Sell Auburn to retailers and developers as a Primary Trade Area population of 169,377 and not as a community population. For those larger and destination retailers, use the Retail Trade Area population of 525,778.
4. Continue to use the Cell Phone Shopper Analysis as a tool to combat retailers' perceptions of store spacing issues.
5. Build awareness of Auburn among national retailers by advertising in publications such as the Dallas Business Journal, New York Business Journal, Shopping Centers Today, etc.
6. Maintain awareness of retail incentives being offered by other communities in the region and consider using similar incentives sparingly in cases that would significantly expand the retail trade area or generate a great deal of new tax revenue.

Development Board for Tacoma-Pierce County, the Washington State Department of Commerce, the Port of Seattle, the Northwest Seaport Alliance, the Greater Seattle Trade Development Alliance, and Challenge Seattle to identify co-marketing opportunities and joint trade missions in order to strengthen Auburn's lead generation network

- 1.3.3.** Join the coalition of local governments and organizations that represent the communities of the greater South Sound region (from Des Moines south to Olympia). This effort is in the process of being formed and will be centered on growing the South Sound economy and addressing unique economic challenges and opportunities
- 1.3.4.** During business visitations (*see Strategy 1.2*), ensure that Auburn-based businesses are aware of the value-added services that the City provides and have information on the different economic development initiatives. This group of business leaders can serve as an indirect salesforce (e.g. they can generate leads among their peers) if they are saying positive things about Auburn's business climate and economic development opportunities
- 1.3.5.** Cultivate relationships among promising young companies across the metro who are currently involved in incubator or accelerator programs. Market Auburn as an inviting "landing pad" where they can grow in a supportive environment that is well-located, accessible, and affordable
- 1.3.6.** Actively prospect among companies in target industries (*See Appendix F*)

1.4. Catalyst Projects. Identify and advance catalyst projects that will facilitate Auburn's evolution

- 1.4.1.** Work with city council and department heads to identify and prioritize potential catalyst projects, ensuring that the projects also align with all department activities. The Livable City Year provides an opportunity to vet projects in 2016-17 and can be a starting point for this project list
- 1.4.2.** Hold quarterly work sessions with this group to learn from guest speakers about what other communities are doing and to brainstorm what Auburn could do. Guests could include staff from other cities, urban planners, or economic developers that could share their experiences with the group
- 1.4.3.** From the project list generated in the quarterly sessions, prioritize projects based on feasibility, expense, time frame, impact, and alignment with Auburn's focus areas
- 1.4.4.** For the two or three top ranked projects, attain formal approval from department heads and the city council to move them forward
- 1.4.5.** Create project teams for each approved project of three to five individuals responsible for implementation
- 1.4.6.** Maintain a tool that tracks progress on project implementation, and report progress and outcomes at the quarterly meetings
- 1.4.7.** Build awareness of these projects and report the successful implementation of any projects through the public relations campaign (*See Strategy 4.4*)

- 1.5. Strategic Relationships.** Foster relationships with key entities that support economic activity in the City. These include:

- 1.5.1. Puget Sound Energy:** Energy availability and cost to deliver are common questions from businesses looking to locate in an area. The City should be able to connect prospective businesses with the appropriate PSE staffer to have questions quickly addressed. The City should be aware of planned improvements to the system
- 1.5.2. Muckleshoot Tribe:** The Tribe is a major property owner in the City and has shared its economic development goals. The City should work together with the Tribe to ensure that planning activities with overlapping interests are cooperatively discussed and considered
- 1.5.3. Port of Seattle:** As part of the Port's Century Agenda, it is seeking to help add 100,000 jobs in the next 100 years. To do this, it has stated an interest in assisting cities with unlocking industrial property and positioning it for redevelopment. Land around the airport and in northwest Auburn that is challenged with wetlands may be opportunity areas
- 1.5.4. King County:** Work with the County on improving the stormwater function in the area west of SR 167
- 1.5.5. Army Corps of Engineers:** Establishing a working relationship with the ACE regarding wetland delineation and mitigation strategies is important for proactively assisting developers seeking to improve land with wetlands. The early involvement of the ACE should improve permitting efficiency
- 1.5.6. Transportation:** Engage with agencies that support multimodal transportation infrastructure including PSRC, Sound Transit, King County Metro, and Pierce Transit. The City should continue to advocate for funding to support transportation improvements



FOCUS AREA 2. PRODUCT

An inventory of sites, a business climate, and a physical environment that foster business growth and ensure a resilient employment base

Economic development takes place in a competitive environment. This competition often starts on a global scale and continues down to specific sites as companies filter out possibilities based on their operational needs. Area Development's 2015 Survey of Corporate Executives ranked respondents' top site selection criteria. The top ten criteria are presented in Figure 2.

Auburn's primary strength, and the strength of the South Sound region, is its access to skilled labor. In the 145 zip codes that are within about a 45-minute drive of Auburn, there are 1.5 million workers. Over 800,000 of these workers fall into the "middle skills" segment of workers. In fact, Auburn has very good access to hard-to-find skillsets such as customer service representatives, truck drivers, registered nurses, maintenance and repair workers, and various types of technicians that support manufacturing operations.

Auburn's primary constraint is the availability of sites and buildings with vacancy. This constraint is important because a community's inventory of sites and buildings determines whether or not it can enter into the competition for business investment.

The majority of the other site selection factors distinguish regions across the country from one another. In that regard, Auburn is fortunate to be located in a region that is a magnet for talent and investment, which provides it with an advantage over communities of similar size in less competitive regions.

Within the Seattle–Tacoma Metro area, the competition to attract businesses is stiff, and communities must differentiate themselves to stand out from their peers. At this level, local incentives, business climate, available amenities, reputation, and relationships often play a large role in determining where a project lands. With a concentrated effort to make enhancements in each of these areas, Auburn can significantly improve its competitive positioning among its regional peers.

PRIORITY PROJECTS

- ① Labor Profile (2.1)
- ② Deal-Ready Site Inventory (2.2)

FIGURE 2. TOP SITE SELECTION FACTORS
FIRST QUARTER 2016

FACTOR	AUBURN RATING
1. Availability of skilled labor	●
2. Highway accessibility	◐
3. Quality of life	◐
4. Occupancy or construction costs (Seattle MSA)	◐
5. Available buildings	◐
6. Labor costs (Seattle MSA)	◐
7. Corporate tax rate	◐
8. Proximity to major markets	●
9. State and local incentives	◐
10. Energy availability and costs	◐

Scale: ● = Excellent; ◐ = Poor

Source: Area Development's Survey of Corporate Executives, TIP Strategies Research.

2.1. Labor Market Information. Design and maintain information resources that demonstrate Auburn's strength in terms of its access to skilled labor

2.1.1. Maintain up-to-date labor market information on Auburn and its laborshed and make this information available on the economic development website as well as in a report format. This information can be obtained through paid data sources such as EMSI or from free sources such as the Employment Security Department, the Bureau of Labor Statistics, and the Census Bureau's On the Map application

2.1.2. For target industries, create profiles that highlight the availability of relevant occupations as well as training programs and other workforce development resources

2.2. Deal-Ready Sites. Ensure a supply of deal-ready sites to accommodate new business investment in Auburn

2.2.1. Maintain an inventory of Auburn's most important parcels and sites – those with high-impact development or redevelopment potential or that are located in strategic areas.

2.2.2. Among the eight sub-areas identified in the Comprehensive Plan, focus on the airport area, Emerald Downs, the GSA Property, and Northwest Auburn as key planning areas with high commercial development potential. Appendix F details industries that would be a good fit for Auburn and how Auburn and these planning areas should be positioned to attract these industries

2.2.3. Work with relevant land owners or brokers to package these sites with highly informative information packets (electronic) (*see Site Packaging to the right*) and actively promote these sites to prospective businesses and regional brokers

2.2.4. Encourage the land owner and broker to list the site on the City's inventory of buildings and sites

SITE PACKAGING

In the past five years, there has been a proliferation of site certification programs across the US. To be certified, landowners collect vital information and conduct some of the preliminary studies necessary for site development. While the mechanics of these programs vary widely from place to place, the primary value of the certification programs is the depth of information available on these key sites. An inventory of sites with this kind of information available can provide a community an edge over competition.

Below is a list of the information that should be collected on key sites, to the extent that it is available:

- Ownership status
- Description of parcel(s), including current uses, zoning, special zones, and current assessment information
- Boundary survey
- Phase I environment audit/assessment
- Geo-technical studies
- Topographical analysis and maps
- Aerial photography
- Engineered site development plans
- Detailed analysis of site development cost
- Complete information on pricing
- Utility services, including types of services and name of providers
- Industrial power quality
- Transportation access

- 2.2.5.** Meet with institutional investors and owners of underperforming properties to make the case for additional investment to increase their yields
- 2.2.6.** Facilitate the conversion of industrial buildings that are currently used for warehousing and distribution to manufacturing or other sales tax generating uses by identifying and tracking conversion opportunities based on:
- Physical building characteristics;
 - Current ownership (proactive outreach to understand motivations and offer support);
 - Current tenancy;
 - Anticipated utility undergrounding requirements; and
 - Whether land area can support a manufacturing parking ratio

FIGURE 3. INDUSTRIAL AND OFFICE DEVELOPMENT OPPORTUNITY AREAS



- 2.2.7.** Work with land owners to facilitate conversion opportunities, redevelopment of high-potential parcels, or the assembly of multiple parcels by addressing barriers where possible and connect them with local developers and real estate investors who seek these kinds of opportunities
- 2.2.8.** Maintain a database, as part of the economic development project database, of all known businesses seeking additional space in the region to make connections with property owners in Auburn as space becomes available
- 2.2.9.** Work with the ACE and King County to identify and implement strategies that may unlock wetland/storm water impaired areas of the City where appropriate.
- 2.2.10.** Evaluate the feasibility of annexing some or all of the areas adjacent to the City that are in unincorporated King County as a means of improving Auburn's commercial land base. Two of the three areas highlighted in **Figure 3** are located within the urban growth area (UGA), and one is located outside the UGA.

2.3. Economic Development Toolbox. Create a robust toolbox to influence economic development outcomes

- 2.3.1.** Catalog all tools available. The Municipal Research and Services Center (MRSC) has a good database: <http://mrsc.org/Home/Explore-Topics/Economic-Development/Financing-Economic-Development/Funding-Sources-for-Economic-Development-Financial.aspx>. For each tool, summarize how it works and how can be used
- 2.3.2.** Consider and evaluate the feasibility of the following programs:
 - As part of the pending 2017/2018 DUC code updates, the permitting of taller buildings that could provide structured parking in the building podium and improve the likelihood of project feasibility
 - A property tax abatement program similar to the Multifamily Tax Exemption for properties looking to convert existing warehouses to manufacturing uses. This would need to be piloted with approval from the State Legislature
 - A Landscape Conservation and Local Infrastructure Program (LCLIP), which allows the City to access County property tax revenues to support needed infrastructure improvements
 - Public Development Authorities (PDA) for areas such as the airport that may leverage revenue bonds.
 - New Market Tax Credits (NMTC) for commercial projects (nmtccoalition.org)
 - Community Economic Revitalization Board (CERB) grants for transportation projects
- 2.3.3.** Collect examples of communities who use these tools in an innovative way to support projects that advance their economic development goals and share these with relevant City stakeholders
- 2.3.4.** Ensure that city council and City staff are well-informed of the type and use of financing tools available to municipalities

- 2.3.5.** Establish a policy that sets out the City's goals for the use of these various tools as well as a process and framework for evaluating projects
- 2.3.6.** Adopt the guideline for effective and responsible incentives use (*See guidelines listed in call-out*)
- 2.3.7.** Adopt a comprehensive fiscal and economic impact tool to measure the return on investment for projects being evaluated. Impact Datasource or InformAnalytics are two examples
- 2.3.8.** Create content for the City's website and for brochures that allows owners and developers to understand the tools and programs that may be available for their project and how it relates to their pro forma
- 2.3.9.** Develop a clear flowchart that establishes the process that owners and developers will need to follow to obtain assistance in order to set realistic expectations

2.4. Continuous Process Improvement. Evaluate and continue to improve the City's land use and building permit process and performance. Projects that require key decisions from multiple departments have reportedly been slowed by an inefficient decision making process. To address this:

- 2.4.1.** Continue to employ the permitting performance tracking system to understand performance. This should track the progress of a permit and allow the applicant to know in real time which department(s) are reviewing the permit and when a decision is to be made.
- 2.4.2.** Develop a regular report based on information from the tracking system that allows the development community and city staff to understand how efficiently permits are being processed.
- 2.4.3.** Create a map-based report with supporting tables that tracks all major commercial developments in the City including new construction and major renovations. This should be updated quarterly and be made available to the public.

GUIDELINES FOR EFFECTIVE AND RESPONSIBLE INCENTIVE USE

- Incentives should be aligned with the city's economic development goals.
- Upfront data and analysis can reduce risk and improve outcomes.
 - Due diligence that includes background research on applicants and business case analysis for projects seeking major discretionary incentives help communities make good decisions.
 - Evaluating project attributes relative to economic development goals and quantifying fiscal and economic impacts of proposed investments enable economic development organizations to determine whether projects can generate net benefits for the community.
 - Good analysis can help explain and build support for decisions.
- Define performance requirements and monitor compliance with performance agreements to assess whether project milestones were reached.
- Be prepared to report on who is receiving incentives, how much is being spent, and the results of that spending.
- Establish policies to protect the community in the case of non-performance.
- Regularly (every three to five years) evaluate the city's portfolio of incentives to understand which programs are most helpful in achieving economic development goals.

Source: www.smartincentives.org.

- 2.4.4.** Consider reviewing the fee structure associated with permit reviews. Currently the fee covers three review iterations. A stepped fee structure that increases with each review would create an incentive for the applicants to thoroughly incorporate code requirements prior to plan submittal.
- 2.4.5.** Establish precedents log that may be used for future staff to reference how certain situations that share similar conditions were addressed previously. This would create a mechanism to retain institutional knowledge and serve as reference for staff to provide developers and their design team with a clearer idea as to how react to its proposal.. This should track the progress of a permit and allow the applicant to know in real time which department(s) are reviewing the permit and when a decision is to be made.

2.5. Zoning Modification. Reevaluate zoning districts and modify certain aspects of the code

- 2.5.1.** Expand the Downtown Urban Center (DUC) zoning district to include the logical adjacent areas. To enact this change, cooperation with the Puget Sound Regional Council (PSRC) will be necessary.
- 2.5.2.** Consider zoning modifications related to height and parking discussed in Appendix B to improve project feasibility
- 2.5.3.** Add flexibility to the industrial land use code to allow for more yard storage and permitted uses such as building contractors in districts that are currently more restrictive. Such added flexibility could better support desirable business activity without undermining the intent of the original restriction. See Appendix B for more information
- 2.5.4.** Consider an overlay on the Landing Field (LF) zone and adjacent commercial properties to permit airside supportive land uses around the airport

2.6. Cost Comparison. Annually compare Auburn's development/impact fees, tax rates, and rebate programs to peers

- 2.6.1.** Conduct research on regional peers to identify any rate changes or fee changes and record in a business climate database, which can be created with information from this strategic plan
- 2.6.2.** Document any significant changes and distribute a summary report to relevant department heads
- 2.6.3.** Work collectively to resolve any issues revealed by this research exercise
- 2.6.4.** Publicize the areas where Auburn stands out among its peer group to the regional real estate community



FOCUS AREA 3. PLACE

Attractive gateways, impression corridors, and destinations that define the character of Auburn

Auburn's Comprehensive Plan designated special planning areas—districts, sub-areas, impression corridors, and gateways—because they warrant additional emphasis in planning, investments, and policy development. Prioritizing the underperforming special planning areas for additional investment and coordinating these investments with other economic development activities can hasten the transformation of these areas into community assets. Together, these areas define rich character areas in Auburn and play a large role in shaping people's perceptions of the City.

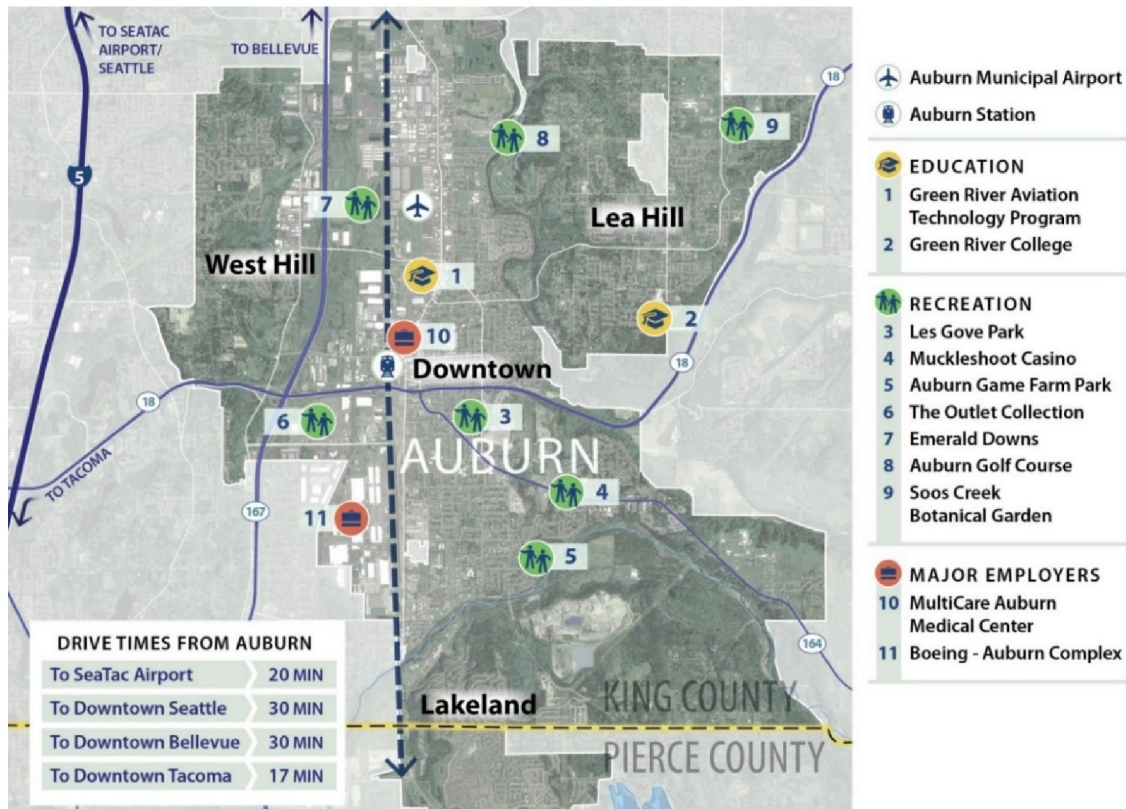
Auburn is also fortunate to have an array of destinations that draw visitors to Auburn from across the region, including an authentic downtown and a number of different recreational amenities. The map in Figure 4 lists the various assets and amenities. These regional amenities enhance the quality of life of Auburn residents and attract visitors to Auburn.

However, many of these special planning areas and amenities lack connectivity, both socially and physically. Working to connect these different areas and amenities and adding to the inventory of destinations could greatly enhance Auburn's reputation in the regional tourism and real estate markets.

PRIORITY PROJECTS

- ① Downtown Revitalization (3.3)
- ② Target Investment Program (3.1)

FIGURE 4. AUBURN ASSET/CONTEXT MAP



Source: Heartland Research.

3.1. Strategic Investment. Create a target investment program to guide strategic infrastructure investments that enhance Auburn’s economic development opportunities.

3.1.1. Create a cross-departmental forum for identifying and prioritizing areas for targeted infrastructure investment

3.1.2. Evaluate market-challenged areas for their potential to attract private investment through targeted public investment projects and designate two or three areas as “Target Investment Areas” based on the criteria below:

- Does this (or could this) area function as a vital gateway, impression corridor, or destination for Auburn?
- Are there sites in the area with high redevelopment potential?
- Are there barriers to redevelopment that can be addressed by infrastructure investments?
- Would investment in the area yield net benefits to Auburn (cost-benefit analysis)?

3.1.3. Align the City’s resources, both planning and programmatic, around the Target Investment Areas to ensure they reinforce capital investments

3.1.4. Tailor a suite of services and/or incentives that is available to support private sector projects in the Target Investment Areas in order to overcome real or perceived market gaps

3.1.5. Package the information and actively market the areas to potential investors and other stakeholders (*See Strategy 2.2.1*)

SPOKANE’S TARGET INVESTMENT PROGRAM

Adopted in 2011 and further refined in 2013, the Spokane Targeted Investment Program seeks to align public investments in economic development, neighborhood planning, community development, and capital improvements with private investments. The goal of this program is to increase the impact of the City’s investments, resulting in more opportunities for business growth and better residential living environments.

The strategy is designed around four pillars:

Revitalization Planning: Implementing the City’s Comprehensive Plan, identifying neighborhood opportunity areas, and aligning different implementation tools;

Targeted Area Development: Creating tailored investment strategies, integrating plans and projects from different City departments, utilizing local nonprofit support, and creating market-driven economic opportunities;

Financial Incentive Planning: Compiling a comprehensive list of available incentives, aligning growth strategies, stressing the “Window of Opportunity” to investors, and creating sustainable and dedicated funding sources for target areas; and,

Economic Development Assistance: Packaging incentives and project portfolios for interested applicants, marketing and outreach activities, and responding to project and stakeholder needs.

The program was initially piloted on two target areas. In 2015, it was expanded to six target areas. To staff the program, there is one incentives expert and a designated expert for each of the target areas. Each area has a separate webpage with news and announcements, project descriptions and maps, and a detailed prospectus.

In addition to its own resources, the City has successfully secured a number of grants to help address some of the challenges in the targeted areas, including brownfield planning and redevelopment, transportation, and other technical assistance.

Through various outreach activities, Spokane’s city staff has promoted awareness of the program and the special incentives available. As a result, there has been an uptick in pre-development applications in certain target areas and increased transactions and building rehabilitation in others. In one of the areas, the business association has requested the creation of a Business Improvement District to support the city’s efforts in their area.

3.2. Regional Transportation. Maintain and enhance regional transportation connections to ensure ease of travel to, from, and within Auburn

- 3.2.1.** Prioritize improvements on and around Auburn Way North and Auburn Way South and a better connection from SR-167 connection to downtown
- 3.2.2.** Continue to partner with Sound Transit to secure adequate parking around the Sounder station as well as convenient service and better multi-modal connectivity to downtown and other Auburn destinations
- 3.2.3.** Continue to improve the Auburn Municipal Airport by conducting a needs assessment of businesses located in Auburn and in the immediate region to understand whether they could use an enhanced airport for business purposes and what improvements would be needed

3.3. Downtown Revitalization. Continue to invest in downtown revitalization

- 3.3.1.** Optimize regional multimodal downtown connectivity both to and from the City to ease travel times and improve the downtown experience
- 3.3.2.** Re-evaluate the Business Improvement Area to look at how ratepayers are assessed, who is being assessed, and how the funds can best be used. This is a valuable tool for downtown revitalization but it is currently being underutilized
- 3.3.3.** Develop an investment brochure (electronic and print) for downtown that features a map of the Downtown Urban Center; key data and statistics; overview of public investment; available incentives; photographs that highlight new investment and potential investments; and a map with available parcels
- 3.3.4.** Publicize a comprehensive list of incentives available to support projects in the Downtown Urban Center both in the brochure and on the City’s website. These include the following benefits:
 - Downtown-Specific
 - Multi-Family Tax Exemptions
 - Storefront Improvement Program

DOWNTOWN AUBURN REVITALIZATION

Downtown Auburn is one of the City’s greatest assets as few suburban cities have an authentic, historic downtown. Over the past six years, the City has invested millions of dollars in projects to set the stage for increased growth downtown. As a result, a number of large scale projects have been completed or are underway, including the Trek Apartments, Merrill Gardens, and the expansion of Multicare. The core of Main Street, however, remains an underperforming diamond in the rough.

To address this challenge, revitalization efforts should focus on the section of Main Street from Division Street to E Street SE. This corridor should have a carefully curated tenant mix that is anchored by deliberately spaced businesses. These anchor tenants should generate foot traffic for the other storefronts in between them. Together, the tenant mix of Main Street Auburn should create a unique retail and entertainment destination that supports surrounding employers and housing developments and draws people downtown.

While events can help raise awareness of downtown’s businesses, it will have more impact at this stage of downtown revitalization to work directly with building owners and brokers to target specific businesses in order to enhance the area’s tenant mix.

- Downtown Zoning and Design Standards
- A Comprehensive Environmental Impact Review
- Excess Stormwater Capacity

City-Wide

- Deferred Impact Fee and System Development Charges
- Construction Sales Tax Exemption
- Small Business Assistance Program
- New Market Tax Credits (for qualifying Census tracts)
- No Business and Operations Tax

3.3.5. Continue to partner with the Auburn Downtown Association to support existing small businesses downtown and to recruit targeted retailers and tenants downtown

3.3.6. Continue to actively seek investors and developers for downtown projects

3.3.7. Approach successful restaurateurs and local retailers both in Auburn and the Greater Seattle region to ask if they would be interested in expanding downtown

3.4. Auburn Way South Revitalization.

Designate Auburn Way South as an additional Targeted Investment Area

3.4.1. Complete the Auburn Way South Corridor Plan

3.4.2. Develop an investment brochure (electronic and print) for Auburn Way South to highlight the opportunities that are identified in the corridor plan. Include a map; renderings of potential projects; key data and statistics; and an overview of public investment and available programs

3.4.3. Strengthen the City's partnership with the Muckleshoot tribe around the revitalization of this corridor

3.5. Destination Connections. Create stronger connections between Auburn's primary tourism

THE PEARL'S FOOD ENTREPRENEUR KIOSK



In San Antonio, Texas, the historic Pearl Brewery has been revitalized to create a vibrant entertainment district. Anchored by the Culinary Institute of America, the Pearl features a number of innovative dining concepts. One of these is the kiosk pictured above. During the weekly farmers' market at the Pearl, a featured chef takes over the kiosk and tests a menu on the farmers' market patrons. Customers order at the counter and enjoy their meal at the adjacent outdoor seating area. The kiosk provides food entrepreneurs with space to innovate as well as a built-in customer base. This opportunity to test and sharpen restaurant concepts in the kiosk has bolstered the burgeoning "foodie" culture that is one of the defining features of the Pearl.

assets and develop new assets to attract more visitors to Auburn

- 3.5.1.** Develop and market packages that include visits to three or four tourism destinations to offer to both residents of and visitors to the metro area (e.g. Golf & Gamble, Shop & Slots, Music & More)
- 3.5.2.** Coordinate a brewery and distillery tour. Green River Cyclery has regular tours to breweries and would have good insights into how this would work
- 3.5.3.** Consider creating a food entrepreneur kiosk downtown where a guest chef can serve a featured menu. This could be a way of fostering the growth of unique restaurants in Auburn and could address the need for a sit-down restaurant for business lunches
- 3.5.4.** Explore the feasibility of a hop-on/hop-off tour or shuttle that runs between the Outlet Collection, the golf course, downtown, the casino, White River Amphitheater, and Emerald Downs to facilitate visitors' movement from one place to another

3.6. Regional Tourism. Strengthen regional tourism connections

- 3.6.1.** Evaluate the potential benefits of establishing a Tourism Promotion Area that includes neighboring communities
- 3.6.2.** Establish a regional partnership of communities to jointly promote the South Sound as a tourism destination



FOCUS AREA 4. MESSAGING

A coordinated marketing and branding campaign that elevates Auburn's reputation among internal and external audiences

Auburn has a strong heritage and history that define a unique character and foster community pride. While Auburn faces challenges, its citizens see great opportunity. The word cloud below is how Auburn's residents perceive Auburn today.

PRIORITY PROJECTS

- 1 Brand Enhancement (4.1)
- 2 Target Industry Outreach (4.6)



Auburn is in the midst of an exciting transformation. There are numerous positive changes going on right now in the City, and residents recognize this momentum and the potential for improvement. The word cloud below is how Auburn residents describe Auburn in ten years.



Though positive words dominate these word clouds, a number of negative perceptions are held both by Auburn residents, by the larger region, and by the regional real estate community. These perceptions are largely influenced by media reports on crime in Auburn and by under-performing impression corridors and gateways that lead to Auburn's tourism destinations. These negative perceptions undermine Auburn's potential. There is also a large number of residents in the greater Seattle area that have no knowledge of Auburn and hold a neutral perception. Auburn must work to change these neutral and negative perceptions to positive ones. In doing so, the City should also build awareness of Auburn as a destination – for recreation, living, and business investment.

Currently, the organizations that define the City of Auburn's brand identity, both internally and in the Seattle region, are not unified. The City of Auburn's tagline is "more than you imagined." This tagline is also shared by the Auburn Tourism Board. The Auburn Downtown Association and Chamber of Commerce, however, each have unique logos and brands that are distinct from the City's. On social media, the Auburn Police Department, the City of Auburn, the Chamber of Commerce, and the Innovation Partnership Zone have active presences that are also distinct. A more unified, collective voice and identity that spans all of these entities could be more effective in changing the internal and external perceptions of Auburn.

4.1. Brand Enhancement. Develop a stronger brand for Auburn and reinforce this with unified messaging across organizations

4.1.1. Adopt a new tagline. "More than you imagined" implies that people already hold a negative perception of Auburn

4.1.2. Coordinate a consistent marketing theme and campaign that applies across the City, economic development, the Chamber of Commerce, the Auburn Downtown Association, and the Auburn Tourism Board

4.1.3. Regularly (quarterly or annually) create talking points for community leaders and partner organizations that highlight positive developments in Auburn, success stories, and why it is a desirable place to visit, live, work, and invest

4.1.4. Invest in a wayfinding and placemaking strategy to reinforce this brand across Auburn

4.2. Internal Image. Build a more positive perception and a greater sense of community among Auburn residents through a strong partnership with the Auburn Reporter and other local media outlets including public radio, community websites, and social media outlets

4.2.1. Profile positive developments in Auburn that feature City investments, new businesses, and other economic development successes in order to build awareness of the City's positive momentum

4.2.2. Publish interviews of Auburn residents that highlight the things they like to do in Auburn and good memories of Auburn in order to strengthen the community's pride and cohesion

4.3. Social Media. Continue to strengthen the City's social media strategy to improve Auburn's internal and external perceptions

4.3.1. Develop a more consistent and strategic economic development voice across social media platforms, in particular LinkedIn and Twitter in order to develop a greater awareness of economic development activities in Auburn

4.3.2. Leverage 3No Networking to distribute more positive stories about Auburn and Auburn’s business culture

4.3.3. Connect with Auburn’s key influencers through social media and push out positive content through this network. Content can be about economic development successes, business climate, and other aspects of the City’s transformation

4.3.4. Launch a hashtag campaign (#ThisIsAuburn or #AuburnWorks or #AuthenticAuburn) related to Auburn’s brand that helps promote positive perceptions

4.4. Public Relations. Launch a formal public relations campaign to change the region’s perception of Auburn

4.4.1. Focus on earned media as a strategy to educate the region about Auburn’s positive attributes. Earned media refers to publicity gained through promotional efforts other than advertising, as opposed to paid media, which refers to publicity gained through advertising.

4.4.2. Build awareness of Auburn as a destination for visitors, for residents, and for business investment by making these audiences aware of community assets, the housing market, transportation linkages, and investment opportunities

4.4.3. Create a buzz about Auburn, particularly in the Seattle-Tacoma metro area by publicizing stories in local and regional news outlets that demonstrate what a great location Auburn is. These stories could feature the City’s success stories and relocations (be sure to highlight specifics about Auburn’s assets that enable its companies to succeed). They should also highlight growth in Auburn, including the investment downtown and companies who have invested in Auburn

KEY INFLUENCERS DEFINED

The term “key influencers” is often part of social media strategy. These individuals are active online and are followed by a target audience. Connecting with these individuals allows a campaign to reach these audiences and push content to them. Social media analytics tools, such as FollowerWonk and Klout, can be used to identify key influencers.

AUBURN’S TOP 10 ASSETS

The City has a distinct value proposition and competitive positioning that it must articulate when “selling” itself to brokers, site selectors, and prospects.

1. **ACCESS TO SKILLED LABOR** to support industrial activities
2. **CENTRAL LOCATION** between ports, transportation assets, and anchor cities (Seattle and Tacoma)
3. An **AUTHENTIC AND HISTORIC DOWNTOWN** with a Sounder Station
4. **BROAD AND DEEP SUPPLY CHAIN** to support manufacturing
5. **RECREATION AND ENTERTAINMENT AMENITIES** – parks, casino, race track, golf course, shopping
6. **GREEN RIVER COLLEGE** is a partner in workforce training
7. **UP AND BNSF** rail lines and BNSF is expanding
8. A strong and stable **INDUSTRIAL MARKET**
9. **A DIVERSE COMMUNITY** with a strong sense of pride
10. A city government that is **A WILLING PARTNER**

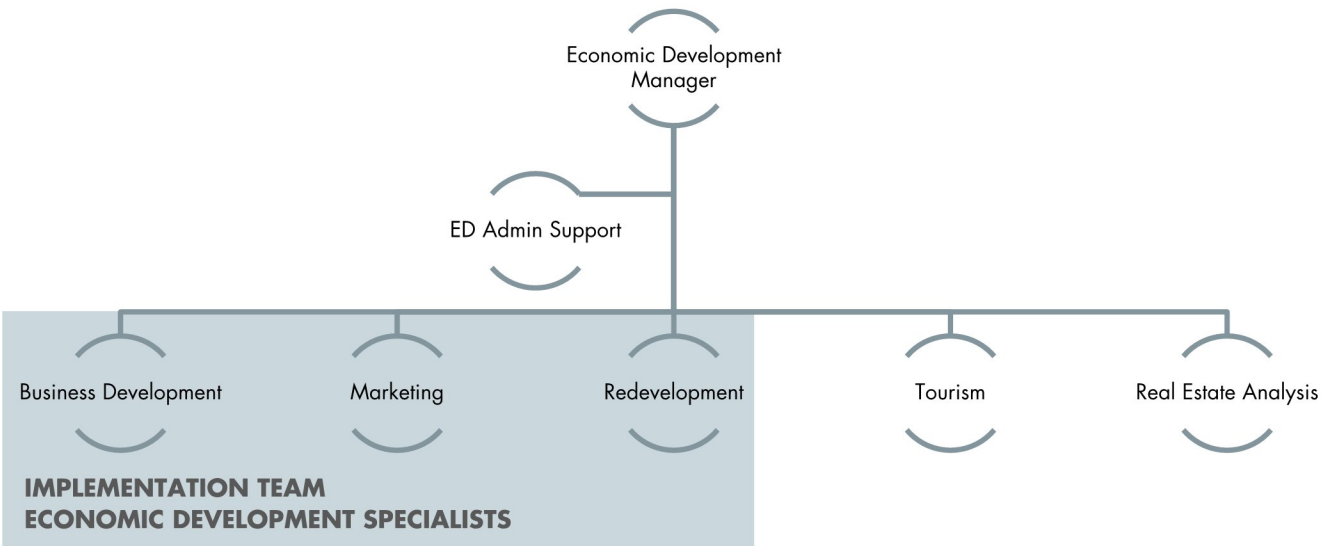
- 4.4.4.** Generate press releases and blog posts that promote opportunities to visit, live, invest, and work in Auburn
- 4.5. Real Estate Market Reports.** Develop a system for effective communication to the marketplace that educates businesses, developers, and brokers on opportunities available in the City
 - 4.5.1.** Transition the internal market tracking system used to evaluate market benchmarks to publish a regular report that can be distributed to the business, brokerage, and development community
 - 4.5.2.** Conduct regular forums with commercial brokers to discuss Auburn perceptions, opportunities, and regional activity
- 4.6. Strategic Outreach.** Reach out to decision makers in the target industries to encourage them to consider expanding or relocating in Auburn
 - 4.6.1.** Leverage Auburn’s community of business leaders and executives to reach peers in their networks by cultivating stronger relationships and keeping them well-informed of Auburn’s strengths and resources available for economic development
 - 4.6.2.** As part of TEAM AUBURN, have a core team of executives who are willing to meet with prospects and help sell Auburn
 - 4.6.3.** Attend key trade shows in target industries and use these events as opportunities to gather industry intelligence and make person-to-person connections. Leave behind compelling marketing collateral with industry players
 - 4.6.4.** Join regional economic development trade missions in collaboration with regional and state economic development organizations whenever possible
 - 4.6.5.** Take advantage of Seattle’s position as a global destination for conferences. Follow the regional conference schedule and look for opportunities to meet with prospects while they attend conferences in the region
 - 4.6.6.** When traveling, schedule appointments with any local executives in target industry sectors that are in the area

IMPLEMENTATION AND ORGANIZATION

The Auburn Ten-Year Economic Development Strategic Plan is ambitious. It will require a transition of the current economic development infrastructure to a cohesive department with additional capacity and expertise. This will allow the City of Auburn to have one of the most robust and entrepreneurial economic development programs in the region. The City’s investment in economic development will yield a return that will strengthen the City’s tax base, create economic opportunities, and transform the City to a vibrant and connected hub in the Seattle-Tacoma metro area.

STAFFING

The recommendations below are based on the consulting team’s knowledge of organizational best practices and a review of peer city budgets and staffing.



Recommended Staffing Structure. The structure above would provide the capacity to implement the strategic plan. The Manager, who leads the team, is an experienced economic developer that has led teams successfully in complex transactions, innovative program management, and effective communications with stakeholders. The Business Development position has expertise in prospect management, deal making, business visitation, and economic development analysis and research. A Marketing position carries out all outreach and marketing activities. The Redevelopment position has expertise in real estate development and real estate finance. An administrative assistant supports the team. In addition, the tourism coordinator position that is funded by the LTAC, and the real estate analyst, transferred from facilities, are now part of the team. This provides the opportunity of greater integration of these functions with economic development.

This staffing structure would provide the City with the capacity to conduct ongoing research to support business recruitment and retention/expansion activities and to consistently produce and deliver content to support a marketing and outreach strategy. Both of these functions enable economic development programs to identify prospective companies and establish/maintain relationships with these potential prospects. This structure also provides the department with the capacity to build a much stronger referral network that consists of local business

leaders and regional real estate brokers and developers. The outcome of this increased capacity should be more and higher-quality prospects and projects, which should accelerate investment and job creation in Auburn. The Redevelopment expertise provides economic development programs with an enhanced ability to identify redevelopment opportunities, structure deals, and complete projects. An in-depth knowledge of financing tools available in the State of Washington and at the Federal Government should enable Auburn to access capital to support redevelopment opportunities.

The additional staffing will cost about \$436,000 annually once the Economic Development Division is fully staffed in 2019.

Operating Budget. Funding the additional functions of the ED Division's programs will require an additional \$78,000. This includes a \$60,000 marketing and outreach budget that can be used for public relations, marketing materials (including web design), social media, trade show travel and attendance, and limited advertising. An additional \$18,000 for data services, memberships, and market and economic research would cover a subscription to Hoovers.com, on-going consulting services, and memberships to NAIOP and ICSC.

Budget Summary. The additional staffing requirements and operating budget will likely require up to a total of \$514,000 annually by 2019.

IMPLEMENTATION

Because of its ten-year scope, this strategic plan has a long list of strategies and actions. Implementing these will take time and can only be done as resources and capacity are added. To implement this plan, the City should first focus on reorganizing itself to be consistent with the strategic direction of the plan. Adding a staff person dedicated to business development will enable the deployment of the program foundations, which should directly correlate with increasing investment into the City. The marketing position will enable the City to implement Focus Area 4 more fully. Redevelopment expertise will allow the City to advance further in the implementation of Focus Areas 2 and 3.

	RESPONSIBLE STAFF/ <i>POTENTIAL PARTNERS</i>	TIMEFRAME			
		Ongoing	Short-tem (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
OPPORTUNITY 1: DELIVERY					
Strategy 1.1. Clearly define the services that the City of Auburn can provide to businesses both directly and through partnerships.					
1.1.1. Organize regular meetings of the IPZ taskforce as TEAM AUBURN to keep them informed of the prospect pipeline, meetings with prospects, and potential recruitment trips	Manager & Business Development				
1.1.2. Continue to assist prospects in finding suitable sites, navigating the development process in Auburn, and securing available incentives from local and state sources	Manager & Business Development				
1.1.3. Launch and manage a business incubator	Manager & Business Development / SBDC				
1.1.4. Continue to organize weekly 3No Networking at Auburn-based businesses	Manager & Marketing / SBDC				
1.1.5. Continue to partner with the Small Business Assistance Center at Green River College on technical assistance and workshops for small businesses	Manager & Marketing / Chamber ADA				
1.1.6. Establish partnerships with area SBA lenders, community development financial institutions, and other nonprofit microlenders to provide better access to capital for businesses that do not qualify for bank financing	Business Development / SBDC				

	RESPONSIBLE STAFF/ POTENTIAL PARTNERS	TIMEFRAME			
		Ongoing	Short-term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
1.1.7. Assemble a list of revolving loan funds and other financing resources that are available to Auburn-based businesses	Business Development / SBDC			■	
1.1.8. Continue to partner with Green River College and WorkSource to provide customized training	Manager	■			
1.1.9. Strengthen the partnership between Auburn Public Schools, Green River College, and Auburn's business community by organizing industry sector partnerships that explore workforce demand, critical occupations, and available curricula	Manager / WorkSource Workforce Development Council			■	
1.1.10. Maintain a catalog of information and resources relevant to economic development on the City's webpage	Business Development	■			
1.1.11. Track and report market trends at least quarterly and distribute the findings to stakeholders as part of the effort to espouse "Why Auburn" to the regional real estate community	Business Development		■		
1.1.12. Update and distribute retail trade area data annually	Business Development	■			
1.1.13. Provide profiles on the City's target investment areas	Business Development			■	
Strategy 1.2. Formalize a business visitation program to track trends among Auburn employers and identify any businesses in need of assistance					
1.2.1. Establish a visitation protocol, a list of information to be collected during each visit, and set a goal how many businesses each year.	Business Development / Chamber		■		
1.2.2. Create a database of Auburn-based employers with the City's business license database	Business Development		■		
1.2.3. Using CoStar or other sources, identify employers who have leases that will be expiring in the next two or three years to be prioritized for visitations	Business Development		■		
1.2.4. Maintain detailed notes on visits in the economic development project database to document the relationship over time	Business Development / Chamber		■		
1.2.5. Compile information collected from visits to track trends among employers and distribute these findings to stakeholders in an annual report and presentation	Business Development / Chamber		■		

	RESPONSIBLE STAFF/ POTENTIAL PARTNERS	TIMEFRAME			
		Ongoing	Short-tem (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
Strategy 1.3. Recruit new businesses, including retail, to Auburn to provide better economic opportunities and enhance Auburn’s quality of place					
1.3.1. Strengthen relationships with brokers, developers, and industry associations in the metro area and create an education outreach program targeted to these groups	Manager				
1.3.2. Cultivate strong partnerships with regional organizations to identify co-marketing opportunities and joint trade missions	Manager				
1.3.3. Join the coalition of local governments and organizations that represent the communities of the greater South Sound region	Manager				
1.3.4. During business visitations, ensure that Auburn-based businesses are aware of the great services that the City provides and have information on the different initiatives	Business Development				
1.3.5. Cultivate relationships among promising young companies across the metro	Business Development				
1.3.6. Actively prospect among companies in target industries	Business Development				
Strategy 1.4. Identify and advance catalyst projects that will facilitate Auburn’s evolution					
1.4.1. Work with city council and department heads to identify and prioritize potential catalyst projects	Manager				
1.4.2. Hold quarterly meetings with this group to learn from guest speakers about what other communities are doing and to brainstorm what Auburn could do	Manager				
1.4.3. From the project list generated in the quarterly sessions, prioritize projects based on feasibility, expense, time frame, impact, and alignment with Auburn’s opportunity areas	Manager / Department Heads				
1.4.4. For the two or three top ranked projects, create a project team of three to five individuals responsible for implementation	Manager / Department Heads				
1.4.5. Maintain a tool that tracks progress on project implementation, and report progress and outcomes at the quarterly meetings	Admin				

	RESPONSIBLE STAFF/ POTENTIAL PARTNERS	TIMEFRAME			
		Ongoing	Short-tem (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
Strategy 1.5. Foster relationships with key entities that support economic activity in the City					
1.5.1. Initiate and cultivate relationships.	Manager	■			
OPPORTUNITY 2: PRODUCT					
Strategy 2.1. Design and maintain information resources that demonstrate Auburn’s strength in terms of its access to skilled labor					
2.1.1. Maintain up-to-date labor market information on Auburn and its laborshed and make this information available on the economic development website as well as in a report format	Business Development / WorkSource		■		
2.1.2. For target industries, create profiles that highlight the availability of relevant occupations as well as training programs and other workforce development resources	Business Development / WorkSource		■		
Strategy 2.2. Ensure a supply of deal-ready sites to accommodate new business investment in Auburn					
2.2.1. Maintain an inventory of Auburn’s most important parcels and sites – those with high-impact development or redevelopment potential or that are located in strategic areas.	Real Estate & Redevelopment			■	
2.2.2. Among the eight sub-areas identified in the Comprehensive Plan, focus on the airport area, Emerald Downs, the GSA Property, and Northwest Auburn as key planning areas with high commercial development potential	Real Estate & Redevelopment / Community Development & Public Works			■	
2.2.3. Work with relevant land owners or brokers to package these sites with highly informative information packets (electronic) and actively promote these sites to prospective businesses and regional brokers	Real Estate & Redevelopment			■	
2.2.4. Encourage the land owner and broker to list the site on the City’s inventory of buildings and sites	Real Estate & Redevelopment			■	
2.2.5. Meet with institutional investors and owners of underperforming properties to make the case for additional investment to increase their yields	Manager & Redevelopment				■

	RESPONSIBLE STAFF/ POTENTIAL PARTNERS	TIMEFRAME			
		Ongoing	Short-term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
2.2.6. Facilitate the conversion of industrial buildings that are currently used for warehousing and distribution to manufacturing or other sales tax generating uses	Redevelopment				■
2.2.7. Work with land owners to facilitate conversion opportunities, redevelopment of high-potential parcels, or the assembly of multiple parcels by addressing barriers where possible and connect them with local developers and real estate investors who seek these kinds of opportunities	Redevelopment				■
2.2.8. Maintain a database as part of the CRM of all known businesses seeking additional space in the region to make connections with property owners in Auburn as space becomes available	Business Development			■	
2.2.9. Evaluate the feasibility of annexing the areas adjacent to the City that are in unincorporated King County as a means of improving Auburn's commercial land base	Manager				■
Strategy 2.3. Create a robust toolbox to influence economic development outcomes					
2.3.1. Catalog all tools available in the state	Business Development / Finance		■		
2.3.2. Consider and evaluate the feasibility of the additional programs	Manager / Finance		■		
2.3.3. Collect examples of communities who use these tools in an innovative way to support projects that advance their economic development goals and share these with relevant City stakeholders	Business Development / Finance		■		
2.3.4. Ensure that city council and City staff are well-informed of the type and use of financing tools available to municipalities	Manager / Finance		■		
2.3.5. Establish a policy that sets out the City's goals for the use of these various tools as well as a process and framework for evaluating projects	Manager / City Council, Finance		■		
2.3.6. Adopt the guideline for effective and responsible incentives use	Manager / City Council, Finance		■		

	RESPONSIBLE STAFF/ POTENTIAL PARTNERS	TIMEFRAME			
		Ongoing	Short-term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
2.3.7. Adopt a comprehensive fiscal and economic impact tool to measure the return on investment for projects being evaluated	Manager / Finance		■		
2.3.8. Create content for the City's website and for brochures that allows owners and developers to understand the tools and programs that may be available for their project and how it relates to their pro forma	Business Development / Finance		■		
2.3.9. Develop a clear flowchart that establishes the process that owners and developers will need to follow to obtain assistance in order to set realistic expectations	Business Development / Finance		■		
Strategy 2.4. Evaluate and continue to improve the City's land use and building permit process and performance.					
2.4.1. Continue to employ the permitting performance tracking system to understand performance	Business Development / Community Development & Public Works		■		
2.4.2. Develop a regular report based on information from the tracking system that allows the development community and city staff to understand how efficiently permits are being processed	Business Development / Community Development & Public Works		■		
2.4.3. Create a map-based report with supporting tables that tracks all major commercial developments in the City including new construction and major renovations	Business Development / Community Development & Public Works		■		
2.4.4. Consider reviewing the fee structure associated with permit reviews	Manager / Community Development & Public Works		■		
2.4.5. Establish precedents log that may be used for future staff to reference how certain situations that share similar conditions were addressed previously	Business Development / Community Development & Public Works		■		

	RESPONSIBLE STAFF/ POTENTIAL PARTNERS	TIMEFRAME			
		Ongoing	Short-tem (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
Strategy 2.5. Re-evaluate zoning districts and modify certain aspects of the code					
2.5.1. Expand the Downtown Urban Center (DUC) zoning district to include the logical adjacent areas	Manager / Community Development & Public Works				
2.5.2. Consider zoning modifications related to height and parking to improve project feasibility	Manager / Community Development & Public Works				
2.5.3. Add flexibility to the industrial land use code to allow for more yard storage and permitting uses such as building contractors in districts that are currently more restrictive	Manager / Community Development & Public Works				
2.5.4. Consider an overlay on the Landing Field (LF) zone and adjacent commercial properties to permit airside supportive land uses around the airport	Manager / Community Development & Public Works				
Strategy 2.6. Annually compare Auburn’s development/impact fees, tax rates, and rebate programs to peers					
2.6.1. Conduct research on regional peers to identify any rate changes or fee changes and record in a business climate database, which can be created with information from this strategic plan	Business Development / Finance, Community Development & Public Works				
2.6.2. Document any significant changes and distribute a summary report to relevant department heads	Business Development / Finance, Community Development & Public Works				
2.6.3. Work collectively to resolve any issues revealed by this research exercise	Business Development / Finance, Community Development & Public Works				

	RESPONSIBLE STAFF/ POTENTIAL PARTNERS	TIMEFRAME			
		Ongoing	Short-term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
2.6.4. Publicize the areas where Auburn stands out among its peer group to the regional real estate community	Business Development & Marketing			■	
OPPORTUNITY 3: PLACE					
Strategy 3.1. Create a target investment program to guide strategic infrastructure investments that enhance Auburn's economic development opportunities					
3.1.1. Create a cross-departmental forum for identifying and prioritizing areas for targeted infrastructure investment	Manager / Mayor's Office				■
3.1.2. Evaluate market-challenged areas for their potential to attract private investment through targeted public investment projects and designate two or three areas as "Target Investment Areas"	Redevelopment				■
3.1.3. Align the City's resources, both planning and programmatic, around the Target Investment Areas to ensure they reinforce capital investments	Manager / Department Heads				■
3.1.4. Tailor a suite of services and/or incentives that is available to support private sector projects in the Target Investment Areas in order to overcome real or perceived market gaps	Manager & Redevelopment				■
3.1.5. Package the information and actively market the areas to potential investors and other stakeholders	Redevelopment & Marketing				■
Strategy 3.2. Maintain and enhance regional transportation connections to ensure ease of travel to and from Auburn					
3.2.1. Prioritize improvements on and around Auburn Way North and Auburn Way South and a better connection from SR-167 connection to downtown	Manager / Community Development & Public Works	■			
3.2.2. Continue to partner with Sound Transit to secure adequate parking around the Sounder station as well as convenient service and better multi-modal connectivity to downtown and other Auburn destinations	Manager / Community Development & Public Works	■			

	RESPONSIBLE STAFF/ POTENTIAL PARTNERS	TIMEFRAME			
		Ongoing	Short-term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
3.2.3. Continue to improve the Auburn Municipal Airport by conducting a needs assessment of businesses located in Auburn and in the immediate region to understand whether they could use an enhanced airport for business purposes and what improvements would be needed	Business Development / <i>Auburn Municipal Airport</i>			■	
Strategy 3.3. Continue to invest in downtown revitalization					
3.3.1. Optimize regional multimodal downtown connectivity both to and from the City to ease travel times and improve the downtown experience	Manager / <i>Community Development & Public Works</i>	■			
3.3.2. Re-evaluate the Business Improvement Area to look at how ratepayers are assessed, who is being assessed, and how the funds can best be used	Business Development / <i>Finance</i> ADA		■		
3.3.3. Develop an investment brochure (electronic and print) for downtown that features a map of the Downtown Urban Center; key data and statistics; overview of public investment; available incentives; photographs that highlight new investment and potential investments; and a map with available parcels	Marketing / ADA		■		
3.3.4. Publicize a comprehensive list of incentives available to support projects in the Downtown Urban Center both in the brochure and on the City's website	Marketing / ADA		■		
3.3.5. Continue to support existing small businesses downtown and to recruit targeted retailers and tenants downtown	Business Development / <i>SBDC</i> ADA	■			
3.3.6. Continue to actively seek investors and developers for downtown projects	Manager, Redevelopment / ADA	■		■	
3.3.7. Approach successful restaurateurs and local retailers both in Auburn and the Greater Seattle region to ask if they would be interested in expanding downtown	Redevelopment / ADA			■	

	RESPONSIBLE STAFF/ POTENTIAL PARTNERS	TIMEFRAME			
		Ongoing	Short-tem (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
Strategy 3.4. Designate Auburn Way South as an additional Targeted Investment Area					
3.4.1. Complete the Auburn Way South Corridor Plan	Redevelopment / Community Development & Public Works			■	
3.4.2. Develop an investment brochure (electronic and print) for Auburn Way South to highlight the opportunities that are identified in the corridor plan	Marketing / Community Development & Public Works			■	
3.4.3. Strengthen the City’s partnership with the Muckleshoot tribe around the revitalization of this corridor	Manager / Mayor’s Office			■	
Strategy 3.5. Create stronger connections between Auburn’s primary tourism assets and develop new assets to attract more visitors to Auburn					
3.5.1. Develop and market packages that include visits to three or four tourism destinations to offer to both residents of and visitors to the metro area (e.g. Golf & Gamble, Shop & Slots, Music & More)	Tourism		■		
3.5.2. Coordinate a brewery and distillery tour. Green River Cyclery has regular tours to breweries and would have good insights into how this would work	Tourism		■		
3.5.3. Consider creating a food entrepreneur kiosk downtown where a guest chef can serve a featured menu	Tourism		■		
3.5.4. Explore the feasibility of a hop-on/hop-off tour or shuttle that runs between the Outlet Collection, the golf course, downtown, the casino, White River Amphitheater, and Emerald Downs to facilitate visitors’ movement from one place to another	Tourism		■		

	RESPONSIBLE STAFF/ POTENTIAL PARTNERS	TIMEFRAME			
		Ongoing	Short-tem (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
Strategy 3.6. Strengthen regional tourism connections					
3.6.1. Evaluate the potential benefits of establishing a Tourism Promotion Area that includes neighboring communities	Manager, Tourism			■	
3.6.2. Establish a regional partnership of communities to jointly promote the South Sound as a tourism destination	Manager, Tourism				■
OPPORTUNITY 4: MESSAGING					
Strategy 4.1. Develop a stronger brand for Auburn and reinforce this with unified messaging across organizations					
4.1.1. Adopt a new tagline.	Manager / Mayor, City Council, Department Heads		■		
4.1.2. Coordinate a consistent marketing theme and campaign that applies across the City, economic development, the Chamber of Commerce, the Auburn Downtown Association, and the Auburn Tourism Board	Marketing		■		
4.1.3. Regularly (quarterly or annually) create talking points for community leaders and partner organizations that highlight positive developments in Auburn and why it is a desirable place to visit, live, and invest	Marketing		■		
4.1.4. Invest in a wayfinding and placemaking strategy to reinforce this brand across Auburn	Manager, Marketing / Community Development & Public Works				■
Strategy 4.2. Build a more positive perception and a greater sense of community among Auburn residents through a strong partnership with the Auburn Reporter and other local media outlets					
4.2.1. Profile positive developments in Auburn that feature City investments, new businesses, and other economic development successes in order to build awareness of the City’s positive momentum	Marketing		■		
4.2.2. Publish interviews of Auburn residents that highlight the things they like to do in Auburn and good memories of Auburn	Marketing		■		

	RESPONSIBLE STAFF/ POTENTIAL PARTNERS	TIMEFRAME			
		Ongoing	Short-tem (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
Strategy 4.3. Continue to strengthen the City’s social media strategy to improve Auburn’s internal and external perceptions					
4.3.1. Develop a more consistent and strategic economic development voice across social media platforms, in particular LinkedIn and Twitter in order to develop a greater awareness of economic development activities in Auburn	Marketing		■		
4.3.2. Leverage 3No Networking to distribute more positive stories about Auburn and Auburn’s business culture	Marketing	■	■		
4.3.3. Connect with Auburn’s key influencers through social media and push out positive content through this network	Marketing		■		
4.3.4. Launch a hashtag campaign related to Auburn’s brand that helps promote positive perceptions	Marketing		■		
Strategy 4.4. Launch a formal public relations campaign to change the region’s perception of Auburn					
4.4.1. Focus on earned media as a strategy to educate the region about Auburn’s positive attributes	Marketing		■		
4.4.2. Build awareness of Auburn as a destination for visitors, for residents, and for business investment by making audiences aware of community assets, the housing market, transportation linkages, and investment opportunities	Marketing		■		
4.4.3. Create a buzz about Auburn, particularly in the Seattle-Tacoma metro area by publicizing stories in local and regional news outlets that demonstrate what a great location Auburn is.	Marketing		■		
4.4.4. Generate press releases and blog posts that promote opportunities to visit, live, invest, and work in Auburn	Marketing		■		
Strategy 4.5. Develop a system for effective communication to the marketplace that educates businesses, developers, and brokers on opportunities available in the City					
4.5.1. Transition the internal market tracking system used to evaluate market benchmarks to publish a regular report that can be distributed to the business, brokerage, and development community	Business Development, Real Estate, Marketing		■		
4.5.2. Conduct regular forums with commercial brokers to discuss Auburn perceptions, opportunities, and regional activity	Business Development, Real Estate, Marketing		■		

	RESPONSIBLE STAFF/ <i>POTENTIAL PARTNERS</i>	TIMEFRAME			
		Ongoing	Short-tem (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 5-10)
Strategy 4.6. Reach out to decision makers in the target industries to encourage them to consider expanding or relocating in Auburn					
4.6.1. Leverage Auburn’s community of business leaders and executives to reach peers in their networks by cultivating stronger relationships and keeping them well-informed of Auburn’s strengths and resources available for economic development	Manager				
4.6.2. As part of TEAM AUBURN, have a core team of executives who are willing to meet with prospects and help sell Auburn	Business Development				
4.6.3. Attend key trade shows in target industries and use these events as opportunities to gather industry intelligence and make person-to-person connections	Manager, Business Development				
4.6.4. Join regional economic development trade missions in collaboration with regional and state economic development organizations whenever possible	Manager, Business Development / <i>Mayor’s Office</i>				
4.6.5. Take advantage of Seattle’s position as a global destination for conferences	Business Development				
4.6.6. When traveling, schedule appointments with any local executives in target industry sectors that are in the area	Business Development				

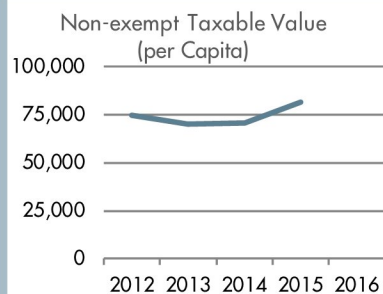
PERFORMANCE EVALUATION AND MEASUREMENT

To understand the impact of the City's economic development efforts and to track success, it is important to monitor a set of key performance indicators. Below is a set of indicators that are tied to three topics directly related to the strategies contained in this plan: 1) tax base; 2) real estate market; and 3) economic opportunity.

Property Tax Base



The tax base has grown steadily since 2013.



Source: King County Tax Assessor

Commercial Tax Base



The share of the commercial tax base fell from its 2013 peak.

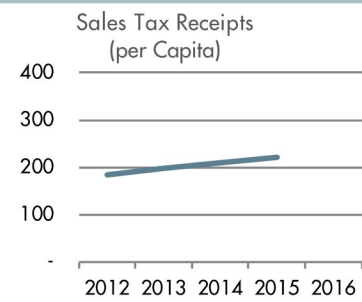


Source: King County Tax Assessor

Retail Sales



Retail sales tax receipts per capita have climbed steadily.

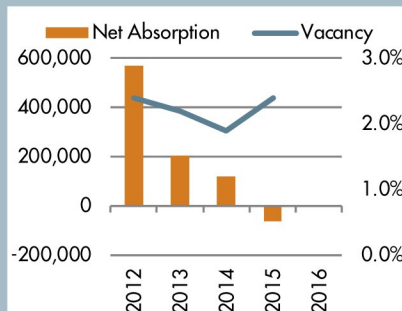


Source: City of Auburn

Industrial Market



The vacancy rate rose slightly with recent negative net absorption.

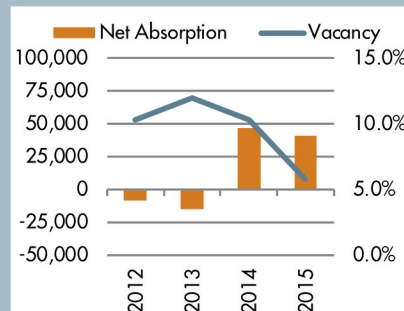


Source: CoStar

Office Market



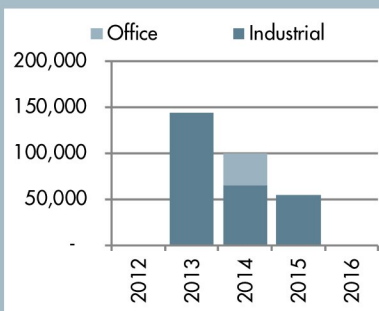
The vacancy rate dropped with positive net absorption.



Source: CoStar

New Space Delivery

Over the last two years, little new square footage has been delivered.

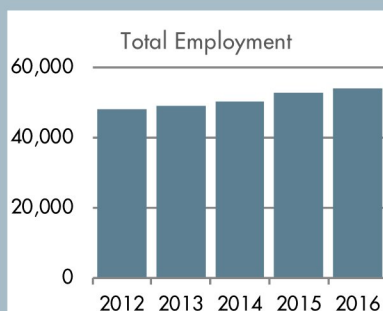


Source: CoStar

Employment



The number of jobs in the City has continued to grow.

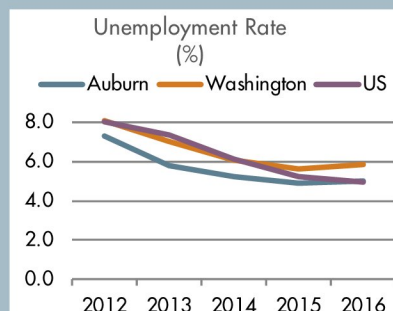


Source: EMSI

Unemployment



The region's unemployment rate is much lower than in 2012.

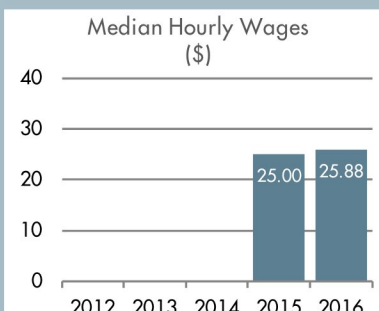


Source: Bureau of Labor Statistics

Wages



The region's wages are climbing gradually.



Source: EMSI

CITY OF AUBURN

In addition to these key performance indicators, the City should monitor output measures related to these topic areas and other strategies. Suggested measures include:

- Jobs created and average wages- only projects that the ED Division managed
- Private investment overall and by target area
- Square feet of distribution conversions
- Return on investment (ROI) on any incentives (fiscal & economic impact)
- Industrial and office lease rates
- Broker activity
- Restaurants and retailers – new and closed
- Employment by sector
- Wages by sector
- Earned media
- Web traffic

It will also be useful to track some of these metrics for peer cities and the metro area to provide context for Auburn's performance.

Being able to drill down further to get behind the key performance indicators will allow the City to evaluate strategy implementation and make tweaks to the strategic plan as necessary. This feedback loop is how the strategic plan transforms into a living document that will maintain relevancy over the ten-year period.

The Economic Development Office should be responsible for maintaining updating these metrics on an on-going basis with the assistance from the consulting team, as needed.

CONCLUSION

The City of Auburn should be commended for their recognition of the importance of economic development strategic planning at this juncture in Auburn's history and in the context of a booming regional economy. With the plan in place, the City will be positioned to transition its economic development program to a more robust and comprehensive program that will allow it to influence its own economic development future. The implementation and monitoring of the plan will be the next phase. This work will take discipline and direction, leadership and collaboration, and patience and perseverance across the City and with multiple partners. The City of Auburn's Ten-Year Economic Development Strategic Plan provides the foundation and lays out the framework to coordinate the City's continued evolution into a unique and thriving hub in the Seattle-Tacoma region.