



WENATCHEE CITY COUNCIL

Thursday, August 24, 2017

Wenatchee City Hall
129 South Chelan
Wenatchee, WA 98801

AGENDA

5:15 p.m. Regular Meeting

1. Call to Order, Pledge of Allegiance, and Roll Call.

2. Consent Items:

- Motion to approve agenda, vouchers, and minutes from previous meetings.

Vouchers:

Payroll distribution in the amount of \$366.86 for August 8, 2017

Claim checks #182875 through #182945 in the amount of \$203,723.18 for August 10, 2017

Claim checks #182946 through #183038 in the amount of \$661,032.72 for August 17, 2017

Payroll distribution in the amount of \$304,215.00 for August 18, 2017

Payroll distribution in the amount of \$4,745.92 for August 18, 2017

- Resolution No. 2017-44, revising the regular meeting schedule for November and December, 2017.
- Resolution No. 2017-45, declaring certain personal property surplus to the needs of the City of Wenatchee and authorizing the Department of Public Works to dispose of the personal property identified herein.

3. Citizen Requests/Comments.

The "Citizen Comments" period is to provide the opportunity for members of the public to address the Council on items either not on the agenda or not listed as a public hearing. The Mayor will ask if there are any citizens wishing to address the Council. When recognized, please step up to the microphone, give your name and mailing address, and state the matter of your interest. If your interest is an agenda item, the Mayor may suggest that your comments wait until that time. Citizen comments will be limited to three minutes.

4. Presentations.

- AWC/RMSA Retro Safety Academy Graduates

5. Action Items.

A. LTGO Bond Ordinance

Presented by Finance Director Brad Posenjak and Economic Development Director Steve King

Ordinance No 2017-19, establishing a line of credit not to exceed \$5,000,000, and authorizing the Mayor Pro Tempore to execute the bond purchase contract with North Cascades Bank.

B. Supplement #3 to Agreement with HDR Engineering for McKittrick Street Rebuild Project No. 1501

Presented by City Engineer Gary Owen

Motion for City Council to authorize the Mayor to sign Supplemental Agreement #3 with HDR Engineering, Inc. for the McKittrick Street Rebuild Project, City Project #1501.

C. Interlocal Cooperative Agreement between the City of Wenatchee and Chelan County

Presented by Public Works Director Matt Leonard and Utilities Manager Mitch Reister

Motion for City Council to approve the Interlocal Agreement with Chelan County of labor, equipment and materials, and authorize the Mayor's signature.

D. Wenatchee Federal Building Architectural Services

Presented by Economic Development Director Steve King

Motion for City Council to authorize the Mayor to negotiate and sign contracts with ARC Architects for architectural services associated with evaluation of repurposing the Federal Building for a new City Hall.

E. Project #1518 Final Acceptance

Presented by Public Works Director Matt Leonard

Motion for City Council to accept the work performed by the Contractor Taurus Power & Controls, for the Domestic Water SCADA System Upgrade, Project 1518 and further authorize the Mayor to sign the Final Contract Voucher Certification on behalf of the City of Wenatchee.

F. Annexation 10 Percent Petition – Shieni

Presented by Associate Planner Matt Parsons and Housing and Community Planner Brooklyn Holton

Motion for City Council to approve the annexation boundary including the applicant's parcel and adjacent right of way of the ten percent (10%) annexation petition for property located in an unincorporated area northeast of Stella Avenue and Walnut Street to require the adoption of the proposed zoning regulations as it is set forth in the Comprehensive Plan of the City as North Wenatchee Business District, and to require the assumption of existing indebtedness of the City by the area to be annexed.

- G. Agreement – Pedestrian Access - Draggoo
Presented by Community Development Staff

Motion for City Council to authorize the Mayor to sign the Pedestrian Access Agreement.

6. Public Hearings. None.

7. Reports.

- a. Mayor's Report
- b. Reports/New Business of Council Committees

8. Announcements.

9. Adjournment.



DRAFT

WENATCHEE CITY COUNCIL MEETING

Thursday, August 10, 2017

Wenatchee City Hall
129 South Chelan
Wenatchee, WA 98801

MINUTES

In attendance:

Mayor Frank Kuntz
Councilmember Jim Bailey
Councilmember Ruth Esparza
Councilmember Lyle Markhart
Councilmember Keith Huffaker
Councilmember Mark Kulaas
Councilmember Linda Herald
Councilmember Mike Poirier

Staff in attendance:

Executive Services Director Allison Williams
City Attorney Steve Smith
City Clerk Tammy Stanger
IS Support Jessie Saucedo
Public Information Officer Annagrisel Alvarez
Parks & Recreation Director David Erickson
Economic Development Director Steve King
Public Works Director Matt Leonard
Associate Planner Kirsten Larsen
City Engineer Gary Owen
Finance Director Brad Posenjak
Planning Manager Stephen Neuenschwander
Human Resources Director Kari Page

5:15 p.m. Regular Meeting

1. Call to Order, Pledge of Allegiance, and Roll Call.

The Mayor called the regular meeting of the Wenatchee City Council to order at 5:15 p.m. Councilmember Linda Herald led the Pledge of Allegiance. All Councilmembers were present.

2. Consent Items:

- Motion to approve agenda, vouchers, and minutes from previous meetings.

Motion to approve the consent items by Councilmember Keith Huffaker.
Councilmember Jim Bailey seconded the motion. Motion carried (7-0).

3. Citizen Requests/Comments. None.

4. Action Items.

A. Wenatchee Arts, Recreation & Parks Commission Appointment

Parks & Recreation Director David Erickson presented the staff report.

Motion by Councilmember Keith Huffaker to approve Resolution No. 2017-40, appointing a member to the Wenatchee Arts, Recreation and Parks Commission (Sophia Dillon). Councilmember Lyle Markhart seconded the motion. Motion carried (7-0).

B. Women's Resource Center Lease

Executive Services Director Allison Williams presented the staff report. Laurel Turner, Executive Director for the Women's Resource Center, was also present. Council asked questions.

Motion by Councilmember Mike Poirier for City Council to authorize the Mayor's signature on the lease between the City of Wenatchee and the Women's Resource Center of North Central Washington for Parkside Parcel D of BLA-2015-001WE. Councilmember Linda Herald seconded the motion. Motion carried (7-0).

C. Surplus Property – North Wenatchee Property

Economic Development Director Steve King presented the staff report.

Motion by Councilmember Ruth Esparza to approve Resolution No. 2017-42, declaring certain real property surplus to the needs of the City of Wenatchee. Councilmember Linda Herald seconded the motion. Motion carried (7-0).

D. Public Records Act Update – Fee Update for Copies of Public Records

City Attorney Steve Smith presented the staff report. Council asked questions.

Motion by Councilmember Mark Kulaas to approve Ordinance No. 2017-17, amending Ordinance No. 2008-08, Section VI and adding a new section in Ch. 1.99 of the Wenatchee City Code regarding the fees imposed for copies of public records. Councilmember Jim Bailey seconded the motion. Motion carried (7-0).

E. McKittrick Street Right-of-Way Purchase

Economic Development Director Steve King and Public Works Director Matt Leonard presented the staff report. Council asked questions.

Motion by Councilmember Ruth Esparza for City Council to authorize the expenditure of up to \$1.25 million for the purchase of right-of-way associated with the McKittrick Street Extension and further authorize the Mayor to negotiate the terms of a public-private partnership development agreement. Councilmember Linda Herald seconded the motion. Motion carried (7-0).

F. Pre-Purchase Agreement with LocalTel Federal Building, LLC

Economic Development Director Steve King presented the staff report. Dimitri Mandelis, one of the owners of LocalTel was also present. Council asked questions.

Motion by Councilmember Mark Kulaas for City Council to authorize the Mayor to sign a pre-purchase agreement with LocalTel Federal Building, LLC, in anticipation of purchasing a portion of the Wenatchee Federal Building. Councilmember Lyle Markhart seconded the motion. Motion carried (7-0).

G. Addition of Property to Wenatchee Register of Historic Places

Associate Planner Kirsten Larsen presented the staff report. Ron Lodge, the property owner, was also present. Council asked questions.

Motion by Councilmember Keith Huffaker to approve Resolution No. 2017-43, adding 708 S. Wenatchee Avenue to the Wenatchee Register of Historic Places. Councilmember Mark Kulaas seconded the motion. Motion carried (7-0).

5. Public Hearings.

The Mayor explained the public hearing process.

H. Surplus Property – Firestone Parking Lot

Economic Development Director Steve King presented the staff report. Council asked questions.

The Mayor then asked for public comment.

Vernon Cox raised his concerns about taking away the parking lot for the current businesses that use it, and having apartments developed in its place. He too would like to be given the opportunity to purchase and develop the lot.

Council further discussed and stated that Mr. Cox raises some good points. Staff will consider and respond to Mr. Cox accordingly.

Economic Development Director Steve King provided information relating to the recent parking study and believes that the city should optimize the use of the parking on streets and underutilized parking lots.

Motion by Councilmember Mike Poirier to approve Resolution No. 2017-39, declaring certain real property surplus to the needs of the City of Wenatchee. Councilmember Lyle Markhart seconded the motion. Motion carried (7-0).

I. 2018-2023 Transportation Improvement Program

City Engineer Gary Owen presented the staff report. He said next year all of the projects will be mapped out. Council asked questions.

The Mayor asked for any public comment. There was no one who wished to speak.

Motion by Councilmember Mark Kulaas to approve Ordinance No. 2017-18, adopting a revised and extended comprehensive street program for the ensuing six years for the City of Wenatchee as required by the laws of the State of Washington. Councilmember Keith Huffaker seconded the motion. Motion carried (7-0).

6. Reports.

a. Mayor's Report

The Mayor recognized State Representative Mike Steele who was present and asked him if he had a few words to say.

Representative Steele said that the capital budget is not expected to pass until a compromise to the Hirst water bill is reached. Until then, the legislature will not agree to pass a budget. He spoke about the current hot topics, which included the affordable workforce housing initiative, and the public disclosure laws. It was the longest session in history and the first time a budget was not passed.

The Mayor reported on the following:

- (1) He will be the facilitator for Senator Cantwell's Town Hall meeting on Saturday.
- (2) The new Cash & Carry store's grand opening is Saturday.
- (3) The Finance Committee met today and agreed that they would like to see a budget with 100% of property taxes received going to the street fund.
- (4) He leaves for Misawa next Friday.
- (5) The city will host the First Street Pop Up Bike Event tomorrow from 4pm to 7pm.

b. Reports/New Business of Council Committees

- (1) Councilmember Linda Herald announced her son has officially retired from the Army and is now a civilian. He has been watching the City Council meeting videos and said he is “proud of his city and that everyone is doing an outstanding job.”
- (2) Councilmember Mark Kulaas has provided copies of some handouts from the AWC legislative committee meeting he attended two weeks ago, which include city priorities and unresolved 2017 issues.

7. Announcements. None.

8. Adjournment. With no further business the meeting adjourned at 6:33 p.m.

Frank J. Kuntz, Mayor

Attest:

Tammy L. Stanger, City Clerk

COUNCIL AGENDA REPORT

TO: Frank Kuntz, Mayor
City Council Members

FROM: Tammy Stanger, City Clerk

SUBJECT: Resolution 2017-44

DATE: July 24, 2017

Resolution No. 2017-44 revises the regular meeting schedule of the Wenatchee City Council for the months of November and December 2017 due to the national holidays. The resolution revises the meeting dates as follows:

November 2	Special Meeting
November 9	Regular Meeting
November 16	Special Meeting
November 23	No Meeting
December 7	Special Meeting
December 14	No Meeting
December 28	Special Meeting at noon (for the purpose of swearing in new councilmembers)
December 28	No Regular Meeting

The revised meeting schedule is necessary to avoid conflicts with the holidays, for special meetings to be held for the purpose of holding public hearings for the budget adoption, and for the city council to conduct such other business as it may need to transact.

Action Requested: Motion for City Council to adopt Resolution No. 2017-44, revising the regular meeting schedule for November and December, 2017.

RESOLUTION NO. 2017-44

A RESOLUTION, revising the regular meeting schedule for November and December, 2017.

WHEREAS, RCW 35A.12.110 provides that City Council shall meet regularly, at least once per month; and

WHEREAS, WCC 1.07.010 provides that regular meetings of the Council shall be held on the second and fourth Thursdays of the month, and that special meetings may be called by the Mayor or any three Council members; and

WHEREAS, the regular meeting date of November 23, 2017 is the national Thanksgiving holiday; and

WHEREAS, the Council desires to cancel the regular meetings of November 23 and December 21, 2017 to avoid conflicts with the Thanksgiving holiday and Christmas holiday; and

WHEREAS, the Council desires to schedule special meetings on November 2 and 16, and December 7, 2017 for purposes of public hearings on the 2017 budget and such other business as it may need to transact; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WENATCHEE as follows:

SECTION I

The meeting dates of the City Council for November and December, 2017 shall be and hereby are revised as follows:

November 2	-	Special Meeting
November 9	-	Regular Meeting

November 16 - Special Meeting
November 23 - No Meeting
December 7 - Special Meeting
December 14 - No Meeting
December 28 - Special Meeting at 12:00 p.m.
December 28 - No Regular Meeting

SECTION II

Notice of the revised meeting schedule shall be provided to each local newspaper of general circulation and to each local radio or television station which has on file with the Council a written request to be notified of such special meeting or of all special meetings. Such notice shall be delivered personally or by mail at least 24 hours before the time of such meeting as specified in the notice. The notice shall specify the time and place of the special meeting and the business to be transacted.

PASSED BY THE CITY COUNCIL OF THE CITY OF WENATCHEE, at a regular meeting thereof, this 24th day of August, 2017.

CITY OF WENATCHEE, a Municipal
Corporation

By: _____
FRANK KUNTZ, Mayor

ATTEST:

By: _____
TAMMY L. STANGER, City Clerk

APPROVED:

By: _____
STEVE D. SMITH, City Attorney

**COUNCIL AGENDA REPORT
PUBLIC WORKS DEPARTMENT**

TO: Frank Kuntz, Mayor
City Council

FROM: Matt Leonard, Director of Public Works



SUBJECT: Resolution 2017-45 - Declaring certain personal property surplus to the needs of the City.

DATE: August 21, 2017

MEETING DATE: August 24, 2017

I. OVERVIEW

The City has various equipment and materials that are surplus to the needs of the City. The attached Resolution No. 2017-45 describes the process and Exhibit A lists the surplus equipment.

II. ACTION REQUESTED

Staff recommends that the City Council **adopt Resolution 2017-45 declaring certain personal property surplus to the needs of the City of Wenatchee and authorize the Department of Public Works to surplus the property.**

III. FISCAL IMPACT Submitted to the Finance Committee Yes No

Proceeds for vehicles and equipment will go into each fund that that originally purchased the equipment and vehicles.

IV. REFERENCE(S)

1. Resolution 2017-45

V. ADMINISTRATIVE ROUTING

Tammy Stanger, City Clerk
Brad Posenjak, Finance Director

RESOLUTION NO. 2017-45

A RESOLUTION, declaring certain personal property surplus to the needs of the City of Wenatchee and authorizing the Department of Public Works to dispose of the personal property identified herein.

WHEREAS, the City of Wenatchee owns the personal property legally described on Exhibit "A"; and

WHEREAS, the personal property described on Exhibit "A" is surplus to the needs of the City; and

WHEREAS, the City of Wenatchee has the statutory authority to dispose of said personal property under RCW 35A.11.010 and Chapter 1.34 WCC as currently enacted.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Wenatchee, as follows: The personal property described on Exhibit "A" is declared surplus to the needs of the City of Wenatchee. The Department of Public Works of the City of Wenatchee is hereby authorized and directed to sell, transfer, and convey the personal property described on Exhibit "A" in accordance with Chapter 1.34 WCC.

PASSED BY THE CITY COUNCIL OF THE CITY OF WENATCHEE, at a regular meeting thereof, this ____ day of _____, 2017.

CITY OF WENATCHEE, a Municipal
Corporation

By: _____
FRANK KUNTZ, Mayor

ATTEST:

By: _____
TAMMY STANGER, City Clerk

APPROVED

By: _____
STEVE D. SMITH, City Attorney

Council Agenda Report

To: Mayor Frank Kuntz
City Council Members

From: Maria Holman, Human Resources Generalist

Date: August 24, 2017

RE: AWC/Retro Safety Academy graduates.

We are pleased to present the following employees with a certificate of achievement for completing the Retro Safety Academy. These graduates have completed a 12-class training course covering workplace safety and compliance standards. The AWC Retro Safety Academy helps to strengthen our safety culture and increases awareness in safety.

Cammy Coble
Kari Page
Ruta Jones

Tim McCord
Kevin Patrick
Jenni Rayson

Adam Reichert
Elizabeth Rivera
Devlin Walt

Additionally, AWC recognizes the benefit of safety training; for 2017, the City received a \$3,502.24 Retro Service Fee discount for having safety trained individuals on our City Team.

EVERYONE HOME SAFE EVERY NIGHT!

**COUNCIL AGENDA REPORT
FINANCE DEPARTMENT**

TO: Frank Kuntz, Mayor
City Council Members

FROM: Brad Posenjak, Finance Director
Steve King, Economic Development Director

SUBJECT: Bond Ordinance

DATE: August 24, 2017

I. OVERVIEW

The city is in the process of purchasing property on North Wenatchee Avenue to facilitate the acquisition of right of way for public streets and redevelopment of properties impacted in the 2015 Sleepy Hollow fires. To cash-flow the right-of-way and redevelopment purchases, a line-of-credit of up to \$5,000,000 is required. Revenues from future grant revenues and the sale of property remnants are expected to cover all principal and interest costs related to the financing. The bond purchase contract uses a variable interest rate that is currently 3.5%. We don't expect to need financing to extend beyond 5 years, but if that is the case, the outstanding balance will convert to fixed rate borrowing for another 5 years. Kutak Rock LLP has prepared and reviewed the bond ordinance and purchase contract.

II. ACTION REQUESTED

Staff requests the City Council adopt Ordinance 2017-19, establishing a line of credit not to exceed \$5,000,000, and authorizing the Mayor Pro Tempore to execute the bond purchase contract with North Cascades Bank.

III. FISCAL IMPACT

The average annual interest costs is estimated at approximately \$100,000 per year over the next 3 years. The interest is expected to be paid from the proceeds of property sales related to this project.

This has been reviewed by Finance Committee.

IV. MOTION

I move to approve Ordinance 2017-19, authorizing the establishment of a line of credit to be drawn upon in exchange for the sale, issuance and delivery of not to exceed \$5,000,000 of the city's limited tax general obligation bonds, series 2017 (taxable revolving line of credit); providing for the designation, date, terms, maturities, form, payment and prepayment provisions of the bonds; authorizing the Mayor or the Mayor Pro Tempore to execute a bond purchase contract; pledging the city's full faith, credit and resources to the payment of the bonds; creating and adopting certain funds and accounts and providing for deposits therein; designating the registrar; providing for registration and authentication of the bonds; and providing for other matters properly relating thereto.

V. ATTACHMENTS

Ordinance 2017-19
Exhibit "A" – Bond
Exhibit "B" – Form of Draw Certificate
Exhibit "C" – Form of Summary of Ordinance 2017-19
Exhibit "D" – Bond Purchase Contract

VI. ADMINISTRATIVE ROUTING

Tammy Stanger, City Clerk
Allison Williams, Executive Services Director
Steve King, Economic Development Director
Steve Smith, City Attorney

ORDINANCE NO. 2017-19

AN ORDINANCE OF THE CITY OF WENATCHEE, CHELAN COUNTY, WASHINGTON, AUTHORIZING THE ESTABLISHMENT OF A LINE OF CREDIT TO BE DRAWN UPON IN EXCHANGE FOR THE SALE, ISSUANCE AND DELIVERY OF NOT TO EXCEED \$5,000,000 OF THE CITY'S LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2017 (TAXABLE REVOLVING LINE OF CREDIT); PROVIDING FOR THE DESIGNATION, DATE, TERMS, MATURITIES, FORM, PAYMENT AND PREPAYMENT PROVISIONS OF THE BONDS; AUTHORIZING THE MAYOR OR THE MAYOR PRO TEMPORE TO EXECUTE A BOND PURCHASE CONTRACT; PLEDGING THE CITY'S FULL FAITH, CREDIT AND RESOURCES TO THE PAYMENT OF THE BONDS; CREATING AND ADOPTING CERTAIN FUNDS AND ACCOUNTS AND PROVIDING FOR DEPOSITS THEREIN; DESIGNATING THE REGISTRAR; PROVIDING FOR REGISTRATION AND AUTHENTICATION OF THE BONDS; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

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Exhibit “C”:	Form of Summary of Ordinance	
Exhibit “D”:	Bond Purchase Contract	

ORDINANCE NO. 2017-19

AN ORDINANCE OF THE CITY OF WENATCHEE, CHELAN COUNTY, WASHINGTON, AUTHORIZING THE ESTABLISHMENT OF A LINE OF CREDIT TO BE DRAWN UPON IN EXCHANGE FOR THE SALE, ISSUANCE AND DELIVERY OF NOT TO EXCEED \$5,000,000 OF THE CITY'S LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2017 (TAXABLE REVOLVING LINE OF CREDIT); PROVIDING FOR THE DESIGNATION, DATE, TERMS, MATURITIES, FORM, PAYMENT AND PREPAYMENT PROVISIONS OF THE BONDS; AUTHORIZING THE MAYOR OR THE MAYOR PRO TEMPORE TO EXECUTE A BOND PURCHASE CONTRACT; PLEDGING THE CITY'S FULL FAITH, CREDIT AND RESOURCES TO THE PAYMENT OF THE BONDS; CREATING AND ADOPTING CERTAIN FUNDS AND ACCOUNTS AND PROVIDING FOR DEPOSITS THEREIN; DESIGNATING THE REGISTRAR; PROVIDING FOR REGISTRATION AND AUTHENTICATION OF THE BONDS; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

**CITY OF WENATCHEE
Chelan County, Washington**

**LIMITED TAX GENERAL OBLIGATION BONDS,
SERIES 2017 (TAXABLE REVOLVING LINE OF CREDIT)
PRINCIPAL AMOUNT OF NOT TO EXCEED \$5,000,000**

THE CITY COUNCIL OF THE CITY OF WENATCHEE, CHELAN COUNTY, WASHINGTON, DOES ORDAIN, as follows:

WHEREAS, the City of Wenatchee, Chelan County, Washington (the "City"), is a code city duly organized and existing under and by virtue of the Constitution and the laws of the state of Washington (the "State") now in effect;

WHEREAS, RCW 39.46.050 authorizes local governments authorized to issue bonds to establish lines of credit with any qualified depository to be drawn upon in exchange for bonds or other obligations;

WHEREAS, the City is authorized and empowered by chapters 35A.11, 35A.40, 35A.84, 39.36 and 39.46 RCW to establish a line of credit to be drawn upon in exchange for the sale, issuance, and delivery of its limited tax general obligation bonds to finance the Costs of the Project (as hereinafter defined);

WHEREAS, the City Council of the City (the “Council”) deems it necessary and advisable that the City establish a line of credit to be drawn upon in exchange for the sale, issuance and delivery at this time not to exceed \$5,000,000 in principal amount of its Limited Tax General Obligation Bonds, Series 2017 (Taxable Revolving Line of Credit) (the “Bonds”) to finance the Costs of the Project, including the Acquisition of the Property (as hereinafter defined) to develop public rights of way;

WHEREAS, the principal amount of the Bonds, when added to all other outstanding nonvoted general obligation debt heretofore authorized and issued by the City (\$12,623,000), does not exceed \$43,390,362, which is the City’s limitation on nonvoted general obligation indebtedness, nor, when added to all outstanding voted general obligation debt heretofore authorized and issued by the City (\$1,496,169), does not exceed \$72,317,270, which is the City’s limitation on all nonvoted and voted general obligation indebtedness prescribed by RCW 39.36.020;

WHEREAS, pursuant to the provisions of RCW 39.44.130, the Finance Director has agreed to perform the duties prescribed in chapter 39.44 RCW with respect to the registration of the Bonds;

WHEREAS, North Cascades Bank, a division of Glacier Bank, Wenatchee, Washington has offered to establish a line of credit to be drawn upon evidenced by the Bonds according to the terms set forth in the Bond Purchase Contract hereinafter described; and

WHEREAS, the Council has determined it to be in the best interest of the City to authorize the Mayor or the Mayor Pro Tempore to accept and execute the Bond Purchase Contract pursuant to chapter 39.46 RCW;

NOW, THEREFORE, IT IS HEREBY FURTHER FOUND, DETERMINED AND ORDAINED as follows:

Section 1: Definitions

As used in this Ordinance, the following terms have the meanings provided in this Section 1.

Acquisition, Acquiring or Acquire means the purchase, securing, lease, receipt by gift or grant, condemnation, transfer or other acquirement, or any combination thereof.

Approved Institutional Buyer means: (A) a “qualified institutional buyer” as defined in Rule 144A promulgated under the Securities Act of 1933, as in effect on the date hereof (the “Securities Act”); (B) an “accredited investor” as defined in Sections 501(a)(1) through (3) of Regulation D promulgated under the Securities Act; (C) an entity that is directly or indirectly wholly owned or controlled by the purchaser/bondholder representative (being a financial institution described in (A) above); (D) an entity all of the investors in which are described in (A), (B) or (C) above; or (E) a custodian or trustee for a party described in (A), (B) or (C) above.

Bank means North Cascades Bank, a division of Glacier Bank, Wenatchee, Washington, or its successor and/or assigns.

Bond Account means the City's "Limited Tax General Obligation Bond Account" created by Section 6 of Ordinance No. 2007-42 and referred to in Section 9 of this Ordinance.

Bond Counsel means Kutak Rock LLP or such other nationally recognized bond counsel firm as designated by the Mayor.

Bond Purchase Contract means the agreement between the City and the Bank pertaining to the establishment of the Line of Credit, evidenced by the sale and delivery of the Bonds, as more fully described in Section 4 of this Ordinance.

Bond Register means the registration records of the City, maintained by the Registrar, on which shall appear the names and addresses of the Registered Owners.

Bonds means the herein-authorized series of bonds, designated as the "City of Wenatchee, Washington, Limited Tax General Obligation Bonds, Series 2017 (Taxable Revolving Line of Credit)," or such other designation as the Mayor or the Mayor Pro Tempore shall determine.

City means the City of Wenatchee, Chelan County, Washington, a code city duly organized and existing under and by virtue of the laws of the State.

City Clerk means the Clerk of the City or other officer of the City who is the custodian of the records of the proceedings of the Council or her successor in functions, if any.

Closing Date means the Closing Date set forth in the Bond Purchase Contract.

Code means the Internal Revenue Code of 1986, as amended, and any Treasury Regulations promulgated thereunder.

Costs of the Project means all fees, costs and expenses designated by the Council as costs of the Project, as further described in Section 3 of this Ordinance.

Council means the City Council of the City as the same shall be duly and regularly constituted from time to time.

Draw means each individual extension of a loan to the City under the Line of Credit.

Draw Certificate means a request for a Draw substantially in the form attached to this Ordinance as Exhibit "B."

Draw Maturity Date means December 1, 2022.

Draw Period means the Closing Date to and including November 30, 2022.

Draw Period Variable Rate means a variable rate equal to the sum of 3-month LIBOR plus 2.20%, as initially set on the Closing Date, and as adjusted thereafter on each March 1, June 1, September 1 and December 1, beginning on December 1, 2017.

Finance Director means the Finance Director of the City or his successor in functions, if any.

Improvement Fund means the City's "Limited Tax General Obligation Improvement Fund" created by and referred to in Section 10 of this Ordinance.

Line of Credit means the line of credit from the Bank to the City, in an amount not to exceed \$5,000,000 at any time, evidenced by the Bonds and authorized by this Ordinance and the Bond Purchase Contract.

Maturity Date means December 1, 2027.

Mayor means the Mayor of the City, or any presiding officer or titular head of the Council or his successor in functions, if any.

Mayor Pro Tempore means the Mayor Pro Tempore of the City or his successor in functions, if any.

Ordinance means this Ordinance adopted by the Council on August 24, 2017 authorizing the establishment of the Line of Credit, evidenced by the sale, issuance and delivery of the Bonds.

Outstanding means, when used with reference to the Bonds, as of any particular date, all Bonds that have been issued, executed, authenticated and delivered except Bonds canceled because of payment prior to their stated dates of maturity.

Project means the Acquisition of the Property, the Acquisition, construction and installation of certain improvements to the Property, and the development of public rights of way through the Property as further described in Section 3 of this Ordinance.

Property means the real property located within the North Wenatchee Master Planning area more particularly defined as the area south of Hawley Street, north of the southerly line of property owned by the Washington State Department of Transportation, and west of the Walla Walla Park.

Registered Owner means the person named as the registered owner of a Bond on the Bond Register.

Registrar means the Finance Director, or his successor in functions, acting in the capacity as registrar, authenticating agent, paying agent and transfer agent of the Bonds.

Term-Out Period means December 1, 2022 to the Maturity Date.

Term-Out Period Fixed Rate means a fixed rate equal to the sum of the 5-year interest rate swap plus 2.20%, as calculated on December 1, 2022.

Section 2: Interpretation

For all purposes of this Ordinance, except as otherwise expressly provided or unless the context otherwise requires:

A. *Internal References.* All references in this Ordinance to designated “Sections” and other subdivisions are to the designated sections and other subdivisions of this Ordinance. The words “herein,” “hereof,” “hereto,” “hereby,” “hereunder” and other words of similar import refer to this Ordinance as a whole and not to any particular section or other subdivision.

B. *Persons.* Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public boards, as well as natural persons.

C. *Headings.* Any headings preceding the texts of the several sections of this Ordinance and the table of contents, shall be solely for convenience of reference and shall not constitute a part of this Ordinance, nor shall they affect its meaning, construction or effect.

D. *Writing Requirement.* Every “notice,” “certificate,” “consent” or similar action hereunder by the City shall, unless the form thereof is specifically provided, be in writing signed by an authorized representative of the City.

E. *Time.* In the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including” and each of the words “to” and “until” means “to but excluding.”

F. *Payment Terms.* References to the payment of the Bonds shall be deemed to include references to the payment of interest thereon.

G. *Gender.* Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Words imparting the singular number shall include the plural numbers and vice versa, unless the context shall otherwise dictate.

Section 3: Purpose of the Bonds and Line of Credit

A. *The Project.* The Bonds are being issued to evidence a Line of Credit to be drawn upon to pay all or a portion of the funds necessary to finance the Costs of the Project, as more particularly described as follows:

- (1) the Acquisition of the Property;
- (2) the Acquisition, construction, and installation of certain improvements to the Property;
- (3) the development of public rights of way through the Property;

(4) the Acquisition and installation of all necessary appurtenances, equipment, fixtures and furnishings for the Project as deemed necessary by the Council; and

(5) the ancillary costs of planning, engineering, architecture, construction, management, attorneys' fees, permits, accounting costs, easements, rights of way, the costs of issuance of the Bonds and any other expenses or consultant fees incidental thereto.

B. *Modifications.* The City may make alterations or modifications to the Project so long as such alterations or modifications do not significantly alter the Project.

C. *Costs of the Project.* The total Costs of the Project are estimated to not exceed \$10,000,000. The total Costs of the Project to be financed with the Bonds, and any Draw thereunder, are estimated to not exceed \$5,000,000.

Section 4: Authorization of the Bonds and Line of Credit

A. *The Bonds and Line of Credit.* The City is hereby authorized to establish a line of credit with the Bank in order to borrow not to exceed \$5,000,000 in principal amount outstanding at any time (the "Line of Credit"). The City is further authorized to evidence the Line of Credit by the issuance of limited tax general obligation bonds of the City, designated "Limited Tax General Obligation Bonds, Series 2017 (Taxable Revolving Line of Credit)" which are hereby authorized to be sold, issued and delivered pursuant to chapters 35A.40, 35A.84, 39.36, and 39.46 RCW in the event the Bond Purchase Contract is executed as provided in this Section 4.

B. *Terms and Form of Bonds.* The Bonds shall be issued in the aggregate principal amount of not to exceed \$5,000,000; shall be dated the date of delivery to the Bank; and shall be issued in the form of a single, fully-registered Bond. The Bonds shall be in substantially the form set forth in Exhibit "A" attached hereto and by this reference incorporated herein, with such appropriate variations, omissions and insertions as necessary as determined by the City.

The Bonds, and any Draw thereunder, shall bear interest on the unpaid balance at the interest rate and on the dates set forth in the Bond Purchase Contract. Principal of and interest on each Bond, and any Draw thereunder, shall be payable as set forth in the Bond Purchase Contract. The Bond Purchase Contract is set forth in Exhibit "D" attached hereto and by this reference incorporated herein.

C. *Authorization to Enter into Bond Purchase Contract.* The Council hereby authorizes the Mayor or the Mayor Pro Tempore to enter into and execute the Bond Purchase Contract.

Section 5: Bonds Subject to Prepayment

The City hereby reserves the right to prepay, without penalty, at the City's discretion, the outstanding amount of the Bond, in whole or in part, at any time prior to the Maturity Date, at the price of par plus accrued interest to the date of prepayment, if any. In the event of a partial prepayment during the Term-Out Period, the outstanding semiannual installments of principal

and interest will be recalculated to reflect a reduction in the semiannual installment amount, or the earlier maturity date of the Bond.

Section 6: Place, Manner and Medium of Payment

A. *Payment Medium.* Both principal of and interest on the Bonds are payable in lawful money of the United States to the Registered Owner thereof.

B. *Payment of Principal and Interest.* Payment of each installment of principal of and interest on the Bonds, as appropriate, shall be made to the Registered Owner whose name appears on the Bond Register at the close of business on the fifteenth day of the calendar month preceding each principal and interest payment date. Each installment of principal and interest, except the final installment thereof, shall be paid by check, wire, interbank transfer or draft of the Registrar sent to such Registered Owner on the due date at the address appearing on the Bond Register or at such other address as may be furnished in writing by such Registered Owner to the Registrar. Upon receipt of payment in full of all outstanding principal and accrued interest on the Bonds, including prepayment in whole, and so long as the City has no right to make any further Draws, the Registered Owner shall present and surrender the Bonds at the office of the Registrar for cancellation in accordance with law.

C. *Ownership of Bonds.* The Registrar may deem and treat the Registered Owner of each Bond as the absolute owner of such Bond for the purpose of receiving payments of principal and interest due on such Bond and for all other purposes, and the Registrar shall not be affected by any notice to the contrary.

Section 7: Draws and Draw Certificates

The Finance Director is hereby delegated the authority to determine the amount of credit which shall be extended from time to time, subject to the limitations set forth in the Bond Purchase Contract and in Section 4 of this Ordinance. Each time the Finance Director shall determine that credit needs to be extended, he shall make a Draw for the amount of credit he determines to be extended. The Draws shall be recorded in such form as the City and the Bank agree.

During the Draw Period, the Finance Director may make Draws in amounts greater than or equal to \$25,000, so long as the aggregate principal amount of Draws outstanding at any time shall not exceed \$5,000,000. The Finance Director shall file with the Bank a Draw Certificate for each Draw, in substantially the form attached hereto as Exhibit "B," with the information and certifications shown in Exhibit "B." The Finance Director shall make every attempt to file a Draw Certificate with the Bank one to two business days prior to the requested Draw disbursement date. For same day Draw disbursement requests, the Finance Director shall file a Draw Certificate with the Bank by 10:00 a.m. Pacific time.

The Registrar shall set forth on a schedule or loan account annotations evidencing: (a) the date and principal amount of each Draw, (b) the date and amount of each payment applied to the outstanding principal amount of the Bonds, and (c) the outstanding principal amount after each Draw and each payment.

Section 8: Pledge of Full Faith, Credit and Resources of the City

The Bonds are limited tax general obligations of the City and, as such, the full faith, credit and resources of the City are hereby pledged for their payment, within the appropriate constitutional and statutory limitations pertaining to nonvoted general obligations. The Bonds are issued within the applicable debt limitations of the City. The officers now or hereafter charged by law with the duty of levying taxes for the payment of the Bonds and the interest thereon shall, in the manner provided by law, make annual tax levies upon all of the taxable property within the City sufficient, together with other legally available money, to pay the principal of and interest on the Bonds when due, complying at all times with the constitutional and statutory tax limitations pertaining to nonvoted general obligations.

Section 9: The Bond Account

A. *Creation of the Bond Account.* There has heretofore been created by Section 6 of Ordinance No. 2007-42 and shall continue to be maintained in the office of the Finance Director, a fund separate and distinct from all other funds of the City designated the “City of Wenatchee Limited Tax General Obligation Bond Account” (the “Bond Account”), or such other designation conforming to banking requirements or accounting practices. The Bond Account shall be used solely for the purpose of paying the principal of and interest on the Bonds and all other limited tax general obligation bonds of the City when due. The proceeds of the taxes levied and collected pursuant to Section 8 of this Ordinance, together with other legally available money), shall be deposited in the Bond Account immediately upon their collection or receipt, and thereafter held in the Bond Account until withdrawn for the purposes of this Section 9. Any accrued interest paid to the City shall be deposited into the Bond Account.

B. *Maintenance and Investment of Money in the Bond Account.* The Bond Account shall be maintained by the Finance Director until the principal of and interest on the Bonds, and all other limited tax general obligations of the City, have been fully paid. Money in the Bond Account may be invested as permitted by law and the investment policy of the City, which investments shall mature prior to the date on which such money shall be needed for required interest or principal payments. All interest earned and income derived by virtue of such investments shall remain in the Bond Account and be used to meet the required deposits therein.

Section 10: The Improvement Fund.

A. *The Improvement Fund Created.* There is hereby created and shall be maintained in the office of the Finance Director a fund separate and distinct from all other funds and accounts of the City, designated the “City of Wenatchee Limited Tax General Obligation Improvement Fund” (the “Improvement Fund”), or such other designation conforming to banking requirements or accounting practices.

B. *Deposits to the Improvement Fund.* The City shall deposit into the Improvement Fund the proceeds of any Draw it receives from the Bank. Money in the Improvement Fund may be invested as permitted by law and the investment policy of the City. Any interest earnings on money invested from the Improvement Fund shall be deposited into the Improvement Fund.

C. *Use of the Improvement Fund.* The money within the Improvement Fund shall be used from time to time to pay the Costs of the Project described in Section 3 of this Ordinance or may be deposited into the Bond Account for the purpose of paying the principal of and interest on the Bonds.

Section 11: Execution and Authorization of the Bonds

A. *Execution of the Bonds.* The Bonds shall be executed on behalf of the City by the manual or facsimile signature of the Mayor or the Mayor Pro Tempore, shall be attested by the manual or facsimile signature of the City Clerk and shall have the seal of the City impressed or imprinted thereon.

B. *Authentication of the Bonds.* The executed Bonds shall be delivered to the Registrar for authentication. The Bonds shall be numbered in the manner and with any additional designation as the Registrar deems necessary for purposes of identification. Only those Bonds that bear a Certificate of Authentication substantially in the form set forth in Exhibit “A” attached hereto and manually executed by an authorized representative of the Registrar shall be valid or obligatory for any purpose or entitled to the benefits of this Ordinance. Such Certificate of Authentication shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this Ordinance.

C. *Validity of Signatures.* In case any of the officers who shall have signed or attested any of the Bonds shall cease to be such officer or officers of the City before the Bonds so signed or attested shall have been authenticated or delivered by the Registrar, or issued by the City, such Bonds may nevertheless be authenticated, delivered and issued, and, upon such authentication, delivery and issue, shall be as binding upon the City as though those who signed and attested the same had continued to be such officers of the City. Any Bond may also be signed and attested on behalf of the City by such persons as at the actual date of execution of such Bond shall be the proper officers of the City although at the original date of such Bond any such person shall not have been such officer of the City.

Section 12: The Registrar

A. *Registrar.* The Finance Director is hereby appointed as the Registrar, authenticating agent, paying agent and transfer agent with respect to the Bonds, subject to the terms and conditions set forth in this Section 12.

B. *Delegated Duties.* The Registrar is hereby authorized and directed, on behalf of the City, to authenticate and deliver the Bonds initially issued or transferred or exchanged in accordance with the provisions of the Bonds and this Ordinance and to carry out all of the Registrar’s powers and duties under this Ordinance.

C. *Bond Register.* The Bonds shall be issued only in registered form as to both principal and interest. The Registrar shall keep, or cause to be kept, at his office, the Bond Register.

D. *Fees and Costs.* The Finance Director shall receive no additional compensation from the City for performing the functions of the Registrar under this Ordinance; *provided*, in its discretion, the City may pay to any successor Registrar from time to time reasonable compensation for all services rendered under this Ordinance, together with reasonable expenses, charges, fees of counsel, accountants and consultants and other disbursements, including those of its attorneys, agents and employees, incurred in good faith in and about the performance of their powers and duties under this Ordinance.

E. *Representations.* The Registrar shall be responsible for its representations contained in the Registrar's Certificate of Authentication on the Bonds.

F. *System of Registration.* Pursuant to RCW 39.46.030, the City hereby specifies and adopts the system of registration for the Bonds approved by the Washington State Finance Committee.

Section 13: Transfer and Exchange of the Bonds

A. *Transfer of Bonds.* The Bonds shall be transferable by the Registered Owner thereof in person, or by its attorney duly authorized in writing, only in whole to an Approved Institutional Buyer. In the event the Bonds are transferred or exchanged, the Registered Owner shall notify the City at least 15 days prior to the date of transfer or exchange.

B. *Exchange of Bonds.* The Bonds shall be exchangeable by the Registered Owner thereof in person, or by its attorney duly authorized in writing, for one or more new Bonds, upon surrender of such Bond at the office of the Registrar for cancellation.

C. *Authentication and Delivery of New Bonds.* Whenever a Bond shall be surrendered for transfer or exchange, the Registrar shall authenticate and deliver to the transferee or exchangee, in exchange therefor, a new fully registered Bond or Bonds of any authorized denomination or denominations, of the same maturity and interest rate as, and for the aggregate principal amount of, the Bond being surrendered. Notwithstanding the foregoing sentence, the Registrar is not required to transfer or exchange any Bond during the 15 days preceding any principal or interest payment date.

D. *Payment of Fees and Costs.* The Registrar shall require the payment by the Registered Owner requesting such transfer or exchange of any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

Section 14: Mutilated, Destroyed, Lost or Stolen Bonds

A. *Issuance of Substitute Bonds.* If any Bond shall become mutilated, destroyed, lost or stolen, the affected Registered Owner shall be entitled to the issuance of a substitute Bond only as follows:

- (1) in the case of a lost, stolen or destroyed Bond, the Registered Owner shall:
 - (a) provide notice of the loss, theft or destruction to the City and the Registrar within a reasonable time after the Registered Owner receives notice of the loss, theft or

destruction; (b) request the issuance of a substitute Bond; and (c) provide evidence, satisfactory to the City and the Registrar, of the ownership and the loss, theft or destruction of the affected Bond;

(2) in the case of a mutilated Bond, the Registered Owner shall surrender the Bond to the Registrar for cancellation; and

(3) in all cases, the Registered Owner shall provide indemnity against any and all claims arising out of or otherwise related to the issuance of substitute Bonds pursuant to this Section 14 satisfactory to the City and the Registrar.

Upon compliance with the foregoing, a new Bond of like tenor and denomination, bearing the same number as the mutilated, destroyed, lost or stolen Bond, and with the word "DUPLICATE" stamped or printed plainly on its face, shall be executed by the City, authenticated by the Registrar and delivered to the Registered Owner, all at the expense of the Registered Owner to whom the substitute Bond is delivered.

B. *Notation on the Bond Register.* Upon the issuance and authentication of any substitute Bond under the provisions of this Section 14, the Registrar shall enter upon the Bond Register a notation that the original Bond was cancelled and a substitute Bond was issued therefor.

C. *Rights of Registered Owners of Substitute Bonds.* Every substituted Bond issued pursuant to this Section 14 shall constitute an additional contractual obligation of the City and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Bonds duly issued hereunder unless the Bond alleged to have been destroyed, lost or stolen shall be at any time enforceable by a bona fide purchaser for value without notice. In the event the Bond alleged to have been destroyed, lost or stolen shall be enforceable by anyone, the City may recover the substitute Bond from the Registered Owner to whom it was issued or from anyone taking under the Registered Owner except a bona fide purchaser for value without notice.

D. *Exclusive Rights.* All Bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds, and shall preclude any and all other rights or remedies, notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement or payment of negotiable instruments or of investment or other securities without their surrender.

Section 15: Continuing Disclosure

The City shall provide its annual financial report to the Bank within nine months after the close of each fiscal year, so long as the Bank is the Registered Owner and the Bonds remain Outstanding.

Section 16: Amendments to Ordinance

A. *Amendments Not Requiring Registered Owner Consent.* The Council from time to time, and at any time, may adopt an ordinance or ordinances supplemental hereto, which ordinance or ordinances thereafter shall become a part of this Ordinance, for any one or more of all the following purposes: (1) to add to or delete from the covenants and agreements of the City in this Ordinance, or to surrender any right or power reserved to the City herein, provided such additions or deletions shall not adversely affect, in any material respect, the interests of the Registered Owners of any Bond; and (2) to cure, correct or supplement any ambiguous or defective provision contained in this Ordinance, provided such supplemental ordinance shall not adversely affect, in any material respect, the interests of the Registered Owners of the Bonds. Any such supplemental ordinance may be adopted without the consent of the Registered Owners of any Bonds at any time Outstanding, notwithstanding any of the provisions of subsection B of this Section 16.

B. *Amendments Requiring Registered Owner Consent.* With the consent of the Registered Owners, the Council may adopt an ordinance or ordinances supplemental hereto for the purpose of adding any provisions to, or changing in any manner, or eliminating any of the provisions of this Ordinance or of any supplemental ordinance; provided, however, that no such supplemental ordinance shall extend the fixed maturity of any Bond, or reduce the rate of interest thereon, or extend the time of payments of interest from their due date, or reduce the amount of the principal thereof, or alter the prepayment provisions pertaining thereto, without the consent of the Registered Owner of each Bond so affected. It shall not be necessary for the consent of Registered Owners under this subsection B to approve the particular form of any proposed supplemental ordinance, but it shall be sufficient if such consent shall approve the substance thereof.

C. *Effect of Supplemental Ordinances.* Upon the adoption of any supplemental ordinance pursuant to the provisions of this Section 16, this Ordinance shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations of the City under this Ordinance and all Registered Owners of Bonds Outstanding hereunder shall thereafter be determined, exercised and enforced thereunder, subject in all respects to such modification and amendments, and all terms and conditions of any such supplemental ordinance shall be deemed to be part of the terms and conditions of this Ordinance for any and all purposes.

D. *Notations; Replacement Bonds.* Bonds executed and delivered after the execution of any supplemental ordinance adopted pursuant to the provisions of this Section 16 may have a notation as to any matter provided for in such supplemental ordinance, and if such supplemental ordinance shall so provide, new Bonds so modified as to conform in the opinion of the Council to any modification of this Ordinance contained in any such supplemental ordinance, may be prepared and delivered without cost to the Registered Owners of any affected Bonds then Outstanding, upon surrender for cancellation of such Bonds in equal aggregate principal amounts.

Section 17: General Authorization

The Council hereby authorizes and directs City officials, including the Mayor, the Mayor Pro Tempore, the Finance Director, the City Clerk, the Registrar and Kutak Rock LLP, the City's bond counsel, to do and perform, from time to time, any and all acts and things consistent with this Ordinance as necessary or appropriate to carry the same into effect.

Section 18: Contract and Severability of Provisions

The covenants contained in this Ordinance and in the Bonds shall constitute a contract between the City and the Registered Owner of the Bonds. Any action by the Registered Owner of the Bonds shall bind all future Registered Owners of the same Bond in respect of anything done or suffered by the City or the Registrar in pursuance thereof. All the covenants, promises and agreements in this Ordinance contained by or on behalf of the City, or by or on behalf of the Registrar, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

If any one or more of the covenants or agreements provided in this Ordinance to be performed on the part of the City shall be declared by any court of competent jurisdiction on final appeal (if any appeal be taken) to be contrary to law, then such covenant or agreement shall be null and void and shall be deemed separable from the remaining covenants and agreements in this Ordinance and shall in no way affect the validity of the other provisions of this Ordinance or of the Bonds.

Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon or give to any person other than the City, the Registrar and the Registered Owner any rights, remedies or claims under or by reason of this Ordinance or any covenant, condition or stipulation thereof; and all of the covenants, stipulations, promises and agreements in this Ordinance contained by or on behalf of the City shall be for the sole and exclusive benefit of the City, the Registrar, the Registered Owner.

Section 19: No Personal Recourse

No recourse shall be had for any claim based on this Ordinance or the Bonds against any Council member, officer or employee, past, present or future, of the City or of any successor body as such, either directly or through the City or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or otherwise.

Section 20: Ratification

All actions not inconsistent with the provisions of this Ordinance heretofore taken by the Council and the City's employees with respect to the adoption of this Ordinance and the issuance, sale and delivery of the Bonds are hereby in all respects ratified, approved and confirmed.

Section 21: Repealer

All ordinances or resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed, and shall have no further force or effect.

Section 22: Effective Date

This Ordinance shall be effective from and after its adoption and five days after its publication, or a publication of its summary in substantially the form set forth in Exhibit "C" hereto, in the official newspaper of the City.

ADOPTED by the Council of the City of Wenatchee, Chelan County, Washington, at a regular meeting thereof, held this 24th day of August, 2017.

CITY OF WENATCHEE
Chelan County, Washington

Keith Huffaker, Mayor Pro Tempore

ATTEST:

Tammy L. Stanger, City Clerk

(S E A L)

* * * * *

C E R T I F I C A T E

I, Tammy L. Stanger, the City Clerk of the City of Wenatchee, Chelan County, Washington, hereby certify that the foregoing ordinance is a full, true and correct copy of an ordinance duly adopted at a regular meeting of the City Council duly and regularly held at the regular meeting place thereof on August 24, 2017, of which meeting all members of such Council had due notice and at which a majority thereof was present; and that at such meeting such ordinance was adopted by the following vote:

AYES, and in favor thereof:

NAYS:

ABSENT:

ABSTAIN:

I further certify that I have carefully compared the same with the original ordinance on file and of record in my office; that such ordinance is a full, true and correct copy of the original ordinance adopted at such meeting; and that such ordinance has not been amended, modified or rescinded since the date of its adoption and shall be in full force and effect five days after the publication of its summary in the City's official newspaper.

IN WITNESS WHEREOF, I have set my hand and affixed the official seal of such City on this 24th day of August, 2017.

CITY OF WENATCHEE
Chelan County, Washington

Tammy L. Stanger, City Clerk

(S E A L)

EXHIBIT “A”

[Face of Bond]

**UNITED STATES OF AMERICA
STATE OF WASHINGTON**

**CITY OF WENATCHEE
CHELAN COUNTY, WASHINGTON**

**LIMITED TAX GENERAL OBLIGATION BONDS,
SERIES 2017 (TAXABLE REVOLVING LINE OF CREDIT)**

The CITY OF WENATCHEE, Chelan County, Washington (the “City”), an optional municipal code city duly organized and existing under and by virtue of the Constitution and laws of the state of Washington (the “State”) now in force, acknowledges itself to owe and, for value received, promises to pay from the “City of Wenatchee Limited Tax General Obligation Bond Account” (the “Bond Account”), referred to in Ordinance No. 2017-19, adopted by the City Council of the City (the “Council”) on August 24, 2017 (the “Ordinance”), to

NORTH CASCADES BANK

(the “Registered Owner”), on or before December 1, 2027 (the “Maturity Date”), an amount equal to the total outstanding draws (the “Draws”) and interest thereon made in accordance with the terms of this Bond and the Ordinance. The aggregate principal amount outstanding at any time under this Bond shall not exceed \$5,000,000 (Five Million and no/100 Dollars). Capitalized terms used herein shall have the meaning given to them in the Ordinance.

The City may make Draws on this Bond from the date hereof to and including the day before the Draw Maturity Date (the “Draw Period”), which Draws shall be used to finance the Costs of the Project as specified by the Ordinance. Draws may be made in amounts greater than or equal to \$25,000, so long as the aggregate principal amount of Draws outstanding on this Bond shall not exceed \$5,000,000.

The Registrar shall set forth on a schedule or loan account annotations evidencing: (a) the date and principal amount of each Draw, (b) the date and amount of each payment applied to the outstanding principal amount of this Bond, and (c) the outstanding principal amount after each Draw and each payment.

During the Draw Period, any Draw evidenced by this Bond shall bear interest on the unpaid balance from the date the Draw is made by the City to the Draw Maturity Date, or the date of prepayment, at the Draw Period Variable Rate, computed on the basis of a 365-day year, actual days lapsed. During the Draw Period, interest shall be payable semiannually on each June 1 and December 1, commencing on December 1, 2017, and semiannually thereafter up to and including December 1, 2022, or the date of prepayment.

On the first business day of the Term-Out Period, the outstanding balance evidenced by this Bond, if any, shall be amortized over a five-year period, with approximately equal payments of principal and interest due semiannually on each June 1 and December 1, commencing on June 1, 2023, and semiannually thereafter up to and including the Maturity Date, or the date of prepayment. During the Term-Out Period, the outstanding balance on this Bond, if any, shall bear interest at the Term-Out Period Fixed Rate, computed on the basis of a 360-day year of twelve 30-day months.

The principal of and interest on this Bond are payable in lawful money of the United States of America to the Registered Owner hereof, whose name appears on the Bond Register at the close of business on the fifteenth day of the calendar month preceding each semiannual payment date. Each installment of principal and interest, except the final installment thereof, shall be paid by check, wire, interbank transfer or draft of the Registrar sent to such Registered Owner on the due date at the address appearing on the Bond Register or at such other address as may be furnished in writing by such Registered Owner to the Registrar.

Upon receipt of payment in full of all outstanding principal and accrued interest on this Bond, including prepayment in whole, and so long as the City has no right to make any further Draws, the Registered Owner shall present and surrender this Bond at the office of the Registrar for cancellation in accordance with law.

The Registrar may deem and treat the Registered Owner of this Bond as the absolute owner of this Bond for the purpose of receiving payments of principal and interest due on this Bond and for all other purposes, and the Registrar shall not be affected by any notice to the contrary.

Reference is hereby made to the Additional Provisions of this Bond set forth on page 2 hereof, and such Additional Provisions shall for all purposes have the same effect as if set forth in this space.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Ordinance until the Certificate of Authentication hereon is manually signed by the Registrar.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that this Bond is issued pursuant to and in strict compliance with the Constitution and the laws of the State now in force and the ordinances and resolutions of the City, specifically the Ordinance; and that all acts, conditions and things required to be done precedent to and in the issuance of this Bond have happened, been done and been performed; and that the issuance of this Bond does not exceed any constitutional, statutory or other limitation upon the amount of bonded indebtedness the City may incur.

IN WITNESS WHEREOF, the City of Wenatchee, Chelan County, Washington, has caused this Bond to be executed by the manual signature of its Mayor Pro Tempore, attested by the manual signature of its City Clerk, and impressed with its seal on September 6, 2017.

CITY OF WENATCHEE
Chelan County, Washington

[manual signature]

Mayor Pro Tempore

ATTEST:

[manual signature]

City Clerk

[S E A L]

CERTIFICATE OF AUTHENTICATION

Date of Authentication:

This Bond is one of the City of Wenatchee, Washington, Limited Tax General Obligation Bonds, Series 2017 (Taxable Revolving Line of Credit), dated September 6, 2017, and described in the within-mentioned Ordinance.

CITY OF WENATCHEE, WASHINGTON

Finance Director, as Registrar

ADDITIONAL PROVISIONS

This Bond is issued to evidence a line of credit established between the City and the Bank in order to borrow not to exceed \$5,000,000 in principal amount outstanding at any time.

This Bond is a limited tax general obligation of the City and, as such, the full faith, credit and resources of the City are hereby pledged for its payment, within the appropriate constitutional and statutory limitations pertaining to nonvoted general obligations. This Bond is issued within the applicable constitutional and statutory debt limitations of the City. The officers now or hereafter charged by law with the duty of levying taxes for the payment of this Bond and the interest hereon shall, in the manner provided by law, make annual tax levies upon all of the taxable property within the City sufficient, together with other legally available money, to pay the principal of and interest on this Bond when due, complying at all times with the constitutional and statutory tax limitations pertaining to nonvoted general obligations.

This Bond is issued by the City pursuant to and in full compliance with the Constitution and the laws of the State now in force, particularly chapters 35A.40, 35A.84, 39.36, and 39.46 and proceedings duly adopted and authorized by the Council, more particularly the Ordinance, for the purpose of providing money necessary to pay the Costs of the Project, as more particularly described in the Ordinance.

The City has reserved the right to prepay, without penalty, at the City's discretion, the outstanding amount of this Bond, in whole or in part, at any time prior to the Maturity Date, at the price of par plus accrued interest to the date of prepayment, if any. In the event of a partial prepayment during the Term-Out Period, the outstanding semiannual installments of principal and interest will be recalculated to reflect a reduction in the semiannual installment amount, or the earlier maturity date of this Bond.

This Bond is transferable or exchangeable by the Registered Owner hereof in person, or by its attorney duly authorized in writing, only to an Approved Institutional Buyer. In the event this Bond is transferred or exchanged, the Registered Owner shall notify the City at least 15 days prior to the date of transfer or exchange.

BOND COUNSEL OPINION

It is hereby certified that the following is a true and complete copy of the bond counsel opinion of Kutak Rock LLP, on file in my office, which opinion is dated the date of delivery of and payment for the Bonds described therein, an original of which was delivered to me on such date, and is a part of the permanent records of the City.

CITY OF WENATCHEE
Chelan County, Washington

[manual signature]

City Clerk

[Insert Bond Counsel Opinion of Kutak Rock LLP]

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common	UNIF GIFT MIN ACT - under Uniform Transfer to Minors Act
TEN ENT - as tenants by the entireties	_____
	(Custodian) (Minor)
JT TEN - as joint tenants with right of survivorship and not as tenants in common	_____
	(State)

Additional abbreviations may also be used although not in the above list.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto
 Name of Transferee: _____
 Address: _____
 Tax Identification No.: _____
 the within Bond and hereby irrevocably constitutes and appoints _____
 _____ to transfer such Bond on
 the books kept for registration thereof with full power of substitution in the premises.

Registered Owner

NOTE: The signature on this Assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Dated:

SIGNATURE GUARANTEED:

Bank, Trust Company or Member
Firm of the New York Stock Exchange

Authorized Officer

EXHIBIT “B”

CITY OF WENATCHEE

**LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2017
(TAXABLE REVOLVING LINE OF CREDIT)**

PRINCIPAL AMOUNT OF NOT TO EXCEED \$5,000,000

FORM OF DRAW CERTIFICATE

TO: North Cascades Bank
Jim Tinker, Vice President, Municipal Finance
Jim.Tinker@northcascadesbank.com

On behalf of the CITY OF WENATCHEE, WASHINGTON (the “City”), I hereby certify that:

1. I am the Finance Director of the City and that I am authorized to request this Draw under the Line of Credit evidenced by the Limited Tax General Obligation Bonds, Series 2017 (Taxable Revolving Line of Credit) (the “Bonds”). Capitalized terms used in this Draw Certificate have the meanings given to such terms in Ordinance No. 2017-19 of the City, adopted on August 24, 2017 (the “Ordinance”).

2. The City requests a Draw in the amount of \$_____ to be disbursed on the ____ day of _____, 20___. The amount of this requested Draw, plus all previous outstanding Draws of the City under the Bond, does not exceed \$5,000,000.

3. Please disburse the funds by wire transfer to ABA Routing No.: 20008363, Cashmere Valley Bank, Wenatchee, Washington.

4. The Draw will be expended for such purposes of the City, as are permitted by the Ordinance.

Dated as of this ____ day of _____, 20__.

CITY OF WENATCHEE, WASHINGTON

Brad Posenjak, Finance Director

EXHIBIT “C”

FORM OF SUMMARY OF ORDINANCE NO. 2017-19

The following is a summary of the principal provisions of Ordinance No. 2017-19 of the City of Wenatchee, Chelan County, Washington, adopted on August 24, 2017. A full text of the Ordinance will be mailed upon request.

AN ORDINANCE OF THE CITY OF WENATCHEE, CHELAN COUNTY, WASHINGTON, AUTHORIZING THE ESTABLISHMENT OF A LINE OF CREDIT TO BE DRAWN UPON IN EXCHANGE FOR THE SALE, ISSUANCE AND DELIVERY OF NOT TO EXCEED \$5,000,000 OF THE CITY’S LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2017 (TAXABLE REVOLVING LINE OF CREDIT); PROVIDING FOR THE DESIGNATION, DATE, TERMS, MATURITIES, FORM, PAYMENT AND PREPAYMENT PROVISIONS OF THE BONDS; AUTHORIZING THE MAYOR OR THE MAYOR PRO TEMPORE TO EXECUTE A BOND PURCHASE CONTRACT; PLEDGING THE CITY’S FULL FAITH, CREDIT AND RESOURCES TO THE PAYMENT OF THE BONDS; CREATING AND ADOPTING CERTAIN FUNDS AND ACCOUNTS AND PROVIDING FOR DEPOSITS THEREIN; DESIGNATING THE REGISTRAR; PROVIDING FOR REGISTRATION AND AUTHENTICATION OF THE BONDS; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

EXHIBIT “D”

**[SEE EXECUTED BOND PURCHASE CONTRACT ATTACHED
HERETO]**



August 24, 2017

Honorable Councilmembers
City of Wenatchee
129 South Chelan Avenue
P.O. Box 519
Wenatchee, WA 98807

Honorable Councilmembers,

Thank you for the opportunity to provide this Bond Purchase Contract regarding the purchase of a limited tax general obligation bond of the City of Wenatchee. North Cascades Bank, a division of Glacier Bank, has approved the purchase of the Bond under the terms contained herein.

North Cascades Bank is an operating division of Glacier Bancorp, Inc., a regional bank holding company providing commercial banking services throughout Montana, Idaho, Colorado, Utah, Washington, Wyoming and Arizona. As an operating division, North Cascades Bank serves individuals, small to medium-sized businesses, community organizations and public entities primarily in North Central Washington. We pursue a community banking philosophy, emphasizing personalized service combined with the full resources of a larger banking organization with \$9.7 billion in assets and stockholders equity of \$1.1 billion. We are very pleased to have the opportunity to work with the City on this project.

Please let me know if there are any questions.

Regards,

A handwritten signature in black ink, appearing to be "Jim Tinker".

Jim Tinker
Vice President, Municipal Finance
North Cascades Bank
Phone: 206-714-3233
Email: jim.tinker@northcascadesbank.com

Bond Terms

Capitalized terms not defined herein have the meaning given in the ordinance authorizing the issuance of the Bonds adopted by the City on August 24, 2017 (the "Bond Ordinance"). The Bond Ordinance, by this reference, is hereby incorporated herein.

- Issuer: City of Wenatchee, Washington (the "City").
- Purchaser: North Cascades Bank, a division of Glacier Bank (the "Bank").
- Bond: Limited Tax General Obligation Bonds, Series 2017 (Taxable Revolving Line of Credit) (the "Bonds").
- Principal Amount: Not to exceed \$5,000,000.
- Use of Proceeds: To provide funds for the payment of all fees, costs and expenses designated by the City Council as costs related to the acquisition, construction, and installation of certain improvements of real property (the "Project"), and to pay the costs of issuing the Bonds.
- Source of Repayment: The Bonds shall be limited tax general obligations of the City and, as such, the full faith, credit and resources of the City shall be pledged for their payment, within the appropriate constitutional and statutory limitations pertaining to nonvoted general obligations. The Bonds shall be issued within the applicable debt limitations of the City. The officers now or hereafter charged by law with the duty of levying taxes for the payment of the Bonds and the interest thereon shall, in the manner provided by law, make annual tax levies upon all of the taxable property within the City sufficient, together with other legally available money, to pay the principal of and interest on the Bonds when due, complying at all times with the constitutional and statutory tax limitations pertaining to nonvoted general obligations.
- Form: The Bonds shall be issued in the form of a single, fully-registered Bond, purchased by the Bank at private placement.
- Closing: Closing is anticipated to occur on or about September 6, 2017 (the "Closing Date").
- Maturity Date: The Bonds shall mature on December 1, 2027 (the "Maturity Date").
- Structure: From the Closing Date to and including November 30, 2022 (the "Draw Period"), the Bonds shall be structured as a variable rate revolving line of credit. Any outstanding balance as of December 1, 2022 shall be amortized over a five-year period, with approximately equal payments of principal and interest due semiannually on each June 1 and December 1, commencing on June 1, 2023, up to and including the Maturity Date (the "Term-Out Period").

City of Wenatchee
Bond Purchase Contract
Page 3 of 5

- Draws:** During the Draw Period, the Finance Director may make Draws in amounts greater than or equal to \$25,000, so long as the aggregate principal amount of Draws outstanding at any time shall not exceed \$5,000,000. The Finance Director shall file with the Bank a Draw Certificate for each Draw, the form of which is attached below as Exhibit A. The Finance Director shall make every attempt to file a Draw Certificate with the Bank one to two business days prior to the requested Draw disbursement date. For same day Draw disbursement requests, the Finance Director shall file a Draw Certificate with the Bank by 10:00 a.m. Pacific time.
- Tax Status:** Taxable.
- Interest Rate:** During the Draw Period, the outstanding principal balance of the Bonds shall bear interest at a variable rate equal to the sum of 3-month LIBOR plus 2.20%, as initially set on the Closing Date, and as adjusted thereafter on each March 1, June 1, September 1, and December 1, beginning on December 1, 2017. Interest during the Draw Period shall be computed on the basis of a 365-day year, actual days lapsed.
- During the Term-Out Period, the outstanding balance on the Bonds, if any, shall bear interest at a fixed rate equal to the sum of the 5-year interest rate swap plus 2.20%, as calculated on December 1, 2022, computed on the basis of a 360-day year of twelve 30-day months.
- Fees:** The Bank will not charge a fee for this transaction. The City is responsible for all other costs of issuing the Bonds.
- Bond Registrar:** The Finance Director shall serve as the Bond Registrar.
- Transferability:** The Bonds shall be transferable, only in whole, to an Approved Institutional Buyer.
- Prepayment:** The City may reserve the right to prepay, without penalty, at the City's discretion, the outstanding amount of the Bond, in whole or in part, at any time prior to the Maturity Date, at the price of par plus accrued interest to the date of prepayment, if any. In the event of a partial prepayment during the Term-Out Period, the outstanding semiannual installments of principal and interest will be recalculated to reflect a reduction in the semiannual installment amount, or the earlier maturity date of the Bond.
- Continuing Disclosure:** The City shall provide its annual financial report to the Bank within nine months after the close of each fiscal year, so long as the Bank is the Registered Owner and the Bonds remain outstanding.

Additional Items:

The bond documents shall be prepared by bond counsel to the City, and be in the form customarily required by the Bank for municipal financing and will include additional terms not discussed above. As of the Closing Date, the financial condition and credit of the City and all other features of this transaction shall be as represented to the Bank without material adverse change. In the event of adverse material changes in the creditworthiness of the City, including litigation filed against the City, this commitment will terminate upon notice by the Bank. This commitment is non-assignable by the City. The terms contained herein supersede any prior terms or agreements, written or oral, and may only be changed in writing.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LEND MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

Acknowledged and accepted this 24th day of August, 2017

CITY OF WENATCHEE, WASHINGTON

Mayor or Mayor Pro Tempore

EXHIBIT A

**CITY OF WENATCHEE
LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2017
(TAXABLE REVOLVING LINE OF CREDIT)**

PRINCIPAL AMOUNT OF NOT TO EXCEED \$5,000,000

DRAW CERTIFICATE NO. ____

TO: North Cascades Bank
Jim Tinker, Vice President, Municipal Finance
Jim.Tinker@northcascadesbank.com

On behalf of the CITY OF WENATCHEE, WASHINGTON (the "City"), I hereby certify that:

1. I am the Finance Director of the City and that I am authorized to request this Draw under the Line of Credit evidenced by the Limited Tax General Obligation Bonds, Series 2017 (Taxable Revolving Line of Credit) (the "Bonds"). Capitalized terms used in this Draw Certificate have the meanings given to such terms in Ordinance No. 17-____ of the City, adopted on August 24, 2017 (the "Ordinance").
2. The City requests a Draw in the amount of \$_____ to be disbursed on the ____ day of _____, 20___. The amount of this requested Draw, plus all previous outstanding Draws of the City under the Bond, does not exceed \$5,000,000.
3. Please disburse the funds by wire transfer to ABA routing: _____, [BANK NAME], _____, Washington.
4. The Draw will be expended for such purposes of the City, as are permitted by the Ordinance.

Dated as of this ____ day of _____, 20__.

CITY OF WENATCHEE, WASHINGTON

Brad Posenjak, Finance Director

**COUNCIL AGENDA REPORT
PUBLIC WORKS DEPARTMENT**

TO: Frank Kuntz, Mayor
City Council

FROM:  Gary Owen, City Engineer

SUBJECT: City Project #1501, McKittrick Street Rebuild,
Supplement #3 to Agreement with HDR Engineering

DATE: August 18, 2017

MEETING DATE: August 24, 2017

I. OVERVIEW

Staff was awarded a TIB grant for Project 1501, McKittrick Street, Wenatchee Avenue to Pine Street, in winter of 2015. This project includes funding for design, right of way purchase, and construction of a full re-build of McKittrick Street between Pine Street and Wenatchee Avenue. The rebuild includes new curb, gutter, and sidewalk, and a new roadway section including a two-way left-turn-lane and shoulders/bike lanes. Underground utilities will be added and improved as needed.

HDR Engineering, Inc. was selected as the design consultant in September 2015, and started the design work on this project in January of 2016. They have since been working through all design issues, including utilities and ROW concerns. A public open house was held for the project in June 2016. Design has been 100% complete since April of 2017, but ROW acquisition has not been completed.

Supplement #1 provided additional design fees for unexpected issues with the Canyon Drain design and environmental permitting required. Supplement #2 provided additional ROW fees to prepare and deliver to three parcel owners Possession and Use (P&U) documents in order to legally obtain permission to be on the land being project construction during summer 2017. As requested, HDR created the P&U's and attempted to obtain signature. Instead of signing the P&U, one owner finished negotiations and we have now completed that acquisition. Unfortunately, two of the owners refused to sign the P&U documents. Both owners continue to negotiate.

Supplement #3 provides additional funds to HDR to continue negotiations with the two parcel owners who the City has been unable to reach consensus with so far. It provides enough funds to carry through with condemnation if necessary, or to continue to negotiate through October 2017 for a December Ad date.

II. ACTION REQUESTED

Staff recommends the City Council authorize the Mayor to sign Supplemental Agreement #3 with HDR Engineering, Inc. for the McKittrick Street Rebuild Project, City Project #1501.

**COUNCIL AGENDA REPORT
PUBLIC WORKS DEPARTMENT**

III. FISCAL IMPACT Submitted to the Finance Committee Yes **(No)**

Supplement #3 with HDR Engineering increases the engineering contract by \$39,483.41. With this increase in the engineering cost, the project remains within the overall project budget and does not require a budget amendment at this time.

IV. PROPOSED PROJECT SCHEDULE

Project has already been delayed by ROW negotiations and cannot be constructed in 2017. Currently we anticipate advertising for construction bids in December of 2017 for a Spring 2018 construction start.

V. REFERENCE(S)

1. Supplement #3 to Agreement with HDR Engineering, Inc.

VI. ADMINISTRATIVE ROUTING

Tammy Stanger, City Clerk
Brad Posenjack, Finance Director
Matt Leonard, Public Works Director



Transportation Improvement Board Consultant Supplemental Agreement

Agency City of Wenatchee

Project Number 8-3-160(028)-3

Project Name City of Wenatchee – McKittrick Street Rebuild (Pine St. to Wenatchee Ave.)

Consulting Firm HDR Engineering, Inc.

Supplement 3 - This Supplemental Agreement No. 3 acknowledges and authorizes the additional Real Estate Services related to the acquisition of property and easements necessary for the McKittrick Street Rebuild improvements, including advisory support services during the Condemnation Process Preparation Process.

Supplement Phase

The Local Agency of [City of Wenatchee] desires to supplement the agreement entered into with Consultant [HDR Engineering, Inc.] and executed on January 27, 2016.

All provisions in the basic agreement remain in effect except as expressly modified by this supplement.

The changes to the agreement are described as follows:

SUPPLEMENTAL COMPLETION DATE February 28, 2017

MAXIMUM AMOUNT PAYABLE \$331,464.07

	Original Agreement	Supplement 1	Supplement 2	Supplement 3	Total
Direct Salary Cost	\$62,655.29	\$2,638.28	\$5,981.32	\$13,667.86	\$84,942.75
Overhead (including Payroll Additives)	\$97,566.81	\$4,108.33	\$9,314.11	\$21,283.39	\$132,272.64
Direct Non-salary Costs	\$86,087.05	\$2,247.00	0	\$431.81	\$88,765.86
Fixed Fee	\$18,796.59	\$791.48	\$1,794.40	\$4,100.35	\$25,482.82
Total	\$265,105.74	\$9,785.09	\$17,089.83	\$39,483.41	\$331,464.07


Agency Signature			Date
Consultant Signature 	Vice President		Date 8/9/17



EXHIBIT D-1
Consultant Fee Determination Summary Sheet
(Cost Plus Fixed Fee)

Prepared by Mike Pawlak				Date 8/9/2017	
Project City of Wenatchee – McKittrick Street Rebuild (Pine Street to Wenatchee Ave) Supplement 3					
Direct Salary Cost (DSC)					
Classification	Man Hours		Rate		Cost
ROW Reviewer	18	x	77.43	=	1,393.74
ROW Negotiator	91	x	46.34	=	4,216.94
Real Estate Technician	56	x	32.43	=	1,816.08
Project Manager	50	x	81.02	=	4,051.00
Project Controller	24	x	45.24	=	1,085.76
Roadway Engineer	8	x	48.79	=	390.32
Project Assistant	8	X	35.19	=	281.52
Roadway Engineer EIT	16	x	27.03	=	432.48
TOTAL DSC					\$13,667.86
OVERHEAD (OH Cost including Salary Additives)					
OH Rate x DSC or 155.72 % x \$ 13,667.86					\$21,283.39
FIXED FEE (FF)					
FF Rate x DSC or 30% x \$ 13,667.86					\$4,100.35
REIMBURSABLES					
					\$431.81
SUBCONSULTANT COST (See Exhibit G)					\$0.00
GRAND TOTAL					\$39,483.41

Exhibit B-1

McKittrick Street Rebuild
(Pine Street to Wenatchee Avenue)

City of Wenatchee

SUPPLEMENTAL AGREEMENT NO. 3
Scope of Services

June 21, 2017



500 108th Avenue NE
Suite 1200
Bellevue, WA 98004-5549
(425) 450-6200



500 108th Avenue NE
Suite 1200
Bellevue, WA 98004-5549
(425) 450-6200





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EXHIBIT B-1

SCOPE OF SERVICES

Background

The City of Wenatchee wishes to improve and rebuild McKittrick Street from Pine Street easterly to Wenatchee Avenue.

McKittrick Street is an urban major collector between Wenatchee Ave (SR285) and Pine Street. It is currently in extremely poor structural condition. The street surface is cracked and severely potholed and drainage facilities are minimal except near the intersection with Wenatchee Avenue. Intermittent sidewalk exists on one side of the roadway, but is in poor condition. Part of the roadway is a bike route, but no bike lanes or shoulders exist. Existing right-of-way is generally 40-ft, which requires significant acquisition to complete the desired street improvements.

The intent of this project is to reconstruct McKittrick Street to meet current AASHTO and City design standards. The proposed improvements consist of reconstructing the roadway and reconfiguring the lanes to add shoulders and a two-way left-turn lane. Other substantive improvements will include curb, gutter and sidewalk (on both sides), a new storm sewer system, accesses to side streets with clear sight distance, irrigation pipe replacement and/or relocation, illumination, striping, and relocation of utilities. Several parcels of property will require right-of-way purchase to make room for the improvements.

At North Wenatchee Avenue, the McKittrick St. project will connect with a new signal improvement that is currently being designed.

The City of Wenatchee has received a Transportation Improvement Board (TIB) grant to complete this project.

This Supplemental Agreement No. 3 acknowledges and authorizes the additional Real Estate Services related to the acquisition of property and easements necessary for the McKittrick Street Rebuild improvements, including advisory support services during the Condemnation Process. The efforts expended thus far and necessary to complete the right-of-way acquisition exceeds the original scope and budget assumptions and constraints. This Supplement also recognizes that the final design files will require certain adjustments and updates once right-of-way acquisition is complete and a Bid Advertisement Date is selected and provides for those efforts.

Scope of Services

Task 100 Project Management

Objective

The purpose of this task is to monitor, control and adjust scope, schedule, and budget as well as provide monthly status reporting, accounting, and invoicing.

HDR Services – Extra Work

1. Coordinate and manage the project team.
2. Prepare monthly status reports describing the following:
 - a) Services completed during the month;
 - b) Services planned for the next month;
 - c) Needs for additional information;
 - d) Scope/schedule/budget issues; and
 - e) Schedule update and financial status summary.
3. Prepare monthly invoices formatted in accordance with contract terms.

CITY Responsibilities

1. Timely processing and payment of invoices.
2. Review and process contract change requests and amendments, if needed.

Assumptions

1. This Supplemental Agreement No. 3 estimates the overall project duration to extend through JUL 2018 for completion of the right-of-way acquisition efforts (condemnation preparation and possession & use), update of construction documents, and bid advertisement. It is anticipated that at a minimum, Possession & Use will be obtained by OCT 2017 allowing for the final updating of the construction documents and bid advertisement by DEC 2017.
2. Invoices will be HDR standard invoice format.
3. Expense backup will be provided with invoices, per CITY Accounting Department requirements.

Deliverables

1. Monthly reports and invoices (one copy with invoice can be mailed or e-mailed PDF file).

Task 200 Client Coordination

Objective

The purpose of this task is to provide ongoing coordination of Client / Consultant efforts.

HDR Services

1. HDR Project Manager will coordinate and update CITY Project Manager on project issues, status and schedule on a monthly basis via Client Coordination Conference Calls.

CITY Responsibilities

1. Attend Client Coordination Meetings.
2. Provide timely review of Coordination Meeting agendas and summary notes.

Assumptions

1. This Supplemental Agreement No. 3 estimates the overall project duration to extend through JUL 2018 for completion of the right-of-way acquisition efforts (condemnation preparation and possession & use), update of construction documents, and bid advertisement. It is anticipated that at a minimum, Possession & Use will be obtained by OCT 2017 allowing for the final updating of the construction documents and bid advertisement by DEC 2017.
2. Client Coordination Conference Calls will be held monthly via conference call (total of 12). Time required is estimated at one-half (1/2) hour per conference call for the HDR Project Manager, for meeting preparation, facilitation of the call and preparation of the summary notes.

Deliverables

1. Client Coordination Conference Call agendas and summary notes (emailed PDF files).

Task 500 Final Design – PS&E

Objective

This purpose of this task is to continue to refine the engineering design of the roadway and utility improvements and prepare construction bid documents.

HDR Services

1. Provide updates and modifications to the plans, specifications and estimate, as necessary, once the bid advertisement date has been determined.
2. Submit final documents.

CITY Responsibilities

1. Continue to meet those responsibilities as described in the original agreement.

Assumptions

1. There will be no additional City reviews of the documents.
2. The City will furnish the necessary dates for bid advertisement and bid opening.

Deliverables

1. Updated Final PS&E construction documents consisting of plans, bid and contract documents, technical specifications (special provisions), and an Engineer's Opinion of Probable Construction Cost (electronic PDF).

Task 1200 Real Estate Services

Objective

The objective of this task is to assist the CITY in acquiring the necessary right-of-way to construct the roadway and utility improvements.

HDR Services – Extra Work

ROW Condemnation Support – HDR will assist the CITY with final condemnation support and final closings for the three (3) remaining parcels. Those services will include the following tasks and deliverables.

1. Make one additional contact requesting Administrative Possession and Use for a maximum of three (3) parcels.
2. Continue negotiations with two (2) property owners through JUL 2017 in an attempt to reach agreement.
3. Facilitate signings and notarizing of documents for up to three (3) parcels.
4. Draft and mail up to three (3) Final Offer / Notice of Condemnation letters.
5. Prepare a condemnation file and attend a pre-condemnation meeting or conference call with CITY Staff for up to three (3) parcels.
6. Provide advisory support during the condemnation preparation process. Advisory support shall be limited to answering questions regarding negotiations, and will not include depositions or testimony. Maximum effort for advisory services will be 40 hours.
7. Prepare final files for transmittal for up to three (3) parcels.

CITY Responsibilities

1. Continue to meet those responsibilities as described in the original agreement.
2. Provide all legal services and any additional title or valuation materials that are required for condemnation.
3. All exhibits and trial materials will be prepared by City.
4. Review and approve all ROW documents prepared prior to sending and condemnation or final files that are transmitted to the City.
5. Facilitate all pre-condemnation meetings or conference calls.
6. Condemnation preparation advisory support will be limited to answering questions regarding negotiations, and will be no more than 40 hours total, as noted in the supplemental budget.

7. Condemnation support for depositions or testimony is not included in this scope of services, and, if requested by the City, will be authorized by a subsequent supplemental agreement.
8. City will be responsible for the closing process and landowner payments for these three (3) parcels

Assumptions

1. The assumptions as described in the original agreement remain in force except as modified herein.
2. The additional level of effort for Real Estate Services is limited to the associated budget amount, as provided by this supplement.

Deliverables

1. Signed and notarized documents
2. Final offer notice of condemnation letters
3. Condemnation and Final parcel files

Schedule

The overall project duration is estimated to extend until JUL 2018 for completion of the right-of-way acquisition efforts (condemnation preparation and possession & use), update of construction documents, and bid advertisement. It is anticipated that at a minimum, Possession & Use will be obtained by OCT 2017 allowing for the final updating of the construction documents and bid advertisement by DEC 2017.

Fee

The detailed fee estimate for this Supplemental Agreement No. 3 is attached as Exhibit ____.

**COUNCIL AGENDA REPORT
PUBLIC WORKS DEPARTMENT**

TO: Frank Kuntz, Mayor
City Council

FROM: Mitch Reister/Matt Leonard – Public Works

SUBJECT: Interlocal Cooperative Agreement Between the City of Wenatchee & Chelan County

DATE: August 18, 2017

MEETING DATE: August 24, 2017

I. OVERVIEW

Interlocal cooperative agreements between governments for labor, equipment, and materials are advantageous to both parties for various reasons. The most notable of these are having the ability to share resources during emergencies via mutual aid, or when situations present themselves for coordination of resources to gain cost savings and efficiencies. Per these agreements, costs are set at rates established by each agency plus a minor administrative fee, removing the need for extensive contracts and agreements each time services or supplies are provided – making the arrangement to be in the best interest of the public's.

Given these considerations, Public Works desires to enter into an Interlocal Agreement with Chelan County to share equipment, labor, and material resources at established rates if and when such arrangements are in the best interest of both parties.

II. ACTION REQUESTED

Staff recommends that the City Council approve the Interlocal Agreement with Chelan County for labor, equipment and materials, and authorize the Mayor's signature.

III. FISCAL IMPACT Submitted to the Finance Committee Yes No

The proposed Agreement would not adversely affect current rental/materials procurement costs but simply adds another option of procurement when needed.

IV. PROPOSED PROJECT SCHEDULE

N/A

V. REFERENCE(S)

1. Interlocal Cooperative Agreement Between the City of Wenatchee and Chelan County

VI. ADMINISTRATIVE ROUTING

Tammy Stanger, City Clerk
Steve Smith, City Attorney (previously reviewed)

Return Address:

Penny Goehner
Chelan County Public Works
316 Washington Street, Suite 402
Wenatchee, WA 98801

The information contained in this boxed section is for recording purposes only pursuant to RCW 36.18 and RCW 65.04, and is not to be relied upon for any other purpose, and shall not affect the intent of the warranty contained in the document itself.

Document Title:	Interlocal Cooperative Agreement
Grantor(s):	City of Wenatchee
Grantee(s):	Chelan County
Legal Description:	N/A
Assessor's Tax Parcel ID:	N/A

Filed with the Auditor pursuant to RCW 39.34.040

**INTERLOCAL COOPERATIVE AGREEMENT
BETWEEN THE CITY OF WENATCHEE AND CHELAN COUNTY**

RE: Equipment, Labor and Materials

THIS AGREEMENT is made on the date of last execution below in duplicate original by and between the City of Wenatchee ("City") and Chelan County ("County").

WHEREAS, the parties are political subdivisions of the State of Washington;

WHEREAS, the parties have the authority to construct, maintain and repair their roads, streets, and related facilities within their respective jurisdictions and from time-to-time require the use of expensive, specialized equipment;

WHEREAS, the parties enter into this Agreement under the authority of RCW Chapter 39.34 and each party has taken appropriate action to authorize this Agreement as required by RCW 39.34.030(2); and

WHEREAS, the parties find this Agreement to be mutually beneficial.

NOW, THEREFORE, in consideration of the premises and promises, terms and conditions set forth below, it is hereby agreed as follows:

ARTICLE I PURPOSE

1.01 Purpose

The purpose of this Agreement is to set forth the terms and conditions under which the parties will provide equipment, labor and materials to each other on a reimbursable basis, and when available, for road construction, maintenance, repairs and for facilities support. The party supplying equipment, labor and materials is designated as the "Provider." The party requesting and/or using the equipment, labor and materials is designated as the "User."

ARTICLE II EQUIPMENT, LABOR AND MATERIALS TO BE FURNISHED

2.01 Equipment Furnished.

Each party agrees to furnish equipment, labor and materials as may be requested by the other party, so long as such equipment is owned by the Provider and available for use, on the following terms and conditions:

A. Request for Rental.

The User shall provide reasonable notice to the Provider requesting equipment, including the proposed dates when the equipment shall be picked up and returned. Each request for equipment shall be in a writing submitted by the User's Administrator to the Provider's Administrator. Each request shall specify the requested equipment, labor and/or material, the location of the work, and other information relevant to the request. Upon receipt of a request, the Provider shall respond within five (5) business days. In cases of emergency or unforeseen circumstance necessitating prompt action, the request and approval may be done orally, but must be confirmed in writing within 72 hours after the oral request and approval.

B. Transportation of Equipment.

The User shall be responsible for all transportation of the equipment and shall pick up and return the equipment to the location where such equipment is stored by the Provider.

C. Equipment Care, Maintenance, and Security.

The User shall be responsible for the proper care, maintenance and security of the equipment until the equipment is returned to the Provider.

D. Equipment Operators.

The User shall permit the equipment to be used only by properly trained and supervised operators. The Provider may require, in its sole discretion, that only Provider's personnel operate certain equipment. In doing so, Provider shall be deemed an independent contractor and Provider's employees shall not be deemed employees of the User. The Provider's

operator shall perform under the general direction and control of the User but shall retain full control of the manner and means of using the equipment.

E. Pre-rental Inspection.

The Parties shall jointly inspect furnished equipment at the time of the rental and shall make note of any defect or problem. The User accepts all furnished equipment AS IS and waives any and all claims against the Provider resulting from the condition of the equipment; except if such equipment is provided with an operator and the physical and/or mechanical damages result from the operator's acts or omissions. The User's Administrator, or his or her designee, shall promptly provide the Provider with a written receipt for equipment received for rental. Email shall be considered a written receipt.

F. Equipment Furnished "As Is".

The User accepts all furnished equipment AS IS and waives any and all claims against the Provider resulting from the condition of the equipment.

G. Equipment Use.

Except as otherwise agreed in writing by the Administrators, equipment designed or used by a Provider for a specific purpose may not be used by the User for any other use without written approval of the Provider's Administrator. For example, a vactor truck used for stormwater facility maintenance may not be used for work on sanitary or industrial sewage lines or facilities.

H. Post-rental Inspection.

Upon the User returning equipment, the User and Provider shall jointly inspect, identify, and document any change in the condition of the equipment which exceeds normal wear and tear. Disputed equipment damage or problems should be documented. The Provider's Administrator, or his or her designee, shall promptly provide the User with a written receipt for returned equipment. Email shall be considered a written receipt

I. Equipment Damage.

The User shall be responsible for all physical and mechanical damages and losses to the equipment during use, storage and transportation of the Provider's equipment, unless such equipment is provided with an operator and the physical and/or mechanical damages result from the operator's acts or omissions.

J. Equipment Return.

The User shall return the equipment on or before the proposed return date, unless the Provider agrees to extend use of the equipment: provided, that in the event an emergency shall arise requiring use of the equipment by the Provider, the User shall return the equipment as directed by the Provider.

ARTICLE III ADMINISTRATION

3.01 Administrators.

The parties shall each designate one Administrator responsible for the administration of this Agreement. The contact information for each Administrator is as follows:

Director/County Engineer
Chelan County Public Works Department
316 Washington Street, Suite 402
Wenatchee, WA 98801
(509) 667-6415

Public Works Director
City of Wenatchee Public Works
1350 McKittrick Street, Suite A
Wenatchee, WA 98801
(509) 888-3200

The Administrators shall have full powers to act on behalf of his or her respective party for the purposes authorized in this Agreement.

ARTICLE IV DURATION AND TERMINATION OF AGREEMENT

4.01 Duration.

This Agreement shall be effective only upon execution by the parties and filing with the County Auditor pursuant to RCW 39.34.030. This Agreement shall continue indefinitely until terminated as set forth in Article 4.02.

4.02 Termination.

This Agreement shall continue until terminated by either party by providing thirty (30) days prior written notice of termination to the other party.

ARTICLE V REIMBURSEMENT TO PROVIDER

5.01 Equipment.

The User shall reimburse the Provider for furnished equipment based on the Provider's published equipment rental rate. The fuel tanks of furnished equipment shall be full when furnished and shall be full when returned by the User. If the equipment fuel tanks are not full when the equipment is returned, the User shall pay for fuel usage based upon the Provider's then current fuel price per gallon.

5.02 Labor.

The User shall reimburse the Provider for the actual cost of all labor of equipment operators provided to the User. The actual cost of labor shall include the then current hourly rate of the

employee providing services, plus all FICA, Medicare, PERS, workmen's compensation, unemployment, leave and holiday accruals, group health insurance premiums and all other employee benefits and employer taxes.

5.03 Administrative Services Fee.

In addition to equipment rental rates, labor reimbursement and fuel charges, the User shall pay the Provider an amount equal to five percent (10%) of such charges as reimbursement of direct and indirect administrative, accounting and clerical services.

5.04 Payment to Provider.

The Provider shall provide the User with a certified statement of all equipment rental, labor fuel charges and administrative services fees within ten (10) days after return of equipment. The User shall pay the amount due to the Provider within thirty (30) days.

**ARTICLE VI
INDEMNITY**

6.01 Claims.

The User shall indemnify, defend and hold the Provider, its departments, elected and appointed officials, employees, and agents, harmless from and against any and all claims, damages, losses and expenses for any bodily injury, sickness, disease, or death, or any damage to or destruction of property, including the loss of use resulting therefrom, resulting from the User's use, storage and transportation of the equipment furnished by the Provider, unless caused by the sole negligence of the Provider, its departments, elected and appointed officials, employees, and/or agents. This indemnification obligation of the User shall not be limited in any way by the application of any workmen's compensation acts, disability benefit acts or other employee benefit acts and the User expressly waives the protection afforded by such laws.

In the event of any and all claims, damages, losses and expenses for any bodily injury, sickness, disease, or death, or any damage to or destruction of property, including the loss of use resulting therefrom, resulting from the concurrent negligence of the User and Provider, the parties shall be liable to the extent of their respective proportionate negligence.

The foregoing indemnification obligations of the User are a material inducement to the parties to enter into this Agreement and have been mutually negotiated.

Chelan County initials acknowledge indemnity terms _____

City of Wenatchee initials acknowledge indemnity terms _____

ARTICLE VII PERFORMANCE OF AGREEMENT

7.01 Compliance with All Laws.

Each party shall comply with all federal, state and local laws, rules, regulations and ordinances applicable to the performance of this Agreement, including without limitation all those pertaining to wages and hours, confidentiality, disabilities and discrimination.

7.02 Maintenance and Audit of Records.

Each party shall maintain books, records, documents and other materials relevant to its performance under this Agreement. These records shall be subject to inspection, review and audit by either party or its designee, and the Washington State Auditor's Office. Each party shall retain all such books, records, documents and other materials for six (6) years following the termination of this Agreement.

7.03 On-Site Inspections.

Either party or its designee may evaluate the performance of this Agreement through on-site inspection to determine whether performance is in compliance with the standards set forth in this Agreement, and in compliance with federal, state and local laws, rules, regulations and ordinances.

7.04 Improper Influence.

Each party agrees, warrants and represents that it did not and will not employ, retain or contract with any person or entity on a contingent compensation basis for the purpose of seeking, obtaining, maintaining or extending this Agreement. Each party agrees, warrants and represents that no gratuity whatsoever has been or will offered or conferred with a view towards obtaining, maintaining or extending this Agreement.

7.05 Conflict of Interest.

The elected and appointed officials and employees of the parties shall not have any personal interest, direct or indirect, which gives rise to a conflict of interest.

ARTICLE VIII DISPUTES

8.01 Time.

Time is of the essence of this Agreement.

8.02 Waiver Limited.

A waiver of any term or condition of this Agreement must be in writing and signed by the party. Any express or implied waiver of a term or condition of this Agreement shall apply only to the specific act, occurrence or omission and shall not constitute a waiver as to any other term or condition or future act, occurrence or omission.

8.03 Dispute Resolution.

In the event a dispute arises under this Agreement, the Administrators shall promptly meet in person to negotiate resolution of the dispute. An attempt at such dispute resolution shall be a prerequisite to the filing of any litigation concerning the dispute. Refusal or failure of one party to participate in dispute resolution shall constitute a waiver of this requirement.

8.04 Attorney's Fees.

If any legal action or other proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, each party shall pay its own attorney's fees and other costs incurred in that action, arbitration or proceeding.

8.05 Governing Law and Venue.

This Agreement shall be governed exclusively by the laws of the State of Washington. Venue shall be in a court of competent jurisdiction for Chelan County, State of Washington.

ARTICLE IX GENERAL PROVISIONS

9.01 Assignment.

Neither party may assign its rights or delegate its duties under this Agreement, whether by assignment, further, subcontract or other means. Any such attempted assignment or delegation shall be void and shall constitute a material breach of this Agreement.

9.02 Modification.

This Agreement may not be amended, supplemented or otherwise modified unless expressly set forth in a written agreement signed by the parties and adopted by resolution of each party's legislative authority.

9.03 Invalid Provisions.

The invalidity or unenforceability of any particular term or provision of this Agreement shall not affect the validity or enforceability of any other term or provision and this Agreement shall be construed in all respects as if such invalid or unenforceable term or provision was omitted.

9.04 Entire Agreement.

This Agreement constitutes the entire agreement between the parties. There are no understandings or agreements between parties other than those set forth in this Agreement. No other statement, representation or promise has been made to induce either party to enter into this Agreement.

9.05 Filing and State Approval.

Pursuant to RCW 39.34.040, this Agreement shall be filed with the County Auditor prior to its entry into force. This Agreement is not required to be submitted to a state or agency for approval under RCW 39.34.050.

SIGNATURE PAGE 1 OF 2

Agreed this _____ day of _____ 2017.

CITY OF WENATCHEE

By: _____
FRANK KUNTZ, Mayor

ATTEST: TAMMY STANGER

City Clerk

APPROVED AS TO FORM:

STEVEN D. SMITH
Attorney for the City of Wenatchee

SIGNATURE PAGE 2 OF 2

Agreed this _____ day of _____ 2017 at Wenatchee, Washington.

CHELAN COUNTY, WASHINGTON
BOARD OF COUNTY COMMISSIONERS

DOUG ENGLAND, Chairman

KEITH W. GOEHNER, Commissioner

KEVIN OVERBAY, Commissioner

ATTEST: CARLYE BAITY

Clerk of the Board

APPROVED AS TO FORM:

LOUIS N. CHERNAK
Deputy Prosecuting Attorney

Dated: _____

COUNCIL AGENDA REPORT
City of Wenatchee



TO: Mayor pro tem Huffaker
Frank Kuntz, Mayor
City Council

FROM: On behalf of the selection team, Steve King, Economic Development Director

SUBJECT: Wenatchee Federal Building Architectural Services

DATE: August 18, 2017

MEETING DATE: August 24, 2017

I. OVERVIEW

The City solicited proposals for architectural services to perform schematic design, building system evaluation, and provide assistance with the development of a condominium association to support development of a new City Hall and a partnership with LocalTel for the redevelopment of the Wenatchee Federal Building. This process follows in line with the pre-purchase agreement authorized by the city August 10, 2017.

A selection committee consisting of council members Mark Kulaas and Mike Poirier, Allison Williams, Matt Leonard, Cliff Burdick, Dale Cantrel, Tammy Stanger, and Brad Posenjak represented the City. In addition, LocalTel representation included Dimitri and Brenda Mandelis, along with Greg Mercer, and John Seabeck.

Out of the five firms interviewed, ARC Architects have been recommended by the selection committee based on their experience and approach. Their approach included use of the same engineering firms that evaluated the building for the School District for the technical review of the building systems. They also demonstrated their experience in working with public buildings, especially city halls. They demonstrated how every city approaches their operations a little differently and yet they are essentially providing the same services. They also provided examples of how they engage staff and the public to work through the design process to ensure that the end product functions well and that there is pride and ownership of our new City Hall.

This first phase of architectural work will be to provide support for the purchase of the City's portion of the building including development of a condominium. This work will provide valuable information necessary for entering into a public private partnership getting into details such the size of reserve fund needed, parking allocations, building system allocations, and exterior modifications. In addition, this work (schematic design) will lay intensive groundwork for the next phase of design by performing space planning, building system modification requirements, an overall floor plan for the city's portion of the building, and preliminary budgets. Assuming the city moves forward with the purchase of the building, the next phases of work and council authorizations will be for design development, followed by construction plans, bidding, and construction services.

II. ACTION REQUESTED

Staff recommends the City Council authorize the Mayor to negotiate and sign contracts with ARC Architects for architectural services associated with evaluation of repurposing the Federal Building for a new City Hall.

COUNCIL AGENDA REPORT
City of Wenatchee



III. FISCAL IMPACT Submitted to the Finance Committee Yes No

The Finance Committee has provided approval for this phase of work with a budget of \$150,000.

IV. PROPOSED PROJECT SCHEDULE

The objective of this work is to complete it by early spring with the majority of work happening this fall. The work necessary for purchasing the city's portion of the building will happen first in order to facilitate the development of a purchase and sale agreement and closing by November of this year.

V. REFERENCE(S) N/A


VI. ADMINISTRATIVE ROUTING

Tammy Stanger, City Clerk
Allison Williams, Executive Services Director
Brad Posenjak, Finance Director

**COUNCIL AGENDA REPORT
PUBLIC WORKS DEPARTMENT**

TO: Frank Kuntz, Mayor
City Council

FROM: Matt Leonard, Public Works Director



SUBJECT: Domestic Water SCADA System Upgrade, Project No. 1518
Final Acceptance

DATE: August 21, 2017

MEETING DATE: August 24, 2017

I. OVERVIEW

This project updated the Supervisory Control and Data Acquisition System (SCADA) for the City’s water system and the Regional water system, which the City manages and operates. The upgrades replaced the obsolete telemetry panels and the technology used to communicate between the panels and the control system. A portion of the regional system was upgraded as part of the motor starter project #1407. This project replaced 4 additional Remote Telemetry Units (RTUs) which are part of the Regional Water System and 7 RTUs which are part of the City’s water system.

The contract was awarded to Taurus Power & Controls, Inc. at \$306,157.37. The final contract amount was \$333,506.59 which was lower than the original engineer’s estimate of \$347,823.08.

II. ACTION REQUESTED

Staff recommends the City Council accept the work performed by the Contractor Taurus Power & Controls, for the Domestic Water SCADA System Upgrade, Project 1518 and further authorize the mayor to sign the Final Contract Voucher Certification on behalf of the City of Wenatchee..

III. FISCAL IMPACT Submitted to the Finance Committee Yes No

This project was submitted and approved by Finance Committee on February 11, 2016.

Project Budget

Task	Water Fund	Regional Water Fund	Total
Design and Construction Engineering- RH2	\$ 64,000	\$ 36,000	\$ 100,000
In-house Project Mgmt, Inspections	\$ 12,800	\$ 7,200	\$ 20,000
Construction & Contingency	\$ 237,235	\$ 133,444	\$ 370,679
Art Fund	\$ 2,372	\$ 1,335	\$ 3,707
Total Budget	\$ 316,407	\$ 177,979	\$ 494,386

**COUNCIL AGENDA REPORT
PUBLIC WORKS DEPARTMENT**

IV. REFERENCE(S)

1. Final Contract Voucher

VI. ADMINISTRATIVE ROUTING

Tammy Stanger, City Clerk
Rachael Evans, Contracts Coordinator
Brad Posenjak, Finance Director

PW Agenda Report 2017-25



**City of Wenatchee
Department of Public Works**

**Final Contract
Voucher Certificate**

Contractor Taurus Power & Controls			
Street Address 9999 SW Avery St.			
City Tulatin	State OR	Zip 97062	Date 8/21/17
City Project Number 1518	Federal-Aid Project Number		Highway Number
Job Description (Title) 1518 SCADA Upgrades			
Date Work Physically Completed 1/13/2017		Final Amount \$333,506.59	

Contractor's Certification

I, The undersigned, having first been duly sworn, certify that I am authorized to sign for the claimant; that in connection with the work performed and to the best of my knowledge no loan, gratuity or gift in any form whatsoever has been extended to any employee of the City of Wenatchee nor have I rented or purchased any equipment or materials from any employee of the City of Wenatchee; I further certify that the attached final estimate is a true and correct statement showing all the monies due me from the City of Wenatchee for work performed and materials furnished under this contract; that I have carefully examined said final estimate and understand the same and that I hereby release the City of Wenatchee from any and all claims of whatsoever nature which I may have, arising out of the performance of said contract, which are not set forth in said estimate.

Contractor Authorized Signature Required

Type Signature Name

Subscribed and sworn to before me this _____ day of _____ 20_____

X _____ Notary Public in and for the State of Washington,

residing at _____

City of Wenatchee

City of Wenatchee hereby accepts the completed contract pursuant to Section 1-05.12 of the contract provisions.

X _____
Mayor/or Designee

Date of Acceptance

TO: Mayor Frank Kuntz
City Council Members

FROM: Matt Parsons, Associate Planner
Brooklyn Holton, Housing and Community Planner

SUBJECT: Annexation 10 Percent Petition – Shieni

DATE: August 21, 2017

MEETING DATE: August 24, 2017

I. OVERVIEW

A ten (10) percent annexation petition was submitted on June 22, 2017 with signatures representing the owner of Parcel Number 232033783100. The signatures represent 100% of the assessed value in the annexation area the applicant proposed. This parcel is located at the northeast corner of Stella and Walnut. The parcel owned by the applicant has a single family home, a manufactured home, and some accessory structures. The applicant is considering redeveloping the site. A pre-application meeting was held on June 22, 2017 addressing a proposal by the applicant to build 24 residential units at the site. The applicant is pursuing annexation because they desire to extend and connect to the City's sewer system. The annexation area the applicant proposed is 1.29 Acres. The land use designation of the parcel, as identified in the Comprehensive Plan, is North Wenatchee Business District.

At the July 13, 2017 City Council meeting, City staff provided a proposed annexation area that included both the parcel at 1406 Walnut Street and the parcel at 1402 Walnut Street. Staff estimated that the combined assessed value for both parcels and the adjacent right-of-way could result in a petition between 58-62%. At the time, there was no guarantee by staff of a sufficient petition without the corresponding signature for 1402 Walnut Street and therefore recommended only annexing the parcel at 1406 Walnut Street to provide predictability to the applicant. Staff provided an alternative option to Council which included both the 1402 and 1406 parcels; this is the motion that was voted for.

On August 15, 2017 staff received verbal notice from the Chelan County Assessor that that value of the petition was 58.89% and therefore insufficient. The reason for the value being below the threshold, was due to the value associated with the adjacent right-of-way. In response, staff recommends moving forward with the annexation of the sole parcel at 1406 Walnut Street. The Assessor's Office will be providing documentation of their Determination of Sufficiency early in the week of August 21. Staff expect to be able to provide this documentation at this meeting.

Considering the applicant represents the only included parcel, it is expected to be returned certified by the Chelan County Assessor as a sufficient petition and therefore a date will be scheduled by resolution for the 60 percent public hearing.

II. ACTION REQUESTED

The ten percent (10%) annexation public meeting is required for City Council to determine three items:

- 1. Whether the city will accept, reject, or geographically modify the proposed annexation;**

2. **Whether it will require the simultaneous adoption of a proposed zoning regulation;**
3. **Whether it will require the assumption of all or any portion of existing city indebtedness by the area to be annexed.**

If the legislative body requires the adoption of a proposed zoning regulation and/or the assumption of all or any portion of indebtedness as conditions to annexation, it is to record this action in its minutes.

Council acceptance is a condition precedent to circulation of the petition. There is no appeal from the council decision.

III. BUDGET IMPACTS

Annexation would result in additional annual property revenues to the City and one time revenues from future building permits. Estimates of annual property tax are not currently available. Costs associated with providing additional City services are anticipated to be minimal.

IV. ATTACHMENT(S)

1. Map of Revised Annexation Area
2. 10% Petition

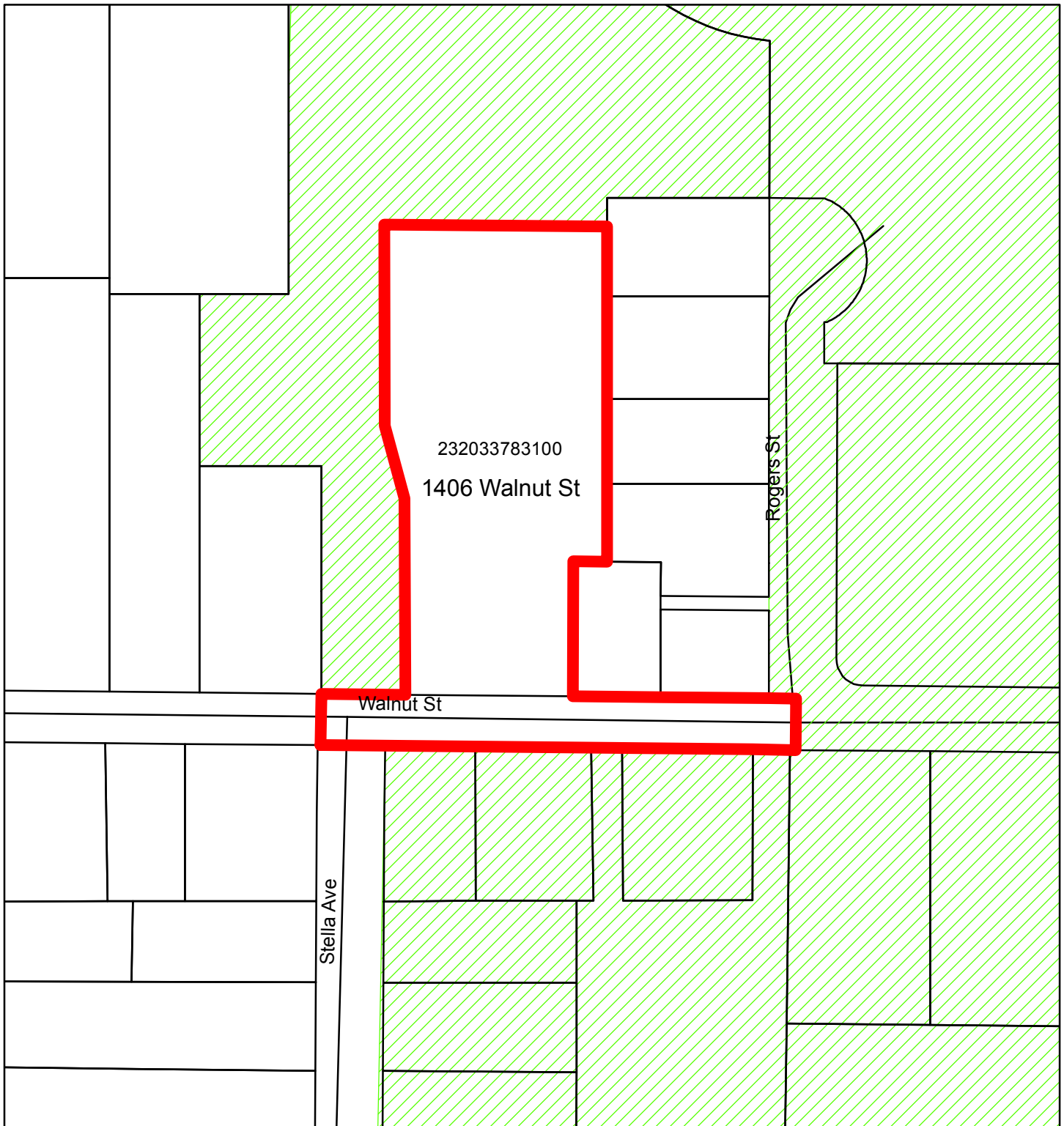
V. MOTION

I move to approve the annexation boundary including the applicant's parcel and adjacent right-of-way of the ten percent (10%) annexation petition for property located in an unincorporated area northeast of Stella Ave and Walnut St, to require the adoption of the proposed zoning regulations as it is set forth in the Comprehensive Plan of the City as North Wenatchee Business District, and to require the assumption of existing indebtedness of the City by the area to be annexed.


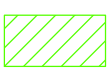
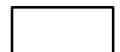

VI. ADMINISTRATIVE ROUTING

Tammy Stanger
Kim Schooley

Shieni Anenxation 10% Meeting Proposed Boundary




Legend

-  Shieni Annexation
-  City Limits
-  Parcels
-  Streets



0 50 100 Feet



CITY OF WENATCHEE
DEPARTMENT OF COMMUNITY DEVELOPMENT
PLANNING DIVISION
1350 McKITTRICK ST
PO BOX 519, WENATCHEE, WA 98807-0519
(509) 888-3261 FAX (509) 888-3201

PETITION TO ANNEX REVIEW APPLICATION

FEES: \$ 250.00 CITY OF WENATCHEE FILE # ANNEX-17-03
DATE STAMP JUN 22 2017 FEE \$ 250 CHECK # Credit Card RCPT # PL 17-00038

Date: 06/21/2017
Applicant: Miriam Shueni Phone _____
Address: 2023 Westhaven Wenatchee WA 98807.

Tel: 206-209-6953

PROPOSED ANNEXATION AREA mseleina@hotmail.com
Jess-phome@charter.net

Parcel # 232033783100

City of Wenatchee

Ten Percent Annexation Initiation Petition

Wenatchee City Council
PO Box 519
Wenatchee, WA 98807

Date: 06/21/2017

Dear Mayor and Council,

The undersigned, constituting not less than 10% in value according to the assessed valuation for general taxation of property described in the attached exhibit, incorporated herein by reference, hereby notify the Wenatchee City Council of the undersigned's intention to commence annexation proceedings. The undersigned requests that the City Council of the City of Wenatchee set a date for a meeting with the undersigned parties to determine whether the City of Wenatchee will accept the proposed annexation and whether it will require the assumption of existing indebtedness by the area to be annexed and/or the adoption of a proposed zoning regulation.

WARNING: Every person who signs this petition with any other than his true name, or who knowingly signs more than one of these petitions, or signs a petition when he is otherwise not qualified to sign, or who makes herein any false statement, shall be guilty of a misdemeanor.



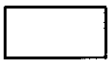

NAME/ADDRESS	DATE	SIGNATURE
Miriam-S. Shien	1408/1406	Walnut St.
		06/21/17

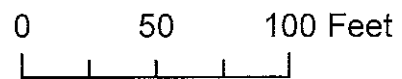
8/23/2004

Attach additional sheets for signatures if necessary



Legend

-  Shieni Annexation 10% Petition
-  City Limits
-  Parcels
-  Streets



**AGENDA REPORT
COMMUNITY DEVELOPMENT DEPARTMENT**

already been approved for this trail construction by the City of Wenatchee, and instead would be utilized by Mr. Draggoo to construct the access.

II. ACTION REQUESTED

Planning staff is requesting that the City Council authorize the Mayor to sign the enclosed agreement.

A draft motion for the Wenatchee City Council's consideration:

Draft Motion: I move to authorize the Mayor to sign the Agreement RE: Pedestrian Access, referenced as item 3 of the August 21, 2017 Agenda Report prepared by the City of Wenatchee Community Development Department.

III. FISCAL IMPACT

No additional costs are anticipated that were not already anticipated in the City budget for the pedestrian corridor.

IV. PROPOSED PROJECT SCHEDULE

The agreement specifies a series of actions which would be required to complete the changes in access that Mr. Draggoo would need to complete. It is the City's understanding that upon completion of the environmental review of the development proposal on Parcel "C", that a commercial building permit application will be submitted for the parcel.

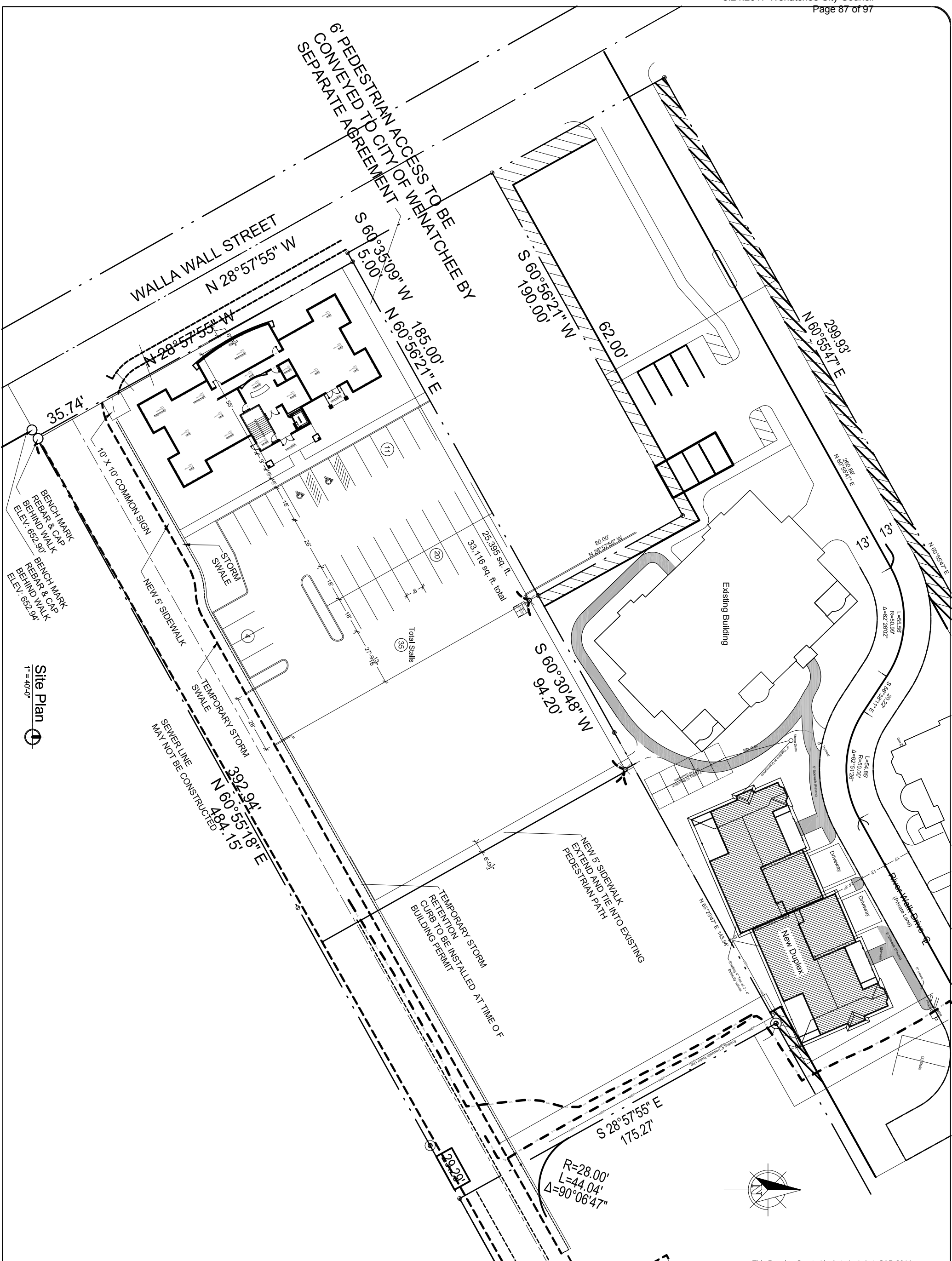
V. REFERENCE(S)

1. **Attachment 1: Subject Parcels for a proposed Pedestrian Access Agreement**
2. **Attachment 2: Draggoo Park Proposal Site Plan**
3. **AGREEMENT RE: PEDESTRIAN ACCESS**

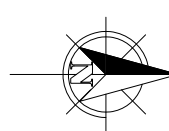
Attachment 1: Subject Parcels for a proposed Pedestrian Access Agreement between Braden Draggoo and the City of Wenatchee.



Commented [GD1]:



Site Plan
1" = 40'-0"



This Drawing Created in Autodesk AutoCAD 2014



COMPLETE DESIGN INC.
"Construction Design Specialists"
PO Box 1914
Wenatchee, WA, 98807
www.completedesign.cc
contact@completedesign.cc
509-662-3699

Whitebird Inc.
200 Palouse St.
Suite 102
Wenatchee, WA, 98801
509-662-8907

WHITEB105M4

Dragoon Park
Walla Walla Ave
Wenatchee, WA 98801
Chelan County

Job No: 17-0002

Issue	Drawn
Draft Set	R. Keiso 7/18/17

Site Plan

C-1.1

AGREEMENT RE: PEDESTRIAN ACCESS

THIS AGREEMENT RE: PEDESTRIAN ACCESS (the "Agreement") is made and entered into effective on the date of the last signature below by and between the City of Wenatchee, a municipal corporation of the state of Washington ("City"), and Braden L. Draggoo, a married man ("Draggoo"). The City and Draggoo are sometimes collectively referred to herein as the "parties," or individually as a "party."

RECITALS:

- A. Draggoo is the owner of the following described property:

Parcel No. 232034857055

Lot 1, as delineated on Thomas J. Reid Short Plat No. 1333, Chelan County, Washington, recorded January 22, 1986, in Book SP-3 of Short Plats, page 56.

EXCEPT North 6 feet of Lot 1, as conveyed to the City of Wenatchee by deed recorded under Auditor's File No. 2451747.

The Property is also known as Parcel A of City of Wenatchee Boundary Line Adjustment No. BLA-17-001WE recorded under Chelan County Auditor's File No. 2451753.

Parcel No. 232034857045

A portion of Binding Site Plan BSP 15-03 of Riverwalk of Wenatchee recorded under auditor's file no 2451355, Chelan County, Washington also known as Tract B, a condominium Phase 2, recorded under auditor's file number 228827.

Beginning at the Southwest corner of said Lot 4, Block 7, Plat of Smith Park of Wenatchee, WA, recorded in Volume 1 at Page 39, records of Chelan County, Washington located on the Easterly right of way of Walla Walla Avenue; thence along said right of way South 29°20'15" East a distance of 59.60 feet to the True Point of Beginning; thence continuing along said right of way South 29°20'15" East for a distance of 41.65 feet; thence North 60°36'12" East for a distance of 116.69 feet; thence North 29°22'28" West for a distance of 57.33 feet; thence South 59°41'41" West for a distance of 1.83 feet; thence South 49°31'23" West for a distance of 29.70 feet; thence South 60°34'55" West for a distance of 44.65 feet; thence 42.62 feet along

a tangent curve with a radius of 90.00 feet, a central angle of 27°08'06", with a chord bearing of South 47°00'52" West, for a chord distance of 42.23 feet to the True Point of Beginning

Together with the West 190 feet of the South 80 feet of Lot 1, Block 8, Smith Park, Chelan County, Washington, according to the plat thereof, recorded in Volume 1 of Plats, page 39.

The property is also known as Parcel A of BLA-2016-014WE recorded under Chelan County Auditor's file No. 2452848.

The afore-described property shall be referred to herein either as the "Draggoo Property" or "Draggoo Properties."

B. The City is the holder of pedestrian access property and a construction easement across and between the Draggoo Properties granted by Special Warranty Deed recorded January 24, 2017, at Chelan County Auditor's File No. 2451747.

C. The City and Draggoo desire to relocate the pedestrian access property and construction easement on the Draggoo Properties and provide for the construction of the sidewalk by Draggoo in relation to development on the Draggoo Properties.

D. The parties desire to enter into this Agreement to memorialize the terms of the relocation and construction of the easement as further set forth herein.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the parties agree as follows:

1. Recitals. The recitals set forth above are incorporated herein as binding commitments and representations of the parties by this reference.

2. Release of Access and Easement. Subject to the terms and conditions set forth in this Agreement, the City agrees to release the pedestrian access property and construction easement granted over and across and between the Draggoo Properties as set forth in the Special

Warranty Deed recorded at Chelan County Auditor's File No. 2451747. The release shall not apply to or affect the pedestrian access property and construction easement over and across and adjacent to the Parlette property described in the Deed. The City shall release the pedestrian access property and easements by executing a Quit Claim Deed together with a Real Estate Excise Tax Affidavit for recording with the Chelan County Auditor. Draggoo shall be responsible for the costs to record and process the Quit Claim Deed and Excise Tax Affidavit and the Boundary Line Adjustment processing to combine this real property with the adjacent Draggoo Property of tax parcel number 232034857055.

3. Grant of North/South Pedestrian Access Easement. Subject to the terms and conditions set forth in this Agreement, Draggoo shall transfer and convey to the City a six foot pedestrian access easement over and across the Draggoo Property, as more specifically described on Exhibit "A" and as depicted on the drawing attached to Exhibit "A." The City shall pay Draggoo the sum of Twenty-five Thousand Dollars (\$25,000) for this easement. Draggoo shall grant this easement in a form acceptable to the Parties, together with a Real Estate Excise Tax Affidavit for recording with the Chelan County Auditor. Draggoo shall pay the excise tax related to the transfer, and the City shall pay the recording fees. Draggoo shall build the sidewalk to City standards when he develops tax parcel number 232034857045 or the area adjacent to the sidewalk easement of tax parcel number 232034857055. The City agrees to release the easement in the future if it obtains another pedestrian right-of-way corridor to the Chelan County PUD park in the same general area.

4. Easement on Southern Boundary. Draggoo shall dedicate and transfer to the City as a replacement for the pedestrian access property and construction easement to be released as identified in Section 2 above a six foot pedestrian access and utility easement for the area described

on Exhibit “B” attached hereto. Draggoo agrees to construct the sidewalk to City standards within a reasonable time after obtaining a building permit for site improvements on the Draggoo Property of tax parcel number 232034857055. Draggoo shall convey the easement to City in a form acceptable to the Parties together with a Real Estate Excise Tax Affidavit for recording with the Chelan County Auditor. The City shall pay for the recording fees.

5. Binding Effect. This Agreement shall be binding upon and inure to the parties hereto, their respective heirs, executors, administrators, successors and assigns.

6. Governing Law. This Agreement shall be governed by the laws of the state of Washington and venue for any action arising from this Agreement shall lie in Chelan County, Washington.

7. Interpretation. This Agreement has been submitted to the scrutiny of the parties and their legal counsel, if desired, and it shall be given a fair and reasonable interpretation in accordance with its words, without consideration to or weight given to its being drafted by any party or its legal counsel.

8. Counterpart Signatures. This Agreement may be executed separately or independently in any number of counterparts and may be delivered by manually signed counterpart or electronically. Each and all of these counterparts shall be deemed to have been executed simultaneously and for all purposes to be one document, binding as such on the parties. The electronic transmission of any signed original document, and retransmission of any signed electronic transmission, shall be the same as delivery of an original.

9. Authority. Each of the individuals signing below represent and warrant to the other party that they have full legal right and authority to sign this Agreement and that said signatures are binding and irrevocable commitments of the party for whom they are signing.

IN WITNESS WHEREOF, the parties have set their hands effective the date of the last signature set forth below.

CITY OF WENATCHEE

By _____
FRANK KUNTZ, Mayor

Date: _____

BRADEN L. DRAGGOO

Date: _____

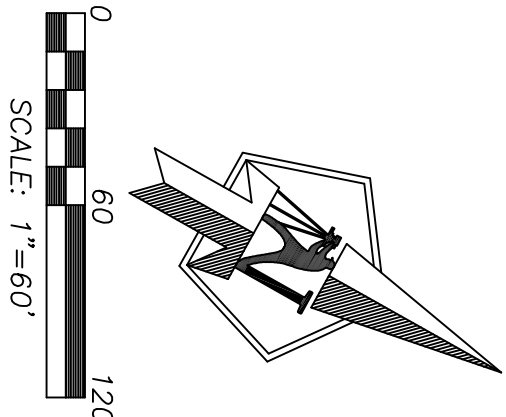
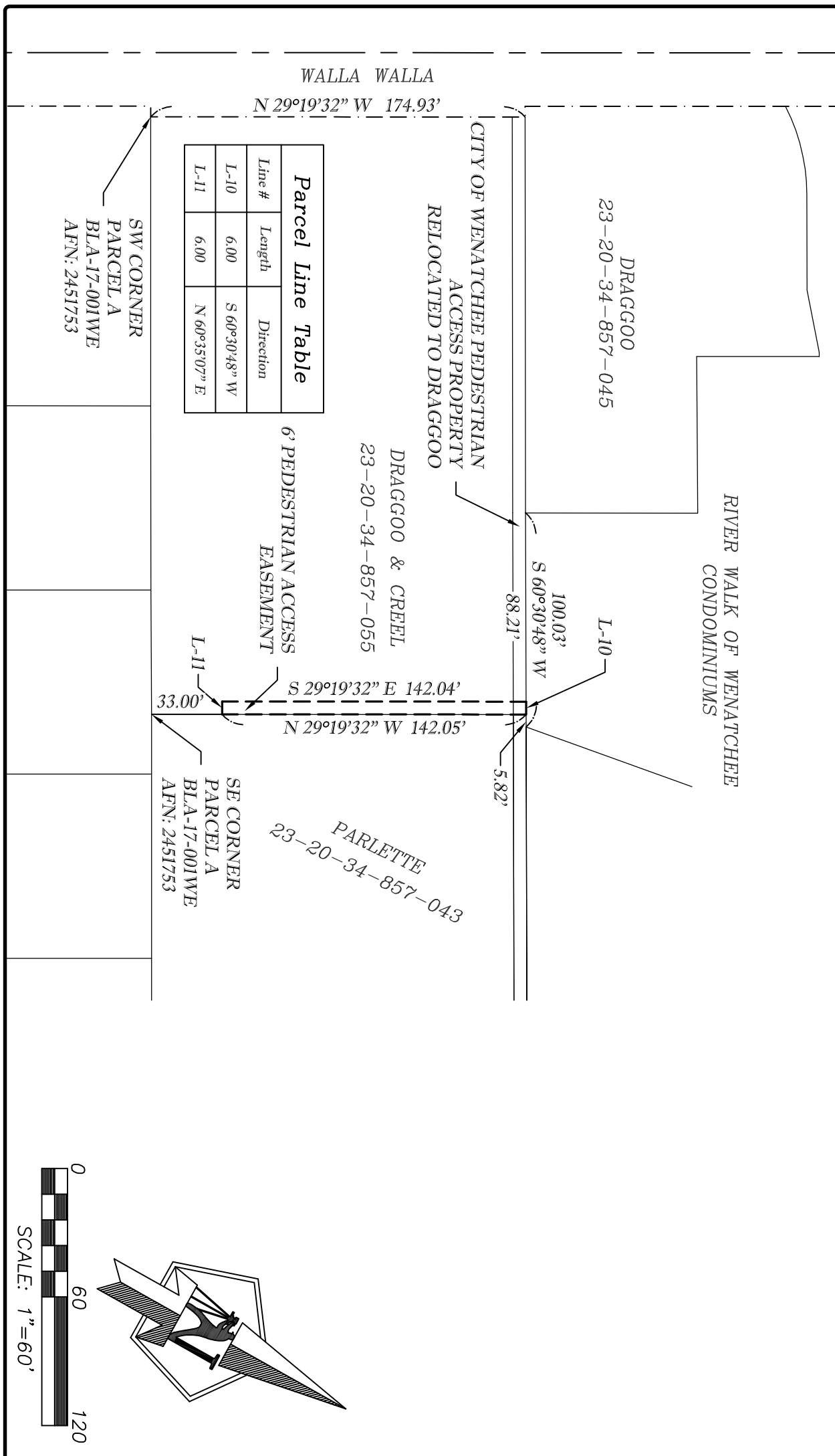
EXHIBIT A

**6 FOOT PEDESTRIAN ACCESS EASEMENT
TO CITY OF WENATCHEE
FROM DRAGGOO**

**NORTH / SOUTH ROUTE
ALONG EASTERLY BOUNDARY OF DRAGGOO PROPERTY**

A 6.00 foot pedestrian access easement over across and under a portion of the Northern six feet (6-feet) of lot 1, as delineated on Thomas J. Reid Short Plat No. 1333, Chelan county, Washington, recorded January 22, 1986, in book SP-3 of Short Plats, Page 56 and a portion of Parcel A of City of Wenatchee Boundary Line Adjustment No. BLA-17-001WE recorded under Chelan County Auditor's File No. 2451753.

Beginning at the Southeast corner of said Parcel A; thence North 29°19'32" West along the easterly boundary of said Parcel 'A' a distance of 33.00 feet to the True Point of Beginning; thence continuing along said easterly boundary North 29°19'32" West a distance of 142.05 feet to a point on the South line of River Walk of Wenatchee Condominiums BSP 16-01 thence along said South line, South 60°30'48" West a distance of 6.00 feet; thence leaving said South line, South 29°19'32" East a distance of 142.04 feet; thence North 60°29'21" East a distance of 6.00 feet to the True Point of Beginning.



17076
PROJ. NO.
DATE: 2017-08-21
FILE:
2017-08-21 DRAGON DEED-EASEMENT REVISED

CITY OF WENATCHEE
6' PEDESTRIAN EASEMENT
EXHIBIT A
CITY OF WENATCHEE WASHINGTON



TURNING YOUR IDEAS INTO
REALITY THROUGH
INNOVATION INTEGRITY
AND PERSONAL SERVICE

EXHIBIT B

**PEDESTRIAN ACCESS AND UTILITY EASEMENT
TO CITY OF WENATCHEE
FROM DRAGGOO**

**ALONG SOUTHERN BOUNDARY OF DRAGGOO PROPERTY
ADJACENT AND NORTH OF THE NORTH MARGIN OF
THE PRIVATE ROAD AS MODIFIED BY BSP-16-01**

That portion of Parcel A of City of Wenatchee Boundary Line Adjustment No. BLA-17-001WE recorded under Chelan County Auditor's File No. 2451753.

Beginning at the Southeast corner of said Parcel A; thence North 29°19'32" West along the westerly boundary of said Parcel A a distance of 35.74 feet to the True Point of Beginning; thence continuing along said westerly boundary North 29°19'32" West a distance of 7.00 feet; thence leaving said westerly boundary, 12.27 feet, along a non-tangent curve with a radius of 19.50 feet, a central angle of 36°03'37", with a chord bearing of North 78°36'55" East, for a chord distance of 12.07 feet; thence North 60°35'07" East a distance of 78.78 feet; thence 15.77 feet; along a tangent curve with a radius of 32.50 feet, a central angle of 27°47'45", with a chord bearing of North 74°28'59" East for a distance of 15.61 feet; thence 9.46 feet along a compound curve with a radius of 19.50 feet, a central angle of 27°47'45", with a chord bearing of North 74°28'59" East for a distance of 9.37 feet; thence North 60°35'07" East a distance of 164.57 feet to a point on the easterly boundary of said Parcel A; thence along said boundary, South 29°19'32" East a distance of 6.00 feet; thence leaving said boundary, South 60°35'07" West a distance of 164.56 feet; thence 12.37 feet; along a tangent curve with a radius of 25.50 feet, a central angle of 27°47'45", with a chord bearing of South 74°28'59" West for a distance of 12.25 feet; thence 12.86 feet; along a compound curve with a radius of 26.50 feet, a central angle of 27°47'45", with a chord bearing of South 74°28'59" West for a distance of 12.73 feet; thence South 60°35'07" West a distance of 78.78 feet; thence 11.92 feet; along a tangent curve with a radius of 25.50 feet, a central angle of 26°46'47", with a chord bearing of South 73°58'30" West for a distance of 11.81 feet to the westerly boundary of said Parcel A and the True Point of Beginning.

