



**City Council Study Session and
Special Focus Area
March 13, 2017 - 5:30 PM
Auburn City Hall
AGENDA**

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

- I. CALL TO ORDER
 - A. Roll Call
- II. ANNOUNCEMENTS REPORTS AND PRESENTATIONS
- III. AGENDA ITEMS FOR COUNCIL DISCUSSION
 - A. [IT Digital Parity Update \(10 Minutes\) \(Haugan\)](#)
 - B. City Slogan (Council)
 - C. City Committee and Board Appointments (Council)
 - D. [Airport Management Services Contract \(10 Minutes\) \(Snyder\)](#)
 - E. [Regional Water Supply Discussion \(30 Minutes\) \(Snyder\)](#)
- IV. HEALTH AND HUMAN SERVICES DISCUSSION ITEMS
 - A. [Domestic Violence Enforcement and Prosecution Report \(10 Minutes\) \(Lee/Heid\)](#)
- V. OTHER DISCUSSION ITEMS
- VI. NEW BUSINESS
- VII. MATRIX
- VIII. 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.



AGENDA BILL APPROVAL FORM

Agenda Subject:

IT Digital Parity Update (10 Minutes) (Haugan)

Date:

March 8, 2017

Department:

Information Services

Attachments:

[Council Brief: Digital Parity Update March 2017](#)

Budget Impact:

\$0

Administrative Recommendation:

Review and Discuss

Background Summary:

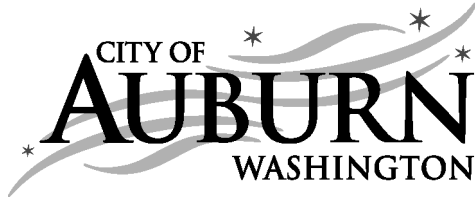
Innovation and Technology have been providing quarterly Update on Council Goal # 2. This is the first update for 2017.

Reviewed by Council Committees:**Councilmember:**

Meeting Date: March 13, 2017

Staff:

Item Number:



Council Briefing Update

To: Auburn City Council
From: Paul Haugan, Director – Innovation and Technology
CC: Mayor Nancy Backus
Date: 3.13.17
Re: Update: G2: Increase Internet Access to Achieve Digital Parity by 80% by 2020

Council Members,

In November of 2015 you held a Strategic Planning Retreat to help develop your Strategic Vision for the City of Auburn. You identified 3 Key Goals, of which I am privileged to take the lead on Goal 2: Digital Parity.

The update will bring you up to speed on what we've been up to the past few months on our quest to put form and function to Goal # 2. This update will build on the presentation delivered In the Fall of 2016

Our July Update on the Goals and Objectives

G2/S1: Explore the establishment of an internet utility (8)

This activity is planned for 2019

G2/S2: Leverage public technology infrastructure to achieve cyber-equity within the city (25)

Our Proof of Concept project revealed new technologies that we are implementing that increase our Broadband footprint (broadcast range) by a significant amount, and lowers our equipment need at the same time. This technology is new and supply chains are not fully developed. As such we are waiting on parts to finish building our broadcast area. Our best projection at this time is end of March for installation.

G2/S3: Build partnerships for revenue streams and infrastructure expansion (26)

We have made major progress on this front. With the assistance of several departments, we have reached agreement with vendors to extend our network in areas of Auburn that were not served. We now have fiber optics resources in Lea Hill. The work done by Team Auburn on this has provided solutions to several challenges ahead of us.

1. This brings fiber optic connection to the Police Lea Hill Substation
2. This allow us to escalate our planning and engineering to extend Access Auburn to the Lea Hill area.
3. Our fiber optic network is now ready for regional extension to support the Community Connectivity Consortium.

An additional agreement is making its way through the signature pathways that provides us fiber optic connectivity to additional neighborhoods in South Auburn to further the Digital Parity Project.

G2/S4: Establish minimum acceptable standards, speed, security and liability exposure

We have been working on a complete update of our Internal IT practices and procedures where this resides.

G2/S5: Expand services to capture emerging opportunities (11)

The world of IoT is upon us. The Internet of Things is real. We are moving forward in developing our strategy to provide guiding principles and policy to address this wave that upon us. IoT involves all members of the Auburn community, our intent is to provide some overarching direction on how we can adopt, manage and reap the benefits of full IoT integration. This is a complex and wide ranging topic that we will address more fully in the coming months.

Thank you

Paul Haugan, Director
Department of Innovation and Technology



AGENDA BILL APPROVAL FORM

Agenda Subject:

Airport Management Services Contract (10 Minutes)
(Snyder)

Date:

March 9, 2017

Department:

City Attorney

Attachments:

[Draft new Services Contract & Scope of Services](#)
[2014-2015 Services Agreement](#)
[Resolution No. 5166 - 2014-2015](#)
[Contracts Crosswalk Matrix](#)

Budget Impact:

\$0

Administrative Recommendation:

City Council to discuss update on Airport Management Services Contract.

Background Summary:

The City of Auburn has had a long-term services agreement with Aviation Management Group, LLC to manage airport operations at the Auburn Municipal Airport. The City of Auburn and Aviation Management Group, LLC last entered into a 2014-2015 services agreement on November 18, 2013, with the term of said Agreement being from January 1, 2015, to December 31, 2015. The City Council then approved Resolution No. 5166 on September 14, 2015, authorizing the First Addendum to the Agreement that was executed on October 5, 2015. This First Addendum extended the term of the 2014-2015 Services Agreement to December 31, 2016 along with some other modifications to the terms of the original Agreement. On December 19, 2016, the City Council approved Resolution No. 5265 that only authorized a ninety (90) day extension, effective January 1, 2017, of the current Agreement for airport management services to March 31, 2017 to allow for these negotiations to conclude. Subsequent to the Council's approval of Resolution No. 5265, City staff and Aviation Management Group, LLC worked collaboratively to address outstanding contract negotiation issues and are very close to successfully completing our joint efforts and being able to bring a revised contract to the City Council for action. There is one remaining area pertaining to prevailing wages that the City and Aviation Management Group, LLC are still jointly reviewing potential options for. We anticipate that this review will be completed next week.

An update on the new contract efforts will be provided at the Council's March 13, 2017 study session in advance of potential requested action at the City Council's March 20, 2017 regular meeting.

Reviewed by Council Committees:

Councilmember:

Staff: Snyder

Meeting Date: March 13, 2017

Item Number:

Exhibit A [NEW CONTRACT]

CITY OF AUBURN AGREEMENT FOR SERVICES AG-S-095

THIS AGREEMENT made and entered into on this day of , 2017, by and between the **City of Auburn**, a municipal corporation of the State of Washington, hereinafter referred to as "City" and **Airport Management Group, LLC, d/b/a Aviation Management Group** at 36618 55th Ave S, Auburn, WA 98001,, hereinafter referred to as the "Provider."

WITNESSETH:

WHEREAS, the City is in need of the services of individuals, employees or firms for the operation of the Auburn Municipal Airport (Airport); and,

WHEREAS, the City desires to retain the Provider to provide said services in connection with the City's work, including certain physical and financial responsibilities of the operation, management and maintenance on a day to day basis of the Airport; and,

WHEREAS, the City has satisfied itself Provider is qualified and able to provide services in connection with the City's needs for the above-described work, and is willing and agreeable to provide such services upon the terms and conditions herein contained.

NOW, THEREFORE, in consideration of the mutual covenants, and benefits contained herein, and subject to the following terms, conditions, covenants and provisions, the parties hereto agree as follows:

1. Scope of Services

The Provider agrees to perform in a good and professional manner the tasks described on Exhibit "1" which is attached hereto and by this reference made a part of this Agreement. The tasks described on Exhibit "1" shall be individually referred to as a "task," and collectively referred to as the "services." The Provider shall perform the services as an independent contractor and shall not be deemed, by virtue of this Agreement and the performance thereof, to have entered into any partnership, joint venture, employment or other relationship with the City.

2. Additional Services

In the event additional services with respect to related work are required beyond those specified in the Scope of Work, and not included in the compensation listed in this Agreement, a contract amendment shall be set forth in writing and shall be executed by the respective parties prior to the Provider's performance of the services there under, except as may be provided to the contrary in Section 3 of this Agreement. Upon proper completion and execution of an Amendment (agreement for additional services), such Amendment shall be incorporated into this Agreement and shall have the same force and effect as if the terms of such Amendment were a part of this Agreement as originally executed. The performance of services pursuant to an Amendment shall be subject to the terms and conditions of this Agreement except where the Amendment provides to the contrary, in which case the terms and conditions of any such Amendment shall control. In all other respects, any Amendment shall supplement and be construed in accordance with the terms and conditions of this Agreement.

3. Performance of Additional Services Prior to Execution of an Amendment

The parties hereby agree that situations may arise in which services other than those described on Exhibit "1" are desired by the City and the time period for the completion of such services makes the execution of Amendment impractical prior to the commencement of the Provider's performance of the requested services. The Provider hereby agrees that it shall perform such services upon the written request of an authorized representative of the City pending execution of an Amendment, at a rate of compensation to be agreed to in connection therewith. The invoice procedure for any such additional services shall be as described in Section 9 of this Agreement.

4. Provider's Representations

The Provider hereby represents and warrants that the Provider has all necessary licenses and certifications to perform the services provided for herein, and is qualified to perform such services.

5. Schedule

Upon receipt of authorization to proceed, the Provider will perform its services in a diligent and timely manner, provided that the Provider shall not be liable for delays caused by circumstances out of the Provider's control. The City shall give prompt written notice to the Provider whenever the City becomes aware of any circumstance that may affect the timing of the performance of the services. Upon receipt of such notice, the Provider shall respond to the notice by appropriate action and report the response to the City within ten (10) working days.

6. City's Responsibilities

The City shall do the following in a timely manner so as not to delay the services of the Provider:

- a. Designate in writing a person to act as the City's representative with respect to the services. The City's designee shall have complete authority to transmit instructions, receive information, interpret and define the City's policies and decisions with respect to the services.
- b. Furnish the Provider with all information, criteria, objectives, schedules and standards for the project and the services provided for herein.
- c. Arrange for access to the property or facilities as required for the Provider to perform the services provided for herein.
- d. Examine and evaluate all studies, reports, memoranda, plans, sketches, and other documents prepared by the Provider and render decisions regarding such documents in a timely manner to prevent delay of the services.
- e. Provide certain equipment and facilities in connection herewith, as follows:
 - (1) Allow access to Airport Facilities
 - (2) Allow use of all or a portion of the Airport Management Office building, the area of which shall be agreed to by the parties.
 - (3)) Allow use of Fueling Facilities, permanent and/or temporary
- f. Provide Major Capital Improvements, Major Repairs and Equipment Replacement Expenses that are not a result from negligence on the part of the Provider shall be the responsibility of the City. For the purpose of this agreement these shall be defined as follows:
 - (1) Major Capital Improvements, including but not limited to improvements or upgrades to the existing utility systems, city equipment, runway, taxiways, city owned pavements, city owned hangars and buildings except as otherwise provided under a lease or rental agreement, tie down areas, signage, gates and fencing.
 - (2) Major Repairs, which include repairs to any city-owned facilities or equipment that exceed \$2,000.00 to complete.
 - (3) Major Equipment Replacements include replacement at the end of equipment service life for City owned equipment that extends the life of significantly increases the value of the equipment unless provided for elsewhere in this agreement.

7. Prevailing Wages

City and Provider are currently reviewing options for this Section. Final agreed upon language will be provided for City Council review as part of the request for Council action.

8. Acceptable Standards

The Provider shall be responsible to provide, in connection with the services contemplated in this Agreement, work products and services of a quality and professional standard acceptable to the City.

- a. The Provider and the City shall, at all time, act in good faith and cooperate fully with each other, their respective agents, employees, contractors, subcontractors, and concessionaires; any other parties leasing or using space or providing services at the Airport, and the patrons of the Airport and the future development thereof, including, but not limited to, the application for and obtaining of any government approvals in connection therewith; the administration and enforcement of the existing agreements; and the general performance by the Provider of its rights, duties and obligations under this Agreement.
- b. The Provider shall assist the City in securing any approvals from the Federal Aviation Administration (FAA) required for the Provider to operate and maintain the Airport under the City's FAA Operating Certificate. The City and the Provider jointly shall cooperate to maintain the FAA Operating Certificate throughout the term and any extended term of this Agreement.
- c. If this Agreement is terminated for any reason, or if it is to expire on its own terms, the Parties shall make every effort to assure to the fullest extent possible under the circumstances (a) an orderly transition to another provider of the services required under this Agreement, (b) an orderly demobilization of the Provider's own operations in connection with such services, (c) uninterrupted provision of such services during any transition period, and (d) compliance with the reasonable requests and requirements of the City in connection with such termination or expiration.
- d. The Provider shall interface with any private security services at the Airport, and shall jointly or separately perform daily inspections of the Airport premises, insuring that gates are timely opened and closed, and shall further communicate to the City any concerns voiced by tenants or other users of the Airport, and where police, fire or other code or emergency response agency is called in, to cooperate with such responses and/or investigations.
- e. The Provider shall also obtain and maintain in good standing training to deal with emergencies, as directed by the City. The Provider shall also be familiar with the City Emergency Preparedness Plan applicable to the Airport and its on-site fuel system, and shall act in accordance therewith.
- f. The Provider shall also notify, when and where appropriate, the FAA, and any other State, regional or federal agencies and the City when accidents, actions or occurrences take place at the Airport. In any event, the Provider shall notify the City, and with respect to a question of whether another outside agency should also be notified, and in the event that the Provider is unsure as to whether such outside agency, or which outside agency should be notified, the question shall be presented to the City and the City shall determine whether such notice shall be provided and to whom such notice would be provided.

9. Compensation

As compensation for the Provider's performance of the services provided for herein, the City shall pay the Provider the fees and costs as indicated here. The Provider shall submit to the City an invoice or statement of time spent on tasks included in the scope of work provided herein, and the City upon acceptance of the invoice or statement shall process the invoice or statement in the next billing/claim cycle following receipt of the invoice or statement, and shall remit payment to the Provider thereafter in the normal course, subject to any conditions or provisions in this Agreement or Amendment. The Agreement number must appear on all invoices or statements submitted. The not-to-exceed amount for this agreement shall be \$283,742.19 for 2017 and \$401,069.00 for 2018.

10. Time for Performance and Term of Agreement

The Provider shall not begin any work under this Agreement until authorized in writing by the City. The Provider shall perform the services provided for herein in accordance with Exhibit "1" attached hereto and incorporated herein by this reference, unless otherwise agreed to in writing by the parties. The Term of this Agreement shall commence on the first day of April, 2017, and terminating on the 31st day of December, 2018, unless otherwise agreed to in writing by the parties.

11. Ownership and Use of Documents

All documents, reports, memoranda, diagrams, sketches, plans, surveys, design calculations, working drawings and any other materials created or otherwise prepared by the Provider as part of his performance of this Agreement (the "Work Products") shall be owned by and become the property of the City, and may be used by the City for any purpose beneficial to the City.

Provider shall maintain on site all records required for the operations of the Airport and shall be accessible to the City at all times. Upon termination or expiration of this agreement, all records shall be surrendered to the City. Records from previous years of service shall be kept for a minimum of 6 years and destroyed only after consultation with and approval by the City.

12. Records Inspection and Audit

All compensation payments shall be subject to the adjustments for any amounts found upon audit or otherwise to have been improperly invoiced, and all records and books of accounts pertaining to any work performed under this Agreement shall be subject to inspection and audit by the City for a period of up to three (3) years from the final payment for work performed under this Agreement.

13. Continuation of Performance

In the event that any dispute or conflict arises between the parties while this Contract is in effect, the Provider agrees that, notwithstanding such dispute or conflict, the Provider shall continue to make a good faith effort to cooperate and continue work toward successful completion of assigned duties and responsibilities.

14. Administration of Agreement

This Agreement shall be administered by Jamelle Garcia, Managing Member, Aviation Management Group, on behalf of the Provider, and by the Mayor of the City, or designee, on behalf of the City. Any written notices required by the terms of this Agreement shall be served on or mailed to the following addresses:

City of Auburn:

Kevin Snyder, AICP
Community Development
& Public Works Director
25 West Main Street
Auburn, WA 98001
253-931-3091
ksnyder@auburnwa.gov

Aviation Management Group,

Jamelle Garcia
Managing Member
36618 55th Ave. S.
Auburn, WA 98001
253-939-4273
jamelle@S50wa.com

15. Notices

All notices or communications permitted or required to be given under this Agreement shall be in writing and shall be deemed to have been duly given if delivered in person or deposited in the United States mail, postage prepaid, for mailing by certified mail, return receipt requested, and addressed, if to a party of this Agreement, to the address for the party set forth above.

Either party may change his, her or its address by giving notice in writing, stating his, her or its new address, to the other party, pursuant to the procedure set forth above.

16. Insurance

The Provider shall procure and maintain for the duration of this Agreement, 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 Provider, or the Provider's agents, representatives, employees, or subcontractors.

Provider's maintenance of insurance as required by the Agreement shall not be construed to limit the liability of the Provider to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

The Service Provider shall obtain insurance of the types described below:

- a. Airport Liability Insurance which includes coverage for premises liability, products/completed operations, independent contractors, stop gap liability, personal and advertising injury, hanger-keepers liability, pollution liability, liability assumed under contract and a breach of warranty clause. Provider shall maintain airport Liability Insurance with limits no less than \$10,000,000.00 per occurrence, \$10,000,000.00 general aggregate and \$10,000,000.00 products-

completed operations aggregate limit. The City shall be named as an additional insured on the Airport Liability Insurance Policy.

- b. Automobile Liability insurance, covering all owned, non-owned, hired and leased vehicles. 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. Provider shall maintain automobile insurance with minimum combined single limit for bodily injury and property damage of \$1,000,000.00 per accident.
- c. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors, products-completed operations, stop gap liability, 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. 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 insured under the Contractor's Commercial General Liability insurance policy with respect to the work performed for the City 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. Commercial General Liability insurance shall be written with limits no less than \$1,000,000.00 each occurrence, \$2,000,000.00 general aggregate, and a \$2,000,000.00 products-completed operations aggregate limit.
- d. Worker's Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

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

- a. The Provider's insurance coverage shall be primary insurance as respects to the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Provider's insurance and shall not contribute with it.
- b. The Provider's insurance shall be endorsed to state that coverage shall not be cancelled by either party, except after 30 days prior written notice by certified mail, return receipt requested, has been given to the City.

Insurance is to be placed with an authorized insurer in Washington State. The insurer must have a current A.M. Best rating of not less than A:VII.

Provider shall furnish the City with certificates of insurance and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Provider before commencement of the work. The City reserves the right to require that complete, certified copies of all required insurance policies be submitted to the City at any time. The City will pay no progress payments under Section 9 until the Provider has fully complied with this section.

17. Indemnification/Hold Harmless

The Provider shall defend, indemnify and hold the City and its officers, officials, employees, agents, and volunteers harmless from any and all claims, injuries, damages, losses, or suits including attorney fees, arising out of or in connection with the performance of this Agreement, except for injuries and damages 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 Provider and the City, its officers, officials, employees, and volunteers, the Provider's liability hereunder shall be only to the extent of the Provider's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Provider'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.

18. Assignment

Neither party to this Agreement shall assign any right or obligation hereunder in whole or in part, without the prior written consent of the other party hereto, which consent shall not be unreasonably withheld. No assignment or transfer of any interest under this Agreement shall be deemed to release the assignor from any liability or obligation under this Agreement, or to cause any such liability or obligation to be reduced to a secondary liability or obligation.

19. Nondiscrimination

The Provider may not discriminate regarding any services or activities to which this Agreement may apply directly or through contractual, hiring, or other arrangements on the grounds of race, color, creed, religion, national origin, sex, sexual orientation, age, or where there is the presence of any sensory, mental or physical handicap.

20. Services in Potential Competition with Provider

The Provider shall provide services to clients, customers and tenants of the Airport with fairness and without regard to whether a client, customer or tenant is engaged

in a business that competes or potentially competes with a business of the Provider, or with a business in which any principal, partner or participant of the Provider is also a principal, partner or participant. Towards that end, the Provider shall notify ALL clients, customers and tenants and prospective clients, customers and tenants of the Airport of this requirement, and shall also notify them that if they feel that the Provider has not treated them in a fair manner, they may seek relief from the Mayor or the Mayor's designee of the City in terms of the services, use of premises or other activity related to the Airport. Decisions by the Mayor or designee in such cases shall be binding on the parties, provided that any party aggrieved by such decision may appeal the decision to the City of Auburn Hearing Examiner, according to the procedures of the City of Auburn therefor.

There shall be no direct or indirect relationships, business or otherwise with private hangar owners or tenants during the term of the Agreement without the consent of the City. Consent will not be unreasonably withheld. If any exist, any and all relationships shall be terminated within thirty (30) calendar days of execution of this Agreement. For the purposes hereof, the City consents to the Airport Business Consulting Service currently being offered by the Provider.

21. Amendment, Modification or Waiver

No amendment, modification or waiver of any condition, provision or term of this Agreement shall be valid or of any effect unless made in writing, signed by the party or parties to be bound, or such party's or parties' duly authorized representative(s) and specifying with particularity the nature and extent of such amendment, modification or waiver. Any waiver by any party of any default of the other party shall not affect or impair any right arising from any subsequent default.

22. Remedies not Limited

Nothing herein shall limit the remedies or rights of the parties hereto under and pursuant to this Agreement.

23. Termination and Suspension

- a. Either party may terminate this Agreement upon written notice to the other party if the other party fails substantially to perform in accordance with the terms of this Agreement through no fault of the party terminating the Agreement.

It is provided, however, that the terminating party shall give the other party notice of the specific area(s) of performance that has/have not been performed and shall further give seven (7) working days for such performance to be fully performed in accordance with the terms of this Agreement prior to termination. If such failure to perform is corrected within said seven (7) working day's period, then the Agreement shall not be subject to termination under this sub-paragraph.

- b. The City or the Provider may terminate this Agreement upon not less than one hundred twenty (120) days written notice to the other party.
- c. If this Agreement is terminated through no fault of the Provider, the Provider shall be compensated for services performed prior to termination in accordance with the rate of compensation provided in Section 9 hereof.

24. Parties in Interest

This Agreement shall be binding upon, and the benefits and obligations provided for herein shall inure to and bind, the parties hereto and their respective successors and assigns, provided that this section shall not be deemed to permit any transfer or assignment otherwise prohibited by this Agreement. This Agreement is for the exclusive benefit of the parties hereto and it does not create a contractual relationship with or exist for the benefit of any third party, including contractors, sub-contractors and their sureties.

25. Costs to Prevailing Party

In the event of such litigation or other legal action, to enforce any rights, responsibilities or obligations under this Agreement, the prevailing parties shall be entitled to receive its reasonable costs and attorney's fees.

26. Applicable Law

This Agreement and the rights of the parties hereunder shall be governed by and interpreted in accordance with the laws of the State of Washington and venue for any action hereunder shall be in of the county in Washington State in which the property or project is located, and if not site specific, then in King County, Washington; provided, however, that it is agreed and understood that any applicable statute of limitation shall commence no later than the substantial completion by the Provider of the services.

27. Captions, Headings and Titles

All captions, headings or titles in the paragraphs or sections of this Agreement are inserted for convenience of reference only and shall not constitute a part of this Agreement or act as a limitation of the scope of the particular paragraph or sections to which they apply. As used herein, where appropriate, the singular shall include the plural and vice versa and masculine, feminine and neuter expressions shall be interchangeable. Interpretation or construction of this Agreement shall not be affected by any determination as to who is the drafter of this Agreement, this Agreement having been drafted by mutual agreement of the parties.

28. Severable Provisions

Each provision of this Agreement is intended to be severable. If any provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement.

29. Entire Agreement

This Agreement contains the entire understanding of the parties hereto in respect to the transactions contemplated hereby and supersedes all prior agreements and understandings between the parties with respect to such subject matter.

30. Counterparts

This Agreement may be executed in multiple counterparts, each of which shall be one and the same Agreement and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party.

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

CITY OF AUBURN

**AIRPORT MANAGEMENT GROUP. LLC,
d/b/a AVIATION MANAGEMENT GROUP**

Nancy Backus, Mayor

Signature

Name: _____

Title: _____

Federal Tax ID No: _____

Attest:

Danielle Daskam City Clerk

Approved as to form:

Daniel B. Heid, City Attorney

EXHIBIT 1 [NEW CONTRACT]

SCOPE OF SERVICES

The PROVIDER shall provide the following services in the administration of the Auburn Municipal Airport (AIRPORT) on behalf and at the direction of the City of Auburn (CITY):

- A. PROVIDER shall assist in the administration and enforcement of the lease agreements, contracts, documents, and instruments relating to the AIRPORT or its operation to which CITY is a party. Such administration and enforcement assistance shall be consistent with the terms of the Agreement for Services and be done in a manner that PROVIDER, in consultation with the CITY, shall deem necessary or desirable for the efficient operation, maintenance, and management of the AIRPORT.
- B. CITY specifically authorizes PROVIDER to request and demand all rent and other such charges and to initiate collection activities when PROVIDER shall deem necessary or appropriate, on behalf of, and in the name of, CITY to collect such rent and other charges. All such rent and other charges described below shall be collected by PROVIDER on behalf of CITY, and accounted for as provided in the Agreement for Services. However, commencement of legal proceedings is subject to final approval of CITY and may, at the CITY's discretion, be handled by the CITY.
- C. PROVIDER may propose to the CITY capital improvement or property development work as a result of its concept development and planning functions or related work as set forth in the Agreement for Services.
- D. PROVIDER will manage and operate the AIRPORT for the use and benefit of CITY and the general public, in accordance with the requirements of the Agreement for Services, and on fair and reasonable terms without unjust discrimination, seven (7) days a week, twenty four (24) hours a day, in a safe and efficient manner and maintain it in a clean, orderly, safe, and operational condition in conformity with applicable Federal, State and local laws, rules and regulations.
- E. Without limiting the foregoing services to be provided by PROVIDER services shall include any of the following as directed by the CITY: operation, management, concession, and janitorial service as needed in any CITY-owned AIRPORT building or activity and not provided for though other leases or if the space is vacant; advertising; compliance with applicable security requirements of the FAA or other jurisdictional agency, subject to Section BB of this Scope of Services; airport and grounds maintenance, ramp operations, airfield signage, and navigation, and general aviation facilities maintenance: operation and management; public relations, and marketing. PROVIDER shall not cause or permit any activity or action at the AIRPORT or on property in the vicinity of the AIRPORT which would interfere with its use of the AIRPORT for AIRPORT purposes.
- F. PROVIDER shall provide fueling services at the AIRPORT. In connection therewith, PROVIDER shall be responsible for purchasing the fuel wholesale, CITY and PROVIDER shall be jointly entitled to set the retail price of the fuel and each shall be entitled to retain fifty percent (50%) of the net proceeds from such fuel sales. Net proceeds is defined for these purposes as the remainder of

funds after all normal and applicable expenses have been deducted from revenue produced from fuel sales. Normal and applicable expenses do not include major repairs (as defined in Section 6 of the Agreement for Services) or improvements to the fueling facility. PROVIDER shall submit monthly an accounting of the fuel revenue. PROVIDER shall submit a detailed summary of revenue and applicable expenses to the CITY quarterly and remit the CITY'S share of the net proceeds from fuel sales.

- G. PROVIDER will develop and submit recommended schedules of rates, fees, and charges (exclusive of the retail price for fuel) annually for approval by CITY, provided that the schedule of rates, fees, and charges will not alter the rental rates in existing leases or agreements except as provided therein. PROVIDER will also collect and reconcile all rental and/or lease payments and fees due, using uniform procedures to provide accountability, control and security of funds.
- H. PROVIDER shall assist CITY, with respect to CITY's dealings with all applicable Federal and State authorities, provided, however, that CITY shall remain solely responsible to the Federal Aviation Administration ("FAA") for the compliance with CITY's obligations under the law and under Federal Grant Agreements unless such compliance is the responsibility of PROVIDER under the Agreement for Services. PROVIDER is aware of and agrees to honor and respect the existing grant agreements between the CITY and FAA, including related FAA assurances.
- I. No exclusive right for the use of the AIRPORT by any persons providing, or intending to provide, aeronautical services to the public shall be permitted within the meaning of Section 308 of the Federal Aviation Act of 1958.
- J. Security: PROVIDER agrees to provide AIRPORT security during non-business office hours, three hundred and sixty-five (365) days per year. The PROVIDER will bill each TENANT on the AIRPORT the rate as set in the City of Auburn Master Fee Schedule.
- K. Hours of Operation (business hours): PROVIDER shall operate the AIRPORT for public access twenty-four (24) hours daily. At least one PROVIDER staff person shall be available at the AIRPORT Monday through Friday 8:00a.m. to 5:00p.m. (exclusive of state and federal holidays) to assist the public. During non-business hours, PROVIDER shall maintain a method of contacting the on-duty staff person for assistance, via email or cellular telephone. PROVIDER will maintain and post a list, easily accessible to those needing fuel or other services, of Fixed Based Operations (FBO) able to provide fueling and ramp services on short notice outside of normal business hours.
- L. If after hours' callout is required due to emergency response related to Operations of the Airport requiring PROVIDER staff to be on site, a fee of \$75 per staff hour with a one hour minimum will be billed to the CITY. The PROVIDER will notify the City within 24 hours of the emergency situation. The PROVIDER will provide all necessary documentation of the personnel, equipment and materials used in the emergency response as determined by the City for the City to seek reimbursement of costs. Provider will assist the CITY in recovering from the entity requiring the afterhours assistance.
- M. Operating Policies and Procedures: PROVIDER shall provide and maintain a staff training program and complete library of AIRPORT operating policies and procedures at the offices of the PROVIDER at the AIRPORT.
- N. Collection of Fees and Rentals: PROVIDER shall provide for routine invoicing and collection of all fees, rentals, and property lease charges due the AIRPORT including:

1. Property leases;
2. Hangar rents;
3. Transient and permanent tie-down fees;
4. Business office rent;
5. All other AIRPORT revenues

PROVIDER shall prepare and deposit cash receipts within 24 hours of receipt of the next business day if received on a non-business day on behalf of the CITY and forward bank's deposit slips to the City of Auburn Finance Department. The PROVIDER shall also prepare and submit to the City of Auburn Finance Department with carbon copy to the City of Auburn Community Development and Public Works Department a standard accounting report of all collections, on a monthly basis, no later than the fifth working day after the end of the month in which the collections are made.

- O. Credit Card Processing: In the event that the PROVIDER wishes to accept credit cards for payment of fees other than fueling, the PROVIDER will work with the City in advance to establish the process and procedures acceptable to the City.
- P. Emergency Preparedness: PROVIDER will have available persons trained in the manner required by applicable FAA regulations to respond to emergencies, such as fires, aircraft incidents, or disasters.
- Q. Financial Reports: PROVIDER shall maintain monthly records of all financial transactions relating to all rent and other such charges collected as defined in section B of Exhibit 1. The format and content of the monthly financial report shall be subject to the approval of the CITY's Finance Director with carbon copies to the Community Development and Public Works Director and Assistant Director of Engineering Services/City Engineer. Financial Reports will be submitted no later than the fifth working day after the end of the month.
- R. Support of AIRPORT Interest Groups: PROVIDER's management shall act as the representative of the CITY through participation in meetings and activities of present and future AIRPORT user or interest groups. Reports on such meetings and events shall be provided to the CITY.
- S. Emergency Expenditures: PROVIDER shall be authorized to make emergency expenditures not to exceed \$5,000.00 in situations where immediate action is deemed necessary to protect the safety of the general public or protect physical assets of AIRPORT.
 1. Report: Subsequent to authorizing emergency expenditures, PROVIDER shall provide a written report to the CITY within five (5) calendar days. The emergency action shall be reviewed by the CITY within fifteen (15) calendar days.
 2. Reimbursement: Upon review and approval by the CITY of the emergency expenditure, the CITY shall process the request for reimbursement to PROVIDER.
- T. CITY Reimbursement: If PROVIDER fails to perform any operational or financial obligation necessary to continued operation of the AIRPORT, CITY reserves the right to perform such obligation of PROVIDER as may be necessary to assure continued operation of the AIRPORT and to seek reimbursement from PROVIDER and/or withhold monies from any payments due to the PROVIDER.
- U. Maintenance/Utilities:
 1. Preventative Maintenance /Minor Repairs:

- a. PROVIDER agrees to develop and carry out at its sole expense a continuing program of preventative maintenance and minor repair activities providing general upkeep against normal wear and tear such that the AIRPORT facilities are at all times in a serviceable condition for use in the way and manner they were designed to be used. Preventative maintenance and minor repair activities do not include major repairs as defined in Section 6 of the Agreement for Services. PROVIDER's responsibility for "Preventative Maintenance and Minor Repairs" shall be limited to \$25,000.00 accumulated annually. All maintenance procedures and programs shall be consistent with requirements of Federal, State and CITY agencies.
- b. In furtherance of that responsibility, PROVIDER will:
 - i. Regularly inspect the AIRPORT for needed maintenance and repairs; and
 - ii. Perform scheduled preventative maintenance including preventative maintenance of the paved surfaces, hangar and other structure preventative maintenance, signage maintenance, mowing of grass, fencing maintenance and weather related maintenance; and
 - iii. Remove, to the greatest extent legally and practically possible, obstructions and restrictions as identified in FAA regulations; and
 - iv. Operate and maintain all existing or future upgraded AIRPORT owned systems necessary and appropriate for operation of the AIRPORT inclusive of lighting and markings necessary for runway operation, not including pavement markings.
2. Restorative Maintenance - Major Repairs: Subject to expenditures approved, budgeted and authorized by the Mayor of CITY or his/her designee, PROVIDER agrees to perform restorative maintenance and major repairs. PROVIDER also agrees to perform unanticipated major repairs. Unanticipated major repairs include, without limitation, the cost of major repair or replacement of fuel pumps and associated equipment such as fuel dispensing equipment, the fuel tanks and pedestal due to premature failure, and the office building adjacent to the fuel facility. All such work is subject to reimbursement by CITY as work compensated under the procedures of Section 2 of the Agreement for Services. CITY agrees to provide such reimbursement within forty-five (45) calendar days of presentation by PROVIDER of its invoices including all back up documentation as deemed necessary by the CITY.
3. Temporary Closure: Nothing contained herein shall be construed to require that the AIRPORT be operated for aeronautical use during temporary periods when snow, flood, or other climatic conditions interfere with such operation and maintenance. PROVIDER will remove snow and ice within the capacity of the PROVIDER'S equipment. If the PROVIDER's Capacity is exceeded, the PROVIDER will notify the City Immediately of the need. CITY shall remove snow and ice from the runways and taxiways as City resources allow.
4. Federal Facilities: AIRPORT aids operated and maintained by the FAA shall be specifically excluded from any maintenance requirements under the Agreement for Services.

5. Emergency Support Services: PROVIDER and the CITY shall each maintain authorized representatives on call at all reasonable times to act on behalf of their respective Parties for unusual, difficult, or emergency maintenance situations at the AIRPORT.
6. AIRPORT Utilities and Other Charges: PROVIDER agrees, at its sole expense, to pay all charges for the AIRPORT's electrical, water, sewer (if any), security personnel (if any), fire system monitoring, annual fire extinguisher inspection, fire system annual inspection and portable sanitation units that is not attributable to a specific tenant or leased property. PROVIDER is not responsible for the payment or collection of any storm water charges; but it is the responsibility of the CITY Utilities for billing and collection and the AIRPORT's enterprise fund for the payment of storm water fees.

V. Industrial Storm Water Permit Compliance.

- a. The PROVIDER shall assist the CITY in maintaining compliance with the City's Industrial General Stormwater Permit (Permit) for the Airport. This includes but is not limited to:
 - i. File and Maintain on site the appropriate documents to meet the intent of the Permit conditions. These include but are not limited to the following:
 1. Monthly Inspection Reports
 2. Annual Report (Provided by the City)
 3. DMR Reports (Provided by the City)
 4. Quarterly Sampling Documentation and Lab Results (Provided by the City)
 5. Employee Training Log (For Providers Employees)
 6. Commercial Tenant Training Log
 7. Stormwater Pollution Prevention Plan (SWPPP) (Provided by the City)
 8. Copies of the Permit (Provided by the City)
 9. Copies of the Permit Coverage Letter (Provided by the City)
 10. Spill Log
 - ii. Perform monthly storm system and site inspections and complete monthly inspection reports on Monthly Site Inspection Form and provide a copy to the City.
 - iii. Perform annual Stormwater Pollution Prevention Plan (SWPPP) and Permit training for Providers Employees and Commercial tenants as required by the Permit. This includes training of new staff at the time of hire.
 - iv. Perform ongoing monitoring of pollutant sources and illicit discharges, including maintenance and implementation of specific Best Maintenance Practices (BMPs) as required for source control of pollutants associated with airport operations per the SWPPP. This includes but is not limited to such things as runway sweeping, fuel delivery to the on-site tank, and other BMP's per the SWPPP.
 - v. Perform corrective actions to control spills and pollutant sources as required by the Permit, including spill logs and communication with other required agencies as appropriate for the situation. In all cases, provide immediate notification to the City.

- vi. PROVIDER will assist the City with periodic updates of the Stormwater Pollution Prevention Plan (SWPPP) as needed and required by the City's NPDES Phase 2 Permit.
 - vii. Perform quarterly discharge monitoring for visual oil sheen during periods of consistent attainment as defined by the Permit through October of 2017.
- b. The City will provide the following:
- i. Copies of Permit documentation
 - ii. Copy of the SWPPP
 - iii. Copies of all DMR Reports completed by the City
 - iv. Annual Report completed by the City
 - v. Copy of the permit Coverage Letter when received by the City
 - vi. Sampling records and lab test results for sampling done by the City.
 - vii. Work with the PROVIDER to develop an appropriate training plan for the PROVIDER's employees and the commercial tenants.
 - viii. Provide any necessary training for the PROVIDER's employees to perform the monthly inspections, address spill issues, and completing the visual oil sheen inspections.

W. Environmental Protection.

- 1. With assistance from the PROVIDER, CITY shall develop and maintain policies to assure that the AIRPORT and AIRPORT tenants maintain compliance with Environmental Protection Agency (EPA) standards and City of Auburn codes and/or other federal and state regulations of treatment of waste oils, fuel, solvents, etc. which may be used in aircraft, or related to aircraft manufacturing, servicing, or repair.
- 2. Leases and other contracts and agreement and informational documents developed by CITY and approved by CITY, PROVIDER will advise AIRPORT tenants of their obligation to comply with all environmental laws, including, but not limited to, Environmental Protection Agency (EPA) standards and City of Auburn codes and/or other federal and state regulations for treatment of waste oils, fuel, solvents, and other hazardous or toxic materials which may be used in aircraft or in the course of aircraft manufacturing, servicing or repair, storm water runoff, wetlands, and other laws and requirements of the United States, the State of Washington, or CITY. Violations of those laws will be prosecuted by the responsible government agencies against the tenants directly.

X. Planning, Development, and Audit:

- 1. Planning and Development: CITY shall, with the assistance of PROVIDER and with the Airport Advisory Board, provide for planning and development of the AIRPORT and the surrounding AIRPORT lands in cooperation with CITY staff. PROVIDER shall assist as requested by the CITY in the development of new facilities and services in accordance with the currently approved Airport Master Plan.
- 2. Airport Layout Plan (ALP): PROVIDER shall submit periodic input concerning the ALP to CITY. CITY agrees to update the ALP database and provide revised copies of the ALP as requested by PROVIDER or required by governing agencies.

3. Five-Year Capital Plan: PROVIDER shall assist the CITY with the development of and updates to the currently adopted five-year AIRPORT Capital Improvement Plan. The Plan shall support requests for the continuing development of the AIRPORT with Federal and State funding. The CITY shall be responsible for updating the Washington State Department of Transportation-Aviation Division (WSDOT-Aviation) and FAA on changes to the AIRPORT's Capital Plan.
 4. Quality Review: It is agreed that PROVIDER will allow a review by an independent firm of the quality of management of the AIRPORT. This review may be conducted annually or at any time considered appropriate. CITY may select a firm to perform the review. CITY will also bear the cost of the review. PROVIDER shall make all records relating to the Agreement for Services available for review and audit during normal business hours by the CITY and/or independent auditor.
- Y. PROVIDER shall assist the CITY in the preparation of a Biennial Budget as requested that shall include the following:
1. Revenues: A detailed projection of revenues relating to AIRPORT fees and services collected by the PROVIDER for each calendar year shall be developed. The projection shall be submitted by PROVIDER on or about August 1 of the initial year of the Biennial Budget for review and concurrence. For the second year of the Biennial Budget, this plan shall be submitted by April 1 for the two (2) following years.
 2. Expenses: For Operational costs not identified in the Agreement for Services or herein, PROVIDER shall provide a detailed projection of operational needs anticipated for each calendar year.
 3. Capital Improvements: PROVIDER shall provide comments on the City's Capital Facilities Plan as requested by CITY.
- Z. Performance Standards: PROVIDER must perform reasonably, safely, legally, and in a manner consistent with the Agreement for Services. PROVIDER shall also be responsible to provide, in connection with the services contemplated in the Agreement for Services, work product and services of a quality and professional standard acceptable to the CITY. PROVIDER shall not conduct operations in or on the AIRPORT in a manner which in the reasonable judgment of CITY:
1. Interferes with the reasonable use by others of the AIRPORT.
 2. Hinders police, fire department or other emergency personnel in the discharge of their duties at the AIRPORT.
 3. Would constitute a hazardous condition at the AIRPORT.
 4. Would involve any illegal purpose.
 5. Is not materially in accordance with the Agreement for Services.
- AA. PROVIDER'S Duty to repair: PROVIDER shall repair any and all damage to the property of CITY located at the AIRPORT caused by PROVIDER, its agents or employees.
- BB. Compliance With Heightened Security Requirements: PROVIDER shall, if required by additional regulatory requirements for AIRPORT security of the FAA, Homeland Security or any other jurisdictional agency, make changes to the security procedures and/or equipment used to provide AIRPORT security, provided that CITY agrees to pay as work compensated under the procedures of Section 2 of the Agreement of Services the reasonable out of pocket cost incurred by

PROVIDER, subject to prior approval of the CITY, to comply with changed requirements imposed after the effective date for capital improvements such as additional or higher fencing, surveillance or monitoring equipment or other capital investments which are mandated by law. CITY shall have the right to inspect estimates of cost to comply before expenditures are made and suggest alternatives, but PROVIDER shall be reimbursed its reasonably necessary cost to comply with new security mandates within forty-five (45) calendar days of presenting invoices with all back up documentation deemed necessary by the CITY for such cost, following the inspection described above.

- CC. Exclusion for Litigation Support: The Scope of Services does not include services of PROVIDER for required or requested assistance to support, prepare, document, bring, defend, or assist in litigation undertaken where defended by CITY in connection with this Agreement in an action to which PROVIDER is not a party. All such services required or requested of PROVIDER by the CITY, will be work compensated under Section 2 of the Agreement.
- DD. Wildlife Depredation: PROVIDER shall, if required to maintain and protect the public health and safety resulting from and relating to airport operations, engage in a program of wildlife control measures, to include wildlife depredation, so long as said activities are conducted in compliance with the provisions of a Wildlife Hazard Management Plan acceptable by the Federal Aviation Administration. PROVIDER shall for any shooting activities comply with the terms of a current Migratory Bird Depredation Permit for any bird species protected by the Migratory Bird Treaty Act (16 U.S.C. 703-712. Shooting activities shall also comply with the Auburn Code 9.34.030 and all other applicable federal, state and local laws, and shall be conducted so as to minimize the risk of injury to persons or to real or personal property.

AGREEMENT FOR THE DAY-TO-DAY OPERATION
AND MANAGEMENT OF THE
AUBURN MUNICIPAL AIRPORT
BETWEEN THE CITY OF AUBURN, WASHINGTON
AND AVIATION MANAGEMENT GROUP, LLC.

THIS AGREEMENT made and entered into on this 13th day of November, 2023, by and between the City of Auburn, a municipal corporation of the State of Washington, hereinafter referred to as "City" and Aviation Management Group, LLC, hereinafter referred to as the "Contractor."

WITNESSETH:

WHEREAS, the City is engaged in the operation of the Auburn Municipal Airport (Airport); and,

WHEREAS, City is desirous of hiring the Contractor to undertake certain physical and certain financial responsibilities of the operation, management and maintenance on a day to day basis of the Airport; and,

WHEREAS, the City has satisfied itself that the Contractor has the requisite knowledge, experience and ability to perform the tasks set forth in this Agreement, and that this Agreement contains adequate safeguards to protect the interests of all concerned who use or are affected by the Airport.

NOW, THEREFORE, in consideration of the mutual covenants, and benefits contained herein, and subject to the following terms, conditions, covenants and provisions, THE PARTIES HERETO DO MUTUALLY AGREE as follows:

1 Scope of Services.

The Contractor agrees to perform in a good and professional manner the tasks described on Exhibit "A" attached hereto and incorporated herein by this reference. (The tasks described on Exhibit "A" shall be individually referred to as a "task," and collectively referred to as the "services.") The Contractor shall perform the services as an independent contractor and shall not be deemed, by virtue of this Agreement and the performance thereof, to have entered into any partnership, joint venture, employment or other relationship with the City.

2. Additional Services.

From time to time hereafter, the parties hereto may agree to the performance by the Contractor of additional services with respect to related work or projects (such an agreement for additional services shall be referred to as a "Task Order"). Any such Task Orders shall be set forth in writing and shall be executed by the respective parties prior to the Contractor's performance of the services there under, except as may be provided to the contrary in Section 3 of this Agreement. Upon proper completion and execution of a Task Order, such Task Order shall be incorporated into this Agreement and shall have the same force and effect as if the terms of such Task Order were a part of this Agreement as originally executed. The performance of services pursuant to a Task Order shall be subject to the terms and conditions of this Agreement except where the Task Order provides to the contrary, in which case the terms and conditions of any such Task Order shall control. In all other respects, any Task Order shall supplement and be construed in accordance with the terms and conditions of this Agreement.

3. Performance of Additional Services Prior to Execution of Task Order.

The parties hereby agree that situations may arise in which services other than those described on Exhibit "A" are desired by the City and the time period for the completion of such services makes the execution of a Task Order impractical prior to the commencement of the Contractor's performance of the requested services. The Contractor hereby agrees that it shall perform such services upon the written or electronic request of an authorized representative of the City pending execution of Task Order, at a rate of compensation to be agreed to in connection therewith. The invoice procedure for any such additional services shall be as described in Section 9 of this Agreement.

4. Contractor's Representations.

The Contractor hereby represents and warrants that it has all necessary licenses and certifications to perform the services provided for herein, and is qualified to perform such services.

5. Schedule.

Upon receipt of authorization to proceed, the Contractor will perform its services in a diligent and timely manner, provided that the Contractor shall not be liable for delays caused by circumstances out of the Contractor's control. The City shall give prompt written notice to the Contractor whenever the City becomes aware of any circumstance that may affect the timing of the performance of the services. Upon receipt of such notice, the Contractor shall respond to the notice by appropriate action and report the response to the City within ten (10) days.

6. City's Responsibilities.

The City shall do the following in a timely manner so as not to delay the services of the Contractor:

- a. Designate in writing a person to act as the City's representative with respect to the services. The City's designee shall have complete authority to transmit instructions, receive information, interpret and define the City's policies and decisions with respect to the services.

- b. Furnish the Contractor with all information, criteria, objectives, schedules and standards for the project and the services provided for herein.
- c. Arrange for access to the property or facilities as required for the Contractor to perform the services provided for herein.
- d. Examine and evaluate all studies, reports, memoranda, plans, sketches, and other documents prepared by the Contractor and render decisions regarding such documents in a timely manner to prevent delay of the services.
- e. Provide certain equipment and facilities in connection herewith, as follows:
 - (1) Allow access to Airport facilities, and allow use of 1,350 square feet of the 506 Building as the Airport Office.
- f. Provide Major Capital Improvements, Major Repairs and Equipment Replacement Expenses: Expenses for (i) major capital improvements, (ii) major repairs and (iii) replacement of Airport facilities or equipment that do not result from negligence on the part of the Contractor, shall be the responsibility of the City. For these purposes, major repairs are defined as repairs that increase the value or increase the life of the facilities or equipment. Major capital improvements, major repairs and/or equipment expenses shall include, but not be limited to, the following:
 - (1) Airport water supply and pumping system;
 - (2) Storm drainage system and piping;
 - (3) Major repairs to paved or improved areas to include the runway, aprons, ramps, and taxiways.
 - (4) Major crack sealing of all City-owned and controlled surfaces;
 - (5) Major repairs or replacement of building roofs on City-owned buildings, except as otherwise provided under a lease or rental agreement.

7. Acceptable Standards.

The Contractor shall be responsible to provide, in connection with the services contemplated in this Agreement, work product and services of a quality and professional standard acceptable to the City.

8. Cooperation.

- a. The Contractor and the City shall at all times act in good faith and cooperate fully with each other, their respective agents, employees, contractors, subcontractors, and concessionaires; any other parties leasing or using space or providing services at the Airport, and the patrons of the Airport and the future development thereof, including, but not limited to, the application for and obtaining of any government approvals in connection therewith; the administration and enforcement of the existing agreements; and the general performance by the Contractor of its rights, duties and obligations under this Agreement.
- b. The Contractor shall assist the City in securing any approvals from the Federal Aviation Administration (FAA) required for the Contractor to operate and maintain the Airport under the City's FAA Operating Certificate. The City and the Contractor jointly shall cooperate to maintain the FAA Operating Certificate throughout the term and any extended term of this Agreement.

- c. If this Agreement is terminated for any reason, or if it is to expire on its own terms, the Parties shall make every effort to assure to the fullest extent possible under the circumstances (a) an orderly transition to another provider of the services required under this Agreement, (b) an orderly demobilization of the Contractor's own operations in connection with such services, (c) uninterrupted provision of such services during any transition period, and (d) compliance with the reasonable requests and requirements of the City in connection with such termination or expiration.
- d. The Contractor shall interface with any private security services at the Airport, and shall jointly or separately perform daily inspections of the Airport premises, insuring that gates are timely opened and closed, and shall further communicate to the City any concerns voiced by tenants or other users of the Airport, and where police, fire or other code or emergency response agency is called in, to cooperate with such responses and/or investigations.
- e. The Contractor shall also obtain and maintain in good standing training to deal with emergencies, as directed by the City. The Contractor shall also be familiar with the City Disaster/Emergency Plans applicable to the Airport and its on-site fuel system, and shall act in accordance therewith.
- f. The Contractor shall also notify, when and where appropriate, the FAA, and any other State, regional or federal agencies when accidents, actions or occurrences take place at the Airport. In any event, the Contractor shall notify the City, and with respect to a question of whether another outside agency should also be notified, and in the event that the Contractor is unsure as to whether such outside agency, or which outside agency should be notified, the question shall be presented to the City and the City shall determine whether such notice shall be provided and to whom such notice would be provided.

9 Compensation.

- a. As compensation for the Contractor's performance of the services provided for herein, other than the fueling services described in section F of Exhibit A, the City shall pay the Contractor the fees and costs specified as follows: Twenty-Nine Thousand Seven Hundred Eighty Dollars and no/100ths (\$29,780.00) per month with that amount increased annually by the cost of living as determined by the applicable Consumer Price Index. The applicable Consumer Price Index is the Consumer Price Index for All Urban Consumers 1982 1984 100 for Seattle-Tacoma as published by the United States Government for the month of August.
- b. Compensation to the Contractor for performing the fueling services shall be as described in Section F of Exhibit A.
- c. The Contractor shall submit to the City an invoice or statement of time spent on tasks included in the additional services provided herein, and the City shall process the invoice or statement in the next billing/claim cycle following receipt of the invoice or statement, and shall remit payment to the Contractor thereafter in the normal course, subject to any conditions or provisions in this Agreement or addendum.

10. Term of Agreement.

The Term of this Agreement shall be for an initial two (2) year period commencing on the first day of January, 2014, and terminating on the 31st day of December, 2015, unless otherwise agreed to in writing by the parties.

11. Reports.

The Contractor shall submit to the City (to the Mayor or the Mayor's designee and a copy to the City of Auburn Airport Advisory Board) not less than monthly, during the term of this Agreement and any extension hereof, periodic activity reports, summarizing hangar and tie-down space rental receipt amounts, occupancy percentages, fuel sales amounts, Airport Advisory Board agenda minutes and any other information requested by the City. Minutes will be distributed promptly. The Contractor shall also attend the meetings of the Airport Advisory Board and shall further attend such other meetings as are requested by the City, as directed by the Mayor or the Mayor's designee, to answer questions and/or receive direction from the City. The Airport Advisory Board shall serve as a resource for discussing issues and concerns involving the implementation of this Agreement.

12. Records Inspection and Audit.

All compensation payments shall be subject to the adjustments for any amounts found upon audit or otherwise to have been improperly invoiced, and all records and books of accounts pertaining to any work performed under this Agreement shall be subject to inspection and audit by the City for a period of up to three (3) years from the final payment for work performed under this Agreement.

13. Continuation of Performance.

In the event that any dispute or conflict arises between the parties while this Contract is in effect, the Contractor agrees that, notwithstanding such dispute or conflict, the Contractor shall continue to make a good faith effort to cooperate and continue work toward successful completion of assigned duties and responsibilities.

14. Administration of Agreement.

This Agreement shall be administered by Jamelle R. Garcia, on behalf of the Contractor, and by the Mayor or designee of the City, on behalf of the City. Any written notices required by the terms of this Agreement shall be served on or mailed to the following addresses:

City of Auburn
Auburn City Hall
25 West Main
Auburn, WA 98001-4998
(253) 931-3000
FAX (253) 931-3053

Contractor
Jamelle R. Garcia
Aviation Management Group, LLC
36618 - 55th Ave S.
Auburn, WA 98001
(253) 939-4273

15. Notices.

All notices or communications permitted or required to be given under this Agreement shall be in writing and shall be deemed to have been duly given if delivered in person or deposited in the United States mail, postage prepaid, for mailing by certified mail, return receipt requested, and addressed, if to a party of this Agreement, to the address for the party set forth above, or if to a person not a party to this Agreement, to the address designated by a party to this Agreement in the foregoing manner

Any party may change his, her or its address by giving notice in writing, stating his, her or its new address, to any other party, all pursuant to the procedure set forth in this section of the Agreement.

16. Insurance.

The Contractor shall be responsible for maintaining, during the term of this Agreement and at its sole cost and expense, the types of insurance coverage and in the amounts described below. The Contractor shall furnish evidence, satisfactory to the City, of all such policies. During the term hereof, the Contractor shall take out and maintain in full force and effect the following policies:

- a. Airport liability insurance which includes coverage for premises liability, products/completed operations, independent contractors, stop gap liability, personal and advertising injury, hangar-keepers liability, pollution liability, liability assumed under contract and a breach of warranty clause. Contractor shall maintain airport liability insurance with limits no less than \$10,000,000.00 per occurrence, \$10,000,000.00 general aggregate and \$10,000,000.00 products-completed operations aggregate limit. The City shall be named as an additional insured on the airport liability insurance policy
- b. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

17. Indemnification.

The Contractor shall indemnify and hold harmless the City and its officers, agents, employees and volunteers from any and all claims, injuries, damages, losses, or suits including attorney fees, by reason of or arising out of the negligence of the Contractor, its officers, agents or employees in connection with the performance of this Agreement.

The City shall indemnify and hold harmless the Contractor and its officers, agents and employees from any and all claims, injuries, damages, losses, or suits including attorney fees, by reason of or arising out of the negligence of the City, its officers, agents, employees or volunteers in connection with the performance of this Agreement.

In the case of negligence of both the City (or its officers, agents, employees or volunteers) and the Contractor (or its officers, agents or employees), any damages allowed shall be levied in proportion to the percentage of negligence attributable to each party, and each party shall have the right to seek contribution from the other party in proportion to the percentage of negligence attributable to the other party

It is further specifically and expressly understood that the indemnification provided herein constitutes the Contractor's and the City'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.

18. Assignment.

Neither party to this Agreement shall assign any right or obligation hereunder in whole or in part, without the prior written consent of the other party hereto, which consent shall not be unreasonably withheld. No assignment or transfer of any interest under this Agreement shall be deemed to release the assignor from any liability or obligation under this Agreement, or to cause any such liability or obligation to be reduced to a secondary liability or obligation.

19. Services in Potential Competition with Contractor.

The Contractor shall provide services to clients, customers and tenants of the Airport with fairness and without regard to whether a client, customer or tenant is engaged in a business that competes or potentially competes with a business of the Contractor, or with a business in which any principal, partner or participant of the Contractor is also a principal, partner or participant. Towards that end, the Contractor shall notify ALL clients, customers and tenants and prospective clients, customers and tenants of the Airport of this requirement, and shall also notify them that if they feel that the Contractor has not treated them in a fair manner, they may seek relief from the Mayor or the Mayor's designee of the City in terms of the services, use of premises or other activity related to the Airport. Decisions by the Mayor or designee in such cases shall be binding on the parties, provided that any party aggrieved by such decision may appeal the decision to the City of Auburn Hearing Examiner, according to the procedures of the City of Auburn therefor.

20. Amendment, Modification or Waiver.

No amendment, modification or waiver of any condition, provision or term of this Agreement shall be valid or of any effect unless made in writing, signed by the party or parties to be bound, or such party's or parties' duly authorized representative(s) and specifying with particularity the nature and extent of such amendment, modification or waiver. Any waiver by any party of any default of the other party shall not effect or impair any right arising from any subsequent default.

21. Remedies not Limited.

Nothing herein shall limit the remedies or rights of the parties hereto under and pursuant to this Agreement.

22. Termination.

- a. Either party may terminate this Agreement upon written notice to the other party if the other party fails substantially to perform in accordance with the terms of this Agreement through no fault of the party terminating the Agreement. It is

provided, however, that the terminating party shall give the other party notice of the specific area(s) of performance that has/have not been performed and shall further give seven (7) business days for such performance to be fully performed in accordance with the terms of this Agreement prior to termination. If such failure to perform is corrected within said seven (7) business day's period, then the Agreement shall not be subject to termination under this sub-paragraph.

- b. The City may also terminate this Agreement upon not less than one hundred twenty (120) days written notice to the Contractor if the services provided for herein are no longer needed from the Contractor.
- c. If this Agreement is terminated through no fault of the Contractor, the Contractor shall be compensated for services performed prior to termination in accordance with the rate of compensation provided herein.

23. Parties in Interest.

This Agreement shall be binding upon, and the benefits and obligations provided for herein shall inure to and bind, the parties hereto and their respective successors and assigns, provided that this section shall not be deemed to permit any transfer or assignment otherwise prohibited by this Agreement. This Agreement is for the exclusive benefit of the parties hereto and it does not create a contractual relationship with or exist for the benefit of any third party, including contractors, sub-contractors and their sureties.

24. Costs to Prevailing Party.

In the event of such litigation or other legal action, to enforce any rights, responsibilities or obligations under this Agreement, the prevailing party shall be entitled to receive its reasonable costs and attorney's fees.

25. Applicable Law.

This Agreement and the rights of the parties hereunder shall be governed by the interpreted in accordance with the laws of the State of Washington and venue for any action hereunder shall be in King County, Washington; provided, however, that it is agreed and understood that any applicable statute of limitation shall commence no later than the substantial completion by the Contractor of the services.

26. Captions, Headings and Titles.

All captions, headings or titles in the paragraphs or sections of this Agreement are inserted for convenience of reference only and shall not constitute a part of this Agreement or act as a limitation of the scope of the particular paragraph or sections to which they apply. As used herein, where appropriate, the singular shall include the plural and vice versa and masculine, feminine and neuter expressions shall be interchangeable. Interpretation or construction of this Agreement shall not be affected by any determination as to who is the drafter of this Agreement, this Agreement having been drafted by mutual agreement of the parties.

27. Severable Provisions.

Each provision of this Agreement is intended to be severable. If any provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement.

28. Entire Agreement.

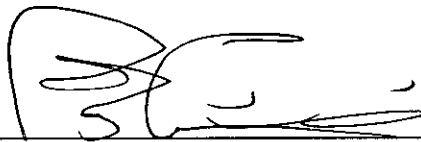
This Agreement contains the entire understanding of the parties hereto in respect to the transactions contemplated hereby and supersedes all prior agreements and understandings between the parties with respect to such subject matter.

29. Counterparts.

This Agreement may be executed in multiple counterparts, each of which shall be one and the same Agreement and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party.

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

CITY OF AUBURN


Peter B. Lewis, Mayor

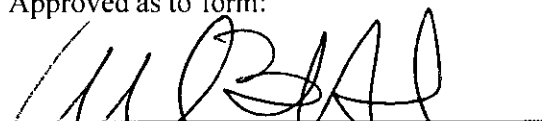
AVIATION MANAGEMENT GROUP, LLC

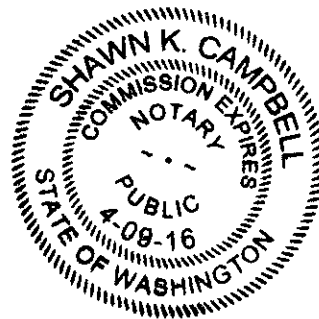

Jamelle Garcia, Managing Member

Attest:


Danielle E. Daskam City Clerk

Approved as to form:


Daniel B. Heid, City Attorney



STATE OF WASHINGTON)
) ss.
COUNTY OF KING _____)

ON THIS 25th day of November, 2013, before me, personally appeared Jamelle Garcia to me known to be the Managing Member of the Contractor, Aviation Management Group, LLC, the party that executed the within and foregoing instrument, and acknowledged said instrument to be his/her/their free and voluntary act and deed of said corporation/company, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument.



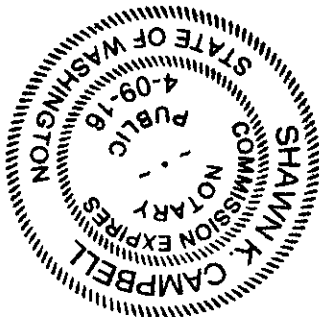
GIVEN under my hand and official seal this 25th day of November, 2013

Shawn Campbell
NOTARY PUBLIC in and for the State of
Washington, residing at Auburn
My Commission Expires: 4/9/2016

STATE OF WASHINGTON)
) ss.
COUNTY OF KING _____)

ON THIS 13th day of November, 2013, before me, personally appeared Peter B. Lewis and Danielle E. Daskam, to me known to be the Mayor and City Clerk of the City of Auburn, Washington, the municipal corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument.

GIVEN under my hand and official seal this 13th day of November, 2013



Shawn Campbell
NOTARY PUBLIC in and for the State of
Washington, residing at Auburn WA
My Commission Expires: 4/9/2016



EXHIBIT "A"
SCOPE OF SERVICES

- A. CONTRACTOR shall prepare, negotiate, administer, and enforce on behalf of, and in the name of, CITY all of the lease agreements, contracts, documents, and instruments relating to the Auburn Municipal Airport (Airport) or its operation to which CITY is a party, consistent with the terms of this Agreement and in a manner that CONTRACTOR shall deem necessary or desirable for the efficient operation, maintenance, and management of the Airport, provided that if CONTRACTOR through common management or otherwise, holds an ownership or controlling interest in a tenant of the Airport subject to a lease agreement, CONTRACTOR shall not negotiate, administer or enforce such lease with such related tenant or with any commercial competitor of CONTRACTOR which is also a tenant of the Airport but rather these activities shall be performed by the Mayor of CITY or such representative as the Mayor shall from time to time designate in writing.
- B. CITY specifically authorizes CONTRACTOR to request and demand all rent and other such charges and to institute legal proceedings, as CONTRACTOR shall deem necessary or appropriate, on behalf of, and in the name of, CITY to collect such rent and other charges. All such rent and other charges described below shall be collected by CONTRACTOR on behalf of CITY, and accounted for as provided in the Agreement. However, commencement of legal proceedings is subject to final approval of CITY.
- C. CONTRACTOR may propose capital improvement or property development work as a result of its concept development and planning functions or related work as set forth in this Agreement.
- D. CONTRACTOR will manage and operate the Airport for the use and benefit of CITY and the general public, in accordance with the requirements of this Agreement, and on fair and reasonable terms without unjust discrimination, seven (7) days a week, twenty-four (24) hours a day, in a safe and efficient manner and maintain it in a clean, orderly, safe, and operational condition in conformity with applicable Federal, State and local laws, rules and regulations.

- E. Without limiting the foregoing services to be provided by CONTRACTOR services shall include any of the following: operation, management, concession, and janitorial service as needed in any CITY-owned Airport building or activity; advertising; compliance with applicable security requirements of the FAA or other jurisdictional agency, subject to paragraph Y herein; airport and grounds maintenance, ramp operations, airfield signage, and navigation, and general aviation facilities maintenance; operation and management; public relations, and marketing. CONTRACTOR shall not cause or permit any activity or action at the Airport or on property in the vicinity of the Airport which would interfere with its use of the Airport for Airport purposes.
- F. CONTRACTOR shall provide fueling services at the Airport. In connection therewith, CONTRACTOR shall be responsible for purchasing the fuel wholesale, CITY and CONTRACTOR shall be jointly entitled to set the retail price of the fuel and each shall be entitled to retain fifty percent (50%) of the net proceeds from such fuel sales. Net proceeds is defined for these purposes as the remainder of funds after all normal and applicable expenses have been deducted from revenue produced from fuel sales. Normal and applicable expenses do not include major repairs (as defined in Section 6 of the Agreement) or improvements to the fueling facility. CONTRACTOR shall submit monthly an accounting of the fuel revenue and applicable expenses to the CITY and shall remit quarterly to the CITY the CITY'S share of the net proceeds from fuel sales.
- G. CONTRACTOR will develop and submit recommended schedules of rates, fees, and charges (exclusive of the retail price for fuel) annually for approval by CITY, provided that if CONTRACTOR, through common management or otherwise, holds an ownership or controlling interest in a tenant at the Airport whose rates, fees or charges would be affected by such recommended schedules, CONTRACTOR will not recommend schedules for such related tenant or for any commercial competitor of CONTRACTOR which is also a tenant but rather such recommendation will be made by the Mayor of CITY or such authorized representative as the Mayor shall from time to time designate for this purpose in writing. The schedule of rates, fees, and charges will not alter the rental rates in existing leases or agreements except as provided therein. CONTRACTOR will also collect and reconcile all rental and/or lease payments and fees due, using uniform procedures to provide accountability, control and security of funds.

- H. CONTRACTOR shall assist CITY, with respect to CITY's dealings with all applicable Federal and State authorities, provided, however, that CITY shall remain solely responsible to the Federal Aviation Administration ("FAA") for the compliance with CITY's obligations under the law and under Federal Grant Agreements unless such compliance is the responsibility of CONTRACTOR under this Agreement. CONTRACTOR is aware of and agrees to honor and respect the existing grant agreements between the CITY and FAA, including related FAA assurances.
- I. No exclusive right for the use of the Airport by any persons providing, or intending to provide, aeronautical services to the public shall be permitted within the meaning of Section 308 of the Federal Aviation Act of 1958.
- J. Security: CONTRACTOR agrees to provide Airport security during non-business office hours 365 days per year. The CONTRACTOR will bill each hangar door on the airport Five Dollars and no/100ths (\$5 00) per month for security services. The CITY will remit the security funds collected each month to the CONTRACTOR in the subsequent month.
- K. Hours of Operation (business hours): CONTRACTOR shall operate the Airport for public access twenty-four (24) hours daily. At least one CONTRACTOR staff person shall be available at the Airport Monday through Friday 8:00a.m. to 5:00p.m. (exclusive of state and federal holidays) to assist the public. During non-business hours, CONTRACTOR shall maintain a method of contacting the on-duty staff person for assistance, via pager or cellular telephone. CONTRACTOR will maintain and post a list, easily accessible to those needing fuel or other services, of Fixed Based Operations (FBO) able to provide fueling and ramp services on short notice outside of usual business hours.
- L. Operating Policies and Procedures: CONTRACTOR shall provide and maintain a staff training program and complete library of Airport operating policies and procedures at the offices of the CONTRACTOR at the Airport.

M. Collection of Fees and Rentals: CONTRACTOR shall provide for routine invoicing and collection of all fees, rentals, and property lease charges due the Airport including:

1. Property leases;
2. Hangar rents;
3. Transient and permanent tie-down fees;
4. Business office rent;
5. All other Airport revenues

CONTRACTOR shall prepare and deposit daily cash receipts received on behalf of the CITY and forward deposit slips to the City of Auburn Finance Department. The CONTRACTOR shall also prepare and submit to the CITY a standard accounting report of all collections, on a monthly basis, no later than the fifth day after the end of the month in which the collections are made.

N. Emergency Preparedness: CONTRACTOR will have available persons trained in the manner required by applicable FAA regulations to respond to emergencies, such as fires, aircraft incidents, or disasters.

O. Records and Correspondence: CONTRACTOR shall maintain monthly records of all correspondence and financial transactions relating to operation of the Airport. The format and content of the monthly financial report shall be subject to the approval of the CITY's Finance Director.

P. Support of Airport Interest Groups: CONTRACTOR's management shall act as the representative of the CITY through participation in meetings and activities of present and future Airport user or interest groups. Reports on such meetings and events shall be included in routine reports to the CITY.

Q. Emergency Expenditures: CONTRACTOR shall be authorized to make emergency expenditures not to exceed \$5,000 00 in situations where immediate action is deemed necessary to protect the safety of the general public or protect physical assets of Airport.

- 1 Report: Subsequent to authorizing emergency expenditures, CONTRACTOR shall provide a written report to the CITY within five (5) days. The emergency action shall be reviewed and said review must be completed within fifteen (15) days.

2. Reimbursement: Upon review and approval of the emergency expenditure, the CITY shall process the request for reimbursement to CONTRACTOR.
- R. CITY Reimbursement: If CONTRACTOR fails to perform any operational or financial obligation necessary to continued operation of the Airport, CITY reserves the right to perform such obligation of CONTRACTOR as may be necessary to assure continued operation of the Airport and to seek reimbursement from CONTRACTOR.
- S. Maintenance/Utilities:
1. Preventative Maintenance /Minor Repairs:
 - (a) CONTRACTOR agrees to develop and carry out at its sole expense a continuing program of preventative maintenance and minor repair activities providing general upkeep against normal wear and tear such that the Airport facilities are at all times in a serviceable condition for use in the way and manner they were designed to be used. Preventative maintenance and minor repair activities do not include major repairs as defined in Section 6 of the Agreement. All maintenance procedures and programs shall be consistent with requirements of Federal, State and CITY agencies.
 - (b) In furtherance of that responsibility, CONTRACTOR will:
 - (1) Regularly inspect the Airport for needed maintenance and repairs;
 - (2) Perform scheduled preventative maintenance including preventative maintenance of the paved surfaces, hangar and other structure preventative maintenance, signage maintenance, mowing of grass, fencing maintenance and weather related maintenance;
 - (3) Remove, to the greatest extent legally and practically possible, obstructions and restrictions as identified in FAA regulations; and
 - (4) Operate and maintain all Airport owned systems necessary and appropriate for operation of the Airport.
 2. Restorative Maintenance - Major Repairs: Subject to expenditures approved, budgeted and authorized by the Mayor of CITY or such representative as the Mayor shall from time to time designate in writing, CONTRACTOR agrees to

perform restorative maintenance and major repairs. CONTRACTOR also agrees to perform unanticipated major repairs. Unanticipated major repairs include, without limitation, the cost of major repair or replacement of fuel pumps and associated equipment such as fuel dispensing equipment, the fuel tanks and pedestal due to premature failure, and the office building adjacent to the fuel facility. All such work is subject to reimbursement by CITY as work compensated under the procedures of Paragraph 2 of the Agreement. CITY agrees to provide such reimbursement within thirty (30) days of presentation by CONTRACTOR of its invoices.

3. Temporary Closure: Nothing contained herein shall be construed to require that the Airport be operated for aeronautical use during temporary periods when snow, flood, or other climatic conditions interfere with such operation and maintenance. CITY shall remove snow and ice from the runways and taxiways as they accumulate and the CONTRACTOR will remove snow and ice within the capacity of the CONTRACTOR'S equipment.
4. Federal Facilities: Airport aids operated and maintained by the FAA shall be specifically excluded from any maintenance requirements under this Agreement.
5. Emergency Support Services: CONTRACTOR and the CITY shall each maintain authorized representatives on call at all reasonable times to act on behalf of their respective Parties for unusual, difficult, or emergency maintenance situations at the Airport.
6. Airport Utilities And Other Charges: CONTRACTOR agrees at its sole expense to pay all charges for the airport's electrical, water, sewer (if any), security personnel (if any), fire system monitoring, annual fire extinguisher inspection, fire system annual inspection, and portable sanitation units, that is not attributable to a specific tenant or leased property. CONTRACTOR is not responsible for the payment or collection of any storm water charges; but it is the responsibility of the CITY Utilities for billing and collection and the airport's enterprise fund for the payment of storm water fees.

T. Environmental Protection.

1. With assistance from the CONTRACTOR, CITY shall develop and maintain policies with assistance from CONTRACTOR, to assure that the Airport and Airport tenants maintain compliance with Environmental Protection Agency (EPA) standards for treatment of waste oils, fuel, solvents, etc. which may be used in aircraft, or related to aircraft manufacturing, servicing, or repair
2. Leases and other contracts and agreements and informational documents developed by CITY and approved by CITY, CONTRACTOR will advise Airport tenants of their obligation to comply with all environmental laws, including, but not limited to, Environmental Protection Agency (EPA) standards for treatment of waste oils, fuel, solvents, and other hazardous or toxic materials which may be used in aircraft or in the course of aircraft manufacturing, servicing or repair, storm water runoff, wetlands, and other laws and requirements of the United States, the State of Washington, or CITY. Violations of those laws will be prosecuted by the responsible government agencies against the tenants directly.
3. Leases, contracts, and other documents will also provide that Airport tenants are liable for compliance with all such laws on their premises, and that they will indemnify CITY and CONTRACTOR as to liability from any such noncompliance and that such noncompliance will also be treated as an event of tenant's default for any costs or expenses incurred as a result of the failure of tenants to comply with environmental laws.

U. Planning, Development, and Audit:

1. Planning and Development: CITY shall, with the assistance of CONTRACTOR and with the Airport Advisory Board, provide for planning and development of the Airport and the surrounding Airport lands in cooperation with CITY staff. CONTRACTOR shall encourage development of new facilities and services in accordance with the currently approved Airport Master Plan.
2. Airport Layout Plan (ALP): CONTRACTOR shall submit periodic input concerning the ALP to CITY. CITY agrees to update the ALP database and provide revised copies of the ALP as required by CONTRACTOR or interested governing agencies.

3. Five-year Capital Plan: CONTRACTOR shall assist with the development, and recommend for approval, updates to the currently adopted five-year Airport Capital Improvement Plan. The Plan shall support requests for the continuing development of the Airport with Federal and State funding.
 4. Proposed Development: In addition to the monthly reports provided for in Paragraph 11 of the Agreement, CONTRACTOR shall provide an annual report summarizing the current status of the Airport which shall include:
Proposed Development Plans: CONTRACTOR shall submit, as directed by the Mayor or the Mayor's designee, proposed improvements and developments at the Airport. These changes shall be consistent with the Airport Master Plan and five-year Airport Capital Improvement Plan adopted and updated periodically for the Airport.
 5. Quality Review: It is agreed that CONTRACTOR will allow a review by an independent firm of the quality of management of the Airport. This review may be conducted annually or at any time considered appropriate. CITY may select a firm to perform the review. CITY will also bear the cost of the review.
 6. CONTRACTOR shall make all records relating to this Agreement available for review and audit during normal business hours by the CITY and/or independent auditor.
- V. CONTRACTOR shall prepare a biennial operating projection for presentation to the CITY that shall include the following:
1. Biennial Budget: A detailed projection of revenues and expenses relating to Airport operations for each calendar year shall be developed. The plan shall be submitted by CONTRACTOR on or about August 1 of each year for review and concurrence.
 2. Capital Projection: A detailed projection of capital and major expense items anticipated for the biennial budget and the mid term corrections.
- W. Performance Standards: CONTRACTOR must perform reasonably, safely, legally, and in a manner consistent with this Agreement. CONTRACTOR shall also be responsible to provide, in connection with the services contemplated in this Agreement, work product and services of a quality and professional standard acceptable to the CITY.

CONTRACTOR shall not conduct operations in or on the Airport in a manner which in the reasonable judgment of CITY:

1. Interferes with the reasonable use by others of the Airport.
 2. Hinders police, fire department or other emergency personnel in the discharge of their duties at the Airport.
 3. Would constitute a hazardous condition at the Airport.
 4. Would involve any illegal purpose.
 5. Is not materially in accordance with this Agreement.
- X. CONTRACTOR'S Duty to repair: CONTRACTOR shall repair any and all damage to the property of CITY located at the Airport caused by CONTRACTOR, its agents or employees, except to the extent the actions were required by directions of CITY.
- Y. Compliance With Heightened Security Requirements: CONTRACTOR shall, if required by additional regulatory requirements for Airport security of the FAA, Homeland Security or any other jurisdictional agency, make changes to the security procedures and/or equipment used to provide Airport security, provided that CITY agrees to pay as work compensated under the procedures of Paragraph 2 of the Agreement the reasonable out of pocket cost incurred by CONTRACTOR, subject to prior approval of the CITY, to comply with changed requirements imposed after the effective date for capital improvements such as additional or higher fencing, surveillance or monitoring equipment or other capital investments which are mandated by law. CITY shall have the right to inspect estimates of cost to comply before expenditures are made and suggest alternatives, but CONTRACTOR shall be reimbursed its reasonably necessary cost to comply with new security mandates within twenty days of presenting invoices for such cost, following the inspection described above.
- Z. Exclusion for Litigation Support: The Scope of Services does not include services of CONTRACTOR for required or requested assistance to support, prepare, document, bring, defend, or assist in litigation undertaken where defended by CITY in connection with this Agreement in an action to which CONTRACTOR is not a party. All such services required or requested of CONTRACTOR by the CITY, will be work compensated under Paragraph 2 of the Agreement.

RESOLUTION NO. 5 1 6 6

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF AUBURN, WASHINGTON, AUTHORIZING
THE MAYOR TO EXECUTE AN ADDENDUM TO
THE AGREEMENT FOR THE DAY TO DAY
OPERATION AND MANAGEMENT OF THE
AUBURN MUNICIPAL AIRPORT**

WHEREAS, the City of Auburn and Aviation Management Group, LLC entered into an agreement on November 18, 2013, for the day to day operation and management of the Auburn Municipal Airport; and

WHEREAS, the Agreement is set to expire on December 31, 2015; and

WHEREAS, the parties wish to extend the term of the agreement for an additional year; and

WHEREAS, the City also wishes to modify the scope of services to include wildlife depredation; and

WHEREAS, with the extension of the contract and modification of the scope of service, it is also appropriate to adjust the compensation based on the CPI for 2016.

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

Section 1. The Mayor is authorized to execute an Addendum to the Agreement between the City of Auburn and the Aviation Management Group, LLC, for the day to day operation and management of the Auburn Municipal

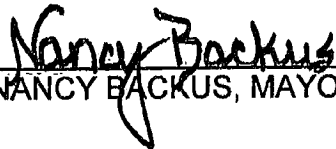
Airport, which Addendum shall be in substantial conformity with the Addendum attached hereto as Exhibit "A".

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

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

Dated and Signed this 3rd day of October, 2015.

CITY OF AUBURN



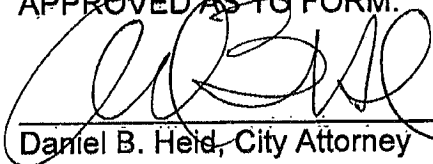
NANCY BACKUS, MAYOR

ATTEST:



Danielle E. Daskam, City Clerk

APPROVED AS TO FORM:



Daniel B. Heid, City Attorney

ADDENDUM NO. 1

ADDENDUM TO AGREEMENT FOR THE DAY-TO-DAY OPERATION AND MANAGEMENT OF THE AUBURN MUNICIPAL AIRPORT BETWEEN THE CITY OF AUBURN AND AVIATION MANAGEMENT GROUP, LLC.

THIS ADDENDUM is made and entered into this 5th day of October, 2015, by and between AVIATION MANAGEMENT GROUP, LLC and the CITY OF AUBURN, a municipal corporation of the State of Washington, as an addendum to the Agreement between the parties for the day-to day operations of the Auburn Municipal Airport executed on November 18, 2013 (the "Agreement").

In consideration of the mutual consideration outlined below, the sufficiency of which is acknowledged by both parties, the parties agree to modify the Agreement as follows:

ITEM ONE The term of the agreement is extended by one (1) additional year. Section 10 of the Agreement is amended to read as follows:

10. Term of Agreement.

The Term of this Agreement shall be ~~for an initial two (2) year period commencing~~ commence on the first day of January, 2014, and ~~terminating~~ terminate on the 31st day of December, ~~2015~~2016, unless otherwise agreed to in writing by the parties.

ITEM TWO The compensation is increased to reflect cost of living increases. Section 9(a) of the Agreement is amended to read as follows:

9. Compensation

- a. As compensation for the Contractor's performance of the services provided for herein, other than the fueling services described in Section F of Exhibit A, the City shall pay the Contractor the fees and costs specified as follows: Twenty-Nine Thousand Seven Hundred Eighty Dollars and no/100ths (\$29,780.00) per month with that amount increased annually by the cost of living as determined by the applicable Consumer Price Index. The applicable Consumer Price Index is the Consumer Price Index for All Urban Consumers 1982 1984 100 for Seattle-Tacoma as published by the United States Government for the month of August (the "CPI").
January 1, 2016 – December 31, 2016: For the period of January 1,

2016 through December 31, 2016, as compensation for the Contractor's performance of the services provided for herein, other than the fueling services described in Section F of Exhibit A, the City shall pay the Contractor the fees and costs specified as follows: Thirty Thousand Three Hundred Sixteen Dollars and no/100ths (\$30,316.00) per month (the 2015 monthly rate), adjusted upward by the greater of three (3) percent or the CPI for 2015.

ITEM THREE: The Scope of Services set forth at Exhibit "A" is amended to add a new section "AA" governing wildlife depredation activities, as follows:

AA. Wildlife Depredation: CONTRACTOR shall, if required to maintain protect the public health and safety resulting from and relating to airport operations, engage in a program of wildlife control measures, to include wildlife depredation, so long as said activities are conducted in compliance with the provisions of a Wildlife Hazard Management Plan accepted by the Federal Aviation Administration, and provided further that for any bird species protected by the Migratory Bird Treaty Act (16 U.S.C. 703-712) the shooting activities shall comply with the terms of a current Migratory Bird Depredation Permit issued by the U.S. Fish and Wildlife Service. Shooting activities shall also comply with the Auburn City Code 9.34.030 and all other applicable federal, state and local laws, and shall be conducted so as to minimize the risk of injury to persons or to real or personal property.

ITEM FOUR: The Scope of Services set forth in Exhibit "A" is amended at Section S.6. to exclude water, sewer and electric charges for the 506 Building as follows:

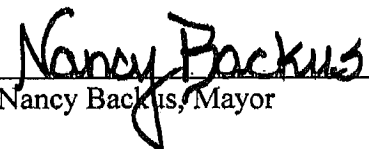
6. Airport Utilities and Other Charges: CONTRACTOR agrees at its sole expense to pay all charges for the airport's electrical, water, sewer (if any), security personnel (if any), fire system monitoring, annual fire extinguisher inspection, fire system annual inspection, and portable sanitation units, that is not attributable to a specific tenant or leased property. Provided that if there is a tenant in the building known as the 506 Building, the CONTRACTOR will pay the CITY \$300.00 (THREE HUNDRED AND NO/100 DOLLARS) and all water, sewer, and electric billings for the 506 Building will be reverted back to the CITY for payment by the CITY. CONTRACTOR is not responsible for the payment or collection of any storm water charges; but it is the responsibility of the CITY Utilities for billing and collection and the airport's enterprise fund for the payment of storm water fees.

ITEM FIVE: REMAINING TERMS UNCHANGED: All other provisions of the Agreement between the parties to day operations of the Auburn Municipal Airport executed on November 18, 2013, shall remain unchanged, and in full force and effect.

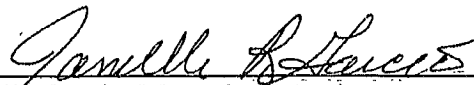
IN WITNESS WHEREOF the parties hereto have executed this Amendment as of the day and year first above written.

CITY OF AUBURN

AVIATION MANAGEMENT GROUP, LLC

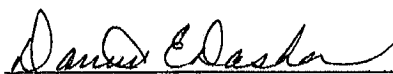


Nancy Backus, Mayor



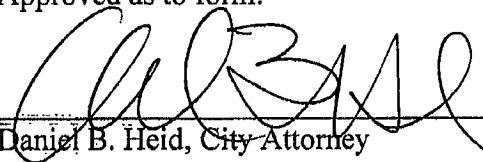
Jamelle Garcia, Managing Member

Attest:



Danielle E. Daskam, City Clerk

Approved as to form:



Daniel B. Heid, City Attorney

**Contracts Crosswalk for
Airport Management Services**

Original Section Reference	New Section Reference (if applicable)	Current Contract	New Contract ¹	Notes, as applicable
AGREEMENT FOR SERVICES²³				
Recitals	Not applicable	Aviation Management Group, LLC is hereinafter referred to as “Contractor”	Airport Management Group, LLC dba Aviation Management Group is hereinafter referred to as “Provider”.	Community Development & Public Works Department typically uses the “Provider” reference in services agreements.
Recitals	Not applicable	Provider reference states Aviation Management Group, LLC	Provider reference modified to specify Airport Management Group, LLC dba Aviation Management Group.	Change reflects formal business name of Provider on file with the Washington Secretary of State’s Office.
Recitals	Not applicable	Provider address not specified	Provider address specified.	Not applicable
1. Scope of Services	Not applicable	Exhibit reference is Exhibit “A” for attached scope of services	Exhibit reference modified to Exhibit “1”.	Agreement for Services is Exhibit “A” to the adopting resolution necessitating a change in the exhibit reference for the scope of services.
2. Additional Services	Not applicable	Specifies that the provision of additional services may be done through a task order process	Modified to specify that the provision of additional services beyond the scope of work and not addressed in the authorize compensation shall be authorized through a contract amendment	Update of Section is intended to comply with current contract provisions and ensure that any work requested by the City beyond that authorized by the agreement for services is addressed through the appropriate contract amendment process utilized by the City
Original Section	New Section	Current Contract	New Contract⁴	Notes, as applicable

¹ The term “Contractor” in the new Scope of Services is replaced by the term “Provider”.

² The New Contract version of the Agreement for Services is based on the City’s current services contract template that has been reviewed and approved by the City Attorney’s Office.

³ Please note that Section numbering was updated as needed to reflect changes in the Agreement content.

**Contracts Crosswalk for
Airport Management Services**

Reference	Reference (if applicable)			
AGREEMENT FOR SERVICES				
3. Performance of Additional Services Prior to Execution of Task Order	Not applicable	Exhibit reference is Exhibit "A" for attached scope of services	Exhibit reference is Exhibit "A" for attached scope of services.	Not applicable
4. Contractor's Representations	Not applicable	Contractor specifies it has all appropriate licenses and certifications to perform services	Modified reference to Contractor to Provider.	Not applicable
5. Schedule	Not applicable	Specifies ten (10) days for response to written notice by City	Modified time reference ten (10) working days for response to written notice by City.	Provides clarification to Provider of the actual response timeframe by clarifying that only working days (i.e. Monday through Friday) shall be counted.

⁴ The term "Contractor" in the new Scope of Services is replaced by the term "Provider".

**Contracts Crosswalk for
Airport Management Services**

Section Reference	New Section Reference (if applicable)	Current Contract	New Contract	Notes, as applicable
AGREEMENT FOR SERVICES				
6. City Responsibilities	Not applicable	Section 6.e.1 specifies that the City shall allow access to Airport Facilities and shall allow use of 1,350 square feet of the 506 Building as the Airport Office Section 6.f provide a definition of Major Capital Improvement, Major Repairs and Equipment Replacement Expenses	Section 6.e.1 specifies that the City will allow access to Airport Facilities. Section 6.e.2 specifies that the City will allow use of all or a portion of the Airport Management Office building, the area of which will be agreed to by the parties. Modified Section 6.f to add language that provides a dollar value threshold for what Major Repairs are and clarifies what Major Equipment Replacements.	The specific square footage reference was removed to recognize and provide flexibility for changes in the actual square footage usage by the Provider. City staff and Provider jointly agreed that language in current contract did not provide adequate clarity and direction on the appropriate divisions of responsibilities between the parties and that modifying this language was needed to minimize uncertainty that could impact timely response.
Not Applicable	7. Prevailing Wages	New Section not in current contract	Added new paragraph (s) pertaining to prevailing wages	The Airport is a public owned facility. Certain services conducted at the airport (e.g. janitorial services and landscape maintenance services), whether conducted by the provider or a third party, can be subject to statutory requirements for the payment and reporting of prevailing wages.

**Contracts Crosswalk for
Airport Management Services**

Section Reference	New Section Reference (if applicable)	Current Contract	New Contract	Notes, as applicable
AGREEMENT FOR SERVICES				
7. Acceptable Standards	8. Acceptable Standards	Section 7 specifies an expectation for quality of service and work product for the Provider	Modified Section 7 to add language specifying the need to pay prevailing wages ⁵ , when applicable and specifies that City shall be responsible for determining when need to be paid.	Case law has established that local governments are required to insure that prevailing wages, when applicable, are paid including those instances where the City has contracted for the provision of services such as airport management.
8. Cooperation	This Section is not in the new Agreement for Services	Section 8 specifies areas of cooperation between the two parties to the Agreement	Removed Section 8 in its entirety.	This Section is not an element in the current services agreement template and was deemed unnecessary by Community Development and Public Works with concurrence from the City Attorney's Office. As well, the issues addressed in this Section are substantively covered either in the Agreement for Services or the Scope of Services. Jamelle Garcia, Managing Member, Aviation Management Group, concurred with the removal of this Section.

⁵Prevailing Wage is defined as the hourly wage, usual benefits and overtime, paid in the largest city in each county, to the majority of workers, laborers, and mechanics. Prevailing wages are established, by the Department of Labor & Industries, for each trade and occupation employed in the performance of public work. They are established separately for each county, and are reflective of local wage conditions. Public work is all work, construction, alteration, repair or improvement that is executed at the cost of the state or any other local public agency. This includes, but is not limited to, janitorial services, demolition, remodeling, renovation, road construction, building construction, ferry construction and utilities construction. *Source: Washington State Department of Labor and Industries*

**Contracts Crosswalk for
Airport Management Services**

Section Reference	New Section Reference (if applicable)	Current Contract	New Contract	Notes, as applicable
AGREEMENT FOR SERVICES				
9. Compensation	Not applicable	Section 9.a-c specifies contract amount to be billed on a monthly basis and invoice procedures	No change	Not applicable
10. Terms of Agreement	Not applicable	Section 10 specifies the two (2) year term of the agreement	Modified to specify current Agreement term.	Not applicable
11. Reports	Not applicable	Section 11 specifies reporting procedures	Modified to change Section name to "Ownership and Use of Documents and to specify current City requirements for document management and retention.	Certain specifications (e.g. financial reporting, attendance at meetings) have been addressed in the Scope of Services.
12. Records Inspection and Audit	Not applicable	Section 12 specifies procedures for records inspection and auditing	No change	Not applicable
13. Continuation of Performance	Not applicable	Section 13 specifies expectation of Provider to act in good faith in the provision of services in the event that there is a dispute or a conflict	No change	Not applicable
14. Administration of Agreement	Not applicable	Section 14 specifies City and Provider contact information	Modified with updates City and Provider contact information.	Not applicable

**Contracts Crosswalk for
Airport Management Services**

Section Reference	New Section Reference (if applicable)	Current Contract	New Contract	Notes, as applicable
AGREEMENT FOR SERVICES				
15. Notices	Not applicable	Section 15 specifies notice procedures between the parties to the Agreement	Modified to makes limited word changes for consistency with current contract language (e.g. "any party" to "either party").	Not applicable
16. Insurance	Not applicable	Section 16 specifies insurance requirements for the Provider	Modified with requirements for Provider to be consistent with current City insurance standards pertaining to the Airport.	City's Risk and Safety Analyst worked with Provider's insurance company on updated language with oversight and concurrence from City's Community Development and Public Works Director and Jamelle Garcia, Managing Member, Aviation Management Group.
17. Indemnification	Not applicable	Section 17 specifies indemnification requirements	Modified with updates Section title and language to be consistent with current City indemnification/hold harmless requirements.	City's Risk and Safety Analyst provided updated language that was reviewed and accepted by Jamelle Garcia, Managing Member, Aviation Management Group.
18. Assignment	Not applicable	Section 18 specifies assignment or transfer obligations pertaining to the Agreement	Modified Section 18 reference to specify new Section 17 reference.	Not applicable

**Contracts Crosswalk for
Airport Management Services**

Section Reference	New Section Reference (if applicable)	Current Contract	New Contract	Notes, as applicable
AGREEMENT FOR SERVICES				
Not Applicable	19. Nondiscrimination	New Section not in current contract	Added new paragraph under Section 19 regarding Nondiscrimination.	This new Section is standard language in current City services agreement that is supported by the City Attorney's Office. Added language reviewed and accepted by Jamelle Garcia, Managing Member, Aviation Management Group.
19. Services in Potential Competition with Provider	20. Services in Potential Competition with Provider	Section 19 specifies City expectations for Provider regarding treatment of clients, customers and tenants of the Airport that compete or potentially compete with a business of the Provider or with a business of the Provider in which any principal, partner or participant of the Provider is also a principal, partner or participant.	Modified Section 19 reference to specify updated Section 20 reference and added language addressing current or future business or other relationships of Provider with private hangar owners or tenants.	Provider has existing business and other relationships with private hangar owners and tenants that the City has previously acknowledged and accepted as long as these relationships have not interfered with the provision of airport management services, which they have not. City staff and Provider agreed that it would be appropriate to recognize these current relationships and provide a formal mechanism for making the City aware of any future relationships and allowing the City to formally authorize these relationships to ensure that there is no interference with the Provider's contractual responsibility to provide airport management services.
20. Amendment, Modification or Waiver	21. Amendment, Modification or Waiver	Section 20 specifies methods for amending, modifying or waiving any element of the Agreement.	Modified Section 20 reference to specify updated Section 21 reference.	Not applicable

**Contracts Crosswalk for
Airport Management Services**

Section Reference	New Section Reference (if applicable)	Current Contract	New Contract	Notes, as applicable
AGREEMENT FOR SERVICES				
21. Remedies not Limited	22. Remedies not Limited	Section 21 specifies that nothing in the Agreement shall limit the remedies or rights of the parties.	Modified Section 21 reference to specify updated Section 22 reference.	Not applicable
22. Termination	23. Termination	Section 22 specifies the procedures for termination of the Agreement by either party.	Modified Section 22 reference to specify updated Section 23, reference, Section title reference to add "and Suspension" Section 22.a to change the "business days" reference to "working days". Modify Section 22.b to make the written notice of termination eligible for both parties. Modify Section 22.c to reference the appropriate exhibit pertaining to the fees for services.	City staff and Provider both agree that the working days' reference is a more appropriate contractual reference. The current Agreement does not provide a termination opportunity to the Provider. City staff and Provider both agree that both parties should have the same right to terminate following written notice.
23. Parties in Interest	24. Parties in Interest	Section 23 specifies that the Agreement is binding on the parties to it and does not create third party relationships with Providers, sub-providers and their sureties.	Modified Section 23 reference to specify updated Section 24 reference.	Not applicable

**Contracts Crosswalk for
Airport Management Services**

Section Reference	New Section Reference (if applicable)	Current Contract	New Contract	Notes, as applicable
AGREEMENT FOR SERVICES				
24. Costs to Prevailing Party	25. Costs to Prevailing Party	Section 24 specifies that the prevailing party shall be entitled to receive reasonable costs and attorney's fees in litigation or legal actions.	Modified Section 24 reference to specify updated Section 25 reference.	Not applicable
25. Applicable Law	26. Applicable Law	Section 25 references how this Agreement and the rights of the parties shall be governed.	Modified Section 25 reference to specify updated Section 26 reference.	Not applicable
26. Captions, Heading and Titles	27. Captions, Headings and Titles	Section 26 specifies limitations on application or meaning of captions, headings and titles.	Modified Section 26 reference to specify updated Section 27 reference.	Not applicable
27. Severable Provisions	28. Severable Provisions	Section 27 specifies that each provision of the Agreement is intended to severable and that if any provision is deemed illegal or invalid, the validity of the remainder of the Agreement is not affected.	Modified Section 27 reference to specify updated Section 28 reference.	Not applicable

**Contracts Crosswalk for
Airport Management Services**

Section Reference	New Section Reference (if applicable)	Current Contract	New Contract	Notes, as applicable
AGREEMENT FOR SERVICES				
28. Entire Agreement	29. Entire Agreement	Section 28 specifies that the Agreement is the entire understanding of both parties and supersedes all prior agreements and understandings between the parties.	Modified Section 28 reference to specify updated Section 29 reference.	Not applicable
29. Counterparts	30. Counterparts	Section 29 specifies how the Agreement may be executed and contains signatory lines.	Modified Section 29 reference to specify updated Section 30 reference and updated signatory line for Provider.	Signatory line reflects formal name of Provider – Airport Management Group, LLC dBA Aviation Management Group.

**Contracts Crosswalk for
Airport Management Services**

Section Reference	New Section Reference (if applicable)	Current Contract	New Contract ⁶	Notes, as applicable
SCOPE OF SERVICES				
A.	Not applicable	Specifies direct role of Provider in the preparation, negotiation, administration and enforcement of lease agreements, contracts, documents and instruments.	Modified to specify that the Provider shall assist the City rather than take a direct role in the administration and enforcement of lease agreements, contracts, documents and instruments	The City is the more appropriate lead in the preparation, negotiation, administration and enforcement of lease agreements, contracts, documents and instruments. City has additional capacity in these arenas with the addition of a full-time real property analyst in City administration. Further, reduces any potential conflict of interest situations for the Provider.
B.	Not applicable	Specifies that Provider will request, demand and initiate collection activities for rent and other charges.	Modified to clarify that any commencement of legal proceedings is subject to final approval of City and that the City may handle the legal proceedings.	The Airport is a City asset and Enterprise Fund. The City Attorney's Office may be utilized to address needed legal actions depending on the outstanding situation.
C.	Not applicable	Specifies that Provider may propose capital improvements or property development work.	No change	Not applicable
D.	Not applicable	Specifies that Provider will manage and operate the Airport per Agreement for Services, 7 days a week, 24 hours a day.	No change	Not applicable

⁶ The term "Contractor" in the new Scope of Services is replaced by the term "Provider".

**Contracts Crosswalk for
Airport Management Services**

Section Reference	New Section Reference (if applicable)	Current Contract	New Contract ⁷	Notes, as applicable
SCOPE OF SERVICES				
E.	Not applicable	Specifies range of services to be provided by Provider.	Modified to specify only janitorial services not provided for through leases or if the space is vacant	Certain leases specify that the lessee is responsible for janitorial services; janitorial services are not typically utilized for vacant leasable space on a regular basis.
F.	Not applicable	Specifies Provider's provision of fueling services.	Modified to specify that Provider shall provide quarterly reporting of fuel service revenue and expenses	City staff and Provider jointly agreed that quarterly reporting of fuel service revenue and expenses will provide a more detailed description of airport fuel services. In particular, fuel service expenses do not always track within the month the expense is incurred.
G.	Not applicable	Specifies Provider's role in development, submittal and oversight of rates, fees and charges at the Airport.	Modify to remove language pertaining to Provider's potential conflict of interest	Provider has notified City staff that Aviation Management Group does not have any current ownership or controlling interest in an Airport tenant and does not plan to have said interest during the term of the new Agreement.
H.	Not applicable	Specifies Provider's role in assisting in dealing with Federal and State authorities.	No change	Not applicable

⁷ The term "Contractor" in the new Scope of Services is replaced by the term "Provider".

**Contracts Crosswalk for
Airport Management Services**

Section Reference	New Section Reference (if applicable)	Current Contract	New Contract ⁸	Notes, as applicable
SCOPE OF SERVICES				
I.	Not applicable	Specifies that there is no exclusive right for Airport use by any persons providing or intending to provide aeronautical services to the public shall be permitted.	No change	Not applicable
J.	Not applicable	Specifies Provider's provision of security services.	Modified to 1) specify tenant rather than hangar in monthly security billing; 2) reference the security rate specified in the Auburn Master Fee Schedule; 3) remove language pertaining to monthly billing to the City for security services.	Tenants rather than hangars are billed. The current contract specifies an exact monthly fee rather than the fee established in the Auburn Master Fee Schedule that may be adjusted by action of the Auburn City Council. The Provider's security fee will be incorporated into its monthly invoice for services rather than separately invoiced. The remainder of the fee not paid to Provider shall be used for capital improvements to or repair of security systems.
K.	Not applicable	Specifies expectations for Hours of Operation at the Airport.	No change	Not applicable

⁸ The term "Contractor" in the new Scope of Services is replaced by the term "Provider".

**Contracts Crosswalk for
Airport Management Services**

Section Reference	New Section Reference (if applicable)	Current Contract	New Contract ⁹	Notes, as applicable
SCOPE OF SERVICES				
Not applicable	L.	New Section not in current contract	A new Section L is created pertaining to afterhours call-out resulting from emergency response. <u>Previous Section L in current contract is now Section M with resulting subsequent Section reference modifications.</u>	Provider requested that language be added pertaining to afterhours call-out inclusive of the Provider's call-out rate. City concurred and also requested that language be added pertaining to notification to the City, provision of needed documentation by Provider to City and assistance by Provider to City in recovering costs. Provider concurred with City's requested language.
L.	M.	Specifies Operating Policies and Procedures and Provider's roles and responsibilities.	No change	Not applicable
M.	N.	Specifies Collection of Fees and Rentals and Provider's roles and responsibilities.	Specifies timeframe for deposit of cash receipts. Specifies that Provider shall copy the Community Development and Public Works Department on a standard monthly accounting report of all collections. Specifies that Provider will provide this accounting report within 5 working days after the end of the month the collections occur.	City staff and Provider concurred that modifications help clarify information sharing and submittal timeframe expectations.
Section	New Section	Current Contract	New Contract¹⁰	Notes, as applicable

⁹ The term "Contractor" in the new Scope of Services is replaced by the term "Provider".

**Contracts Crosswalk for
Airport Management Services**

Reference	Reference (if applicable)			
SCOPE OF SERVICES				
Not applicable	O.	New Section not in current contract	A new Section O is created entitled Credit Card Processing pertaining to credit card processing, if applicable. Previous Section O in current contract is now Section Q.	Provider does not currently process credit cards for payment of fees other than fueling. City Finance Director requested that this language be added in the event that the Provider does decide to engage in credit card processing activities.
N.	P.	Specifies Emergency Preparedness and Provider's roles and responsibilities	This Section was previous Section O in current contract. No change in Section language.	Not applicable

¹⁰ The term "Contractor" in the new Scope of Services is replaced by the term "Provider".

**Contracts Crosswalk for
Airport Management Services**

Section Reference	New Section Reference (if applicable)	Current Contract	New Contract ¹¹	Notes, as applicable
SCOPE OF SERVICES				
O.	Q.	Specifies Financial Reports and Provider's roles and responsibilities.	This Section modifies previous Section O in current contract. Section is now entitled Finance Reports. Specifies types of financial transaction reporting. Specifies Community Development Director and Assistant Director of Engineering Services/City Engineer will be copied on approval of format and content of monthly financial reports. Specifies financial reports shall be submitted within 5 working days after end of the month.	City staff and Provider concurred that modifications help clarify information sharing and submittal timeframe expectations
P.	R.	Specifies Support of Airport Interest Groups and Provider's roles and responsibilities.	This Section was previous Section P in current contract. No change in Section language.	Not applicable

¹¹ The term "Contractor" in the new Scope of Services is replaced by the term "Provider".

**Contracts Crosswalk for
Airport Management Services**

Section Reference	New Section Reference (if applicable)	Current Contract	New Contract ¹²	Notes, as applicable
SCOPE OF SERVICES				
Q.	S.	Specifies Emergency Expenditures and Provider's roles and responsibilities.	This Section was previous Section Q in current contract. No change in Section language.	Not applicable
R.	T.	Specifies City Reimbursement and City's/Provider's roles and responsibilities.	This Section was previous Section R in current contract. No change in Section language.	Not applicable
S.	U.	Specifies Maintenance/Utilities and Provider's roles and responsibilities	This Section was previous Section S. in current contract. Modifies numeric sub-references to roman numeral sub-references in U.1.b. Adds term "existing or upgraded" Airport owned systems to U.1.b.iv. Adds terms "inclusive of lighting and markings necessary for runway operations" to end of U.1.b.iv. Adds language to U.3 (Temporary Closure) regarding procedures for snow and ice removal.	City staff and Provider concurred that language additions to this Section help to clarify shared understanding of expected actions.

¹² The term "Contractor" in the new Scope of Services is replaced by the term "Provider".

**Contracts Crosswalk for
Airport Management Services**

Section Reference	New Section Reference (if applicable)	Current Contract	New Contract ¹³	Notes, as applicable
SCOPE OF SERVICES				
Not applicable	V.	New Section not in current contract	A new Section V is created entitled Industrial Stormwater Permit Compliance pertaining to Provider's role in helping the City maintain compliance with the required Washington State permit for the Airport. Previous Section V in current contract is now Section W.	Provider has previously been assisting the City with this effort. City staff and Provider concurred that it was beneficial for clarity to specify roles and responsibilities for both parties in this effort going forward to ensure that there is no uncertainty or unintentional failure to act, as required and needed.
T.	W.	Specifies Environmental Protection provisions and Provider's roles and responsibilities.	Minor modification (language relocation) at opening of W.1. Struck W.3 from current contract in new contract.	City staff and Provider concurred that W.3 in the current contract is more appropriately addressed in individual lease agreements and is unnecessary in the Scope of Services for the Provider.
U.	X.	Specifies Planning, Development and Audit and Provider's roles and responsibilities.	This Section was previous Section U. in current contract. Removes X.4 (U.4 in current contract) pertaining to proposed development. Removes X.6 (U.6 in current contract) pertaining to making records available for review and audit.	City staff and Provider concurred on the Removal of X.4 (U.4 in current contract) pertaining to proposed development. City staff and Provider concurred on the removal of X.6 (U.6 in current contract) because it is already substantively addressed in the Section of the Agreement for Services entitled Records Inspection and Audit.

¹³ The term "Contractor" in the new Scope of Services is replaced by the term "Provider".

**Contracts Crosswalk for
Airport Management Services**

Section Reference	New Section Reference (if applicable)	Current Contract	New Contract ¹⁴	Notes, as applicable
SCOPE OF SERVICES				
V.	Y.	Specifies Biennial Budget preparation and Provider's roles and responsibilities.	This Section was previous Section V. in current contract. Modifies subsection from current contract that referenced Provider's submittal of information under the sub-headings of Biennial Budget and Capital Projection to the sub-headings and associated text identified as Revenues, Expenses and Capital Improvements.	City staff and Provider concurred that language modifications in the subsections provide additional clarity pertaining to the City's needs and expectations for budget related information.
W.	Z.	Specifies Performance Standards and Provider's roles and responsibilities.	This Section was previous Section W. in current contract. No change in Section language.	Not applicable
X.	AA.	Specifies Provider's Duty to Repair and Provider's roles and responsibilities.	This Section was previous Section X. in current contract. Removes language "except to the extent the actions were required by the direction of the City."	City staff and Provider concurred that removed language was not needed.
Y.	BB.	Specifies Compliance with Heightened Security Requirements and Provider's roles and responsibilities.	This Section was previous Section Y. in current contract. No change in Section language.	Not applicable
Section	New Section	Current Contract	New Contract¹⁵	Notes, as applicable

¹⁴ The term "Contractor" in the new Scope of Services is replaced by the term "Provider".

**Contracts Crosswalk for
Airport Management Services**

Reference	Reference (if applicable)			
SCOPE OF SERVICES				
Z.	CC.	Specifies Exclusion for Litigation Support pertaining to services requested of Provider for litigation support.	This Section was previous Section Z. in current contract. No change in Section language.	Not applicable
RESOLUTION No. 5166				
Item III – AA.	DD.	Specifies Wildlife Depredation and Provider's roles and responsibilities. Previously Section AA approved through Amendment #1 to the original agreement	Section DD was added to incorporate the previous amendment language. No change in Section language.	Not applicable.

¹⁵ The term "Contractor" in the new Scope of Services is replaced by the term "Provider".



AGENDA BILL APPROVAL FORM

Agenda Subject:

Regional Water Supply Discussion (30 Minutes) (Snyder)

Date:

March 6, 2017

Department:

CD & PW

Attachments:

[Regional Water Supply 3-13-2017](#)

Budget Impact:

\$0

Administrative Recommendation:

For discussion only.

Background Summary:

In October 2015, staff discussed with the City Council two options for meeting future water supply demands and for providing redundant supplies when existing supplies are out of service for maintenance and rehabilitation. These options fall into two basic categories:

- Investing in Auburn-owned supplies
- Purchasing additional regional water supply from Tacoma Public Utilities (Tacoma) and the Cascade Water Alliance (CWA)

Under the terms of the 2013 agreement with the CWA, the City must notify CWA by June 30, 2017 if it intends to purchase additional regional water supply, in addition to the regional water supply that Auburn has already purchased from CWA and Tacoma.

Staff is meeting with CWA staff in late March to discuss this water supply option, and is seeking the City Council's affirmation of its previous decision to invest in Auburn-owned sources rather than purchase additional regional water supply.

History of Regional Water Supply Purchases

Under the terms of agreements with Tacoma and CWA, Auburn paid System Development Charges (SDCs) to Tacoma and CWA for the right to use regional surface water to augment Auburn's own groundwater and spring supplies.

- 2012 – paid Tacoma \$5.2 million for 1.0 million gallons per day (mgd) average day use [1.8 mgd peak day use]
- 2013 – agreed to pay CWA a total of \$10.1 million over the period 2017 through 2029 for 2.5 mgd average day use [3.32 mgd peak day use] for water supplied by Tacoma

Note that the City also pays for the actual water supplied by Tacoma. The current rate for purchasing Tacoma water is \$2.12 per 100 cubic feet (ccf) from October through May (“winter water use”), and \$2.64 per ccf from June through September (“summer peak”).

Water Supply Options

Option 1: Investing in Auburn-Owned Supplies. Auburn’s Comprehensive Water Plan identifies projects to increase water supply capacity for Coal Creek Springs and for several wells to add redundancy and reliability to Auburn’s supply sources. The Coal Creek Springs enhancement is proposed for implementation within the next 10 years. Coal Creek Springs is Auburn’s most productive and cost-effective supply source. Future well projects will further increase supply and preserve the water rights associated with these projects.

Option 2: Purchasing Additional Regional Water Supply from Tacoma and CWA.

The 2013 agreement with CWA allows Auburn the option of purchasing the right to use up to an additional 2.763 mgd average daily use (3.68 mgd peak day use) of regional water supplied by Tacoma. Auburn would pay CWA \$1.98 million and would pay Tacoma \$8.99 million between 2017 and 2029, for a total cost of \$10.97 million.

Conclusions

- The 3.5 mgd average day use (5.12 mgd peak day use) already purchased by Auburn from the regional supply provides sufficient redundancy to help Auburn address any unforeseen supply outages.
- Auburn’s existing water supplies and future planned improvements are sufficient to meet projected future water demands.
- The capital cost of expanding Auburn water supplies on a per mgd basis is less than the capital cost of purchasing additional Tacoma water.
- Future water rate increases would be less with expanded Auburn supplies than with purchasing additional Tacoma capacity.
- Use of Auburn supplies would minimize the purchase of more expensive Tacoma water under the existing Tacoma contract.
- Water produced from Auburn supplies is more cost-effective than Tacoma supplies.
- The diversity of Auburn’s supplies (springs and wells distributed throughout the service area) minimizes risk and improves operational flexibility.

Recommendations

1. Invest in expanding Auburn’s water supply to meet future peak demands and provide redundancy.

2. Do not purchase from CWA and Tacoma the additional regional water supply of up to 2.763 mgd average day use.

Reviewed by Council Committees:

Councilmember:

Staff: Tobin

Meeting Date: March 13, 2017

Item Number:

ENGINEERING SERVICES

REGIONAL WATER SUPPLY DISCUSSION

**LISA TOBIN, UTILITIES ENGINEERING MANAGER
CITY COUNCIL STUDY SESSION
MARCH 13, 2017**

Community Development and Public Works Department

Engineering Services • Administrative Services • Environmental Services
Community Development Services • Maintenance & Operations Services

AUBURN
VALUES

S E R V I C E

E N V I R O N M E N T

E C O N O M Y

C H A R A C T E R

S U S T A I N A B I L I T Y

W E L L N E S S

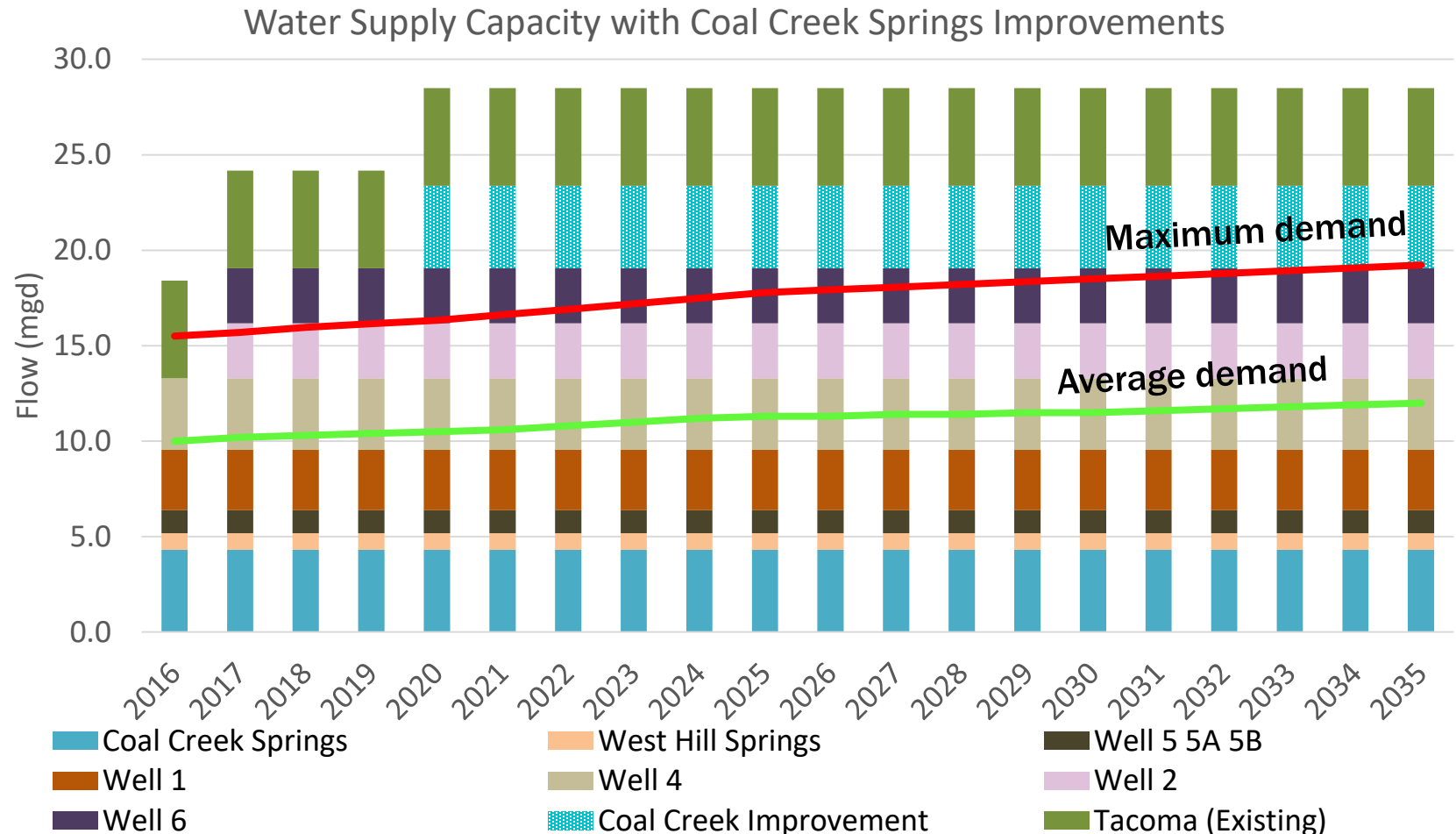
C E L E B R A T I O N

TONIGHT - REVIEW AUBURN'S PARTICIPATION IN REGIONAL WATER SUPPLY

- **2012 - Purchased 1.8 mgd from Tacoma
– \$5.2 M**
- **2013 – Purchased 3.32 mgd from
Cascade Water Alliance (CWA) - \$10.1 M**
- **2013 – Option with CWA and Tacoma
for additional 3.68 mgd - \$10.97 M**

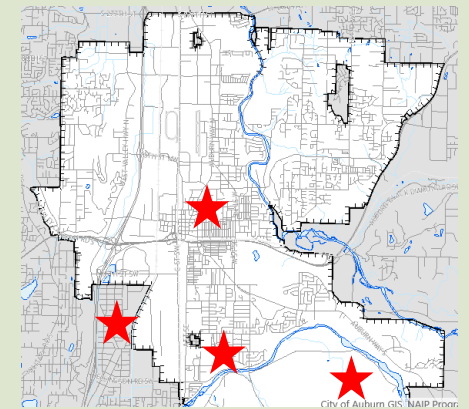
Option Deadline June 30, 2017

AUBURN'S WATER SUPPLY AND DEMAND



FUTURE AUBURN WATER SUPPLIES

Project	New Peak Capacity, mgd	Estimated Cost (2014 \$)
Coal Creek Springs & Howard Road Expansion	4.3	\$5.8 M
Well 7* or Wells 3A/3B Treatment	4.0	\$9 M - \$12 M
Algona Well Relocation	0.7	\$1.5 M
*Well 7 can use Wells 3A/3B water right		



COST/BENEFIT EVALUATION

	Auburn	Tacoma/CWA
Additional source capacity	e.g., Coal Creek Springs Improvements	Regional interties
Availability of sources	2020+	Now
Additional peak quantity, mgd	4.3 mgd	3.68 mgd
Capital Cost (2017 \$)	\$5.8 million (\$1.35 million per mgd)	\$10.97 million (\$2.96 million per mgd)
Operating Cost, \$/100 cubic feet	\$0.36	\$2.12 - 2.64
Utility rate impact	Lower (2.6% average annually over 20 years)	Higher (3.0% average annually over 20 years)
Reliability	Medium to High	Medium to High
Risk	Low	Medium

SERVICE • ENVIRONMENT • ECONOMY • CHARACTER • SUSTAINABILITY • WELLNESS • CELEBRATION

WHICH WATER SUPPLY SERVICE STRATEGY SHOULD AUBURN PURSUE TO ENSURE SUFFICIENT REDUNDANCY?

- **Invest in Auburn's water supply sources and minimize regional water purchases from Tacoma**

OR

- **Purchase additional block of water from Tacoma/CWA**

CONCLUSIONS & RECOMMENDATIONS

- Auburn can meet demands to buildout
 - Tacoma supply block already purchased provides sufficient redundancy
 - Auburn has options to perfect its water rights and increase its independent supply that result in highest ROI
-
- **Staff recommends invest in Auburn supply sources and not purchase additional Tacoma/CWA supply block**

DISCUSSION

SERVICE • ENVIRONMENT • ECONOMY • CHARACTER • SUSTAINABILITY • WELLNESS • CELEBRATION



AGENDA BILL APPROVAL FORM

Agenda Subject:

Domestic Violence Enforcement and Prosecution Report
(10 Minutes) (Lee/Heid)

Date:

March 7, 2017

Department:

Police

Attachments:

No Attachments Available

Budget Impact:

\$0

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

Bob Lee

Meeting Date: March 13, 2017

Item Number: