



WENATCHEE CITY COUNCIL
Thursday, November 8, 2018
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:

Claim checks #188011 through #188018 in the amount of \$3,347.89 for October 12, 2018

Benefits/deductions checks in the amount of \$803,143.75 for October 31, 2018

Claim checks #188221 through #188287 in the amount of \$1,525,064.85 for November 1, 2018

Payroll distribution in the amount of \$423,929.39 for November 5, 2018

Payroll distribution in the amount of \$2,230.23 for November 5, 2018

- Motion for City Council to approve Resolution No. 2018-39, 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 therein.

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.

- Small Business Saturday Proclamation
- Wenatchee Valley Chamber of Commerce Legislative Update

5. Action Items.

- A. Interlocal Agreement for Providing District Court Services between Chelan County and the City of Wenatchee
Presented by Executive Services Director Allison Williams

Motion to approve the Interlocal Agreement for Providing District Court Services between Chelan County and the City of Wenatchee.

- B. Project No. 1803 North Miller Street Storm Drainage Line Replacement
Approval of Project Budget Amendment
Presented by Senior Engineer – Utilities Jeremy Hoover

Motion for City Council to amend the project budget to pay for the increased construction costs and further authorize the Mayor to approve the construction change order.

- C. Annexation 10 Percent Petition – Lavergne Annexation
Presented by Community Development Director Glen DeVries, Housing & Community Planner Brooklyn Holton, and Associate Planner Matthew Parsons

Motion for City Council to approve the annexation boundary proposed in the ten percent (10%) annexation petition for the proposed annexation area located in an unincorporated area within the urban growth boundary, to require the adoption of the proposed zoning regulations as it is set forth in the Comprehensive Plan of the City as Residential Moderate, and to require the assumption of existing indebtedness of the City by the area to be annexed.

- D. McKittrick Street Right-of-Way
Presented by Economic Development Director Steve King

Motion for City Council to grant a Quit Claim Deed converting fee simple city-owned property to public right-of-way for McKittrick Street.

- E. Columbia Street Right-of-Way
Presented by Economic Development Director Steve King

Motion for City Council to grant a Quit Claim Deed converting fee simple city-owned property to public right-of-way for Columbia Street.

- F. Limited Tax and General Obligation Bonds
Presented by Finance Director Brad Posenjak

Motion for City Council to approve Ordinance No. 2018-32, authorizing the sale, issuance and delivery of not to exceed \$20,000,000 of the City's Limited Tax General Obligation Bonds.

6. Public Hearing Items.

- G. Chelan Douglas Land Trust Annexation
Presented by Community Development Director Glen DeVries, Associate Planner Matt Parsons, and Housing & Community Planner Brooklyn Holton

Motion for City Council to adopt Ordinance No. 2018-40, providing for the annexation of an unincorporated area located directly west of Phase VIII and IX of the Broadview neighborhood at the end of Maiden Lane also known as the Chelan Douglas Land Trust (CDLT) Annexation, subject to the provisions of Ordinance No. 2007-34, and all subsequent amendments thereto.

- H. Piere Street Right-of-Way Vacation
Presented by City Engineer Gary Owen

Motion for City Council to approve Ordinance No. 2018-36, vacating a portion of the city right-of-way along Piere Street in the City of Wenatchee.

- I. Proposed Interim Control
Presented by Community Development Staff

Motion for City Council to adopt Ordinance No. 2018-35, adopting a twelve (12) month interim control within the City of Wenatchee on the permitting of neighborhood centers, auditoriums, places of public assembly, and places of public worship in the RF, RS, RL, RM and RH zones, and to set a hearing on the ordinance for January 10, 2019, at 5:15 PM in order to receive testimony and to consider adopting further findings.

7. Reports.

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

8. Announcements.

9. Adjournment.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Mayor's office at (509) 888-6204 (TTY 711). Notification 72 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to the meeting (28 CFR 35.102-35.104 ADA Title 1.)



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WENATCHEE CITY COUNCIL SPECIAL MEETING
Thursday, November 1, 2018
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 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 Jessi Saucedo
Public Information Officer Annagrisel Alvarez
Economic Development Director Steve King
Public Works Director Rob Jammerman
Community Development Director Glen DeVries
Parks, Recreation & Cultural Services Director David Erickson
Finance Director Brad Posenjak

5:15 p.m. Special Meeting

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

Mayor Frank J. Kuntz called the special meeting to order at 5:15 p.m. Councilmember Mike Poirier led the Pledge of Allegiance. Councilmember Keith Huffaker was absent.

2. Consent Items:

Motion by Councilmember Mark Kulaas to approve agenda, vouchers, and minutes from previous meetings. Councilmember Jim Bailey seconded the motion. Motion carried (6-0).

3. Citizen Requests/Comments. None.

4. Presentations.

- Global Entrepreneurship Week Proclamation read by Councilmember Jim Bailey and presented to Stacy Luckensmeyer, Business & Industry Liaison Wenatchee Valley College Center for Entrepreneurship
- 2018 Budget Amendments Review presented by Finance Director Brad Posenjak.
- 2019 Preliminary Budget Review presented by Finance Director Brad Posenjak.

5. Action Items.

A. Amended Lease – Lineage Logistics

Executive Services Director Allison Williams presented the staff report. Council asked questions.

Motion by Councilmember Mark Kulaas for City Council to authorize the Mayor's signature on the Lease Agreement between the City of Wenatchee and Lineage Logistics, LLC. Councilmember Lyle Markhart seconded the motion. Motion carried (6-0).

B. Contaminated Soils Agreement with WenDBR, LLC

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

Motion by Councilmember Jim Bailey for City Council to authorize the Mayor to sign a settlement agreement with WenDBR, LLC in the amount of \$184,079.81 to satisfy contractual obligations associated with disposal of contaminated soils at 25 North Worthen Street. Councilmember Lyle Markhart seconded the motion. Motion carried (6-0).

6. Reports.

a. Mayor's Report. The Mayor reported on the following:

- He and staff met with Wenatchee School District this week on the following issues: (1) Real estate (TIB grant for Appleland Drive – behind track); (2) Additional School Resource Officer; (3) Water tank on Okanogan that is almost out of useful life; (4) Roadway for development off Springwater near WSD property.
- The Employee Appreciation Breakfast was held this morning and was a success.
- He and Executive Services Director Allison Williams attended a tour of the jail today. The county is working on a funding model.
- He and Executive Services Director Allison Williams attended a meeting with Parkside today.

- Executive Services Director Allison Williams reminded everyone about a presentation on Monday to the Chelan County Commissioners regarding Methow Park for distressed county dollars.
 - There will be a meeting of North Wenatchee Avenue business owners next Wednesday from 5:00 p.m. to 7:00 p.m. at the Confluence Technology Center. The community meeting will be held on the 14th.
- b. Reports/New Business of Council Committees
- Councilmember Linda Herald stated she and Councilmember Lyle Markhart attended the Café meeting last Saturday.
 - Councilmember Mark Kulaas reminded Council of the WDA dinner on November 29 at 5:00 p.m. at the Rivertop Grill.

7. Announcements.

8. Adjournment. With no further business the meeting adjourned at 5:55 p.m.

Frank J. Kuntz, Mayor

Attest:

Tammy L. Stanger, City Clerk

**COUNCIL AGENDA REPORT
PUBLIC WORKS DEPARTMENT**

TO: Frank Kuntz, Mayor
City Council

FROM: Aaron Kelly, Public Works Operations Manager

SUBJECT: Resolution 2018--39 Declaring certain personal property surplus to the needs of the City.

DATE: November 2, 2018

MEETING DATE: November 8, 2018

I. OVERVIEW

The City has various equipment and materials that are surplus to the needs of the City. The attached Resolution No. 2018-39 describes the process and Exhibit A lists the surplus equipment.

II. ACTION REQUESTED

Staff recommends that the City Council **adopt Resolution 2018- 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 2018-39

V. ADMINISTRATIVE ROUTING

Tammy Stanger, City Clerk
Brad Posenjak, Finance Director
Rob Jammerman, Public Works Director

RESOLUTION NO. 2018-39

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 Chapter 1.34 WCC.

PASSED BY THE CITY COUNCIL OF THE CITY OF WENATCHEE, at a regular meeting thereof, this _____ day of _____, 2018.

CITY OF WENATCHEE, a Municipal
Corporation

By: _____
FRANK KUNTZ, Mayor

ATTEST:

By: _____
TAMMY STANGER, City Clerk

APPROVED

By: _____
STEVE D. SMITH, City Attorney

EXHIBIT "A"

Exhibit A

Item #	Qty	Description	Serial/VIN/Etc.
1	6	Bleachers	NA
2	18	picnic tables	NA
3	4	scrap bins of old street signs	NA
4	1	Incubator (Eviromental's Lab)	70100011
5	1	Dialysate (Dialysis Machine) from Parkside facility	NA
6	1	Modular office Trailer at the Cemetery	70706
7	4	Aluminum Tanks from vactor trucks	NA
8	1	SnoGo (obsolete no longer making parts)	WK800

Convention Center

Appliances & ice chest from Convention Center (Old)

PROCLAMATION

Small Business Saturday

November 24, 2018

Whereas, the City of Wenatchee, Washington, celebrates our local small businesses and the contributions they make to our local economy and community; according to the United States Small Business Administration, there are currently 30.2 million small businesses in the United States, they represent 99.7 percent of all businesses with employees in the United States, are responsible for 65.9 percent of net new jobs created from 2000 to 2017; and

Whereas, small businesses employ 47.5 percent of the employees in the private sector in the United States; and

Whereas, 90% of consumers in the United States say Small Business Saturday has had a positive impact on their community; and

Whereas, 89% of consumers who are aware of Small Business Saturday said the day encourages them to Shop Small all year long; and

Whereas, 73% of consumers who reportedly Shopped Small at independently-owned retailers and restaurants on Small Business Saturday did so with friends or family; and

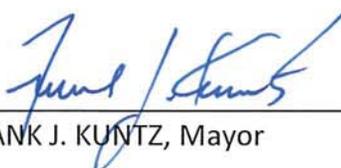
Whereas, the most reported reason for consumers aware of the day to shop and dine at small, independently-owned businesses was to support their community (64%); and

Whereas, Wenatchee, Washington, supports our local businesses that create jobs, boost our local economy and preserve our communities; and

Whereas, advocacy groups, as well as public and private organizations, across the country have endorsed the Saturday after Thanksgiving as Small Business Saturday.

Now, Therefore, I, Frank J. Kuntz, Mayor of the City of Wenatchee, Washington, do hereby proclaim, November 24, 2018, as: **SMALL BUSINESS SATURDAY** and urge the residents of our community, and communities across the country, to support small businesses and merchants on Small Business Saturday and throughout the year.

IN WITNESS WHEREOF, I have caused the seal of the City of Wenatchee to be affixed on this 8th day of November, 2018.


FRANK J. KUNTZ, Mayor



CITY OF WENATCHEE

INTEROFFICE MEMORANDUM

TO: Frank Kuntz, Mayor
City Council Members

FROM: Allison Williams, Executive Services Director; Brad Posenjak, Finance Director

SUBJECT: Interlocal Agreement for Providing District Court Services Between Chelan County and the City of Wenatchee

DATE: **November 5, 2018**

Overview: Following is the proposed four year contract for the provision of District Court Services by Chelan County District Court. Prior to the date in which the City could determine continuation or termination of the contract, which was February 1, 2017, the City met with court staff and Judges and went through a review of the cost of services. It was determined to move forward with the continuation of the agreement. Following are the changes:

- 1) In negotiations, Chelan County provided an overview of the costs of administering the contract and funds returned to the City. These costs are included as attachments to the agreement. It was determined that the cost per case filing should be increased to the Chelan County request of \$80 per filing. The city's caseload filings (revenues to the court) have not kept up with the county's cost to administer the court.
- 2) This agreement continues the break out the cost of probation. Probation had been a service that was included since the City contracted for District Court services in mid-1984. Chelan County Probation asked for the ability to provide services for a flat fee and reduce reporting requirements allowing for easier administration of the contract. As a result, this contract reflects an increase from \$45,000 to \$60,000 annually for the purposes of providing probation and monitoring services.

It is estimated, based on our caseloads, that the overall cost for the contract will be \$294,000 for overall court services and \$60,000 for probation and monitoring services. Wenatchee is one of the few cities that has fines remitted. The Court collects these on behalf of the City. In the attached documents you will note the return on fines. The cost of the agreement is included in the budget for 2019.

Action requested: Motion to Approve the Interlocal Agreement for Providing District Court Services Between Chelan County and the City of Wenatchee.

INTERLOCAL AGREEMENT FOR PROVIDING DISTRICT COURT SERVICES BETWEEN CHELAN COUNTY AND THE CITY OF WENATCHEE

THIS INTERLOCAL AGREEMENT FOR PROVIDING OF DISTRICT COURT SERVICES (“Agreement”) is entered into between Chelan County (“County”), a political subdivision of the State of Washington, the City of Wenatchee (“City”), a non-charter code city of the State of Washington, and the Chelan County District Court (“Court”) acting through its presiding judge, jointly referred to as “Parties.”

WITNESSETH:

WHEREAS, the City and County are currently parties to an Interlocal Agreement for the use of Chelan County District Court services by the City of Wenatchee that expires December 31, 2018 (“Existing Agreement”);

WHEREAS, the City and County wish to continue to have the City use the Chelan County District Court services;

WHEREAS, it is the intent of the Parties to promote efficiency in resolving all cases in Court in order to minimize costs to the Parties, as permitted by the law and court rules; and

WHEREAS, the Parties have considered the anticipated costs of the Chelan County District Court services, including Court probation and monitoring services, and the anticipated and potential revenues to fund the services;

NOW THEREFORE, in consideration of the mutual covenants contained herein, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. PURPOSE

The Court is a court of limited jurisdiction organized pursuant to Title 3 of the Revised Code of Washington (“RCW”). The City does not have its own municipal court. Pursuant to the authorization in Chapter 3.50 RCW and Chapter 39.34 RCW, the City has elected to enter into an interlocal agreement with the County for use of its Court for the prosecution, adjudication, and sentencing of violations committed within the jurisdiction of the City, whether filed under state law or the Wenatchee City Code.

2. ADMINISTRATION OF AGREEMENT

No new or separate legal entity is created by this Agreement. For purposes of RCW 39.34.180(4)(a), the Administrator of this Agreement shall be the presiding judge of the Court. The City shall have no right to direct or control the personnel, employees, or agents of the Court. Such entities or individuals shall be employed or retained by the

County in its sole discretion and subject only to its supervision and control. The City shall have no responsibility or liability to or for such entities or individuals of the Court.

3. DURATION and TERMINATION

a. Duration.

This Agreement shall be in effect from the period commencing on January 1, 2019 and expiring on December 31, 2022. In the event that the parties have not agreed to renew this Agreement by August 30, 2022, and neither party has issued a written notice of intent to terminate as provided this Section, then either party may request arbitration as provided in Section 10 of this Agreement. This Agreement shall remain in effect until a new agreement is reached or until an arbitration award on the matter is made.

b. Termination by the City.

The City may terminate this Agreement at the end of the term without cause by providing written notice of its intent to terminate this Agreement to the County legislative authority by February 1, 2021, which is a date that complies with RCW 3.50.810(1) and RCW 35.20.010(3).

c. Termination by the County.

The County may terminate this Agreement at the end of the term without cause by providing written notice of its intent to terminate this Agreement to the City legislative authority by December 31, 2021, which is a date that complies with RCW 3.50.810(3) and RCW 35.20.010(4).

d. Termination by Agreement.

The Parties may mutually agree to terminate this Agreement at any time by written acknowledgement signed by both Parties.

4. MODIFICATION

No modification or amendment to this Agreement shall be valid unless put in writing and signed by the Parties.

5. PROPERTY

This Agreement does not provide for the acquisition, holding or disposal of real or personal property. All real and personal property used in the operation of the Court shall be acquired, held and disposed of in the name of the County except as otherwise stated in this Section. In the event that any special equipment is required to administer only City

cases, the City shall acquire the necessary special equipment for the County, but it will be the County's sole responsibility to maintain such equipment. Any equipment acquired by the City and maintained by the County shall be retained by the County upon termination of this Agreement.

6. FINANCING AND BUDGET

There shall be no financing of any joint or cooperative undertaking pursuant to this Agreement. The budget for the Court shall be established by the County Commissioners in the manner provided by law. The budget for the City shall be established by the City Council in the manner provided by law.

7. COURT SERVICES, VIOLATION BUREAU, AND FILING FEES

a. Case Type

Cases shall be classified by the following types:

- i. Criminal Traffic
- ii. Criminal Non-Traffic
- iii. Traffic Infraction (excluding Photo Enforcement Infractions and Parking Infractions)
- iv. Non-Traffic Infraction
- v. Parking Infraction
- vi. Photo Enforcement Infraction

b. Violation Bureau

i. Operations and Quarterly Reporting

The City may operate a violation bureau pursuant to RCW 3.30.090. The violation bureau shall report to the Court on a quarterly basis all infractions filed with the violation bureau, including the agency case tracking number, the violation date, the RCW or City code provision for the violation, and the total amount of fines and fees submitted to the violations bureau for each infraction. In addition, the quarterly reporting to the Court by the violation bureau shall include the total number of infraction cases filed with the violation bureau per the following categories: (a) Parking Infractions, (b) Photo Enforcement Infractions, (c) Other Traffic Infractions, and (d) Non-Traffic Infractions; as well as the total

amount of fines and fees submitted for each of these categories.

The violation bureau has no authority to assess, waive, reduce, dismiss or delay payment of the penalty in full for any infraction. All forfeitures and penalties shall be processed pursuant to the terms of RCW 3.30.090.

ii. Mandatory Filing of All Infractions

The City shall be responsible for overseeing that all Traffic Infractions, Non-Traffic Infractions, Photo Enforcement Infractions and Parking Infractions issued by any City department or by any contracted agency providing services for the City, i.e., Wenatchee Police Department, animal control services, et al., are filed with either the violation bureau or the Court.

iii. Liability for Violation Bureau

The City shall be solely responsible for any liability incurred based upon the operations of the violation bureau and its employees. The City agrees to fully indemnify the County, including but not limited to attorney fees for any claim or liability caused by the operations of the violations bureau or its employees.

c. Filing Fees

- i. A filing fee of \$80.00 shall be assessed by the County to be paid by the City for each Criminal Traffic and Criminal Non-Traffic case filed in the Court where the City is a party.
- ii. Except as noted in subsections (iii) and (iv) below, a filing fee of \$80.00 shall be assessed by the County to be paid by the City for each Traffic Infraction, Non-Traffic Infraction, Photo Enforcement Infraction and Parking Infraction case filed in the Court where the City is a party and a mitigation or contested hearing is required.
- iii. A filing fee of \$15.00 shall be assessed by the County to be paid by the City for each delinquent Parking Infraction referred to the Court for collection only.
- iv. A filing fee of \$25.00 shall be assessed by the County to be paid by the City for each delinquent Photo Enforcement Infraction referred to the Court for collection only.

d. Other Costs and Fees

The City shall be responsible for the payment of all jury fees, witness fees, expert witness and investigative services, and interpreter fees (other than for Spanish speaking interpreters who are on-site employees of the Court).

e. Attorneys

The City shall provide attorneys for the prosecution of any City case. The City shall provide defense counsel for indigent defendants for any Criminal Traffic and Criminal Non-Traffic case. The costs associated with providing these attorneys are not included in this Agreement.

f. Payment

The County shall invoice the City for the costs and fees set forth herein on a monthly basis. Payment by the City shall be due thirty (30) days after receipt of the County's invoice. The County's invoice shall include, at a minimum, an itemized number of each type of case as described in paragraph 7(a) above.

8. PROBATION AND MONITORING SERVICES AND PROBATION FEES

a. Services

The Court shall provide the City with probation and monitoring services as ordered by the Court on a case by case basis for any Criminal Traffic or Criminal Non-Traffic case where the City is a party. Probation and monitoring services shall be performed by the Chelan County Probation Department ("Probation").

Probation and monitoring services shall include, if ordered by the Court, the following:

- i. Conducting pre/post-sentence investigations with face to face interviews and extensive research that includes but is not limited to criminal history, contact with victims, personal history, social and economic needs, community resource needs, counseling/treatment needs, work history, family and employer support, and complete written pre/post-sentence reports, which includes sentencing recommendations to the court.
- ii. Determining supervised probationers risk to the community using a standardized classification system with a minimum of quarterly face to face interviews for all supervised offenders; provided that offenders classified at the highest level shall have at a minimum a

monthly face to face interview as required by the offender's risk assessment and the Chelan County Probation Department Policy Manual.

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- iii. Evaluating **supervised** offenders social problems ~~social problems~~, amenability to different types of treatment programs; and determining appropriate referral.
- iv. ~~Supervising offenders with~~ **Conducting** face to face interviews ~~depending on~~ **with supervised offenders according to the** risk classification system.
- v. Approving community agencies providing services required of offenders (e.g. alcohol/drug, domestic violence, sexual deviancy, and mental illness).
- vi. ~~Coordinating treatment referral information.~~ Coordinating treatment referral information.
- vi. Monitoring compliance with any requirement of sentencing ordered by the Court, **including work crew and community service.**
- vii. Reporting to the Court any offender non-compliance with conditions of the offender's sentence.
- viii. **Collecting and disbursing victim restitution.**

a. ~~Determination of Cases being Supervised~~

~~At the end of each year (December 31), Probation shall determine how many City cases are being supervised by Probation for that year ("Probation Case"); which shall not include any case that was on "inactive status."~~

- i. ~~For purposes of this section "inactive status" means any case:~~
 - a. ~~That is archived for six consecutive months or more;~~
 - b. ~~Where the Court has terminated supervision by Probation prior to March 31; or~~
 - e. ~~Where jurisdiction for probation supervision has expired prior to March 31.~~
- ii. ~~For purpose of this section multiple cause numbers for the same individual that arose from the same incident shall be deemed one "Probation Case."~~

~~Example: If an individual has been charged with DUI and DWLS 3 under cause number 1234 WCA with a violation date of January 1, 2010, and has also been charged with an MIP under cause number 5678 WCA with~~

~~a violation date of January 1, 2010 that arose from the same incident as 1234 WCA, then 1234 WCA and 5678 WCA are deemed one case for purposes of determining a "Probation Case."~~

~~e. Probation Fees~~

b. Probation Fees

i. Service Fee

An annual service fee of ~~\$45,000~~ **\$60,000** ("Service Fee") shall be assessed by the County to be paid by the City for ~~all Probation Cases~~ **probation and monitoring services**. The County shall invoice the City ~~\$11,250~~ **\$15,000** for the Service Fee on a quarterly basis. Payment by the City shall be due thirty (30) days after receipt of the County's invoice.

ii. Offender Fee

Probation shall assess and collect probation and monitoring fees from each offender according to the amounts and procedures set forth in the Chelan County Probation Department Policy Manual; provided that such fees shall not be collected from offenders whose sole income is protected by 42 USC § 407(a).

Statutory probation fees collected from City cases shall be used in compliance with ARLJ 11.3 for probation and monitoring services on City cases only.

~~At the end of each calendar year, the County shall determine the City's share of costs related to probation services. If the City's costs exceed the probation service fees collected from City offenders, then the County may amend its Chelan County Probation Department Policy Manual to increase probation service fees assessed to City offenders to offset any shortfalls between the fees paid by the City and the costs of the County related to City offenders. In no event shall the County charge more than allowed by law for probation service fees to any City offender.~~

~~iii. Supplemental Fee~~

~~In the event that the County increases the probation service fees assessed to all offenders (i.e. County offenders, City offenders, and any offenders the County is supervising for other jurisdictions) by March 30 of any year by at least \$10.00 per month from the previous year and the County's total annual probation service fee revenue from all offenders is less than \$410,000, then the City shall pay the County up to an additional \$10,000~~

~~(“Supplemental Fee”); provided that the Supplemental Fee shall not be larger than the difference between \$410,000 and the actual annual probation service fee revenue collected from all offenders. The Supplemental Fee shall be invoiced the following year in equal installments with the Service Fee.—~~

~~Example: In 2018, the probation service fee assessed to offenders was \$50/month. In February 2019, the probation service fee was increased to \$60/month. At the end of 2019, it was determined that the County collected \$405,000 in probation service fees, thus leaving a \$5,000 shortfall in the County’s target probation service fee revenue of \$410,000. In 2020, the City would pay \$50,000, which encompasses the \$45,000 Service Fee and a \$5,000 Supplemental Fee.—~~

c. Annual Report

By January 15 of each year, Probation shall provide the City with a written report for the Probation Cases of the previous year.

i. The written report shall contain the following information:

- a. The name of the individual being supervised by Probation, the cause number or numbers that Probation is monitoring, and whether the monitoring is supervised probation or bench probation;
- b. The total amount of probation fees it has charged to offenders for City cases;
- c. The total amount of probation fees it has collected from offenders for City cases.

ii. For purposes of ~~this section:~~ the Annual Report:

- a. “Bench probation” means any Probation Case where Probation is providing “bench supervision” as defined by the Chelan County Probation Department Policy Manual as it now appears.
- b. “Supervised probation” means any Probation Case where Probation is providing probation and monitoring services other than bench probation.

d. Control of Probation

The City shall have no right to direct or control the personnel, employees, or agents of Probation. Such entities or individuals shall be employed or retained by the County in its sole discretion and subject only to the County’s

supervision and control. The City shall have no responsibility or liability to or for such entities or individuals of Probation.

9. OTHER COURT COSTS OR EXPENSES

The City shall have no obligation to pay any cost or expense arising out of the operation of the Court or Probation except as provided by this Agreement.

10. ARBITRATION

Either party may request arbitration for the reasons set forth in RCW 39.34.180(3) and in the manner set forth in RCW 39.34.180(3).

11. COMPLIANCE WITH LAWS

The Parties shall observe all federal, state and local laws, ordinances and regulations, to the extent that they may be applicable to the terms of this Agreement.

12. NOTICES

Except as required by any federal, state or local law, ordinance or regulation, any notices required under this Agreement shall be served upon the following individuals:

For the County: County Commissioners
400 Douglas Street, Suite 201
Wenatchee, WA 98801

For the Court
or Probation: Presiding Judge
P.O. Box 2686
Wenatchee, WA 98807-2686

For the City: City Clerk
129 South Chelan
Wenatchee, WA 98801

Notwithstanding the above, any invoice by the County to the City made pursuant to this Agreement shall be made to:

City Finance Department
129 South Chelan
Wenatchee, WA 98801

And any payment by the City to the County made pursuant to this Agreement shall be made to:

County Treasurer
P.O. Box 1441

Wenatchee, WA 98807-1441

13. ASSIGNMENT

This Agreement shall be binding upon the Parties, their successors and assigns. No Party may assign, in whole or in part, its interest in this Agreement without the approval of the other Parties.

14. NON-WAIVER

No waiver by any Party of any of the terms of this Agreement shall be construed as a waiver of the same or other rights of that Party in the future.

15. ENTIRE AGREEMENT

This Agreement contains the terms and conditions agreed upon by the Parties. The Parties agree that there are no other understandings, oral or otherwise, regarding the subject matter of this Agreement.

16. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered shall be an original, but such counterparts shall together constitute but one and the same.

17. SEVERABILITY

If any parts, terms or provisions of this Agreement are held by a court of competent jurisdiction to be void or invalid, the validity of the remaining portions or terms shall not be affected and the rights and obligations of the Parties shall not be affected in regard to the remainder of the Agreement. If it should appear that any part, term or provision of this Agreement is in conflict with any statutory provision of the State of Washington, then the part, term or provision thereof that may be in conflict shall be deemed inoperative and null and void insofar as it may be in conflict therewith and this Agreement shall be deemed modified to conform to such statutory provision.

18. AGREEMENT TO BE FILED

The City shall file this Agreement with its City Clerk and post it on its website. The County shall file this Agreement with its County Auditor.

19. REVIEW OF AGREEMENT FOR RENEWAL

Unless a Party has served upon the other Party a written notice of its intent to terminate this Agreement, the Parties shall review this Agreement no later than **January 31, 2022**, to commence negotiations for the renewal of this Agreement.

20. NON-DISCRIMINATION IN EMPLOYMENT

The Parties hereby mutually agree that during the performance of this Agreement, that no person shall, on the grounds of race, creed, color, national origin, sex, marital status, sexual orientation, age, religion, or on the presence of any sensory, mental or physical handicap, be excluded from professional services. Neither party shall discriminate against any employee or applicant for employment for the above reasons; provided, the prohibition against discrimination in employment because of handicap shall not apply if the particular disability prevents the proper performance of the work involved, and cannot be reasonably accommodated.

DATED this _____ day of _____, 2018.

BOARD OF CHELAN COUNTY
COMMISSIONERS

Keith W. Goehner, Chairman

Kevin Overbay, Commissioner

Doug England, Commissioner

Attest:
Jacinda Rublaitus

By: _____
Clerk of the Board

CITY OF WENATCHEE

By: _____
Frank Kuntz, Mayor

Attest:

By: _____
Tammy Stanger, City Clerk

CHELAN COUNTY DISTRICT COURT

By: _____
Roy Fore, Judge

By: _____

Nancy Harmon, Judge

DRAFT

Costs Per Case
With Indirect Expenses
(does not include costs paid directly by the City)

2017

Budget Expenditures with Indirect Expenses	\$1,458,613
City's Share of Expenditures	424,822
Amount Paid by City for Court Services	181,469
Divide Budget by Caseload of 14,994	Costs per Case: \$97.28

2016

Actual Budget Expenditures with Indirect Expenses	\$1,391,605
City's Share of Expenditures	454,771
Amount Paid by City for Court Services	204,102
Divide Budget by Caseload of 15,202	Costs per Case: \$91.54

2015

Actual Budget Expenditures with Indirect Expenses	\$1,337,991
City's Share of Expenditures	357,014
Amount Paid by City for Court Services	193,758
Divide Budget by Caseload of 16,839	Costs per Case: \$79.46

2014

Actual Budget Expenditures with Indirect Expenses	\$1,295,477
City's Share of Expenditures	314,384
Amount Paid by City for Court Services	197,126
Divide Budget by Caseload of 19,570	Costs per Case: \$66.20

2013

Actual Budget Expenditures with Indirect Expenses	\$1,217,351
City's Share of Expenditures	342,766
Amount Paid by City for Court Services	214,862
Divide Budget by Caseload of 18,229	Costs per Case: \$66.79

Five Year Average Costs per Case: \$80.26
(currently charging \$57.00 per case)

2017 COSTS PER CASE VS AMOUNT PAID BY CITY OF WENATCHEE with Indirect Costs

	2017 Total Filings	% of Total	2017 Expenditures w/Indirect Costs	Cost Per Case	2017 City Filings	City Share of 2017 Expenditures
IT	6,518	43.46	(Does not include Spec. Legal Services., Interpreters, Witness Fees or Juror Fees. These are paid by the City on WPD cases.) \$1,458,613	\$97.28	924	\$424,822
IN	294	1.96			58	
CT	1,211	8.08			416	
CN	1,261	8.41			684	
CF	19	.13			0	
PK	4,249	28.34			2,285	
CV	1,442	9.62			0	
TOTAL	14,994	100.00			29.12%	
Amount paid by City of Wenatchee for court services (City paid 42.72% of their share of expenditures)						\$181,469
Remittance to City of Wenatchee Current Expense for fines/fees						\$469,543
State portion of Remittance to the City of Wenatchee						\$266,087
Total Collected on behalf of City of Wenatchee (includes Crime Victims-\$6,433)						\$742,063

**City had 29.12% of total filings
City paid 12.44% of total actual costs**

2016 COSTS PER CASE VS AMOUNT PAID BY CITY OF WENATCHEE with Indirect Costs

	2016 Total Filings	% of Total	2016 Expenditures w/Indirect Costs	Cost Per Case	*2016 City Filings	*City Share of 2016 Expenditures
IT	6,606	43.45	(Does not include Spec. Legal Services., Interpreters, Witness Fees or Juror Fees. These are paid by the City on WPD cases.) \$1,391,605	\$91.54	1,131	\$454,771
IN	319	2.10			60	
CT	1,221	8.03			536	
CN	1,294	8.51			708	
CF	12	.08			0	
PK	4,352	28.63			2,533	
CV	1,398	9.20			--	
TOTAL	15,202	100.00			32.68%	
Amount paid by City of Wenatchee for court services (City paid 44.88% of their share of expenditures)						\$204,102
Remittance to City of Wenatchee Current Expense for fines/fees						\$442,587
State portion of Remittance to the City of Wenatchee						\$246,272
Total Collected on behalf of City of Wenatchee (includes Crime Victims-\$5,868)						\$694,726

**City had 32.68% of total filings
City paid 14.67% of total year actual costs**

2015 COSTS PER CASE VS AMOUNT PAID BY CITY OF WENATCHEE

	2015 Total Filings	% of Total	2015 Expenditures w/Indirect Costs	Cost Per Case	2015 City Filings	City Share of 2015 Expenditures
IT	8,146	48.39	(Does not include Spec. Legal Services., Interpreters, Witness Fees or Juror Fees. These are paid by the City on WPD cases.) \$1,337,991	\$79.46	1,212	\$357,014
IN	497	2.95			78	
CT	1,125	6.68			414	
CN	1,491	8.85			837	
CF	19	.11			1	
PK	4,062	24.12			1,951	
CV	1,499	8.90			--	
TOTAL	16,839	100.00			26.68% 4,493	
Amount paid by City of Wenatchee for court services (City paid 54.27% of their share of expenditures)						\$193,758
Remittance to City of Wenatchee Current Expense for fines/fees						\$466,329
State portion of Remittance to the City of Wenatchee						237,052
Total Collected on behalf of City of Wenatchee (including Crime Victims-\$6,266)						\$709,647

**City had 26.68% of total filings
City paid 14.48% of total year actual costs**

2014 COSTS PER CASE VS AMOUNT PAID BY CITY OF WENATCHEE

	2014 Total Filings	% of Total	*2014 Expenditures w/Indirect Costs	Cost Per Case	2014 City Filings	City Share of 2014 Expenditures
IT	9,472	48.40	(Does not include Spec. Legal Services., Interpreters, Witness Fees or Juror Fees. These are paid by the City on WPD cases.) 1,295,477	\$66.20	1,108	\$314,384
IN	651	3.33			119	
CT	1,135	5.80			395	
CN	1,504	7.69			808	
CF	13	.06			0	
PK	5,219	26.67			2,319	
CV	1,576	8.05			--	
TOTAL	19,570	100.00			24.27% 4,749	
Amount paid by City of Wenatchee for court services (City paid 62.70% of their share of expenditures)						\$197,126
Remittance to City of Wenatchee Current Expense for fines/fees						\$466,329
State portion of Remittance to the City of Wenatchee						\$237,052
Total Collected on behalf of City of Wenatchee (including Crime Victims-\$6,266)						\$709,647

**City had 24.27% of total filings
City paid 15.22% of total year actual costs**

2013 COSTS PER CASE VS AMOUNT PAID BY CITY OF WENATCHEE

	2013 Total Filings	% of Total	*2013 Expenditures w/Indirect Costs	Cost Per Case	2013 City Filings	City Share of 2013 Expenditures
IT	8,267	45.35	(Does not include Spec. Legal Services., Interpreters, Witness Fees or Juror Fees. These are paid by the City on WPD cases.) \$1,217,351	\$66.79	1,111	\$342,766
IN	643	03.53			125	
CT	1,405	07.71			405	
CN	1,660	09.11			998	
CF	10	00.05			0	
PK	4,578	25.11			2,493	
CV	1,666	09.14			--	
TOTAL	18,229	100.00			28.15% 5,132	
Amount paid by City of Wenatchee for court services (City paid 62.68% of their share of expenditures)						\$214,862
Remittance to City of Wenatchee Current Expense for fines/fees						\$481,883
State portion of Remittance to the City of Wenatchee						\$258,192
Total Collected on behalf of City of Wenatchee (including Crime Victims)						\$746,638

**City had 28.15% of total filings
City paid 17.65% of total year actual costs**

2012 COSTS PER CASE VS AMOUNT PAID BY CITY OF WENATCHEE

	2012 Total Filings	% of Total	*2012 Expenditures w/Indirect Costs	Cost Per Case	2012 City Filings	City Share of 2012 Expenditures
IT	8,223	47.18	(Does not include Spec. Legal Services., Interpreters, Witness Fees or Juror Fees. These are paid by the City on WPD cases.) \$1,130,852	\$64.88	1,409	\$367,870
IN	581	03.33			129	
CT	1,404	08.05			447	
CN	1,722	09.88			919	
CF	18	00.10			---	
PK	3,932	22.56			2,766	
CV	1,551	08.90			---	
TOTAL	17,431	100.00			32.53% 5,670	
Amount paid by City of Wenatchee for court services (City paid 69.24% of their share of expenditures)						\$254,705
Remittance to City of Wenatchee Current Expense for fines/fees						\$516,103
State portion of Remittance to the City of Wenatchee						\$287,737
Total Collected on behalf of City of Wenatchee (including Crime Victims)						\$810,847

**City had 32.53% of total filings
City paid 22.52% of total year actual costs**

2011 COSTS PER CASE VS AMOUNT PAID BY CITY OF WENATCHEE

	2011 Total Filings	% of Total	*2011 Expenditures w/Indirect Costs	Cost Per Case	2011 City Filings	City Share of 2011 Expenditures
IT	9,191	46.80	(Does not include Spec. Legal Services., Interpreters, Witness Fees or Juror Fees. These are paid by the City on WPD cases.) \$1,171,362	\$59.65	1,695	\$409,855
IN	573	02.92			128	
CT	1,472	07.49			490	
CN	1,678	08.54			882	
CF	23	00.12			--	
PK	5,002	25.47			3,676	
CV	1,700	08.66			--	
TOTAL	19,639	100.00			34.99% 6,871	
Amount paid by City of Wenatchee for court services (City paid 69.15% of their share of expenditures)						\$283,424
Remittance to City of Wenatchee Current Expense for fines/fees						\$617,528
State portion of Remittance to the City of Wenatchee						\$323,648
Total Collected on behalf of City of Wenatchee (including Crime Victims)						\$949,125

**City had 34.99% of total filings
City paid 24.20% of total year actual costs**

2010 COSTS PER CASE VS AMOUNT PAID BY CITY OF WENATCHEE

	2010 Total Filings	% of Total	*2010 Expenditures w/Indirect Costs	Cost Per Case	2010 City Filings	City Share of 2010 Expenditures
IT	10,101	51.99	(Does not include Spec. Legal Services., Interpreters, Witness Fees or Juror Fees. These are paid by the City on WPD cases.) \$1,156,800	\$59.55	1,924	\$344,020
IN	748	03.85			87	
CT	1,646	08.47			787	
CN	1,760	09.06			945	
CF	13	00.07			1	
PK	3,199	16.47			2,033	
CV	1,960	10.09			--	
TOTAL	19,427	100.00			29.74% 5,777	
Amount paid by the City of Wenatchee for court services (City paid 63.18% of their share of expenditures)						\$217,361
Remittance to City of Wenatchee Current Expense for fines/fees						\$539,054
State portion of Remittance to the City of Wenatchee						\$374,547
Total Collected on behalf of City of Wenatchee (including Crime Victims)						\$922,261

**City had 29.74% of total filings
City paid 18.79% of total year actual costs**

COMPARISON OF YEAR 2016 TO 2017 FILINGS
Y-T-D THROUGH END OF DECEMBER
FOR CHELAN COUNTY DISTRICT COURT

LEA	01-01-2016 through 12-31-16					01-01-2017 through 12-31-17					Change
	Infractions	Parking & Photo Enforcement	Misdemeanors	Felonies	YTD TOTAL	Infractions	Parking & Photo Enforcement	Misdemeanors	Felonies	YTD TOTAL	
BSF	3	0	31	0	34	3	0	14	0	17	-17
CCSO	1,274	363	760	0	2,397	1,435	231	898	0	2,564	+167
TEU (implemented 2013)	558	6	59	0	623	841	7	84	0	932	+309
County Prosecutor	3	0	182	10	195	0	0	212	17	229	+34
DFW	219	18	25	0	262	131	16	23	0	170	-92
LIQ	0	0	4	0	4	0	0	8	0	8	+4
P&R	33	237	4	0	274	45	212	4	0	261	-13
WHS - County	21	0	2	0	23	32	0	2	0	34	+11
WSP	4,184	1	264	0	4,449	4,184	0	212	0	4,396	-53
Chelan County TOTAL	6,295	625	1,331	10	8,261	6,671	466	1,457	17	8,611	+350
CPC - Parking	0	1,194	0	0	1,194	0	1,498	0	0	1,498	+304
City of Chelan TOTAL	0	1,194	0	0	1,194	0	1,498	0	0	1,498	+304
City Attorney	1	0	119	0	120	0	0	125	0	125	+5
WHS - Wenatchee	39	0	3	0	42	47	0	3	0	50	+8
WPD	1,151	104	1,122	0	2,377	941	106	972	0	2,019	-358
WPD - Photo Enforcement	0	610	0	0	610	0	490	0	0	490	-120
WPD - Del Parking/PE	0	1,819	0	0	1,819	0	1,689	0	0	1,689	-130
City of Wenatchee TOTAL	1,191	2,533	1,244	0	4,968	988	2,285	1,100	0	4,373	-595
COURT TOTALS	7,486	4,352	2,575	10	14,423	7,659	4,249	2,556	18	14,482	+59

COMPARISON OF YEAR 2015 TO 2016 FILINGS
Y-T-D THROUGH END OF DECEMBER
FOR CHELAN COUNTY DISTRICT COURT

LEA	01-01-2015 through 12-31-15					01-01-2016 through 12-31-16					Change
	Infractions	Parking & Photo Enforcement	Misdemeanors	Felonies	YTD TOTAL	Infractions	Parking & Photo Enforcement	Misdemeanors	Felonies	YTD TOTAL	
BSF	4	0	20	0	24	3	0	31	0	34	+10
CCSO	1,190	323	753	0	2,266	1,274	363	760	0	2,397	-559
TEU (implemented 2013)	565	6	41	0	612	558	6	59	0	623	+11
County Prosecutor	10	0	148	11	169	3	0	182	10	195	+26
DFW	244	27	36	0	307	219	18	25	0	262	-45
LIQ	4	0	25	0	29	0	0	4	0	4	-25
P&R	40	197	19	0	256	33	237	4	0	274	+18
WHS - County	28	0	10	0	38	21	0	2	0	23	-15
WSP	5,834	1	361	0	6,196	4,184	1	264	0	4,449	-1,747
Chelan County TOTAL	7,919	554	1,413	11	9,897	6,295	625	1,331	10	8,261	-1,636
CPC - Parking	0	1,557	0	0	1,557	0	1,194	0	0	1,194	-363
City of Chelan TOTAL	0	1,557	0	0	1,557	0	1,194	0	0	1,194	-363
City Attorney	1	0	102	0	103	1	0	119	0	120	+17
WHS - Wenatchee	52	0	6	0	58	39	0	3	0	42	-16
WPD	1,242	91	1,144	0	2,477	1,151	104	1,122	0	2,377	-100
WPD - Photo Enforcement	0	441	0	0	441	0	610	0	0	610	+169
WPD - Del Parking/PE	0	1,419	0	0	1,419	0	1,819	0	0	1,819	+400
City of Wenatchee TOTAL	1,295	1,951	1,252	0	4,498	1,191	2,533	1,244	0	4,968	+470
COURT TOTALS	9,214	4,062	2,665	11	15,952	7,486	4,352	2,575	10	14,423	-1,529

COMPARISON OF YEAR 2014 TO 2015 FILINGS
Y-T-D THROUGH END OF DECEMBER
FOR CHELAN COUNTY DISTRICT COURT

LEA	01-01-2014 through 12-31-14					01-01-2015 through 12-31-15					Change
	Infractions	Parking & Photo Enforcement	Misdemeanors	Felonies	YTD TOTAL	Infractions	Parking & Photo Enforcement	Misdemeanors	Felonies	YTD TOTAL	
BSF	12	0	38	0	50	4	0	20	0	24	-26
CCSO	1,724	291	787	0	2,802	1,190	323	753	0	2,266	-536
TEU (implemented 2013)	930	4	57	0	991	565	6	41	0	612	-379
County Prosecutor	0	0	186	12	198	10	0	148	11	169	-29
DFW	208	10	31	0	249	244	27	36	0	307	+58
LIQ	1	0	8	0	9	4	0	25	0	29	+20
P&R	53	299	17	0	369	40	197	19	0	256	-113
WHS - County	53	0	8	1	62	28	0	10	0	38	-24
WSP	6,844	9	363	0	7,216	5,834	1	361	0	6,196	-1,020
Chelan County TOTAL	9,825	613	1,495	13	11,946	7,919	554	1,413	11	9,897	-2,049
CPC - Parking	0	2,287	0	0	2,287	0	1,557	0	0	1,557	-730
City of Chelan TOTAL	0	2,287	0	0	2,287	0	1,557	0	0	1,557	-730
City Attorney	0	0	40	0	40	1	0	102	0	103	+63
WHS - Wenatchee	102	0	7	0	109	52	0	6	0	58	-51
WPD	1,134	142	1,155	0	2,431	1,242	91	1,144	0	2,477	+46
WPD - Photo Enforcement	0	633	0	0	633	0	441	0	0	441	-192
WPD - Del Parking/PE	0	1,544	0	0	1,544	0	1,419	0	0	1,419	-125
City of Wenatchee TOTAL	1,236	2,319	1,202	0	4,757	1,295	1,951	1,252	0	4,498	-259
COURT TOTALS	11,061	5,219	2,697	13	18,990	9,214	4,062	2,665	11	15,952	-3,038

**COMPARISON OF YEAR 2013 TO 2014 FILINGS
Y-T-D THROUGH END OF DECEMBER
FOR CHELAN COUNTY DISTRICT COURT**

LEA	01-01-2013 through 12-31-2013					01-01-2014 through 12-31-14					Change
	Infractions	Parking & Photo Enforcement	Misdemeanors	Felonies	YTD TOTAL	Infractions	Parking & Photo Enforcement	Misdemeanors	Felonies	YTD TOTAL	
BSF	5	0	20	0	25	12	0	38	0	50	+25
CCSO	1,778	235	1,005	1	3,019	1,724	291	787	0	2,802	-217
TEU (implemented 2013)	622	1	52	0	675	930	4	57	0	991	+316
County Prosecutor	0	0	61	8	69	0	0	186	12	198	+129
DFW	263	33	52	0	348	208	10	31	0	249	-99
LIQ	0	0	35	0	35	1	0	8	0	9	-26
P&R	38	237	16	0	291	53	299	17	0	369	+78
WHS - County	28	0	1	0	29	53	0	8	1	62	+33
WSP	5,558	1	471	0	6,030	6,844	9	363	0	7,216	+1,186
Chelan County TOTAL	8,292	507	1,713	9	10,521	9,825	613	1,495	13	11,946	+1,425
CPC – Parking	0	1,579	0	0	1,579	0	2,287	0	0	2,287	+708
City of Chelan TOTAL	0	1,579	0	0	1,579	0	2,287	0	0	2,287	+708
City Attorney	0	0	56	0	56	0	0	40	0	40	-16
WHS – Wenatchee	100	0	8	0	108	102	0	7	0	109	+1
WPD	1,126	194	1,338	0	2,658	1134	142	1,155	0	2,431	-227
WPD – Photo Enforcement	0	1,229	0	0	1,229	0	633	0	0	633	-596
WPD – Del Parking/PE	0	1,070	0	0	1,070	0	1,544	0	0	1,544	+474
City of Wenatchee TOTAL	1,226	2,493	1,402	0	5,121	1,236	2,319	1,202	0	4,757	-364
COURT TOTALS	9,518	4,579	3,115	9	17,221	11,061	5,219	2,697	13	18,990	+1,769

COMPARISON OF YEAR 2016 TO 2017 FILINGS
Y-T-D THROUGH END OF DECEMBER
FOR CHELAN COUNTY DISTRICT COURT

LEA	01-01-2016 through 12-31-16					01-01-2017 through 12-31-17					Change
	Infractions	Parking & Photo Enforcement	Misdemeanors	Felonies	YTD TOTAL	Infractions	Parking & Photo Enforcement	Misdemeanors	Felonies	YTD TOTAL	
BSF	3	0	31	0	34	3	0	14	0	17	-17
CCSO	1,274	363	760	0	2,397	1,435	231	898	0	2,564	+167
TEU (implemented 2013)	558	6	59	0	623	841	7	84	0	932	+309
County Prosecutor	3	0	182	10	195	0	0	212	17	229	+34
DFW	219	18	25	0	262	131	16	23	0	170	-92
LIQ	0	0	4	0	4	0	0	8	0	8	+4
P&R	33	237	4	0	274	45	212	4	0	261	-13
WHS - County	21	0	2	0	23	32	0	2	0	34	+11
WSP	4,184	1	264	0	4,449	4,184	0	212	0	4,396	-53
Chelan County TOTAL	6,295	625	1,331	10	8,261	6,671	466	1,457	17	8,611	+350
CPC - Parking	0	1,194	0	0	1,194	0	1,498	0	0	1,498	+304
City of Chelan TOTAL	0	1,194	0	0	1,194	0	1,498	0	0	1,498	+304
City Attorney	1	0	119	0	120	0	0	125	0	125	+5
WHS - Wenatchee	39	0	3	0	42	47	0	3	0	50	+8
WPD	1,151	104	1,122	0	2,377	941	106	972	0	2,019	-358
WPD - Photo Enforcement	0	610	0	0	610	0	490	0	0	490	-120
WPD - Del Parking/PE	0	1,819	0	0	1,819	0	1,689	0	0	1,689	-130
City of Wenatchee TOTAL	1,191	2,533	1,244	0	4,968	988	2,285	1,100	0	4,373	-595
COURT TOTALS	7,486	4,352	2,575	10	14,423	7,659	4,249	2,556	18	14,482	+59

**COMPARISON OF YEAR 2015 TO 2016 FILINGS
Y-T-D THROUGH END OF DECEMBER
FOR CHELAN COUNTY DISTRICT COURT**

LEA	01-01-2015 through 12-31-15					01-01-2016 through 12-31-16					Change
	Infractions	Parking & Photo Enforcement	Misdemeanors	Felonies	YTD TOTAL	Infractions	Parking & Photo Enforcement	Misdemeanors	Felonies	YTD TOTAL	
BSF	4	0	20	0	24	3	0	31	0	34	+10
CCSO	1,190	323	753	0	2,266	1,274	363	760	0	2,397	-559
TEU (implemented 2013)	565	6	41	0	612	558	6	59	0	623	+11
County Prosecutor	10	0	148	11	169	3	0	182	10	195	+26
DFW	244	27	36	0	307	219	18	25	0	262	-45
LIQ	4	0	25	0	29	0	0	4	0	4	-25
P&R	40	197	19	0	256	33	237	4	0	274	+18
WHS - County	28	0	10	0	38	21	0	2	0	23	-15
WSP	5,834	1	361	0	6,196	4,184	1	264	0	4,449	-1,747
Chelan County TOTAL	7,919	554	1,413	11	9,897	6,295	625	1,331	10	8,261	-1,636
CPC - Parking	0	1,557	0	0	1,557	0	1,194	0	0	1,194	-363
City of Chelan TOTAL	0	1,557	0	0	1,557	0	1,194	0	0	1,194	-363
City Attorney	1	0	102	0	103	1	0	119	0	120	+17
WHS - Wenatchee	52	0	6	0	58	39	0	3	0	42	-16
WPD	1,242	91	1,144	0	2,477	1,151	104	1,122	0	2,377	-100
WPD - Photo Enforcement	0	441	0	0	441	0	610	0	0	610	+169
WPD - Del Parking/PE	0	1,419	0	0	1,419	0	1,819	0	0	1,819	+400
City of Wenatchee TOTAL	1,295	1,951	1,252	0	4,498	1,191	2,533	1,244	0	4,968	+470
COURT TOTALS	9,214	4,062	2,665	11	15,952	7,486	4,352	2,575	10	14,423	-1,529

COMPARISON OF YEAR 2014 TO 2015 FILINGS
Y-T-D THROUGH END OF DECEMBER
FOR CHELAN COUNTY DISTRICT COURT

LEA	01-01-2014 through 12-31-14					01-01-2015 through 12-31-15					Change
	Infractions	Parking & Photo Enforcement	Misdemeanors	Felonies	YTD TOTAL	Infractions	Parking & Photo Enforcement	Misdemeanors	Felonies	YTD TOTAL	
BSF	12	0	38	0	50	4	0	20	0	24	-26
CCSO	1,724	291	787	0	2,802	1,190	323	753	0	2,266	-536
TEU (implemented 2013)	930	4	57	0	991	565	6	41	0	612	-379
County Prosecutor	0	0	186	12	198	10	0	148	11	169	-29
DFW	208	10	31	0	249	244	27	36	0	307	+58
LIQ	1	0	8	0	9	4	0	25	0	29	+20
P&R	53	299	17	0	369	40	197	19	0	256	-113
WHS - County	53	0	8	1	62	28	0	10	0	38	-24
WSP	6,844	9	363	0	7,216	5,834	1	361	0	6,196	-1,020
Chelan County TOTAL	9,825	613	1,495	13	11,946	7,919	554	1,413	11	9,897	-2,049
CPC - Parking	0	2,287	0	0	2,287	0	1,557	0	0	1,557	-730
City of Chelan TOTAL	0	2,287	0	0	2,287	0	1,557	0	0	1,557	-730
City Attorney	0	0	40	0	40	1	0	102	0	103	+63
WHS - Wenatchee	102	0	7	0	109	52	0	6	0	58	-51
WPD	1,134	142	1,155	0	2,431	1,242	91	1,144	0	2,477	+46
WPD - Photo Enforcement	0	633	0	0	633	0	441	0	0	441	-192
WPD - Del Parking/PE	0	1,544	0	0	1,544	0	1,419	0	0	1,419	-125
City of Wenatchee TOTAL	1,236	2,319	1,202	0	4,757	1,295	1,951	1,252	0	4,498	-259
COURT TOTALS	11,061	5,219	2,697	13	18,990	9,214	4,062	2,665	11	15,952	-3,038

**COMPARISON OF YEAR 2013 TO 2014 FILINGS
Y-T-D THROUGH END OF DECEMBER
FOR CHELAN COUNTY DISTRICT COURT**

LEA	01-01-2013 through 12-31-2013					01-01-2014 through 12-31-14					Change
	Infractions	Parking & Photo Enforcement	Misdemeanors	Felonies	YTD TOTAL	Infractions	Parking & Photo Enforcement	Misdemeanors	Felonies	YTD TOTAL	
BSF	5	0	20	0	25	12	0	38	0	50	+25
CCSO	1,778	235	1,005	1	3,019	1,724	291	787	0	2,802	-217
TEU (implemented 2013)	622	1	52	0	675	930	4	57	0	991	+316
County Prosecutor	0	0	61	8	69	0	0	186	12	198	+129
DFW	263	33	52	0	348	208	10	31	0	249	-99
LIQ	0	0	35	0	35	1	0	8	0	9	-26
P&R	38	237	16	0	291	53	299	17	0	369	+78
WHS - County	28	0	1	0	29	53	0	8	1	62	+33
WSP	5,558	1	471	0	6,030	6,844	9	363	0	7,216	+1,186
Chelan County TOTAL	8,292	507	1,713	9	10,521	9,825	613	1,495	13	11,946	+1,425
CPC – Parking	0	1,579	0	0	1,579	0	2,287	0	0	2,287	+708
City of Chelan TOTAL	0	1,579	0	0	1,579	0	2,287	0	0	2,287	+708
City Attorney	0	0	56	0	56	0	0	40	0	40	-16
WHS – Wenatchee	100	0	8	0	108	102	0	7	0	109	+1
WPD	1,126	194	1,338	0	2,658	1134	142	1,155	0	2,431	-227
WPD – Photo Enforcement	0	1,229	0	0	1,229	0	633	0	0	633	-596
WPD – Del Parking/PE	0	1,070	0	0	1,070	0	1,544	0	0	1,544	+474
City of Wenatchee TOTAL	1,226	2,493	1,402	0	5,121	1,236	2,319	1,202	0	4,757	-364
COURT TOTALS	9,518	4,579	3,115	9	17,221	11,061	5,219	2,697	13	18,990	+1,769

**COMPARISON OF YEAR 2012 AND 2013 FILINGS
Y-T-D THROUGH END OF DECEMBER
FOR CHELAN COUNTY DISTRICT COURT**

LEA	01-01-2012 through 12-31-2012					01-01-2013 through 12-31-13					Change
	Infractions	Parking & Photo Enforcement	Misdemeanors	Felonies	YTD TOTAL	Infractions	Parking & Photo Enforcement	Misdemeanors	Felonies	YTD TOTAL	
BSF	0	0	2	0	2	5	0	20	0	25	+23
CCSO	1,998	362	1,010	0	3,370	1,778	235	1,005	1	3,019	-351
TEU (implemented 2013)	-	-	-	-	-	622	1	52	0	675	-
County Prosecutor	0	0	66	14	80	0	0	61	8	69	-11
DFW	189	25	93	0	307	263	33	52	0	348	+41
LIQ	0	0	22	0	22	0	0	35	0	35	+13
P&R	137	251	30	0	418	38	237	16	0	291	-127
WHS - County	29	0	7	0	36	28	0	1	0	29	-7
WSP	4,945	4	534	0	5,483	5,558	1	471	0	6,030	+547
Chelan County TOTAL	7,298	642	1,764	14	9,718	8,292	507	1,713	9	10,521	+803
CPC – Parking	0	669	0	0	669	0	1,579	0	0	1,579	+910
City of Chelan TOTAL	0	669	0	0	669	0	1,579	0	0	1,579	+910
City Attorney	0	0	96	0	96	0	0	56	0	56	-40
WHS – Wenatchee	88	0	1	0	89	100	0	8	0	108	+19
WPD	1,450	493	1,269	0	3,212	1,126	194	1,338	0	2,658	-554
WPD – Photo Enforcement	0	1,348	0	0	1,348	0	1,229	0	0	1,229	-119
WPD – Del Parking/PE	0	925	0	0	925	0	1,070	0	0	1,070	+145
City of Wenatchee TOTAL	1,538	2,766	1,366	0	5,670	1,226	2,493	1,402	0	5,121	-549
COURT TOTALS	8,836	4,077	3,130	14	16,057	9,518	4,579	3,115	9	17,221	+1,164

**COMPARISON OF YEAR 2012 AND 2013 FILINGS
Y-T-D THROUGH END OF DECEMBER
FOR CHELAN COUNTY DISTRICT COURT**

LEA	01-01-2012 through 12-31-2012					01-01-2013 through 12-31-13					Change
	Infractions	Parking & Photo Enforcement	Misdemeanors	Felonies	YTD TOTAL	Infractions	Parking & Photo Enforcement	Misdemeanors	Felonies	YTD TOTAL	
BSF	0	0	2	0	2	5	0	20	0	25	+23
CCSO	1,998	362	1,010	0	3,370	1,778	235	1,005	1	3,019	-351
TEU (implemented 2013)	-	-	-	-	-	622	1	52	0	675	-
County Prosecutor	0	0	66	14	80	0	0	61	8	69	-11
DFW	189	25	93	0	307	263	33	52	0	348	+41
LIQ	0	0	22	0	22	0	0	35	0	35	+13
P&R	137	251	30	0	418	38	237	16	0	291	-127
WHS - County	29	0	7	0	36	28	0	1	0	29	-7
WSP	4,945	4	534	0	5,483	5,558	1	471	0	6,030	+547
Chelan County TOTAL	7,298	642	1,764	14	9,718	8,292	507	1,713	9	10,521	+803
CPC – Parking	0	669	0	0	669	0	1,579	0	0	1,579	+910
City of Chelan TOTAL	0	669	0	0	669	0	1,579	0	0	1,579	+910
City Attorney	0	0	96	0	96	0	0	56	0	56	-40
WHS – Wenatchee	88	0	1	0	89	100	0	8	0	108	+19
WPD	1,450	493	1,269	0	3,212	1,126	194	1,338	0	2,658	-554
WPD – Photo Enforcement	0	1,348	0	0	1,348	0	1,229	0	0	1,229	-119
WPD – Del Parking/PE	0	925	0	0	925	0	1,070	0	0	1,070	+145
City of Wenatchee TOTAL	1,538	2,766	1,366	0	5,670	1,226	2,493	1,402	0	5,121	-549
COURT TOTALS	8,836	4,077	3,130	14	16,057	9,518	4,579	3,115	9	17,221	+1,164

**COMPARISON OF YEAR 2011 TO 2012 FILINGS
Y-T-D THROUGH END OF DECEMBER
FOR CHELAN COUNTY DISTRICT COURT**

LEA	01-01-2011 through 12-31-2011					01-01-2012 through 12-31-12					Change
	Infractions	Parking & Photo Enforcement	Misdemeanors	Felonies	YTD TOTAL	Infractions	Parking & Photo Enforcement	Misdemeanors	Felonies	YTD TOTAL	
BSF	0	0	3	0	3	0	0	2	0	2	-1
CCSO	2,294	211	1,035	0	3,540	1,998	362	1,010	0	3,370	-170
County Prosecutor	0	0	92	18	110	0	0	66	14	80	-30
DFW	129	12	119	0	260	189	25	93	0	307	+47
LIQ	0	0	5	0	5	0	0	22	0	22	+17
P&R	72	67	13	0	152	137	251	30	0	418	+266
WHS - County	69	0	8	0	77	29	0	7	0	36	-41
WSP	5,393	3	516	0	5,912	4,945	4	534	0	5,483	-429
Chelan County TOTAL	7,957	293	1,791	18	10,059	7,298	642	1,764	14	9,718	-341
CPC - Parking	0	1,030	0	0	1,030	0	669	0	0	669	-52
City of Chelan TOTAL	0	1,035	0	0	1,030	0	669	0	0	669	-52
City Attorney	0	0	104	0	104	0	0	96	0	96	-8
WHS - Wenatchee	89	0	4	0	93	88	0	1	0	89	-4
WPD	1,733	335	1,256	0	3,324	1,450	493	1,269	0	3,212	-112
WPD - Photo Enforcement	0	1,140	0	0	1,140	0	1,348	0	0	1,348	+208
WPD - Del Parking/PE	0	2,203	0	0	2,203	0	925	0	0	925	-1,278
City of Wenatchee TOTAL	1,822	3,678	1,364	0	6,864	1,538	2,766	1,366	0	5,670	-1,194
COURT TOTALS	9,779	5,006	3,155	18	17,953	8,836	4,077	3,130	14	16,057	-1,896

CHELAN COUNTY DISTRICT COURT FILINGS YEARLY - 1997 – 2017

	INFRINGEMENTS		***MISDEMEANORS***			Civil Anti-Harassments	Civil	Small Claims	Felony Complaints	Parking	Total	% of Change
	Traffic	Non-traffic	DUI/Phy Control	Other Traffic	Non-Traffic							
1997	10,578	180	593	1,703	2,964	67	1,622	418	44	520	18,689	
1198	10,066	220	564	1,615	2,556	81	1,706	373	60	400	17,641	-5.61%
1999	9,953	481	499	1,399	2,480	79	1,686	307	46	282	17,212	-2.43%
2000	9,129	499	463	1,144	1,968	57	1,981	286	41	367	15,935	-7.42%
2001	8,719	433	422	1,088	1,999	40	1,653	322	32	254	14,962	-6.11%
2002	12,638	488	496	1,171	2,058	104	1,921	374	38	275	19,563	+30.75%
2003	12,293	464	640	1,185	2,084	59	1,766	368	25	297	19,181	-1.95%
2004	11,750	668	601	850	2,251	83	1,685	304	26	1,201	19,419	-1.24%
2005	11,733	685	494	706	2,245	108	1,749	324	16	1,386	19,466	+0.24%
2006	11,571	703	513	1,470	2,166	58	1,864	351	16	3,246	21,958	+12.80%
2007	12,775	514	454	1,569	2,161	72	1,915	301	20	2,087	21,868	-0.41%
2008	10,416	546	492	1,373	2,007	115	1,601	308	12	3,177	20,047	-8.33%
2009	12,675	592	516	1,384	1,976	99	1,624	228	10	3,737	22,841	+13.94%
2010	10,101	748	451	1,195	1,760	81	1,633	246	13	3,199	19,427	-14.95%
2011	9,191	573	390	1,082	1,678	112	1,353	235	23	**5,002	19,639	+1.09%
2012	8,223	581	449	955	1,722	103	1,244	204	18	3,932	17,431	-11.24%
2013	8,267	643	494	911	1,660	123	1,355	188	10	4,578	18,229	+4.58%
2014	9,472	651	393	742	1,504	121	1,325	130	13	5,219	19,570	+7.36%
2015	8,146	497	371	754	1,491	134	1,214	151	19	4,062	16,839	-13.96%
2016	6,606	319	429	792	1,294	132	1,140	126	12	4,352	15,202	-9.72%
2017	6,518	294	429	782	1,261	136	1,205	101	19	4,249	14,994	-1.37%

**Red Light Cameras Added

Caseloads of the Courts of Washington

Cases Filed - January 2017 through December 2017

Page 2 of 15

	----- Infraction -----		----- Misdemeanors -----			Civil Protection Orders (1)	Civil	Small Claims	Felony Complaints	Parking(2)	Total
	Traffic	Non-Traffic	DUI/ Phy Control	Other Traffic	Non-Traffic						
Benton County	25,447	575	732	2,731	3,409	43	4,852	372	0	822	38,983
Chelan County											
.Chelan D	5,594	236	309	486	577	136	1,205	101	19	1,964	10,627
...Wenatchee M	924	58	120	296	684	0	0	0	0	2,285	4,367
.Chelan D Total	6,518	294	429	782	1,261	136	1,205	101	19	4,249	14,994
.Wenatchee TVB	1,371	15	1	8	1	0	0	0	0	2,341	3,737
Chelan County	7,889	309	430	790	1,262	136	1,205	101	19	6,590	18,731
Clallam County											
.Clallam 1 D	5,075	48	68	381	411	77	950	121	0	31	7,162
...Port Angeles M	486	21	71	137	488	0	0	0	1	1	1,205
...Sequim M	173	5	8	101	188	0	0	0	0	0	475
.Clallam 1 D Total	5,734	74	147	619	1,087	77	950	121	1	32	8,842
.Clallam 2 D	991	171	14	57	92	53	66	8	0	2	1,454
...Forks M	190	9	16	69	160	0	0	0	1	7	452
.Clallam 2 D Total	1,181	180	30	126	252	53	66	8	1	9	1,906
Clallam County	6,915	254	177	745	1,339	130	1,016	129	2	41	10,748
Clark County											
.Clark D	20,269	425	1,215	2,134	1,203	445	6,470	786	0	1,199	34,146
...Camas M	753	13	71	177	172	0	10	1	0	39	1,236
...Vancouver M	3,519	26	473	1,381	1,911	0	0	0	0	52	7,362
...Washougal M	440	14	40	223	213	0	0	0	0	91	1,021
.Clark D Total	24,981	478	1,799	3,915	3,499	445	6,480	787	0	1,381	43,765
.Battle Ground M	1,523	13	116	532	219	0	2	0	0	136	2,541
.La Center M	150	6	6	44	13	0	0	0	0	0	219
.Ridgefield M	291	0	18	113	52	0	0	0	0	39	513
Clark County	26,945	497	1,939	4,604	3,783	445	6,482	787	0	1,556	47,038
Columbia County											

City of Wenatchee Cost Sharing Using Indirect Cost

	2012	2013	2014	2015	2016	2017	2018
Direct expenses	399,143.57	401,402.19	441,941.24	449,064.68	471,031.00	520,193.00	551,881.00
Indirect expenses*	27,220.00	26,522.00	27,915.96	30,462.13	28,271.91	35,961.69	39,931.00
Total Expenses	426,363.57	427,924.19	469,857.20	479,526.81	499,302.91	556,154.69	591,812.00
Probation Fee Revenue	245,520.23	273,792.83	355,306.23	354,857.93	346,000.00	387,243.07	390,000.00
Difference	180,843.34	154,131.36	114,550.97	124,668.88	153,302.91	168,911.62	201,812.00
City case percentage	42%	42%	42%	42%	42%	42%	41.5%
City Share:	75,954.20	64,735.17	48,111.41	52,360.93	64,387.22	70,942.88	83,751.98
Actual amount paid by City	41,928.57	39,425.41	34,315.43	25,718.25	23,306.75	45,000.00	45,000.00
% of Difference Paid by City	23.2%	25.6%	30.0%	20.6%	15.2%	26.6%	22.3%

Probation Fee Collections 2017			
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	City	County	
Active Supervision	112,473	226,544	337,308
	33%	67%	
Bench Monitoring	15,627	35,486	51,114
	31%	69%	
Payments from Collection	2,924	5,908	8,832
Total Fee Collections	131,024	267,939	398,963
	33%	67%	

Not reflected: Misc. office fees (NSF, Interstate Compact, Drug testing) or refunds for overpaid accounts

Probation Caseloads as of 12/31/2017

<u>City of Wenatchee Active Supervision Cases</u>	<u>740</u>
<u>Chelan County Active Supervision Cases</u>	<u>1041</u>
<u>Total Caseload</u>	<u>1781</u>
<u>City of Wenatchee share of total cases</u>	<u>41.5%</u>

**COUNCIL AGENDA REPORT
PUBLIC WORKS DEPARTMENT**

TO: Frank Kuntz, Mayor
City Council

FROM: Jeremy Hoover, P.E., Senior Engineer - Utilities



SUBJECT: Project No. 1803 N. Miller Street Storm Drainage Line Replacement
Approval of Project Budget Amendment

DATE: November 1, 2018

MEETING DATE: November 8, 2018

I. OVERVIEW

The project includes the construction of The purpose of the project was to replace a section of failed pipe in Miller before WSDOT overlaid this portion of the road as part of the larger City-wide pavement rehabilitation project. Initially it was anticipated for the pipe replacement to be as long as 1,600 linear feet. After reviewing video inspection completed by our Wastewater Crew, we found that only approximately 500 feet of the pipe needed to be replaced.

SCJ Alliance was selected to design the project for \$49,711.00. SCJ Alliance was further tasked with construction inspection and project management responsibilities. Due to an increase in project construction time from the originally anticipated 15-day duration, the inspection and project management contract was supplemented for a total contract value of \$97,104.



Hurst Construction was the low bidder with a bid amount of \$359,565. During construction, additional utilities were discovered, differing pipe sizes were encountered, and large volumes of voids were observed in the pipe subgrade from washout due to its failure. This resulted in time delays and loss of production for the contractor thereby increasing construction costs and project time.

The main storm line replacement was completed in advance of the DOT project work in this area. Channeling of the manholes remains to be completed but work was stopped in mid-August to allow for the now complete DOT paving efforts. A total of 530 linear feet of pipe was ultimately replaced as part of the project. Channeling of the 4 new manholes was delayed until completion of the paving work and the contractor will remobilize crews at the end of November to complete the work.

**COUNCIL AGENDA REPORT
PUBLIC WORKS DEPARTMENT**

II. ACTION REQUESTED

Staff recommends the City Council amend the project budget to pay for the increased construction costs and further authorize the Mayor to approve the construction change order.

III. FISCAL IMPACT Submitted to the Finance Committee 11-8--18

The Finance Committee approved an initial budget of \$360,773 from the #410 Storm Drain Utility Fund in May. The budget was amended in June to \$454,933 due to higher than anticipated bid prices. This amendment increases the project budget by \$45,964 (including 1% of the construction value for the Art Fund) to account for changes during construction along with the additional inspection and project management time.

Current Project Budget

Description	Amount
Design Engineering	53,948
Construction	359,565
Construction Engineering	37,824
Art Fund	3,596
Total Project Cost	454,933

Final Project Budget

Description	Amount
Design Engineering	53,948
Construction	395,600
Construction Engineering	47,393
Art Fund	3,956
Total Project Cost	500,897

IV. PROPOSED PROJECT SCHEDULE

The project is approximately 95% complete with the remainder of the work anticipated to be finished by the end of 2018.

V. ADMINISTRATIVE ROUTING

Tammy Stanger, City Clerk
 Rob Jammerman, Public Works Director
 John Ricardi, Utilities Manager
 Gary Owen, City Engineer
 Natalie Thresher, Contracts Coordinator
 Brad Posenjak, Finance Director

COUNCIL AGENDA REPORT
COMMUNITY AND ECONOMIC DEVELOPMENT DEPARTMENT

TO: Mayor Frank Kuntz
City Council Members

FROM: Glen DeVries, Director
Brooklyn Holton, Housing & Community Planner
Matthew Parsons, Associate Planner

SUBJECT: Annexation 10 Percent Petition – Lavergne Annexation

DATE: November 1, 2018

MEETING DATE: November 8, 2018

I. OVERVIEW

A ten (10) percent annexation petition was submitted on September 12, 2018 with the signature representing the owner of Parcel Number 232033783230. The proposed area is on the southeast corner of the intersection at McKittrick Street and Pershing Street. *The proposed area is bordered to the west and south by unincorporated parcels and to the north and east by parcels in the city limits.* The signatures represent 100% of the assessed value in the annexation area the applicant proposed. The parcel owned by the applicant has a manufactured home and the applicant is considering redeveloping the site. The land use designation of the parcel, as identified in the Comprehensive Plan, is Residential Moderate.

The City staff reached out to surrounding property owners to identify interest in annexation. Two property owners responded with no interest in being included. The City staff researched the potential of expanding the proposed annexation area to include land in the surrounding area and found that if parcels are added without obtaining signatures from the applicable property owners, the value of a petition would be less than 60% of assessed value required in RCW35A.14.120. In addition, the City Engineer has reviewed right of way adjacent to the proposed parcel available for inclusion in the annexation and has provided a recommendation to not include it. Therefore, staff recommends adopting the boundary proposed by the applicant.

Following a 10 percent annexation meeting, a petition will be circulated. If the applicants return a sufficient petition and it is certified by the Chelan County Assessor, 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 AGENDA REPORT
COMMUNITY AND ECONOMIC DEVELOPMENT DEPARTMENT

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

III. BUDGET IMPACTS

There are no estimated budget impacts as a direct result of the annexation. Costs associated with providing additional City services are anticipated to be minimal.

IV. ATTACHMENT(S)

1. Map of Annexation Area
2. Application Materials

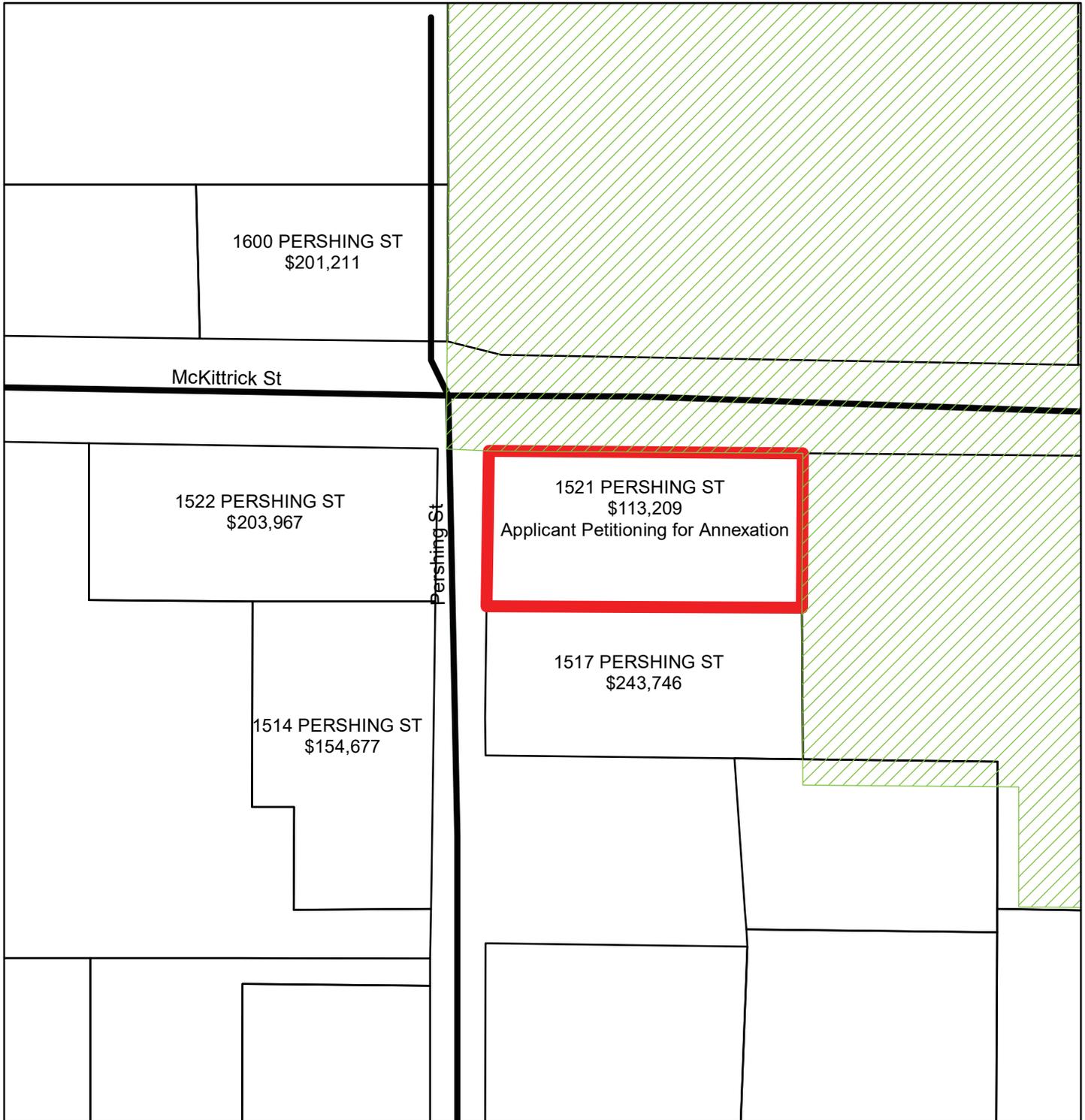
V. MOTION

I move to approve the annexation boundary proposed in the ten percent (10%) annexation petition for the proposed annexation area located in an unincorporated area within the urban growth boundary, to require the adoption of the proposed zoning regulations as it is set forth in the Comprehensive Plan of the City as Residential Moderate, and to require the assumption of existing indebtedness of the City by the area to be annexed.

VI. ADMINISTRATIVE ROUTING

Tammy Stanger
Kim Schooley

LaVergne Annexation 10% Petition Meeting with Proposed Boundary



Legend



City Limits - corrected



LaVergne Annexation Proposed Boundary



Parcels

Streets



Urban Growth Area

0 50 100 200 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~~ OF WENATCHEE FILE # Annex 18-02
DATE STAMP SEP 10 2018 FEE \$ 250.00 ^{CREDIT CARD} CHECK # 48357271 RCPT # PL-18-00031

Date: 9/10/18
Applicant: Matt LaVergne Phone 509-860-3480
Address: 1919-4 Fifth Street #4

PROPOSED ANNEXATION AREA
1521 Pershing Street, Wenatchee WA 98801
Property ID: 26939
Geographic ID: 232033783230
Legal Description: POWELLS TO WENATCHEE BLOCK 2 LOT 7 AKA PARCEL 2 SS #279 0.4000 ACRES

City of Wenatchee

Ten Percent Annexation Initiation Petition

Wenatchee City Council
PO Box 519
Wenatchee, WA 98807

Date: 9/10/18

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
Matt LaVergne 1521 PERSHING	9/10/18	Matt LaVergne



1 inch = 94 feet

Copyright City of Wenatchee 2016

CITY OF WENATCHEE

SEP 10 2018

Disclaimer:
 Be advised that all services, information and maps are provided by the City of Wenatchee "As Is" without warranty or guarantees expressed or implied to its accuracy. The responsibility and burden for determining accuracy, merchantability, and fitness for the appropriateness for use, rests solely on the user. The City of Wenatchee cannot accept responsibility for errors or problems resulting from the use of this information. The user further acknowledges and accepts all limitations of the data, including the fact that all maps are dynamic and in a constant state of maintenance, corrections, and updates. Use of the data, maps, and information contained within, constitutes acceptance of this disclaimer of liability. Any commercial use or sale of this data or portions thereof, is strictly prohibited, without expressed written consent by the City of Wenatchee.

COUNCIL AGENDA REPORT
City of Wenatchee



TO: Frank Kuntz, Mayor
City Council

FROM: Steve King, Economic Development Director

SUBJECT: Establishment of Right of Way for an extension of McKittrick Street

DATE: November 2, 2018

MEETING DATE: November 8, 2018

I. OVERVIEW

City staff is working diligently to implement the North Wenatchee Master Plan as an economic development and a public infrastructure strategy to address mobility challenges in North Wenatchee between North Wenatchee Avenue and the waterfront and to realize redevelopment of the area impacted by the Sleepy Hollow fires.

The North Wenatchee Master Plan identified a new signature street to access the waterfront via an extension of McKittrick Street from North Wenatchee Avenue under the BNSF railroad tracks connecting with Miller Street (Confluence Parkway) as illustrated below.



COUNCIL AGENDA REPORT City of Wenatchee



NORTH WENATCHEE PROJECTS

- ① **Wenatchee Avenue 'Boulevard Gateway'**
(Wenatchee Avenue Median & McKittrick Signalized Intersection)
- ② **Confluence Parkway Improvements**
(Hawley/Miller Relocation, Utilities Relocation and Trail Extension)
- ③ **McKittrick Signature Street**
(McKittrick Extension and Underpass)
- ④ **McKittrick & Walla Walla Extension**
(Streets & Utilities Improvements)
- ⑤ **Apple Capitol Loop Trailhead & Neighborhood Connections**
(Trailhead/Park Expansion, Apple Loop Trail Relocation & McKittrick Multi-Use Path)



The city is also in the process of establishing a new signalized intersection at McKittrick Street and North Wenatchee Avenue. This new intersection will add an east leg to the intersection which is part of the McKittrick Street extension. As part of this signal project, right of way has been acquired from Northwest Wholesale. In addition, utilizing the federal acquisition process, the city offered to purchase a remnant (designated R2) located outside of the project limits to preserve the city's options for utilizing federal funds to build an underpass in the subject right of way. However, it is noted that the city did not use federal funds to purchase this remnant parcel. City redevelopment funds were used for this purchase. The city purchased this remnant under federal acquisition procedures with the anticipation of having the voluntary option of extending the McKittrick Street right of way to the tracks based on the goal of realizing the McKittrick Street extension. The purchase of this remnant was optional to the city and the seller. This action is for the further establish right of way for McKittrick Street.

The following map illustrates the above right of way acquisition description for McKittrick under the signal project.

COUNCIL AGENDA REPORT
City of Wenatchee

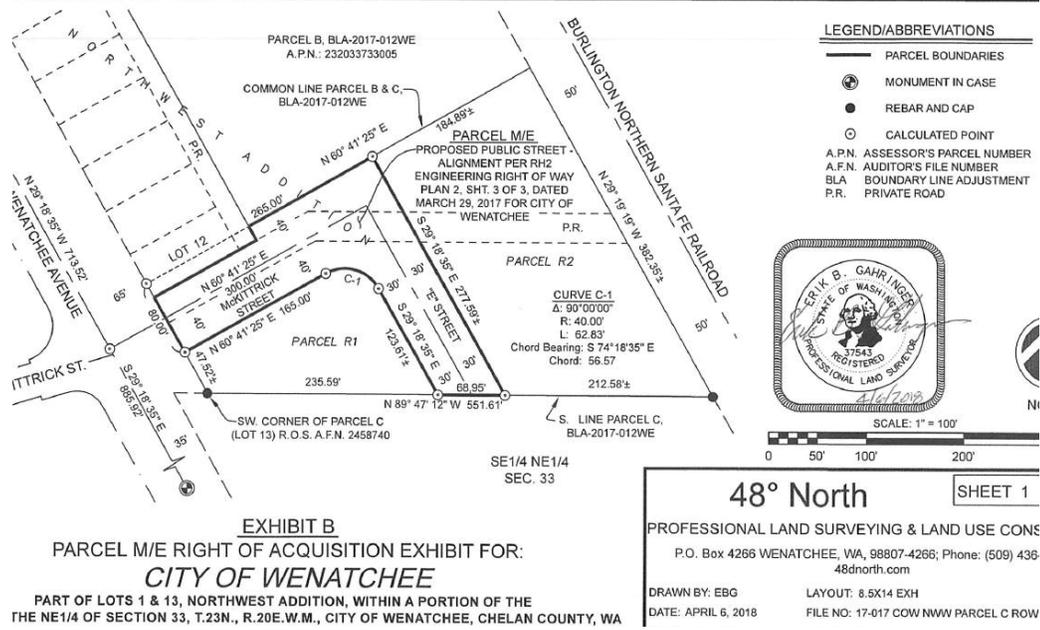


EXHIBIT B
PARCEL M/E RIGHT OF ACQUISITION EXHIBIT FOR:
CITY OF WENATCHEE
PART OF LOTS 1 & 13, NORTHWEST ADDITION, WITHIN A PORTION OF THE
THE NE 1/4 OF SECTION 33, T.23N., R.20E.W.M., CITY OF WENATCHEE, CHELAN COUNTY, WA

This action dedicates right of way from the remnant R2 purchased by the city. This action completes right of way acquisition for the McKittrick Street extension between Wenatchee Avenue and the RR Tracks. The following image illustrates this right of way dedication.

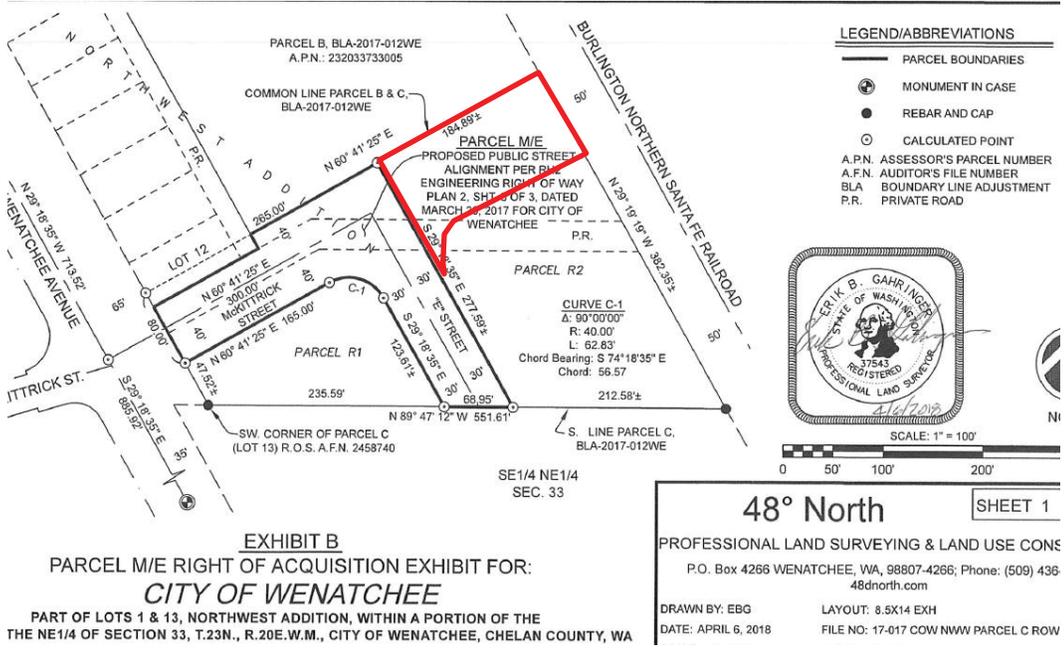


EXHIBIT B
PARCEL M/E RIGHT OF ACQUISITION EXHIBIT FOR:
CITY OF WENATCHEE
PART OF LOTS 1 & 13, NORTHWEST ADDITION, WITHIN A PORTION OF THE
THE NE 1/4 OF SECTION 33, T.23N., R.20E.W.M., CITY OF WENATCHEE, CHELAN COUNTY, WA

COUNCIL AGENDA REPORT
City of Wenatchee



II. ACTION REQUESTED

Staff recommends the city council grant a quit claim deed converting fee simple city owned property to public right of way for McKittrick Street.

III. FISCAL IMPACT Submitted to the Finance Committee Yes No

This action does not have a fiscal impact other than it reduces the amount of fee simple land owned by the City of Wenatchee. The value of this right of way is estimated at approximately \$240,000 based values of property after the road is built. The net fiscal impact is negligible due to the establishment of necessary right of way. The city will likely surplus the remainder of remnant R2 after establishment of this right of way.

IV. PROPOSED PROJECT SCHEDULE

Establishment of this right of way will allow the city to pursue Federal and State funding for the McKittrick Street underpass with the ability to certify that right of way acquisition is complete via early acquisition. If successful in securing funds in 2019, the underpass could be constructed in 2021 at the earliest.

V. REFERENCE(S)

1. Quit Claim Deed and exhibits

VI. ADMINISTRATIVE ROUTING

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

Return Address:
Mr. Steve King
City of Wenatchee
1350 McKittrick St.
Wenatchee, WA 98801

QUIT CLAIM DEED

<p>Reference numbers of related documents: n/a</p> <p>Grantors:</p> <ol style="list-style-type: none"> 1. City of Wenatchee, a municipal corporation <p>Grantees:</p> <ol style="list-style-type: none"> 1. City of Wenatchee, a municipal corporation <p>Legal Description:</p> <ol style="list-style-type: none"> 1. A parcel of land being a portion o of Parcel C, City of Wenatchee Boundary Line Adjustment Number BLA-2017-012WE, being conveyed for public right of way (McKittrick Street). City of Wenatchee, Chelan County Washington. 2. Additional legal description is on attached "Exhibit "A" and Exhibit "B" of the document. <p>Assessor's Property Tax Parcel Account Number: 232033733065</p>

THE GRANTOR, the City of Wenatchee, a municipal corporation, for and in consideration of converting city owned property to public right of way, conveys and quit claims to the City of Wenatchee, a municipal corporation, for road right of way for the extension of McKittrick Street, the following described real estate, situated in the County of Chelan, State of Washington, including any after acquired title:

That property described in Exhibit "A" and depicted on Exhibit "B" attached hereto and incorporated herein as though fully set forth.

DATED this _____ day of _____, 2018.

CITY OF WENATCHEE

By: _____
FRANK J. KUNTZ, Mayor

STATE OF WASHINGTON)

EXHIBIT A

Boundary Description of Parcel of Land being a Portion of Parcel C, BLA-2017-012WE, being Conveyed
for Public Street Right of Way (McKittrick Street)
(portions of Assessor's Parcel Number 232033733065)

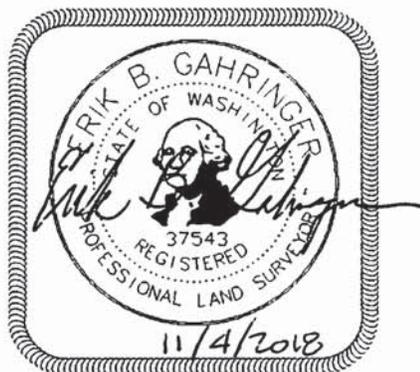
Parcel M-1:

That portion of Parcel R-2 described as follows:

A parcel of land being that portion of Lots 1 and 13, Northwest Addition to Wenatchee, Chelan County, Washington, according to the plat thereof recorded in Volume 5 of Plats, page 17, also being that portion of Parcel C, City of Wenatchee Boundary Line Adjustment Number BLA-2017-012W, recorded July 10, 2017, under Auditor's File Number 2460688, records of said County, being more particularly described as follows:

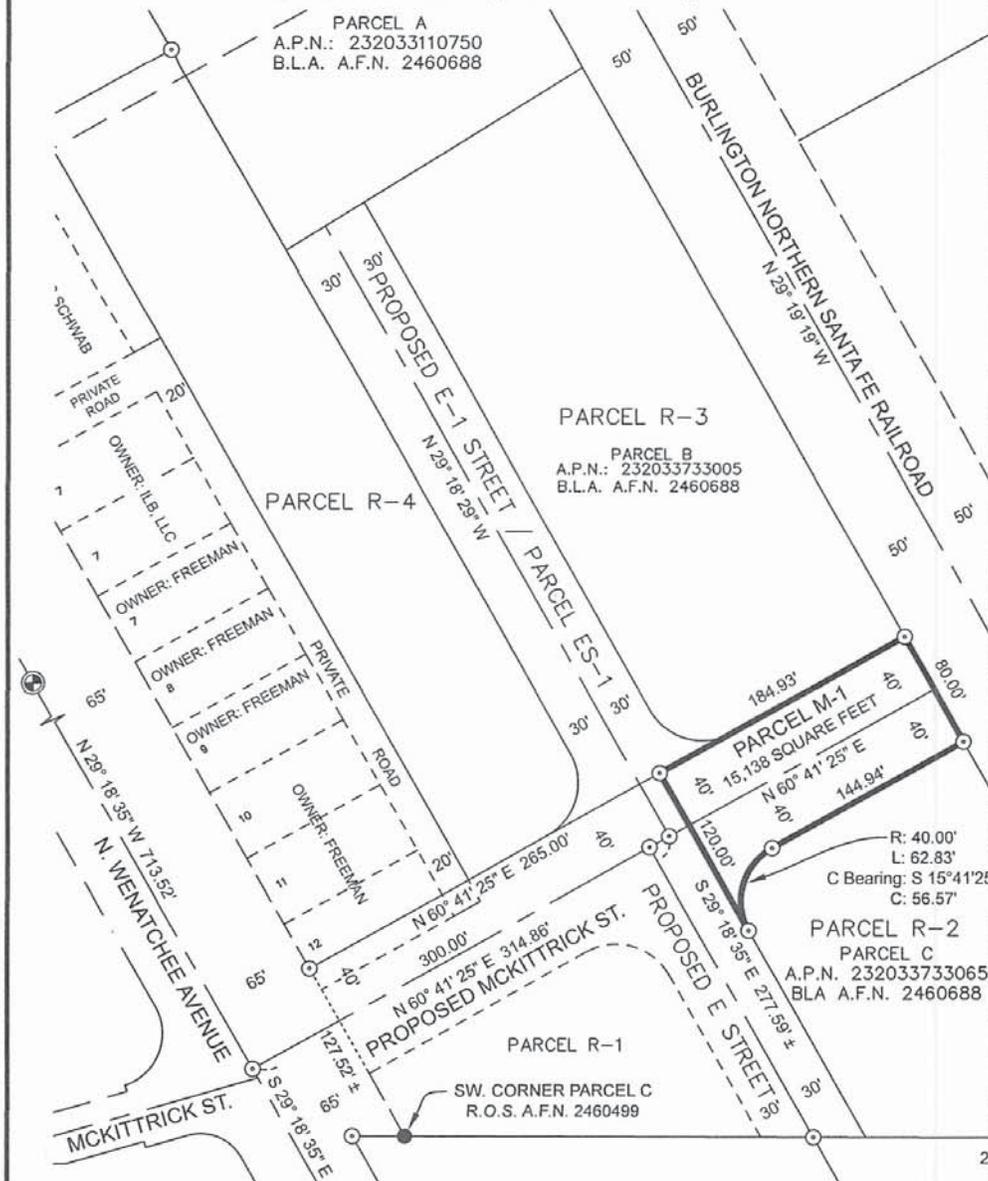
Commencing at the southwest corner of said Parcel C (Lot 13) as set forth and defined by Record of Survey recorded June 6, 2017, under Auditor's File Number 2460499, records of said County; thence North $29^{\circ}18'35''$ West 127.52 feet, more or less, along the northeasterly right of way line of North Wenatchee Avenue to a point of intersection with northwesterly right of way line of a proposed public street; thence North $60^{\circ}41'25''$ East 265.00 feet along said proposed street right of way line, said line being also the southwesterly extension of the common line between Parcels B and C, said Boundary line Adjustment, to a point on said common line and the TRUE POINT OF BEGINNING; thence continuing on said common boundary line North $60^{\circ}41'25''$ East 184.93 feet to a point of intersection with the southwesterly right of way line of Burlington Northern Santa Fe Railroad; thence South $29^{\circ}19'19''$ East 80.00 feet along said right of way line; thence leaving said right of way line South $60^{\circ}41'25''$ West 144.94 feet to a point of curvature; thence southwesterly 62.83 feet on the arc of a circular curve to the left, said curve having a radius of 40.00 feet and chord bearing South $15^{\circ}41'25''$ West 56.57 feet to a point of a point of tangency; thence on a line tangent to said curve North $29^{\circ}18'35''$ West 120.00 feet to the TRUE POINT OF BEGINNING.

Prepared By: Erik B. Gahringer, PLS
Date: November 4, 2018



48° North
Professional Land Surveying & Land Use Consulting
P.O. Box 4266
Wenatchee, WA 98807-4266
Phone: (509) 436-1640

**EXHIBIT B: PARCEL M-1 EXHIBIT MAP FOR
CITY OF WENATCHEE**
PART OF LOT 1, NORTHWEST ADDITION AND PART OF PARCEL B, B.L.A.-2017-012WE;
WITHIN PORTIONS OF THE SE1/4 OF THE NE1/4 OF SECTION 33, T.23N., R.20E.W.M.,
CITY OF WENATCHEE, CHELAN COUNTY, WA



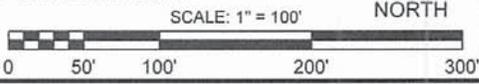
LEGEND/ABBREVIATIONS

- FOUND MONUMENT IN CASE
- FOUND REBAR AND CAP
- COMPUTED POINT

A.P.N. ASSESSOR'S PARCEL NUMBER
A.F.N. AUDITOR'S FILE NUMBER
R.O.S. RECORD OF SURVEY

NOTE:

1. BOUNDARIES SHOWN BASED UPON RETRACEMENT OF R.O.S. 2460499.
2. BEARINGS, DISTANCES, AND AREAS SHOWN ARE SUBJECT TO CHANGE BY REQUESTS AND/OR DISCOVERY OF NEW INFORMATION.



48° North

PROFESSIONAL LAND SURVEYING & LAND USE CONSULTING

P.O. Box 4266 WENATCHEE, WA, 98807-4266; Phone: (509) 436-1640
48dnorth.com

DRAWN BY: EBG LAYOUT: 8.5X14 EXH
DATE: NOVEMBER 4, 2018 FILE NO: 17-017 COW NWW PARCEL C ROW ACQ2.DWG
SCALE: 1" = 100' JOB NO: 17-017

SHEET 1 OF 1

COUNCIL AGENDA REPORT
City of Wenatchee



TO: Frank Kuntz, Mayor
City Council

FROM: Steve King, Economic Development Director

SUBJECT: Establishment of Right of Way for a new section of Columbia Street

DATE: November 2, 2018

MEETING DATE: November 8, 2018

I. OVERVIEW

City staff is working diligently to implement the North Wenatchee Master Plan as an economic development and a public infrastructure strategy to address mobility challenges in North Wenatchee between North Wenatchee Avenue and the waterfront and to realize redevelopment of the area impacted by the Sleepy Hollow fires.

The North Wenatchee Master Plan identified a series of new streets that would serve as access to properties for redevelopment. This action consists of dedication of a new section of Columbia Street approximately located below. This street will be designed as a collector due to its functional value given anticipated changes to the Hawley Street crossing once the McKittrick Street underpass is constructed. This street will provide important circulation and access to the rear of Wenatchee Avenue fronting properties as well as the properties near the Railroad tracks. Presently, there is alley access connecting this street to Hawley street which will serve property owners and their customers in the meantime.

This street is also anticipated and included in the 2011 North Wenatchee Avenue Master Plan adopted by the Chelan Douglas Transportation Council. The North Wenatchee Master Plan took it one step further suggesting that it become a public street to serve businesses in this intensified redevelopment plan. The image below illustrates the portion of the street that this council action effectuates right of way creation. Following this action, the city will be able to surplus remnant parcels fronting this new street.

COUNCIL AGENDA REPORT
City of Wenatchee



NORTH WENATCHEE PROJECTS

- ① **Wenatchee Avenue 'Boulevard Gateway'**
(Wenatchee Avenue Median & McKittrick Signalized Intersection)
- ② **Confluence Parkway Improvements**
(Hawley/Miller Relocation, Utilities Relocation and Trail Extension)
- ③ **McKittrick Signature Street**
(McKittrick Extension and Underpass)
- ④ **McKittrick & Walla Walla Extension**
(Streets & Utilities Improvements)
- ⑤ **Apple Capitol Loop Trailhead & Neighborhood Connections**
(Trailhead/Park Expansion, Apple Loop Trail Relocation & McKittrick Multi-Use Path)



This action dedicates right of way from the remnant property the city purchased from NW Wholesale. This action aligns with the section of Columbia Street running south from the McKittrick Street project.



COUNCIL AGENDA REPORT
City of Wenatchee



II. ACTION REQUESTED

Staff recommends the city council grant a quit claim deed converting fee simple city owned property to public right of way for Columbia Street.

III. FISCAL IMPACT Submitted to the Finance Committee Yes No

This action does not have a fiscal impact other than it reduces the amount of fee simple land owned by the City of Wenatchee. The value of this right of way is estimated at approximately \$450,000 based values of property after the road is built. The net fiscal impact is negligible due to the establishment of necessary right of way and this road creation increases the value of remnant properties. The city will likely surplus the remnants created by this right of way establishment R-3 and R-4 as depicted in the deed exhibit.

IV. PROPOSED PROJECT SCHEDULE

N/A

V. REFERENCE(S)

1. Quit Claim Deed and exhibits

VI. ADMINISTRATIVE ROUTING

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

Return Address:
Mr. Steve King
City of Wenatchee
1350 McKittrick St.
Wenatchee, WA 98801

QUIT CLAIM DEED

<p>Reference numbers of related documents: n/a</p> <p>Grantors:</p> <ol style="list-style-type: none"> 1. City of Wenatchee, a municipal corporation <p>Grantees:</p> <ol style="list-style-type: none"> 1. City of Wenatchee, a municipal corporation <p>Legal Description:</p> <ol style="list-style-type: none"> 1. A parcel of land being of Parcel B, City of Wenatchee Boundary Line Adjustment Number BLA-2017-012WE, being conveyed for public street right of way (E-1 Street also known as Columbia Street). City of Wenatchee, Chelan County Washington. 2. Additional legal description is on attached "Exhibit "A" and Exhibit "B" of the document. <p>Assessor's Property Tax Parcel Account Number: 232033733005</p>

THE GRANTOR, the City of Wenatchee, a municipal corporation, for and in consideration of converting city owned property to public right of way, conveys and quit claims to the City of Wenatchee, a municipal corporation, for road right of way for the dedication of Columbia Street (depicted as E-1), the following described real estate, situated in the County of Chelan, State of Washington, including any after acquired title:

That property described in Exhibit "A" and depicted on Exhibit "B" attached hereto and incorporated herein as though fully set forth.

DATED this _____ day of _____, 2018.

CITY OF WENATCHEE

By: _____
FRANK J. KUNTZ, Mayor

STATE OF WASHINGTON)

EXHIBIT A

Boundary Description of Parcel of Land being a Portion of Parcel B, City of Wenatchee Boundary Line Adjustment Number BLA-2017-012W, being Conveyed for Public Street Right of Way Purposes (E-1 Street)
(portions of Assessor's Parcel Number 232033733005)

Parcel ES-1:

A parcel of land being a portion of Lot 1, Northwest Addition to Wenatchee, Chelan County, Washington, according to the plat thereof recorded in Volume 5 of Plats, page 17, being also a portion of Parcel B, City of Wenatchee Boundary Line Adjustment Number BLA-2017-012W, recorded July 10, 2017, under Auditor's File Number 2460688, records of said County, said parcel being more particularly described as follows:

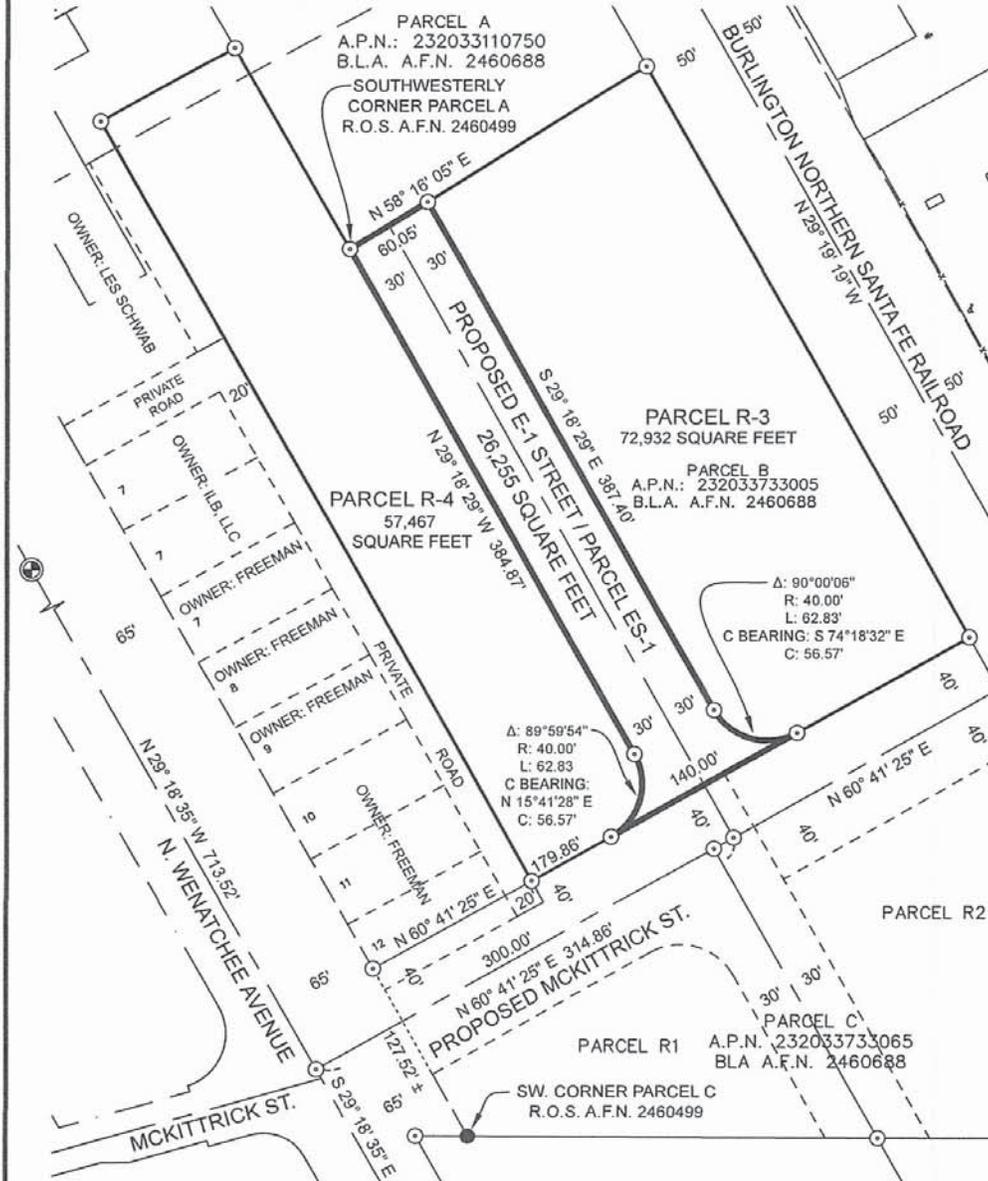
Commencing at the southwest corner of Parcel C (Lot 13, said Northwest Addition) as set forth and defined by Record of Survey recorded June 6, 2017, under Auditor's File Number 2460499, records of said County; thence North $29^{\circ}18'35''$ West 127.52 feet, more or less, along the northeasterly right of way line of North Wenatchee Avenue to a point of intersection with northwesterly right of way line of a proposed public street; thence North $60^{\circ}41'25''$ East 179.86 feet along said proposed street right of way line, said line being also the southwesterly extension of the common line between Parcels B and C, said Boundary line Adjustment, to a point on said common line and a point of curvature and the TRUE POINT OF BEGINNING; thence northeasterly 62.83 feet along the arc of a circular curve to the left, said curve having a radius of 40.00 feet and a chord bearing North $15^{\circ}41'28''$ East 56.57 feet to a point of tangency to the southeasterly extension of the southwesterly boundary line of Parcel A, said Boundary Line Adjustment; thence North $29^{\circ}18'29''$ West 384.87 feet along said line boundary line extended southeasterly to the southwesterly corner of said Parcel A; thence North $58^{\circ}16'05''$ East 60.05 feet along the southeasterly boundary of said Parcel A; thence South $29^{\circ}18'29''$ East 387.40 feet to a point of curvature; thence southeasterly 62.83 feet along the arc of a circular curve to the left, said curve having a radius of 40.00 feet and a chord bearing South $74^{\circ}18'32''$ East 56.57 to a point of tangency with the southeasterly boundary line of said Parcel B; thence along said southeasterly boundary line South $60^{\circ}41'25''$ West 140.00 feet to the TRUE POINT OF BEGINNING.

Prepared By: Erik B. Gahringer, PLS – 48° North, Wenatchee, WA; Phone: (509) 436-1640
Date: October 12, 2018



EXHIBIT B: PARCELS ES-1, R-3 & R-4 EXHIBIT MAP FOR
CITY OF WENATCHEE

PART OF LOT 1, NORTHWEST ADDITION AND PART OF PARCEL B, B.L.A.-2017-012WE;
WITHIN PORTIONS OF THE NE1/4 OF THE NE1/4 AND THE SE1/4 OF THE NE1/4 OF
SECTION 33, T.23N., R.20E.W.M., CITY OF WENATCHEE, CHELAN COUNTY, WA



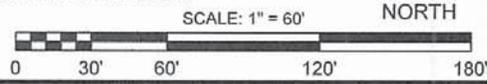
LEGEND/ABBREVIATIONS

- ⊕ FOUND MONUMENT IN CASE
- FOUND REBAR AND CAP
- COMPUTED POINT

A.P.N. ASSESSOR'S PARCEL NUMBER
A.F.N. AUDITOR'S FILE NUMBER
R.O.S. RECORD OF SURVEY

NOTE:

1. BOUNDARIES SHOWN BASED UPON RETRACEMENT OF R.O.S. 2460499.
2. BEARINGS, DISTANCES, AND AREAS SHOWN ARE SUBJECT TO CHANGE BY REQUESTS AND/OR DISCOVERY OF NEW INFORMATION.



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P.O. Box 4266 WENATCHEE, WA, 98807-4266; Phone: (509) 436-1640
48dnorth.com

DRAWN BY: EBG LAYOUT: 8.5X14 EXH

DATE: OCTOBER 12, 2018 FILE NO: 17-017 COW NWW PARCEL B REMNANTS.DWG

SCALE: 1" = 100' JOB NO: 17-017

SHEET 1 OF 1

**COUNCIL AGENDA REPORT
FINANCE DEPARTMENT**

TO: Frank Kuntz, Mayor
City Council Members

FROM: Brad Posenjak, Finance Director

SUBJECT: Ordinance #2018-32, authorizing the sale, issuance and delivery of not to exceed \$20,000,000 of the City's Limited Tax General Obligation Bonds.

MEETING DATE: November 8, 2018

I. OVERVIEW

Earlier this year the City purchased 3 condominium units of the Federal Building at 301 Yakima Street. The City plans to remodel the facility into a new City Hall where multiple customer service functions of the City can be located in one central location. To finance the new City Hall improvements, the City needs to issue Bonds in the amount of \$12,000,000.

The City has also started discussing plans to complete several large street projects in the Wenatchee Foothills. The City is currently working with RH2 Engineering to estimate a cost of these projects. Based on early discussions, we have a placeholder of \$6,000,000 included in the debt issuance.

It is expected that the City will only need to issue \$18,000,000 of debt, but as the actual project costs take shape we desire to have the ability to issue up to \$20,000,000 in debt. This ordinance will provide the Mayor authority to approve a debt issuance within the next two years. Staff expects the City will issue this debt in fall 2019.

The funding sources for this debt has been identified as Real Estate Excise Tax and Property Tax revenues.

Staff has been working with Kutak Rock (bond counsel) and D.A. Davidson (underwriter) to compile documents required to authorize and issue these bonds.

II. ACTION REQUESTED

Staff requests the City Council approve Ordinance #2018-32 authorizing the sale, issuance and delivery of not to exceed \$20,000,000 of the City's Limited Tax General Obligation Bonds.

III. FISCAL IMPACT

This would commit the City to make additional debt service payments through 2040 averaging up to \$1.25 million per year. Revenue generated from the Real Estate Excise Tax and increases in property taxes will cover these debt service payments.

This has been reviewed by Finance Committee.

IV. ATTACHMENTS

Ordinance #2018-32

V. ADMINISTRATIVE ROUTING

Tammy Stanger, City Clerk
Allison Williams, Executive Services Director
Steve King, Economic Development Director
Rob Jammerman, Public Works Director

ORDINANCE NO. 2018-32

AN ORDINANCE OF THE CITY OF WENATCHEE, CHELAN COUNTY, WASHINGTON AUTHORIZING THE SALE, ISSUANCE AND DELIVERY OF THE CITY'S LIMITED TAX GENERAL OBLIGATION BONDS IN ONE OR MORE SERIES IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$20,000,000 TO PROVIDE FUNDS TO ACQUIRE, CONSTRUCT AND INSTALL CAPITAL IMPROVEMENTS TO A NEW CITY HALL FACILITY, REMODEL, RENOVATE AND INSTALL CAPITAL IMPROVEMENTS AND BETTERMENTS TO THE CITY'S EXISTING CITY HALL FACILITY, FINANCE PUBLIC IMPROVEMENTS TO THE CITY'S STREETS AND PAY CERTAIN EXPENSES INCURRED IN CONNECTION WITH THE ISSUANCE OF THE BONDS; PROVIDING FOR THE DESIGNATION, DATE, TERMS, MATURITIES, FORM, PAYMENT AND REDEMPTION PROVISIONS OF THE BONDS; AUTHORIZING THE MAYOR OR THE FINANCE DIRECTOR 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; DESIGNATING A FISCAL AGENT; DELEGATING CERTAIN ACTIONS IN CONNECTION WITH THE PRELIMINARY AND FINAL OFFICIAL STATEMENTS; PROVIDING FOR REGISTRATION AND AUTHENTICATION OF THE BONDS; COVENANTING TO COMPLY WITH CERTAIN FEDERAL TAX AND SECURITIES LAWS; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

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**CITY OF WENATCHEE
Chelan County, Washington**

**LIMITED TAX GENERAL OBLIGATION BONDS
PRINCIPAL AMOUNT OF NOT TO EXCEED \$20,000,000**

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

WHEREAS, the City of Wenatchee, 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 force;

WHEREAS, the City is authorized and empowered by chapters 35A.11, 35A.40, 35A.84, 39.36 and 39.46 RCW to sell, issue and deliver its limited tax general obligation bonds to finance the Acquisition, construction and installation of capital improvements to the City's facilities and public improvements to the City's streets;

WHEREAS, the City has identified the need to invest in South Wenatchee as described in the City's Comprehensive Plan, including the South Wenatchee Action Plan (the "Action Plan") and the City's Capital Facilities Plan;

WHEREAS, the Federal Building (as defined herein) was identified as an investment opportunity in the Action Plan and further identified as property that could become blight if left vacant;

WHEREAS, LocalTel (as defined herein) purchased the Federal Building from the General Service Administration and offered to sell a portion of the Federal Building to the City;

WHEREAS, the City has outgrown the existing City Hall and is planning for future City growth;

WHEREAS, the City, desirous of Acquiring, constructing, and installing capital improvements to a new City Hall to be located in the LocalTel Federal Building Condominiums (the "Federal Building"), executed a Real Estate Purchase and Sale Agreement with LocalTel Federal Building, LLC, a Washington limited liability company ("LocalTel") on April 25, 2018, as amended by the Addendum to Real Estate Purchase and Sale Agreement on May 31, 2018 and as further amended by the Addendum to Real Estate Purchase and Sale Agreement on June 5, 2018 (the "Purchase Agreement") for the purchase of Units 1A, 2 and 3 of the Federal Building (the "City's Units") in the amount of \$3,600,000;

WHEREAS, on June 5, 2018, the City and LocalTel executed a Declaration of Condominium Establishing Covenants, Conditions, Restrictions, Reservations and Easements for the LocalTel Federal Building Condominiums (the "Condominium Agreement," and together with the Purchase Agreement, the "Agreements") governing the joint ownership of the Federal Building;

WHEREAS, the City's Acquisition, construction and installation of capital improvements and betterments to the City's Units was a material condition to the Agreements;

WHEREAS the City is committed to reserve nonvoted general obligation debt capacity to provide funds for the payment of the Acquisition, construction and installation of capital improvements and betterments to the City's Units for their use as the new City Hall pursuant to the Agreements;

WHEREAS, the City has identified the need for transportation improvements throughout the City, including in and around the Wenatchee Foothills, to provide for roadway improvements and secondary access for fire safety;

WHEREAS, the Council deems it necessary and advisable at this time to authorize the issuance, sale, and delivery of its Limited Tax General Obligation Bonds in one or more series in the aggregate principal amount of not to exceed \$20,000,000 (the "Bonds"), to: (1) provide funds to pay the Costs of the Project (as defined herein); and (2) pay certain expenses incurred in connection with the issuance of the Bonds.

WHEREAS, the City is desirous of setting aside \$330,000 of ad valorem property taxes or such greater amount as is necessary in each of the fiscal years 2019 through 2021, and \$680,000 of ad valorem property taxes or such greater amount as is necessary in each of the fiscal years 2022 through 2038 as deposits into the Bond Fund (as defined herein).

WHEREAS, the principal amount of the Bonds, when added to all other outstanding nonvoted general obligation debt heretofore authorized and issued by the City (\$16,465,000), does not exceed \$46,452,386, which is the City's limitation of nonvoted general obligation indebtedness, nor, when the principal amount of the Bonds is added to all outstanding voted general obligation debt heretofore authorized and issued by the City (\$1,207,538) does not exceed \$77,420,644, which is the City's limitation on all nonvoted and voted general obligation indebtedness prescribed by RCW 39.36.020(2) and (4) as calculated based on the assessed value of the property within the City;

WHEREAS, pursuant to the provisions of RCW 39.44.130, the Finance Director has designated the Washington State Fiscal Agent as the City's legally designated fiscal agent;

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

NOW, THEREFORE, IT IS HEREBY FOUND, DETERMINED AND ORDERED 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.

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

Bond Purchase Contract means the bond purchase contract between the City and the Underwriter containing the terms set forth in Section 4 of this Resolution.

Bond Fund means the City's "Limited Tax General Obligation Bond Fund" created by Section 6 of Ordinance No. 1998-18 and referred to in Section 8 of this Ordinance.

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

Bonds means the bonds authorized pursuant to and for the purposes provided herein.

City means City of Wenatchee, 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.

Code means the Internal Revenue Code of 1986, as amended, and any treasury regulations promulgated thereunder.

Construction Fund means the City's "Limited Tax General Obligation Bonds Construction Fund" created by Section 9 of this Ordinance.

Continuing Disclosure Undertaking means the Continuing Disclosure Undertaking substantially in the form attached hereto as Exhibit "B."

Costs of the Project means all or any part of the costs designated by the Council as costs of the Project, or interest therein, which costs, at option of the Council, may also include all or any of the following, without limitation: (1) the cost of any discount on the Bonds, (2) the costs of issuing, registering and authenticating the Bonds, and (3) the costs, if any, of rating agencies.

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

DTC means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, which will act as securities depository for the Bonds.

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

Letter of Representations means the Blanket Issuer Letter of Representations setting forth certain understandings of the City and the Registrar with respect to DTC's services.

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

Municipal Advisor means Northwest Municipal Advisors.

Ordinance means this Ordinance No. 2018-32, adopted by the Council on November 8, 2018, authorizing 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: (1) any Bond (or portion thereof) canceled because of payment or redemption prior to their stated dates of maturity; and (2) any Bond (or portion thereof) deemed to have been paid pursuant to Section 15 of this Ordinance.

Participants means those broker-dealers, banks and other financial institutions from time to time for which DTC holds the Bonds as securities depository.

Project means (1) the Acquisition, construction and installation of capital improvements and betterments to the City's Units in the Federal Building for their use as the new City Hall,

including but not limited to, renovation, remodeling, energy upgrades, building system replacement, and related improvements; (2) the funding of street improvements, including parking lots, to support parking requirements surrounding the Federal Building; (3) the funding of the remodel, renovation and installation of capital improvements and betterments to the City's existing City Hall facility; (4) the funding of street improvements supporting transportation throughout the City, including in and around the Wenatchee Foothills, to include intersection improvements, pedestrian improvements, circulation roads, fire access roads, and street safety improvements; and (5) the ancillary costs of planning, engineering, architectural, construction management, attorney's fees, costs of bond issuance, permits, accounting costs, easements and any other expenses or consultant fees incidental thereto, together with all necessary appurtenances, fixtures and furnishing thereto, all as described in Section 3 of this Ordinance.

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

Registrar means the Washington State Fiscal Agent, acting in the capacity as registrar, authenticating agent, paying agent and transfer agent of the Bonds, or its successors in functions, as now or hereafter designated.

Serial Bonds means any Bonds other than Term Bonds.

Term Bonds means the Bonds specifically designated as such in the Bond Purchase Contract.

True Interest Cost means the yield that, when discounting all future principal and interest payments to the delivery date of the Bonds, produces a present value equal to the principal amount of the Bonds, less any Bond insurance policy premium, less the Underwriter's discount, plus any original issue premium, less any original issue discount, plus accrued interest.

Underwriter means D.A. Davidson & Co., Seattle, Washington as initial purchaser of the Bonds.

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,” “statement,” “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. *Redemption.* Words importing the redemption or redeeming of a Bond or the calling of a Bond for redemption do not include or connote the payment of such Bond at its stated maturity or the purchase of such Bond.

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

H. *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.

I. *Accounting Terms.* All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with the generally accepted accounting principles as in effect from time to time.

Section 3: Purpose of the Bonds

The Bonds are being issued to: (1) provide funds to pay the Costs of the Project; and (2) pay certain expenses incurred in connection with the issuance of the Bonds.

A. *The Project.* The Costs of the Project incurred and to be incurred by the City are more particularly described as follows:

(1) the Acquisition, construction and installation of capital improvements and betterments to the City’s Units in the Federal Building for their use as the new City Hall, including but not limited to, renovation, remodeling, energy upgrades, building system replacement, and related improvements;

(2) the funding of street improvements, including parking lots, to support parking requirements surrounding the Federal Building;

(3) the funding of the remodel, renovation and installation of capital improvements and betterments to the City’s existing City Hall facility;

(4) the funding of street improvements supporting transportation throughout the City, including in and around the Wenatchee Foothills, to include intersection

improvements, pedestrian improvements, circulation roads, fire access roads, and street safety improvements; and

(5) the funding the ancillary costs of planning, engineering, architectural, construction management, attorney's fees, costs of bond issuance, permits, accounting costs, easements and any other expenses or consultant fees incidental thereto, together with all necessary appurtenances, fixtures and furnishing thereto.

Such capital improvements and betterments are to be more fully described in the plans and specifications to be prepared, or to cause to be prepared by the City's architects and engineers and filed with the City.

B. *Modifications.* The City may make alterations or modifications in 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 not to exceed \$20,000,000, which amount shall be paid from the Construction Fund using a portion of the proceeds of the Bonds.

D. *Excess Bond Proceeds in the Construction Fund.* In the event there are Bond proceeds (or interest earnings thereon) remaining in the Construction Fund after the Costs of the Project have been completed or the costs thereof are duly provided for, the Council retains the right to: (1) make additional capital improvements as deemed necessary or desirable by the Council, (2) deposit such money into the Bond Fund to make payments on the Bonds, and/or (3) call and redeem a portion of the Bonds prior to maturity.

E. *Insufficient Money.* In the event the proceeds from the sale of the Bonds, plus any or all of the other legally available money deposited in the Construction Fund, are insufficient to make the improvements hereinbefore provided for, the City shall use the available money in the Construction Fund for paying those Costs of the Project deemed most necessary and to be in the best interest of the City by the Council.

Section 4: Authorization of the Bonds

A. *General Terms.* Limited tax general obligation bonds of the City, in one or more series, in the aggregate principal amount of not to exceed \$20,000,000 are hereby authorized to be sold, issued and delivered pursuant to chapters 35A.11, 35A.40, 35A.84, 39.36 and 39.46 RCW. The Bonds shall be issued in fully registered form; shall be in the denomination of \$5,000 each, or any integral multiple thereof within a single maturity; and shall be numbered separately in such manner and with any additional designation as the Registrar deems necessary for purposes of identification. The Bonds shall be in substantially the form set forth in Exhibit "A" attached hereto and by this reference incorporated herein.

B. *Negotiated Sale.* The Mayor or Finance Director is hereby authorized to execute a Bond Purchase Contract and cause the Bonds to be delivered to the Underwriter at such time as the following conditions are satisfied:

- (1) the aggregate principal amount of the Bonds does not exceed \$20,000,000;

- (2) the True Interest Cost of the Bonds does not exceed 6.00 percent; and
- (3) the final maturity of the Bonds, shall not be later than December 1, 2040.

Prior to executing the Bond Purchase Contract, the Mayor or Finance Director shall cause the following information to be included in the Bond Purchase Contract:

- (1) the date of the Bond Purchase Contract;
- (2) the principal amount of the Bonds maturing on each maturity date commencing no later than December 1, 2021, and concluding no later than December 1, 2040;
- (3) the terms to be established in the Bond Purchase Contract including the principal and interest payment dates, the series designation by year each series of Bonds is issued and whether each series of Bonds bears taxable or tax-exempt interest;
- (4) the rate or rates of interest for each series of Bonds, so long as no rate of interest for any maturity of the Bonds exceeds 6.00 percent per annum;
- (5) the date the Bonds are to be delivered to the Underwriter, which shall be no later than December 31, 2020;
- (6) the yield and price for each maturity of the Bonds, which price shall be not less than 98 percent nor more than 130 percent of the principal amount of the Bonds; and
- (7) the optional and mandatory redemption provisions pertaining to the Bonds; provided that the first date the Bonds may be optionally redeemed at par shall not be later than 10.5 years after the date of the Bonds.

C. *Findings.* The Council hereby finds that the determinations made in this Ordinance are the determinations set forth in RCW 39.46.040; and as such, the Council has fully and properly authorized the sale, issuance and delivery of the Bonds.

D. *Negotiable Instruments.* The Bonds shall be negotiable instruments to the extent provided by chapter 62A.3 RCW.

Section 5: Redemption Prior to Maturity

A. *Optional Redemption.* The Bonds shall be subject to redemption prior to their stated dates of maturity at the times and prices and in the manner specified in the Bond Purchase Contract.

B. *Mandatory Redemption.* The Bond Purchase Contract shall specify which, if any, maturity or maturities of the Bonds are Term Bonds, and shall further specify the mandatory sinking fund deposits necessary to accomplish the mandatory redemption of such Term Bonds.

C. *Partial Redemption.* In accordance with the preceding two subsections, portions of the principal amount of any Bond, in installments of \$5,000 or any integral multiple of \$5,000 within a maturity, may also be redeemed. If less than all the principal amount of any Bond is redeemed, upon surrender of such Bond at the designated corporate trust office of the Registrar there shall be issued to the Registered Owner, without charge therefor, for the then unredeemed balance of the principal amount thereof, a new Bond or Bonds, at the option of the Registered Owner, with like maturity and interest rate, in any denomination authorized by this Ordinance. To the extent the City partially redeems Term Bonds, the City may, at its discretion, reduce the amount of any mandatory sinking fund deposit or deposits by an aggregate principal amount equal to the principal amount of the Term Bonds so redeemed.

D. *Notice of Redemption.* Except as set forth in subsection E below, and unless waived by the Registered Owner of any Bond to be redeemed, notice of any such redemption shall be sent by the Registrar by first-class mail, postage prepaid, not less than 20 nor more than 60 days prior to the date fixed for redemption to the Registered Owner of each Bond to be redeemed at the address shown on the Bond Register, or at such other address as may be furnished in writing by such Registered Owner to the Registrar. The requirements of this subsection D shall be deemed to be complied with when notice is mailed as herein provided, regardless of whether it is actually received by the Registered Owner of any Bond to be redeemed. The Mayor and Finance Director are hereby each individually authorized to agree to redemption provisions they deem to be in the best interest of the City within the limitations provided by this Ordinance.

Any notice given pursuant to this subsection D may be rescinded by written notice given to the Registrar at any time prior to the date specified for redemption. The Registrar shall give notice of such rescission as soon thereafter as practicable, and to the same Registered Owners, as notice of such redemption was given pursuant to this subsection D.

E. *Special Notice of Redemption to DTC.* For so long as DTC is the securities depository for the Bonds, the Registrar shall send redemption and defeasance notices to DTC in the manner required by the Letter of Representations.

F. *Continuing Disclosure Undertaking.* Redemption notice shall also be given in the manner specified in the Continuing Disclosure Undertaking; provided, neither any defect in such notice nor any failure to give all or any portion of such notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed in subsection D above.

G. *Effect of Redemption.* When so called for redemption, the Bonds shall cease to accrue interest on the specified redemption date, provided money for redemption is on deposit at the place of payment at that time, and shall not be deemed to be Outstanding as of such redemption date.

H. *Voluntary Redemption Notice.* In addition to the notice required by subsection D of this Section 5, further notice may be given by the Registrar as set out below, but neither any defect in such further notice nor any failure to give all or any portion of such further notice shall

in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed in such subsection D.

(1) Each further notice of redemption given hereunder may contain the following information: (a) the redemption date; (b) the redemption price; (c) if fewer than all Bonds Outstanding are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed; (d) notification that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after such date; (e) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the designated corporate trust office of the Registrar; (f) the CUSIP numbers, if any, of all Bonds being redeemed; (g) the date of issue of the Bonds as originally issued; (h) the rate of interest borne by each Bond being redeemed; (i) the maturity date of each Bond being redeemed; and (j) any other descriptive information needed to identify accurately the Bonds being redeemed.

(2) Each further notice of redemption may be sent at least 20 days before the redemption date by registered or certified mail or overnight delivery service to: (a) all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds, such depository now being DTC; and (b) one or more national information services that disseminate notices of redemption of obligations such as the Bonds (such as Moody's or S&P).

(3) Each such further notice may be published one time in *The Bond Buyer* of New York, New York, or, if such publication is impractical or unlikely to reach a substantial number of the Registered Owners, in some other financial newspaper or journal which regularly carries notices of redemption of other obligations similar to the Bonds, such publication to be made at least 20 days prior to the date fixed for redemption.

I. *Open Market Purchase and Cancellation.* The City hereby reserves the right and option to purchase any or all of the Bonds on the open market at any time and at any price. To the extent the City partially redeems Term Bonds, pursuant to this Ordinance, the City may, at its discretion, reduce the amount of any mandatory sinking fund deposit or deposits by an aggregate principal amount equal to the principal amount of the Term Bonds so redeemed. All Bonds purchased or redeemed under this Section 5 shall be canceled.

Section 6: Place, Manner and Medium of Payment

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

B. *Payment of Interest.* Payment of each installment of interest 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 the interest payment date. Each installment of interest shall be paid by check or draft of the Registrar mailed 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. Interest installments may be paid by wire transfer to a Registered Owner within the United States of at least \$1,000,000 in principal amount of the Bonds, upon written request of such Registered Owner submitted to the Registrar at least 15 days prior to the interest payment date; provided, the costs of such wire transfer shall be paid by the Registered Owner.

C. *Payment of Principal.* Principal of each Bond shall be payable to the Registered Owner, upon presentation and surrender of the Bonds on or after the date of maturity or prior redemption, at the designated corporate trust office of the Registrar. Upon the payment of the Bonds at maturity, or upon payment of the redemption price of any Bond being redeemed, each check or other transfer of money issued for such purpose shall bear the CUSIP number, if any, and identify by issue and maturity the Bonds being paid or redeemed with the proceeds of such check or other transfer.

D. *Interest on Delinquent Amounts of the Bonds.* If any Bond is not redeemed when properly presented at its maturity or redemption date, the City shall pay interest on that Bond at the same rate provided in the Bond from and after its maturity or redemption date until the principal of and interest on that Bond is paid in full or until sufficient money for its payment in full is on deposit in the Bond Fund and the Bond has been called for payment by giving notice to the Registered Owner of that unpaid Bond.

E. *Ownership of Bonds.* The City and 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 neither the City nor the Registrar shall be affected by any notice to the contrary.

F. *Unclaimed Money.* The Finance Director shall submit a written request to the Registrar that the Registrar return to the Finance Director all money previously remitted to the Registrar for the payment of the Bonds that has not been distributed by the Registrar as of one year after the final maturity or prior redemption of all of the Bonds. The Finance Director shall deposit such money into a separate account to be held solely for the benefit of the Registered Owners of Bonds which have not been presented for payment, and which shall be used solely for paying the principal of such Bonds and the interest which had accrued thereon to the date of maturity or prior redemption. Interest earnings on the money in such account may be deposited into the Bond Fund to pay the principal of and interest on any Bonds that are Outstanding.

Section 7: 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 non-voted 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 principal of and the interest on the Bonds 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 meet the annual payments of principal and interest on the Bonds as they become due.

Section 8: The Bond Fund

A. *Creation of the Bond Fund.* There has heretofore been created by Section 6 of Ordinance No. 1998-18, 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 Fund,” or such other designation conforming to banking requirements or accounting practices. The Bond Fund 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 7 hereof, together with other legally available money, shall be deposited in the Bond Fund immediately upon their collection, and thereafter held in the Bond Fund until withdrawn for the purposes of this Section 8. Any accrued interest paid to the City as Bond proceeds shall be deposited into the Bond Fund. The Finance Director is hereby authorized and directed to pay to the Registrar, in its capacity as the City’s paying agent, all payments of principal and interest on the Bonds in sufficient time for such payments to be made.

B. *Maintenance and Investment of Money in the Bond Fund.* The Bond Fund shall be maintained by the City 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 Fund 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 Fund and be used to meet the required deposits therein.

Section 9: The Construction Fund

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

B. *Deposits to the Construction Fund.* The City shall deposit into the Construction Fund a portion of the proceeds from the sale of the Bonds other than: (1) accrued interest, if any, received from the sale of the Bonds, which shall be deposited into the Bond Fund; (2) amounts paid to the Underwriter as Underwriter’s discount which shall be retained by the Underwriter; and (3) amounts, if any, received due to rounding the principal amount of the Bonds to the next denomination of \$5,000 and to pay for any contingencies, which shall be deposited into the Bond Fund. Money in the Construction Fund may be invested as permitted by law and the investment policy of the City. Any interest earnings on money invested from the Construction Fund shall be deposited into the Construction Fund. The City’s share of any liquidated damages or other money paid by defaulting contractors or their sureties will be deposited into said Construction Fund to assure the completion of the Project.

C. *Use of the Construction Fund.* The money within the Construction Fund shall be used from time to time to pay the Costs of the Project described in Section 3 of this Ordinance. When the Project has been completed and all costs related thereto have been paid in full, any balance remaining in the Construction Fund may be used for other improvements and betterments as provided in Section 3 hereof or may be deposited into the Bond Fund.

D. *Segregation of Bond Proceeds.* The City shall segregate Bond proceeds and investment earnings thereon from all other money that may be deposited into the Construction Fund from time to time.

Section 10: Execution and Authentication of the Bonds

A. *Execution of the Bonds.* Without unreasonable delay, the City shall cause definitive Bonds to be prepared, executed, and delivered, which Bonds shall be lithographed or printed with steel engraved or lithographed borders. The Bonds shall be executed on behalf of the City by the manual or facsimile signature of the Mayor, 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 separately 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. *Temporary Bonds.* Until the definitive Bonds are prepared, the City may, if deemed necessary by the Mayor or Finance Director, utilize temporary Bonds which shall be typewritten, and which shall be delivered to the Underwriter in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds. Such temporary Bonds shall be dated as of the date of the Bonds, shall be in the aggregate principal amount of not to exceed \$20,000,000, shall be numbered in such manner and with any additional designation as the Finance Director deems necessary for purposes of identification, shall be substantially of the tenor of such definitive Bonds, but with such omissions, insertions and variations as may be appropriate to temporary Bonds, and shall be manually signed by the Mayor and the City Clerk and shall have the seal of the City impressed thereon. The Finance Director shall be the Registrar in the event and for so long as temporary Bonds are utilized.

D. *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 Bond 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 11: The Registrar

A. *Registrar Appointed.* The Finance Director has designated the Washington State Fiscal Agent as the City's legally designated fiscal agent with respect to the Bonds pursuant to RCW 39.44.130. The Council hereby confirms such designation with respect to the Bonds and appoints the Washington State Fiscal Agent as Registrar, authenticating agent, paying agent and transfer agent with respect to the Bonds, subject to the terms and conditions of this Section 11.

B. *Delegated Duties.* The Registrar is hereby authorized and directed, on behalf of the City, to authenticate and deliver 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 and the Washington State Fiscal Agency Agreement between the Washington State Finance Committee and the Registrar (as the same may be amended or readopted from time to time).

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 its designated corporate trust office the Bond Register which shall at all times be open to inspection by the City. The City hereby specifies and adopts the system of registration for the Bonds approved by the Washington State Finance Committee.

D. *Fees and Costs.* Subject to the terms of the Washington State Fiscal Agency Agreement referred to above, the City shall pay to the 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. The administrative fees provided for in this subsection D may be paid from the Bond Fund.

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

F. *Ownership Rights.* The Registrar may become the Registered Owner of the Bonds with the same rights it would have if it were not the Registrar, and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Registered Owners of the Bonds.

G. *Cancellation of Surrendered Bonds.* Bonds surrendered to the Registrar for payment, redemption, transfer or exchange, as well as Bonds surrendered by the City for cancellation, shall be canceled immediately by the Registrar and returned to the City. Such Bonds thereafter shall be destroyed.

Section 12: Book-Entry System Authorized

A. The Bonds shall be initially issued in the form of a separate, single-certificated, fully registered Bond for each maturity set forth in the Bond Purchase Contract in the aggregate principal amount of such maturity. Upon initial issuance, the ownership of each Bond may be registered in the Bond Register in the name of Cede & Co., as nominee of DTC, the securities depository for the Bonds. Except as provided in subsection D of this Section 12, all of the Bonds shall be registered in the Bond Register in the name of Cede & Co., as nominee of DTC.

B. With respect to Bonds registered in the Bond Register in the name of Cede & Co., as nominee of DTC, the City and the Registrar shall have no responsibility or obligation to any Participant or to any person on behalf of which a Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Registrar shall have no responsibility or obligation with respect to: (1) the accuracy of the records of DTC, Cede & Co., or any Participant with respect to any ownership interest in the Bonds; (2) the delivery to any Participant or any other person, other than a Registered Owner, of any notice with respect to the Bonds; or (3) the payment to any Participant or any other person, other than a Registered Owner, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The City and the Registrar may treat and consider the Registered Owner of each Bond as the absolute owner of such Bond for the purpose of payment of principal, premium, if any, and interest with respect to such Bond, for the purpose of giving notices of matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Registrar shall pay all principal of, premium, if any, and the interest on the Bonds as provided for in the Bond Purchase Contract, and as further provided in Sections 5 and 6 of this Ordinance and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sums so paid. No person other than a Registered Owner shall receive a certificated Bond evidencing the obligation of the City to make payments of principal, premium, if any, and interest pursuant to this Ordinance. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions herein with respect to the transfer and payment of the Bonds, the phrase "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

C. The City heretofore has delivered the Letter of Representations to the Registrar and DTC. The delivery of the Letter of Representations shall not in any way limit the provisions of subsection B of this Section 12 or in any other way impose upon the City any obligation whatsoever with respect to persons having interests in the Bonds other than the Registered Owner. The Registrar shall take all action necessary for all representations of the City in the Letter of Representations with respect to the Registrar to at all times be complied with.

D. (1) DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and to the Registrar, and discharging its responsibilities with respect thereto under applicable law.

(2) The City, in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the Bonds if the City determines that: (a) DTC is unable to discharge its responsibilities with respect to the

Bonds; or (b) a continuation of the requirement that all of the Bonds be registered in the Bond Register in the name of Cede & Co., or any other nominee of DTC, is not in the best interest of the beneficial owners of the Bonds.

(3) Upon termination of the services of DTC with respect to the Bonds pursuant to subsection D(2)(b) of this Section 12, or upon the discontinuance or termination of the services of DTC with respect to the Bonds pursuant to subsection D(1) or subsection D(2)(a) of this Section 12 after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found that, in the opinion of the City, is willing and able to undertake such functions upon reasonable and customary terms, the City shall deliver certificated Bonds at the expense of the City, as described in this Ordinance, and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede & Co., as nominee of DTC, but may be registered in the names that the Registered Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance. In the event the Bonds are transferred by the City to fully registered form, the Bonds shall be payable by the Registrar. Thereafter, the principal of the Bonds shall be payable upon due presentment and surrender thereof at the designated corporate trust office of the Registrar; interest shall be paid by check or draft of the Registrar mailed 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. Interest installments may be paid by wire transfer to a Registered Owner within the United States of at least \$1,000,000 in principal amount of the Bonds, upon written request of such Registered Owner submitted to the Registrar at least 15 days prior to the interest payment date; provided, the costs of such wire transfer shall be paid by the Registered Owner, and the Bonds shall be transferable as provided in this Ordinance.

E. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal or premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Letter of Representations.

Section 13: Transfer and Exchange of the Bonds

A. *Transfer of Bonds.* Each Bond shall be transferable by the Registered Owner thereof in person, or by its attorney duly authorized in writing, upon due completion of the assignment form appearing thereon and upon surrender of such Bond at the designated corporate trust office of the Registrar for cancellation and issuance of a new Bond registered in the name of the transferee, in exchange therefor.

B. *Exchange of Bonds.* Each Bond 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 designated corporate trust 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, Lost, Stolen or Destroyed Bonds

A. *Issuance of Substitute Bonds.* If any Bond shall become mutilated, lost, stolen or destroyed, 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; (c) provide evidence, satisfactory to the City and the Registrar, of the ownership and the loss, theft or destruction of the affected Bond; and (d) file in the offices of the City and the Registrar a written affidavit specifically alleging on oath that such Registered Owner is the proper owner, payee or legal representative of such owner or payee of the Bond that has been lost, stolen or destroyed, giving the date the Bond was issued and the number, principal amount and series of such Bond, and stating that the Bond has been lost, stolen or destroyed, and has not been paid and has not been received by such Registered Owner;

(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, lost, stolen or destroyed 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. Notwithstanding the foregoing, the Registrar shall not be required to authenticate and deliver any substitute Bond for a Bond that has matured or is about to mature or that has been called for redemption and, in any such case, the principal or redemption price and interest then due or becoming due shall be paid by the Registrar in accordance with the terms of the mutilated, destroyed, lost or stolen Bonds without substitution therefor.

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 canceled and a substitute Bond was issued.

C. *Rights of Registered Owners of Substitute Bonds.* Every substitute 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: Defeasance and Cancellation of the Bonds

A. *Defeasance.* In the event that money and/or “government obligations” (as defined from time to time in RCW 39.53.010), maturing or having guaranteed redemption prices at the option of the owner at such time or times and bearing interest to be earned thereon in such amounts as are sufficient, together with any resulting cash balances, to redeem and retire part or all of the Bonds in accordance with their terms, are hereafter irrevocably set aside in a special account and pledged to effect such redemption and retirement, then no further payments need be made into the Bond Fund or any account therein for the payment of the principal of and interest on the certain Bonds so provided for, and such Bonds and interest accrued thereon shall no longer be deemed to be Outstanding hereunder.

If the principal or redemption price of any Bonds becoming due, either at maturity or by call for redemption or otherwise, together with all interest accruing thereon to the due date, has been paid or provision therefor made in accordance with this Section 15, all interest on such Bonds shall cease to accrue on the due date and all liability of the City with respect to such Bonds shall cease as of the date the principal, redemption price, if any, and interest is so provided for, except as hereinafter provided. Thereafter, the Registered Owners of such Bonds shall be restricted exclusively to the money so deposited for any claim of whatsoever nature with respect to such Bonds, and the Registrar shall hold such money in trust for such Registered Owners uninvested and without interest.

B. *Cancellation.* Bonds surrendered to the Registrar for payment, redemption, transfer or exchange, as well as Bonds surrendered by the City for cancellation, shall be canceled immediately by the Registrar and returned to the City. Such Bonds thereafter shall be destroyed.

Section 16: Tax Covenants

A. *Compliance With the Code.* The City covenants to comply with each requirement of the Code necessary to maintain the exclusion of interest on any series of Bonds issued as tax-exempt from gross income for federal income tax purposes. In furtherance of the covenant contained in the preceding sentence, the City covenants to comply with the provisions of the Tax Certificate executed by the City on the date of initial issuance and delivery of such Bonds, as such Tax Certificate may be amended from time to time.

B. *Necessary Payments.* The City covenants to make any and all payments required to be made to the United States Department of the Treasury in connection with any series of Bonds issued as tax-exempt pursuant to Section 148(f) of the Code.

C. *Survival of Tax Covenants.* Notwithstanding any other provision of this Ordinance to the contrary, so long as necessary in order to maintain the exclusion from gross income of interest on any series of Bonds issued as tax-exempt for federal income tax purposes, the covenants contained in this Section 16 shall survive the payment of such Bonds and the interest thereon, including any payment or defeasance thereof pursuant to Section 15 of this Ordinance.

D. *Remedies.* Notwithstanding any other provision of this Ordinance to the contrary: (1) upon the City's failure to observe or refusal to comply with the above covenants, the Registered Owners of any series of Bonds issued as tax-exempt, or any trustee acting on their behalf, shall be entitled to the rights and remedies provided to the Registered Owners under this Ordinance; and (2) neither the holders or Registered Owners of bonds of any series other than any series of the Bonds issued as tax-exempt, nor a trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to Registered Owners under this Ordinance based upon the City's failure to observe, or refusal to comply with, the above covenants.

Section 17: Amendments to the 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 17.

B. *Amendments Requiring Registered Owner Consent.* With the consent of the Registered Owners of not less than 65 percent in aggregate principal amount of the Bonds at the time Outstanding, 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: (1) 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 redemption provisions pertaining thereto, without the consent of the Registered Owner of each Bond so affected; or (2) reduce the aforesaid percentage of Registered Owners required to approve any such supplemental ordinance, without the consent of the Registered Owners of all of the Bonds then Outstanding. It shall not be necessary for the consent of Registered Owners consent 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. For the purpose of giving consent under this section, the consent from the Underwriter of the Bonds upon their issuance or remarketing shall be deemed to consent of the holders thereof as permitted by the Municipal Securities Rulemaking Board (the "MSRB") Rule G-11 or a successful provision.

C. *Effect of Supplemental Ordinances.* Upon the adoption of any supplemental ordinance pursuant to the provisions of this Section 17, 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 17 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 18: Sale and Delivery of the Bonds and Taking of Other Actions Authorized

The Council hereby authorizes and directs each of the Mayor, the Finance Director, the City Clerk, the Municipal Advisor and Bond Counsel, to prepare, execute and deliver the Bonds to the Underwriter, to execute all other documents, and to take all such further action for the proper application and use of the proceeds of the sale thereof, including:

- A. preparing the final official statement regarding the Bonds; and
- B. executing such certificates and receipts as may be necessary to properly document the issuance of the Bonds.

In addition, the Mayor, the Finance Director, the City Clerk, the Municipal Advisor and Bond Counsel, are hereby authorized by the Council to execute and deliver such other certificates, agreements and documents, and to take such other actions on behalf of the City as may be reasonable and necessary:

- A. to facilitate the issuance and sale of the Bonds;
- B. to meet all provisions of the Code in order to maintain tax-exempt status of any series of Bonds issued as tax-exempt; and
- C. in connection with any matters related thereto, until the final maturity date of the Bonds or redemption, whichever occur first.

Section 19: The Preliminary Official Statement

The Council hereby delegates authority to the Mayor or the Finance Director to determine all acts to be undertaken by the City’s officers, employees and agents with respect to the preparation and distribution of the preliminary official statement regarding the Bonds, including any action taken to deem such preliminary official statement final as of its date except for the omission of information dependent upon the pricing of the issue and the completion of the underwriting agreement, such as offering prices, interest rates, selling compensation, aggregate principal amount, principal amount per maturity, delivery dates and other terms of the Bonds dependent on the foregoing matters. The City agrees to cooperate with the Underwriter to deliver or cause to be delivered, within seven business days from the date of the Bond Purchase Contract and in sufficient time to accompany any confirmation that requests payment from any customer of the Underwriter, copies of a final official statement in sufficient quantity to comply with the rules of the Municipal Securities Rulemaking Board and paragraph (b)(4) of Securities and Exchange Commission Rule 15c2-12.

Section 20: Covenant to Provide Continuing Disclosure Undertaking

The City covenants to execute and deliver at the time of issuance of the Bonds a Continuing Disclosure Undertaking in substantially the form set forth in Exhibit “B” attached hereto and by this reference incorporated herein. The Mayor or Finance Director are each individually authorized and directed to execute and deliver a Continuing Disclosure Undertaking upon the sale, issuance and delivery of the Bonds with such terms and provisions as such officer shall deem appropriate and in the best interest of the City, upon consultation with Bond Counsel. The City hereby reserves the right to comply with this Section 20 by meeting its annual disclosure requirements through any system approved by the Securities and Exchange Commission (the “SEC”). All required filings shall be made in an electronic format as prescribed by the MSRB.

Section 21: 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 each and every Bond. Any action by the Registered Owner of any Bond 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 Owners and the Holders (as defined in the Continuing Disclosure Undertaking) from time to time of the Bonds 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 and the Registered Owners and the Holders from time to time of the Bonds.

Section 22: 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 23: 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 24: Repealer

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

Section 25: 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 City Council of the City of Wenatchee, Washington, at a regular meeting thereof, held on the 8th day of November, 2018.

CITY OF WENATCHEE
Chelan County, Washington

Frank Kuntz, Mayor

ATTEST:

Tammy Stanger, City Clerk

(S E A L)

* * * * *

C E R T I F I C A T E

I, Tammy Stanger, City Clerk of the City of Wenatchee, Washington, hereby certify that the foregoing ordinance is a full, true and correct copy of an ordinance duly passed and adopted at a regular meeting of the City Council duly held at the regular meeting place thereof on November 8, 2018, 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 is now in full force and effect five days after the publication of its summary in the City's official newspaper.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of the City on the 8th day of November, 2018.

CITY OF WENATCHEE
Chelan County, Washington

Tammy Stanger, City Clerk

(S E A L)

EXHIBIT "A"

[Face of Bond]

**UNITED STATES OF AMERICA
STATE OF WASHINGTON
COUNTY OF CHELAN**

CITY OF WENATCHEE

LIMITED TAX GENERAL OBLIGATION BOND, SERIES _____

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Registrar for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co., or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co., or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein

INTEREST RATE:

MATURITY DATE:

CUSIP NO.:

See Pages 2 through __
for Additional Provisions

The CITY OF WENATCHEE, 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 Fund" (the "Bond Fund"), referred to in Ordinance No. 2018-32, adopted by the City Council of the City (the "Council") on November 8, 2018 (the "Ordinance"), to

CEDE & CO.

or registered assigns, on the Maturity Date set forth above, the principal sum of

AND NO/100 DOLLARS

and to pay interest thereon from the Bond Fund from _____, 20__, or from the most recent date to which interest has been paid or duly provided for, whichever is later, at the Interest Rate per annum set forth above, payable commencing on _____ 1, 20__, and semiannually thereafter on each December 1 and June 1 to the Maturity Date set forth above or to the date of prior redemption of this Bond, whichever occurs first. Interest shall be calculated on the basis of a 360-day year consisting 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 and address shall appear on the registration books of the City (the "Bond Register") maintained by the Washington State Fiscal Agent (the "Registrar"). Interest shall be paid 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

Exhibit "A"

Page 1

4838-6762-8917.3

the interest payment date, and shall be paid by check or draft of the Registrar mailed 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. Interest installments may be paid by wire transfer to a Registered Owner within the United States of at least \$1,000,000 in principal amount of the Bonds, upon written request of such Registered Owner submitted to the Registrar at least 15 days prior to the interest payment date; provided, the costs of such wire transfer shall be paid by the Registered Owner. Principal of this Bond shall be paid to the Registered Owner upon presentation and surrender of this Bond on or after the Maturity Date set forth above or date of prior redemption of this Bond, whichever occurs first, at the designated corporate trust office of the Registrar.

The City and 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 neither the City nor the Registrar shall be affected by any notice to the contrary.

Reference is hereby made to the Additional Provisions of this Bond set forth on pages 2 through ___ 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 all acts, conditions and things essential to the validity of this Bond and the Bonds of this series do exist, have happened, been done and been performed and that the City has complied with every requirement of the Constitution and the laws of the State now in force and the ordinances and resolutions of the City, particularly the Ordinance, affecting the issue hereof, and that the issuance of this Bond and the Bonds of this series does not exceed any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the City may incur.

IN WITNESS WHEREOF, City of Wenatchee, Washington, has caused this Bond to be executed by the manual signature of the Mayor, attested by the manual signature of its City Clerk and impressed with its seal on _____, 20__.

CITY OF WENATCHEE
Chelan County, Washington

[manual signature]
Mayor

ATTEST:
[manual signature]
City Clerk

(S E A L)

CERTIFICATE OF AUTHENTICATION

Date of Authentication:

This Bond is one of the City of Wenatchee Limited Tax General Obligation Bonds, Series 20__, dated _____, 20__, and described in the within-mentioned Ordinance.

WASHINGTON STATE FISCAL AGENT
as Registrar

By _____
Authorized Signatory

ADDITIONAL PROVISIONS

This Bond is one of a duly authorized series of bonds of like date, tenor and effect, except for variations required to state denominations, numbers, interest rates, redemption provisions and dates of maturity, aggregating the principal amount of [\$ _____]. The Bonds are issued in fully registered form, in the denomination of \$5,000 each, or any integral multiple thereof within a single maturity and mature on December 1 in the years 20__ through 20__, inclusive. Capitalized terms used herein shall have the meanings given to them in the Ordinance.

The Bonds are limited tax general obligations of the City, and, as such, the full faith, credit and resources of the City have been irrevocably pledged for the punctual and full payment of the principal and interest on the Bonds within the appropriate constitutional and statutory tax limitations pertaining to non-voted general obligations. The officers now or hereafter charged by law with the duty of levying taxes for the payment of such Bonds shall make annual levies upon all of the taxable property within the City, which, together with other legally available money, shall be sufficient in amount to meet the annual payments of principal and the semiannual payments of interest maturing and accruing on the Bonds.

The Bonds are 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 RCW, and proceedings duly adopted and authorized by the Council, more particularly the Ordinance, for the purpose of providing money necessary to pay all or a portion of the Costs of the Project and to pay certain expenses incurred in connection with the issuance of the Bonds, all as more particularly described in the Ordinance.

The Bonds maturing on December 1, 20__ through December 1, 20__ are not subject to redemption prior to their stated maturity dates. The Bonds maturing on or after December 1, 20__, are subject to optional redemption, as a whole or in part (and if in part, with maturities to be selected by the City and randomly within a maturity), on any date on or after ___ 1, 20__, at a price of par plus accrued interest, if any, to the date fixed for redemption.

The Bonds maturing in the year 20__ are Term Bonds and are subject to mandatory sinking fund redemption prior to maturity, in part, randomly in such manner as the Registrar shall determine, on December 1 in the years 20__ through 20__, inclusive, at 100 percent of the principal amounts set forth in the following schedule (subject to any partial optional redemptions made in accordance with the preceding paragraph), plus accrued interest to the date of redemption, from mandatory sinking fund deposits into the Bond Fund in the principal amounts set forth below:

Mandatory Sinking Fund Redemption Dates	Mandatory Sinking Fund Redemption Amounts
December 1, ____	
December 1, ____	
December 1, ____	
December 1, ____*	

* Maturity.

In accordance with the preceding two paragraphs, any Bond in the principal amount of greater than \$5,000 may be redeemed partially in any integral multiple of \$5,000. In such event, upon surrender of such Bond at the designated corporate trust office of the Registrar, a new Bond (or Bonds at the option of the Registered Owner) of the same interest rate and maturity shall be issued to the Registered Owner, without charge, in any of the denominations authorized by the Ordinance in the aggregate principal amount remaining unredeemed. To the extent the City partially redeems Term Bonds, pursuant to the Ordinance, the City may, at its discretion, reduce the amount of any mandatory sinking fund deposit or deposits by an aggregate principal amount equal to the principal amount of the Term Bonds so redeemed.

So long as the Bonds are in book-entry only form, the Registrar will notify DTC of an early redemption, not less than 20 days and not more than 60 days prior to the date fixed for redemption, and will provide such information as required by the operational arrangements of DTC referenced in the Blanket Letter of Representations from the City to DTC.

During any period in which the Bonds are not in book-entry only form, unless waived by any Registered Owner of the Bonds to be redeemed, notice of any redemption of Bonds will be given by the Registrar on behalf of the City by mailing a copy of a redemption notice by first-class mail, postage prepaid, not less than 20 days nor more than 60 days prior to the date fixed for redemption, to the Registered Owners of each Bond to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owners to the Registrar.

Such requirements shall be deemed to be complied with when notice is mailed as herein provided, regardless of whether or not it is actually received by the Registered Owner of any Bond to be redeemed. Interest on any Bond so called for redemption shall cease to accrue on the date fixed for redemption, and the Bonds shall not be deemed to be Outstanding as of such redemption date, provided funds for redemption are on deposit at the place of payment at that time. Any notice of redemption given may be rescinded by written notice from the City to the Registrar at any time prior to the date specified for redemption. The Registrar shall give notice of such rescission as soon thereafter as practicable, and to the same Registered Owners, as notice of such redemption was given. Any notice of redemption that is so rescinded shall be of no

effect, and the Bonds for which the notice of redemption has been rescinded shall remain outstanding.

The City has reserved the right to purchase any or all of the Bonds on the open market at any time and at any price. To the extent the City purchases the Term Bonds on the open market, the City may reduce, at its discretion, the amount of any mandatory sinking fund deposit or deposits by an aggregate principal amount equal to the principal amount of the Term Bonds so purchased. Any Bonds so purchased or redeemed shall be canceled.

This Bond is transferable or exchangeable by the Registered Owner hereof in person, or by its attorney duly authorized in writing, upon due completion of the Assignment appearing hereon and upon presentation and surrender of this Bond at the designated corporate trust office of the Registrar. Upon such transfer or exchange, a new Bond or Bonds of any authorized denomination, of the same maturity and interest rate, and for the same aggregate principal amount of the Bond being surrendered will be issued to the transferee or exchangee, in exchange therefor. The Registrar is not required to transfer or exchange any Bond during the 15 days preceding any principal or interest payment date.

Reference is hereby made to the Ordinance for the covenants and declarations of the City and other terms and conditions under which this Bond and the Bonds of this series have been issued. The covenants contained herein and in the Ordinance, as they may apply to this Bond, may be discharged by making provision, at any time, for the payment of the principal of and interest on this Bond in the manner provided in the Ordinance.

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	(Cust)	(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.

Dated: _____

Signature: _____

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 whatever.

SIGNATURE GUARANTEED:

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

Authorized Officer

EXHIBIT “B”

CONTINUING DISCLOSURE UNDERTAKING

A. *Limitation of Rights.* The City of Wenatchee, Washington (the “City”), intends that this Continuing Disclosure Undertaking (the “Undertaking”) constitutes the City’s undertaking to provide the information and notices described by 17 CFR § 240.15c2-12(b)(5) with respect solely to the City’s Limited Tax General Obligation Bonds, Series 20__ (the “Bonds”). Notwithstanding any other provision of Ordinance No. 2018-32, adopted by the City Council of the City (the “Council”) on November 8, 2018 (the “Ordinance”) to the contrary, neither the Registered Owner or holder of bonds of any series other than the Bonds, nor any trustee acting on their behalf, shall be entitled to any right or to exercise any remedy provided to the Holders under this Undertaking based upon the City’s failure to observe, or refusal to comply with, the covenants contained in this Undertaking.

B. *Definitions for Purposes of this Undertaking.* Solely for the purposes of this Undertaking, the following terms shall have the following meanings unless the context otherwise requires:

“Annual Financial Information” shall mean an annual update of: (1) the financial information and operating data of the type set forth in the Official Statement in the table or tables containing information regarding revenues, expenditures and changes in fund balance-general fund; (2) the assessed valuation of taxable property in the City; (3) the *ad valorem* taxes levied and percentage of taxes collected by the City; (4) the City’s property tax levy rates per \$1,000 of assessed valuation; and (5) the City’s outstanding general obligation debt.

“Audited Financial Statements” shall mean, with respect to the City, financial statements prepared and audited pursuant to the laws of the State (presently RCW 43.09.200 through 43.09.285), as such laws may be amended from time to time.

“Debt Obligation” shall include: (1) any short-term or long-term debt obligation of the City or Obligated Person under the terms of an indenture, loan agreement, lease or similar contract; (2) a direct purchase of municipal securities by an investor; (3) a direct loan by a bank; and (4) generally, lease arrangements entered into by the City and Obligated Persons that operate as vehicles to borrow money.

“EMMA” shall mean the MSRB’s Electronic Municipal Market Access system, which shall receive all required filings under Rule 15c2-12.

“Financial Obligation” shall mean a: (1) Debt Obligation; (2) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned Debt Obligation; or (3) guarantee of (1) or (2). The term “Financial Obligation” does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Rule 15c2-12.

“Holder” shall mean any Registered Owner of a Bond and any person who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares: (1) voting power which includes the power to vote, or to direct the voting of, a Bond; and/or (2) investment power which includes the power to dispose, or direct the disposition of, a Bond.

“MSRB” shall mean the Municipal Securities Rulemaking Board or any successor in functions thereto.

“Obligated Person” shall have the meaning specified in Rule 15c2-12.

“Official Statement” shall mean the City’s final official statement relating to the Bonds, together with any amendments thereto.

“Required Filings” shall mean any filing made pursuant to subsections C, D, E and F of this Undertaking.

“Rule 15c2-12” shall mean Rule 15c2-12 of the SEC, as amended.

“SEC” shall mean the Securities and Exchange Commission or any successor in functions thereto.

C. *Annual Financial Information.* The City will provide to EMMA within 9 months after the end of each fiscal year, commencing on or before September 30, 20__, Annual Financial Information for the City in an electronic format as prescribed by the MSRB, accompanied by identifying information as prescribed by the MSRB. Presently, the City’s fiscal year commences on January 1. All or any portion of the Annual Financial Information may be incorporated in the Annual Financial Information by cross reference to any other documents which have been filed with: (1) EMMA; or (2) the SEC; or (3) if the document is an official statement, with the MSRB.

Annual Financial Information for any fiscal year containing any modified operating data or financial information for such fiscal year shall explain, in narrative form, the reasons for such modification and the effect of such modification on the Annual Financial Information being provided for such fiscal year. If a change in accounting principles is included in any such modification, the initial Annual Financial Information after such modification shall present a comparison between the financial statements or information prepared on the basis of the modified accounting principles and those prepared on the basis of the former accounting principles. The City will provide notice of the modification of operating data or financial information or change in accounting principles to EMMA.

D. *Audited Financial Statements.* To the extent the City’s Audited Financial Statements are not submitted as part of the Annual Financial Information under subsection C of this Undertaking, the City will provide to EMMA the Audited Financial Statements of the City (commencing with the audited financial statements for the fiscal year ending December 31, 20__), when and if such Audited Financial Statements are available. Although the City may submit a comprehensive annual financial report (a “CAFR”) together with its Audited Financial

Statements, there is no requirement to do so hereunder, and the dissemination of a CAFR in any year shall not be construed as a requirement to disseminate a CAFR in any subsequent year.

E. *Event Notices.*

(1) The City will provide to EMMA, within 10 business days of the occurrence, notice of any of the following events with respect to the Bonds: (a) principal and interest payment delinquencies; (b) unscheduled draws on debt service reserves reflecting financial difficulties; (c) unscheduled draws on credit enhancements reflecting financial difficulties; (d) substitution of credit or liquidity providers, or their failure to perform; (e) defeasances; (f) rating changes; (g) tender offers; (h) bankruptcy, insolvency, receivership or similar proceeding of an Obligated Person, if any; (i) adverse tax opinions or the issuance by the Internal Revenue Service of a proposed or final determination of taxability or Notices of Proposed Issue (IRS Form 5701-TEB); and (j) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Obligated Person, any of which reflect financial difficulties.

(2) The City will provide to EMMA, within 10 business days of the occurrence, notice of any of the following events with respect to the Bonds, if material: (a) non-payment related defaults; (b) modifications to rights of security holders; (c) bond calls (optional, contingent or unscheduled Bond calls other than scheduled sinking fund redemptions for which notice is given pursuant to Exchange Act Release 34 23856); (d) release, substitution, or sale of property securing repayment of the Bonds; (e) consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; (f) the appointment of a successor or additional trustee or the change of name of a trustee or other notice of determination with respect to the tax status of the Bonds; (g) other events affecting the tax status of the Bonds; and (h) the incurrence of a Financial Obligation of the Obligated Person, or agreement or covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Obligated Person, any of which affect security Holders.

F. *Notice of Late Filing.* The City will provide to EMMA in a timely manner, notice of a failure of the City to provide the required Annual Financial Information on or before the date set forth in subsection C of this Undertaking.

G. *Term of this Undertaking.* The term of this Undertaking shall commence on the date of closing and initial delivery of the Bonds to the Registered Owners, and shall terminate when the Bonds shall have been paid in full or defeased in accordance with the Ordinance. The City shall provide notice of such defeasance to EMMA; provided, such notice shall not be a condition to such defeasance.

H. *Amendments.* Notwithstanding any provision of the Ordinance to the contrary, the City may amend this Undertaking in conformity with Rule 15c2-12, as interpreted from time

to time by the courts of competent jurisdiction, the SEC, or the SEC staff. Upon the adoption of any amendment to the Rule, this Undertaking shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations of the City and all Holders under this Undertaking 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 amendment shall be deemed to be part of the terms and conditions of this Undertaking for any and all purposes. If the consent of Holders is necessary for such amendment, only the Holders of the Bonds shall be considered for purposes of determining whether such consent has been rendered.

I. *Additional Information.* Nothing in this Undertaking shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Undertaking or any other means of communication, or including any other information in any Required Filing, in addition to that which is required by this Undertaking. If the City chooses to include any information in any Required Filing in addition to that which is specifically required by this Undertaking, the City shall have no obligation under this Undertaking to update such information or include it in any future Required Filing.

J. *Defaults of this Undertaking.* If the City shall fail to comply with any provision of this Undertaking, then any Holder may enforce, for the equal benefit and protection of all Holders similarly situated, by mandamus or other suit or proceeding at law or in equity, such provision against the City and any of the officers, agents and employees of the City, and may compel the City or any such officers, agents or employees to perform and carry out their duties under this Undertaking; provided, that the sole and exclusive remedy for breach of this Undertaking shall be an action to compel specific performance of the obligations of the City hereunder and no person or entity shall be entitled to recover monetary damages hereunder under any circumstances.

K. *Rescission Rights.* The City hereby reserves the right to rescind this Undertaking without the consent of the Holders in the event Rule 15c2-12 is repealed by the SEC or is ruled to be invalid by a federal court and the time to appeal from such decision has expired. In the event of a partial repeal or invalidation of Rule 15c2-12, the City hereby reserves the right to rescind those provisions of this Undertaking that were required by those parts of Rule 15c2-12 that are so repealed or invalidated.

L. *EMMA.* Any filing under this Undertaking may be made solely by transmitting such filing to EMMA as provided at <http://emma.msrb.org>.

Dated as of _____, 20__.

CITY OF WENATCHEE
Chelan County, Washington

By: _____

EXHIBIT “C”

FORM OF SUMMARY OF ORDINANCE NO. 2018-32

The following is a summary of the principal provisions of Ordinance No. 2018-32 of the City of Wenatchee, Chelan County, Washington, adopted on November 8, 2018. A full text of the Ordinance will be mailed upon request.

AN ORDINANCE OF THE CITY OF WENATCHEE, CHELAN COUNTY, WASHINGTON AUTHORIZING THE SALE, ISSUANCE AND DELIVERY OF THE CITY’S LIMITED TAX GENERAL OBLIGATION BONDS IN ONE OR MORE SERIES IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$20,000,000 TO PROVIDE FUNDS TO ACQUIRE, CONSTRUCT AND INSTALL CAPITAL IMPROVEMENTS TO A NEW CITY HALL FACILITY, REMODEL, RENOVATE AND INSTALL CAPITAL IMPROVEMENTS AND BETTERMENTS TO THE CITY’S EXISTING CITY HALL FACILITY, FINANCE PUBLIC IMPROVEMENTS TO THE CITY’S STREETS AND PAY CERTAIN EXPENSES INCURRED IN CONNECTION WITH THE ISSUANCE OF THE BONDS; PROVIDING FOR THE DESIGNATION, DATE, TERMS, MATURITIES, FORM, PAYMENT AND REDEMPTION PROVISIONS OF THE BONDS; AUTHORIZING THE MAYOR OR THE FINANCE DIRECTOR 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; DESIGNATING A FISCAL AGENT; DELEGATING CERTAIN ACTIONS IN CONNECTION WITH THE PRELIMINARY AND FINAL OFFICIAL STATEMENTS; PROVIDING FOR REGISTRATION AND AUTHENTICATION OF THE BONDS; COVENANTING TO COMPLY WITH CERTAIN FEDERAL TAX AND SECURITIES LAWS; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

**COUNCIL AGENDA REPORT
COMMUNITY DEVELOPMENT DEPARTMENT**

TO: Mayor Frank Kuntz
City Council Members

FROM: Matt Parsons, Associate Planner
Brooklyn Holton, Housing & Community Planner
Glen DeVries, Community Development Director

SUBJECT: Public Hearing – Chelan Douglas Land Trust Annexation - Ordinance 2018-40

DATE: November 5, 2018

MEETING DATE: November 8, 2018

I. OVERVIEW

On February 22, 2018 a ten (10) percent annexation petition was brought before the Wenatchee City Council for property located in an unincorporated area located directly west of Phase VIII and IX of the Broadview neighborhood at the end of Maiden Lane. The approving motion set the annexation boundary, adopted the existing land use designation as Residential Single Family and required the annexation area to assume existing city indebtedness.

A 60 percent annexation petition was established and circulated following approval of the 10 percent petition. The petition has been signed by the majority property owners for the annexation area and certified by the Chelan County Assessor.

On June 14, 2018, Resolution 2018-26 was adopted setting a public hearing on June 28, 2018 for Ordinance 2018-18 to be adopted by the Council. After the Ordinance was adopted, adjustments were made to the approach for notifying the public of the annexation. Due to this change, the public hearing process is to be repeated. The City of Wenatchee is partnering with the CDLT to ensure that a comprehensive public notice process is completed.

Resolution 2018-36, approved on October 25, 2018, established a public hearing date of November 8, 2018 for final action on the annexation. Notice was provided to the community in the following ways:

- Published in the Wenatchee World on October 31, 2018,
- Posted in three public places in the annexation area
- Mailed to property owners within 350ft of the annexation area

II. ACTION REQUESTED

Staff is requesting the City Council conduct a public hearing and approve Ordinance 2018-40, providing for the annexation of property located directly west of Phase VIII and IX of the Broadview neighborhood at the end of Maiden Lane within Chelan County, Assessor's Parcel Numbers 232032200060 and 232032483050, classifying and zoning said property as Residential Single Family, subject to the provisions of Ordinance No. 2007-34 and all subsequent amendments thereto.

**COUNCIL AGENDA REPORT
COMMUNITY DEVELOPMENT DEPARTMENT**

III. FISCAL IMPACT

Submitted to the Finance Committee: No.

IV. PROPOSED PROJECT SCHEDULE

Upon approval, staff will notify local agencies and utility providers and forward the information to the State OFM for final verification.

V. ATTACHMENT(S)

1. Ordinance 2018-40

VI. MOTION

I move to approve Ordinance No. 2018-40

VII. ADMINISTRATIVE ROUTING

Tammy Stanger
Kim Schooley

ORDINANCE NO. 2018-40

AN ORDINANCE, providing for the annexation of an unincorporated area located directly west of Phase VIII and IX of the Broadview neighborhood at the end of Maiden Lane also known as the Chelan Douglas Land Trust (CDLT) Annexation, subject to the provisions of Ordinance No. 2007-34 and all subsequent amendments thereto.

WHEREAS, a petition to annex the real property hereinafter described was filed with the City Council of the City of Wenatchee, signed by owners representing 60% of the assessed valuation in the area for which annexation is petitioned, and

WHEREAS, the applicable zoning for the annexed property will be Residential Single Family as designated on the pre-annexation zoning map, and

WHEREAS, the City Council of the City of Wenatchee considered all factors relative to the proposed annexation, and

WHEREAS, a review proceeding for said annexation is not required pursuant to RCW 35A.14.220.

WHEREAS, Ordinance No. 2018-18 was adopted by the City Council on Thursday, June 28, 2018 after a scheduled public hearing. After Ordinance No 2018-18 was adopted, adjustments to the public notification process were completed requiring a second public hearing to take place and therefore an updated ordinance. Ordinance No. 2018-40 fully amends and supersedes Ordinance No 2018-18.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF
WENATCHEE DO ORDAIN** as follows:

SECTION I

That the following described real property located in Chelan County, Washington, contiguous to the City of Wenatchee, to-wit:

See Exhibit “A” as depicted in Exhibit “B”, attached hereto and incorporated herein by reference as if fully set forth;

and each and every part thereof be and the same is hereby annexed to the City of Wenatchee, State of Washington; and that the corporate limits of the City of Wenatchee be and they are hereby extended so as to include the property and territory hereinbefore fully described. That said property be assessed and taxed at the same rate and on the same basis as the property of the City of Wenatchee is assessed and taxed to pay for the now outstanding indebtedness of the City of Wenatchee contracted prior to or existing at the time of this annexation.

SECTION II

That the property described in Section I hereof be and the same is hereby classified and zoned as Residential Single Family. All such zoning and classification being subject to the provisions of Ordinance No. 2007-34, and all subsequent amendments thereto.

SECTION III

This Ordinance shall take effect from and after its passage on the later of sixty (60) days after publication of such Ordinance once in The Wenatchee World, the same being the official newspaper of the City of Wenatchee, and the Clerk is hereby directed to cause the same to be so publicized, or sixty (60) days from the date notice of the annexation is provided to the Chelan County Treasurer, Assessor, and light, power and gas distribution businesses.

**PASSED BY THE CITY COUNCIL OF THE CITY OF
WENATCHEE**, at a regular meeting thereof, this 8th day of November, 2018.

CITY OF WENATCHEE, a Municipal
Corporation

By: _____
FRANK KUNTZ, Mayor

ATTEST:

By: _____
TAMMY STANGER, City Clerk

APPROVED:

By: _____
STEVE D. SMITH, City Attorney

EXHIBIT A

City of Wenatchee, Washington

CHELAN DOUGLAS LAND TRUST (CDLT) ANNEXATION BOUNDARY DESCRIPTION

March 20, 2018

All that certain portion of land in the northwest one-quarter of Section 32, Township 23 North, Range 20 East, Willamette Meridian, Situate the County of Chelan, State of Washington, being more particularly described as follows:

BEGINNING at the northwest corner of said section;

thence South 4°18'00" West, 2074.18 feet along the west line of said Section to the northwest corner of a parcel as described in the deed recorded under Auditors' File No. 2181711, records of said county;

thence South 89°41'00" East, 501.31 feet along the north line to the northeast corner of said parcel;

thence North 8°53'15" East, 432.80 feet;

thence North 66°43'25" East, 614.41 feet;

thence North 50°08'26" East, 586.21 feet to the north line of "Parcel A" as defined in Boundary Line Adjustment 2006-116 recorded under Auditor's File No. 2238470, records of said county;

thence South 88°52'04" West, 200.00 feet to the east line of the west one-half of the northwest one-quarter of said Section 32;

thence North 1°46'48" East, 250.73 feet along said east line to the southwest corner of a parcel of land known as "Tract C" as described in the Plat of Broadview Phase VIII, recorded in Volume 27 of Plats, Pages 90-93, records of said county;

thence North 34°22'29" East, 291.87 feet;

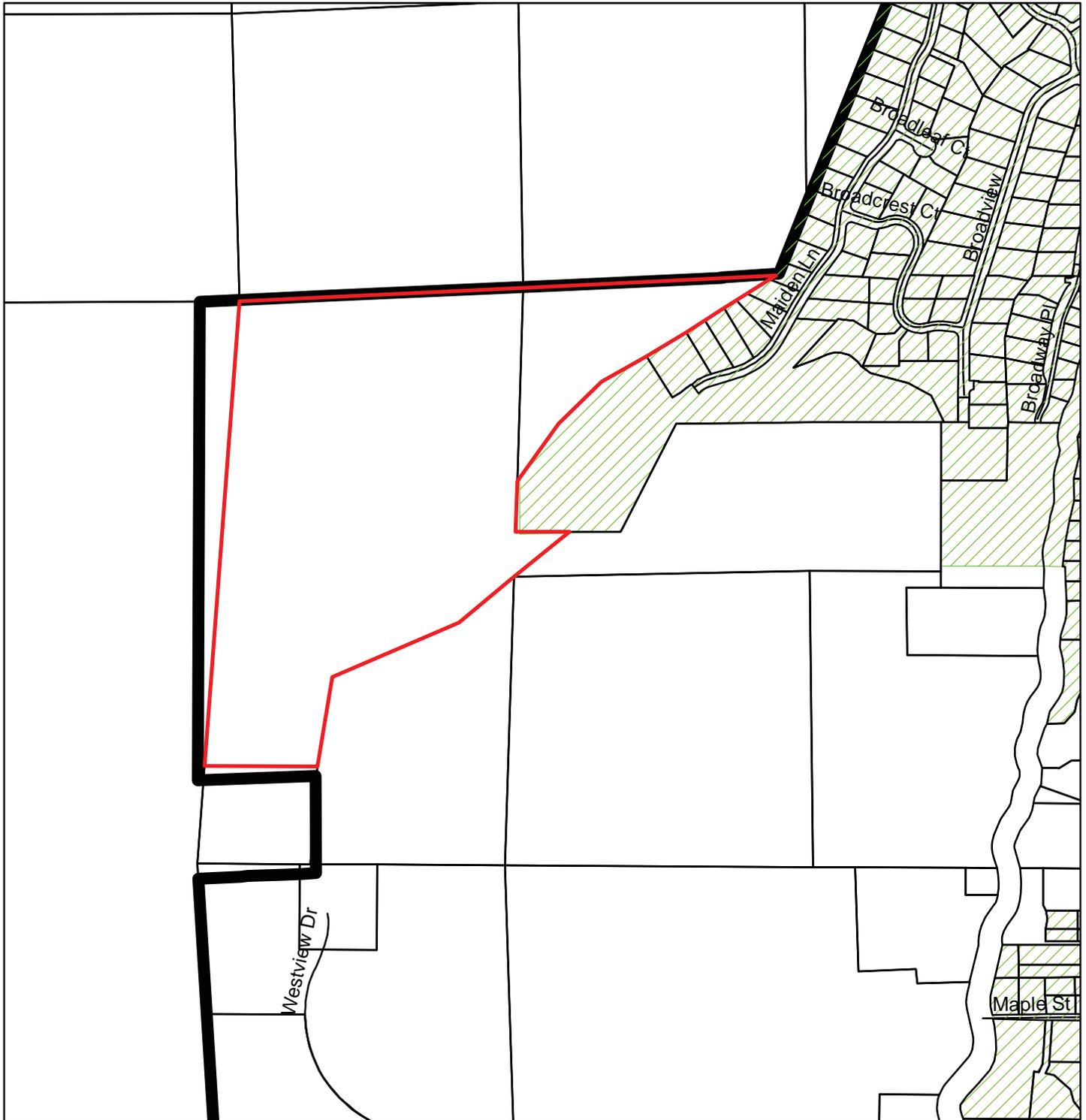
thence North 45°40'27" East, 267.26 feet;

thence North 60°20'36" East, 931.67 feet more or less to the north line of said Section 32;

thence South 87°16'54" West, 1140.96 more or less along the north line of said Section 32 to the northeast corner of the west one-half of the northwest one-quarter of said section;

thence South 87°26'56" West, 1262.05 more or less along the north line of said section 32 to the northwest corner of said Section 32, being also the POINT OF BEGINNING.

Exhibit B Map of Proposed Chelan-Douglas Land Trust Annexation Area



Legend

-  Proposed Annexation Area
-  Current City Limits
-  Parcels
-  Streets
-  Urban Growth Area

0 500 1,000 Feet



**COUNCIL AGENDA REPORT
PUBLIC WORKS DEPARTMENT**

TO: Frank Kuntz, Mayor
City Council

FROM: Gary Owen, City Engineer

SUBJECT: Ordinance No. 2018-36 vacating a portion of the city right-of-way along Piere Street in the City of Wenatchee.

DATE: November 5, 2018

MEETING DATE: November 8, 2018

I. OVERVIEW

Community Development staff has been coordinating with the owners of 820 Riverside Drive on a proposed private development project since prior to their petition to vacate was submitted on July 28, 2018. After determining the legal description of the requested area of vacation, staff recommended and the City Council passed Resolution 2018-35 establishing a date and time for a Public Hearing regarding this partial street vacation.

Staff has performed the required public noticing, consistent with RCW 35.79.020, of the proposed vacation and specifically notified the public and private utility providers of the proposal. Only the Chelan County PUD and Charter Communications responded to the noticing. The PUD had no comment and Charter requested available right-of-way for potential future facilities.

The proposed vacation area is detailed in Exhibit "A" to Ordinance no. 2018-36. It represents approximately 5,200 square feet of right-of-way that was purchased by the city in conjunction with the Riverside Drive project for purposes of relocating the intersection of Piere and 9th Streets easterly and away from the current at-grade railroad crossing. Piere street was then realigned during the construction of the Riverside Drive project. The design and construction of the realigned Piere Street did not utilize the area of the proposed street vacation.

Staff reviewed the history of cost to the city for this part of the Piere Street right-of-way and determined there was not net cost to the city for the acquisition. Therefore, staff does not recommend requiring the petitioner to reimburse the city for any cost beyond the application fee.

II. ACTION REQUESTED

1. Hold the public hearing for Ordinance No. 2018-36 considering the vacation of a portion of Piere Street in the City of Wenatchee.
2. Approve Ordinance No. 2018-36 as presented.

**III. FISCAL IMPACT Submitted to the Finance Committee Yes No
N/A.**

IV. TIME SCHEDULE

The right-of-way identified in Ordinance 2018-36 will be vacated five days after publication of the ordinance in the official newspaper.

**COUNCIL AGENDA REPORT
PUBLIC WORKS DEPARTMENT**

V. REFERENCE(S)

1. Ordinance 2018-36
2. October 11, 2018 agenda report and Resolution initiating this vacation
3. E-mail from Economic Development Director regarding city's cost to acquire additional Piere Street right-of-way.

VI. ADMINISTRATIVE ROUTING

Tammy Stanger, City Clerk
Steve Smith, City Attorney
Rob Jammerman, Public Works Director
Ruta Jones, Public Works Administrative Assistant
Steve King, Economic Development Director
John Ajax, Senior Planner

PW's AGENDA ITEM 2018-43

ORDINANCE NO. 2018-36

AN ORDINANCE, vacating a portion of the city right-of-way along Piere Street in the City of Wenatchee.

WHEREAS, on November 8, 2018 Resolution No. 2018-35 was duly passed by the City Council of the City of Wenatchee initiating the vacation of a portion of the city right of way along Piere Street and prayed for the vacation of the following described portion of the street and/or alley situated in the City of Wenatchee, Chelan County, Washington, to-wit:

See legal description Exhibit "A" attached hereto and incorporated herein by reference as if fully set forth.

WHEREAS, by Resolution No. 2018-35, the 8th day of November, 2018, at the hour of 5:15 o'clock p.m. of said day in the City Council Chambers of the City Hall in the City of Wenatchee, Chelan County, Washington, was the time and place set for hearing of said proposed vacation; and

WHEREAS, due notice of said hearing has been given as required by law; and

WHEREAS, after due hearing and consideration of the proposed vacation, it was determined to be in the best interest of the City of Wenatchee to grant the vacation of the portion of said street and/or alley as hereinabove set forth.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF
WENATCHEE DO ORDAIN** as follows:

SECTION

I

That the following described street and or alley situated in the City of
Wenatchee, Chelan County, Washington be and the same is hereby vacated:

See legal description Exhibit "A" attached hereto and incorporated
herein by reference as if fully set forth.

SECTION

II

This ordinance shall take effect from and after its passage five (5) days
after publication of such ordinance once in the Wenatchee World, the same being the official
newspaper of the City of Wenatchee, and the Clerk is hereby directed to cause the same to be so
published.

**PASSED BY THE CITY COUNCIL OF THE CITY OF
WENATCHEE** at a regular meeting thereof this _____ day of _____, 2018.

CITY OF WENATCHEE, a
municipal Corporation

By _____
FRANK KUNTZ, Mayor

ATTEST:

By: _____
TAMMY STANGER, City Clerk

APPROVED:

By: _____
STEVE D. SMITH, City Attorney

EXHIBIT 'A'

PARCEL B: 22-20-03-861-150

A PARCEL OF LAND LOCATED ON A PORTION OF LOT 4, BLOCK 5, SECOND SUBURBAN HOME ADDITION TO WENATCHEE, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 1 OF PLATS, PAGE 23, RECORDS OF CHELAN COUNTY, WASHINGTON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID LOT 1, BLOCK 5, OF SAID SECOND SUBURBAN HOME ADDITION TO WENATCHEE, SAID POINT ALSO BEING LOCATED ON THE FORMER SOUTHERLY RIGHT OF WAY OF NINTH STREET AND THE FORMER EASTERLY RIGHT OF WAY OF PIERE STREET; THENCE NORTH 60°29'34" EAST ALONG THE NORTHERLY LOT LINE OF SAID LOT 1 FOR A DISTANCE OF 79.75 FEET; THENCE LEAVING SAID NORTHERLY LOT LINE SOUTH 14°30'49" EAST FOR A DISTANCE OF 230.47 FEET; TO THE TRUE POINT OF BEGINNING;

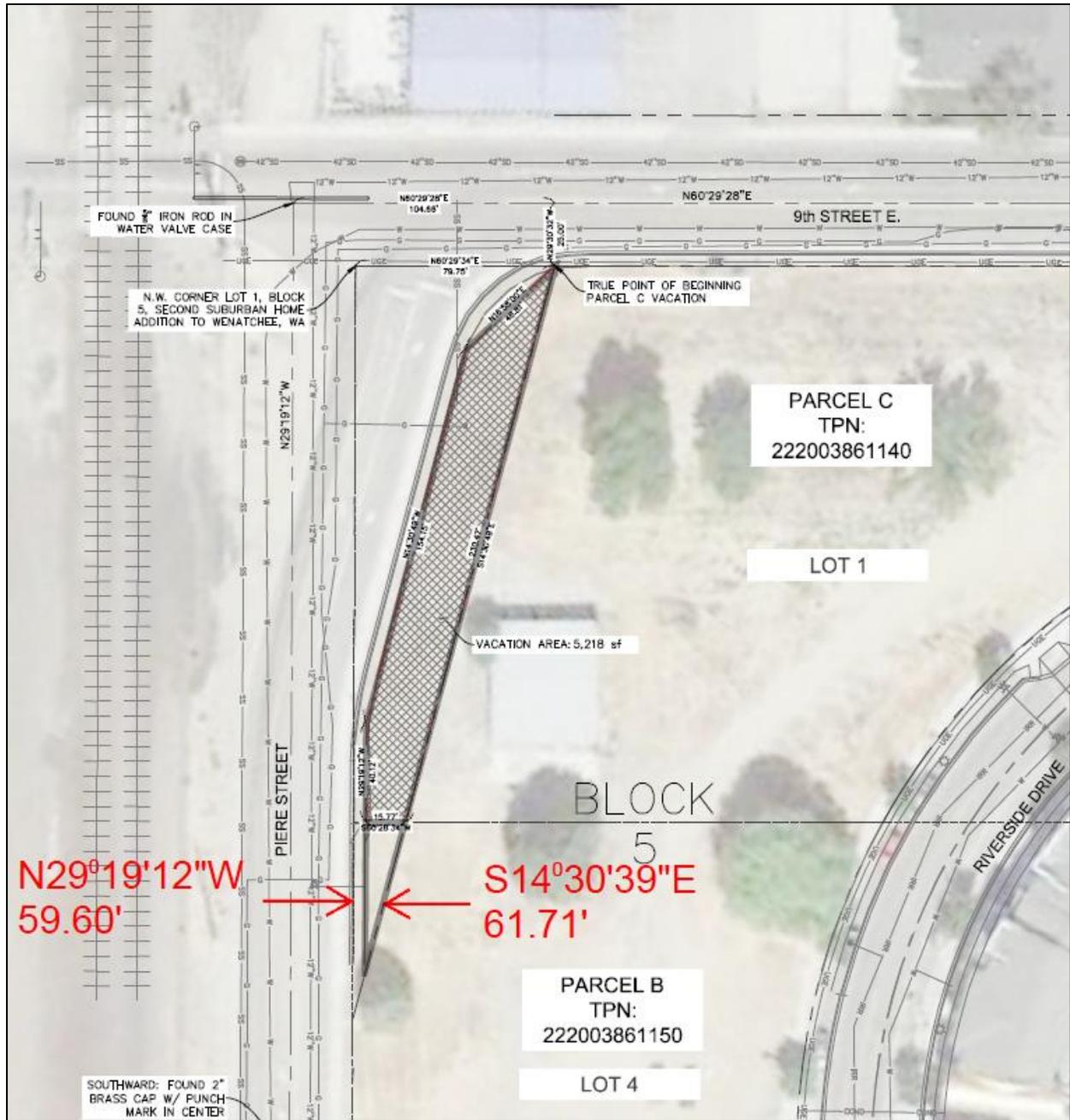
THENCE SOUTH 14°30'39" EAST FOR A DISTANCE OF 61.71 FEET; THENCE NORTH 29°19'12" WEST FOR A DISTANCE OF 59.60 FEET; THENCE NORTH 60°28'34" EAST FOR A DISTANCE OF 15.77 FEET TO THE TRUE POINT OF BEGINNING; CONTAINING 470 SQUARE FEET (0.010 ACRES) MORE OR LESS.

PARCEL C: 22-20-03-861-140

A PARCEL OF LAND LOCATED ON A PORTION OF LOT 1, BLOCK 5, SECOND SUBURBAN HOME ADDITION TO WENATCHEE, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 1 OF PLATS, PAGE 23, RECORDS OF CHELAN COUNTY, WASHINGTON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID LOT 1, BLOCK 5, OF SAID SECOND SUBURBAN HOME ADDITION TO WENATCHEE, SAID POINT ALSO BEING LOCATED ON THE FORMER SOUTHERLY RIGHT OF WAY OF NINTH STREET AND THE FORMER EASTERLY RIGHT OF WAY OF PIERE STREET; THENCE NORTH 60°29'34" EAST ALONG THE NORTHERLY LOT LINE OF SAID LOT 1 FOR A DISTANCE OF 79.75 FEET TO THE TRUE POINT OF BEGINNING;

THENCE LEAVING SAID NORTHERLY LOT LINE SOUTH 14°30'49" EAST FOR A DISTANCE OF 230.47 FEET; THENCE SOUTH 60°28'34" WEST FOR A DISTANCE OF 15.77 FEET; THENCE NORTH 29°19'12" WEST FOR A DISTANCE OF 40.12 FEET; THENCE NORTH 14°30'49" WEST FOR A DISTANCE OF 154.15 FEET; THENCE NORTH 16°58'00" EAST FOR A DISTANCE OF 48.81 FEET TO THE TRUE POINT OF BEGINNING; CONTAINING 5,218 SQUARE FEET (0.12 ACRES) MORE OR LESS.



**COUNCIL AGENDA REPORT
PUBLIC WORKS DEPARTMENT**

TO: Frank Kuntz, Mayor
City Council

FROM: Gary Owen, City Engineer; prepared by John Ajax, Senior Planner

SUBJECT: Resolution No. 2018-35 establishing a date and time for a Public Hearing regarding the vacation of a portion of the city right-of-way along Piere Street.

DATE: October 8, 2018

MEETING DATE: October 11, 2018

I. OVERVIEW

Over the past year, staff has been working with the owners of 820 Riverside Drive on a proposed private development project. To facilitate the development, the owners representing more than two-thirds of the adjoining property are petitioning the city to vacate a portion of the Piere Street right-of-way immediately south of its intersection with Ninth Street. The vacation area is approximately 5,700 square feet and located behind the back of the existing sidewalk.

The subject area of right-of-way was acquired by the city in 2009 in conjunction with the local improvement district (LID) that constructed Riverside Drive and roadway improvements to Piere Street. Upon review of the petition, it has been determined that the subject right-of-way area is not required and its vacation does not prohibit any planned City public roadway / intersection improvements in the immediate area. Additional notice will be provided to the public and local utility providers and documented in a future agenda report should the resolution be approved.

II. ACTION REQUESTED

Staff recommends the City Council approve Resolution No. 2018-35 setting a hearing date and time to consider the request for vacation of a portion of the Piere Street right-of-way.

III. FISCAL IMPACT Submitted to the Finance Committee ~~Yes~~ No

IV. ENVIRONMENTAL IMPACT

The vacation of streets and roads is categorically exempt from SEPA review pursuant to WAC 197-11-800(2)(i).

V. TIMING / SCHEDULE

Vacation of streets and roads is governed by RCW 35.79, requiring that a subsequent hearing date be fixed by resolution within a set amount of time to consider a street vacation.

Passage of this resolution will establish a hearing date of November 8th, 2018 to consider an ordinance and allow time necessary for public noticing requirements prior to hearing. If the ordinance is passed, it will become effective five (5) days after publication in the official newspaper of the city.

VI. REFERENCE(S)

1. Resolution 2018-35
2. Preliminary Vacation Exhibit A for legal descriptions and map exhibit of the vacation area.

VII. ADMINISTRATIVE ROUTING

Tammy Stanger, City Clerk
Steve Smith, City Attorney
Rob Jammerman, Public Works Director

RESOLUTION NO. 2018-35

A RESOLUTION, initiating the vacation of a portion of the city right-of-way along Piere Street.

WHEREAS, the owners of more than two-thirds of the private property abutting the following described street and/or alley within in the City of Wenatchee, County of Chelan, State of Washington, to-wit:

See Exhibit "A" attached hereto and incorporated herein by reference as if fully set forth.

have petitioned the City Council of the City of Wenatchee to vacate said street and/or alley.

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

SECTION I

That Thursday, the 8th day of November, 2018, at the hour of 5:15 o'clock p.m., or as soon thereafter as the matter may be heard, on said day, in the City Council Chambers at the City Hall in the City of Wenatchee, Chelan County, Washington, be and the same is hereby fixed as the time and place when said petition shall be heard and determined, and be it further resolved that the City Clerk give at least twenty (20) days notice of the pendency of said petition by a written notice posted in three of the most public places in said City and a like notice in a conspicuous place on said street and/or alley to be vacated.

PASSED BY THE CITY COUNCIL OF THE CITY OF WENATCHEE, at a regular meeting thereof, this ____ day of _____, 2018.

CITY OF WENATCHEE, a Municipal Corporation

By: _____
FRANK KUNTZ, Mayor

ATTEST:

By _____
TAMMY L. STANGER, City Clerk

APPROVED

By _____
STEVE D. SMITH, City Attorney

EXHIBIT 'A'

PARCEL B: 22-20-03-861-150

A PARCEL OF LAND LOCATED ON A PORTION OF LOT 4, BLOCK 5, SECOND SUBURBAN HOME ADDITION TO WENATCHEE, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 1 OF PLATS, PAGE 23, RECORDS OF CHELAN COUNTY, WASHINGTON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID LOT 1, BLOCK 5, OF SAID SECOND SUBURBAN HOME ADDITION TO WENATCHEE, SAID POINT ALSO BEING LOCATED ON THE FORMER SOUTHERLY RIGHT OF WAY OF NINTH STREET AND THE FORMER EASTERLY RIGHT OF WAY OF PIERE STREET; THENCE NORTH 60°29'34" EAST ALONG THE NORTHERLY LOT LINE OF SAID LOT 1 FOR A DISTANCE OF 79.75 FEET; THENCE LEAVING SAID NORTHERLY LOT LINE SOUTH 14°30'49" EAST FOR A DISTANCE OF 230.47 FEET; TO THE TRUE POINT OF BEGINNING;

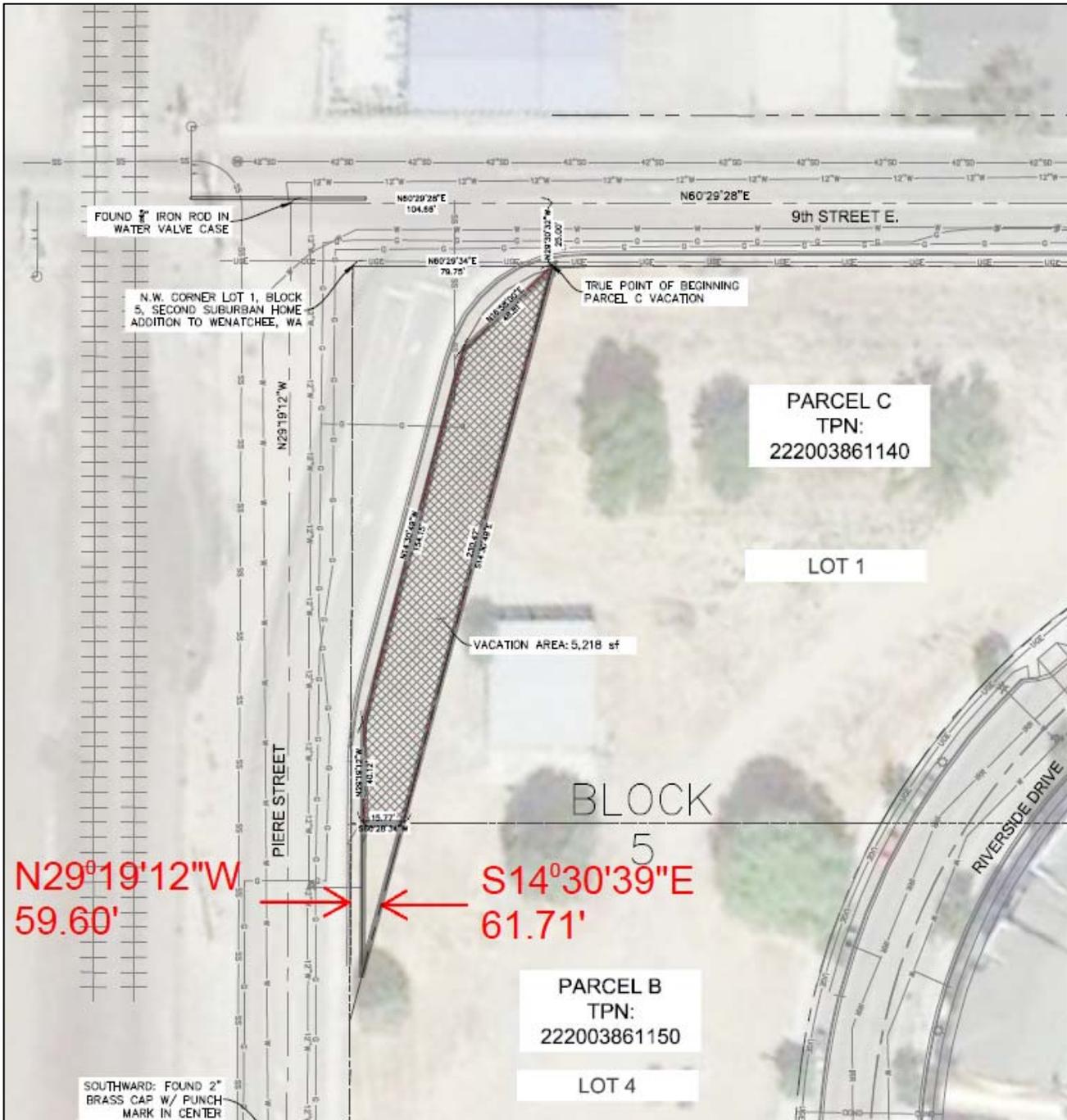
THENCE SOUTH 14°30'39" EAST FOR A DISTANCE OF 61.71 FEET; THENCE NORTH 29°19'12" WEST FOR A DISTANCE OF 59.60 FEET; THENCE NORTH 60°28'34" EAST FOR A DISTANCE OF 15.77 FEET TO THE TRUE POINT OF BEGINNING; CONTAINING 470 SQUARE FEET (0.010 ACRES) MORE OR LESS.

PARCEL C: 22-20-03-861-140

A PARCEL OF LAND LOCATED ON A PORTION OF LOT 1, BLOCK 5, SECOND SUBURBAN HOME ADDITION TO WENATCHEE, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 1 OF PLATS, PAGE 23, RECORDS OF CHELAN COUNTY, WASHINGTON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID LOT 1, BLOCK 5, OF SAID SECOND SUBURBAN HOME ADDITION TO WENATCHEE, SAID POINT ALSO BEING LOCATED ON THE FORMER SOUTHERLY RIGHT OF WAY OF NINTH STREET AND THE FORMER EASTERLY RIGHT OF WAY OF PIERE STREET; THENCE NORTH 60°29'34" EAST ALONG THE NORTHERLY LOT LINE OF SAID LOT 1 FOR A DISTANCE OF 79.75 FEET TO THE TRUE POINT OF BEGINNING;

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From: Steve King
Sent: Thursday, October 25, 2018 5:40 PM
To: Gary Owen; Rob Jammerman
Subject: Right of Way Vacation - Piere Street

Gary,

Here is documentation for the file regarding the upcoming right of way vacation of a portion of Piere right of way near the intersection of Ninth Street.

First, the original right of way was adjacent to the tracks prior to the Riverside Drive and Piere Street improvements project. In order to move the intersection away from the RR track crossing, the city purchased additional right of way for Piere Street along with right of way for Riverside Drive. We purchased this right of way as part of the improvement project that was partially funded by TIB, the City's match, and a Local Improvement District.

In negotiations for the purchase of right of way under the public private partnership (PPP) program, property owners and the city agreed that the property owners in the LID would pay for right of way, aesthetic enhancements, and power/communication conduits. The City paid for the road improvements as part of the TIB grant.

The net results is was a net zero cost to the city for right of way purchase for the subject parcel given the City was reimbursed through the Local Improvement District. This is the justification for not charging for right of way vacation. If we were to collect for the vacation, we would be collecting funds from property that was effectively donated to the city as part of the partnership project.

Please let me know if this suffices as documentation per your request.

Steve



Steve King, P.E.
Economic Development Director
1350 McKittrick Street, Suite A
Wenatchee, WA 98801
Telephone: (509) 888-3203
Web: www.wenatcheewa.gov



**AGENDA REPORT
COMMUNITY DEVELOPMENT DEPARTMENT**

TO: Wenatchee City Council

FROM: Community Development Staff

SUBJECT: Proposed Interim Control on neighborhood centers, auditoriums, places of public assembly, and places of public worship in the residential zoning districts.

DATE: November 5, 2018 **HEARING DATE:** November 8, 2018

I. OVERVIEW

The proposed interim control addresses two specific issues: (1) assembly uses in the residential zoning districts and (2) the impacts of outdoor amplification associated with assembly uses in residential zoning districts.

Assembly uses: The city code authorizes neighborhood centers and places of assembly in residential zoning districts with the approval of a conditional use permit. The definition of a neighborhood center is the location where activities occur for social, cultural, economic, or education nature. Places of assemble include a building uses in whole or in part for the gathering of people for deliberation, entertainment, amusement, or awaiting transportation. These definitions are overly broad and could lead to uses proposed that would be incompatible with their surrounding neighborhoods.

Outdoor amplification: The city code does not include specific development or performance standards to adequately address and mitigate the impact of amplified sound generated by non-residential uses in residential districts. Outdoor events are becoming increasingly popular and without appropriate mitigation measures, negative impacts to existing neighborhoods will occur.

The Wenatchee Urban Area Comprehensive Plan includes goals and policies that require non-residential uses to be designed and operated in a compatible manner with the neighborhoods. The interim ordinance is necessary to give city staff and the planning commission to study the land use impacts and the appropriate development standards.

ACTION REQUESTED

Adoption of the enclosed interim control in Ordinance number 2018-35.

Draft Motion: I move to adopt the interim control as incorporated in Ordinance No. 2018- 35 and to set a hearing on the ordinance for January 10, 2019 at 5:15 p.m. in order to receive testimony and to consider adopting further findings..

**AGENDA REPORT
COMMUNITY DEVELOPMENT DEPARTMENT**

II. FISCAL IMPACT

No known fiscal impacts can directly be attributed to the proposed Ordinance.

III. PROPOSED PROJECT SCHEDULE

If adopted by the Wenatchee City Council, a public hearing will be held within 60 days, at this hearing a work plan and findings of fact will be presented, in general staff will use the 12 month timeframe to work with the planning commission to further study the issue and develop standards.

IV. REFERENCE(S)

1. Draft Ordinance No. 2018-35

ORDINANCE NO. 2018-35

AN ORDINANCE, adopting a twelve (12) month interim control within the City of Wenatchee on the permitting of neighborhood centers, auditoriums, places of public assembly, and places of public worship in the RF, RS, RL, RM and RH zones.

WHEREAS, the Wenatchee Urban Area Comprehensive Plan in Policy 6 of Goal 12 and Policy 4 of Goal 15 in the Land Use/Urban Growth Element requires new non-residential development in existing residential neighborhoods to be designed and operated in a compatible manner; and

WHEREAS, places of assembly are defined in the Wenatchee City Code as "...a building used in whole or in part for the gathering together of persons for such purposes as deliberation, entertainment, amusement, or awaiting transportation"; and

WHEREAS, neighborhood centers are defined in the Wenatchee City Code as "...an area wherein an activity occurs which provides services of a social, cultural, economic or educational nature to the neighborhood in which it is located"; and

WHEREAS, the definitions of places of assembly and neighborhood center are overly broad and may have negative impacts such as noise, traffic, lighting, and hours of operation, if sited in existing residential neighborhoods; and

WHEREAS, the Wenatchee City Code does not include specific development or performance standards to adequately address and mitigate the impact of amplified sound generated by non-residential uses in residential districts; and

WHEREAS, City staff needs time to study the land use impacts of neighborhood centers, auditoriums, places of public assembly, and places of worship on residential zones, and any desired development standards to appropriately handle those impacts; and

WHEREAS, the Wenatchee City Council hereby finds that an interim control to preserve the status quo is necessary until the City can study the appropriate land use and/or permitting regulations to address the impacts of auditoriums, places of public assembly, and places of worship on residential zones; and

WHEREAS, RCW 36.70A.390 authorizes the City Council to adopt an interim control for a period of up to twelve (12) months if a public hearing on the proposal is held within at least 60 days of its adoption and a work plan is developed for related studies; and

WHEREAS, the City Council desires to impose a twelve (12) month interim control on the permitting of neighborhood centers, auditoriums, places of public assembly, and places of public worship in residential zones; and

WHEREAS, interim controls enacted under RCW 36.70A.390 are methods by which local governments may preserve the status quo so that new regulations will not be rendered moot by intervening development; and

WHEREAS, in conformity with the responsibilities of the City of Wenatchee to meet public safety, property or welfare requirements and provide zoning and land use regulations pursuant to state law, and the City's authority to regulate land use activities within its corporate limits, the City intends to develop appropriate zoning and permitting requirements for the permitting of neighborhood centers, auditoriums, places of public assembly, and places of public worship in residential zones.

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

SECTION I
Findings

The recitals set forth above are hereby adopted as the City Council's findings in support of the moratorium imposed by this Ordinance.

SECTION II
Interim Control Imposed

Pursuant to Washington State law, an interim control is hereby enacted by amending WCC 10.10.020 and 10.65.080 to read as follows:

10.10.020 District Use Chart

Use	Residential				
	RF	RS	RL	RM	RH
Auditoriums and places of assembly	€	€	€	€	€
Neighborhood Center	€	€	€	€	€

10.65.080 Auditoriums/places of public assembly, and places of worship.

- (1) Maximum building height, RS, RL and RM: 40 feet. Other districts: same as the height limitation of the zoning district for other buildings.
- (2) Minimum Setback Distance.
 - (a) Front yard: same as required in the underlying zoning district;
 - (b) Rear and side yard: same as required in the underlying zoning district, plus one-half foot for each foot by which the building height exceeds 20 feet where a rear or side yard adjoins an RF, RS, RL or RM district.

- (3) Signs, when located in the RF, RS, RL, and RM zoning districts, shall comply with the following:
 - (a) One nonilluminated sign for each street frontage;
 - (b) Signs shall not exceed 12 square feet in area;
 - (c) Signs located in required setback areas shall observe the maximum height requirements that apply to fences;
 - (d) Any proposed reader boards/electronic message centers shall be reviewed as part of the conditional use permit.
- (4) Landscaping and Screening. Off-street parking shall comply with Chapter 10.62 WCC, Landscaping and Screening, as amended.
- (5) Architectural Scale. New nonresidential buildings in the RF, RS, RL, RM, and RH zoning districts shall meet WCC 10.48.080(4). Deviations to these standards may be considered where the applicant can demonstrate that the change or deviation in design is either necessary due to the inherent function of the facility, and/or the change provides for equal or greater compatibility with the character of the surrounding neighborhood. Consideration of such a deviation shall include an informal design review workshop recommendation of the planning commission, where input from the surrounding neighborhood shall be solicited, and incorporated in staff analysis before the hearing examiner.
- (6) Outdoor sound amplification for new or existing facilities, when located in the RF, RS, RL, RM, and RH zoning districts, shall not be allowed. Outdoor events consistent with the land use approval for the development may be authorized where no sound amplification is used.

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SECTION III **Effective Period for Interim Control**

The interim control set forth in this Ordinance shall be in effect for a period of twelve (12) months from the date this Ordinance is passed and shall automatically expire at the conclusion of that twelve (12) month period unless the same is extended by the City as provided in state law or unless terminated sooner by Ordinance.

SECTION IV **Work Plan**

The Mayor and other responsible staff are hereby authorized and directed to study and address issues related to the impacts of neighborhood centers, auditoriums, places of public assembly, and places of public worship in residential zones, and to propose solutions to

ORDINANCE NO. 2018-35
Page 4

such impacts, if necessary, for inclusion in the City's land use regulations. The Mayor and/or staff shall report their findings to city council within nine months of the date hereof.

SECTION V
Public Hearing

A public hearing on the moratorium imposed herein shall be held on January 10, 2019, at 5:15 p.m., upon notice, in order to take testimony and to consider adopting further findings.

SECTION VI
Severability

If any section, subsection, paragraph, sentence, clause, or phrase of this Ordinance or its application to any person or situation should be held to be invalid or unconstitutional for any reason by a Court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this Ordinance or its application to any other person or situation.

SECTION VII
Effective Date

This Ordinance, shall take effect thirty (30) days from and after passage and publication as provided by law.

PASSED BY THE CITY COUNCIL OF THE CITY WENATCHEE,

at a regular meeting thereof, this 8th day of November, 2018.

CITY OF WENATCHEE,
a Municipal Corporation

By: _____
FRANK KUNTZ, Mayor

ATTEST:

By: _____
TAMMY L. STANGER, City Clerk

APPROVED:

By: _____
STEVE D. SMITH, City Attorney

