CITY OF AUBURN WASHINGTON	**City Council Meeting** **May 19, 2014 - 7:30 PM** **Auburn City Hall** **AGENDA** Watch the meeting LIVE! Watch the meeting video Meeting videos are not available until 72 hours after the meeting has concluded.

I. **CALL TO ORDER**

A. **Flag Salute**

B. **Roll Call**

C. **Announcements, Appointments, and Presentations**

1. Washington State Department of Transportation (WSDOT) Presentation on SR 167 Hot Lanes
Patty Rubstello, Toll Operations Director for WSDOT, will provide an update to the Mayor and City Council on the SR 167 Hot Lanes Project.

2. Valley Regional Fire Authority (VRFA) Presentation to Councilmember Peloza
Fire Fighter Jesse Mitchell to present award to Councilmember Bill Peloza on completing the Fire Ops 101 training.

3. National Public Works Week
Mayor Backus to proclaim May 18-24, 2014 as National Public Works week in the City of Auburn.

4. Mt. Baker Middle School Presentation
Mt. Baker Middle School teacher, Susan Winter, and students to provide an update on current activities with the organization End Zone Academy.

D. **Agenda Modifications**

II. **CITIZEN INPUT, PUBLIC HEARINGS & CORRESPONDENCE**

A. **Public Hearings**

1. **Public Hearing for Franchise Agreement No. 14-06* (Osborne/Mund)**
City Council to hold a public hearing on the application of tw telecom of washington llc, for a non-exlcusive 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 facilitieis in, on, upon, along and/or across those right(s)-of-way. The purpose of the public hearing is to determine public benefit and impact, applicant compliance, public right-of-way capacity to accommodate the telecommunication system, potential disruption of public right-of way, and present and future use of the public right-of-way

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.

III. COUNCIL COMMITTEE REPORTS

A. **Municipal Services**

1. **May 12, 2014 Minutes* (Peloza)**

B. **Planning & Community Development**

1. **May 12, 2014 Minutes* (Holman)**

C. **Public Works**

1. **May 5, 2014 Meeting Minutes* (Osborne)**

D. **Finance**

1. **May 5, 2014 Meeting Minutes* (Wales)**

E. **Les Gove Community Campus**

F. **Council Operations Committee**

G. **Junior City Council**

1. May 19, 2014 meeting (Wagner)

IV. 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. **May 5, 2014 Regular Meeting Minutes***

B. **Claims vouchers (Wales/Coleman)**
Claims voucher number 428546 through 428727 in the amount of $3,744,492.90 and 3 wire transfers in the amount of $250,413.97 and dated May 19, 2014.

C. **Payroll Vouchers (Wales/Coleman)**
Payroll check numbers 534680 through 534714 in the amount of $825,469.81, electronic deposit transmissions in the amount of $1,268,009.95 for a grand total of $2,093,479.76 for the period covering May 1, 2014 to May 14, 2014.

D. **Public Works Project No. C410A* (Osborne/Snyder)**
City Council to approve Final Pay Estimate No. 9 to Contract No. 11-12 in the amount of $5,780.94 and accept construction of Project No. C410A South 277th St. Reconstruction-Wetland Mitigation Improvements

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

V. UNFINISHED BUSINESS

There is no unfinished business.

VI. NEW BUSINESS

There is no new business.

VII. RESOLUTIONS

A. **<u>Resolution No. 5071* (Peloza/Coleman)</u>**
A Resolution of the City Council of the City of Auburn, Washington, authorizing the Mayor and City Clerk to execute second amendment to agreement between the City of Auburn and Redflex Traffic Systems, Inc.

(RECOMMENDED ACTION: City Council adopt Resolution No. 5071.)

B. **<u>Resolution No. 5072* (Wales/Lein)</u>**
A Resolution of the City Council of the City of Auburn, Washington, approving the action of the Washington Economic Development Finance Authority in issuing non-recourse revenue bonds to finance an economic development facility for use by Orion Industries, and providing for other matters properly relating thereto

(RECOMMENDED ACTION: City Council adopt Resolution No. 5072.)

VIII. REPORTS

At this time the Mayor and City Council may report on significant items associated with their appointed positions on federal, state, regional and local organizations.

A. **From the Council**

B. **From the Mayor**

IX. 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 for Franchise Agreement No. 14-06		**Date:** April 21, 2014
Department: Public Works	**Attachments:** Draft Ordinance No. 6506	**Budget Impact:** $0

Administrative Recommendation:

City Council to hold a public hearing in consideration of Franchise Agreement No. 14-06

Background Summary:

Per Auburn City Code Chapter 20.06.030 a public hearing shall be held to consider the proposed Franchise Agreement No. 14-06 for tw telecom of washington llc to operate and build a telecommunications system within the City's rights of way. The date of the public hearing was set by Resolution No. 5062 on May 5, 2014.

Reviewed by Council Committees:

Public Works

Councilmember:	Osborne	**Staff:**	Mund
Meeting Date:	May 19, 2014	**Item Number:**	PH.1

ORDINANCE NO. 6506

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, GRANTING TO TW TELECOM OF WASHINGTON LLC, A DELAWARE LIMITED LIABILITY COMPANY, A FRANCHISE FOR TELECOMMUNICATIONS

WHEREAS, tw telecom of washington 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.

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.

D. This Franchise is non-exclusive and does not prohibit the City from entering into other agreements, including Franchises, impacting the Franchise Area, unless the City determines that entering into such agreements interferes with Grantee's right set forth herein.

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.

Section 2. Notice

A. Written notices to the parties shall be sent by certified mail to the following addresses, unless a different address shall be designated in writing and delivered to the other party.

City: City of Auburn
Engineering Aide, Transportation
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

Telephone: 253-931-3039

Grantee: Greg Diamond
Vice President, Regulatory
tw telecom of washington llc
10475 Park Meadow Drive
Littleton, CO 80124
Telephone: 206-676-8052

with a copy to:

Tina Davis
Senior VP & General Counsel
tw telecom of washington llc
10475 Park Meadow Drive
Littleton, CO 80124
Telephone: 303-566-1279

B. Any changes to the above-stated Grantee information shall be sent to the City, referencing the title of this agreement.

C. The above-stated Grantee voice telephone numbers shall be staffed at least during normal business hours, for their respective time zones. The City may contact Grantee at the following number for emergency or other needs outside of normal business hours of the Grantee: Network Operations Center 1-800-829-0420

Section 3. Term of Agreement

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

B. Renewal Option of Term: The Grantee may renew this Franchise for an additional five (5) 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 240 to 180 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 only submit those materials 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.

“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.

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 15, and (3) the financial guarantees specified in Section 16 (collectively, “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 30 days after the effective date of the ordinance approving the Franchise, 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 in undertaking such work, which shall be done in a thorough and proficient manner.

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.

C. 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 the removal, relocation and/or replacement thereof in the public interest and safety at the expense of the Grantee.

D. 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.

Section 7. Repair and Emergency Work

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 in writing as promptly as possible, before such repair or emergency work commences, or as soon thereafter as possible, if advance notice is not practical. The City may act, at any time, without prior written notice in the case of emergency, but shall notify the Grantee in writing as promptly as possible under the circumstances.

Section 8. Damages to City and Third-Party Property

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.

Section 9. Location Preference

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 in time to Grantee's application for a permit to construct or repair Grantee Facilities under this Franchise shall have preference as to positioning and location with respect to the Grantee Facilities. However, to the extent that the Grantee Facilities are completed and installed prior to another 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. Grantee shall maintain a minimum underground horizontal separation of five (5) feet from City water facilities and ten (10) feet from above-ground City water 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 guidelines and procedures for determining specific utility locations.

Section 10. Grantee Information

A. Grantee agrees to supply, at no cost to the City, any information reasonably requested of the City 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, installation inventory, and maps and plans showing the location of existing or planned facilities within the City. Said information may be requested either in hard copy or electronic format, compatible with the City's data base system, as now or hereinafter existing, including the City's geographic information Service (GIS) data base. Grantee shall keep the City informed of its long-range plans for coordination with the City's long-range plans.

B. The parties understand that Washington law limits the ability of the City to shield from public disclosure any information given to the City. Accordingly, the City agrees to notify the Grantee of requests for public records related to the Grantee, and to give the Grantee a reasonable amount of time to obtain an injunction to prohibit the City's release of records.

Grantee shall indemnify and hold harmless the City for any loss or liability for fines, penalties, and costs (including reasonable attorney's 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 and City acts in accordance with the provisions of Washington's open public records act.

Section 11. Relocation of Grantee Facilities

A. Except as otherwise so required by law, Grantee agrees to relocate, remove, or reroute its facilities as ordered by the City at no expense or liability to the City, except as may be required by RCW Chapter 35.99. Pursuant to the provisions of Section 14, 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 Pubic 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.

Section 12. Abandonment and or Removal of Grantee Facilities

A. 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, at the City's discretion, either abandon in place or remove the affected facilities.

B. The parties expressly agree that this Section shall survive the expiration, revocation or termination of this Franchise.

Section 13. Undergrounding

A. The parties agree that this Franchise does not limit the City's authority under federal law, state law, or local ordinance, to require the undergrounding of utilities.

B. Whenever the City requires the undergrounding of aerial utilities in the Franchise Area, the Grantee shall underground the Grantee Facilities in the manner specified by the City Engineer at no expense or liability to the City, except as may be required by RCW Chapter 35.99. Where other utilities are present and involved in the undergrounding project, Grantee shall only be required to pay its fair share of common costs borne by all utilities, in addition to the costs specifically attributable to the undergrounding of Grantee Facilities. Common costs shall include necessary costs for common trenching and utility vaults. Fair share shall be determined in comparison to the total number and size of all other utility facilities being undergrounded.

Section 14. 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, losses, suits, or liabilities are caused by the sole negligence of the City. 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.

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 negligence 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 fire fighting, 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 based on the City's failure or inability to provide such services.

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

E. 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 15. Insurance

A. The Grantee shall procure and maintain 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:

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 $1,000,000 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.

2. Commercial General Liability insurance with limits no less than $1,000,000 each occurrence, $2,000,000 general aggregate and a $2,000,000 products-completed operations aggregate limit. Coverage shall be written on ISO occurrence form CG 00 01 or a substitute form providing equivalent liability coverage 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. The Commercial General Liability insurance shall be endorsed to provide the Aggregate Per Project Endorsement ISO form CG 25 03 11 85 or a substitute form providing equivalent liability coverage. 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 10 01 and Additional Insured-Completed Operations endorsement CG 20 37 10 01 or substitute endorsements providing equivalent coverage.

3. Professional Liability insurance with limits no less than $1,000,000 per claim for all professional employed or retained Grantee to perform services under this Franchise.

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

5. Grantee may utilize primary and umbrella liability insurance policies to satisfy the insurance policy limits required in this section.

B. The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability, Professional 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 shall be endorsed to state that coverage shall not be cancelled by either party except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

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

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 16. Performance Security

The Grantee shall provide the City with a bond in the amount of Fifty Thousand Dollars ($50,000) running for, or renewable for, 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 bond any damages suffered by City as a result thereof up to the amount of Fifty Thousand Dollars ($50,000), and from the principal only any damages suffered by the City in excess of the bond amount, 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 19 shall constitute damage to the City in the monetary amount set forth therein. The amount of the bond shall not be construed to limit the Grantee's liability to the City for any damages suffered by City as a result Grantee's noncompliance, or otherwise limit the City's recourse to any remedy to which the City is otherwise entitled at law or in equity.

Section 17. Successors and Assignees

A. All the provisions, conditions, regulations and requirements herein contained shall be binding upon the successors and assigns of the Grantee, and all rights and privileges, as well as all obligations and liabilities of the Grantee shall inure to its successors and assignees 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, which consent shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, no consent of the City or fee shall be required for Franchisee to assign this Franchise to any entity under common control with, controlled by, or controlling Grantee, or to any entity that acquires Grantee by merger, sale, consolidation or otherwise, provided Grantee promptly notifies City of such assignment, provides information regarding the nature of the relationship between Grantee and the assignee, and provides a written agreement to the City that the assignee is unconditionally assuming all of the terms of the Franchise upon the effective date of the assignment.

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 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 pursuant to paragraph B, 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 18. 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 mediation, 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 19. 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 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 of Two Hundred Fifty Dollars ($250.00) per day against the bond set forth in Section 16 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 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 20. Compliance with Laws and Regulations

A. This Franchise is subject to, and the Grantee shall comply with all applicable federal and state or City laws, regulations and policies (including all applicable elements of the City's comprehensive plan), in conformance with federal laws and regulations, affecting performance under this Franchise. 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 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, in which event Grantee may pursue any available remedies at equity or in law and/or Grantee may terminate this Franchise within twenty (20) days of written notice to City.

Section 21. 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 applicable state or federal law for revenue or as reimbursement for use and occupancy of the Franchise Area.

Section 22. 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 23. Severability

If any portion of this Franchise is deemed invalid, the remainder portions shall remain in effect.

Section 24. Titles

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

Section 25. Implementation.

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

Section 26. 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

Published: ___________________

Franchise Agreement No 14-06 tw telecom

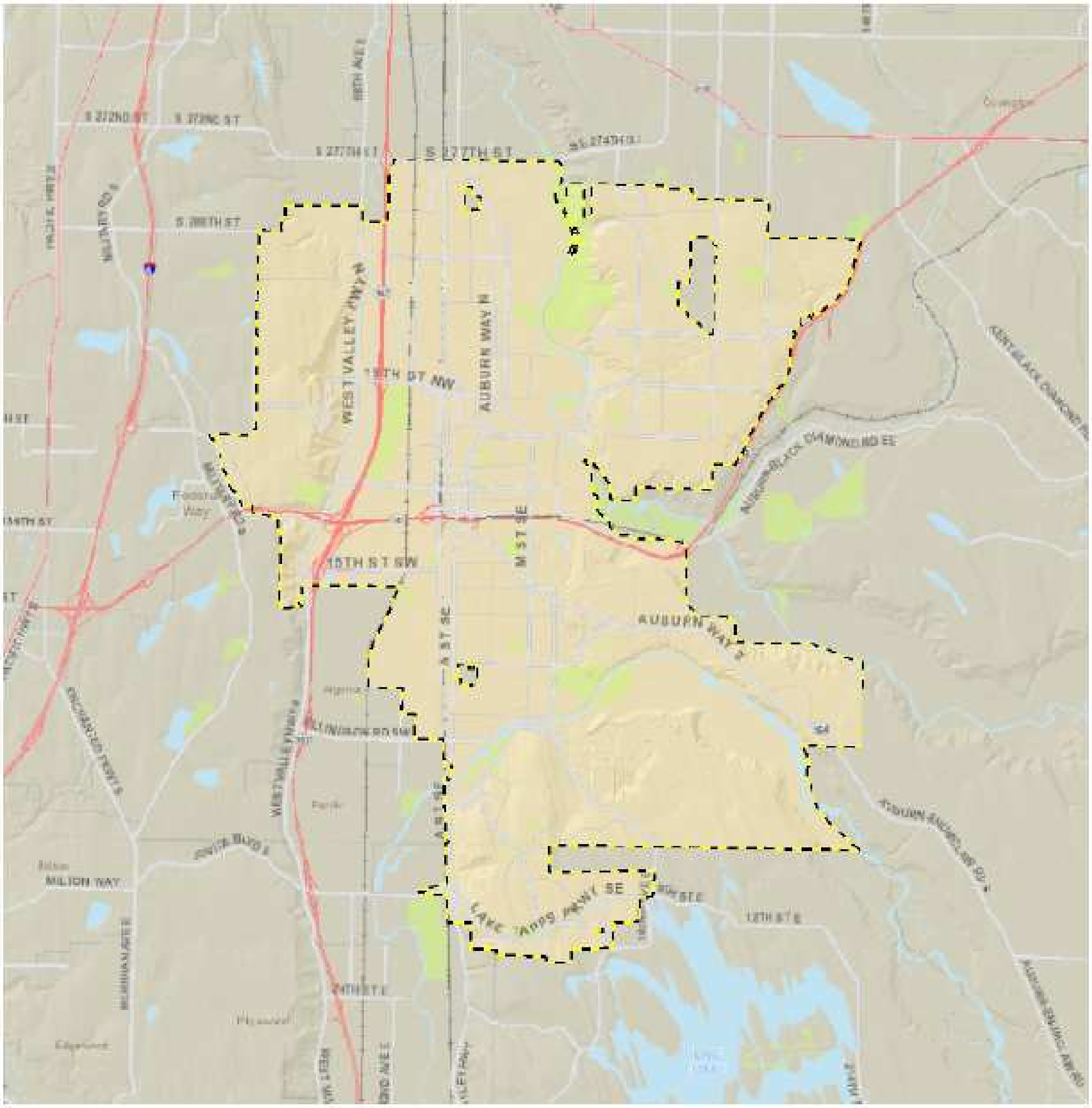


Exhibit "A"
Franchise Area City Limits

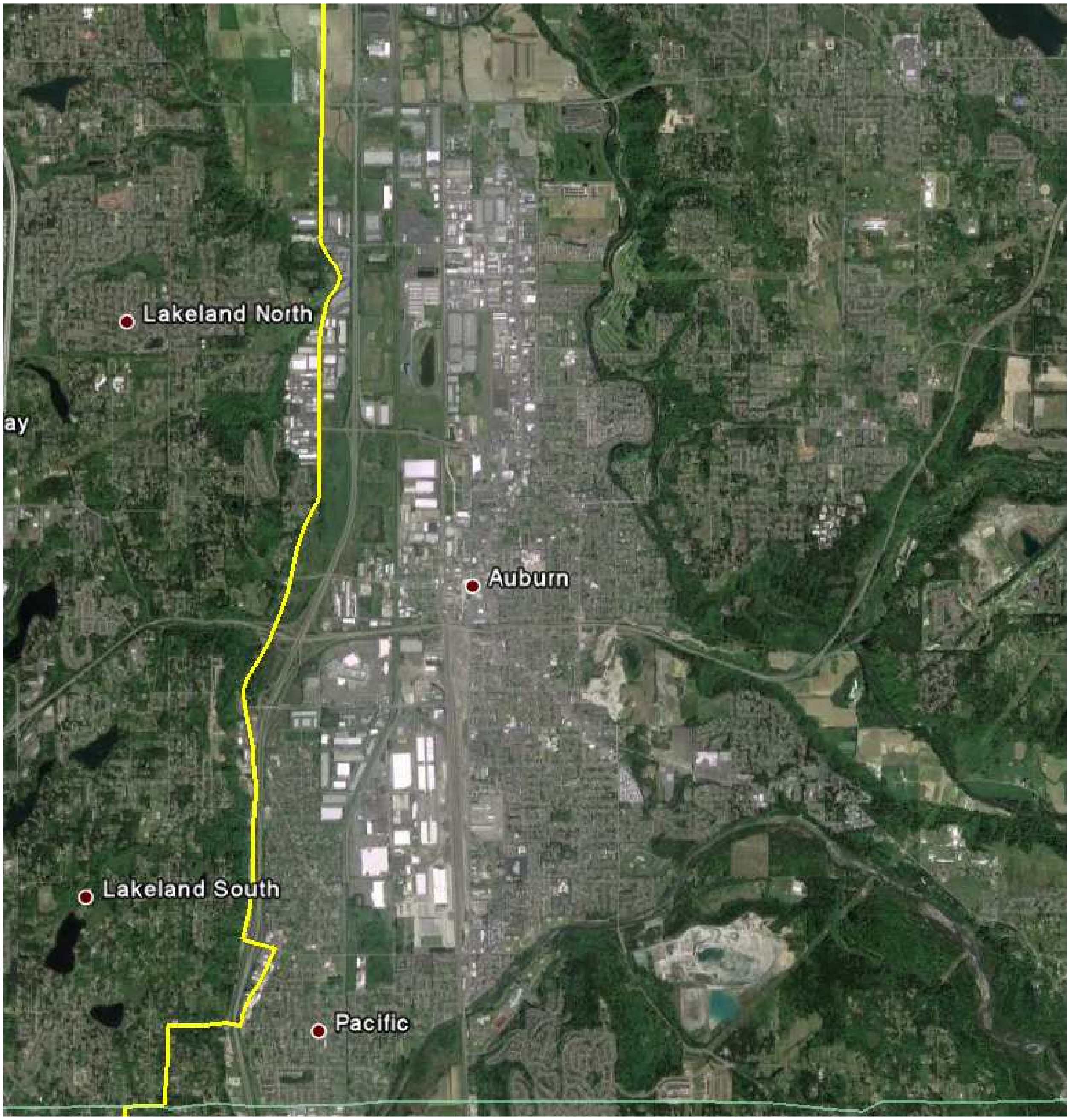
Printed Date:3/11/2014
Map Created by City of Auburn eGIS

Information shown is for general reference purposes only and does not necessarily represent exact geographic or cartographic data as mapped. The City of Auburn makes no warranty as to its accuracy.

Ordinance No. 6506
Franchise Agreement No. 14-06
April 10, 2014
Page 16 of 19

Exhibit B

Grantee Facilities



Fiber facilities in yellow are owned by Zayo re: Franchise Agreement No 12-41, Ord No 6452 and are being leased by tw telecom. tw telecom may obtain certain other facilities from CenturyLink and others from time to time to provide service in the City of Auburn. tw telecom may also install its own facilities in accordance with the terms and conditions of this Ordinance.

Exhibit C

Grantee Services

tw telecom offers integrated data services, dedicated internet access and provides local and long distance voice services to commercial businesses.

EXHIBIT “D”

STATEMENT OF ACCEPTANCE

tw telecom of washington llc, 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.

tw telecom of washington llc
by: tw telecom holdings inc.,
its sole member

By: ______________________________ Date: ______________________
Name:
Title:

ACKNOWLEDGEMENT

STATE OF COLORADO)
) ss.
COUNTY OF DOUGLAS)

I, ____________________________, a Notary Public in and for the State of Colorado, do hereby certify that __________________, ________________________ of tw telecom holdings inc., the sole member of tw telecom of washington llc, did personally appear before me affixing his/her signature on the attached document.

Sworn and Subscribed this _______ day of ____________________, 2014.

____
Notary Public

My commission expires ________________________.

[SEAL]

Ordinance No. 6506
Franchise Agreement No. 14-06
April 10, 2014
Page 19 of 19

AGENDA BILL APPROVAL FORM

Agenda Subject:
May 12, 2014 Minutes

Date:
May 15, 2014

Department:
Police

Attachments:
May 12, 2014 Minutes

Budget Impact:
$0

Administrative Recommendation:

Background Summary:

Reviewed by Council Committees:

Municipal Services

Councilmember: Peloza

Staff:

Meeting Date: May 19, 2014

Item Number: MS.1

CITY OF AUBURN WASHINGTON	**Municipal Services Committee** **May 12, 2014 - 3:30 PM** **City Hall Conference Room 3** **MINUTES**

I. CALL TO ORDER

Chair Peloza called the meeting to order at 3:30 p.m. in Conference Room 3 of City Hall, 25 West Main Street, Auburn, WA.

A. Roll Call

Members present: Chair Bill Peloza, Vice Chair Wayne Osborne and Member Claude DaCorsi.

Staff present: Mayor Nancy Backus, Chief of Police Bob Lee, Finance Director Shelley Coleman, City Attorney Dan Heid, Project Engineer Seth Wickstrom, and Police Secretary/Scribe Terry Mendoza. **Others present**: Auburn Reporter representative Robert Whale.

B. Announcements

C. Agenda Modifications

RESOLUTION NO. 5071* (Coleman)

Finance Director Shelley Coleman reported on the contract extension between the City and Redflex Traffic Systems, Inc. (Redflex). The RFP process was conducted with a total of three bids received. After staff interviews and review of the respondent's bids, a vendor has been selected and contract negotiations have commenced. Based on staff discussions, which included Redflex, it was decided that a 6-month transition would be necessary in order to have a continuation of services until the new vendor is ready and operational. This time frame includes moving the new contract through Committees and Council, and three months of testing between the City and the new vendor's equipment. Chair Peloza inquired about the current equipment and whether it would be removed. City Attorney Dan Heid commented that the above-ground equipment would be removed and returned to Redflex; the underground wiring would remain.

Vice Chair Osborne stated that based on the information provided he does not believe there is a reason to extend the Redflex contract. Additionally, if we are going to a new vendor we will need to cut our ties with Redflex at some point in time and extending their contract does not make sense. City Attorney Heid and Mayor Nancy Backus reiterated that the extension allows for a continuation of services instead of going without red light photo enforcement for several months, up to possibly six months. The contract extension provides a better transition while the new vendor is put in place. Chair Peloza shared that he would hate to see a break in services, as well. Staff initially looked at a three month contract extension. However, in additional discussions about bringing forth the new contract through the multiple committee meetings and Council, and the amount of testing that is involved including installation as recommended by Innovation & Technology Director Ron Tiedeman, the six month time frame seemed reasonable. Council member DaCorsi inquired about the possibility of the transition being completed sooner. City Attorney Heid responded that the extension is for a specific period of time and transition dates will be targeted so that they are aligned and in order to avoid the gap in services. Finance Director Coleman added that this is a complex transition as it involves Police, Public Works, Innovation & Technology, and King County District Court. Committee discussion followed.

Council member DaCorsi moved to forward Resolution No. 5071 to full Council for consideration with an amendment that states we will have an agreement with Redflex for a period of four (4) months and additionally month to month after that, not to exceed six (6) months total. Chair Peloza seconded. Vice Chair Osborne voted against the motion.

MOTION PASSED: 2-1

II. CONSENT AGENDA

A. April 28, 2014 Minutes

Vice Chair Osborne moved to accept the Minutes as presented. Member DaCorsi seconded. Chair Peloza concurred.

MOTION PASSED: 3-0

**A scrivener's error was noted and will be corrected before publication of the final Minutes.*

III. ACTION

A. Public Works Project No. CP1324 (Coleman)

Project Engineer Seth Wickstrom briefed the Committee on the request to advertise for the Airport pavement rehabilitation project. The project will be bid with multiple schedules. The main schedule covers the seal coat on the runway and around the south hangars.

Anticipated grant funding should cover this portion of the multiple project schedule. The additive schedule will cover the parking lot to the south, some of the parking areas in the middle, and the north hangars. This portion should not be covered as part of the anticipated funding; however, this could be added to the project based on the bids that are received. The third schedule involves doing a slurry seal 25 feet around the hangars. This specific work is not eligible under the terms of the FAA grant and would need to be paid for by City funds. Staff will review whether to add this to the project based on bids and total available funds for the Airport Project. Member DaCorsi inquired about the time frame and whether the runway would be completely out of commission during the project. Finance Director Shelley Coleman stated that the time frame would probably be during the warmer months of July and August. There should also be limited takeoff and landing capabilities for the runway based on a previous runway rehabilitation project which involved working on half of the runway at a time. Committee discussion followed.

Vice Chair Osborne moved to forward Public Works Project No. CP1324 to full Council for consideration. Member DaCorsi seconded. Chair Peloza concurred.

MOTION PASSED: 3-0

IV. DISCUSSION ITEMS

A. Police 2013 Workload Analysis (Lee)

Chief of Police Bob Lee reported on the Police Department's 2013 Workload Analysis. This analysis has been in existence since 1996 and is utilized by administrative staff to analyze trends and provide guidance for the planning of future police services. Chief Lee stated that minimum staffing is one officer in each district 24/7. The districts are set up geographically based on the calls for service areas. In addition to minimum staffing two bicycle officers are assigned to the downtown area (District 2) and two officers are assigned to the Outlet Collection Mall (District 4). There is one officer assigned to handle Domestic Violence (DV) cases. Statistics show DV incidents have increased; however, it is a testament to the fact that citizens are more comfortable in reporting DV situations where they may not have reported it in the past. Committee discussion followed.

B. Project Matrix

An update to the status for Item 10P was the only change identified for the Project Matrix.

V. ADJOURNMENT

The meeting was adjourned at 4:22 pm. The next regular meeting of the

Municipal Services Committee is scheduled for Tuesday, May 27, 2014 in Conference Room 3 of City Hall, 25 West Main Street, Auburn, WA.

Signed this ________ day of May, 2014.

Bill Peloza, Chair	Terry Mendoza, Police Secretary/Scribe

CITY OF AUBURN WASHINGTON

AGENDA BILL APPROVAL FORM

Agenda Subject:
May 12, 2014 Minutes

Date:
May 15, 2014

Department:
Planning and Development

Attachments:
May 12, 2014 Draft Minutes

Budget Impact:
$0

Administrative Recommendation:

Background Summary:

Reviewed by Council Committees:

Councilmember: Holman

Staff:

Meeting Date: May 19, 2014

Item Number: PCD.1

CITY OF AUBURN WASHINGTON	**Planning and Community Development** **May 12, 2014 - 5:00 PM** **Annex Conference Room 2** **MINUTES**

I. CALL TO ORDER

Chair Holman called the meeting to order at 5:00 p.m. in Annex Conference Room 2 located on the second floor of One Main Professional Plaza, One East Main Street, Auburn, Washington.

A. Roll Call

Chair John Holman, Vice-Chair Largo Wales and Member Yolanda Trout were present. Also present were Mayor Nancy Backus, Director of Community Development and Public Works Kevin Snyder, Assistant Director of Community Development Services Jeff Tate, Economic Development Manager Doug Lein, Transportation Manager Pablo Para, Traffic Engineer James Webb, and Community Development Secretary Tina Kriss.

B. Announcements

There were no announcements.

C. Agenda Modifications

There were no agenda modifications.

II. CONSENT AGENDA

A. Minutes - April 28, 2014 (Tate)

Member Trout moved and Vice-Chair Wales seconded to approve the April 28, 2014 Planning and Community Development Committee minutes as written.

Motion carried unanimously. 3-0

III. DISCUSSION ITEMS

A. Draft 2015-2020 Transportation Improvement Plan (Webb)

Transportation Manager Pablo Para explained that the draft version of the 2015-2020 Transportation Improvement Plan (TIP) received today is a preliminary draft, staff will be making additional revisions before coming back to the Committee for action to go forward to a Public Hearing and proposed adoption before full City Council.

Traffic Engineer James Webb and Transportation Planner Pablo Para distributed a 2015-2020 TIP program summary. The Committee and staff reviewed the completed projects to be removed from TIP, new projects to be added and substantial TIP updates.

A brief discussion was held regarding various reports required for projects and the increase in reporting for grant funded projects. The Committee discussed numbers 64 through 66, Lea Hill improvements. Transportation Manager Pablo Para answered questions from the Committee on traffic impact fees, calculations, and exemptions.

B. Short Plat Thresholds (Tate)
Discuss modifying the City's short plat threshold to align with State Law.

Assistant Director Tate provided background information on the short plat thresholds, subdivisions and short subdivisions. A discussion was held between the Committee and staff as to the benefits of increasing the number permissible as a short subdivision. Staff identified a cost savings of approximately $4,660.00 for those developers able to apply for a short subdivision instead of applying for a subdivision if the number allowed in a short subdivision increased from 5 to 9 or fewer lots. Assistant Director Tate explained that the City would also save a considerable amount of staff hours by making this update. The Committee also expressed interest in understanding cost recovery of fees collected verses resources consumed when processing land divisions.

The Committee and staff discussed the idea of increasing the number allowed in a short subdivision while maintaining all of the development standards of a subdivision for those short subdivisions with 5 to 9 lots.

The Committee and staff discussed the process to update the Auburn City Code if this change was recommended. The Committee asked staff to add this item to the PCDC Status Matrix and expressed their support of increasing the number allowed in a short subdivision while maintaining long division standards for 5 to 9 lots. In response to the request by the Committee for staff to return with a comparison matrix, Assistant Director Tate stated staff will first return to the Committee with an overview of the Plat/Subdivision process in June and follow up with a comparison matrix for short subdivisions and subdivisions with the proposed updates in July.

C. American Planning Association Report (Tate)
Discuss "Investing in Place".

Assistant Director Tate opened the discussion on “Investing in Place” by discussing the different terms of demographics (Millennials, aged 21 to 34; Generation X, aged 35 to 49; and Active Boomers, aged 50 to 65) and explained that the Millennials and Active Boomers share many of the same concerns and beliefs regarding planning outcomes, meaningful economic development strategies, and the types of community attributes that are desirable.

Chair Holman provided an article to the Committee on the economics of places and mentioned the book “Walkable City” and “The Economics of Place”.

The Committee discussed the importance of walkability, connectivity, and providing amenities that are desirable to the community. The Committee would like to continue the discussion on investing in place and asked staff to add this item to the PCDC Status Matrix. The Committee agreed that the report and its conclusions had relevance in the Comprehensive Plan update and that it is appropriate to focus economic development strategies on investing in the amenities that make for a vibrant community.

D. Director's Report (Tate)

Assistant Director Tate explained that the "Imagine Auburn" Vision Open House will take place from 6:30 to 8:00 pm with an open house from 8:00 to 8:30 p.m. at the Auburn Golf Course Banquet Room, 29630 Green River Road SE, Auburn. A live webcast will be aired on the City's website.

E. PCDC Status Matrix (Tate)

The Committee requested that staff add "Investing in Place" and the discussion on short subdivisions to the matrix.

IV. ADJOURNMENT

There being no further business to come before the Planning and Community Development Committee, the meeting was adjourned at 7:02 p.m.

Approved this ___________________ day of _____________________, 2014.

____
John Holman, Chairman

____

Tina Kriss, Community Development Secretary

AGENDA BILL APPROVAL FORM

Agenda Subject:
May 5, 2014 Meeting Minutes

Date:
May 13, 2014

Department:
Public Works

Attachments:
Draft Minutes

Budget Impact:
$0

Administrative Recommendation:

Approve the minutes of the May 5, 2014 Public Works Committee meeting.

Background Summary:

See attached draft minutes.

Reviewed by Council Committees:

Public Works

Councilmember: Osborne

Staff:

Meeting Date: May 19, 2014

Item Number: PW.1

Public Works Committee
May 5, 2014 - 3:30 PM
Annex Conference Room 2
MINUTES

I. CALL TO ORDER

Chairman Wayne Osborne called the meeting to order at 3:30 p.m. in Conference Room #2, located on the second floor of Auburn City Hall, One East Main Street, Auburn, Washington.

A. Roll Call

Chairman Wayne Osborne, Vice-Chair Bill Peloza, and Member Claude DaCorsi were present. Also present during the meeting were: Mayor Nancy Backus, Community Development & Public Works Director Kevin Snyder, Assistant Director of Engineering/City Engineer Ingrid Gaub, Assistant Director of Public Works Operations Randy Bailey, Acting Utilities Engineer Susan Fenhaus, Transportation Manager Pablo Para, Engineering Aide Amber Mund, Senior Project Engineer Ryan Vondrak, Sewer Utility Engineer Bob Elwell, Emergency Preparedness Manager Sarah Miller, Assistant City Attorney Steven Gross, Project Engineer Matt Larson, Storm Drainage Engineer Tim Carlaw and Public Works Secretary Molly Hoisington.

B. Announcements

There were no announcements.

C. Agenda Modifications

There was one modification, adding Discussion Item I, Resolution No. 5068 to the agenda.

II. CONSENT AGENDA

A. Approval of Minutes
Approve the minutes of the April 21, 2014 Public Works Committee meeting

It was moved by Vice-Chair Peloza, seconded by Member DaCorsi, that the Committee approve the Public Works Committee Meeting minutes for date, April 21, 2014.

Motion carried 3-0.

III. ACTION

A. Right-of-Way Use Permit No. 14-09 (Mund)
Approve Right-of-Way Use Permit No. 14-09 for The Auburn Downtown Association Wine and Music Festival

Engineering Aide Mund explained Right-of-Way Use Permit 14-09 is for the Auburn Downtown Association Wine and Music Festival. This years request is for the closure of Main Street between Auburn Way North and A Street SE and B Street NW between East Main Street and 1st Street NE. The closure has been requested for Saturday, July 19, 2014 from 8:00 am to 9:00 pm.

Engineering Aide Mund confirmed the alleyway will be closed per a question asked by Chairman Osborne.

Engineering Aide Mund responded to a question asked by Vice-Chair Peloza regarding the length of time the closure has been requested for. The Committee requested a follow up report indicating the vendor schedule during the closure.

It was moved by Vice-Chair Peloza, seconded by Member DaCorsi, that the Committee approve Right-of-Way Use Permit No. 14-09 for The Auburn Downtown Association Wine and Music Festival.

Motion carried 3-0.

B. Right-of-Way Use Permit No. 14-11 (Mund)
Approve Right-of-Way Use Permit No. 14-11 for Sound Transit

Engineering Aide Mund explained Right-of-Way Use Permit No. 14-11 is for the renewal of two existing directional signs in the right-of-way at the transit station. Sound Transit will not be installing any additional signs. This permit is for existing signs already in the right-of-way that were installed under a previous permit that will be expiring on May 19, 2014 and needs to be renewed.

It was moved by Vice-Chair Peloza, seconded by Member DaCorsi, that the Committee approve Right-of-Way Use Permit No. 14-11 for Sound Transit.

Motion carried 3-0.

C. Resolution No. 5062 (Mund)
A Resolution of the City Council of the City of Auburn, Washington, Setting a Public Hearing to Consider a Franchise Agreement with tw telecom of washington llc

Engineering Aide Mund explained Resolution No. 5062 sets the date of the public hearing for tw telecom of washington llc to obtain a franchise agreement.

Assistant Director of Engineering/City Engineer responded to a question asked by Vice-Chair Peloza regarding committee processes for telecommunication topics and that current City code requires that the Public Works Committee of the Council take action on these items.

It was moved by Vice-Chair Peloza, seconded by Member DaCorsi, that the Committee recommend City Council approve Resolution No. 5062 setting the date of the public hearing for Franchise Agreement No. 14-06 for tw telecom of washington llc for May 19, 2014.

Motion carried 3-0.

D. Public Works Project No. CP1208 (Truong)
Grant permission to advertise for bids for Project No. CP1208, Sewer Pump Station Improvements

Senior Project Engineer Vondrak explained that staff is asking for permission to advertise for bids for Project No. CP1208, Sewer Pump Station Improvements.

Sewer Utility Engineer Elwell and Assistant Director of Public Works Operations Bailey responded to a question asked by Chairman Osborne regarding the installation of the generator.

It was moved by Vice-Chair Peloza, seconded by Member DaCorsi, that the Committee recommend City Council grant permission to advertise for bids for Project No. CP1208, Sewer Pump Station Improvements.

Motion carried 3-0.

E. Public Works Project No. CP1104 (Larson)
Grant permission to advertise for bids for Project No. CP1104, 8th Street NE and 104th Avenue SE Intersection Improvements, Contract 14-09

Project Engineer Larson explained that staff is asking for permission to advertise for bids for Project No. CP1108, 8th Street NE and 104th Avenue SE which includes safety improvements.

Assistant Director of Engineering/City Engineer Gaub responded to a question asked by Chairman Osborne regarding the update to the cost estimate.

Project Engineer Larson and Transportation Manager Para responded to a concern Vice-Chair Peloza mentioned regarding the safety at this intersection.

It was moved by Vice-Chair Peloza, seconded by Member DaCorsi, that the Committee recommend City Council grant permission to advertise for bids for Project No. CP1104, 8th Street NE and 104th Avenue SE Intersection Improvements, Contract 14-09.

Motion carried 3-0.

F. Resolution No. 5066 (Para)
A Resolution of the City Council of the City of Auburn, Washington, Authorizing the Mayor to Amend the Memorandum of Agreement with Pierce County for the Purpose of Providing Road Services

Transportation Manager Para explained Resolution No. 5066 is the annual Pierce County Memorandum of Agreement for traffic maintenance services including pavement marking and striping throughout the city and signal head re-lamping and maintenance. This resolution extends the completion date to December 31, 2014.

It was moved by Vice-Chair Peloza, seconded by Member DaCorsi, that the Committee recommend that City Council adopt Resolution No. 5066.

Motion carried 3-0.

G. Resolution No. 5064 (Fenhaus)
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 U.S. Geological Survey for Water Resources Investigations

Acting Utilities Engineer Fenhaus explained Resolution No. 5064 is an agreement with the U.S. Geological Survey (USGS) and it is for completion of Phase III of the project and includes the creation of the model that will be available for the City's use. The first two phases will be completed later this year.

There was a brief group discussion per a question asked by Vice-Chair Peloza regarding the dollar amount on page 64 versus the dollar amount on page 71.

Assistant Director of Engineering/City Engineer Gaub responded to a question asked by Chairman Osborne regarding the time line on page 72.

It was moved by Vice-Chair Peloza, seconded by Member DaCorsi, that the Committee recommend that City Council adopts Resolution No. 5064.

Motion carried 3-0.

IV. **DISCUSSION ITEMS**

A. Ordinance No. 6504 (Heid)
An Ordinance of the City Council of the City of Auburn, Washington, creating a new Chapter 2.08 of the Auburn City Code establishing an Independent Salary Commission

Assistant City Attorney Gross explained Ordinance No. 6504 amends chapter 2.08 in the City Code to establish a salary commission. Under the salary commission, this one is designed to set the salaries for the Council Members only including the Deputy Mayor. Under state law, there is a requirement for any salaries set by a salary commission to go to referendum if there are enough signatures gathered for referendum.

Assistant City Attorney Gross responded to a question asked by Chairman Osborne regarding the pay increase/decrease.

Assistant City Attorney Gross answered a question asked by Member DaCorsi regarding frequency of meetings.

There was a brief group discussion regarding the salary commission.

B. Water Comprehensive Plan Policies (Fenhaus)

Acting Utilities Engineer Fenhaus provided informational materials regarding the draft Water Comprehensive Plan Policy update and reviewed the format of the proposed changes. There was a group consensus that this along with the Sewer and Storm policies will be reviewed and discussed at a future special meeting jointly with the Planning and Community Development Committee.

C. Sanitary Sewer Comprehensive Plan Policies (Elwell)

Sewer Utility Engineer Elwell provided informational materials regarding the draft Sewer Comprehensive Plan Policy update and reviewed the format of the proposed changes.

D. Storm Drainage Comprehensive Plan Policies (Carlaw)

Storm Drainage Engineer Carlaw provided informational materials regarding the draft Storm Drainage Comprehensive Plan Policy updates and reviewed the format of the proposed changes.

E. Engineering Organizational Overview (Gaub)

Assistant Director of Engineering/City Engineer Gaub provided informational materials which described the primary functions of the sections within the Engineering Services Division.

Assistant Director of Engineering/City Engineer briefly reviewed the presentation materials with the committee.

In response to a question asked by Vice-Chair Peloza, Assistant Director of Engineering/City Engineer Gaub stated all positions that are currently vacant are in the process of being filled.

Community Development & Public Works Director Snyder made comment commending staff on the amount of work performed given the amount of resources available and stated compared to comparable size agencies, the City has significantly less staff resources for the amount of work. This applies to the Maintenance and Operations Division as well.

F. Capital Project Status Report (Vondrak)

Item 3 – CP1225 – West Valley Highway Preservation – 15th NW to 37th NW:
Responding to a question from Member DaCorsi, Senior Project Engineer Vondrak explained the wording "open house being scheduled" was not indented for this item. Instead, this should say "Final pay in process".

Item 14 – CP1104 – 104th Street & 8th Street NE Intersection Improvements:
Transportation Manager Para responded to a question asked by Chairman Osborne regarding project funding.

Item 22 – CP1304 – 34th Street & B Street NW BNSF Pre-Signal:
Senior Project Engineer Vondrak responded to a question asked by Member DaCorsi regarding the design work related to the advertisement date.

Item 27 – CP1109 – 2011 Storm Pipeline Repair and Replacement, Phase 2:
Senior Project Engineer Vondrak responded to a question asked by Member DaCorsi regarding the design work related to the advertisement date.

Item 33 – CP1323 – 2014 Local Street Reconstruction Project:
Senior Project Engineer Vondrak explained what the open house entails due to a question asked by Member DaCorsi.

G. Significant Infrastructure Projects by Others - Public Works Status Report (Gaub)

Chairman Osborne commented that the only change is the anticipated completion date for the Reddington Levee. Assistant Director of Engineering/City Engineer Gaub confirmed.

H. Action Tracking Matrix (Gaub)

Vice-Chair Peloza made comments regarding the sidewalk outside of City Hall on the west side as he feels it is a safety hazard. Assistant Director of Public Works Operations Bailey submitted a work request to investigate this.

There was a brief group discussion regarding existing rail road crossings and their conditions.

Assistant Director of Engineering/City Engineer Gaub responded to a question asked by Chairman Osborne regarding the status of the Lea Hill Road Repair and that not appreciable movement has occurred since the original movement and staff are working with a consultant to monitor and determine an appropriate solution.

I. Resolution No. 5068 (Hursh)
A Resolution of the City Council of the City of Auburn, Washington, Authorizing the Mayor to Execute an Interlocal Agreement between the City of Auburn and Snohomish County for Mutual Assistance, and to Donate Staff Time Related to the State Route 530 Flood and Mudslide

This Resolution was an Agenda Modification, and for the purpose of these minutes was discussed after Discussion Item A.

Emergency Preparedness Manager Miller explained Resolution No. 5068 authorizes an interlocal agreement between the City of Auburn and Snohomish County to allow for reimbursement. Including partial reimbursement of the time that employees spent during the landslide and donating the remainder of the time.

Emergency Preparedness Manager responded to a question asked by Vice-Chair Peloza regarding the total amount of staff hours.

V. ADJOURNMENT

There being no further business to come before the Public Works Committee, the meeting was adjourned at 4:56 p.m.

Approved this 19th day of May, 2014.

Wayne Osborne Chairman	Molly Hoisington Public Works Secretary

AGENDA BILL APPROVAL FORM

Agenda Subject:
May 5, 2014 Meeting Minutes

Date:
May 13, 2014

Department:
Administration

Attachments:
5-5-2014 Minutes

Budget Impact:
$0

Administrative Recommendation:

Background Summary:

Reviewed by Council Committees:

Councilmember: Wales

Staff:

Meeting Date: May 19, 2014

Item Number: FN.1

CITY OF AUBURN WASHINGTON	**Finance Committee** **May 5, 2014 - 5:00 PM** **Annex Conference Room 1** **MINUTES**

I. CALL TO ORDER

Chair Largo Wales called the meeting to order at 5:00 p.m. in Annex Conference Room 1 located on the second floor of the City Hall Annex located at 1 East Main Street in Auburn.

A. Roll Call

Chair Wales, Vice Chair John Holman and Member Yolanda Trout were present.

Officials and staff members in attendance included: Mayor Nancy Backus, Interim Human Resources and Risk Management Director Rob Roscoe, Emergency Preparedness Manager Sarah Miller, Assistant City Attorney Steven Gross, Finance Director Shelley Coleman, Water Utility Engineer Susan Fenhaus, Transportation Manager Pablo Para, Assistant Director of Engineering Services/City Engineer Ingrid Gaub, and City Clerk Danielle Daskam.

B. Announcements

There was no announcement.

C. Agenda Modifications

There was no change to the agenda.

II. CONSENT AGENDA

A. Minutes of the April 21, 2014 regular meeting

Vice Chair Holman moved and Member Trout seconded to approve the April 21, 2014, minutes as distributed.

MOTION CARRIED UNANIMOUSLY. 3-0

B. Claims Vouchers (Coleman)
Claims check numbers 428357 through 428545 in the amount of $1,043,848.88 and five wire transfers in the amount of $44,953.09 and dated May 5, 2014.

Committee members reviewed claims and payroll vouchers and briefly discussed claims voucher numbers 428443 and 428396.

Member Trout moved and Vice Chair Holman seconded to approve the claims and payroll vouchers.

MOTION CARRIED UNANIMOUSLY. 3-0

C. Payroll Vouchers (Coleman)
Payroll check numbers 534645 through 534679 in the amount of $268,556.09, and electronic deposit transmissions in the amount of $1,326,363.85 for a grand total of $1,594,919.94 for the period April 17, 2014 to April 30, 2014.

See claims vouchers above for approval of payroll vouchers.

III. ORDINANCES

A. Ordinance No. 6504 (Heid)
An Ordinance of the City Council of the City of Auburn, Washington, creating a new Chapter 2.08 of the Auburn City Code establishing an independent salary commission

Assistant City Attorney Gross explained Ordinance No. 6504 creates an independent salary commission to set the salaries for Councilmembers. State law allows city councils to create an independent salary commission that can evaluate and set the salaries for elected officials. The salary commission can raise or lower the salaries of elected officials; however, although increases can become effective immediately, any reduction in salary would not become effective until the commencement of a new term of office.

Chair Wales reported the Council Operations Committee has introduced the proposed ordinance and reviewed it extensively with the City Attorney. Chair Wales noted the ordinance does not include the Mayor at this time.

Vice Chair Holman spoke in favor of Ordinance No. 6504. Vice Chair Holman stated he hopes that any increase in salary compensation will attract a more diverse group of candidates for elected office. Member Trout concurred with Vice Chair Holman.

Chair Wales expressed hope the salary commission will consider in its evaluation of Council compensation, the number of committees in which the City Councilmembers participate.

Vice Chair Holman moved and Member Trout seconded to approve and forward Ordinance No. 6504 to the full Council.

MOTION CARRIED UNANIMOUSLY. 3-0

IV. RESOLUTIONS

A. Resolution No. 5068 (Hursh)
A Resolution of the City Council of the City of Auburn, Washington, authorizing the Mayor to execute an Interlocal Agreement between the

City of Auburn and Snohomish County for mutual assistance, and to donate staff time related to the State Route 530 flood and mudslide

Emergency Preparedness Manager Sarah Miller presented Resolution No. 5068, which authorizes an interlocal agreement with Snohomish County to reimburse the City for staff time spent supporting the State Route 530 landslide response and to donate some of the staff time that does not impact the budget directly.

Member Trout moved and Vice Chair Holman seconded to approve and forward Resolution No. 5068 to the full Council.

MOTION CARRIED UNANIMOUSLY. 3-0

V. **DISCUSSION ITEMS**

A. Resolution No. 5067 (Coleman)
A Resolution of the City Council of the City of Auburn, Washington, authorizing the City to apply for, and if awarded, to accept Federal grant funds in the amount of $450,000.00 from the Federal Aviation Administration, and State grant funds in the amount of $25,000.00 from the Washington State Department of Transportation Aviation Division for various airport improvements, and authorizing the execution of the grant agreement therefor

Finance Director Coleman presented Resolution No. 5067, authorizing application and acceptance of a federal grant from the Federal Aviation Administration in the amount of $450,000.00 for projects at the Auburn Municipal Airport. The projects include security cameras and gates, access upgrades, an obstruction survey for the GPS approach, and land acquisition to protect approaches.

B. Century West Task Assignment (Coleman)

Finance Director Coleman presented information on the Century West Task Assignment. Century West is the consulting engineer for the Auburn Municipal Airport per Resolution No. 4987 approved by Council on September 3, 2013. The Task Assignment includes administrative bidding services and project management for the airport crack sealing and slurry seal project this summer. The cost of the project work is grant funded.

C. Resolution No. 5064 (Fenhaus)
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 U.S. Geological Survey for water resources investigations

Water Utility Engineer Fenhaus presented Resolution No. 5064. The resolution authorizes an agreement with the U.S. Geological Survey for the third and final phase for a groundwater study of the Puyallup River watershed. The third phase of the project is to develop a regional groundwater model that will be available for use by state, county, and local governments, water utilities and local stakeholder groups.

D. Resolution No. 5066 (Para)
A Resolution of the City Council of the City of Auburn, Washington, authorizing the Mayor to amend the Memorandum of Agreement with Pierce County for the purpose of providing road services

Assistant Director of Engineering Services/City Engineer Gaub presented Resolution No. 5066, which amends an existing contract with Pierce County for road services. The amendment provides for street striping and road markings throughout the city as well as citywide LED signal head re-lamping in 2014.

E. Cemetery Maintenance Workers Wages and Benefits

Committee members reviewed a spreadsheet of Cemetery Maintenance Worker wages and benefits for 2014. Interim Human Resources and Risk Management Director Roscoe explained the Cemetery includes Maintenance Workers I and II who are part of a union. During contract negotiations, contract comparables are selected from among cities and maintenance workers are compared generally and not specifically as "cemetery" maintenance workers. There are currently three years left on the current collective bargaining agreement.

Chair Wales expressed interest in comparing the costs of maintenance of cemeteries for similar sized cities, the acreage of their cemeteries, and the number of interments.

Vice Chair Holman stated he is comfortable with the City's bargaining process and the status of the Cemetery budget.

Member Trout indicated she preferred to wait and review the condition of the Cemetery fund during budget preparation.

Director Coleman stated the Cemetery revenues are budgeted conservatively. Last year, revenues exceeded budget estimates.

Finance Director Coleman reported the anomaly in the cemetery water consumption was investigated, and it was found that Lakehaven Utility District did not read the cemetery irrigation meter for two years. Lakehaven discovered the error at the end of 2012. Lakehaven backbilled the cemetery for water usage. Lakehaven Utility District is now reading the meter every month, and the billing is at its normal level.

VI. ADJOURNMENT

There being no further business to come before the Committee, the meeting adjourned at 5:32.

APPROVED this ______ day of ______________________, 2014.

LARGO WALES, CHAIR

Danielle Daskam, City Clerk

AGENDA BILL APPROVAL FORM

Agenda Subject:
May 5, 2014 Regular Meeting Minutes

Date:
May 13, 2014

Department:
Administration

Attachments:
May 5, 2014 Minutes

Budget Impact:
$0

Administrative Recommendation:

Background Summary:

Reviewed by Council Committees:

Councilmember:

Staff:

Meeting Date: May 19, 2014

Item Number: CA.A

	City Council Meeting **May 5, 2014 - 7:30 PM** **Auburn City Hall** **MINUTES**

I. CALL TO ORDER

A. Flag Salute

Mayor Nancy Backus called the meeting to order at 7:30 p.m. and led those in attendance in the Pledge of Allegiance.

B. Roll Call

City Councilmembers present: Deputy Mayor Rich Wagner, Bill Peloza, Largo Wales, Wayne Osborne, John Holman, Claude DaCorsi, and Yolanda Trout.

Department Directors and staff members present: Assistant City Attorney Steven Gross, Community Development and Public Works Director Kevin Snyder, Emergency Preparedness Manager Sarah Miller, Parks, Arts and Recreation Director Daryl Faber, Police Commander Mark Caillier, Economic Development Manager Doug Lein, Director of Administration Michael Hursh, Finance Director Shelley Coleman, and City Clerk Danielle Daskam.

C. Announcements, Appointments, and Presentations

1. Proclamation - Puget Sound Starts Here Month
Mayor Backus to proclaim May 2014 as "Puget Sound Starts Here" month in the city of Auburn.

   Mayor Backus read and presented a proclamation declaring May 2014 as "Puget Sound Starts Here" month in the city to Community Development and Public Works Director Kevin Snyder on behalf of the staff in Engineering, Maintenance and Operations, and Environmental Management. The purpose of the proclamation is to bring attention to the economic and environmental benefits that the Puget Sound brings to the community and noted recent local volunteer and restoration activities that benefit Puget Sound and the quality of life for the citizens of Auburn.

2. Diversity Culture Celebration
Carla Carrizosa representing Gildo Rey Elementary and Mt. Baker Middle School to invite Mayor Backus and City Councilmembers to the June 12th Regional Diversity Culture Celebration

Carla Carrizosa, representing Gildo Rey Elementary and Mt. Baker Middle School, invited Councilmembers and Mayor Backus to the June 12th Regional Diversity Culture Celebration that will include folk dance, Punjabi dance, Samoan dance, and Marshallese dance. Ms. Carrizosa stated the event is organized by parents of the students and raises funds for 5th grade camp. The event will be held June 12 at 4:00 at Mt. Baker Middle School.

D. Agenda Modifications

There was no change to the agenda.

II. CITIZEN INPUT, PUBLIC HEARINGS & CORRESPONDENCE

A. Public Hearings

No public hearing was scheduled for this evening.

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.

Elam Anderson, 301 23rd Street SE, Auburn
Mr. Anderson referred to a letter he had previously written and sent to Mayor Backus. Mr. Anderson suggested the Council Chambers include a table and chair at the podium for audience participation. He expressed concerns regarding coal trains traveling through Auburn.

C. Correspondence

There was no correspondence for Council review.

III. COUNCIL COMMITTEE REPORTS

A. Municipal Services

Chair Peloza reported the Municipal Services Committee met April 28, 2014. The Committee discussed the Century West Task Assignment relating to bid oversight and contract management for a project at the airport, Resolution No. 5067 authorizing the application for and acceptance of a Federal Aviation Administration grant, a King Conservation District grant for the Auburn International Farmers Market, the red light photo enforcement program, an update on the cemetery, the animal control licensing program, and South Correctional Entity (SCORE) jail statistics. The next regular meeting of the Municipal Services Committee is scheduled for Monday, May 12, 2014.

B. Planning & Community Development

Chair Holman reported the Planning and Community Development Committee met April 28, 2014. The Committee discussed the theater lease, Auburn Environmental Park wetland restoration efforts, floodplain development regulation policy, communal residences, and the downtown parking management plan. The next regular meeting of the Planning and Community Development Committee is scheduled for Monday, May 12, 2014.

C. **Public Works**

Chair Osborne reported the Public Works Committee met this afternoon at 3:30 p.m. The Committee reviewed Right-of-way Use Permits for the Auburn Downtown Association's Wine and Music Festival and for Sound Transit's existing directional signs. The Committee also reviewed Resolution No. 5062 relating to a public hearing on a franchise application from tw telecom of washington llc, permission to advertise for Public Works Project CP1208 for sewer pump station improvements, permission to advertise for Public Works Project CP1104 8th Street NE and 104th Avenue SE intersection improvements, Resolution No. 5066 authorizing an agreement with Pierce County for road services, and Resolution No. 5064 authorizing an agreement with the U.S. Geological Survey for water resource investigations and groundwater modeling for the Puyallup River watershed. The Committee discussed Ordinance No. 6504 establishing an independent salary commission, Resolution No. 5068 approving a mutual assistance agreement with Snohomish County related to the State Route 530 flood and mudslide disaster. The Committee reviewed Comprehensive Plans for water, sewer and storm drainage, engineering organizational review, and the Committee's action tracking matrix. The next regular meeting of the Public Works Committee is scheduled for Monday, May 19, 2014.

D. **Finance**

Chair Wales reported the Finance Committee met this evening at 5:00. The Committee reviewed claims vouchers in the approximate amount of $1.1 million and payroll vouchers in the amount of $1.6 million. The Committee reviewed Ordinance No. 6504 establishing an independent salary commission and Resolution No. 5068 authorizing a mutual assistance agreement with Snohomish County related to the State Route 530 flood and mudslide. The
Committee discussed Resolution No. 5067 authorizing application and acceptance of a Federal Aviation Administration grant for the airport, the Century West Task Assignment for construction management services for an airport project, Resolution No. 5064 authorizing an agreement with the U.S. Geological Survey for a regional groundwater model in the Puyallup River watershed, Resolution No. 5066 authorizing an agreement with Pierce County for road services, and the Auburn Mountain View Cemetery. The next regular meeting of the

Finance Committee is scheduled for Monday, May 19, 2014.

E. **Les Gove Community Campus**

Chair Wagner reported the Les Gove Community Campus Committee met April 23, 2014. The Committee discussed the status of a $3 million grant from the state for the community center project; the City has until June 2015 to accept the grant. The Committee also discussed King County's green space funding requirements and the use of security cameras at the Les Gove Community Campus. The next regular meeting of the Les Gove Community Campus Committee is scheduled for May 28, 2014.

F. **Council Operations Committee**

Deputy Mayor Wagner reported the Council Operations Committee met April 28, 2014. The Committee reviewed Ordinance No. 6504 establishing an independent salary commission and the proposed change from Council Committees to Council workshop format. The next regular meeting of the Council Operations Committee is scheduled for May 27, 2014.

G. **Junior City Council**

The next regular meeting of the Junior City Council is scheduled for Monday, May 19, 2014.

IV. **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 April 21, 2014 regular City Council meeting

B. Claims Vouchers (Wales/Coleman)
Claims check numbers 428357 through 428545 in the amount of $1,043,848.88 and five wire transfers in the amount of $44,953.09 and dated May 5, 2014.

C. Payroll Vouchers (Wales/Coleman)
Payroll check numbers 534645 through 534679 in the amount of $268,556.09, and electronic deposit transmissions in the amount of $1,326,363.85 for a grand total of $1,594,919.94 for the period April 17, 2014 to April 30, 2014.

D. Century West Task Assignment (Peloza/Coleman)
City Council to approve Task Assignments with Century West to perform administrative bidding services (Task 1) and project management (Task 2) for the airport crack sealing and slurry seal project.

E. Public Works Project No. CP1208 (Osborne/Snyder)

City Council grant permission to advertise for bids for Project No. CP1208, Sewer Pump Station Improvements

F. Public Works Project No. CP1104 (Osborne/Snyder)
City Council grant permission to advertise for bids for Project No. CP1104, 8th Street NE and 104th Avenue SE Intersection Improvements, Contract 14-09

Deputy Mayor Wagner moved and Councilmember Peloza seconded to approve the Consent Agenda.

The Consent Agenda includes claims vouchers, payroll vouchers, and public works contract administration items.

MOTION CARRIED UNANIMOUSLY. 7-0

V. UNFINISHED BUSINESS

There was no unfinished business.

VI. NEW BUSINESS

There was no new business.

VII. ORDINANCES

A. Ordinance No. 6504 (Wagner/Heid)
An Ordinance of the City Council of the City of Auburn, Washington, creating a new Chapter 2.08 of the Auburn City Code establishing an independent salary commission

Deputy Mayor Wagner moved and Councilmember Peloza seconded to introduce and adopt Ordinance No. 6504.

Deputy Mayor Wagner explained that Ordinance No. 6504 establishes an independent salary commission. The independent salary commission is an approach used by several cities, and separates the setting of Councilmember salaries from the political process. The independent salary commission will study the total compensation of councilmembers and establish increases or decreases in council compensation.

Councilmember Peloza also spoke in favor of Ordinance No. 6504 and stated it is a fair and equitable method for determining council compensation.

MOTION CARRIED UNANIMOUSLY. 7-0

B. Ordinance No. 6507 (Holman/Snyder)
An Ordinance of the City Council of the City of Auburn, Washington, approving the final plat of Bry's Cove

Councilmember Holman moved and Councilmember Wales seconded to introduce and adopt Ordinance No. 6507.

Ordinance No. 6507 approves the final plat of Bry's Cove. Bry's Cove includes nine residential lots and two tracts for open space located within the former West Hill annexation area. The preliminary plat was submitted to King County and determined complete prior to annexation to the City.

MOTION CARRIED UNANIMOUSLY. 7-0

VIII. RESOLUTIONS

A. Resolution No. 5059 (Peloza/Faber)
A Resolution of the City Council of the City of Auburn, Washington, authorizing the acceptance of a grant from King Conservation District and authorizing the Mayor and City
Clerk to execute the necessary agreements to accept said funds

Councilmember Peloza moved and Councilmember Osborne seconded to adopt Resolution No. 5059.

Deputy Mayor Wagner congratulated Councilmember Peloza and members of the Auburn International Farmers Market Advisory Board for their work to acquire the grant and make the Farmers Market a success.

MOTION CARRIED UNANIMOUSLY. 7-0

B. Resolution No. 5062 (Osborne/Snyder)
A Resolution of the City Council of the City of Auburn, Washington, setting a public hearing to consider a Franchise Agreement with tw telecom of washington llc

Councilmember Osborne moved and Councilmember Peloza seconded to adopt Resolution No. 5062.

Resolution No. 5062 sets the date for a public hearing on the franchise application from tw telecom of washington llc.

MOTION CARRIED UNANIMOUSLY. 7-0

C. Resolution No. 5064 (Osborne/Snyder)
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 U.S. Geological Survey for water resources investigations

Councilmember Osborne moved and Councilmember Peloza seconded to adopt Resolution No. 5064.

Resolution No. 5064 authorizes an agreement with the U.S. Geological Survey for a regional groundwater model that will benefit the City's water utility in predicting future groundwater levels and stream flows.

MOTION CARRIED UNANIMOUSLY. 7-0

D. Resolution No. 5066 (Osborne/Snyder)
A Resolution of the City Council of the City of Auburn, Washington, authorizing the Mayor to amend the Memorandum of Agreement with Pierce County for the purpose of providing road services

Councilmember Osborne moved and Councilmember Peloza seconded to adopt Resolution No. 5066.

MOTION CARRIED UNANIMOUSLY. 7-0

E. Resolution No. 5067 (Peloza/Coleman)
A Resolution of the City Council of the City of Auburn, Washington, authorizing the City to apply for, and if awarded, to accept federal grant funds in the amount of $450,000.00 from the Federal Aviation Administration, and State Grant Funds in the amount of $25,000.00 from the Washington State Department of Transportation Aviation Division for various airport improvements, and authorizing the execution of the grant agreement therefor

Councilmember Peloza moved and Councilmember Osborne seconded to adopt Resolution No. 5067.

MOTION CARRIED UNANIMOUSLY. 7-0

F. Resolution No. 5068 (Wales/Hursh)
A Resolution of the City Council of the City of Auburn, Washington, authorizing the Mayor to execute an Interlocal Agreement between the City of Auburn and Snohomish County for mutual assistance, and to donate staff time related to the State Route 530 flood and mudslide

Councilmember Wales moved and Councilmember Holman seconded to adopt Resolution No. 5068.

Resolution No. 5068 authorizes a mutual assistance agreement with Snohomish County related to the State Route 530 Flood and Mudslide natural disaster. City of Auburn staff members provided support to the Snohomish County Emergency Operations Center for approximately two weeks. The agreement will also allow the Mayor to authorize the donation of staff costs incurred by the City to Snohomish County.

MOTION CARRIED UNANIMOUSLY. 7-0

IX. REPORTS

At this time the Mayor and City Council may report on significant items *associated with their appointed positions on federal, state, regional and local organizations.*

A. From the Council

Deputy Mayor Wagner reported on his participation in National Rebuilding Day in recognition of an organization, Rebuilding Together, that focuses on volunteer efforts to provide critical repairs and renovations to low-income residents. Deputy Mayor Wagner also reported on his visit to Washington State University (WSU) and their Engineering and Architecture School. WSU has been the City's research partner in the Innovation Partnership Zone.

Councilmember DaCorsi reported on his attendance at the Boys and Girls Club fundraiser, the Auburn Food Bank Empty Bowls fundraiser, the Community and Schools dinner and auction, Auburn Clean Sweep, and the sixth annual fund raiser luncheon for the Housing Development Consortium where the keynote speaker was Dr. Manuel Pastor who spoke on demographics trends and transitions.

Councilmember Wales reported on her attendance at the Auburn Food Bank Empty Bowls fundraiser and the Community and Schools dinner event. Councilmember Wales also spoke regarding King County's rabies reporting and pet licensing.

Councilmember Holman reported on his attendance at the City's Clean Sweep event and Green River Community College's One Book Project where a large community of people, Green River Community College and residents, read one book and met in groups to discuss the book, When the Emperor Was Divine, written by American author, Julie Otsuka, about a Japanese American family sent to an internment camp.

Councilmember Peloza reported on his attendance at the Auburn Airport Advisory Board meeting, the King County Water Pollution Abatement Advisory Committee, the Water Resource Inventory Area (WRIA) 9 management meeting, the Auburn International Farmers Market Board meeting, the Fire Fighters Union District 7 Fire Ops 101 exercise, the Boys and Girls Club fundraiser, Fire Ops 99, Skills, Inc. open house, Saars Super Saver Foods grand opening, and Auburn's Clean Sweep event.

Councilmember Osborne commented on the defeat of King County Transportation District Proposition 1 for transportation improvements and the impact of the loss on bus routes in Auburn. Route 152 will be discontinued later this year, Route 181 will discontinue night service at 9:00 p.m., and Route 186 will be decreased to every sixty minutes during peak periods. DART 910 will be discontinued in 2015, DART 915 will be reduced to three trips in 2015, and DART 919 will be discontinued later in 2014.

Councilmember Trout reported on her attendance at a tour of Wesley Homes and a tour of Auburn MultiCare Hospital.

B. **From the Mayor**

Mayor Backus reported on her attendance at the monthly meeting of the South Correctional Entity (SCORE Jail) Administrative Board meeting, the Puget Sound Clean Air Agency Board meeting on behalf of Sound Cities Association, memorial services for Vinnie Morris, the Lions Club Special Needs Fishing Derby at Mill Pond, YMCA Healthy Kids Day, Fire Ops 99 training, a King County Solid Waste Transfer System Plan update where it was learned that the Algona site is the likely location for the new transfer station, the grand opening of Saars Super Saver grocery store, the Skills, Inc. open house and Aerospace Joint Alliance Committee announcement of a new apprenticeship program, National Day of Prayer event, the Auburn Food Bank Empty Bowls fundraiser, Auburn Clean Sweep, and a press conference regarding the implementation of TrackMole, a new software program that helps police departments, businesses, organizations and individuals recover lost or stolen property.

X. **ADJOURNMENT**

There being no further business to come before the Council, the meeting adjourned at 8:55 p.m.

APPROVED this ________ day of _______________, 2014.

NANCY BACKUS, MAYOR	Danielle Daskam, City Clerk

CITY OF AUBURN WASHINGTON

AGENDA BILL APPROVAL FORM

Agenda Subject: Claims vouchers		**Date:** May 13, 2014
Department: Administration	**Attachments:** **No Attachments Available**	**Budget Impact:** $0

Administrative Recommendation:

Background Summary:

Claims voucher number 428546 through 428727 in the amount of $3,744,492.90 and 3 wire transfers in the amount of $250,413.97 and dated May 19, 2014.

Reviewed by Council Committees:

Councilmember:	Wales	**Staff:**	Coleman
Meeting Date:	May 19, 2014	**Item Number:**	CA.B

AGENDA BILL APPROVAL FORM

Agenda Subject:
Payroll Vouchers

Date:
May 13, 2014

Department:
Administration

Attachments:
No Attachments Available

Budget Impact:
$0

Administrative Recommendation:

Approve payroll vouchers.

Background Summary:

Payroll check numbers 534680 through 534714 in the amount of $825,469.81, electronic deposit transmissions in the amount of $1,268,009.95 for a grand total of $2,093,479.76 for the period covering May 1, 2014 to May 14, 2014.

Reviewed by Council Committees:

Councilmember: Wales

Staff: Coleman

Meeting Date: May 19, 2014

Item Number: CA.C

AGENDA BILL APPROVAL FORM

Agenda Subject:
Public Works Project No. C410A

Date:
May 14, 2014

Department:
Public Works

Attachments:
Budget Status Sheet
C410APR9-Final
Vicinity Map

Budget Impact:
$0

Administrative Recommendation:

City Council approve Final Pay Estimate No.9 to Contract No. 11-12 in the amount of $5,780.94 and accept construction of Project No. C410A South 277th St. Reconstruction-Wetland Mitigation Improvements.

Background Summary:

The purpose of this project is to monitor and maintain wetland mitigation sites (Goedecke North and Mill Creek) created as part of the S. 277th St. Reconstruction Project, Project No. PR562.

Contract No. 11-12 implemented a supplemental mitigation planting plan for the wetland mitigation sites and plant maintenance. This work has been completed and the sites are pending inspection by the regulatory agencies. It is anticipated that the regulatory agencies will release the Goedecke North Site from further monitoring but will require an additional year of monitoring for the Mill Creek Site. Any additional monitoring, planting, and maintenance would be completed under a separate contract.

A project budget contingency of $24,468.00 remains in the 102 Fund.

Reviewed by Council Committees:

Public Works

Councilmember: Osborne

Staff: Snyder

Meeting Date: May 19, 2014

Item Number: CA.D

BUDGET STATUS SHEET

Project No: C410A	Title: S. 277th Wetland Mitigation Monitoring

Project Manager: Matthew Larson

Initiation Date: July 19, 2010
Advertisement Date: April 21, 2011
Award Date: May 16, 2011

- (●) **Final Pay**
- ( ) **Permision to Advertise**
- ( ) **Contract Award**
- ( ) **Change Order**
- ( ) **Monitoring Period**

5/7/2014

Funds Budgeted (Funds Available)

Funding	Prior Years (actual)	2014	Future Years	Total
102 Fund - Unrestricted	264,084	55,000		319,084
Total	264,084	55,000	0	319,084

Estimated Cost (Funds Needed)

Activity	Prior Years (actual)	2014	Future Years	Total
Design Engineering & Monitoring - City Costs	20,301	5,000		25,301
Design Engineering & Monitoring - Consultant Costs	107,074	7,215		114,289
Construction - Procurement	33,263			33,263
Construction Contract	55,704			55,704
Construction Contract - Change Orders	9,643	6,058		15,700
Construction Contract - Mohawks Plastics Work*	10,004			10,004
Construction Contract - Line Item Adjustments		(1,440)		(1,440)
Other - Invasive Spraying	3,105	3,700		6,805
Other - Water Meter Permit Fees	6,461			6,461
Construction Engineering - City Costs	28,213	5,000		33,213
Construction Engineering - Consultant Costs	321	5,000		5,321
Total	264,084	30,532	0	294,616

* Construction work performed under this contract for CP0765 Mohawks Plastics Wetland Mitigation and Monitoring. Therefore, the cost is excluded.

102 Arterial Street Budget Status

	Prior Years (actual)	2014	Future Years	Total
102 Funds Budgeted	(264,084)	(55,000)	0	(319,084)
102 Funds Needed	264,084	30,532	0	294,616
(102 Fund Project Contingency)	**(0)**	**(24,468)**	**0**	**(24,468)**
102 Funds Required	**0**	**0**	**0**	**0**

CITY OF AUBURN
C410A
PAY ESTIMATE #9 & FINAL

CO. NO. 11-12
South 277th St Reconstruction-Wetland Mitigation Improvements
SCHEDULE A. Wetland Mitigation 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		EST	1500	$ -	$ -	0%
2	Mobilization	1	1		LS	3624	$ 3,624.00	$ -	100%
3	Topsoil Type A	285	365		CY	26 58	$ 9,701 70	$ -	128%
4	Erosion Control Log, 9-inch Diam	1800	1620		LF	5	$ 8,100 00	$ -	90%
5	Erosion Control Log, 12-inch Diam.	700	700		LF	7.75	$ 5,425.00	$ -	100%
6	Bark Mulch (provided by City)	0	0		CY	24	$ -	$ -	
7	Bark Mulch (provided by Contractor)	110	65		CY	36.25	$ 2,356 25	$ -	59%
8	Biodegradable Weed Fabric	1380	1380		SY	1.22	$ 1,683 60	$ -	100%
9	Invasives Removal Complete	0	0		LS	4828	$ -	$ -	
10	Alnus rubra (Red alder), 2 Gal.	23	26		EA	12	$ 312 00	$ -	113%
11	Carex obnupta (Slough sedge), 10 cubic cm plugs	0	0		EA	2.4	$ -	$ -	
12	Cornus sericea (Red twig dogwood), live stake	1092	1092		EA	2.4	$ 2,620 80	$ -	100%
13	Fraxinus latifolia (Oregon ash), 2 Gal.	17	20		EA	12	$ 240 00	$ -	118%
14	Juncus ensifolius (Daggerleaf rush), 10 cubic cm plugs	0	0		EA	2 4	$ -	$ -	
15	Lonicera involucrata (Black twinberry), live stake	480	480		EA	2.4	$ 1,152.00	$ -	100%
16	Picea sitchensis (Sitka spruce), 2 Gal	61	65		EA	12	$ 780.00	$ -	107%
17	Pop balsamifera L ssp trichocarpa (Black cottonwood), live stake	180	180		EA	2 4	$ 432 00	$ -	100%
18	Salix hookeriana (Hooker's willow), live stake	102	180		EA	2 4	$ 432 00	$ -	176%
19	Salix lucida Muhl. ssp lasiandra (Pacific willow), live stake	306	320		EA	2 4	$ 768.00	$ -	105%
20	Salix sitchensis (Sitka Willow), live stake	284	290		EA	2 4	$ 696 00	$ -	102%
21	Scirpus microcarpus (Small fruited bulrush), 10 cubic cm plugs	0	0		EA	2 4	$ -	$ -	
22	Plant Establishment Period Complete	1	1		LS	3020	$ 3,020 00	$ -	100%
23	Automatic Temporary Above Ground Irrigation System Complete	1	1		LS	6060	$ 6,060.00	$ -	100%
24	Double Check Valve Assembly	1	1		EA	909	$ 909.00	$ -	100%
25	Sensitive Area Sign(s) (signs provided by the City)	27	31		EA	82 55	$ 2,559.05	$ -	115%
CO-1	Quantity Changes for BI #'s 3-12, 14-17, 20, 21 & 25								
CO-1-1	Mobilization-Frontage Road Site	1	1		LS	560	$ 560 00	$ -	100%
CO-1-2	Plant Establishment Period Complete-Frontage Road Site, Row of Trees & 11 Planting Plots	1	1		LS	1344	$ 1,344 00	$ -	100%
CO-1-3	Automatic Temporary Above Ground Irrigation System Complete-Row of Trees & 11 Planting Plots, and undergrounding the system from meter to wetland mitigation boundary.	1	1		LS	1680	$ 1,680 00	$ -	100%
CO-1-4	Pop balsaifera L. ssp trichocarpa (Black Cottonwood), 2 Gal	75	80		EA	11 2	$ 896.00	$ -	107%
CO-1-5	Thuja Plicata (Western Red Cedar), 2 Gal	16	16		EA	22.4	$ 358.40	$ -	100%
CO-1-6	Physocarpus Capitatus (Pacific Ninebark), 1 Gal	125	125		EA	8 96	$ 1,120.00	$ -	100%
CO-1-7	Rosa Nutkana (Nootka Rose), 1 Gal	159	159		EA	8 96	$ 1,424.64	$ -	100%
CO-1-8	Symphoricarpos Albus (Snowberry), 1 Gal.	70	70		EA	8 96	$ 627.20	$ -	100%
CO-2	Quantity Increase for BI#'s CO1-6, CO1-7								
CO-3	Wetland Mitigation site and driveway	1	1		LS	9136 38	$ 9,136 38		100%
CO-4	Quantity Adjustments to BI#'s 10 & CO1 4								
CO-4.1	Rosa Nutkana (Nootka Rose), 2 Gal	5	5		EA	18.48	$ 92.40		100%
CO-4.2	Physocarpus Capitatus (Pacific Ninebark), 2 Gal	32	32		EA	17.36	$ 555.52		100%
CO-4.3	Symphoricarpos Albus (Snowberry), 2 Gal	8	8		EA	18.48	$ 147 84		100%

SCHEDULE SUBTOTAL $ -

Period Dates
Begin: April 21, 2014
End. May 20, 2014

ITEM NO.	ITEM DESCRIPTION	ESTIMATE QUANTITY	TOTAL QUANTITY	PERIOD QUANTITY	UNIT TYPE	UNIT COST	TOTAL COST	PERIOD COST	PERCENT EST. QTY.
CO-5	Second Year Plant Establishment Penod Complete	1	1	1	LS	5532.00	$ 5,532.00	$ 5,532 00	100%

SCHEDULE TOTAL $ 5,532 00

Period Dates
Begin: April 21, 2014
End: May 20, 2014

PAY ESTIMATE #9 & FINAL

	Original Contract Amount	Contract Change Orders	Total Payment	This Period
SCHEDULE A: Wetland Mitigation Improvements				
Contract	$ 48,954.35	$ 26,706.88	$ 74,345.78	$ 5,532.00
Sales Tax (+9.5%)	$ 4,650.66	$ 2,537.15	$ 7,062.85	$ 525.54
Retainage (-5%)			$ (3,717.29)	$ (276.60)
SCHEDULE TOTAL	**$ 53,605.01**	**$ 29,244.03**	$ 77,691.34	$ 5,780.94

TOTAL CONTRACT AMOUNT	$ 82,849.04		
TOTAL AMOUNT PAID TO DATE (including Sales Tax)	$ 81,408.63		98%
TOTAL PAYMENT TO CONTRACTOR (after retainage)	$ 77,691 34	$ 5,780.94	
PAYMENT DUE CONTRACTOR:		$ 5,780.94	

Period Dates
Begin: April 21, 2014
End: May 20, 2014

CITY OF AUBURN
C410A

CO. NO. 11-12

PAY ESTIMATE #9 & FINAL

CONTRACTOR:
Nordic Construction
106 55th Ave East
Tacoma, WA, 98424
Phone: 253-922-3100

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 = $ 5,780.94

Signatures:

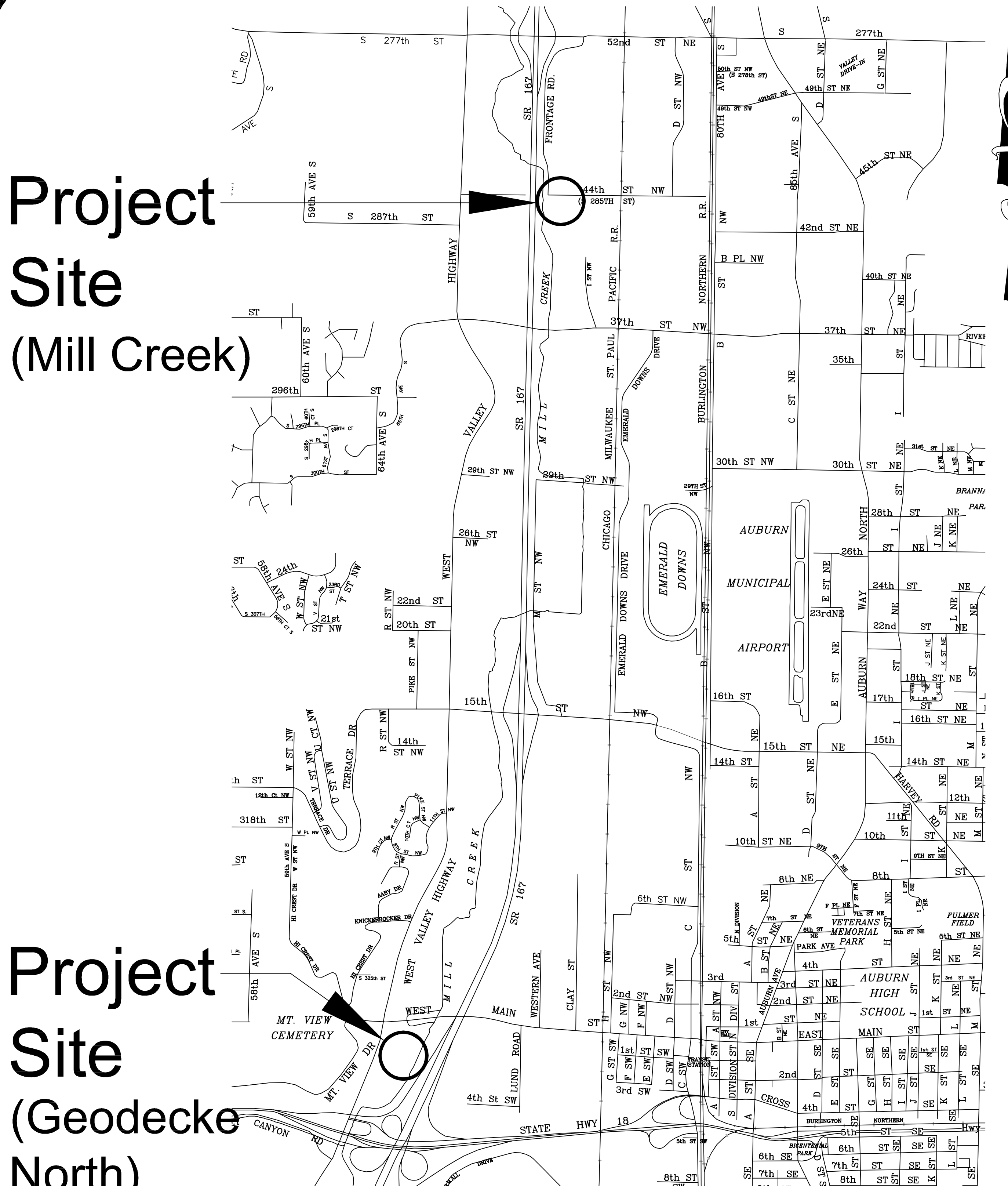
NORDIC CONST INC

Contractor PRES Date 5/6/14

Inspector Date 4-30-14

Project Manager Date 4/30/2014

City Engineer Date



CITY OF AUBURN WASHINGTON

CITY OF AUBURN
C410A, 277TH WETLAND MITIGATION
MONITORING (ANNUAL)
NOT TO SCALE

Figure 1

Vicinity Map

AGENDA BILL APPROVAL FORM

Agenda Subject:
Resolution No. 5071

Date:
May 13, 2014

Department:
Finance

Attachments:
Res 5071 and Attachement

Budget Impact:
$0

Administrative Recommendation:

City Council approve Resolution No. 5071

Background Summary:

The City of Auburn and Redflex Traffic Systems, Inc. entered into an Agreement on December 16, 2005, for photo red light and mobile speed enforcement, with an amendment extending the agreement to May 31, 2014. With this second amendment, both parties would like to extend the Agreement up to November 30, 2014.

Reviewed by Council Committees:

Finance, Municipal Services

Councilmember: Peloza

Staff: Coleman

Meeting Date: May 19, 2014

Item Number: RES.A

RESOLUTION NO. <u>5 0 7 1</u>

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE SECOND AMENDMENT TO AGREEMENT BETWEEN THE CITY OF AUBURN AND REDFLEX TRAFFIC SYSTEMS, INC

WHEREAS, the City of Auburn and Redflex Traffic Systems, Inc. (Redflex) entered into an Agreement on December 16, 2005, for photo red light and mobile speed enforcement, adopted by Resolution No 3949; and

WHEREAS, an amendment extending the agreement to May 31, 2014, was adopted by Resolution No 4943; and

WHEREAS, the parties would like to extend the Agreement up to November 30, 2014.

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

<u>Section 1.</u> The Mayor of the City of Auburn is authorized to execute a second amendment to the Agreement between the City of Auburn and Redflex Traffic Systems, Inc. dated December 16, 2005, which amendment shall be in substantial conformity with the Second Amendment to Agreement attached hereto as Exhibit "A" and incorporated herein by this reference.

<u>Section 2.</u> 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 and Signed this _____ day of ____________________, 2014

CITY OF AUBURN

____
NANCY BACKUS, MAYOR

ATTEST·

____
Danielle E. Daskam, City Clerk

APPROVED AS TO FORM:

____
Daniel B Heid, City Attorney

Resolution No 5071
May 13, 2014
Page 2 of 2

EXHIBIT A

SECOND AMENDMENT TO AGREEMENT BETWEEN THE CITY OF AUBURN, WA. AND REDFLEX TRAFFIC SYSTEMS, INC. RELATING TO PHOTO SPEED AND PHOTO RED LIGHT ENFORCEMENT

This Second Amendment to the Agreement is made this _____ day of ________, 2014 (the "Effective Date") by and between Redflex Traffic Systems, Inc. with offices at 23751 N. 23rd Ave #150, Phoenix, AZ 85085 ("Redflex"), and the City of Auburn, WA, 25 West Main Street, Auburn, WA 98001 (the "City") (Redflex and the City are collectively referred to as the "Parties").

RECITALS

A. This Second Amendment is entered into pursuant to Auburn City Council Authorization.

B On December 16, 2005 the City and Redflex entered an Agreement between The City of Auburn, WA and Redflex Traffic Systems, Inc. relating to Photo Speed and Photo Red Light Enforcement (the "December 16, 2005 Agreement"), by which, generally, Redflex provided the City with a set of digital traffic enforcement cameras and related services, in return for the City's payment in accordance with the payment provisions of the Agreement. On April 13, 2006 the Parties entered into Addendum No 1 On May 20, 2013 the Parties entered into the First Amendment to the Agreement. The December 16, 2005 Agreement, the Addendum No 1 and the First Amendment are collectively referred to as the "Agreement". The term of the Agreement expires on May 31, 2014

C Redflex has exclusive knowledge, possession and ownership of certain equipment, licenses, and applications related to digital photo red light and digital speed enforcement systems.

D The City desires to engage the services of Redflex to provide certain equipment, processes and back office services so that Authorized Employees of the City are able to monitor, identify and enforce speed and red light running violations.

E. It is a mutual objective of both Redflex and the City to reduce the incidence of vehicle collisions on the streets and at the intersections that are monitored pursuant to this Second Amendment.

TERMS AND CONDITIONS

Redflex and the City agree as follows:

1 **INCORPORATION BY REFERENCE.** This Second Amendment incorporates by reference all terms and conditions set forth in the Agreement unless expressly modified by this Second Amendment, the terms of the Agreement, Addendum No 1 and the First Amendment remain in full force and effect.

2. **TERM OF SECOND AMENDMENT.** The term of the Second Amendment shall be from June 1, 2014 to September 30, 2014; provided that if the City has a continued need or desire for services provided by Redflex under this Agreement, the Agreement shall thereafter be continued on a month to month basis up to November 30, 2014

3 **NOTICES.**

NOTICES TO REDFLEX.

Redflex Traffic Systems, Inc.
23751 N. 23rd Avenue, Suite 150
Phoenix, AZ 85085
Attention: Account Management
Facsimile (623) 207-5552

NOTICES TO THE CITY:

City of Auburn
25 West Main Street
Auburn, WA 98001
Attention. William Pierson
Facsimile (253) 931-5108

With a copy to
City of Auburn
25 West Main Street
Auburn, WA 98001
Attention. City Attorney
Facsimile: (253) 931-5108

4 **ENTIRE AGREEMENT.** This Second Agreement together with the Agreement comprises the entire integrated understanding between the City of Auburn and Redflex concerning the services described in the Agreement and this Second Amendment.

IN WITNESS WHEREOF, the parties have duly executed this Agreement the day and year first above written.

(Remainder of this page left intentionally blank)

CITY OF AUBURN:

(Signature)

(Name and Title)

CONTRACTOR:

Redflex Traffic Systems, Inc.

(Name and Title)

APPROVED AS TO FORM:

(Signature)

Daniel B. Heid City Attorney

(Name and Title)

Second Amendment – Auburn, WA
May 2014

CITY OF AUBURN WASHINGTON

AGENDA BILL APPROVAL FORM

Agenda Subject:
Resolution No. 5072

Date:
May 15, 2014

Department:
Administration

Attachments:
Resolution No. 5072

Budget Impact:
$0

Administrative Recommendation:

City Council adopt Resolution No. 5072.

Background Summary:

The Washington Economic Development Finance Authority (WEDFA) is an independent agency within the executive branch of state government. WEDFA was created by the legislature to act as a financial conduit to businesses through the issuance of nonrecourse revenue bonds.

The WEDFA, through its Resolution No. W-2014-6, has taken action toward the issuance of nonrecourse revenue bonds in the amount of $9,500,000.00, the proceeds of which would be loaned to Orion Industries to finance the costs of constructing, acquiring, and equipping a facility at 1590 A Street NE in Auburn to provide job training and job placement services (in part through aerospace manufacturing and call center operations) for individuals with disabilities and other significant barriers to employment.

It is a requirement of the WEDFA that the local jurisdiction in which the facility is located approve the project and the issuance of the bonds.

Reviewed by Council Committees:

Finance, Public Works

Councilmember: Wales

Staff: Lein

Meeting Date: May 19, 2014

Item Number: RES.B

RESOLUTION NO. 5072

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, APPROVING THE ACTION OF THE WASHINGTON ECONOMIC DEVELOPMENT FINANCE AUTHORITY IN ISSUING NON-RECOURSE REVENUE BONDS TO FINANCE AN ECONOMIC DEVELOPMENT FACILITY FOR USE BY ORION INDUSTRIES, AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

WHEREAS, on April 18, 2014, the Washington Economic Development Finance Authority ("WEDFA") unanimously approved and adopted its Resolution No. W-2014-6, a copy of which is attached hereto, marked as Exhibit A and incorporated herein by this reference; and

WHEREAS, said Resolution No. W-2014-6 provided for the issuance of non-recourse revenue bonds, the proceeds of which would be loaned to the Orion Industries, a 501 (c)(3) non-for-profit corporation, or its affiliates for the purpose of constructing, acquiring and equipping a facility located at 1590 A Street N.E., Auburn, Washington, to provide job-training and job-placement services, in part through aerospace manufacturing and call center operations; and

WHEREAS, among the job-training and job-placement services to be provided by Orion Industries would be services for individuals with disabilities and other significant barriers to employment; and

WHEREAS, the activities and services of the Project as described in said Resolution No. W-2014-6 are authorized by the Economic Development Finance Authority Act of 1989, R.C.W. Title 43, Chapter 163, as amended (the "Act"); and

WHEREAS, it is the policy of WEDFA not to issue revenue bonds except upon the approval of the county, city or town within whose planning jurisdiction the proposed industrial development facility lies; and

WHEREAS, the Orion Industries site and the Project as described in said Resolution No. W-2014-6 are located within the boundaries of Auburn, Washington.

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

Section 1. Pursuant to the request of WEDFA, the Auburn City Council does hereby approve the issuance of non-recourse revenue bonds by WEDFA, for the purposes provided in the Act, in accordance with the following:

- The Bonds shall be issued in the aggregate principal sum of not to exceed $9,500,000 pursuant to a Resolution of WEDFA.
- The proceeds of the Bonds shall be lent to Orion Industries, pursuant to a loan agreement or other appropriate financing agreement, and used for the purpose of acquiring, rehabilitating and equipping the Project as described in said Resolution No. W-2014-6, including the necessary appurtenances, located within the boundaries of the City of Auburn and to pay certain costs of issuance of the Bonds.
- The Bonds shall not constitute an obligation of the State of Washington or of the City of Auburn, and no tax funds or revenues of the State of Washington or of the City of Auburn shall be used to pay the principal or interest on the Bonds. Neither the faith and credit nor any taxing power of the State of Washington or of the City of Auburn shall be pledged to pay the principal or interest on the Bonds.

Section 2. The City of Auburn further hereby approves the issuance of

Bonds by WEDFA for the purpose of financing the Project as described in said Resolution No. W-2014-6, as a qualified project under the Act; Provided that such approval shall not waive any of the permitting requirements applicable to said Project.

Section 3. This Resolution is intended to constitute approval of the issuance of revenue bonds within the meaning of the policy of the Washington Economic Development Finance Authority.

Section 4. The Mayor is hereby authorized to implement such administrative procedures as may be necessary to carry out the directives of this legislation.

Section 5. This Resolution shall be in full force and effect upon passage and signatures hereon.

Dated and Signed this _____ day of ____________________, 2014.

CITY OF AUBURN

____
NANCY BACKUS, MAYOR

ATTEST:

____
Danielle E. Daskam, City Clerk

APPROVED AS TO FORM:

____
Daniel B. Heid, City Attorney

Resolution No. 5072
May 14, 2014
Page 3 of 3

EXHIBIT "A"

RESOLUTION NO. W-2014-6

A RESOLUTION OF THE WASHINGTON ECONOMIC DEVELOPMENT FINANCE AUTHORITY TAKING OFFICIAL ACTION TOWARD THE ISSUANCE OF NONRECOURSE ECONOMIC DEVELOPMENT REVENUE BONDS IN ONE OR MORE SERIES IN A MAXIMUM AMOUNT NOT TO EXCEED $9,500,000 AND AUTHORIZING THE EXECUTION OF AN INDEMNIFICATION AND COMPENSATION AGREEMENT BY AND BETWEEN THE WASHINGTON ECONOMIC DEVELOPMENT FINANCE AUTHORITY AND ORION INDUSTRIES OR ITS AFFILIATES, SUCCESSOR OR ASSIGNS (the "Company").

WHEREAS, the Washington Economic Development Finance Authority (the "Issuer") is a duly organized and existing instrumentality of the State of Washington authorized and empowered by the provisions of RCW Chapter 43.163 (collectively, the "Act") to issue nonrecourse economic development revenue bonds for the purpose of carrying into effect the construction of improvements and the acquisition of personal properties and provide working capital suitable for use by any industry, and to loan its moneys when necessary or convenient to carry out its powers under the Act; and

WHEREAS, the Company, a 501(c)(3) non-for-profit corporation, has informed the Issuer that it is currently constructing, acquiring and equipping a facility which is to provide job-training and job-placement services (in part through aerospace manufacturing and call center operations) for individuals with disabilities and other significant barriers to employment (the "Project"), as more fully described in Exhibit A attached hereto and incorporated herein at the site described in Exhibit A hereto in Auburn, Washington (the "Site"), all of which are located within the territorial limits of the State of Washington, and the Company has requested the Issuer to issue nonrecourse economic development revenue bonds (the "Bonds") in a maximum amount not to exceed $9,500,000 pursuant to the Act and to loan the proceeds of the Bonds to the Company to finance the Project; and

WHEREAS, the Issuer's staff has informed the Issuer that significant staff discussions with the Company occurred prior to the Issuer's approval of ongoing semiannual administrative charges and the lack of such fees were a significant component of the discussions with the Company; and

WHEREAS, a form of agreement designated as an "Indemnification and Compensation Agreement" has been prepared setting forth the respective agreements and undertaking of the Issuer and the Company with respect to the Bonds and the Project; and

WHEREAS, it is considered necessary and desirable for the best interest of the Issuer that the Indemnification and Compensation Agreement be executed for and on the behalf of the Issuer; and

WHEREAS, the Indemnification and Compensation Agreement requires the Company to pay all reasonable and necessary costs incurred by the Issuer in connection with the Bonds and/or in connection with the Project; and

WHEREAS, the Issuer finds that the Project constitutes the development and improvement of economic development facilities under the Act; and

WHEREAS, it is intended that this resolution shall constitute a declaration of official intent to reimburse Project expenditures within the meaning of Sections 1.103-(8)(T)(a)(5) and 1.150-2 of the Federal Income Tax Regulations.

NOW THEREFORE, be it resolved by the Washington Economic Development Finance Authority as follows:

Section 1. It is hereby determined that (a) the acquisition, construction and installation of the Project and its operation as an economic development facility; (b) the issuance of the bonds of the Issuer in one or more series and in a maximum amount not to exceed $9,500,000, to finance costs of the Project, such total costs to be financed by the Bonds presently estimated to be approximately $9,500,000; and (c) the execution and delivery of such contracts and agreements with the Issuer as are necessary to provide for the payment by the Issuer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bonds, together with certain costs of the Issuer, will all be in furtherance of the Act.

Section 2. Subject to the conditions listed in Section 3 below, including such other conditions as in the judgment of the Issuer and bond counsel are necessary to insure the validity of the Bonds and the tax-exempt or taxable status of the Bonds, it is the intent of the Issuer to proceed toward the issuance and sale of the Bonds pursuant to the provisions of the Act. Nothing in this resolution shall be construed as legally binding the Issuer to authorize, issue, or sell the Bonds.

Section 3. The authorization, issuance, and sale of the Bonds by the Issuer are subject to the following conditions:

(a) the Company shall have caused to be issued an irrevocable letter of credit (the "Letter of Credit") by an investment-grade rated commercial bank, acceptable to the Issuer (the "Letter of Credit Bank"), which shall be used to pay and secure the Bonds or shall have secured a bond purchase agreement (the "Bond Purchase Agreement") from an Accredited Investor, as such term is defined in 17 CFR 230.501(a), or qualified institutional buyers, in each case acceptable to the Issuer, for the purchase of the Bonds;

(b) the Company shall enter into such contracts and loan agreements with the Issuer as shall be necessary to secure payment of the principal of, premium, if any, and interest on the Bonds as when the same shall come due and payable;

(c) on or before two (2) years from the date hereof (or such later date as shall be mutually satisfactory to the Issuer and the Company) the Issuer and the Company shall have agreed to mutually acceptable terms and conditions of the contracts and agreements referred to in paragraph (b) of this Section 3;

(d) the Issuer shall have received an opinion of bond counsel that, with certain customary exceptions, such of the Bonds which it is intended shall be issued as tax-exempt obligations may be so issued pursuant to the provisions of the Internal Revenue Code of 1986;

(e) if required, the Issuer shall have received an allocation of the State ceiling on private activity bonds imposed by Section 146 of the Internal Revenue Code of 1986 in an amount equal to the aggregate face amount of such of the Bonds as shall be issued as tax-exempt obligations, and shall have allocated such amount to the Bonds;

(f) the Issuer shall have received evidence that the county, city, or town within whose planning jurisdiction the Project lies has approved the Project and the Bonds or such other evidence satisfactory to the Issuer that the Project will be welcomed by the community in which the Project will be located; and

(g) such other conditions as in the judgment of the Issuer and bond counsel are necessary to insure the validity of the Bonds and the tax-exempt status of such of the Bonds as shall be issued as tax-exempt obligations.

Section 4. For the Bonds, the Issuer hereby waives the semiannual administrative fees currently set forth in its Underwriting Standards.

Section 5. The proper officials of the Issuer are hereby authorized to take such further action as is necessary to carry out the intent and purposes hereof under the terms and conditions stated herein and in compliance with the applicable provisions of law.

Section 6. That it is deemed necessary and advisable that the Indemnification and Compensation Agreement be approved and executed for and on behalf of the Issuer.

Section 7. That an Indemnification and Compensation Agreement by and between the Issuer and the Company be, and the same is hereby, approved and authorized and the Chair of the Issuer is hereby authorized to execute the Indemnification and Compensation Agreement on behalf of the Issuer.

Section 8. Each Bond, when and if issued, shall substantially state the following language on the face thereof:

THE OBLIGATIONS OF THE ISSUER HEREUNDER SHALL NOT BE DEEMED TO BE A DEBT, LIABILITY, OBLIGATION, OR PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF WASHINGTON, OF ANY MUNICIPALITY, OR OF ANY MUNICIPAL CORPORATION, QUASI MUNICIPAL CORPORATION, SUBDIVISION, OR AGENCY OF THE STATE OF WASHINGTON, OR TO PLEDGE ANY OR ALL OF THE FAITH AND CREDIT OF ANY OF THESE ENTITIES. NEITHER THE STATE OF WASHINGTON, THE ISSUER, ANY MUNICIPALITY, OR ANY OTHER MUNICIPAL CORPORATION, QUASI MUNICIPAL CORPORATION, SUBDIVISION, OR AGENCY OF THE STATE OF WASHINGTON IS OBLIGATED TO PAY THE PRINCIPAL OR THE INTEREST THEREON. NO TAX FUNDS OR GOVERNMENTAL REVENUE MAY BE USED TO PAY THE PRINCIPAL OR INTEREST THEREON. NEITHER ANY OR ALL OF THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF WASHINGTON, THE ISSUER, IF ANY, OR ANY MUNICIPAL CORPORATION, QUASI MUNICIPAL CORPORATION, SUBDIVISION, OR AGENCY THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OR OF THE INTEREST ON THE BONDS.

<u>Section 9.</u> This Resolution shall be effective after its adoption.

ADOPTED by the Washington Economic Development Finance Authority this 18th day of April, 2014.

WASHINGTON ECONOMIC DEVELOPMENT FINANCE AUTHORITY

By: Carlias
Chair

EXHIBIT A

DESCRIPTION OF PROJECT AND SITE

The Project will consist of: constructing, acquiring and equipping a facility of approximately 100,000 square feet and related site which is to provide job-training and job-placement services (in part through aerospace manufacturing and call center operations) for individuals with disabilities and other significant barriers to employment, in addition to bond issuance costs. The project is located at 1590 A Street N.E., Auburn, Washington.

CERTIFICATE

I, the undersigned, Secretary of the Washington Economic Development Finance Authority (herein called the "Issuer"), DO HEREBY CERTIFY:

1. That the attached Resolution No. W-2014-6 (herein called the "Resolution") is a true and correct copy of a resolution of the Issuer as finally adopted at a special meeting of the Issuer held on the 18th day of April, 2014, and duly recorded in my office.

2. That said meeting was duly convened and held in all aspects in accordance with law, and, to the extent required by law and the by-laws of the Issuer, due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Washington Economic Development Finance Authority voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out, and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS THEREOF, I have hereunto set my hand this 18th day of April, 2014.

Secretary