



**CITY OF WENATCHEE
PUBLIC NOTICE
Re: Wenatchee City Council Meeting
June 11, 2020, 5:15 PM**

PLEASE TAKE NOTICE, in consideration of the current COVID-19 pandemic, for the health and safety of the community and city staff and councilmembers, City Hall is closed to the public.

The public may view the City Council meeting which is broadcast live on the city's YouTube channel "[Wenatchee TV](#)". Members of the public without internet access may listen to the City Council meeting by calling (509) 888-3298, passcode 66516.

PUBLIC HEARINGS: Written comment on public hearing items is strongly encouraged. Written comments should be submitted to the City Clerk at email: cityclerk@wenatcheewa.gov or mail: PO Box 519, Wenatchee, WA 98807. If a citizen wishes to comment on a public hearing item, they may participate in the meeting by calling (509) 888-3298, passcode 66516. Public testimony may be limited to three minutes, unless further time is granted by the Mayor. If there are a large number of speakers, a representative may be appointed to speak on behalf of the group.

En Español:

POR FAVOR TOME NOTA, en consideración a la actual pandemia COVID-19, para la salud y seguridad de la comunidad y el personal de la ciudad y los miembros del Concejo, no tendremos público presente en la junta del Concejo de Wenatchee el 11 de junio de 2020.

El público puede tener acceso a la junta en el canal de YouTube de la ciudad "Wenatchee TV". Los miembros del público sin acceso a Internet pueden escuchar esta junta llamando al (509) 888-3298, código de acceso 66516.

AUDIENCIAS PUBLICAS: Se recomienda encarecidamente hacer comentarios escritos sobre los elementos de la audiencia pública. Los comentarios escritos deben ser presentados antes de la junta del concejo a la Secretaria de la Ciudad al correo electrónico cityclerk@wenatcheewa.gov o PO Box 519, Wenatchee, WA 98807. Si un ciudadano desea comentar sobre un artículo de audiencia pública, puede participar en la junta llamando al (509) 888-3298, código de acceso 66516. El testimonio público puede limitarse a tres minutos, a menos que el Alcalde le conceda más tiempo. Si hay un gran número de personas interesadas en participar, se puede nombrar un representante para que hable en nombre del grupo.

Tammy Stanger, City Clerk
301 Yakima Street, 3rd Floor • P.O. Box 519 • Wenatchee, WA 98807-0519
Telephone: (509) 888-6204 • Facsimile: (509) 888-3636 • TTY: 711
Email: cityclerk@wenatcheewa.gov • Web: www.wenatcheewa.gov



WENATCHEE CITY COUNCIL

Thursday, June 11, 2020

Wenatchee City Hall Council Chambers
301 Yakima Street, 2nd Floor
Wenatchee, WA 98801

AGENDA

Due to the COVID-19 pandemic, for the health and safety of the community and city staff and councilmembers, City Hall is closed to the public. The public may view the City Council meeting which is broadcast live on the city's YouTube channel "[Wenatchee TV](#)". Members of the public without internet access may listen to the City Council meeting by calling (509) 888-3298, passcode 66516.

PUBLIC HEARINGS: Written comment on public hearing items is strongly encouraged. Written comments should be submitted prior to 4:00 p.m. the day of the council meeting to the City Clerk (cityclerk@wenatcheewa.gov). If a citizen wishes to comment on a public hearing item, they may participate in the meeting by calling (509) 888-3298, passcode 66516. Public testimony may be limited to three minutes, unless further time is granted by the Mayor. If there are a large number of speakers, a representative may be appointed to speak on behalf of the group.

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 #195133 through #195180 in the amount of \$207,792.62 for May 21, 2020

Claim checks #195181 through #195189 in the amount of \$9,285.43 for May 29, 2020

Claim checks #195190 through #195257 in the amount of \$360,463.91 for May 28, 2020

Benefits/deduction checks in the amount of \$895,445.34 for May 29, 2020

Claim checks #195268 through #195308 in the amount of \$342,975.67 for June 4, 2020

Payroll distribution in the amount of \$458,843.60 for June 5, 2020

Payroll distribution in the amount of \$5,448.71 for June 5, 2020

3. Action Items.

A. Art Display Agreement

Presented by Parks, Recreation & Cultural Services Director David Erickson

Action Requested: Move approval of the agreement for location, care and maintenance of art with the Chelan County PUD.

- B. Consider Acceptance of an Art on the Avenues Donation.
Presented by Parks, Recreation & Cultural Services Director David Erickson
Action Requested: Move approval of the acceptance of the donation of sculptures from Art on the Avenues.
- C. Hale Park Phase Two Construction Bid Award
Presented by Parks, Recreation & Cultural Services Director David Erickson
Action Requested: Motion to authorize the Mayor to sign a standard construction agreement with Smith Excavation in the amount of \$607,479.57 for the construction of the Hale Park Phase Two Project.
- D. Adoption of Resolution No's 2020-17, 18, and 19 for the reappointment of Darci Christoferson and Linda Haglund and appointment of Leslie Freytag to the Lodging Tax Advisory Committee
Presented by Executive Services Director Laura Merrill
Action Requested: Staff recommends the City Council pass Resolution No 2020-17 appointing Leslie Freytag; Resolution No 2020-18 reappointing Darci Christoferson; and Resolution No 2020-19 reappointing Linda Haglund to the Lodging Tax Advisory Committee.
- E. Adoption of Resolution No 2020-16 extending a demonstration project for the private use of public space for the purposes of outdoor seating
Presented by Executive Services Director Laura Merrill
Action Requested: Staff recommends the City Council pass Resolution No 2020-16 to extend the demonstration project for the private use of public spaces through December 31, 2020 or adoption of a new city code that addresses said use, whichever occurs earlier.
- F. Ordinance 2020-14 – amendments to the 2020 budget
Presented by Finance Director Brad Posenjak
Action Requested: Staff recommends the City Council approve Ordinance 2020-14 amending the 2020 budget as adopted by Ordinance 2019-39, revoking, recalling or decreasing all or a portion of total appropriations provided for, entering findings that this ordinance is in the best interest of the City and requiring that this Ordinance be approved by a majority plus one of the entire Council.
- G. Interagency agreement with WA State Department of Commerce for Federal CARES Act Funding
Presented by Finance Director Brad Posenjak
Action Requested: Staff recommends the City Council authorize the Mayor to sign the Interagency Agreement with WA State Department of Commerce to receive Federal CARES Act funds.

- H. North Wenatchee Redevelopment Project #1712, Surplus Property Sale – Two Bros, LLC
Presented by Development Project Manager Matt Shales
Action Requested: Staff recommends the City Council authorize the Mayor to negotiate and sign the Real Estate Purchase & Sale Agreement (REPSA) with Two Bros, LLC in substantially similar form as the attached agreement.

- I. Proposed Sewer Code Amendments, Ordinance No. 2020-13
Presented by Environmental Manager Jessica Shaw
Action Requested: Staff recommends the City Council adopt Ordinance No. 2020-13 amending Chapter 4.08 “Sewers-Rates and Charges” of the Wenatchee City Code.

- J. Resolution No. 2020-20, appointing three (3) City Council members as voting representatives on behalf of the City of Wenatchee at the Association of Washington Cities annual conference business meeting

4. Reports.

- a. Mayor’s Report

- b. Reports/New Business of Council Committees

5. Adjournment.



WENATCHEE CITY COUNCIL

Thursday, May 28, 2020

Wenatchee City Hall Council Chambers

301 Yakima Street, 2nd Floor

Wenatchee, WA 98801

MINUTES

Present: Mayor Frank J. Kuntz, Councilmember Position 1 Jose Cuevas, Councilmember Position 2 Jim Bailey, Councilmember Position 4 Travis Hornby, Councilmember Position 5 Mark Kulaas, Councilmember At-Large "A" Linda Herald (via phone), Councilmember At-Large "B" Keith Huffaker

Staff Present: Executive Services Director Laura Merrill, City Attorney Steve Smith (via phone), City Clerk Tammy Stanger, IS Support Tim Mccord, Finance Director Brad Posenjak, Community Development Director Glen DeVries, Police Chief Steve Crown, Engineering Services Manager Jacob Huylar

5:15 p.m. Regular Meeting

1. Call to Order, Pledge of Allegiance, and Roll Call. Mayor Frank J. Kuntz called the regular meeting to order at 5:15 p.m. Councilmember Jose Cuevas led the Pledge of Allegiance. The excused absence of Councilmember Ruth Esparza was noted for the record. All other Councilmembers were present, with Councilmember Linda Herald participating via phone.

2. Consent Items:

Motion by Councilmember Keith Huffaker to approve agenda, vouchers, and minutes from previous meetings, to accept the work performed by the contractor KRCI, LLC on the Olds Station Sanitary Sewer Expansion Phase 2 - Lift Station, Project No. 1718-2 and further authorize the Mayor to sign the Final Contract Voucher Certificate on behalf of the City of Wenatchee, to accept the work performed by the contractor KRCI, LLC on the Cleveland Ave. Sanitary Sewer Repair, Project No. SW19-10 and further authorize the Mayor to sign the Final Contract Voucher Certificate on behalf of the City of Wenatchee, and to accept the work performed by the contractor, Ascendent LLC, on the North Wenatchee Avenue Building Demolition, City Project No. 1712, and further authorize the Mayor to sign the Final Contract Voucher. Councilmember Jim Bailey seconded the motion. Motion carried (6-0).

3. Action Items.

- A. Option to Purchase and License to Enter to conduct exploratory well drilling between GBI Holding Co., and the City of Wenatchee
City Attorney Steve Smith presented the staff report. Council asked questions.

Motion by Councilmember Mark Kulaas for City Council to approve the Option to Purchase and License to Enter Agreement with GBI Holding and authorize the Mayor to sign the Agreement. Councilmember Travis Hornby seconded the motion. Motion carried (6-0).

- B. City Project 1805 – Ninth Street Parking Lot
Supplement #4 to Agreement with RH2 Engineering

Engineering Services Manager Jacob Huylar presented the staff report.

Motion by Councilmember Travis Hornby for City Council to approve Supplement #4 with RH2 Engineering for construction services on the Ninth Street Parking Lot and authorize the Mayor to sign the contract documents. Councilmember Jim Bailey seconded the motion. Motion carried (6-0).

4. Reports.

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

1. The March sales tax report has come in, and as expected is down a couple of hundred thousand dollars; however, there was allowed a two-month extension allowed by the Governor to pay the taxes, so there are a lot of zeros in the report. Without a complete report it is difficult to gauge the complete picture of the slow down due to COVID-19.
2. The water right agreement with Lineage has been signed and recorded. Attorney Mark Peterson has been hired to transfer the water rights into the city's name.
3. The Governor will now allow church services to recommence with restrictions. With that announcement, the Mayor has received some calls concerning outdoor amplification. Outdoor amplification is not allowed under the current noise ordinance and zoning code.
4. He has been monitoring the local court case, Cuevas, et. al. vs. Inslee.
5. The Police Chief has had his hands full with several issues that are manifesting.
6. He heard that Labor & Industries has been going around town and asking business that are open to close. Otherwise, they can face a hefty fine.
7. It has been very frustrating for the community to figure out where we sit with reopening. The hospital has only had 1-3 people in the last 18 days in the hospital with COVID-19. Local businesses are ready to open with safeguards in place.
8. He will participate in a conference call with the Governor and many Eastern Washington Mayors tomorrow at 10:45 a.m.
9. The TTC board met today, and they are down to nine employees, all working part-time. All concerts for the remainder of 2020 have been canceled.

- b. Reports/New Business of Council Committees

Councilmember Huffaker sat in on the recent Chelan-Douglas Health District Board meeting (in place of Ruth Esparza) and said they passed a resolution that contains a responsible policy to have in place for businesses to reopen.

Councilmember Kulaas reported that the Lodging Tax Advisory Committee and Tourism Promotion Area Board recently held their joint meeting and discussed the RFP for the Convention Center. At this time, they are soft about moving forward until there is a better financial picture in place and when architectural firms fully return to the workplace. They will revisit again at the next joint meeting in September.

5. Adjournment. With no further business, the meeting adjourned at 5:45 p.m.

Frank J. Kuntz, Mayor

Attest:

Tammy L. Stanger, City Clerk



CITY COUNCIL AGENDA REPORT

TO: Frank Kuntz, Mayor
City Council

FROM: David Erickson, Parks, Recreation and Cultural Services Director

MEETING DATE: June 11, 2020

I. SUBJECT

Art Display Agreement

II. ACTION REQUESTED

Move approval of the agreement for location, care and maintenance of art with the Chelan County PUD.

III. OVERVIEW

The City and PUD both own artworks located along the Apple Capital Loop Trail. Historically, City staff and volunteers from Art on the Avenues (AOTA) have maintained all of the artwork.

Staff identified the need to develop an agreement to memorialize the allowance of the display, care and maintenance of the art and over the last year has been working with the PUD to develop the agreement. The PUD had a similar agreement with AOTA previously but AOTA no longer own any of the art on the PUD's property.

The agreement has been reviewed by the City Attorney and is recommended for approval.

IV. FISCAL IMPACT

No change anticipated as we already maintain the art.

V. PROPOSED PROJECT SCHEDULE

This would take effect upon approval.

VI. REFERENCE(S)

1. Agreement.

VII. ADMINISTRATIVE ROUTING

Tammy Stanger, City Clerk
Laura Merrill, Executive Services Director
Brad Posenjak, Finance Director

AGREEMENT FOR LOCATION, AND CARE AND MAINTENANCE OF ART

THIS AGREEMENT (“Agreement”) is hereby entered into this ____ day of _____, 2020 by and between PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY (“District”) and CITY OF WENATCHEE (“City”), sometimes collectively referred to as the “Parties.”

RECITALS

WHEREAS Art on the Avenues (“AOTA”), a non-profit organization, has had an agreement with the District for displaying art exhibits in the District’s Riverfront Park since February 8, 2001, amended March 11, 2008 and December 16, 2016; and

WHEREAS the District now owns seven of the AOTA art exhibits; six in Riverfront Park and one in the District’s landscape area at the intersection of Wenatchee Avenue and 5th Street; and

WHEREAS AOTA is disbanding and transferring ownership of the remaining AOTA art exhibits to the City, nineteen of which are in the District’s Riverfront Park; and

WHEREAS the City desires to continue the placement of the nineteen City-owned art exhibits in Riverfront Park; and

WHEREAS the City has agreed to perform the care and maintenance of all twenty-six of the City-owned and District-owned art exhibits in the District’s Riverfront Park and at the Wenatchee Avenue/5th Street intersection (collectively “Art”). A complete listing of the Art and the general location of each is identified on Exhibit A.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, the foregoing Recitals, which are incorporated by this reference into the Agreement, the District and the City agree as follows:

1. **Care and Maintenance of Art.** The City shall perform all care, cleaning, repair and maintenance (collectively “Art Maintenance”) of the Art at the City’s sole expense. This is not intended to include normal maintenance of the property performed by the District. The City shall remove graffiti and/or repair any damage to return the Art to a presentable condition within 48-hours of being made aware of graffiti or damage, at the City’s sole expense. The City shall use appropriate safety barricades and signage while performing Art Maintenance as necessary to protect the public.
2. **Notice to Public and District of Planned Art Maintenance.** The City shall provide a minimum 48-hour public notice of planned Art Maintenance and any trail closures and/or detours. The City shall email both the District’s Parks Manager and Parks Superintendent a minimum of 48 hours prior to any planned Art Maintenance. Parks Manager, Ryan Baker at ryan.baker@chelanpud.org; Parks Superintendent, Ray Heit at ray.heit@chelanpud.org.

3. **Removal of City-owned Art.** Either Party may solely elect to have one or more pieces of the City-owned art removed from the Riverfront Park. The removal of which shall be performed by the City at the City's expense, including any bases or pedestals, and the park property restored to its original condition. The removal of any one or more pieces of art shall not affect the terms of this Agreement.
4. **No District Liability.** The District assumes no liability for the safekeeping of the City-owned Art and under no circumstances is the City-owned Art to be considered in the care, custody or control of the District. The District assumes no responsibility for loss or damage to the City-owned Art.
5. **Termination.** Either party may terminate this agreement by giving the other a 180-day written notice.
6. **Restoration of Riverfront Park upon Termination.** The City shall remove the City-owned Art, together with any bases and pedestals, and restore the District's property to its original condition prior to the effective date of termination.
7. **Mutual Indemnity.** The District shall indemnify, defend and hold harmless the City, its officers, agents and employees, from and against any and all claims, losses or liability, or any portion thereof, arising from injury or death to persons or damage to property occasioned by any negligent act, omission or failure of the District, its officers, agents and employees, in connection with the activities authorized in this Agreement, or arising out of the District's, its officer's, agent's and/or employee's non-observance or non-performance of any law, ordinance, or regulation applicable to the activities authorized herein.

The indemnification obligation of the District shall not be limited in any way by the application of any workmen's compensation acts, disability benefit acts or other employee benefit acts and the District expressly waives the protection afforded by such laws. The foregoing waiver and indemnification obligations have been mutually negotiated.

The City shall indemnify, defend and hold harmless the District, its officers, agents and employees, from and against any and all claims, losses or liability, or any portion thereof, arising from injury or death to persons or damage to property occasioned by any negligent act, omission or failure of the City, its officers, agents and employees, in connection with the activities authorized in this Agreement, or arising out of the City's, its officer's, agent's and/or employee's non-observance or non-performance of any law, ordinance, or regulation applicable to the activities authorized herein.

The indemnification obligation of the City shall not be limited in any way by the application of any workmen's compensation acts, disability benefit acts or other employee benefit acts and the City expressly waives the protection afforded by such laws. The foregoing waiver and indemnification obligations have been mutually negotiated.

8. Insurance.

a. The City shall, at its own expense, carry and maintain the following liability insurance coverage throughout the term of the Agreement:

- General Liability Insurance - \$1,000,000 per occurrence/\$2,000,000 aggregate.
- Automobile Liability Insurance- \$1,000,000 per occurrence combined single limit of liability (if vehicle is used in connection with the permitted area).
- Employer’s Liability Insurance - \$1,000,000 per occurrence combined single limit of liability.

The District shall be identified as an additional insured on all general liability and employer’s liability insurance required under this Agreement. It is the City’s sole responsibility to provide updated insurance information to the District, including any notices of cancellation or reduction in limits of the City’s insurance.

b. Certification. Within ten (10) days after the execution of this Agreement; the City shall file with the District’s Risk Management Department a certificate of insurance from its insurance company(ies) certifying to the coverage of all insurance required herein.

c. Insurance Shall Not Limit Liability. The insurance coverage and benefits required herein shall not be deemed to limit the City’s liability to the District or any third party. In the event the minimum insurance limits specified in this Agreement are less than the maximum amount of insurance in effect for the City at the time of claim or loss which arises from or is connected to the activity or use permitted herein, City affirmatively agrees that all insurance limits available to it will be extended to the District.

d. Self-Insurance. The parties agree that in lieu of the foregoing the City may provide the District evidence of self-insurance sufficient to cover the foregoing minimums.

9. **Attorney’s Fees.** In the event of litigation regarding any of the terms of this Agreement, each party shall bear their own attorneys’ fees and costs incurred therein.

**Public Utility District No. 1
of Chelan County**

City of Wenatchee

Name: _____
Title: _____

Name: _____
Title: _____

Date: _____

Date: _____

Exhibit A
Agreement for Location, and Care and Maintenance of Art
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Exhibit A
Agreement for Location, and Care and Maintenance of Art
Page 2/2





CITY COUNCIL AGENDA REPORT

TO: Frank Kuntz, Mayor
City Council

FROM: David Erickson, Parks, Recreation and Cultural Services Director

MEETING DATE: June 11, 2020

I. SUBJECT

Consider Acceptance of an Art on the Avenues Donation

II. ACTION REQUESTED

Move approval of the acceptance of the donation of sculptures from Art on the Avenues.

III. OVERVIEW

Representatives from Art on the Avenues (AOTA) attended the July, September and October 2018 Arts, Recreation and Parks meetings. At the meeting they presented information and provided a handout to Commissioners which contained a background of the non-profit, programs and services that AOTA has provided since its establishment in 1995. This included the Beauty of Bronze, the AOTA art collection, annual budget, brochures and a partnership proposal.

One of the items that was discussed at length was the potential for the City receiving the donation of the 35 sculptures contained in the AOTA permanent art collection as through a restructuring, AOTA was going to be moving to only focusing on the Beauty of Bronze Program. Following the discussion, the Commission unanimously recommended acceptance of the artwork and on November 15, 2018 the City Council accepted the donation. The donation became effective on January 1, 2019.

Discussions and solicitations continued regarding finding purchasers for the 17 sculptures in the AOTA visiting art collection. The majority of the sculptures have now been purchased. AOTA would like to donate to the City five sculptures they have acquired from the visiting collection and is requesting that the City purchase one sculpture at half of the listed price for the permanent art collection. AOTA insurance on the pieces expires on June 30, 2020 and they would like this potential transaction to occur prior to that so they don't need to extend their coverage as they are endeavoring to disincorporate. With the assistance of volunteers, the City currently maintains the sculptures. The sculptures are:



“Adoration (left)” was created by Roger Small. This is a corten steel sculpture that is located along the Apple Capital Loop Trail at the end of the pedestrian bridge.



“Big Bite (right)” is by Ray Huston. It is a painted steel sculpture located along the Apple Capital Loop Trail.



“Playful Octopus” (left) is a granite sculpture that is located by the pedestrian bridge. It was created by Nicky Oberholtzer.

“River Run” (right) is a bronze sculpture by Georgia Gerber and is also located on South Mission Street.



IV. FISCAL IMPACT

The total estimated valuation of the donation is \$15,400. We will need to have the sculptures formally appraised the next time we complete an updated appraisal of the collection. We only anticipate a very minimal ongoing financial impact for annual cleaning costs and plaque replacement.

V. PROPOSED PROJECT SCHEDULE

If City Council approves the agenda item, it would take effect on June 30, 2020.

VI. REFERENCE(S)

VII. ADMINISTRATIVE ROUTING

Tammy Stanger, City Clerk
Laura Merrill, Executive Services Director
Brad Posenjak, Finance Director



CITY COUNCIL AGENDA REPORT

TO: Frank Kuntz, Mayor
City Council

FROM: David Erickson, Parks, Recreation and Cultural Services Director

MEETING DATE: June 11, 2020

I. SUBJECT

Hale Park Phase Two Construction Bid Award

II. ACTION REQUESTED

Motion to authorize the Mayor to sign a standard construction agreement with Smith Excavation in the amount of \$607,479.57 for the construction of the Hale Park Phase Two Project.

III. OVERVIEW

PHASE ONE:

The Hale family approached the City in early 2013 about donating five parcels of land totaling 4.97 acres located at the end of South Wothen Street for a future City Park. A review of the 2012-2018 PROS Plan and the parcels determined that accepting the properties was consistent with the goals and objectives contained in the plan. Also early in 2013, staff prepared a waiver of retroactivity request to the Washington State Recreation Conservation Office (RCO) and National Parks Service in the event the donation of the property was accepted by the City. This waiver allows for the reimbursement of certain acquisition related expenses and the use of the value of the property for grant match if a future successful grant application was made to either agency. The waiver of retroactivity was approved on by the State on March 29, 2013.



Following the completion of appraisals and environmental and cultural reviews, the City Council approved Resolution 2013-23 on April 25, 2013 which accepted the donation of the property for the park.

For the remainder of 2013 a park design process which included workshops, community meetings and surveys was conducted to develop a conceptual plan for the park area. The concept plan was then used to prepare a funding strategy for the park.



On March 13, 2014 the City Council authorized the submittal of a grant application to the state Recreation Conservation Office for the project. Over the next six months during the grant application process as the project and available budget was refined, the scope of the project was also narrowed. The major project elements included: Property acquisition, project engineering, off leash recreation area, fencing, water system, signs and landscaping.

On July 1, 2015 staff received notification from the state that the grant application was successful. The grant required a 50% match. The match for the grant came from a variety of sources including: The appraised value of the donated property, the costs associated with three successful Utilities and Transportation Commission grants received for the project in 2014 and 2015, City Force Account (staff time, materials and equipment), and fundraising efforts that have been completed for the off-leash recreation area. On October 22, 2015 the City Council approved Resolution 2015-59 authorizing the Mayor to sign the grant agreement with the State and the construction phase of the project began.

From October through December 2015 a request for proposals (RFP) solicitation was prepared to obtain proposals for project final engineering, and construction bidding and management. From this process, Pacific Engineering was selected to complete the project and a consultant agreement was approved by City Council on February 25, 2016. Final details and engineering were completed over the next 10 months.

On January 16, 2017 the phase one construction project was advertised. A contractor site visit was conducted on January 24th and the bids were due back on February 1st. Bids were reviewed by Pacific Engineering and department staff. Following this review, Selland Construction was awarded the construction contract. Construction of the first phase was completed over the summer and included: Parking, lighting, grass picnic area, dog off leash recreation area, landscaping, storm water treatment, utilities, signs and section of a walkway. The Off-Leash area was opened and dedicated on October 15, 2017.



PHASE TWO:

The second and final phase of the development project includes the construction of a skate park, picnic shelter, restrooms, trail extension, landscaping, play equipment, lighting and additional security cameras. The project began when City Council approved Resolution 2016-19 on March 24, 2016 which authorized staff to pursue a \$414,500 grant in the Land and Water Conservation Fund program for the project. On April 14, 2016 City Council also approved Resolution 2016-20 which authorized staff to complete a \$500,000 WWRP grant application. For the next six months staff completed the rigorous grant application processes.

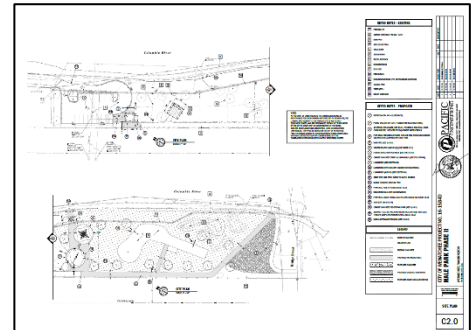
At the end of 2016, the State released the ranked list of grant projects. Out of 22 applications statewide in the Land and Water Conservation Fund Program, the Hale Park Phase Two Park Project ranked sixth in the State. In the Washington Wildlife and Recreation Program, the project

ranked seventh in the state out of 77 projects. Both applications received full funding. The City Council accepted the grants and authorized the Mayor to sign the agreement on July 12, 2018.

From August through October 2018 a bid package was prepared and advertised for the skate park portion of the project. On December 6, 2018 the City Council awarded the design and construction of the project to Grindline Skateparks. Three public meetings were conducted from January through March 2019 and the final design was prepared. Construction started May 20, 2019 and was completed and opened for use on September 19, 2019.



From December 4 through December 18, 2019 a Request for Qualifications (RFQ) solicitation was completed to select a consultant to prepare final engineering, project bidding and construction management for the final phase of the project. The selection of Pacific Engineering was approved by the City Council on January 9, 2020 and final engineering got underway.



Construction documents were completed and beginning in May 2020 the phase two construction project was advertised. Bids were due back on May 27. Bids were reviewed by Pacific Engineering and department staff. Following this review, **Smith Excavation** was the apparent low bidder is recommended for selection for the construction contract.

The potential construction contract award was reviewed at the May 28 Finance Committee meeting and Public Works Committee meeting.

IV. FISCAL IMPACT

The total construction contract is \$607,479.57. The contract is within the construction budget.

V. PROPOSED PROJECT SCHEDULE

The project would begin as soon as possible with completion by the end of the year.

VI. REFERENCE(S)

1. Construction Agreement.

VII. ADMINISTRATIVE ROUTING

Tammy Stanger, City Clerk

Laura Merrill, Executive Services Director Brad Posenjak, Finance Director



CITY COUNCIL AGENDA REPORT

TO: Frank Kuntz, Mayor
City Council

FROM: Laura Merrill, Executive Services Director
Mayor's Office

MEETING DATE: June 11, 2020

I. SUBJECT

Adoption of Resolution No's 2020-17, 18, and 19 for the reappointment of Darci Christoferson and Linda Haglund and appointment of Leslie Freytag to the Lodging Tax Advisory Committee.

II. ACTION REQUESTED

Staff recommends the City Council pass Resolution No 2020-17 appointing Leslie Freytag; Resolution No 2020-18 reappointing Darci Christopherson; and Resolution No 2020-19 reappointing Linda Haglund to the Lodging Tax Advisory Committee.

III. OVERVIEW

The City of Wenatchee's Lodging Tax Advisory Committee (LTAC) had three positions expire at the end of 2019. Three applications were received to refill the open positions. At the regular meeting of the LTAC on May 20th, 2020, the applications were considered and recommended for appointment. These appointments are for Darci Christopherson and Linda Haglund who are continuing members; and Leslie Freytag, Executive Director of Pybus Public Market who is a new appointee. These LTAC appointments are two-year appointments and are valid through December 31, 2021.

IV. FISCAL IMPACT

Not applicable.

VI. REFERENCE(S)

1. Resolution 2020-17
2. Resolution 2020-18
3. Resolution 2020-19

VII. ADMINISTRATIVE ROUTING

Tammy Stanger, City Clerk
Laura Merrill, Executive Services Director
Brad Posenjak, Finance Director

RESOLUTION NO. 2020-17

A **RESOLUTION**, appointing a member to the Lodging Tax Advisory Committee for a two (2) year term.

WHEREAS, Leslie Freytag has expressed an interest and is well qualified to serve as a member of the City of Wenatchee Lodging Tax Advisory Committee for a two (2) year term.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF WENATCHEE makes the following appointment to the Lodging Tax Advisory Committee for the term noted:

NAME & ADDRESS

TERM EXPIRES

Leslie Freytag (At-Large)

December 31, 2021

PASSED BY THE CITY COUNCIL OF THE CITY OF WENATCHEE at a regular meeting thereof this ____ day of _____, 2020.

CITY OF WENATCHEE, a Municipal
Corporation

By _____
FRANK KUNTZ, Mayor

ATTEST:

By _____
TAMMY L. STANGER
City Clerk

APPROVED:

By _____
STEVE D. SMITH, City Attorney

RESOLUTION NO. 2020-18

A RESOLUTION, reappointing a member to the Lodging Tax Advisory Committee for a two (2) year term.

WHEREAS, a vacancy exists on the Lodging Tax Advisory Committee;

and

WHEREAS, Darci Christopherson was recommended for reappointment to the Lodging Tax Advisory Committee;

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF WENATCHEE makes the following reappointment to the Lodging Tax Advisory Committee with a term ending on December 31, 2021:

NAME & ADDRESS

TERM EXPIRES

Darci Christopherson (Recipient)
Washington State Apple Blossom
P.O. Box 2836
Wenatchee, WA 98807

December 31, 2021

PASSED BY THE CITY COUNCIL OF THE CITY OF WENATCHEE at a regular meeting thereof this ____ day of _____, 2020.

CITY OF WENATCHEE, a Municipal
Corporation

By _____
FRANK KUNTZ, Mayor

ATTEST:

By _____
TAMMY L. STANGER
City Clerk

APPROVED:

By _____
STEVE D. SMITH, City Attorney

RESOLUTION NO. 2020-19

A RESOLUTION, reappointing a member to the Lodging Tax Advisory Committee for a two (2) year term.

WHEREAS, a vacancy exists on the Lodging Tax Advisory Committee;

and

WHEREAS, Linda Haglund was recommended for reappointment to the Lodging Tax Advisory Committee;

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF WENATCHEE makes the following reappointment to the Lodging Tax Advisory Committee with a term ending on December 31, 2021:

NAME & ADDRESS

TERM EXPIRES

Linda Haglund (At-Large)
Wenatchee Downtown Association
103 Palouse St., Suite 35
Wenatchee, WA 98801

December 31, 2021

PASSED BY THE CITY COUNCIL OF THE CITY OF WENATCHEE at a regular meeting thereof this ____ day of _____, 2020.

CITY OF WENATCHEE, a Municipal Corporation

By _____
FRANK KUNTZ, Mayor

ATTEST:

By _____
TAMMY L. STANGER
City Clerk

APPROVED:

By _____
STEVE D. SMITH, City Attorney



CITY COUNCIL AGENDA REPORT

TO: Frank Kuntz, Mayor
City Council

FROM: Laura Merrill, Executive Services Director
Mayor's Office

MEETING DATE: June 11, 2020

I. SUBJECT

Adoption of Resolution No 2020-16 extending a demonstration project for the private use of public space for the purposes of outdoor seating.

II. ACTION REQUESTED

Staff recommends the City Council pass Resolution No 2020-16 to extend the demonstration project for the private use of public spaces through December 31, 2020 or adoption of a new city code that addresses said use, whichever occurs earlier.

III. OVERVIEW

In 2012, the Wenatchee City Council approved Resolution 2012-101, establishing a one-year demonstration project for the private use of public space for the purposes of outdoor seating. The demonstration project was then extended on multiple occasions through the end of 2019 with the intent that staff would draft a code revision that encompasses the best practices of the demonstration program for permanent adoption in the code. Due to several staff transitions, the code writing for outdoor seating has not been completed. Several businesses benefited from the demonstration project and would like to continue to implement outdoor uses especially due to the current pandemic, COVID-19 which requires customers of these operations to keep a six-foot distance from other customers.

Additionally, the City will allow for temporary outdoor displays of merchandise for retailers as well as other flexible right of way uses in order to support COVID-19 physical distancing requirements.

To accommodate these uses, staff is recommending an extension of the demonstration project through December 31, 2020 or until the time which the new code is adopted. Staff is working closely with the Wenatchee Downtown Association to understand the needs of the businesses and to craft a code that will support economic development.

IV. FISCAL IMPACT

Not applicable.

VI. REFERENCE(S)

1. Resolution 2020-16

VII. ADMINISTRATIVE ROUTING

Tammy Stanger, City Clerk
Laura Merrill, Executive Services Director
Brad Posenjak, Finance Director
Rob Jammerman, Public Works Director

RESOLUTION NO. 2020-16

A RESOLUTION, extending a demonstration project for the private use of public space for the purposes of outdoor seating.

WHEREAS, the City of Wenatchee desires to extend the demonstration project to establish and evaluate policies and procedures for the private use of public spaces and to allow for the development of city code established by Resolution No. 2012-101 and extended by Resolution Nos. 2015-25, 2016-17 and 2018-24; and

WHEREAS, the City of Wenatchee has worked in cooperation with the Wenatchee Downtown Association to establish a demonstration project for the private use of public space to enhance the visual and economic vitality of downtown, to establish standards that insure consistency, safety, accountability, and function of the public space (sidewalks) for pedestrian access; and

WHEREAS, the City's code is absent of clear regulations for the private use of public spaces and more specifically as it relates to outdoor seating for food and beverage consumption. The intent of the demonstration process shall be to evaluate the public benefit of such use and to determine any future provisions associated with the private use of public spaces; and

WHEREAS, it is in the best interest of the City that the private use of public space demonstration project be extended and valid through December 31, 2020 or adoption of new city code that addresses said use, whichever occurs earlier.

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

SECTION I

Extension

Effective immediately, the demonstration project for the private use of public space within any commercial zoning district initially established by Resolution No. 2012-101 shall be extended through December 31, 2020 or adoption of new city code addressing said use, whichever occurs earlier.

SECTION II

Application Requirements for Private Use of Public Spaces

City Staff shall administratively review applications for private use of public spaces. The applicant shall submit to the Department of Public Works the following materials:

1. A completed no fee application form as depicted on Exhibit 'A' to this resolution.
2. Proof of insurance, including general liability insurance, from a rated insurance company in an amount approved by the City's insurance carrier.
3. A signed indemnification agreement (right-of-way permit) with the City of Wenatchee.
4. A valid business license for the adjoining primary use.
5. A copy (if applicable) of the applicant's current Health Department permit for food handling.
6. A copy (if applicable) of the applicant's current Liquor License.
7. A detailed "site plan" drawing to scale of the proposed site indicating the existing façade, the points of ingress and egress, the proposed location of any tables, chairs, serving

equipment, planters, fencing (existing or proposed), awnings, umbrellas, or other facilities to be included in the public space. Public improvements shall also be shown on the site plan, such as sidewalks, fire hydrants, street lights, planting boxes or planting areas.

SECTION III

Applicable Requirements for Private Use of Public Space

1. Dedicated Private Use of Public Space shall be limited to the following activities - outdoor seating for restaurants, coffee shops, or similar uses.
2. The licensee must comply with all applicable federal, state, and City of Wenatchee laws and regulations, and the private use of public space shall not be detrimental to the health, safety, or welfare of persons residing, working, or patronizing in the vicinity.
3. The operation of the private use cannot interfere with the passage of pedestrian or vehicular traffic, or reduce the open portion of the public sidewalk to less than five (5) feet clear of all obstructions.
4. The use of the public sidewalk or right-of-way for private use is only permitted when incidental to the operation of a licensed restaurant, coffee shop, or similar use, on private contiguous property and only along the frontage of the subject property. Two adjoining property owners may enter into an agreement for extension of the private use along their combined frontage.
5. No furniture or furnishings, may be attached by any means to the public sidewalk or any other public property. When a barrier is required per the Liquor Control Board requirements, the barrier may be attached to the public sidewalk with review and approval by Public Works Department.

6. No electrical appliances or conductors, open flame devices, spillable petroleum products or other flammable liquids shall be placed or kept in the outdoor seating area.

SECTION IV

No property right granted

Any approved private use of the public space shall not constitute a property right and the City of Wenatchee shall retain at all times the right to terminate any license for use of public property upon thirty (30) days written notice to the license holder(s).

PASSED BY THE CITY COUNCIL OF THE CITY OF WENATCHEE, at a regular meeting thereof, this ____ day of _____, 2020.

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'

TEMPORARY USE PERMIT "OUTDOOR SEATING"

Permit No. _____ Site address: _____

Applicant Name _____
and Address: _____

Owner Name and _____
Address: _____

State Registration # _____ Expires: _____
City Business License # _____ Expires: _____
"Additional Insured" Endorsement received by City _____ Expires: _____

The Applicant, hereinafter referred to as the "Grantee", having applied for a permit to:

Participate in the Downtown outdoor seating demonstration project of 2020 and to enjoy the temporary use within the City of Wenatchee right-of-way with the identified components marked below:

| | | |
|--|-------------------|----------------------|
| Chairs | Table(s) | Umbrella(s) |
| | | |
| Fence | Serving equipment | Other as noted below |
| | | |
| Please use the site plan from last year's approved application; no changes proposed. | | |

The City of Wenatchee Department of Public Works, hereinafter referred to as the "City", hereby orders that this permit be granted, according to Resolution 2020-16, subject to the terms stated in the GENERAL PROVISIONS and SPECIAL PROVISIONS attached hereto, the Exhibits attached hereto and by this reference made a part hereof:

This use is considered to have no value with respect its right to be placed in the Public Rights-of-way. See the attached sketch of the location.

The undersigned applicant agrees to indemnify and hold harmless the City of Wenatchee from any and all claims which might be made against the City of Wenatchee arising out of the construction, maintenance and use of said building appurtenances. **If any Right-of-way permit is issued by the City for work in the Right-of-way in proximity to this outdoor seating; that issued permit takes precedence over the area authorized by this outdoor seating temporary use permit.**

Applicant(s) initials _____.

TEMPORARY USE PERMIT GENERAL PROVISIONS

Permit No. _____ Address: _____

1. The activity authorized by this permit shall terminate on December 31, 2020.
2. Private use of Public space shall be limited to the following activities – outdoor seating for restaurants, coffee shops, or similar uses.
3. The licensee must comply with all applicable federal, state and City of Wenatchee laws and regulations and the private use of public space shall not be detrimental to the health, safety, or welfare of persons residing, working, or patronizing in the vicinity.
4. The use of the public sidewalk or right of way for private use is only permitted where adjoining sidewalk is a minimum width of ten (10) feet.
5. The operation of the private use cannot interfere with the passage of pedestrian or vehicular traffic, or reduce the open portion of the public walk to less than five (5) feet clear of all obstructions.
6. The use of the public sidewalk or right of way for private uses is only permitted when incidental to the operation of a licensed restaurant, coffee shop, or similar use, on private contiguous property and only along the frontage of the subject property.
7. No furniture, furnishings, or fencing may be attached by any means to the public sidewalk or any public property.
8. No electrical appliances or conductors, open flame devices, spillable petroleum products or other flammable liquids shall be placed or kept in the outdoor seating area.
9. This temporary permit for private use of the public space shall not constitute a property right and the City of Wenatchee shall retain at all times the right to terminate any permit for use of any public property upon thirty (30) days written notice to the license / permit holder(s).
10. The Grantee, its successors and assigns, agrees to protect the City of Wenatchee, their officers and employees and save them harmless from all claims, actions or damages of every kind and description which may accrue to or be suffered by any person, persons, or property by reason of the acts or omissions of the Grantee, its assigns, agents, contractors, licenses, employees or any person whomsoever, in connection with Grantee's, its assigns', contractors', licensees' or employees' construction, installation, maintenance, operation, use of occupancy of the right of way or in the exercise of this permit. In case any suit or action is brought against the City of Wenatchee, their officers or employees, arising out of or by reason of any of the above causes, the Grantee, its' successors or assigns will, upon notice of such action, defend the same at its sole cost and expense and satisfy any judgment against the City of Wenatchee, or their officers or employees: PROVIDED, that if the claims or damages are caused by or result from the concurrent negligence of (a) the City of Wenatchee's agents or employees and (b) the Grantee or Grantee's agents or employees, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Grantee or the Grantee's agents or employees.

TEMPORARY USE PERMIT

SPECIAL PROVISIONS

The undersigned agrees to abide by the general and any special provisions for the private use of public space as identified in this permit and to indemnify and hold harmless the City of Wenatchee from any and all claims which might be made against the City of Wenatchee arising out of the construction, maintenance and use of said building appurtenances

Address Applicant (signature) Date

APPROVED / DENIED THIS DAY OF , 20



Temporary Private Use of Public Spaces during COVID-19 Guidelines

Utilization of the sidewalk (public space) is recognized as a way to contribute to the visual and economic vitality of downtown. However, in order to meet this objective, it is recognized that standards should be in place to insure consistency, safety, accountability, and the underlying function of the sidewalk is maintained.

As a temporary measure during the COVID-19, the City will allow the use of public space consistent with the guidelines below in order to help facilitate curbside pickup, customer staging areas, outdoor merchandising and other similar operations. The intent of the temporary measure is to allow retail operations to abide with social distancing and other required measures to stop the spread of COVID-19. These temporary measures will expire December 31, 2020.

Guidelines for Private use of Public Spaces:

- A retail establishment may use the public space along its building frontage to display retail products for sale, facilitate curbside pickup, provide customer staging areas or other similar operations. A retail establishment shall maintain a minimum five-foot wide unobstructed pedestrian corridor adjacent to the retail display area.
- Retail establishments may place chairs, tables, and flower pots on the sidewalk on a temporary basis providing a five-foot wide unobstructed pedestrian corridor is maintained with clear sight lines to allow safe pedestrian passage. Temporary basis shall mean non-permanent fixtures and is intended to be easily movable. Umbrellas must provide at least 7 feet of height clearance.
- Tables and chairs placed in the sidewalk will be treated as public space amenity and be available to all public using the sidewalk (restaurants seeking dedicated use of the sidewalk for tables and chairs for their customers will need to apply for a sidewalk Café Permit).
- All items placed on the public space must be removed and stored inside the business at closing.
- The outdoor space must be kept clean at all times.
- Restaurants or food establishments wishing to serve food or alcohol in the public space must apply for a Sidewalk Café Permit. Please contact Jenni Rayson, Public Works Customer Service/Permit Specialist at 509-888-3229 for more information.



City of Wenatchee Conditions for a Street Use Permit

The Wenatchee City Council has extend a demonstration period to allow sidewalk café use within the public right-of-way on an interim basis until the end of 2020.

A. Application for street use permit—Sidewalk cafes.

The owner of a cafe or other food service establishment providing on-premises consumption of food or beverage, may apply for a sidewalk café permit to use a portion of the public sidewalk abutting such establishment, provided the application includes and provides for the following standards:

1. A minimum five-foot-wide, unobstructed general public pedestrian corridor;
2. The table area of the permit to be fenced off from the pedestrian corridor by a fence, or similar device approved by the city;
3. A single opening through the fencing for customer entry;
4. The design and character of all street furniture to be subject to approval by the city and the applicant should consult with the Wenatchee Downtown Association (WDA)
5. The table area limited to the portion of the sidewalk immediately adjacent to the occupied business frontage;
6. Table area to be of sufficient size and configuration to provide internal customer and food service circulation.
7. No alcoholic beverage may be served or consumed within the permit area, except under the following conditions:
 - a. The fencing required by section (2) shall be a three-and-one-half-foot high barrier;
 - b. Alcoholic beverages may only be served in conjunction with the consumption of meals; alcoholic beverages shall not be carried or taken from the permit area;
 - c. All Liquor Control Board regulations, including regulations relating to “extended outside service areas” shall be adhered to; WAC [314-03-200](#)
8. The entire sidewalk, including both the permit area and the unobstructed pedestrian corridor, plus a distance of fifty feet either side thereof, shall be maintained in a clean and litter-free condition and shall be cleaned by the permittee not less often than once daily;
9. No food preparation shall take place within the permit area;
10. No food service or other activity shall be carried on by the permittee from or within the pedestrian corridor;
11. No product displays shall be placed within the permit area;
12. No off-premises advertising signs or displays;
13. No animals shall be allowed within the permit area, except permitted service animals;
14. Any violation of the foregoing conditions shall constitute grounds for immediate revocation of the permit;
15. The city may, and reserves the right to, temporarily or permanently suspend a street use permit during the course of area-wide special events or in the interest of the public health, safety and welfare.
16. The Director of Public Works and Planning Director shall have the authority to approve administrative regulations that supplement the regulations set forth in this section. Any supplementation of these regulations shall be based on the City’s observations and experience with respect to implementation of this section. The City shall promptly notify affected establishments of any supplementation of the regulations in this section.

B. Special regulations for sidewalk use of a portion of N. Wenatchee Ave.

1. The regulations set forth in this section apply to the N Wenatchee Ave. right-of-way between Yakima Ave and Second St.
2. Establishments with approved sidewalk cafes on N Wenatchee Ave. may utilize surface demarcations to delineate the sidewalk cafe area from the adjoining pedestrian corridor. Any establishment seeking to utilize surface demarcations in lieu of a fence or other vertical barrier shall comply with all applicable Washington Liquor and Cannabis Board regulations, including but not limited to WAC [314-02-130](#).
3. Except as provided in this section, the provisions of Sections A – apply to all sidewalk café uses in this section.
4. The minimum height for umbrellas and other shade devices shall be seven-feet in order to provide unobstructed passage for pedestrians.



CITY COUNCIL AGENDA REPORT

TO: Frank Kuntz, Mayor
City Council

FROM: Brad Posenjak, Finance Director
Finance Department

MEETING DATE: June 11, 2020

I. SUBJECT

Ordinance 2020-14 – amendments to the 2020 budget.

II. ACTION REQUESTED

Staff recommends the City Council approve Ordinance 2020-14 amending the 2020 budget as adopted by Ordinance 2019-39, revoking, recalling or decreasing all or a portion of total appropriations provided for, entering findings that this ordinance is in the best interest of the City and requiring that this Ordinance be approved by a majority plus one of the entire Council.

III. OVERVIEW

When the 2020 budget was adopted in 2019, several projects and budget needs were not anticipated. Each of these budget requests (see chart to the right) were brought to Finance Committee by City Staff and discussed in detail. The budget amendment will provide the necessary legal authority to complete projects, provide resources, and fund positions already approved by the Finance Committee.

1st Half Budget Amendments

| Fund | Purpose | Amount | F.C. Date |
|------|---|-----------|-----------|
| 001 | Housing Programs Coord. Increased hours | 15,600 | 1/9/2020 |
| 001 | Clark Mausoleum Repair | 62,000 | 1/9/2020 |
| 001 | Intern for Pole Sign Inventory | 17,000 | 3/12/2020 |
| 001 | PUD 5th Street ILA Carryover | 58,000 | 4/9/2020 |
| 001 | Fire Station Environmental Phase 1 | 5,500 | 4/9/2020 |
| 001 | Census Grant - fully reimbursed | 365,000 | 4/23/2020 |
| 001 | Pit Property Sale - movement of funds | 697,410 | 4/23/2020 |
| 001 | Methow Park (transferred in 2019) | (550,000) | 6/11/2020 |
| 001 | Hale Park Phase 2 (transferred in 2019) | (150,000) | 6/11/2020 |
| 001 | COVID Expenses | 100,000 | 6/11/2020 |
| 405 | Adjustments to ER&R allocation | 106,920 | 6/11/2020 |
| 410 | Adjustments to ER&R allocation | (106,920) | 6/11/2020 |
| 420 | WM Contract Negotiation Consultant | 30,000 | 2/27/2020 |
| 503 | Shop Truck Purchase | 67,000 | 4/9/2020 |
| | | 717,510 | |

IV. FISCAL IMPACT

This budget amendment ensures several funds of the City do not exceed original budget appropriations, as required by law. These amendments have been reviewed by Finance Committee.

VI. REFERENCE(S)

1. Ordinance 2020-14
2. Ordinance 2020-14, Exhibit "A"

VII. ADMINISTRATIVE ROUTING

Tammy Stanger, City Clerk
Laura Merrill, Executive Services Director

ORDINANCE NO. 2020-14

AN ORDINANCE, amending the 2020 Budget as adopted by Ordinance No. 2019-39, revoking, recalling or decreasing all or a portion of total appropriations provided for, entering findings that this Ordinance is in the best interest of the City and requiring that this Ordinance be approved by a majority plus one of the entire Council.

THE CITY COUNCIL OF THE CITY OF WENATCHEE DO ORDAIN as follows:

SECTION I

Ordinance No. 2019-39 adopting the 2020 Budget, be and the same is hereby amended by decreasing, revoking or recalling all or a portion of total appropriations and re-appropriating for another purpose or purposes, without limitation to department, division or fund, the use of such monies as is set forth on Exhibit "A" attached hereto and incorporated herein by reference.

SECTION II

This Ordinance is adopted pursuant to the authority of RCW 35A.33.120.

SECTION III

The facts and findings for this Ordinance are that the budget, as originally adopted for the year 2020, needs to be amended so as to balance the budget and to appropriate funds to maintain the public peace, safety and welfare.

SECTION IV

This Ordinance is adopted by at least a majority plus one vote of the City Council as required by the authority set forth in Section II hereof.

PASSED BY THE CITY COUNCIL OF THE CITY OF WENATCHEE at a
regular meeting thereof this 11th day of June 2020.

CITY OF WENATCHEE, a Municipal
Corporation

By: _____
FRANK KUNTZ, Mayor

ATTEST:

By: _____
TAMMY STANGER, City Clerk

APPROVED:

By: _____
STEVE D. SMITH, City Attorney

CITY OF WENATCHEE, WA
2020 Budget Amendment
Ordinance # 2020-14, Exhibit A

| Fund Title | Fund No. | Beginning Fund Balance | Revenue | | | Appropriations | | | Ending Fund Balance |
|-------------------------------------|----------|------------------------|----------------|-------------------|---------------|----------------|-------------------|---------------|---------------------|
| | | | Initial Budget | Ordinance 2020-14 | Total Revenue | Initial Budget | Ordinance 2020-14 | Total Approp. | |
| General | 001 | 8,000,000 | 27,928,130 | 1,104,410 | 29,032,540 | 29,926,050 | 620,510 | 30,546,560 | 6,485,980 |
| Rainy Day | 005 | 1,560,000 | 25,000 | - | 25,000 | - | - | - | 1,585,000 |
| Public Arts | 101 | 70,000 | 16,200 | - | 16,200 | 14,500 | - | 14,500 | 71,700 |
| PFD .2% Sales Tax | 102 | - | 2,600,000 | - | 2,600,000 | 2,600,000 | - | 2,600,000 | - |
| Paths and Trails | 103 | 18,000 | 3,200 | - | 3,200 | - | - | - | 21,200 |
| Tourism Promotion Area | 104 | 100,000 | 241,800 | - | 241,800 | 275,000 | - | 275,000 | 66,800 |
| Hotel/Motel Tax - Capital Outlay | 105 | - | 370,000 | - | 370,000 | 370,000 | - | 370,000 | - |
| Convention Center | 106 | 350,000 | 1,428,920 | - | 1,428,920 | 1,360,110 | - | 1,360,110 | 418,810 |
| Hotel/Motel - Tourism | 107 | 260,000 | 744,000 | - | 744,000 | 753,620 | - | 753,620 | 250,380 |
| Street Maintenance | 108 | 2,000,000 | 3,580,500 | - | 3,580,500 | 4,775,050 | - | 4,775,050 | 805,450 |
| Arterial Streets | 109 | 500,000 | 4,157,570 | - | 4,157,570 | 4,374,710 | - | 4,374,710 | 282,860 |
| LEOFF 1 Long-Term Care | 110 | 616,000 | 50,000 | - | 50,000 | 55,500 | - | 55,500 | 610,500 |
| Street Overlay | 111 | 2,100,000 | 590,000 | - | 590,000 | 1,536,000 | - | 1,536,000 | 1,154,000 |
| Impact Fees | 112 | 32,700 | 200 | - | 200 | - | - | - | 32,900 |
| Low Income Housing | 113 | 30,000 | 40,250 | - | 40,250 | 56,710 | - | 56,710 | 13,540 |
| Community Center | 114 | 120,000 | 105,140 | - | 105,140 | 178,560 | - | 178,560 | 46,580 |
| CDBG Entitlement | 115 | 65,360 | 236,140 | - | 236,140 | 301,500 | - | 301,500 | - |
| LEOFF 1 Retiree Health Insurance | 116 | 472,400 | 250,000 | - | 250,000 | 358,000 | - | 358,000 | 364,400 |
| Homeless Housing | 117 | 400,000 | 1,435,040 | - | 1,435,040 | 1,634,440 | - | 1,634,440 | 200,600 |
| Abatement | 118 | 80,000 | 11,100 | - | 11,100 | 40,000 | - | 40,000 | 51,100 |
| Transportation Benefit District | 119 | 500,000 | 605,000 | - | 605,000 | 1,000,000 | - | 1,000,000 | 105,000 |
| Police Station UTGO Bonds | 201 | - | 327,830 | - | 327,830 | 326,040 | - | 326,040 | 1,790 |
| Councilmanic LTGO Bonds | 205 | 5,000 | 2,109,950 | - | 2,109,950 | 2,107,950 | - | 2,107,950 | 7,000 |
| REET Capital Projects | 301 | 1,200,000 | 582,000 | - | 582,000 | 1,221,350 | - | 1,221,350 | 560,650 |
| Parks & Recreation Capital Projects | 302 | 360,000 | 2,950,040 | - | 2,950,040 | 3,305,940 | - | 3,305,940 | 4,100 |
| Economic Development Projects | 304 | 1,211,000 | 2,760,400 | - | 2,760,400 | 3,971,400 | - | 3,971,400 | - |
| Local Revitalization Financing | 307 | 4,100,000 | 550,000 | - | 550,000 | 1,694,950 | - | 1,694,950 | 2,955,050 |
| New City Hall Remodel | 308 | 10,000,000 | - | - | - | 6,354,010 | - | 6,354,010 | 3,645,990 |
| Foothills Streets | 309 | 2,000,000 | - | - | - | 414,300 | - | 414,300 | 1,585,700 |
| Water Utility | 401 | 3,000,000 | 5,873,250 | - | 5,873,250 | 7,838,140 | - | 7,838,140 | 1,035,110 |
| Sewer Utility | 405 | 10,000,000 | 9,001,600 | - | 9,001,600 | 15,418,440 | 106,920 | 15,525,360 | 3,476,240 |
| Storm Drain Utility | 410 | 4,500,000 | 3,278,250 | - | 3,278,250 | 4,487,230 | (106,920) | 4,380,310 | 3,397,940 |
| Regional Water | 415 | 3,000,000 | 1,627,680 | - | 1,627,680 | 1,103,120 | - | 1,103,120 | 3,524,560 |
| Solid Waste Utility | 420 | 200,000 | 5,000 | - | 5,000 | 10,000 | 30,000 | 40,000 | 165,000 |
| Cemetery | 430 | 33,500 | 427,200 | - | 427,200 | 460,700 | - | 460,700 | - |
| Equipment Rental O&M | 501 | 330,000 | 911,800 | - | 911,800 | 1,153,490 | - | 1,153,490 | 88,310 |
| Self Insurance | 502 | 1,700,000 | 995,000 | - | 995,000 | 1,170,000 | - | 1,170,000 | 1,525,000 |
| Equipment Rental Replacement | 503 | 2,800,000 | 989,100 | - | 989,100 | 1,186,510 | 67,000 | 1,253,510 | 2,535,590 |
| Facilities Maintenance | 504 | 1,500,000 | 2,712,830 | 697,410 | 3,410,240 | 3,988,890 | - | 3,988,890 | 921,350 |
| Information Systems | 505 | 300,000 | 1,385,230 | - | 1,385,230 | 1,437,950 | - | 1,437,950 | 247,280 |
| Cemetery Endowment | 610 | 1,190,000 | 28,000 | - | 28,000 | - | - | - | 1,218,000 |
| Firemen's Pension | 611 | 1,550,000 | 45,000 | - | 45,000 | 195,500 | - | 195,500 | 1,399,500 |
| | | 66,253,960 | 80,978,350 | 1,801,820 | 82,780,170 | 107,455,660 | 717,510 | 108,173,170 | 40,860,960 |



CITY COUNCIL AGENDA REPORT

TO: Frank Kuntz, Mayor
City Council

FROM: Brad Posenjak, Finance Director
Finance Department

MEETING DATE: June 11, 2020

I. SUBJECT

Interagency agreement with WA State Department of Commerce for Federal CARES Act Funding

II. ACTION REQUESTED

Staff recommends the City Council authorize the Mayor to sign the Interagency Agreement with WA State Department of Commerce to receive Federal CARES Act funds.

III. OVERVIEW

The City of Wenatchee has been awarded funds through the state's Coronavirus Relief Funds (CRF). The funds are granted entirely through the federal stimulus funding under the federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act). On April 27, 2020 Governor Inslee announced the award of nearly \$300 million to local governments in CRF from the state's allocation of the CARES Act funding. The City of Wenatchee has been allocated \$1,039,500.

Under the CARES Act, the CRF funds may be used to cover costs that include medical expenses, public health expenses, payroll expenses, expenses of actions to facilitate compliance with COVID-19-related public health measures, expenses associated with the provision of economic support, and any other reasonable COVID-19-related expenses. The use of these funds are described as "very broad and flexible." Expenses must be incurred by October 31, 2020.

IV. FISCAL IMPACT

The City expects to incur approximately \$850,000 in COVID-19-related payroll and supply costs. The \$1,039,500 CARES funds will be able to reimburse these City expenses and provide additional community support.

VI. REFERENCE(S)

1. WA State Department of Commerce Interagency Agreement

VII. ADMINISTRATIVE ROUTING

Tammy Stanger, City Clerk
Laura Merrill, Executive Services Director
Glen DeVries, Community Development Director

Interagency Agreement with

City of Wentachee

Through the Coronavirus Relief Fund for Local Governments

For

Costs incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) during the period of March 1, 2020 thru October 31, 2020.

Start date: March 1, 2020

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Contract Number: 20-6541C-364

**Washington State Department of Commerce
Local Government Division
Community Capital Facilities Unit
Coronavirus Relief Fund for Local Governments**

| | | | |
|---|--|--|---|
| 1. Contractor City of Wenatchee 301 Yakima St, 3rd Floor Wenatchee, Washington 98807-0519 | | 2. Contractor Doing Business As (optional) | |
| 3. Contractor Representative Brad Posenjak Finance Director (509) 888-3610 bposenjak@wenatcheewa.gov | | 4. COMMERCE Representative Susan Butz Project Manager (360) 764-9552 Fax 360-586-5880 susan.butz@commerce.wa.gov P.O. Box 42525 1011 Plum Street SE Olympia, WA 98504-2525 | |
| 5. Contract Amount \$1,039,500.00 | 6. Funding Source Federal: X State: Other: N/A: | 7. Start Date March 1, 2020 | 8. End Date October 31, 2020 |
| 9. Federal Funds (as applicable) \$1,039,500.00 | Federal Agency: US Dept. of the Treasury | CFDA Number: 21.019 | Indirect Rate (if applicable): 10.00% |
| 10. Tax ID # XXXXXXXXXXXXXXXX | 11. SWV # SWV0007721-00 | 12. UBI # 048000043 | 13. DUNS # 075746545 |
| 14. Contract Purpose To provide funds for costs incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) during the period of March 1, 2020 thru October 31, 2020. Final invoices must be received by November 15, 2020. | | | |
| 15. Signing Statement COMMERCE, defined as the Department of Commerce, and the Contractor, as defined above, acknowledge and accept the terms of this Contract and Attachments and have executed this Contract on the date below and warrant they are authorized to bind their respective agencies. The rights and obligations of both parties to this Contract are governed by this Contract and the following documents hereby incorporated by reference: Attachment "A" – Scope of Work, Attachment "B" – Budget & Invoicing, Attachment "C" – A-19 Certification, Attachment "D" – A-19 Activity Report | | | |
| FOR CONTRACTOR _____ Frank Kuntz, Mayor _____ Date | | FOR COMMERCE _____ Mark K. Barkley, Assistant Director, Local Government Division _____ Date APPROVED AS TO FORM ONLY BY ASSISTANT ATTORNEY GENERAL 05-01-2020. APPROVAL ON FILE. | |

1. AUTHORITY

COMMERCE and Contractor enter into this Contract pursuant to the authority granted by the Interlocal Cooperation Act, Chapter 39.34 RCW.

2. ACKNOWLEDGMENT OF FEDERAL FUNDS

Funds under the Contract are made available and are subject to Section 601(a) of the Social Security Act, as amended by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), and Title V and VI of the CARES Act.

The Contractor agrees that any publications (written, visual, or sound) but excluding press releases, newsletters, and issue analyses, issued by the Contractor describing programs or projects funded in whole or in part with federal funds under this Contract, shall contain the following statements:

“This project was supported by a grant awarded by US Department of the Treasury. Points of view in this document are those of the author and do not necessarily represent the official position or policies of the US Department of the Treasury. Grant funds are administered by the Local Government Coronavirus Relief Fund thru the Washington State Department of Commerce.”

3. CONTRACT MANAGEMENT

The Representative for each of the parties shall be responsible for and shall be the contact person for all communications and billings regarding the performance of this Contract.

The Representative for COMMERCE and their contact information are identified on the Face Sheet of this Contract.

The Representative for the Contractor and their contact information are identified on the Face Sheet of this Contract.

4. COMPENSATION

COMMERCE shall pay an amount not to exceed the contract amount listed on the Face Sheet for the performance of all things necessary for or incidental to the performance of work under this Contract as set forth in the Scope of Work (Attachment A).

5. EXPENSES

Contractor shall receive reimbursement for allowable expenses as identified in the Scope of Work (Attachment A) or as authorized in advance by COMMERCE as reimbursable.

Travel expenses may include airfare (economy or coach class only), other transportation expenses, and lodging and subsistence necessary during periods of required travel. Contractor shall receive compensation for travel expenses at current state travel reimbursement rates.

6. INDIRECT COSTS

Contractor shall provide their indirect cost rate that has been negotiated between their entity and the federal government. If no such rate exists a *de minimis* indirect cost rate of 10% of modified total direct costs (MTDC) will be used.

7. BILLING PROCEDURES AND PAYMENT

COMMERCE shall reimburse the Contractor for eligible Project expenditures, up to the maximum payable under this Contract. When requesting reimbursement for expenditures made, Contractor shall submit all Invoice Vouchers and any required documentation electronically through COMMERCE's Contracts Management System (CMS), which is available through the Secure Access Washington (SAW) portal. If the Contractor has constraints preventing access to COMMERCE's online A-19 portal, a hard copy A-19 form may be provided by the COMMERCE Project Manager upon request.

The voucher must be certified by an official of the Contractor with authority to bind the Contractor. The final voucher shall be submitted to COMMERCE no later than November 15, 2020.

COMMERCE will pay Contractor upon acceptance of services provided and receipt of properly completed invoices, which shall be submitted to the Representative for COMMERCE not more often than monthly.

The invoices shall describe and document, to COMMERCE's satisfaction, reimbursable expenditures as set forth under the Scope of Work (Attachment A) and Budget & Invoicing (Attachment B). The invoice shall include the Contract Number as stated on the Face Sheet.

Each voucher must be accompanied by an A-19 Certification (Attachment C) and A-19 Activity Report (Attachment D). The A-19 Certification must be certified by an authorized party of the Contractor to certify and attest all expenditures submitted on the voucher are in compliance with the United States Treasury Coronavirus Relief Fund ("Fund") Guidance for State, Territorial, Local, and Tribal Governments:

<https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf>

The A-19 Activity Report must be submitted which describes, in Excel spreadsheet and narrative form, a detailed breakdown of the expenditures within each applicable budget sub-category identified in the voucher, as well as a report of expenditures to date. COMMERCE will not release payment for any reimbursement request received unless and until the A-19 Certification and A-19 Activity Report is received. After approving the Invoice Voucher, A-19 Certification and Activity Report, COMMERCE shall promptly remit a warrant to the Contractor.

Payment shall be considered timely if made by COMMERCE within thirty (30) calendar days after receipt of properly completed invoices. Payment shall be sent to the address designated by the Contractor.

COMMERCE may, in its sole discretion, terminate the Contract or withhold payments claimed by the Contractor for services rendered if the Contractor fails to satisfactorily comply with any term or condition of this Contract.

No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by COMMERCE.

Duplication of Billed Costs

The Contractor shall not bill COMMERCE for services performed under this Agreement, and COMMERCE shall not pay the Contractor, if the Contractor is entitled to payment or has been or will be paid by any other source, including grants, for that service.

Disallowed Costs

The Contractor is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.

Should the Contractor be found to spent funds inconsistent with federal laws, rules, guidelines, or otherwise inappropriately, it is the responsibility of the Contractor to reimburse Commerce for any amount spent on disallowed costs.

8. AUDIT

Contractor shall maintain internal controls providing reasonable assurance it is managing federal awards in compliance with laws, regulations, and provisions of contracts or grant agreements that could have a material effect on each of its federal programs; and prepare appropriate financial statements, including a schedule of expenditures of federal awards.

If the Contractor is a subrecipient and expends \$750,000 or more in federal awards from any and/or all sources in any fiscal year, the Contractor shall procure and pay for a single audit or a program-specific audit for that fiscal year. Upon completion of each audit, the Contractor shall:

- A. Submit to COMMERCE the reporting package specified in OMB Super Circular 2 CFR 200.501, reports required by the program-specific audit guide (if applicable), and a copy of any management letters issued by the auditor.
- B. Submit to COMMERCE follow-up and developed corrective action plans for all audit findings.

If the Contractor is a subrecipient and expends less than \$750,000 in federal awards from any and/or all sources in any fiscal year, the Contractor shall notify COMMERCE they did not meet the single audit requirement.

The Contractor shall send all single audit documentation to auditreview@commerce.wa.gov.

9. DEBARMENT

- A. Contractor, defined as the primary participant and its principals, certifies by signing these General Terms and Conditions that to the best of its knowledge and belief that they:
 - i. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency.
 - ii. Have not within a three-year period preceding this Contract, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public or private agreement or transaction, violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false claims, or obstruction of justice;
 - iii. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of federal Executive Order 12549; and
 - iv. Have not within a three-year period preceding the signing of this Contract had one or more public transactions (Federal, State, or local) terminated for cause of default.
- B. Where the Contractor is unable to certify to any of the statements in this Contract, the Contractor shall attach an explanation to this Contract.
- C. The Contractor agrees by signing this Contract that it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by COMMERCE.
- D. The Contractor further agrees by signing this Contract that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," as follows, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions:

LOWER TIER COVERED TRANSACTIONS

- i. The lower tier Contractor certifies, by signing this Contract that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
 - ii. Where the lower tier Contractor is unable to certify to any of the statements in this Contract, such contractor shall attach an explanation to this Contract.
- E. The terms **covered transaction, debarred, suspended, ineligible, lower tier covered transaction, person, primary covered transaction, principal, and voluntarily excluded**, as used in this section, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact COMMERCE for assistance in obtaining a copy of these regulations.

10. LAWS

The Contractor shall comply with all applicable laws, ordinances, codes, regulations, and policies of local, state, and federal governments, as now or hereafter amended, including, but not limited to:

United States Laws, Regulations and Circulars (Federal)

Contractor shall comply with Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Award, 2 CFR 200, Subpart F – Audit Requirements.

Contractor shall comply with the applicable requirements of 2 CFR Part 200, including any future amendments to 2 CFR Part 200, and any successor or replacement Office of Management and Budget (OMB) Circular or regulation.

Contractor shall comply with Omnibus Crime Control and Safe streets Act of 1968, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act of 1990, Title IX of the Education Amendments of 1972, The Age Discrimination Act of 1975, and The Department of Justice Non-Discrimination Regulations, 28 C.F.R. Part 42, Subparts C.D.E. and G, and 28 C.F.R. Part 35 and 39.

11. ORDER OF PRECEDENCE

In the event of an inconsistency in this Contract, the inconsistency shall be resolved by giving precedence in the following order:

- Applicable federal and state of Washington statutes and regulations
- Special Terms and Conditions
- General Terms and Conditions
- Attachment A – Scope of Work
- Attachment B – Budget & Invoicing
- Attachment C – A-19 Certification
- Attachment D – A-19 Activity Report

1. DEFINITIONS

As used throughout this Contract, the following terms shall have the meaning set forth below:

- A. "Authorized Representative" shall mean the Director and/or the designee authorized in writing to act on the Director's behalf.
- B. "COMMERCE" shall mean the Department of Commerce.
- C. "Contract" or "Agreement" means the entire written agreement between COMMERCE and the Contractor, including any attachments, documents, or materials incorporated by reference. E-mail or facsimile transmission of a signed copy of this contract shall be the same as delivery of an original.
- D. "Contractor" shall mean the entity identified on the face sheet performing service(s) under this Contract, and shall include all employees and agents of the Contractor.
- E. "Personal Information" shall mean information identifiable to any person, including, but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, social security numbers, driver license numbers, other identifying numbers, and any financial identifiers.
- F. "State" shall mean the state of Washington.
- G. "Subcontractor" shall mean one not in the employment of the Contractor, who is performing all or part of those services under this Contract under a separate contract with the Contractor. The terms "subcontractor" and "subcontractors" mean subcontractor(s) in any tier.

2. ALL WRITINGS CONTAINED HEREIN

This Contract contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Contract shall be deemed to exist or to bind any of the parties hereto.

3. AMENDMENTS

This Contract may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.

4. ASSIGNMENT

Neither this Contract, work thereunder, nor any claim arising under this Contract, shall be transferred or assigned by the Contractor without prior written consent of COMMERCE.

5. CONFIDENTIALITY AND SAFEGUARDING OF INFORMATION

- A. "Confidential Information" as used in this section includes:
 - i. All material provided to the Contractor by COMMERCE that is designated as "confidential" by COMMERCE;
 - ii. All material produced by the Contractor that is designated as "confidential" by COMMERCE; and
 - iii. All personal information in the possession of the Contractor that may not be disclosed under state or federal law.
- B. The Contractor shall comply with all state and federal laws related to the use, sharing, transfer, sale, or disclosure of Confidential Information. The Contractor shall use Confidential Information solely for the purposes of this Contract and shall not use, share, transfer, sell or disclose any Confidential Information to any third party except with the prior written consent of COMMERCE or as may be required by law. The Contractor shall take all necessary steps to assure that Confidential Information is safeguarded to prevent unauthorized use, sharing, transfer, sale or disclosure of Confidential Information or violation of any state or federal laws related thereto. Upon request, the Contractor shall provide COMMERCE with its policies and procedures on confidentiality.

COMMERCE may require changes to such policies and procedures as they apply to this Contract whenever COMMERCE reasonably determines that changes are necessary to prevent unauthorized disclosures. The Contractor shall make the changes within the time period specified by COMMERCE. Upon request, the Contractor shall immediately return to COMMERCE any Confidential Information that COMMERCE reasonably determines has not been adequately protected by the Contractor against unauthorized disclosure.

- C. Unauthorized Use or Disclosure. The Contractor shall notify COMMERCE within five (5) working days of any unauthorized use or disclosure of any confidential information, and shall take necessary steps to mitigate the harmful effects of such use or disclosure.

6. COPYRIGHT

Unless otherwise provided, all Materials produced under this Contract shall be considered "works for hire" as defined by the U.S. Copyright Act and shall be owned by COMMERCE. COMMERCE shall be considered the author of such Materials. In the event the Materials are not considered "works for hire" under the U.S. Copyright laws, the Contractor hereby irrevocably assigns all right, title, and interest in all Materials, including all intellectual property rights, moral rights, and rights of publicity to COMMERCE effective from the moment of creation of such Materials.

"Materials" means all items in any format and includes, but is not limited to, data, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions. "Ownership" includes the right to copyright, patent, register and the ability to transfer these rights.

For Materials that are delivered under the Contract, but that incorporate pre-existing materials not produced under the Contract, the Contractor hereby grants to COMMERCE a nonexclusive, royalty-free, irrevocable license (with rights to sublicense to others) in such Materials to translate, reproduce, distribute, prepare derivative works, publicly perform, and publicly display. The Contractor warrants and represents that the Contractor has all rights and permissions, including intellectual property rights, moral rights and rights of publicity, necessary to grant such a license to COMMERCE.

The Contractor shall exert all reasonable effort to advise COMMERCE, at the time of delivery of Materials furnished under this Contract, of all known or potential invasions of privacy contained therein and of any portion of such document which was not produced in the performance of this Contract. The Contractor shall provide COMMERCE with prompt written notice of each notice or claim of infringement received by the Contractor with respect to any Materials delivered under this Contract. COMMERCE shall have the right to modify or remove any restrictive markings placed upon the Materials by the Contractor.

7. DISPUTES

In the event that a dispute arises under this Agreement, it shall be determined by a Dispute Board in the following manner: Each party to this Agreement shall appoint one member to the Dispute Board. The members so appointed shall jointly appoint an additional member to the Dispute Board. The Dispute Board shall review the facts, Agreement terms and applicable statutes and rules and make a determination of the dispute. The Dispute Board shall thereafter decide the dispute with the majority prevailing. The determination of the Dispute Board shall be final and binding on the parties hereto. As an alternative to this process, either of the parties may request intervention by the Governor, as provided by RCW 43.17.330, in which event the Governor's process will control.

8. GOVERNING LAW AND VENUE

This Contract shall be construed and interpreted in accordance with the laws of the state of Washington, and any applicable federal laws, and the venue of any action brought hereunder shall be in the Superior Court for Thurston County.

9. INDEMNIFICATION

Each party shall be solely responsible for the acts of its employees, officers, and agents.

10. LICENSING, ACCREDITATION AND REGISTRATION

The Contractor shall comply with all applicable local, state, and federal licensing, accreditation and registration requirements or standards necessary for the performance of this Contract.

11. RECAPTURE

In the event that the Contractor fails to perform this Contract in accordance with state laws, federal laws, and/or the provisions of this Contract, COMMERCE reserves the right to recapture funds in an amount to compensate COMMERCE for the noncompliance in addition to any other remedies available at law or in equity.

Repayment by the Contractor of funds under this recapture provision shall occur within the time period specified by COMMERCE. In the alternative, COMMERCE may recapture such funds from payments due under this Contract.

12. RECORDS MAINTENANCE

The Contractor shall maintain books, records, documents, data and other evidence relating to this contract and performance of the services described herein, including but not limited to accounting procedures and practices that sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this contract.

The Contractor shall maintain records that identify, in its accounts, all federal awards received and expended and the federal programs under which they were received, by Catalog of Federal Domestic Assistance (CFDA) title and number, award number and year, name of the federal agency, and name of the pass-through entity.

The Contractor shall retain such records for a period of six (6) years following the date of final payment. At no additional cost, these records, including materials generated under the contract, shall be subject at all reasonable times to inspection, review or audit by COMMERCE, personnel duly authorized by COMMERCE, the Office of the State Auditor, and federal and state officials so authorized by law, regulation or agreement.

If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

13. SAVINGS

In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Contract and prior to normal completion, COMMERCE may suspend or terminate the Contract under the "Termination for Convenience" clause, without the ten calendar day notice requirement. In lieu of termination, the Contract may be amended to reflect the new funding limitations and conditions.

14. SEVERABILITY

The provisions of this contract are intended to be severable. If any term or provision is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the contract.

15. SUBCONTRACTING

The Contractor may only subcontract work contemplated under this Contract if it obtains the prior written approval of COMMERCE.

If COMMERCE approves subcontracting, the Contractor shall maintain written procedures related to subcontracting, as well as copies of all subcontracts and records related to subcontracts. For cause, COMMERCE in writing may: (a) require the Contractor to amend its subcontracting procedures as they

relate to this Contract; (b) prohibit the Contractor from subcontracting with a particular person or entity; or (c) require the Contractor to rescind or amend a subcontract.

Every subcontract shall bind the Subcontractor to follow all applicable terms of this Contract. Contractor shall incorporate 2 CFR Part 200, Subpart F audit requirements into all subcontracts. The Contractor is responsible to COMMERCE if the Subcontractor fails to comply with any applicable term or condition of this Contract. The Contractor shall appropriately monitor the activities of the Subcontractor to assure fiscal conditions of this Contract. In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to COMMERCE for any breach in the performance of the Contractor's duties.

Every subcontract shall include a term that COMMERCE and the State of Washington are not liable for claims or damages arising from a Subcontractor's performance of the subcontract.

16. SURVIVAL

The terms, conditions, and warranties contained in this Contract that by their sense and context are intended to survive the completion of the performance, cancellation or termination of this Contract shall so survive.

17. TERMINATION FOR CAUSE

In the event COMMERCE determines the Contractor has failed to comply with the conditions of this contract in a timely manner, COMMERCE has the right to suspend or terminate this contract. Before suspending or terminating the contract, COMMERCE shall notify the Contractor in writing of the need to take corrective action. If corrective action is not taken within 30 calendar days, the contract may be terminated or suspended.

In the event of termination or suspension, the Contractor shall be liable for damages as authorized by law including, but not limited to, any cost difference between the original contract and the replacement or cover contract and all administrative costs directly related to the replacement contract, e.g., cost of the competitive bidding, mailing, advertising and staff time.

COMMERCE reserves the right to suspend all or part of the contract, withhold further payments, or prohibit the Contractor from incurring additional obligations of funds during investigation of the alleged compliance breach and pending corrective action by the Contractor or a decision by COMMERCE to terminate the contract. A termination shall be deemed a "Termination for Convenience" if it is determined that the Contractor: (1) was not in default; or (2) failure to perform was outside of his or her control, fault or negligence.

The rights and remedies of COMMERCE provided in this contract are not exclusive and are in addition to any other rights and remedies provided by law.

18. TERMINATION FOR CONVENIENCE

Except as otherwise provided in this Contract, COMMERCE may, by ten (10) business days written notice, beginning on the second day after the mailing, terminate this Contract, in whole or in part. If this Contract is so terminated, COMMERCE shall be liable only for payment required under the terms of this Contract for services rendered or goods delivered prior to the effective date of termination.

19. TERMINATION PROCEDURES

Upon termination of this contract, COMMERCE, in addition to any other rights provided in this contract, may require the Contractor to deliver to COMMERCE any property specifically produced or acquired for the performance of such part of this contract as has been terminated. The provisions of the "Treatment of Assets" clause shall apply in such property transfer.

COMMERCE shall pay to the Contractor the agreed upon price, if separately stated, for completed work and services accepted by COMMERCE, and the amount agreed upon by the Contractor and COMMERCE for (i) completed work and services for which no separate price is stated, (ii) partially completed work and services, (iii) other property or services that are accepted by COMMERCE, and (iv) the protection and preservation of property, unless the termination is for default, in which case the Authorized Representative shall determine the extent of the liability of COMMERCE. Failure to agree

with such determination shall be a dispute within the meaning of the "Disputes" clause of this contract. COMMERCE may withhold from any amounts due the Contractor such sum as the Authorized Representative determines to be necessary to protect COMMERCE against potential loss or liability.

The rights and remedies of COMMERCE provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

After receipt of a notice of termination, and except as otherwise directed by the Authorized Representative, the Contractor shall:

- A. Stop work under the contract on the date, and to the extent specified, in the notice;
- B. Place no further orders or subcontracts for materials, services, or facilities except as may be necessary for completion of such portion of the work under the contract that is not terminated;
- C. Assign to COMMERCE, in the manner, at the times, and to the extent directed by the Authorized Representative, all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case COMMERCE has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts;
- D. Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the Authorized Representative to the extent the Authorized Representative may require, which approval or ratification shall be final for all the purposes of this clause;
- E. Transfer title to COMMERCE and deliver in the manner, at the times, and to the extent directed by the Authorized Representative any property which, if the contract had been completed, would have been required to be furnished to COMMERCE;
- F. Complete performance of such part of the work as shall not have been terminated by the Authorized Representative; and
- G. Take such action as may be necessary, or as the Authorized Representative may direct, for the protection and preservation of the property related to this contract, which is in the possession of the Contractor and in which the Authorized Representative has or may acquire an interest.

20. TREATMENT OF ASSETS

Title to all property furnished by COMMERCE shall remain in COMMERCE. Title to all property furnished by the Contractor, for the cost of which the Contractor is entitled to be reimbursed as a direct item of cost under this contract, shall pass to and vest in COMMERCE upon delivery of such property by the Contractor. Title to other property, the cost of which is reimbursable to the Contractor under this contract, shall pass to and vest in COMMERCE upon (i) issuance for use of such property in the performance of this contract, or (ii) commencement of use of such property in the performance of this contract, or (iii) reimbursement of the cost thereof by COMMERCE in whole or in part, whichever first occurs.

- A. Any property of COMMERCE furnished to the Contractor shall, unless otherwise provided herein or approved by COMMERCE, be used only for the performance of this contract.
- B. The Contractor shall be responsible for any loss or damage to property of COMMERCE that results from the negligence of the Contractor or which results from the failure on the part of the Contractor to maintain and administer that property in accordance with sound management practices.
- C. If any COMMERCE property is lost, destroyed or damaged, the Contractor shall immediately notify COMMERCE and shall take all reasonable steps to protect the property from further damage.
- D. The Contractor shall surrender to COMMERCE all property of COMMERCE prior to settlement upon completion, termination or cancellation of this contract

All reference to the Contractor under this clause shall also include Contractor's employees, agents or Subcontractors.

21. WAIVER

Waiver of any default or breach shall not be deemed to be a waiver of any subsequent default or breach. Any waiver shall not be construed to be a modification of the terms of this Contract unless stated to be such in writing and signed by Authorized Representative of COMMERCE.

Scope of Work

This funding is made available under section 601(a) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) and Section V and VI of the CARES Act, for costs incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19). Under the CARES Act, the Coronavirus Relief Fund may be used to cover costs that:

- 1. Are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19); AND**
- 2. Are not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government.**

These funds may be used to reimburse for expenditures incurred during the period of March 1, 2020 thru Oct. 31, 2020. Please note: In order to ensure all funds have been fully utilized prior to the US Treasury’s December 30, 2020 end date, the State of Washington must closeout contracts by October 31, 2020. All final requests for reimbursement must be received no later than November 15, 2020.

Expenditures must be used for necessary actions taken to respond to the public health emergency. These may include expenditures incurred to allow the local government to respond directly to the emergency, such as by addressing medical or public health needs, as well as expenditures incurred to respond to second-order effects of the emergency, such as by providing economic support to those suffering from employment or business interruptions due to COVID-19-related business closures.

Funds may not be used to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify under the statute. Although a broad range of uses is allowed, revenue replacement is not a permissible use of Fund payments.

Payments may be used only to cover costs not accounted for in the budget most recently approved as of March 27, 2020. A cost meets this requirement if either:

1. The cost cannot lawfully be funded using a line item, allotment, or allocation within that budget; OR
2. The cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation.

The “most recently approved” budget is the enacted budget for the relevant fiscal period for the particular government. A cost is not considered to have been accounted for in a budget merely because it could be met using a budgetary stabilization fund, rainy day fund, or similar reserve account.

Allowable expenditures include, but are not limited to:

1. Medical expenses such as:
 - a. COVID-19-related expenses of public hospitals, clinics, and similar facilities.
 - b. Expenses of establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs.
 - c. Costs of providing COVID-19 testing, including serological testing.
 - d. Emergency medical response expenses, including emergency medical transportation, related to COVID-19.
 - e. Expenses for establishing and operating public telemedicine capabilities for COVID-19-related treatment.
2. Public health expenses such as:

- a. Expenses for communication and enforcement by State, territorial, local, and Tribal governments of public health orders related to COVID-19.
 - b. Expenses for acquisition and distribution of medical and protective supplies, including sanitizing products and personal protective equipment, for medical personnel, police officers, social workers, child protection services, and child welfare officers, direct service providers for older adults and individuals with disabilities in community settings, and other public health or safety workers in connection with the COVID-19 public health emergency.
 - c. Expenses for disinfection of public areas and other facilities, e.g., nursing homes, in response to the COVID-19 public health emergency.
 - d. Expenses for technical assistance to local authorities or other entities on mitigation of COVID-19-related threats to public health and safety.
 - e. Expenses for public safety measures undertaken in response to COVID-19.
 - f. Expenses for quarantining individuals.
3. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.
 4. Expenses of actions to facilitate compliance with COVID-19-related public health measures, such as:
 - a. Expenses for food delivery to residents, including, for example, senior citizens and other vulnerable populations, to enable compliance with COVID-19 public health precautions.
 - b. Expenses to facilitate distance learning, including technological improvements, in connection with school closings to enable compliance with COVID-19 precautions.
 - c. Expenses to improve telework capabilities for public employees to enable compliance with COVID-19 public health precautions.
 - d. Expenses of providing paid sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions.
 - e. COVID-19-related expenses of maintaining state prisons and county jails, including as relates to sanitation and improvement of social distancing measures, to enable compliance with COVID-19 public health precautions.
 - f. Expenses for care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions.
 5. Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency, such as:
 - a. Expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures.
 - b. Expenditures related to a State, territorial, local, or Tribal government payroll support program.
 - c. Unemployment insurance costs related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise.
 6. Any other COVID-19-related expenses reasonably necessary to the function of government that satisfy the Fund's eligibility criteria.

Budget & Invoicing

The Contractor shall determine the appropriate budget and use of funds within the following 6 budget categories and their sub-categories:

1. Medical
2. Public Health
3. Payroll
4. Actions to Comply with Public Health Measures
5. Economic Support
6. Other Covid-19 Expenses

The Contractor shall submit invoice reimbursement requests to the Commerce Representative using the Commerce Contract Management System's (CMS) Online A-19 Portal. Each reimbursement request must include:

1. A-19 Certification form – An authorized party of the local government will certify each invoice (A19) submitted for reimbursement and attest that all incurred expenditures meet the US Treasury Department's guidance: <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf>
2. A-19 Activity Report
3. A detailed breakdown of the expenditures incurred within each applicable budget sub-category on the A-19 Activity Report.

The A-19 Certification and Activity Report templates will be provided with the executed contract. The documents are included in Attachment C and Attachment D for reference.

Receipts and proof of payment for costs incurred do not need to be submitted with A-19s. All contractors are required to maintain accounting records in accordance with state and federal laws. Records must be sufficient to demonstrate the funds have been used in accordance with section 601(d) of the Social Security Act. Commerce reserves the right to audit any costs submitted for reimbursement. The Contractor shall comply with Commerce A-19 audits and provide the appropriate records upon request.



LOCAL GOVERNMENT CORONAVIRUS RELIEF FUNDS CERTIFICATION

I, **<FIRST, LAST NAME>**, am the **<TITLE>** of **<LOCAL GOVERNMENT>**, and I certify that:

1. I have the authority and approval from the governing body on behalf of the Local Government to request reimbursement from the Department of Commerce (Commerce) per contract number **<COMMERCE CONTRACT NUMBER>** from the allocation of the Coronavirus Relief Fund as created in section 5001 of H.R.748, the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") for eligible expenditures included on the corresponding A-19 invoice voucher for report period **<REPORT PERIOD FROM A-19>**.
2. I understand that as additional federal guidance becomes available, a contract amendment to the agreement between Commerce and the Local Government may become necessary.
3. I understand Commerce will rely on this certification as a material representation in processing this reimbursement.
4. I certify the use of funds submitted for reimbursement from the Coronavirus Relief Funds under this contract were used only to cover those costs that:
 - a. Are *necessary expenditures* incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
 - b. Were not accounted for in the budget most recently approved as of March 27, 2020; and
 - c. Were incurred during the period that begins on March 1, 2020, and ends on October 31, 2020.
5. I understand the use of funds pursuant to this certification must adhere to official federal guidance issued or to be issued on what constitutes a necessary expenditure. We have reviewed the guidance established by U.S. Department of the Treasury¹ and certify costs meet the required guidance. Any funds expended by the Local Government or its subcontractor(s) in any manner that does not adhere to official federal guidance shall be returned to the State of Washington.

Footnote:


1 – Guidance available at <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf> (4/30/2020)

LOCAL GOVERNMENT CORONAVIRUS RELIEF FUNDS CERTIFICATION


Page 2 of 2

6. I understand the Local Government receiving funds pursuant to this certification shall retain documentation of all uses of the funds, including but not limited to invoices and/or sales receipts in a manner consistent with §200.333 *Retention requirements for records* of 2 CFR Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Such documentation shall be produced to Commerce upon request and may be subject to audit by the State Auditor.
7. I understand any funds provided pursuant to this certification cannot be used as a revenue replacement for lower than expected tax or other revenue collections.
8. I understand funds received pursuant to this certification cannot be used for expenditures for which the Local Government has received any other emergency COVID-19 supplemental funding (whether state, federal or private in nature) for that same expense.

I certify that I have read the above certification and my statements contained herein are true and correct to the best of my knowledge.




Printed Name



Title

Signature



Date:

CRF A-19 Activity Report
INSTRUCTIONS

INSTRUCTIONS:

A completed CRF A-19 Certification and Activity Report must be submitted with each A-19 reimbursement request. The A-19 Activity Report must be submitted as an Excel spreadsheet, not a PDF. You must also include a detailed breakdown of the individual expenditures reported in **Column F** for each applicable sub-category included on the A-19 Activity Report.

There are 6 primary budget categories;

1. Medical Expenses
2. Public Health Expenses
3. Payroll expenses for public employees dedicated to COVID-19
4. Expenses to facilitate compliance with COVID-19-measures
5. Economic Supports
6. Other COVID-19 Expenses

Each primary budget category includes sub-categories and provides an option to add "other" sub-categories not listed.

Follow the below instructions when completing the A-19 Activity Report:

- 1 REPORT PERIOD** - Enter the report period into **Cell D1** of the A-19 Activity Report.
 - a This should match the report period entered on the corresponding A-19.
 - b Report period should include MM/YY to MM/YYYY, i.e. 03/20, March 2020, 03/2020, etc.
- 2 COLUMN E** - Enter the total amount of all previous reimbursement requests submitted to Commerce for each applicable sub-category.
- 3 COLUMN F** - Enter the total amount being requested in the current reimbursement request for each applicable sub-category.
- 4 COLUMN H: USE OF FUNDS** - You must include a general description of the use of the funds being requested for each applicable sub-category. Keep descriptions as concise as possible, but include adequate context to demonstrate how these funds helped address the COVID-19 emergency. If applicable, please consider:
 - a Providing a brief description of the specific activities performed.
 - b Identifying specific populations served.
 - c Identifying specific programs created or utilized.
 - d Including any known or intended outcomes, results, or community impacts.
- 5 OTHER SUB-CATEGORIES** - Budget categories 1-5 include a placeholder to add an additional sub-category if necessary.
 - a Enter a **Title** for other expenses added within the appropriate budget category.
 - b Enter titles into **Cells: D10, D19, D27, D36, and D41**.
 - c There is only one "other" placeholder in each budget category section. Please combine multiple "other" sub-categories added to the same budget category.
- 6 OTHER BUDGET CATEGORIES** - Budget category 6 is where you should include any eligible expenditures that don't fall under budget categories 1-5.
 - a Enter a **Title** for these "other" expenses within budget category 6.
 - b Enter titles into **Cells D44 - D48**.
 - c There are only 5 entry fields available within Budget Category 6.

Coronavirus Relief Fund
A-19 Activity Report

Report Period:

| Eligible Expenditures | Previously Reported Expenditures | Current Expenditures this Invoice | Total Cumulative Expenditures | Brief Description of Use of Funds |
|--|----------------------------------|-----------------------------------|-------------------------------|-----------------------------------|
| 1 Medical Expenses | | | | |
| A. Public hospitals, clinics, and similar facilities | \$ - | \$ - | \$ - | |
| B. Temporary public medical facilities & increased capacity | \$ - | \$ - | \$ - | |
| C. COVID-19 testing, including serological testing | \$ - | \$ - | \$ - | |
| D. Emergency medical response expenses | \$ - | \$ - | \$ - | |
| E. Telemedicine capabilities | \$ - | \$ - | \$ - | |
| F. Other: | \$ - | \$ - | \$ - | |
| Sub-Total: | \$ - | \$ - | \$ - | |
| 2 Public Health Expenses | | | | |
| A. Communication and enforcement of public health measures | \$ - | \$ - | \$ - | |
| B. Medical and protective supplies, including sanitation and PPE | \$ - | \$ - | \$ - | |
| C. Disinfecting public areas and other facilities | \$ - | \$ - | \$ - | |
| D. Technical assistance on COVID-19 threat mitigation | \$ - | \$ - | \$ - | |
| E. Public safety measures undertaken | \$ - | \$ - | \$ - | |
| F. Quarantining individuals | \$ - | \$ - | \$ - | |
| G. Other: | \$ - | \$ - | \$ - | |
| Sub-Total: | \$ - | \$ - | \$ - | |
| 3 Payroll expenses for public employees dedicated to COVID-19 | | | | |
| A. Public Safety | \$ - | \$ - | \$ - | |
| B. Public Health | \$ - | \$ - | \$ - | |
| C. Health Care | \$ - | \$ - | \$ - | |
| D. Human Services | \$ - | \$ - | \$ - | |
| E. Economic Development | \$ - | \$ - | \$ - | |
| F. Other: | \$ - | \$ - | \$ - | |
| Sub-Total: | \$ - | \$ - | \$ - | |
| 4 Expenses to facilitate compliance with COVID-19-measures | | | | |
| A. Food access and delivery to residents | \$ - | \$ - | \$ - | |
| B. Distance learning tied to school closings | \$ - | \$ - | \$ - | |
| C. Telework capabilities of public employees | \$ - | \$ - | \$ - | |
| D. Paid sick and paid family and medical leave to public employees | \$ - | \$ - | \$ - | |
| E. COVID-19-related expenses in county jails | \$ - | \$ - | \$ - | |
| F. Care and mitigation services for homeless populations | \$ - | \$ - | \$ - | |
| G. Other: | \$ - | \$ - | \$ - | |
| Sub-Total: | \$ - | \$ - | \$ - | |
| 5 Economic Supports | | | | |
| A. Small Business Grants for business interruptions | \$ - | \$ - | \$ - | |
| B. Payroll Support Programs | \$ - | \$ - | \$ - | |
| C. Other: | \$ - | \$ - | \$ - | |
| Sub-Total: | \$ - | \$ - | \$ - | |
| 6 Other COVID-19 Expenses | | | | |
| A. Other: | \$ - | \$ - | \$ - | |
| B. Other: | \$ - | \$ - | \$ - | |
| C. Other: | \$ - | \$ - | \$ - | |
| D. Other: | \$ - | \$ - | \$ - | |
| E. Other: | \$ - | \$ - | \$ - | |
| Sub-Total: | \$ - | \$ - | \$ - | |
| TOTAL: | \$ - | \$ - | \$ - | |



CITY COUNCIL AGENDA REPORT

TO: Frank Kuntz, Mayor
City Council

FROM: Matt Shales, Development Project Manager
Economic Development Department

MEETING DATE: June 11, 2020

I. SUBJECT

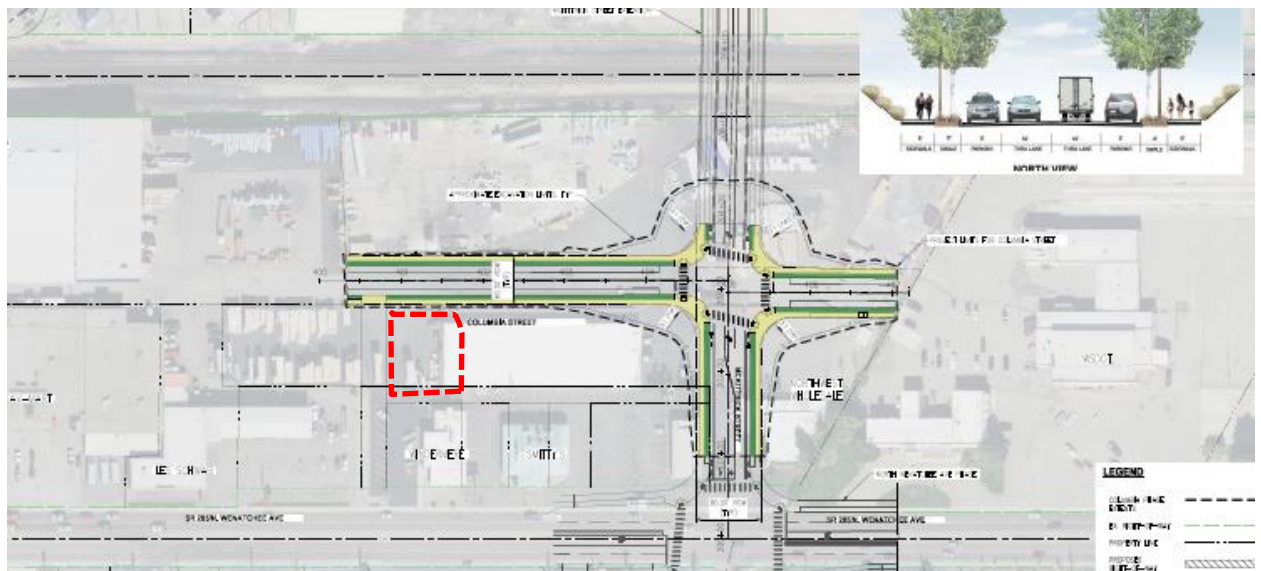
North Wenatchee Redevelopment Project #1712, Surplus Property Sale to Two Bros, LLC.

II. ACTION REQUESTED

Staff recommends the City Council authorize the Mayor to negotiate and sign the Real Estate Purchase & Sale Agreement (REPSA) with Two Bros, LLC in substantially similar form as the attached agreement.

III. OVERVIEW

The City purchased property from NW Wholesale to facilitate the building of North Columbia Avenue and the McKittrick Street extension necessary to implement the North Wenatchee Redevelopment plan. The City surplused the excess property on November 15, 2018 allowing the sale of remnant parcels. The City was approached by Two Bros, LLC with interest in lot 1, the remaining parcel on the north side of future McKittrick Street.



The proposed purchase price of \$252,000 is based upon a price of \$24 per square foot for 10,000 square feet plus \$12 per square foot for 1,000 square feet of land encumbered by utility easements. Final price will be determined by actual area certified by the surveyor used for this transaction. The purchase price is to be paid in cash at closing.

The REPSA requires the City to complete construction of North Columbia Avenue by December 2021. This term and all others are consistent with previous surplus property sale agreements for this area. However, language that describes "plat alteration" and mention of "private road" will be removed from the final version. These attributes will no longer be necessary as the plat alteration will be complete and this agreement will not need to address those.

IV. FISCAL IMPACT

The Finance Committee has reviewed this action. The fiscal impact is consistent with the project re-development proforma. The proceeds of the sale will go toward the North Wenatchee Redevelopment project, which is currently borrowing \$6,200,000 from the General Fund and Sewer fund. These revenues can be used to pay down a portion of the loan balance.

VI. REFERENCE(S)

1. REPSA

VII. ADMINISTRATIVE ROUTING

Tammy Stanger, City Clerk
Laura Merrill, Executive Services Director
Brad Posenjak, Finance Director

REAL ESTATE PURCHASE AND SALE AGREEMENT

Wenatchee, Washington

_____, 2020

1. Seller. Seller is City of Wenatchee, a municipal corporation of the state of Washington.
2. Purchaser. Purchaser is Two Bros, LLC a Washington limited liability company.
3. Agreement/Property. The Seller agrees to sell and the Purchaser agrees to purchase the following described property located in the County of Chelan, legally described as:

See Exhibit "A" attached hereto and incorporated herein by this reference.

4. Purchase Price. The total purchase price is Two Hundred Fifty-two Thousand Dollars (\$252,000.00), subject to adjustment as set forth in the following paragraph.

The purchase price is determined based upon a price of \$24 per square foot of land that may be used by Purchaser and not for public roadways or exclusively by third parties understood to be 10,000 square feet plus \$12 per square foot for 1,000 square feet of land encumbered by utility easements. The final price shall be determined by multiplying the price per square foot by the actual area of the property as certified by the surveyor used for this transaction.

5. Payment of Purchase Price. The purchase price shall be paid as follows:

At closing, Purchaser shall pay Seller in cash the entire purchase price, of which the earnest money received herein is a part.

6. Earnest Money. Purchaser hereby deposits, and receipt is hereby acknowledged, of Five Thousand Dollars (\$5,000), in the form of a check paid or delivered to Closing Agent as earnest money in part payment of the purchase price for the afore-described property.

7. Condition of Title. Unless otherwise specified in this Agreement, title to the property shall be marketable at closing. Rights, reservations, covenants, conditions, and restrictions, presently of record, easements and encroachments, not materially affecting the value of the property or unduly interfering with Purchaser's intended use of the property, shall not cause the title to be considered unmarketable. Purchaser shall conclusively be deemed to have accepted the condition of title unless Seller receives notice of Purchaser's objections within fourteen (14) days after the preliminary commitment for title insurance is received by or made available to Purchaser. Encumbrances to be discharged by Seller shall be paid by Seller on or before closing.

8. Title Insurance. Seller authorizes closing agent, at Seller's expense, to apply for a standard form owner's policy of title insurance to be issued by Central Washington Title Insurance Company. The title policy shall contain no exceptions other than those contained in said standard form and those not inconsistent with this Agreement. If title is not so insurable and cannot be made so insurable prior to closing, Purchaser may elect either to waive such encumbrances or defects, or to terminate this Agreement and receive a refund of the earnest money.

9. Conveyance. Seller shall convey title to the property to Purchaser by Statutory Warranty Deed free of encumbrances and defects except those included in this Agreement or otherwise acceptable to Purchaser.
10. Closing Agent. This sale shall be closed at the office of Central Washington Title Insurance Company ("closing agent").
11. Time for Closing - Responsibilities of Parties. This sale shall be closed on or before June 30, 2020. The Purchaser and Seller shall deposit with the closing agent all instruments, documents, and monies necessary to complete the sale in accordance with this Agreement.
12. Definition of Closing. "Closing" means the date on which all documents are recorded and the sale proceeds are available for disbursement to Seller.
13. Proration. Taxes for the current year, water and other utility charges constituting liens shall be prorated as of the date of closing.
14. Closing Costs.
 - a. Seller. Seller shall pay the following escrow and closing costs: One-half escrow closing fee, title insurance premium, and fee for preparation of Deed and Tax Affidavit. This transaction is exempt from real estate excise tax per WAC 458-61A-205.
 - b. Purchaser. Purchaser shall pay the following escrow and closing costs: One-half escrow closing fee, and recording fee for Deed.
15. Possession. Seller shall deliver possession to Purchaser on closing.
16. Condition of Property. Purchaser acknowledges that he has inspected the property. Purchaser accepts the property "AS IS" in its current condition and acknowledges that it is not relying upon any representation or warranty concerning the condition, area or boundaries of the property made by Seller or Seller's agents, employees or representatives.
17. Default and Refund. If a dispute should arise regarding the disbursement of any earnest money, the party holding the earnest money may interplead the funds into court. Furthermore, if either Purchaser or Seller defaults, the non-defaulting party may seek specific performance, damages, or rescission, except that the Seller's remedy shall be limited as follows:

In the event the Purchaser fails, without legal excuse, to complete the purchase of the property, the earnest money deposit made by the Purchaser shall be forfeited to the Seller as the sole and exclusive remedy available to the Seller for such failure.
18. Merger. There are no other verbal or other agreements which modify or affect this Agreement.
19. Modification/Waivers. All subsequent modifications or waivers of any condition of this Agreement shall be in writing and signed by the appropriate parties.
20. Time. Time is of the essence of this Agreement.
21. Notices. Notice hereunder shall be in writing and may be mailed or delivered. If mailed, such notices shall be sent postage prepaid, certified or registered mail, return receipt requested, and the date marked on the

return receipt by the United States Postal Service shall be deemed to be the date on which the party received the notice. Notices shall be mailed or delivered as follows:

| | |
|---------------------------------------|---|
| TO PURCHASER: | Two Bros, LLC 1729 N. Wenatchee Ave. Wenatchee, WA 98801 |
| TO SELLER: | City of Wenatchee Attn: Frank Kuntz, Mayor P.O. Box 519 Wenatchee, WA 98807-0519 |
| WITH COPY TO SELLER'S ATTORNEY: | Steve D. Smith Davis, Arneil Law Firm, LLP 617 Washington Street Wenatchee, Washington 98801 |

22. Waiver. No act or omission of either party hereto shall at any time be construed to deprive such party of a right or remedy hereunder or be construed so as to at any future time estop such party from exercising its rights or remedies.

23. Governing Law and Venue. This Agreement shall be governed by and interpreted in accordance with Washington law. Any litigation arising out of or in connection with this Agreement shall be conducted in Chelan County, Washington.

24. Successors. This Agreement shall be binding upon and shall inure to the benefit of the respective successors, heirs and assigns of each of the parties.

25. FIRPTA Compliance. If Purchaser does not intend to use the property as a principal residence, or if the purchase price exceeds Three Hundred Thousand Dollars (\$300,000.00), then this sale may be subject to the withholding and reporting requirements of the Foreign Investment In Real Property Tax Act (FIRPTA), unless Seller furnishes to Purchaser an Affidavit of Non-foreign Status. Seller and Purchaser agree to comply with FIRPTA, if applicable.

26. Time for Acceptance. Seller shall have until 9:00 p.m. on June 30, 2020 to accept this offer, unless sooner withdrawn. Acceptance by Seller shall not be effective until a signed copy hereof is actually received by Purchaser. If this offer is not so accepted, it shall lapse and the earnest money shall be refunded to Purchaser.

27. Attorney's Fees. If any suit or proceeding is instituted by the Seller or the Purchaser, including, but not limited to, filing of suit or requesting an arbitration, mediation or alternative dispute resolution process (collectively "proceedings"), and appeals and collateral actions relative to such suit or proceedings, the parties shall bear their own attorney's fees and costs at closing.

28. Representation. Steve D. Smith of Davis, Arneil Law Firm, LLP, represents Seller. Purchaser understands that Steve D. Smith does not represent Purchaser. Purchaser is encouraged to have all documents reviewed by their own lawyer or other counsel prior to signing.

29. Counterparts/Facsimile. This Agreement may be executed separately or independently in any number of counterparts and may be delivered by manually signed counterpart, facsimile, or electronically. Each and

all of these counterparts shall be deemed to have been executed simultaneously and for all purposes to be one document, binding as such on the parties.

The facsimile or electronic transmission of any signed original document, and retransmission of any signed facsimile or electronic transmission, shall be the same as delivery of an original. At the request of either party, the parties will confirm facsimile or electronically transmitted signatures by signing an original document.

30. Survival. All terms of this Agreement, which are not satisfied or waived prior to closing, shall survive closing. These terms shall include, but not be limited to, representations and warranties, attorneys fees and costs, disclaimers, repairs, plat alteration, etc.

31. Plat Alteration. Purchaser agrees to cooperate with and sign all documents necessary to complete a plat alteration abandoning the private road depicted on the Plat of Northwest Addition to the City of Wenatchee recorded in Volume 5 of Plats, page 17, and as depicted on the attached Exhibit "B," and making it a public alley-way.

32. Private Road. Purchaser shall transfer and convey all ownership interests in that portion of the private road depicted on the Plat of Northwest Addition to the City of Wenatchee recorded in Volume 5 of Plats, page 17, and as depicted on the attached Exhibit "B" by Quit Claim Deed executed and recorded at closing. The City will provide a public alley-way between North Wenatchee Avenue and Columbia Street as shown. Access to the Purchaser's property from North Wenatchee Avenue will be via this public alley-way.

33. Columbia Street and Existing Utilities. The City will construct Columbia Street curb to curb including water and sewer utilities as shown in Exhibit _C . The Purchaser may connect to these utilities upon completion of the work. The Purchaser is responsible for relocation or abandonment of existing Chelan PUD utilities and associated easements located within the existing private road. The Purchaser is responsible for the payment of all fees and work to connect to utilities in Columbia Street.

34. Investigation and Feasibility Study Contingency. Purchaser shall have the right to enter the property and to conduct an investigation and a feasibility study of the suitability of the property for Purchaser's intended use including, but not limited to, market feasibility, engineering and soils studies, investigation of zoning, subdivision, and other land use and environmental restrictions, and availability, adequacy, and cost of utilities.

This Agreement is conditioned upon the suitability of the property for Purchaser's intended use, in Purchaser's sole judgment and discretion. This contingency shall conclusively be deemed satisfied unless within 60 days after mutual acceptance of this Agreement Purchaser gives notice of disapproval, in which event this Agreement shall terminate, Purchaser shall restore the property to its original condition (if changed in the course of the above investigation), Purchaser shall deliver to Seller copies of all results and products of the investigation and feasibility study, and the earnest money shall be refunded to Purchaser.

35. Brokers and Finders. Neither party has had any contact or dealings regarding the property, or any communication in connection with the subject matter of this transaction, through any licensed real estate broker or other person who can claim a right to a commission or finder's fee as a procuring cost of the purchase and sale contemplated by this agreement. If any broker or finder perfects a claim for a commission or finder's fee based upon any contract, dealings, or communication, the party through whom the broker or finder makes his or her claim will be responsible for that commission or fee and shall indemnify, defend, and hold harmless the other party from and against any liability, cost or damages (including attorney's fees and costs, arising out of that claim).

36. Property Disclosure Form. Purchaser hereby waives receipt of the Seller Disclosure Statement provided for in RCW 64.06.013. Seller hereby represents that no answer to any of the questions in the section entitled "Environmental" would be "yes."

DATED this ____ day of _____, 2020.

PURCHASER:
TWO BROS, LLC

By _____
STEVE DECAMP, Member/Manager

On this ____ day of _____, 2020, I hereby approve and accept the offer set forth in the above Agreement and agree to carry out all the terms thereof on the part of the Seller.

SELLER:
CITY OF WENATCHEE

By _____
FRANK J. KUNTZ, Mayor

Exhibit A

Description: Lot 1, Amended Northwest Addition to Wenatchee, Plat alteration No. P-ALT-20-01, on file with the City of Wenatchee.

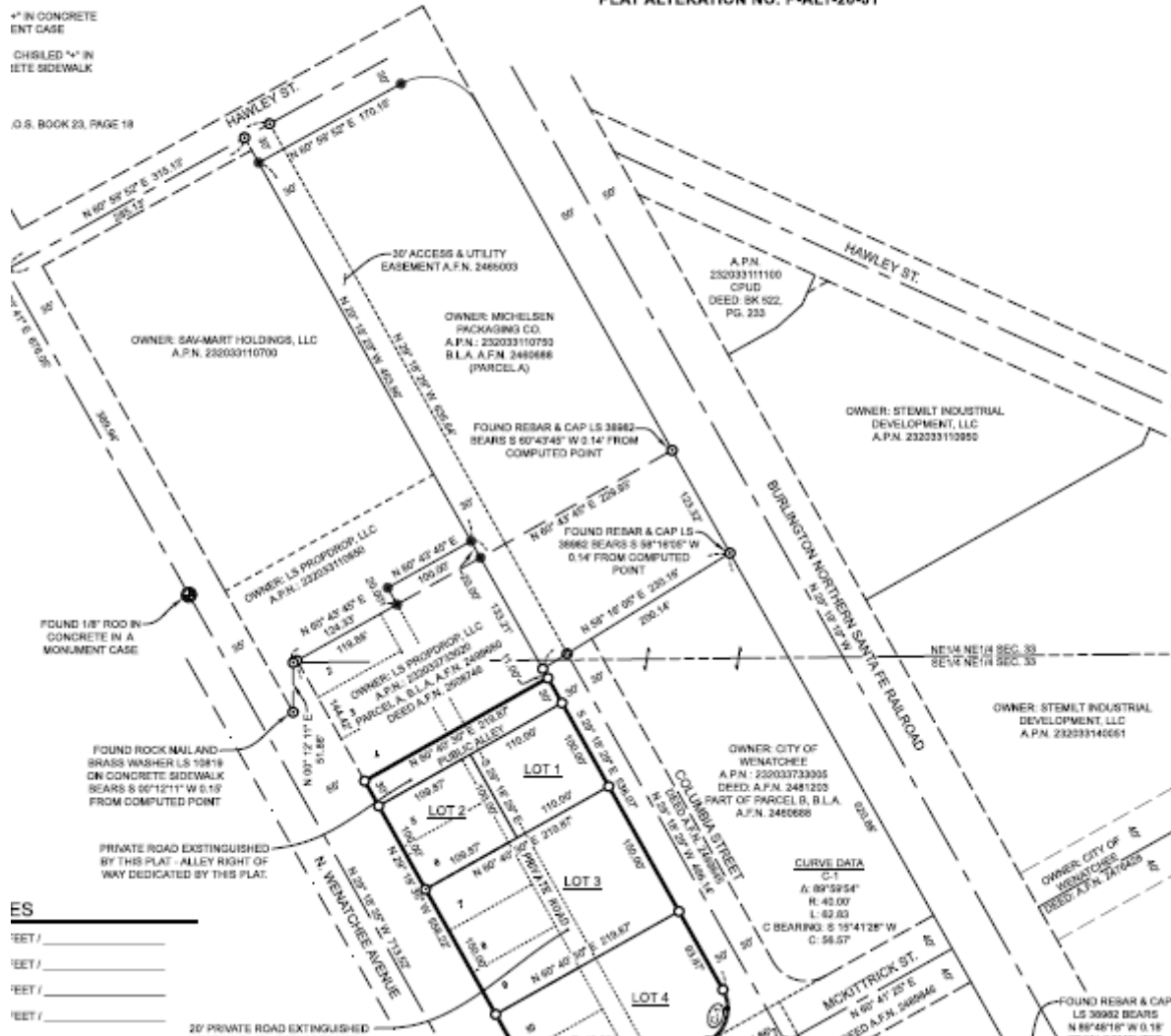
Exhibit B

PLAT OF

AMENDED NORTHWEST ADDITION TO WENATCHEE

PART OF LOT 1, LOTS 2-13, AND PRIVATE ROAD, NORTHWEST ADDITION TO WENATCHEE, LOCATED WITHIN A PORTION OF T NE1/4 OF THE NE1/4 AND THE SE1/4 OF THE NE1/4 OF SEC. 33, T.23N., R.20E.W.M., CITY OF WENATCHEE, CHELAN COUNTY, W

PLAT ALTERATION NO. P-ALT-20-01





CITY COUNCIL AGENDA REPORT

TO: Frank Kuntz, Mayor
City Council

FROM: Jessica Shaw, Environmental Manager
Public Works Department

MEETING DATE: June 11, 2020

- I. **SUBJECT**
Proposed Sewer Code Amendments, Ordinance No. 2020-13
- II. **ACTION REQUESTED**
Staff recommends the City Council adopt Ordinance No. 2020-13 amending Chapter 4.08 "Sewers-Rates and Charges" of the Wenatchee City Code.
- III. **OVERVIEW**
City staff are proposing changes to several sections of the code. The most substantial changes are to the sewer connection fees.

Sewer Connection Fee Background

In July of 2017, a monthly sewer rate schedule and sewer connection fees were adopted to fund the updated sewer capital improvement plan and a new Sewer Extension Program. The method for calculating sewer connection fees was modified to reduce fees for multi-family developments and the new connection fees, the Local Facilities Charge and Sunnyslope Local Facilities Surcharge, were added to recoup costs from sewer main extensions. An unforeseen result of the new local facilities fees was that because the fees were based on the water meter size, changes to the water meter during redevelopment resulted in additional fees. In addition, the financial consultant had recommended that the calculated system investment fee should be \$3,710 per equivalent residential unit. The decision was made to only raise the system investment fee to \$1,500 per equivalent residential unit.

Explanation of Specific Code Changes

Below please find a brief explanation of the proposed changes.

- 4.08.010 (46) Definitions.

“Recreational vehicles” was removed from the definition of “Residential customer.”

- 4.08.020 (2) Use of public sewers required.

“City Engineer” was replaced with “Director” for consistency with other sections of the code.

- 4.08.030 (1) Building sewers and connections.

The code was updated to require that sewer connections comply with City of Wenatchee preapproved plans and standards.

- 4.08.030(4) Building sewers and connections.

The connection requirements language was edited to allow for a shared lateral when a joint maintenance agreement signed by both property owners accompanies the application for sewer

- 4.08.036(1) Connection fees.

The inspection fee for sewer connections was increased from \$40 to \$100.

- 4.08.036 (2) Connection fees.

The local facilities charge fee structure was changed so that the fee is a flat fee per parcel and no longer based on the water meter size. The local facilities charge only applies to new sewer connections to sewer mains built by the City of Wenatchee. This fee is not applicable to sewer mains extended by private development. The current local facilities charge would be \$6,326.04 per parcel and is paid at the time of connection.

- 4.08.036 (3) Connection fees.

Sunnyslope local facilities surcharge was changed to be consistent with the fee structure for the local facilities charge. This fee only applies to customers in the Chatham Hills and Sunnyslope areas where the City has been extending sewer beyond what was installed prior to the 2016 annexation. This fee is based on the cost to the sewer utility to extend sewer to this area and updated downstream sewer facilities specific to serving this area. The Sunnyslope local facilities surcharge will be paid per parcel at a rate of \$3,925.44 per parcel. This fee is based on the location of lot and paid at the time of connection.

- 4.08.037(1) System investment fee.

The system investment fee will be increased from \$1,500 per equivalent residential unit to \$3,720, the calculated rate from the 2017 financial analysis. This fee is calculated on the size of the water meter and the strength of wastewater. This fee is based on capital improvement costs for the wastewater treatment plant and revenue from system investment fees can only be used to fund capital projects or pay associated debt service

- 4.08.060 (4) Special provisions.

The words “commercial/industrial” was added to clarify the intent of the code.

IV. **FISCAL IMPACT**

The revenue from sewer connection fees is used for capital improvements and can vary depending on the type of development, where it occurs, and who built the sewer main. The proposed changes will reduce the fees for redevelopment and some new development. Please refer to the attachment, Sewer Connect Fee Examples, for details on how the connection fees would change for different customer classes.

V. **PROPOSED PROJECT SCHEDULE**

The code changes would become effective 30 days from the date of adoption.

VI. REFERENCE(S)

1. Ordinance No. 2020-13
2. Sewer Connection Fee Examples

VII. ADMINISTRATIVE ROUTING

Tammy Stanger, City Clerk
Laura Merrill, Executive Services Director
Brad Posenjak, Finance Director

ORDINANCE NO. 2020-13

AN ORDINANCE, amending Chapter 4.08 “Sewers – Rates and Charges” of the Wenatchee City Code (WCC).

WHEREAS, the City of Wenatchee is authorized to construct, add to, maintain and operate systems of sewerage under the authority of RCW 35A.21.150 and RCW 35.67.020, including the jurisdiction and authority to fix the rates and charges for its use; and

WHEREAS, after due consideration the City Council of the City of Wenatchee has determined that it is in the best interest of the health, safety and welfare of the City to amend its code related to sewer rates and charges.

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

SECTION I

Section 4.08.010(46) WCC shall be and hereby is amended to read as follows:

(46) “Residential customer” shall mean any contributor to the POTW whose lot, parcel, real estate, or building is used primarily for domestic dwelling purposes including houses, apartment complexes ~~and recreational vehicle~~ and mobile home parks.

SECTION II

Section 4.08.020(2) WCC shall be and hereby is amended to read as follows:

(2) All new divisions of land and construction of residential, commercial and industrial facilities shall be reviewed by the ~~city engineer~~ Director to determine if public sewer shall be extended to the site. It shall be the policy of the city to have public sewer extended to all new development unless special circumstances exist. All new subdivisions and construction of residential, commercial and industrial facilities and short plats approved with interim on-site sewage disposal facilities shall be required to install sanitary sewage collection systems and provide a connection from each lot. Sanitary sewage collection systems shall be installed to service all lots interior to the subdivision.

SECTION III

Section 4.08.030(1) and (4) WCC shall be and hereby are amended to read

as follows:

(1) The connection of the building sewer into the public sewer shall conform to the requirements of the ~~most recent editions of the International Building Code, Uniform Plumbing Code and Washington State Standard Specifications for Road, Bridge and Municipal Construction~~ City of Wenatchee preapproved plans and standards.

(4) A single sewer lateral shall be installed to serve each building lot. Multiple connections to a single sewer lateral shall not be allowed except at the discretion of the ~~city engineer~~ Director when all of the following conditions apply:

~~(a) The site topography prohibits the installation of a lateral for each building lot.~~

~~(b)~~ (a) The capacity of the sewer lateral is sufficient for multiple connections. A shared sewer lateral shall be a minimum of six (6) inches in diameter.

~~(c)~~ (b) The topography of the site is such that damage is not caused to any of the interconnected customers should the sewer lateral become plugged.

~~(d)~~ (c) A joint maintenance agreement shall be signed by all property owners and recorded at the customer's expense.

SECTION IV

Section 4.08.036 WCC shall be and hereby is amended to read as follows:

4.08.036 Connection fees.

(1) Property owners seeking to connect to any lateral or main of the city sewer system ~~of the city~~ shall pay an inspection fee of \$1040.00 per connection.

(2) Property owners connecting a sewer lateral or side sewer to a sewer main installed by the city of Wenatchee from a developed lot using an onsite septic system or a previously undeveloped lot shall pay the local facilities charge of \$6,326.04~~140~~ per ~~equivalent residential unit~~ to pay their equitable share of the cost of local sewer facilities as enumerated in RCW 35.92.025. ~~For the single-family residential customer classification, each dwelling unit shall be one equivalent residential unit. For multifamily residential, domestic, medium, and high-strength commercial and industrial customer classifications, the equivalent residential unit(s) used to calculate the local facilities charge shall be based on the water meter size as reflected on the accompanying table. Each additional equivalent residential unit shall be at a rate of 75 percent of the first equivalent residential unit.~~ The local facilities charge shall not be applied to connections that have frontage fee agreements that have been adopted by ordinance prior to August 1, 2017, or are part of a local improvement district or utility local improvement district. Customers connecting to the sewer system within two years of sewer becoming available will receive a discount on the local facilities charge of 30 percent.

| Water-Meter Size | ERU |
|-----------------------------|----------------|
| 5/8" x 1" | 1 |
| 1" | 2.5 |
| 1-1/2" | 5 |
| 2" | 8 |
| 3" | 16 |
| 4" | 25 |
| 6" | 50 |
| 8" | 80 |

(3) Property owners connecting a sewer lateral or side sewer to a sewer main ~~and~~ located on the west and north sides of Highway 2 and Highway 97A and Highway 285 shall pay ~~the applicable local facilities charge, if any, together with~~ the Sunnyslope local facilities surcharge of \$~~3,925.443,810 per equivalent residential unit~~ to pay their equitable share of the cost of local sewer facilities as enumerated in RCW 35.92.025. ~~For the single family residential customer classification, each dwelling unit shall be one equivalent residential unit. For multifamily residential, domestic, medium, and high strength commercial and industrial customer classifications, the equivalent residential unit(s) used to calculate the local facilities charge shall be based on the water meter size as reflected on the table accompanying subsection (2) of this section. Each additional equivalent residential unit shall be at a rate of 75 percent of the first equivalent residential unit.~~ Customers connecting to the sewer system within two years of sewer becoming available will receive a discount on the Sunnyslope local facilities charge of 30 percent.

(4) On January 1st of each year, beginning on January 1, ~~2018~~2021, the local facilities charge and Sunnyslope local facilities surcharge shall be increased by one percent. (Ord. 2017-11 § 1; Ord. 2016-17 § 1; Ord. 2007-02 § 5; Ord. 2003-23 § 2)

SECTION V

Section 4.08.037(1) WCC shall be and hereby is amended to read as

follows:

(1) Each new connection to the city's sewer system shall pay to the city a "system investment fee," as provided for by RCW 35.92.025. The system investment fee will represent a recovery by the city of its net investment in the sewer utility to be used by the customer connecting to the sewer system. The system investment fee shall be a flat charge per dwelling unit for single-family residential. For multifamily, domestic, medium, and high-strength commercial and industrial customer classifications, the equivalent residential unit based on the water meter size serving these classifications shall be used to calculate the system investment fee as shown on the table ~~in this section~~in this section~~accompanying WCC 4.08.036(2)~~. Where a commercial or residential customer includes more than one activity, the system investment fee shall be based on that fee applicable to the activity with the highest wastewater strength classification. The system investment fee shall be payable when making application for connection to the city's sewer system for residential or commercial

establishment. The system investment fee for each customer classification is as follows:

| Customer Classification | Charge for First Dwelling Unit or Equivalent Residential Unit | Charge for Additional Equivalent Residential Unit |
|---|---|---|
| Single-family residential | \$3,710+500 | N/A |
| Multifamily residential | \$3,710+500 | \$1,125+2,782.50 |
| Commercial/industrial (domestic) | \$3,710+500 | \$1,125+2,782.50 |
| Commercial/industrial (medium) | \$4,452+870 | \$1,400+3,339 |
| Commercial/industrial (high) | \$5,342+720 | \$2,040+4,006.50 |
| The determination of equivalent residential units for commercial/industrial customers shall be in accordance with the table in WCC-4.08.036 below based on the water meter size serving the sewer customers. | | |

| <u>Water Meter Size</u> | <u>ERU</u> |
|-------------------------|------------|
| <u>5/8" x 1"</u> | <u>1</u> |
| <u>1"</u> | <u>2.5</u> |
| <u>1-1/2"</u> | <u>5</u> |
| <u>2"</u> | <u>8</u> |
| <u>3"</u> | <u>16</u> |
| <u>4"</u> | <u>25</u> |
| <u>6"</u> | <u>50</u> |
| <u>8"</u> | <u>80</u> |

SECTION VI

Section 4.08.060(4) WCC shall be and hereby is amended to read as

follows:

(4) Special Agreement. The city reserves the right to enter into special agreements or contracts with commercial/industrial customers or Chelan County for furnishing sanitary sewer disposal service on such terms as the city may determine to be equitable in each instance, with the terms of such special agreements to govern in the event of conflict with this chapter; provided, however, in no case will a special agreement waive compliance with a pretreatment

standard or requirement. Such agreements shall be approved by the city council.

SECTION VII
Severability

If any section, sentence, clause or phrase of this Ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall have no effect on any other section, sentence, clause or phrase of this Ordinance.

SECTION VIII
Effective Date

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

PASSED BY THE CITY COUNCIL OF THE CITY OF WENATCHEE at a regular meeting thereof, this _____ day of May, 2020.

CITY OF WENATCHEE, a municipal
Corporation

By: _____
FRANK KUNTZ, Mayor

ATTEST:

By: _____
TAMMY STANGER, City Clerk

APPROVED:

By: _____
STEVE D. SMITH, City Attorney

Sewer Connection Fee Examples - Proposed Ordinance 2020-13

| | Local Facilities Charge | | |
|--------------------|--------------------------------|-------------|-----------------|
| | Current | Proposed | Change |
| Single Family | \$ 6,326.04 | \$ 6,326.04 | \$ - |
| Commerical Retail | \$ 13,442.85 | \$ 6,326.04 | \$ (7,116.81) |
| Restaurant | \$ 39,537.82 | \$ 6,326.04 | \$ (33,211.78) |
| Large Multi-Family | \$ 120,195.00 | \$ 6,326.04 | \$ (113,868.96) |

| | Sunnyslope Local Facilities Charge | | |
|--------------------|---|-------------|----------------|
| | Current | Proposed | Change |
| Single Family | \$ 3,925.44 | \$ 3,925.44 | \$ - |
| Commerical Retail | \$ 8,796.09 | \$ 3,925.44 | \$ (4,870.65) |
| Restaurant | \$ 26,655.08 | \$ 3,925.44 | \$ (22,729.64) |
| Large Multi-Family | \$ 81,855.61 | \$ 3,925.44 | \$ (77,930.17) |

| | System Investment Fee | | |
|--------------------|------------------------------|--------------|--------------|
| | Current | Proposed | Change |
| Single Family | \$ 1,500.00 | \$ 3,710.00 | \$ 2,210.00 |
| Commerical Retail | \$ 3,187.50 | \$ 7,883.75 | \$ 4,696.25 |
| Restaurant | \$ 17,000.00 | \$ 33,387.50 | \$ 16,387.50 |
| Large Multi-Family | \$ 28,500.00 | \$ 70,490.00 | \$ 41,990.00 |

RESOLUTION NO. 2020-20

A RESOLUTION, appointing three (3) City Council members as voting representatives on behalf of the City of Wenatchee at the Association of Washington Cities annual conference business meeting.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Wenatchee makes the following appointments as voting representatives on behalf of the City of Wenatchee at the 2020 Association of Washington Cities annual conference business meeting:

PASSED BY THE CITY COUNCIL OF THE CITY OF WENATCHEE at a regular meeting thereof this ____ day of June, 2020.

CITY OF WENATCHEE, a Municipal Corporation

By _____
FRANK KUNTZ, Mayor

ATTEST:

By _____
TAMMY L. STANGER
City Clerk

APPROVED:

By _____
STEVE D. SMITH, City Attorney