REGULAR CITY COUNCIL STUDY SESSION
MONDAY, AUGUST 4, 2014
LOCATION: BAINBRIDGE ISLAND CITY HALL
280 MADISON AVENUE NORTH, BAINBRIDGE ISLAND, WA 98110

1. 7:00 PM CALL TO ORDER / ROLL CALL

2. 7:05 PM ACCEPTANCE OR MODIFICATION OF AGENDA / CONFLICT OF INTEREST DISCLOSURE

3. 7:10 PM CITY MANAGER'S REPORT

4. 7:15 PM STAFF INTENSIVE

A. 7:15 PM Community Services Funding

Documents: 080414 Community Services Funding Agenda Bill.docx, 080414 Community Services Funding Memo.docx, 080414 2013 Community Service Contracts - Final Reports.pdf

B. 7:30 PM Consider Surplus of Suzuki Property

Documents: 080414 Suzuki Property.docx

C. 7:50 PM Public Works Contracts

1. 2014 Islandwide Asphalt Repair

Documents: 080414 2014 Islandwide Asphalt Repair Agenda Bill.docx, 080414 2014 Islandwide Asphalt Repair Map.pdf, 080414 2014 Islandwide Asphalt Repair Bidform.pdf

2. City Hall Paint and Wood Restoration

Documents: 080414 City Hall Paint And Wood Restoration Agenda Bill.docx, 080414 City Hall Paint And Wood Restoration Bidform.pdf

3. Road Drainage Improvements Project (Valley, Logg and Gertie Johnson Road)

Documents: 080414 Road Drainage Improvements (Valley Logg Gertie Johnson).Docx

4. Lynwood Center Outfall Improvements

Documents: 080414 Lynwood Center Outfall Agenda Bill.docx

D. 8:00 PM Sound to Olympics Trail Revised Preliminary Design Professional Services Agreement

Documents: 080414 Sound To Olympics Trail Phase 2 PSA Agenda Bill.docx, 080414 Sound To Olympics Trail Phase 2 Agreement.pdf

E. 8:05 PM Ordinance No. 2014-29, Pleasant Beach Tracts Partial Right-of-Way Vacation

Documents: 080414 Ordinance No. 2014-29 Pleasant Beach ROW Vacation Agenda Bill.docx, 080414 Ordinance No. 2014-29 Pleasant Beach ROW Vacation Vicinity Map.pdf, 080414 Ordinance No. 2014-29 Pleasant Beach ROW Vacation.docx

F. 8:15 PM Ordinance No. 2014-24, Right-of-Way Use

Documents: 080414 Ordinance No. 2014-24 ROW Agenda Bill.docx, 080414 Ordinance No. 2014-24 ROW Memo.docx, 080414 Ordinance No. 2014-24 ROW.docx

G. 8:25 PM Resolution No. 2014-15, Right-of-Way Use Fees

Documents: 080414 Resolution No. 2014-15 ROW Use Fees Agenda Bill.docx, 080414 Resolution No. 2014-15 ROW Use Fees.docx

H. 8:30 PM Review Financial Policies

Documents: 080414 Financial Policies.pdf

I. 8:50 PM 2014 Mid-Year Report

Documents: 080414 2014 Mid-Year Financial Report.pdf

J. 9:05 PM Ordinance No. 2014-31, Q2 2014 Budget Adjustments

J. 9:05 PM Ordinance No. 2014-31, Q2 2014 Budget Adjustments

Documents: 080414 Ordinance No. 2014-31 Q2, 2014 Budget Adjustments Agenda Bill.docx, 080414 Ordinance No. 2014-31 Q2, 2014 Budget Adjustments Memo.docx, 080414 Ordinance No. 2014-31 Q2, 2014 Budget Adjustments.docx

K. 9:15 PM Bainbridge Island Rowing Ground Lease

Documents: 080414 Bainbridge Island Rowing Ground Lease Agenda Bill.docx, 080414 Bainbridge Island Rowing Ground Lease.docx, 080414 Bainbridge Island Rowing Center Ground Lease Map.pdf

5. 9:25 PM COUNCIL DISCUSSION

A. 9:25 PM Resolution No. 2014-18, Oil Train Regulations

Documents: 080414 Resolution No. 2014-18 Oil Train Regulations Agenda Bill.docx, 080414 Resolutions On Oil Transport July 2014.Pdf, 080414 Resolution No. 2014-18 Oil Train Regulations.docx

B. 9:35 PM National Coworking Week Proclamation

Documents: 080414 Coworking Week Proclamation 2014.Docx, 080414 Coworking Week Proclamation Agenda Bill.docx

6. 9:40 PM COMMITTEE REPORTS

7. 9:45 PM REVIEW OF UPCOMING COUNCIL MEETING AGENDAS

A. 9:45 PM Review Upcoming Council Meeting Agendas

Documents: 080414 Review Upcoming Council Meeting Agendas.pdf

8. 9:50 PM FOR THE GOOD OF THE ORDER

9. 9:55 PM ADJOURNMENT

Times listed on this agenda are appropriate. Public Comment may be limited to allow time for Council to deliberate.

Americans with Disabilities Act (ADA) accommodations provided upon request. Those requiring [illegible]

CITY OF BAINBRIDGE ISLAND
CITY COUNCIL AGENDA BILL

PROCESS INFORMATION	
Subject: Review City Funding for Community Services	Date: August 4, 2014
Agenda Item: Staff Intensive	Bill No.: 14-118
Proposed By: Deputy City Manager Morgan Smith	Referral(s):

BUDGET INFORMATION		
Department: Executive	Fund:	Munis Contract #
Expenditure Req: none	Budgeted? ☐ Yes ☐ No	Budget Amend. Req? ☐ Yes ☐ No

REFERRALS/REVIEW		
City Manager ☒ Yes ☐ No ☐ N/A	Legal ☐ Yes ☐ No ☒ N/A	Finance ☒ Yes ☐ No ☐ N/A

DESCRIPTION/SUMMARY

Action Item:

To provide an update on the City's funding to local organizations to support community service programs in the areas of housing, health and human services.

History:

The following memo provides background on City expenditures to support 11 local organizations that provide services to Bainbridge Island. These organizations were recommended for funding by the Health, Housing and Human Services Council (HHHS) in 2010. Since 2011, the City has allocated annual funding to these organizations based on the HHHS recommendations.

Staff is seeking Council input on how these expenditures should be incorporated into the upcoming 2015-16 Biennial Budget.

RECOMMENDED ACTION:

Information only.

City of Bainbridge Island
EXECUTIVE DEPARTMENT

MEMORANDUM

TO: City Council
Doug Schulze, City Manager

FROM: Morgan Smith, Deputy City Manager

DATE: July 30, 2014

RE: Community Services Funding: Background and Budget Issues

The City provides roughly $313,000 in annual funding to 11 local community service organizations. This memo provides an overview of the recent history of that funding, and identifies items for City Council consideration that will help to inform the development of the 2015-16 Biennial Budget.

Background

During 2003 – 2010, the City contracted with the Health, Housing and Human Services Council (HHHS) to implement the Human Services element of the City's Comprehensive Plan. A key part of that implementation was the work HHHS did to identify and recommend local organizations to receive City funding. HHHS then distributed City funding to recipient organizations and managed reporting on results, organizational development, and other administrative aspects. To support the HHHS work on behalf of the City, the City provided additional, direct funding to HHHS.

In 2010, the City determined to significantly reduce the direct funding provided to HHHS for its implementation services. As a result, the organization discontinued its operations. Beginning in 2011, the City provided financial support directly to community service organizations, through individual annual contracts for professional services.

The community service contracts issued in 2011 were based on the last set of funding recommendations that HHHS developed before the organization ceased operations. These recommendations were the result of a review process HHHS conducted in 2010. The HHHS recommendation for 2011 proposed funding for 11 local organizations. For the 2011-12 Biennial Budget, the City included funding to the recommended group of 11 organizations, in amounts equivalent to 75% of the initial HHHS recommendation. In 2012, the City adjusted the budget to

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include a 2% increase in funding to all recipients.

Table 1: HHHS 2011 Funding Recommendations and City Budgets (2011 and 2012)

	HHHS	COBI	COBI
	2011 Rec	2011 Budget	2012 Budget
Bainbridge Island Childcare Centers	$35,000	$26,250	$26,775
Bainbridge Youth Services	$46,000	$34,500	$35,190
Boys & Girls Club of Bainbridge Island	$35,000	$26,250	$26,775
Elder & Adult Day Service	$5,000	$3,750	$3,825
Helpline House	$115,000	$86,250	$87,975
Hope House	$6,000	$4,500	$4,590
Housing Resources Board	$40,000	$30,000	$30,000
Bainbridge Island Special Needs Foundation	$10,000	$7,500	$7,650
Interfaith Volunteer Caregivers	$16,000	$12,000	$12,240
Washington Smile Partners	$5,000	$3,750	$3,825
YWCA Alive Program	$11,000	$8,250	$21,675
Subtotal:	**$324,000**	**$243,000**	**$260,520**
Housing Resources Board - Indep. Living	n/a	$40,000	$35,000
Total:		**$283,000**	**$295,520**

For the 2013-14 Biennial Budget, the City maintained the set of 11 recipients, and provided an 3% funding increase in each year.

Table 2: City Budgets for Community Service Organizations (2011 - 2014)

	COBI 2011 Budget	COBI 2012 Budget	COBI 2013 Budget	COBI 2014 Budget
Bainbridge Island Childcare Centers	$26,250	$26,775	$27,578	$28,405
Bainbridge Youth Services	$34,500	$35,190	$36,246	$37,333
Boys & Girls Club of Bainbridge Island	$26,250	$26,775	$27,578	$28,405
Elder & Adult Day Service	$3,750	$3,825	$3,940	$4,058
Helpline House[1]	$86,250	$87,975	$90,614	$109,709
Hope House	$4,500	$4,590	$4,728	$4,870
Housing Res. Board - E. Rental/Homeshare	$30,000	$30,000		
Bainbridge Island Special Needs Foundation	$7,500	$7,650	$7,880	$8,116
Interfaith Volunteer Caregivers	$12,000	$12,240	$12,607	$12,985
Washington Smile Partners	$3,750	$3,825	$3,940	$4,058
YWCA Alive Program	$8,250	$21,675	$22,325	$22,995
Subtotal:	$243,000	$260,520	$237,436	$260,934
Housing Resources Board - Indep. Living [2]	$40,000	$35,000	$66,950	$52,582
Total:	$283,000	$295,520	$304,386	$313,516

[1] Includes Emerg. Rental Assistance program in 2014
[2] Includes Homeshare program in 2013 & 2014

Policy Questions

The City's allocation to community service recipients represents a significant investment from the General Fund, and equates to almost 3% of the total General Fund operating expenses ($11.1 million). As staff works to develop the 2015-16 Biennial Budget, it is important to understand whether City Council intends any adjustment to this set of expenditures.

In principle, decisions about community service funding should be informed by an assessment of several elements:

1. ***Connection to City Goals***. How well does funding for these specific programs align with identified City priorities? The work in progress on Priority Based Budgeting could help to clarify how this funding supports various components of the "Results Map" and with what level of significance.

2. ***Degree of Community Impact***. What is the scope of the program, what number of clients are served, what trends in demand are emerging, etc..

3. ***Role of City Support.*** What is the organizational and/or financial impact of the City's funding for the recipient organization? What share of the program budget is supported by City funding relative to other sources? What share of the program budget is used for direct services and what share is used for administrative expenses?

Prior to 2011, the City relied on HHHS to perform organizational assessments and provide reporting on recipients' programs and financial results. Since 2011, the City has asked recipients to provide annual reports on their programs. However there has been no effort to develop a funding mechanism to replace the HHHS oversight, to update the recommendations that were last developed in 2010, or to review the portfolio of organizations that currently receive funding. In the absence of this function, annual funding has been carried forward year-over-year, with no substantive review of the significance of, or results generated by, the City's support for these programs.

Alongside these general issues, there are two particular items for Council consideration related to the 2015-16 Biennial Budget:

1. ***Funding for off-island agencies***. In 2013, the Elder and Adult Day Service (EADS) relocated from Bainbridge Island to a facility in Bremerton. City contracts had not previously required recipient organizations to operate on-island, and so the City continued to provide EADS with the funding as approved in the 2014 Budget ($4,058). Going forward, it would be helpful to understand whether City Council prefers to require recipient organizations to be located within the City of Bainbridge Island.

2. ***Change to annual funding amounts***. As described above, current funding levels are based on amounts equal to 75% of the HHHS recommendations developed in 2010, with subsequent annual increases of 2% or 3%. Staff would like direction on whether to include any increase in funding amounts for the 2015 and 2016 community service co ntracts.

BAINBRIDGE YOUTH SERVICE 2013 FUNDING REPORT
TO CITY OF BAINBRIDGE ISLAND

Services provided by these funds supports the BYS mission to promote the social and emotional well being of all community adolescents through counseling and diverse outreach programs and services during 2012. COBI funds paid for counselors, primarily, with some dollars to support administrators, outreach & education efforts like trainings, and support staff.

Without COBI funding (as you can see in our 2013 financial accounting where COBI funding represents 21% of our income) we would not be able to provide as many counseling hours.

We met all of our deliverables as outlined in our Scope of Work. And, as our reports indicate our efforts have been focused on "expanding access" to our services and "expanding our reach" to more youth and their families by adding parents to our counseling services as well as a mobile counselor to take our services to those in need.

COUNSELING: During 2013 we were able to provide 1, 073 counseling hours (190 youth sessions) to clients ages 12 through 19 directly with one on one counseling at BHS, WMS, Sakai and now EHHS as well. The three top reasons given for coming to see us were Peer/Relationship issues; Parent Issues; Anxiety/Depression.

These youth clients came to BYS from varied referrals. 29 self referred; 61 were parent referred; 50 were school referred; 14 from friend referrals; 9 from other agencies and remaining were not specified.

In addition we also provided direct counseling services to 3 groups of 27 youth for 58 hours of intervention work. Group sessions included: anxiety/depression support group for high school girls; support group for high school minority boys; and, a retreat for 7th grade girls on stress management.

The pre and post evaluation using the Becks and PHQ 9 assessment tools for anxiety and depression respectively showed a significant improvement after the 5 week support group. The clients moved from depression scores that were on the high end of the Moderate to Severe category to the high end of Moderate. Anxiety rates moved from high end of Severe and ended at the low end of Severe. We held a second cycle (another 5 weeks) of this same group and with the second intervention their scores went from the low end of Severe/high end of Moderate to the middle of Moderate.

BYS assures quality care for our clients by providing formal clinical supervision to counselors, by maintaining policies for clinical recordkeeping procedures, and by hiring masters' level clinicians who are eligible for licensure or are already licensed by the State of Washington. This year we also hired a doctoral level clinical psychologist to our team of counselors. The need for parents have to access to counseling support has grown as well. Our PhD counselor is uniquely suited to assist this population. Overall, the need for support continues to grow each month as the school year unfolds.

Our counseling at Sakai, Woodward, Bainbridge High School and Eagle Harbor High School continues to help the youth we serve. We know this from the reports written after each session. Due to the confidential nature of the information shared, we cannot include details but our organization does track progress with treatment plans and client well-being.

However, here are a few client issues we dealt with this year:

- A young lady whose mother is a hoarder is struggling with her mother's affliction and trying to get her homework done and keep friends (even though they come over to her house)
- After a presentation to all health classes, one student indicated they had suicidal thoughts
- One of our clients with autism who struggles socially absolutely blossomed after our anxiety support group and the bonds made with other attendees
- A client is struggling with gender identity has benefitted from her work at BYS because now she can talk to her family and open up with them more

These are just a few of the topics our counselors work on each week and why your support is needed for us to continue these services to our youth.

One client gave us permission to share their perspective: "BYS saved my life. I was in a dark place when I started at BYS. A friend recommended that I go see Tara. I could talk to her about everything. There was a lot of drama in my life. she helped me decide what kind of person I wanted to be. At some points I wasn't sure I was learning anything about myself, but I understand now that the "boring weeks" were the weeks where with no drama I could fix myself. I am now the person I want to be and am ready to grow even more as I leave BHS to pursue my passions."

CHALLENGES: The greatest need we have identified after evaluating 2013 is that we need to continue to increase access to care. The youth in our community have increasing needs but our services remain limited due to access barriers and funding. Our model of no-fee, confidential, one on one mental health counseling is a best practice for assisting youth in need with identifying, processing and improving situations that cause mental harm. However, our reach to all youth who have social and emotional struggles, and could use assistance with tools and education, needs to improve. We are looking at building our capacity through launching an Ask the Counselor or Ask the Doctor website we are calling askBYS.org. This site in 2014 will be a means to bring more clients support and education especially for those who may not ever (under regular circumstances) step foot across our BYS office threshold. This effort will also allow us to reach out to demographics that extend further into the county as well.

Reaching parents is also a challenge. We are finding that helping youth and providing them tools is only part of the need when sending them home to the same situations. So, this year we are working harder through our efforts with the Healthy Youth Summit to reach more parents with counseling services, education and other resources.

The uniqueness of this program and increased reach will also allow us to raise more funds to support more counselor hours.

ADDITIONAL PROGRAMS & SERVICES: In addition to our core program of Counseling, BYS provides programs and services to support the Bainbridge Community and its youth. For example, through a partnership with the Kitsap County Juvenile Court System, BYS provides Diversion services to local families, providing an alternative to the traditional court experience. BYS also provides a Jobs Posting Service online for teens and community members. Through our Compassionate Action awards, BYS recognizes teen volunteers. This year we recognized 104 youth on November 24th at Bethany Lutheran.

During 2013, presentations were given twice during the school year to all freshman during their required health class.

Through our Rose Grant, a grant to encourage underserved teens to pursue their passion,
7 awards were given to students pursuing Japanese culture, science of the voice, photography, art, screenplay writing, and psychology.

ADDITIONAL 2014 EFFORTS: In addition to our counseling and core programs, our 2014 efforts will include: the development of a mind/body "stress-busters" "emotional regulation and anxiety reduction" program targeted to Sakai and Woodward age youth. Also we will hold support groups for high school students. We will complete Healthy Youth Summits #2 and #3. At our third Summit we will establish "action plans" to build a healthier Bainbridge for youth to live and thrive. Lastly we are planning to host a Paid Summer Intern/Mentor Program this summer for 20 junior and senior high school students.

We meet with other social service organizations on a monthly basis to share information and to support one another's projects.

PARTNERSHIPS we have and plan to continue to cultivate: Raising Resilience, BISD, Rotary Club, Chamber of Commerce, Helpline, Boys and Girls Club, PTOs, Bainbridge Athletic Club, Bethany Lutheran, Psychotherapy Guild, Youth Engagement Ambassadors, Police Department, Bainbridge Community Foundation, Kitsap County Juvenile Court System, Coffee Oasis

ainbridge Island Child Care Centers

Preschool through School Age   Nonprofit Organization   Established 1974

February 25, 2014

1. *Summarize the activities undertaken in providing the services described in Attachment A.*

   Through the COBI Social Services Grant, BICCC provided:

   - ⇒ Direct Scholarship to 28 children from 23 families totaling 10,095 hours of service in childcare, preschool, after school care and summer camp.
   - ⇒ Staffing for children with Special Needs throughout the summer for 15-17 children with established IEP's (special needs).
   - ⇒ Implementation and coordination of Scholarship Program for families to help transition into our programs.

2. *Reference the project objectives specified in Attachment A. Were those objectives achieved? Why or why not? Where there any unexpected positive outcomes or challenges?*

   Objective achieved in Direct Scholarship as our hours of service increased totaling 10,095 hours of service. We served more children than predicted. During 2012 there was a steady decrease in families that qualified for DSHS subsidies. There were higher restrictions placed on families due to less WA State funding and fewer could qualify.

   The exception to this is that we have more foster children (3) who require more sensitivity and staffing. DCFS requires foster children to attend only fully licensed childcare centers.

   The majority of the children (75%) are in the school age programs and 25% attend the preschool program. Four of the parents were in or are in re-training educational programs or switching careers (since economic downturn). Two of our families are in the military.

   Additional staffing for children with Special Needs throughout the year is of paramount importance. Our ability to have this creates a more harmonious environment, creates smoother transitions and provides the best possible positive experience for all children in the program. We served children with special needs with autism, sensory integration issues, delays, blindness, and behavior issues. The unexpected outcomes included enrolling a child with severe physical needs. The parent felt the child was safe and to ensure her safety, additional staffing is required. The most reveling unexpected outcome was the acceptance and inclusiveness this child received from all of our students.

   Implementation and Coordination of Scholarship Program for families to help transition into our programs is a minor but necessary component of the entire program. The actual costs are at least double, but BICCC funds this through other means. The majority of families in the program are also young or have very limited resources. Our ability to guide them to services and discuss best methods adds to their ability to stay in jobs or complete schooling.

3. *Reference the specific measurable results specified in Attachment A. Were they achieved? If not, what challenges prevented the achievement of the anticipated results?*

   We estimated that over 7,000 hours of service would be required for 2012, however we actually provided over 10,000 hours of service. This projection was based on previous year's averages. More children were served compared to 2011.

4. *Describe involvement of any partners specified in Attachment A, as well as any unexpected cooperative relationships that developed through implementation of the project.*

   Our ability to review and qualify families is due to the involvement of social workers from Helpline House. They conduct financial reviews and assess families for other services. This partnership allows us to distribute the funds with confidence so that the children of island families can have a positive childcare experience while parents are at work.

   BICCC and Boys & Girls Club conducted joint trainings that benefitted the children of both programs. Jointly BICCC and Boys & Girls Club of Bainbridge Island serve the majority of school age children in out of school programs.

   The larger group of social service agencies continue to meet, work together, coordinate and communicate in regards to changes in the community. BICCC works primarily with BYS, B&G Club, HRB, Special Needs Foundation, and YWCA – Alive Program.

5. *Reference the project budget specified in the Attachment A. Provide an analysis of actual expenses and income in relation to the projected budget.*

   The expenses and income synchronized exactly. Direct scholarship did exceed the budget, which makes the increase for 2013 beneficial. Both Staffing support for children with Special Needs and Implementation exceeded the budgeted amount. Funding for the excess is provided by other community grants and BICCC funds.

Grants – COBI	
a) Direct Scholarship	$22,250.00
b) Special Needs Support	$2,525.00
c) Implementation	$2,000.00

Final Report of Services Provided by Bainbridge Island Special Needs Foundation in 2012

1. The Bainbridge Island Special Needs Foundation performed over 12,000 hours of direct client care in our community throughout this past year of 2012. We served 37 different individuals with a day program that gave improved physical health, mental wellbeing, and social interaction, while providing vocational training and community interaction in everything we do.

2. During 2012 we have seen an increase in the number of clients served and have adapted our programs to keep up with the changing needs. We have seen a new group of young adults as they make their transition from public school to community life. As their lives have stabilized after high school, our programs provided a push toward continued daily physical activities, cognitive challenges to improve mental acuity, and social exercises to improve their relationships both within their peer group at the Stephens House as well as out in the community at large.

3. Our vocational and community outreach programs have achieved measurable results. Five of the clients whom we see weekly have part-time jobs that have lasted more than 3 years at local businesses such as Safeway, Central Market, Salmon Creek Cafe, Storyville Coffee and the Kitsap E-Z Earth compost manufacturers. Working clients with developmental disabilities still return to Stephens House for our weekly programs of swimming, bowling, craft projects, and outings to local museums and sports activities. We have observed enduring friendships between clients that gather at our facility. This social interaction is a key factor in achieving a high quality of life.

4. Because the majority of our clients come to our program immediately after leaving public school, we work very closely with the BISD's Adult Living Program. Several of those students are already clients at the Stephens House on school breaks and summer vacation. We also work with the other school district's special education instructors and share in community-wide social activities such as dances and parties put on by the People First organization. Music is an important part of our program and we work with the Island Music Guild to provide regular concerts that are available to everyone in the special needs community.

5. Analysis of Actual versus Projected Budget for BISNF in 2012.

INCOME	**BUDGET**	**2012 ACTUAL**
Program Participation Fees	$40,000	$55,253
Grants	$10,000	$6,500
Organizational Donations	$12,000	$16,364
Individual Donations	$10,000	$8,806
City Social Services Funding	$7,650	$7,650
Fundraising events	$6,750	$3,050
Merchandize sales	$3,600	$1,957
TOTAL INCOME	$90,000	$99,580
EXPENSES		
Employee Salaries	$54,600.00	$51,783
Independent Contractors	$1,800.00	$3,628
Rent of Facility	$15,000.00	$14,300
Maintenance of Facility	$1,000.00	$5,069
Utilities	$3,600.00	$5,423
Insurance	$3,500.00	$3,281
Program Supplies	$2,000.00	$3,425

Food for Clients	$3,000.00	$3,177
Outing costs	$1,000.00	$2,946
Licenses & Permits	$400.00	$292
Professional Dues	$200.00	$237
Fundraising Materials	$500.00	$755
Advertising	$500.00	$355
Postage	$100.00	$303
Miscellaneous	$2,800.00	$4,177
TOTAL EXPENSES	$90,000	$99,151
net revenue/(cost)		$429

The $7,650 Funding from COBI provided 7.7% of our actual annual income in 2012. Thank you.

Submitted by Linda Purdom, president BISNF 1/24/13

City of Bainbridge Island

EADS Day Services

Elder and Adult Day Services (EADS)

4414 Perry Ave NE
Bremerton, WA 98310

Final Report for 2013

Summary of activities undertaken to provide services described in Attachment A.

<u>Three primary goals were identified in EADS' 2013 Attachment A:</u>

- **End losses that were threatening to shut down EADS' operations in Kitsap County.** Promised activity was to end EADS' operational losses in Kitsap County by moving our service center to Bremerton. It was hoped this move would:
    - o Reduce expenses by securing equivalent facilities at a lower rent, and
    - o Increase revenue by making its services more accessible.
- **Serve more Kitsap County residents.** Promised activity was to increase the number of clients served and the total number of hours of service delivered.
- **Provide discounted services to low income clients who do not qualify for free Medicaid-funded services.** EADS stated that the City's grant of $3,825 would be used to provide 53 four-hour days of discounted service in 2013.

<u>All of those goals were achieved:</u>

- **End losses.** On January 28, 2013, EADS moved its service center to Bremerton. As a result of that move:
    1. Rent went from $22.50 sf/year to $7.50 sf/year.
    2. The new location generated new enrollments and also resulted in higher utilization from existing clients.
    3. As a result of the lower operating costs and increased enrollment, EADS' Kitsap operations generated a net profit of $4,624 in the fourth quarter of 2013.
- **Expand services.** As noted above, the new location generated new enrollments and also resulted in higher utilization from existing clients. As a result:
    - o The number of unduplicated clients increased 31%; from 52 to 68.
    - o The average daily attendance increased 24%; from 21 to 26.
    - o The number of hours of services delivered per year increased from 21,840 to 27,040.

- **Provide discounted services.**
  - EADS provided 282 days of discounted services (worth $20,301) in 2013—over five times the amount promised in Attachment A.

<u>Secondary goals in Attachment A and the results achieved are summarized below:</u>

- **Serve an average of 21 people/day.**
  - EADS served an average of 26 people/day.

- **Provide free "Powerful Tools For Caregivers" training.**
  - We offered the training twice in 2012, but did not get enough interest to sustain a class. We re-evaluated community interest in early 2013 and decided not to offer the training in 2013. We'll re-evaluate interest again in the first quarter of 2014.

- **Provide care at one-fourth the cost of nursing home care.**
  - The average daily rate for nursing home care in Washington state was $280 in 2013. EADS' daily rate for adult day health was $72 (25.7%).

- **Deliver a minimum of three habilitative activities per participant per day.**
  - EADS' multidisciplinary care team prepares individual care plans for participants. These care plans can include a variety of elements, including: nursing services, target medical/fitness outcomes, occupational therapy targets, nutritional goals and social therapy objectives. They are reviewed weekly by staff and annually by a State survey team.

- **Open a day program (Young Adult Achievement Center) for young adults** (ages 21-30) with developmental disabilities who need meaningful daily activities because they have not found significant employment.
  - Because of the dramatic growth in enrollment in our existing programs, there wasn't sufficient space in the Bremerton Center to house a Young Adult Achievement Center. There is additional space available in the building, but it needs to be remodeled first. We are working to raise the required funds.

<u>Specific Measurable Results</u>:
In 2013 EADS provided:

- 27,040 hours of skilled nursing, occupational therapy and social therapy to adults with dementia or cognitive disabilities;
- 6,760 nutritionally balanced meals;
- 3,120 client hours of facilitated adaptive exercise;
- 3,536 medication reviews;
- 13,520 servings of nutritionally balanced morning/afternoon snacks;
- 2,882 chart reviews/updates against individualized client goals/targets;

- 80% of EADS' Bremerton clients are Medicaid-eligible. In order to maintain eligibility for Medicaid funding for adult day health services, the oversight agency (Kitsap County Human Services) must be persuaded—based on an on-site review by registered nurses and other subject matter experts—that the therapies received are effectively mitigating the physical and psycho-social effects of chronic disease or permanent disability.

Describe the involvement of any partners specified in Attachment A.

EADS primary partners were:

- Chuckwagon Senior Nutrition (subcontracts with EADS to provide meals).
- Kitsap County Human Services (provides case management for many of our clients and regulatory oversight of our programs).
- Kitsap Universalist Unitarian Fellowship (rented us space and provided zero-interest loans to help us complete necessary remodeling).
- Suquamish Tribe (provided a capital grant).
- Salal Credit Union (provided additional credit).
- Perkins Coie (provided *pro bono* legal services).

Financial support came from the following organizations and foundations:

- United Way of Kitsap County (provided grant support).
- Seattle Foundation (provided grant support).
- Premera (provided grant support).
- The O'Brien Business Group (provided grant support).
- Pacific Office Automation (provided grant support).
- Supplemental Health Care (provided grant support).
- Henry W. Bull Foundation (provided grant support).
- Harrington-Schiff Foundation (provided grant support).
- Extendicare Foundation (provided grant support).
- East West Bank (provided grant support).

Reference the project budget specified in the Attachment A.

- EADS stated that the City's grant of $3,825 would be used to provide 53 four-hour days of discounted service in 2013. EADS provided 282 days of discounted services (worth $20,301) in 2013—over five times the amount promised in Attachment A.

BOYS & GIRLS CLUBS
OF BAINBRIDGE ISLAND

Report on Execution of Services for 2013: Boys & Girls Club of Bainbridge Island

2013 was a very successful year for the Boys & Girls Club of Bainbridge Island. From a service delivery standpoint, the Club saw the number of youth served plateau. However, our members utilized our programs at a higher level.

	2013
Aggregate Service Hours	42,820
Total Youth Served	384
Average Daily Attendance	51
Single Day High Attendance	77

As the numbers above indicate, Bainbridge Islanders are utilizing the Club at an all-time high as it pertains to total service hours and average daily attendance. In addition, with increased attendance and program participation, the Club saw an increase in need-based scholarships granted to ensure that no child is turned away at our door due to financial limitations. In 2013, the Club granted over $40,000 in scholarships that enabled dozens of Island kids to engage in the valuable programs that the Club provides.

2013 also marked a successful year from a programmatic perspective. The following outcomes were achieved last year:

- 13 teens received Compassion Awards from Bainbridge Youth Services for their volunteer service to our younger members.
- The Club's teen volunteers logged over 2,500 hours of service working directly with the Club's younger members.
- Every Club member received at least 30 minutes of educational development support through PowerHour and at least 60 minutes of physical activity daily.
- New programs were created in the areas of digital arts, healthy lifestyles and character development.
- A program was created to serve our 5th – 8th members offsite at Woodward Middle School.

With the numerous successes that the Club saw in 2013 also came a handful of challenges. The Boys & Girls Clubs of King County is continuing the salary freeze that was instituted the beginning of 2008. Additionally, with very limited resources, the Club continues to operate with a meager supply and professional development budget. The Club continues to leverage every dollar to the fullest to best serve its members.

Additionally, the Club is nearing full-capacity (63) on high volume days. In response to this reality, the Club is currently engaging in discussions with other community stakeholders to identify alternative space for Club programming. We launched a program for 5th – 8th graders at Woodward Middle School, but recruiting middle school members has been a slow process. We hope this program will gain more visibility as the year goes on.

In conclusion, the Club's members and their families, staff and Board of Directors are extremely appreciative of ongoing support of the City of Bainbridge Island. The financial support provided by the City ensures that the Club continues to meet the needs of hundreds of Bainbridge Island families.

HELPLINE HOUSE
Non Profit, Tax-Exempt

Serving the Bainbridge Community

CITY CONTRACT REPORT – 2013

Summary of Activities

Helpline House has provided all the services, and more as outlined on "Attachment A". If anything impacted the manner in which we deliver services or the kind of services delivered it continues to be the sagging economy, driving record numbers to the food bank and residual clients in for support services especially counseling – group and individual. Social work staff continues to refer to other avenues for financial support.

Numbers Served

1. Projected: Financial problems of approximately 500 clients with more than 1800 services.
   Delivered: 424 clients, 1,386 services

2. Projected: Housing problems of approximately 180 clients with more than 400 services
   Delivered: 116 clients, 261 services

3. Projected: Medical problems for 140 clients with approximately 350 services.
   Delivered: 127 clients, 290 services

4. Projected: Mental health problems for more than 160 clients with over 900 services.
   Delivered: 120 clients, 892 services

5. Projected: Medicare, Medicaid and Basic Food advocacy and referral for up to 20 clients.
   Delivered: 20 Medicare/Medicaid referrals and advocacy
   Delivered: 75 SNAP (Supplemental Nutritional Assistance Program, formerly known as Basic Food Advocacy) referrals and advocacy

   We have made a special effort this year to enroll as many of our clients in SNAP as possible. We have seen a significant increase in approved applications.

6. Daily supervision and problem solving with staff.

282 Knechtel Way N.E. • Bainbridge Island, Washington 98110 • (206) 842-7621

Case Management and Cooperative Relationships

A way to think of Helpline is to imagine a bike rim. The rim is the community and Helpline is the axle through the middle and the spokes are what holds the two parts together. Spokes are the partnerships between Helpline and other community resources that address community needs. An example of this was a call Helpline House received from a local church. They were switching from an oil furnace to a propane furnace. They had to get rid of 450 gallons of heating oil before the switch could be made. Not knowing who could help them, the church called Helpline for assistance to get rid of the oil. A social worker, who keeps track of her clients that need heating oil, arranged for the pump out and three deliveries of approximately 150 gallons of oil to each family. The heating oil's cost was valued at $1,400 but for a cost of $189 (Helpline's expense) to transfer heating oil from the church to three clients.

Because of its geographic location Bainbridge Island has always lagged behind in accessible/available resources needed to help people survive on fixed incomes. Transportation to Bremerton is both difficult to organize and manage for people needing to take public transportation to appointments there. Mental health needs of several mentally ill were being left untreated because of the barrier of someone getting to an appointment at Kitsap Mental Health (KMH) in Bremerton. Helpline and KMH worked together and resolved this by having a KMH therapist on site at Helpline House one day a week. Clients no longer have to take a long bus ride to much needed therapy appointments. Another partnership was with Kitsap Community Resources (KCR) in Bremerton. KCR is the vendor for energy assistance for low income clients of Kitsap County. Elderly, people with disabilities, and clients without cars, found it nearly impossible to get to KCR in Bremerton to get energy assistance. KCR now has an energy assistance provider on site at Helpline House weekly. This has eased the burden and anxiety of getting to Bremerton for an appointment. Another support group on Bainbridge Island is the Alternatives to Living in Violent Environments (ALIVE) which assists victims of domestic violence with both advocacy and safe houses. ALIVE uses the space at Helpline House to conduct weekly group meetings. Another area in which Bainbridge Island was underserved was with low cost legal aid. Coordinated Legal Education Advice and Referral (CLEAR) has monthly meetings at Helpline House to offer advice and counsel to low income clients going through divorce, bankruptcies, landlord issues. The lawyers volunteer their time to give advice to clients on legal matters but don't represent the client in court proceedings.

Case Management and Outcomes

Martina* is a 70 year old widow who had moved into Finch Place Apartments more than a year ago. She had moved into a non-subsidized unit with the manager's promise that she would get a subsidized unit when it became available. Martina has a monthly income of $739, and at that time her rent was $616. She was able to keep paying this amount by using all of her savings.

When her savings were exhausted she came to Helpline for additional assistance. Both Helpline, and Saint Vincent DePaul (SVDP), paid a month's rent for Martina to keep her in housing and on the list for the subsidized unit. Suddenly, the subsidized unit became available but Martina had used up all of her savings. She came back to Helpline for assistance and Helpline used housing funds to pay her first month's rent so she could move into the subsidized unit. If she had been evicted it would have ruined her credit rating and would have prevented her from accessing housing options.

Thad*, a local businessman, came to Helpline House for food after both of his businesses failed. He was an educated man with Bachelor of Arts degrees in both accounting and respiratory therapy. Thad had come to use the food bank and was directed to meet with social work as part of the process to getting signed up for the food bank. After the meeting with a social worker, Thad agreed to apply for SNAP (Supplemental Nutrition Assistance Program.) After the application was completed and because Thad needed food right away he choose to drive to Department of Social and Human Services (DSHS) to do his interview in person so his benefits could start right away. Since Thad was financially broke, Helpline House gave him a gas voucher to drive to Bremerton. Helpline House posts jobs from Work Source on a bulletin board and Thad requested a copy of jobs and with the gas voucher vowed to stop and apply for several of the jobs. Thad called later to say that he got his food benefits and on his way home had stopped and applied for two jobs. He got both of the jobs and in his message said that he would now be doing okay, thanks to the help and referrals Helpline House provided.

*Name changed to protect client identity.

Hope House of Bainbridge Island
City of Bainbridge Island Final Report 2013

1. **Summarize the activities undertaken in providing the services described in Attachment A.**

The services that were provided from this grant were to help pay for approximately 5 weeks to two full-time and two part-time employees at Hope House of Bainbridge Island.

2. **Reference the project objectives specified in Attachment A. Were those objectives achieved? Why or why not? Were there any unexpected positive outcomes or challenges?**

The objective of the grant was able to be achieved because it helped reduce the payroll expenses for our organization and allowed Hope House of Bainbridge Island to reallocate funds to other projects for its residents.

3. **Reference the specific measurable results specified in Attachment A. Were they achieved? If not, what challenges prevented the achievement of the anticipated results?**

The measurable results were not achieved as predicted from the grant proposal. Funds were used as follows: One employee, working 37.5 hrs per week, receiving $14.00 per hour received $4,725.00 over a nine week period.

4. **Describe involvement of any partners specified in Attachment A, as well as any unexpected cooperative relationships that developed through implementation of the project.**

For this particular grant proposal, there were no partners or unexpected cooperative relationships that helped foster the implementation of the project.

5. **Reference the project budget specified in the Attachment A. Provide an analysis of actual expenses and income in relation to the projected budget.**

   9.0 weeks paid x $525.00 (total wages per week)* = $4,728.00 gross pay for one employee.

This is the actual expense during the pay period. The grant received from the City of Bainbridge Island covered 99.8% of this expense.

2013 Final Report
Island Volunteer Caregivers
Formerly
Interfaith Volunteer Caregivers of Bainbridge Island

Mission
To help individuals and families maintain their dignity, independence and quality of life, and bring together persons of goodwill to serve within the community where there are unmet needs.
Summary of Services
IVC provides a variety of services for care receivers, from transportation to medical appointments to grocery shopping, errands, companionship, light housekeeping, respite care as well as the Flowers From the Heart program which delivers fresh bouquets to shut-ins, frail and elderly neighbors.

All services are free of charge, with no age or income restrictions and regardless of the presence or absence of any religious affiliation. Every care receiver receives an in-home visit to assess safety and health issues, appropriateness and personal needs. Every volunteer completes an application and personal interview and must pass a reference and background check. Driver's abstracts and vehicle inspections are also performed for all volunteers who will be driving care receivers. On-going training is provided on a quarterly basis on pertinent topics and is also open to the public.

At this time, IVC's operations are overseen by 14 Board members, a full-time Executive Director, and a 0.8 time Program Manager. Bookkeeping services are provided through an independent contractor.

Human Health and Welfare Benefits
As more Bainbridge Island and North Kitsap residents face the challenges of trying to age in place, while dealing with chronic diseases or living alone, they require help with non-medical needs of everyday living, as well as the emotional and social support that is so critical to well being. IVC provides the following tangible and intangible health and welfare benefits:

- ✓ Decrease in health care costs due to access to transportation for critical medical appointments
- ✓ Decrease in isolation and depression by providing companionship that keeps the elderly, disabled and those temporarily in need connected to their community
- ✓ An increase in independence and feelings of self-worth due to support with activities of daily living, allowing persons to remain in their own homes
- ✓ Support of the entire family system, both mentally and physically, allowing the "sandwich generation" to remain productive in the workplace and helping family caregivers to avoid burnout
- ✓ Gifts of unconditional love, hope, and respect which are basic ingredients to good health, happiness and wholeness

- ✓ Strengthened community through opportunities for volunteerism and connections with neighbors
- ✓ Health maintenance through access to physical activities to increase strength and endurance and decrease falls

Service Outcomes

In 2013, 136 IVC volunteers provided a total of 8,196 hours of free service on behalf of 206 care receivers, which at a modest rate of $25.00 per hour can be valued at over $200,000. We had 69 new care receivers and 36 new volunteers in 2013. The number of people requesting help has increased over 35% in the past 5 years. 6,218 direct care hours are representative of our full range of services as follows:

- Errands/Chores: 1,177 (19%)
- In-Home: 2,358 (38%)
- Phone Reassurance: 49 (0.7%)
- Transportation: 2,634 (42.4%)

Volunteers made 1,689 round trips. Equivalent cab fare is valued conservatively at $25,335.

George has a regular IVC volunteer who takes him grocery shopping once a week to get his hair cut and to medical appointments as needed. He describes his relationship with this volunteer as indispensible to him as a senior citizen who is physically unable to move around freely. He has also met many other volunteers as things have come up. George and his trusty dog Black Jack have been with IVC since 2006. He says he would be "up a creek without a paddle without IVC!" George credits IVC with helping him remain independent and in his own home.

In terms of cost effectiveness of services, when individuals cannot live at home without help, assisted living can range from $3,000 to $7,500 per month and nursing home care can range from $80 to over $100 thousand per year in today's dollars.

Collaborative Partners

We continue to collaborate with other social service agencies to provide a safety net for the most vulnerable and make referrals for other services when appropriate. These include: Helpline House, Housing Resource Board, Senior Information and Assistance, Bainbridge Island Senior Community Center, Fishline and Kitsap Mental Health. IVC actively participates in the Director's Forum with other local social service agencies in the community to share ideas and challenges and encourage cooperation toward our shared goals.

IVC also maintains a partnership with the Holt Webster Fund through the Bainbridge Community Foundation to facilitate payment of services for at risk youth in the community.

Housing Resources Board. 250 Madrona Way NE Suite #110B, P O Box 11391
Bainbridge Isl., WA. 98110
Tel: 842 1909 Fax: 842 1120 E-Mail: julie@housingresourcesboard.org

"Preserve and maintain the diversity and vitality of Bainbridge Island by providing affordable housing opportunities in the community"

HRB INDEPENDENT LIVING PROGRAM
2013 SUCCESS STORIES

The Independent Living Program makes health and safety home modifications for Bainbridge Island residents living independently. Program scope allows for improvements which increase accessibility, install safety devices, and replace hazardous materials. At year's end, December 31, 2013, 47 households sought recommendations for health and safety improvements to sustain their ability to reside at home. 11 projects were funded and completed under the City contract, benefiting 18 Bainbridge Island residents. Households receiving assistance had household income less than 80% of Kitsap County AMI. Funding recipients were seniors, over 62 years of age with limitations of aging and chronic conditions dependent on fixed income.

Independent Living Program continues to work cooperatively with local agencies and support groups to facilitate additional resources needed in the home such as medical transportation, Meals on Wheels, and social services. Bainbridge residents are fortunate to have professionals and volunteers familiar to them readily providing services through Helpline, Bainbridge Island Senior Center, Islander Volunteer Caregivers, and the Visually Impaired Persons along with other support groups. The Area Agency on Aging (Silverdale/Port Orchard) provides Case Management for unpaid care providers covered by Medicare/Medicaid.

Independent Living represents the needs of our vulnerable populations to KCDEM, Kitsap County Department of Emergency Management, and shares emergency and disaster preparedness information with residents. In 2013 Independent Living participated in Islanders for Collaborative Policing, ICP. ICP seeks to broaden public awareness of behavioral health issues, and improved outcomes for those with mental health concerns. These issues very much affect sustainable housing.

The Program seeks funding from other resources for household maintenance working with PSE, Kitsap Community Resources, and USDA.

Program expenditures @ $46,050 exceeded the 2013 Service Contract of $36,050 by $10,000. An additional 5 projects were funded and completed using grants and other HRB income. Reimbursed expenses were in keeping with the projected budget.

Housing Resources Board.   250 Madrona Way NE Suite #110B, P O Box 11391
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"Preserve and maintain the diversity and vitality of Bainbridge Island by providing affordable housing opportunities in the community"

INDEPENDENT LIVING COMPLETED PROJECTS DECEMBER 31, 2013:

A senior had a hazardous entry and stairs without handrails reconstructed.
KCR "weatherization" provided a new roof for the homeowner's manufactured home.

Two additional clients received maintenance improvements through being put in contact with KCR "weatherization" for assistance beyond the scope of the program.

KCR also completed whole house air sealing, installation of insulation, and relocation of the washer and dryer to the first floor for an Independent Living client.

A shower surround and water heater beyond its useful life were installed for a senior with limited income and difficult health. The deteriorated entry deck and stairs not meeting code were replaced and handrails installed.

Bathroom door widened and door swing reversed to improve accessibility for a disabled adult wheelchair user dependent on renting in subsidized housing. The door alteration made closet storage available. A wheelchair accessible lavatory sink, and grab bars were also installed.

Because of neighborhood concerns an elderly person was offered opportunity to restore water service from a private well. Over a number of weeks several attempts to facilitate this repair and other improvements were rejected by the person not managing self-care. An Adult Protective Service social worker initiated visits. While circumstances were unhealthy it was determined the individual did not meet the criteria for further intervention. BIPD is solicitous of this individual's needs.

Storage was rearranged; accessible storage is installed for a client with limited reach. Grab bars were installed. Assistance was provided to store items due to a chronic condition.

A client struggling to remain independent after several surgeries received bathroom modifications including widening of the door and alteration of the door swing. The client is now able to access the bathroom in a wheelchair.

In 2013 three disabled households were recognized to be impeded by worn carpet limiting accessibility and causing a trip hazard. In each case it was recommended a hard surface floorcovering would offer greater mobility and a more sanitary environment.

Property management agreed to cover the cost of basic floorcovering replacement with new carpet. Independent Living covered the difference in cost to install a quality vinyl

laminate and extra installation costs to move furniture. Units were occupied when the flooring was installed. Hence in each case the project was large in scope for those with limitations and required strategic planning to prepare. Residents agreed to meet goals in preparing for the project. Volunteer, family, and friends offered some assistance. Casual help was necessary in one case. Follow-up carpentry was contracted to ease threshold differences for wheelchair use. The change revitalized the functionality of three homes allowing residents to remain in their community.

One of the units needing flooring required first modifying access to the bathroom. This work was completed preliminary to managing replacement of the floorcovering.

Property management responded in a similar circumstance. A 2012 client received assistance approaching management with a plan to improve accessibility in a rental unit. Kitchen modifications and replacement of hazard flooring was recommended and completed by the management. The client covered the cost of kitchen modifications.

A client returning home to live independently after a stroke received assessment and recommendations regarding reconstructing the entry to include a ramp with handrail. Family negotiated the expense.

An opportunity for grab bar installation and exterior handrails was determined to be affordable by an eligible client. The grab bars were installed.

2012 Elderly client received assistance to reduce hazardous clutter and brace furnishings.

Grab bars, bathroom modifications, and a smoke detector were installed for a senior returning home to live independently after a lengthy rehabilitation.

ACTIONABLE ITEMS 2013:

On hold, a very elderly individual is in need of bathroom modifications at home while adjusting to living independently with a care provider after leaving an adult family home.

Grab bar installation complete for resident with TBI severely affecting person's balance. Sliding doors in clients only storage closet cause a fall hazard and are being replaced with conventional swing doors. Entry keyed knob to be replaced with a lever entry as recommended.

"Preserve and maintain the diversity and vitality of Bainbridge Island by providing affordable housing opportunities in the community"

A disabled person, household is over income, seeks exterior accessibility improvements now that a wheel chair is required for any distance. Resources are sought to modify the access.

2013 client requires modification of kitchen exit to install handrails and meet code for the egress landing and stairs.

Application for a USDA Maintenance Grant to improve a client's residence is accepted in December and being processed. Client has maintained their Bainbridge home for 25 years though disabled. Initial assessments included preliminary contracting proposals. Estimates exceeded the scope of the program. The USDA Grant is a lengthy process offering more than one opportunity for funding repairs for those who are 62 and disabled. Client relies on supports to work with required USDA property/home inspections and contractors.

Respectfully submitted,

Julie Stone
Independent Living Program Manager

City of Bainbridge Island
Final Report on Execution of Services
Smiles for Life – Dental hygiene services for seniors

The Service Provider shall submit a final report prior to or accompanying their last invoice, due on January 24, 2014. In this report, the Service Provider shall:

1. Summarize the activities undertaken in providing the services described in Attachment A.

The grant funded 110 hours of professional staff hours to provide advocacy services to improve access to local emergency and restorative dental care. These hours were spent on (1) case management for current patients in the Smiles for Life program; (2) outreach to island aging care providers or residential communities for the elderly to promote the program; (3) making connections to local providers of restorative care services; (4) planning 2014 outreach to primary physicians on the island to respond to dental hygiene needs among seniors; (5) providing community outreach to raise program awareness with a vendor booth at the Fourth of July in Winslow; and (6) helping other adults, who called our office seeking dental care.

2. Reference the project objectives specified in Attachment A. Were those objectives achieved?

The program signed up Bainbridge Dental Care to accept referred Smiles for Life patients for restorative treatment on a sliding scale. It also sent letters to most of the other providers to establish a similar relationship and plans to follow up in 2014.
Many patients were given the number of Peninsula Community Dental Center in Bremerton, but follow up to see if treatment was accessed wasn't possible.
Outreach to island aging care providers and residential communities for the elderly was a helpful reminder of the program's availability as a first step to encouraging those in need of a dental home to begin the search.
The program needs to follow up on the success of signing up Bainbridge Dental Care by getting its foot in the door with other providers willing to offer affordable restorative services. In 2014, it will also execute the creation of a new brochure that can be placed in area physicians' waiting rooms and reach out to physicians to perform dental care in-service consultations with primary care providers as an essential element of overall patient health.
The more primary care providers are consulted by dental professionals, and collaborate on strategies to improve health, the more they might see the relationship between poor oral health and chronic health problems. Hopefully, this will lead to dental and medical providers working more closely together.

3. What are the measurable results specified in Attachment A?

Smiles for Life patients now have at least one prospective local dental home where they can receive treatment on a sliding scale that is much more convenient than the program's traditional referral destination, Peninsula Community Health Services in Bremerton. In the previous years, it was difficult to get any local dentist to take patients who can't afford the full fee or take payments, particularly in light of the poor economy. So, the new referral relationship with Bainbridge Dental Care is an important milestone in the search of lower-cost care for low-income clients on the island.

In many cases, the program's dental screening led to early detection of oncoming oral health issues. One in every five patients in 2013 showed the beginnings of one or more cavities, which were brought to the patients' attention for follow up. This recommendation is designed to protect the patients' oral health, but can also save them money by avoiding more intensive and expensive procedures from treatment postponement.

In one case, the program's oral cancer screening detected signs of abnormal tissue in a patient's tongue, which led to the practicing hygienist's recommendation to seek immediate care from a dentist or oral surgeon for treatment.

4. Describe involvement of any partners specified in Attachment A, as well as any unexpected cooperative relationships that developed through implementation of the project.

The free space at the Waterfront Park Community Center is an enormous benefit to the program's overall affordability. The Senior Center staff bends over backwards to facilitate access to the space and bring awareness to Smiles for Life through its newsletter. The Marge Williams Center provides the program office space at an affordable rent, much less than what we could obtain elsewhere. The Bainbridge Community Foundation helped increase our program capacity by donating money. The program needs to be even more encouraging of aging care providers and senior living communities in bringing the program's services to their residents' attention.

5. Reference the project budget specified in the Attachment A. Provide an analysis of actual expenses and income in relation to the projected budget.

Hours performed were many times greater than the contracted amount. During the fourth quarter, Smile Partners completed the 2013 annual contracted hours (110). The remaining 2013 hours went uncompensated by this contract and were contributed by Smile Partners. Our 2013 hourly rate was $35.82 per hour, which includes all direct and indirect costs to deliver the contracted services.

Final Report of Services Provided by Bainbridge Island Special Needs Foundation in 2013

1. The Bainbridge Island Special Needs Foundation performed over 15,000 hours of direct client care in our community throughout this past year of 2013. We served 37 different individuals with a day program that gave improved physical health, mental wellbeing, and social interaction, while providing vocational training and community interaction in everything we do.

2. During 2013 we have continued to see an increase in the number of clients served on a daily basis and have adapted our programs to keep up with the changing needs. We continue to receive new group of young adults as they make their transition from public school to community life. As their lives have stabilized after high school, our programs provided a push toward continued daily physical activities, cognitive challenges to improve mental acuity, and social exercises to improve their relationships both within their peer group at the Stephens House as well as out in the community at large.

3. Our vocational and community outreach programs have achieved measurable results. About nine of our clients whom we see weekly have part-time jobs at local businesses such as Safeway, Peninsula Services (worm farm), Harrison Hospital, Jimmy Johns, and Central Market. Working clients with developmental disabilities still return to Stephens House for our weekly programs of swimming, bowling, craft projects, and outings to local museums and sports activities. We have a contract with Pegasus coffee in that our clients place labels on their coffee bags while at Stephens House. We have observed enduring friendships between clients that gather at our facility. This social interaction is a key factor in achieving a high quality of life.

4.The majority of our clients come to our program immediately after leaving public school, so we work very closely with the BISD's Adult Living Program as well as reaching out to Kitsap County's schools in North, Central and South Kitsap. Several of those students are already clients at the Stephens House on school breaks and summer vacation. At times we do adjoining activities with another organization on Bainbridge Island that provides services for post-school individuals with developmental disabilities. We have had art docents come to Stephens House and have worked with the participants and some of our participants artwork are being sold at local businesses on Bainbridge Island. We will be participating in the 1st Friday Art Walk in the Spring of 2014 as a site to come visit.

5. Analysis of Actual versus Projected Budget for BISNF in 2013. See page 2

Submitted by Linda Purdom, President of BISNF Board of Directors   1/31/14

ANALYSIS OF ACTUAL BUDGET VERSUS PROJECTED BUDGET FOR BISNF IN 2013

INCOME	2013 Budget	2013 Actual
Program Participation Fees	60,000.00	70,909.00
Grants	12,400.00	5,744.00
Organizational Donations	15,000.00	16,465.00
Individual Donations	6,000.00	4,534.00
City Social Services	7,600.00	7,650.00
Fundraising Events	2,500.00	1,000.00
Merchandise Sales	500.00	68.00
TOTAL INCOME:	104,000.00	106,370.00
EXPENSES		
Employee Payroll	54,500.00	51,318.00
Independent Contractors	1,500.00	1,288.00
Rent of Facility	16,200.00	15,700.00
Maintenance of Facility	3,844.00	4,190.00
Utilities	5,500.00	6,134.00
Insurance	3,300.00	5,244.00
Program Supplies	3,470.00	2,711.00
Food for Clients	3,300.00	6,042.00
Activities & Outings	4,940.00	11,350.00
Licenses & Permits	40.00	38.00
Professional Dues	830.00	307.00
Fundraising Materials	196.00	200.00
Advertising	360.00	400.00
Postage	310.00	300.00
Miscellaneous	5,710.00	2,361.00
	104,000.00	107,583.00
NET REVENUE:		-1,213.00

The $7,650.00 Funding from COBI provided 7.2
of our actual annual income in 2013.

ywca
of Kitsap County

City of Bainbridge Island
Attn: Amber Richards, Executive Assistant
280 Madison Avenue N
Bainbridge Island, WA 98110

YWCA ALIVE Bainbridge Island/North Kitsap Domestic Violence Program
Summary 2013

Program Director: Barbara Saur
Client Advocate: Barbara Chandler-Young

The **YWCA ALIVE BAINBRIDGE ISLAND/NORTH KITSAP DOMESTIC VIOLENCE PROGRAM** provides more accessibility to services for families residing in North Kitsap communities. Services include advocacy-based counseling, legal advocacy, support groups, information, referrals, and community outreach and education.

In 2013, this program provided services to 144 families. Community members were assisted with 27 orders of protection and 37 court hearings. 16 women participated in support groups offered on Bainbridge Island and in Suquamish.

All objectives for the program were successfully achieved. Outreach included Bainbridge Island National Night Out, WA State Youth Academy, Triple Play Meetings, Kitsap County Domestic Violence Task Force, Girls Empowerment Project, Kitsap County Juvenile Detention Center, Bainbridge Island Police Department and, local civic clubs and schools.

2013 PROGRAM BUDGET

Personnel:	$28,330
Fringe Benefits:	$6,582
Operational Costs:	$7,610
Total:	$42,522

City of Bainbridge Island Grant Amount: $22,325

$20,197 of program budget was offset by additional funds from United Way of Kitsap County, One Call For All, private donations and in-kind donations.

Respectfully,

Linda K. Joyce

Linda K. Joyce
Executive Director

CITY OF BAINBRIDGE ISLAND
CITY COUNCIL AGENDA BILL

PROCESS INFORMATION	
Subject: Consider Surplus of Suzuki Property	Date: August 4, 2014
Agenda Item: Staff Intensive	Bill No.: 14-119
Proposed By: City Attorney Lisa Marshall	Referral(s):

BUDGET INFORMATION		
Department: Executive	Fund:	Munis Contract #
Expenditure Req: none	Budgeted? ☐ Yes ☐ No	Budget Amend. Req? ☐ Yes ☐ No

REFERRALS/REVIEW		
City Manager ☒ Yes ☐ No ☐ N/A	Legal ☒ Yes ☐ No ☐ N/A	Finance ☐ Yes ☐ No ☒ N/A

DESCRIPTION/SUMMARY

Action Item:

To consider whether to move forward to develop a surplus resolution for the 14-acre parcel at the intersection of New Brooklyn Road and Sportsman Club Road ("Suzuki" property).

History:

At the City Council meeting on June 16, 2014, staff provided materials related to the history of the Suzuki property. The City has previously considered whether to surplus this property, most recently in 2008.

A surplus resolution was drafted for Council consideration in 2008. If the City Council determines to move forward with a new surplus resolution, staff will develop a draft for consideration that reflects Council's current perspective on the property and expectations for the use of the proceeds from the sale of the property. The surplus process would also include a public hearing and SEPA review.

RECOMMENDED ACTION:

Discussion.

CITY OF BAINBRIDGE ISLAND
CITY COUNCIL AGENDA BILL

PROCESS INFORMATION	
Subject: 2014 Islandwide Asphalt Repair	Date: August 4, 2014
Agenda Item: Staff Intensive	Bill No.: 14-120
Proposed By: Public Works Director Barry Loveless	

BUDGET INFORMATION		
Depart/Fund: CIP Annual Roads Program	Transportation Benefit District	
Expenditure Req: $425,376.70	Budgeted? ☒ Yes ☐ No	Budget Amend. Req? ☐ Yes ☒ No

REFERRALS/REVIEW		
Study Session	Recommendation:	
City Manager ☒ Yes ☐ No ☐ N/A	Legal ☒ Yes ☐ No ☐ N/A	Finance ☒ Yes ☐ No ☐ N/A

DESCRIPTION/SUMMARY

Action Item:

Consider placement of the 2014 Islandwide Asphalt Repair contract award on the August 11, 2014 City Council consent agenda.

Background:

The 2014 Islandwide Asphalt Repair project consist of roadway asphalt patching per the roads listed on the attached map.

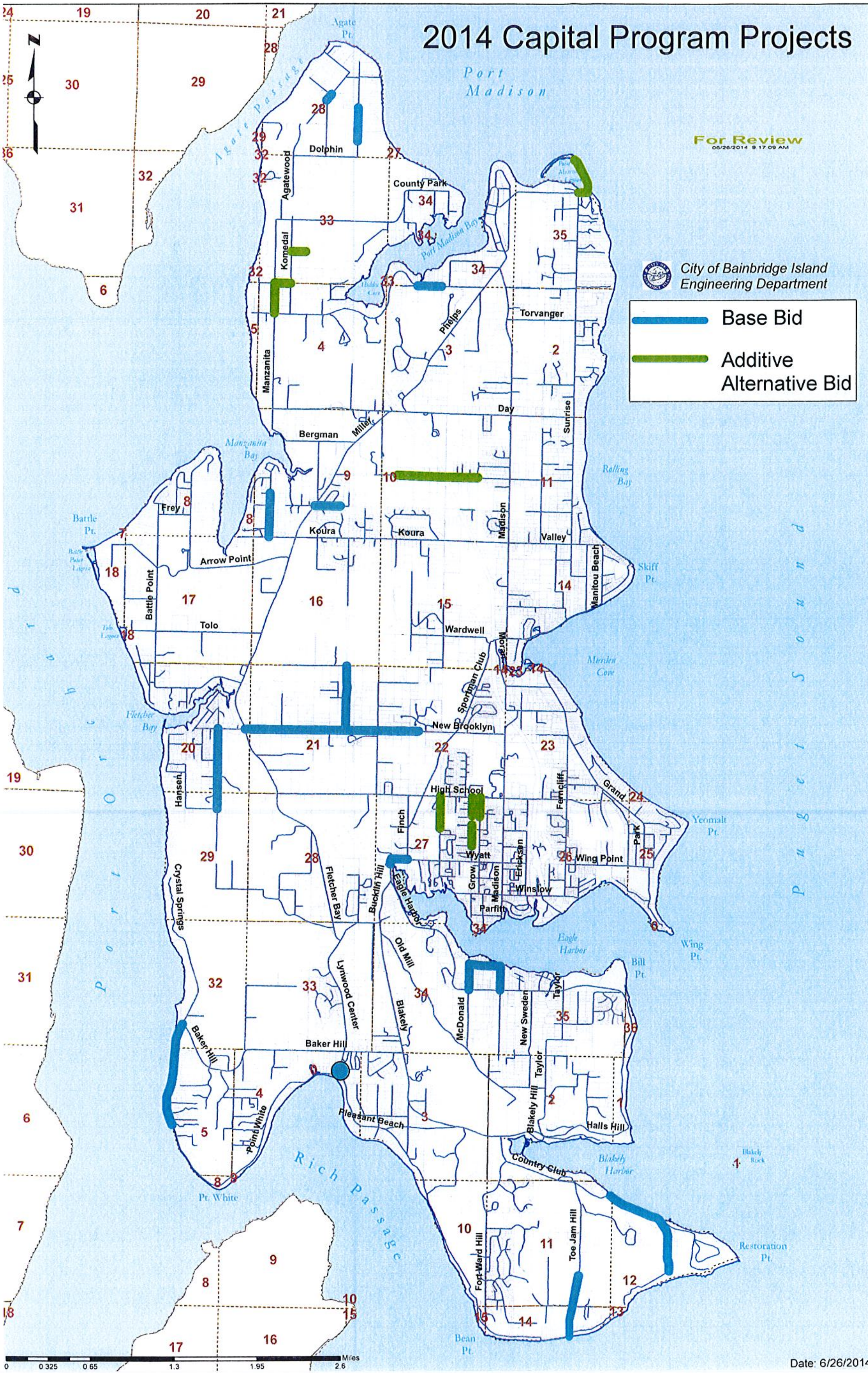
Bids were solicited through the local newspaper and the bid opening was held on Tuesday, July 22, 2014. The apparent low bidder was Northern Asphalt in the base bid amount of $219,488.18. Following the bid results, Northern Asphalt contacted Engineering Manager Chris Hammer and informed him that they discovered a gross mathematically error in calculating their bid.

Public Works has reviewed the validity of the claimed error and considers the error to be substantive and legitimate. In order to avoid complications that have the potential to involve considerable staff time to resolve and deliver the project this year, Public Works recommends accepting Northern Asphalt’s request to withdrawal their bid, relieving them from forfeiture of their bid bond and awarding the project to the next lowest bidder, Lakeside Industries. Engineering staff also recommend awarding additive alternative bids A1 through A4 to Lakeside Industries for a grand total of $425,376.70. See attached bid results. The engineer’s estimate is $486,415 for the base bid plus additive alternatives 1A through A4.

RECOMMENDED ACTION

Motion:

I move that the City Council consider forwarding the contract with Lakeside Industries for the 2014 Islandwide Asphalt Repair project in the base bid amount plus additive alternates A1 through A4 of $425,376.70 to the August 11, 2014 City Council consent agenda.



Date: 6/26/2014

City of Bainbridge Island
Public Works Department - Engineering
DRAFT

Project: Island-wide Asphalt Repair
Bid Opening Date: July 22, 2014
Sealed Bids due at 9:00 a.m., Open at 9:30 a.m.

Note: Bids Are Opened in Order Received. Bids Solicited by: ☑ Advertisement ☐ Small Works Roster Engr. Estimate is: $450,000 to $500,000	Lakeside Industries	Northwest Asphalt	Granite Construction	Northern Asphalt	Puget Paving
Proposal – *Items of Work & Materials, Estimated Quantities, Units of Measurement.*	√	√	√	√	√
Signature Page	√	√	√	√	√
Addendum Acknowledged	√	√	√	√	√
Non-Collusion Declaration	√	√	√	√	√
Proposal Bond (5%)	√	√	√	√	√
Base Bid Total	$296,248.00	$374,434.10	$433,961.50	$219,488.18	$395,618.00
Additive Alternative A1	12,227.00	10,207.70	11,383.70	8,284.11	10,472.00
Additive Alternative A2	35,350.30	31,557.27	30,261.05	22,000.00	29,126.00
Additive Alternative A3	32,271.40	26,769.57	26,093.80	16,849.23	25,611.50
Additive Alternative A4	49,280.00	47,295.20	47,117.20	28,839.93	39,682.00
Grand Totals	$425,376.70	$490,263.84	$548,817.25	$295,441.92	$500,689.50

CITY OF BAINBRIDGE ISLAND
CITY COUNCIL AGENDA BILL

PROCESS INFORMATION

Subject: City Hall Paint and Wood Restoration Contract Award	Date: August 4, 2014
Agenda Item: Staff Intensive	Bill No.: 14-121
Proposed By: Public Works Director Barry Loveless	

BUDGET INFORMATION

Depart/Fund: 2014 Budget: Public Works Repair & Maintenance		
Expenditure Req: $61,524.20	Budgeted? ☒ Yes ☐ No	Budget Amend. Req? ☐ Yes ☒ No

REFERRALS/REVIEW

Study Session	Recommendation:	
City Manager ☒ Yes ☐ No ☐ N/A	Legal ☒ Yes ☐ No ☐ N/A	Finance ☒ Yes ☐ No ☐ N/A

DESCRIPTION/SUMMARY

Action Item:

Consider placement of the City Hall Paint and Wood Restoration contract award on the August 11, 2014 City Council consent agenda.

Background:

The City Hall Paint and Wood Restoration project base bid consists of painting the entire exterior of the City Hall building as well as the Town Square metal structure. The damaged wood that is located on the east and south side of the council chambers doors/windows, city managers wood window, two beams along the south sidewalk overhang, and lunch room exterior door will be restored and coated with two coats of Sikkens brand (or approved equal) wood preservative. The additive alternatives include the remaining wood surfaces, not specified in the base bid work, and will not be considered at this time due to budget constraints.

Bids were solicited through the Municipal Research Services Center (MRSC) Small Works Roster process and a mandatory walk-through was held on July 23, 2014. The City received two bids at the bid opening held on July 28, 2014 and the apparent low bidder is Mattila Painting, Inc. in the base bid amount of $61,524.20. See attached bid results.

Staff has reviewed the bid results and contractor's qualifications and recommends that the City Council award the base bid contract to Mattila Painting, Inc. in the amount of $61,524.20.

RECOMMENDED ACTION

Motion:

I move that the City Council consider forwarding the contract with Mattila Painting, Inc. for the City Hall Paint and Wood Restoration project in the base bid amount of $61,524.20 to the August 11, 2014 City Council consent agenda.

City of Bainbridge Island
Public Works Department

Project: City Hall Paint and Wood Restoration

Bid Opening Date: July 28, 2014; bids due: 9:00 a.m., bids open: 9:30 a.m.

Note: Bids Are Opened in Order Received. Bids Solicited by: ☐ Advertisement ☒ Small Works Roster (MRSC) The Engineers Estimate is: $64,904	Mattila Painting, Inc. Monroe, WA	Sabelhaus West Silverdale, WA		
Proposal – *Items of Work & Materials, Estimated Quantities, Units of Measurement.*	X	X		
Signature Page	X	X		
Addendum No. 1 Acknowledged	X	X		
Non-Collusion Declaration	X	X		
Proposal Bond	X	X		
Statement of Qualifications	X	X		
Statement of Proposed Subcontractors	X	X		
Base Bid Sub-total	$61,524.20	$79,570.57		
Additive Alternative 1 Sub-total	$46,741.00	$21,098.67		

A total of 2 bids were received for the **City Hall Paint & Wood Restoration** project. Aaron Claiborne has reviewed all the bids and recommends that the City Council award the base bid contract to the apparent low bidder, **Mattila Painting, Inc** in the amount of **$61,524.20**.

CITY OF BAINBRIDGE ISLAND
CITY COUNCIL AGENDA BILL

PROCESS INFORMATION	
Subject: Road Drainage Improvements Project (Valley, Logg and Gertie Johnson Road)	Date: August 4, 2014
Agenda Item: Staff Intensive	Bill No.: 14-122
Proposed By: Public Works Director Barry Loveless	

BUDGET INFORMATION		
Depart/Fund: Annual Drainage Improvements		
Expenditure Req: $ TBD	Budgeted? ☒ Yes ☐ No	Budget Amend. Req? ☐ Yes ☒ No

REFERRALS/REVIEW		
Study Session	Recommendation:	
City Manager ☒ Yes ☐ No ☐ N/A	Legal ☒ Yes ☐ No ☐ N/A	Finance ☒ Yes ☐ No ☐ N/A

DESCRIPTION/SUMMARY

Action Item:

Consider placement of the Valley, Logg, and Gertie Johnson Road Drainage Improvements project contract award on the August 11, 2014 City Council consent agenda.

Background:

The Valley, Logg, and Gertie Johnson Road Drainage Improvements provide roadway and storm drainage improvements to portions of Valley Road to Logg Road and Gertie Johnson Road.

Bids were solicited through the local newspaper and the bid opening was held on Monday, August 4, 2014. The apparent low bidder is _____________ in the base bid amount of $______________. See attached bid results. The engineer's estimate is $250,000 to $275,000.

Staff has reviewed the bid results and contractor's qualifications and recommends that the City Council award this contract to ________________ in the base bid amount of $______________.

RECOMMENDED ACTION

Motion:

I move that the City Council consider forwarding the contract with _____________ for the Valley, Logg, and Gertie Johnson Road Drainage Improvements in the base bid amount of $________________ to the August 11, 2014 City Council consent agenda.

Note: Bid results to follow after the August 4th bid opening.

CITY OF BAINBRIDGE ISLAND
CITY COUNCIL AGENDA BILL

PROCESS INFORMATION

Subject: Lynwood Center Outfall Improvements Project	Date: August 4, 2014
Agenda Item: Staff Intensive	Bill No.: 11-086
Proposed By: Public Works Director Barry Loveless	

BUDGET INFORMATION

Depart/Fund: Statewide Stormwater Grant @ $188,000; Annual Roads Program @ $63,000		
Expenditure Req: $ TBD	Budgeted? ☒ Yes ☐ No	Budget Amend. Req? ☐ Yes ☒ No

REFERRALS/REVIEW

Study Session	Recommendation:	
City Manager ☒ Yes ☐ No ☐ N/A	Legal ☒ Yes ☐ No ☐ N/A	Finance ☒ Yes ☐ No ☐ N/A

DESCRIPTION/SUMMARY

Action Item:

Consider placement of the Lynwood Center Outfall Improvements project contract award on the August 11, 2014 City Council consent agenda.

Background:

The Lynwood Center Outfall Improvements Project consist of upgrading an existing 30” pipe system to 36” & 48” corrugated polyurethane pipe along with new catch basins located within drainage easements and public right-of-way. Work also includes cleaning approximately 100’ of concrete outfall pipe and installation of a tidal check valve along with area grading and landscape restoration.

The City received a 2012 Statewide Stormwater grant for the Lynwood Center Outfall project in the amount of $188,000 with a city match of $63,000 approved by City Council at their 6/13/2012 city council meeting. The grant funds include both design and construction.

Bids were solicited through the local newspaper and the bid opening was held on Tuesday, August 5, 2014. The apparent low bidder is ____________ in the base bid amount of $_____________. See attached bid results. The engineer’s estimate is $175,000 to $200,000.

Staff has reviewed the bid results and contractor’s qualifications and recommends that the City Council award this contract to _______________ in the base bid amount of $_____________.

RECOMMENDED ACTION

Motion:

I move that the City Council consider forwarding the contract with ____________ for the Lynwood Center Outfall Improvements project in the base bid amount of $_______________ to the August 11, 2014 City Council consent agenda.

Note: Bid results to follow after August 5th bid opening.

CITY OF BAINBRIDGE ISLAND
CITY COUNCIL AGENDA BILL

PROCESS INFORMATION

Subject: Sound to Olympics Trail Revised Preliminary Design Professional Services Agreement	Date: August 4, 2014
Agenda Item: Staff Intensive	Bill No.: AB 14-096
Proposed By: Public Works Director Barry Loveless	

BUDGET INFORMATION

Depart/Fund: 2014 CIP $420,000	Federal Transportation Alternative Program Grant @ $363,000	
Expenditure Req: $135,948.02	Budgeted? ☒ Yes ☐ No	Budget Amend. Req? ☐ Yes ☒ No

REFERRALS/REVIEW

Study Session:	Recommendation:	
City Manager ☒ Yes ☐ No ☐ N/A	Legal ☒Yes ☐ No ☐ N/A	Finance ☒ Yes ☐ No ☐ N/A

DESCRIPTION/SUMMARY

Action Item:

Consider approval of the revised Professional Services Agreement with MacLeod Reckord PLLC previously approved at the July 14, 2014 City Council meeting, then revised by WSDOT due to elapsed sub-consultant audited overhead rates, for the Sound to Olympics Trail preliminary design.

Background:

The Sound to Olympics (STO) Trail preliminary design provides for construction of a shared separated pathway along the SR305 Corridor. See attached map. Work includes clearing and grubbing, excavation and fill, retaining walls, shoulder/curb/sidewalk (intersection interface reconstruction), landscaping, surfacing, paint striping, signage and other related work. The project will complete the design of the "first mile" of the Sound to Olympics Trail and study potential branch trail connections. The new pathway will connect to the Ravine Creek Non-Motorized Bridge and an existing 800-foot section of the STO Trail.

This project was awarded $363,000 in Federal Transportation Alternative Program grant funds. Due to the STP funding associated with this project, additional review was needed by WSDOT. After it was approved at the July 14, 2014 City Council meeting, additional changes were made by WSDOT, therefore, the need to send back to City Council for approval

RECOMMENDED ACTION

Motion:

I move that the City Council approved the revised Professional Services Agreement with MacLeod Reckord in the amount of $135,948.02 for the Sound to Olympics Trail Preliminary Design and rescind the award previously approved by City Council on July 14, 2014 in the amount of $164,368.00
.

Local Agency Standard Consultant Agreement

☒ Architectural/Engineering Agreement
☐ Personal Services Agreement

Consultant/Address/Telephone	MacLeod Reckord PLLC 83 Columbia Street, Suite 306 Seattle, WA 98104 (206) 323-7919
Agreement Number	
Federal Aid Number	
Project Title And Work Description	Sound to Olympics Trail Phase 2 Planning and Design

Agreement Type (Choose one)

☐ **Lump Sum**
Lump Sum Amount $ ______

☒ **Cost Plus Fixed Fee**
Overhead Progress Payment Rate ______ %
Overhead Cost Method
☐ Actual Cost
☐ Actual Cost Not To Exceed ______ %
☒ Fixed Overhead Rate 203.91 %
Fixed Fee $ 4,847.40

☐ **Specific Rates Of Pay**
☐ Negotiated Hourly Rate
☐ Provisional Hourly Rate

☐ **Cost Per Unit of Work**

DBE Participation
☐ Yes ☒ No ______ %

Federal ID Number or Social Security Number
36-4787932

Do you require a 1099 for IRS?
☒ Yes ☐ No

Completion Date
December 31, 2014

Total Amount Authorized $ 123,648.02

Management Reserve Fund $ 12,300.00

Maximum Amount Payable $ 135,948.02

Index of Exhibits (Check all that apply):

☒ Exhibit A-1 Scope of Work
☐ Exhibit A-2 Task Order Agreement
☐ Exhibit B-1 DBE Utilization Certification
☒ Exhibit C Electronic Exchange of Data
☐ Exhibit D-1 Payment - Lump Sum
☒ Exhibit D-2 Payment - Cost Plus
☐ Exhibit D-3 Payment - Hourly Rate
☐ Exhibit D-4 Payment - Provisional
☒ Exhibit E-1 Fee - Lump/Fixed/Unit
☐ Exhibit E-2 Fee - Specific Rates
☒ Exhibit F Overhead Cost
☒ Exhibit G Subcontracted Work
☒ Exhibit G-1 Subconsultant Fee
☐ Exhibit G-2 Fee-Sub Specific Rates
☒ Exhibit G-3 Sub Overhead Cost
☒ Exhibit H Title VI Assurances
☒ Exhibit I Payment Upon Termination of Agreement
☒ Exhibit J Alleged Consultant Design Error Procedures
☒ Exhibit K Consultant Claim Procedures
☐ Exhibit L Liability Insurance Increase
☒ Exhibit M-1a Consultant Certification
☒ Exhibit M-1b Agency Official Certification
☒ Exhibit M-2 Certification - Primary
☒ Exhibit M-3 Lobbying Certification
☒ Exhibit M-4 Pricing Data Certification
☒ App. 31.910 Supplemental Signature Page

THIS AGREEMENT, made and entered into this ______ day of ______, 2014, between the Local Agency of City of Bainbridge Island, Washington, hereinafter called the "AGENCY", and the above organization hereinafter called the "CONSULTANT".

WITNESSETH THAT:

WHEREAS, the AGENCY desires to accomplish the above referenced project, and

WHEREAS, the AGENCY does not have sufficient staff to meet the required commitment and therefore deems it advisable and desirable to engage the assistance of a CONSULTANT to provide the necessary services for the PROJECT; and

WHEREAS, the CONSULTANT represents that he/she is in compliance with the Washington State Statutes relating to professional registration, if applicable, and has signified a willingness to furnish Consulting services to the AGENCY,

NOW THEREFORE, in consideration of the terms, conditions, covenants and performance contained herein, or attached and incorporated and made a part hereof, the parties hereto agree as follows:

I General Description of Work

The work under this AGREEMENT shall consist of the above described work and services as herein defined and necessary to accomplish the completed work for this PROJECT. The CONSULTANT shall furnish all services, labor, and related equipment necessary to conduct and complete the work as designated elsewhere in this AGREEMENT.

II Scope of Work

The Scope of Work and projected level of effort required for this PROJECT is detailed in Exhibit "A" attached hereto and by this reference made a part of this AGREEMENT.

III General Requirements

All aspects of coordination of the work of this AGREEMENT with outside agencies, groups, or individuals shall receive advance approval by the AGENCY. Necessary contacts and meetings with agencies, groups, and/or individuals shall be coordinated through the AGENCY. The CONSULTANT shall attend coordination, progress and presentation meetings with the AGENCY and/or such Federal, State, Community, City or County officials, groups or individuals as may be requested by the AGENCY. The AGENCY will provide the CONSULTANT sufficient notice prior to meetings requiring CONSULTANT participation. The minimum required hours or days notice shall be agreed to between the AGENCY and the CONSULTANT and shown in Exhibit "A."

The CONSULTANT shall prepare a monthly progress report, in a form approved by the AGENCY, which will outline in written and graphical form the various phases and the order of performance of the work in sufficient detail so that the progress of the work can easily be evaluated.

The CONSULTANT, and each SUBCONSULTANT, shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The CONSULTANT, and each SUBCONSULTANT, shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of USDOT-assisted contracts. Failure by the CONSULTANT to carry out these requirements is a material breach of this AGREEMENT that may result in the termination of this AGREEMENT.

Participation for Disadvantaged Business Enterprises (DBE), if required, per 49 CFR Part 26, or participation of Minority Business Enterprises (MBE), and Women Business Enterprises (WBE), shall be shown on the heading of this AGREEMENT. If D/M/WBE firms are utilized, the amounts authorized to each firm and their certification number will be shown on Exhibit "B" attached hereto and by this reference made a part of this AGREEMENT. If the Prime CONSULTANT is a DBE firm they must comply with the Commercial Useful Function (CUF) regulation outlined in the AGENCY'S "DBE Program Participation Plan". The mandatory DBE participation goals of the AGREEMENT are those established by the WSDOT'S Highway and Local Programs Project Development Engineer in consultation with the AGENCY.

All Reports, PS&E materials, and other data furnished to the CONSULTANT by the AGENCY shall be returned. All electronic files, prepared by the CONSULTANT, must meet the requirements as outlined in Exhibit "C."

All designs, drawings, specifications, documents, and other work products, including all electronic files, prepared by the CONSULTANT prior to completion or termination of this AGREEMENT are instruments of service for this PROJECT, and are the property of the AGENCY. Reuse by the AGENCY or by others, acting through or on behalf of the AGENCY of any such instruments of service, not occurring as a part of this PROJECT, shall be without liability or legal exposure to the CONSULTANT.

IV Time for Beginning and Completion

The CONSULTANT shall not begin any work under the terms of this AGREEMENT until authorized in writing by the AGENCY.

All work under this AGREEMENT shall be completed by the date shown in the heading of this AGREEMENT under completion date.

The established completion time shall not be extended because of any delays attributable to the CONSULTANT, but may be extended by the AGENCY in the event of a delay attributable to the AGENCY, or because of unavoidable delays caused by an act of GOD or governmental actions or other conditions beyond the control of the CONSULTANT. A prior supplemental agreement issued by the AGENCY is required to extend the established completion time.

V Payment Provisions

The CONSULTANT shall be paid by the AGENCY for completed work and services rendered under this AGREEMENT as provided in Exhibit "D" attached hereto, and by reference made part of this AGREEMENT. Such payment shall be full compensation for work performed or services rendered and for all labor, materials, supplies, equipment, and incidentals necessary to complete the work. The CONSULTANT shall conform to all applicable portions of 48 CFR Part 31.

A post audit may be performed on this AGREEMENT. The need for a post audit will be determined by the State Auditor, WSDOT External Audit Office and/or at the request of the AGENCY'S PROJECT Manager.

VI Sub-Contracting

The AGENCY permits sub-contracts for those items of work as shown in Exhibit "G" attached hereto and by this reference made part of this AGREEMENT.

Compensation for this sub-consultant work shall be based on the cost factors shown on Exhibit "G."

The work of the sub-consultant shall not exceed its maximum amount payable unless a prior written approval has been issued by the AGENCY.

All reimbursable direct labor, overhead, direct non-salary costs and fixed fee costs for the sub-consultant shall be substantiated in the same manner as outlined in Section V. All sub-contracts shall contain all applicable provisions of this AGREEMENT.

With respect to sub-consultant payment, the CONSULTANT shall comply with all applicable sections of the Prompt Payment laws as set forth in RCW 39.04.250 and RCW 39.76.011.

The CONSULTANT shall not sub-contract for the performance of any work under this AGREEMENT without prior written permission of the AGENCY. No permission for sub-contracting shall create, between the AGENCY and sub-contractor, any contract or any other relationship. A DBE certified sub-consultant is required to perform a minimum amount of their sub-contracted agreement that is established by the WSDOT Local Programs Project Development Engineer in consultation with the AGENCY.

VII Employment

The CONSULTANT warrants that they have not employed or retained any company or person, other than a bona fide employee working solely for the CONSULTANT, to solicit or secure this contract, and that it has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the CONSULTANT, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this contract. For breach or violation of this warrant, the AGENCY shall have the right to annul this AGREEMENT without liability or, in its discretion, to deduct from the AGREEMENT price or consideration or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

Any and all employees of the CONSULTANT or other persons while engaged in the performance of any work or services required of the CONSULTANT under this AGREEMENT, shall be considered employees of the CONSULTANT only and not of the AGENCY, and any and all claims that may arise under any Workmen's Compensation Act on behalf of said employees or other persons while so engaged, and any and all claims made by a third party as a consequence of any act or omission on the part of the CONSULTANT'S employees or other persons while so engaged on any of the work or services provided to be rendered herein, shall be the sole obligation and responsibility of the CONSULTANT.

The CONSULTANT shall not engage, on a full- or part-time basis, or other basis, during the period of the contract, any professional or technical personnel who are, or have been, at any time during the period of the contract, in the employ of the United States Department of Transportation, or the STATE, or the AGENCY, except regularly retired employees, without written consent of the public employer of such person.

VIII Nondiscrimination

During the performance of this contract, the CONSULTANT, for itself, its assignees, and successors in interest agrees to comply with the following laws and regulations:

Title VI of the Civil Rights Act of 1964
(42 USC Chapter 21 Subchapter V Section 2000d through 2000d-4a)

Federal-aid Highway Act of 1973
(23 USC Chapter 3 Section 324)

Rehabilitation Act of 1973
(29 USC Chapter 16 Subchapter V Section 794)

Age Discrimination Act of 1975
(42 USC Chapter 76 Section 6101 et seq.)

Civil Rights Restoration Act of 1987
(Public Law 100-259)

American with Disabilities Act of 1990
(42 USC Chapter 126 Section 12101 et. seq.)

49 CFR Part 21

23 CFR Part 200

RCW 49.60.180

In relation to Title VI of the Civil Rights Act of 1964, the CONSULTANT is bound by the provisions of Exhibit “H” attached hereto and by this reference made part of this AGREEMENT, and shall include the attached Exhibit “H” in every sub-contract, including procurement of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto.

IX Termination of Agreement

The right is reserved by the AGENCY to terminate this AGREEMENT at any time upon ten (10) days written notice to the CONSULTANT.

In the event this AGREEMENT is terminated by the AGENCY other than for default on the part of the CONSULTANT, a final payment shall be made to the CONSULTANT as shown in Exhibit “I” for the type of AGREEMENT used.

No payment shall be made for any work completed after ten (10) days following receipt by the CONSULTANT of the Notice to Terminate. If the accumulated payment made to the CONSULTANT prior to Notice of Termination exceeds the total amount that would be due when computed as set forth herein above, then no final payment shall be due and the CONSULTANT shall immediately reimburse the AGENCY for any excess paid.

If the services of the CONSULTANT are terminated by the AGENCY for default on the part of the CONSULTANT, the above formula for payment shall not apply.

In such an event, the amount to be paid shall be determined by the AGENCY with consideration given to the actual costs incurred by the CONSULTANT in performing the work to the date of termination, the amount of work originally required which was satisfactorily completed to date of termination, whether that work is in a form or a type which is usable to the AGENCY at the time of termination, the cost to the AGENCY of employing another firm to complete the work required and the time which may be required to do so, and other factors which affect the value to the AGENCY of the work performed at the time of termination.

Under no circumstances shall payment made under this subsection exceed the amount, which would have been made using the formula set forth above.

If it is determined for any reason that the CONSULTANT was not in default or that the CONSULTANT'S failure to perform is without the CONSULTANT'S or it's employee's default or negligence, the termination shall be deemed to be a termination for the convenience of the AGENCY. In such an event, the CONSULTANT would be reimbursed for actual costs in accordance with the termination for other than default clauses listed previously.

In the event of the death of any member, partner or officer of the CONSULTANT or any of its supervisory personnel assigned to the PROJECT, or dissolution of the partnership, termination of the corporation, or disaffiliation of the principally involved employee, the surviving members of the CONSULTANT hereby agree to complete the work under the terms of this AGREEMENT, if requested to do so by the AGENCY. This subsection shall not be a bar to renegotiation of the AGREEMENT between the surviving members of the CONSULTANT and the AGENCY, if the AGENCY so chooses.

In the event of the death of any of the parties listed in the previous paragraph, should the surviving members of the CONSULTANT, with the AGENCY'S concurrence, desire to terminate this AGREEMENT, payment shall be made as set forth in the second paragraph of this section.

Payment for any part of the work by the AGENCY shall not constitute a waiver by the AGENCY of any remedies of any type it may have against the CONSULTANT for any breach of this AGREEMENT by the CONSULTANT, or for failure of the CONSULTANT to perform work required of it by the AGENCY. Forbearance of any rights under the AGREEMENT will not constitute waiver of entitlement to exercise those rights with respect to any future act or omission by the CONSULTANT.

X Changes of Work

The CONSULTANT shall make such changes and revisions in the complete work of this AGREEMENT as necessary to correct errors appearing therein, when required to do so by the AGENCY, without additional compensation thereof. Should the AGENCY find it desirable for its own purposes to have previously satisfactorily completed work or parts thereof changed or revised, the CONSULTANT shall make such revisions as directed by the AGENCY. This work shall be considered as Extra Work and will be paid for as herein provided under Section XIV.

XI Disputes

Any dispute concerning questions of fact in connection with the work not disposed of by AGREEMENT between the CONSULTANT and the AGENCY shall be referred for determination to the Director of Public Works or AGENCY Engineer, whose decision in the matter shall be final and binding on the parties of this AGREEMENT; provided, however, that if an action is brought challenging the Director of Public Works or AGENCY Engineer's decision, that decision shall be subject to de novo judicial review. If the parties to this AGREEMENT mutually agree, disputes concerning alleged design errors will be conducted under the procedures found in Exhibit "J", and disputes concerning claims will be conducted under the procedures found in Exhibit "K".

XII Venue, Applicable Law, and Personal Jurisdiction

In the event that either party deems it necessary to institute legal action or proceedings to enforce any right or obligation under this AGREEMENT, the parties hereto agree that any such action shall be initiated in the Superior court of the State of Washington, situated in the county in which the AGENCY is located. The parties hereto agree that all questions shall be resolved by application of Washington law and that the parties to such action shall have the right of appeal from such decisions of the Superior court in accordance with the laws of the State of Washington. The CONSULTANT hereby consents to the personal jurisdiction of the Superior court of the State of Washington, situated in the county in which the AGENCY is located.

XIII Legal Relations

The CONSULTANT shall comply with all Federal, State, and local laws and ordinances applicable to the work to be done under this AGREEMENT. This contract shall be interpreted and construed in accordance with the laws of the State of Washington.

The CONSULTANT shall indemnify and hold the AGENCY and the STATE and its officers and employees harmless from and shall process and defend at its own expense all claims, demands, or suits at law or equity arising in whole or in part from the CONSULTANT'S negligence or breach of any of its obligations under this AGREEMENT; provided that nothing herein shall require a CONSULTANT to indemnify the AGENCY or the STATE against and hold harmless the AGENCY or the STATE from claims, demands or suits based solely upon the conduct of the AGENCY or the STATE, their agents, officers and employees; and provided further that if the claims or suits are caused by or result from the concurrent negligence of (a) the CONSULTANT'S agents or employees, and (b) the AGENCY or the STATE, their agents, officers and employees, this indemnity provision with respect to (1) claims or suits based upon such negligence (2) the costs to the AGENCY or the STATE of defending such claims and suits shall be valid and enforceable only to the extent of the CONSULTANT'S negligence or the negligence of the CONSULTANT'S agents or employees.

The CONSULTANT'S relation to the AGENCY shall be at all times as an independent contractor.

The CONSULTANT shall comply with all applicable sections of the applicable Ethics laws, including RCW 42.23, which is the Code of Ethics for regulating contract interest by municipal officers. The CONSULTANT specifically assumes potential liability for actions brought by the CONSULTANT'S own employees against the AGENCY and, solely for the purpose of this indemnification and defense, the CONSULTANT specifically waives any immunity under the state industrial insurance law, Title 51 RCW.

Unless otherwise specified in the AGREEMENT, the AGENCY shall be responsible for administration of construction contracts, if any, on the PROJECT. Subject to the processing of a new sole source, or an acceptable supplemental agreement, the CONSULTANT shall provide On-Call assistance to the AGENCY during contract administration. By providing such assistance, the CONSULTANT shall assume no responsibility for: proper construction techniques, job site safety, or any construction contractor's failure to perform its work in accordance with the contract documents.

The CONSULTANT shall obtain and keep in force during the terms of the AGREEMENT, or as otherwise required, the following insurance with companies or through sources approved by the State Insurance Commissioner pursuant to Title 48 RCW.

Insurance Coverage

A. Worker's compensation and employer's liability insurance as required by the STATE.
B. Commercial general liability written under ISO Form CG 00 01 12 04 or its equivalent with minimum limits of one million dollars ($1,000,000) per occurrences and two million dollars ($2,000,000) in the aggregate for each policy period.
C. Vehicle liability insurance for any automobile used in an amount not less than a one million dollar ($1,000,000) combined single limit.

Excepting the Worker's Compensation Insurance and any Professional Liability Insurance secured by the CONSULTANT, the AGENCY will be named on all policies as an additional insured. The CONSULTANT shall furnish the AGENCY with verification of insurance and endorsements required by the AGREEMENT. The AGENCY reserves the right to require complete, certified copies of all required insurance policies at any time.

All insurance shall be obtained from an insurance company authorized to do business in the State of Washington. The CONSULTANT shall submit a verification of insurance as outlined above within fourteen (14) days of the execution of this AGREEMENT to the AGENCY.

No cancellation of the foregoing policies shall be effective without thirty (30) days prior notice to the AGENCY.

The CONSULTANT'S professional liability to the AGENCY shall be limited to the amount payable under this AGREEMENT or one million ($1,000,000) dollars, whichever is the greater, unless modified by Exhibit "L". In no case shall the CONSULTANT'S professional liability to third parties be limited in any way.

The AGENCY will pay no progress payments under Section V until the CONSULTANT has fully complied with this section. This remedy is not exclusive; and the AGENCY and the STATE may take such other action as is available to it under other provisions of this AGREEMENT, or otherwise in law.

XIV Extra Work

A. The AGENCY may at any time, by written order, make changes within the general scope of the AGREEMENT in the services to be performed.

B. If any such change causes an increase or decrease in the estimated cost of, or the time required for, performance of any part of the work under this AGREEMENT, whether or not changed by the order, or otherwise affects any other terms and conditions of the AGREEMENT, the AGENCY shall make an equitable adjustment in the (1) maximum amount payable; (2) delivery or completion schedule, or both; and (3) other affected terms and shall modify the AGREEMENT accordingly.

C. The CONSULTANT must submit any “request for equitable adjustment”, hereafter referred to as “CLAIM”, under this clause within thirty (30) days from the date of receipt of the written order. However, if the AGENCY decides that the facts justify it, the AGENCY may receive and act upon a CLAIM submitted before final payment of the AGREEMENT.

D. Failure to agree to any adjustment shall be a dispute under the Disputes clause. However, nothing in this clause shall excuse the CONSULTANT from proceeding with the AGREEMENT as changed.

E. Notwithstanding the terms and conditions of paragraphs (A) and (B) above, the maximum amount payable for this AGREEMENT, shall not be increased or considered to be increased except by specific written supplement to this AGREEMENT.

XV Endorsement of Plans

If applicable, the CONSULTANT shall place their endorsement on all plans, estimates, or any other engineering data furnished by them.

XVI Federal and State Review

The Federal Highway Administration and the Washington State Department of Transportation shall have the right to participate in the review or examination of the work in progress.

XVII Certification of the Consultant and the Agency

Attached hereto as Exhibit “M-1(a and b)” are the Certifications of the CONSULTANT and the AGENCY, Exhibit “M-2” Certification Regarding Debarment, Suspension and Other Responsibility Matters - Primary Covered Transactions, Exhibit “M-3” Certification Regarding the Restrictions of the Use of Federal Funds for Lobbying and Exhibit “M-4” Certificate of Current Cost or Pricing Data. Exhibit “M-3” is required only in AGREEMENTS over $100,000 and Exhibit “M-4” is required only in AGREEMENTS over $500,000.

XVIII Complete Agreement

This document and referenced attachments contain all covenants, stipulations, and provisions agreed upon by the parties. No agent, or representative of either party has authority to make, and the parties shall not be bound by or be liable for, any statement, representation, promise or agreement not set forth herein. No changes, amendments, or modifications of the terms hereof shall be valid unless reduced to writing and signed by the parties as an amendment to this AGREEMENT.

XIX Execution and Acceptance

This AGREEMENT may be simultaneously executed in several counterparts, each of which shall be deemed to be an original having identical legal effect. The CONSULTANT does hereby ratify and adopt all statements, representations, warranties, covenants, and agreements contained in the proposal, and the supporting material submitted by the CONSULTANT, and does hereby accept the AGREEMENT and agrees to all of the terms and conditions thereof.

In witness whereof, the parties hereto have executed this AGREEMENT as of the day and year shown in the "Execution Date" box on page one (1) of this AGREEMENT.

By ____________________ By ____________________

Consultant MacLeod Reckord PLLC Agency ____________________

EXHIBIT A-1
Scope of Work
July 23, 2014

City of Bainbridge Island
SOUND TO OLYMPICS TRAIL PHASE 2

PROJECT DESCRIPTION

The City of Bainbridge Island (COBI) seeks to develop a project to provide non-motorized improvements on SR305/Olympic Drive, from Winslow Way to the bridge at Ravine Creek as the second phase of the Sound to Olympics Trails (STO). The project includes: a study of the SR305 corridor between Winslow Way and High School Road to select an alignment for a shared use path and identify connections or branch trails where appropriate; design of the north/south shared use path with east/west connections to a conceptual level; engaging the public to build consensus for a preferred alignment; and final design documentation, environmental documentation, permit application support, and construction support for the segment from Winslow Way to the bridge at Ravine Creek.

Funding for design and construction is from a combination of COBI sources and federal transportation grant (PSRC/FHWA). COBI may utilize conceptual plans to pursue additional funding for the separated grade crossing.

The Project Area and limit of field survey and mapping is as defined by the limits shown on the attached Exhibit 1.

OUTLINE OF SCOPE OF SERVICES

The MacLeod Reckord team will provide planning, design, environmental, and construction administrative services to complete the design in accordance with the WSDOT LAG Manual for the project. Scope of work shall consist of the following, in three parts:

I. Preliminary Design Services
   - Task 01 Project Management (Preliminary Design)
   - 02 Survey and Mapping
   - 03 Public Outreach Support
   - 04 Conceptual Design Alternatives
   - 05 Preferred Alignment

II. Final Design and Environmental Services
   - Task 06 Project Management (Design and Environmental)
   - 07 Supplemental Survey and Mapping
   - 08 Public Outreach Support
   - 09 Geotechnical Evaluation & Engineering
   - 10 Environmental & Permit Support Services
   - 11 30% Schematic Design
   - 12 60% Design Development
   - 13 90% Construction Documents
   - 14 100% Bid Documents

III. Construction Support Services
   - Task 15 Bidding & Award
   - 16 Construction Support

PROJECT TEAM ROLES AND RESPONSIBILITIES

MacLeod Reckord (Consultant) will contract with qualified subconsultants, including, but not limited to the firms indicated below. Roles and responsibilities are as follows:

1. **MacLeod Reckord PLLC** (Consultant) – Project management, agency coordination, public outreach coordination, preliminary and final trail planning, design and documentation, overall document coordination, construction support services, project oversight and compliance with WSDOT LAG Manual.
2. **KPFF Consulting Engineers –** Survey and mapping, civil engineering, structural engineering, utilities, temporary erosion control measures, and construction support services. Participation in public outreach, project oversight and compliance with WSDOT LAG Manual.

Future disciplines for supplemental services include:

3. **Environmental Science and Permit Support** – NEPA process (including ECS and all required supporting documentation), critical area impact mitigation design and documentation. Participation in public outreach.
4. **Geotechnical Engineering** – Geotechnical evaluation and engineering, and construction support services.

GENERAL PROJECT ASSUMPTIONS

1. The following scope is defined for **Part I Preliminary Design Services** and outlined for **Part II Final Design and Environmental Services** and **Part III Construction Support Services**. The Consultant and COBI will further define scope and establish fee for the Final Design and Environmental Services during, or shortly following, completion of Preliminary Design Services. Construction Support services scope and fee TBD at a later date.
2. Direct correspondence and coordination with WSDOT (Local Programs) will be the responsibility of COBI.
3. Advisory Committee selection and Stakeholder coordination for meetings by COBI.
4. Public and Agency Study Phase Involvement Plan (May 2014) process is anticipated, with tasks as specified in this scope being the responsibility of the Consultant.
5. Public outreach events and notification arranged and hosted by COBI.
6. Existing survey data as provided by COBI will be utilized in survey and mapping of project area to the extent possible.
7. Bicycle and Pedestrian level of service information as available from COBI and/or WSDOT will be provided to the Consultant for use in Preliminary Design Phase. No new level of service data is anticipated to be needed for this initial study phase.
8. LEED™ Process is not included at this time, however sustainable building practices will be incorporated into site design as program and budget allow.

DESIGN STANDARDS/CRITERIA

1. All work will comply with City of Bainbridge Island, Kitsap County, WSDOT, and AASHTO guidelines. Conflicting guideline directives will be resolved by COBI and deviations, if required, will be provided by the Consultant.
2. Documentation will be in ACAD 2014, Civil 3D 2014, or as mutually agreed.
3. Specification format for 60%, 90%, and 100% submittal is WSDOT Standard Specifications with Special Provisions prepared by the design team and incorporation of General Special

Provisions and Amendments coordinated with COBI. Scope for 60% submittal will be outline of Special Provisions and Amendments to the WSDOT Standard Specifications only.

4. City of Bainbridge Island Design and Construction Standards.
5. City of Bainbridge Island Non-Motorized Transportation Plan.
6. Kitsap County *Non-Motorized Facility Plan Draft*, October 17, 2013.
7. WADOE, *2012 Stormwater Management Manual for Western Washington*.
8. WSDOT, *Standard Plans*, current edition
9. WSDOT, *Standard Specifications for Road, Bridge, and Municipal Construction*, English, current edition and Amendments.

SCHEDULE

The scope of work is premised on a Notice-to-Proceed date for Part I Preliminary Design Services of approximately August 1, 2014; Part II Final Design and Environmental Services approximately November 1, 2014; Part III Construction Support Services TBD. Completion dates TBD. See draft schedule on the attached Exhibit 2.

DELIVERABLES

Deliverables will be provided as noted herein for Part I Preliminary Design Services. Deliverables for Part II Final Design and Environmental Services and Part III Construction Support Services are shown herein as a draft and will be finalized in Supplemental Scope of Work descriptions.

TASKS

PART I – PRELIMINARY DESIGN SERVICES

01. Project Management

1.1 **Coordination and Review:** Coordinate the Consultant design team to ensure that the work is completed on schedule, is technically competent, and meets WSDOT LAG Manual and COBI's requirements. Develop and implement the work plan and provide overall coordination and review of the work. Organize and administer regular internal coordination meetings of the design team to facilitate execution of the work.

1.2 **Coordination Meetings:** Meet with COBI and their assigns (may include but not be limited to WSDOT, multiple COBI departments, boards, administrators, and council) to discuss and/or present project issues, schedule, progress, and general coordination of effort.

1.3 **Document Management:** Provide for the management of drawings and documents received and generated over the course of the project, including review, distribution, filing, and storage.

1.4 **Project Schedule:** Provide a detailed schedule for the Consultant work elements, integrating project deliverables and milestones with schedules identified by COBI. Update schedule as necessary.

1.5 **Subconsultant Management:** Subconsultant management includes the preparation and execution of subcontracts with each Subconsultant involved in the project. The Consultant shall provide ongoing overview of progress, review of invoices, and overall coordination of Subconsultants involved in the project.

1.6 **Quality Assurance/Quality Control:** Conduct a quality assurance check of all deliverables prior to submittal to COBI.

1.7 **Invoicing:** Prepare and submit regular invoicing and monthly progress reports within 45 days of work completed.

Deliverables: 1) Contract Documents. 2) Meeting Notes as required. 3) Schedule. 4) Invoicing. 5) Progress Reports.

02. Survey and Mapping

2.1 **Data Research and Assembly:** Assemble documentation as provided by COBI and/or available to the general public to inform survey and mapping effort.

2.2 **Field Survey:** Perform site reconnaissance and perform field survey within the Part 1 Limit of Field Survey and Mapping as shown on Project Area plan (Exhibit 1) and per Survey Request Form (Exhibit 3). Utilize datum as required by COBI and to meet funding requirements. Collect necessary field ties in order to properly determine boundary and right of way associated with the project. Identify and permanently locate and survey recoverable benchmarks as requested. Obtain the services of a private utility locator to mark and identify underground utilities within the Part 1 Limit of Field Survey and Mapping area (Exhibit 1).

2.3 **Survey Mapping:** Map results of assembled documentation and field survey, providing a comprehensive topographic, planimetric, and boundary survey. See Survey Request Form (Exhibit 3). Provide legend, notes, and survey stamp and signature on approved title block.

Assumptions:

- Survey team will be provided with unrestricted access to the project sites. There are private residences and businesses within the project areas as outlined in Exhibit 1. All right of entry will be negotiated and obtained by others and provided to the Consultant prior to start of work.
- Boundary survey will be based on best available record information. Proposed fee does not include the cost for title company research or title report analysis. Should these tasks be necessary the City will provide the title report information for the Consultant to provide a scope and fee for title analysis.
- Scope does not include a record of survey: no property corners will be set and no record of survey will be recorded.
- Below ground utility depths, material, and sizes, except for sewer and storm structure inverts are not part of the scope.
- City will make available all utility and record drawings associated within the project area.
- WSDOT right of way drawings will not be required for this phase of the work.
- Scope does not include preparation of documents, exhibits, or descriptions for any easements, or right of way acquisitions. Consultant may provide scope and fee for this task if required.
- Areas outside of Part 1 Limit of Field Survey and Mapping will not be field surveyed and will rely on LiDAR information as provided by COBI for purposes of providing a base map for the project.

Deliverables: 1) Base Survey.

03. Public Outreach Support

3.1 **Public Outreach Meetings:** Prepare presentation material and record comment/input at (6) public meetings/focus groups as outlined:

a. NMTAC sponsored public meeting – Assess community desires

b. NMTAC sponsored focus group (open to public) – Alternatives Development
c. NMTAC sponsored focus group (open to public) – Alternatives Selection
d. Public Meeting – Present Alternatives
e. NMTAC sponsored focus group (open to public) – Elaborate on Alternatives
f. Council study session – Preferred Alternative Presentation

Deliverables: 1) Presentation material as developed under other tasks. 2) Summary notes/reporting on public input.

04. Conceptual Design Alternatives

4.1 **<u>Site Reconnaissance/Evaluation:</u>** Perform site reconnaissance and field mapping to evaluate conditions, within the Limit of Project Area (Exhibit 1), assess previously generated plans, and inform conceptual planning effort. Deliverables from this task to support Public Outreach Meeting (a).

4.2 **<u>Review Base Information with COBI:</u>** Review assembled data and reconnaissance information with COBI and Non-Motorized Transportation Advisory Committee (NMTAC) to resolve additional information for the concept planning effort. Deliverables from this task to support Public Outreach Meeting (b).

4.3 **<u>Trail Concept Alternatives:</u>** Analyze a range of alignment and/or facility type alternatives that accommodate needs and/or design criteria as identified by COBI. Develop draft conceptual plans showing alternatives. Identify variations in facility type and any exceptions to recognized guidelines. Identify impacts to SR305 channelization and road prism for each alternative alignment. Deliverables from this task to support Public Outreach Meeting (c).

4.4 **<u>Structural Concept Alternatives:</u>** Analyze up to three retaining structure (wall or slope) alternatives and up to three crossing structure (over and/or under crossing) alternatives that are compatible with alternatives identified in Task 4.2. Develop draft conceptual plans showing up to six alternatives. Identify impacts to SR305 channelization and road prism for each alternative. Deliverables from this task to support Public Outreach Meeting (c).

4.5 **<u>Storm Drainage System and Utility Impacts Evaluation:</u>** Identify impacts under various alignment alternatives to existing storm drainage system and utility systems (water, sewer, electrical, fiber optics, other). Provide conceptual level recommendations for storm drainage requirements associated with additional impervious surface and disruptions of existing systems. Deliverables from this task to support Public Outreach Meeting (c).

4.6 **<u>Environmental Review and Permit Evaluation:</u>** This task to be provided under future/supplemental contract.

4.7 **<u>Geotechnical Evaluation:</u>** This task to be provided under future/supplemental contract.

4.8 **<u>Planning Level Cost Estimates:</u>** Develop planning level cost estimates for alignment alternatives and level of magnitude cost comparisons for structural options.

4.9 **<u>Review/approval:</u>** Meet with COBI and NMTAC to review draft concepts. Incorporate revisions and develop final alternative concepts. Deliverables from this task to support Public Outreach Meeting (d).

Deliverables: 1) Draft and final trail concept alternatives as plans, cross section, and/or illustrative sketches. 2) Draft and final structural concept alternatives as plans, cross section, and/or illustrative sketches. 3) Impacts to SR305 as plans, cross sections, and/or narrative description. 4) Storm drainage and utility impact/recommendations as technical memorandum. 5) Draft and final Reconnaissance Memorandum. 6) Planning level cost estimates for alternatives at outlined above. 10) Meeting notes.

05. Preferred Alignment

5.1 **<u>Refine Preferred Alignment:</u>** Based on input from COBI, NMTAC, and public, develop and illustrate a preferred alignment and provide basis of design. Deliverables from this task to support Public Outreach Meeting (e).
5.2 **<u>Review:</u>** Meet with COBI and NMTAC to review final preferred alignment. Incorporate revisions and finalize preferred concept. Deliverables from this task to support Public Outreach Meeting (f).

Deliverables: 1) Final preferred alignment illustrated in plan, cross section, and/or illustrative sketches. 2) Basis of design. 3) Meeting notes.

PART II – DESIGN AND ENVIRONMENTAL SERVICES (Outline only)

06. Project Management

6.1 **<u>Coordination and Review</u>**
6.2 **<u>Coordination Meetings</u>**
6.3 **<u>Document Management</u>**
6.4 **<u>Project Schedule</u>**
6.5 **<u>Subconsultant Management</u>**
6.6 **<u>Quality Assurance/Quality Control</u>**
6.7 **<u>Invoicing</u>**

Deliverables:

07. Supplemental Survey and Mapping

7.1 **<u>Field Survey and Mapping</u>**
7.2 **<u>Right of Access and Temporary Construction Easements</u>**

Deliverables:

08. Public Outreach Support

8.1 **<u>Public Outreach Meetings</u>**

Deliverables:

09. Geotechnical Evaluation & Engineering

9.1 **<u>Geotechnical Evaluation and Reporting</u>**
9.2 **<u>Geotechnical Engineering</u>**

Deliverables:

10. Environmental & Permit Support Services

The table below includes anticipated environmental and land use permits, reviews, or other environmental approvals that are anticipated will be required for the project. The list of permits is based on the previously prepared alternatives analysis and an initial review of federal, state, and local regulations related to the type proposed for the beach trenching alternative. This is not a complete list. This list does not include building permits and other permits or approvals that may be needed depending on the selected final site, local jurisdiction, and design standards.

Sound to Olympics Phase 2 Project– Anticipated Permits

Lead Agency	Permits/Approvals/ Reviews	Application/ Documentation	Comments
Corps of Engineers	Section 404/401/10 Nationwide Permit 14	Joint Aquatic Resourced Project Application (JARPA)	Required if wetland fill will occur. Assumes project meets the criteria for NWP 14.
	404(b)(1) Alternatives Analysis	Assumed not required.	Will be required if an Individual Permit is needed. Not anticipated at this time.
	Endangered Species Act Section 7 / Magnusson Stevens Act Review	Biological Evaluation	Required by federal permit nexus.
WSDOT/FHWA	National Historic Preservation Act Section 106 Review	Cultural Resources Report	A Cultural Resources Report is included as part of the WSDOT application package. Additional Cultural Resources work for federal, state, or local permits may be required depending final construction extents and if eligible cultural resources are identified during field exploration.
	NEPA	WSDOT ECS and required discipline reports/technical memos	Assumes NEPA finding is Documented Categorical Exclusion. Assume need for discipline reports or tech memos for 1) wetlands, 2)fish, wildlife, and vegetation, 3) visual impact analysis, 4)environmental justice, 5) cultural resources (by ESA) and 6) transportation, 7)geotechnical, and 8) contaminated materials (by others)
WDFW	Hydraulic Project Approval	JARPA	Will be required if work below the OHWM of a Water of the State. Not anticipated at this time.
WA Dept of Ecology	CZM Consistency Determination	CZM Form/Checklist	To be included as part of the Section 404/401/10 permit application.
	Section 401I Water Quality Certification	JARPA	To be included as part of the Section 404/401/10 permit application.
	National Pollution Discharge Elimination System (NPDES) General Construction Permit	Notice of Intent	Need will depend on design and extent of disturbance.
Local Permits City of Bainbridge Island	State Environmental Species Act	Environmental Checklist	This scope assumes that the project will receive a Determination of Non Significance or Mitigated Determination of Non Significance. An EIS is not included.
	Critical Areas Review	Critical Areas Study	
	Shoreline Conditional Use Permit or Substantial Development Permit	JARPA with Shoreline Supplement	Not anticipated at this time.
	Design Review	Design Review Application	Final Design Required
	Flood Hazard Area Development Permit	Flood Hazard Permit Application	If land-based facilities in floodplain or floodway are required. Not anticipated at this time.

	Road Use-ROW permit	Varies	Depends upon trail routing.

10.1 Wetland and Stream Delineation

Consultant shall conduct field work to identify and delineate critical areas (wetland and streams) within the project area. The delineation shall be completed for the purposes of documenting the presence and boundaries of any wetlands and streams present, and to assist in the consideration of environmental permit and mitigation requirements during the alternatives evaluation process. Wetland delineations shall be conducted within the study area using methods described in the 1997 Washington State Wetland Identification and Delineation Manual (Ecology). The ordinary high water mark of streams will also be flagged.
Consultant shall rate wetlands and streams delineated within the study area for the purposes of comparing mitigation requirements between the alternatives. Wetland ratings will follow the Ecology Wetland Rating method, which also forms the basis for ratings and buffers under the City of Bainbridge Island Critical Areas requirements. Streams will be rated according to the applicable City and State criteria. The delineation shall be along, and within 150 feet of the selected trail alignment, where rights-of-entry has been secured by the CITY and fieldwork is authorized.

Consultant shall delineate the wetland edge using flagging tied to vegetation or pin flags, as appropriate. Consultant shall establish formal data plots to document the delineation. We recommend closely sequencing survey of the flags soon after our fieldwork, to reduce the potential for flags being removed or moved. Consultant will be provided a basemap with survey flag points. Professional survey will be conducted by others.

Deliverables: Sketch maps of the delineation to help guide the survey

10.2 SEPA Checklist

COBI will be the SEPA lead agency and they will issue a SEPA determination consistent with their SEPA rules. Although an Environmental Impact Statement (EIS) or State Environmental Review Process (SERP) may ultimately be required for this project, the preparation of an Environmental Checklist (Checklist) is currently assumed as the basis for determining a scope and cost estimate for this task. Consultant will prepare a draft SEPA Environmental checklist for internal review that is consistent with Washington State (Chapter 197-11 WAC) and City SEPA requirements. The purpose of the Checklist is to provide environmental analysis of potential impacts associated with the construction and operation of the new pipelines. Following review of the draft, Consultant will incorporate team and city comments into Checklist for finalization by the COBI and public distribution.

To the extent practicable, work necessary to complete the Environmental Checklist will be undertaken using existing environmental and land use data. These existing materials will be augmented by engineering studies, surveys, and geotechnical analysis completed by others on the project team. Consultant will materially rely on these existing data and materials prepared by others to complete the Environmental Checklist. At this time it is reasonable to assume that no additional studies would be necessary for the purpose of completing the Checklist. Should cooperating agencies be determined to be co-lead agencies for this project, additional coordination and document preparation may be required.

Deliverables: 1) Draft and Final SEPA Checklist

10.3 Endangered Species Act Coordination

Consultant shall prepare a draft and final Biological Assessment (BA) for the project based on the 30% design of the preferred alternative. The BE will be prepared to support consultation efforts under Section 7 of the Endangered Species Act of 1973 among the federal lead agency and Services. In addition to information developed by Consultant for the Environmental Checklist, we will materially rely on design information completed by COBI and other consultants to meet the requirements for the project's Section 7 consultation. Based on an initial review of species distribution within the project area and determinations from similar projects, Consultant assumes that the project can be designed and constructed in such a manner that the project will qualify for a No Effect determination. If project effects exceed the threshold for a no effect determination, additional scope and budget will be required for the preparation of a full BA. This task does not include field work or surveys for plants or animals.

Deliverables: 1) Draft and Final Letter of No Effect

10.4 Critical Areas Study and Conceptual Mitigation Plan

Consultant shall prepare a Critical Areas Study (CAS) per COBI Code, Chapter 16.20 to address potential impacts to fish and wildlife habitat (16.20.130), Frequently Flooded Areas (16.20.140), and Wetlands (16.20.160). The CAS will include a Habitat Management Plan (16.20.060) and conceptual mitigation plan (16.20.110), if necessary. The CAS will be based on 30% design information. Additional information and design, including the completion of a Final Mitigation Plan may be required to demonstrate consistency with COBI Code. This Scope of Work does not include a final mitigation plan, which will be scoped once project impacts to streams, wetlands, and buffers have been determined.

Deliverables: 1) Draft and Final Critical Areas Study

10.5 Cultural Resource Survey

Consultant will conduct a cultural resources assessment, consisting of a field survey for cultural resources within the project area, completed in support of the National Historic Preservation Act (NHPA) Section 106. After the preferred alternative has been selected and the APE has been defined and agreed upon by WSDOT, DAHP, and Affected Tribes, Consultant will conduct a one-day field visit to survey the preferred alternative's APE and evaluate the presence of aboveground historic-age resources (buildings or features). We assume only one person will be needed and travel time is included. Additional work may be required to complete the Section 106 consultation process if WSDOT determines that cultural resources could be affected by the project. Additional field work is not included in this scope.

Consultant will prepare a technical memorandum to summarize the results of literature review and field visit. Consultant will submit a draft technical memo for COBI's review. Upon receipt of comments, Consultant will finalize the memo in .pdf format. The report will be submitted by the City to WSDOT/ the State Department of Archaeology and Historic Preservation (DAHP).

Consultant will prepare a Cultural Resources Assessment to assist the Corps of Engineers review the project pursuant to Section 106 of the National Historic Preservation Act.

Deliverables: 1) Draft and Final Cultural Resources Technical Memorandum

10.6 WSDOT Environmental Classification Summary (ECS)

Consultant shall prepare a WSDOT ECS for the project to document compliance with the NEPA. The ECS is the WSDOT-approved format for documenting projects that qualify for a NEPA Documented Categorical Exclusion (DCE). The ECS shall be completed per the guidance and requirements in the WSDOT Local Programs Environmental Classification Summary Guidebook and WSDOT's Environmental Procedures Manual at the time a notice to proceed is received by the project team. The Consultant shall complete the ECS using existing information from the technical reports completed for the project (described below), the project design plans, and other available information. COBI shall be responsible for submitting the ECS to WSDOT for review and approval. At this time, it is assumed that no additional field investigations or data acquisition is necessary to complete the ECS, although this assumption should be verified through a meeting of the Consultant, COBI, and WSDOT at earliest opportunity to determine the expected extent of any additional technical studies for NEPA compliance. In consultation with COBI and WSDOT staff, technical memoranda will be "right-sized" to address the potential impacts of this project and some reports may be combined, if appropriate.

In addition to those discipline reports or technical memorandum listed below, it is likely that WSDOT will require preparation of these reports for 1) transportation, 2) water resources, 3) geotechnical issues, and possibly 4) hazardous materials. These documents will be prepared by other team members, but the information incorporated within the reports will be incorporated into the ECS.

10.6.1 Wetlands Discipline Report

Consultant will prepare a Wetlands Discipline Report consistent with Chapter 431 of the WSDOT Environmental Procedures Manual. The report will utilize information from the wetland reconnaissance, wetland delineation, and critical areas report tasks.

10.6.2 Cultural Resources Discipline Report

Consultant will prepare a Cultural Resources Discipline Report consistent with Chapter 456 of the WSDOT Environmental Procedures Manual. The report will utilize information from the cultural resource survey task, listed above.

10.6.3. Social and Community Effects Technical Memorandum

Consultant will prepare a Social and Community Technical Memorandum consistent with Chapter 458 of WSDOT's Environmental Procedures Manual. Materials previously prepared for Phase 1 of the Olympics to Sound Trail project will be utilized to the extent practicable. New or additional demographic and community data will be collected specific to the potentially affected area for this project. The Social and Community Effects TM will also summarize the communication plan and the completed and planned outreach efforts.

10.6.4 Fish, Wildlife, and Vegetation Technical Memorandum

The Consultant will prepare a Fish, Wildlife, and Vegetation Technical Memorandum consistent with Chapter 436 of WSDOT's Environmental Procedures Manual.

In support of the Fish, Wildlife, and Vegetation Technical Memorandum, Consultant shall review relevant and available existing documentation and data relating to the project site and surrounding area, including but not limited to: Washington Department of Natural Resources Natural Heritage Program data; WDFW Priority Habitats and Species data, sensitive species lists, and fish and wildlife distribution information; COBI critical/sensitive area information; and other technical studies/discipline reports completed for this project (e.g., wetlands report). The technical memorandum will utilize information collected in Wetland and Stream Delineation Task. The report shall describe existing conditions with respect to vegetation, wildlife, fish, and aquatic resources, and shall identify potential project impacts. Mitigation measures shall be recommended where appropriate.

10.6.5. Visual Impacts Analysis

Consultant will prepare a Visual Impacts Analysis consistent with Chapter 459 of WSDOT's Environmental Procedures Manual. This task will include documenting that no scenic resources would be affected and the project would comply with all AASHTO and WSDOT standards for sight clearance, light and glare, and other visual safety requirements.

Deliverables: 1) Draft and Final Technical Memorandum and Discipline Reports as detailed above 2) Draft and Final ECS

10.7 <u>Final Mitigation Plan</u>
10.8 <u>Construction Permits</u>
10.9 <u>Supporting Consultation and Documentation</u>

Assumptions:

- Submittal of the biological evaluation, archaeological review, and ECS for WSDOT is based upon the assumption that the alignment will largely be fixed at the 30% design phase. Significant changes in the project alignment would result in the need to revise documents and applications. Should this occur, additional budget would be required for the modifications and resubmittal.
- Wetlands will be delineated and flagged in the field. The flags will be professionally field surveyed by others.
- A camera-ready SEPA checklist will be prepared and submitted to COBI. COBI will be responsible for reproduction, distribution, and public notification.
- Archaeological field work is being proposed at a level we believe to be sufficient to collect a reasonable amount of information. Depending upon site conditions and/or requests from federal regulatory agencies, additional field work beyond that proposed in this scope and budget may be necessary. If required, additional work would be conducted as part of a subsequent phase of work.
- Civil survey data and project design information will be provided to Consultant in ACAD format.
- Additional draft materials will be submitted for review electronically, either in their native file format or as PDF files.
- COBI will be the sole SEPA lead agency. COBI shall be responsible for all permit fees or third-party review fees.
- COBI will secure rights-of-entry as necessary to access the project area.
- COBI will be responsible for delivering all permit applications unless Consultant is specifically named as an Authorized Agent.
- COBI will be responsible for forwarding all permit-related correspondence to Consultant in a timely manner.
- Additional work required to address requests for additional information beyond the submittal of the specified materials are not included in this scope of work.
- COBI shall be responsible for the cost to produce and install the SEPA notice sign.
- Consultant shall submit the number of copies of applications and supporting documentation identified on the application forms, plus two additional copies for the project files. COBI shall be responsible for additional copies.

- If work cannot be designed to meet Determination of Non-significance (DNS) criteria and/or avoid significant impacts an Environmental Assessment or Environmental Impact Statement may be required. This additional work is not included herein.
- Unless specified in this scope, no other project specific discipline reports or technical memorandum are anticipated to be required, but can be completed as additional task(s), if required.
- Project impacts to the COBI Critical Areas are limited to minor wetland and/or stream buffer impacts from trail construction and minor roadway widening.
- The conceptual mitigation report will include preparation of a single plan sheet showing planting locations, planting palettes, and plant quantities, as well as notes to inform the development of bid specifications. The scope does not include grading plans, cost estimates, or bid specifications
- Appropriate mitigation activities to offset critical areas buffer impacts will consist of vegetation enhancement or creation of existing wetland or stream buffers. The priority for buffer impacts mitigation siting is as follows 1) onsite mitigation, 2) mitigation adjacent to the project site, 3) offsite mitigation within the same sub-basin as the project impacts.
- The CAS report will include preparation of up to four figures (1) existing locations of critical areas and mitigation site, 2) impact locations and quantities, 2) vicinity map of mitigation site, 3) existing conditions at the selected mitigation site (CAD base maps and delineated streams and wetlands to be provided to ESA by MacLeod Reckord).
- All buffer mitigation activities will occur on a single contiguous site and a single planting palette will suffice.
- Some grading may be required at the mitigation site, which would likely consist of wetland enhancement or creation and enhancement of wetland or stream buffer vegetation. A grading plan (single sheet) is included in this scope. Compensatory mitigation will be limited to less than 5,000 square feet of wetland, wetland buffer or stream buffer enhancement.

Deliverables:

11. 30% Schematic Design

11.1 <u>Trail Design</u>
11.2 <u>Roadway and Crossing Design</u>
11.3 <u>Traffic Control Plans</u>
11.4 <u>TESC</u>
11.5 <u>Storm Drainage Design</u>
11.6 <u>Lighting and Electrical</u>
11.7 <u>Utility Coordination</u>
11.8 <u>Structures and Barricades</u>
11.9 <u>Planting Design</u>
11.10 <u>Trail Amenities</u>
11.11 <u>Cost Estimates</u>
11.12 <u>Review/approval</u>

Deliverables:

12. 60% Design Development

12.1 <u>Trail Design</u>

12.2 **Roadway and Crossing Design**
12.3 **Traffic Control Plans**
12.4 **TESC/Draft SWPPP**
12.5 **Storm System Design and Preliminary Calculations**
12.6 **Lighting and Electrical**
12.7 **Utility Coordination and Work Orders for PSE**
12.8 **Structures and Barricades**
12.9 **Planting Design**
12.10 **Trail Amenities**
12.11 **Cost Estimates**
12.12 **Specification Outline**
12.13 **Review/approval**

Deliverables:

13. 90% Construction Documents

13.1 **Trail Design**
13.2 **Roadway and Crossing Design**
13.3 **Traffic Control Plans**
13.4 **TESC/Final Documentation for SWPPP**
13.5 **Storm System Design and Final Calculations**
13.6 **Lighting and Electrical**
13.7 **Structures and Barricades and Final Calculations**
13.8 **Planting Design**
13.9 **Trail Amenities**
13.10 **Cost Estimates**
13.11 **Specifications** (includes coordination with COBI on GSP's)
13.12 **Checklists and Submittals** (PS&E checklist; PIF's for sole source; WSDOT LAG Manual design checklist; pavement design memo calculations, etc.
13.13 **Review/approval**

Deliverables:

14. 100% Bid Documents

14.1 **Final PS&E**

Deliverables:

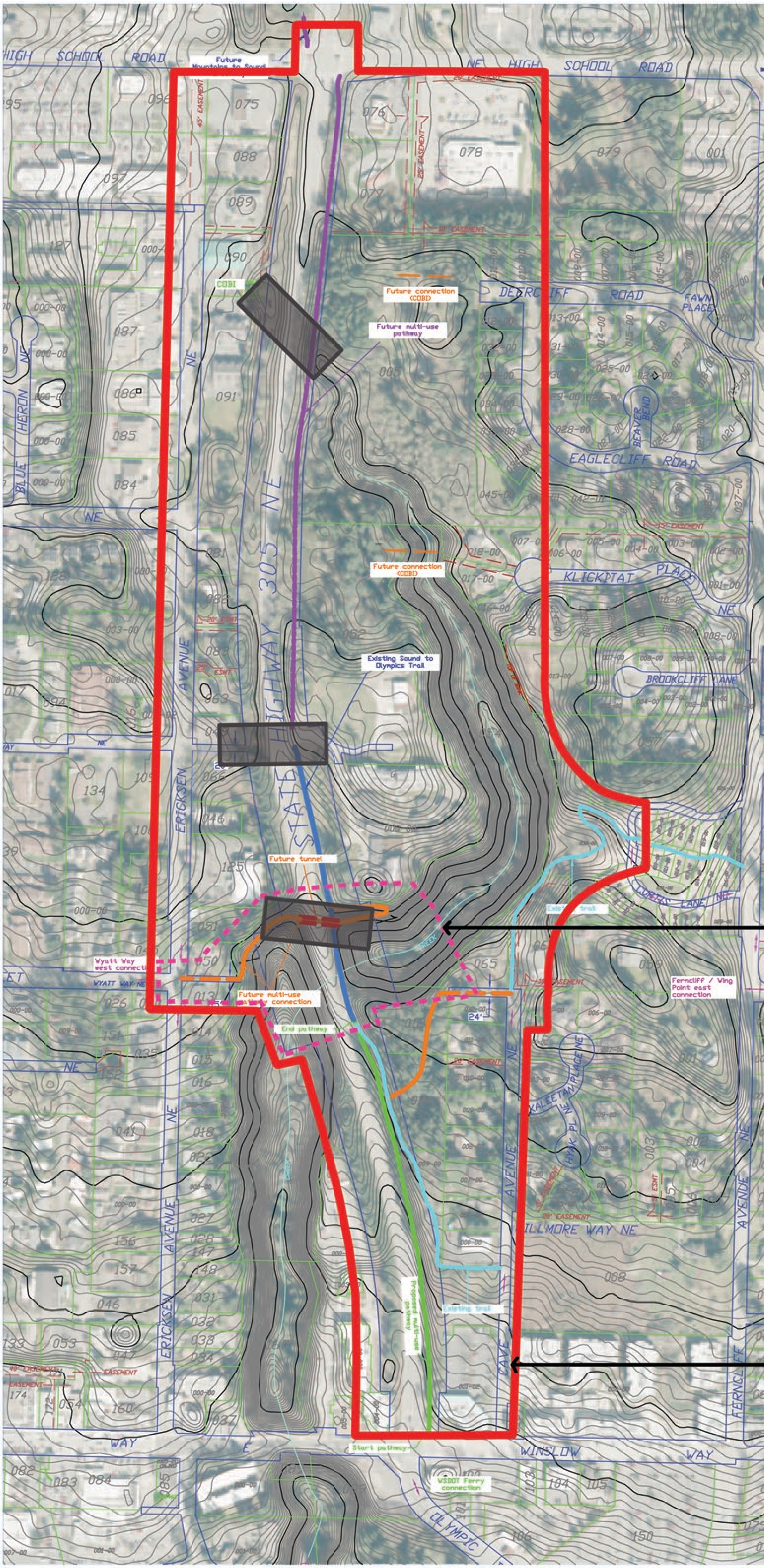
PART III – CONSTRUCTION SUPPORT SERVICES

15. Bidding & Award

Bidding and award support as requested by COBI.

16. Construction Support

Construction support to provide review of contractor submittals, responses to RFI's, and other clarifications as requested by COBI.



PART 1 LIMIT OF FIELD SURVEY & MAPPING

POTENTIAL CROSSINGS

LIMIT OF PROJECT AREA

EXHIBIT 1

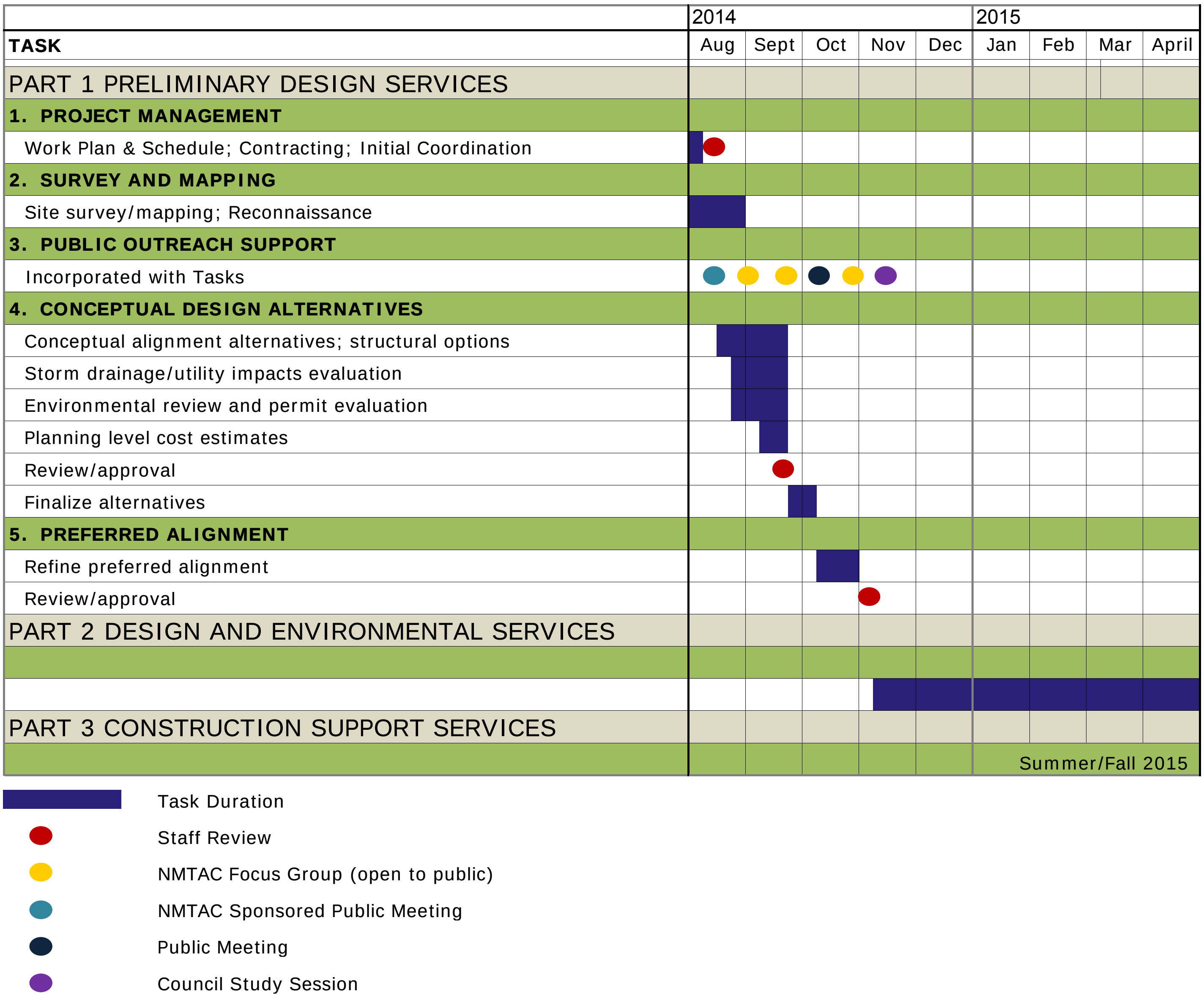
NORTH KITSAP TRAILS ASSOCIATION

SCALE 1" = 100'

Sound to Olympics Trail

CITY OF BAINBRIDGE ISLAND
PUBLIC WORKS ENGINEERING DEPARTMENT

EXHIBIT 2 Draft Schedule



MacLeod Reckord, PLLC
Landscape Architecture ■ Planning ■ Urban Design
83 Columbia Street, Suite 306
Seattle, Washington 98104
P 206-323-7919
F 206-323-9242

EXHIBIT 3

SURVEY REQUEST FORM

June 2014

Edited for Sound to Olympics Trail

The following is a summary of our request for field survey and mapping information. Note the format and drafting standards identified below. We will assume all information can be provided unless otherwise stated prior to contract signing.

Format and Standards

Delivery of computer compilation of the survey information shall be on CD/DVD, or downloadable from ftp, in AutoCAD Civil 3d .dwg version 2013 or compatible per project standard. Use color-dependent (.ctb) plot file table unless otherwise noted in project standards. Include plot style table and font/shape files on CD/ftp.

If the client standards require using ".stb" plot style format comply with those standards.

Note the following format requirements:

- Drawing to be completed using an AutoCAD Civil 3d drawing template based on the National CAD Standard version 3.1. Do not use style "standard" or have Civil 3d objects on layer "0".
- Coordinate system to be NAVD88 (vertical datum).
- All non Civil 3d blocks to be created in layer 0 and inserted on appropriate layer.
- All non Civil 3d objects drawn with "color" set to "bylayer" including data point and block components.
- All xrefs inserted at 0,0,0 full scale, no rotation, World UCS
- Drawing units set to "decimal US foot"; min. precision, 0.00; insertion scale, feet; angle type, decimal or surveyor's; angle precision, 00D00'00".
- Topographic surveys to include an existing ground surface object
- Non surveyed topographic contours to be at 1 foot intervals drawn at true elevation
- Drawing linetype scale set to 1.00
- Civil 3D drawings with all data included

Datum and Control Points

- All critical survey control points shall be located outside of the proposed limit of work to avoid need to reset control after grading operations
- Datum as required by the agency contracting for design services, with conversion factors given for other datum as may be required by various permit review agencies

continued

The survey information requested and plot format is summarized below. Use a separate layer for each of the requested items:

Topographic Information
Data point elevation
Data point description
Data point shot number
Spot elevations
Benchmarks

Boundary Information
Surveyed centerline
Rights-of-way, ties to centerline

Planimetric Information
~~Trees, with DBH information for "significant trees" as defined by Code~~
Tree canopy and shrub/brush masses only
Roads/alleys/driveways
Buildings, including above ground overhangs
Structures, including pavement (pads), stairways, sidewalks, ramps, curbs, gutters
Signs
Barricades/fences (centerline of post)
Lakes/streams/wetlands
- At current water level
- ~~As delineated by others~~
- ~~OHW, 100-year flood, flood hazard limits, as contract requires~~

Drainage structures (CB's, culverts, vaults, etc, with rim and invert elevation)
Utilities (Water, Sewer, Electrical, Gas, Cable, Fiber Optic)
- Horizontal Alignment only
- Depth/Height as contract requires

~~Irrigation (including location of heads, valve boxes, controllers, etc.)~~

Sheet Size
Sheet size to match project standards

Exhibit C
Electronic Exchange of Engineering and Other Data

In this Exhibit the agency, as applicable, is to provide a description of the format and standards the consultant is to use in preparing electronic files for transmission to the agency. The format and standards to be provided may include, but are not limited to, the following:

I. Surveying, Roadway Design & Plans Preparation Section

A. Survey Data

B. Roadway Design Files

C. Computer Aided Drafting Files

D. Specify the Agency's Right to Review Product with the Consultant

E. Specify the Electronic Deliverables to Be Provided to the Agency

F. Specify What Agency Furnished Services and Information Is to Be Provided

II. Any Other Electronic Files to Be Provided

III. Methods to Electronically Exchange Data

A. Agency Software Suite

B. Electronic Messaging System

C. File Transfers Format

Exhibit D-2
Payment (Cost Plus a Fixed Fee)

The CONSULTANT shall be paid by the AGENCY for completed work and services rendered under this AGREEMENT as provided hereinafter. Such payment shall be full compensation for work performed or services rendered and for all labor, materials, supplies, equipment, and incidentals necessary to complete the work specified in Section II, “Scope of Work.” The CONSULTANT shall conform to all applicable portions of 48 CFR Part 31.

A. Actual Costs: Payment for all consulting services for this PROJECT shall be on the basis of the CONSULTANT’S actual cost plus a fixed fee. The actual cost shall include direct salary cost, overhead, direct non-salary costs, and fixed fee.

1. Direct Salary Costs: The Direct Salary Cost is the direct salary paid to principals, professional, technical, and clerical personnel for the time they are productively engaged in work necessary to fulfill the terms of this AGREEMENT. The CONSULTANT shall maintain support data to verify the direct salary costs billed to the AGENCY.

2. Overhead Costs: Overhead Costs are those costs other than direct costs, which are included as such on the books of the CONSULTANT in the normal everyday keeping of its books. Progress payments shall be made at the rate shown in the heading of this AGREEMENT under “Overhead Progress Payment Rate.” Total overhead payment shall be based on the method shown in the heading of the AGREEMENT. The two options are explained as follows:

a. Fixed Rate: If this method is indicated in the heading of the AGREEMENT the AGENCY agrees to reimburse the CONSULTANT for overhead at the percentage rate shown. This rate shall not change during the life of the AGREEMENT.

b. Actual Cost: If this method is indicated in the heading of the AGREEMENT the AGENCY agrees to reimburse the CONSULTANT the actual overhead costs verified by audit, up to the Maximum Total Amount Payable, authorized under this AGREEMENT, when accumulated with all other Actual Costs.

A summary of the CONSULTANTS cost estimate and the overhead computation is shown in Exhibit “E” attached hereto and by this reference made part of this AGREEMENT. When an Actual Cost method is used, the CONSULTANT (prime and all sub-consultants) will submit to the AGENCY within six (6) months after the end of each firm’s fiscal year, an overhead schedule in the format required by the AGENCY (cost category, dollar expenditures, etc.) for the purpose of adjusting the overhead rate for billing purposes. It shall be used for the computation of progress payments during the following year and for retroactively adjusting the previous year’s overhead cost to reflect the actual rate.

Failure to supply this information by either the prime CONSULTANT or any of their sub-consultants shall cause the AGENCY to withhold payment of the billed overhead costs until such time as the required information is received and an overhead rate for billing purposes is approved.

The AGENCY, STATE and/or the Federal Government may perform an audit of the CONSULTANT'S books and records at any time during regular business hours to determine the actual overhead rate, if they so desire.

3. Direct Non-Salary Costs: Direct Non-Salary Costs will be reimbursed at the Actual Cost to the CONSULTANT. These charges may include, but are not limited to, the following items: travel, printing, long distance telephone, supplies, computer charges and sub-consultant costs.

   a. Air or train travel will be reimbursed only to economy class levels unless otherwise approved by the AGENCY. The CONSULTANT shall comply with the rules and regulations regarding travel costs (excluding air, train, and rental car costs) in accordance with the AGENCY'S Travel Rules and Procedures. However, air, train, and rental car costs shall be reimbursed in accordance with 48 CFR Part 31.205-46 "Travel Cost

   b. The billing for Direct Non-Salary Costs shall include an itemized listing of the charges directly identifiable wh the PROJECT.

   c. The CONSULTANT shall maintain the original supporting documents in their office. Copies of the original supporting documents shall be supplied to the AGENCY upon request.

   d. All above charges must be necessary for the services provided under this AGREEMENT.

4. Fixed Fee: The Fixed Fee, which represents the CONSULTANT'S profit, is shown in the heading of this AGREEMENT under Fixed Fee. This amount does not include any additional Fixed Fee, which could be authorized from the Management Reserve Fund. This fee is based on the Scope of Work defined in this AGREEMENT and the estimated person-hours required to perform the stated Scope of Work. In the event the CONSULTANT enters into a supplemental AGREEMENT for additional work, the supplemental AGREEMENT may include provisions for the added costs and an appropriate additional fee. The Fixed Fee will be prorated and paid monthly in proportion to the percentage of work completed by the CONSULTANT and reported in the Monthly Progress Reports accompanying the billings. Any portion of the Fixed Fee earned but not previously paid in the progress payments will be covered in the final payment, subject to the provisions of Section IX entitled "Termination of Agreement."

5. Management Reserve Fund: The AGENCY may desire to establish a Management Reserve Fund to provide the Agreement Administrator with the flexibility to authorize additional funds to the AGREEMENT for allowable unforeseen costs, or reimbursing the CONSULTANT for additional work beyond that already defined in this AGREEMENT. Such authorization(s) shall be in writing and shall not exceed

the lesser of $100,000 or 10% of the Total Amount Authorized as shown in the heading of this AGREEMENT. The amount included for the Management Reserve Fund is shown in the heading of this AGREEMENT. This fund may not be replenished. Any changes requiring additional costs in excess of the Management Reserve Fund shall be made in accordance with Section XIV, “Extra Work.”6. Maximum Total Amount Payable: The Maximum Total Amount Payable by the AGENCY to the CONSULTANT under this AGREEMENT shall not exceed the amount shown in the heading of this AGREEMENT. The Maximum Total Amount Payable is comprised of the Total Amount Authorized, and the Management Reserve Fund. The Maximum Total Amount Payable does not include payment for Extra Work as stipulated in Section XIV, “Extra Work.” No minimum amount payable is guaranteed under this AGREEMENT.

B. Monthly Progress Payments: The CONSULTANT may submit billings to the AGENCY for reimbursement of Actual Costs plus the calculated overhead and fee on a monthly basis during the progress of the work. Such billings shall be in a format approved by the AGENCY and accompanied by the monthly progress reports required under Section III, “General Requirements” of this AGREEMENT. The billings will be supported by an itemized listing for each item including Direct Salary, Direct Non-Salary, and allowable Overhead Costs to which will be added the prorated Fixed Fee. To provide a means of verifying the billed salary costs for CONSULTANT employees, the AGENCY may conduct employee interviews. These interviews may consist of recording the names, titles, salary rates, and present duties of those employees performing work on the PROJECT at the time of the interview.

C. Final Payment: Final Payment of any balance due the CONSULTANT of the gross amount earned will be made promptly upon its verification by the AGENCY after the completion of the work under this AGREEMENT, contingent upon receipt of all PS&E, plans, maps, notes, reports, electronic data and other related documents which are required to be furnished under this AGREEMENT. Acceptance of such Final Payment by the CONSULTANT shall constitute a release of all claims for payment, which the CONSULTANT may have against the AGENCY unless such claims are specifically reserved in writing and transmitted to the AGENCY by the CONSULTANT prior to its acceptance. Said Final Payment shall not, however, be a bar to any claims that the AGENCY may have against the CONSULTANT or to any remedies the AGENCY may pursue with respect to such claims.

The payment of any billing will not constitute agreement as to the appropriateness of any item and at the time of final audit, all required adjustments will be made and reflected in a final payment. In the event that such final audit reveals an overpayment to the CONSULTANT, the CONSULTANT will refund such overpayment to the AGENCY within thirty (30) days of notice of the overpayment. Such refund shall not constitute a waiver by the CONSULTANT for any claims relating to the validity of a finding by the AGENCY of overpayment. The CONSULTANT has twenty (20) days after receipt of the final POST AUDIT to begin the appeal process to the AGENCY for audit findings.

D. Inspection of Cost Records: The CONSULTANT and their sub-consultants shall keep available for inspection by representatives of the AGENCY, STATE and the United States, for a period of three (3) years after receipt of final payment, the cost records and accounts pertaining to this AGREEMENT and all items related to or bearing upon these records with the following exception: if any litigation, claim or audit arising out of, in connection with, or related to this contract is initiated before the expiration of the three (3) year period, the cost records and accounts shall be retained until such litigation, claim, or audit involving the records is completed.

Exhibit E-1
Consultant Fee Determination - Summary Sheet
7/23/2014

Sound to Olympics Trail Phase 2
MacLeod Reckord

Direct Salary Cost

Item	Classification	Hours	Rate	Cost		
1.Task 1	Project Management					
	Principal in Charge	7	45.00	315.00		
	Project Manager	30	41.00	1,230.00		
	Project Designer	12	32.00	384.00		
	Designer	-	24.00	0.00		
	Drafter	10	27.00	270.00		
	Graphics	-	26.00	0.00		
	Admin	5	30.00	150.00	Subtotal:	2,349.00
2.Task 2	Survey and Mapping					
	Principal in Charge	1	45.00	45.00		
	Project Manager	8	41.00	328.00		
	Project Designer	-	32.00	0.00		
	Designer	-	24.00	0.00		
	Drafter	12	27.00	324.00		
	Graphics	10	26.00	260.00		
	Admin	-	30.00	0.00	Subtotal:	957.00
3.Task 3	Public Outreach Support					
	Principal in Charge	-	45.00	0.00		
	Project Manager	30	41.00	1,230.00		
	Project Designer	12	32.00	384.00		
	Designer	-	24.00	0.00		
	Drafter	-	27.00	0.00		
	Graphics	-	26.00	0.00		
	Admin	-	30.00	0.00	Subtotal:	1,614.00
4.Task 4	Conceptual Design Alternatives					
	Principal in Charge	3	45.00	135.00		
	Project Manager	86	41.00	3,526.00		
	Project Designer	94	32.00	3,008.00		
	Designer	-	24.00	0.00		
	Drafter	66	27.00	1,782.00		
	Graphics	28	26.00	728.00		
	Admin	-	30.00	0.00	Subtotal:	9,179.00
5.Task 5	Preferred Alignment					
	Principal in Charge	1	45.00	45.00		
	Project Manager	18	41.00	738.00		
	Project Designer	10	32.00	320.00		
	Designer	-	24.00	0.00		
	Drafter	20	27.00	540.00		
	Graphics	16	26.00	416.00		
	Admin	-	30.00	0.00	Subtotal:	2,059.00
				TOTAL DSC:		16,158.00

Overhead (OH cost - including salary additives):

OH Rate X DSC of	203.91%	X	16,158.00		32,947.78

Fixed Fee (FF):

FF Rate X DSC of	30%	X	16,158.00		4,847.40

Subtotal MacLeod Reckord		53,953.18
Reimbursables (mileage, courier, copies)		500.00
Subconsultant Costs (Exhibit G)		69,194.84
	GRAND TOTAL:	**$123,648.02**

Prepared by: Connie Reckord 7/23/2014

Sound To Olympics Trail Phase 2
Fee Estimate

July 23, 2014		MacLeod Reckord								
		Principal in Charge	Project Manager	Project Designer	Designer	Drafter/ ACAD	Graphics	Admin.	SUBTOTAL	comments
Task	SCOPE OF WORK	$45.00	$41.00	$32.00	$24.00	$27.00	$26.00	$30.00		3.3391
1.0	**PROJECT MANAGEMENT**									
1.1	Coordination and Review	2	4	4		2		2	$496	4 months duration
1.2	Coordination Meetings		8	4					$456	2/mo. City & may be phone; general & in addition to below
1.3	Document Management		2	4		8		1	$456	4 months
1.4	Project Schedule	1	2						$127	2 updates
1.5	Subconsultant Management		8						$328	4 months
1.6	Quality Assurance/Quality Control	4	4						$344	3 reviews
1.7	Invoicing		2					2	$142	5 cycles
	Subtotal:	**7**	**30**	**12**	**0**	**10**	**0**	**5**	**$2,349**	$ 7,844
2.0	**SURVEY AND MAPPING**									
2.1	Data Research and Assembly	1	4			8	8		$633	1 week research; assemble base prior to avail. of survey
2.2	Field Survey		2						$82	respond to questions
2.3	Survey Mapping		2			4	2		$242	review draft & final; format
	Subtotal:	**1**	**8**	**0**	**0**	**12**	**10**	**0**	**$957**	$ 3,196
3.0	**PUBLIC OUTREACH SUPPORT**									
3.1	Public Outreach Meetings								$0	
	a. NMTAC sponsored public meeting - Assess community desires		8	6					$520	prep, attend, reporting
	b. NMTAC sponsored focus group (open to public) - Alts. develop.		4						$164	prep, attend, reporting
	c. NMTAC sponsored focus group (open to public) - Alts. Selection		4						$164	prep, attend, reporting
	d. Public Meeting - Present Alternatives		6	6					$438	prep, attend, reporting
	e. NMTAC sponsored focus group (open to public) - Elaborate on Alts.		4						$164	prep, attend, reporting
	f. Council study session - Preferred Alts. Presentation		4						$164	prep, attend, reporting
	Subtotal:	**0**	**30**	**12**	**0**	**0**	**0**	**0**	**$1,614**	$ 5,389
4.0	**CONCEPTUAL DESIGN ALTERNATIVES**									
4.1	Site Reconnaissance/Evaluation		12	12					$876	2 site visits
4.2	Review Base information with COBI		4	4					$292	1 mtg
4.3	Trail Concept Alternatives								$0	
	draft alignments		8	8					$584	study graphics
	refine concepts	1	8	8		8	4		$949	computer graphics generated
	cross sections; draft into illustrative		8	16		16	8		$1,480	avg 2 xsections per alternative
	eval. crossing/connections		4	8		6			$582	ensure all connectors; check ADA
	coord w/channelization options & structural options	1	8	4		4			$609	adj alignment & grading accordingly
	final draft plan graphics		4	4		16	8		$932	finalize graphics for COBI review
4.4	Structural Concept Alternatives; includes Channelization		4	2					$228	coord and review
4.5	Storm Drainage System and Utility Impacts Evaluation		4	2					$228	coord and review
4.6	Geotechnical Evaluation		2	2					$146	coord and review
4.7	Environmental Review and Permit Evaluation		4	4					$292	coord and review
4.8	Planning Level Cost Estimates	1	4	16		8			$937	trail; amenities; incorp civil & structural
4.9	Review / Approval		12	4		8	8		$1,044	1 mtg; finalize graphics for public meeting
	Subtotal:	**3**	**86**	**94**	**0**	**66**	**28**	**0**	**$9,179**	$ 30,650
5.0	**PREFERRED ALIGNMENT**									
5.1	Refine Preferred Alignment		6	6		16	8		$1,078	refine plan, xsections, illustrative
5.2	Review	1	12	4		4	8		$981	1 mtg; finalize graphics for Council study session
	Subtotal:	**1**	**18**	**10**	**0**	**20**	**16**	**0**	**$2,059**	$ 6,875
	Subtotal	**12**	**172**	**128**	**0**	**108**	**54**	**5**	**$16,158**	$ 53,953
			Reimbursables:							
			SUBTOTAL:						**$16,158**	

Washington State Department of Transportation

Lynn Peterson
Secretary of Transportation

Transportation Building
310 Maple Park Avenue S.E.
P.O. Box 47300
Olympia, WA 98504-7300
360-705-7000
TTY: 1-800-833-6388
www.wsdot.wa.gov

July 16, 2014

MacLeod Reckord PLLC
83 Columbia Street, Suite 306
Seattle, WA 98104

Subject: MacLeod Reckord PLLC - Provisional Indirect Cost Rate

Dear: Ms. Connie Reckord

We have provisionally accepted your proposed Indirect Cost Rate (ICR) of 203.91% for your firm. This rate will be applicable to Local Agency contracts only. Your firm will be required to successfully complete a thorough review or audit of FYE14 prior to 180 days of the close of your FYE14. Our expectation is that your firm will take measures to address the high indirect percentage prior to providing the FYE14 ICR materials. Should this not happen, we reserve the right to not process further rate approvals for consultant contracts.

Costs billed to agreements will still be subject to audit of actual costs, based on the terms and conditions of the respective agreement.

This was not a cognizant review. Any other entity contracting with the firm is responsible for determining the acceptability of the ICR.

If you have any questions, feel free to call me at (360) 705-7106 or via email consultantrates@wsdot.wa.gov.

Regards;

ERIK K. JONSON
Manager, Consultant Services Office

EKJ

MacLeod Reckord, pllc
INDIRECT COST RATE
For the Year Ended December 31, 2013

Description	Financial Statement Amount	MacLeod Reckord Adj.	WSDOT Adj.	Ref.	Accepted Amount	%
Direct Labor						
Direct Labor-Owner Draws	32,065.24				32,065	23.11%
Direct Labor-Employees	106,662.25				106,662	76.89%
Total Direct Labor	138,727.49	0.00	0.00		138,727	100.00%
Fringe Benefits:						
Vacation, Sick, & Holiday-Employees	0.00				0	0.00%
Payroll Taxes (SS-Med)	15,574.91				15,575	11.23%
Medical/Dental/Life Insurance	48,697.02				48,697	35.10%
Life Insurance - Key Personel	718.59	-718.59		B	0	0.00%
Workers' Comp. Insurance	1,149.27				1,149	0.83%
IRA Company Matching Contributions	6,855.59				6,856	4.94%
Total Fringe Benefits	72,995.38	-718.59	0.00		72,277	52.10%
General Overhead:						
Indirect Labor -Employee-General Administration	59,232.75				59,233	42.70%
Indirect Labor -Employee-Continuing Education	2,410.50				2,411	1.74%
Indirect Labor -Employee-B&P-Allowable	16,788.25			E	16,788	12.10%
Indirect Labor -Employee-B&P-Unallowable	16,555.75	-16,555.75		N	0	0.00%
Indirect Labor -Employee-Public Relations-Unallowable	144.00	-144.00			0	0.00%
Indirect Labor -Owner -General Administration	9,652.02	-9,605.84		M,O	46	0.03%
Indirect Labor -Owner-Continuing Education	406.98				407	0.29%
Indirect Labor -Owner-B&P-Allowable	14,215.23	-14,215.23		E,O	0	0.00%
Owner-IRA	3,200.00				3,200	2.31%
Incentive Bonus	1,800.00	-1,800.00		L	0	0.00%
Rent	45,025.00				45,025	32.46%
Computer Maint. & Support	4,077.59				4,078	2.94%
Auto and Parking Expense-Owners	4,479.50	-4,479.50		C,H, A	0	0.00%
Auto Insurance	1,964.70	-1,964.70		H	0	0.00%
Meals / Parking /Travel	1,227.53			G	1,228	0.88%
Meals Holiday Employee Party	135.72	-135.72		F	0	0.00%
Business Liability Insurance	19,225.55			K	19,226	13.86%
Telephone / Utilities	3,731.09				3,731	2.69%
Equipment Leases	19,945.43				19,945	14.38%
Taxes / B&O / Futa / EmpSec / SalesUse /Other / Property	22,340.45				22,340	16.10%
Permits/Fees/Licences	2,962.04				2,962	2.14%
Legal and Professional Services	2,685.00	-2,030.00		I	655	0.47%
Bank fees / Credit Card interest	887.65	-887.65		D	0	0.00%
Dues & Subscriptions	3,120.78				3,121	2.25%
Donations	50.00			J	50	0.04%
Employee Training and Education	125.00				125	0.09%
Computers / Small Equipment/Software	1,689.45				1,689	1.22%
Office/Printing/Delivery/meetings	4,361.03				4,361	3.14%
Total General Overhead	262,438.99	-51,818.39	0.00		210,621	151.82%
Total Indirect Costs and Overhead	335,434.37	-52,536.98	0.00		282,897	203.92%
Indirect Cost Rate	241.79%	203.92%			**203.92%**	
WSDOT Provisional ICR acceptance letter of 7/16/14				P	**203.91%**	

"InDirect Cost Rate still subject to WSDOT Audit"

References

Description	Financial Statement Amount	MacLeod Reckord Adj.	WSDOT Adj.	Ref.	Accepted Amount	%

Direct Labor

MacLeod Reckord Adjustments:

A $1,471.84partners parking unallowable per 48 CFR 31.201-4
B Key person life insurance unallowable per FAR 31.205-19 (A)
C Inadequate supporting documentation unallowable per 48 CFR 31.201-2(d).
D Interest/ fees unallowable per FAR 31.205-20
E Bid &n Proposal - Allowable per FAR 31.205-18
F Unallowable per FAR 31.205-14 Entertainment
G Travel Expenses -Meals, Parking, Lodging/Travel incurred in normal course of overall business administration allowable per FAR 31.205-46
H Vehicle costs, (gas,parking,repair, Auto insurnace) unallowable per 48 CFR 31.205-46
I Federal income tax preparation fees $2,030. unallowable per 48 CFR 31.205-41
J Contributions allowable per FAR 31.205-8 Charity Drives
K Allowable per FAR 31.205-19 (B)
L Bonus unallowable per FAR 31.205-6(f)(1)
M Uncompenseated Overtime per FAR 52.237-10 Calculated per LDR Spreadsheet -$4,128.07
N Unallowable per 48 CFR 31.205-18 Bid & Proposal requirements
O Federal Tax $19,693 (in the form of Owner Draws) are unallowable per FAR 31.201-4, 31.205-20, 31.205-27, and 31.205-41

WSDOT Adjustments:

P Letter of 7/16/2014 from WSDOT Consultant Services Offices approving rate of 203.91%

Exhibit G
Subcontracted Work

The AGENCY permits subcontracts for the following portions of the work of this AGREEMENT:

KPFF Consulting Engineers - Survey; Civil and Structural Engineering, ROW documentation

Future disciplines for Supplemental Services

Environmental Science and Permit Support

Geotechnical Engineering

Exhibit G-1
Subconsultant Fee Determination - Summary Sheet
14-Jun-14

Sound To Olympics Trail Phase 2
KPFF -Survey

Direct Salary Cost

Item	Classification	Hours	Rate	Cost		
2. Task 2	Survey and Mapping					
	Land Survey Manager	32	41.00	1,312.00		
	Project Surveyor	32	32.00	1,024.00		
	Survey Drafter	16	20.00	320.00		
	Field Crew	32	50.00	1,600.00		
					Subtotal:	4,256.00
				TOTAL DSC:		4,256.00
Overhead (OH cost - including salary additives):						
	OH Rate X DSC of	136.59%	X 4,256.00			5,813.27
Fixed Fee (FF):						
	FF Rate X DSC of	30%	X 4,256.00			1,276.80
Subtotal KPFF						11,346.07
Reimbursables	(mileage, courier, copies, utility locator)					800.00
				GRAND TOTAL:		**$12,146.07**

Prepared by: Jereme Chapman 6/14/2014

Sound To Olympics Trail Phase 2
Fee Estimate

June 19, 2014		KPFF Survey							
		Land Survey Manager	Project Surveyor	Survey Drafter	Field Crew	Utility locator	Job Title	Job Title	SUBTOTAL
Task	SCOPE OF WORK	$41.00	$32.00	$20.00	$50.00	$85.00	$0.00	$0.00	
2.0	**SURVEY AND MAPPING**								
2.1	Data Research and Assembly	8	8						$584
2.2	Field Survey	8	8		32				$2,184
2.3	Survey and Mapping	16	16	16					$1,488
2.4									$0
2.5									$0
2.6									$0
	Subtotal:	**32**	**32**	**16**	**32**	**0**	**0**	**0**	**$4,256**
	Subtotal	**32**	**32**	**16**	**32**	**0**	**0**	**0**	**$4,256**
			Reimbursables:						
			SUBTOTAL:						**$4,256**

Exhibit G-1
Subconsultant Fee Determination - Summary Sheet
16-Jun-14

Sound To Olympics Trail Phase 2
KPFF Civil

Direct Salary Cost

Item	Classification	Hours	Rate	Cost		
3. Task 3	Public Outreach Support					
	PIC	-	64.00	0.00		
	Sr. Civil Engineer	12	50.00	600.00		
	Civil Engineer	-	37.00	0.00		
	Civil CAD	-	35.00	0.00		
					Subtotal:	600.00
4. Task 4	Conceptual Design Alternatives					
	PIC	3	64.00	192.00		
	Sr. Civil Engineer	62	50.00	3,100.00		
	Civil Engineer	112	37.00	4,144.00		
	Civil CAD	24	35.00	840.00		
					Subtotal:	8,276.00
5. Task 5	Preferred Alignment					
	PIC	-	64.00	0.00		
	Sr. Civil Engineer	12	50.00	600.00		
	Civil Engineer	24	37.00	888.00		
	Civil CAD	12	35.00	420.00		
					Subtotal:	1,908.00
				TOTAL DSC:		10,784.00

Overhead (OH cost - including salary additives):					
	OH Rate X DSC of	136.59%	X	10,784.00	14,729.87
Fixed Fee (FF):					
	FF Rate X DSC of	30%	X	10,784.00	3,235.20
Subtotal KPFF					28,749.07
Reimbursables	(mileage, courier, copies)				0.00
				GRAND TOTAL:	**$28,749.07**

Prepared by: Zach Gray, edit by CR 6/16/2014

Sound To Olympics Trail Phase 2
Fee Estimate

June 16, 2014		KPFF - Civil							
		PIC Civil	Sr. Civil Engineer	Civil Engineer	Civil CAD	Job Title	Job Title	Job Title	SUBTOTAL
Task	SCOPE OF WORK	$64.00	$50.00	$37.00	$35.00	$0.00	$0.00	$0.00	
3.0	**PUBLIC OUTREACH SUPPORT**								
3.1	Public Outreach Meetings								$0
	a. NMTAC sponsored public meeting - Assess community desires		4						$200
	b. NMTAC sponsored focus group (open to public) - Alts. develop.		4						$200
	c. NMTAC sponsored focus group (open to public) - Alts. selection								$0
	d. Public Meeting - Present Alternatives								$0
	e. NMTAC sponsored focus group (open to public) - Elaborate on Alts.		4						$200
	f. Council study session - Preferred Alts. Presentation								$0
	Subtotal:	**0**	**12**	**0**	**0**	**0**	**0**	**0**	**$600**
4.0	**CONCEPTUAL DESIGN ALTERNATIVES**								
4.1	Site Reconnaissance/Evaluation		8	8					$696
4.2	Review Base information with COBI		4	4					$348
4.3	Trail Concept Alternatives								$0
4.4	Channelization Analysis	1	16	32	8				$2,328
4.5	Storm Drainage System and Utility Impacts Evaluation	1	20	40					$2,544
4.6	Geotechnical Evaluation		2						$100
4.7	Environmental Review and Permit Evaluation								$0
4.8	Planning Level Cost Estimates	1	4	8					$560
4.9	Review / Approval		8	20	16				$1,700
	Subtotal:	**3**	**62**	**112**	**24**	**0**	**0**	**0**	**$8,276**
5.0	**PREFERRED ALIGNMENT**								
5.1	Refine Preferred Alignment		8	16	8				$1,272
5.2	Review		4	8	4				$636
	Subtotal:	**0**	**12**	**24**	**12**	**0**	**0**	**0**	**$1,908**
	Subtotal	**3**	**86**	**136**	**36**	**0**	**0**	**0**	**$10,784**
			Reimbursables:						
			SUBTOTAL:						**$10,784**

Exhibit G-1
Subconsultant Fee Determination - Summary Sheet
16-Jun-14

Sound To Olympics Trail Phase 2
KPFF - Structural

Direct Salary Cost

Item	Classification	Hours	Rate	Cost		
3. Task 3	Public Outreach Support					
	Sr. Structural Eng.	4	64.19	256.76		
	Structural Eng.	-	41.22	0.00		
	Structural QC	-	51.82	0.00		
	Structural CAD	-	40.05	0.00		
					Subtotal:	256.76
4. Task 4	Conceptual Design Alternatives					
	Sr. Structural Eng.	56	64.19	3,594.64		
	Structural Eng.	72	41.22	2,967.84		
	Structural QC	3	51.82	155.46		
	Structural CAD	30	40.05	1,201.50		
					Subtotal:	7,919.44
5. Task 5	Preferred Alignment					
	Sr. Structural Eng.	22	64.19	1,412.18		
	Structural Eng.	12	41.22	494.64		
	Structural QC	1	51.82	51.82		
	Structural CAD	12	40.05	480.60		
					Subtotal:	2,439.24
				TOTAL DSC:		10,615.44

Overhead (OH cost - including salary additives):					
	OH Rate X DSC of	136.59%	X	10,615.44	14,499.63
Fixed Fee (FF):					
	FF Rate X DSC of	30%	X	10,615.44	3,184.63
Subtotal KPFF					28,299.70
Reimbursables	(mileage, courier, copies)				0.00
				GRAND TOTAL:	**$28,299.70**

Prepared by: Bruce Erickson, edit by CR 6/16/2014

Sound To Olympics Trail Phase 2
Fee Estimate

June 16, 2014		KPFF - Structures							
		Senior Structural	Structural Egr	Structural QC	Structural CAD	Job Title	Job Title	Job Title	SUBTOTAL
Task	SCOPE OF WORK	$64.19	$41.22	$51.82	$40.05	$0.00	$0.00	$0.00	
3.0	**PUBLIC OUTREACH SUPPORT**								
3.1	Public Outreach Meetings								$0
	a. NMTAC sponsored public meeting - Assess community desires								$0
	b. NMTAC sponsored focus group (open to public) - Alts. develop.	2							$128
	c. NMTAC sponsored focus group (open to public) - Alts. selection								$0
	d. Public Meeting - Present Alternatives								$0
	e. NMTAC sponsored focus group (open to public) - Elaborate on Alts.	2							$128
	f. Council study session - Preferred Alts. Presentation								$0
	Subtotal:	**4**	**0**	**0**	**0**	**0**	**0**	**0**	**$257**
4.0	**CONCEPTUAL DESIGN ALTERNATIVES**								
4.1	Site Reconnaissance/Evaluation	8	8						$843
4.2	Review Base information with COBI	4	4						$422
4.3	Trail Concept Alternatives								$0
4.4	Structural Concept Alternatives	30	40	2	24				$4,639
4.5	Storm Drainage System and Utility Impacts Evaluation								$0
4.6	Geotechnical Evaluation								$0
4.7	Environmental Review and Permit Evaluation								$0
4.8	Planning Level Cost Estimates	6	8						$715
4.9	Review / Approval	8	12	1	6				$1,300
	Subtotal:	**56**	**72**	**3**	**30**	**0**	**0**	**0**	**$7,919**
5.0	**PREFERRED ALIGNMENT**								
5.1	Refine Preferred Alignment	16	6		6				$1,515
5.2	Review	6	6	1	6				$925
	Subtotal:	**22**	**12**	**1**	**12**	**0**	**0**	**0**	**$2,439**
	Subtotal	**82**	**84**	**4**	**42**	**0**	**0**	**0**	**$10,615**
			Reimbursables:						
			SUBTOTAL:						**$10,615**

Exhibit G-3

Washington State
Department of Transportation

Memorandum

March 28, 2014

TO: Erik Jonson, WSDOT Contracts Administrator
MS 47323

FROM: Martha Roach, Agreement Compliance Audit Manager MR

SUBJECT: KPFF Indirect Cost Rate for fiscal year end April 30, 2013

We accept the work performed by Clark Nuber related to the Indirect Cost Rate schedule for the above referenced fiscal year for KPFF.

Based on the work performed by the CPA, we are issuing this memo establishing KPFF'S Indirect Cost Rate for fiscal year ending April 30, 2013, as follows:

Home Rate – 136.59% of direct labor (includes FCCM of 0.11%)

Field Rate – 94.72% of direct labor (includes FCCM of 0.02%)

Please use the field rate for applicable agreements. Costs billed to agreements will still be subject to audit of actual costs, based on the terms and conditions of the respective agreement.

This was not a cognizant review. Any other entity contracting with the firm is responsible for determining the acceptability of the Indirect Cost Rate.

It is our expectation that KPFF will take appropriate steps to improve internal controls & correct deficiencies identified in the attached memo.

If you have any questions, feel free to call me at (360) 705-7006 or via email at roachma@wsdot.wa.gov.

Cc: Steve McKerney
File

CLARK NUBER

10900 NE 4th Street
Suite 1700
Bellevue WA 98004
tel 425 454 4919
fax 425 454 4620
800 504 8747
clarknuber.com

Certified Public Accountants and Consultants

Independent Auditors' Report

To the Board of Directors
KPFF, Inc. and Subsidiary
Seattle, Washington

REPORT ON FINANCIAL STATEMENT

We have audited the accompanying Consolidated Statement of Direct Labor, Fringe Benefits and General Overhead (hereafter referred to as the indirect cost rate schedule or the Schedule) of KPFF, Inc. and Subsidiary (collectively, the Company) for the year ended April 30, 2013, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of the Schedule in accordance with accounting practices prescribed by Part 31 of the Federal Acquisition Regulations (FAR) and certain other Federal and State regulations; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedule that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the Schedule based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Schedule. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

CLARK NUBER

Certified Public Accountants and Consultants

Opinion

In our opinion, the Schedule referred to above presents fairly, in all material respects, the direct labor, fringe benefits and general overhead of the Company for the fiscal year ended April 30, 2013, on the basis of accounting described in Note 2.

Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The accompanying indirect cost rate schedule was prepared on a basis of accounting practices prescribed by Part 31 of the Federal Acquisition Regulation (FAR) and certain other Federal and State regulations, and is not intended to be a presentation in conformity with generally accepted accounting principles. Our opinion is not modified with respect to that matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2013, on our consideration of the Company's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Company's internal control over financial reporting and compliance.

Clark Nuber PS

Certified Public Accountants
December 12, 2013

KPFF, INC. AND SUBSIDIARY

Consolidated Statement of Direct Labor, Fringe Benefits and General Overhead
For the Year Ended April 30, 2013

	Classification	Financial Statements for the Year Ended April 30, 2013	Adjustments	Ref	Allocations (A. & B.) Home Office Costs	Field Office Costs
1	**Direct Labor Base**	**$ 41,078,323**	**$ 68,152**	C.	**$ 39,473,122**	**$ 1,673,353**
	Indirect Costs:					
	Fringe benefits-					
2	Payroll taxes	5,525,981	(119,150)	D.	5,186,945	219,886
3	Group insurance	4,995,006			4,791,868	203,138
4	Vacation, holiday and sick pay	6,567,214			6,300,137	267,077
	Total fringe benefits	17,088,201	(119,150)		16,278,950	690,101
	General overhead-					
5	Indirect labor	8,505,994	(68,152)	C.	8,094,690	343,152
6	Bid and proposal	4,561,420	(826,004)	E.	3,735,416	
7	Bonuses and severance pay	12,562,303	(3,215,840)	F.	8,966,359	380,104
8	Professional services	782,019	(254,118)	G.	506,432	21,469
9	Reproduction	298,089	(122,867)	H.	173,542	1,680
10	Rent	8,187,230	(192,467)	I.	7,994,763	
11	Repairs and maintenance	230,105	(2,815)	J.	227,290	
12	City and state business tax	1,148,649			1,101,936	46,713
13	Depreciation	1,074,788	(15,785)	K.	1,059,003	
14	Other taxes and licenses	231,531	(58,134)	L.	171,735	1,662
15	Insurance, other than life	716,019	(44,754)	M.	643,966	27,299
16	Clerical supplies, drafting supplies, and postage	838,243	(124,993)	N.	706,413	6,837
17	Telephone	569,620	(14,739)	O.	549,562	5,319
18	Professional dues, fees, books and conferences	722,157	(149,941)	P.	548,945	23,271
19	Car	890,820	(471,994)	K.	414,811	4,015
20	Travel	891,666	(644,040)	Q.	245,252	2,374
21	Legal	829,771	(723,250)	R.	105,500	1,021
22	Accounting	153,402	(3,100)	S.	144,189	6,113
23	Employee meetings, meals, and morale	831,585	(789,396)	T.	40,473	1,716
24	Moving	20,611	(167)	U.	20,248	196
25	School	26,303	(2,107)	U.	23,212	984
26	Personnel procurement	96,099	(31,151)	V.	64,325	623
27	Miscellaneous job fixes	42,869	(42,869)	W.		
28	Contributions	169,683	(169,683)	X.		
29	Computer	2,051,128	(17,130)	Y.	2,014,501	19,497
30	Promotional and other entertainment	237,709	(237,709)	Z.		
31	Bank service charges	40,978			40,585	393
	Total general overhead	46,710,791	(8,223,205)		37,593,148	894,438
	Total Indirect Costs	**63,798,992**	**(8,342,355)**		**53,872,098**	**1,584,539**
32	Facilities Cost of Money (FCCM)		43,146	AA.	42,732	414
	Total Indirect Costs with FCCM	**$ 63,798,992**	**$ (8,299,209)**		**$ 53,914,830**	**$ 1,584,953**
	Overhead Rate	**155.31%**	**-20.43%**		**136.59%**	**94.72%**

See accompanying notes.

References

A. Allocation A = Direct Field Labor / Total Direct Labor = $1,673,353 / $41,130,743 = 4.0684%. Allocation A ratio utilized for cost items primarily influenced by personnel and associated costs.

B. Allocation B = (Indirect Labor x Allocation A) / (Home Office Direct Labor + Indirect Labor) = ($12,188,990 x 4.0684%) / ($39,457,390 + $12,188,990) = 0.9602%. Allocation B ratio utilized for cost items that are not significantly influenced by personnel and associated costs.

C. Adjustment for uncompensated overtime for principals per 48 CFR 31.202. Total uncompensated overtime was $132,202, with $68,152 allocated to direct labor based on the overall utilization percentages for principals incurring uncompensated overtime hours. The "salary variance method – effective rate" as described in the AASHTO Audit and Accounting Guide, Chapter 5 is utilized.

D. Fringe benefits directly associated with disallowed indirect labor deemed unallowable per 48 CRF 31.201-6(e)(2).

E. Unallowable marketing activities per 48 CFR 31.205-1,14,38 and 41.

F. Unallowable bonuses per 48 CFR 31.205-6(f) in the amount of $3,000,000; Unallowable executive compensation in excess of reasonable amount based on National Compensation Matrix analysis, per 48 CFR 31.205-6(a)(6)(ii)(B) in the amount of $215,840.

G. Unallowable expenses due to lack of sufficient supporting documentation per 48 CFR 31.201-4; Unallowable direct costs per 48 CFR 31.202; Expenses not allocable to current accounting period per 48 CFR 31.201-2(c); Unallowable consulting services retainer per 48 CFR 31.205-33(e); Unallowable advertising and promotion costs per 48 CFR 31.205.1.

H. Unallowable expenses due to lack of sufficient supporting documentation per 48 CFR 31.201-4; Unallowable direct costs per 48 CFR 31.202; Unallowable advertising and promotion costs per 48 CFR 31.205.1.

I. Expenses not allocable to current accounting period per 48 CFR 31.201-2(c); Unallowable direct costs per 48 CFR 31.202; Unallowable expenses due to lack of sufficient supporting documentation per 48 CFR 31.201-4.

J. Unallowable plants and satellite office expenses per 48 CFR 31.201-3.

K. Unallowable vehicle costs per 48 CFR 31-201-2(d); Unallowable direct costs per 48 CFR 31.202.

L. Unallowable satellite office expenses per 48 CFR 31.201-3; Expenses not allocable to current accounting period per 48 CFR 31.201-2(c).

M. Unallowable expenses due to lack of sufficient supporting documentation per 48 CFR 31.201-4; Expenses not allocable to current accounting period per 48 CFR 31.201-2(c).

N. Unallowable expenses due to lack of sufficient supporting documentation per 48 CFR 31.201-4; Expenses not allocable to current accounting period per 48 CFR 31.201-2(c); Unallowable direct costs per 48 CFR 31.202.

O. Unallowable expenses due to lack of sufficient supporting documentation per 48 CFR 31.201-4; Unallowable marketing activities per 48 CFR 31.205-1,14,38 and 41; Unallowable satellite office expenses per 48 CFR 31.201-3; Unallowable direct costs per 48 CFR 31.202.

P. Unallowable expenses due to lack of sufficient supporting documentation per 48 CFR 31.201-4; Unallowable career fairs and trade shows per 48 CFR 31.205-1(f)(2); Unallowable direct costs per 48 CFR 31.202; Unallowable marketing activities per 48 CFR 31.205-1,14,38 and 41; Expenses not allocable to current accounting period per 48 CFR 31.201-2(c); Unallowable membership dues in nonprofessional organization per CFR 31.205-1(f)(7); Unallowable lobbying expenses per 48 CFR 31.205-22.

See accompanying notes.

Q. Unallowable marketing activities per 48 CFR 31.205-1,14,38 and 41; Unallowable expenses due to lack of sufficient supporting documentation per 48 CFR 31.201-4; Unallowable direct costs per 48 CFR 31.202.

R. Legal settlements unallowable per 48 CFR 31.205-47; Direct project costs unallowable per 48 CFR 31.202(a); legal costs incurred in collection and lien matters unallowable per 48 CFR 31.205-3.

S. Unallowable expenses due to lack of sufficient supporting documentation per 48 CFR 31.201-4.

T. Unallowable local meals and entertainment per 48 CFR 31.205-14; Unallowable alcohol per 48 CFR 31.205-51; Unallowable gifts per 48 CFR 31.205-13(b).

U. Unallowable expenses due to lack of sufficient supporting documentation per 48 CFR 31.201-4.

V. Unallowable expenses due to lack of sufficient supporting documentation per 48 CFR 31.201-4; Unallowable marketing activities per 48 CFR 31.205-1,14,38 and 41; Unallowable gifts per 48 CFR 31.205-13(b).

W. Legal settlements unallowable per 48 CFR 31.205-47; Unallowable marketing activities per 48 CFR 31.205-1,14,38 and 41; Unallowable direct costs per 48 CFR 31.202.

X. Unallowable donations per 48 CFR 31.205-8.

Y. Unallowable expenses due to lack of sufficient supporting documentation per 48 CFR 31.201-4; Unallowable marketing activities per 48 CFR 31.205-1,14,38 and 41; Unallowable gifts per 48 CFR 31.205-13(b): Expenses not allocable to current accounting period per 48 CFR 31.201-2(c); Unallowable satellite office expenses per 48 CFR 31.201-3.

Z. Unallowable marketing activities per 48 CFR 31.205-1,14,38 and 41.

AA. Cost of money adjustment per 48 CFR 31.205-10(a).

Exhibit H
Title VI Assurances

During the performance of this AGREEMENT, the CONSULTANT, for itself, its assignees, and successors in interest agrees as follows:

1. Compliance with Regulations: The CONSULTANT shall comply with the Regulations relative to non-discrimination in federally assisted programs of the AGENCY, Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the “REGULATIONS”), which are herein incorporated by reference and made a part of this AGREEMENT.

2. Non-discrimination: The CONSULTANT, with regard to the work performed during the AGREEMENT, shall not discriminate on the grounds of race, color, sex, or national origin in the selection and retention of sub-consultants, including procurement of materials and leases of equipment. The CONSULTANT shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the REGULATIONS, including employment practices when the AGREEMENT covers a program set forth in Appendix B of the REGULATIONS.

3. Solicitations for Sub-consultants, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiations made by the CONSULTANT for work to be performed under a sub-contract, including procurement of materials or leases of equipment, each potential sub-consultant or supplier shall be notified by the CONSULTANT of the CONSULTANT’S obligations under this AGREEMENT and the REGULATIONS relative to non-discrimination on the grounds of race, color, sex, or national origin.

4. Information and Reports: The CONSULTANT shall provide all information and reports required by the REGULATIONS or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by AGENCY, STATE or the Federal Highway Administration (FHWA) to be pertinent to ascertain compliance with such REGULATIONS, orders and instructions. Where any information required of a CONSULTANT is in the exclusive possession of another who fails or refuses to furnish this information, the CONSULTANT shall so certify to the AGENCY, STATE or the FHWA as appropriate, and shall set forth what efforts it has made to obtain the information.

5. Sanctions for Non-compliance: In the event of the CONSULTANT’S non-compliance with the non-discrimination provisions of this AGREEMENT, the AGENCY shall impose such AGREEMENT sanctions as it, the STATE or the FHWA may determine to be appropriate, including, but not limited to:

   - Withholding of payments to the CONSULTANT under the AGREEMENT until the CONSULTANT complies, and/or;
   - Cancellation, termination, or suspension of the AGREEMENT, in whole or in part

6. Incorporation of Provisions: The CONSULTANT shall include the provisions of paragraphs (1) through (5) in every sub-contract, including procurement of materials and leases of equipment, unless exempt by the REGULATIONS, or directives issued pursuant thereto. The CONSULTANT shall take such action with respect to any sub-consultant or procurement as the AGENCY, STATE or FHWA may direct as a means of enforcing such provisions including sanctions for non-compliance.

Provided, however, that in the event a CONSULTANT becomes involved in, or is threatened with, litigation with a sub-consultant or supplier as a result of such direction, the CONSULTANT may request the AGENCY and the STATE enter into such litigation to protect the interests of the AGENCY and the STATE and, in addition, the CONSULTANT may request the United States enter into such litigation to protect the interests of the United States.

Exhibit I
Payment Upon Termination of Agreement
By the Agency Other Than for
Fault of the Consultant

(Refer to Agreement, Section IX)

Lump Sum Contracts

A final payment shall be made to the CONSULTANT which when added to any payments previously made shall total the same percentage of the Lump Sum Amount as the work completed at the time of termination is to the total work required for the PROJECT. In addition, the CONSULTANT shall be paid for any authorized extra work completed.

Cost Plus Fixed Fee Contracts

A final payment shall be made to the CONSULTANT which when added to any payments previously made, shall total the actual costs plus the same percentage of the fixed fee as the work completed at the time of termination is to the total work required for the Project. In addition, the CONSULTANT shall be paid for any authorized extra work completed.

Specific Rates of Pay Contracts

A final payment shall be made to the CONSULTANT for actual hours charged at the time of termination of this AGREEMENT plus any direct nonsalary costs incurred at the time of termination of this AGREEMENT.

Cost Per Unit of Work Contracts

A final payment shall be made to the CONSULTANT for actual units of work completed at the time of termination of this AGREEMENT.

Exhibit J
Alleged Consultant Design Error Procedures

The purpose of this exhibit is to establish a procedure to determine if a consultant's alleged design error is of a nature that exceeds the accepted standard of care. In addition, it will establish a uniform method for the resolution and/or cost recovery procedures in those instances where the agency believes it has suffered some material damage due to the alleged error by the consultant.

Step 1 – Potential Consultant Design Error(s) is Identified by Agency's Project Manager

At the first indication of potential consultant design error(s), the first step in the process is for the Agency's project manager to notify the Director of Public Works or Agency Engineer regarding the potential design error(s). For federally funded projects, the Region Highways and Local Programs Engineer should be informed and involved in these procedures. (Note: The Director of Public Works or Agency Engineer may appoint an agency staff person other than the project manager, who has not been as directly involved in the project, to be responsible for the remaining steps in these procedures.)

Step 2 - Project Manager Documents the Alleged Consultant Design Error(s)

After discussion of the alleged design error(s) and the magnitude of the alleged error(s), and with the Director of Public Works or Agency Engineer's concurrence, the project manager obtains more detailed documentation than is normally required on the project. Examples include: all decisions and descriptions of work; photographs, records of labor, materials and equipment.

Step 3 – Contact the Consultant Regarding the Alleged Design Error(s)

If it is determined that there is a need to proceed further, the next step in the process is for the project manager to contact the consultant regarding the alleged design error(s) and the magnitude of the alleged error(s). The project manager and other appropriate agency staff should represent the agency and the consultant should be represented by their project manger and any personnel (including sub-consultants) deemed appropriate for the alleged design error(s) issue.

Step 4 – Attempt to Resolve Alleged Design Error with Consultant

After the meeting(s) with the consultant have been completed regarding the consultant's alleged design error(s), there are three possible scenarios:

- It is determined via mutual agreement that there is not a consultant design error(s). If this is the case, then the process will not proceed beyond this point.

- It is determined via mutual agreement that a consultant design error(s) occurred. If this is the case, then the Director of Public Works or Agency Engineer, or their representatives, negotiate a settlement with the consultant. The settlement would be paid to the agency or the amount would be reduced from the consultant's agreement with the agency for the services on the project in which the design error took place. The agency is to provide H&LP, through the Region

Local Programs Engineer, a summary of the settlement for review and to make adjustments, if any, as to how the settlement affects federal reimbursements. No further action is required.

- There is not a mutual agreement regarding the alleged consultant design error(s). The consultant may request that the alleged design error(s) issue be forwarded to the Director of Public Works or Agency Engineer for review. If the Director of Public Works or Agency Engineer, after review with their legal counsel, is not able to reach mutual agreement with the consultant, proceed to Step 5.

Step 5 – Forward Documents to Highways and Local Programs

For federally funded projects all available information, including costs, should be forwarded through the Region Highways and Local Programs Engineer to H&LP for their review and consultation with the FHWA. H&LP will meet with representatives of the agency and the consultant to review the alleged design error(s), and attempt to find a resolution to the issue. If necessary, H&LP will request assistance from the Attorney General's Office for legal interpretation. H&LP will also identify how the alleged error(s) affects eligibility of project costs for federal reimbursement.

- If mutual agreement is reached, the agency and consultant adjust the scope of work and costs to reflect the agreed upon resolution. H&LP, in consultation with FHWA, will identify the amount of federal participation in the agreed upon resolution of the issue.

- If mutual agreement is not reached, the agency and consultant may seek settlement by arbitration or by litigation.

Exhibit K
Consultant Claim Procedures

The purpose of this exhibit is to describe a procedure regarding claim(s) on a consultant agreement. The following procedures should only be utilized on consultant claims greater than $1,000. If the consultant's claim(s) are a total of $1,000 or less, it would not be cost effective to proceed through the outlined steps. It is suggested that the Director of Public Works or Agency Engineer negotiate a fair and reasonable price for the consultant's claim(s) that total $1,000 or less.

This exhibit will outline the procedures to be followed by the consultant and the agency to consider a potential claim by the consultant.

Step 1 – Consultant Files a Claim with the Agency Project Manager

If the consultant determines that they were requested to perform additional services that were outside of the agreement's scope of work, they may be entitled to a claim. The first step that must be completed is the request for consideration of the claim to the Agency's project manager.

The consultant's claim must outline the following:

- Summation of hours by classification for each firm that is included in the claim;
- Any correspondence that directed the consultant to perform the additional work;
- Timeframe of the additional work that was outside of the project scope;
- Summary of direct labor dollars, overhead costs, profit and reimbursable costs associated with the additional work; and
- Explanation as to why the consultant believes the additional work was outside of the agreement scope of work.

Step 2 – Review by Agency Personnel Regarding the Consultant's Claim for Additional Compensation

After the consultant has completed step 1, the next step in the process is to forward the request to the Agency's project manager. The project manager will review the consultant's claim and will met with the Director of Public Works or Agency Engineer to determine if the Agency agrees with the claim. If the FHWA is participating in the project's funding, forward a copy of the consultant's claim and the Agency's recommendation for federal participation in the claim to the WSDOT Highways and Local Programs through the Region Local Programs Engineer. If the claim is not eligible for federal participation, payment will need to be from agency funds.

If the Agency project manager, Director of Public Works or Agency Engineer, WSDOT Highways and Local Programs (if applicable), and FHWA (if applicable) agree with the consultant's claim, send a request memo, including backup documentation to the consultant to either supplement the agreement, or create a new agreement for the claim. After the request has been approved, the Agency shall write the supplement and/or new agreement and pay the consultant the amount of the claim. Inform the consultant that the final payment for the agreement is subject to audit. No further action in needed regarding the claim procedures.

If the Agency does not agree with the consultant's claim, proceed to step 3 of the procedures.

Step 3 – Preparation of Support Documentation Regarding Consultant's Claim(s)

If the Agency does not agree with the consultant's claim, the project manager shall prepare a summary for the Director of Public Works or Agency Engineer that included the following:

- Copy of information supplied by the consultant regarding the claim;
- Agency's summation of hours by classification for each firm that should be included in the claim;
- Any correspondence that directed the consultant to perform the additional work;
- Agency's summary of direct labor dollars, overhead costs, profit and reimbursable costs associated with the additional work;
- Explanation regarding those areas in which the Agency does/does not agree with the consultant's claim(s);
- Explanation to describe what has been instituted to preclude future consultant claim(s); and
- Recommendations to resolve the claim.

Step 4 – Director of Public Works or Agency Engineer Reviews Consultant Claim and Agency Documentation

The Director of Pubic Works or Agency Engineer shall review and administratively approve or disapprove the claim, or portions thereof, which may include getting Agency Council or Commission approval (as appropriate to agency dispute resolution procedures). If the project involves federal participation, obtain concurrence from WSDOT Highways and Local Programs and FHWA regarding final settlement of the claim. If the claim is not eligible for federal participation, payment will need to be from agency funds.

Step 5 – Informing Consultant of Decision Regarding the Claim

The Director of Public Works or Agency Engineer shall notify (in writing) the consultant of their final decision regarding the consultant's claim(s). Include the final dollar amount of the accepted claim (s) and rationale utilized for the decision.

Step 6 – Preparation of Supplement or New Agreement for the Consultant's Claim(s)

The agency shall write the supplement and/or new agreement and pay the consultant the amount of the claim. Inform the consultant that the final payment for the agreement is subject to audit.

Exhibit M-1(a)
Certification Of Consultant

Project No. ______________

Local Agency COBI

I hereby certify that I am Connie Reckord and duly authorized representative of the firm of MacLeod Reckord PLLC whose address is 83 Columbia Street, Suite 306, Seattle, WA 98104 and that neither I nor the above firm I here represent has:

(a) Employed or retained for a commission, percentage, brokerage, contingent fee, or other consideration, any firm or person (other than a bona fide employee working solely for me or the above CONSULTANT) to solicit or secure the AGREEMENT;

(b) Agreed, as an express or implied condition for obtaining this contract, to employ or retain the services of any firm or person in connection with carrying out this AGREEMENT; or

(c) Paid, or agreed to pay, to any firm, organization or person (other than a bona fide employee working solely for me or the above CONSULTANT) any fee, contribution, donation, or consideration of any kind for, or in connection with, procuring or carrying out this AGREEMENT; except as hereby expressly stated (if any);

I acknowledge that this certificate is to be available to the Washington State Department of Transportation and the Federal Highway Administration, U.S. Department of Transportation in connection with this AGREEMENT involving participation of Federal-aid highway funds, and is subject to applicable State and Federal laws, both criminal and civil.

7/23/2014

Date

Signature

Exhibit M-1(b)
Certification Of Agency Official

I hereby certify that I am the AGENCY Official of the Local Agency of City of Bainbridge Island, Washington, and that the consulting firm or its representative has not been required, directly or indirectly as an express or implied condition in connection with obtaining or carrying out this AGREEMENT to:

(a) Employ or retain, or agree to employ to retain, any firm or person; or

(b) Pay, or agree to pay, to any firm, person, or organization, any fee, contribution, donation, or consideration of any kind; except as hereby expressly stated (if any):

I acknowledge that this certificate is to be available to the Washington State Department of Transportation and the Federal Highway Administration, U.S. Department of Transportation, in connection with this AGREEMENT involving participation of Federal-aid highway funds, and is subject to applicable State and Federal laws, both criminal and civil.

Date	Signature

Exhibit M-2

Certification Regarding Debarment, Suspension, and Other Responsibility Matters-Primary Covered Transactions

I. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

A. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;

B. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission or fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statues or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

C. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (I)(B). of this certification; and

D. Have not within a three (3) year period preceding this application/proposal had one or more public transactions (federal, state, or local) terminated for cause or default.

II. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Consultant (Firm): MacLeod Reckord PLLC

7/23/2014
(Date)

(Signature) President or Authorized Official of Consultant

Exhibit M-3
Certification Regarding The Restrictions of The use of Federal Funds for Lobbying

The prospective participant certifies, by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

1. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

The prospective participant also agrees by submitting his or her bid or proposal that he or she shall require that the language of this certification be included in all lower tier subcontracts which exceed $100,000 and that all such subrecipients shall certify and disclose accordingly.

Consultant (Firm): MacLeod Reckord PLLC

7/23/2014
(Date)

(Signature) President or Authorized Official of Consultant

Exhibit M-4
Certificate of Current Cost or Pricing Data

This is to certify that, to the best of my knowledge and belief, the cost or pricing data (as defined in section 15.401 of the Federal Acquisition Regulation (FAR) and required under FAR subsection 15.403-4) submitted, either actually or by specific identification in writing, to the contracting officer or to the contracting officer's representative in support of Sound to Olympics Trail Phase 2 * are accurate, complete, and current as of July 23, 2014 **. This certification includes the cost or pricing data supporting any advance agreements and forward pricing rate agreements between the offeror and the Government that are part of the proposal.

Firm MacLeod Reckord PLLC

Name Connie Reckord

Title Managing Member

Date of Execution*** July 23, 2014

* Identify the proposal, quotation, request for price adjustment, or other submission involved, giving the appropriate identifying number (e.g., RFP No.).

** Insert the day, month, and year when price negotiations were concluded and price agreement was reached.

*** Insert the day, month, and year of signing, which should be as close as practicable to the date when the price negotiations were concluded and the contract price was agreed to.

<table>
<tr><td rowspan="1">Supplemental Signature Page for Standard Consultant Agreement</td><td>Consultant/Address/Telephone
MacLeod Reckord PLLC
83 Columbia Street, Suite 306
Seattle, WA 98104</td></tr>
<tr><td>Agreement Number

Federal Aid Number

Local Agency
City of Bainbridge Island</td><td>Project Title And Work Description
Sound to Olympics Trail Phase 2

Planning and Design</td></tr>
</table>

THIS AGREEMENT, made and entered into this ____________ day of ________________, 2014, between the Local Agency of City of Bainbridge Island, Washington, hereinafter called the "AGENCY" , and the above organization hereinafter called the "CONSULTANT".

In witness whereof, the parties hereto have executed this AGREEMENT as of the day and year first above written.

CONSULTANT

By ______________________

Consultant MacLeod Reckord PLLC

By ______________________

Consultant ______________________

LOCAL AGENCY

By ______________________

Agency ______________________

By ______________________

Agency ______________________

By ______________________

Agency ______________________

By ______________________

Agency ______________________

CITY OF BAINBRIDGE ISLAND
CITY COUNCIL AGENDA BILL

PROCESS INFORMATION	
Subject: Ordinance No. 2014-29 – Road Vacation for portion of Pleasant Beach Road	Date: August 4, 2014
Agenda Item: Staff Intensive (Ordinance – 1st Reading)	Bill No.: 14-094
Proposed By: Public Works Director Barry Loveless	

BUDGET INFORMATION		
Depart/Fund:		
Expenditure Req: $ N/A	Budgeted? ☐ Yes ☐ No	Budget Amend. Req? ☐ Yes ☐ No

REFERRALS/REVIEW		
Study Session:	Recommendation:	
City Manager ☒ Yes ☐ No ☐ N/A	Legal ☒Yes ☐ No ☐ N/A	Finance ☐ Yes ☐ No ☒ N/A

DESCRIPTION/SUMMARY

Action Item:

Consider placement of Ordinance No. 2014-29 to the August 11, 2014 City Council agenda for second reading of the ordinance and public hearing.

Background:

A petition to vacate a triangle portion of right-of-way off of Pleasant Beach Road, which is currently located in the Applicant's driveway and front yard area, was received by the City in May 2014. See attached map for reference. Resolution No. 2014-13 was approved by the City Council at their June 23, 2014 City Council meeting setting a public hearing date of August 11, 2014. Public notices were posted and/or mailed according to state law.

Scheduling:

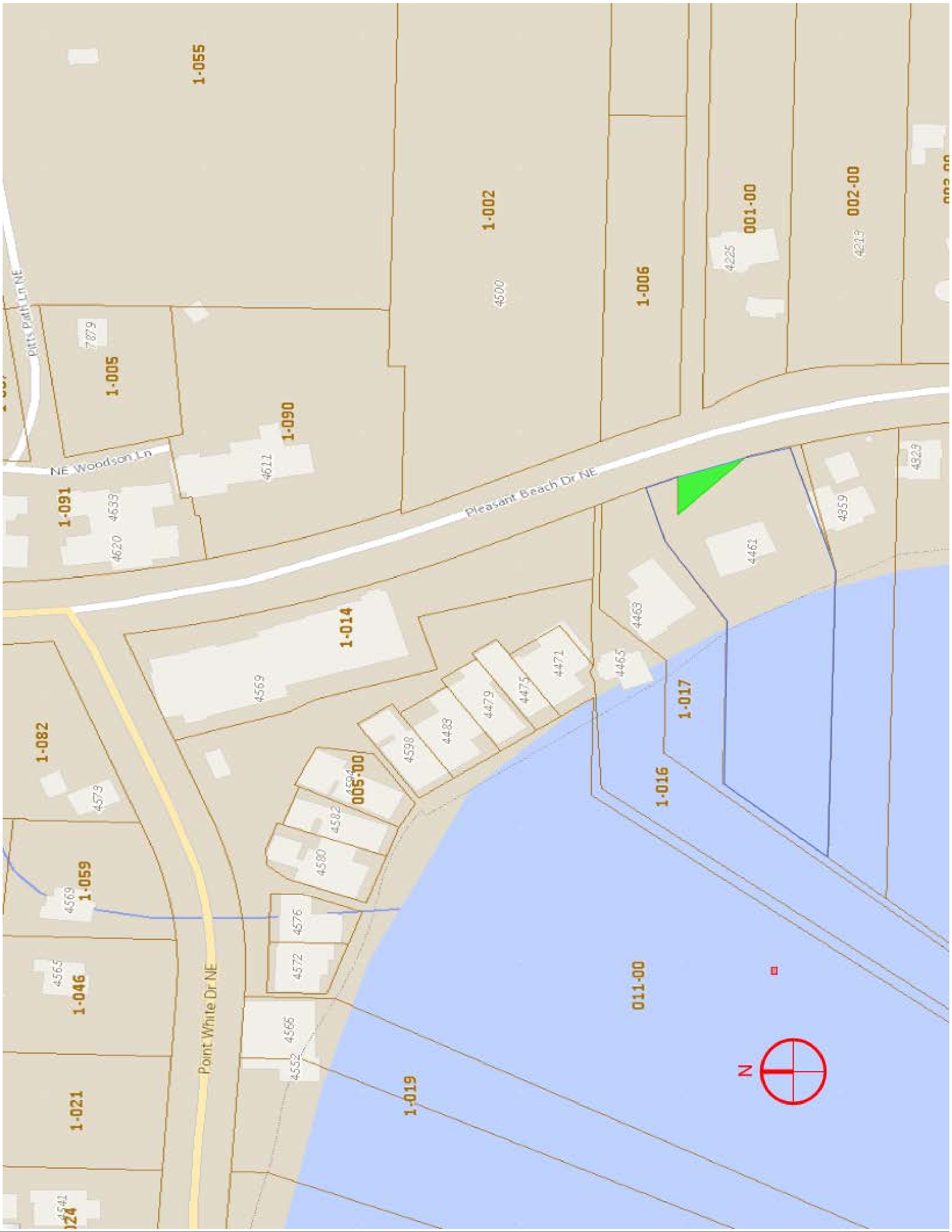
1st reading of Ordinance No. 2014-29 to occur on August 4, 2014 with the second reading and public hearing scheduled for August 11, 2014. A staff report and appraisal will be available for the public hearing.

RECOMMENDED ACTION

Motion:

I move that the City Council forward Ordinance No. 2014-29 to the August 11, 2014 City Council agenda for second reading of the ordinance and public hearing.

VICINITY MAP



ORDINANCE NO. 2014-29

AN ORDINANCE of the City of Bainbridge Island, Washington vacating a portion of Pleasant Beach Drive right-of-way.

WHEREAS, Trustee Janet L. Patrick (the "Petitioner"), owner of record of Tax Lot No. 4164-004-001-005, filed a petition to vacate a portion of Pleasant Beach Drive right-of-way, as shown on Exhibit B attached hereto; and

WHEREAS, the partial right-of-way to be vacated was part of an old plat which extends into the front yard of the existing residence and has never been used as road; and

WHEREAS, on June 2, 2014, the Director of Public Works certified that the petition was legally sufficient having been signed by 100% of the owners of property abutting said right-of-way, exceeding the two-thirds requirement of Bainbridge Island Municipal Code ("BIMC") Section 12.34.060; and

WHEREAS, the City Council adopted Resolution No. 2014-13 on June 23, 2014 initiating the vacation process and establishing August 11, 2014 as the date for a public hearing on the proposed right-of-way vacation; and

WHEREAS, notice of the public hearing was given in the manner provided by law for street vacation hearings, and the City Council held the public hearing as scheduled and heard testimony from all interested parties; now, therefore,

THE CITY COUNCIL OF THE CITY OF BAINBRIDGE ISLAND, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. **Criteria**. The City Council has considered the criteria set forth in BIMC Section 12.34.110 as provided by the Petitioner's application to determine whether to vacate the right-of-way.

Section 2. **Findings.**

a. The partial right-of-way for which vacation is sought is surplus to the City's needs.

b. The vacation of the partial right-of-way would not impair access to any property or otherwise impinge upon the property rights of the City or any private landowner.

Section 3. **Vacation.** The portion of right-of-way abutting Tax Lot No. 4164-004-001-005 and as described on Exhibit A (legal description) and depicted on Exhibit B (map) attached and incorporated by reference, is vacated to Janet L. Patrick, Trustee subject to compliance with the provisions of Chapter 12.34 of the Bainbridge Island Municipal Code, including payment of the full appraised value of the right-of-way.

Section 4. This ordinance shall be effective five (5) days from and after its passage, approval, publication, and posting as required by law, PROVIDED, that the vacation of the partial right-of-way shall not be effective until a copy of this ordinance is recorded by the City Clerk in the office of the Kitsap County Auditor. The City Clerk is hereby authorized and directed to file a copy of this ordinance of record in the office of the Kitsap County Auditor only when the conditions listed in Section 3 have been satisfied.

PASSED by the City Council this ________ day of August, 2014.

APPROVED by the City Council this _____ day of August, 2014.

____
Anne S. Blair, Mayor

ATTEST/AUTHENTICATE:

____
Rosalind D. Lassoff, CMC, City Clerk

FILED WITH THE CITY CLERK: June 27, 2014
PASSED BY THE CITY COUNCIL:
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NO.: 2014-29

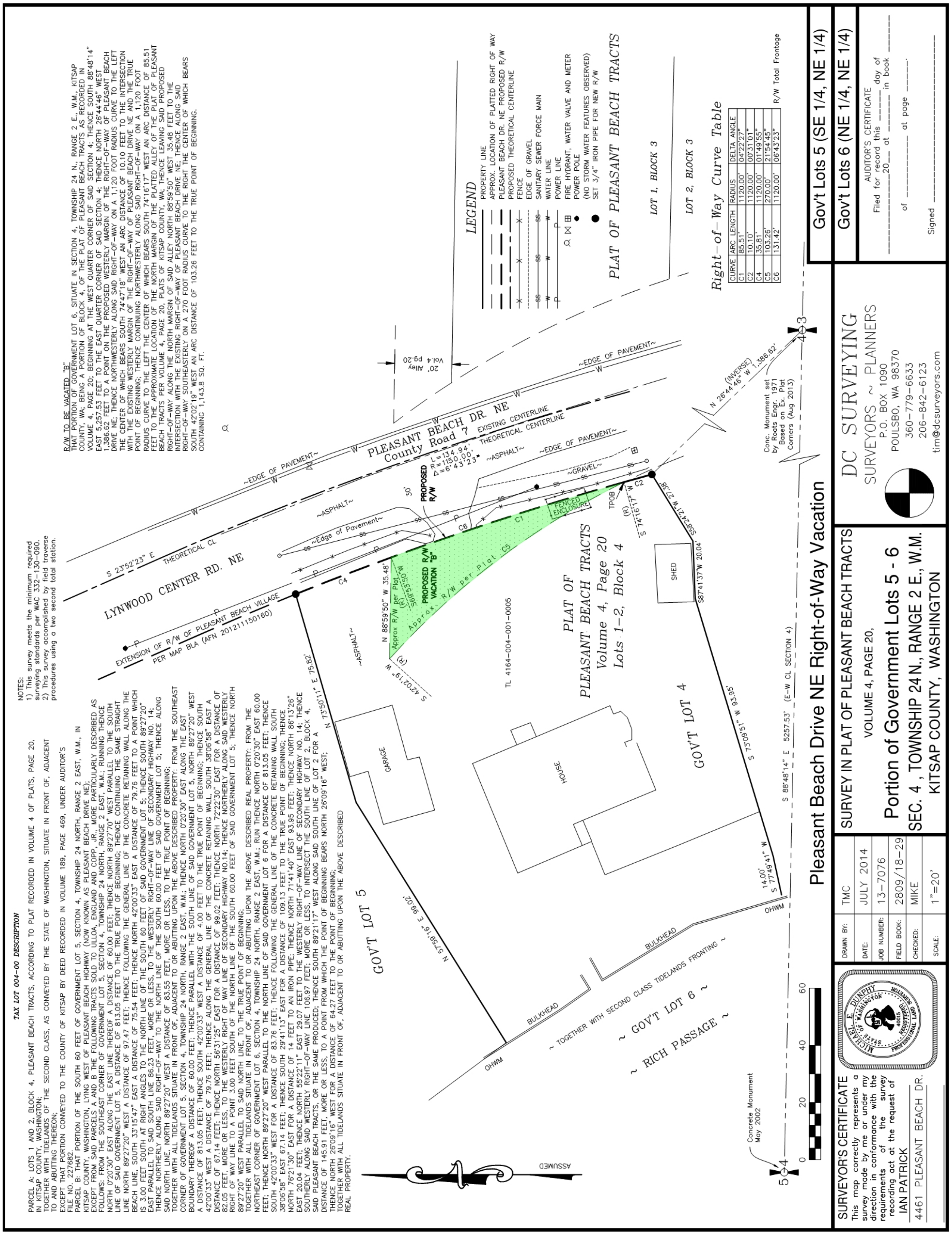
EXHIBIT A

LEGAL DESCRIPTION OF RIGHT-OF-WAY VACATION AREA

THAT PORTION OF GOVERNMENT LOT 6, SITUATE IN SECTION 4, TOWNSHIP 24 N., RANGE 2 E., W.M., KITSAP COUNTY, WA; BEING A PORTION OF BLOCK 4, OF THE PLAT OF PLEASANT BEACH TRACTS AS RECORDED IN VOLUME 4, PAGE 20; BEGINNING AT THE WEST QUARTER CORNER OF SAID SECTION 4; THENCE SOUTH 88°48'14" EAST 5,257.53 FEET TO THE EAST QUARTER CORNER OF SAID SECTION 4; THENCE NORTH 26°44'46" WEST 1,386.62 FEET TO A POINT ON THE PROPOSED WESTERLY MARGIN OF THE RIGHT-OF-WAY OF PLEASANT BEACH DRIVE NE; THENCE NORTHWESTERLY ALONG SAID RIGHT-OF-WAY ON A 1,120 FOOT RADIUS CURVE TO THE LEFT THE CENTER OF WHICH BEARS SOUTH 74°47'18" WEST AN ARC DISTANCE OF 10.10 FEET TO THE INTERSECTION WITH THE EXISTING WESTERLY MARGIN OF THE RIGHT-OF-WAY OF PLEASANT BEACH DRIVE NE AND THE TRUE POINT OF BEGINNING; THENCE CONTINUING NORTHWESTERLY ALONG SAID RIGHT-OF-WAY ON A 1,120 FOOT RADIUS CURVE TO THE LEFT THE CENTER OF WHICH BEARS SOUTH 74°16'17" WEST AN ARC DISTANCE OF 85.51 FEET TO THE APPROXIMATE LOCATION OF THE NORTH MARGIN OF THE PLATTED ALLEY OF THE PLAT OF PLEASANT BEACH TRACTS PER VOLUME 4, PAGE 20, PLATS OF KITSAP COUNTY, WA; THENCE LEAVING SAID PROPOSED RIGHT-OF-WAY ALONG THE NORTH MARGIN OF SAID ALLEY NORTH 88°59'50" WEST 35.48 FEET TO THE INTERSECTION WITH THE EXISTING RIGHT-OF-WAY OF PLEASANT BEACH DRIVE NE; THENCE ALONG SAID RIGHT-OF-WAY SOUTHEASTERLY ON A 270 FOOT RADIUS CURVE TO THE RIGHT THE CENTER OF WHICH BEARS SOUTH 42°02'19" WEST AN ARC DISTANCE OF 103.26 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 1,143.8 SQ. FT.

EXHIBIT B



Pleasant Beach Drive NE Right-of-Way Vacation
SURVEY IN PLAT OF PLEASANT BEACH TRACTS
VOLUME 4, PAGE 20,
Portion of Government Lots 5 - 6
SEC. 4 , TOWNSHIP 24 N., RANGE 2 E., W.M.
KITSAP COUNTY, WASHINGTON
DC SURVEYING
SURVEYORS ~ PLANNERS
P.O. BOX 1090
POULSBO, WA 98370
360-779-6633
206-842-6123
tim@dcsurveyors.com
Gov't Lots 5 (SE 1/4, NE 1/4)
Gov't Lots 6 (NE 1/4, NE 1/4)
SURVEYOR'S CERTIFICATE
4461 PLEASANT BEACH DR.
PLAT OF PLEASANT BEACH TRACTS
Volume 4, Page 20
Lots 1-2, Block 4
GOV'T LOT 4
GOV'T LOT 5
~ GOV'T LOT 6 ~
~ RICH PASSAGE ~
LYNWOOD CENTER RD. NE
PLEASANT BEACH DR. NE
County Road 7
LEGEND
Right-of-Way Curve Table
R/W TO BE VACATED "B"
TAX LOT 004-00 DESCRIPTION

CITY OF BAINBRIDGE ISLAND
CITY COUNCIL AGENDA BILL

PROCESS INFORMATION

Subject: Ordinance No. 2014-24, Right-of-Way (ROW) Use	Date: August 4, 2014
Agenda Item: Staff Intensive	Bill No.: 14 098
Proposed By: Public Works Director Barry Loveless	

BUDGET INFORMATION

Depart/Fund: N/A		
Expenditure Req: $ N/A	Budgeted? ☐ Yes ☐ No	Budget Amend. Req? ☐ Yes ☐ No

REFERRALS/REVIEW

Study Session	Recommendation:	
City Manager ☒ Yes ☐ No ☐ N/A	Legal ☒ Yes ☐ No ☐ N/A	Finance ☒ Yes ☐ No ☐ N/A

DESCRIPTION/SUMMARY

<u>Action Item:</u>

Consider placement of Ordinance No. 2014-24 related to Right-of-Way Use on the August 11, 2014 City Council consent agenda.

<u>Background</u>:

Currently, the City of Bainbridge Island has different permits for the various types of work occurring in the City's public right-of-way (ROW). This proposed ordinance would combine all of the various types of ROW permits into one "use" permit using category types from A through D. Type A would be for short-term use and includes items such as temporary street and/or sidewalk closures, house moving, and special events that occur in the right-of-way. Type B includes disturbance of the right-of-way and includes general construction types of activities such as boring, utility installation and road approaches. Both Type A and B permits are for a 30-day duration. Type C is for longer term uses such as accessory business activities, i.e., displays, structures, landscaping, etc. Type C permits have no permanent right and can be revoked within a 30-day written notice. Type D permits are for franchised utility routine maintenance.

ROW Use Permits require a 1) permit fee in accordance with the current fee schedule, 2) drawings, and 3) surety bond, as applicable. The surety bond will be released within 1-year after final inspection.

RECOMMENDED ACTION

<u>Motion</u>:

I move that the City Council consider forwarding Ordinance No. 2014-24 (Right-of-Way Use) for second reading and approval on the August 11, 2014 City Council consent agenda.

City of Bainbridge Island

PUBLIC WORKS DEPARTMENT

MEMORANDUM

TO: City Council

THRU: Doug Schulze

FROM: Barry Loveless

DATE: July 18, 2014

RE: Right-of-Way Use, Ordinance 2014-24

This memorandum is in response to the recent discussion of the Right-of-Way Use Ordinance during the July 7th City Council Study Session. The intent is to better explain the need for the proposed right-of-way ordinance, the differences from the current permitting process, and proposed fee schedule revisions.

Public Works has prepared the below matrix to help explain the process in place now and what is being proposed. In short, the current regulations do not support the myriad of right-of-way uses within the City. The only mechanism currently in place to review, approve, and oversee uses of the right-of-way is through a right-of-way construction permit. Unfortunately, construction is not the only requested use of the right-of-way. Additionally, the City needs to align the fee schedule to a permit appropriately. Currently, the fee schedule addresses construction, but not use, hence there is a need to revise both documents, clarify all types of right-of-way work and set appropriate fees for the oversight and administration of the permits.

Right-of-way use is being proposed as "types of use" with clear descriptions of each use, duration of the permit type, and the fees associated to the type. To better clarify Type D permits, franchise agreements are applicable to agreements as established by ordinance or by prior agreement assumed by the City during island-wide incorporation. The franchisee, under Type D is responsible for obtaining a yearly permit to conduct their routine and regular maintenance work. Type B permits will also be required for any work that physically disturbs the right-of-way (digging, trenching, etc).

Current vs. Proposed Right-of-Way practices

Current Regulation or Practice	Regulates	Duration	Cost
Construction Work Affecting City Utilities- Current BIMC 15.12	Covers only actual construction within the rights-of-way of very short duration	10 days	$100 plus renewals at $50 and impacts to roadway on a square foot basis, additional inspection $100, & blockage of the right-of-way varies up to $500 per day
Misc. Street Use and Uncovered Work	No Regulations	N/A	$0
Bulk Purchase	No Regulation; Exists only in the fee schedule without explanation	1 Year	$500 Annually + $50 each permit
Revocable License Agreement	No Regulations	Indefinite	Recording Cost
Driveway approach	Current BIMC 15.12 is utilized for the construction permit	10 days	$0
House / Building Moving	No Regulation; Exists only in the fee schedule without explanation		$200
Proposed Ordinance	Regulates	Duration	Cost
Type A - Short Term Use	Temporary street and/or sidewalk closures or blockage (moving trucks/vans, dumpsters, scaffolds, lifting equipment. House/modular/mobile moving, oversize loads, special events)	30 days	$150
Type B - Disturbance of the Right-of-Way	Disturbance of the surface or the sub-surface of the right-of-way on a temporary or permanent basis. (boring, jacking, cutting or pushing; culverts, curb cuts, handicap ramps, driveway approaches, curbs, gutters and sidewalks, drainage, painting, paving, trenching, utility installation, road approaches, new streets / unopened rights-of-way.	30 days	$250
Type C - Long Term Use	Long-term right-of-way use for activities that will not further physically disturb the right-of-way once in place (i.e. bus shelters, benches, rockeries and retaining walls)	5 years	$250
Type D - Franchised Utility	Franchised utilities only; performing routine maintenance on existing overhead lines and entry into existing underground facilities. Does not authorize disturbance of the surface or subsurface.	1 year	$1,000

ORDINANCE NO. 2014-24

AN ORDINANCE of the City of Bainbridge Island, Washington repealing the existing Chapter 15.12, Construction Work Affecting City Utilities, in its entirety and adopting a new Chapter 15.12, Right-of-Way Use.

WHEREAS, the City of Bainbridge Island (the "City") regulates construction and uses in the right-of-way; and

WHEREAS, the City desires to address issues relating to right-of-way use not previously addressed in the Bainbridge Island Municipal Code; now, therefore,

THE CITY COUNCIL OF THE CITY OF BAINBRIDGE ISLAND, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Chapter 15.12 of the Bainbridge Island Municipal Code, Construction Work Affecting City Utilities, is hereby repealed in its entirety.

Section 2. A new Chapter 15.12 of the Bainbridge Island Municipal Code, Right-of-Way Use, is hereby adopted to read as follows:

Chapter 15.12

RIGHT-OF-WAY USE

Sections:

15.12.010 Purpose.
15.12.020 Territorial application.
15.12.030 Construction - intent.
15.12.040 Definitions.
15.12.050 Authority of the director.
15.12.060 Permit required.
15.12.070 Additional permits.
15.12.080 Right-of-way use permits.
15.12.090 Applications and processing of permits.
15.12.100 Renewal of permits.
15.12.110 Permit exception.
15.12.120 Permit fees and charges.
15.12.130 Specifications.
15.12.140 Notice of intent to start work.
15.12.150 Inspections.

15.12.160 Completion of use.
15.12.170 Shared use of excavations.
15.12.180 Underground utility location required.
15.12.190 Warning and safety devices.
15.12.200 Temporary parking restriction notification.
15.12.210 Materials testing.
15.12.220 Performance and warranty deposits.
15.12.230 Insurance.
15.12.240 Hold harmless.
15.12.250 Correction and discontinuance of unsafe, nonconforming or unauthorized conditions.
15.12.260 Prohibition of illegal discharges.
15.12.270 Debris and spilled loads in the right-of-way.
15.12.280 Nuisance in the right-of-way.
15.12.290 Revocation of permits.
15.12.300 Stop work orders.
15.12.310 Adoption of policies.
15.12.320 Appeals.
15.12.330 Violation - penalty.
15.12.340 Enforcement.

15.12.010 Purpose.

It is the purpose of this chapter to provide for the issuance of right-of-way use permits in order to regulate activities within the city's rights-of-way in the interest of public health, safety and welfare and to provide for the fees, charges, performance and warranty deposits, warranties and procedures required to administer the permit process.

15.12.020 Territorial application.

The procedures set forth in this chapter shall be applicable to all rights-of-way within the city.

15.12.030 Construction - Intent.

A. This chapter is enacted to protect and preserve the public health, safety and welfare. It shall be liberally construed to accomplish these purposes.

B. The purpose of this chapter and any procedures adopted hereunder is 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 especially be protected by or benefit from any procedures adopted hereunder.

C. The specific intent of this chapter and any procedures adopted hereunder places the obligation of compliance upon the permittee. No provision is intended to impose any duty upon the city, or any of its officers, employees, or agents. Nothing contained in this chapter is intended to be, nor shall be, construed to create a basis for liability on the part of the city or its officers, employees or agents for any injury or damage resulting from the failure of a permittee to comply with the provisions hereof or by reason or in consequence of any act or omission in connection with the implementation or enforcement of this chapter or any procedures adopted hereunder by the city, its officers, employees or agents.

15.12.040 Definitions.

Words and phrases used in this chapter shall have the following meanings unless the context clearly indicates otherwise:

A. "Citation" means a written document initiating a proceeding pursuant to Chapter 1.26 BIMC.

B. "City inspector" means the designated employee(s) of the department assigned to inspect permitted work.

C. "Department" means the public works department or other department designated by the director.

D. "Director" means the director of public works or his/her designated representative.

E. "Emergency" means a condition of imminent danger to the health, safety, and welfare of property or persons located within the city. This includes, but is not limited to, damage to persons or property from natural or manmade occurrences, such as storms, earthquakes, riots or wars.

F. "Engineering division" means the engineering division of the department.

G. "Franchised utilities" means utilities that have city approval to use city rights-of-way in accordance with RCW 35A.47 for the purpose of providing their services within the city, whether by written franchise granted by the city, state tariff, or other similar city authorization.

H. "Notice of violation" means a document mailed to a permittee or unauthorized user and posted at the site of a nonconforming or unsafe condition.

I. "Oral directive" means a directive given verbally by city personnel designated by the director to correct or discontinue a specific condition.

J. "Permit" means a document issued by the city granting permission to engage in an activity not allowed without a permit.

K. "Permittee" means the person so designated on the permit application, or designee.

L. "Person" means and includes corporations, companies, associations, joint stock companies or associations, firms, partnerships, limited liability companies and individuals, and includes their lessors, trustees and receivers.

M "Private use" means use of the public right-of-way for the benefit of a person, partnership, group, organization, company, or corporation, other than as a thoroughfare for any type of vehicles, pedestrians or equestrians.

N. "Policy" means a policy adopted by the director to implement this chapter, or to carry out other responsibilities assigned by codes, ordinances, or resolutions of the city or other agencies.

O. "Revocation" means cancellation of an issued permit.

P. "Right-of-way" means all public streets and property granted or reserved for, or dedicated to, public use for streets, walkways, sidewalks, bikeways, parking, and horse trails, whether improved or unimproved, including the air rights, sub-surface rights, and related easements.

Q. "Stop work order" means an oral directive or written notice posted at the site of activity that requires all work to be stopped until the city approves continuation of work.

R. "Suspension" means a temporary stay of a permit.

S. "Unsafe condition" means any condition which the director determines is a hazard to health, or endangers the safe use of the right-of-way by the public. This includes any condition that does or may impair or cause damage to any portion of the right-of-way.

15.12.050 Authority of the director.

The director shall have the authority to:

A. Administer the provisions of this chapter including but not limited to interpreting the chapter and issuing necessary rules and procedures.

B. Issue permits granting use of the rights-of-way in accordance with this chapter.

C. Administer and coordinate the enforcement of this chapter and all policies adopted hereunder relating to the use of rights-of-way.

D. Adjust the fees required by this chapter to be proportional to any increased scope of work for which a permit is required.

E. Coordinate with other city departments to administer and enforce this chapter.

F. Assign responsibility for interpretation, application and enforcement of specified procedures to department staff.

G. Correct any condition that is a violation of, or used contrary to, this chapter.

H. Revoke a permit.

15.12.060 Permit required.

A. It is unlawful for anyone to make private use of any public right-of-way without first obtaining a right-of-way use permit from the city, or to use any right-of-way without complying with all the provisions of such right-of-way use permit.

B. The city does not waive its right to use the right-of-way by issuance of any permit.

C. The city reserves the right to exempt those activities that are judged to be incidental uses.

15.12.070 Additional permits.

Additional permits for any use of the right-of-way may be required by other city codes.

15.12.080 Right-of-way use permits.

The following types of right-of-way use permits are established:

Permit	Regulates	Duration
Type A - Short Term Use	Temporary street and/or sidewalk closures or blockage (moving trucks/vans, dumpsters, scaffolds, lifting equipment, house/modular/mobile moving, oversize loads, special events)	30 days

Type B - Disturbance of the Right-of-Way	Disturbance of the surface or the subsurface of the right-of-way on a temporary or permanent basis (boring, jacking, cutting or pushing; culverts, curb cuts, handicap ramps, driveway approaches, curbs, gutters and sidewalks, drainage, painting, paving, trenching, utility installation, road approaches, new streets / unopened rights-of-way)	30 days
Type C - Long Term Use	long-term right-of-way use for activities that will not further physically disturb the right-of-way once in place	5 years
Type D - Franchised Utility	Franchised utilities only; performing routine maintenance on existing overhead lines and entry into existing underground facilities. Does not authorize disturbance of the surface or subsurface.	1 year

A. Type A - Short-term use.

1. Type A permits may be issued for use of the right-of-way for up to 30 days if it does not involve physical disturbance of the right-of-way, such as:

a. Temporary street and/or sidewalk closures.

b. Temporary blockage of streets and sidewalk, for uses such as moving trucks or vans, dumpsters, scaffolds, and lifting equipment.

c. House/modular/mobile moving.

d. Oversize loads.

e. Special events.

2. Special events permits are provided for in accordance with Chapter 12.06 BIMC.

3. This type of use may involve disruption of pedestrian and vehicular traffic and may require inspections, cleanup and traffic control.

4. For periods longer than 30 days the uses will be considered Type C, long-term use.

B. Type B - Disturbance of the right-of-way.

1. Type B permits may be issued for activities that alter the appearance of or disturb the surface or the sub-surface of the right-of-way on a temporary or permanent basis. Type B permits are also required for the initial construction of improvements within the right-of-way including privately maintained rights-of-way required to conform to city standards. Type B permits may be issued for up to 30 days.

2. Type B permits include, but are not limited to, activities associated with:

a. Boring, jacking, or pushing;
b. Construction adjacent to the right-of-way that may physically impact the right-of-way;
c. Culverts;
d. Sidewalk impacts including curb cuts, handicap ramps and driveway approaches;
e. Curbs, gutters and sidewalks;
f. Drainage;
g. Painting;
h. Paving;
i. Trenching;
j. Utility installation;
k. Road approaches; and
l. New streets / unopened rights-of-way.

C. Type C - Long-term use.

1. Type C permits may be issued for long-term right-of-way use for activities that will not further physically disturb the right-of-way once in place. This may include structures, facilities and uses that involve capital expenditures and a long-term commitment of use. Sidewalk cafes and sidewalk retail displays are regulated by Chapter 12.36 BIMC and excluded from Type C permits.

2. Type C permits authorized by this chapter are of a temporary nature, vest no permanent rights and are revocable as provided for in Section 15.12.290. The director may suspend any right-of-way use permit for transportation mobility or public safety purposes or to coordinate with permitted special events authorized by Section 15.12.080 or any other permitted activity.

3. Type C permits may be issued or required for up to five years except as provided for in subsection 8 below.

4. A Type B permit may be required for construction activities in conjunction with Type C use.

5. Type C permits include but are not limited to:

    a. Accessory business activities such as parking;
    b. Air rights;
    c. Bus shelters/stops;
    d. Construction site/haul roads;
    e. Fences;
    f. Recycle receptacles, dumpsters and facilities;
    g. Special and unique structures such as fountains, clocks, flagpoles, benches, kiosks, banners, street furniture, and decorations;
    h. Underground rights;
    i. Landscaping; and
    j. Waste facilities.

6. Signage uses, placement and specifications are regulated by Chapter 15.08 BIMC.

7. The permittee shall not create a condition that in any way restricts or interferes with access to abutting properties; or creates a nuisance or hazard to public health, safety, or welfare; or increases traffic congestion or delay; or which constitutes an obstruction for fire, police, or sanitation vehicles.

8. Utilities placed in the right-of-way under the authority of a franchised utility as defined in this chapter are exempt from the requirement to obtain a Type C permit.

9. Type A uses that exceed 30 days duration will be treated as Type C uses.

10. If a Type C permit is revoked or expires without renewal, the permittee must remove improvements constructed in the right-of-way and restore it to its original condition or better.

11. Under the following conditions, Type C permits may be issued for right-of-way use for an extended term not to exceed ten years for activities such as the installation and maintenance of structures, facilities and uses that involve capital expenditures.

    a. Type C permits will only be issued for extended terms unless the city determines that:

        i. There is no reasonable likelihood that the city will need to utilize the area for which the permit is granted within the permit term;
        ii. That the proposed use is consistent with the city's comprehensive plan;
        iii. That the use is not detrimental to the public health, safety, or welfare; and

iv. That the proposed use is not aesthetically incompatible with the city's standards.

b. At the end of the permit period, the permit may be renewed upon request by the permittee and acceptance by the city for additional terms not to exceed ten years. If the use of the right-of-way under the jurisdiction of a Type C permit is changed so as to affect the permitted installation, the director shall require the permittee to remove or modify the installation to accommodate the new use of the right-of-way. The director shall set the time for removal or modification. The time for removal or modification shall be at least 90 days after the date the request for removal or modification is submitted unless the director finds that a lesser amount of the permitted installation shall be borne by the permittee.

D. Type D - Franchised utility routine maintenance permit.

1. Type D permits may be issued for franchised utilities, as defined in this chapter, performing routine maintenance on existing overhead lines and for entry into existing underground facilities. Type D permits may be issued for up to one year.

2. Type D permits do not authorize disturbance of the surface or subsurface of the right-of-way. Activities that disturb the surface or subsurface require a Type B permit.

3. Type E D permits may be revoked if the permittee does not comply with the requirements of this chapter. In the event the Type D permit is revoked, the permittee must obtain a Type A B permit for each work site.

4. Obtaining an issued Type D permit does not abolish the requirement to obtain a Type B permit for construction activities.

E. Assignment of Permit. Permits cannot be assigned or transferred, subleased, or used for any purpose not specified in the permit without prior written permission of the city. Any attempt to assign or transfer an interest in a permit shall be cause for immediate revocation.

15.12.090 Permit applications and processing of permits.

A. To obtain a right-of-way use permit, the applicant shall file an application with the department.

B. Every application shall include the following:

1. A scale drawing showing the location of the proposed right-of-way use; the location of existing and proposed improvements, surface features such as curbs and gutters, underground features such as the location of utilities, topographic details such as ditches, wetlands, streams, bluffs, etc.; and the limits of the work area;

2. A description of the proposed use;

3. The planned duration of the use;

4. Applicant contact information;

5. All other information which may be required as specified in policies adopted hereunder;

6. An estimate of construction costs; and

7. Payment of the required fees.

C. The director shall examine each application to determine if adequate information is provided and if it complies with the applicable provisions of this chapter. Other departments that have authority over the proposed use will review and recommend approval or disapproval of the application. If the director finds that the application conforms to the requirements of this chapter, he or she may approve the permit imposing such conditions as are reasonably necessary to protect the public health, welfare and safety, to mitigate impacts resulting from the use and to coordinate activities or address potential conflicts with other uses of the area.

D. Permit applications must be submitted at least ten working days prior to the requested start, or as required to obtain other city permits.

E. Concurrent with submittal of a complete application, the applicant shall pay the established application fee.

15.12.100 Renewal of permits.

A. Type A and Type B permits may be renewed without payment of an additional fee for up to the length of the original permit at the discretion of the director. If a permittee desires continued use of the right-of-way after expiration of a renewed permit, he/she must apply for a new permit.

B. Type C and D permits cannot be renewed. Reapplication is required.

15.12.110 Permit exceptions.

A. A right-of-way use permit shall not be required of franchised utilities when responding to emergencies, provided that the department shall be notified by the responding utility or contractor verbally or in writing as soon as practicable following the onset of an emergency. A utility or contractor must still apply for a right-of-way use permit as provided in this chapter within 48 hours after beginning emergency work in the right-of-way.

B. Permits are not required for routine maintenance and construction work performed by the city.

C. Permits are not required for public works department construction projects.

D. Permits are not required for ordinary landscape maintenance in the right-of-way. Blockage of the right-of-way associated with ordinary landscape maintenance requires a permit.

15.12.120 Permit fees and charges.

A. Permit fees shall be set forth in a fee schedule adopted by city council by resolution. Fees and charges adopted pursuant to this section may be increased or decreased by the council on the city manager's recommendation in accordance with changes in costs incurred by the city.

B. Fees and charges.

1. Type A, short-term use permit. A fee shall be charged for each Type A permit accepted for processing. This fee shall cover the administrative cost of issuing the permit.

2. Type B, disturbance of right-of-way permit. Type B Permit fees shall be established for the following categories:

    a. Repair of existing sidewalks, not associated with other development activity.

    b. A driveway approach, transverse street patch or spot patches or other localized work;

    c. Construction of new curb, gutter, and sidewalk, as well as patching;

    d. Construction of a new street, extension of an existing street, construction of a privately maintained street within the public right-of-way, frontage improvements on an existing street and construction of a new pavement surface;

e. Work in unimproved areas, such as boring pits in shoulders, landscaping, etc; and

f. Fees established for permits include an initial review, initial site visit and final inspection. Additional fees are assessed for additional levels of effort associated with the permitted project.

3. Type C, long-term use permit. Fees for Type C long-term use permits shall include the following categories:

a. Application and processing. A non-refundable application and processing fee will be charged for each Type C permit application accepted for processing;

b. Use Fee. A use fee will be established which incorporates the value of the land used and the length of the use;

c. The director may modify or waive fees for Type C permits for government agencies or improvements which provide a direct benefit to the city.

4. Type D, franchised utility, routine maintenance permit. A fee shall be charged for each regular Type D permit accepted for processing. This fee shall cover the administrative cost of issuing the permit.

C. The director will assign Type B permit work to the most appropriate category and establish a fixed fee or charge for city costs at an hourly rate for any special work not covered in these categories.

D. Additional work. The city may establish fees for activities beyond normal and customary services, such as repeated plan reviews or site inspections, special work, inspection of re-worked areas, calls for inspection when the site is not ready and construction site emergencies.

E. Waiver of fees for city-initiated projects. Utilities in the right-of-way under the authority of a franchise agreement, state tariff or other similar city authorization which must apply for permits because of city-initiated construction projects, may be granted a waiver of normal permit fees by the director. This provision only applies to work that would not otherwise have been done by the utility.

15.12.130 Specifications.

All work performed under a right-of-way permit shall conform to all city codes, the current development and construction standards of the department, and all other standards used by the city including, but not limited to, the current version of the *Manual of Uniform Traffic Control Devices* published by the Federal Highway

Administration and the *Standard Specifications for Road, Bridge, and Municipal Construction*, as amended or superseded, published by the Washington State Department of Transportation and the American Public Works Association.

15.12.140 Notice of intent to start work.

Permittee shall provide a minimum of one working day's notice of the intent to start work in the right-of-way.

15.12.150 Inspections.

Consent to inspections by the department or other city representative is a condition of issuance of every right-of-way use permit. Permittee shall provide a minimum of one working day's notice prior to a requested or required inspection.

15.12.160 Completion of use.

At the completion of use of the right-of-way, the permittee shall:

A. Provide notice that the work is complete and request an inspection; and

B. Provide record drawings of the improvements made in the right-of-way when required. Record drawings of improvements that are accepted for maintenance by the city shall meet the format requirements of the city. All record drawings shall show at a minimum the actual location, depth and profile of the improvements in the right-of-way. Record drawings acceptable to the department must be provided prior to release of the performance surety described in Section 15.12.220.A.

15.12.170 Shared use of excavations.

If a utility company submits a permit request to excavate, the city may request in writing that such utility company provide an opportunity to install city facilities within the excavation provided that:

A. Such joint use shall not unreasonably delay the work of the utility company;

B. Such joint use shall be arranged and accomplished on terms and conditions satisfactory to both parties and in accordance with the applicable codes, rules and regulations; and

C. To the extent reasonably possible, the utility company shall, at the direction of the city, cooperate with the city and provide other private utility companies with the opportunity to utilize joint or shared excavations in order to minimize disruption and damage to the right-of-way as well as to minimize traffic impacts.

15.12.180 Underground utility location required.

All permittees shall, before commencing any construction in the city right-of-way, comply with Chapter 19.122 RCW, the one number locater service (811).

15.12.190 Warning and safety devices.

A. The permittee is responsible for the safety of the work area and shall provide and maintain warning lights, safety devices, signs and barricades on all rights-of-way in accordance with the specifications. Warning and safety devices may be removed when the work for which the right-of-way use permit was granted is complete and the right-of-way restored to the conditions directed by the department.

B. The director may require an applicant to submit a traffic control plan showing proposed shoulder closures, lane closures, detour routing, parking adjustments, and the location and type of warning lights, safety devices, signs and barricades intended to protect vehicular or pedestrian traffic. If a traffic control plan is required, no right-of-way use permit will be issued until the plan is approved.

C. The director may require that the permittee provide a certified Washington state traffic control flagger to be on site during construction activities in order to monitor the setup and maintenance of the warning and safety devices.

D. If flaggers are required to control traffic during construction, they will be either properly attired and certified Washington state traffic control flaggers or off-duty law enforcement officers.

E. Decisions of the director shall be final in all matters pertaining to the number, type, location, installation and maintenance of warning and safety devices in the public right -of-way. Lack of notice or comment by the city does not relieve the permittee of responsibility for the safety of the work area.

15.12.200 Temporary parking restriction notification.

A. If the director determines that parking is a hazard to through traffic, construction work, or other right-of-way activity, he may restrict parking.

B. Parking restriction signs shall be placed at least 72 hours in advance of parking removal with the start date of "no parking" clearly shown. The area to be restricted shall be clearly marked with Type I barricades carrying signs that state the specific period (dates and times) that the area is to be free of vehicles. Signs shall be large enough to be easily read from a distance of 50 feet and advise where impounded vehicles will be stored or indicate a 24-hour telephone number for obtaining the information.

C. The permittee shall be responsible for placement and maintenance of the signs as approved by the director. The permittee shall notify the city when the signs are placed. No vehicles shall be towed until the restricted parking signs have been in place for 72 hours or more.

D. All signs must be approved by the director prior to placement, and must conform generally to the following wording:

> WARNING! TOW AWAY ZONE
> NO PARKING
> FROM: DATE & TIME
> TO: DATE & TIME
> FOR CONSTRUCTION WORK
> ALL VEHICLES WILL BE TOWED
> (IMPOUND INFORMATION)

15.12.210 Materials testing.

Material tests may be ordered by the director to assure conformity with the specifications stated in this chapter. Material tests may include, but are not limited to, gradation analysis, compaction testing, concrete strength, asphalt content analysis and pipe strength. The permittee shall have the material test performed by a certified laboratory and the results provided to the city. Location and timing of material testing shall be coordinated with the director.

15.12.220 Performance and warranty deposits.

A. Performance Surety. The city may require permit applicants to provide a performance surety to ensure conformance with the plans, specifications and standards. The minimum amount of the performance surety shall be 125 percent of the estimated value of the work or the estimated cost to repair damage to existing improvements as determined by the director. The performance surety shall not be released until after final acceptance of the permitted work and receipt of a warranty deposit, if required.

B. Warranty Deposit. The city may require a warranty deposit to warrant the workmanship and the material of the constructed improvements in the right-of-way for a period of one year from the final inspection date. The minimum amount of the warranty deposit shall be 20 percent of the value of the actual construction costs.

C. Deposit Instruments. The deposit instrument for the performance or warranty deposit shall be cash, a non-revocable letter of credit, assignment of funds, bond or other readily accessible source of funds approved by the city finance director. The deposit instruments shall be on a form acceptable to the city finance director. Any issuer of a deposit instrument shall pay invoices presented by the city pursuant to this chapter within 45 days. A bond will be accepted only for amounts over $1,000 or when state law requires a bond.

Interest on deposited funds will accrue to the benefit of the depositor, except any interest earned on a cash deposit will be retained by the city for account administration.

D. Notice of incomplete or defective work. If the director determines permitted work to be incomplete or defective or observes a defect during the warranty period or other activities which do not comply with the permit and shall require corrective action by the permittee, the director shall notify the applicant in writing prior to applying proceeds of the deposit to correct the work. The notice will state:

1. Work that must be done to comply with the requirements of the permit or deposit;

2. The amount of time that the applicant has to complete the required work; and

3. If the work is not completed within the time specified, the city will use the proceeds of the deposit to have the required work completed.

E. Default on deposit.

1. If the work covered by the deposit is not completed within the time specified in the notice given under this chapter, the city shall obtain the proceeds of the deposit and do the work covered by the deposit. The city may either have employees of the city or a contractor complete the work.

2. If, at any time, the director determines that actions or inactions associated with permit work have created an emergency situation endangering public health, safety or welfare, created a potential liability for the city or endangered city streets, utilities or property, and if the nature or timing of such an emergency precludes the notification of applicants as provided in this chapter while still minimizing or avoiding the effects of the emergency, the city may use the deposit to cover costs incurred by the city to correct the emergency situation. The city may either have employees of the city or a contractor complete the work. If the City uses the deposit, as provided by this section, the applicant shall be notified in writing within four working days of the commencement of emergency work. The notice must state which work was completed and the nature or timing of the emergency that necessitated the use of the deposit without prior notification.

3. The permittee is responsible for all costs incurred by the city in completing the work covered by the deposit. The city shall release or refund any proceeds of any deposit remaining after subtracting all costs incurred. The permittee shall

reimburse the city for any amount expended by the city that exceeds the deposit.

4. If the city uses any of the deposit it shall, within 30 days, provide the owner of the permit an itemized statement of all proceeds and funds used.

15.12.230 Insurance.

A. General provisions. Before any permit is granted for the use of, or work within the right-of-way, the permitee shall secure and deliver to the city and the director a copy of comprehensive general liability insurance in the sum of $500,000 for bodily damage and property. The city shall be listed as an additional insured on the policy. Alternate methods of meeting these insurance requirements must be approved by the city finance director.

B. Limited exception. A homeowner or tenant who repairs, constructs or uses the right-of-way fronting his/her residence and who performs all the labor him/herself shall not be required to obtain insurance as set forth in subsection A. Prior to the issuance of such a permit, the homeowner or tenant shall be required to provide proof of homeowners or renters insurance in the minimum amount of $100,000 for bodily injury and property damage unless, in the director’ discretion, this requirement is waived after consideration of the nature of the proposed use or work and the need to reasonably protect the city’s interest as well as the health, safety and welfare of the public.

15.12.240 Hold harmless.

As a condition to the issuance of any permit under this chapter, the permittee shall agree to defend, indemnify and hold harmless the city, its officers, employees and agents, from any and all suits, claims or liabilities caused by or arising out of any work or use authorized by any permit.

15.12.250 Correction and discontinuance of unsafe, nonconforming or unauthorized conditions.

A. If at any time the director determines that any condition on any right-of-way is in violation of any provision of this chapter, the director may order the correction or discontinuance of such activity causing such condition.

B. The director is authorized to use any or all of the following methods in ordering correction or discontinuance of any such activities as the director determines appropriate:

1. Serving of oral directives to the permittee or other responsible person requesting immediate correction or discontinuance of activity;

2. Service of a written notice of violation, ordering correction or discontinuance within a reasonable period as the director may determine appropriate;

3. Issuance of an order to immediately stop work until authorization is received from the city to proceed with such work;

4. Revocation or suspension of previously granted permits pursuant to this chapter;

5. Issuance of a citation upon the permittee or other responsible person who is in violation of this chapter; and

6. Seek to impose penalties pursuant to Chapter 1.24 BIMC.

15.12.260 Prohibited discharges.

No permitted activity shall be allowed that would cause the discharge of pollutants or waters containing pollutants to discharge into the city's stormwater drainage system or waters of the state in accordance with Chapter 15.22 BIMC.

15.12.270 Debris and spilled loads in the right-of-way.

A. The owner or operator of any vehicle that has spilled, dropped, dumped, tracked or otherwise deposited any matter upon the right-of-way shall clean and remove the material using suitable methods to the satisfaction of the department. If the owner/operator fails to resolve the issue, the department shall have the right-of-way cleaned and charged to the person or persons responsible. The department has authority to designate haul routes and times of day for operations involving hauling over the public right-of-way.

B. Earth-hauling contractors, builders or anyone else utilizing vehicles upon the right-of-way shall provide persons or equipment to keep the right-of-way clean at all times to the satisfaction of the department. On failure to fulfill this obligation, the department may issue an immediate stop work order, revoke city permits and direct the responsible person or persons to immediately clean the right-of-way to the satisfaction of the department.

15.12.280 Nuisance in the right-of-way.

A. Any object which occupies the right-of-way without a permit is declared a nuisance. The department may attach a notice to any such object stating that if it is not removed from the right-of-way within 24 hours, the object shall be taken into custody and stored at the owner's expense. The notice shall provide an address and phone number where additional information may be obtained. If the object is a hazard to public safety, it shall be removed by the city without prior notice.

B. All expenses incurred by the city in abating the nuisance condition or in repairing any damage to the right-of-way shall constitute a civil debt owed to the city jointly and severally by such persons who have been given notice or who own the object or placed it in the right-of-way, which debt shall be collectable in the same manner as any other civil debt.

15.12.290 Revocation of permits.

A. The director may revoke any permit issued under this chapter when in the director's sole determination:

1. The work or activity does not proceed in accordance with the approved plans, conditions, or is not in compliance with the requirements of this chapter or other city ordinances, state or federal law;

2. The city has been denied access to investigate or perform inspection;

3. The permittee has made a misrepresentation of a material fact in applying for a permit; and

4. The progress or condition of the approved work, activity or excavation indicates that it is inadequate to protect the public and adjoining property, the street or utilities in the street.

B. Upon suspension or revocation of a permit, all use of the right-of-way shall cease, except as authorized or directed by the director.

C. Notice of revocation shall be by letter.

D. A revocation may be appealed pursuant to this chapter.

15.12.300 Stop work orders.

Work in the right-of-way may be suspended by the issuance of an oral or written stop work order by a city inspector.

15.12.310 Adoption of policies.

The director may adopt policies and procedures to implement this chapter. Such policies do not require approval by the city council.

15.12.320 Appeals.

An applicant whose application has been denied or permittee whose permit has been revoked pursuant to this chapter must first request the director reconsider or reverse the decision. If the director denies the request, the applicant or permittee may appeal the decision to the administrative hearing examiner pursuant to Chapter 2.16 BIMC.

15.12.330 Violation –enforcement and penalty.

A. In addition to any other sanction or remedy that may be available, a violation of or failure to comply with any provision of this chapter shall be a civil infraction and shall be subject to enforcement and civil penalties as provided for in Chapter 1.26 BIMC.

B. A violation of or failure to comply with any provision of this chapter shall be a misdemeanor punishable, upon conviction, as provided for in Chapter 1.24 BIMC.

Section 3. If any one or more section, subsections or sentences of this ordinance are held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portion of this ordinance and the same shall remain in full force and effect.

Section 4. This ordinance shall take effect on and be in force five (5) days from and after its passage, approval and publication as required by law.

PASSED by the City Council this ____ day of __________, 2014.

APPROVED by the Mayor this ____ day of ___________, 2014.

____
Anne S. Blair, Mayor

ATTEST/AUTHENTICATE:

____
Rosalind D. Lassoff, CMC, City Clerk

FILED WITH THE CITY CLERK: July 1, 2014
PASSED BY THE CITY COUNCIL:
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NUMBER: 2014-24

CITY OF BAINBRIDGE ISLAND
CITY COUNCIL AGENDA BILL

PROCESS INFORMATION

Subject: Resolution No. 2014-15, Amending the Fee Schedule for the Right-of-Way Uses	Date: August 4, 2014
Agenda Item: Staff Intensive	Bill No.: 14-098
Proposed By: Public Works Director Barry Loveless	

BUDGET INFORMATION

Depart/Fund: N/A		
Expenditure Req: $ N/A	Budgeted? ☐ Yes ☐ No	Budget Amend. Req? ☐ Yes ☐ No

REFERRALS/REVIEW

Study Session	Recommendation:	
City Manager ☒ Yes ☐ No ☐ N/A	Legal ☒ Yes ☐ No ☐ N/A	Finance ☒ Yes ☐ No ☐ N/A

DESCRIPTION/SUMMARY

Action Item:

Consider placement of Resolution No. 2014-15 amending the Fee Schedule for Right-of-Way Uses on the August 11, 2014 City Council consent agenda.

Background:

This proposed resolution will amend the current fee schedule in regards to right-of-way use fees with the passage of Ordinance No. 2014-24 (Right-of-Way Use) scheduled for second reading on August 11, 2014.

RECOMMENDED ACTION

Motion:

I move that the City Council consider forwarding Resolution No. 2014-15 related to Right-of-Way Use fees to the August 11, 2014 City Council consent agenda.

RESOLUTION NO. 2014-15

A RESOLUTION of the City of Bainbridge Island, Washington, amending Section 12 of the City's fee schedule as it relates to use or work in the right-of-way.

WHEREAS, on **_______________** City Council passed Ordinance No. 2014-24 for the various types of right of way uses; and

WHEREAS, the City's Fee Schedule needs to be updated to reflect the revised changes to right-of-way use; now, therefore,

THE CITY COUNCIL OF THE CITY OF BAINBRIDGE ISLAND, WASHINGTON, DO RESOLVE AS FOLLOWS:

Section 1. Section 12, Miscellaneous Fees – House Moving Permits and Right-of-Way Use Permits of the City's Fee Schedule is hereby amended to read as follows:

~~HOUSE MOVING PERMITS~~ ~~$200.00~~

RIGHT-OF-WAY USE PERMITS

~~Work in the Right of Way – Initial Application (including one inspection)~~ ~~If a paved road way is cut perpendicular to the centerline.~~	~~$17.70 per square foot of trench cut~~
~~If a paved road way is cut, other than perpendicular to the centerline.~~	~~$100 flat fee~~
~~Note: Cuts not perpendicular to the centerline require the repaving of cut to a distance of at least ten feet beyond the cut in both directions parallel to the flow of traffic~~	
~~Work in the right of way that does not involve cutting a paved road~~	~~$100 flat fee~~
~~Work in the Right of Way – Renewal (includes no additional inspections)~~	~~$100 flat fee~~
~~Work in the Right-of-Way – Bulk Purchase Annual Fee~~	~~$500.00~~
~~Work In ROW Processing Fee~~ ~~Includes one inspection per cut or use. Available only to utility companies: (1) that fully comply with all City Engineering standards for road restoration using CDF for perpendicular cuts and full lane repaving for all others, and (2)~~	~~$50.00~~

~~guarantee restoration of any failure at no cost to the City within 2-years of the last day of work at the site in question or the date of the next pavement overlay of the restoration in question, whichever occurs first, and (3) secured by a bond payable to the City.~~

~~Additional ROW Inspections~~ ~~$100.00~~

~~Work In the Right of Way – Daily Use Fee for Construction Uses on blockage after 72 hours in any 90-day period.~~
~~Fees apply for blockage during the period of 6:00 AM to 7:00 PM in addition to all other fees. Fees may be waived for City need.~~

~~Partial Blockage~~
~~Secondary Arterials @ $.20/car/day~~
~~Collectors – Flat Fee @ $100.00/day~~
~~Residential Access – Flat Fee @ $50.00/day~~

~~Full Blockage~~
~~Secondary Arterials @ $50.00/day~~
~~Collectors @ $500.00/day~~
~~Residential Access @ $250.00/day~~
~~Non-Construction Uses~~
~~Short Term @ $50.00 per day~~
~~Long Term – Waterfront @ $1.50 per Sq. Ft. per year~~
~~Long Term – Non-Waterfront @ $0.50 per Sq. Ft. per year~~

Type A - Right-of-Way Short Term Use $150.00

Type B - Right-of-Way Disturbance $250.00

Type C - Right-of-Way Long Term Use $250.00

Type D - Right-of-Way Franchise Utility Routine Maintenance. $1,000.00

Right-of-Way Additional Inspection, each $50.00

PASSED by the City Council this ___ day of ________, 2014.

APPROVED by the Mayor this ___ day of _____________, 2014

Anne S. Blair, Mayor

ATTEST/AUTHENTICATE:

Rosalind D. Lassoff, City Clerk

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
RESOLUTION NO.: 2014-15

CITY OF BAINBRIDGE ISLAND
CITY COUNCIL AGENDA BILL

PROCESS INFORMATION	
Subject: Review Financial Policies	Date: August 4, 2014
Agenda Item: Staff Intensive	Bill No.: AB 14-106
Proposed By: Ellen Schroer, Finance Director	Referral(s):

BUDGET INFORMATION		
Department: Finance	Fund: N/A	Munis Contract #: N/A
Expenditure Req: No	Budgeted? ☐ Yes ☐ No	Budget Amend. Req? ☐ Yes ☐ No

REFERRALS/REVIEW		
	Recommendation:	
City Manager ☒ Yes ☐ No ☐ N/A	Legal ☒ Yes ☐ No ☐ N/A	Finance ☒ Yes ☐ No ☐ N/A

DESCRIPTION/SUMMARY

Action Item:

Consider amending the Financial and Budget Policies Resolution.

History:

Council passed Resolution No. 2014-17, Financial and Budget Policies, on July 14, 2014. This resolution is Council's policy guidance regarding a wide range of finance topics. At the conclusion of the meeting at which Council approved the resolution, there was additional discussion of one of the policies related to the City's three utilities. The particular policy under discussion provides for each utility's rates to fully support the utility. Council wished to discuss if the financial policies should include the direction to provide annual and ongoing General Fund support to the Surface and Storm Water Management (SSWM) utility.

The text of Section 5.3 (b) is excerpted below; while the entire resolution is also provided as an attachment to this agenda bill.

> (b) The City will maintain water, sewer and stormwater utility rates adequate to ensure that each of the three utility funds is fully self-supporting.

Additional information on the next page

RECOMMENDED ACTION

Motion:

Continued from the previous page

History (Continued):

The question of providing General Fund support to the SSWM utility began with an ordinance passed in 2012 which exempted the City's road network from SSWM fees, retroactive to 2008. By court order, the action was to be retroactive and to provide an ongoing decision. In 2013, a retroactive payment was made from SSWM to the Streets Fund. Council authorized a General Fund transfer in 2013 to the SSWM fund to fully offset the retroactive payment and applicable interest. The current question is whether Council desires to have an ongoing General Fund transfer to the SSWM Fund for all future years.

Some important considerations related to the question of future General Fund support for SSWM:

- SSWM is an enterprise fund. Enterprise funds are used for activities that are financed and operated in a manner similar to a private business enterprise. One aspect of an enterprise fund is that costs of goods and services associated with that fund are recovered through user charges. An ongoing subsidy is counter to this aspect of enterprise funds.
- The General Fund can provide support to an enterprise fund. In a review of information on the MRSC site, Washington jurisdictions typically include a statement in their policies that utilities will be self-supporting. If the City wishes to take a different approach, we recommend establishing a policy guideline to indicate the desired level of, and reason for, subsidy.
- Providing a General Fund transfer to the SSWM utility will support more programs or services in SSWM, or allow for a rate reduction. At the same time, that action reduces the amount available to support general government activities.
- Operating transfers out of the General Fund was one area of concern cited by Moody's in the recent rating report. Ongoing operating transfers out from the General Fund to the SSWM Fund could be a negative influence on the City's credit rating.

It is staff's recommendation that Council retain the existing financial policies.

Schedule/Next Activities:

If needed, Council will amend the budget policies by resolution.

RESOLUTION NO. 2014-17

A RESOLUTION of the City of Bainbridge Island, Washington, establishing a consolidated set of updated financial and budget policies, supplementing, superseding, amending and/or re-affirming certain policies adopted by the City during or prior to 2014.

WHEREAS, the City Council (the "Council") is responsible for setting financial policy for the City of Bainbridge Island (the "City"); and

WHEREAS, the City Administration ("Administration") requests that, as part of the 2015-16 biennial budget process, Council update, rescind, amend and/or re-affirm several financial and budgetary policies that were initially adopted by the City during or prior to 2014; and

WHEREAS, the Council and Administration wish to establish an ongoing consolidated set of Financial and Budget Policies (the "Budget Policies") to be administered by the Administration and to guide Council action on an ongoing basis.

THE CITY COUNCIL OF THE CITY OF BAINBRIDGE ISLAND DOES RESOLVE AS FOLLOWS:

SECTION 1. BUDGET POLICIES

1.1 Adoption

There is hereby established a consolidated set of Budget Policies, in accordance with this Resolution. Such Budget Policies shall be documented in a consolidated manner for ease of reference by City Council, Administration and the public. Once adopted, the Budget Policies replace and supersede all budget, finance and debt policies previously adopted by the Council.

1.2 Review and Amendment

The Council shall, with the support of the Administration, review the Budget Policies as part of the biennial budget process, and shall recommend any necessary or appropriate amendments to the Council, for approval by simple majority. Promptly after Council approval of any amendment of the Budget Policies, the Administration shall publish restated pages of the Budget Policies incorporating any such amendments.

SECTION 2. APPLICABLE LAW, CITY CODE AND COMPREHENSIVE PLAN

2.1 RCW Chapter 35A.33

Chapter 35A.33 of the Revised Code of Washington ("RCW"), pertaining to budgets for Code Cities, is hereby incorporated by reference, as it may be amended from time to time.

2.2. City Budget Process

(a) City Budget Process. Pursuant to Chapter 35A.34 RCW, the Council established, beginning January 1, 2009, a two-year biennium budget for the City. The 2009-2010 biennial budget and all subsequent budgets shall be prepared, considered, and adopted under the provisions of the Bainbridge Island Municipal Code (BIMC) Chapter 2.82 and Chapter 35A.34 RCW.

(b) Budget Calendars. As part of the city budget process, the Council, with the advice and assistance of the City Manager, shall review an annual calendar or schedule for the process of preparing and adopting any Capital Facilities Plan update, and the two-year budget, or mid-biennium modifications (whichever is applicable under the biennial cycle).

2.3. Applicable Provisions of BIMC Incorporated by Reference

These Budget Policies incorporate by reference the provisions of the City's Municipal Code (BIMC) that are applicable to the budgetary and financial policies and practices of the City.

2.4. Comprehensive Plan – Capital Facilities Goals and Policies

The Capital Facilities Goals and Policies that are stated in the City's Comprehensive Plan, as amended from time to time are hereby included in full in the Budget Policies.

SECTION 3: MONITORING, ANALYZING AND PROJECTING

3.1 Monthly, Quarterly and Mid-Year Budget Reports

On a monthly basis, the Administration shall make available a report of the year-to-date revenues and expenditures through month-end of the reported month, against budget, and shall report any material trends and unexpected developments. On a quarterly basis, the reports shall be more detailed and shall include a report on the City's larger capital projects. The mid-year report through June 30 shall provide comprehensive details and summaries.

3.2 Financial Capacity Analysis

(a) In General. Based on the schedule stated in the annual budget calendar reviewed by Council, the Administration shall deliver to Council a ten-year Financial Capacity Analysis, depicting (i) detailed revenue and expenditure forecasts for the current year and also including (ii) the three prior years, and (iii) projections for the ensuing six future years. The purposes of the Financial Capacity Analysis shall be (i) to enable Council to utilize this data to analyze and evaluate the long-term fiscal impacts of up to date cash forecasts and current budget choices, decisions and policy options, and (ii) to meet the requirements of Growth Management Act for a Financial Capacity Analysis to accompany the Capital Facilities Plan.

(b) Conservative Forecasts. For each Financial Capacity Analysis, the Administration shall prepare each such analysis as follows: (i) underlying economic and financial assumptions shall be reasonable and shall take into account an appropriately chosen set of inflation factors and an appropriate set of economic projections from recognized governmental or professional bodies, and (ii) all projections of revenues for future years, and all adjusted estimates for the current year, will be conservatively forecasted. The Administration's chosen assumptions for revenues, expenditure inflation factors and economic measures shall be disclosed to the Council. The City's revenue estimates will be realistically forecasted and will employ revenue policies which rely on recent revenue performance, in combination with current data.

SECTION 4. RESERVES

4.1 Emergency Reserve

Resolution No. 2010-35, establishing an Emergency Reserve within the City's General Fund, and providing for the budgetary target amount for such a reserve, is hereby included in the Budget Policies. Effective January 1, 2011, it is the Council's policy that the Emergency Reserve shall be treated as a Restricted Reserve, which shall ideally be funded as and when resources, such as from the sale of surplus property, become available.

4.2 Contingency Reserve

Section 2 of Resolution No. 2008-01, establishing a Contingency Reserve within the City's General Fund is hereby included in the Budget Policies. Resolution No. 2010-35 set a year-end policy target of $800,000 for this reserve.

4.3 Reserves – Generally

(a) Restricted Reserves. Each restricted reserve shall be accounted for on the City's books, and may not be obligated or expended by the Administration in the absence of a vote of Council. The City's General Fund restricted reserves (as of 2014) are:

- General Fund: Emergency Reserve
- General Fund: Contingency Reserve

(b) Designated Reserves. Each designated reserve shall be a budgetary allocation that is accounted for on the City's books, and may be expended by the Administration solely for the designated purpose for which the reserve is established. The City's General Fund Designated Reserves (as of 2014) are:

- General Fund: Police Investigations Reserve
- General Fund: Police Marine Reserve
- General Fund: Public Arts
- General Fund: PEG Capital
- General Fund: Capital Improvement Opportunity Reserve

4.4 General Fund Minimum Fund Balance Policy

Resolution No. 2010-35, establishing a General Fund Stability Reserve within the City's General Fund, and providing for the budgetary target amount for such a reserve, is hereby included in the Budget Policies. This reserve shall serve as the General Fund minimum fund balance amount. The General Fund minimum fund balance shall mean the dollar amount of unencumbered fund balance, excluding:

a) Amounts held in restricted reserves, and
b) Amounts held in designated reserves.

The target for end-of-year General Fund Minimum Fund Balance for each year from 2012 onward, shall be $3,000,000.

SECTION 5. REVENUES AND EXPENSES

5.1 Funds and Subfunds

For purposes of GASB reporting, the City's funds shall be those enumerated from 001 to 901, as shown on the City's general ledger. However, for purposes of the Administration's financial management and cash management reporting to Council, the Administration will report revenues, expenditures, and balances, under the following fund categories:

- Tax-Supported Funds: The funds of which shall be the following:
  - General Fund
  - Street Fund
  - REET Fund
  - Affordable Housing Fund
  - Civic Improvement Fund (LTAC)
  - FAR-Public Amenities
  - FAR-Farmland/Agriculture
  - General Obligation Bond Fund
  - Capital Construction Fund
  - LID Capital Construction Fund
  - Building and Development Services Fund

- Enterprise Funds: The funds of which shall be the following:
  - Water Utility Fund
  - Sewer Utility Fund
  - SSWM Utility Fund

- Other Funds: The funds of which shall be the following:
  - Equipment Reserve and Replacement Fund
  - Transportation Benefit District

5.2 In General

Resolution Nos. 2006-35, 2006-41, 2009-34 are hereby rescinded and are replaced by this Section 5. Statements in this subsection 5.2 apply to both the tax-supported and utility funds of the City:

(a) The City shall use major one-time revenue to fund capital improvements, debt reductions, or reserves. The use of one-time revenues to fund operating expenditures is discouraged.

(b) The City shall maintain a structure for all fees and charges where the beneficiary of the service pays the cost of that service except to the extent that the Council has determined that provision of the specific service in question provides a general public benefit. The Council shall review, at least biennially, the Administration's recommended policy for the allocation of City costs to various funds.

(c) The City is authorized to allocate up to three percent (3%) of unrestricted revenues of the tax-supported and respective utility funds for replacement of capital equipment as deemed appropriate by the Administration.

(d) As a general rule, when an expenditure is incurred for which both restricted and unrestricted fund balance is available, the City will consider the more restricted amounts to have been spent first.

5.3 **For Utility Funds**

(a) In 2010 and thereafter the City shall maintain separate reserves for each utility fund, as follows:

(i) Capital Contingency Reserve. This designated reserve shall have a targeted level (by December 2011 and thereafter) of at least one percent (1%) of the utility system's fixed assets (at book value). The primary purpose of the reserve is to provide a ready source of cash in case of an emergency, should a major piece of equipment or a portion of the utility's infrastructure fail unexpectedly. This reserve holds debt proceeds, system participation fee revenues, system reinvestment funding from rates, and any transfers of surplus cash reserves from the operating account.

(ii) Operating Reserve. This designated reserve shall have a targeted level as of each year-end of at least forty-five (45) days' operating expenses in the cases of the sewer and stormwater funds, and at least sixty (60) days in the case of the water fund. The primary purpose of the Reserve is to provide cash for operations in case of seasonal variations in revenue or expenses, or to support operations in a year in which revenues are abnormally low. Because water usage for irrigation, and therefore water revenues, are particularly sensitive to a year's weather patterns, the reserve requirements for the water fund are set higher than for the other two utilities.

(iii) Restricted Debt Reserve. To the extent that the City issues a form of debt (e.g. Revenue Bonds) that requires the municipality to maintain a restricted cash reserve during the term of the debt repayment period, the utility shall maintain a restricted reserve for such purpose. This reserve is to safeguard the purchasers of the utility's debt, and may be used to fund the final installment or last year's debt service.

(b) The City will maintain water, sewer and stormwater utility rates adequate to ensure that each of the three utility funds is fully self-supporting.

5.4 **For Tax-Supported Funds**

(a) Departmental revenues of the tax-supported funds shall be considered unrestricted revenue of the City – subject to any applicable legal restriction, and subject to any applicable provision of the Budget Policies, that may apply to a particular revenue source.

(b) Revenues from the Commercial Parking Tax shall be treated as revenues of the Streets Fund.

(c) REET revenues shall be first applied to current capital debt service and then, to the extent available, to current capital projects.

(d) On a periodic basis, Building and Development Services (B&DS) revenues shall be reviewed, with a goal of revenues contributing approximately seventy-five percent (75%) of expenditures on a planning basis for the B&DS Fund.

(e) Organizations that are not part of the City, but which receive funding from the City for contractual services, shall not have their appropriation carried forward from year to year unless expressly authorized under the terms of a contract approved by Council. Contractual documents may include inter-local agreements, memorandums of agreement, contracts or other forms of agreement. Except as expressly stated contractually to the contrary, annual review and reauthorization by the Council of any such funding shall be required.

SECTION 6. EXPENSES PERTAINING TO PERSONNEL

6.1 **City Staffing Levels**

(a) Monitoring. The Administration shall include a report of the number of FTEs, by Department, in the mid-year financial report

(c) City Manager's Discretion to Approve Part-time Service. Nothing in the assumptions that underlie the Administration's estimates of full-time equivalent employees for a budget year shall eliminate the City Manager's discretion to encourage and/or agree to one or more employees performing on a part-time basis (e.g. 80% or other percentage) rather than a full-time basis during part or all of a budget year.

6.2 **Compensation and Benefits**

(a) Comparison of Compensation and Benefits. On a periodic basis, the City Administration shall compare the cash compensation, and the value of benefits, for City employee positions to the compensation and benefit levels to a set of comparable employers, to provide data for potential compensation and benefit policies which may be adopted by the Council from time to time.

(b) Training and Staff Development Expenses. The City is authorized to allocate up to 0.5% of unrestricted revenues of the tax-supported and respective utility funds to professional training and development for staff as deemed appropriate by the Administration.

SECTION 7. DEBT

7.1 **Debt Policy**

The City's Debt Policy, as it may be amended from time to time, is hereby included in the Budget Policies.

SECTION 8. STRATEGIC PRIORITIES

The budget shall be built on an understanding of community priorities and organizational goals, and a commitment by the Council and Administration to an ongoing process of identifying and implementing strategic priorities of government.

SECTION 9. INVESTMENT

The provisions of Chapter 3.12 BIMC (Investments) are incorporated by reference.

SECTION 10. BANKING AND MONEY MANAGEMENT

10.1 **Safety**

The City shall engage in relationships, and conduct its business, with one or more banks, repositories of public pooled funds, and financial institutions in a manner that avoids concentrating City balances in a way that may expose the City to material losses in the event of an adverse development affecting any bank or financial institution in which City assets are held.

10.2 **Money Management**

The City Administration shall seek to form relationships with banking and financial institutions that offer the City efficient and effective tools and technologies to manage and track transactions and balances.

PASSED by the City Council this 14th day of July, 2014.

APPROVED by the Mayor this 14th day of July, 2014.

Anne S. Blair

Anne S. Blair, Mayor

ATTEST/AUTHENTICATE:

Rosalind D. Lassoff

Rosalind D. Lassoff, City Clerk

FILED WITH THE CITY CLERK:	July 1, 2014
PASSED BY THE CITY COUNCIL:	July 14, 2014
RESOLUTION NO.:	2014-17

CITY OF BAINBRIDGE ISLAND
CITY COUNCIL AGENDA BILL

PROCESS INFORMATION	
Subject: Mid-Year Financial Report	Date: August 4, 2014
Agenda Item: Staff Intensive	Bill No.: 14-078
Proposed By: Ellen Schroer, Finance Director	Referral(s):

BUDGET INFORMATION		
Department:	Fund:	Munis Contract #
Expenditure Req:	Budgeted? ☐ Yes ☐ No	Budget Amend. Req? ☐ Yes ☐ No

REFERRALS/REVIEW		
Study Session:	Recommendation:	
City Manager ☒ Yes ☐ No ☐ N/A	Legal ☐ Yes ☐ No ☒ N/A	Finance ☒ Yes ☐ No ☐ N/A

DESCRIPTION/SUMMARY

Action Item:
Information only.

History:
Mid-year, staff provides Council with an update on the City's financial performance. This information is presented in conjunction with a set of budget adjustments.

This report will also be posted to the Finance Department portion of the City website for public review.

RECOMMENDED ACTION
Information only.

CITY OF BAINBRIDGE ISLAND

2014 MID-YEAR FINANCIAL REPORT

Presented to the City Council and Community

August 4, 2014

Prepared by:
Finance and Administrative Services Department

2014 Mid-year Financial Report

The Finance and Administrative Services Department of the City of Bainbridge Island prepares a mid-year financial report at the close of the second quarter each year. This report provides information about current financial performance, along with estimates for the second half of the year. City staff is using the results reported in this mid-year 2014 assessment to support Council's ongoing review of 2014 performance. This report also includes a preliminary forecast for 2015 – 2016.

OVERVIEW

This report describes City financial performance as of June 30, 2014, which is the mid-point of the budget year. Overall, total revenue performance for tax-supported activities is slightly higher than estimated, while expenditures across the City are close to budget. There is some variation from budget for particular revenue and expenditure items, which is discussed in detail below.

The City's cash position for its primary operating funds has improved overall, building on strong performance over the past two years:

- the City's tax-supported funds show a total cash balance across all tax-supported funds of $14.9 million on June 30, 2014, an increase of 18% over the balance of $12.6 million on June 30, 2013;
- the Water Fund shows a cash balance of $6.2 million on June 30, 2014, an increase of 6% over the balance of $5.9 million on June 30, 2013;
- the Sewer Fund shows a cash balance of $3.8 million on June 30, 2014, an increase of 31% over the balance of $2.9 million on June 30, 2013, and
- the SSWM Fund shows a cash balance of $1.3 million, a decrease of $26,000 as compared to mid-year 2013.

The City's cash balances meet or exceed its policy reserves for all funds.

The City continues to provide many of the same programs and services each year, which has led to a solid understanding of revenue levels and trends, as well as the timing and level of expenditures. Financial results from 2013 combined with consistent first and second quarter performance indicate year-end results at or ahead of budgeted levels.

This report presents 2014 information and analysis first for the City's tax-supported funds, followed by information about the three utility funds in a separate section. The final section of the report is a preliminary forecast for 2015 – 2016.

TAX-SUPPORTED FUNDS

A. 2014 Mid-year Actual Results

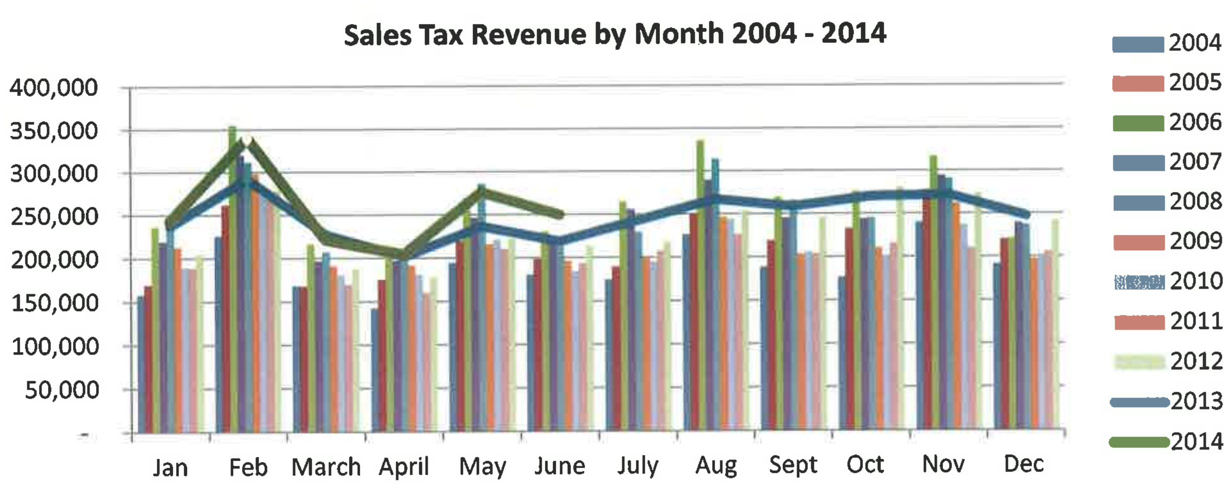
At mid-year, 2014 Tax-Supported funds' revenues are slightly less than the same period in 2013 due to a decrease in Real Estate Excise Tax (REET) revenues. Expenditures are up in 2014 as compared to 2013, reflecting fewer vacant positions and completion of first quarter initiatives such as High Performance Organization (HPO) training.

For the four largest tax-supported operating funds (the General Fund, Streets Fund, Building and Development Services Fund, and Real Estate Excise Tax (REET) Fund), revenues through June 30 2014 total $10.5 million, or 55% of budget for those funds. Revenue for all tax-supported funds is $11.2 million.

Highlights related to positive revenue performance include:

- Property Tax revenues are on pace for this time of the year at $3.7 million, or 54% of the total budget.
- Building and Development Services Fees overall are comparable to collections this time last year. As of June 30, total B&DS revenues are $640,000, or 73% of total budget. This compares to $649,000, or 81% of budget, through June 2013. In 2014, Building Permits/Inspections and Plan Checking Fees show a strong increase over 2013, while Zoning and Subdivision Fees show a decrease. Building Permit/Inspections and Plan Checking Fee revenues are received for related activities, with the increase in both revenue sources demonstrating a higher than budgeted level of activity.
- State revenue sharing of the Liquor Excise and Profits tax revenue has resumed, with 2014 revenue through June from this source at $126,000.
- Sales Tax revenues continue to show slow improvement, with 2014 mid-year revenues at $1.7 million, or 58% of budget, compared to $1.6 million, or 57% of budget in 2013. After three years of strong increases in the construction sector, this sales tax has leveled off, with improvement showing in the retail trade and information sectors.

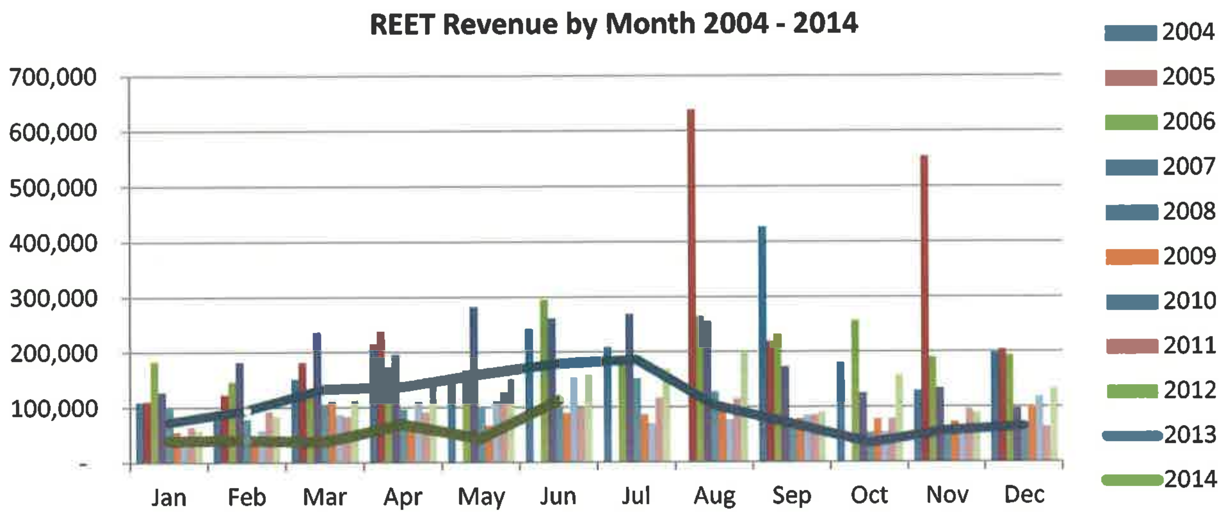
  Sales Tax revenues are budgeted to generate $2.6 million in revenue in 2014. Over the past 10 years, the City has received less than $2.5 million in sales tax revenue in 2004 and 2011, and more than $3.0 million in 2006 and 2008. The chart below shows data for the past 10 years, with 2004 – 2012 shown in columns and 2013 and 2014 shown as lines.



Revenue sources performing below expectations include:

- Zoning and Subdivision Fees, at $44,000, is less than half of the amount received from this source through the same time period in 2013, and 36% of the budget for 2014. This revenue sources is difficult to predict, as it reflects a relatively small number of large transactions.
- Real Estate Excise Tax (REET) revenues are $342,000, or 27% of total budget. The current year revenue is less than half of the $780,000 received from this revenue source through June 2013. The monthly REET revenues showed some improvement in June, with monthly revenues approaching the levels seen in previous years.

  REET revenues, as shown by the chart below, vary month to month, but show a generally consistent pattern year over year. As in the previous chart, information for 2004 – 2012 is shown in bars, while 2013 and 2014 data is shown as a line. In the first half of 2014, the revenue has been significantly less than previous years, but in June neared the levels seen in previously. The City continues to monitor this volatile revenue source closely and is in contact with Kitsap County to obtain additional information to allow us to understand the factors behind the reduction in this revenue.



Note that in 2004 (blue bars bars), September represents two months of revenue and in 2005 (brick red bars), August represents four months of revenue and November represents two months of revenue. After 2006, all revenue is reported monthly.

Operating expenditures through June 30 for the largest tax-supported funds, General Fund, Streets Fund, and the Building and Development Services Fund, are $7.1 million, or 43% of budget. This is generally on pace with typical annual spending patterns. Total expenditures for all tax-supported funds are $8.4 million through the end of June.

Highlights related to 2014 expenditure performance through June 30 include:

- Personnel expenditures for tax-supported funds are $4.7 million, or 44% of budget. The City experienced several staffing changes in the first half of 2014, completing 16 hiring processes through the end of June, including filling three new positions.

- The Other Services and Charges budget line includes repair and maintenance and the annual roads maintenance program. The first half of the year shows only a third of this line item spent, due to seasonal timing of these projects; we expect all planned projects to go forward.
- General Fund operating transfers to other funds are at $633,000, or 11% of budget, due to strong performance in the Building and Development Services Fund, and the timing of capital projects. Expenditures in the second half of the year will increase due to timing of items such as debt service payments and capital spending.

B. Cash Balances at June 30, 2014

This report also provides an opportunity to review the City's cash position, as reflected in the cash flow analysis attached.

The City's 2014 mid-year cash position shows a significant increase as compared to mid-year 2013, primarily due to strong 2013 revenue performance, particularly in the second half of the year, and less than budgeted 2013 spending on items including personnel and professional services. As a result of 2013 performance, the actual 2013 ending fund balance in the General Fund was $1.9 million higher than originally estimated.

Table One, below, provides mid-year information about cash balances for 2013 and 2014.

Table One: Cash Balances of Tax-Supported Funds at Mid-Year

	June 30, 2014	June 30, 2013	Comment
General Fund	13,132,000	11,630,000	June cash balances are among the highest of the year due to timing of expenditures, especially debt service and capital projects.
Streets Fund	479,000	240	Cash balances within the year are managed to minimize the need for operating transfers.
Building and Development Services	76,000	190,000	Cash balances within the year are managed to minimize the need for operating transfers.
REET	204,000	262,000	Cash balances within the year are managed to minimize the need for operating transfers.
Capital Construction	632,000	646,000	Cash balance reflects ongoing capital projects and varies with timing of expenditure and grant receipts.

C. Forecast for Year-End 2014

The revenue forecast for the remainder of 2014 indicates that tax-supported revenue overall will continue to come in close to budget. Expenditures overall are on track, with some key differences, as discussed in the previous section.

Key items that differ from the budgeted plan that are included in the forecast for the remainder of 2014 include:

- Waterfront Park/City Dock project: This project is supported by dedicated funding, which will be carried forward into 2015. While the 2014 year-end fund balances will be higher by $1.6 million than originally forecast, the total project spending is not forecast to change, and the ending 2015 fund balances will not be affected by this change to project timing.

Looking ahead to the end of the year, 2014 year-end cash balances are expected to be higher than the originally budgeted levels. The cash balances shown in the table below will be reduced through year-end close processes.

Table Two: Estimated Cash Balances of Tax-Supported Funds at Year-end 2014

	Estimated Dec. 31, 2014	Comment
General Fund	10,572,000	Assumes continued progress on established work plan and approved budget adjustments. Includes reserves as detailed in Table Three. Not reduced for estimated year-end accruals, estimated at approximately $600,000.
Streets Fund	183,000	Not reduced for estimated year-end accruals, estimated at approximately $150,000.
Building and Development Services	154,000	Not reduced for estimated year-end accruals, estimated at approximately $80,000.
REET	40,000	
Capital Construction	647,000	Assumes completion of Fort Ward Hill Reconstruction project, as well as receipt of revenue from reimbursable grants. Not reduced for estimated year-end accruals, estimated at approximately $65,000.

D. Policy Reserve Forecasts for Year-end 2014

City staff is using the results reported in this mid-year 2014 assessment as part of on-going monitoring and as the foundation for the development of the 2015 -2016 biennial budget.

Key assumptions in the 2014 year-end forecast shown below include:

- 2014 Budget held as approved in December 2012, and modified in December 2013 and through Council action in 2014;
- A review of revenues for tax-supported Funds leads to no significant mid-year change to total revenue estimates for 2014. Increased performance for items such as Sales Tax and Building and Development Services performance are offset by reductions in revenue performance for items such as REET.
- Certain expenditure assumptions are included in the forecast below.
    - Capital is included as detailed in the Capital Improvement Plan approved in December 2013. At this time, no projects other than the Waterfront Park/City Dock have been

delayed into 2015, and all projects are expected to be either within budget as originally approved or subsequently amended by Council.

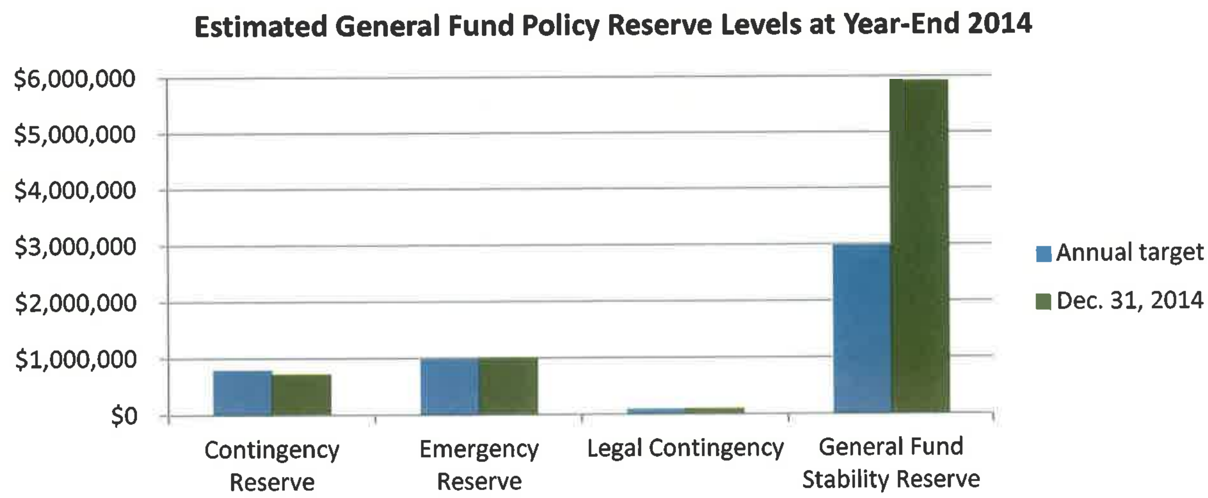
  - General Fund support for SSWM is not included in the expenditure forecasts, pending further Council consideration of relevant financial policies.

- Structural policy goals are fully funded.

Table Three: City General Fund Policy Reserve Balances

	Dec. 31, 2014	Annual target	Notes
Contingency Reserve	$722,000	$800,000	Funded on a monthly basis. 2014 amount assumes that reserve may be appropriated and spent only after Council authorization.
Emergency Reserve	$1,000,000	$1,000,000	
Legal Contingency	$100,000	$100,000	General Fund legal contingency
General Fund Stability Reserve	$5,923,000	$3,000,000	Reserve amount is net of estimated accruals and other specially-tracked General Fund monies.
Washington State Ferry Funds	$1,740,000	N/A	Assumes $235,000 spending of settlement funds in 2014; the balance is expected to be spent in 2015 and 2016.

The forecast for year-end 2014, net of reserves, shows approximately $2.9 million beyond the policy reserve levels. This compares to $3.7 million more than the policy reserve levels at the beginning of 2014. At mid-year, $78,000 of spending has been approved from the Contingency Reserve.



UTILITY FUNDS

Financial performance for the three utilities is governed by decisions made specific to each utility.

A. 2014 Mid-year Actual Results

Water Fund

In the fall of 2013, a rate reduction took effect for water consumption rates. As a result, at mid-year, revenue from water sales at $436,000, or 45% of budget, is less than the $620,000 received in the first half of 2013. Other revenue sources include system participation fees and connection fees. Operating expenditures are $416,000, or 47% of budget.

Sewer Fund

Sewer Fund operating revenues through June 30 are $1.7 million, or 50% of budget, $40,000 less than was received for the same period in 2013. Other revenue sources include payments of Local Improvement District (LID) assessments and system participation fees. Operating expenditures were $1.0 million, or 53% of budget. The Sewer Fund also pays significant debt service and made scheduled payments of $880,000 in principal and interest payments in the first half of 2014.

Storm and Surface Water Management (SSWM) Fund

SSWM Fund operating revenues through June 30 were $1.1 million, or 52% of budget, compared to $1.1 million or 45% of budget in 2013. Other revenue sources include grant revenues. Operating expenditures were $880,000, or 57% of budget.

B. Cash balances

This report also provides an opportunity to review the City's cash position, as reflected in the cash flow analysis attached.

Table Four: Cash Balances of City Utility Funds at June 30

	June 30, 2014	June 30, 2013
Water Fund	6,183,000	5,855,000
Sewer Fund	3,831,000	2,923,000
SSWM Fund	1,268,000	1,294,000

C. Forecast for Year-end 2014

Water Fund

Year-end forecasts for the Water Fund assume reduced revenue as compared to 2013, the result of the lower rates in 2014. Expenditures are assumed to continue at a pace similar to the first half of the year, including the completion of the water system plan. The estimated cash balance at the end of the year is $5.9 million, a decrease of approximately $190,000 from the beginning of 2014.

Sewer Fund

Year-end forecasts for the Sewer Fund do not show any significant changes from the first half of the year. Work on the Sewer Comprehensive Plan will continue and is expected to be completed in the second half of 2014. The utility's largest current capital project, the Eagle Harbor Beach Mains project, has been awarded to a construction firm and permits received, so capital spending levels will increase through the remainder of 2014. The estimated cash balance at the end of the year is $3.7 million, a decrease of approximately $140,000 from the beginning of 2014.

Storm and Surface Water Management (SSWM) Fund

Year-end forecasts for the SSWM Fund anticipate that revenues will continue at levels similar to the first half of the year, with the addition of approximately $293,000 in grant revenue. Operating expenditures will continue at levels similar to the first half of the year, while capital expenditures will increase. The estimated cash balance at the end of the year is $1.0 million, a decrease of approximately $350,000 from the beginning of 2014.

Table Five: Estimated Cash Balances of Utility Funds at Year-end 2014

	Estimated Dec. 31, 2014	Comment
Water Fund	5,941,000	Not reduced for estimated year-end accruals.
Sewer Fund	3,704,000	Assumes completion of the Eagle Harbor Beach Mains project, and receipt of associated Public Works Trust Fund loan funding. Not reduced for estimated year-end accruals.
SSWM Fund	1,009,000	Not reduced for estimated year-end accruals.

FORECAST FOR 2015 - 2016

City staff is using the results reported in this mid-year 2014 assessment to support the Council's ongoing review of 2014 financial performance and the development of the 2015 – 2016 biennial budget. Revenue information is presented below for each of the City's operating funds.

The City continues to confront structural challenges that must be addressed to achieve financial sustainability. Near-term revenue performance from existing revenue streams is forecast to be relatively flat. However, cost drivers such as retirement and health care increase City expenditure levels at a pace greater than general inflation. This is a situation faced by most municipal employers, and one that the City must factor into budget development. The City also faces deferred maintenance costs, which it has begun to address through planned and consistent contributions to annual maintenance efforts. In addition, the City has developed a significant capital program, which is funded through a combination of external grants and internal City revenues.

Tax-Supported Funds

General Fund

The General Fund revenue forecasts show stable but limited growth revenue for major revenue sources, including property and sales tax. The budget forecasts assume the statutory limit of 1% growth in property tax.

Street Fund
The Street Fund revenue forecasts show stable performance of the Street Fund's primary outside revenue sources, commercial parking tax and the motor vehicle fuel tax.

Building and Development Services Fund
The Building and Development Services Fund revenue forecasts show a limited amount of revenue growth for permit and inspection fees.

Utility Funds

Water Fund
Forecasts for the upcoming biennium assume no major changes to the operation of the water utility. The budget forecasts assume no changes to rates, resulting in a stable revenue outlook for the upcoming biennium.

Operating costs are expected to be stable, as noted above. The Water System Plan is scheduled to be completed in 2014 and will provide detail on upcoming capital projects. For 2015, staff will prepare the budget in alignment with the Capital Improvement Plan that has been provided to Council, the Planning Commission and the community.

Sewer Fund
Forecasts for the upcoming biennium assume no major changes to the operation of the sewer utility. The budget forecasts assume no changes to rates at this time, resulting in a stable revenue outlook for the upcoming biennium.

Operating costs are expected to be stable. The Sewer System Plan is scheduled to be completed in 2014 and will provide detail on upcoming capital projects. For 2015, staff will prepare the budget in alignment with the Capital Improvement Plan that has been provided to Council, the Planning Commission and the community.

Storm and Surface Water Management (SSWM) Fund
Forecasts for the upcoming biennium assume changes to the operation of the SSWM utility in alignment with updated requirements of the NPDES permit. The budget forecasts assume no changes to rates at this time, resulting in a stable revenue outlook for the upcoming biennium.

Operating costs are expected to be stable. In 2014, staff undertook a comprehensive review of capital needs for the SSWM utility, and have provided information about a number of projects and projects areas, such as deep culvert repair, that are not currently in the capital budget, and for which there is not sufficient funding with the current rate structure. For 2015, staff will prepare the budget in alignment with the Capital Improvement Plan that has been provided to Council, the Planning Commission and the community, and assuming no changes to the current rate structure.

ATTACHED SCHEDULES

The attached schedules give comparative financial figures for the first 6 months of the year and include estimates for expected year-end results.

Schedule A: 2014 Budget to Actuals

Schedule B: Revenues by Fund through June

Schedule C: Expenditures by Fund through June

Schedule D: Cash Flow spreadsheets

Note – The Cash Flow spreadsheets do not match Schedules A through C due to the difference in the accounting basis (modified accrual as compared to cash). These spreadsheets are provided to show the City's forecast through the end of 2014.

2014 Mid-Year Report Schedule A

CITY OF BAINBRIDGE ISLAND
2014 BUDGET TO ACTUAL - CITYWIDE
THROUGH JUNE

	2014 REVISED	2014 ACTUAL	2014 TAX SUPPORTED ACTUAL	2014 UTILITY SUPPORTED ACTUAL
REVENUES				
Taxes	15,992,844	8,617,690	8,617,690	-
Fees & Service Charges	1,986,288	1,280,626	1,279,281	1,345
Intergovernment Revenue	4,088,199	930,147	930,147	-
Fines & Forfeits	138,190	57,127	57,127	-
Charges for Utility Services	6,553,854	3,211,850	1,812	3,210,038
Miscellaneous	308,500	175,383	57,282	118,101
Assessments	324,761	228,902	48,269	180,633
Investment Revenue	77,612	79,887	26,221	53,666
TOTAL REVENUES	29,470,248	14,581,612	11,017,829	3,563,783
OTHER SOURCES				
Gain on Sale of Fixed Assets	5,000	148,611	140,815	7,796
Loans/Sale of Bonds	3,985,000	-	-	-
From Other Funds and Sub-Funds	28,455,172	770,833	768,333	2,500
TOTAL RESOURCES	61,915,420	15,501,056	11,926,978	3,574,079
EXPENDITURES				
OPERATING EXPENDITURES				
Salaries	9,382,689	4,310,861	3,412,881	897,980
Benefits	3,870,295	1,614,679	1,270,447	344,232
Supplies	667,526	295,795	197,644	98,152
Professional Services	2,440,893	1,078,501	845,455	233,046
Other Services & Charges	4,182,824	1,508,968	1,110,361	398,607
Intergovernmental Services	1,408,024	681,954	320,199	361,755
Operating Spending Hold	60,000	-	-	-
TOTAL OPERATING EXPENDITURES	22,012,251	9,490,758	7,156,987	2,333,771
NON-OPERATING EXPENDITURES				
Capital Equipment	702,769	4,019	4,019	-
Capital Projects	12,264,987	900,577	661,889	238,689
Debt Service	4,570,589	1,492,708	558,632	934,076
TOTAL EXPENDITURES	39,550,595	11,888,062	8,381,527	3,506,535
OTHER USES				
To Other Funds and Sub-Funds	7,439,877	770,833	770,833	-
TOTAL USES	46,990,472	12,658,895	9,152,360	3,506,535

2014 Mid-Year Report Schedule B

CITY OF BAINBRIDGE ISLAND

REVENUES BY FUND
FY 2014 THROUGH JUNE

FUND/ACCOUNT	2014 REVISED BUDGET	2014 YTD COLLECTED	2014 MTD COLLECTED	2014 REMAINING TO COLLECT	2014 % COLL	2013 YTD COLLECTED	2013 % COLL
GENERAL FUND							
GENERAL FUND							
Property Taxes	6,825,987	3,670,590	47,803	3,155,397	53.8 %	3,603,819	53.6 %
Sales and Use Tax	2,630,218	1,535,224	249,958	1,094,994	58.4 %	1,417,160	56.6 %
Sales Tax - Criminal Justice	260,000	143,400	23,455	116,600	55.2 %	133,123	51.2 %
B&O Tax and Penalties	415,000	440,451	5,604	(25,451)	106.1 %	432,043	116.8 %
Utility Tax on Private Utilities	2,880,322	1,533,188	159,129	1,347,134	53.2 %	1,481,782	51.4 %
Utility Tax on City Utilities	413,780	214,295	27,895	199,485	51.8 %	238,090	53.3 %
Leasehold & Other Taxes	8,160	5,116	503	3,044	62.7 %	6,157	75.5 %
TAXES	**13,433,467**	**7,542,264**	**514,346**	**5,891,203**	56.1%	7,312,173	55.4%
Business License & Penalties	175,000	175,749	4,339	(749)	100.4 %	175,243	96.8 %
Franchise Fees on Cable TV	272,388	173,526	-	98,862	63.7 %	162,536	59.7 %
Franchise Fees on Cable TV - PEG Capital	67,157	32,022	-	35,135	47.7 %	31,539	47.0 %
Animal Licenses	1,952	614	56	1,338	31.5 %	518	26.5 %
Other Licenses & Permits	2,040	1,291	194	749	63.3 %	1,934	94.8 %
Adult Probation Fees	80,627	27,695	4,520	52,932	34.3 %	28,534	31.5 %
Passport Charges	-	-	-	-	- %	-	- %
Court Fees & Law Enforcement Charges	7,000	2,434	486	4,566	34.8 %	2,666	6.7 %
All Other Charges	40,000	18,874	2,852	21,126	47.2 %	26,007	86.7 %
Interfund Rent	435,678	183,491	30,582	252,187	42.1 %	196,527	45.1 %
FEES & SERVICE CHARGES	**1,081,842**	**615,696**	**43,028**	**466,146**	56.9%	625,504	55.8%
Criminal Justice	29,192	15,855	170	13,338	54.3 %	14,649	50.2 %
Liquor Excise	-	22,476	-	(22,476)	- %	-	- %
Liquor Profits	170,000	103,116	51,557	66,885	60.7 %	103,774	61.0 %
Intergovernmental Service Revenue	5,100	1	-	5,099	- %	3	- %
Vessel Registration Fees	-	-	-	-	- %	-	- %
Law Enforcement Grants	15,815	-	-	15,815	- %	11,723	74.1 %
Planning and Other Operating Grants	87,500	-	-	87,500	- %	-	- %
Motor Vehicle Fuel Tax	18,870	14,313	-	4,557	75.9 %	13,164	69.8 %
Other Intergovernmental Revenue	-	-	-	-	- %	8,000	200.0 %
INTERGOVERNMENT REVENUE	**326,478**	**155,760**	**51,727**	**170,718**	47.7%	151,312	39.6%

CITY OF BAINBRIDGE ISLAND

REVENUES BY FUND
FY 2014 THROUGH JUNE

FUND/ACCOUNT	2014 REVISED BUDGET	2014 YTD COLLECTED	2014 MTD COLLECTED	2014 REMAINING TO COLLECT	2014 % COLL	2013 YTD COLLECTED	2013 % COLL
Traffic Fines	65,000	19,473	2,304	45,527	30.0 %	18,436	23.0 %
Drug Related Confiscations	-	-	-	-	- %	-	- %
Parking Fines	61,500	31,209	5,369	30,291	50.7 %	30,404	30.0 %
D.U.I. Penalties	2,040	685	135	1,355	33.6 %	840	41.2 %
Other Traffic Misdemeanors	2,040	714	177	1,326	35.0 %	953	46.7 %
Non-Traffic Misdemeanors	510	1,084	-	(574)	212.6 %	1,773	347.6 %
Court Recoupments	5,100	1,662	672	3,438	32.6 %	848	16.6 %
All Other Fines & Forfeits	2,000	2,300	123	(300)	115.0 %	3,116	- %
FINES & FORFEITS	**138,190**	**57,127**	**8,780**	**81,063**	41.3%	56,371	29.5%
Facilities Rental	32,800	17,860	2,645	14,940	54.5 %	15,132	37.1 %
Dock Use Charges	26,200	18,819	3,830	7,381	71.8 %	15,211	149.1 %
Private Donations/Sales of PDRs/FAR Purchases	2,550	2,569	350	(19)	100.7 %	-	- %
All Other Miscellaneous	9,850	5,022	976	4,828	51.0 %	5,344	54.2 %
Insurance Recoveries	-	-	-	-	- %	-	- %
MISCELLANEOUS	**71,400**	**44,270**	**7,801**	**27,130**	62.0%	35,686	56.3%
Interest	13,769	3,819	541	9,950	27.7 %	3,477	25.3 %
INVESTMENT REVENUE	**13,769**	**3,819**	**541**	**9,950**	27.7%	3,477	25.3%
Proceeds of Capital Lease	-	-	-	-	- %	-	- %
LOANS/SALE OF BONDS	-	-	-	-	- %	-	0.0%
Gain on Sale of Fixed Assets	5,000	17,507	11,007	(12,507)	350.1 %	69,898	37.6 %
OTHER EXTERNAL SOURCES	**5,000**	**17,507**	**11,007**	**(12,507)**	350.1%	69,898	37.6%
	15,070,146	**8,436,443**	**637,230**	**6,633,703**	**56.0%**	**8,254,421**	**54.5%**
TOTAL GENERAL FUND	**15,070,146**	**8,436,443**	**637,230**	**6,633,703**	**56.0 %**	**8,254,421**	**54.5 %**

CITY OF BAINBRIDGE ISLAND

REVENUES BY FUND
FY 2014 THROUGH JUNE

FUND/ACCOUNT	2014 REVISED BUDGET	2014 YTD COLLECTED	2014 MTD COLLECTED	2014 REMAINING TO COLLECT	2014 % COLL	2013 YTD COLLECTED	2013 % COLL
STREETS FUND							
Commercial Parking Lot Tax	570,000	351,208	-	218,792	61.6 %	331,978	42.0 %
M.V. Fuel Tax - Streets & Arterials	728,721	226,964	39,757	501,757	31.1 %	224,902	43.4 %
Right of Way Permits	26,820	24,500	200	2,320	91.3 %	27,000	100.7 %
Parking - Taxable & Fees	-	57	32	(57)	- %	-	- %
Parking Monthly	-	-	-	-	- %	-	- %
Interest on Investments-Streets	-	-	-	-	- %	-	- %
Other Revenues-Streets	434,000	481,050	420	(47,050)	110.8 %	580	0.2 %
TOTAL STREETS FUND	**1,759,541**	**1,083,779**	**40,409**	**675,762**	**61.6 %**	**584,459**	**33.9 %**
BUILDING & DEVELOPMENT SERVICES							
Building Permits & Inspections	340,000	293,170	51,701	46,830	86.2 %	214,289	67.3 %
Planning Review of Building Permits	60,000	22,726	-	37,274	37.9 %	49,689	110.4 %
Fire Inspections & Reviews	2,166	819	-	1,347	37.8 %	464	21.4 %
Engineering Fees	92	1,048	374	(956)	1,141.6 %	1,348	1,468.8 %
Zoning & Subdivision	120,000	43,719	15,801	76,282	36.4 %	99,795	115.9 %
Plan Checking Fees	230,000	188,308	43,922	41,692	81.9 %	171,873	78.1 %
Other Planning & Development Fees	127,500	90,479	11,237	37,021	71.0 %	110,090	86.3 %
Interest on Investments & Other Rev - B&Ds	-	205	-	(205)	- %	1,260	- %
TOTAL BUILDING & DEVELOPMENT SERVICES	**879,758**	**640,473**	**123,035**	**239,285**	**72.8 %**	**648,809**	**81.2 %**

CITY OF BAINBRIDGE ISLAND

REVENUES BY FUND
FY 2014 THROUGH JUNE

FUND/ACCOUNT	2014 REVISED BUDGET	2014 YTD COLLECTED	2014 MTD COLLECTED	2014 REMAINING TO COLLECT	2014 % COLL	2013 YTD COLLECTED	2013 % COLL
SPECIAL REVENUE FUNDS							
REAL ESTATE EXCISE TAX FUND							
Real Estate Excise Tax	1,275,000	342,460	112,389	932,540	26.9 %	779,753	66.4 %
Interest on Investments-Real Estate Excise	3,060	-	-	3,060	- %	-	- %
	1,278,060	**342,460**	**112,389**	**935,600**	**26.8%**	**779,753**	**66.2%**
CIVIC IMPROVEMENT FUND							
Hotel/Motel Tax	110,000	55,844	6,341	54,156	50.8 %	44,776	40.7 %
Interest on Investments & Other Rev - Hotel/Mot	-	-	-	-	- %	-	- %
	110,000	**55,844**	**6,341**	**54,156**	**50.8%**	**44,776**	**40.7%**
AFFORDABLE HOUSING FUND							
Private Donations-Affordable Housing	-	-	-	-	- %	-	- %
Fees in Lieu/Other	-	-	-	-	- %	-	- %
Interest on Investments & Other Rev - Affordabl	-	-	-	-	- %	-	- %
	-	**-**	**-**	**-**	**0.0%**	**0**	**0.0%**
FAR-PUBLIC AMENITIES							
Zoning & Subdivision	-	-	-	-	- %	13,336	- %
Interest on Investments & Other Rev - FAR	-	-	-	-	- %	-	- %
	-	**-**	**-**	**-**	**0.0%**	**13,336**	**0.0%**
FAR-FARMLAND/AGRICULTURE							
Zoning & Subdivision	-	-	-	-	- %	20,004	- %
Interest on Investments & Other Rev - FAR	-	-	-	-	- %	-	- %
	-	**-**	**-**	**-**	**0.0%**	**20,004**	**0.0%**
TOTAL SPECIAL REVENUE FUNDS	**1,388,060**	**398,304**	**118,730**	**989,756**	**28.7 %**	**857,869**	**66.6 %**

CITY OF BAINBRIDGE ISLAND

REVENUES BY FUND
FY 2014 THROUGH JUNE

FUND/ACCOUNT	2014 REVISED BUDGET	2014 YTD COLLECTED	2014 MTD COLLECTED	2014 REMAINING TO COLLECT	2014 % COLL	2013 YTD COLLECTED	2013 % COLL
BOND FUNDS							
GO BOND FUND							
Property Taxes - BOND LEVY	604,377	325,914	4,313	278,462	53.9 %	355,549	53.4 %
GO Bond Fund	-	-	-	-	- %	-	- %
	604,377	**325,914**	**4,313**	**278,462**	**53.9%**	**355,549**	**53.4%**
LID BOND FUND							
LID Assessments	51,726	26,312	104	25,414	50.9 %	28,921	55.9 %
LID Special Assessments	-	44,359	-	(44,359)	- %	44,359	- %
LID Bond Fund	-	-	-	-	- %	-	- %
	51,726	**70,671**	**104**	**(18,946)**	**136.6%**	**73,280**	**141.7%**
TOTAL BOND FUNDS	**656,102**	**396,586**	**4,416**	**259,517**	**60.4 %**	**428,829**	**59.8 %**
CAPITAL & LID CONSTRUCTION FUNDS							
CAPITAL CONSTRUCTION FUND							
Intergovernmental Service Revenue	-	-	-	-	- %	-	- %
WA State & Local Grants & Donations	1,097,000	-	-	1,097,000	- %	465,562	207.8 %
US Government Grants	1,159,000	190,311	-	968,689	16.4 %	-	- %
Private and Developer Donations	-	12,750	-	(12,750)	- %	(486)	(1.6%)
Capital Construction Fund	-	-	-	-	- %	-	- %
	2,256,000	**203,061**	**-**	**2,052,939**	**9.0%**	**465,076**	**17.1%**
LID CAPITAL CONSTRUCTION FUND							
LID Construction	-	-	-	-	- %	-	- %
	-	**-**	**-**	**-**	**0.0%**	**0**	**0.0%**
TOTAL CAPITAL & LID CONSTRUCTION FUNDS	**2,256,000**	**203,061**	**-**	**2,052,939**	**9.0 %**	**465,076**	**17.1 %**
TOTAL TAX SUPPORTED FUNDS	**22,009,607**	**11,158,645**	**923,820**	**10,850,963**	**50.70 %**	**11,239,463**	**50.20 %**

CITY OF BAINBRIDGE ISLAND

REVENUES BY FUND
FY 2014 THROUGH JUNE

FUND/ACCOUNT	2014 REVISED BUDGET	2014 YTD COLLECTED	2014 MTD COLLECTED	2014 REMAINING TO COLLECT	2014 % COLL	2013 YTD COLLECTED	2013 % COLL
UTILITY SUPPORTED FUNDS							
WATER OPERATING FUND							
Water Charges	968,443	436,042	86,974	532,402	45.0 %	620,382	46.0 %
U.L.I.D. Assessments	-	-	-	-	- %	-	- %
Connections & All Others	37,100	35,998	7,162	1,102	97.0 %	77,434	208.7 %
Interest on Investments-Utility	13,840	-	-	13,840	- %	-	- %
	1,019,383	**472,040**	**94,136**	**547,344**	**46.3%**	**697,816**	**49.9%**
SEWER OPERATING FUND							
Sewer Charges	3,500,000	1,697,594	351,108	1,802,406	48.5 %	1,737,778	49.7 %
U.L.I.D. Assessments	316,918	234,299	72	82,619	73.9 %	257,699	81.3 %
Connections & All Others	200,000	89,899	7,796	110,101	44.9 %	180,238	90.1 %
Interest on Investments-Utility	-	-	-	-	- %	-	- %
	4,016,918	**2,021,791**	**358,976**	**1,995,127**	**50.3%**	**2,175,715**	**54.2%**
STORM & SURFACE WATER FUND							
Storm Water Management Charges	2,083,279	1,077,748	14,298	1,005,531	51.7 %	1,059,656	45.4 %
U.L.I.D. Assessments	-	-	-	-	- %	-	- %
Connections & All Others	343,000	-	-	343,000	- %	34,972	14.7 %
Interest on Investments-Utility	3,060	-	-	3,060	- %	-	- %
	2,429,339	**1,077,748**	**14,298**	**1,351,591**	**44.4%**	**1,094,628**	**42.5%**
TOTAL UTILITY SUPPORTED FUNDS	**7,465,640**	**3,571,579**	**467,409**	**3,894,062**	**47.8 %**	**3,968,159**	**49.7 %**
TOTAL REVENUE - ALL FUNDS	**29,475,248**	**14,730,223**	**1,391,229**	**14,745,024**	**50.0%**	**15,207,622**	**50.1%**

2014 Mid-Year Report Schedule C

CITY OF BAINBRIDGE ISLAND

SUMMARY - GENERAL FUND (001)
FY 2014 THROUGH JUNE

	2014 REVISED BUDGET	2014 YTD EXPENDED	2014 MTD EXPENDED	2014 ENCUMB.	2014 AVAILABLE BALANCE	2014 % USED	2013 YTD EXPENDED	2013 % USED
Salaries	5,170,688	2,349,403	403,363	-	2,821,285	45.44	2,261,164	45.5 %
Benefits	2,156,812	866,736	144,340	-	1,290,077	40.19	837,494	44.0 %
SALARIES & BENEFITS	7,327,500	3,216,138	547,703	-	4,111,362	43.89	3,098,658	45.1 %
SUPPLIES								
Supplies	370,998	124,221	38,253	372	246,405	33.58	109,786	33.6 %
Computer Equipment & Software	61,634	25,824	4,682	-	35,810	41.90	14,181	23.0 %
TOTAL SUPPLIES	432,632	150,045	42,935	372	282,214	34.77	123,968	31.9 %
Professional Services	965,381	477,312	133,603	301,752	186,317	80.70	663,415	79.3 %
Community Services	407,143	174,682	76,898	135,022	97,439	76.07	267,436	70.2 %
Communication	96,647	36,849	5,530	-	59,798	38.13	38,522	39.9 %
Travel	14,115	5,905	2,247	-	8,210	41.83	22,290	182.4 %
Training	124,000	52,111	5,461	-	71,889	42.02	17,129	18.8 %
Advertising	13,633	5,379	976	-	8,254	39.45	7,293	53.5 %
Operating Leases	127,730	66,878	10,117	2,355	58,496	54.20	147,524	114.5 %
Insurance	343,241	302,191	-	-	41,050	88.04	327,337	95.4 %
Utilities	179,460	96,533	18,940	-	82,927	53.79	85,103	48.2 %
Repair & Maintenance	470,592	180,125	41,370	58,068	232,399	50.62	150,162	47.4 %
All Other Miscellaneous	239,642	44,089	7,089	1,091	194,462	18.85	41,215	70.2 %
Operating Strategic Planning	60,000	-	-	-	60,000	-	-	- %
TOTAL SERVICES & CHARGES	3,041,584	1,442,054	302,230	498,287	1,101,243	63.79	1,767,426	70.3 %
Intergovernmental-Professional Services	532,229	250,094	31,550	73,278	208,858	60.76	267,248	50.5 %
Intergovernmental-Taxes and Assessments	27,647	19,117	-	-	8,530	69.15	20,019	72.4 %
Interfund - Taxes and Assessments	100,000	50,000	8,333	-	50,000	50.00	60,000	50.0 %
TOTAL INTERGOVERNMENTAL & INTERFUND	659,876	319,210	39,883	73,278	267,388	59.48	347,267	51.3 %
TOTAL OPERATING EXPENDITURES	11,461,592	5,127,448	932,750	571,937	5,762,207	49.73	5,337,319	51.1 %
NON-OPERATING EXPENDITURES								
Capital Equipment	389,769	4,019	-	-	385,750	1.03	16,176	27.2 %
Capital Projects	206,978	43,885	239	-	163,094	21.20	5,166	13.2 %
Debt Service	179,460	40,930	4,731	143,169	(4,639)	102.58	189,038	97.5 %
Operating Transfers	5,861,817	632,833	6,540	-	5,228,984	10.80	196,800	4.2 %
TOTAL NON-OPERATING EXPENDITURES	6,638,024	721,666	11,510	143,169	5,773,189	13.03	407,180	8.3 %
TOTAL: EXPENDITURES	18,099,616	5,849,114	944,261	715,106	11,535,396	36.27	5,744,499	37.4 %

CITY OF BAINBRIDGE ISLAND

SUMMARY - STREETS FUND (101)
FY 2014 THROUGH JUNE

	2014 REVISED BUDGET	2014 YTD EXPENDED	2014 MTD EXPENDED	2014 ENCUMB.	2014 AVAILABLE BALANCE	2014 % USED	2013 YTD EXPENDED	2013 % USED
Salaries	1,044,157	491,623	81,306	-	552,533	47.08	480,249	47.2 %
Benefits	416,655	198,786	32,028	-	217,869	47.71	185,524	46.0 %
SALARIES & BENEFITS	1,460,811	690,409	113,334	-	770,402	47.26	665,774	46.9 %
SUPPLIES								
Supplies	39,890	42,822	15,877	-	(2,932)	107.35	32,977	82.7 %
TOTAL SUPPLIES	39,890	42,822	15,877	-	(2,932)	107.35	32,977	82.7 %
Professional Services	184,901	7,655	1,536	190,747	(13,501)	107.30	50,650	89.8 %
Communication	3,672	466	332	-	3,206	12.69	96	2.6 %
Travel	1,750	-	-	-	1,750	-	-	- %
Training	4,060	2,305	605	-	1,755	56.78	5,524	136.1 %
Advertising	800	845	711	-	(45)	105.63	403	50.4 %
Operating Leases	100,131	50,625	8,435	-	49,506	50.56	57,372	57.3 %
Insurance	84,134	72,367	-	-	11,767	86.01	86,230	102.5 %
Utilities	57,040	28,165	5,585	-	28,875	49.38	27,153	9.1 %
Repair & Maintenance	1,041,298	22,819	7,026	-	1,018,479	2.19	14,041	6.7 %
All Other Miscellaneous	2,402	2,599	1,071	-	(197)	108.20	1,874	78.0 %
TOTAL SERVICES & CHARGES	1,480,188	187,845	25,301	190,747	1,101,596	25.58	243,344	31.9 %
Intergovernmental-Taxes and Assessments	2,040	-	-	-	2,040	-	-	- %
TOTAL INTERGOVERNMENTAL & INTERFUND	2,040	-	-	-	2,040	-	-	- %
TOTAL OPERATING EXPENDITURES	2,982,930	921,077	154,511	190,747	1,871,106	37.27	942,094	42.4 %
NON-OPERATING EXPENDITURES								
Capital Equipment	75,000	-	-	-	75,000	-	-	- %
Capital Projects	80,421	86,587	-	-	(6,166)	107.67	136,838	11.5 %
TOTAL NON-OPERATING EXPENDITURES	155,421	86,587	-	-	68,834	55.71	136,838	11.3 %
TOTAL: EXPENDITURES	3,138,351	1,007,664	154,511	190,747	1,939,940	38.19	1,078,933	31.4 %

CITY OF BAINBRIDGE ISLAND

SUMMARY - BUILDING & DEVELOPMENT SERVICES FUND (407)
FY 2014 THROUGH JUNE

	2014 REVISED BUDGET	2014 YTD EXPENDED	2014 MTD EXPENDED	2014 ENCUMB.	2014 AVAILABLE BALANCE	2014 % USED	2013 YTD EXPENDED	2013 % USED
Salaries	1,236,085	571,855	92,847	-	664,230	46.26	539,194	44.0 %
Benefits	512,316	204,925	31,760	-	307,391	40.00	187,837	37.8 %
SALARIES & BENEFITS	1,748,401	776,780	124,607	-	971,621	44.43	727,031	42.2 %
SUPPLIES								
Supplies	11,883	4,776	1,468	-	7,107	40.19	6,933	58.3 %
TOTAL SUPPLIES	11,883	4,776	1,468	-	7,107	40.19	6,933	58.3 %
Professional Services	77,000	95,867	14,964	15,000	(33,867)	143.98	26,216	32.7 %
Communication	4,109	747	170	-	3,362	18.18	600	14.6 %
Travel	7,255	140	140	-	7,115	1.93	-	- %
Training	1,224	2,774	111	-	(1,550)	226.64	1,838	150.2 %
Advertising	10,506	5,861	1,249	-	4,645	55.78	5,405	51.4 %
Operating Leases	144,813	67,654	14,703	-	77,160	46.72	61,214	42.3 %
Insurance	71,421	61,899	-	-	9,521	86.67	79,250	111.0 %
Repair & Maintenance	14,904	21	-	-	14,882	0.14	749	5.0 %
All Other Miscellaneous	32,956	1,015	109	-	31,941	3.08	1,292	3.9 %
TOTAL SERVICES & CHARGES	364,188	235,978	31,446	15,000	113,210	68.91	176,565	48.1 %
Intergovernmental-Professional Services	4,590	989	609	-	3,601	21.55	297	6.5 %
TOTAL INTERGOVERNMENTAL & INTERFUND	4,590	989	609	-	3,601	21.55	297	6.5 %
TOTAL OPERATING EXPENDITURES	2,129,062	1,018,523	158,131	15,000	1,095,539	48.54	910,826	43.3 %
NON-OPERATING EXPENDITURES								
TOTAL NON-OPERATING EXPENDITURES	-	-	-	-	-	-	-	- %
TOTAL: EXPENDITURES	2,129,062	1,018,523	158,131	15,000	1,095,539	48.54	910,826	43.3 %

CITY OF BAINBRIDGE ISLAND

SUMMARY - REAL ESTATE EXCISE TAX FUND (103)
FY 2014 THROUGH JUNE

	2014 REVISED BUDGET	2014 YTD EXPENDED	2014 MTD EXPENDED	2014 ENCUMB.	2014 AVAILABLE BALANCE	2014 % USED	2013 YTD EXPENDED	2013 % USED
TOTAL OPERATING EXPENDITURES	-	-	-	-	-	-	-	- %
NON-OPERATING EXPENDITURES								
Operating Transfers	1,578,060	138,000	138,000	-	1,440,060	8.74	567,000	48.1 %
TOTAL NON-OPERATING EXPENDITURES	1,578,060	138,000	138,000	-	1,440,060	8.74	567,000	48.1 %
TOTAL: EXPENDITURES	1,578,060	138,000	138,000	-	1,440,060	8.74	567,000	48.1 %

CITY OF BAINBRIDGE ISLAND

SUMMARY - CIVIC IMPROVEMENT FUND (104)
FY 2014 THROUGH JUNE

	2014 REVISED BUDGET	2014 YTD EXPENDED	2014 MTD EXPENDED	2014 ENCUMB.	2014 AVAILABLE BALANCE	2014 % USED	2013 YTD EXPENDED	2013 % USED
SUPPLIES								
Professional Services	110,000	54,656	15,228	106,177	(50,833)	146.21	112,013	103.7 %
TOTAL SERVICES & CHARGES	110,000	54,656	15,228	106,177	(50,833)	146.21	112,013	103.7 %
TOTAL OPERATING EXPENDITURES	110,000	54,656	15,228	106,177	(50,833)	146.21	112,013	103.7 %
NON-OPERATING EXPENDITURES								
TOTAL NON-OPERATING EXPENDITURES	-	-	-	-	-	-	-	- %
TOTAL: EXPENDITURES	110,000	54,656	15,228	106,177	(50,833)	146.21	112,013	103.7 %

CITY OF BAINBRIDGE ISLAND

SUMMARY - WATER UTILITY FUND (401)
FY 2014 THROUGH JUNE

	2014 REVISED BUDGET	2014 YTD EXPENDED	2014 MTD EXPENDED	2014 ENCUMB.	2014 AVAILABLE BALANCE	2014 % USED	2013 YTD EXPENDED	2013 % USED
Salaries	409,790	187,540	33,963	-	222,250	45.76	187,645	46.7 %
Benefits	180,270	69,938	13,132	-	110,332	38.80	69,348	40.1 %
SALARIES & BENEFITS	590,060	257,478	47,095	-	332,582	43.64	256,993	44.7 %
SUPPLIES								
Supplies	42,532	22,928	7,701	-	19,604	53.91	17,055	40.1 %
TOTAL SUPPLIES	42,532	22,928	7,701	-	19,604	53.91	17,055	40.1 %
Professional Services	188,915	13,056	2,143	127,771	48,088	74.55	41,900	49.9 %
Community Services	10,000	-	-	-	10,000	-	-	- %
Communication	20,690	6,582	1,832	-	14,108	31.81	6,203	30.0 %
Travel	1,850	-	-	-	1,850	-	8	0.4 %
Training	4,060	843	366	-	3,217	20.77	850	20.9 %
Advertising	-	-	-	-	-	-	95	- %
Operating Leases	57,737	14,865	2,461	-	42,872	25.75	16,352	28.3 %
Insurance	23,505	19,564	-	-	3,942	83.23	23,397	99.5 %
Utilities	74,460	33,027	6,187	-	41,433	44.36	31,908	42.9 %
Repair & Maintenance	35,500	2,362	69	-	33,138	6.65	6,900	19.4 %
All Other Miscellaneous	8,957	5,577	241	-	3,380	62.27	4,575	51.1 %
TOTAL SERVICES & CHARGES	425,674	95,876	13,299	127,771	202,027	52.54	132,189	42.5 %
Intergovernmental-Professional Services	5,100	79	-	-	5,021	1.55	-	- %
Intergovernmental-Taxes and Assessments	53,950	11,533	3,896	-	42,418	21.38	26,900	43.8 %
Interfund - Taxes and Assessments	50,400	28,322	5,498	-	22,078	56.20	41,869	45.0 %
TOTAL INTERGOVERNMENTAL & INTERFUND	109,450	39,934	9,394	-	69,516	36.49	68,769	43.1 %
TOTAL OPERATING EXPENDITURES	1,167,716	416,216	77,489	127,771	623,729	46.59	475,005	43.7 %
NON-OPERATING EXPENDITURES								
Capital Equipment	115,000	-	-	-	115,000	-	-	- %
Capital Projects	99,000	3,234	-	6,099	89,667	9.43	299,726	98.5 %
TOTAL NON-OPERATING EXPENDITURES	214,000	3,234	-	6,099	204,667	4.36	299,726	95.3 %
TOTAL: EXPENDITURES	1,381,716	419,450	77,489	133,871	828,396	40.05	774,732	55.3 %

CITY OF BAINBRIDGE ISLAND

SUMMARY - SEWER UTILITY FUND (402)
FY 2014 THROUGH JUNE

	2014 REVISED BUDGET	2014 YTD EXPENDED	2014 MTD EXPENDED	2014 ENCUMB.	2014 AVAILABLE BALANCE	2014 % USED	2013 YTD EXPENDED	2013 % USED
Salaries	723,833	337,293	51,524	-	386,541	46.60	344,327	48.6 %
Benefits	312,834	129,706	19,690	-	183,128	41.46	127,846	42.4 %
SALARIES & BENEFITS	1,036,667	466,999	71,214	-	569,669	45.05	472,173	46.8 %
SUPPLIES								
Supplies	68,914	42,440	9,274	-	26,474	61.58	32,623	47.3 %
TOTAL SUPPLIES	68,914	42,440	9,274	-	26,474	61.58	32,623	47.3 %
Professional Services	228,860	89,353	4,078	71,916	67,590	70.47	287,839	57.1 %
Communication	31,008	11,017	3,470	-	19,991	35.53	10,317	33.3 %
Travel	1,850	-	-	-	1,850	-	-	- %
Training	4,060	1,616	363	-	2,444	39.79	831	20.5 %
Advertising	-	244	-	-	(244)	-	-	- %
Operating Leases	84,914	29,651	4,881	-	55,263	34.92	32,245	38.0 %
Insurance	42,406	35,914	-	-	6,491	84.69	42,776	100.9 %
Utilities	212,704	80,989	21,524	(7,558)	139,273	34.52	132,279	62.2 %
Repair & Maintenance	76,715	33,568	1,187	15,694	27,453	64.21	35,239	40.6 %
All Other Miscellaneous	15,920	4,512	464	-	11,408	28.34	3,394	21.3 %
TOTAL SERVICES & CHARGES	698,437	286,864	35,968	80,052	331,521	52.53	544,920	55.4 %
Intergovernmental-Professional Services	151,100	91,757	26,160	65,400	(6,057)	104.01	161,218	106.7 %
Intergovernmental-Taxes and Assessments	65,926	28,199	5,729	-	37,726	42.77	35,176	53.4 %
Interfund - Taxes and Assessments	210,000	121,307	21,539	-	88,693	57.77	130,543	52.0 %
TOTAL INTERGOVERNMENTAL & INTERFUND	427,026	241,264	53,428	65,400	120,362	71.81	326,937	69.9 %
TOTAL OPERATING EXPENDITURES	2,231,044	1,037,566	169,883	145,452	1,048,026	53.03	1,376,653	54.4 %
NON-OPERATING EXPENDITURES								
Capital Equipment	35,000	-	-	-	35,000	-	-	- %
Capital Projects	4,924,612	155,259	48,340	250,537	4,518,815	8.24	310,337	38.7 %
Debt Service	1,606,019	880,378	880,378	-	725,641	54.82	871,194	49.8 %
TOTAL NON-OPERATING EXPENDITURES	6,565,631	1,035,638	928,718	250,537	5,279,456	19.59	1,181,531	46.3 %
TOTAL: EXPENDITURES	8,796,674	2,073,203	1,098,601	395,989	6,327,482	28.07	2,558,184	50.3 %

CITY OF BAINBRIDGE ISLAND

SUMMARY - SSWM UTILITY FUND (403)
FY 2014 THROUGH JUNE

	2014 REVISED BUDGET	2014 YTD EXPENDED	2014 MTD EXPENDED	2014 ENCUMB.	2014 AVAILABLE BALANCE	2014 % USED	2013 YTD EXPENDED	2013 % USED
Salaries	798,137	373,148	66,168	-	424,989	46.75	359,319	44.5 %
Benefits	291,408	144,588	25,271	-	146,820	49.62	135,150	38.9 %
SALARIES & BENEFITS	1,089,545	517,736	91,439	-	571,809	47.52	494,469	42.8 %
SUPPLIES								
Supplies	69,550	32,654	6,142	-	36,896	46.95	59,692	98.5 %
Computer Equipment & Software	2,125	130	-	-	1,995	6.14	-	- %
TOTAL SUPPLIES	71,675	32,784	6,142	-	38,891	45.74	59,692	94.6 %
Professional Services	191,111	130,636	31,170	57,933	2,542	98.67	209,190	73.7 %
Communication	587	262	107	-	324	44.69	176	3.6 %
Travel	-	12	3	-	(12)	-	-	- %
Training	2,000	2,717	497	259	(976)	148.80	852	21.0 %
Operating Leases	77,823	37,285	6,173	-	40,538	47.91	42,418	46.9 %
Insurance	38,737	38,737	-	-	-	100.00	47,767	95.6 %
Utilities	126,335	11,928	222	121,070	(6,664)	105.27	119,478	94.2 %
Repair & Maintenance	17,500	3,184	1,328	-	14,316	18.20	6,883	17.8 %
All Other Miscellaneous	31,970	24,150	409	-	7,820	75.54	7,133	39.4 %
TOTAL SERVICES & CHARGES	486,063	248,913	39,909	179,262	57,888	88.09	433,897	70.1 %
Intergovernmental-Professional Services	33,150	75	-	-	33,075	0.23	40,957	133.8 %
Intergovernmental-Taxes and Assessments	30,892	15,817	2,947	-	15,075	51.20	19,151	62.0 %
Interfund - Taxes and Assessments	141,000	64,665	858	-	76,335	45.86	65,678	46.6 %
TOTAL INTERGOVERNMENTAL & INTERFUND	205,042	80,557	3,805	-	124,485	39.29	125,786	62.1 %
TOTAL OPERATING EXPENDITURES	1,852,325	879,989	141,294	179,262	793,074	57.18	1,113,844	54.6 %
NON-OPERATING EXPENDITURES								
Capital Equipment	88,000	-	-	-	88,000	-	-	- %
Capital Projects	819,662	80,195	5,591	297,843	441,624	46:12	227,668	29.2 %
Debt Service	53,697	53,697	53,697	-	-	100.00	53,951	100.0 %
TOTAL NON-OPERATING EXPENDITURES	961,359	133,892	59,288	297,843	529,624	44.91	281,619	33.4 %
TOTAL: EXPENDITURES	2,813,684	1,013,882	200,582	477,105	1,322,698	52.99	1,395,463	48.4 %

2014 Mid-Year Report Schedule D

City of Bainbridge Island 2014 Cash Flow Plan - General Fund
As of July 2014

	Actual Jan-14	Actual Feb-14	Actual Mar-14	Actual Apr-14	Actual May-14	Actual Jun-14	Projected Jul-14	Projected Aug-14	Projected Sep-14	Projected Oct-14	Projected Nov-14	Projected Dec-14	Total	Budget	Variance
Beginning Cash Balance	10,787,463	10,014,501	10,348,796	10,848,847	12,882,407	13,356,299	13,111,799	12,955,329	11,996,428	11,755,180	13,339,270	13,287,436	10,787,463		
Cash Inflows															
Property Taxes	36,654	141,747	367,390	2,386,454	690,543	47,803	27,800	38,488	213,710	2,238,452	637,663	39,835	6,866,538	6,825,987	1%
Sales and Use Tax	266,378	369,096	242,722	225,704	301,311	273,413	237,210	259,344	252,202	262,133	264,381	240,706	3,194,601	2,890,218	11%
Utility Tax	70,842	406,763	444,326	225,353	413,175	187,024	398,204	218,204	96,507	325,220	202,119	324,184	3,311,921	3,294,102	1%
B&O Tax and Penalties	93,319	198,201	110,424	27,056	5,847	5,604	7,270	4,587	31,612	963	1,020	525	486,428	415,000	17%
Leasehold & Other Taxes	781	1,361	0	2,471	0	503	219	1,347	0	671	0	1,478	8,831	8,160	8%
Business License & Penalties	54,288	58,110	43,124	7,728	8,096	4,339	5,428	2,109	2,258	2,161	1,101	764	189,506	175,000	8%
Franchise Fees	0	102,837	0	102,711	0	0	84,418	0	0	87,528	0	0	377,494	339,545	11%
Other Fees & Service Charges	37,415	39,375	31,110	50,400	37,029	38,689	53,839	37,667	56,061	51,256	46,449	48,418	527,707	567,297	-7%
Intergovernmental Revenue	23,231	14,313	51,558	14,930	0	51,727	9,295	30,670	53,051	23,903	6,850	56,204	335,732	326,478	3%
Fines & Forfeits	6,463	10,322	0	21,415	10,147	8,780	20,726	0	26,435	11,946	11,044	9,761	137,039	138,190	-1%
Miscellaneous	7,666	12,935	3,630	9,784	2,162	7,801	8,641	6,542	28,197	7,250	3,786	3,585	101,979	71,400	43%
Investment Revenue	506	532	436	1,232	572	541	243	115	205	170	265	11,809	16,626	13,769	21%
Other External Sources	0	0	0	0	6,500	11,007	0	0	849	0	0	0	18,356	5,000	267%
Operating Transfers In	725	725	1,450	12,012	13,831	6,540	0	0	0	0	0	42,299	77,582	77,582	0%
Total Cash Inflows	598,267	1,356,318	1,296,171	3,087,249	1,489,213	643,770	853,293	599,075	761,087	3,011,653	1,174,678	779,569	15,650,340	15,147,728	3%
Cash Outflows															
Salary	413,223	375,649	382,780	381,194	379,826	429,836	465,891	455,891	445,891	445,891	445,891	445,891	5,067,852	5,170,688	-2%
Benefits	143,004	144,262	143,196	148,733	144,606	146,450	179,734	179,734	179,734	179,734	179,734	179,734	1,948,658	2,156,812	-10%
Supplies	39,796	26,009	24,348	32,674	14,948	38,076	38,735	29,683	22,417	37,058	47,083	73,401	424,227	397,632	7%
Professional Services	100,875	149,278	74,891	115,788	130,666	149,694	97,361	80,518	54,004	131,813	87,051	202,547	1,374,486	1,178,897	17%
Communications	3,939	20,439	7,534	7,568	6,760	8,199	12,346	11,702	31,086	12,024	10,035	15,859	147,492	212,856	-31%
Travel	785	215	695	1,826	361	1,924	2,806	372	128	1,968	185	3,367	14,631	14,115	4%
Training	4,587	29,227	5,944	1,227	6,205	4,930	30,321	7,693	3,810	16,960	3,224	10,520	124,646	124,000	1%
Advertising	96	839	773	1,186	1,663	925	984	524	840	1,041	701	2,180	11,751	13,633	-14%
Operating Leases	23,115	8,553	6,756	13,400	4,073	10,789	7,540	7,899	8,562	13,737	7,564	9,438	121,425	127,730	-5%
Utilities	16,281	15,736	13,887	32,158	12,595	10,382	11,336	11,257	8,683	38,024	2,344	24,944	197,624	176,460	12%
Repair & Maintenance	58,027	104,735	9,084	15,909	18,260	17,498	47,052	23,911	8,186	54,318	21,218	156,413	534,611	470,592	14%
All Other Miscellaneous	19,574	2,419	9,367	2,254	2,508	7,473	22,242	2,329	2,211	8,928	20,173	10,277	109,754	239,642	-54%
Contingency	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%
Other Services & Charges	301,811	150	230	0	0	0	0	0	0	0	0	3,502	305,693	343,241	-11%
Intergovernmental	132,751	59,858	105,064	25,824	19,569	33,384	30,566	91,824	23,881	29,409	24,191	95,024	671,344	659,876	2%
Capital Equipment	13,087	0	0	4,019	0	0	0	131,000	13,000	13,000	200,000	25,000	399,106	386,000	3%
Capital Projects	38,653	12,430	5,390	20,648	102	17,439	0	0	0	0	0	0	94,661	206,978	-54%
Debt Service	900	0	4,731	30,268	300	4,731	0	0	4,731	30,268	0	104,731	180,660	179,460	1%
Operating Transfers Out	60,725	72,225	1,450	219,012	272,881	6,540	62,848	523,638	195,174	413,392	177,120	2,132,426	4,137,431	5,861,817	-29%
Total Cash Outflows	1,371,228	1,022,023	796,120	1,053,689	1,015,321	888,269	1,009,763	1,557,975	1,002,336	1,427,563	1,226,511	3,495,253	15,866,051	17,920,428	-11%
Ending Cash Balance	10,014,501	10,348,796	10,848,847	12,882,407	13,356,299	13,111,799	12,955,329	11,996,428	11,755,180	13,339,270	13,287,436	10,571,751	10,571,751		
Less: Restricted SubFunds	-1,836,470	-1,846,557	-1,859,152	-2,029,851	-2,020,166	-2,047,275	-2,052,065	-2,202,065	-2,212,065	-2,222,065	-2,232,065	-2,242,065	-2,242,065		
Less: WSF Restricted Reserve	-2,006,197	-2,006,428	-2,006,683	-1,740,000	-1,740,000	-1,740,000	-1,740,000	-1,740,000	-1,740,000	-1,740,000	-1,740,000	-1,740,000	-1,740,000		
Ending Unrestricted/Unreserved	6,171,834	6,495,811	6,983,012	9,112,555	9,596,132	9,324,524	9,163,264	8,054,363	7,803,115	9,377,205	9,315,371	6,589,686	6,589,686		
YE Accrued Liability													-607,049		
Ending Stability Reserve - Projected													5,982,637		

City of Bainbridge Island 2014 Cash Flow Plan - Street Fund

As of July 2014

	Actual Jan-14	Actual Feb-14	Actual Mar-14	Actual Apr-14	Actual May-14	Actual Jun-14	Projected Jul-14	Projected Aug-14	Projected Sep-14	Projected Oct-14	Projected Nov-14	Projected Dec-14	Total	Budget	Variance
Beginning Cash Balance	423,020	367,630	433,853	694,780	642,266	591,088	473,518	465,969	419,839	230,023	266,938	1,847	423,020		
Cash Inflows															
Commercial Parking Lot Tax	126,660	52,311	0	138,629	33,608	0	103,889	31,149	0	118,182	52,129	0	656,558	570,000	15%
M.V. Fuel Tax - Streets & Arte	38,025	38,761	37,544	33,267	39,610	39,757	42,830	39,728	44,494	49,970	34,126	42,018	480,131	478,721	0%
Right of Way Permits	1,450	11,600	1,300	1,400	8,550	200	1,349	418	578	1,253	3,597	2,281	33,975	26,820	27%
Parking - Taxable & Fees	0	0	0	0	25	32	0	0	0	0	0	0	57	0	0%
Parking Monthly	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0%
Other Revenues - Streets	0	109,475	0	0	14,043	455	0	28,593	0	169,006	0	34,833	356,405	250,000	43%
US Government Grants	0	0	357,112	0	0	0	0	0	0	0	0	434,000	791,112	434,000	82%
Operating Transfers In	0	0	0	0	0	0	0	124,578	74,507	0	20,000	900,000	1,119,085	2,063,000	-46%
Total Cash Inflows	166,135	212,147	395,956	173,296	95,836	40,444	148,069	224,466	119,579	338,411	109,852	1,413,132	3,437,323	3,822,541	-10%
Cash Outflows															
Salary	82,099	87,309	73,866	77,232	88,804	85,088	87,013	87,013	87,013	87,013	87,013	87,013	1,016,477	1,044,157	-3%
Benefits	34,143	32,430	29,972	33,438	36,538	34,915	34,721	34,721	34,721	34,721	34,721	34,721	409,764	416,655	-2%
Supplies	11,805	6,830	7,597	5,420	4,865	11,891	1,668	1,694	2,359	3,389	5,812	12,130	75,460	39,890	89%
Professional Services	0	4,228	625	4,723	0	2,056	19,100	15,047	20,477	35,588	20,199	55,812	177,854	178,540	0%
Communications	16	61	36	0	21	332	257	257	257	677	258	278	2,449	3,672	-33%
Travel	0	0	0	0	0	0	146	146	146	146	146	146	875	1,750	-50%
Training	0	0	495	785	421	605	162	0	729	525	13	521	4,255	4,060	5%
Advertising	0	85	0	0	0	134	0	0	0	0	0	632	851	800	6%
Operating Leases	8,274	8,746	8,334	8,431	8,417	8,435	7,522	8,668	11,067	10,470	7,380	7,663	103,409	100,131	3%
Utilities	5,785	5,795	5,598	5,589	5,598	5,585	4,694	9,340	104	9,450	454	9,707	67,700	57,040	19%
Repair & Maintenance	7,038	249	8,458	3,664	1,315	7,395	335	100,576	100,468	119,363	217,932	1,011,079	1,577,872	1,552,659	2%
All Other Miscellaneous	0	0	31	0	1,496	1,071	0	133	54	9	88	1,698	4,581	2,402	91%
Other Services & Charges	72,367	0	0	0	0	0	0	0	0	0	0	0	72,367	84,134	-14%
Intergovernmental	0	144	0	0	0	0	0	0	0	145	928	967	2,184	2,040	7%
Capital Equipment	0	0	0	0	0	0	0	13,000	52,000	0	0	10,000	75,000	75,000	0%
Capital Projects	0	46	14	86,527	-461	507	0	0	0	0	0	0	86,633	80,421	8%
Total Cash Outflows	221,526	145,924	135,029	225,810	147,015	158,013	155,618	270,596	309,395	301,496	374,944	1,232,367	3,677,732	3,643,351	1%
Ending Cash Balance	367,630	433,853	694,780	642,266	591,088	473,518	465,969	419,839	230,023	266,938	1,847	182,611	182,611		
Ending Unrestricted/Unreserved	367,630	433,853	694,780	642,266	591,088	473,518	465,969	419,839	230,023	266,938	1,847	182,611	182,611		
YE Accrued Liability													-147,179		
Ending Stability Reserve - Projected													35,432		

City of Bainbridge Island 2014 Cash Flow Plan - Building & Development Fund
As of July 2014

	Actual Jan-14	Actual Feb-14	Actual Mar-14	Actual Apr-14	Actual May-14	Actual Jun-14	Projected Jul-14	Projected Aug-14	Projected Sep-14	Projected Oct-14	Projected Nov-14	Projected Dec-14	Total	Budget	Variance
Beginning Cash Balance	338,286	283,373	299,968	232,909	118,658	108,276	76,737	47,327	71,810	125,045	224,536	270,965	338,286		
Cash Inflows															
Building Permits & Inspection	72,402	47,867	38,023	35,787	40,735	51,701	48,270	18,309	32,374	24,796	18,682	32,123	461,069	340,000	36%
Planning Review of Building P	2,543	6,398	7,613	5,091	0	0	6,771	2,536	2,216	7,559	6,039	4,257	51,025	60,000	-15%
Fire Inspections & Reviews	55	0	0	0	0	0	0	0	0	0	0	0	55	126	-57%
Engineering Fees	534	148	0	374	382	374	0	0	0	0	0	0	1,812	2,132	-15%
Zoning & Subdivision	360	6,826	1,717	13,047	10,833	10,936	6,295	1,951	1,882	34,159	6,796	14,228	109,030	120,000	-9%
Plan Checking Fees	8,703	21,701	29,419	30,706	53,104	43,922	23,490	8,570	23,548	21,630	21,202	19,060	305,056	230,000	33%
Other Planning & Developme	16,136	27,342	29,969	-19,046	25,986	10,092	13,903	2,832	4,700	24,115	10,280	6,818	153,125	127,500	20%
Interest on Investments & Otl	0	0	5	0	200	0	0	0	0	0	0	0	205	0	0%
Operating Transfers In	60,000	69,000	0	0	0	0	62,848	160,262	157,120	157,120	157,120	0	823,469	1,008,709	-18%
Total Cash Inflows	160,734	179,282	106,746	65,960	131,241	117,025	161,577	194,460	221,839	269,379	220,119	76,486	1,904,847	1,888,467	1%
Cash Outflows															
Salary	93,171	96,378	97,083	97,807	92,188	92,018	103,007	103,007	103,007	103,007	103,007	103,007	1,186,687	1,236,085	-4%
Benefits	34,426	32,864	36,893	36,574	33,132	33,253	42,693	42,693	42,693	42,693	42,693	42,693	463,300	512,316	-10%
Supplies	804	1,327	184	198	1,096	674	30	1,110	118	950	1,688	1,011	9,189	11,883	-23%
Professional Services	13,506	13,703	31,905	31,581	4,190	9,451	3,151	3,788	3,282	8,553	6,694	27,571	157,374	77,000	104%
Communications	36	231	149	122	0	158	0	0	0	0	2,581	0	3,277	4,109	-20%
Travel	0	0	0	0	0	140	605	605	605	605	605	605	3,768	7,255	-48%
Training	0	0	2,050	260	8	456	0	183	0	77	0	175	3,208	1,224	162%
Advertising	0	2,029	743	1,693	761	1,524	1,748	854	867	499	876	1,250	12,843	10,506	22%
Operating Leases	11,804	10,785	9,637	11,883	9,457	10,208	37,773	8,794	17,509	13,266	5,681	13,209	160,005	144,813	10%
Repair & Maintenance	0	0	0	5	17	0	250	0	0	0	0	293	564	14,904	-96%
All Other Miscellaneous	0	140	282	88	396	72	1,731	8,945	524	238	9,865	2,851	25,132	32,956	-24%
Other Services & Charges	61,899	0	0	0	0	0	0	0	0	0	0	0	61,899	71,421	-13%
Intergovernmental	0	111	0	0	380	609	0	0	0	0	0	935	2,035	4,590	-56%
Total Cash Outflows	215,647	162,687	173,805	180,210	141,623	148,564	190,987	169,977	168,605	169,888	173,690	193,600	2,089,283	2,129,062	-2%
Ending Cash Balance	283,373	299,968	232,909	118,658	108,276	76,737	47,327	71,810	125,045	224,536	270,965	153,850	153,850		
Ending Unrestricted/Unreserved	283,373	299,968	232,909	118,658	108,276	76,737	47,327	71,810	125,045	224,536	270,965	153,850	153,850		
YE Accrued Liability													-79,501		
Ending Stability Reserve - Projected													74,350		

City of Bainbridge Island 2014 Cash Flow Plan - Real Estate Excise Tax Fund
As of July 2014

	Actual Jan-14	Actual Feb-14	Actual Mar-14	Actual Apr-14	Actual May-14	Actual Jun-14	Projected Jul-14	Projected Aug-14	Projected Sep-14	Projected Oct-14	Projected Nov-14	Projected Dec-14	Total	Budget	Variance
Beginning Cash Balance	5	38,663	78,972	116,077	187,016	230,076	204,465	387,550	428,198	460,436	174,138	230,830	5		
Cash Inflows															
Real Estate Excise Tax	38,658	40,309	37,105	70,938	43,061	112,389	183,085	101,600	68,692	34,792	56,693	63,635	850,956	1,275,000	-33%
Interest on Investments	0	0	0	0	0	0	0	0	0	0	0	0	0	3,060	-100%
Total Cash Inflows	38,658	40,309	37,105	70,938	43,061	112,389	183,085	101,600	68,692	34,792	56,693	63,635	850,956	1,278,060	-33%
Cash Outflows															
Operating Transfers Out	0	0	0	0	0	138,000	0	60,952	36,454	321,090	0	254,958	811,453	1,338,060	-39%
Total Cash Outflows	0	0	0	0	0	138,000	0	60,952	36,454	321,090	0	254,958	811,453	1,338,060	-39%
Ending Cash Balance	38,663	78,972	116,077	187,016	230,076	204,465	387,550	428,198	460,436	174,138	230,830	39,508	39,508		
Ending Unrestricted/Unreserved	38,663	78,972	116,077	187,016	230,076	204,465	387,550	428,198	460,436	174,138	230,830	39,508	39,508		
Ending Stability Reserve - Projected													39,508		

City of Bainbridge Island 2014 Cash Flow Plan - Civic Improvement Fund
As of July 2014

	Actual Jan-14	Actual Feb-14	Actual Mar-14	Actual Apr-14	Actual May-14	Actual Jun-14	Projected Jul-14	Projected Aug-14	Projected Sep-14	Projected Oct-14	Projected Nov-14	Projected Dec-14	Total	Budget	Variance
Beginning Cash Balance	143,247	149,780	163,445	169,909	156,289	147,374	150,715	136,588	140,918	153,726	139,835	151,336	143,247		
Cash Inflows															
Hotel/Motel Tax	6,534	21,885	6,464	5,403	9,217	6,341	6,900	12,044	16,360	13,361	13,581	7,749	125,838	110,000	14%
Total Cash Inflows	6,534	21,885	6,464	5,403	9,217	6,341	6,900	12,044	16,360	13,361	13,581	7,749	125,838	110,000	14%
Cash Outflows															
Professional Services	0	8,220	0	19,023	18,132	3,000	21,027	7,713	3,553	27,251	2,080	17,633	127,633	127,633	0%
Total Cash Outflows	0	8,220	0	19,023	18,132	3,000	21,027	7,713	3,553	27,251	2,080	17,633	127,633	127,633	0%
Ending Cash Balance	149,780	163,445	169,909	156,289	147,374	150,715	136,588	140,918	153,726	139,835	151,336	141,452	141,452		
Ending Unrestricted/Unreserved	149,780	163,445	169,909	156,289	147,374	150,715	136,588	140,918	153,726	139,835	151,336	141,452	141,452		
YE Accrued Liability													-45,112		
Ending Stability Reserve - Projected													96,340		

City of Bainbridge Island 2014 Cash Flow Plan - Far-Public Amenities
As of July 2014

	Actual Jan-14	Actual Feb-14	Actual Mar-14	Actual Apr-14	Actual May-14	Actual Jun-14	Projected Jul-14	Projected Aug-14	Projected Sep-14	Projected Oct-14	Projected Nov-14	Projected Dec-14	Total	Budget	Variance
Beginning Cash Balance	13,867	13,867	13,867	13,867	13,867	13,867	13,867	13,867	13,867	13,867	13,867	13,867	13,867		
Cash Inflows															
Cash Outflows															
Ending Cash Balance	13,867	13,867	13,867	13,867	13,867	13,867	13,867	13,867	13,867	13,867	13,867	13,867	13,867		
Less: Restricted SubFunds	-13,867	-13,867	-13,867	-13,867	-13,867	-13,867	-13,867	-13,867	-13,867	-13,867	-13,867	-13,867	-13,867		
Ending Unrestricted/Unreserved	0	0	0	0	0	0	0	0	0	0	0	0	0		
Ending Stability Reserve - Projected													0		

City of Bainbridge Island 2014 Cash Flow Plan - Far-Farm/Ag
As of July 2014

	Actual Jan-14	Actual Feb-14	Actual Mar-14	Actual Apr-14	Actual May-14	Actual Jun-14	Projected Jul-14	Projected Aug-14	Projected Sep-14	Projected Oct-14	Projected Nov-14	Projected Dec-14	Total	Budget	Variance
Beginning Cash Balance	79,217	79,217	79,217	79,217	79,217	79,217	79,217	79,217	79,217	79,217	79,217	79,217	79,217		
Cash Inflows															
Cash Outflows															
Ending Cash Balance	79,217	79,217	79,217	79,217	79,217	79,217	79,217	79,217	79,217	79,217	79,217	79,217	79,217		
Less: Restricted SubFunds	-79,217	-79,217	-79,217	-79,217	-79,217	-79,217	-79,217	-79,217	-79,217	-79,217	-79,217	-79,217	-79,217		
Ending Unrestricted/Unreserved	0	0	0	0	0	0	0	0	0	0	0	0	0		
Ending Stability Reserve - Projected													0		

City of Bainbridge Island 2014 Cash Flow Plan - G O Bond Fund
As of July 2014

	Actual Jan-14	Actual Feb-14	Actual Mar-14	Actual Apr-14	Actual May-14	Actual Jun-14	Projected Jul-14	Projected Aug-14	Projected Sep-14	Projected Oct-14	Projected Nov-14	Projected Dec-14	Total	Budget	Variance
Beginning Cash Balance	19	3,550	16,113	48,634	183,927	245,265	623	3,160	6,528	25,375	-30,131	26,317	19		
Cash Inflows															
Property Taxes - BOND LEVY	3,532	12,563	32,521	211,647	61,338	4,313	2,538	3,367	18,848	198,487	56,448	3,460	609,062	604,377	1%
Operating Transfers In	0	0	0	0	0	138,000	0	0	0	577,362	0	1,366,935	2,082,297	2,121,396	-2%
Total Cash Inflows	3,532	12,563	32,521	211,647	61,338	142,313	2,538	3,367	18,848	775,849	56,448	1,370,395	2,691,359	2,725,773	-1%
Cash Outflows															
Debt Service	0	0	0	76,355	0	386,955	0	0	0	831,355	0	1,390,864	2,685,529	2,685,530	0%
Total Cash Outflows	0	0	0	76,355	0	386,955	0	0	0	831,355	0	1,390,864	2,685,529	2,685,530	0%
Ending Cash Balance	3,550	16,113	48,634	183,927	245,265	623	3,160	6,528	25,375	-30,131	26,317	5,849	5,849		
Ending Unrestricted/Unreserved	3,550	16,113	48,634	183,927	245,265	623	3,160	6,528	25,375	-30,131	26,317	5,849	5,849		
Ending Stability Reserve - Projected													5,849		

City of Bainbridge Island 2014 Cash Flow Plan - L I D Bond Fund
As of July 2014

	Actual Jan-14	Actual Feb-14	Actual Mar-14	Actual Apr-14	Actual May-14	Actual Jun-14	Projected Jul-14	Projected Aug-14	Projected Sep-14	Projected Oct-14	Projected Nov-14	Projected Dec-14	Total	Budget	Variance
Beginning Cash Balance	99,345	99,345	101,988	104,834	108,838	98,051	119,467	119,467	119,467	119,467	119,467	119,467	99,345		
Cash Inflows															
LID Bond Fund	0	2,643	2,846	4,004	43,605	21,416	0	0	0	0	0	150	74,664	51,726	44%
Total Cash Inflows	0	2,643	2,846	4,004	43,605	21,416	0	0	0	0	0	150	74,664	51,726	44%
Cash Outflows															
Debt Service	0	0	0	0	54,392	0	0	0	0	0	0	0	54,392	45,883	19%
Total Cash Outflows	0	0	0	0	54,392	0	0	0	0	0	0	0	54,392	45,883	19%
Ending Cash Balance	99,345	101,988	104,834	108,838	98,051	119,467	119,467	119,467	119,467	119,467	119,467	119,617	119,617		
Ending Unrestricted/Unreserved	99,345	101,988	104,834	108,838	98,051	119,467	119,467	119,467	119,467	119,467	119,467	119,617	119,617		
Ending Stability Reserve - Projected													119,617		

City of Bainbridge Island 2014 Cash Flow Plan - Capital Construction Fund
As of July 2014

	Actual Jan-14	Actual Feb-14	Actual Mar-14	Actual Apr-14	Actual May-14	Actual Jun-14	Projected Jul-14	Projected Aug-14	Projected Sep-14	Projected Oct-14	Projected Nov-14	Projected Dec-14	Total	Budget	Variance
Beginning Cash Balance	131,309	173,660	178,587	312,716	447,157	671,366	628,391	238,391	388,141	475,141	732,141	675,141	131,309		
Cash Inflows															
WA State & Local Grants & Dc	0	0	0	0	0	0	30,000	10,000	10,000	40,000	363,000	644,000	1,097,000	1,097,000	0%
US Government Grants	248,153	99,079	190,311	0	0	0	0	240,000	320,000	326,000	0	303,000	1,726,543	1,159,000	49%
Private and Developer Donati	0	0	0	12,750	0	0	0	0	0	0	0	0	12,750	0	0%
Operating Transfers In	0	0	0	207,000	259,050	0	0	299,750	0	0	0	78,150	843,950	585,000	44%
Total Cash Inflows	248,153	99,079	190,311	219,750	259,050	0	30,000	549,750	330,000	366,000	363,000	1,025,150	3,680,243	2,841,000	30%
Cash Outflows															
Capital Projects	205,803	94,151	56,182	85,310	34,841	42,975	420,000	400,000	243,000	109,000	420,000	1,060,000	3,171,261	5,608,215	-43%
Total Cash Outflows	205,803	94,151	56,182	85,310	34,841	42,975	420,000	400,000	243,000	109,000	420,000	1,060,000	3,171,261	5,608,215	-43%
Ending Cash Balance	173,660	178,587	312,716	447,157	671,366	628,391	238,391	388,141	475,141	732,141	675,141	640,291	640,291		
Less: Restricted SubFunds	-171,000	-171,000	-171,000	-171,000	-171,000	-75,000	-75,000	-75,000	-17,000	-17,000	-17,000	-17,000	-17,000		
Ending Unrestricted/Unreserved	2,660	7,587	141,716	276,157	500,366	553,391	163,391	313,141	458,141	715,141	658,141	623,291	623,291		
YE Accrued Liability													-64,078		
Ending Stability Reserve - Projected													559,213		

City of Bainbridge Island 2014 Cash Flow Plan - Lid Capital Construction Fund

As of July 2014

	Actual Jan-14	Actual Feb-14	Actual Mar-14	Actual Apr-14	Actual May-14	Actual Jun-14	Projected Jul-14	Projected Aug-14	Projected Sep-14	Projected Oct-14	Projected Nov-14	Projected Dec-14	Total	Budget	Variance
Beginning Cash Balance	32,340	32,340	32,340	32,340	32,340	32,340	32,340	32,340	32,340	32,340	32,340	32,340	32,340		
Cash Inflows															
Cash Outflows															
Ending Cash Balance	32,340	32,340	32,340	32,340	32,340	32,340	32,340	32,340	32,340	32,340	32,340	32,340	32,340		
Ending Unrestricted/Unreserved	32,340	32,340	32,340	32,340	32,340	32,340	32,340	32,340	32,340	32,340	32,340	32,340	32,340		
Ending Stability Reserve - Projected													32,340		

City of Bainbridge Island 2014 Cash Flow Plan - Water Operating Fund
As of July 2014

	Actual Jan-14	Actual Feb-14	Actual Mar-14	Actual Apr-14	Actual May-14	Actual Jun-14	Projected Jul-14	Projected Aug-14	Projected Sep-14	Projected Oct-14	Projected Nov-14	Projected Dec-14	Total	Budget	Variance
Beginning Cash Balance	6,110,886	6,118,959	6,143,988	6,152,518	6,204,128	6,191,120	6,214,633	6,207,597	6,221,897	6,153,850	6,039,563	5,996,175	6,110,886		
Cash Inflows															
Water Charges	83,340	87,171	70,416	115,131	38,830	90,271	74,026	113,126	101,523	119,068	64,315	73,891	1,031,106	968,443	6%
Connections & All Others	5,553	2,511	3,228	750	16,794	7,912	750	750	750	750	750	750	41,248	37,100	11%
Interest on Investments	0	0	0	0	0	0	0	0	0	0	0	13,840	13,840	13,840	0%
Operating Transfers In	0	2,500	0	0	0	0	0	0	0	0	0	0	2,500	2,500	0%
Total Cash Inflows	88,893	92,182	73,644	115,881	55,624	98,183	74,776	113,876	102,273	119,818	65,065	88,481	1,088,694	1,021,883	7%
Cash Outflows															
Salary	28,327	28,770	30,157	30,563	31,696	33,530	34,149	34,149	34,149	34,149	34,149	34,149	387,938	409,790	-5%
Benefits	10,114	10,108	11,467	11,740	11,137	12,868	15,022	15,022	15,022	15,022	15,022	15,022	157,569	180,270	-13%
Supplies	3,804	3,196	5,137	1,882	3,175	3,090	3,520	1,907	2,999	4,411	10,973	34	44,127	42,532	4%
Professional Services	1,486	3,210	1,477	602	3,733	4,936	4,728	2,946	11,753	39,691	31,527	51,700	157,788	198,915	-21%
Communications	1,287	1,199	1,082	1,066	1,305	996	2,474	1,353	1,515	2,608	1,967	2,261	19,113	20,690	-8%
Travel	0	0	0	0	0	0	1,850	0	0	0	0	0	1,850	1,850	0%
Training	22	0	0	253	179	412	0	125	0	1,402	774	110	3,277	4,060	-19%
Operating Leases	2,442	2,590	2,462	2,492	2,455	2,461	4,786	4,777	4,634	5,011	4,634	4,938	43,684	57,737	-24%
Utilities	6,820	6,930	6,557	6,653	6,700	6,187	6,403	15,106	0	13,358	0	11,996	86,710	74,460	16%
Repair & Maintenance	96	1,641	746	671	314	69	395	3,062	0	999	2,105	4,618	14,716	35,500	-59%
All Other Miscellaneous	0	4,664	154	0	518	241	315	393	56	145	694	0	7,180	8,957	-20%
Other Services & Charges	19,564	0	0	0	0	0	0	0	0	0	0	0	19,564	23,505	-17%
Intergovernmental	6,858	3,123	5,058	8,138	7,421	9,394	8,169	13,736	11,190	12,309	6,606	9,016	101,018	109,450	-8%
Capital Equipment	0	0	0	0	0	0	0	0	0	105,000	0	10,000	115,000	115,000	0%
Capital Projects	0	1,721	817	212	0	484	0	7,000	89,000	0	0	0	99,234	99,000	0%
Total Cash Outflows	80,821	67,153	65,114	64,271	68,632	74,670	81,812	99,576	170,319	234,105	108,453	143,843	1,258,767	1,381,716	-9%
Ending Cash Balance	6,118,959	6,143,988	6,152,518	6,204,128	6,191,120	6,214,633	6,207,597	6,221,897	6,153,850	6,039,563	5,996,175	5,940,813	5,940,813		
Less: Capital Contingency Res	0	-127,055	-127,055	-127,055	-127,055	-127,055	-127,055	-127,055	-127,055	-127,055	-127,055	-127,055	-127,055		
Less: Operating Reserve	-174,089	-174,089	-174,089	-174,089	-174,089	-174,089	-174,089	-174,089	-174,089	-174,089	-174,089	-174,089	-174,089		
Ending Unrestricted/Unreserved	5,944,870	5,842,844	5,851,374	5,902,984	5,889,976	5,913,489	5,906,453	5,920,752	5,852,706	5,738,419	5,695,031	5,639,669	5,639,669		

City of Bainbridge Island 2014 Cash Flow Plan - Sewer Operating Fund
As of July 2014

	Actual Jan-14	Actual Feb-14	Actual Mar-14	Actual Apr-14	Actual May-14	Actual Jun-14	Projected Jul-14	Projected Aug-14	Projected Sep-14	Projected Oct-14	Projected Nov-14	Projected Dec-14	Total	Budget	Variance
Beginning Cash Balance	3,800,600	3,858,806	4,037,770	4,090,437	4,280,831	4,395,782	3,798,294	6,803,646	7,035,999	7,048,078	7,213,409	7,151,311	3,800,600		
Cash Inflows															
Sewer Charges	268,399	324,591	242,919	318,230	246,897	339,277	248,179	367,224	232,844	369,044	252,091	330,248	3,539,942	3,500,000	1%
U.L.I.D. Assessments	9,142	21,862	39,148	54,693	70,474	86,328	18,671	65,900	2	0	-924	-9,611	355,685	316,918	12%
Connections & All Others	29,874	19,164	6,148	17,184	9,733	7,796	0	0	0	0	0	0	89,899	200,000	-55%
Proceeds of General Long Ter	0	0	0	0	0	0	2,902,608	0	0	0	0	1,082,392	3,985,000	3,985,000	0%
Total Cash Inflows	307,416	365,617	288,215	390,107	327,104	433,401	3,169,459	433,124	232,846	369,044	251,166	1,403,029	7,970,526	8,001,918	0%
Cash Outflows															
Salary	60,613	59,816	58,891	52,178	54,157	54,976	60,319	60,319	60,319	60,319	60,319	60,319	702,548	723,833	-3%
Benefits	21,616	22,827	24,009	19,842	20,243	22,337	26,069	26,069	26,069	26,069	26,069	26,069	287,291	312,834	-8%
Supplies	8,897	8,093	8,395	15,041	3,464	5,864	9,685	5,247	5,837	7,535	2,964	11,796	92,819	68,914	35%
Professional Services	22,354	5,282	32,610	12,269	23,978	19,858	13,550	728	55,000	13,209	26,394	45,956	271,188	228,860	18%
Communications	2,044	1,841	1,864	1,799	2,027	1,729	2,708	2,967	2,558	189	4,592	3,296	27,614	31,008	-11%
Travel	0	0	0	0	0	0	154	154	154	154	154	154	925	1,850	-50%
Training	0	0	0	0	1,253	363	0	0	0	1,485	16	0	3,117	4,060	-23%
Advertising	0	0	0	0	244	0	0	0	0	0	0	0	244	0	0%
Operating Leases	4,798	5,385	4,840	4,898	4,870	4,881	6,438	6,477	6,289	13,308	6,395	6,732	75,310	84,914	-11%
Utilities	20,039	10,484	22,320	11,487	15,174	9,512	9,741	31,996	373	31,229	5,921	37,592	205,869	212,704	-3%
Repair & Maintenance	5,322	3,682	16,096	6,463	8,142	1,136	3,716	9,055	3,667	12,963	4,212	12,158	86,611	76,715	13%
All Other Miscellaneous	1,340	15	2,543	150	0	464	159	4,751	4,454	168	49	0	14,092	15,920	-11%
Other Services & Charges	35,914	0	0	0	0	0	0	0	0	0	0	0	35,914	42,406	-15%
Intergovernmental	32,436	42,139	31,343	42,434	39,673	27,268	31,568	53,007	31,046	37,084	30,178	27,406	425,582	427,026	0%
Capital Equipment	0	0	0	0	0	0	0	0	25,000	0	0	10,000	35,000	35,000	0%
Capital Projects	33,835	27,090	32,636	33,151	38,927	2,123	0	0	0	0	146,000	4,098,000	4,411,762	4,924,612	-10%
Debt Service	0	0	0	0	0	880,378	0	0	0	0	0	511,175	1,391,553	1,606,019	-13%
Total Cash Outflows	249,209	186,654	235,548	199,713	212,152	1,030,889	164,107	200,771	220,767	203,713	313,264	4,850,653	8,067,439	8,796,674	-8%
Ending Cash Balance	3,858,806	4,037,770	4,090,437	4,280,831	4,395,782	3,798,294	6,803,646	7,035,999	7,048,078	7,213,409	7,151,311	3,703,687	3,703,687		
Less: Capital Contingency Res	0	-217,085	-217,085	-217,085	-217,085	-217,085	-217,085	-217,085	-217,085	-217,085	-217,085	-217,085	-217,085		
Less: Operating Reserve	-278,640	-278,640	-278,640	-278,640	-278,640	-278,640	-278,640	-278,640	-278,640	-278,640	-278,640	-278,640	-278,640		
Ending Unrestricted/Unreserved	3,580,166	3,542,044	3,594,712	3,785,106	3,900,057	3,302,569	6,307,920	6,540,274	6,552,353	6,717,684	6,655,586	3,207,961	3,207,961		

City of Bainbridge Island 2014 Cash Flow Plan - Storm & Surface Water Fund
As of July 2014

	Actual Jan-14	Actual Feb-14	Actual Mar-14	Actual Apr-14	Actual May-14	Actual Jun-14	Projected Jul-14	Projected Aug-14	Projected Sep-14	Projected Oct-14	Projected Nov-14	Projected Dec-14	Total	Budget	Variance
Beginning Cash Balance	1,317,650	1,098,150	989,077	920,296	1,387,916	1,438,959	1,276,216	976,359	871,909	721,046	1,219,087	1,289,712	1,317,650		
Cash Inflows															
Storm Water Management Cl	9,298	40,137	106,246	693,728	196,476	14,298	8,036	11,609	59,035	664,696	227,186	11,459	2,042,204	2,083,279	-2%
Connections & All Others	205	730	0	0	0	0	0	293,000	0	0	0	50,000	343,935	343,000	0%
Interest on Investments	0	0	0	0	0	0	0	0	0	0	0	3,060	3,060	3,060	0%
Total Cash Inflows	9,503	40,867	106,246	693,728	196,476	14,298	8,036	304,609	59,035	664,696	227,186	64,519	2,389,199	2,429,339	-2%
Cash Outflows															
Salary	62,099	63,273	56,532	65,012	59,000	62,221	66,511	66,511	66,511	66,511	66,511	66,511	767,206	798,137	-4%
Benefits	24,497	24,463	20,971	26,255	23,444	23,210	24,284	24,284	24,284	24,284	24,284	24,284	288,544	291,408	-1%
Supplies	5,019	7,997	7,540	6,510	2,686	3,825	3,690	2,876	5,894	8,736	4,711	3,876	63,361	71,675	-12%
Professional Services	37,600	11,927	31,909	58,313	7,890	17,758	12,904	12,302	3,374	3,307	3,532	8,958	209,774	191,111	10%
Communications	16	49	53	17	21	107	72	48	23	73	47	50	575	587	-2%
Travel	0	0	0	0	9	3	0	0	0	0	0	0	12	0	0%
Training	0	0	900	744	552	521	373	0	0	770	172	0	4,032	2,000	102%
Operating Leases	6,079	6,240	6,202	6,163	6,428	6,173	6,126	6,172	10,116	6,199	6,054	6,199	78,152	77,823	0%
Utilities	219	4,096	4,844	2,495	155	215	8,028	15,329	146	13,323	13,503	60,333	122,687	126,335	-3%
Repair & Maintenance	0	163	108	1,163	423	1,240	9	0	599	1,143	12,085	2,010	18,942	17,500	8%
All Other Miscellaneous	664	0	0	6,974	16,103	409	0	0	132	0	52	7,334	31,668	31,970	-1%
Other Services & Charges	38,737	0	0	0	0	0	0	0	0	0	0	0	38,737	38,737	0%
Intergovernmental	23,948	10,035	6,951	43,209	23,264	3,805	6,794	837	9,817	42,310	25,609	25,774	222,355	205,042	8%
Capital Equipment	0	0	0	0	0	0	0	52,000	36,000	0	0	0	88,000	88,000	0%
Capital Projects	30,124	21,696	39,016	9,253	5,458	3,857	179,100	228,700	53,000	0	0	200,000	770,204	819,662	-6%
Debt Service	0	0	0	0	0	53,697	0	0	0	0	0	0	53,697	53,697	0%
Total Cash Outflows	229,003	149,940	175,027	226,108	145,433	177,041	307,893	409,060	209,897	166,656	156,561	405,329	2,757,948	2,813,684	-2%
Ending Cash Balance	1,098,150	989,077	920,296	1,387,916	1,438,959	1,276,216	976,359	871,909	721,046	1,219,087	1,289,712	948,901	948,901		
Less: Capital Contingency Res	0	-90,816	-90,816	-90,816	-90,816	-90,816	-90,816	-90,816	-90,816	-90,816	-90,816	-90,816	-90,816		
Less: Operating Reserve	-230,756	-230,756	-230,756	-230,756	-230,756	-230,756	-230,756	-230,756	-230,756	-230,756	-230,756	-230,756	-230,756		
Ending Unrestricted/Unreserved	867,394	667,505	598,723	1,066,344	1,117,387	954,643	654,787	550,337	399,474	897,515	968,140	627,329	627,329		

CITY OF BAINBRIDGE ISLAND
CITY COUNCIL AGENDA BILL

PROCESS INFORMATION	
Subject: Ordinance No. 2014-31, Q2, 2014 Budget Amendments	Date: August 4, 2014
Agenda Item: Staff Intensive	Bill No.: 14-064
Proposed By: Ellen Schroer, Finance Director	Referral(s):

BUDGET INFORMATION		
Department:	Fund:	Munis Contract #
Expenditure Req:	Budgeted? ☐ Yes ☒ No	Budget Amend. Req? ☒ Yes ☐ No

REFERRALS/REVIEW		
Study Session:	Recommendation: Schedule 2nd Reading August 11, 2014	
City Manager ☒ Yes ☐ No ☐ N/A	Legal ☒ Yes ☐ No ☐ N/A	Finance ☒ Yes ☐ No ☐ N/A

DESCRIPTION/SUMMARY

Action Item:

1st reading of Ordinance No. 2014-31 amending the 2014 Budget of the City and providing for uses not foreseen at the time the 2014 budget was adopted.

History:

Each quarter, staff provides detail on budget adjustments for Council approval. Attached for Council's consideration is an ordinance with second quarter budget amendments.

RECOMMENDED ACTION

Motion:

I move that the City Council move Ordinance No. 2014-31 amending the 2014 Budget of the City to the August 11, 2014 Consent Agenda.

CITY OF BAINBRIDGE ISLAND

FINANCE AND ADMINISTRATIVE SERVICES DEPARTMENT

MEMORANDUM

TO: City Council
Doug Schulze, City Manager

FROM: Ellen Schroer, Finance Director

DATE: July 31, 2014

RE: Second Quarter 2014 Budget Adjustments

The Finance and Administrative Services Department brings budget adjustments to Council for consideration on a quarterly basis. This timing allows real-time consideration of deviations from planned budget, and avoids the accumulation of a large number of year-end adjustments. In many cases, the items requiring new appropriation have been discussed previously with Council.

Attached are details related to budget adjustments City staff have identified as appropriate at the mid-year 2014 review.

The first set of budget adjustments is related to professional services the City has sought to support priority projects:

- Police/Court Study: This item provides appropriation authority and funding for work by MacKenzie to evaluate options for potential facilities for the Police Department and the Municipal Court.
- LTAC Awards: This item provides appropriation authority in alignment with the actual awards Council approved for 2014. The fund has adequate balance to support these awards.

The next budget adjustments are related to capital projects:

- Crystal Springs Embankment Project. This item provides for additional funding and expenditure authority for a project completed on Crystal Springs Road which exceeded original estimates. The funding will be transferred from road maintenance funding included in the Streets Fund, so will result in no net increase of City expense.
- Islandwide Right of Way Gap Acquisition Project. This item amends the 2014 Capital Improvement Plan (CIP) to include an Islandwide Right of Way Gap Acquisition project.

This project provides funding to procure right of way for critical non-motorized improvement projects. The project will provide for items such as consulting services for right-of-way outreach and negotiations, appraisals, and purchase of real property.

The final two budget adjustments are related to City operations activities.

- Labor adjustments. This item consolidates personnel budget changes identified as of mid-year. Adjustments include increasing the budget for seasonal maintenance workers to include specific tasks on Winslow Way, and to align the budget and anticipated work program for these workers, providing for unanticipated overtime in the Planning and Community Development Department related to work items in 2014 such as the Shoreline Master Plan and the City's marijuana initiative, and providing for retroactive pay for the Human Resources Manager in accordance with the direction provided in November 2013.

Thank you for your consideration of these requests.

Attachment:
Budget Adjustment Spreadsheet

TABLE ONE: Proposed Q2 2014 Budget Adjustments

2014 BUDGET AMENDMENTS					
presented to City Council _______ __, 2014					
approved on ___ __, 2014					
SUBJECT	**DESCRIPTION**	**FUND / Department**	**AMOUNT**	**Change to Appropriation**	**Recurring Expense?**
Police/Court Study	**This item authorizes funding for the MacKenzie contract to evaluate options for the development of Police and Municipal Court facilities.**	**General / Executive**	$ 12,000	Increase. Source: General Fund	No
LTAC	This item authorizes funding approved by the Lodging Tax Committee of $127,633 which represents an increase from the originally-budgeted amount of $110,000.	Civic Improvement / Executive	$ 17,633	Increase. Source: Civic Improvement Fund	No
Crystal Springs Embankment Project Cost Increase	This item provides funding for the increased effort to add an additional rock wall and structural excavation needed to complete the Crystal Springs Embankment Project.	Capital Construction / Public Works	$ 13,600	Increase: Source: Capital Construction Fund via Streets Fund	No
Crystal Springs Embankment Project Transfer	This item transfers funding and expenditure authority from the Street Fund to the Capital Construction Fund in an amount equal to the increase in the project cost. The amount is transferred from the Annual Roads Maintenance program.	From: Street / Public Works To: Capital Construction / Public Works	$ -	Transfer	No
Labor Adjustments	This item consolidates changes to the City's labor budget for seasonal maintenance, overtime expenditures, and salary expense for the Human Resources Manager.	Various. See next page for detail	$ 24,245	Increase.	See next page for detail
Capital Improvement Plan - Islandwide Right of Way Gaps Acquisition	This item amends the Capital Improvement Plan (CIP) to include an Island Wide Right of Way Acquisition project.		$100,000	Increase. Source: Transfer from Bainbridge Island Transportation Benefit District	No

Labor Adjustments Detail					
Seasonal Maintenance Workers	This items transfers expenditure authority across funds in alignment with the work expected to be performed by the seasonal maintenance workers, and increases the 2014 budget to equal 2013 levels. This updates the budget based on 2013 experience and 2014 anticipated work program.	General / Public Works	$ (7,594)	Transfer	Yes
		Streets / Public Works	$ 6,000	Increase. Source: General Fund	Yes
		SSWM / Public Works	$ 7,594	Transfer	Yes
	Subtotal for Seasonal Maintenance Workers Adjustment		$ 6,000		
Planning Department Overtime	This item provides additional expenditure authority for overtime associated with the Shoreline Management Program, which was originally expected to be completed in 2013, the City's marijuana initiative, and a software upgrade in the Planning Department.	General / Planning and Community Development	$ 8,000	Increase. Source: General Fund	No
Subtotal for Planning and Community Development Overtime Adjustment			$ 8,000		
Human Resources Manager	This item provides additional expenditure authority and funding for the Human Resources Manager position. This position was increased to fulltime in the 2014 budget modifications, with funding on hold pending the results of the classification and compensation study recently completed by Milliman, Inc. The study confirmed that the established pay range is in line with City compensation policy. This adjustment provides retroactive pay to the incumbent to January 1, 2014.	General / Executive	$ 7,417	Increase. Source: General Fund	Yes
		Streets / Executive	$ 789	Increase. Source: Streets Fund	Yes
		Water / Executive	$ 318	Increase. Source: Water Fund	Yes
		Sewer / Executive	$ 481	Increase. Source: Sewer Fund	Yes
		SSWM / Executive	$ 522	Increase. Source: SSWM Fund	Yes
		B&DS / Executive	$ 718	Increase. Source: B&DS Fund	Yes
	Subtotal for Human Resources Manager Adjustment		$ 10,245		

ORDINANCE NO. 2014-31

AN ORDINANCE of the City of Bainbridge Island, Washington amending the 2014 Budget of the City and providing for uses not foreseen at the time the modifications to the biennial budget for 2014 budget were adopted.

WHEREAS, on December 11, 2013, the City Council adopted modifications to the biennial budget for 2014 by Ordinance No. 2013-37; and

WHEREAS, a number of situations have occurred during 2014 which require the City to expend money on items, projects and categories not included in the 2014 Budget; now, therefore,

THE CITY COUNCIL OF THE CITY OF BAINBRIDGE ISLAND, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Ordinance No. 2013-37 and the 2014 budget are each amended as shown on the attached Exhibit A.

Section 2. The City's Finance Director is authorized and directed by this ordinance to make the necessary changes to the 2014 Budget. The Finance Director is further directed to make sufficient interfund equity transfers from the appropriate funds to cover the added amounts authorized by this ordinance.

Section 3. The Finance Director is authorized and directed to properly account for the Building and Development Services activities of the City and to transfer such expenditures as are appropriate under Generally Accepted Accounting Principles from the General Fund to the Building and Development Services Fund provided that such transfers do not authorize an increase in expenditures.

Section 4. This ordinance shall take effect and be in force five days from and after its passage, approval and publication as required by law.

PASSED by the City Council this _____day of ______ , 2014.

APPROVED by the Mayor this ______ day of ______, 2014.

____

Anne S. Blair, Mayor

ATTEST / AUTHENTICATE:

____

Rosalind D. Lassoff, City Clerk

FILED WITH THE CITY CLERK:	July 31, 2014
PASSED BY THE CITY COUNCIL:	
PUBLISHED:	
EFFECTIVE DATE:	
ORDINANCE NO:	2014-31

CITY OF BAINBRIDGE ISLAND
CITY COUNCIL AGENDA BILL

PROCESS INFORMATION	
Subject: Bainbridge Island Rowing Ground Lease	Date: August 4, 2014
Agenda Item: Staff Intensive	Bill No.: 14-125
Proposed By: Doug Schulze, City Manager	Referral(s):

BUDGET INFORMATION		
Department/Fund: Executive		Munis Contract #
Expenditure Req: N/A	Budgeted? ☐ Yes ☒ No	Budget Amend. Req? ☐ Yes ☒ No

REFERRALS/REVIEW		
Study Session	Recommendation:	
City Manager ☒ Yes ☐ No ☐ N/A	Legal ☒ Yes ☐ No ☐ N/A	Finance ☐ Yes ☐ No ☒ N/A

DESCRIPTION/SUMMARY

Action Item:

The City Council is asked to consider moving the lease agreement with Bainbridge Island Rowing (BIR) to the August 11, 2014 Consent Agenda.

Background:

As part of the Waterfront Park Redevelopment design process, BIR proposed a new Boating Center building. The new Boating Center is proposed to be built within Waterfront Park in the vicinity of the current land leased by BIR for their vessel storage. City Council authorized staff to negotiate a lease agreement with BIR. During the past several months, former Interim City Attorney Jim Haney negotiated the terms of the agreement with BIR legal counsel.

This lease agreement would provide no monetary rent, but consideration for the lease is for services to be provided by BIR, which are listed in Section 9 of the Agreement. Upon substantial completion of the Boating Center, BIR will quit claim its entire interest in the Boating Center to the City, at no charge, at which point the Ground Lease will be amended to become a lease of the Boating Center building.

RECOMMENDED ACTION

I move City Council forward the Lease Agreement with Bainbridge Island Rowing to the August 11, 2014 Consent Agenda

GROUND LEASE

THIS GROUND LEASE is made and entered into this ____ day of _________, 2014 (this "Lease") by and between the City of Bainbridge Island, a Washington municipal corporation (the "City") and Bainbridge Island Rowing Club, a Washington non-profit corporation, d/b/a Bainbridge Island Rowing ("BIR").

RECITALS

1. The City is the owner of property commonly known as Waterfront Park in the Winslow area of Bainbridge Island, as depicted on the attached and incorporated Exhibit A (the "Park").

2. The City entered into a Revocable License Agreement, dated September 17, 2007 (the "License Agreement"), with BIR to allow BIR to use a portion of the Park to store rowing shells and associated equipment, wash and maintain equipment, run rowing programs out of the Park and conduct other recreational activities.

3. BIR has sought a permanent location for BIR facilities in order to operate its programs, and BIR would like to construct a boating center at the Park.

4. BIR provides recreational services to the public, which have gained regional and national acclaim, and which would otherwise not be available. These services enhance the public use of the Park and the appurtenant waterfront, and increase the public profile of the City as a center of rowing excellence, thereby constitute a benefit to the City.

5. In exchange for the consideration set forth herein, the City is willing to lease the portion of the Park legally described on the attached and incorporated Exhibit B and depicted on Exhibit C (the "BIR Area")'.

AGREEMENT

1. LEASE OF REAL PROPERTY.

The City hereby leases to BIR, and BIR hereby leases from the City the BIR Area, together with all rights, privileges, appurtenances and easements pertaining or relating thereto for the terms and upon the covenants, conditions and stipulations in this Lease.

2. CONSTRUCTION OF BOATING CENTER.

BIR shall construct a boating center building and related amenities and improvements on the BIR Area (the "Boating Center"). BIR shall consult with the City as to the plans and specifications for the construction of the Boating Center. BIR agrees to construct and design the Boating Center in accordance with the following conditions:

A. BIR shall pay all costs associated with the construction, including without limitation, site preparation, storm drainage, power, water, sewer, telephone, building construction, lighting, landscaping and architectural, engineering and utility hook-up fees and charges. BIR shall obtain all necessary permits and licenses for construction at BIR's sole cost and expense.

B. After issuance by the City of its Approval of Financial Capability (as defined below), BIR shall enter into a construction contract with a licensed and bonded contractor. The construction contract shall at a minimum provide for:

i. A specified period of time in which the work is to be completed;

ii. If BIR cannot demonstrate total cash contributions substantially equal to the total cost for the Shell and Core (as defined below), then if required by the City, a performance and payment bond conditioned upon faithful performance of the contract and the payment of all laborers, mechanics, subcontractors and materialmen. If required, the bond shall also guarantee that the contractor shall, at any time within a period of one year after the date of final acceptance by BIR of the Boating Center, and upon notice from BIR, replace or repair any part or parts of the Boating Center which are unsatisfactory due to faulty construction or workmanship; and

iii. The contractor's public liability and property damage insurance shall have coverage reasonably satisfactory to the City. The City shall be named as an additional insured on the policies.

C. Prior to execution of a construction contract, BIR shall provide to the City assurances reasonably satisfactory to the City that BIR has all necessary financing in place and/or is financially capable of completing at least the first phase of the construction (as defined in paragraph 2F below). Such assurances shall be delivered to the City Manager for review and approval ("Approval of Financial Capability"), which shall not be unreasonably withheld. Notwithstanding the foregoing, if construction has not commenced within 180 days after City has given its Approval of Financial Capability, this lease shall automatically terminate and neither party shall have any further liability to the other.

D. BIR shall employ an architect licensed by the State of Washington. All services provided by the architect shall be at the sole cost and expense of BIR.

E. The Boating Center shall be constructed in accordance with all applicable laws, ordinances and regulations. All construction shall be at the sole cost and expense of BIR. BIR shall retain all rights to name to the Boating Center and each of its components.

F. BIR shall commence construction no later than five years after the date of this Lease and shall diligently endeavor to complete the Boating Center within the time period more specifically described below unless this Lease is terminated prior to commencement of construction pursuant to the terms hereof. Notwithstanding any terms in this Lease to the contrary, in the event that such construction is not so commenced within such period (including any extensions agreed to by the City), then BIR or the City may cancel and terminate this Lease by written notice to the other party, and neither party shall have any further liability or obligation under this Lease. Construction shall be substantially completed within 24 months from the commencement of construction, the completion date being subject to extension for any of the delays set forth in this paragraph, including matters not reasonably within the control of BIR, BIR shall have the option, but not the obligation, to undertake the project in phases, undertaking the utility, foundation and building core improvements first (the "Core and Shell"), and the interior improvements and finishes second (the "Tenant Improvements"), to enable BIR to have flexibility during the construction process in connection with staged implementation of the Boating Center, multiphase fund raising, and management of other constraints affecting the project. Notwithstanding any terms herein to the contrary, the Boating Center shall be deemed substantially complete upon completion of the Core and Shell, provided that a certificate of occupancy can be issued for the Core and Shell that allows BIR to provide substantially all of the programs specified in Sections 3 and 5 at the Boating Center (hereafter "Substantial Completion" or "Substantially Complete.").

G. Subject to the same conditions described above, BIR may, after Substantial Completion of the Boating Center, and after deeding of the Boating Center to the City, make such modifications, additions, and alterations to the Boating Center as BIR deems necessary (including the Tenant Improvements) and as may be approved by the City, such approval not to be unreasonably withheld.

H. Subject to the terms of this paragraph, BIR shall keep the Boating Center and BIR Area free from any liens or encumbrances arising out of work performed on or materials furnished to the BIR Area at the express request of BIR, or obligations incurred by BIR (the "BIR Liens"), and shall indemnify, hold harmless and defend the City from the BIR Liens. BIR shall take all necessary steps to secure the release of any BIR Lien filed against the Boating Center or the BIR Area within thirty (30) days of the filing of such lien, including payment thereof or the posting of a bond to secure release thereof, regardless of whether BIR disputes the amount or validity of such lien. In the event that BIR shall not cause such lien to be released of record within the thirty (30) day period, the City shall have, in addition to all other remedies provided herein and by law, the right, but not the obligation, to cause the same to be released by such means as it shall deem proper, including payment of the claim giving rise to such lien; provided that, if BIR advises the City in writing that the BIR Lien is being contested, then the City shall not pay the claim giving rise to the lien, as long as BIR immediately obtains and records a bond necessary to obtain the release of such BIR Lien, as provided in RCW 60.04.161. All such sums paid by the City and all expenses incurred by it in connection therewith including attorney's fees and costs shall be payable to City by BIR on demand with interest at the rate of eighteen percent (18%) per annum. The City shall have the right at all times to post and keep posted on the Boating Center and the BIR Area any notices permitted or required by law, or which the City shall deem proper, for the protection of the City and the BIR Area, and any other party having an interest therein, from mechanics' and materialmen's liens, and BIR shall give to the City at least thirty (30) days' prior written notice of the expected date of commencement of any work relating to alterations or additions to the Boating Center or the BIR area.

I. During the term of this Lease, until such time as the Boating Center construction is Substantially Complete,

(i) BIR shall have all rights to use the BIR Area under the terms of the License Agreement;

(ii) BIR shall, in addition, have the exclusive right to control and possession all portions of the BIR Area as and to the extent necessary for the design, permitting and construction of the Boating Center as contemplated in this Lease; but

(iii) the City shall continue to be exclusively responsible for, and liable for all costs relating to, the landscaping, general Park maintenance, and other upkeep for that portion of the BIR Area that is not being used by BIR under the License Agreement, or is not fenced off as a construction site. J. BIR will be solely responsible for modifying, amending or relocating all utility locations and all easements existing of record in favor of the City to the extent that the same affect the BIR Area or otherwise impact the design, permitting and construction of the Boating Center; BIR shall pay all costs associated with the modification, amendment or relocation of such easements and utilities; the City agrees to cooperate in the relocation of such easements, at no cost to the City, as reasonably necessary to facilitate the construction of the Boating Center..

K. Upon Substantial Completion of the Boating Center, the License Agreement shall automatically terminate, the ownership of the Boating Center shall be transferred by quit-claim deed from BIR to the City, and the parties will enter into a lease amendment converting this Lease from a Ground Lease into a lease of the Boating Center on terms and conditions substantially identical with the terms of this Lease.

L. In the event that the City determines that a boundary line adjustment is necessary in order to create the area to be leased by BIR, BIR agrees to prepare any necessary application and other materials at BIR's sole cost and expense. The City agrees to sign any such application as the property owner. BIR agrees to pay any required application fee to the City and to act as the project applicant for all purposes.

3. USE OF BOATING CENTER.

During the term of this Lease, BIR shall use the Boating Center for the sole purposes of (A) conducting BIR's Rowing Programs (as defined below), and (B) Community Functions (as defined below).

A. For purposes of this Lease the "Rowing Programs" shall include but not be limited to: (i) holding classes and meetings concerning training, coaching, and conditioning rowers, (ii) storing, cleaning, repairing, and transportation of rowing shells, oars and all related equipment, plus motorized boats or other water craft used for training or safety purposes in connection with rowing, and all equipment related thereto, (iii) providing classrooms, meeting rooms, lockers, changing rooms, restrooms, storage facilities, offices, administration and records retention spaces, all in support of the above-referenced activities, (iv) sponsoring and staging of regattas, (v) learn-to-row courses and other community education programs; (vi) incidental retail sales of rowing supplies, information, and equipment to participants in the Rowing Programs; and (vii) other activities customarily associated with the operation of a rowing program and/or a boating center (collectively, the "Rowing Programs"); notwithstanding the foregoing, "Rowing Programs" may not include all items referenced in part (iii) above during the period when the Boating Center consists of just the Core and Shell .

B. BIR shall also make the Boating Center available for use for any other lawful purpose on a fee basis (with fees to be set by BIR in its sole discretion), to any other public or private organizations or individuals, if and to the extent that such use does not conflict with or adversely impact BIR's Rowing Programs (the "Community Functions"), except that BIR shall not (without prior written consent of the City) make the Boating Center available to any commercial enterprise on a continuous basis or a regularly scheduled basis such as weekly or monthly (other than retail sale included in the definition of Rowing Programs). In making the Boating Center available for Community Functions, BIR shall endeavor to give preference to uses which are nonprofit or which (in BIR's judgment) benefit the community.

C. BIR shall also make the Boating Center available, free of charge, for use by the City at the City's request with reasonable prior notice, when such use does not conflict with or adversely impact the activities of BIR or of the organizations or individuals to whom BIR has, prior to such request, committed to make the Boating Center available for use. If the City uses the Boating Center, during such times it shall be responsible for and shall pay for clean up, monitoring, utilities, and oversight of the Boating Center, and restoration and repair of any resulting damage. The City shall indemnify BIR and hold harmless BIR (and its officers, directors, agents, employees, and members) from any claims for property damage or personal injury, and any loss, liability, damage, cost or expense including reasonable attorneys' fees arising out of such use by the City (or the City's representatives, agents, employees and invitees) and not caused solely by the negligence of BIR.

4. OTHER IMPROVEMENTS.

BIR will provide, at BIR's sole cost and expense, all improvements to the BIR Area as may be necessary for BIR to conduct the activities permitted by this Lease; provided however, that (i) except as specifically authorized herein, BIR shall not undertake any improvements without the prior written consent of the City (which consent shall not be unreasonably withheld), and (ii) the City shall at all times be responsible for and obligated to install, maintain, repair and replace all lawn, landscaping and hardscape that the City chooses (in its sole discretion) to install in the vicinity of the Boating Center that is outside the foot print of the Boating Center (whether or not in the BIR Area). If BIR desires to undertake any improvement to the BIR Area and/or the Park, BIR shall provide the City with 30 days' written notice of the proposed improvement, the work to be performed in association with the proposed improvement and whether such improvement has the potential to disrupt public activities occurring at the Park. BIR shall include with such notice a copy of all plans associated with the improvement. No work shall be commenced unless and until approved by the City. Alternatively, the City may provide BIR with a list of remediation measures upon which approval of the proposed improvement is conditioned or may disapprove the improvement in the exercise of the City's reasonable discretion. All BIR construction and/or improvements may be reviewed and/or inspected by the City both during and after the construction phase, and any noted defects corrected within a reasonable period of time. In addition to the foregoing notice and approval requirements, any improvements proposed by BIR shall comply with all local, state, and federal rules and regulations, including but not limited to all permitting and use requirements.

5. USE OF PARKING SPACES.

BIR shall be entitled to use, on a non-reserved basis, parking available at, in, or around the Park (the "Parking Spaces"). The City shall not be required to provide any minimum number of parking spaces for use by BIR or to designate any specific spaces for BIR's exclusive use; BIR shall not at any time interfere with the rights of the City or of other users of the Park, to use any of the parking areas, BIR's use of Parking Spaces at the Park shall be subject to all regulation imposed by the City for use of such spaces by the general public. The City reserves the right to charge for parking, in its sole discretion. The City agrees that all such parking available at the Park shall be deemed available and sufficient to meet all parking requirements applicable provisions of the Bainbridge Island Municipal Code for a building of approximately 15,000 square feet or less for the programs and uses described above.

6. TERM OF LEASE; AUTOMATIC EXTENSIONS.

The initial term of this Lease shall commence on the date of this Lease and, unless sooner terminated or cancelled as provided in this Lease, shall expire thirty (30) years after the date of this Lease; provided, however, that if (a) BIR or its successor is not in material default, and (b) BIR or its successor, is at the expiration of the initial term or extended term, providing rowing programs, the term shall be automatically extended for up to two successive 10-year extended terms, upon the same terms and conditions. Notwithstanding the foregoing, this Lease shall automatically expire, and the parties shall have no further liability hereunder, (i) if BIR determines (in its sole discretion) at any time during the first five years of this Lease that the development of the Boating Center is not feasible, for any reason whatsoever, and gives written notice of termination to the City, or (ii) if and at such time as BIR gives written notices the City advising the City that BIR (in its sole judgment and discretion) is no longer able to offer the Rowing Programs.

7. EFFECT OF HOLDING OVER.

Any holding over after the expiration of the lease term, with City's consent, shall be construed to be a tenancy from month to month, at the same rental as required to be paid by BIR under Section 8 of this Lease, and shall be upon the terms and conditions specified in this Lease.

8. RENT.

There shall be no monetary rent (except as noted in Section 9 below). Consideration for this lease shall be the services to be provided by BIR as set forth herein.

9. ADDITIONAL CONSIDERATION.

In addition to the consideration described in Section 3:

> A. BIR shall make available to the general public certain services including instructional classes to non-members, and coaching and rowing opportunities to local schools, which services would not otherwise be available to the public but for this Lease;

B. BIR will advertise its classes and make rowing club equipment available to the public for classes;

C. BIR will provide subsidized activities and/or (to the extent BIR has sufficient funds) scholarships to City residents in need of financial assistance on an annual basis for community rowing programs including the junior and master rowing programs, community rowing days and other events established by the BIR Board;

D. BIR will pay the City additional consideration equal to five percent (5%) of any rent actually received by BIR for the rental of storage space in the Boating Center to private parties; and

E. Upon substantial completion of the Boating Center, BIR shall quit claim its entire interest in the Boating Center to the City, at no charge, at which point this Ground Lease shall be amended to become a lease of the Boating Center building, on the same terms and conditions as set forth herein.

The annual value for the foregoing additional consideration will be at least $__________. On February 1 of each year, BIR shall submit a report of the value of the scholarships and subsidized activities provided the prior year to the City. The City acknowledges that the foregoing annual value of the foregoing additional consideration constitutes fair market consideration for the ground lease of BIR Area.

10. UTILITIES.

Except as provided in Section 3 above, BIR shall pay (or cause to be paid) all charges for electricity, lights, water, heat, power, telephone and other services used during the term of this Lease for the Boating Center and shall indemnify and hold the City harmless against any liability on such account. BIR shall keep the Boating Center and the BIR Area free from any liens for unpaid utility charges. If any such lien is filed, BIR shall take all necessary steps to secure release of such lien within thirty (30) days after filing, including payment of any charges on which such lien is based, regardless of whether BIR disputes the amount or validity of such lien. In the event BIR fails to secure release of any such lien within the ten (10) day period, the City shall have, in addition to any other remedy provided herein or by law, the right, but shall not the obligation, to cause the lien to be released by such means as it deems proper, including payment of the charges giving rise to the lien. All such sums paid by the City and all expenses incurred by it in connection therewith, including attorney's fees and costs, shall be payable by BIR on demand with interest at the rate of eighteen percent (18%) per annum. The City shall pay (or cause to be paid) all charges for electricity, lights, water, power, and other services provided at any time during the term of this Lease to that portion of the BIR Area that is outside the exterior footprint of the Boating Center; provided that BIR shall pay all charges for lighting that is specifically intended to illuminate the outside of the Boating Center.

11. TAXES AND ASSESSMENTS.

A. Taxes. BIR agrees to pay promptly, as the same become due during the term of this Lease, all taxes levied upon and assessed against the BIR Area and the Boating Center which are due and payable during the term of this Lease.

B. Special Assessments. Special assessments applicable to the BIR Area and the Boating Center shall be paid by BIR, but only to the extent that such assessments become due and payable in full or in installments during the term of the Lease.

C. Personal Property Taxes. BIR shall pay as the same become due and payable, all personal property taxes, special assessments and other charges levied upon or assessed against the personal property owned by BIR and located on the BIR Area and which are, or will become, a lien against the BIR Area.

D. Indemnification. BIR agrees to indemnify, save and hold harmless the City and the Boating Center from all taxes, special assessments and charges for which BIR has obligated itself hereunder.

12. INSURANCE.

A. Property and Casualty Insurance. Upon completion of the Boating Center, BIR shall at all times during the term of this Lease and any extension thereof, at BIR's own expense, keep in effect and force a casualty insurance policy in an amount sufficient to provide coverage of not less than one hundred percent of the full insurable value of the Boating Center. The term "full insurable value" shall mean actual replacement value. Such policy shall be procured from a responsible insurance company authorized to do business in the State of Washington and rated AX or better in "Best's Insurance Guide." Such policy of insurance shall be issued in the names of BIR and the City as their respective interests may appear. In the event of a loss payable under the insurance policy, the proceeds thereof shall be used in the following manner:

i. In the event that the loss results from total or substantial destruction of the Boating Center, and BIR elects to rebuild the improvements under the provisions of Section 13(A), then such proceeds shall be used for such rebuilding.

ii. In the event that loss results from damage which BIR is required to repair under the provisions of Section 13(B), the proceeds shall be used to pay the cost of such repairs.

iii. In the event loss results from total or substantial destruction of the Boating Center and BIR does not elect to rebuild under Section 13(A), then the proceeds from such loss will first be used to pay for the cost of removing all debris from the BIR Area, the cost of filling any excavations caused by the construction of the Boating Center, and the balance (if any) shall be paid to BIR; provided that if such total or substantial destruction occurs during the last five years of the initial term or any extended term of this Lease, and BIR elects not to rebuild, then BIR shall be paid that portion of the remaining balance of the proceeds which results from multiplying a fraction, the numerator of which is the number of unexpired years on such term of this Lease and the denominator of which is fifty years times the balance of the proceeds remaining after the deductions (excluding the payment of the balance to BIR) described above, and then all remaining proceeds shall be paid to the City.

B. Liability Insurance. BIR agrees to obtain, pay for and maintain, throughout the term of this Lease, a policy of commercial general liability insurance with broad form property damage and contractual liability endorsements. This policy shall name the City as an additional insured, and shall insure BIR's activities and those of BIR's employees, officers, volunteers, contractors, licensees, agents, servants, guests, invitees or visitors with respect to the BIR Area against loss, damages or liability for personal injury or bodily injury (including death) or loss or damage to property with a combined single limit of not less than $2,000,000, and a deductible of not more than $10,000. The insurance will be noncontributory with any liability insurance carried by the City. If BIR fails to comply with this section, the City in its sole discretion may order all BIR activities to immediately cease and terminate this Lease. Within 30 days following the execution of this Lease, BIR shall obtain and file with the City a certificate of liability insurance that includes the coverage required under this section with an effective date no later than the date this Lease is executed by the parties. All insurance shall be subject to the City's approval. Each policy must provide for 45 days' prior written notice of termination or cancellation or any other change in coverage or deductibles to be given by the insurer to the City.

C. Evidence of Insurance. BIR shall deliver to the City copies of all policies or certificates of insurance BIR is required to keep in force under the provisions of this Section 12.

13. DESTRUCTION

A. Total or Substantial Destruction. In the event that the Boating Center is totally destroyed or substantially destroyed by fire or other casualty so as to render the Boating Center unfit for the purpose for which it was constructed, BIR shall have the option to elect whether or not it will rebuild the Boating Center or terminate this Lease. As used in this Lease, "substantial destruction" means destruction of at least fifty percent (50%) of the total floor area of the Boating Center. BIR shall notify the City within 120 days from the date of the total or substantial destruction of the Boating Center as to whether it elects to rebuild the Boating Center or terminate this Lease. In the event that BIR elects to rebuild the Boating Center, it shall commence the work of rebuilding with due diligence and carry the same through to completion without undue interruption or delay, other than interruptions or delays due to matters beyond the control of BIR. BIR shall be entitled to receive the proceeds of the insurance required under Section 12, whether or not BIR decides to rebuild the Boating Center. In the event that BIR shall elect not to rebuild, then BIR shall cause all debris from the substantially destroyed Boating Center to be removed from the BIR Area and shall cause any excavations caused by the construction to be filled. Failure of BIR to notify the City within 120 days from the date of total or substantial destruction of the Boating Center of BIR's election to rebuild the Boating Center shall constitute an election not to rebuild and the termination of this Lease. BIR shall be entitled to receive the proceeds of the insurance required under Section 12 for such rebuilding.

B. Less than Substantial Destruction. In the event that the Boating Center or any part thereof is less than substantially destroyed by fire or other casualty so as not to render the Boating Center unfit for the purpose for which it was constructed, the BIR shall commence the work of repair or reconstruction with due diligence and carry the work of repair or reconstruction through to completion without undue interruption or delay, other than interruptions or delays beyond the reasonable control of BIR. BIR shall be entitled to receive the proceeds of the insurance required under Section 12.

C. Reconstruction. All work of rebuilding, reconstruction or repair under paragraphs A and B above shall be performed in accordance with all applicable laws, codes and regulations and, unless otherwise agreed by the City, will contain at least the same square footages, equipment and facilities as were originally constructed at the commencement of this Lease.

14. MAINTENANCE

BIR assumes responsibility for the condition of the interior and exterior of the Boating Center during the term of this Lease and shall keep the Boating Center in good and safe condition and in reasonably good repair, and in accordance with all applicable laws and regulations. On the termination date of this Lease as provided herein, BIR shall yield the BIR Area and the Boating Center to the City in good condition and repair, ordinary wear and tear and loss by fire or other casualty causing substantial or total destruction excepted. The City shall not, during the term of this Lease, be required to make any repairs to the Boating Center except such repairs as may have been caused by the negligent acts of the City, its agents, representatives or employees. The City assumes responsibility for the condition of that portion of the BIR Area that is located outside the exterior footprint of the Boating Center during the term of this Lease, and shall keep the same in good and safe condition and in reasonably good repair, and in accordance with all applicable laws and regulations.

15. GOOD NEIGHBOR

BIR agrees to maintain "good neighbor" relations in conducting its operations. This includes maintaining a clean and orderly site and keeping noise to an acceptable level to the extent possible while carrying on the Rowing Programs permitted under this Lease.

16. LIENS

BIR agrees not to permit any liens to attach to the Boating Center, the BIR Area, or BIR's leasehold interest during the term of this Lease pursuant to the terms of Section 2(H) above. BIR agrees to indemnify and hold the City harmless from any liens filed against the BIR Area except to the extent that such liens arise from the exclusive acts or omissions of the City.

17. INDEMNIFICATION

BIR agrees to indemnify, defend and hold harmless the City, its officers, employees, agents, successors, and assigns from and against any and all damages, claims or other liability of whatsoever kind or nature (including but not limited to reasonable attorneys' fees) related to, resulting from, or directly or indirectly arising from or associated with BIR's or BIR's agents', members', employees', or officers' activities permitted under this Lease; provided, that such indemnification obligation shall not extend to damage or injury to the extent attributable to the City's gross negligence or intentional misconduct. This indemnification shall survive the expiration or termination of this Lease so long as the City owns the Park.

The City agrees to indemnify, defend and hold harmless BIR, its officers, employees, agents, successors, and assigns, from and against any and all damages, claims or other liability of whatsoever kind or nature (including but not limited to reasonable attorneys' fees) related to, resulting from, or directly or indirectly arising from or associated with any breach of the City's obligations under this Lease, or any activities or actions of or by the City or the City's agents, employees, contractors, or representatives; provided, that such indemnification obligation shall not extend to damage or injury to the extent attributable to the gross negligence or intentional misconduct of BIR. This indemnification shall survive the expiration or termination of this Lease.

18. ASSIGNMENT

BIR shall not assign, sublet, mortgage, encumber or otherwise transfer any interest in this Lease or any part of the BIR Area, the Boating Center (if applicable) and/or the Park. The City may, without prior consent from BIR, transfer or assign the BIR Area and the Park to any other federal, state or local government agency or political subdivision of the State, including but not limited to the Bainbridge Island Metropolitan Park & Recreation District, or to any private entity whose primary purpose is the preservation, maintenance and operation of open space and/or park real property; provided that the terms, conditions of this Lease shall not be modified without the prior written consent of BIR, and such successor agency shall expressly assume the obligations of the City hereunder.

19. LEASEHOLD MORTGAGES

BIR shall not have the right to mortgage (or otherwise encumber for security purposes) the Boating Center and the leasehold estate created by this Lease in the BIR Area.

20. TERMINATION

During such times as BIR owns the Boating Center or prior to transfer of ownership to the City under Section 2(K) above, the Boating Center shall be and remain the property of BIR (or BIR's assignees), subject to the City's right to use the Boating Center described in Section 3. Upon termination of this Lease prior to transfer of ownership to the City under Section 2(K) above, whether by expiration of time, by agreement, or for default of BIR, the Boating Center (but not including personal property belonging to BIR), together with all rights therein of BIR, shall be left in place and become the sole property of the City, its successor and assigns. To make this provision self-executing, BIR covenants and agrees that, upon termination of this Lease if prior to transfer of ownership to the City under Section 2(K) above, title to the Boating Center (but not including personal property belonging to BIR) shall pass to the City, its successor and assigns forthwith and without the necessity of further conveyance or assignment. BIR agrees to execute any conveyance or assignment necessary to complete such transfer if requested by the City to do so. All personal property and equipment shall remain the property of BIR and may be removed at the end of the term.

21. DEFAULT

If (a) default be made by BIR at any time in the payment of any sum due and payable by BIR under the provisions hereof, and such default shall continue for a period of 30 business days after written notice by the City to BIR, or (b) material default shall be made by BIR in the due observance and performance of any other covenant, condition or stipulation herein agreed by BIR to be observed or performed by it, and such default shall continue for a period of 30 days after written notice by the City to BIR, detailing the particulars of such default and requiring BIR to make good the same, and if BIR shall not have remedied the default within the period of time stated above, then the City at any time thereafter may immediately terminate this Lease and take possession of the BIR Area and the Boating Center, and from the time of termination, this Lease shall become void and of no effect, and the City may hold the BIR Area and the Boating Center, and this Lease shall be forfeited to the City, provided however, that if any such nonpayment default cannot be reasonably remedied within such 30-day period, the City shall not have the right to terminate this Lease or BIR's right to possession pursuant to this section by reason of such default if BIR commences curing such default within such 30-day period and thereafter diligently pursues in good faith the cure of such default. Notwithstanding any terms in this Lease to the contrary, effective upon any termination or expiration of this Lease, BIR shall no longer be liable for any liabilities or obligations under Sections 3, 4, and 8 through 12 of this Lease, to the extent that such liabilities or obligations arise or accrue after the Lease termination date, though BIR shall continue to be liable hereunder for liabilities and obligations imposed on BIR that arose or accrued prior to such Lease termination date.**22. DISCLAIMER**

The City is not responsible for the activities or equipment of BIR. The City will not inspect boats for condition, review selection, qualifications and/or performance of instructors and volunteers, review safety programs and procedures, or otherwise oversee any of the BIR operations, and BIR shall offer its services at BIR's sole risk. The City expects that BIR will operate in a safe and competent manner and at a minimum, in accordance with guidelines, policies, and procedures set forth by its parent organization, United States Rowing Association.

23. WARRANTY OF PEACEFUL POSSESSION

The City covenants and warrants that BIR, in performing and observing all of its covenants and agreements herein contained, shall and may peaceably and quietly have, hold, occupy, use, and enjoy, and shall have the full, exclusive and unrestricted use and enjoyment of, all of the BIR Area during the entire term of this Lease (except as otherwise provided herein), and may exercise all of its rights hereunder, subject only to the provisions of this Lease and all applicable governmental rules and regulations and all easements and other restrictions of record as of the date of this Lease. The City agrees to warrant and forever defend BIR's right to such occupancy, use, and enjoyment and the title to the BIR Area against the claims of any and all persons whomsoever lawfully claiming or to claim the same, or any part thereof.

24. REMEDIES

All remedies and rights accorded herein, or otherwise available to the City or BIR shall be cumulative, and no one such remedy or right shall be exclusive of any other, and the pursuit of any such remedy or rights shall not be deemed to waive any other or different remedy or relief to which the City might otherwise be entitled, either at law or in equity.

25. NOTICES

Any notice to be given pursuant to the terms of this Lease to either of the parties hereto shall be in writing and shall be delivered personally or sent by United States mail, postage prepaid, addressed as follows:

<u>City</u>:	<u>BIR</u>:
City of Bainbridge Island	Bainbridge Island Rowing Club
280 Madison Avenue North	P.O. Box 11169
Bainbridge Island, WA 98110	Bainbridge Island, WA 98110

Attention: City Manager Attention: President

26. EXTENT OF AGREEMENT/MODIFICATION

This Lease, together with attachments or addenda, represents the entire and integrated agreement between the parties and supersedes all prior negotiations, representations, or agreements, either written or oral. This Lease may be amended, modified or added to only by written instrument properly signed by both parties.

27. SEVERABILITY

A. If a court of competent jurisdiction holds any part, term or provision of this Lease to be illegal or invalid, in whole or in part, the validity of the remaining provisions shall not be affected, and the parties' rights and obligations shall be construed and enforced as if this Lease did not contain the particular provision held to be invalid.

B. If any provision of this Lease is in direct conflict with any statutory provision of the State of Washington, that provision which may conflict shall be deemed inoperative and null and void insofar as it may conflict, and shall be deemed modified to conform to such statutory provision.

28. FAIR MEANING

The terms of this Lease shall be given their fair meaning and shall not be construed in favor of or against either party hereto because of authorship. This Lease shall be deemed to have been drafted by both of the parties.

29. NON-WAIVER

A waiver by either party hereto of a breach by the other party hereto of any covenant or condition of this Lease shall not impair the right of the party not in default to avail itself of any subsequent breach thereof. Leniency, delay or failure of either party to insist upon strict performance of any agreement, covenant or condition of this Lease, or to exercise any right herein given in any one or more instances, shall not be construed as a waiver or relinquishment of any such agreement, covenant, condition or right.

30. FURTHER ASSURANCES

BIR shall, during the term of this Lease, or any extensions or renewals thereof, and without further consideration execute, acknowledge and deliver to the City such other documents and instruments, and take such other actions, as the City shall reasonably request or as may be necessary to effectuate the terms of this Lease in accordance with this Lease. Subject to the terms of applicable law, the City agrees to cooperate with and assist BIR in the permitting process and agrees to execute additional documents if reasonably necessary to the permitting and/or completion of the Boating Center.

31. SURVIVAL

Any provision of this Lease which imposes an obligation after termination or expiration of this Lease shall survive the term or expiration of this Lease and shall be binding on the parties to this Lease.

32. GOVERNING LAW

This Lease shall be governed by and construed in accordance with the laws of the State of Washington.

33. VENUE

The venue for any action to enforce or interpret this Lease shall lie in the Superior Court of Washington for Kitsap County, Washington.

34. RECORDATION

This Lease shall not be recorded but concurrent with the execution of this Lease the parties hereto shall execute a Memorandum of Lease in the form attached as Exhibit D and cause the same to be recorded in the real estate records of Kitsap County, Washington.

35. AUTHORITY

BIR warrants that it is legally and properly organized under the laws of the State of Washington as a nonprofit corporation and that the undersigned representative is authorized to execute this Lease on BIR’s behalf.

36. TIME OF ESSENCE

Time is of the essence with respect to the performance of all covenants, conditions and obligations set forth herein.

37. COUNTERPARTS

This Lease may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties have executed this Lease as of _______________, 2014.

BAINBRIDGE ISLAND ROWING CLUB   CITY OF BAINBRIDGE ISLAND

By___________________________________ By___________________________________

Marc Stewart, President Douglas Schulze, City Manager

[ADD NOTARY ACKNOWLEDGEMENTS FOR BOTH SIGNATURES]


BRIEN DRIVE
TRAILER PARKING
TENNIS COURT
PROPOSED ROWING CENTER
SHANNON DRIVE
PROPERTY LINE
1
1
2
2

CITY OF BAINBRIDGE ISLAND
CITY COUNCIL AGENDA BILL

PROCESS INFORMATION

Subject: Resolution No. 2014-18, Oil Train Regulations	Date: August 4, 2014
Agenda Item: Council Discussion	Bill No.: 14-117
Proposed By: Councilmember Tollefson	Referral(s):

BUDGET INFORMATION

Department:	Fund:	Munis Contract #
Expenditure Req:	Budgeted? ☐ Yes ☐ No	Budget Amend. Req? ☐ Yes ☐ No

REFERRALS/REVIEW

City Manager ☒ Yes ☐ No ☐ N/A	Legal ☒ Yes ☐ No ☐ N/A	Finance ☒ Yes ☐ No ☐ N/A

DESCRIPTION/SUMMARY

Action Item:

Consideration forwarding Resolution No. 2014-18 regarding oil train regulations to the August 11, 2014 Consent Agenda.

History:

Oil trains carrying crude from the Bakken Oil fields in North Dakota began running to ports and refineries in Washington State in September, 2012. There are 10 crude oil-by-rail projects being planned, built or already in operation in the state. These trains run the full length of the eastern shore of Puget Sound. One derailment could cause irreparable damage to the Sound and cause serious harm to our Island's ecosystem, residents and businesses.

These trains are proliferating across the country because of the abundance of fracked oil. In the last 6 years, transport of oil by rail has increased over 4,000%. The Bakken crude is much more flammable than other types of crude. Since July of 2013 there have been 5 major train derailments and explosions starting with the explosion in Quebec which incinerated 47 people and numerous "incidents" such as the recent derailment in Seattle.

Members of Climate Action Bainbridge, sponsored by the Sierra Club, (formerly Coal-Free Bainbridge) first brought this issue to the attention of several council members this spring and asked that the council adopt a resolution which requested that no permits be granted to new facilities (ports, docks or refineries) until a full review of the environmental and safety concerns could be completed. Councilmember Tollefson, agreed to sponsor and help draft such a resolution.

Schedule/Next Activities:

Staff is directed by the Resolution to inform all parties named in the document of the Council's action and to address the status of emergency preparedness in the case of a spill.

RECOMMENDED ACTION

Motion:

I move the City Council forward Resolution No. 2014-18 regarding oil train regulations to the August 11, 2014 Consent Agenda.

July 15, 2014

Resolutions on Oil Transport

The transport of oil is an issue that impacts people in communities that live along rail lines, pipe lines, and shore lines. It impacts people from diverse sectors including fishing, tourism, manufacturing, and emergency responders. This is also an issue that has implications for jurisdictions at the federal, state, and local scales. Communities are engaging in the issue by passing resolutions, participating in actions, and sharing information.

At this point, eleven jurisdictions have passed resolutions in Washington. Local jurisdictions have articulated through resolutions their concerns around oil transport, including the need for public disclosure for communities and emergency responders; infrastructure upgrades; and safety tools. A couple of jurisdictions also stated positions on particular projects and pieces of legislation. Additionally, the WSCFF has passed a resolution and the Columbia River Gorge Commission is working on final language for a resolution.

Cities –

- City of Auburn
- City of Bellingham
- City of Edmonds
- City of Hoquiam
- City of Kent
- City of Mukilteo
- City of Seattle
- City of Spokane
- City of Vancouver

Counties –

- King County
- Whatcom County

Labor –

- Washington Council of Fire Fighters

Commissions –

- Columbia River Gorge Commission

RESOLUTION NO. 2014 - 18

A RESOLUTION of the City Council of the City of Bainbridge Island, Washington, to protect the health, safety and economic wellbeing of our local citizens and all citizens, and to protect our environment from the potential of oil spills from increased rail and maritime traffic along and throughout the Puget Sound.

WHEREAS, the City of Bainbridge Island is committed to the protection of its citizens from natural and man-made disasters, and to the protection of the environment, including without limitation the environmental health of Puget Sound; and

WHEREAS, increasing oil transportation by rail to ports on the eastern shore of Puget Sound increases the likelihood of rail accidents that would directly impact the Sound; and

WHEREAS, there have been five major derailments of trains carrying crude oil since July, 2013, which have caused immeasurable loss of life and property, and immeasurable environmental damage; and

WHEREAS, oil-carrying vessel traffic from Western Washington ports is expected to greatly increase commensurate with the increase in transportation of oil by rail; and

WHEREAS, a catastrophic spill of oil whether from a rail accident or a maritime casualty has the potential of wreaking havoc on the entire Puget Sound ecosystem; and

WHEREAS, Bainbridge Island has approximately 53 miles of critical Puget Sound shoreline, and would be particularly affected by any mass oil disaster in or near Puget Sound, and

WHEREAS, the increase in oil transport by rail is and will increasingly prevent other Washington businesses from making use of rail transport and create serious delays for passenger rail which adversely affects the economy, businesses and citizens of our state;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BAINBRIDGE ISLAND, THAT:

1. The City of Bainbridge Island strongly urges the U.S. Department of Transportation to adopt regulations increasing oil tank car design safety standards and safe operation regulations for petroleum product shipments and aggressively phase out older model tank cars used to move flammable liquids that are not retrofitted to meet new federal requirement.

2. The City of Bainbridge Island strongly urges the Washington Department of Ecology and the Military Department Emergency Management Division, in collaboration with the Washington Department of Fish and Wildlife, the Coast Guard and local government emergency response entities, to assess the impact to public safety, the environment, the economy, and traffic of oil transport by rail along Puget Sound and through the State of Washington.

3. The City of Bainbridge Island requests that the Governor of Washington State, the Washington Department of Ecology, the Washington State Energy Facility Site Evaluation Council, and any other relevant state agencies refrain from permitting projects that would expand the capacity for petroleum export out of the state or otherwise increase the number of trains, vessels or pipelines carrying oil near Puget Sound and other Washington communities until the cumulative environmental and safety impacts of these projects are studied and addressed.

4. The City Manager is urged to review with all appropriate city departments and regional and state agencies what resources are available and what response plans are in place in the event of oil spills into Puget Sound and along our coastline.

5. The Council directs the City Manager to forward this resolution to all individuals, governmental units and agencies specifically named in this document, and to any other Agencies or officials which in his discretion he believes may benefit from knowledge of this resolution.

PASSED by the City Council this ___ day of __________, 2014.

APPROVED by the Mayor this ___ day of __________, 2014.

____
Anne S. Blair, Mayor

____
Rosalind D. Lassoff, City Clerk

FILED WITH THE CITY CLERK: July 16, 2014
PASSED BY THE CITY COUNCIL:
RESOLUTION NO.: 2014-18

PROCLAMATION

WHEREAS, small businesses are the backbone of a local economy; and

WHEREAS, coworking is the social gathering of a group of people, who are still working independently, but who share values and who are interested in the synergy that can happen from working with talented people in the same space; and

WHEREAS, coworking spaces provide structure for an otherwise dynamic and often invisible community of small businesses, including independent professionals; and

WHEREAS, coworking benefits the broader economy by increasing the creation of establishments via reduced risk and capital; and

WHEREAS, coworking provides a platform for grassroots product development and accelerates technology transfer; and

WHEREAS, coworking is a big part of the sharing economy and a tool for modern economic development;

NOW, THEREFORE, I, Anne S. Blair, Mayor of City of Bainbridge Island, Washington, on behalf of the City Council, do hereby proclaim August 4-8, 2014 as

NATIONAL COWORKING WEEK

in Bainbridge Island, and encourage all citizens to continue to support of growth of small businesses.

SIGNED, this 4th day of August, 2014

____

Anne S. Blair, Mayor

CITY OF BAINBRIDGE ISLAND
CITY COUNCIL AGENDA BILL

PROCESS INFORMATION

Subject: National Coworking Week Proclamation	Date: August 4, 2014
Agenda Item: Council Discussion	Bill No.: 14-123
Proposed By: Deputy Mayor Roth	Referral(s):

BUDGET INFORMATION

Department:	Fund:	Munis Contract #
Expenditure Req:	Budgeted? ☐ Yes ☐ No	Budget Amend. Req? ☐ Yes ☐ No

REFERRALS/REVIEW

City Manager ☒ Yes ☐ No ☐ N/A	Legal ☒ Yes ☐ No ☐ N/A	Finance ☒ Yes ☐ No ☐ N/A

DESCRIPTION/SUMMARY

Action Item:

Consider approval of a proclamation declaring August 4-8, 2014 as National Coworking Week.

RECOMMENDED ACTION

Motion:

I move that the City Council authorize the Mayor to sign the proclamation declaring August 4-8, 2014 as National Coworking Week.

REGULAR BUSINESS MEETING
MONDAY, AUGUST 11, 2014
LOCATION: BAINBRIDGE ISLAND CITY HALL
280 MADISON AVENUE N., BAINBRIDGE ISLAND, WASHINGTON

AGENDA

Item	Action
1. CALL TO ORDER / ROLL CALL / PLEDGE OF ALLEGIANCE **7:00 PM** **Mayor:** Anne Blair **Deputy Mayor:** Wayne Roth **Councilmembers:** Sarah Blossom, Steven Bonkowski, Val Tollefson, Roger Townsend, David Ward	
2. ACCEPTANCE OR MODIFICATION OF AGENDA / CONFLICT OF INTEREST DISCLOSURE **7:05 PM**	
3. PUBLIC COMMENT **7:10 PM**	
4. CITY MANAGER'S REPORT **7:20 PM**	
5. PUBLIC HEARING/2ND READING	
7:25 PM A. Ordinance No. 2014-14, Zoning Regulation for Temporary Commercial Parking Lots and Temporary Storage, AB 14-019 – Planning **(Pg.)**	Conduct Public Hearing /Consider Approval
7:35 PM B. Ordinance No. 2014-29, Pleasant Beach Tracts Partial Right-of-Way Vacation, AB 14-096 – Public Works **(Pg.)**	Conduct Public Hearing /Consider Approval
6. NEW BUSINESS	
7:45 PM A. Springbrook Creek Project Partnership, AB 14-128 – Public Works **(Pg.)**	Discussion
7:55 PM B. Interlocal Agreement with the Kitsap County Noxious Weed Control Board for the Management of a Noxious Weed Control Program, AB 14-124 – Planning **(Pg.)**	Consider Approval
8:05 PM C. Request to Permit the Use of Herbicides on City Owned Property and Right of Way to Control Noxious Weeds, AB 14-127 – Planning **(Pg.)**	Consider Approval
7. UNFINISHED BUSINESS	
8:15 PM A. Mackenzie, Inc, Professional Services Agreement, AB 14-008 – Executive **(Pg.)**	Consider Approval
8. CONSENT AGENDA (Pg.) **8:20 PM**	
A. Accounts Payable Voucher and Payroll Approval **(Pg.)**	Consider Approval
B. Special Meeting/Advance Minutes, June 10, 2014 **(Pg.)**	Consider Approval
C. Special/Regular Study Session Meeting Minutes, June 16, 2014 **(Pg.)**	Consider Approval
D. Regular Business Meeting Minutes, June 23, 2014 **(Pg.)**	Consider Approval
E. Regular Study Session Meeting Minutes, July 7, 2014 (Pg.)	Consider Approval
F. Special/Regular Business Meeting Minutes, July 14, 2014 **(Pg.)**	Consider Approval
G. Regular Study Session Meeting Minutes, July 21, 2014 **(Pg.)**	Consider Approval
H. 2014 Island Wide Asphalt Repair Contract Award, AB 14-120 – Public Works **(Pg.)**	Consider Approval
I. City Hall Paint and Wood Restoration Contract Award, AB 14-121 – Public Works **(Pg.)**	Consider Approval

Times listed on this agenda are approximate. Public Comment may be limited to allow time for Council to deliberate.
Americans with Disabilities Act (ADA) accommodations provided upon request. Those requiring special accommodations, please contact the City Clerk at 206-842-2545 (cityclerk@bainbridgewa.gov) by noon on the day preceding the Meeting.

J. Roadway Drainage Improvements (Valley, Logg and Gertie Johnson Road Contract Award, AB 14-122 – Public Works **(Pg.)** Consider Approval

K. Lynwood Center Outfall Improvement Contract Award, AB 11-086 – Public Works **(Pg.)** Consider Approval

L. Ordinance No. 2014-24, Right-of-Way Use, AB 14-098 – Public Works **(Pg.)** Consider Approval

M. Resolution No. 2014-15, Right-of-Way Use Fees, AB 14-096 – Public Works **(Pg.)** Consider Approval

N. Ordinance No. 2014-31, Q2, 2014 Budget Adjustments, AB 14-064 – Finance **(Pg.)** Consider Approval

O. Resolution No. 2014-18, Oil Train Regulations, AB 14-117 – Councilmember Tollefson **(Pg.)** Consider Approval

P. Bainbridge Island Rowing Ground Lease, AB 14-125 – Executive **(Pg.)** Consider Approval

9. COMMITTEE REPORTS
8:25 PM

10. REVIEW UPCOMING COUNCIL MEETING AGENDAS (Pg.)
8:30 PM

11. FOR THE GOOD OF THE ORDER
8:35 PM

12. ADJOURNMENT
8:45 PM

Times listed on this agenda are approximate. Public Comment may be limited to allow time for Council to deliberate.
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2014 PROPOSED COUNCIL CALENDAR ITEMS

Absences	**Clerk**	Department	Timing (min)	*Study Session 7 pm*
Kelly Kathy	**Roz**			**4-Aug**
	Roz		**25**	**18-Aug**
		FIN	60	Priority-Based Budgeting Model Presentation (consultants/1st up)
		EXEC	10	2015 LTAC Awards (Approve Award Criteria and RFP)
		PW	10	**Public Works Contracts**
				Generator Emergency Connections Contract (Info)
				Head of the Bay Emergency Generator (Info)
				SR 305 Shoulder Improvements Project (Info)
				Sunrise Drive/Fort Ward Hill Guardrail (Info)
				Cave Avenue/Knetchel Way Overlay Project (Info)
		PD	10	Registered Sex/Kidnapping Offender Address and Residency Verification Program MOU (Info)
		CC	5	Alzheimer's Awareness Proclamation (New Business or Good of the Order)
			120	
			25	**2-Sep**
		PW	30	Olympic Drive Non-Motorized Improvements Preferred Design and PSA (Info)
		PCD	15	Tree Protection Ordinance Ad Hoc Committee Recommendations
		PCD	10	Resolution Regarding Heritage Tree Program (Info)
			80	

Absences	**Clerk**	Department	Timing (min)	*Business Meeting 7 pm*
Dave	**Kelly**			**11-Aug**
Val Kathy Barry	**Kelly** Roz		**25**	**25-Aug**
		EXEC	20	Resolution Regarding Surplus of Suzuki Property (Tentative Public Hearing)
		PCD	15	Cave Landing Final Plat
		PD	CA	Registered Sex/Kidnapping Offender Address and Residency Verification Program MOU Approval
		FIN	CA	Resolution Amending Financial Policies
		PW	CA	Head of the Bay Emergency Generator Contract Award
		PW	CA	Generator Emergency Connections Contract Award
		PW	CA	SR 305 Shoulder Improvements Project Contract Award
		PW	CA	Sunrise Drive/Fort Ward Hill Guardrail Contract Award
		PW	CA	Cave Avenue/Knetchel Way Overlay Project Contract Award
			60	
			25	**9-Sep**
		PW	CA	Olympic Drive Non-Motorized Improvements Preferred Design and PSA Award
		PCD	CA	Resolution Regarding Heritage Tree Program
			25	

2014 PROPOSED COUNCIL CALENDAR ITEMS

Absences	Clerk	Department	Timing (min)	Study Session 7 pm	Absences	Clerk	Department	Timing (min)	Business Meeting 7 pm
Doug Amber			**25**	**16-Sep**				**25**	**23-Sep**
		EXEC	15	Kitsap Economic Development Alliance (J. Powers)			FIN	30	2015-16 Proposed Budget (Info)
		PW	10	Biosolids Services Agreement (Info)			EXEC	45	Public Safety Facility Planning (Presentation and Discussion)
		PW	10	DOE Capacity Stormwater Grant Opportunity			PCD	15	Ordinance Regarding McNabb Rezone (Public Hearing)
		PCD	10	Ordinance Regarding McNabb Rezone			PW	CA	DOE Capacity Stormwater Grant Opportunity
			70				PW	CA	Biosolids Services Agreement Award
								115	
5th week			**25**	**30-Sep**					
			25	**7-Oct**				**25**	**14-Oct**
		FIN	30	Budget Deliberations			PW	CA	Water System Plan Policy PSA Award
		PCD	?	Ordinance Regarding 2015-2020 CFP				**25**	
		PW	15	Water System Plan Policy PSA (Info)					
		FIN	10	Ordinance Regarding 2015-2016 Budget (1st Reading)					
		FIN	10	Ordinance Regarding Property Tax (1st Reading)					
		FIN	10	Ordinances Regarding Water, Sewer, SSWM Rates (1st Reading)					
			100						

2014 PROPOSED COUNCIL CALENDAR ITEMS

Absences	**Clerk**	Department	Timing (min)	*Study Session 7 pm*	Absences	**Clerk**	Department	Timing (min)	*Business Meeting 7 pm*
			25	**21-Oct**				**25**	**28-Oct**
		FIN	10	Ordinance Regarding Q3 2014 Budget Adjustments (1st Reading)			FIN	30	Budget Deliberations
			35				PCD	?	Ordinance Regarding 2015-2020 CFP
							FIN	10	Ordinance Regarding 2015-2016 Budget (Public Hearing)
							FIN	10	Ordinance Regarding Property Tax (Public Hearing/Consider Approval)
							FIN	10	Ordinance Regarding Water Rates (Public Hearing/Consider Approval)
							FIN	10	Ordinance Regarding Sewer Rates (Public Hearing/Consider Approval)
							FIN	10	Ordinance Regarding SSWM Rates (Public Hearing/Consider Approval)
							FIN	CA	Ordinance Regarding Q3 2014 Budget Adjustments (Approve)
								105	
			25	**4-Nov**				**25**	**11-Nov**
		EXEC	15	Kitsap Economic Development Alliance (J. Powers)					
		FIN	30	Budget Deliberations					
			70						
			25	**18-Nov**				**25**	**25-Nov**
							FIN	20	Ordinance Regarding 2015-2016 Budget (Consider Adoption)
							PCD	?	Ordinance Regarding 2015-2020 CFP
							EXEC	10	2015 LTAC Awards: Consider Award Recommendations
								55	
			25	**2-Dec**				**25**	**9-Dec**
		FIN	10	Ordinance Regarding Q4 2014 Budget Amendments (1st Reading/Info)			FIN	CA	Ordinance Regarding Q4 2014 Budget Amendments
			35					**25**	
			25	**16-Dec**				**25**	**23-Dec**