



WENATCHEE CITY COUNCIL
Thursday, December 8, 2022
Wenatchee City Hall Council Chambers
301 Yakima Street
Wenatchee, WA 98801
AGENDA

*"To create community through responsive leadership and services for the citizens and visitors of the
Apple Capital of the World."*

5:15 p.m. Regular Meeting

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

2. Citizen Requests/Comments

The "Citizen Comments" period is to provide the opportunity for members of the public to address the Council on any matter, including items on the agenda. Comments on public hearing items will be taken during the public hearing. The Mayor will ask if there are any citizens wishing to address the Council. When recognized, please step up to the microphone, give your name and mailing address, and state the matter of your interest. Citizen comments will be limited to three minutes.

3. Consent Items

- *Motion to approve agenda, vouchers and minutes from previous meetings.*
Vouchers:
Benefits/deductions in the amount of \$1,007,433.21 for November 30, 2022
Payroll distribution in the amount of \$568,734.06 for December 5, 2022
LEOFF Medical Claims in the amount of \$22,648.27 for November 30, 2022
Claim checks #205638 through #205716 in the amount of \$2,496,199.61 for December 1, 2022
- *Motion to approve Resolution No. 2022-33, designating voting representatives on behalf of the City to various community boards, councils and organizations.*
- *Motion to approve Resolution No. 2022-34, appointing Jose Cuevas as Mayor Pro Tempore for 2023.*

4. Action Items

- A. 2023 Management/Administrative Group Classifications and Compensation
Presented by Director of Human Resources Kari Page
Action Requested: *Motion for City Council to approve Ordinance No. 2022-37, establishing positions for regular status employment within the City of Wenatchee Management/Administrative Group, fixing compensation to be paid for the calendar year 2023, and repealing Ordinance No. 2021-32.*

B. Temporary Employee Hiring, Positions and Wages

Presented by Director of Human Resources Kari Page

Action Requested: *Motion for City Council to approve Ordinance No. 2022-38, establishing pay ranges for temporary employees for the calendar year 2023, and repealing Ordinance No. 2021-33.*

C. Jacoby Annexation

Presented by Senior Planner Matt Parsons

Action Requested: *Motion for City Council to adopt Ordinance No. 2022-32, providing for the annexation of an unincorporated area containing one parcel located south of Maple Street between Pershing Street and Princeton Avenue also known as the Jacoby Annexation, subject to the provisions of Ordinance No. 2007-34, and all subsequent amendments thereto.*

D. Agreement with Pallet PBC

Presented by Community Development Director Glen DeVries

Action Requested: *Motion for City Council to enter into a contract with Pallet PBC for the purchase of 45 Pallet Shelters. The shelters would each be 64 square feet in area and include insulation, heating and cooling, and sleeping bunks at a total cost of \$643,460.46.*

E. Compost Procurement Requirements

Presented by City Attorney Steve Smith

Action Requested: *Motion for City Council to approve Ordinance No. 2022-36 adopting compost procurement requirements.*

F. Confluence Parkway, Project #2201 – Authorization to Negotiate and Execute Agreement
Presented by Senior Project Engineer Jake Lewing

Action Requested: *Motion for City Council to authorize the Mayor to negotiate with Jacobs for Owner Advisor Services for Confluence Parkway (Project No. 2201), and further authorize the Mayor to sign a contract on behalf of the City.*

G. Department of Enterprise Services Letter of Intent to Lease

Presented by Operations Manager Aaron Kelly

Action Requested: *Motion for City Council to approve the Letter of Intent from the Department of Enterprise Services to lease a portion of the third floor of City Hall and authorize the Mayor to sign and negotiate the agreement.*

5. Public Hearing Items

The Mayor will call the Public Hearing to order and state the ground rules, the purpose of the hearing, the action that the hearing body may take on the matter, will address the appearance of fairness doctrine, and will state the manner in which the hearing will proceed. Staff will first give a report, followed by testimony of experts and/or the applicant, followed then by public testimony. All speakers must speak into the microphone and clearly state their names and addresses. All comments should be addressed to the hearing body, should be relevant to the application, and should not be of a personal nature. 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.

H. Interim Zoning Ordinance

Presented by Planning Manager Stephen Neuenschwander

Action Requested: *Conduct a public hearing and take public testimony on the interim zoning ordinance adopted by Ordinance 2022-26.*

I. Proposed Amendments to Title 10 and Title 11 of the Wenatchee City Code, the City of Wenatchee Residential Design Guidelines, the City of Wenatchee Capital Facilities Plan, the Wenatchee Urban Area Comprehensive Plan, and the Official Zoning Map.

Presented by Senior Planner Matt Parsons

Action Requested: *Motion for City Council to Conduct a Public Hearing on all of the requested actions listed below:*

- *For the City Council to adopt Ordinance 2022-33, amending Wenatchee City Code Title 10 Zoning.*
- *For the City Council to adopt Ordinance 2022-34, amending Wenatchee City Code Chapter 11.20 Subdivision Design Standards.*
- *For the City Council to adopt Ordinance 2022-35, amending the official zoning map of the City of Wenatchee.*
- *For the City Council to pass Resolution 2022-30, amending and restating the City of Wenatchee Capital Facilities Plan.*
- *For the City Council to pass Resolution 2022-31, amending the Wenatchee Urban Area Comprehensive Plan.*
- *For the City Council to pass Resolution 2022-32, amending the City of Wenatchee Residential Design Guidelines.*

6. Reports

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

7. Announcements

8. Close of Meeting

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



WENATCHEE CITY COUNCIL SPECIAL MEETING

Thursday, December 1, 2022

Wenatchee City Hall Council Chambers
301 Yakima Street
Wenatchee, WA 98801

DRAFT

MINUTES

"To create community through responsive leadership and services for the citizens and visitors of the Apple Capital of the World."

Present: Mayor Frank Kuntz; Councilmember Position 1 Jose Cuevas; Councilmember Position 2 Mike Poirier; Councilmember Position 4 Travis Hornby; Councilmember Position 5 Mark Kulaas; Councilmember At-Large "A" Linda Herald; Councilmember At-Large "B" Keith Huffaker (via phone)

Staff Present: Executive Services Director Laura Gloria; City Attorney Steve Smith; Assistant City Attorney Danielle Marchant; City Clerk Tammy Stanger; IS Support Tim McCord; IS Support Zach Steele; Assistant Utility Manager Terry O'Keefe; Parks, Recreation & Cultural Services Director David Erickson; Finance Director Brad Posenjak; Public Works Director Rob Jammerman

5:15 p.m. Special Meeting

1. Call to Order, Pledge of Allegiance, and Roll Call. Mayor Frank J. Kuntz called the special meeting to order at 4:15 p.m. The Mayor led the Pledge of Allegiance. The absence of Councilmember Top Rojanasthien and Councilmember Travis Hornby was noted for the record.

2. Citizen Requests/Comments. None.

3. Consent Items

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

Vouchers:

Claim checks #205458 through #205528 in the amount of \$2,424,460.70 for November 10, 2022

Payroll distribution in the amount of \$435,310.00 for November 18, 2022

Payroll distribution (retirees) in the amount of \$11,492.46 for November 30, 2022

Claim checks #205529 through #205609 in the amount of \$651,747.52 for November 23, 2022

Wires #1573 and #1574 in the amount of \$68,587.70 for November 28, 2022

- Motion for City Council to accept the work performed by the contractor, Seland Construction, on the Tacoma Street Improvements Project, City Project No. 1907, and further authorize the Mayor to sign the Final Contract Voucher.

Motion by Councilmember Keith Huffaker to approve the agenda, vouchers, and minutes from previous meetings, and for City Council to accept the work performed by the contractor, Seland Construction, on the Tacoma Street Improvements Project, City Project

No. 1907, and further authorize the Mayor to sign the Final Contract Voucher. Councilmember Mark Kulaas seconded the motion. Motion carried (5-0).

4. Action Items

A. Third Addendum to Temporary Water Right Mitigation Agreement

Assistant Utility Manager Terry O'Keefe presented the staff report. Council asked questions.

Motion by Councilmember Linda Herald for City Council to approve the Third Addendum to Temporary Water Right Mitigation Agreement with Crown Columbia Water Resources, LLC and authorize the Mayor's signature on the agreement and the 2023 Seasonal Change Application. Councilmember Mike Poirier seconded the motion. Motion carried (5-0).

[Councilmember Travis Hornby arrived to the meeting.]

B. Exclusive Listing Agreement Re North Wenatchee Redevelopment Project

Executive Services Director Laura Gloria presented the staff report. Council asked questions.

Motion by Councilmember Mike Poirier for City Council to approve the Listing Agreement between the City of Wenatchee and Retail Specialists, LLC, an Alabama limited liability company, and Daines Capital, regarding the North Wenatchee Redevelopment Project and authorize the Mayor's signature. Councilmember Keith Huffaker seconded the motion. Motion carried (6-0).

C. Arts, Recreation and Parks Commission Code Amendment

Parks, Recreation & Cultural Services Director David Erickson presented the staff report.

Motion by Councilmember Keith Huffaker for City Council to approve Ordinance No. 2022-31, amending Wenatchee Municipal Code Chapter 1.48.030 relating to the Arts, Recreation & Parks Commission. Councilmember Jose Cuevas seconded the motion. Motion carried (6-0).

D. Amendment to WCC 6B.08.010

Assistant City Attorney Danielle Marchant presented the staff report. Council asked questions.

Motion by Councilmember Mark Kulaas for City Council to adopt Ordinance No. 2022-30, amending Wenatchee City Code Section 6B.08.010 relating to parking violations and fines. Councilmember Linda Herald seconded the motion. Motion carried (6-0).

5. Discussion Item

- 2023 Council Committee Assignments. The Mayor and Council went over the Council committee assignments for 2023. The resolution for the assignments will be on the next meeting agenda.

6. Reports

- a. Mayor's Report. The Mayor reported on the following:
 1. The Mayor toured the new Microsoft facility on Tuesday.

Executive Services Director Laura Gloria added:

1. She met with the Museum and the NCW Equity Alliance about the Social Justice Awards and they are hoping to bring the program back for 2023 and will also be adding a Diversity, Equity and Inclusion award.
2. Confluence Parkway is moving forward and hope to release the environmental assessment next week. There is an open house on December 13 and thereafter a 45-day comment period and then they will present to Federal Highways.
3. First Friday is tomorrow with a lot of great events downtown. The Christmas Tree lighting is at 4:00 p.m. in front of the Performing Arts Center.

- b. Reports/New Business of Council Committees. None.

7. Announcements. None.

8. Close of Meeting. With no further business, the meeting ended at 5:53 p.m.

Frank J. Kuntz, Mayor

Attest:

Tammy L. Stanger, City Clerk

RESOLUTION NO. 2022-33

A RESOLUTION, designating voting representatives on behalf of the City to various community boards, councils and organizations.

WHEREAS, elected officials and staff of the City of Wenatchee serve as voting members of various community boards, councils and organizations; and

WHEREAS, the City Council of the City of Wenatchee desires to formalize the appointments to the various community boards, councils and organizations on which they serve.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WENATCHEE, that the mayor, council members and staff shall serve as the City's voting representative to the community boards, councils and organizations as set forth on Attachment "A" for the calendar year 2023.

PASSED BY THE CITY COUNCIL OF THE CITY OF WENATCHEE at a regular meeting thereof this 8th day of December, 2022.

CITY OF WENATCHEE, a Municipal
corporation

By: _____
FRANK J. KUNTZ, Mayor

ATTEST:

By: _____
TAMMY L. STANGER, City Clerk

APPROVED:

By: _____
STEVE D. SMITH, City Attorney

COUNCIL COMMITTEE ASSIGNMENTS (2023)

Boards, Councils & Organizations	Meeting Date/Time	Mayor Kuntz	Exec. Svcs. Director	Pos. 1 Jose Cuevas	Pos. 2 Mike Poirier	Pos. 3 Top Rojanasthien	Pos. 4 Travis Hornby	Pos. 5 Mark Kulaas	At Lg A Linda Herald	At Lg B Keith Huffaker
Council Meetings	2 nd & 4 th Thursday 5:15 p.m.	X	X	X	X	X	X	X	X	X
Council Workshops	3 rd Thursday Every other month Beginning February 5:15 p.m.	X	X	X	X	X	X	X	X	X
Council Finance Committee	2 nd and 4 th Thursday 3:00 p.m.	X	X	X	X				X	
Council Public Safety Committee	3 rd Thursday 3:30 p.m. / every other month	X	X	X			(alt)		X	X
Council Public Services Committee	1 st and 3 rd Tuesday 8:15 a.m.	X	X			X	X	(alt)		X
City Director/Dept. Head Meeting	2nd Thursday 1:30 p.m.	X	X	Always Invited						
Mayor Pro-Tem	<i>On call</i>			X						
Arts, Recreation & Parks Commission	3 rd Tuesday 4:00 p.m.	None Required								
Chelan County Solid Waste Council	Feb. 7, May 2, Aug. 1, Nov. 7 @ 4pm Chelan Co. PW Conf. Room									X
Chelan Douglas Health District Board	No representative for 2023									
Chelan Douglas Homeless Advisory Committee	Varies			X						
Chelan Douglas Transportation Council	2 nd Thursday 9:00 a.m.			(alt)	X					
Code Enforcement Board	4 th Wednesday 5:30 p.m.	None Required								
Columbia River Homeless Housing Task Force	Meeting times vary			(alt)					X	
Community Action Council	2 nd Wednesday 12:00 p.m.					X				(alt)
Disability Board (LEOFF)	Varies/as needed			X				X		
Firemen's Pension	As needed				X					

COUNCIL COMMITTEE ASSIGNMENTS (2023)

Boards, Councils & Organizations	Meeting Date/Time	Mayor Kuntz	Exec. Svcs. Director	Pos. 1 Jose Cuevas	Pos. 2 Mike Poirier	Pos. 3 Top Rojanasthien	Pos. 4 Travis Hornby	Pos. 5 Mark Kulaas	At Lg A Linda Herald	At Lg B Keith Huffaker
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Grievance Committee	On call	X								
Link Board	3 rd Tuesday 3:00 p.m.							X		
Lodging Tax Advisory Committee (Joint meeting w/Tourism Promotion Area Board)	3 rd or 4 th Wednesday, every month (varies) 12:00 p.m.	(alt)						X		
Misawa Sister City	1 st and 3 rd Thursday 5:30 p.m. E. Wen City Hall								X	
Museum Board	3 rd Tuesday 11:30 a.m.							X		
Planning Commission	3 rd Wednesday 5:30 p.m.	None Required								
Police Disability Advisory Bd.	As needed	X								
Public Facilities District	1 st and 3 rd Mondays 4:00 p.m.	X								
Regional Water	Varies	X								
RiverCom (Chief Crown also attends)	3 rd Wednesday 9:00 a.m.				(alt)		X			
Tourism Promotion Area Board (Joint meeting w/Lodging Tax Advisory Committee)	3 rd or 4 th Wednesday every month (varies) 12:00 p.m.					X		X		
Wenatchee Valley Stormwater Advisory Committee	Varies				(alt)					X
Wenatchee Downtown Assoc.	2 nd Wednesday 7:45 a.m.					(alt)	X			
Wenatchee Valley Chamber of Commerce	3 rd Tuesday 6:30 a.m.						(alt)			X

RESOLUTION NO. 2022-34

A RESOLUTION, appointing Jose Cuevas as Mayor Pro Tempore for 2023.

WHEREAS, WCC 1.06.020 requires the City Council to select among their members a councilmember to act as Mayor Pro Tempore for the ensuing year; and

WHEREAS, the Council has selected Councilmember Jose Cuevas.

NOW, THEREFORE, the City Council of the City of Wenatchee do hereby resolve as follows:

SECTION I

That Councilmember Jose Cuevas shall be and hereby is designated as Mayor Pro Tempore for 2023 to serve in the absence or temporary disability of the Mayor.

SECTION II

The appointment of Councilmember Jose Cuevas shall not in any way abridge his/her right to vote upon all questions coming before the Council. Councilmember Jose Cuevas while acting as Mayor Pro Tempore will not have the power to appoint or remove any officer or to veto any ordinance.

SECTION III

This Resolution shall take effect January 1, 2023.

**PASSED BY THE CITY COUNCIL OF THE CITY OF
WENATCHEE** at a regular meeting thereof this 8th day of December, 2022.

CITY OF WENATCHEE, a Municipal
Corporation

By: _____
FRANK J. KUNTZ, Mayor

ATTEST:

By: _____
TAMMY STANGER, City Clerk

APPROVED:

By: _____
STEVE D. SMITH, City Attorney



CITY COUNCIL AGENDA REPORT

TO: Frank Kuntz, Mayor
City Council

FROM: Kari Page, Director of Human Resources

MEETING DATE: December 8, 2022

- I. **SUBJECT**
2023 Management/Administrative Group Classifications and Compensation.
- II. **ACTION REQUESTED**
Approve Ordinance No. 2022-37, repealing Ordinance No. 2021-32.
- III. **OVERVIEW**
Ordinance No. 2022-37 establishes positions for regular status employment within the City of Wenatchee Management/Administrative Group, fixing the compensation to be paid for the calendar year 2023.
- IV. **FISCAL IMPACT**
Compensation is incorporated into the approved 2023 budget.
- VII. **ADMINISTRATIVE ROUTING**
Tammy Stanger, City Clerk
Laura Merrill, Executive Services Director
Brad Posenjak, Finance Director

ORDINANCE NO. 2022-37

AN ORDINANCE, establishing positions for regular status employment within the City of Wenatchee Management/Administrative Group, fixing the compensation to be paid for the calendar year 2023, and repealing Ordinance No. 2021-32.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WENATCHEE DO ORDAIN AS FOLLOWS:

SECTION I

The City of Wenatchee does hereby create and establish those regular full-time and part-time employment positions as set forth on Exhibit “A” attached hereto and by this reference incorporated herein as though fully set forth. The wage range for these positions shall be as set forth on Exhibit “A.”

SECTION II

That this Ordinance shall take effect thirty days from and after publication as provided by law, and be applied retroactively to January 1, 2023.

SECTION III

That prior Ordinance No. 2021-32 shall be and hereby is repealed to the extent it is in conflict herewith.

**PASSED BY THE CITY COUNCIL OF THE CITY OF
WENATCHEE** this 8th day of December, 2022.

CITY OF WENATCHEE, a municipal corporation

By _____
FRANK KUNTZ, Mayor

ATTEST:

By: _____
Tammy Stanger, City Clerk

APPROVED:

By: _____
STEVE D. SMITH, City Attorney



Management/Administrative Group Monthly Wage Schedule

January 1 - December 31, 2023

Grade	Job Classification	Step 1	Step 2	Step 3	Step 4	Step 5
MA1	Police Chief	11,734.69	12,321.43	12,937.50	13,584.38	14,399.44
MA2	Director of Public Works	11,291.88	11,856.47	12,449.29	13,071.76	13,856.06
MA3	Director of Executive Services Director of Finance	11,070.47	11,623.99	12,205.19	12,815.45	13,584.38
MA4	Director of Community Development	10,627.65	11,159.03	11,716.98	12,302.83	13,041.00
MA5	Police Captain	10,406.24	10,926.55	11,472.88	12,046.52	12,769.31
MA6	Director of Human Resources Director of Information Services Director of Parks, Recreation & Cultural Services	10,184.83	10,694.07	11,228.77	11,790.21	12,497.63
MA7	City Engineer	9,555.37	10,033.13	10,534.79	11,061.53	11,725.22
MA8	Deputy Public Works Director - Utilities Public Works Operations Manager	9,107.29	9,562.66	10,040.78	10,542.83	11,175.39
MA9	Engineering Services Manager	8,602.77	9,032.91	9,484.55	9,958.78	10,556.31
MA10	Assistant Director of Finance Transportation Planning & Development Engineering Manager	8,395.21	8,814.97	9,255.71	9,718.50	10,301.61
MA11	Building/Fire Official Planning Manager	8,192.63	8,602.26	9,032.37	9,483.99	10,053.03
MA12	Senior Development Review Engineer Senior Project Engineer Senior Utilities Engineer	7,992.81	8,392.45	8,812.07	9,252.67	9,807.83
MA13	Development Review Engineer Facilities Manager GIS Manager Network Administrator Project Engineer Utilities Assistant Manager WWTP Supervisor	7,548.98	7,926.43	8,322.75	8,738.88	9,263.22
MA14	Senior Planner	7,355.47	7,723.24	8,109.40	8,514.87	9,025.76
MA15	Storm/Sewer Collections Supervisor Street Maintenance Supervisor Water Distribution Supervisor	7,136.18	7,492.99	7,867.64	8,261.02	8,756.68
MA16	Accounting Supervisor Fleet Supervisor Utility Planner	6,987.78	7,337.16	7,704.02	8,089.22	8,574.58
MA17	City Clerk	6,844.90	7,187.15	7,546.51	7,923.83	8,399.26
MA18	Accountant Parks Maintenance Supervisor Recreation Supervisor	6,696.80	7,031.64	7,383.22	7,752.38	8,217.53
MA19	Building/Fire Inspector Financial Analyst - Public Works Senior Technology Specialist Plans Examiner Public Services Supervisor Technical Services Specialist (Police)	6,365.82	6,684.11	7,018.32	7,369.23	7,811.39
MA20	Associate Planner Housing Program Coordinator Human Resources Generalist Staff Engineer	6,003.19	6,303.35	6,618.51	6,949.44	7,366.40
MA21	Accreditation & Administration Coordinator Asset Management Coordinator Building Inspector Code Compliance Officer Code Compliance Officer/Building Inspector Police Records Supervisor	5,735.36	6,022.12	6,323.22	6,639.38	7,037.75
MA22	Technology Specialist	5,567.27	5,845.63	6,137.91	6,444.81	6,831.50
MA23	Administrative Assistant	5,181.16	5,440.22	5,712.23	5,997.84	6,357.71
	Mayor					10,005.24



CITY COUNCIL AGENDA REPORT

TO: Frank Kuntz, Mayor
City Council

FROM: Kari Page, Director of Human Resources

MEETING DATE: **December 8, 2022**

I. SUBJECT

Temporary employee hiring, positions and wages.

II. ACTION REQUESTED

Approve Ordinance 2022-38 and repeal Ordinance 2021-33.

III. OVERVIEW

Ordinance 2022-38 maintains general guidelines for hiring temporary employees as well as temporary positions and pay ranges for calendar year 2023.

Effective January 1, 2023, the Washington State minimum wage will be \$15.74 per hour (\$1.25 per hour increase).

IV. FISCAL IMPACT

Compensation is incorporated into the 2023 budget.

VII. ADMINISTRATIVE ROUTING

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

ORDINANCE NO. 2022-38

AN ORDINANCE, establishing pay ranges for temporary employees for the calendar year 2023, and repealing Ordinance No. 2021-33.

WHEREAS, Ordinance No. 2021-33 directed the Director of Human Resources to establish hiring procedures for temporary employees, and

WHEREAS, Ordinance No. 2021-33 directed the Director of Human Resources, together with the Mayor, to establish wage ranges for temporary employees.

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

SECTION I

Attached hereto as Exhibit “A” are general guidelines for hiring, maintaining and promoting temporary employees of the City of Wenatchee.

SECTION II

Attached hereto as Exhibit “B” are the temporary positions and pay ranges for the calendar year 2023.

SECTION III

That this Ordinance shall take effect thirty days from and after publication as provided by law, and be applied retroactively to January 1, 2023.

SECTION III

That prior Ordinance No. 2021-33 shall be and hereby is repealed to the extent it is in conflict herewith.

**PASSED BY THE CITY COUNCIL OF THE CITY OF
WENATCHEE** at a regular meeting thereof this 8th day of December, 2022.

CITY OF WENATCHEE, a Municipal corporation

By: _____
FRANK KUNTZ, Mayor

ATTEST:

By: _____
Tammy Stanger, City Clerk

APPROVED:

By: _____
STEVE SMITH, City Attorney

EXHIBIT "A"

GENERAL GUIDELINES FOR HIRING TEMPORARY EMPLOYEES

The Mayor, together with the Director of Human Resources, shall establish and maintain general guidelines for the hiring of temporary employees. The guidelines shall include appropriate wage ranges for temporary employees.

Guidelines

Prior to an offer of employment, the rate of pay for each temporary employee hired will be established by the Human Resources Director depending on the temporary position and qualifications of the applicant.

Hiring of temporary employees shall provide for an objective means of selecting persons for such employment. There shall be an equal opportunity for all persons interested in employment with the City of Wenatchee to seek and obtain such employment. To promote such a practice, Department Directors shall work with Human Resources to determine how to announce or otherwise make available temporary work opportunities with the City of Wenatchee.

A Department Director may hire temporary employees who have worked previously for the City of Wenatchee after approval from the Director of Human Resources. A returning temporary employee shall mean a person previously employed by the City within the past 18 months.

No person shall be employed by the City of Wenatchee until an application and all other required documentation has been received and approved by Human Resources.

No offer of employment may be made outside of these guidelines or existing Ordinances unless authorized, in writing, by the Mayor.

Within the first three (3) days of employment, an orientation for the new temporary employee will be held. During the orientation, all employment forms shall be reviewed and completed.

EXHIBIT “B”

2023 TEMPORARY POSITIONS AND WAGE RANGES

The following table sets forth the most commonly utilized temporary positions and the wage range for each. The Human Resources Director authorizes any employment for the following positions and determines the appropriate rate of pay within the wage range set forth depending upon qualifications (DOQ). Any employment for a position not set forth in the following table or for a position other than within the following pay range shall require City Council approval.

Position	Wage Range	
	Minimum	Maximum (DOQ)
Intern	\$15.74	\$18.00
General Office Maintenance Worker - Parks Aquatics Staff Recreation Staff	\$15.74	\$20.00
Maintenance Worker - Streets Utility Worker	\$15.74	\$26.00



CITY COUNCIL AGENDA REPORT

TO: Frank Kuntz, Mayor
City Council

FROM: Matt Parsons, Senior Planner
Community Development Department

MEETING DATE: December 8, 2022

I. SUBJECT

Jacoby Annexation – Ordinance 2022-32

II. ACTION REQUESTED

Motion requested for the City Council to adopt Ordinance No 2022-32.

III. OVERVIEW

On May 12, 2022 a ten percent (10%) annexation petition was brought before the Wenatchee City Council for the property located south of Maple St. The approving motion set the annexation boundary, adopted the existing land use designation and required the annexation area to assume existing city indebtedness. The boundary includes 2.48 acres of land made up of 1 tax parcel and no public right-of-way.

A sixty percent (60%) annexation petition was established and circulated following approval of the ten percent (10%) petition. The petition has been signed by the property owners representing an annexation area value of at least sixty percent (60%).

On August 25, 2022, the city council passed Resolution 2022-22 setting the date of the public hearing for September 8, 2022 at 5:15PM and directing staff to provide notice of the public hearing in the newspaper and to post a notice in three public places in the proposed annexation area. The notices were provided by staff as directed in the Resolution.

On September 8, 2022, the city council held a public hearing on the proposed annexation. Following the close of the public hearing, Resolution 2022-23 was passed by the council providing for a Notice of Intent to be sent to the Chelan County Boundary Review Board (BRB).

The Notice of Intent (NoI) was submitted to the BRB on November 2, 2022 and the clerk of the BRB assigned it file number NoI 2022.004.

The Chair of the BRB issued a declaration waiving the review of NoI 2022.004 on a document dated November 14, 2022. The provisions authorizing such a declaration can be found in RCW36.93.110 and subsection III.D.1 of the BRB's Rules of Practice and Procedure.

IV. FISCAL IMPACT

Annexation would result in additional annual property revenues to the City and one-time revenues from future building permits. All adjacent right-of-way is already within city limits so no additional maintenance obligations are expected.

V. PROPOSED PROJECT SCHEDULE

Approximate timeline for next steps:

- Mid-December 2022 – Ordinance published in paper and staff notifies agencies and utility providers of adopted Ordinance.
- Mid-February 2023 – Ordinance effective date (60 days after publication and notification)
- Late February to early March 2023 (30 days following effective date) – Conduct census of the annexation area and submit census data and other required materials to the Washington State Office of Financial Management.

VI. REFERENCE(S)

1. Declaration signed by the Chair of the Chelan County Boundary Review Board
2. Ordinance 2022-32

VII. ADMINISTRATIVE ROUTING

Tammy Stanger, City Clerk
Laura Gloria, Executive Services Director
Brad Posenjak, Finance Director
Glen DeVries, Community Development Director
Rob Jammerman, Public Works Director



WASHINGTON STATE BOUNDARY REVIEW BOARD IN AND FOR THE COUNTY OF CHELAN

Dennis Johnson, Chair
Aaron Young, Vice Chair
Duane Goehner, Member
Larry Cordes, Member
Carl T. Blum, Member

Lisa de Vera, Clerk of the Board
Care of: Chelan County Auditor, Elections Division
350 Orondo Avenue, Level 3, Suite 306
Wenatchee, WA 98801

November 14, 2022

RE: Declaration pursuant to RCW 36.93.110 regarding Notice of Intention No. 2022-004 filed on November 2, 2022; concerning Jacoby Annexation; parcel no. 23-20-33-310-900.

To whom it may concern:

On November 2, 2022, a Notice of Intention was filed with the Chelan County Boundary Review Board by the City of Wenatchee and assigned BRB case no. 2022-004. The notice concerned annexation of parcel no. 23-20-33-310-900.

Notice of Intention No. 2022-004 can be found at the web page for the boundary review board on the Chelan County website at: <https://www.co.chelan.wa.us/boundary-review-board>.

Pursuant to RCW 36.93.110, when the area proposed for annexation is less than ten acres and less than two million dollars in assessed valuation, the Chair may exercise his discretion and expressly declare that review by the boundary review board is not necessary for the protection of the interest of the various parties.

Now, therefore, the Chair finds and concludes as follows:

- 1.) Notice of Intention No. 2022-004 concerns annexation by the City of Wenatchee of parcel no. 23-20-33-310-900; street address 1425 Maple Street, Wenatchee, WA 98801.
- 2.) Per AFN 2343083, the abbreviated legal description is: W $\frac{1}{2}$ of W $\frac{1}{2}$ of SE $\frac{1}{4}$ of NE $\frac{1}{4}$ of the SW $\frac{1}{4}$, Section 33, T 23N, R 20, E.W.M.
- 3.) The current size of the parcel is less than ten acres.
- 4.) The current total assessed value of the land and improvements is less than two million dollars.
- 5.) Pursuant to RCW 36.93.110, review by the board is not necessary for the protection of the interest of the various parties.

Chair Johnson RCW 36.93.110 Declaration
NoI No. 2022-004, Jacoby Annexation by City of Wenatchee
November 14, 2022
Page 2 of 2

I declare under penalty of perjury under the laws of the state of Washington that the foregoing is true and correct to the best of my knowledge.

Signed at Wenatchee, Washington on the ___ day of November, 2022:



Dennis Johnson, Chair
Chelan County Boundary Review Board

c:
Matt Parsons, Senior Planner
City of Wenatchee
Community Development Department
P.O. Box 519
Wenatchee, WA 98807

Edward F. and Julie C. Jacoby
1425 Maple Street
Wenatchee, WA 98801

ORDINANCE NO. 2022-32

AN ORDINANCE, providing for the annexation of an unincorporated area containing one parcel located south of Maple St between Pershing St and Princeton Ave also known as the Jacoby Annexation, subject to the provisions of Ordinance No. 2007-34 and all subsequent amendments thereto.

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

WHEREAS, the applicable zoning for the annexed property will be Residential High (RH) for the whole area and the overlay known as Mixed Residential Corridor (MRC) for the portion of the area extending 200 feet south of the right-of-way of Maple Street, as designated on the pre-annexation zoning map, and

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

WHEREAS, the City Council of the City of Wenatchee held a public hearing on September 8, 2022, and

WHEREAS, the City Council of the City of Wenatchee approved Resolution 2022-23 providing for the Notice of Intention, and

WHEREAS, a Notice of Intention was submitted to the Washington State Boundary Review Board in and for the County of Chelan with the required fee on November 2, 2022, and

WHEREAS, the Chair of the Washington State Boundary Review Board in and for the County of Chelan (BRB) signed a declaration dated November 14, 2022 waiving review of Notice of Intention (NoI) 2022-004 pursuant to RCW 36.93.110.

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

SECTION I

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

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

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

SECTION II

That the property described in Section I hereof be and the same is hereby classified and zoned as Residential High (RH) for the whole area and the overlay known as Mixed Residential Corridor (MRC) for the portion of the area extending 200 feet south of the right-of-way of Maple St. All such zoning and classification being subject to the provisions of Ordinance No. 2007-34, and all subsequent amendments thereto.

SECTION III

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

PASSED BY THE CITY COUNCIL OF THE CITY OF WENATCHEE, at a regular meeting thereof, this _____ day of December, 2022.

CITY OF WENATCHEE, a Municipal
Corporation

By: _____
FRANK J. KUNTZ, Mayor

ATTEST:

By: _____
TAMMY STANGER, City Clerk

APPROVED:

By: _____
STEVE D. SMITH, City Attorney

EXHIBIT A

Boundary Description of Real Property to be Annexed into the City of Wenatchee, WA

July 22, 2022

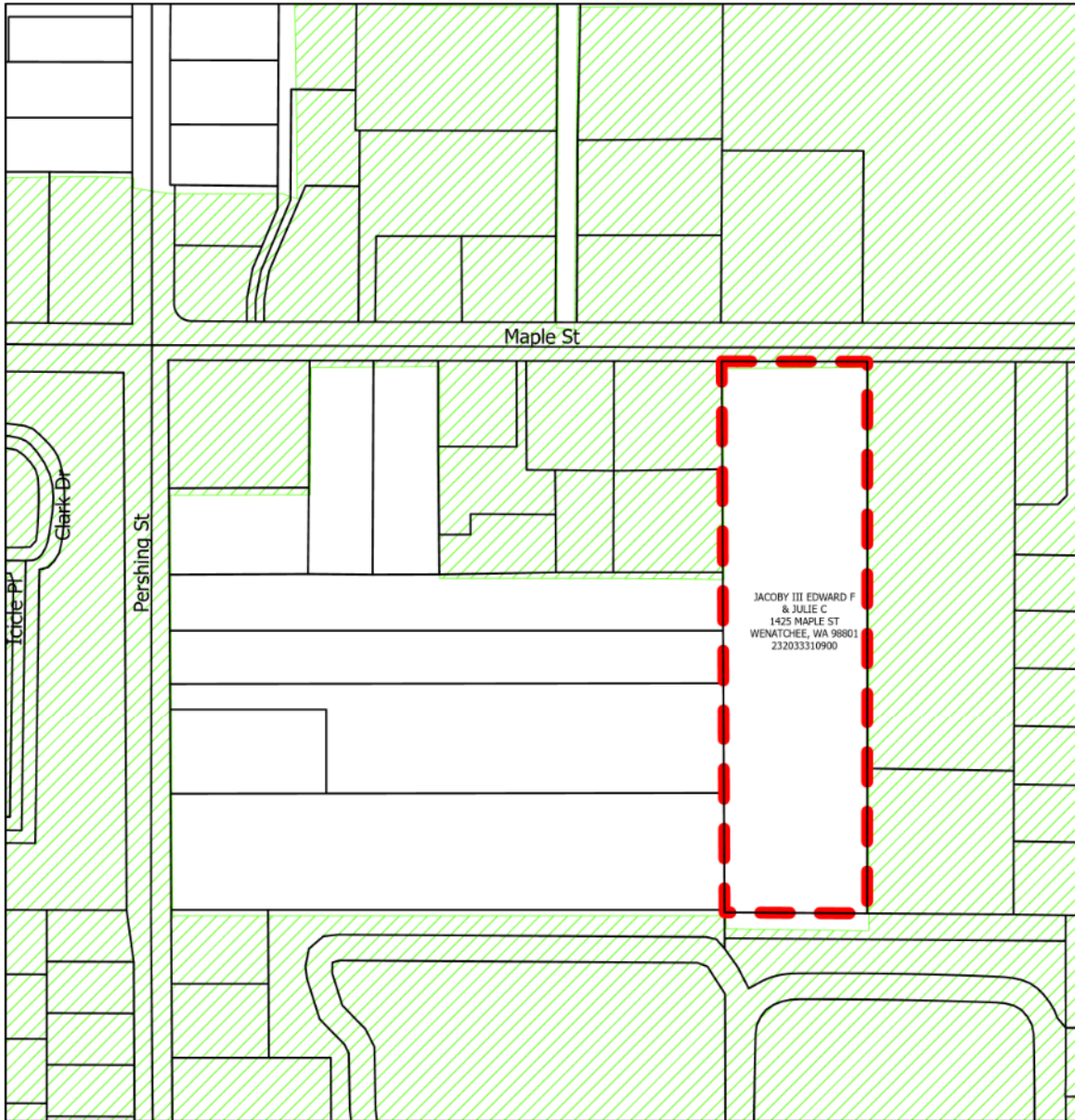
Jacoby Annexation

In Chelan County, State of Washington

The West half of the West half of the Southeast quarter of the Northeast quarter of the Southwest quarter, Section 33, Township 23 North, Range 20 East of the Willamette Meridian, Chelan County, Washington, EXCEPT right of way for Maple Street on the northerly line thereof.

Exhibit B

Jacoby Annexation Proposed Boundary



JACOBY III EDWARD F
& JULIE C
1425 MAPLE ST
WENATCHEE, WA 98801
232033310900

0 50 100 200 Feet



Legend

-  Proposed Boundary
-  Parcels
-  City limits

-  Urban Growth Area
-  Streets





CITY COUNCIL AGENDA REPORT

TO: Frank Kuntz, City of Wenatchee Mayor
Wenatchee City Council

FROM: Glen DeVries, City of Wenatchee Community Development Director

MEETING DATES: December 8, 2022

I. **SUBJECT**

On November 17, 2022 the Wenatchee City Council authorized the Mayor to enter into a contract with the Wenatchee Rescue Mission for the purposes of homeless outreach services, operation of two Safe Park low barrier facilities, and operation of 45 temporary emergency low barrier shelter units. The temporary emergency low barrier shelter units would function as a structured encampment operated on property owned by the Wenatchee Rescue Mission to serve the unsheltered homeless population for the cities of East Wenatchee and Wenatchee. These facilities would provide wrap around services and are managed under low barrier shelter practices. A pre-order purchase of the 45 shelter units at this time will save 10-15% over next year's costs. The units would be delivered in April 2023 and installed at such time as the site preparation work has been completed at the Wenatchee Rescue Mission.

II. **ACTION REQUESTED**

Staff recommends that the Wenatchee City Council authorize the Mayor to enter into a contract with Pallet PBC for the purchase of 45 Pallet Shelters. The shelters would each be 64 square feet in area and include insulation, heating and cooling, and sleeping bunks at a total cost of \$643,460.46.

III. **OVERVIEW**

Pallet Shelters are manufactured in Everett Washington. They are a proven shelter approach that is easy to maintain and can be moved if site locations ever shift, and the ownership of the units would reside with the cities' homeless program, through the Columbia River Homeless Task Force.

The nature of construction provides significant benefits over standard stick-built units. The units are constructed of fiberglass reinforced plastic with a one-and-a-half-inch thick insulation core and aluminum framing. Two folding bunks and storage come with each unit, as well as heating and cooling units for the incimate weather. Units will include a fire extinguisher, smoke detector, carbon monoxide detector, emergency rear egress and slip resistant floors. The units include a 5-year limited warranty, are resistant to mold, mildew, rot and pests, have a 110-mph wind rating, and 25lb. snow load. The City of Wenatchee Fire and Building Code Official has determined that these units are suitable for their proposed use.

The units can be assembled or disassembled within an hour and can then be moved by a forklift. At this time throughout the nation 63 entities have established low barrier shelter facilities with the Pallet PBC shelters. Staff and the Mayors of Wenatchee and East Wenatchee, and Council Member Linda Herald have had the opportunity to visit two shelter facilities with the City of Everett and the City of Burlington. Both jurisdictions were very pleased with the durability and ease of maintenance of the units.





Site planning at the Wenatchee Rescue Mission with engineering consultants has verified that the site is suitable for the placement of the Pallet Shelter Units, including the shallow extension of electrical infrastructure to each unit. Detailed site development and utility plans will next be developed by the engineering project team with a future request for bids on site development itself. The opening of the units will be phased by the Rescue Mission. An open house will be held prior to the opening of the units in late Spring or early Summer.

Thirty-two hours of training is included by the Pallet Shelter Company to understand the process of assembly and disassembly of the units. Staff proposes through outreach to the public and agencies to seek community assistance in placing the units. Should this assistance not be available or timely, a small contract could be entered into by request to install the units with a local contractor.

The enclosed contract has been reviewed by City of Wenatchee legal counsel and is agreeable to city staff. The terms of the contract include Pallet Village Dignity Standards. These standards are not difficult for the City to meet, in that the City requires low barrier shelter requirements and Washington State Department of Commerce Guidelines in the administration of it's grants, including the grants with the Wenatchee Rescue Mission.

IV. FISCAL IMPACT

The City of Wenatchee has a grant through the Washington State Department of Commerce in the amount of \$536,690. These funds will cover the costs for the majority of the units. The remaining amount of \$106,770.46 will be paid under the local homeless sales tax collected by East Wenatchee and Wenatchee, along with any costs for

installation, should volunteer labor not be available. These capital costs are anticipated in the City of Wenatchee Budget and Capital Facility Plan for the City of Wenatchee.

VII. ADMINISTRATIVE ROUTING

Tammy Stanger, Wenatchee City Clerk

**MASTER PRODUCT AND SERVICES AGREEMENT
STATEMENT OF WORK A-1**

PROJECT	1450 S Wenatchee Avenue, Wenatchee WA ("PROJECT SITE")	EFFECTIVE DATE: Date Both Parties Have Signed		
	CUSTOMER: City of Wenatchee, a WA State City	PALLET PBC ("PALLET")		
Contact Name	Glen DeVries			
Mailing Address	301 Yakima Street, Wenatchee, WA 98801	1930 Merrill Creek Pkwy, Suite A Everett, WA 98203.		
Email Address	GDeVries@WenatcheeWA.Gov			
Telephone	509-888-3252	425-595-4544		
UBI/Business License No.		603 622 031		
Federal Tax I.D.		8 2 - 1 5 1 6 7 2 2		
Product Purchase and Sale:				
Quantity and Type of Products Purchased:	Shelter 64 SQF 1.5" Insulated	\$9,995.00	45.00	\$449,775.00
	120v Electrical Kit w/ 1500w Heater	\$1,299.00	45.00	\$58,455.00
	Air Conditioner and Install Kit - Shelter 64	\$399.00	45.00	\$17,955.00
	Folding Bunk Bed	\$299.00	90.00	\$26,910.00
	Custom Fit Mattress Pad	\$249.00	90.00	\$22,410.00
Purchase Price for Products:	Total Purchase Price: \$575,505			
Customer Designated Shipping Date:	04/1/23			
Description of Services:	<p>Pallet shall perform the following Services for the Project:</p> <p>Shipping of Shelters and accessories in Customer's Project Site. Pallet Services excludes all other services not expressly set forth herein, including, without limitation, site grading, leveling of shelters, electrical or plumbing connections, and staking of units to ground. 32 hours of initial training related to on-site assembly of Shelters and accessories, at a cost of \$6,000.00.</p> <p>Customer shall provide 5,000 lbs. forklift with minimum 8 foot forks for delivery, assembly and installation.</p>			
Price for Services	Shipping: \$11,000			
Tax:	\$50,995			
Total Cost:	\$643,460.46			
Payment Terms:	50% upon signing, remaining 50% upon shipment. Customer shall pay the Purchase Price via wire transfer in accordance with the instructions contained in Pallet's invoice.			

Terms and Conditions:	This Statement of Work is subject to the Terms and Conditions attached to Statement of Work A-1 executed by the parties, which are incorporated herein by reference. Any and all documents, notes, memoranda or attachments made pursuant hereto are incorporated herein and made a part of this Statement of Work.
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<p><u>PALLET</u></p> <p>PALLET PBC a Delaware Public Benefit Corporation</p> <p>By: _____ Amy King, President</p> <p>Date: _____</p>	<p><u>CUSTOMER</u></p> <p>City of Wenatchee, WA A WA State City</p> <p>By: _____ Frank Kuntz, Mayor</p> <p>Date: _____</p>
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**MASTER PRODUCT AND SERVICES AGREEMENT
TERMS AND CONDITIONS**

1. Terms and Conditions; Change Order.

(a) Terms and Conditions. As of the Effective Date set forth in an applicable Statement of Work (the “**SOW**”), of which these Terms and Conditions are attached and incorporated into by reference (these “**Terms**”), Pallet hereby agrees to: (i) manufacture and sell to Customer temporary emergency shelters commonly known as “Pallet Shelters™”(the “**Shelters**”) and supply related products, items and accessories (collectively with the Shelters, the “**Products**”) in accordance with the applicable SOW; and (ii) provide certain specialized installation and assembly services of the Products through its representatives or Subcontractors to and for the benefit of Customer (the “**Services**”), each as set forth in the applicable SOW for the project site described in the SOW (the “**Project Site**”), and Customer shall purchase the Products and Services in accordance with these Terms. For each SOW executed between Customer and Pallet, such SOW shall: (i) be numbered consecutively (e.g., A-1, A-2, A-3, etc.); (ii) expressly state that it is subject to the terms and conditions of these Terms; and (iii) be signed by both parties. As consideration for Products delivered and Services to be rendered by Pallet under these Terms, Customer shall pay to Pallet the “Purchase Price” for the Products and all “Fees” for the Services.

(b) Change Order. Subject to the terms and conditions of these Terms and the SOW, changes to any SOW can only be made by mutual written agreement of the Customer and Pallet (each, a “**Change Order**”). Any changes in the scope, timeframe, or any request for additional Services or Products that are not agreed to in the initial SOW may increase any estimated timeline for delivery of the Services or Products in such SOW. If Customer requests a Change Order, Pallet, in its sole and exclusive discretion, will determine whether it can comply with the requested changes and whether such changes would cause an increase in the price, Fees, and costs associated with the Services or Products, the time required to complete the Services or deliver the Products, or the effect on the performance of any part of the SOW. Descriptions and prices for Pallet’s Products and Services are subject to change at any time and from time to time, in its sole and exclusive discretion, without notice.

2. Purchase Price; Fees. Payment of the purchase price for the Products (the “**Purchase Price**”), and the fees, costs and expenses for Pallet’s Services (collectively, the “**Fees**”) will be made in accordance with the applicable SOW. Pallet shall invoice the Customer for its Products delivered and Services performed on a periodic basis as set forth in the applicable SOW. Unless otherwise stated herein or in an applicable SOW, Customer shall pay all amounts invoiced from Pallet to Customer within thirty (30) days of the Customer’s receipt of the invoice. Customer shall promptly pay to Pallet any and all Fees and prepaid expenses reasonably incurred by Pallet in connection with the performance of the Services, including, without limitation, transportation, tickets, travel change fees, hotel costs, or any other purchases (the “**Prepaid Expenses**”) in accordance with the applicable SOW. Pallet may, in its sole and exclusive discretion, charge a Customer interest on any overdue invoice amounts at the rate of 1.5% per month (or the highest rate permitted by applicable law) and may terminate, and/or suspend its Services for amounts remaining unpaid for greater than thirty (30) days from the date payment is due.

3. Term; Termination. The term of these Terms shall extend from the Effective Date through the completion of all Services as set forth in the applicable SOW (the “**Term**”), subject to the following termination provisions. Pallet may terminate any SOW and these Terms, in whole or in part, for “Cause” upon not less than ten (10) days prior written notice to Customer. For purposes of these Terms, “Cause” includes, but is not limited to, any of the following: (a) a material breach of these Terms or any SOW by Customer, including, without limitation, any non-payment of the Purchase Price, or any Fees when due; (b) any violation by Customer of any applicable federal, state and local laws, rules, orders, codes and regulations (collectively, “**Laws**”); or (c) if Customer is voluntarily or involuntarily dissolved, or is adjudged to be Bankrupt or is subject to a general assignment for the benefit of its creditors, or if a receiver should be appointed on account of Customer’s insolvency. For the purpose of this Section, “Bankrupt” shall mean the filing of a voluntary or involuntary petition of bankruptcy or similar relief from creditors, insolvency, the appointment of a trustee or receiver, or any similar occurrence reasonably indicating an imminent inability to perform substantially all of the Customer’s duties under these Terms or any SOW. Upon any early termination of these Terms or otherwise, Pallet shall submit to Customer a detailed invoice of any Purchase Price remaining unpaid, and all Fees incurred to date, and Customer shall promptly pay the unpaid balance of the Purchase Price and all Fees within ten days of receipt.

4. Products; Shipment of Products.

(a) Purchase of Products. As consideration for the sale of the Products, the Customer shall pay to Pallet the total Purchase Price as set forth on the SOW. The Purchase Price is exclusive of any sales, use or privilege tax, personal property taxes, excise tax or any similar tax or charge that might be levied as a result of the production, sale or shipment of any Products, the use of the Products by Customer or the provision of Services (the “**Taxes**”). Customer agrees to pay and shall be solely responsible for any and all such Taxes (excluding taxes based on Pallet’s net income). Pallet shall have the option, but not the obligation, to pay any such Taxes directly, in which event Customer shall promptly reimburse Pallet in the amount thereof upon presentation by Pallet to Customer of evidence of payment.

(b) Shipment of Products. Pallet will use its commercially reasonable efforts to deliver the Products to the Customer at the Project Site on the date of delivery as set forth in the SOW. Notwithstanding the foregoing, Pallet will notify the Customer of any delays that may affect the estimated delivery date of the Products. If Pallet notifies Customer in accordance with these Terms, Pallet shall be afforded at least ten (10) additional days to deliver the Products. Unless otherwise set forth in an SOW, Pallet shall be responsible for arranging for and coordinating the shipment of the Products to the Customer. Shipping dates, if any, set forth in the applicable SOW are approximate only and merely represent Pallet’s best estimate of the time required to make shipment of the Products.

(c) Delivery; Risk of Loss. Delivery of the Products to Customer will be F.O.B. Pallet’s factory, as set forth in the SOW. All Products will be prefabricated at Pallet’s factory headquarters and shipped flat-packed in individual panels to the designated Project Site. Pallet will not “drop ship” to any other location other than Project Site. Unless otherwise instructed in writing by Customer, Pallet will have the sole and exclusive right to select the carrier for the shipment and delivery of the Products. Title and risk of loss to the Products purchased under these Terms shall pass to Customer upon delivery thereof to the carrier. Pallet shall not be liable for any loss or expense incurred by Customer as a result of any delay in delivery for any reason other than arbitrary refusal of Pallet to perform. Pallet may deliver the Products in installments.

(d) Delay of Product Delivery. If any shipment or delivery of Products to the Customer is delayed at Customer’s request or due to the Customer’s inability to take possession of the Products (for any reason other than Pallet’s arbitrary decision not to perform), risk of loss to such Products shall pass to Customer on the date Pallet is prepared to ship the Products to the Customer. In addition to the foregoing, Pallet shall have the right, in its sole and exclusive discretion, to: (i) invoice the Customer for the Purchase Price of such Products, and such invoice shall be due upon receipt; (ii)

unilaterally increase the Purchase Price and Fees due from Customer to Pallet due to any changes or increases in the same since the execution of the initial SOW, and Customer shall be responsible and liable to pay such increase; (iii) store the Products at a location acceptable to Pallet, and charge the Customer all costs and expenses associated with such storage and with transport to such storage site, F.O.B. Pallet's factory, which Customer shall promptly reimburse to Pallet upon receipt of an invoice for the same; and/or (iv) require the Customer to arrange for and cover all costs and expenses related to the shipment of the Products from the applicable storage location to the Project Site, all transport F.O.B. Pallet's factory.

(e) **Inspection; No Refunds.** Upon delivery of the Products, Customer shall promptly inspect all Products. Unless a written claim from Customer to Pallet rejecting one or more Products (a "**Rejection Notice**") is made and delivered to Pallet within seven (7) days from the date of delivery of the Products, the Customer agrees that it shall have knowingly, irrevocably and unconditionally accepted all Products as-delivered, as-is and with all faults and defects, subject to Customer's rights under the Limited Warranty. Such Rejection Notice must specify in detail: (i) the total amount of Products that the Customer is rejecting; (ii) the specific details of the reason for rejection, including specific defective parts and pictures, videos, and reports of the alleged defect in the Products; and (iii) whether the alleged defects breach any express warranty of Pallet. Pallet must be provided a reasonable opportunity to inspect, examine and investigate the alleged defective Products and an opportunity to cure. Pallet may also require the Customer to send back the alleged defective Product before it determines whether any replacement Product or repair service will be provided. In the case of any Products manufactured or supplied by any other person, entity or business ("**Third-Party Products**") covered by the warranty of another supplier or manufacturer, Pallet will submit the existing supplier's or manufacturer's warranty to the Customer to the extent reasonably possible, but shall have no liability or responsibility to repair or replace such Third-Party Product. As promptly as possible after receipt by Pallet of the Rejection Notice, Pallet shall report its findings of its investigation of the alleged Defect to the Customer. Provided Pallet determines the alleged defect is covered by Pallet's Warranty, Pallet shall notify Customer of its election to repair or replace said properly rejected Products and shall prepay transportation charges for any shipment of replacement Products back to Customer; provided, however, no refunds shall be given for any defective Products unless otherwise determined by Pallet in its sole and exclusive discretion.

5. Limited Warranty of Pallet. Seller agrees to warrant select Products in accordance with the terms of its standard limited warranty (the "**Limited Warranty**") as modified by Pallet from time-to-time in Pallet's sole and exclusive discretion. Pallet's current form of Limited Warranty can be found here: www.palletshelter.com/warranty. In the event the Products that are warranted under the terms of the Limited Warranty fail to comply with Pallet's Limited Warranty and Customer timely reports such failure in accordance with these Terms, Pallet's sole obligation to Customer shall be limited to the repair or replacement, at Pallet's sole and exclusive option, in accordance with the Limited Warranty. Customer acknowledges and agrees that this Limited Warranty extends only to Customer, and does not extend to any subsequent owner, transferee, assignee or user/resident of the Products; provided, however, this Limited Warranty may be assigned to a subsequent owner, transferee or assignee of the Products, subject to Customer's compliance with Section 12(c), below.

6. Customer's Duties.

(a) Customer shall fully cooperate with Pallet in its delivery of the Products and performance of the Services, and provide to Pallet true, complete and correct copies of all reasonably requested documentation or information reasonably necessary, desirable or required by Pallet in connection with the delivery of the Products and performance of the Services. Customer shall cooperate in good faith with Pallet to provide Pallet with reasonable access to any Customer facilities, officers, directors, employees, contractors, officials, or affiliates as reasonably necessary or desired by Pallet in connection with the performance of the Services. Customer represents and warrants that all documents, disclosures, information and other materials provided by the Customer to Pallet in connection with the Services, including, without limitation, all third party documents, disclosures, and/or information, are true, complete, correct, non-infringing and not materially misleading in any way. Customer represents and warrants that the individual executing the SOW on its behalf has all necessary, legal and requisite power and authority to execute, deliver the SOW and perform these Terms on behalf of the Customer, and all other agreements and instruments to be executed and delivered in connection with these Terms.

(b) While Pallet will provide the Products and Services set forth herein, Customer shall be solely and exclusively responsible and liable for: (i) ensuring that all transactions, documents and operations in connection with these Terms, including, without limitation, all operations at the Project Site, are in compliance with all applicable Laws; (ii) procuring and maintaining all applicable permits, certifications, licenses and approvals necessary under all applicable Laws for the delivery and use of all Products and performance of all Services, including but not limited to, consultation with, inspections, and approvals from local building officials and fire authorities regarding site layout and shelter spacing; (iii) cleaning and maintaining the Products, including, without limitation, by following all user manuals, cleaning instructions and Product manuals provided by Pallet to Customer; (iv) ensuring the safety of the Products (including, without limitation, protecting, monitoring and maintaining all fire extinguishers, smoke detectors, electrical panels, keys, door locks, door handles and entrances to the Shelters), the Product's end users and residents and the Project Site after the completion of the applicable Services; and (v) to the extent Customer uses its own Representatives to perform any assembly or installation of any Products, the acts, errors, omissions, negligence or misconduct of Customer and its Representatives in connection herewith.

(c) Customer acknowledges and agrees that it has received and reviewed Pallet's Village Dignity Standards in the form attached hereto as Exhibit 1 (the "**Dignity Standards**"). Customer agrees that it shall use its reasonable best efforts acting in good faith to comply with, and cause its employees, agents, contractors, volunteers, Project Site managers and service providers (collectively, "**Representatives**") to comply with, the Dignity Standards for the Project Site and in connection with its use, maintenance and safety of the Products.

(d) Customer hereby agrees to: (i) utilize its reasonable best efforts in performing and fulfilling its obligations hereunder; (ii) treat all end users or residents of the Products equitably, with respect, and shall not discriminate unlawfully among them in any manner; and (iii) ensure that all Products reach applicable Representatives with any literature, warranties, standards/guidelines (including Dignity Standards), disclaimers and applicable licenses provided by Pallet intact.

7. Subcontractors. Subject to the terms and conditions of these Terms, Customer hereby grants to Pallet the right to assign its rights, duties or obligations under these Terms to its partners, joint venturers, contractors, agents and subcontractors (collectively, "**Subcontractors**") with respect to the performance of Services only, on a per Project basis, subject to the limitation set forth in these Terms and any SOW. In the event of the termination or expiration of these Terms, all subcontract rights will terminate effective as of the termination or expiration of these Terms.

8. Relationship of the Parties; Independent Contractor. These Terms are intended to create an independent contractor relationship between the Parties. Nothing contained herein shall be construed to: (i) give either Party the power to direct or control the day-to-day activities of the other; (ii) constitute the Parties as partners, joint venturers, co-owners or otherwise as participants in a joint or common undertaking; or (iii) allow either Party to

9. Indemnification; Indemnification Procedure.

(a) Indemnification of Pallet. Customer shall indemnify, defend, and hold Pallet, and its officers, directors, owners, employees, affiliates, subsidiaries, Subcontractors, successors and assigns (collectively, the “**Pallet Parties**”) harmless from and against all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including reasonable attorneys’ fees and the cost of enforcing any right to indemnification hereunder (collectively, “**Losses**”) arising out of or resulting from any third party claim, suit, investigation, action, or other proceeding (each, an “**Action**”) related to or arising out of or resulting from: (i) Customer’s breach of any representation, warranty, covenant, or obligation under these Terms or any SOW; (ii) any gross negligence, willful misconduct, violation of Law or any acts, errors or omissions of Customer or any of Customer’s Product users and Representatives (collectively, “**Customer Parties**”), including, without limitation any errors, acts or omissions in violation of these Terms, or any applicable Law; (iii) Customer’s (or its Representatives’) assembly, installation or use of the Products at the Project, or any injury to any person or property related thereto, including, without limitation, any installation, maintenance or use by any Customer Party that is in violation of the policies, procedures, guides or instructions provided by Pallet to Customer; and (iv) any of the foregoing which causes Pallet to breach any agreement with any Subcontractor.

(b) Indemnification of Customer. Pallet shall indemnify, defend, and hold Customer, and its officers, directors, owners, employees, affiliates, subsidiaries, Subcontractors, successors and assigns (collectively, the “**Customer Parties**”) harmless from and against all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including reasonable attorneys’ fees and the cost of enforcing any right to indemnification hereunder (collectively, “**Losses**”) arising out of or resulting from any third party claim, suit, investigation, action, or other proceeding (each, an “**Action**”) related to or arising out of or resulting from: (i) Pallet’s breach of any representation, warranty, covenant, or obligation under these Terms or any SOW; (ii) any gross negligence, willful misconduct, violation of Law or any acts, errors or omissions of Pallet and Representatives (collectively, “**Pallet Parties**”), including, without limitation any errors, acts or omissions in violation of these Terms, or any applicable Law; and (iii), any of the foregoing which causes Customer to breach any agreement with any Subcontractor.

(b) Indemnification Procedure. The Party seeking indemnification (the “**Indemnified Party**”) shall promptly notify the other Party (the “**Indemnifying Party**”) in writing of any Action and cooperate with the Indemnified Party at the Indemnifying Party’s sole cost and expense. The Indemnifying Party shall immediately take control of the defense and investigation of the Action and shall employ counsel reasonably acceptable to the Indemnified Party to handle and defend the Action, at the Indemnifying Party’s sole cost and expense. The Indemnifying Party shall not settle any Action in a manner that adversely affects the rights of the Indemnified Party without the Indemnified Party’s prior written consent, which consent may not be unreasonably withheld or delayed. The Indemnified Party’s failure to perform any obligations under this Section 9(b) will not relieve the Indemnifying Party of its obligation under this Section except to the extent the Indemnifying Party can demonstrate that it has been materially prejudiced as a result of the failure. The Indemnified Party may participate in and observe the proceedings at its own cost and expense with counsel of its own choosing.

10. Insurance. During the Term, Pallet shall use commercially reasonable efforts to obtain and maintain in effect one or more policies of insurance with reputable insurance companies with respect to its Services and business against loss or damage of the kinds customarily insured against by business or entities engaged in the same or substantially similar business, of such types and in such amounts (after giving effect to any self-insurance customary for similarly situated entities engaged in the same or similar businesses as Pallet) as are customarily carried under similar circumstances by such other businesses or entities. Pallet shall provide copies of certificates evidencing each such policy of insurance applicable to the Services provided by Pallet to Customer upon request. Specifically, Pallet shall maintain a minimum General Commercial Liability insurance of \$1,000,000, and \$2,000,000 in Aggregate Liability insurance.

11. No Warranties; Limitation of Liability; Assumption of Risk.

(a) No Warranties. EXCEPT AS EXPRESSLY SET FORTH IN THESE TERMS, TO THE FURTHEST EXTENT PERMITTED BY APPLICABLE LAW, PALLET HEREBY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, WHETHER WRITTEN, ORAL, EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, EITHER IN FACT OR BY OPERATION OF LAW, INCLUDING: (I) ANY WARRANTIES REGARDING ANY PRODUCT OR ANY SERVICES PROVIDED BY PALLET AND ANY OTHER TECHNICAL INFORMATION, TECHNIQUES, MATERIALS, METHODS, PRODUCTS, PROCESSES, OR PRACTICES MADE AVAILABLE BY PALLET; (II) ALL IMPLIED WARRANTIES OF MERCHANTABILITY, QUALITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT; (III) WARRANTIES ARISING FROM A COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE, OR TRADE PRACTICE; AND (IV) ANY WARRANTIES REGARDING ANY PRODUCT’S COMPLIANCE WITH ANY APPLICABLE LAWS, INCLUDING, WITHOUT LIMITATION, ANY APPLICABLE BUILDING CODES. WITHOUT LIMITATION TO THE FOREGOING, PALLET WILL HAVE NO LIABILITY WHATSOEVER TO CUSTOMER OR ANY OTHER PERSON FOR OR ON ACCOUNT OF ANY INJURY, LOSS, OR DAMAGE, OF ANY KIND OR NATURE, SUSTAINED BY, OR ANY DAMAGE ASSESSED OR ASSERTED AGAINST, OR ANY OTHER LIABILITY INCURRED BY OR IMPOSED ON CUSTOMER OR ANY OTHER PERSON, ARISING OUT OF OR IN CONNECTION WITH OR RESULTING FROM ANY INJURY CAUSED TO ANY PERSON OR PROPERTY BY CUSTOMER OR ANY CUSTOMER PARTY. NO EMPLOYEE, SUBCONTRACTOR OR REPRESENTATIVE OF PALLET IS AUTHORIZED TO MODIFY ANY PALLET WARRANTY WITHOUT THE EXPRESS WRITTEN CONSENT OF PALLET’S PRESIDENT.

(b) Limitation of Liability. TO THE FULLEST EXTENT PERMITTED BY LAW, PALLET WILL NOT BE LIABLE TO CUSTOMER, OR ANY CUSTOMER PARTY OR ANY OTHER PERSON FOR ANY INJURY TO OR LOSS OF GOODWILL, BUSINESS, OR OPPORTUNITIES (REGARDLESS OF HOW THESE ARE CLASSIFIED AS DAMAGES), OR FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, PUNITIVE, OR ENHANCED DAMAGES, WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, PRODUCT LIABILITY, OR OTHERWISE (INCLUDING THE ENTRY INTO, PERFORMANCE, OR BREACH OF THESE TERMS), REGARDLESS OF WHETHER SUCH LOSS OR DAMAGE WAS FORESEEABLE OR THE PARTY AGAINST WHOM SUCH LIABILITY IS CLAIMED HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGE, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE. IN NO EVENT SHALL

(c) Assumption of Risk; Waiver and Release. Subject to the terms and conditions of the applicable SOW, should Customer choose to use its own services to assemble and/or install some or all of the Products, including, without limitation, the applicable Shelters manufactured by Pallet, then Customer hereby knowingly and voluntarily acknowledges and agrees that its election to assemble and/or install its own Products involves serious risks, including, without limitation, and by way of example only: dangers encountered when assembling or installing the Products, risks arising out of failing to wear proper safety equipment, failure to follow and adhere to applicable installation or assembly instructions, risks associated with the applicable Project, property loss or damage, bodily injury, paralysis, death, theft, as well as the conduct, actions, inactions or omissions of any third parties. Where Customer chooses to use its own services to assemble and/or install some or all of the Products, then, acknowledging the above, CUSTOMER HEREBY VOLUNTARILY ACKNOWLEDGES AND ASSUMES ALL RISKS BOTH KNOWN AND UNKNOWN TO CUSTOMER AND ANY CUSTOMER PARTY, RELATING IN ANY WAY TO CUSTOMER'S OR ANY CUSTOMER PARTY'S KNOWING AND VOLUNTARY ASSEMBLY OR INSTALLATION OF THE PRODUCTS. Where Customer chooses to use its own services to assemble and/or install some or all of the Products, then, to the maximum extent permitted by applicable law, Customer HEREBY FOREVER, KNOWINGLY AND IRREVOCABLY WAIVES, RELEASES, DISCHARGES, AND RELINQUISHES any and all rights, claims, liability, losses, costs, damages, or causes of action of any and every kind whatsoever which Customer may have, had or could have against Pallet or any Pallet Party arising out of, or related in any way, directly or indirectly, to Customer's assembly or installation of the Products, or any negligent conduct, actions, inactions or omissions of any Pallet Party related thereto (collectively, the "Released Claims"). Such Released Claims include, but are not limited to, any and all injury, loss, death, bodily harm or other damages to Customer or any Customer Party.

12. Miscellaneous.

(a) Entire Agreement; Conflicts. These Terms and the applicable SOWs, collectively represent the full, final and comprehensive agreement and understanding of the Parties and any modification thereof shall not be effective unless contained in writing and signed by both Parties. Any prior or contemporaneous agreements, whether oral or written, relating to the subject matter discussed herein have been merged into these Terms. In the event of any conflict between the terms and provisions of these Terms and those of any SOW or other document, the following order of precedence will govern: (i) the most recent Change Order shall control over any other Change Order, SOW or these Terms; and (ii) the most recent SOW shall control over any prior SOW or these Terms.

(b) Severability. Each provision of these Terms shall be considered severable such that if any one provision or clause conflicts with existing or future applicable law, or may not be given full effect because of such law, this shall not affect any other provision of these Terms that can be given effect without the conflicting provision of clause; provided however, that such provision shall be modified, to the minimum extent possible and necessary, to be enforceable to the fullest extent and in compliance with any such applicable laws, prior to it being severed from these Terms in its entirety.

(c) Assignment; Third-Party Beneficiaries. Customer may assign an applicable SOW and these Terms (and the Limited Warranty associated herewith) to a subsequent owner, transferee or assignee of the Products herein, provided that the Customer: (i) provides prior written notice of the proposed assignment to Pallet; and (ii) receives the prior written consent of Pallet to the proposed assignment, which may be withheld in Pallet's sole and exclusive discretion. As a condition to Pallet's approval, if given, any potential assignee otherwise approved by Pallet shall assume all obligations of Customer under these Terms (including the Limited Warranty) and each applicable SOW, and shall be jointly and severally liable with the initial Customer, if required by Pallet, for the payment of all Fees and performance of all obligations of Customer under these Terms and any applicable SOW. In connection with any proposed assignment, Customer shall provide Pallet with copies of all assignment and assumption instruments, and any other documentation reasonably requested by Pallet. Any attempted assignment of these Terms or any SOW that does not comply with this Section 12(c) shall be null, void and of no force or effect whatsoever. These Terms are for the sole benefit of the Parties and their respective successors and permitted Assigns and nothing herein, express or implied, including specifically the duties and obligations set forth in Section 6(c), is intended to or will confer upon any other person, governmental entity, business or entity, any legal or equitable right, benefit, or remedy of any nature whatsoever, under or by reason of these Terms.

(d) Governing Law; Venue; Arbitration; Equitable Relief.

(i) Governing Law; Venue. Subject to Section 12(d)(ii), below, these Terms, any SOW and any Change Order shall be governed by and construed in accordance with the domestic laws of the state of Washington without giving effect to any choice of law or conflict of laws provision or rule (whether of the state of Washington or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the state of Washington. The Parties hereto agree that the exclusive jurisdiction and venue for any action brought between the Parties under these Terms shall be the Superior Court for Chelan County, Washington, or the federal courts residing in the Eastern District of Washington, and each of the Parties hereby agrees and submits itself to the exclusive jurisdiction and venue of such courts for such purpose. In the event of any litigation between the Parties hereto arising out of these Terms, the prevailing Party shall be allowed all reasonable attorney's fees, court costs and expenses incurred in such litigation, including all such expenses incurred on appeal, together with all reasonable costs and disbursements necessary to enforce these Terms.

(ii) Arbitration. The parties will first make a good faith effort to settle by negotiation any dispute regarding these Terms. If a settlement has not been reached within fifteen (15) days of commencing that negotiation, then either party may submit the dispute to arbitration administered by the Judicial Arbitration Mediation Service ("JAMS"). There will be one arbitrator selected by the parties within ten (10) days of the notice of the arbitration demand or, if not, by JAMS, from its list of approved arbitrators with experience in hearing related cases. JAMS' "Streamlined Arbitration Rules & Procedures" shall apply to all other claims involving less than \$250,000. All other claims shall be determined in accordance with JAMS Comprehensive Arbitration Rules and Procedures. The award rendered by the arbitrator shall be final and binding on the parties and may be entered and enforced in any court having jurisdiction, and any court where a party or its assets is located (to whose jurisdiction the parties' consent for the purpose of enforcing the award). However, this Section will not apply to (A) actions for equitable relief, or (B) actions to enforce or appeal any arbitration award. Any arbitration under this Section will be conducted in Chelan County, Washington at a location to be agreed upon by the parties. In any action under the preceding clause (A) or (B), each party waives any right to a jury trial. The arbitrator shall apply substantive law and may award reasonable attorney's fees and costs to the substantially prevailing party consistent with these Terms. The award rendered by the arbitrator shall be final and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction.

(iii) Equitable Relief. Each Party acknowledges that a material breach by the other Party of these Terms may cause the non-breaching Party irreparable harm, for which an award of damages would not be adequate compensation and, in the event of such a material breach or threatened breach, the non-breaching Party will be entitled to seek equitable relief, including in the form of a restraining order, orders for preliminary or permanent injunction, specific performance, and any other relief that may be available from any court, and the Parties hereby waive any requirement for the securing or posting of any bond or the showing of actual monetary damages in connection with such relief. These remedies are not exclusive but are in addition to all other remedies available under these Terms at law or in equity, subject to any express exclusions or limitations in these Terms to the contrary.

(e) Survival. The provisions of Sections 2, 3, 4(d), 5, 6, 8, 9, 11 and 12 shall survive the termination or expiration of these Terms.

(f) Notices. Any notice required or permitted by these Terms shall be in writing and delivered in person, sent by documented overnight delivery service, mailed by certified or registered mail, postage prepaid, or sent via email to the appropriate designated address of the intended recipient, transmission verification required, to the appropriate Party or Parties at the addresses referenced in the applicable SOW, or to such other address as the Parties may hereafter designate to the other in writing.

(g) Force Majeure. A Party (referred to in this Section as a "**Force Majeure Party**") shall be excused from the performance of its applicable obligation(s) under these Terms (other than the payment of any monies owed to the other Party, including, without limitation, any Purchase Price or Fees) to the extent that such performance is made commercially impracticable, illegal, or impossible by an event of Force Majeure that is beyond the Force Majeure Party's reasonable control, and the Force Majeure Party provides written notice of the prevention within ten (10) business days of the occurrence of the Force Majeure event to the other Party (including details of the Force Majeure event, its anticipated duration and any action being taken to avoid or minimize its effect) and uses commercially reasonable efforts to avoid the effects of such Force Majeure and to perform the affected obligation(s) to the extent reasonably possible. Such excuse of performance shall be continued for so long as the condition constituting Force Majeure continues and the Force Majeure Party takes reasonable efforts to remove the condition or otherwise perform the affected obligation(s). For purposes of these Terms, "**Force Majeure**" shall mean only acts of God, strikes, civil disturbances, fires, earthquakes, governmental order or proclamation, outbreak or pandemic, supply chain interruption (to the extent such interruption is not caused by the gross negligence of such Party), acts of terrorism, floods, explosions, riots, war, rebellion, sabotage or failure or default of public utilities or common carriers. For clarity, notwithstanding the existence of a Force Majeure impacting a Party's performance hereunder, such Force Majeure Party shall continue performing all of its other obligations hereunder, and the other Party shall be excused from performing such of its obligations under these Terms that it cannot reasonably perform due to the non-performance by the Force Majeure Party due to such Force Majeure, until such Force Majeure Party completes performance of such obligations that are prevented by such Force Majeure.

(h) No Public Statements. Except as required by applicable law, neither Party may issue or release any announcement, statement, press release, or other publicity or marketing materials relating to these Terms or, unless expressly permitted under these Terms, otherwise use the other party's trademarks, service marks, trade names, logos, domain names, or other indicia of source, association, or sponsorship, in each case, without the prior written consent of the other party, which may not be unreasonably withheld, conditioned or delayed.

(i) Construction. The Parties hereby reaffirm that each has read the foregoing Terms and that each Party has had the opportunity to review, negotiate and participate in the creation of these Terms through independent counsel. The provisions contained herein shall not be construed or interpreted for or against any Party hereto because that Party drafted or caused that Party's legal representative to draft any of its provisions.

Exhibit 1

PALLET VILLAGE DIGNITY STANDARDS

INHERENT & ABSOLUTE

Pallet's mission is to end unsheltered homelessness. Pallet villages are operated by community partners who collaborate with village residents to end their unhoused status, while transitioning into stable housing as quickly as possible. Villages provide life-sustaining services in a manner that fosters a safe, affirming, and dignified atmosphere for all residents. Discrimination or disparate treatment toward village residents on the basis of race, religion, national origin, immigration status, gender or non-gender conforming, sexual orientation, or any other protected class is strictly prohibited.

At Pallet, we believe in all people's inherent and absolute dignity. Guided by feedback from village operators and Pallet team members with lived-experience, we have created a set of dignity standards intended as universal and irreducible requirements for the purchase and use of Pallet shelters. These are organic principles intended to evolve and refine as we learn more about what works best.

HYGIENE FACILITIES

Everyone is entitled to hygiene and sanitation that is clean, safe, secure, and that provides privacy and ensures dignity. Well-maintained toilets are mandatory at all Villages and must be available at all times. Flush toilets are strongly preferred, especially as the number of residents increases. Well-maintained hand-washing facilities are mandatory and must be available at all times. Residents must have access to showers. Showers on site are preferred. An alternative shower plan is acceptable assuming reasonable distance and safety. Residents must be able to wash their clothes as needed. Laundry on site is preferred. An alternative laundry plan is acceptable assuming reasonable distance and safety.

MEALS

All people should live free of hunger, food insecurity, and malnutrition and Villages are required to confront and solve for these issues. Clean, safe drinking water must be available to all residents at all times. The provision of two-to-three nutritious meals daily and a place to prepare meals is strongly preferred. Operators should ensure that all areas used for food storage or preparation are kept sanitary and comply with local health codes. When needed, residents should be aided in signing up for food-based government benefits upon moving in.

TRANSPORTATION

Access to essential services is a basic human right. Villages must not be more than one mile from an active public transportation hub allowing access to essential services such as food, healthcare, public benefits, and employment. Where not possible, shuttle services or other alternative transportation must be provided.

Accommodations should be made for disabled persons who are unable to access general means of transportation.



SAFETY

We all want to feel safe in our neighborhoods. Residents, staff, and the surrounding communities should be afforded every available measure of safety and security. Site infrastructure must include exterior fencing, locking gate/monitored entrances, and operable lighting. Cabin spacing must be approved by the local fire authority, addressing the risk of fire and its potential to spread. Village operators must maintain and ensure clear pathways between and in each cabin. Operators must enforce a strict policy against smoking or open flames inside cabins. Operators must have sufficient staff on duty at all times and enforce established safety measures. Staff with de-escalation and trauma-informed training is strongly preferred. A zero-tolerance policy toward violence, abuse of power, threats/intimidation, sexual harassment/assault, or discrimination of any kind is mandatory for all persons at the village.

SUPPORTIVE SERVICES

The primary function of villages is to provide a supportive, safe community for residents to access services needed to permanently end their unhoused status. Village operators must engage residents in supportive services/case management. Supportive services must be client-centric with an emphasis on attaining stable housing, publicly available benefits, holistic health care, vital documents, and employment. Case management should be frequent, consistent, and transparent. It must be offered by trained staff.



CITY COUNCIL AGENDA REPORT

TO: Frank Kuntz, Mayor
City Council

FROM: Steve Smith/City Attorney

MEETING DATE: December 8, 2022

I. SUBJECT

Ordinance No. 2022-36 – compost procurement requirements.

II. ACTION REQUESTED

Staff recommends the City Council approve Ordinance No. 2022-36 adopting compost procurement requirements.

III. OVERVIEW

In March 2022, the Engrossed Second Substitute House Bill (ESSHB) 1799 was passed by the Washington state legislature and signed by the Governor. Section 701 of ESSHB 1799, now codified at RCW 43.19A.150, requires cities such as the City of Wenatchee to “adopt a compost procurement ordinance to implement RCW 43.19A.120.” RCW 43.19A.120 states that “When planning government-funded projects or soliciting and reviewing bids for such projects, all state agencies and local governments shall consider whether compost products can be utilized in the project.” The purpose of the Ordinance relating to compost procurement requirements is to conform to state law regarding compost procurement and must be adopted no later than January 1, 2023.

The proposed Ordinance provides, to the extent required by RCW 43.19A.150(3), that the City shall plan for the use of compost in the following categories:

- (a) Landscaping projects;
- (b) Construction and postconstruction soil amendments;
- (c) Applications to prevent erosion, filter stormwater runoff, promote vegetation growth, or improve the stability and longevity of roadways; and
- (d) Low-impact development and green infrastructure to filter pollutants or keep water on-site, or both.

This plan will be re-assessed each December 31st of even-numbered years beginning in 2024 and thereafter as part of the reporting obligations in Section 4.

IV. FISCAL IMPACT

None

V. REFERENCE(S)

None

- VII. ADMINISTRATIVE ROUTING**
Tammy Stanger, City Clerk
Laura Gloria, Executive Services Director
Brad Posenjak, Finance Director

ORDINANCE NO. 2022-36

AN ORDINANCE, relating to compost procurement requirements.

WHEREAS, in March 2022, ESSHB 1799 was passed by the Washington state legislature passed and signed by the Governor. The new statute states:

The legislature finds that landfills are a significant source of emissions of methane, a potent greenhouse gas. Among other economic and environmental benefits, the diversion of organic materials to productive uses will reduce methane emissions.

In order to reduce methane emissions associated with organic materials, the legislature finds that it will be beneficial to improve a variety of aspects of how organic materials and organic material wastes are reduced, managed, incentivized, and regulated under state law. Therefore, it is the intent of the legislature to support the diversion of organic materials from landfills through a variety of interventions to support productive uses of organic material wastes, including:

...

(h) Encouraging cities and counties to procure more of the compost and finished products created from their organic material wastes in order to support the economic viability of processes to turn organic materials into finished products and increasing the likelihood that composting and other responsible organic material management options are economically viable; and

WHEREAS, Section 701 of ESSHB 1799, now codified at RCW 43.19A.150, requires cities such as the City of Wenatchee to “adopt a compost procurement ordinance to implement RCW 43.19A.120”; and

WHEREAS, RCW 43.19A.120 states that “When planning government-funded projects or soliciting and reviewing bids for such projects, all state agencies and local

governments shall consider whether compost products can be utilized in the project”; and

WHEREAS, the purpose of this ordinance is to conform to state law regarding compost procurement.

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

SECTION I

When planning government-funded projects or soliciting and reviewing bids for such projects, the City shall consider whether compost products can be utilized in the project. If compost products can be utilized in the project, the City shall use compost products to the extent required by law, including, without limitation, RCW 43.19A.120(2).

SECTION II

To the extent required by RCW 43.19A.150(3), the City shall plan for the use of compost in the following categories:

- (a) Landscaping projects;
- (b) Construction and postconstruction soil amendments;
- (c) Applications to prevent erosion, filter stormwater runoff, promote vegetation growth, or improve the stability and longevity of roadways; and
- (d) Low-impact development and green infrastructure to filter pollutants or keep water on-site, or both.

This plan will be re-assessed each December 31st of even-numbered years beginning in 2024 and thereafter as part of the reporting obligations in Section IV.

SECTION III

To the extent required by RCW 43.19A.150(4), the City will develop strategies to inform residents about the value of compost and how the City uses compost in its operations.

SECTION IV

To the extent required by RCW 43.19A.150(5), by December 31, 2024, and each December 31st of even-numbered years thereafter, the City shall prepare a report for the Department of Ecology covering the previous year's compost procurement activities, including the following information:

- (a) Total tons of organic material diverted each year;
- (b) The volume and cost of compost purchased each year; and
- (c) The source(s) of the compost purchased.

SECTION V

To the extent required by RCW 43.19A.150(6), the City shall give priority to purchasing compost products from companies that produce compost products locally, are certified by a nationally recognized organization, and produce compost products that are derived from municipal solid waste compost programs and meet quality standards comparable to standards adopted by the Department of Transportation or adopted by rule by the Department of Ecology.

SECTION VI

In accordance with RCW 39.30.040(1), the City may allow for the preferential purchase of compost to meet the requirements of RCW 43.19A.120.

SECTION VII

The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance, including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers, and any internal references.

SECTION VIII

The City Council hereby declares that should any section, paragraph, sentence, clause, or phrase of this ordinance be declared invalid for any reason, it is the intent of the City Council that it would have passed all portions of this ordinance independent of the elimination of any such portion as may be declared invalid.

SECTION IX

The enactment of this Ordinance shall not affect any case, proceeding, appeal, or other matter currently pending in any court or in any way modify any right or liability, civil or criminal, which may be in existence on the effective date of this Ordinance.

SECTION X

It is expressly the purpose of this Ordinance to provide for and promote the health, safety, and welfare of the general public and not to create or otherwise establish or designate any particular class or group of persons who will or should be especially protected or benefited by the terms of this Ordinance. It is the specific intent of this Ordinance that no provision or any term used in this Ordinance is intended to impose any duty whatsoever upon the City or any of its officers or employees. Nothing contained in this Ordinance is intended nor shall be construed to create or form the basis of any liability on the part of the City, or its officers, employees, or agents,

for any injury or damage resulting from any action or inaction on the part of the City related in any manner to the enforcement of this Ordinance by its officers, employees, or agents.

SECTION XI

If any section, subsection, sentence, clause or phrase of this Ordinance is declared or judged by a court of competent jurisdiction to be invalid or unconstitutional, such adjudication shall in no manner affect the remaining portions of this Ordinance which shall be in full force and effect as if said section, subsection, sentence, clause or phrase so declared or adjudged invalid or unconstitutional were not originally a part hereof.

SECTION XII

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

PASSED BY THE CITY COUNCIL OF THE CITY WENATCHEE,

at a regular meeting thereof, this _____ day of December, 2022.

CITY OF WENATCHEE

By: _____
FRANK KUNTZ, Mayor

ATTEST:

By: _____
TAMMY STANGER, City Clerk

APPROVED:

By: _____
STEVE D. SMITH, City Attorney



CITY COUNCIL AGENDA REPORT

TO: Frank Kuntz, Mayor
City Council

FROM: Jake Lewing, Senior Project Engineer
Public Works Department

MEETING DATE: December 8, 2022

I. SUBJECT

Confluence Parkway, Project #2201
Authorization to Negotiate and Execute Agreement

II. ACTION REQUESTED

Staff recommends the City Council authorize the Mayor to negotiate with Jacobs for Owner Advisor Services for Confluence Parkway (Project No. 2201) and further authorize the Mayor to sign a contract on behalf of the City.

III. OVERVIEW

The City of Wenatchee and its partners submitted an Infrastructure for Rebuilding America ("INFRA") grant application for the completion of the Apple Capital Loop. The Apple Capital Loop is a network of projects completing an 11-mile loop that serves as the backbone for highway, transit, and active modes of transportation in the Wenatchee Valley. In 2021, the City's Funding Option A was awarded approximately \$92.4M in INFRA funds which included the following options: North Wenatchee Ave (Segment 1A), McKittrick Underpass (Segment 1B), US 2/Easy Street Roundabout (Segment 1C), Confluence Parkway South (Segment 2A), South End/Bike Ped Access (Segment 2C), and SR 28 Widening (Segment #4). Segments 1B and 2A will comprise the Confluence Parkway project, and the other remaining segments will be designed and constructed in separate packages.

Due to the size, complexity, and schedule constraints associated with the grant, the City intends to utilize an alternative project delivery method (Progressive Design Build or other method) to successfully deliver the project. An Owner Advisor will guide the City throughout the project, including assisting with project approval through the Capital Projects Advisory Review Board's Project Review Committee, procurement of a Design Build team, and overseeing and coordinating activities of the Design Build Team throughout the project.

A request for proposals was issued September 8, 2022 and two proposals were received on October 6, 2022. An interview panel comprised of City staff, WSDOT Local Programs staff, and other alternative project delivery experts met with Jacobs and WSP on October 19, 2022. City staff has determined Jacobs to be most qualified, based on proposals submitted and interviews, to provide Owner Advisor services for this project.

The selection process was conducted in accordance with Chapter 39.80 RCW – Contracts for Architectural and Engineering Services.

IV. FISCAL IMPACT

The project budget was approved by the Finance Committee and City Council on November 17, 2022 (see attached). The federal funding agreement and local agency agreement for advance construction is pending approval, but the Agreement with Jacobs will not be executed until the advance construction agreements have been approved.

V. PROPOSED PROJECT SCHEDULE

The project is scheduled to go to the Project Review Committee at their March 2023 meeting. Procurement of a Design Build Team would shortly follow, with design anticipated to begin Winter 2023 and construction of early packages to begin Summer 2024.

VI. REFERENCE(S)

1. Approved Project Budget

VII. ADMINISTRATIVE ROUTING

Tammy Stanger, City Clerk
Laura Gloria, Executive Services Director
Brad Posenjak, Finance Director
Rob Jammerman, Public Works Director
Gary Owen, City Engineer
Jacob Huylar, Engineering Services Manager
Anna Carr, Administrative Assistant



Capital Project Budget

Date: September 1, 2022 Project Number: 2201
 Project Name: Apple Capital Loop: Segments 1B, 2A, 2C Dept/Category: Public Works - Streets Project

Project Description:
 Design, Right-of-Way acquisition and construction of the McKittrick St. underpass and extension, Confluence Parkway South, and the South End Bike/Ped Access segments of the Apple Capital Loop project identified in the INFRA grant application.

Project Lead:	Owen/Jammerman	Start Year:	2022
Assigned Department:	Public Works	End Year:	2027
Original Project Budget:	\$102,611,956	Total City Funding:	\$13,874,854
Budget Amendment:	\$107,961,858	Other Funding:	\$94,087,004

Project Notes:
 Federal funding agreement and Local Agency Agreement for advance construction not yet executed. 2022 expenses ineligible for reimbursement prior to LAA execution. Total city funding includes original INFRA shortage plus PWTF loan amount.

Project Expenditures by Category	Original Budget	Amended Budget	Prior Years Spent	ESTIMATES			Project Total
				2023	2024	2025+	
Design Engineering			395,000	6,456,060	7,413,320	1,141,350	15,405,730
Right of Way Acquisition				652,200	9,375,434	2,604,006	12,631,640
Construction Contract				-	4,532,790	75,391,698	79,924,488
Construction Engineering				-			
Art Fund							
Total Project Expenditures			395,000	7,108,260	21,321,544	79,137,054	107,961,858

Project Revenues by Category	Original Budget	Amended Budget	Prior Years	ESTIMATES			Project Total
				2023	2024	2025+	
Fund: 109 - Arterial Streets	10,199,952	9,699,952	395,000			9,304,952	9,699,952
Fund:							
Fund:							
Fund:							
Fund:							
GRANTS:							
INFRA	92,412,004	92,412,004		7,108,260	19,321,544	65,982,200	92,412,004
PWTF		4,174,902			2,000,000	2,174,902	4,174,902
BNSF		1,000,000				1,000,000	1,000,000
East Wenatchee		675,000				675,000	675,000
Total Project Revenues	102,611,956	107,961,858	395,000	7,108,260	21,321,544	79,137,054	107,961,858

Approved by City Council: _____
 Date



CITY COUNCIL AGENDA REPORT

TO: Frank Kuntz, Mayor
City Council

FROM: Aaron Kelly, Operations Manager
Public Works Department

MEETING DATE: December 8, 2022

I. SUBJECT

Department of Enterprise Services Letter Of Intent to Lease.

II. ACTION REQUESTED

Staff recommends the City Council approve the Letter Of Intent from the Department of Enterprise Services to lease a portion of the third floor of City Hall and authorize the Mayor to sign and negotiate the agreement.

III. OVERVIEW

Department of Enterprise Services is looking for space for the local Attorney General's office. They have toured and we have negotiated the terms of a future lease. The Letter of Intent is the first step in designing the space that will fit their needs. They are interested in approximately 4,000 square feet on the north side of the third floor. The rate per square foot is consistent with our existing tenants and would be a 10 year lease with options to extend.

IV. FISCAL IMPACT

Financial Impact: Cost to complete Tenant Improvements. We have dedicated \$20,000 toward improvements of the space.

V. REFERENCE(S)

1. Letter Of Intent

VI. ADMINISTRATIVE ROUTING

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

November 8th, 2022

City of Wenatchee
301 Yakima Street
Wenatchee, Washington 98801

SUBJECT: Letter of Intent, Project No. 22-04-115, 301 Yakima Street, Wenatchee, Office of the Attorney General

Dear Aaron:

City of Wenatchee, a municipal corporation of the State of Washington, hereinafter referred to as the Apparent Successful Proposer (ASP), has proposed to provide the above premises for the Office of the Attorney General (ATG) to lease. As we have previously notified you, your company was selected as the ASP. The purpose of this letter is to enter an initial binding agreement between the ASP and ATG, acting through the Department of Enterprise Services (DES) (hereafter collectively the State) in furtherance of negotiating such a lease.

According to the terms set forth below, this agreement commits (1) both parties to act in good faith (as explained below) to negotiate the lease and (2) ASP to pay prevailing wage for all work done on this project, and to provide an assumption of risk, a release, and an indemnification to the State for work and other activities ASP performs or has performed during the Interim Period as defined below.

Section 1. Terms and Condition of this Agreement.

1. Agreement to negotiate a lease for the premises. During the term of this agreement, the parties agree to act in good faith to negotiate a Lease under the Preliminary Terms and Conditions of the Lease set forth in section 2 below. However, a party may for one or more good faith reasons: (i) seek to modify, delete, or supplement the Preliminary Terms and Conditions of the Lease during lease negotiations; and (ii) withdraw from this agreement and terminate negotiations, if such withdrawal is for one or more good faith reasons and meets the notice and meet and confer condition.
2. Notice and Meet and Confer Condition. No withdrawal shall be effective unless written notice is given to the other party at least 21 days before the withdrawal takes effect and such notice states one or more good faith reasons. Further, such withdrawal shall not be effective unless the

withdrawing party agrees to meet and confer with the non-withdrawing party on at least two separate days in effort to address the good faith reason(s) for withdrawal, unless the parties agree in writing to waive such meetings.

3. Definition of “good faith reason.” A good faith reason is one based on a material change in circumstances (including a material change that may require a change to a preliminary term or condition), material new information (including a new proposal to provide space from any entity), material new analysis of existing or new information, or discovery of material existing information or of the significance of such information or analysis.
4. Effective date of this agreement. This agreement shall be effective commencing on the date that ASP countersigns.
5. Term of this Agreement. This agreement shall be effective until either party withdraws or a lease takes effect that is negotiated pursuant to this agreement. The period during which this agreement is effective shall be referred to herein as the “Interim Period.”
6. ASP’s Obligation To Pay Prevailing Wages. During the Interim Period, if any work is performed, ASP shall pay the prevailing rate of wage to all workers, laborers, or mechanics employed in the performance of any part of this project as those terms are defined under Chapter 39.12 RCW, as amended, and the rules and regulations of the Department of Labor and Industries. ASP shall apply the schedule of prevailing wage rates as provided under such laws for the locality or localities where this project will be performed. The prevailing rate of wage shall be paid to workers on the project for all work, construction, alteration, repair, or improvement, other than ordinary maintenance, that the state causes to be performed by a private party through a contract to lease when required by 39.12 RCW and the Department of Labor and Industries.
7. Pre-lease Work and Activities---Assumption of Risk and Release. ASP is discouraged from undertaking, and nothing herein nor any oral or written communication shall be construed to condone, encourage, or otherwise authorize, any work, vacation of the Premises, demolition, operation systems, construction drawings, or any other related activity, during the Interim Period or prior to the State executing a contract to lease. In the ASP undertakes any work, vacation of the Premises, demolition, operation systems, construction drawings, or *any* other related activity broadly understood, during the Interim Period or otherwise prior to execution of a lease, ASP acknowledges that such is not authorized by the State, or provided for under this Agreement. ASP agrees to assume all related risk of any kind whatsoever, and shall be solely responsible for any and all related cost and expense. ASP releases the State from any and all expenses, costs, or liability associated with any Work, vacation of the Premises, demolition, operation systems, construction drawings, or any other related activity, that ASP, its agents, contractors and or subcontractors (of any tier) perform during the Interim Period. ASP shall require all contractors and subcontractors of any tier to make such a release, and shall hold harmless and indemnify the State to the extent State is subjected to any claim or incurs any damages related to ASPs breach of the duty to include such release in all such contracts.
8. Pre-lease Work and Activities---Indemnification. ASP shall defend, indemnify, and hold the State and its officers and employees harmless from all claims, demands, or suits at law or equity

arising in whole or in part from any work, vacation of the Premises, demolition, operation systems, construction drawings, or *any* other related activity broadly understood, during the Interim Period, done by ASP or ASP's agents, employees, contractors, subcontractors or vendors, of any tier, or any other persons for whom ASP may be legally liable; provided that nothing herein shall require ASP to defend or indemnify the State against and hold harmless the State from claims, demands or suits based solely upon the negligence of, or breach of any obligation under this Agreement by the State, its agents, officers, employees, contractors, subcontractors or vendors, of any tier, or any other persons for whom the State may be legally liable; and provided further that if the claims or suits are caused by or result from the concurrent negligence of (a) ASP or ASP's agents, employees, contractors, subcontractors or vendors, of any tier, or any other persons for whom ASP is legally liable, and (b) the State, its agents, officers, employees, contractors, subcontractors and or vendors, of any tier, or any other persons for whom the State may be legally liable, the indemnity obligation shall be valid and enforceable only to the extent of ASP's negligence or the negligence of ASP's agents, employees, contractors, subcontractors or vendors, of any tier, or any other persons for whom ASP may be legally liable. This provision shall be included in any agreement between ASP and any contractor, subcontractor and vendor, of any tier for any work or other activities as described above during the Interim Period.

Section 2. Preliminary Terms And Conditions.

Premises – Approximately 4,511 square feet of Building Owners and Managers Association (BOMA) usable office space located at 301 Yakima Street, Wenatchee, together with 2 (two) exclusive, on-site parking spaces. The final area of the Premises shall be equal to the actual area occupied by the State as indicated by plans and specifications approved by the State. The measurement of said area shall be in accordance with the method for measuring floor area of office buildings as approved by BOMA standards.

Rent – The rent shall be calculated at \$25.00 per square foot per annum for the first five years and \$26.75 per square foot per annum for the second five years. Final rent shall be based on the area occupied as determined by final plans and specifications of the Premises as described above.

The current proposal indicates the Premises will be approximately 4,511 BOMA usable square feet. Therefore, the rent will not exceed \$112,775.00 per annum or \$9,397.92 per month for the first five years and will not exceed \$120,669.25 per annum or \$10,055.77 per month for the second five years.

Term – The lease shall be for a term of ten (10) years, with an option to renew for one or more consecutive five (5) year periods, with renewal terms, conditions and rental rate to be either negotiated at the time of renewal or as agreed upon by the parties in this lease.

Lease Commencement – The lease commencement date will be June 1, 2023, or earlier. Lessor shall provide beneficial occupancy commencing on May 15, 2023; provided, however, that the lease shall not commence and the State shall not commence occupancy until it has accepted the building and site improvements provided by ASP.

Expenses – ASP shall pay the cost of water, sewer, garbage, property taxes and assessments, fire protection, elevator (including elevator phone service), natural gas, electricity, janitorial service and

restroom supplies, light bulbs and fluorescent tubes, storm water and building insurance and landscape and irrigation water. Janitorial service shall include interior and exterior window washing, restroom supplies, light bulb replacement and such other items listed in Exhibit J to the standard lease. ASP shall pay for and provide maintenance as described in the Maintenance and Repair provision of the State's standard lease form (copy enclosed).

Lease Document – Lease documents shall be provided by the State using the State's standard lease form as referenced above. Lease language shall be adapted, as deemed applicable by DES to reflect the terms and conditions of final term and conditions. All documents are subject to review and approval "as to form" by the Office of the Attorney General and signature approval by the State. All documents are subject to review by the City Attorney and approved by the City Council.

Tenant Improvements – Upon receipt of confirmation of proposed terms and conditions, the State shall develop plans and specifications, for alterations and improvements of the proposed space. Once completed and approved by the DES's Manager, these plans and specifications will be forwarded to you for review and determination of costs, including those costs for meeting the Leased Space Requirements, Edition 1.0 and the New Space Addendum, Edition 1.0. These costs are to appear on the Construction Project Cost Proposal (previously called Bid Cost Breakdown) Sheet, which is included in New Space Addendum. The State reserves the sole right to approve final layout and working drawings.

ASP shall provide, at its sole cost and expense, all building and site improvements necessary to complete the approved plans and specifications. ASP shall strictly adhere to the Leased Space Requirements unless, and only to the extent specifically waived in advance in writing by the State. ASP shall be reimbursed by the State for all building and site improvement expenses that exceed \$20,000.00 (Twenty thousand dollars and no cents).

In the event the State desires Additional Improvements, and agreement has been reached regarding the cost of such Additional Improvements, such agreement must be in writing and contained in the final lease document or shall not be binding. ASP will be reimbursed by the State for Additional Improvements upon completion of all Tenant Improvements to the State's satisfaction and sign-off, including all construction punch list items. This reimbursement will be payable in cash subject to issuance of a final Authority to Pay by the State. The final Lease document will include language to reflect terms of this reimbursement if any.

Prevailing Wage – The lease shall provide that ASP shall pay the prevailing rate of wage to all workers, laborers, or mechanics employed in the performance of any part of this project and to comply with the provisions of Chapter 39.12 RCW, as amended, and the rules and regulations of the Department of Labor and Industries and the schedule of prevailing wage rates for the locality or localities where this project will be performed, as determined by the Industrial Statistician of the Department of Labor and Industries.

The undersigned acknowledges it has authority to sign on behalf of the entity it represents.

APPROVED

City of Wenatchee

By: _____

Printed Name: _____

Title: _____

Date: _____

APPROVED

STATE OF WASHINGTON
Office of the Attorney General

Acting through the Department of
Enterprise Services

Richard J. Bushnell, Deputy Assistant Director
Real Estate Services

Date: _____

cc: Industrial Statistician, L&I, MS: 44540
Amy Pappajohn, Leasing Agent, RES
Robert Soderstrom, Architect, RES
Karen Cowan, Director, Facilities, Safety & General Services, ATG



CITY COUNCIL AGENDA REPORT

TO: Frank Kuntz, Mayor
City Council

FROM: Stephen Neuenschwander, Planning Manager
Community Development

MEETING DATE: December 8, 2022

I. SUBJECT

On October 27, 2022 the City Council adopted Ordinance 2022-26 authorizing a twelve (12) month interim zoning ordinance within the City of Wenatchee authorizing safe parking areas and temporary emergency low barrier shelter units as a Permitted Use within the City.

II. ACTION ITEM

Conduct a public hearing and take public testimony on the interim zoning ordinance adopted by Ordinance 2022-26.

III. OVERVIEW

The cities of East Wenatchee and Wenatchee in partnership through an interlocal agreement are working on projects to provide shelter to the unsheltered homeless population in the two cities, implementing the adopted local homeless housing plan. The Columbia River Homeless Housing Task Force and the City of Wenatchee have authorized contracts for programs to move forward with two new kinds of shelter opportunities. Taking quick action on these items is necessary to address the significant and immediate needs of the unsheltered homeless population and associated impacts to the two communities.

RCW 36.70A.390 authorizes the City Council to adopt an interim zoning ordinance for a period of up to twelve (12) months if a public hearing on the proposal is held within at least 60 days of its adoption and a work plan is developed for related studies. While the City of Wenatchee Zoning Code has use a use category for homeless shelters, it does not address the immediate need for the temporary housing and is not tailored to the specific siting characteristics and needs of the two specific new low barrier shelter categories. These two categories include:

Safe parking area means a parking program operated on public property or property leased by the City and managed by a non-profit entity that is authorized and contracted by the City of Wenatchee to provide individuals and households whom are residing in vehicles or recreational vehicles a temporary and safe place to park overnight while working towards a transition to permanent housing. These facilities are intended to provide wrap around services and are managed under low barrier shelter practices.

Temporary emergency low barrier shelter units: means a structured encampment operated on public property, property leased by the City, or property owned by a non-profit organization that provides multiple individual temporary low barrier emergency shelter housing units established to serve the unsheltered homeless population. These facilities are intended to provide wrap around services and are managed under low barrier shelter practices.

Homelessness is an emergent problem within the city and there need to be places where persons experiencing homelessness can go for temporary emergency shelter managed with low barrier shelter practices. The definition of unsheltered homeless, also includes households in vehicles and recreation vehicles. Capacity does not exist to provide for all of the unsheltered homeless population without the addition of these new housing categories. It is important that the City establish regulations to protect the health of the individuals in safe parking areas and temporary homeless shelters and the health, safety, and security of our neighborhoods.

The adoption of these interim controls will provide the City of Wenatchee Planning Commission an opportunity to provide a future recommendation on zoning code amendments for the Wenatchee City Council's consideration, and also address the immediate need that exists at this time.

IV. FISCAL IMPACT

Review of the financial impact of the new facilities has already been analyzed by the Wenatchee City Council for authorization of associated grant contracts.

V. PROPOSED PROJECT SCHEDULE

The Interim Control will provide for the operation of the two existing safe parking areas while the temporary emergency low barrier shelter units will not be installed until Spring 2023. The Mayor and other responsible staff will continue to study and address issues related to the continuing need for and impacts of safe park areas and temporary emergency low barrier shelter units. The Mayor and/or staff shall report their findings to city council within nine months of the date hereof.

VI. REFERENCE(S)

Ordinance 2022-26

VII. ADMINISTRATIVE ROUTING

Tammy Stanger, City Clerk
Laura Gloria, Executive Services Director

ORDINANCE NO. 2022-26

AN ORDINANCE, adopting a twelve (12) month interim zoning ordinance within the City of Wenatchee on the allowance of safe parking areas and temporary emergency low barrier shelter units as a Permitted Use within the City.

WHEREAS, the Wenatchee City Council hereby finds that an interim zoning ordinance is necessary to allow safe park areas and temporary emergency low barrier shelter units in the City of Wenatchee on an immediate and temporary basis until the City can further study the appropriate land use and/or permitting regulations to address the need for and impacts of such uses; and

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

WHEREAS, the City Council desires to enact a twelve (12) month interim zoning ordinance allowing safe park areas and temporary emergency low barrier shelter units in the City of Wenatchee; and

WHEREAS, interim zoning ordinance enacted under RCW 36.70A.390 are methods by which local governments may authorize immediate and temporary zoning provisions prior to receiving a recommendation from the City's Planning Commission when there is an emergent need to do so in order to protect the public safety, health and welfare from imminent harm; and

WHEREAS, in conformity with the responsibilities of the City of Wenatchee to meet public safety, property or welfare requirements and provide zoning and land use regulations pursuant to state law, and the City's authority to regulate land use activities within its corporate limits, the City intends to develop appropriate zoning and permitting requirements for the permitting of safe park areas and temporary emergency low barrier shelter units in the City of Wenatchee.

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

SECTION I
Findings

The following findings are hereby adopted as the City Council's findings in support of the interim zoning regulations enacted by this Ordinance:

1. The city recognizes that homelessness is an emergent problem within the city and that there need to be places where persons experiencing homelessness can go for temporary emergency shelter managed with low barrier shelter practices.
2. It is vitally important that the City establish regulations to protect the health of the individuals in safe parking areas and temporary homeless shelters and the health, safety, and security of our neighborhoods.
3. Safe parking areas provide homeless individuals and households with vehicles a safe place to temporarily park in order to facilitate the transition to permanent housing.
4. Temporary emergency low barrier shelter units provide a structured encampment operated on public property, property leased by the City, or property owned by a non-profit organization that provides multiple individual temporary low barrier emergency shelter housing units established to serve the unsheltered homeless population. These facilities are intended to provide wrap around services and are managed under low barrier shelter practices.

SECTION II
Interim Zoning

Pursuant to Washington State law, an interim zoning regulation is hereby enacted by amending Chapter 10.08 Definitions, Section 10.10.020 District Use Chart, and by the addition of Section 10.48.330 Homeless Housing to the Wenatchee City Code (WCC) to read as follows:

10.08 Definitions

Safe parking area means a parking program operated on public property or property leased by the City and managed by a non-profit entity that is authorized and contracted by the City of Wenatchee to provide individuals and households whom are residing in vehicles or recreational vehicles a temporary and safe place to park overnight while working towards a transition to permanent housing. These facilities are intended to provide wrap around services and are managed under low barrier shelter practices.

Temporary emergency low barrier shelter units: means a structured encampment operated on public property, property leased by the City, or property owned by a non-profit organization that provides multiple individual temporary low barrier emergency shelter housing units established to serve the unsheltered homeless population. These facilities are intended to provide wrap around services and are managed under low barrier shelter practices.

10.10.020 District Use Chart

<p align="center">P = Permitted use P1 = Permitted, not to occupy grade level commercial street frontage AU = Accessory use C = Conditional use C1 = Conditional use, not to occupy grade level commercial street frontage ~ = Prohibited use M = Permitted use in a corridor mixed use project within the MRC overlay</p>																				
Uses	Commercial Districts					Mixed Use Districts			Residential Districts			Overlay Zones								
	CBD	NWBD	SWBD	CN	CD	I	WMU	OMU	RMU	RF	RS	RL	RM	RH	HEO	CSO	MRC	IO	PO	RO
Public Assembly																				

<p style="text-align: center;">P = Permitted use</p> <p style="text-align: center;">P1 = Permitted, not to occupy grade level commercial street frontage</p> <p style="text-align: center;">AU = Accessory use</p> <p style="text-align: center;">C = Conditional use</p> <p style="text-align: center;">C1 = Conditional use, not to occupy grade level commercial street frontage</p> <p style="text-align: center;">~ = Prohibited use</p> <p style="text-align: center;">M = Permitted use in a corridor mixed use project within the MRC overlay</p>																				
Uses	Commercial Districts						Mixed Use Districts			Residential Districts				Overlay Zones						
	CBD	NWBD	SWBD	CN	CD	I	WMU	OMU	RMU	RF	RS	RL	RM	RH	HEO	CSO	MRC	IO	PO	RO
Safe parking area	~	<u>P</u>	<u>P</u>	~	~	<u>P</u>	~	~	~	~	~	~	~	~	~	~	~	~	~	~
Temporary emergency low barrier shelter units	~	<u>P</u>	<u>P</u>	~	~	<u>P</u>	~	~	~	~	~	~	~	~	~	~	~	~	~	~

10.48.330 Homeless Housing

The city recognizes that homelessness is an emergent problem within the city and that there need to be places where persons experiencing homelessness can go for temporary emergency shelter managed with low barrier shelter practices. These regulations are intended to protect public health and safety by requiring safe operations of the shelters for both the shelter guests and the broader community. Temporary shelters include Temporary emergency low barrier shelter units and safe parking areas.

- (1) The City of Wenatchee shall enforce requirements providing that certain conduct within public rights-of-way including sitting, lying, pedestrian interference, and distribution of goods, products or supplies within 1000' lineal feet of the boundaries of the subject properties to prevent the establishment of a nuisance.
- (2) The City of Wenatchee shall hold a neighborhood meeting or open house within 90 days of site operations commencing to provide information on the facility, gather comments, and provide a means to coordinate any future concerns.
- (3) Sites shall be maintained to address health and sanitation requirements consistent with local and state standards.
- (4) The site contractor shall submit for approval policies on coordination with surrounding property owners as a means to communicate and where applicable respond to concerns over time.
- (5) A site an operational plan must be submitted that addresses site management, site maintenance and provision of human and social services.

- (6) Low barrier shelter management practices shall be implemented onsite.
- (7) Sites shall be monitored on a quarterly basis to review conformance with the City of Wenatchee grant contract and code requirements.
- (8) Fencing adequate to limit access to the site for the safety and security of residents shall be installed and shall comply with WCC 10.48.130(4) Clear view triangle. Fences may not exceed six-feet in height and may be constructed out of solid materials or materials which provide for 100 percent site obstruction such as chain-link fencing with privacy slats.

SECTION III
Effective Period for Interim Zoning

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

SECTION IV
Work Plan

The Mayor and other responsible staff are hereby authorized and directed to study and address issues related to the continuing need for and impacts of safe park areas and temporary emergency low barrier shelter units. The Mayor and/or staff shall report their findings to city council within nine months of the date hereof.

SECTION V
Public Hearing

A public hearing on the interim control imposed herein shall be held on December 8, 2022, at 5:15 p.m., upon notice, in order to take testimony and to consider adopting further findings.

SECTION VI
Severability

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

SECTION VII
Effective Date

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

PASSED BY THE CITY COUNCIL OF THE CITY WENATCHEE,
at a regular meeting thereof, this 27th day of October, 2022.

CITY OF WENATCHEE,
a Municipal Corporation

By: 
FRANK KUNTZ, Mayor

ATTEST:

By: 
TAMMY L. STANGER, City Clerk

APPROVED:

By: 
STEVE D. SMITH, City Attorney