



CITY COUNCIL MEETING

June 21, 2016 – Agenda

Mt. Si Senior Center, 411 Main Ave. S., North Bend, Washington

7:00 P.M. – CALL TO ORDER, ROLL CALL, FLAG SALUTE

CONSENT AGENDA:

		Pg.#
1) Minutes	Council Meeting of June 7, 2016	1
2) Payroll	June 3, 2016 – 27479 through 27485 , in the amount of \$193,451.58	
3) Checks	June 21, 2016 – 62905 through 62961 , in the amount of \$132,339.41	
4) AB16-064	Motion – Authorizing Amendment No. 4 with SHD for Torguson Park	Mr. Rigos 5
5) AB16-065	Motion – Authorizing Construction Admin Contract with SHD for Torguson Park	Mr. Rigos 11
6) AB16-066	Motion – Authorizing Contract with Perteet for CRS Support	Mr. Rigos 17
7) AB16-067	Motion – Authorizing Blanket Purchase Order with HD Supply	Ms. Masko 35

CITIZEN’S COMMENTS: (Please restrict comments to 3 minutes)

ANNOUNCEMENTS, PRESENTATIONS, APPOINTMENTS:

8) Presentation Chief McCulley Retirement Mayor Pro Tem Loudenback

COMMISSION AND COMMITTEE REPORTS:

Planning Commission	Community & Economic Development – Councilmember Pettersen
Parks Commission	Finance & Administration – Councilmember Rosen
Economic Development Commission	Public Health & Safety – Councilmember Gothelf
	Transportation & Public Works – Councilmember Loudenback
	Mayor Pro Tem – Councilmember Loudenback
	Eastside Fire & Rescue Board – Councilmember Gothelf

INTRODUCTIONS:

9) AB16-068	Public Hearing , Resolution – Adopting Six Year TIP 2017 – 2022	Mr. Rigos 37
10) AB16-069	Public Hearing , Ordinance – Amending NBMC RE Park Impact Fees	Ms. Estep 77
11) AB16-070	Public Hearing , Ordinance – Amending Taxes, Rates & Fees Schedule RE Sewer Rates & GFC’s	Mr. DeBerg 95
12) AB16-071	Ordinance – Establishing Line of Credit for WWTP Projects	Ms. Masko 121
13) AB16-072	Motion – Authorizing Amendment No. 1 with Tetra Tech RE Facilities Plan	Mr. DeBerg 153
14) AB16-073	Resolution – Adopting Comprehensive Emergency Management Plan	Mr. Rigos 157

MAYOR, COUNCIL & ADMINISTRATOR CONCERNS AND INITIATIVES: (Business and general information presented that may be deliberated upon by the Council. Formal action may be deferred until a subsequent meeting; immediate action may be taken upon a vote of a majority of all members of the Council.)

Executive Session – To Discuss Potential Litigation, pursuant to RCW 42.30.110(1)(i)

ADJOURNMENT:

DRAFT

<p style="text-align: center;">NORTH BEND CITY COUNCIL MINUTES June 7, 2016 Senior Center, 411 Main Ave. S., North Bend, Washington</p>

CALL TO ORDER, ROLL CALL:

Mayor Hearing called the regular meeting to order at 7:00 p.m.

Councilmembers Present: Elwood, Gothelf, Kostanich, Loudenback, Pettersen and Rosen. Councilmember Volken was excused.

CONSENT AGENDA:

Minutes – Council Meeting of May 17, 2016

Payroll – May 20, 2016 – 27472 through 27478, in the amount of **\$150,272.40**

Checks – June 7, 2016 – 62814 through 62904, in the amount of **\$525,061.79**

AB16-059 – Ordinance 1589 Amending NBMC RE 2015 Building Codes

Councilmember Rosen **MOVED**, seconded by Councilmember Gothelf to approve the consent agenda as presented. The motion **PASSED** 6-0.

CITIZENS COMMENTS:

Dave Olson, 440 Main Avenue S, provided an update on Kiwanis activities.

INTRODUCTIONS:

AB16-060 – Resolution 1714 Regarding Conditional Certification of 2015 Comprehensive Plan **Audio: 3:26**

Community & Economic Development Director Estep provided the staff report.

Councilmember Pettersen **MOVED**, seconded by Councilmember Rosen to approve AB16-060, a resolution setting forth the City Council’s work plan addressing conditional certification requirements of the Puget Sound Regional Council related to the 2015 Comprehensive Plan Update. The motion **PASSED** 6-0.

AB16-061 – Ordinance 1590 Amending NBMC 18.10 & 18.12 Regarding Constrained Low Density Residential Zone **Audio: 15:26**

Community & Economic Development Director Estep provided the staff report.

DRAFT

Councilmember Pettersen **MOVED**, seconded by Councilmember Rosen to approve AB16-061, an ordinance amending North Bend Municipal Code Sections 18.10 and 18.12 as it relates to the Constrained Low Density Residential Zoning District, as a first and final reading. The motion **PASSED** 6-0.

AB16-062 – Motion Authorizing Historic District Grant Contracts

Audio: 19:40

Community & Economic Development Director Estep provided the staff report.

Jonathan Seaton, 43501 SE Cedar Falls Way, Secretary/Treasurer of Masonic Lodge, provided input regarding his project and the requirements regarding the Certificate of Appropriateness required by King County.

Robert Yerkes, 43418 SE 149th Street, owner of McClellan Building, discussed past and future renovations of the McClellan building and grants related to the current improvements.

Councilmember Pettersen **MOVED**, seconded by Councilmember Rosen to approve AB16-062, authorizing Two (2) Historic District Grants in an amount not to exceed \$6,000 each, in a form and content acceptable to the City Attorney, subject to Certificate of Appropriateness from King County. The motion **PASSED** 6-0.

AB16-063 – Motion Authorizing Agreement & Easement with NB Property Partners

Audio: 44:46

Public Works Director Rigos provided the staff report.

Councilmember Loudenback **MOVED**, seconded by Councilmember Rosen to approve AB16-063, authorizing a construction agreement and temporary construction easement with NB Property Partners, LLC related to the Park Street Roundabout project, in the amount of \$40,000, in a form and content acceptable to the City Attorney. The motion **PASSED** 6-0.

MAYOR, COUNCIL, AND ADMINISTRATOR CONCERNS AND INITIATIVES:

Councilmember Kostanich reported on the May 18th Snoqualmie Watershed Forum meeting and noted the City was awarded a \$125,000 grant for the South Fork Levy Project. He also reported on the May 20th Savor Snoqualmie group's effort regarding signage directing trail users to local businesses in the area and his recent tour of the Waste Water Treatment Plant.

Councilmember Pettersen encouraged all to visit the Farmers Market and Summer Concert Series being held at Si View Park on Thursdays from 4 to 8 p.m. through September 8th.

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Councilmember Rosen mentioned the recent anniversary of D-Day and extended his thanks to all veterans for their service and sacrifice provided in protecting our Country.

Councilmember Gothelf mentioned the positive response regarding the regional trucking issue from a Port of Seattle representative at the May 25th Snoqualmie Valley Government Association meeting.

Councilmember Elwood commented on the quick and courteous response from the Snoqualmie/North Bend Police Department last weekend when he reported mail theft that had occurred in his neighborhood.

City Administrator Lindell thanked Public Works Director Rigos and City Engineer DeBerg on their efforts regarding a possible \$1,300,000 grant for the Downtown Plaza project. She noted it was of great benefit in the next part of the grant consideration process that the City's project was very highly rated. Additionally, she mentioned WSDOT had started their statewide planning effort regarding the shortage of commercial truck parking and would be hosting a small roundtable discussion regarding the issue.

Mayor Hearing spoke regarding the following items:

- King County CDBG Grant of \$340,000 for NB Way ADA Improvement Project
- Bicycle Rodeo – June 11th 11 a.m. – 3 p.m. at Snoqualmie Community Park
- Vacancies on Economic Development Commission
- Youth Vacancy on Parks Commission

EXECUTIVE SESSION:

Mayor Hearing recessed the regular meeting for an Executive Session at 8:03 p.m. to discuss potential litigation, pursuant to RCW 42.30.110(1)(i), and to evaluate the qualifications of an applicant for public employment or to review the performance of a public employee, pursuant to RCW 42.30.110(1)(g). No action was anticipated as a result of the Executive Session, which was expected to last forty minutes and videotaping of the meeting ceased.

At 8:43 p.m. Assistant City Administrator/Finance Director Masko announced to audience members outside the Council Chambers that the Executive Session was expected to last an additional 5 minutes.

The regular meeting was reconvened at 8:48 p.m.

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ADJOURNMENT:

Councilmember Gothelf **MOVED** to adjourn, seconded by Councilmember Rosen. The motion **PASSED** 6-0.

The meeting adjourned at 8:49 p.m.

ATTEST:

Kenneth G. Hearing, Mayor

Susie Oppedal, City Clerk

DRAFT



City Council Agenda Bill

SUBJECT:	Agenda Date: June 21, 2016	AB16-064
A Motion Authorizing an Amendment to the Scott Holsapple Design (SHD) Contract for the Torguson Park Capital Project	Department/Committee/Individual	
	Mayor Ken Hearing	
	City Administrator – Londi Lindell	
	City Attorney - Mike Kenyon	
	City Clerk – Susie Oppedal	
	Community & Economic Development – Gina Estep	
	Finance – Dawn Masko	
	Public Works – Mark Rigos, P.E.	X
Cost Impact: \$9,000		
Fund Source: Park Impact Fees		
Timeline: Immediate		

Attachments: Contract Amendment with Work Scope & Fee

SUMMARY STATEMENT

The City of North Bend has been working closely with Scott Holsapple Design (SHD) since November 2014 on designing the Torguson Park Capital Improvement Project. The project is still scheduled for Summer 2016 construction commencement. To recap, specific park improvements include the new bathroom / concession building, two baseball field relocations and field improvements, picnic tables, improved access, loop trail, exercise stations, central plaza, and utility extensions.

This would be the third amendment to the first contract (November 2014) with SHD. To recap, previously executed contracts and agreements include surveys, floodplain evaluations, design work, construction drawings, civil engineering and architectural services, construction documents, archaeological/cultural analysis, administration & support, geotechnical and structural engineering support are summarized in the following table:

Consultant Name / Scope of Services	Contract #1	Contract #2	Amendment #1 November 2015	Amendment #2 March 2016	Amendment #3 June 2016	Total Costs
SHD – Design	\$45,930	\$13,535	\$13,540	\$9,960	\$9,000	\$91,965
Arc Architects – Architectural design	-	\$47,955	-			\$47,955
DR Strong – Civil Engineer	-	\$31,000	\$3,000	\$1,300		\$35,300
Tetra Tech – Cultural Resources	\$8,307.54					\$8,307.54
Geo Dimensions – survey	\$4,250		\$5,950			\$10,200
PanGEO Inc. – Geotech and infiltration evaluation	\$5,482					\$5,482
Buker Engineering – structural engineering	\$2,000					\$2,000
Totals:	\$65,969.54	\$92,490	\$22,490	\$11,260	\$9,000	\$201,209.54

This new contract amendment covers permit and bid document revisions that were requested by the City after various meetings and input from Si View Metropolitan Park District and the Snoqualmie Valley Youth Soccer Association. Attached is SHD’s Work Scope and Fee for this amendment, which is **\$9,000**. This amendment brings SHD’s total contracted fees to \$91,965.00 for providing design and management consultant services to the City on this project.

COMMITTEE REVIEW AND RECOMMENDATION: This item was reviewed by the Transportation & Public Works Committee at their June 8th meeting. It was recommended for approval and placement on the

City Council Agenda Bill

consent agenda.		
RECOMMENDED ACTION: MOTION to approve AB16-064, authorizing a contract amendment with Scott Holsapple Design to perform additional professional services for the Torguson Park Capital Project, in a form and content acceptable to the City Attorney, in an amount not to exceed \$9,000.		
RECORD OF COUNCIL ACTION		
<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>
June 21, 2016		

**THIRD AMENDMENT TO THE CONTRACT FOR SERVICES
BY AND BETWEEN THE CITY OF NORTH BEND AND
SCOTT HOLSAPPLE DESIGN LANDSCAPE ARCHITECTURE (SHD)**

THIS AMENDMENT to the Contract for Services entered into between the City of North Bend and Scott Holsapple Design Landscape Architecture effective November 18, 2014 (hereafter the "Agreement"), is made in consideration of the mutual benefits, terms, and conditions hereinafter specified and pursuant to Section 14 of the Agreement.

1. Exhibit A of the Agreement is hereby amended by the addition of the "Additional Services Proposal #4" for Permit / Bid Document Revisions / Project Administration, dated May 23, 2016, which is attached hereto and incorporated by this reference as an addendum to Exhibit A.
2. Section 2 of the Agreement is hereby amended to read as follows:

Compensation and Method of Payment. The City shall pay the Consultant for services rendered within ten (10) days after City Council voucher approval. The Consultant will bill the City monthly based upon actual time expended and expenses incurred on the project. Based on the fee proposals in Exhibit "A", the Consultant shall be paid a total amount not to exceed **\$91,965.00** without written modification of the Agreement signed by the City.

All other terms and conditions remain as provided in the original Agreement effective November 18, 2014.

DATED this ____ day of _____, 2016.

CITY OF NORTH BEND

CONSULTANT

By: _____
Printed Name: _____
Title: _____

By: _____
Printed Name: _____
Title: _____

Attest/Authenticated:

City Clerk

Approved as to form:

Michael R. Kenyon, City Attorney

EXHIBIT A



05/23/16

City of North Bend
Attn: Mark Rigos
PO Box 896
1155 East North Bend Way
North Bend, WA 98045

Additional Services Proposal (ASR #4)

Outlined below and in the fee worksheet attached by reference are the additional services (ASR #4) requested by the City of North Bend, Si View Metropolitan Parks District and the North Bend Soccer Club. Please review the following proposal and, if acceptable, sign one copy and return it for our records. Landscape Architectural Services described below shall be provided and billed on a not to exceed basis in accordance with terms and conditions attached.

Permit / Bid Document Revisions / Project Administration

- 1) Project Administration & Coordination
- 2) Additional Meetings/Preparation
- 3) Plan Revisions (Loop Trail & Quad Ballfield)
- 4) Site Drainage/Infiltration/Geotechnical Studies & Coordination
- 5) PCC Revisions & Value Engineering

Cost to complete = \$9,000.00

Not included in this proposal are any necessary additional consultant's fees other than those noted, permit fees, or additional services requested by City.

If this proposal meets with your approval, please sign and return it via email or mail for our records.

Sincerely,

Scott Holsapple

Approved: _____ Date: _____



Torguson Park
Additional Fee Worksheet Projection (ASR #4)

Date: 5/23/2016

Description	Hourly Rate	Principal	PM	TS	Amount
	\$100	\$100	\$80	\$60	

PERMIT/BID DOCUMENT REVISIONS / ADMINISTRATION

Project administration/coordination	16	8	0	0	
Additional meetings/meeting preparation	0	10	0	0	
Plan revisions (loop trail, quad ball field)	0	47	0	0	
Site infiltration (admin. & site visits)	4	8	4	4	
PCC revisions (engineers estimate)	0	8	0	0	
SUB-TOTAL HOURS	20	81	4	4	
PROJECT TOTAL	\$2,000	\$6,480	\$240	\$8,720.00	

The additional scope and associated fees outlined above were influenced by the following:

- Si View Metropolitan Park District Directed Revisions/Materials Changes
- North Bend Soccer Club Loop Trail Layout Revisions
- Site Infiltration & Geotechnical Explorations
- Value Engineering



City Council Agenda Bill

SUBJECT:	Agenda Date: June 21, 2016	AB16-065
A Motion Authorizing a Contract with Scott Holsapple Design for Construction Management on the Torguson Park Capital Improvement Project Cost Impact: \$53,840 Fund Source: Park Impact Fees Timeline: Immediate	Department/Committee/Individual	
	Mayor Ken Hearing	
	City Administrator – Londi Lindell	
	City Attorney - Mike Kenyon	
	City Clerk – Susie Oppedal	
	Community & Economic Development – Gina Estep	
	Finance – Dawn Masko	
	Public Works – Mark Rigos, P.E.	X

Attachments: Work Scope & Fee

SUMMARY STATEMENT

The City of North Bend has been working closely with Scott Holsapple Design (SHD) since November 2014 on designing and managing the Torguson Park Capital Improvement Project. This project is still scheduled for Summer 2016 construction commencement. To recap, specific park improvements include the new bathroom / concession building, two baseball field relocations and field improvements, picnic tables, improved access, loop trail, exercise stations, central plaza, and utility extensions.

This would be the third contract with SHD. To recap, previously executed contracts and amendments include surveys, floodplain evaluations, design work, construction drawings, civil engineering and architectural services, construction documents, archaeological/cultural analysis, administration & support, geotechnical and structural engineering support are summarized in the following table:

Consultant Name / Scope of Services	Contract #1	Contract #2	Amendment #1 November 2015	Amendment #2 March 2016	Amendment #3 June 2016	Contract #3 June 2016	Total Costs
SHD – Design	\$45,930	\$13,535	\$13,540	\$9,960	\$9,000	\$53,840	\$145,805
Arc Architects	-	\$47,955	-				\$47,955
DR Strong	-	\$31,000	\$3,000	\$1,300			\$35,300
Tetra Tech	\$8,308						\$8,308
Geo Dimensions	\$4,250		\$5,950				\$10,200
PanGEO Inc.	\$5,482						\$5,482
Buker Engineering	\$2,000						\$2,000
Totals:	\$65,970	\$92,490	\$22,490	\$11,260	\$9,000	\$53,840	\$255,050

This new contract will be for Construction Management support, and is pending a successful bid award for the project. Bid opening is currently scheduled for Monday, June 27th at 2:00pm. The additional work scope includes preparation of Conformed Construction Documents, Construction Administration / Management and Observation. Attached is SHD’s Work Scope and Fee which is **\$53,840**. This contract brings SHD’s total contracted fees to \$145,805.00. SHD will be functioning as project manager for this project upon Council approval.

COMMITTEE REVIEW AND RECOMMENDATION: This item was reviewed by the Transportation & Public Works Committee at their June 8th meeting. It was recommended for approval and placement on consent agenda.

City Council Agenda Bill

RECOMMENDED ACTION: MOTION to approve AB16-065, authorizing a contract with Scott Holsapple Design to perform additional professional services and construction management for the Torguson Park Capital Project, in a form and content acceptable to the City Attorney, in an amount not to exceed \$53,840.

RECORD OF COUNCIL ACTION		
<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>
June 21, 2016		

<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>
June 21, 2016		

EXHIBIT A



05/23/16

City of North Bend
Attn: Mark Rigos
PO Box 896
1155 East North Bend Way
North Bend, WA 98045

Torguson Park CD/CA/CO Services Proposal

Outlined below are services requested for the preparation of conformed construction documents and construction administration/management and observation. Please review the following proposal and, if acceptable, sign one copy and return it for our records. Landscape Architectural Services described below shall be provided and billed on a not to exceed basis in accordance with fee worksheet and terms and conditions included by reference.

Conformed Construction Document Set

Services provided in the consolidation and preparation of conformed construction documents. All project construction documents and addenda will be assembled, reproduced and distributed.

- 1) Project Administration, Coordination & Management
- 2) Meetings
- 3) Plan Review & Revisions
- 4) Project manual Review & Revisions
- 5) Reimbursables

Cost to complete = \$10,680.00

Construction Administration & Observation (CA / CO)

Construction Administration & Observation services will be provided during this phase. Site Visits, meeting notes, memorandum and a project final sign off will be provided.

- 1) Project Administration & Management
- 2) Construction Observation (Site Visits)
- 3) Bulletins & Memorandum
- 4) Submittals & Review
- 5) RFI/LSK
- 6) Project Final

Cost to complete = \$43,160.00

Fee Summary

Conformed Construction Documents	= \$10,680.00
Construction Administration & Observation	= \$43,160.00
Total Cost to complete	= \$53,840.00

Exclusions:

- Additional Site Visits/Meetings (Other than those noted in fee projection)
- Structural Engineering Services for Structures
- Environmental/Geotechnical Services & Related Permit Documents/Activities
- Fees Associated to Significant Design Changes

Not included in this proposal are any necessary additional consultant's fees other than those noted, permit fees, or additional services requested by City.

If this proposal meets with your approval, please email an acceptance of the proposal to me.

Sincerely,

Scott Holsapple

Approved: _____ Date: _____



**Torguson Park Construction Documents /
Administration / Management**
Fee Worksheet Projection

Date: 05.23.2016

Description	Principal	PM	TS	Amount
Hourly Rate	\$100	\$80	\$60	

CONSTRUCTION DOCUMENTS (CD)

Project administration/management	8	16	0	
Meetings w/ City & Team	0	0	0	
Drawing Sheets Review & Revisions	8	40	24	
Construction Manual/Specifications	4	16	8	
SUB-TOTAL HOURS	20	72	32	
SUB-TOTAL	\$2,000	\$5,760	\$1,920	\$9,680.00

CONSTRUCTION ADMINISTRATION/OBSERVATION

Project administration/management	24	48	0	
Site visits (2 per wk. for 24 wks. @ 3 hours each)	72	144	0	
Meeting notes	12	24	0	
Submittals/review	24	48	0	
RFI/LSK	8	24	24	
Project final	8	16	0	
SUB-TOTAL HOURS	148	304	24	
SUB-TOTAL	\$14,800	\$24,320	\$1,440	\$40,560.00

EXPENSES

Mileage (70 miles twice per week for 24 weeks)	NTE*	\$2,600
Printing	NTE*	\$1,000
	Allow	

SUB-TOTAL EXPENSES **\$3,600.00**

*NTE = Not to Exceed

PROJECT TOTAL HOURS	148	304	24
PROJECT TOTAL	\$14,800	\$24,320	\$1,440
			\$53,840.00



City Council Agenda Bill

SUBJECT:		Agenda Date: June 21, 2016	AB16-066
Motion Authorizing a Contract with Perteet for Certified Floodplain Management Technical Support		Department/Committee/Individual	
		Mayor Ken Hearing	
		City Administrator – Londi Lindell	
		City Attorney - Mike Kenyon	
		City Clerk – Susie Oppedal	
		Community & Economic Development – Gina Estep	
		Finance – Dawn Masko	
		Public Works – Mark Rigos, P.E.	
Cost Impact: (approximately \$20,000)			
Fund Source: Flooding and SD. Prof. Services			
Timeline: Immediate			
Attachments: Contract with Work Scope and Fee			
SUMMARY STATEMENT:			
<p>The City of North Bend is growing tremendously in new private development. Currently, the City does not have a Certified Floodplain Manager (CFM) on staff. Public Works Director Mark Rigos may seek training and take the examination to become a CFM at some point in the future, but for now the City lacks this qualified staff.</p> <p>Many of the new development permit applications being submitted to the City include Floodplain Development Permits, which involve FEMA regulated Letter of Map Amendments (LOMAs), Letter of Map Revisions (LOMRs), and Elevation Certificates. The City desires experienced technical floodplain management services and support with reviewing applications. Additionally, there is a coordination aspect where Perteet’s CFM can provide technical assistance to Washington State Department of Ecology’s CAV (Community Assistance Visit) program (essentially an audit) and to CRS (Community Rating System) who both report back to FEMA and NFIP (National Floodplain Insurance Program) with their findings. Attached is a work scope and fee from Perteet to assist the City in the floodplain management technical support.</p> <p>Currently, the City has a CRS rating of a category 6 community, which can fluctuate based on how well the City is managing developments in the floodplain. Our residents’ flood insurance rates are based on this CRS score, and currently give residents a 20% discount on their flood insurance rates. Perteet has been selected as a consultant for this work because:</p> <ul style="list-style-type: none"> A. Convenience: Perteet is one of the few consultant engineering firms located on the Eastside that has a CFM. B. Familiarity: Perteet is familiar with the City and the many private development projects. C. Capability: Perteet’s CFM Christina Wollman previously was the CFM for Kittitas County. She has experience in floodplain management associated with flooding and flood damage on the Cle Elum and Yakima Rivers. She was responsible for floodplain code amendments to Kittitas County Code. D. Rates: Perteet’s CFM rate is reasonable. E. MRSC and Insurance: Perteet is listed on the MSRC roster and has appropriate insurance. <p>In conclusion, City staff recommends this contract be awarded.</p>			
COMMITTEE REVIEW AND RECOMMENDATION: This item was reviewed on June 8 th by the Transportation and Public Works (TPW) Committee and was recommended for approval and placement on the consent agenda.			
RECOMMENDED ACTION: MOTION to approve AB16-066, authorizing a professional services contract with Perteet for Floodplain Management Technical Support, in a form and content acceptable to the City Attorney, in an amount not to exceed \$20,000.			
RECORD OF COUNCIL ACTION			
<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>	
June 21, 2016			

**CONTRACT FOR SERVICES
City of North Bend and Perteet, Inc.**

This Agreement is entered into by and between the City of North Bend, Washington, a municipal corporation of the State of Washington, hereinafter referred to as "the City," and Perteet, Inc. hereinafter referred to as "the Consultant."

WHEREAS, the City has determined the need to have certain services performed for its citizens; and

WHEREAS, the City desires to have the Consultant perform such services pursuant to certain terms and conditions; NOW, THEREFORE,

IN CONSIDERATION OF the mutual benefits and conditions set forth below, the parties hereto agree as follows:

1. **Scope of Services to be Performed by Consultant.** The Consultant shall perform those services described on Exhibit "A" attached hereto and incorporated herein by this reference as if fully set forth. In performing such services, the Consultant shall at all times comply with all federal, state, and local statutes, rules, and ordinances applicable to the performance of such services and the handling of any funds used in connection therewith.
2. **Compensation and Method of Payment.** The City shall pay the Consultant for services rendered within ten (10) days after City Council voucher approval. The Consultant will bill the City monthly based upon actual time expended and expenses incurred on the project. Based on the fee proposal in Exhibit "B", the Consultant shall be paid a total amount not to exceed **\$20,000** without written modification of the Agreement signed by the City. The Consultant shall complete and return Exhibit "C", Taxpayer Identification Number, to the City prior to or along with the first billing invoice submittal.
3. **Duration of Agreement.** This Agreement shall be in full force and effect for a period commencing June 21, 2016, and ending December 31, 2017, unless sooner terminated under the provisions hereinafter specified or extended through a mutually agreed upon written amendment to this agreement.
4. **Ownership, Form, and Use of Documents.** All documents, drawings, specifications, and other materials produced by the Consultant in connection with the services rendered under this Agreement shall be the property of the City whether the project for which they are made is executed or not. The Consultant shall provide to the City all final documents, reports, or studies in printed and electronic form unless otherwise designated in Exhibit A. Unless otherwise directed in writing by the City, all final documents, reports, or studies shall be provided to the City in both a PDF and Word format. Where applicable, all Complete Plan Set Drawings shall include all Specifications and shall be submitted to the City in the most updated version of AutoCAD in an unrestricted format and in accordance with City Code. The Consultant shall not be responsible for any use or modifications of said documents, drawings, specifications, or other materials by the City or its representatives for any purpose other than the project specified in the Agreement.
5. **Independent Consultant.** The Consultant and the City agree that the Consultant is an independent Consultant with respect to the services provided pursuant to this Agreement. Nothing in this Agreement shall be considered to create the relationship of employer and employee between the parties hereto. Neither the Consultant nor any employee of the Consultant shall be entitled to any benefits accorded City employees by virtue of the services provided under this Agreement. The City shall not be responsible for paying, withholding, or otherwise deducting any customary state or federal payroll deductions, including but not limited to FICA, FUTA, state industrial insurance, state workers compensation, or otherwise assuming the duties of an employer with respect to the Consultant or any employee of the Consultant.

6. **Indemnification.** The Consultant shall indemnify, defend, and hold harmless the City, its officers, agents, and employees, from and against any and all claims, losses, or liability, including attorneys' and expert witness fees, arising from injury or death to persons or damage to property occasioned by any negligent act, omission, or failure of the Consultant, its officers, agents, and employees, in performing the work required by this Agreement. With respect to the performance of this Agreement and as to claims against the City, its officers, agents, and employees, the Consultant expressly waives its immunity under Title 51 of the Revised Code of Washington, the Industrial Insurance Act, for injuries to its employees, and agrees that the obligation to indemnify, defend, and hold harmless provided for in this paragraph extends to any claim brought by or on behalf of any employee of the Consultant. This waiver is mutually negotiated by the parties. This paragraph shall not apply to any damage resulting from the sole negligence of the City, its agents, and employees. To the extent that any of the damages referenced by this paragraph were caused by or resulted from the concurrent negligence of the City, its agents, or employees, this obligation to indemnify, defend, and hold harmless is valid and enforceable only to the extent of the negligence of the Consultant, its officers, agents, and employees.

7. **Insurance.**
 - A. The Consultant shall procure and maintain in full force throughout the duration of the Agreement comprehensive general liability insurance with a minimum coverage of \$1,000,000 per occurrence/aggregate for personal injury and property damage. Said policy shall name the City of North Bend as an additional named insured and shall include a provision prohibiting cancellation or reduction in the amount of said policy except upon thirty (30) days prior written notice to the City. Cancellation of the required insurance shall automatically result in termination of this Agreement.

 - B. In addition to the insurance provided for in Paragraph A above, the Consultant shall procure and maintain in full force professional liability insurance for those services delivered pursuant to this Agreement that, either directly through Consultant employees or indirectly through contractual or other arrangements with third parties, involve providing professional services. Such professional liability insurance shall be maintained in an amount not less than \$1,000,000 combined single limit per claim/aggregate. For the purposes of this Paragraph "professional services" shall include, but not be limited to, the provision of any services provided by any licensed professional.

 - C. Certificates of coverage as required by Paragraphs A and B above shall be delivered to the City within fifteen (15) days of execution of this Agreement.

8. **Record Keeping and Reporting and "Red Flag" Rules.**
 - A. The Consultant shall maintain accounts and records, including personnel, property, financial, and programmatic records, which sufficiently and properly reflect all direct and indirect costs of any nature expended and services performed pursuant to this Agreement. The Consultant shall also maintain such other records as may be deemed necessary by the City to ensure proper accounting of all funds contributed by the City to the performance of this Agreement and compliance with this Agreement.

 - B. These records shall be maintained for a period of seven (7) years after termination hereof unless permission to destroy them is granted by the Office of the Archivist in accordance with RCW Chapter 40.14 and by the City.

 - C. The Consultant has received, and shall adhere to, the City's Identity Theft Prevention Program ("Red Flag" rules) a copy of which is attached as Exhibit "D".

9. **Taxes, Licenses and Permits.**
- A. The Consultant shall procure and maintain a City Business License in accordance with NBMC Chapter 5.04, Business Licenses and Business and Occupation Tax, prior to beginning work under this agreement. The Consultant shall also ensure that, and be responsible for, all Consultants, sub-Consultants, and suppliers, obtain a City Business License.
 - B. The Consultant acknowledges that it is responsible for the payment of all charges and taxes applicable to the services performed under this Contract, including NBMC Chapters 5.04 and 5.05, and the Consultant agrees to comply with all applicable laws regarding the reporting of income, maintenance of records, and all other requirements and obligations imposed pursuant to applicable law. If the City does not receive, or is assessed, made liable, or responsible in any manner for such charges or taxes, the Consultant shall reimburse and hold the City harmless from such costs, including attorney's fees. The Consultant shall also require all Consultants, sub-Consultants, and suppliers, pay all charges and taxes in accordance with this section.
 - C. In the event the Consultant fails to pay any taxes, assessments, penalties, or fees imposed by the City or any other governmental body, then the Consultant authorizes the City to deduct and withhold and/or pay over to the appropriate governmental body those unpaid amounts upon demand by the governmental body. This provision shall, at a minimum, apply to taxes and fees imposed by City ordinance. Any such payments shall be deducted from the Consultant's total compensation.
10. **Audits and Inspections.** The records and documents with respect to all matters covered by this Agreement shall be subject at all times to inspection, review, or audit by law during the performance of this Agreement. The City shall have the right to conduct an audit of the Consultant's financial statement and condition and to a copy of the results of any such audit or other examination performed by or on behalf of the Consultant.
11. **Termination.** This Agreement may at any time be terminated by the City upon giving to the Consultant thirty (30) days written notice of the City's intention to terminate the same. If the Consultant's insurance coverage is canceled for any reason, the City shall have the right to terminate this Agreement immediately.
12. **Discrimination Prohibited.** The Consultant shall not discriminate against any employee, applicant for employment, or any person seeking the services of the Consultant under this Agreement on the basis of race, creed, color, national origin, marital status, sex, age, disability, or other circumstance prohibited by federal, state or local law or ordinance, except for a bona fide occupational qualification.
13. **Assignment and Subcontract.** The Consultant shall not assign or subcontract any portion of the services contemplated by this Agreement without the prior written consent of the City.
14. **Entire Agreement.** This Agreement contains the entire agreement between the parties hereto, and no other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or bind any of the parties hereto. Either party may request changes to the Agreement. Proposed changes which are mutually agreed upon shall be incorporated by written amendments to this Agreement.

15. **Notices.** Notices to the City of North Bend shall be sent to the following address:

Londi Lindell, City Administrator
City of North Bend
P.O. Box 896
211 Main Avenue North
North Bend, Washington 98045
Phone number: (425) 888-1211

Notices to the Consultant shall be sent to the following address:

Rahmi Kutsal, PE
Perteet, Inc.
38579 SE River St #1
PO Box 908
Snoqualmie, WA 98065
Phone Number: (425) 888-5826

16. **Applicable Law; Venue; Attorneys' Fees.** This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. In the event any suit, arbitration, or other proceeding is instituted to enforce any term of this Agreement, the parties specifically understand and agree that venue shall be exclusively in King County, Washington. The prevailing party in any such action shall be entitled to its attorney and expert witness fees, and costs of suit.

CITY OF NORTH BEND, WASHINGTON

PERTEET, Inc.

By: _____

By:  _____

Kenneth G. Hearing

Rahmi Kutsal, PE

Title: Mayor _____

Title: Vice President _____

Date: _____

Date: 5/31/2016

Attest/Authenticated:

Susie Oppedal, City Clerk

Approved As To Form:

Michael R. Kenyon, City Attorney

EXHIBIT A

Perteet Floodplain Management Support Services SCOPE OF WORK:

The Consultant will provide Floodplain Management Support Services for the City of North Bend, to include:

1. Administration of the Community Rating System (CRS) program, including, but not limited to:
 - a. Verification visits.
 - b. Annual certifications.
 - c. Data review, preparation, and maintenance.
 - d. Activity development, implementation, and documentation.
2. Administration of the daily implementation of the City of North Bend's floodplain management program, including, but not limited to:
 - a. Provide floodplain management guidance related to community drainage improvements, flood protection, floodplain management, and flood mitigation projects.
 - b. Issue permits for development in the community's floodplain and enforce the requirements of NBMC 14.12 Floodplain Management.
 - c. Review building plans and elevation certificates for compliance with NBMC 14.12 Floodplain Management.
 - d. Explain floodplain development requirements to community leaders, citizens, and the general public when requested.
 - e. Maintain records and documents that keep the community eligible to participate in the FEMA's National Flood Insurance Program (NFIP) and Community Rating System (CRS).
 - f. Review updates and revisions to the community's Flood Insurance Rate Maps (FIRM's).
 - g. Assist FEMA and State Floodplain Manager representatives during Community Assistance Visits (CAV) or other floodplain management program actions for coordination.
 - h. Assist with NFIP Biological Opinion (BiOp) proposal development and program management.

Additional Tasks:

1. Prepare applications for funding, supervision of project design, construction management, project implementation, and project close out, for Federal and state funded floodplain management or mitigation programs.
2. Maintain Certified Floodplain Manager certification.

EXHIBIT B:

PERTEET, INC.

Schedule of 2016 Billing Rates

<u>Engineering, Planning and Environmental Classifications</u>	<u>2016 Hourly Rate</u>
Principal	225.00
Senior Associate	190.00
Senior Engineer/Manager	175.00
Lead Engineer/Manager	150.00
Engineer III	130.00
Engineer II	110.00
Engineer I	95.00
Senior Planner/Manager	160.00
Lead Planner/Manager	140.00
Program Support Specialist III	115.00
Program Support Specialist II	105.00
Program Support Specialist I	80.00
Planner III	115.00
Planner II	105.00
Planner I	80.00
Senior Ecologist/Manager	160.00
Lead Ecologist/Manager	140.00
Ecologist III	115.00
Ecologist II	100.00
Ecologist I	80.00
Lead Technician/Designer	110.00
Technician III	95.00
Technician II	80.00
Technician I	70.00
Contract Administrator	95.00
Accountant	90.00
Graphics Specialist	90.00
Clerical	75.00
Emergency Response Rate (immediate response following event)	@ 1.5 times hourly rates
Expert Witness Rates:	
Consulting & Preparation Time	@ standard hourly rates
Court Proceedings & Depositions (4 hour minimum)	@ 1.5 times hourly rates

EXHIBIT B:

PERTEET, INC.

Schedule of 2016 Billing Rates

Page 2

Direct Expenses

Rate

Living & travel expenses outside of service area	Cost plus 10 percent
Authorized Subconsultants	Cost plus 10 percent
Outside Services (printing, traffic counts, etc.)	Cost plus 10 percent
CADD Station	\$10.00 per hour
Project Controls / Primavera	\$10.00 per hour
GIS / Traffic Modeling	\$15.00 per hour
Color Copies	\$.80 each
Mileage	@ current federal rate

Survey Classifications

2016 Hourly Rate

Principal Surveyor	185.00
Survey Manager	140.00
Professional Land Surveyor II	120.00
Professional Land Surveyor I	115.00
Office Technician	100.00
Field Technician III	95.00
Field Technician II	80.00
Field Technician I	65.00
One Person Survey Crew	90.00
Two Person Survey Crew	165.00
Three Person Survey Crew	235.00

Direct Survey Expenses

Rate

Dual Frequency GPS Receiver	\$150.00 per unit per day
Robotic Total Station Data Collection System	\$100.00 per day
Digital Level	\$50.00 per day
Laser Scanner	\$65.00 per hour
Survey monuments & cases	Cost plus 10 percent

EXHIBIT B:

PERTEET, INC.

Schedule of 2016 Billing Rates

Page 3

<u>Construction Classifications</u>	<u>2016 Hourly Rate</u>
Construction Engineering Supervisor	175.00
Construction Engineering Manager	165.00
Construction Manager	120.00
Assistant Construction Manager	120.00
Construction Engineer III	125.00
Construction Engineer II	110.00
Construction Engineer I	85.00
Senior Construction Observer	120.00
Construction Observer II	80.00
Construction Observer I	70.00
Senior Construction Technician	105.00
Construction Technician III	95.00
Construction Technician II	90.00
Construction Technician I	75.00

Key Personnel Title and Rates:

Christina Wollman, Planner II - \$105/Hour

Jim Dexter, Lead Engineer - \$150/Hour

Rahmi Kutsal, Principal - \$225/Hour

EXHIBIT C

CITY OF NORTH BEND
P.O. Box 896
211 Main Avenue North
North Bend, WA 98045
Phone: (206) 888-1211
FAX: (206) 831-6200

TAX IDENTIFICATION NUMBER

In order for you to receive reimbursement from the City of North Bend, we must have either a Tax Identification Number or a Social Security Number. The Internal Revenue Code requires a Form 1099 for payments to every person or organization other than a corporation for services performed in the course of trade or business. Further, the law requires us to withhold 20% on reportable amounts paid to unincorporated persons who have not supplied us with their correct Tax Identification Number or Social Security Number.

Please complete the following information request form and return it to the City of North Bend before or along the submittal of the first billing voucher.

Please check the appropriate category:

Corporation Partnership Government Agency
 Individual/Proprietor Other (please explain)

TIN#: 91-1505037

SS#: -

Print Name: Rahmi Kutsal

Print Title: Vice President

Business Name: Perteet, Inc.

Business Address: 2707 Colby Ave., #900, Everett, WA 98201

Business Phone: (425) 252-7700

5/31/2016
Date


Authorized Signature (required)

EXHIBIT D

CITY OF NORTH BEND
IDENTITY THEFT PREVENTION PROGRAM

I. PROGRAM ADOPTION

The City of North Bend developed this Identity Theft Prevention Program (“Program”) pursuant to the Federal Trade Commission’s Red Flags Rule (“Rule”), which implements Sections 114 and 315 of the Fair and Accurate Credit Transactions Act of 2003. This Program was developed with the oversight and approval of the City’s Finance Director. After consideration of the size and complexity of the City’s operations and account systems, and the nature and scope of the City’s activities, the City Council determined that this Program was appropriate for the City, and therefore approved this Program by the adoption of Ordinance No.1351 on the 21 day of April, 2009.

II. PROGRAM PURPOSE AND DEFINITIONS

A. Fulfilling Requirements of the Red Flags Rule.

Under the Red Flags Rule, every financial institution and creditor is required to establish an identity theft prevention program tailored to its size, complexity and the nature of its operation. The Program must contain reasonable policies and procedures to:

- Identify relevant red flags as defined in the Rule and this Program for new and existing covered accounts, and incorporate those red flags into the Program;
- Detect red flags that have been incorporated into the Program;
- Respond appropriately to any red flags that are detected to prevent and mitigate identity theft; and
- Update the Program periodically to reflect changes in risks to customers or to the safety and soundness of the City from identity theft.

B. Red Flags Rule Definitions Used in this Program.

For the purposes of this Program, the following definitions apply:

Account. “Account” means a continuing relationship established by a person with a creditor to obtain a product or service for personal, family, household or business purposes.

Covered Account. A “covered account” means:

- a. Any account the City offers or maintains primarily for personal, family or household purposes, that involves multiple payments or transactions; and
- b. Any other account the City offers or maintains for which there is a reasonably foreseeable risk to customers or to the safety and soundness of the City from identity theft.

Creditor. “Creditor” has the same meaning as defined in Section 701 of the Equal Credit Opportunity Act, 15 U.S.C. 1691a, and includes a person or entity that arranges for the extension, renewal or continuation of credit, including the City.

Customer. A “customer” means a person or business entity that has a covered account with the City.

Financial Institution. “Financial institution” means a state or national bank, a state or federal savings and loan association, a mutual savings bank, a state or federal credit union, or any other entity that holds a “transaction account” belonging to a customer.

Identifying Information. “Identifying information” means any name or number that may be used, alone or in conjunction with any other information, to identify a specific person, including name, address, telephone number, social security number, date of birth, government passport number, employer or taxpayer identification number or unique electronic identification number.

Identity Theft. “Identity theft” means fraud committed using the identifying information of another person.

Red Flag. A “red flag” means a pattern, practice, or specific activity that indicates the possible existence of identity theft.

Service Provider. “Service provider” means a person or business entity that provides a service directly to the City relating to or in connection with a covered account.

III. IDENTIFICATION OF RED FLAGS

In order to identify relevant red flags, the City shall review and consider the types of covered accounts that it offers and maintains, the methods it provides to open covered accounts, the methods it provides to access its covered accounts, and its previous experiences with identity theft. The City identifies the following red flags, in each of the listed categories:

A. Notification and Warnings from Credit Reporting Agencies - Red Flags.

- Report of fraud accompanying a credit report;
- Notice or report from a credit agency of a credit freeze on a customer or applicant;
- Notice or report from a credit agency of an active duty alert for an applicant; and
- Indication from a credit report of activity that is inconsistent with a customer’s usual pattern or activity.

B. Suspicious Documents - Red Flags.

- Identification document or card that appears to be forged, altered or inauthentic;
- Identification document or card on which a person’s photograph or physical description is not consistent with the person presenting the document;
- Other document with information that is not consistent with existing customer information (such as a person’s signature on a check appears forged); and
- Application for service that appears to have been altered or forged.

C. Suspicious Personal Identifying Information -Red Flags.

- Identifying information presented that is inconsistent with other information the customer provides (such as inconsistent birth dates);

- Identifying information presented that is inconsistent with other sources of information (for instance, an address not matching an address on a driver's license);
- Identifying information presented that is the same as information shown on other applications that were found to be fraudulent;
- Identifying information presented that is consistent with fraudulent activity (such as an invalid phone number or fictitious billing address);
- Social security number presented that is the same as one given by another customer;
- An address or phone number presented that is the same as that of another person;
- Failing to provide complete personal identifying information on an application when reminded to do so (**however, by law social security numbers must not be required**); and
- Identifying information which is not consistent with the information that is on file for the customer.

D. Suspicious Account Activity or Unusual Use of Account - Red Flags.

- Change of address for an account followed by a request to change the account holder's name;
- Payments stop on an otherwise consistently up-to-date account;
- Account used in a way that is not consistent with prior use (such as very high activity);
- Mail sent to the account holder is repeatedly returned as undeliverable;
- Notice to the City that a customer is not receiving mail sent by the City;
- Notice to the City that an account has unauthorized activity;
- Breach in the City's computer system security; and
- Unauthorized access to or use of customer account information.

E. Alerts from Others - Red Flag.

- Notice to the City from a customer, a victim of identity theft, a law enforcement authority or other person that it has opened or is maintaining a fraudulent account for a person engaged in identity theft.

IV. DETECTING RED FLAGS

A. New Accounts.

In order to detect any of the red flags identified above associated with the opening of a **new account**, City personnel will take the following steps to obtain and verify the identity of the person opening the account:

- Require certain identifying information such as name, date of birth, residential or business address, principal place of business for an entity, driver's license or other identification;

- Verify the customer's identity (for instance, review a driver's license or other identification card);
- Review documentation showing the existence of a business entity; and
- Independently contact the customer.

B. Existing Accounts.

In order to detect any of the red flags identified above for an **existing account**, City personnel will take the following steps to monitor transactions with an account:

- Verify the identification of customers if they request information (in person, via telephone, via facsimile, via email);
- Verify the validity of requests to change billing addresses; and
- Verify changes in banking information given for billing and payment purposes.

V. PREVENTING AND MITIGATING IDENTITY THEFT

In the event City personnel detect any identified red flags, such personnel shall take one or more of the following steps, depending on the degree of risk posed by the red flag:

A. Prevent and Mitigate Identity Theft.

- Monitor a covered account for evidence of identity theft;
- Contact the customer with the covered account;
- Change any passwords or other security codes and devices that permit access to a covered account;
- Not open a new covered account;
- Close an existing covered account;
- Reopen a covered account with a new number;
- Not attempt to collect payment on a covered account;
- Notify the Finance Director for determination of the appropriate step(s) to take;
- Notify law enforcement; or
- Determine that no response is warranted under the particular circumstances.

B. Protect Customer Identifying Information.

In order to further prevent the likelihood of identity theft occurring with respect to City accounts, the City shall take the following steps with respect to its internal operating procedures to protect customer identifying information:

- Secure the City website but provide clear notice that the website is not secure;

- Undertake complete and secure destruction of paper documents and computer files containing customer information;
- Make office computers password protected and provide that computer screens lock after a set period of time;
- Keep offices clear of papers containing customer identifying information;
- Request only the last 4 digits of social security numbers (if any);
- Maintain computer virus protection up to date; and
- Require and keep only the kinds of customer information that are necessary for City purposes.

VI. PROGRAM ADMINISTRATION

A. Oversight.

The Finance Director or other designated city employee at the level of senior management shall be responsible for developing, implementing, and updating the Program.

The Finance Director shall also be responsible for the Program administration, for appropriate training of City staff on the Program, for reviewing the annual staff report required under the Program, as well as any other staff reports regarding the detection of red flags and the steps for preventing and mitigating identity theft, determining which steps of prevention and mitigation should be taken in particular circumstances, and considering periodic changes to the Program.

B. Staff Training and Reports.

City staff responsible for implementing the Program shall be trained either by or under the direction of the Finance Director in the detection of red flags, and the responsive steps to be taken when a red flag is detected. Additionally, a compliance report shall be provided annually to the Finance Director. The annual compliance report shall at a minimum address the following:

1. The effectiveness of the City's policies and procedures in addressing the risk of identity theft in connection with the opening of covered accounts and with respect to existing covered accounts;
2. Service provider arrangements;
3. Significant incidents involving identity theft and the City's response; and
4. Recommendations for material changes to the Program.

C. Service Provider Arrangements.

In the event the City engages a service provider to perform an activity in connection with one or more covered accounts, the City shall take the following steps to require that the service provider performs its activity in accordance with reasonable policies and procedures designed to detect, prevent, and mitigate the risk of identity theft.

- Require, by contract, that service providers acknowledge receipt and review of the Program and agree to perform their activities with respect to City covered accounts in compliance

with the terms and conditions of the Program and with all instructions and directives issued by the Finance Director relative to the Program; or

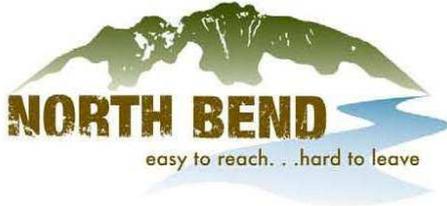
- Require, by contract, that service providers acknowledge receipt and review of the Program and agree to perform their activities with respect to City covered accounts in compliance with the terms and conditions of the service provider's identity theft prevention program and will take appropriate action to prevent and mitigate identity theft; and that the service providers agree to report promptly to the City in writing if the service provider in connection with a City covered account detects an incident of actual or attempted identity theft or is unable to resolve one or more red flags that the service provider detects in connection with a covered account.

D. Customer Identifying Information and Public Disclosure.

The identifying information of City customers with covered accounts shall be kept confidential and shall be exempt from public disclosure to the maximum extent authorized by law, including RCW 42.56.230(4). The City Council also finds and determines that public disclosure of the City's specific practices to identify, detect, prevent, and mitigate identity theft may compromise the effectiveness of such practices and hereby direct that, under the Program, knowledge of such specific practices shall be limited to the Finance Director and those City employees and service providers who need to be aware of such practices for the purpose of preventing identity theft.

VII. PROGRAM UPDATES

The Program will be periodically reviewed and updated to reflect changes in risks to customers and to the safety and soundness of the City from identity theft. The Finance Director shall at least annually review the annual compliance report and consider the City's experiences with identity theft, changes in identity theft methods, changes in identity theft detection and prevention methods, changes in types of accounts the City maintains and changes in the City's business arrangements with other entities and service providers. After considering these factors, the Finance Director shall determine whether changes to the Program, including the listing of red flags, are warranted. If warranted, the Finance Director shall present the recommended changes to the City Council for review and approval.



City Council Agenda Bill

SUBJECT:		Agenda Date: June 21, 2016		AB16-067		
Motion Authorizing Blanket Purchase Order with HD Supply Waterworks		Department/Committee/Individual				
		Mayor Ken Hearing				
		City Administrator – Londi Lindell				
		City Attorney - Mike Kenyon				
		City Clerk – Susie Oppedal				
		Community & Economic Development – Gina Estep				
		Finance – Dawn Masko				X
		Public Works – Mark Rigos				
Cost: Not to exceed \$20,000 for remainder of year						
Fund Source: Water Fund						
Timeline: Immediate						
Attachments:						
<p>SUMMARY STATEMENT:</p> <p>The City utilizes standardized Neptune water meters with the water system’s Automated Meter Reading (AMR) and route management hardware and software. Meters from other manufacturers are not compatible with the systems currently in use. Neptune water meters are only available from the local distributor HD Supply Waterworks, who has been deemed the exclusive, sole source vendor. Neptune’s warranties are valid only through HD Supply.</p> <p>The City routinely purchases maintenance, repair and operating supplies including new water meters, replacement meters, and meter parts and accessories for the City’s water system from HD Supply Waterworks. The City’s current purchasing policies require City Council approval for any contract or purchase order exceeding \$7,500. Staff estimates that it will spend approximately \$20,000 from HD Supply for the remainder of 2016 for these routine purchases. Sufficient funds have already been appropriated within the Water Fund for these purchases.</p> <p>Staff is requesting approval of a blanket purchase order with HD Supply Waterworks, a sole source vendor, in an amount not to exceed \$20,000 for the remainder of 2016.</p>						
<p>COMMITTEE REVIEW AND RECOMMENDATION: The Finance & Administration Committee discussed the utilization of blanket purchases orders at a meeting in July 2015 meeting and recommended using blanket purchases orders for routine purchases with placement on the consent agenda.</p>						
<p>RECOMMENDED ACTION: MOTION to approve AB16-067, authorizing a blanket Purchase Order with HD Supply Waterworks, in an amount not to exceed \$20,000.</p>						
RECORD OF COUNCIL ACTION						
<i>Meeting Date</i>		<i>Action</i>		<i>Vote</i>		
June 21, 2016						



City Council Agenda Bill

SUBJECT:		Agenda Date: June 21, 2016	AB16-068
Public Hearing and Resolution Adopting the 2017-2022 6-Year Transportation Improvement Program		Department/Committee/Individual	
		Mayor Ken Hearing	
		City Administrator – Londi Lindell	
		City Attorney - Mike Kenyon	
		City Clerk – Susie Oppedal	
		Community & Economic Development – Gina Estep	
		Finance – Dawn Masko	
Cost Impact: Approximately \$60 million		Public Works – Mark Rigos, P.E.	
Fund Source: TIF, Grants, General Fund			X
Timeline: 2017-2022			
Attachments: Resolution, 2017-2022 TIP Spreadsheet Table, 2017-2022 TIP Map, Public Hearing Notice, Public Comment			
<p>SUMMARY STATEMENT:</p> <p>Every year as required by state law, RCW 35.77.010, each city in Washington must develop and adopt a 6-Year Transportation Improvement Program (TIP). This program lays out a plan for improving and maintaining each respective city’s transportation system encompassing streets, trails and mass transit. Associated with each project is a financial program to support the proposed improvements. The TIP is a planning tool required by state law to ensure that each city continually has available advanced plans as a guide in carrying out a coordinated transportation program. The law requires that each city holds an annual public hearing to adopt a 6-year TIP. The adopted TIP is then sent out to adjacent local jurisdictions and utility districts to coordinate projects, as well as to the state for incorporation into the Statewide TIP (STIP).</p> <p>The following benefits are derived from the annual update and adoption of a TIP:</p> <ol style="list-style-type: none"> 1. The TIP is a management tool for City Council and City staff. 2. It provides valuable information to the planning commission, citizens, developers and businesses interested in the development of the City. 3. It assists in leveraging available resources through improved timing of projects and improved coordination of City projects with those of private and public entities. 4. It helps to protect a City’s current infrastructure and to plan for new infrastructure. 5. Many grant sources require that projects be adopted in the City’s TIP prior to grant application. <p>The City of North Bend’s 2017-2022 TIP is being introduced as the framework for the City’s Capital Investment Program (CIP). The TIP is included in the City’s overarching CIP as the CIP includes parks projects, facilities projects, water projects, sanitary sewer/WWTP projects, and surface water management projects. Essentially, the TIP is a plan to improve public transportation facilities. North Bend’s TIP is a 6-year plan that identifies capital projects, their costs, and funding sources. Staff prepares the TIP and presents it to City Council each year for review, possible revision, and adoption into the CIP.</p> <p>Back in 2013, City staff assigned project numbers for the transportation capital projects. The ‘T-xxx’ numbers shown below are not project priorities, instead they are tracking numbers. Project priority numbers are different, as they change from year-to-year depending upon what projects were completed, what projects were removed, and changing priorities from City Council and City staff. Priority numbers are shown on the attached TIP Map and TIP Table. The tracking numbers are shown below on our list of completed projects (A), ongoing projects (B), future projects (C), and significant changes from the 2016-2021 TIP to the 2017-2022 TIP (D).</p>			

City Council Agenda Bill

A. Completed Projects (year completed) are:

- T-004: North Bend Way Overlays (2014) *
- T-005: NB Way Sidewalk – Downing to Orchard (2015)
- T-011: Cedar Falls Way Walkway (2016)
- T-012: NE 12th Street Emergency Repairs (2015)

B. Ongoing Projects (in design or construction) are:

- T-003: Downtown Plaza ^G
- T-006: NB Way Curb, Gutter, Sidewalk – Ballarat to Downing N. Side ^G
- T-008: NB Way / Park Street Roundabout (RAB) ^G
- T-009: NE 12th St and (SD) Improvements
- T-010: Bendigo Right Turn Lane – Park Street
- T-014: NW 14th St Re-construction – East of Bendigo
- T-021: South Fork Ave Extension – Bendigo to NB Way / 8th Street (Nintendo Bypass) ^G

C. Future Projects in 2017-2022 TIP that have not begun (not in design yet) are:

- T-001: SE 140th Street Sidewalk
- T-002: E NB Way / Tanner / 140th Intersection Reconfiguration
- T-007: NBW Sidewalk – Ballarat Ave to Downing S. Side
- T-013: 2nd Street Sidewalk and Storm Reconstruction
- T-015: Ballarat Avenue Improvements – 6th to 12th Streets
- T-016: Bendigo Blvd. - 4th St Intersection Reconfiguration RAB
- T-017: 468th Ave SE / Middle Fork Rd RAB
- T-018: Mt. Si Boulevard Reconstruction
- T-019: NB Way at 436th Ave SE RAB
- T-020: NB Way at SE Mt. Si Road
- T-022: South Fork Ave Extension - Mt Si Blvd to Maloney Grove Ave
- T-023: SE 146th St at 468th Ave SE Intersection traffic signal
- T-024: SE 20th St Extension - Maloney Grove Ave to 436th Ave SE
- T-025: SE 146th St Reconstruction – 468th Avenue to East City Limit
- T-026: Alm Way Bridge #1135-6 decommission or replacement
- T-027: Bendigo Traffic Reconfiguration – 3rd to NB Way
- T-028: NB Way - Ballarat Traffic Signal
- T-029: Acquire ROW on Pickett Ave between River Glen & NE 6th St
- T-030: NW 14th Street – West of Bendigo
- T-031: Stilson Ave SE Sidewalk Improvements ^G

^G = City has applied for a grant.

*= T-004 (North Bend Way Overlays) is actually not a capital project, but was numbered this way in 2013.

D. Changes from 2016-2021 TIP to 2017-2022 TIP are:

- T-031 (Stilson Ave SE Sidewalk improvements) was added to TIP.
- T-006 (Cedar Falls Way Walkway) has been removed, because it was constructed in 2016.
- T-010 (Bendigo Right Turn Lane – Park Street) will likely be removed, because staff is trying to get this project fully permitted (by WSDOT) and constructed in 2016.
- Some projects slightly moved up the TIP list and some slightly moved down.

City Council Agenda Bill

Before the new TIP is adopted, a public hearing must be held to solicit public input on the proposed program.		
COMMITTEE REVIEW AND RECOMMENDATION: This list was provided to City Council at its May 24, 2016 Workstudy. This Agenda Bill was reviewed by Transportation and Public Works (TPW) Committee on June 8, 2016 and recommended for approval.		
RECOMMENDED ACTION: MOTION to approve AB16-068, a resolution adopting the 2017-2022 Six-Year Transportation Improvement Program.		
RECORD OF COUNCIL ACTION		
<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>
June 21, 2016		

RESOLUTION

A RESOLUTION OF THE CITY OF NORTH BEND, WASHINGTON, APPROVING THE 2017-2022 SIX YEAR TRANSPORTATION IMPROVEMENT PROGRAM

WHEREAS, State Law (RCW 35.77.010) requires that the City adopt and annually update a 6-Year Transportation Improvement Program (TIP); and

WHEREAS, RCW 35.77.010 also requires that a public hearing be held prior to the adoption or update of the TIP, and requires that the adopted TIP be filed with the Washington State Department of Transportation; and

WHEREAS, on June 21, 2016, the City Council held a public hearing on the proposed 2017-2022 TIP;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. The City Council does hereby approve the 2017-2022 Six-Year Transportation Improvement Program, a copy of which is attached hereto and incorporated herein by this reference.

PASSED BY THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 21ST DAY OF JUNE, 2016.

CITY OF NORTH BEND:

APPROVED AS TO FORM:

Kenneth G. Hearing, Mayor

Michael R. Kenyon, City Attorney

ATTEST/AUTHENTICATED:

Effective:

Posted:

Susie Oppedal, City Clerk

City of North Bend
6 Year Transportation Improvement Program
2017-2022

City of North Bend Project Number	2015 TIP Priority Number	2015 TIP Year Planned (2016-2021)	2016 TIP Priority Number	Year Planned (2017-2022)	Project Name	Cost in 2016-2021 TIP			Cost Updates in 2017-2022 TIP		
						Design	Construction	Total	Design	Construction	Total
T-011	N/A	2015	Done	2016	Cedar Falls Way Walkway	\$	\$	\$	\$	\$	\$
T-010	1	2016	Done	2016	Right Turn Lane, Northbound Bendigo at Park Street	\$ 100,000	\$ 400,000	\$ 500,000	\$	\$	\$
T-006	2	2016	3	2017	North Bend Way C&G/Landscape (Ballarat to Downing) North Side	\$ 42,914	\$ 459,176	\$ 502,090	\$ 80,000	\$ 420,000	\$ 500,000
T-014	3	2016	8	2019	2nd St Sidewalk Storm Drain Improvements	\$ 17,483.00	\$ 98,903	\$ 116,386	\$ 18,000	\$ 100,000	\$ 116,386
T-008	4a	2017	1	2017	Park Street Roundabout at NBW - Construct	\$ 350,000	\$ 2,000,000	\$ 2,350,000	\$ 350,000	\$ 2,000,000	\$ 2,350,000
T-003	4b	2017	2	2017	Downtown Plaza	\$ 250,000	\$ 1,400,000	\$ 1,650,000	\$	\$ 1,400,000	\$ 1,650,000
T-013	5	2017	4	2018	NW 14th Street Reconstruction East of Bendigo (Phase 1)	\$ 50,000	\$ 440,000	\$ 490,000	\$ 60,000	\$ 200,000	\$ 260,000
T-009	6	2018	5	2018	NE 12th Street - Ballarat to Pickett	\$ 300,000	\$ 3,000,000	\$ 3,300,000	\$ 300,000	\$ 3,000,000	\$ 3,300,000
T-015	7	2018	6	2018	Ballarat Ave - 6th to 12th Streets	\$ 250,000	\$ 2,500,000	\$ 2,750,000	\$ 250,000	\$ 2,500,000	\$ 2,750,000
T-002	8	2019	19	2021	East North Bend Way/SE Tanner Road/SE 140th St Intersection Reconfiguration	\$	\$	\$	\$	\$	\$
T-016	9	2019	10	2019	Bendigo Blvd/4th St Intersection Reconfiguration - Roundabout	\$ 600,000	\$ 3,000,000	\$ 3,600,000	\$ 600,000	\$ 3,000,000	\$ 3,600,000
T-017	10	2019	14	2020	468th Avenue SE at Middle Fork Road Roundabout	\$ 500,000	\$ 2,000,000	\$ 2,500,000	\$ 500,000	\$ 2,000,000	\$ 2,500,000
T-018	11	2019	16	2020	Mount Si Blvd Reconstruct	\$ 75,000	\$ 425,000	\$ 500,000	\$ 75,000	\$ 425,000	\$ 500,000
T-019	12	2020	13	2020	North Bend Way at 436th Avenue SE Roundabout	\$ 336,235	\$ 1,905,334	\$ 2,241,569	\$ 336,235	\$ 1,905,334	\$ 2,241,569
T-020	13	2020	15	2020	North Bend Way at SE Mount Si Road	\$ 336,235	\$ 1,905,334	\$ 2,241,569	\$ 336,235	\$ 1,905,334	\$ 2,241,569
T-021	14	2020	7	2018	South Fork Avenue Extension - Bendigo to NBW/8th Street - Nintendo ByPass	\$	\$	\$	\$	\$	\$
T-022	15	2020	26	2022	South Fork Avenue Extension, Mt. Si Blvd to Maloney Grove	\$ 1,194,235	\$ 6,767,332	\$ 7,961,567	\$ 1,194,235	\$ 6,767,332	\$ 7,961,567
T-023	16	2020	17	2020	SE 146th Street at 468th Avenue SE Intersection Traffic Signal	\$ 750,000	\$ 4,250,000	\$ 5,000,000	\$ 750,000	\$ 4,250,000	\$ 5,000,000
T-024	17	2020	22	2022	SE 20th Street Extension, Maloney Grove Ave to 436th Ave SE	\$ 451,873	\$ 2,560,612	\$ 3,012,485	\$ 451,873	\$ 2,560,612	\$ 3,012,485
T-025	18	2020	18	2020	SE 146th Street Reconstruction, 468th Ave SE to east city limit	\$ 97,500	\$ 552,500	\$ 650,000	\$ 97,500	\$ 552,500	\$ 650,000
T-026	19	2021	25	2022	Alm Way Bridge - Bridge #1135-6	\$	\$	\$	\$	\$	\$
T-027	20	2021	9	2019	Bendigo Traffic Reconfiguration (3rd to NBW)	\$ 14,561	\$ 82,513	\$ 97,074	\$ 14,561	\$ 82,513	\$ 97,074
T-028	21	2021	11	2019	North Bend Way/Ballarat Traffic Signals	\$ 150,000	\$ 500,000	\$ 650,000	\$ 150,000	\$ 500,000	\$ 650,000
T-007	22	2021	20	2021	North Bend Way C&G/Landscape (Ballarat to Downing) South Side	\$ 125,000	\$ 500,000	\$ 625,000	\$ 125,000	\$ 500,000	\$ 625,000
P-004	23	2021	23	2021	Tanner Trail, Phase 2 and 3 RW Acquisition	\$ 4,150,000	\$	\$ 4,150,000	\$	\$	\$ 4,150,000
T-029	24	2021	12	2020	Acquire ROW on Pickett Avenue between River Glen and NE 6th Street	\$ 100,000	\$ 400,000	\$ 500,000	\$ 100,000	\$ 400,000	\$ 500,000
T-030	25	2021	24	2022	NW 14th Street Reconstruction west of Bendigo (Phase 2)	\$ 75,000	\$ 350,000	\$ 425,000	\$ 75,000	\$ 350,000	\$ 425,000
T-001	Not Assigned	2016-2021	21	2022	SE 140th Street Sidewalk (north side only)	\$	\$	\$	\$ 88,500	\$ 501,500	\$ 590,000
	26	2016-2021	27		Sidewalk Trip Hazard Elimination	\$ 13,500	\$ 76,500	\$ 90,000	\$ 13,500	\$ 76,500	\$ 90,000
T-014	27	2016-2021	28		Pavement Overlay Program	\$ 300,000	\$ 2,100,000	\$ 2,400,000	\$ 300,000	\$ 2,100,000	\$ 2,400,000
	28	2016-2021	29		Chip Seal	\$ 72,000	\$ 408,000	\$ 480,000	\$ 72,000	\$ 408,000	\$ 480,000
	29	2016-2021	30		Crack Seal	\$ 18,000	\$ 102,000	\$ 120,000	\$ 18,000	\$ 102,000	\$ 120,000
	30	2016-2021	31		Alley Reconstruct and Paving - Annual cost	\$ 36,000	\$ 204,000	\$ 240,000	\$ 36,000	\$ 204,000	\$ 240,000

T-005 (NBW north side sidewalk between Downing and Orchard) was completed in 2014.
T-012 (Emergency Repair to NE 12th Street) was completed in 2015.

City of North Bend 2017-2022 TIP PROJECTS

UPDATED MARCH 1, 2016

TIP projects CONSTRUCTED in 2016:

- Cedar Falls Way Sidewalk
- Bendigo Right Turn Lane at Park St

TIP projects ADDED in 2017-2022 TIP:

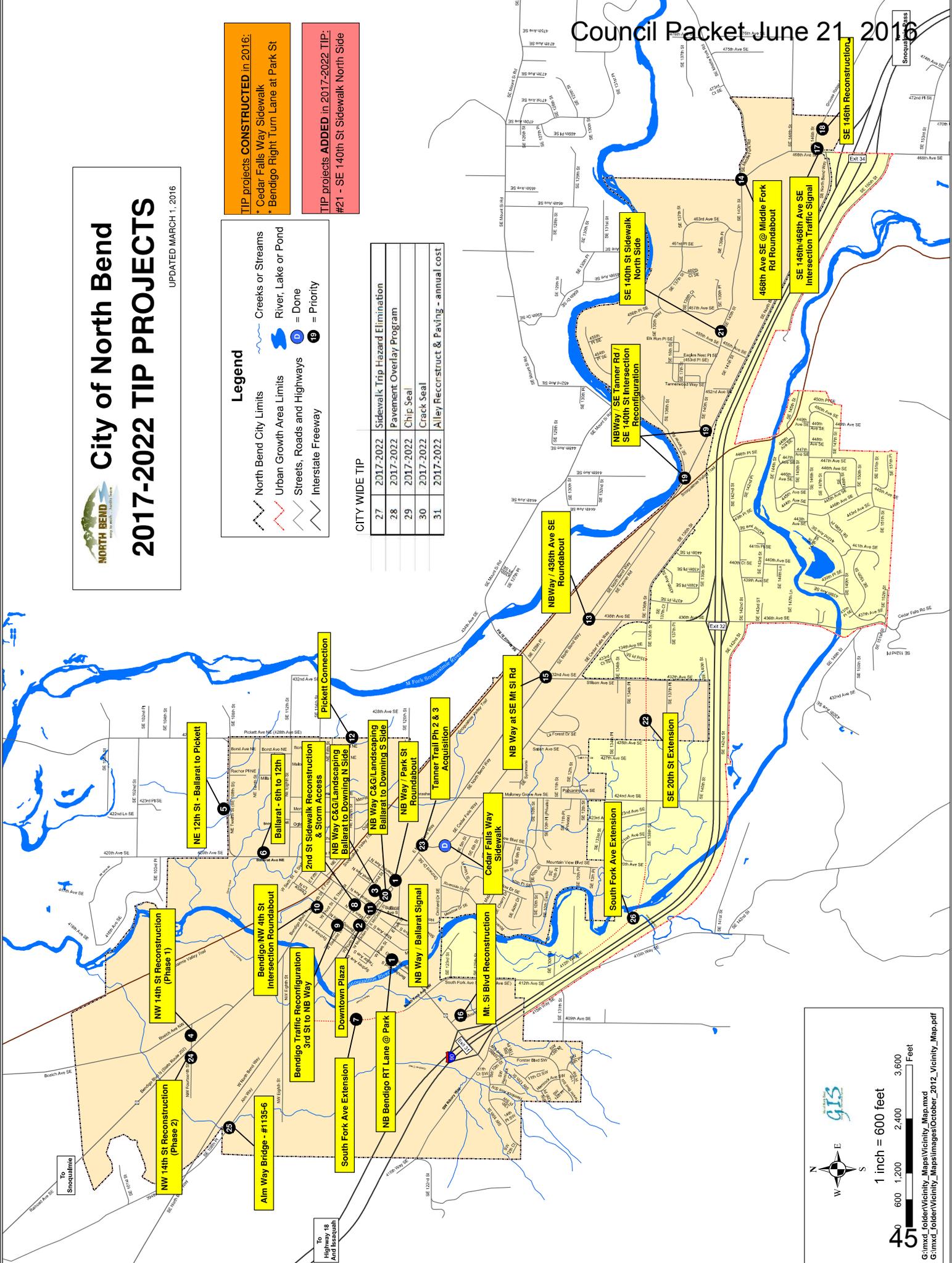
- #21 - SE 140th St Sidewalk North Side

Legend

- North Bend City Limits
- Urban Growth Area Limits
- Streets, Roads and Highways
- Interstate Freeway
- Creeks or Streams
- River, Lake or Pond
- Done
- Priority

CITY WIDE TIP

27	2017-2022	Sidewalk Trip Hazard Elimination
28	2017-2022	Pavement Overlay Program
29	2017-2022	Chip Seal
30	2017-2022	Crack Seal
31	2017-2022	Alley Reconstruct & Paving - annual cost



GIS

1 inch = 600 feet

0 600 1,200 2,400 3,600 Feet

45

To Snoqualmie
To Highway 18
And Issaquah

G:\mxd_folder\Vicinity_Maps\Vicinity_Map.mxd
G:\mxd_folder\Vicinity_Maps\images\October_2012_Vicinity_Map.pdf



**NOTICE OF PUBLIC HEARING
Six-Year Transportation Improvement Plan (TIP)**

NOTICE IS HEREBY GIVEN that the North Bend City Council has scheduled a public hearing which will take place during a Regular City Council Meeting on Tuesday, June 21, 2016, at 7:00 PM at the Mt. Si Senior Center, 411 Main Ave. S., North Bend, WA. The purpose of the public hearing is to solicit public input and comments on the proposed Six Year Transportation Improvement Plan (TIP).

Comments may be presented orally at the public hearing or submitted in writing to the Public Works Director at P.O. Box 896, North Bend, WA, 98045, or by e-mail to: mrigos@northbendwa.gov prior to 4:00 PM, Tuesday, June 21, 2016. Questions may be answered by contacting the Director at (425) 888-7650.

Copies of the 2016 Six Year Transportation Improvement Plan (TIP) will be available at the Public Works Building, 1155 E. North Bend Way, or at City Hall 211 Main Ave., North, North Bend WA.

North Bend does not discriminate on the basis of disabilities. If you need special accommodation, please contact City Hall within three business days prior to the public hearing at (425) 888-7627.

Posted: June 1, 2016

Published in the Snoqualmie Valley Record: June 1, 2016

Susie Oppedal

From: Ken Hearing
Sent: Saturday, June 11, 2016 10:51 PM
To: Susie Oppedal; Mark Rigos
Subject: Fwd: NE 8th Street

Sent from my Verizon, Samsung Galaxy smartphone

----- Original message -----

From: Nancy Flanagan <nf2469@gmail.com>
Date: 6/11/16 8:28 AM (GMT-08:00)
To: CouncilMember Gothelf <agothelf@NORTHBENDWA.GOV>, CouncilMember Elwood <BELWOOD@NORTHBENDWA.GOV>, CouncilMember Pettersen <JPETTERSEN@NORTHBENDWA.GOV>, jrosen@northbendwa.go, CouncilMember Volken <mvolken@northbendwa.gov>, CouncilMember Loudenback <RLOUDENBACK@NORTHBENDWA.GOV>, CouncilMember Kostanich <tkostanich@northbendwa.gov>
Cc: Ken Hearing <KHEARING@NORTHBENDWA.GOV>, Londi Lindell <LLINDELL@NORTHBENDWA.GOV>, Mark Rigos <MRIGOS@NORTHBENDWA.GOV>
Subject: NE 8th Street

Dear North Bend City Council,

I am sure all of you are aware of the terrible condition of NE 8th. I'm asking you to consider making improvements to this road at your June 21st, 2016 council meeting. I am a member of Mt. Si Lutheran Church and drive that road quite often. Dodging the numerous, deep potholes on NE 8th is like off-roading on some of our mountain roads. I would hope that making the much-needed repairs to this road, would be a high priority.

Thank you,
Nancy Flanagan

Susie Oppedal

From: Ken Hearing
Sent: Saturday, June 11, 2016 10:50 PM
To: Susie Oppedal; Mark Rigos
Subject: Fwd: June 21, 2016 City Public Hearing

Sent from my Verizon, Samsung Galaxy smartphone

----- Original message -----

From: Thomas Som <thomassom@yahoo.com>
Date: 6/11/16 2:33 PM (GMT-08:00)
To: CouncilMember Kostanich <tkostanich@northbendwa.gov>, CouncilMember Loudenback <RLOUDENBACK@NORTHBENDWA.GOV>, CouncilMember Rosen <JROSEN@NORTHBENDWA.GOV>, CouncilMember Gothelf <agothelf@NORTHBENDWA.GOV>, CouncilMember Volken <mvolken@northbendwa.gov>, CouncilMember Elwood <BELWOOD@NORTHBENDWA.GOV>, CouncilMember Pettersen <JPETTERSEN@NORTHBENDWA.GOV>
Cc: Londi Lindell <LLINDELL@NORTHBENDWA.GOV>, Mark Rigos <MRIGOS@NORTHBENDWA.GOV>, Ken Hearing <KHEARING@NORTHBENDWA.GOV>
Subject: June 21, 2016 City Public Hearing

I am writing to you to request at your June 21, 2016 City Public Hearing regarding transportation improvement. As I am sure you are aware the condition on NE 8th Street is in poor condition and needs to be improve I would hope and expect that this will be one of your top priorities. I would appreciate your support on this project. This is a very high priority for our congregation (Mt Si. Lutheran Church). Thank You

**Tom Som
565 SE 9th St
North Bend, Wa 98045**

Susie Oppedal

From: Ken Hearing
Sent: Monday, June 13, 2016 5:40 PM
To: Kay Boyle; Londi Lindell; Mark Rigos; CouncilMember Gothelf; CouncilMember Elwood; CouncilMember Pettersen; CouncilMember Rosen; CouncilMember Volken; CouncilMember Loudenback; CouncilMember Kostanich; Susie Oppedal
Subject: RE: Poor Condition of NE 8th Street

Thank you.

Sent from my Verizon, Samsung Galaxy smartphone

----- Original message -----

From: Kay Boyle <kay.boyle@comcast.net>
Date: 6/13/16 4:36 PM (GMT-08:00)
To: Ken Hearing <KHEARING@NORTHBENDWA.GOV>, Londi Lindell <LLINDELL@NORTHBENDWA.GOV>, Mark Rigos <MRIGOS@NORTHBENDWA.GOV>, CouncilMember Gothelf <agothelf@NORTHBENDWA.GOV>, CouncilMember Elwood <BELWOOD@NORTHBENDWA.GOV>, CouncilMember Pettersen <JPETTERSEN@NORTHBENDWA.GOV>, CouncilMember Rosen <JROSEN@NORTHBENDWA.GOV>, CouncilMember Volken <mvolken@northbendwa.gov>, CouncilMember Loudenback <RLOUDENBACK@NORTHBENDWA.GOV>, CouncilMember Kostanich <tkostanich@northbendwa.gov>
Subject: Poor Condition of NE 8th Street

City Council, Mayor, City Administrator and Public Works Director:

I am writing to you to make a request at your June 21, 2016 City Public Hearing regarding transportation improvement. As I am certain you are aware, the road on NE 8th Street is in extremely poor condition and needs to be improved. I would hope and expect that this will be one of your top priorities. I would appreciate your support on this project. This is a very high priority for our congregation (Mount Si Lutheran Church). The condition of the road is dangerous for driving. It would be sad to have an accident be what it takes to get this repaired. Thank you for your consideration. Kay Boyle

Susie Oppedal

From: Maren <firsttracksphotography@comcast.net>
Sent: Sunday, March 20, 2016 4:05 PM
To: Londi Lindell
Subject: Council work study

Hello—it was suggested that emails be sent to you about concerns for you to see during the council work study. Just a small thing—the folks on Ogle Ave (off NE Sixth St.) have been asking for years for their road to be repaved. The city keeps dumping gravel on the road—which after one good rain turns to potholes. I do not live on this street—but do feel their frustration. Good luck on the study!

Take care,

MAREN ABERLE
WWW.FIRSTTRACKSPHOTOGRAPHY.COM



Susie Oppedal

From: hollybear59 <hollybear59@comcast.net>
Sent: Sunday, March 20, 2016 2:29 PM
To: Londi Lindell
Subject: Drive around North Bend

Hi

I was given your email in reference to an activity ypu and the city council will be participating in as far as needed items within the City. My concern is that 6th street has gotten so busy and with increasing speeders, hoping to see sidewalks installed between Pickett and Thrasher.

Thx
Esther Peters

Sent from my Verizon Wireless 4G LTE smartphone

Susie Oppedal

From: Londi Lindell
Sent: Monday, March 21, 2016 10:32 AM
To: 'Ty Allan'
Cc: Mark Rigos
Subject: RE: Upcoming Council Workstudy on Tuesday

Thank you for your comments regarding transportation improvements needed in our city. I have included your comments as part of the official City record for our public hearing on the City's 6 Year Transportation Improvement Plan which public hearing is currently scheduled to be held on Tuesday, June 21, 2016 at the Senior Center in North Bend. This is an opportunity for citizens to share their concerns with Council and this is the time when the City Council allocates limited funds toward needed street infrastructure improvements. Last year the Council invested in a Pavement Management Study to allow an objective evaluation of all City streets - roads were rated on a national rating system to determine remaining useful life and current condition. This allows our engineers to prioritize maintenance. Prioritization decisions are also made based upon vehicle trips so often times arterials are selected before neighborhood collectors because more citizens are benefited by the improvements. Having said that, it certainly is helpful from the Council to hear from their constituents and I encourage you to become involved in this process. Again, your email constitutes part of the record and I thank you for submitting it.

The tour tomorrow is to evaluate land uses being allowed by our current development code to insure that we are developing North Bend consistent with the citizens' vision that we are "preserving the rural character of North Bend, preserving the natural beauty and preserving the small town scale". The purpose of the tour is to drive through neighborhoods and view various housing stock (both new developments and older developments) to determine if code amendments are needed. Councilmembers may notice existing road conditions but this is not the primary purpose of this tour.

Again I would encourage you to become involved during the 6 Year Transportation Plan which is an annual process during which time the City Council decides how to invest limited tax dollars on street projects. Thank you.

From: Ty Allan [<mailto:tyallan@outlook.com>]
Sent: Sunday, March 20, 2016 9:57 AM
To: Londi Lindell
Cc: Ken Hearing; CouncilMember Rosen; CouncilMember Gothelf; CouncilMember Kostanich; CouncilMember Loudenback; CouncilMember Elwood; CouncilMember Pettersen; CouncilMember Volken
Subject: Upcoming Council Workstudy on Tuesday

Ms Lindell,

Listening to your closing statements from the 3/15/16 council meeting about driving the council members around the neighborhoods in the town. I would please ask that you drive through the Silver Creek Neighborhood and look at these problem areas.

1. When you leave the city hall, please come look at the street Janet Ave NE, Not the one the Mayor's house is on but across 6th St. This road is like a condemned logging road. We have had many complaints about the condition of this road from the people that live along it.

2. Drive down NE 8th street and dodge the potholes, or actually hit them all as that is what you need to do if you do not swerve into oncoming traffic.
3. Dive down NE 12th / SE 108th St, I have deemed this road the roller coaster road, because if you have ever drove down it you would understand. Someone is going to be killed on this road some day due to lack of maintenance from the City. The road is currently #6 on the 2016 TIP. If you can please explain to me how a downtown beautification is more important than peoples live, as the downtown plaza is #4 on the list.
4. Drive down Ballarat and look at the condition of the road and the pot holes along the sides of the street and the storm water ditches along the road on the east side of the road, where the houses are. These storm drain facilities have never been maintained or mowed by the city. They cut the grass on the city's side, but burden the residents of these home to maintain city property on the home side. These ditches do not work or drain, just hold the water until the water seeps back into the ground. Currently #7 on the TIP. This is not a public hazard, but with all of the bicycles that ride down this road, it maybe soon.

Hopefully you and the council members will be able to drive around these existing areas and see how the city has failed to maintain these areas, while new developments in town are getting new sidewalks, when other parts of the city's road are getting so bad there becoming a public hazard.

Ty Allan
908 Ballarat Ave NE
North Bend, WA 98045

Susie Oppedal

From: Paddy Moe <paddymoe50@gmail.com>
Sent: Sunday, March 20, 2016 1:52 PM
To: Londi Lindell
Subject: NE 8th St Road

Good afternoon Londi,

I just received a message that you will be driving the City Council around to get a visual. I live at 214 NE 8th St, and there is a huge hole/broken pavement in front of my house. It's pretty bad. Could you please drive down 8th st so the council can see the condition of the road there? I would greatly appreciate it.

Thanks so much!

Jim and Paddy Moe

Susie Oppedal

From: Anne Keiser <anne@johnkeiser.com>
Sent: Monday, March 21, 2016 9:22 AM
To: Londi Lindell
Subject: NE 8th Street

Please look at the very poor condition of the road on NE 8th Street between Ballarat and Snoqualm Streets. The potholes are terrible. We had to repair the front end Pitman arm on our car after driving on 8th Street.

John Keiser

Susie Oppedal

From: Brian Meek <briandmeek@gmail.com>
Sent: Sunday, March 20, 2016 5:26 PM
To: Londi Lindell
Subject: Roads to look at. 12th & Borst

Good afternoon,

On your drive around town try to check out 12th & Borst, we have a tree growing in the middle of our road, a tree!? The asphalt has broken away on either side and we have had to fill it with bricks. I grew up in town, and I don't know of any other street in North Bend that is as neglected as ours. The delivery options to the houses on our road are very limited due to the tree. And it also causes quite the blind spot while pulling in and out.

Thank you,

Brian Meek
Sent from my iPhone, misspellings by auto correct.

Susie Oppedal

From: Laura Spradling <lbspradling@gmail.com>
Sent: Sunday, March 20, 2016 4:04 PM
To: Londi Lindell
Subject: Workstudy

Ms. Lindell,

Thank you for spearheading the workstudy for this upcoming Tuesday. I would like to request that NE 8th St be included in the tour as the state of our road is very dire at this time. I look forward to the improvements that will result from this exercise.

Sincerely,
Laura Spradling

Susie Oppedal

From: Linda Elsner <elsner43@gmail.com>
Sent: Sunday, March 20, 2016 5:50 PM
To: Londi Lindell
Subject: Your drive around

Our request would be to #1, consider the left-hand turn at Chaplin's Chev. to Ballarat Ave. N & trying to turn left from Ballarat Ave. N. to North Bend Way-almost impossible later in the day & on weekends with so much more traffic! The #2 look at & feel the road turning left at Chaplin's Chev. to Ballarat Ave. N. & keep driving around the corner by the mayor's home for sale, continue straight & go over those huge ruts in the usual lanes & consider the number of bikers, walkers, etc. on either side of the road-please consider a sidewalk on the left as you're trying to dodge the ruts in the road (both sides as you get closer to the curve where 420th Ave. SE cuts off left). There are so many bikers that use this road to say nothing of walkers & even families with kids trying to get off the road. Continue on this road as it becomes SE 108th St. & even NE 12th St(how can it be both) & drive over the uneven road(like a mini roller coaster) to 428th Ave. SE around Baker corner, where cars & trucks have a great straightaway to speed & oh my, yes they do! I don't know where the city limits are but we all still have a North Bend address & drive these roads! Thank you for being willing to look at these areas.

Linda Elsner
10229 420th Ave. SE

Susie Oppedal

From: David Van Handel <runnerdave2007@yahoo.com>
Sent: Sunday, March 20, 2016 2:03 PM
To: Londi Lindell
Subject: Your driving party on 3/20

Please be sure to drive down NE 8th St AND NE 10th St (at Mills Place) in Silver Creek. On NE 10th be sure to get the full effect of the roller coaster ride. Have a productive day! Thank you.

Sent from my iPhone

Susie Oppedal

From: caronreed@aol.com
Sent: Monday, March 21, 2016 8:43 AM
To: Londi Lindell; Ken Hearing; Mark Rigos; CouncilMember Elwood; CouncilMember Gothelf; CouncilMember Kostanich; CouncilMember Loudenback; CouncilMember Elwood; CouncilMember Pettersen; CouncilMember Volken
Subject: Street Repair Janet Avenue NE, North Bend

Hi Londi,

Good Morning! I understand that the City will be having a work study tomorrow, March 22nd to look into problematic areas so that they can get a visual on issues that need attention, i.e. bad roads.

I respectfully request that the van travel down the short, dead end street that I live on. I live at 507 Janet Avenue NE in the Silver Creek area.

As you can see from the email trail below, I have been trying to get the potholes repaired (beyond gravel distribution which doesn't work). Perhaps, if the City Council sees the problem in person, en masse, and has to drive down this street just once, they can appreciate the danger to the residents who live on this street.

As I have mentioned many times to Mayor Hearing and to Public Works Director, Mark Rigos, I am not looking for a redo of the road. I simply want the potholes filled in with a more lasting substance than the gravel. I don't believe I am being unrealistic or over demanding.

Appreciating your time to look at this.

Marie

-----Original Message-----

From: caronreed <caronreed@aol.com>
To: marie.reed <marie.reed@standard.com>
Sent: Mon, Mar 14, 2016 9:50 am
Subject: Fwd: Street Repair Janet Avenue NE, North Bend

-----Original Message-----

From: caronreed <caronreed@aol.com>
To: KHEARING <KHEARING@NORTHBENDWA.GOV>; mrigos <mrigos@northbendwa.gov>; belwood <belwood@northbendwa.gov>; agothelf <agothelf@northbendwa.gov>; tkostanich <tkostanich@northbendwa.gov>; rloudenback <rloudenback@northbendwa.gov>; belwood <belwood@northbendwa.gov>; jpettersen <jpettersen@northbendwa.gov>; mvolken <mvolken@northbendwa.gov>
Sent: Mon, Mar 14, 2016 9:50 am
Subject: Re: Street Repair Janet Avenue NE, North Bend

Hi Ken,

Thanks for getting back to me. I honestly didn't expect any different response than Mark sent recently.

I have been in touch with many of my neighbors in Silver Creek and it appears that complaints about potholes and degrading streets have been brought up to the city and the city council many times and everyone has received the same answer.....upgrades are in the 6 year plan or when and if sewer is accepted in Silver Creek. This answer works on a higher level but it does not work on the day to day living of the residents of the community in general and my street in particular.

I am not looking for a major overhaul of Janet Ave NE!

I am simply asking that the city come down and fix the potholes with more than gravel since the gravel approach does not work. As one neighbor mentioned, Janet Ave NE (on my side) looks more like a logging road than a city street!

Mark mentioned that the city was out in January to maintain the road, i.e. put some gravel in the holes. If they were here, it doesn't look like it, the gravel has long since disappeared. He mentioned that he would "continue to ask the Street Group to provide the band-aid pothole patching on streets such as yours which helps for a few weeks".

Waiting for 6 years for a street upgrade or until, possibly sewer is installed, may be on the city's agenda, and that is all well and good for the future. Meanwhile, the residents on Janet Ave NE have to drive down this road every day and it is a disaster!.

I would like some action taken to prevent any damage to vehicles or injury to people who use this road.

Marie

-----Original Message-----

From: Ken Hearing <KHEARING@NORTHBENDWA.GOV>
To: 'caronreed@aol.com' <caronreed@aol.com>
Cc: Mark Rigos <MRIGOS@NORTHBENDWA.GOV>
Sent: Wed, Mar 9, 2016 11:40 am
Subject: RE: Street Repair Janet Avenue NE, North Bend

Hi Marie,

I apologize for being so long in getting a good answer for you. I hear your concern and I concur with the condition. The resurfacing on Janet St is not on the council's list of improvements for the next 6 years. Many streets in the city are suffering from the same problem that Janet has and that is too many years of deferred maintenance and too little money for said maintenance. And unfortunately there are few houses serviced by Janet St. You mentioned my end of Janet but it has had the same amount of maintenance as your end has except that Ralph, who lived on the corner and just recently passed away, patched the potholes at his expense.

There are a couple of ways for Janet to get fixed. One way this could happen is if sewer service comes to Silver Creek and then all of the streets in Silver Creek would get repaired. If the citizens say no to sewer then the next best way is to lobby the council to move it on to the Transportation Improvement Program. The council reviews this every spring and usually adopts a new TIP in June. I am copying PW Director Mark Rigos to chime in if I have missed the mark on anything.

Sorry I don't have better news for you.

Ken

From: caronreed@aol.com [<mailto:caronreed@aol.com>]
Sent: Friday, February 19, 2016 8:16 AM
To: Ken Hearing; Ken Hearing; Mark Rigos
Subject: Fwd: Street Repair Janet Avenue NE, North Bend

Hi Ken,

It has been about 2 weeks since I sent this last email. I have not heard back from you or Mark yet. I hope you have had time to touch base to figure out a solution to the pothole problem on my street.

It is getting frustrating that I am not hearing back nor am I seeing any improvement. Makes me think that my problem isn't important enough to address :(.

Marie

-----Original Message-----

From: Marie Reed <caronreed@aol.com>
To: Ken Hearing <KHEARING@NORTHBENDWA.GOV>
Sent: Mon, Feb 8, 2016 9:51 am
Subject: Re: Street Repair Janet Avenue NE, North Bend

Hi Ken,

It has been about 2 weeks since you sent this note.....I haven't heard anything back..

This week the weather will be nice and dry and a good opportunity to do some street work.

I noticed on Silver Creek Next Door, that you have a house on Janet as well. I drove down your street. It is in much better shape than mine.

Hoping to see something happen this week.
Marie

Ken Hearing <KHEARING@NORTHBENDWA.GOV> wrote:

Hi Marie. I am sorry I haven't gotten back to but I haven't had a chance to discuss it with mark Rigos. I will get back to you soon. Ken

Sent from my iPhone

On Jan 27, 2016, at 9:32 AM, "caronreed@aol.com" <caronreed@aol.com> wrote:

Dear Mayor Hearing,

I sent this email to you last week and have not received a reply back yet so I am sending it again.

As you can imagine from this email chain, my frustration level mounts each time I drive down my street and continually hit pothole after pothole!

I would appreciate your intervening to have the City of North Bend invest enough money for the Public Works Department to come out to repair this road as soon as possible. I am sure the cost is minimal in light of the taxes the people who live on this street pay.

As you can see from my correspondence with Mark Rigos, the city has tried the "Band Aid" approach but this does not correct the problem even for a short period.

I am not asking for a full fledged new road installation. I know the City does not want to invest \$250,000 in such a small dead end street. But I do feel, there should be an option that can repair the road long range, cost the city much less and make the residents of this street feel secure that their cars and their persons will be safe when driving or walking down this street.

Thank you for your time. I know it is valuable. I look forward to hearing from you.

Sincerely,

Marie Reed

-----Original Message-----

From: caronreed <caronreed@aol.com>
To: mayor <mayer@northbendwa.gov>; mrigos <mrigos@northbendwa.gov>
Sent: Tue, Jan 19, 2016 8:35 am
Subject: Fwd: Street Repair Janet Avenue NE, North Bend

Dear Mayor Hearing,

I know that you are busy with the many concerns of running a budding city like North Bend. I apologize for coming to you with this issue but I do not feel that enough has been done to fix the problem of the potholes on my street.

If you follow the correspondence trail below, you will see that I have been trying to get the potholes satisfactorily repaired since last spring. But to date, the repair is still unacceptable.

I am not saying that the Public Works department has done nothing. They have done something, but if you were to travel down my short, dead end street, you would be appalled at the condition it is in.

I understand what Mark is saying about the age of the street, and the need for an upgrade and the fact that the money is not in the budget to upgrade such an insignificant street, but I feel, as a resident of your city that more can be done to modify the condition of the street as it stands now.

thank you for listening.

Marie Reed

-----Original Message-----

From: caronreed <caronreed@aol.com>
To: MRIGOS <MRIGOS@NORTHBENDWA.GOV>
Sent: Tue, Jan 19, 2016 8:30 am
Subject: Re: Street Repair Janet Avenue NE, North Bend

Mark,

I get it. However, I do not believe that the city has done a good enough job on fixing the street to make it work for the residents.

I wanted to give you a heads up that I will be forwarding this correspondence to Mayor Hearing. I don't know if it will accomplish anything but, as a public servant he should be aware that there are dissatisfied residents of his city.

Marie

-----Original Message-----

From: Mark Rigos <MRIGOS@NORTHBENDWA.GOV>
To: Marie Reed <caronreed@aol.com>
Cc: Larry Shaw <LSHAW@NORTHBENDWA.GOV>; Mark Pray <MPRAY@NORTHBENDWA.GOV>;
Carrie Lee <CLEE@NORTHBENDWA.GOV>; Tom Mohr <TMOHR@NORTHBENDWA.GOV>; Don
DeBerg <DDEBERG@NORTHBENDWA.GOV>
Sent: Wed, Jan 13, 2016 6:16 pm
Subject: RE: Street Repair Janet Avenue NE, North Bend

Marie,

I believe your street needs to be re-constructed (new subgrade, new pavement, proper drainage collection and conveyance) in order to be fixed. It's in very poor condition. The PCI or your street is between 11-20 (A PCI of a new road is 100.). The "band-aid" maintenance approach is no longer helping much it seems.

Costs to re-construct the road are probably on the order of \$200k or so. I know how to fix your road, I have designed many miles of roads as a civil engineer, but I don't have the dedicated money to re-construct your road. This amount of money is a capital project. Please talk with City Council about allocating more funding toward roads from a policy standpoint. Thank you for providing the photos and descriptions.

Sincerely,
Mark Rigos, P.E.
Public Works Director
City of North Bend
PO Box 896
1155 East North Bend Way
North Bend, WA 98045
(425) 888-7650

From: Marie Reed [<mailto:caronreed@aol.com>]
Sent: Wednesday, January 13, 2016 5:24 PM
To: Larry Shaw; Mark Rigos; Mark Pray
Subject: Street Repair Janet Avenue NE, North Bend

Sent from my Verizon Wireless 4G LTE DROID

----- Original Message -----

Subject: Street Repair Janet Avenue NE, North Bend
From: Marie Reed <Marie.Reed@standard.com>
To: caronreed@aol.com
CC:

Hi Mark,

Thanks for getting back to me.

I wish I felt that the crew did a good job of filling the potholes. I am sending a few photos that I took on Sunday.

I noticed that some of the holes towards the entrance to the street had something in them but they were only partially filled, whether that is new or not, I can't say. But since there is still considerable depth to the hole, there is still a pothole there, but perhaps less of an indentation.

I saw no results near my house or beyond.

You asked this question: ? "Are you saying that the pothole pavement patches or gravel fillings aren't holding up during the rain events? "

My response would be that I don't see a whole lot of improvement at all.

It saddens me that it can't be rectified in an acceptable manner. I am not asking for the world. I am only asking that when I drive down my street, I am not bouncing out of my seat.....and no, I am not driving excessively fast.....one can't!

Marie

----- Original Message -----

Subject: RE: Street Repair Janet Avenue NE, North Bend

From: Mark Rigos <MRIGOS@NORTHBENDWA.GOV>

To: caronreed@aol.com

CC: Larry Shaw <LSHAW@NORTHBENDWA.GOV>, Mark Pray <MPRAY@NORTHBENDWA.GOV>

Hello Marie,

Thank you for sharing your concern.

I just heard back from our streets group lead and maintenance supervisor that the potholes on your street were remedied a few weeks ago. I'll ask them to double check it, to confirm, but it sounds like they fixed it.

However, with all of the rain we have had in the past 1-2 months, maybe the potholes have opened up again? Are you saying that the pothole pavement patches or gravel fillings aren't holding up during the rain events?

Sincerely,

Mark Rigos, P.E.

Public Works Director

City of North Bend

PO Box 896

1155 East North Bend Way

North Bend, WA 98045

(425) 888-7650

From: caronreed@aol.com [<mailto:caronreed@aol.com>]

Sent: Friday, January 08, 2016 8:44 AM

To: Larry Shaw; Mark Pray; Mark Rigos

Subject: Fwd: Street Repair Janet Avenue NE, North Bend

Good Morning Gentleman,

Now that the holidays are over, I am hoping there will be some resolution to the pothole problem on our street.

Per the response below, it was my understanding that someone was coming out the week of December 2nd to repair/fill the potholes. If someone did come out, they never reached the potholes near my house at 507 Janet Ave NE because those potholes are the same.

In addition, I had many visitors over the holidays, who definitely commented on the very poor quality of this residential street, supposed maintained by the city. Someone even pointed out that it was an accident waiting to happen if a person was to accidentally step into a pothole, fall and break something. Definitely a lawsuit waiting to happen.

I am a patient person but, I do feel that the City is not doing their job by at least trying to smooth over these potholes by other means.....the gravel, if any was placed this last time, is not working.....

I am probably a very small fish in the every growing pond of North Bend, but I still feel that the residents of this street deserve to have it repaired.

Respectfully,
Marie

-----Original Message-----

From: Marie Reed <caronreed@aol.com>
To: Larry Shaw <LSHAW@NORTHBENDWA.GOV>
Sent: Wed, Dec 2, 2015 11:00 am
Subject: Re: Street Repair Janet Avenue NE, North Bend

Fabulous! Thanks Larry!

Sent from my Verizon Wireless 4G LTE DROID

Fabulous! Thanks Larry! Sent from my Verizon Wireless 4G LTE DROID Larry Shaw <LSHAW@NORTHBENDWA.GOV> wrote:

Hello Marie,

There will be a crew out there either this afternoon or Thursday morning. A few of the holes will have asphalt patch and the larger ones will have crushed rock.

Thank You

Larry Shaw

City of North Bend public Works

Lead Streets/ Stormwater

lshaw@northbendwa.gov

425-888-7656 Office

425-864-0237 Cell

425-888-3502 Fax

From: caronreed@aol.com [<mailto:caronreed@aol.com>]
Sent: Wednesday, December 02, 2015 8:59 AM
To: Larry Shaw; Mark Pray; Mark Rigos
Subject: Street Repair Janet Avenue NE, North Bend

Hello,

Now that the Thanksgiving Holiday is over, I am hoping that you will be able to put our street on the maintenance schedule within the next week per Mark's email below on maintaining this road more frequently.

Please let me know when you will be out so I can let the neighbors know.

thanks for all your help.

Marie

-----Original Message-----

From: Marie Reed <caronreed@aol.com>
To: Mark Rigos <MRIGOS@NORTHBENDWA.GOV>
Sent: Tue, Nov 17, 2015 2:28 pm
Subject: Re: Street Repair Janet Avenue NE, North Bend

Thanks Mark.....good to know...I stand corrected on the budget spending....

Marie

Sent from my Verizon Wireless 4G LTE DROID

Thanks Mark.....good to know...I stand corrected on the budget spending.... Marie Sent from my Verizon Wireless 4G LTE DROID Mark Rigos <MRIGOS@NORTHBENDWA.GOV> wrote:

Marie,

It will be a priority for our department to continue to provide cold patches and crushed rock on Janet, or perhaps even increase the maintenance. But, I think the same methods that have been employed will continued to be employed, but perhaps on a more frequent basis. Feel free to contact, as you recently did, Larry Shaw or Mark Pray if and when more pothole filling is necessary.

Also, I should correct one of your statements. "All of Public works (capital) money" IS NOT going to Pulte. That couldn't be further from the truth. In fact, no money is going to Pulte's project. This PW money is going to the Roundabout project, right-turn lane on Bendigo, Cedar Falls Walkway, and parks projects (EJ Roberts, Torguson), watermain improvements (VFD, 412th Way), sewer projects (WWTP), etc. and many other projects.

We certainly do not want your vehicles damaged by potholes. We will aim to do the maintenance more frequently. Thanks again for your email.

Sincerely,
Mark Rigos, P.E.
Public Works Director
City of North Bend
PO Box 896
1155 East North Bend Way
North Bend, WA 98045
(425) 888-7650

From: caronreed@aol.com [<mailto:caronreed@aol.com>]
Sent: Tuesday, November 17, 2015 1:48 PM
To: Mark Rigos; Don DeBerg; Mark Pray; Larry Shaw
Subject: Street Repair Janet Avenue NE, North Bend

Hi Mark,

Thanks for responding so quickly to my email. I totally understand where you are coming from with all the scenarios that could or should be done. I appreciate them.

However, I know and you know, that the City of North Bend is not going to put out any amount of money to widen the pavement, provide shoulder parking, or drainage ditch or piped system for such an insignificant road. I believe all the public works money will be dedicated to keeping the Pulte houses accessible, not to mention the additional roads and problems that so many new (and quite expensive) houses will cause for the city.

I am not asking for any of those things. Larry brought the gravel out last year. It worked for a time. Perhaps now it is time to try the cold patch method. I have read up on it and think it might last a little longer than the gravel did.

I worry that the people who live on this street, including me, will suffer car damage due to the deep potholes. No one can race down that street –no one does. All we want to do is to be able to get to our homes without the roller coaster ride! ☺

Marie

----- Original Message -----

Subject: RE: Street Repair Janet Avenue NE, North Bend
From: Mark Rigos <MRIGOS@NORTHBENDWA.GOV>
To: caronreed@aol.com
CC: Don DeBerg <DDEBERG@NORTHBENDWA.GOV>, Mark Pray <MPRAY@NORTHBENDWA.GOV>, Larry Shaw <LSHAW@NORTHBENDWA.GOV>

Hello Marie,

I drove down Janet Avenue for the first time yesterday, as I have worked in North Bend for only 16 months. The road is narrow, partly deteriorating pavement, and a part gravel / chip seal (appears to be)

mix (from many years ago). It feels like a private road, but indeed it is a public road. The road was constructed many decades ago. When this road was built, there was no design for storm drainage collection or conveyance, and my educated guess is that the sub-base and base were not designed either with proper depth, materials, and compaction. These factors, especially lack of drainage collection and conveyance, will prematurely shorten a road's lifespan.

Regarding maintenance, it's my understanding that NB Public Works Department in the past has maintained potholes in Janet Avenue with crushed rock and "cold patches", but of course these are only temporary fixes. Our PWD will continue to provide this maintenance in the future.

What Janet Avenue really needs is a properly sloped pavement section, combined with storm drainage collection and conveyance. This is beyond maintenance and is considered a capital project, due to the work scope and associated costs. This would require a survey, civil engineering design plans, and an engineer's estimate, prior to construction. Without having any plans or a survey, I estimate the soft costs and construction costs, in today's dollars, would be ~\$250,000. Project and cost variables include:

- Pavement widening?
- Provide shoulder parking
- Drainage ditch or piped system

I can recommend this capital project be placed in our next 6-year TIP (2017-2022), but at the end of the day, City Council chooses the priority of the projects and I don't think this project will rate extremely high compared to other city projects used by more residents. There are many competing projects with the limited dollars we have available.

A new road would significant improve property values on your street. There may be another option here. I would be happy to discuss further. Please call me if you would like to meet.

Sincerely,

Mark Rigos, P.E.

Public Works Director

City of North Bend

PO Box 896

1155 East North Bend Way

North Bend, WA 98045

(425) 888-7650

From: Larry Shaw

Sent: Monday, November 16, 2015 9:51 AM

To: Don DeBerg; Mark Rigos; Mark Pray

Subject: Fwd: Street Repair Janet Avenue NE, North Bend

Begin forwarded message:

From: <caronreed@aol.com>
Date: November 16, 2015 at 9:28:38 AM PST
To: <jackson@northbendwa.gov>, <lshaw@northbendwa.gov>, <aforbes@northbendwa.gov>
Subject: Street Repair Janet Avenue NE, North Bend

Dear Mr. Jackson, Mr. Shaw, Mr. Forbes:

I live at 507 Janet Avenue NE, North Bend.

I contacted Larry Shaw last year to explain how bad the potholes were on my street. It is a dead end street and is no more than a football field length. However, in that short span of street, there are probably at least 30 potholes that continue to get larger with every rain we have. These potholes are large and they are deep and trying to maneuver a car or truck on this street to avoid them is a challenge to say the least.

When I contacted Mr. Shaw last year, he was very gracious and came out with a load of gravel and filled in the potholes and said that he would put the street repair on the agenda for the spring. I believed him and waited patiently through the spring.....and the summer.....and now the fall.....nothing.

I realize this probably seems very minimal in light of the great growth that North Bend is experiencing with the Pulte houses being built but, I really feel that I was promised (or I believed I was promised) that our road would be repaired and it has not been.

We pay our property taxes so I feel we should be entitled to have this road repaired now before winter sets in.

Thank you all for your time. I anticipate that the street repair (other than gravel) will be put on the Street Maintenance Schedule in a timely manner and completed very soon.

Sincerely,

Marie Reed



City Council Agenda Bill

SUBJECT:	Agenda Date: June 21, 2016		AB16-069
An Ordinance Amending and Codifying the City’s Park Impact Fee Provisions by Repealing Ordinance 1328 and Repealing and Readopting Chapter 17.36 NBMC	Department/Committee/Individual		
	Mayor Ken Hearing		
	City Administrator – Londi Lindell		
	City Attorney – Mike Kenyon		
	City Clerk – Susie Oppedal		
	Community & Economic Development – Gina Estep		X
	Finance – Dawn Masko		
	Public Works – Mark Rigos		
	Cost Impact: N/A		
Fund Source: N/A			
Timeline: Immediate			
Attachments: Ordinance, FCS Group Memorandum RE: Park Impact Fee Update, Public Hearing Notice			
<p>SUMMARY STATEMENT:</p> <p>The City of North Bend is updating the park impact fees. Park impact fees are currently collected at the time of building issuance and used to ensure that adequate park facilities are available to accommodate expected growth. The impact fees can only be used for new facilities, and not for maintenance. The fees have not been updated since their adoption in 2008.</p> <p>The City engaged FCS Group to conduct a rate study on the City’s current park impact fees and to generate an appropriate impact fee for hotels and motels, which also impact the use of City parks. In addition, FCS Group was asked to include a recommendation for an adjustment factor to be applied to park impact fees to account for inflation since 2008 and an annual escalator for park impact fees to reflect the changes in both the cost of land and the cost of construction.</p> <p>Park impact fees are authorized by NBMC 17.36.010, which provides that the fees be set by ordinance. The City’s park impact fees were established by and are collected under Ordinance 1328. This new ordinance codifies the park impact fee provisions in Chapter 17.36 NBMC, amending the current provisions as follows:</p> <ol style="list-style-type: none"> 1. Increase the current park impact fee to account for inflation since 2008; 2. Provide for an annual adjustment to park impact fees to continue to address inflation at a percentage amount equal to the Engineering News Record Construction Cost Index for the Seattle area from the date of the previous year’s adjustment; and 3. Add a park impact fee on new hotels and motels at the rate of \$1,559 per guestroom in order to capture the impact generated by guests. 4. Changes the refund timeframe from six years to ten years, consistent with recent changes in state law (see RCW 82.02.080). <p>The Ordinance also includes housekeeping revisions necessitated by the codification of the previous Ordinance 1328. Please see the attached memo from FCS Group as well as the DRAFT ordinance.</p> <p>A number of cities including; Burlington, Edmonds, Issaquah, Mountlake Terrace, Redmond and Tukwila, charge park impact fees for non-residential development. These cities charge based on number of employees. The City of North Bend has opted to charge hotels and motels in order to correctly capture the impact generated by the guests and tourists visiting North Bend who on a “per guestroom” basis use our City parks and open spaces.</p>			
COMMITTEE REVIEW AND RECOMMENDATION: The Community and Economic Development			

City Council Agenda Bill

Committee considered this item at its May 17, 2016 meeting and recommended approval.		
RECOMMENDED ACTION: MOTION to approve AB16-069, an ordinance amending and codifying the City’s Park Impact Fee provisions by repealing Ordinance 1328 and repealing and readopting Chapter 17.36 NBMC, as a first and final reading.		
RECORD OF COUNCIL ACTION		
<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>
June 21, 2016		

ORDINANCE

AN ORDINANCE OF THE CITY OF NORTH BEND, WASHINGTON, RELATING TO PARK IMPACT FEES; REPEALING ORDINANCE NO. 1328 AND REPEALING AND READOPTING CHAPTER 17.36 OF THE NORTH BEND MUNICIPAL CODE; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, RCW 82.02.050 through 82.02.100 authorize the City to impose various fees for the purpose of mitigating the impact of development activity, including park impact fees; and

WHEREAS, to ensure that adequate park facilities are available to accommodate expected growth, the City Council recognized that the cost of constructing and maintaining park facilities must be shared by the public and private sectors, and that a proportionate share of the costs for adequate park facilities necessitated by the impacts of new development should be borne by applicants through the imposition of park impact fees; and

WHEREAS, on September 16, 2008, the City adopted Ordinance 1328 establishing park impact fees for the construction of new residential units and adopting a new North Bend Municipal Code (“NBMC”) Chapter 17.36; and

WHEREAS, on December 8, 2009, the City adopted Ordinance 1373, amending Ordinance 1328 and updating the timing for collection of park impact fees; and

WHEREAS, the City has not updated the park impact fees since 2008, and the City Council finds that it is necessary to recalculate the park impact fees to account for inflation, and to provide for annual adjustment to continue to address inflation; and

WHEREAS, overnight visitors to the City also enjoy the use of park facilities, and the addition of hotels and motels within the City will increase impacts on park facilities; and

WHEREAS, the City Council finds that the proportionate cost of constructing and maintaining park facilities are reasonably related to the impacts of commercial development of hotels and motels, and that park facilities provide a reasonable benefit to owners, operators and guests of hotels within the City; and

WHEREAS, the City engaged FCS Group to determine an equitable impact fee that it can impose on new hotels and motels to reflect the incremental burden of overnight guests on the park system and to provide an appropriate adjustment factor to reflect the cost escalation of Park Impact Fees from 2008 to present; and

WHEREAS, in a rate study dated April 19, 2016 (“Rate Study”), FCS Group determined that the equitable park impact fee for hotels and motels, based on the City’s 2008 unit charge of \$1,559 per capita, would be \$1,559 per guestroom, prior to adjusting for inflation; and

WHEREAS, the Rate Study concluded that the appropriate cost escalator for park impact fees based on land costs and construction costs results in a blended increase in park impact fee rates of 14 percent from the 2008 rates; and

WHEREAS, the City finds it appropriate to amend its impact fee provisions to include hotels and motels within the categories of development subject to park impact fees and to provide for annual adjustment of park impact fees to account for inflation (the “Park Impact Fee Amendments”); and

WHEREAS, in 2011 the state legislature amended RCW 82.02.080 to extend the time permitted to spend collect impact fees from six years to ten years, and the City desires to amend its impact fee provisions accordingly; and

WHEREAS, Chapter 17.36 NBMC authorizes the City to adopt park impact fees by ordinance, and Ordinance 1328, as amended by Ordinance 1373, currently operates as a stand-alone ordinance and is not incorporated into the City Code; and

WHEREAS, state law permits the City to codify its ordinances and amend the codification with the adoption of new material (RCW 35.21.560); and

WHEREAS, the City desires to codify the provisions of Ordinance 1328, as amended by Ordinance 1373, with the updated rates and provisions established by this Ordinance; and

WHEREAS, on May 17, 2016, the proposed Park Impact Fee Amendments were considered by the Community and Economic Development Committee, which recommended approval; and

WHEREAS, on June 21, 2016, during its regularly scheduled meeting, the City Council held a public hearing on the proposed Park Impact Fee Amendments;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. Ordinance 1328 Repealed and NBMC 17.36 (Park Impact Fees) Repealed and Re-Adopted: City of North Bend Ordinance No. 1328 and Chapter 17.36 of the North Bend Municipal Code are hereby repealed in their entirety, and a new Chapter 17.36 NBMC, entitled Park Impact Fees, is hereby adopted to read as follows:

**Chapter 17.36
PARK IMPACT FEES**

Sections:

- 17.36.010 Park impact fees authorized – Cross references.
- 17.36.020 Findings and Purpose.
- 17.36.030 Definitions.
- 17.36.040 Fee imposed – Applicability.
- 17.36.050 Exemptions.
- 17.36.060 Park impact fee program elements.
- 17.36.070 Fee calculation methods.
- 17.36.080 Fee collection.
- 17.36.090 Park impact fee accounts and refunds.
- 17.36.100 Processing.
- 17.36.110 Other authority.
- 17.36.120 Appeals.

17.36.010 Park impact fees authorized – Cross references.

A. The city council of the city of North Bend, Washington, is hereby authorized to adopt, pursuant to the authority of Chapter 82.02 RCW, an ordinance creating and setting park impact fees. Any such ordinance shall provide for the method of calculating said fees and shall contain reasonable rules and procedures.

B. The city clerk is authorized to reference any park impact fee so established by ordinance in any future taxes, rates and fees schedule ordinance of the city.

17.36.020 Findings and Purpose.

The City Council of the City of North Bend finds and determines that growth and development activity in the City will create additional demand and need for Park Facilities in the City, and the Council finds that growth and development activity should pay a Proportionate Share of the cost of such facilities needed to serve the growth and development activity. Therefore, pursuant to the Growth Management Act (Chapter 36.70A RCW), and RCW 82.02.050 through RCW 82.02.100, which authorize cities to impose and collect impact fees to partially fund public facilities to accommodate new growth, the Council adopts this ~~Ordinance chapter~~ to impose Park Impact Fees for Park Facilities as set forth in ~~section 7 of this Ordinance~~NBMC 17.36.080. The provisions of this ~~Ordinance chapter~~ shall

be liberally construed in order to carry out the purposes of the Council in establishing Park Impact Fees.

17.36.030 Definitions. For the purposes of this ~~Ordinance~~chapter, the words set out in this ~~Ordinance~~chapter shall have the following meanings:

A. *Affordable Housing:* Housing is considered “affordable” to a family if it costs no more than thirty percent (30%) of the family’s income. The income groups that are the focus of Affordable Housing are Low and Moderate Income families, as follows:-

1. *Low Income:* A family earning between zero percent (0%) and fifty percent (50%) of the King County Median Household Income.

2. *Moderate Income:* A family earning between fifty percent (50%) and eighty percent (80%) of the King County median household income. “Median income” means the median income for the Seattle metropolitan statistical area (King County), as most recently determined by the Secretary of Housing and Urban Development (HUD) under Section 8(f)(3) of the United States Housing Act of 1937, as amended, or if programs under said Section 8(f)(3) are terminated, median income determined under the method used by the Secretary prior to such termination.

B. *Capital Facilities Element:* The capital facilities plan adopted by the City Council as part of the City’s Comprehensive Plan, and its amendments.

C. *Comprehensive Plan:* The City of North Bend Comprehensive Plan adopted by Ordinance, including any adopted amendments.

D. *Conditions of Approval:* As they apply to Park Impact Fee evaluations, those conditions necessary to ensure that the proposed Development will not cause the Parks Level of Service to fall below the standards adopted in the Comprehensive Plan. The Conditions of Approval shall be binding upon the approval of any permit application for which this Ordinance is applicable as described in Section 3 of this Ordinance.

E. *Development*: Construction of any new residential building, structure, or unit, or any hotel or motel, that requires review and approval of a Development Permit.

F. *Development Permit*: Includes, but is not limited to any short plat, subdivision, Binding Site Plan, Site Plan, building permit or other land use permit with a residential component, or any written authorization from the City that authorizes the commencement of Development that includes new residential uses, excluding an Accessory Dwelling Unit.

G. *Director*: The Director of the Department of Community and Economic Development or his/her designee.

H. *Financial Commitment*: Any form of binding and enforceable financial obligation that is acceptable to the City, and provided to the City at the time of Development approval.

I. *Park Facilities*: Includes all publicly owned parks, open space and recreation areas within the City limits.

J. *Park Impact Fee*: The payment of money imposed upon Development as a condition of or concurrent with the approval of a Building Permit to pay for Park Facilities needed to serve new growth and Development, and that is reasonably related to the additional demand and need for facilities created by the new Development, that is a Proportionate Share of the costs of the facilities, and that is used for facilities that reasonably benefit the new Development. "Park Impact Fee" does not include any other applicable permit or application fee.

K. *Level of Service (LOS)*: The relationship between Park Facilities and service provision within the City, as specified in the City's Comprehensive Plan.

L. *Proportionate Share*: That portion of the cost of public facility improvements and facilities that is reasonably related to the service demands and needs of new Development. For any particular Development, the proportionate share will depend on the type of the Development within the City.

M. *Service Area*: For the purposes of this Ordinance, the Service Area shall be the entire area within the City limits of North Bend.

17.36.040 Fee Imposed – Applicability. There is imposed, at the time of issuance of each and every Building Permit for construction of each and every new residential unit or hotel/motel, created subsequent to September 16, 2008, a Park Impact Fee in an amount as set forth in the ~~City's then-current~~ North Bend Taxes, Rates and Fees ~~s~~Schedule.

17.36.050 Exemptions. The following Development is exempt from the requirements of this ~~Ordinance~~chapter:

A. *Affordable Housing*. A Development Permit for Affordable Housing, which includes Low and Moderate Income, as defined in ~~Section 2 of this Ordinance~~NBMC 17.36.030, shall not be assessed a park impact fee as follows:

1. As a condition of receiving an exemption under this section, the owner shall execute and record in King County's real property title records a City-approved lien, covenant, or other contractual provision against the property that provides that the proposed housing unit or Development will continue to be used for Low or Moderate Income housing and remain affordable to those households for a period of not less than thirty years. The lien, covenant, or other contractual provision shall run with the land and apply to subsequent owners and assigns.

2. Any claim or request for an exemption under this section shall be made no later than the time of application for a building permit. If a building permit is not required for the Development, then the claim shall be made when the first Development Permit is applied for. Any claim not made when required by this section shall be deemed waived.

B. *Accessory Dwelling Units*. A Development Permit for an accessory dwelling unit, as defined in NBMC 18.06.030, shall not be assessed a Park Impact Fee.

C. *Change of Use*. A Development Permit for a change of use that has less impact, as determined by the Director, than the existing use shall not be assessed a Park Impact Fee.

D. *City Projects*. A Development Permit for a City project shall not be assessed a Park Impact Fee.

E. *Pending Development Permit*. An application for a Development Permit shall not be assessed a Park Impact Fee if one or both of the following has occurred: 1) the City and applicant have negotiated park mitigation for the subject of the Development Permit prior to ~~the effective date of this Ordinance~~ September 29, 2008; or 2) the applicant has provided park mitigation for the subject of the Development Permit prior to ~~the effective date of this Ordinance~~ September 29, 2008.

17.36.060 Park impact fee program elements.

A. The City shall impose and collect Park Impact Fees on every Development Permit within the City limits, except as provided in ~~Section 4 of this Ordinance~~ NBMC 17.36.050.

B. Any Park Impact Fee imposed shall be reasonably related to the impact caused by the new Development and shall not exceed a Proportionate Share of the cost of Park Facilities that are reasonably related to the new Development.

C. The Park Impact Fee imposed may include costs for Park Facility improvements previously incurred by the City to the extent that new Development will be served by the previously constructed improvements, provided that such fee shall not be imposed to correct any system improvement deficiencies.

D. The Park Impact Fee imposed for any Development shall be calculated and determined by the procedures established by this ~~Ordinance~~ chapter.

E. Park Impact Fees shall be used for Park Facilities that will reasonably benefit the new development, and only for those Park Facilities addressed by the City's Capital Facilities Element of the Comprehensive Plan.

17.36.070 Fee calculation methods.

A. Each Development application shall mitigate its impacts on the City's Park Facilities by payment of the Park Impact Fee.

B. All data and other information necessary to determine Park Impact Fee amounts will be made available to the public. Forms and procedures will be established administratively.

17.36.080 Fee Collection.

A. At the time of application for a Development Permit, the Park Impact Fee shall be:

Single Family Residential	\$4,054 \$4,634
Cottage Housing; Multi-Family Residential; Condominium; Mobile/Manufactured Home (per housing unit)	\$3,431 \$3,922
Hotel/Motel (per guestroom)	\$1,782

The Impact Fees are based upon a rate study. No Development Permit shall be issued until the Park Impact Fee has been paid in full by the applicant; provided, that payment of fees may be proportionately phased if the Development Permit for the Development is also phased. The Park Impact Fee shall be collected by the City, and maintained in a separate account, as required ~~by Section 9 of this Ordinance~~ NBMC 17.36.090.

B. An inflationary adjustment shall be made in the fee rates at the beginning of each calendar year. This annual inflationary adjustment shall be the same percentage amount as the change in the Engineering News Record Construction Cost Index for the Seattle area from the date of the previous year's adjustment.

17.36.090 Park impact fee accounts and refunds.

A. Park Impact Fee receipts shall be earmarked specifically and retained in a special interest bearing account established by the City solely for Park Impact Fees. All interest shall be retained in the account and expended for the purpose or purposes for which said fees were imposed. Annually, the City shall prepare a report on the source and amount of all Park Impact Fees collected, interest earned, and the Park Facilities that were financed in whole or in part by said fees.

B. Park Impact Fees shall be expended by the City only in conformance with the Capital Facilities Element of the Comprehensive Plan.

C. Park Impact Fees shall be expended or encumbered by the City for a permissible use within ~~six-ten~~ years of receipt by the City, unless there exists an extraordinary or compelling reason for said fees to be held longer than ~~six~~ ten years. Such extraordinary or compelling reasons shall be identified in written findings by the City.

D. The City shall refund to the payer Park Impact Fees if the City fails to expend or encumber the Fees on Park Facilities within the Service Area within ~~six-ten~~ years, or any extended period pursuant to subsection (C) of this section, of receipt of the Fees by the City. In determining whether Park Impact Fees have been encumbered, such fees shall be considered encumbered on a first in, first out basis.

E. An owner's or other payer's request for a refund must be submitted to the City in writing within one year of the date the right to claim the refund arises or the date that notice is given, whichever date is later. Any Park Impact Fees that are not expended or encumbered by the City in conformance with the Capital Facilities Element within these time limitations, and for which no application for a refund has been made within this one year period, shall be retained and expended consistent with the provisions of this Section. Refunds of Park Impact Fees shall include the interest actually earned by the City on such fees.

F. Should the City repeal any or all Park Impact Fee requirements, all unexpended or unencumbered funds, including interest earned, shall be refunded pursuant to this Section. Upon the repeal of any or all Park Impact Fee requirements, the City shall place notice of such repeal and the availability of refunds in a newspaper of general circulation at least two times and shall notify all payers by first-class mail to the last known address of such payers. All funds available for refund shall be retained for a period of one year. At the end of one year, any remaining funds shall be retained by the City, and must be expended by the City consistent with the provisions of this ~~Ordinance~~ chapter. The notice requirements set forth above shall not apply if there are no unexpended or unencumbered balances within the account being terminated.

G. An applicant may request and shall receive a refund, including interest actually earned by the City on the Park Impact Fees, when:

1. The applicant does not proceed to finalize the Development; and
2. No impact on the City has resulted. "Impact" shall be deemed to include cases where the City has expended or encumbered the Park Impact Fees in good faith prior to the application for refund. In the event that the City has expended or encumbered the Park Impact Fees in good faith, no refund shall be made; provided, however, within a period of three years, if the same or subsequent owner of the property proceeds with the same or substantially similar development activity, the owner or other payer shall be eligible for a credit. The owner or other payer must petition the City and provide receipts of Park Impact Fees paid by the owner for a development of the same or substantially similar nature on the same property or some portion thereof. The City shall determine whether to grant a credit, and such determinations may be appealed by following the procedures set forth in ~~Section 12 of this Ordinance~~[NBMC 17.36.120](#).

H. Interest due upon the refund of Park Impact Fees required by this ~~Ordinance chapter~~ shall be calculated according to the average rate received by the City on invested funds throughout the period during which the Park Impact Fees were retained.

17.36.100 Processing. The City shall determine any applicable Park Impact Fees as a normal part of processing a Development Permit.

17.36.110 Other authority. Nothing in this ~~Ordinance chapter~~ is intended to limit the City's authority under the State Environmental Policy Act or any other source.

17.36.120 Appeals. A Park Impact Fee may be appealed under the appeal process for the underlying Development Permit set forth in the North Bend Municipal Code. Where no other administrative appeal process is available, an appeal may be taken to the hearing examiner using the appeal procedures for variances.

Section 2. Update to Taxes, Rates and Fees Schedule: The City Clerk is hereby directed to update the North Bend Taxes, Rates and Fees Schedule consistent with the provisions of this Ordinance.

Section 3. Severability: Should any section, paragraph, sentence, clause or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

Section 4. Effective Date: This ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after the date of publication.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 21ST DAY OF JUNE, 2016.

CITY OF NORTH BEND:

APPROVED AS TO FORM:

Kenneth G. Hearing, Mayor

Michael R. Kenyon, City Attorney

ATTEST/AUTHENTICATED:

Published:
Effective:

Susie Oppedal, City Clerk



Memorandum

To: Gina Estep, Director of Community and Economic Dev. **Date:** April 19, 2016
From: Doug Gabbard, Project Manager
CC: John Ghilarducci, Principal
RE: Park Impact Fee Update

The City of North Bend has engaged FCS GROUP to update the City’s park impact fee (Ordinance No. 1328) in two specific ways. First, the City seeks an equitable impact fee that it can impose on new hotels and motels to reflect the incremental burden of overnight guests on the park system. Second, the City seeks a defensible adjustment factor that it can apply to its current impact fees to reflect cost escalation from 2008 to the present.

HOTELS AND MOTELS

On an average night in 2014, 4.8 million guests stayed in 5.0 million available guestrooms in the United States, according to “Lodging Industry Trends 2015,” published by the American Hotel & Lodging Association. The resulting average occupancy is 1.0 person per guestroom (rounded to one decimal place). Note that the denominator of this ratio includes both occupied and unoccupied guestrooms.

The City’s current schedule of park impact fees is based on a unit charge of \$1,559 per capita. Single-family residential units are charged for 2.6 persons, and multi-family residential units are charged for 2.2 persons. Likewise, a hotel or motel should be charged for 1.0 person per guestroom. Based on the current ordinance (before any adjustments for inflation), this would result in a charge of \$1,559 per guestroom.

Given the City’s desire to impose a park impact fee on hotels and motels, we recommend an impact fee of \$1,559 per guestroom before adjusting for inflation as described below.

COST ESCALATION

A good cost escalator for park impact fees should reflect changes in both the cost of land and the cost of construction.

As an index of the cost of land, we recommend the purchase-only House Price Index for the Seattle-Bellevue-Everett metropolitan division. This index is published by the Federal Housing Finance Agency and is free to the public.

As an index of the cost of construction, we recommend the Construction Cost Index for the Seattle area. This index is published by the *Engineering News Record* and is proprietary.

The following table shows how these indices have behaved since the second quarter of 2008, when the current park impact fees were calculated:

Firm Headquarters
7525 166th Ave. NE., Suite D-215
Redmond, Washington 98052

Locations
Redmond, WA | 425.867.1802
Portland, OR | 503.841.6543

April 19, 2016

Gina Estep, Director of Community and Economic Dev.

Park Impact Fee Update

Quarter Ended	House Price Index		Construction Cost Index		Blended Cumulative Adjustment Factor
	Level	Cumulative Adjustment Factor	Level	Cumulative Adjustment Factor	
6/30/2008	287.40		8,685.09		
9/30/2008	278.17	0.97	8,815.14	1.01	0.99
12/31/2008	264.70	0.92	8,738.00	1.01	0.96
3/31/2009	257.63	0.90	8,713.49	1.00	0.95
6/30/2009	250.54	0.87	8,668.80	1.00	0.93
9/30/2009	245.22	0.85	8,651.63	1.00	0.92
12/31/2009	247.24	0.86	8,647.10	1.00	0.93
3/31/2010	241.45	0.84	8,647.10	1.00	0.92
6/30/2010	243.52	0.85	8,687.99	1.00	0.92
9/30/2010	236.28	0.82	8,697.82	1.00	0.91
12/31/2010	224.84	0.78	8,710.74	1.00	0.89
3/31/2011	220.40	0.77	8,736.22	1.01	0.89
6/30/2011	219.21	0.76	8,757.87	1.01	0.89
9/30/2011	215.25	0.75	9,056.60	1.04	0.90
12/31/2011	206.46	0.72	9,059.55	1.04	0.88
3/31/2012	210.03	0.73	9,054.40	1.04	0.89
6/30/2012	223.07	0.78	9,074.95	1.04	0.91
9/30/2012	229.12	0.80	9,051.23	1.04	0.92
12/31/2012	236.18	0.82	9,412.52	1.08	0.95
3/31/2013	241.56	0.84	9,425.52	1.09	0.96
6/30/2013	253.89	0.88	9,826.27	1.13	1.01
9/30/2013	264.04	0.92	10,147.96	1.17	1.04
12/31/2013	259.62	0.90	10,142.65	1.17	1.04
3/31/2014	262.45	0.91	10,135.65	1.17	1.04
6/30/2014	276.05	0.96	10,163.68	1.17	1.07
9/30/2014	277.25	0.96	10,358.43	1.19	1.08
12/31/2014	278.94	0.97	10,384.58	1.20	1.08
3/31/2015	285.19	0.99	10,403.58	1.20	1.10
6/30/2015	306.25	1.07	10,398.24	1.20	1.13
9/30/2015	311.19	1.08	10,405.71	1.20	1.14
12/31/2015	312.92	1.09	10,398.13	1.20	1.14
Weight		50.00%		50.00%	

From the second quarter of 2008 through the fourth quarter of 2015, the House Price Index for the Seattle-Bellevue-Everett metropolitan division experienced a cumulative increase of 9 percent. Over the same period, the Construction Cost Index for the Seattle area experienced a cumulative increase of 20 percent. If these indices are weighted evenly, the blended increase is 14 percent. The following table shows the application of this blended increase on the current park impact fees:

Housing Type	Current Impact Fee	Escalated Impact Fee
Single-family residence	\$4,054	\$4,634
Multi-family residence (per housing unit)	\$3,431	\$3,922
Hotel/motel (per guestroom)	\$1,559	\$1,782



**LEGAL NOTICE
CITY OF NORTH BEND
King County, Washington**

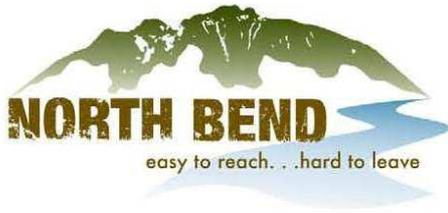
NOTICE OF PUBLIC HEARING

Notice is hereby given that the North Bend City Council has scheduled a public hearing which will take place during the Regular City Council Meeting on Tuesday, June 21, 2016, 7:00 P.M., at the Mt Si Senior Center, 411 Main Avenue South, North Bend, WA. The purpose of the public hearing is to solicit public input and comments on proposed Park Impact Fees.

Comments may be submitted in writing to the City Clerk's Office at City Hall, 211 Main Avenue N. (P.O. Box 896) North Bend, WA 98045, up to the close of business, (4:30 P.M.) Monday, June 20, 2016 or verbally during the public hearing. For additional information please contact Community & Economic Development Director Gina Estep at (425) 888-7640 or Associate Planner Lynn Hyde at (425) 888-7646.

Posted: June 1, 2016

Published in the Snoqualmie Valley Record: June 1, 2016



City Council Agenda Bill

SUBJECT:	Agenda Date: June 21, 2016	AB16-070
Public Hearing and Ordinance Updating Sewer Utility Rates and General Facilities Charges	Department/Committee/Individual	
	Mayor Ken Hearing	
	City Administrator – Londi Lindell	
	City Attorney - Mike Kenyon	
	City Clerk – Susie Oppedal	
	Community & Economic Development – Gina Estep	
	Finance – Dawn Masko	X
Cost Impact: N/A	Public Works – Mark Rigos, P.E.	X
Fund Source: N/A		
Timeline: Immediate		
Attachments: Ordinance, Rate and GFC Presentation, Rate Comparison, Public Hearing Notice		
SUMMARY STATEMENT:		
<p>In 2013 then Public Works Director Frank Page and Wastewater Treatment Plant (WWTP) consultant John Markus with Tetra Tech identified numerous problems at the WWTP and presented to the City Council a list of 29 proposed improvements to remedy the problems identified. Three of those problems were addressed via an emergency contract in 2014 and early 2015. Since then, the condition of the other 26 problems at the WWTP has continued to degrade. There is no “silver bullet” to remedying all of these problems in just 1 to 2 years. It will take more time. Additionally, the City is in the midst of its largest growth boom, likely since its incorporation. Because of this unprecedented growth and the growing list of needs at the plant, the City Council authorized a contract with Tetra Tech, Inc. for the preparation of a Wastewater Capital Facilities Plan, Sewer Comprehensive Plan, and Sewer Rate Study to finance the improvements needed at the WWTP and throughout the sewer collection system and to insure that new development paid its proportional share of plant upgrades. The preparation of this plan will save time implementing the projects as individual design reports will not be required by the Department of Ecology for each project as would be the case without the planning document. Approval of the document by Ecology will also open the door to low-interest loans and potential grant funding that the City would not be eligible for without such a plan.</p> <p>The planning process is nearly complete and the revenue needs for the sewer system and WWTP have been identified and documented. FCS Group of Redmond, WA was selected as a sub-consultant to Tetra Tech to complete the rate study portion of the project. The results of a preliminary study by FCSG were presented to the Finance and Administration Committee on May 3, 2016. The increases proposed at that time were simply percentage increases to the base charge and usage charge, with no change to the rate structure proposed. The F&A committee evaluated the results and recommended the rate structure be changed such that:</p> <ol style="list-style-type: none"> 1. The per unit rate for the average residential customer and average commercial customer were approximately equal at the end of the bill. 2. The base, fixed charge be lowered and the usage charge be raised to encourage conservation of water. 3. If possible, keep the average single-family residential bill below \$100 per month at the end of the 5-year rate planning period (2022). <p>A revised rate structure was presented to the Finance and Administration Committee on June 7, 2016. Upon review of the revised rate structure, the committee requested that the rates and GFCs be further adjusted to better align with the Council’s goal that “growth pay for growth”. Tetra Tech, FCSG, and City staff subsequently re-balanced the revenues between the rates and the GFCs. This re-balancing effort is now being presented with a staff recommendation for approval.</p> <p>Attached is a report authored by FCSG describing the process in detail and describing the findings and</p>		

City Council Agenda Bill

calculations for the new rate structure. In short, the fixed fee will be reduced for all users and the variable fee (usage charge) will be raised. This rate structure will encourage water conservation for all users while still supplying adequate revenue to perform the projects necessary to repair the WWTP.

In addition to the sewer rates, FCSG performed a study of the General Facilities Charges (GFCs). In calculating the new GFCs, FCSG took into account the improvements necessary for the growth of the community and the assessments that ULID customers are already subject to. Because of this, FCSG is recommending a variable GFC charge, where ULID customers will pay less than non-ULID customers. Attached is a memorandum authored by FCSG describing the methodology for those calculations as well.

Staff strongly recommends revising the sewer rates and GFCs as attached in order to fund the improvements necessary to the sewer system, which will affect repairs to inadequate or damaged equipment, as well as providing funding for needed future capacity improvements within the sewer system and WWTP.

COMMITTEE REVIEW AND RECOMMENDATION: This item was reviewed by the Finance and Administration Committee at their June 7, 2016 meeting who recommended revisions. This item represents the revisions recommended.

RECOMMENDED ACTION: MOTION to approve AB16-070, an ordinance setting new Sewer Rates and General Facilities Charges and amending the Taxes, Rates & Fees Schedule, as a first and final reading.

RECORD OF COUNCIL ACTION

<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>
June 21, 2016		

ORDINANCE

AN ORDINANCE OF THE CITY OF NORTH BEND, WASHINGTON, INCREASING SEWER UTILITY RATES AND SEWER GENERAL FACILITY CHARGES AND AMENDING THE TAXES, RATES, AND FEES SCHEDULE

WHEREAS, the City of North Bend (“City”) operates a sewer and stormwater utility as authorized by Chapter 35.67 RCW; and

WHEREAS, general facilities charges (“GFCs”) are collected by the City for each new Equivalent Residential Unit added to the sewer utility, and those GFCs are designated to pay for a proportionate share of the existing sewer infrastructure as well as a proportionate share of future capital projects over a five-year period; and

WHEREAS, the City’s existing sewer customers are responsible for paying for repairs to existing infrastructure within the sewer system; and

WHEREAS, the City Council adopted Ordinance 1084, the Taxes, Rates and Fees Schedule, effective November 2, 1999; and

WHEREAS, the Taxes, Rates and Fees Schedule, which includes sewer rates and GFCs, was last amended by Ordinance 1586, effective May 16, 2016; and

WHEREAS, the City last studied and adjusted sewer rates and GFCs in 2012; and

WHEREAS, the cost of operations to process sewer has increased at a rate equal to or higher than inflation; and

WHEREAS, numerous needs have been identified at the wastewater treatment plant (WWTP) in order to continue providing sewer service in the City; and

WHEREAS, the City contracted with Tetra Tech, Inc. to develop a Sewer Capital Facilities Plan, Sewer Comprehensive Plan, and Sewer Rate Study; and

WHEREAS, Tetra Tech, Inc. has identified approximately \$14 million worth of capital improvement projects at the WWTP to be accomplished within the next five years; and

WHEREAS, the City’s sewer rates and GFCs have been re-calculated to recover costs necessary to make improvements to repair those existing deficiencies identified during the planning process with Tetra Tech, Inc.; and

WHEREAS, the City Council desires to revise the sewer rate structure such that all classes of customers are subject to the same base rate and usage fees, except seniors, low-income, and those customers outside the City limits; and

WHEREAS, the City Council desires to revise the sewer rate structure to encourage water conservation practices by lowering the base fixed fee and raising the variable usage fee; and

WHEREAS, the City Council finds it appropriate to the amend Taxes, Rates and Fees Schedule to reflect increased costs associated with providing sewer services as well as sewer public facilities and infrastructure;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. Sewer Rates. The Taxes, Rates, and Fees Schedule as adopted by Ordinance 1084 and last amended by Ordinance 1586, is amended in part by repealing Section 13.36, *Sewer Rates*, and replacing it with a new Section 13.36, *Sewer Rates*, to read as follows:

13.36 Sewer Rates

13.36.190 Sewer Permits – Application Fee, Review & Inspection \$50 plus actual cost for application review and installation inspection

DESCRIPTION	TAX, RATE, OR FEE				
	Effective 8/1/2016	Effective 1/1/2017	Effective 1/1/2018	Effective 1/1/2019	Effective 1/1/2020
13.36.270(A) Single-family Residential Units (inside City limits) including duplexes, triplexes, apartment houses, condominiums, trailer courts & other multifamily, provided each unit is supplied with a separate water meter	\$ 55.45	\$ 62.49	\$ 67.65	\$ 73.23	\$ 79.09
PLUS					
per cubic meter of water usage	\$ 5.54	\$ 6.24	\$ 6.75	\$ 7.31	\$ 7.89

	over the first ten CM					
	Senior/Low Income Rate	\$ 25.43	\$ 28.66	\$ 31.02	\$ 33.58	\$ 36.27
13.36.270(B)		Effective 8/1/2016	Effective 1/1/2017	Effective 1/1/2018	Effective 1/1/2019	Effective 1/1/2020
	Multi-family Residential: single family, duplexes, triplexes, apartment houses, condominiums, trailer courts & other multi-family dwellings(inside City limits) served jointly by one water meter, <i>per unit</i>	\$ 55.45	\$ 62.49	\$ 67.65	\$ 73.23	\$ 79.09
	PLUS					
	per cubic meter of water usage over the first ten CM	\$ 5.54	\$ 6.24	\$ 6.75	\$ 7.31	\$ 7.89
13.36.270(C)		Effective 8/1/2016	Effective 1/1/2017	Effective 1/1/2018	Effective 1/1/2019	Effective 1/1/2020
	Mixed Use (residential/commercial) (inside City limits) <i>served by one water meter.</i>					
	One Commercial Base Charge	\$ 55.45	\$ 62.49	\$ 67.65	\$ 73.23	\$ 79.09
	PLUS					
	MultiFamily Charge (<i>per each Residential unit</i>)	\$ 55.45	\$ 62.49	\$ 67.65	\$ 73.23	\$ 79.09
	PLUS					
	per cubic meter of water usage (at Commercial Rate) over the first twenty CM	\$ 5.54	\$ 6.24	\$ 6.75	\$ 7.31	\$ 7.89
13.36.270(D)		Effective 8/1/2016	Effective 1/1/2017	Effective 1/1/2018	Effective 1/1/2019	Effective 1/1/2020

13.36.270(E)	Commercial and All Other Users (inside City limits)	\$ 55.45	\$ 62.49	\$ 67.65	\$ 73.23	\$ 79.09
	PLUS					
	per cubic meter of water usage over the first ten CM	\$ 5.54	\$ 6.24	\$ 6.75	\$ 7.31	\$ 7.89
		Effective 8/1/2016	Effective 1/1/2017	Effective 1/1/2018	Effective 1/1/2019	Effective 1/1/2020
	Commercial and All Other Users (outside City limits)	\$ 83.17	\$ 93.73	\$ 101.46	\$ 109.83	\$ 118.62
	PLUS					
	per cubic meter of water usage over the first ten CM	\$ 8.32	\$ 9.38	\$ 10.15	\$ 10.99	\$ 11.87

13.36.270(F) If any user, by reason of the user's activities, in in two or more of the above classifications, the rate charged shall be the highest rate.

13.36.270(G) Sewer Charge – Independent Water Purveyor

13.36.270(H) Sewer Charge – Private Source

13.36.270(J) Sewer Service Surcharge 6% of Total Monthly Charges

The rates published are effective as of the dates noted; provided, that the last-effective published rates will be automatically increased/decreased based on CPI-W Index for Seattle/Tacoma area (August to August comparison) for each subsequent year beginning January 1, 2021. For the months of April through October, consumption amounts for sewer services will be based on the average water consumption during the months of November through March, so as not to penalize sewer customers using water for lawn and garden irrigation and other summer activities.

Section 2. General Facilities Charges: The Taxes, Rates and Fees Schedule as adopted by Ordinance 1084 and last amended by Ordinance 1586, is amended in part by repealing Section 13.38.040(A) and replacing it with a new Section 13.38.040(A) to read as follows:

		Effective 08/01/16*		
13.38.040(A)	Equivalent Residential Unit (ERU) Based on water meter size:	ERUs	Charge Non-ULID #6	Charge ULID #6
		5/8" or 3/4"	1	\$ 10,222.00

1"	2.5	\$ 25,555.00	\$ 19,247.50
1-1/2"	5	\$ 51,110.00	\$ 38,495.00
2"	8	\$ 81,776.00	\$ 61,592.00
3"	16	\$ 163,552.00	\$ 123,184.00
4"	25	\$ 255,550.00	\$ 192,475.00

*The charges in this table will be automatically increased each year on January 1st, compared to the prior year, by the percentage reflected in the Seattle ENR Construction Cost Index (CCI).

Section 3. Severability: Should any section, paragraph, sentence, clause or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

Section 4. Effective Date: This ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force on August 1, 2016.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 21ST DAY OF JUNE, 2016.

CITY OF NORTH BEND:

APPROVED AS TO FORM:

Kenneth G. Hearing, Mayor

Michael R. Kenyon, City Attorney

ATTEST/AUTHENTICATED:

Published:
 Effective: August 1, 2016

Susie Oppedal, City Clerk



City Council Meeting

Wastewater Facilities Plan: Rate Study and GFC Update

Angie Sanchez Virnoche, Principal

June 21, 2016

Council Packet June 21, 2016



Overview

- ◆ **Rate study completed as initial phase of Wastewater Facility Plan Update**
- ◆ **Focus was on meeting operating and capital needs for 2016 – 2020**
- ◆ **Multi-year rate implementation strategy developed for monthly user rates**
- ◆ **Updated general facility charges**
- ◆ **Met with Finance and Administration (F&A) Committee**
 - May 3rd
 - June 7th

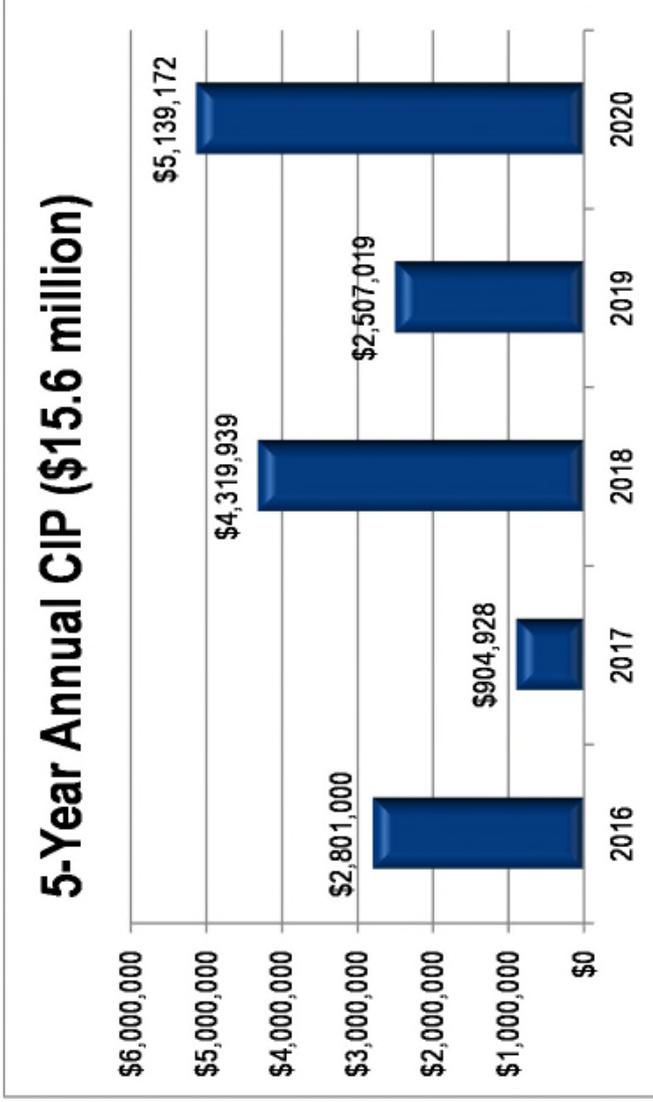


Rate Study Key Assumptions (operating)

- ◆ **Study period 2016-2020**
 - Assumes 4.3% average annual growth
- ◆ **2016 budget used as baseline**
 - Facilities plan O&M additions of \$286,000 to \$795,000 per year
- ◆ **Existing debt of \$390,000-\$324,000 per year**
- ◆ **Fiscal policies**
 - Operating: 90 day of O&M
 - Debt Service Coverage: 1.50 (revenue bonds only)



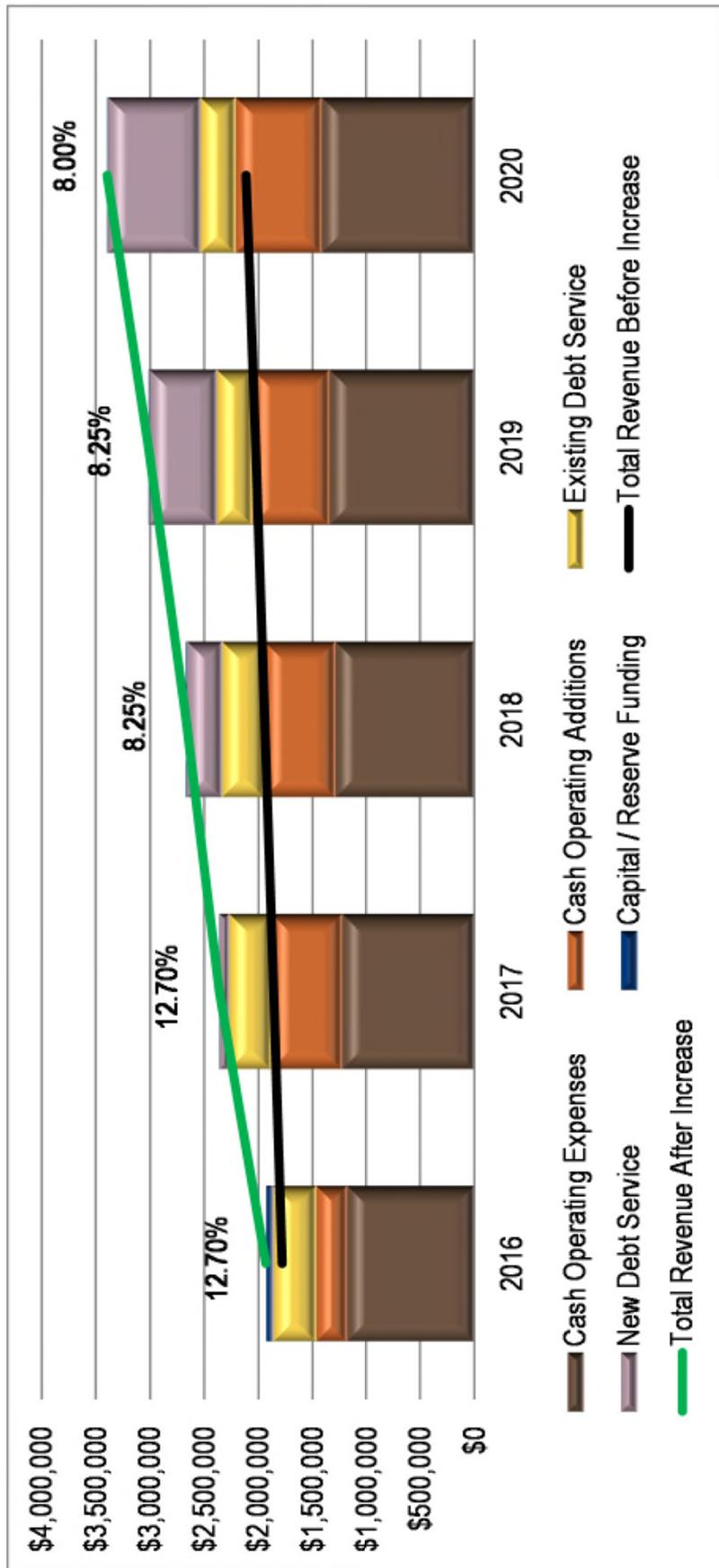
Rate Study Key Assumptions (capital)



◆ **Funding plan:**

- Existing reserves, GFCs and rates
- Revenue bonds:
 - 2017 issue: \$6.9 million (25-year term, 3.87% interest)
 - 2019 issue: \$5.1 million (25-year term, 4.14% interest)
 - Assumes line of credit as interim financing
 - Annual debt service (\$24K to \$852K per year)

Summary: Facilities Plan Impacts



- ◆ **Includes:**
 - O&M additions
 - Facilities plan CIP & new debt service



Rate Design

- ◆ **Rate design determines how revenue is to be collected by customers**
 - Fixed and/or variable charges
- ◆ **On May 3rd the F&A Committee requested the following modifications to the existing rate structure:**
 - Average per cubic meter (CM) rate for an average Residential and Commercial/ Industrial customer bill to be equal
 - Modified structure should encourage conservation compared to the existing structure
- ◆ **Example rate designs are based on the 4.33% growth rate**



Existing and Alternative Rate Structure

Class	Existing		Alternative	
	Inc. 10 CM	Inc. 10 CM	Inc. 10 CM	Inc. 10 CM
Monthly Fixed Charges				
Single Family (per account)	\$72.94	\$49.20		\$49.20
Senior/ Disabled (per account)	33.46	22.57		22.57
Multi Family (per unit)	72.94	49.20		49.20
Commercial (per account)	72.94	49.20		49.20
Mixed Use				
Commercial (per account)	72.94	49.20		49.20
Per Residential (per unit)	72.94	49.20		49.20
Outside City	111.98	73.80		73.80
Volume Charges				
	>10 CM	>10 CM		>10 CM
Single Family	\$0.77	\$4.92		\$4.92
Senior/ Disabled	n/a	n/a		n/a
Multi Family	0.77	4.92		4.92
Commercial	2.79	4.92		4.92
Mixed Use*	2.79	4.92		4.92
Outside City	3.43	7.38		7.38

*Mixed use volume rate applies after 20CM

Alternative rate structure applies to all classes of service



5-Year Rates

Description	Alternative	2016	2017	2018	2019	2020
Proposed Increases		12.70%	12.70%	8.25%	8.25%	8.00%
Monthly Fixed Charges (Includes 10 CM)						
Single Family (per account)	\$ 49.20	\$ 55.45	\$ 62.49	\$ 67.65	\$ 73.23	\$ 79.09
Senior/ Disabled (per account)	22.57	25.43	28.66	31.02	33.58	36.27
Multi Family (per unit)	49.20	55.45	62.49	67.65	73.23	79.09
Commercial (per account)	49.20	55.45	62.49	67.65	73.23	79.09
Mixed Use						
Commercial (per account)	49.20	55.45	62.49	67.65	73.23	79.09
Per Residential (per unit)	49.20	55.45	62.49	67.65	73.23	79.09
Outside City	73.80	83.17	93.73	101.46	109.83	118.62
Volume Charges (per CM > 10 CM)						
Single Family	\$ 4.92	\$ 5.54	\$ 6.24	\$ 6.75	\$ 7.31	\$ 7.89
Senior/ Disabled	n/a	n/a	n/a	n/a	n/a	n/a
Multi Family	4.92	5.54	6.24	6.75	7.31	7.89
Commercial	4.92	5.54	6.24	6.75	7.31	7.89
Mixed Use*	4.92	5.54	6.24	6.75	7.31	7.89
Outside City	7.38	8.32	9.38	10.15	10.99	11.87

*Mixed use volume rate applies after 20CM

GFC Overview & Methodology

- ◆ Revised Code of Washington RCW 35.92.025 grants authority to fix rates and charges for connecting to water and sewer systems
- ◆ Charged to new development as a condition of service
- ◆ Based on the cost of system infrastructure
- ◆ Represents a proportionate share of capital investment

Existing Costs

- ✓ Existing assets (original cost)
- ✓ Less: Contributions (developer/grants)
- ✓ Less: Net debt principal outstanding
- ✓ Plus: Interest (maximum 10 years)

Future Costs

- ✓ Future growth related capital
- ✓ Less: Developer donations
- ✓ Less: Repair & replacement

Treatment and General Assets

$$\begin{array}{c}
 \text{EXISTING COST BASIS} \\
 \hline
 \text{CURRENT \& FUTURE CUSTOMERS} \\
 \text{(City \& ULID)}
 \end{array}
 +
 \begin{array}{c}
 \text{FUTURE COST BASIS} \\
 \hline
 \text{FUTURE CUSTOMERS} \\
 \text{(City \& ULID)}
 \end{array}
 =
 \begin{array}{c}
 \text{GFC} \\
 \text{(Treatment)}
 \end{array}$$

Collection Assets

$$\begin{array}{c}
 \text{EXISTING COST BASIS} \\
 \hline
 \text{CURRENT \& FUTURE CUSTOMERS} \\
 \text{(City Only)}
 \end{array}
 +
 \begin{array}{c}
 \text{FUTURE COST BASIS} \\
 \hline
 \text{FUTURE CUSTOMERS} \\
 \text{(City Only)}
 \end{array}
 =
 \begin{array}{c}
 \text{GFC} \\
 \text{(Collection)}
 \end{array}$$

Description	Treatment	Collection	General	GFC
City Only Customers	\$ 7,110	\$ 2,523	\$ 589	\$ 10,222
ULID Customers	\$ 7,110	\$ -	\$ 589	\$ 7,699

Notes:

- Charges are per Equivalent Residential Unit (ERU)
- ERU is 2.57 people per household



5-Year General Facility Charge Projection

Description	2016	2017	2018	2019	2020
General Facility Charges (GFC) per ERU					
GFC per ERU - City [1],[2],[3]	\$ 10,222	\$ 10,222	\$ 10,462	\$ 10,707	\$ 10,958
GFC per ERU - ULID [1],[2],[3]	\$ 7,699	\$ 7,699	\$ 7,879	\$ 8,064	\$ 8,253

[1] General facility charges (GFC) currently escalated by historical 10-year 20-City Engineering News Record Construction Cost Index (2.35%); Fee should be updated annually with actual index values.

[2] GFC based on Equivalent Residential Unit (ERU); changed from current meter size assessment

[3] GFC defined as 2.57 people per household

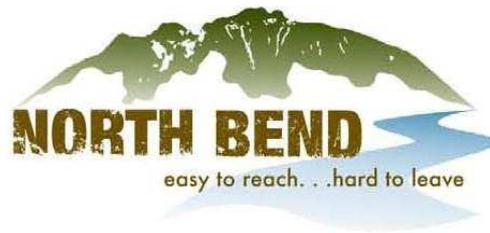
Questions/Discussion



Wastewater Rate Comparison

	2014	2012	% Increase*	Rate Type	2014 Rank	2012 Rank
Tamoshan	\$115.70	\$110.19	2.5%	Flat	1	1
City of Seattle	\$105.75	\$96.12	5.0%	Volume	2	3
City of Chehalis (within city limits)	\$105.09	\$99.03	3.1%	Volume	3	2
City of Shelton	\$103.02	\$74.62	19.0%	Volume	4	8
City of Tenino	\$94.00	\$94.00	0.0%	Flat	5	4
Olympic View	\$82.68	\$78.44	2.7%	Flat	6	7
City of Centralia (within city limits)	\$82.58	\$79.23	2.1%	Volume	7	6
Boston Harbor	\$82.14	\$79.75	1.5%	Flat	8	5
City of Bellevue	\$79.03	\$68.33	7.8%	Volume	9	13
City of Sumner	\$76.09	\$58.78	14.7%	Volume	10	14
Grand Mound	\$75.81	\$68.76	5.1%	Flat	11	12
City of Bonney Lake	\$75.78	\$70.04	4.1%	Volume	12	10
City of Longview (within city limits)	\$75.69	\$71.98	2.6%	Volume	13	9
City of Bremerton (within city limits)	\$71.08	\$68.97	1.5%	Volume	14	11
City of Auburn	\$62.91	\$55.20	7.0%	Flat	15	17
City of Puyallup	\$61.63	\$58.53	2.6%	Volume	16	15
City of Mount Vernon	\$56.30	\$55.40	0.8%	Volume	17	16
City of Renton	\$55.73	\$50.55	5.1%	Flat	18	20
City of Tacoma	\$54.66	\$49.88	4.8%	Volume	19	21
City of Kelso	\$54.48	\$52.22	2.2%	Flat	20	18
City of Olympia (LOTT)	\$54.29	\$51.54	2.7%	Flat	21	19
City of Yelm	\$53.04	\$48.39	4.8%	Flat	22	23
City of Lacey (LOTT)	\$52.51	\$49.00	3.6%	Flat	23	22
Lakehaven Sewer District (KC Metro)	\$50.78	\$48.39	2.5%	Volume	24	24
City of Tumwater (LOTT)	\$50.03	\$47.62	2.5%	Flat	25	25
City of Everett	\$49.50	\$46.70	3.0%	Flat	26	26
Lakehaven Sewer District (Pierce Co.)	\$48.26	\$40.65	9.4%	Volume	27	28
City of Vancouver	\$43.97	\$41.96	2.4%	Volume	28	27
Pierce County Sewer	\$42.82	\$37.83	6.6%	Flat	29	30
City of Snoqualmie	\$42.16	\$38.40	4.9%	Flat	30	29
City of Orting	\$40.15	\$35.00	7.4%	Flat	31	32
City of Hoquiam	\$38.14	\$36.59	2.1%	Flat	32	31
City of Bellingham (within city limits)	\$35.07	\$33.23	2.8%	Flat	33	34
Lakehaven Sewer District	\$34.85	\$33.99	1.3%	Volume	34	33
City of Aberdeen	\$34.68	\$30.16	7.5%	Flat	35	35
City of Edmonds	\$27.73	\$25.90	3.5%	Flat	36	36
Rate Average	\$63.00	\$57.93	4.5%			

* Percentage increase annualized over a two-year period.



**LEGAL NOTICE
CITY OF NORTH BEND
King County, Washington**

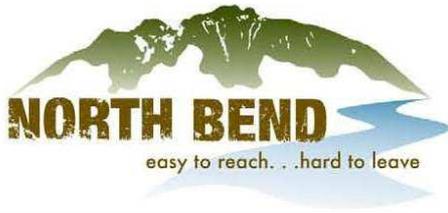
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the North Bend City Council has scheduled a hearing to solicit public input and comments on proposed Sewer and Sewer General Facility Charge rate increases. The public hearing will take place during the Council Meeting on Tuesday, June 21, 2016, at 7:00 PM at the Mt. Si Senior Center, 411 Main Ave. S., North Bend, WA.

Comments may be presented orally at the public hearing or submitted in writing to the City Clerk at P.O. Box 896, North Bend, WA, 98045, or by e-mail to: soppedal@northbendwa.gov prior to 5:00 PM, Monday, June 20, 2016. For additional information please contact City Hall at (425) 888-1211.

Posted: June 1, 2016

Published in the Snoqualmie Valley Record: June 1, 2016



City Council Agenda Bill

SUBJECT:		Agenda Date: June 21, 2016	AB16-071	
An Ordinance Establishing a Line of Credit and Providing for the Issuance and Sale of a Limited Tax General Obligation Bond in the Principal Amount Not to Exceed \$3,500,000. Cost Impact: Closing Fees Fund Source: Sewer Fund Timeline: Immediate		Department/Committee/Individual		
		Mayor Ken Hearing		
		City Administrator – Londi Lindell		
		City Attorney - Mike Kenyon		
		City Clerk – Susie Oppedal		
		Community & Economic Development – Gina Estep		
		Finance – Dawn Masko		X
		Public Works – Mark Rigos		
Attachments: Ordinance, Term Sheet				
<p>SUMMARY STATEMENT:</p> <p>The Mayor and City Council have directed staff to move forward with certain Wastewater Treatment Plant (WWTP) Critical Improvement projects. It is the City’s intention to issue tax exempt revenue bonds for these capital projects in late 2017 but needs funding at the present time to pay for the components of the project which are already underway. The City Council adopted a Reimbursement Resolution at their May 17, 2016 meeting that provides for a mechanism for the City to reimburse itself from bond proceeds for certain capital expenditures which have already been purchased.</p> <p>The attached Ordinance authorizes the issuance and sale of a Limited Tax General Obligation Bond to fund WWTP critical capital projects. The City has received an offer from KeyBank National Association dated June 15, 2016 to purchase the bond in the form of a revolving line of credit in the amount of \$3,500,000. The line of credit is for three years and is renewable at the request of the City with no additional upfront costs, subject to KeyBank credit approval. The attached term sheet establishes a variable interest rate based on one-month LIBOR (London Interbank Offered Rate) plus 2.58% multiplied by 65.01% (equal to 1 minus the Federal Corporate Tax Rate of 34.99%). The variable interest rate will be adjusted every 30 days. The line of credit has authorization for up to \$3,500,000; however, only the amount drawn from the line of credit requires repayment.</p> <p>The City is also obligated to pay a commitment fee quarterly in arrears on the amount not utilized on the revolving line of credit. This quarterly fee is in an amount equal to the product of (i) the daily average of the unutilized amount on the revolving line of credit during the related quarterly period and (ii) 15 basis points.</p>				
<p>COMMITTEE REVIEW AND RECOMMENDATION: This ordinance was discussed by the Finance and Administration Council Committee at its May 17 and June 7, 2016 meetings and has been recommended for approval.</p>				
<p>RECOMMENDED ACTION: MOTION to approve AB16-071, an ordinance establishing a line of credit and providing for the issuance and sale of a Limited Tax General Obligation Bond in the principal amount not to exceed \$3,500,000, as a first and final reading.</p>				
RECORD OF COUNCIL ACTION				
<i>Meeting Date</i>		<i>Action</i>	<i>Vote</i>	
June 21, 2016				

CITY OF NORTH BEND, WASHINGTON
LIMITED TAX GENERAL OBLIGATION BOND, 2016
(REVOLVING LINE OF CREDIT)

Not to exceed \$3,500,000

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, PROVIDING FOR THE ISSUANCE AND SALE OF A BOND TO EVIDENCE A REVOLVING LINE OF CREDIT IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$3,500,000; PROVIDING THE DATE, FORM, TERMS AND MATURITY OF THE BOND; DELEGATING AUTHORITY TO MANAGE THE REVOLVING LINE OF CREDIT; AND APPROVING THE SALE OF SUCH BOND.

PASSED: June 21, 2016

Prepared by:

PACIFICA LAW GROUP LLP
Seattle, Washington

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* This Table of Contents and the cover page are provided for convenience only and are not a part of this ordinance.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, PROVIDING FOR THE ISSUANCE AND SALE OF A BOND TO EVIDENCE A REVOLVING LINE OF CREDIT IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$3,500,000; PROVIDING THE DATE, FORM, TERMS AND MATURITY OF THE BOND; DELEGATING AUTHORITY TO MANAGE THE REVOLVING LINE OF CREDIT; AND APPROVING THE SALE OF SUCH BOND.

WHEREAS, the City Council (the “Council”) of the City of North Bend, Washington (the “City”) deems it necessary and in the best interest of the citizens of the City to undertake certain capital improvements to City facilities (the “Improvements”); and

WHEREAS, to provide financing for costs of the Improvements, the City wishes to establish a line of credit with a bank, as authorized by RCW 39.46.050; and

WHEREAS, the City is authorized by chapters 35.37 and 39.46 of the Revised Code of Washington to borrow money and issue general obligation bonds payable from regular property tax levies of the City; and

WHEREAS, the City wishes to issue a limited tax general obligation bond in the principal amount of not to exceed \$3,500,000 (the “Bond”) to evidence the revolving line of credit; and

WHEREAS, KeyBank, National Association (the “Bank”) has offered to provide such a revolving line of credit in its term sheet, a form of which is on file with City staff (the “Term Sheet”); and

WHEREAS, the Council wishes to accept the Term Sheet and authorize the issuance of the Bond to the Bank to evidence a revolving line of credit on the terms and conditions set forth in the Term Sheet and in this ordinance;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. Definitions and Interpretation of Terms.

(a) *Definitions.* As used in this ordinance, the following words shall have the following meanings:

Assistant City Administrator/Finance Director means the Assistant City Administrator/Finance Director of the City, or the successor of such office.

Available Commitment means, on any date, the Maximum Facility Amount adjusted from time to time as follows: (a) downward in an amount equal to the principal amount of any Draw pursuant to the terms hereof; (b) upward in an amount equal to the principal amount of the Bond repaid by the City pursuant to the terms of Section 2(b) hereof; (c) downward to zero upon the expiration or termination of the Available Commitment in accordance with the terms hereof; provided, that, after giving effect to any of the foregoing adjustments the Available Commitment shall never exceed at any one time the Maximum Facility Amount.

Bank means KeyBank, National Association, Seattle, Washington, or any successor thereof as provided in this ordinance.

Bond means the City of North Bend, Washington, Limited Tax General Obligation Bond, 2016 (Revolving Line of Credit), as authorized to be issued pursuant to this ordinance.

Bond Counsel means Pacifica Law Group LLP or an attorney at law or a firm of attorneys, selected by the City, of nationally recognized standing in matters pertaining to the tax exempt nature of interest on bonds issued by states and their political subdivisions.

Bond Fund means the Bond Redemption Fund, 2016, created by the City pursuant to Section 5 of this ordinance.

Bond Register means the registration records for the Bond maintained by the Bond Registrar.

Bond Registrar means the Assistant City Administrator/Finance Director, whose duties include registering and authenticating the Bond, maintaining the Bond Register, transferring ownership of the Bond, and paying the principal of and interest on the Bond.

Calculation Agent means the Bank.

City means the City of North Bend, Washington, a municipal corporation duly organized and existing by virtue of the laws of the State.

City Clerk means the duly appointed and acting City Clerk of the City or the successor to the duties of that office.

Code means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Bond or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Bond, together with applicable proposed, temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

Commitment means the agreement of the Bank to provide for Draws against the Bond under the terms hereof for the account of the City.

Commitment Expiration Date means the later of (a) 5:00 p.m. eastern time on the date that is three (3) years from the Date of Issue, and (b) 5:00 p.m. eastern time on the last day of any extension of such date pursuant to Section 14, hereof, or, if such last day is not a LIBOR Business Day, the LIBOR Business Day next preceding such day.

Computation Date means, with respect to a Draw, the second London Banking Day immediately preceding each LIBOR Index Reset Date; provided that, if there are no Draws outstanding, then with respect to a new Draw, the initial Computation Date shall be the second London Banking Day immediately preceding the date of such Draw.

Council or City Council means the City Council as the general legislative authority of the City, as duly and regularly constituted from time to time.

Date of Issue means the date of issuance and delivery of the Bond to the Bank.

Default Rate means the applicable LIBOR Index Rate, plus 4.00% (400 basis points).

Designated Representative means the Assistant City Administrator/Finance Director of the City (or the successor in function to such person), other individual selected by the City Council, or his or her designee. The signature of one Designated Representative shall be sufficient to bind the City.

Draw or Draws means incremental draws on the Bond as requested by the City pursuant to the terms of this ordinance and the Bond.

Draw Date means each date on which a Draw occurs.

Effective Date means the Date of Issue subject to the satisfaction or waiver by the Bank of the conditions precedent set forth in Section 6 hereof.

Event of Default means the occurrence of any of the following:

(i) a failure to pay or prepay principal or interest on the Bond when due, as provided in this ordinance, the Bond, or failure to pay any fees when due; which in either case such failure continues, and is not cured, within five (5) Business Days after the Bank has made written demand on the City to cure such failure;

(ii) a failure by the City to comply with any of its obligations, or to perform any of its duties, under this ordinance or the Bond, which failure continues, and is not cured, for a period of more than 60 days after the Bank has made written demand on the City to cure such failure;

(iii) a material misrepresentation by the City in this ordinance or the Bond;

(iv) the City shall (a) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of the City, or of all or a substantial part of the assets of the City, (b) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (c) make a general assignment for the benefit of creditors, or (d) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against the City in any bankruptcy, reorganization or insolvency proceeding; or

(v) an order, judgment or decree shall be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator for the

City or of all or a substantial part of the assets of the City, in each case without its application, approval or consent, and such order, judgment or decree shall continue unstayed and in effect for any period of thirty (30) consecutive days.

Fair Market Value means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security--State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the City and related parties do not own more than a 10% beneficial interest therein if the return paid by the fund is without regard to the source of the investment. To the extent required by the applicable regulations under the Code, the term "investment" shall include a hedge.

Federal Tax Certificate means the certificate executed by the Designated Representative setting forth the requirements of the Code for maintaining the tax exemption of interest on the Bond to be dated as of the date of Date of Issue, and attachments thereto.

Fiscal Year means the fiscal year of the City, currently, the 12-month period ending on December 31 of each year.

Improvements mean capital improvements to City facilities that are included in the capital budget of the City.

Interest Payment Date means the first LIBOR Business Day of each calendar month and the Termination Date, commencing on August 1, 2016.

LIBOR Business Day means a day on which (a) banks are not required or authorized to close in Cleveland, Ohio, and (b) dealings are carried on in the London interbank eurodollar market.

LIBOR Fixed Rate means the rate per annum determined by the Calculation Agent at which deposits in the United States dollars are offered by prime banks in the London interbank eurodollar market two LIBOR Business Days prior to the LIBOR Index Reset Date, in an amount comparable to the amount of such advance and with a maturity of one month, as reported on Reuters Screen LIBOR01 page (or any successor page) at approximately 11:00 a.m., London time, on each Computation Date (or if not so reported, then as determined by the Calculation Agent from another recognized source of interbank quotation). In the event that the LIBOR Fixed Rate or any other index that may be used to calculate interest due under the terms of this

ordinance is determined to be less than zero, such index shall be deemed to be zero for purposes of the Bond.

LIBOR Index Reset Date means the first LIBOR Business Day of each calendar month.

LIBOR Interest Rate Period means a period of one month, not to extend beyond the Commitment Expiration Date of the Bond.

LIBOR Index Rate means a per annum rate of interest established on each Computation Date equal to the LIBOR Fixed Rate plus 2.58%, multiplied by 0.6501.

Loan Draw Record means the administrative records kept by the Bank to record the date and dollar amounts of draws on the Bond and loan repayments made by the City, which records may be maintained on the Bond itself or in such other format as the Bank and the City may agree. Such Loan Draw Record maintained by the Bank shall be conclusive as to such amounts absent manifest error.

Material Adverse Effect means (a) a change in, or an effect upon, the operations, business, properties, liabilities (actual or contingent), or condition (financial or otherwise) of the City which materially impairs its ability to make payments due under the Bond; or (b) any material term of the Bond or this ordinance or any material rights, security or remedies of the Bank hereunder or thereunder shall no longer be legal, valid, binding or enforceable against the City.

Maximum Facility Amount means the maximum amount to be drawn under the Bond at any one time, which shall be \$3,500,000.

Maximum Interest Rate means the maximum rate of interest on the Bond permitted by applicable law.

Mayor means the duly elected Mayor of the City or the successor to the duties of that office.

Project Fund means the Project Fund authorized to be created pursuant to this ordinance.

Request for Draw or ***Draws*** means request for a Draw under the terms of this ordinance pursuant to a Request for Draw in the form attached hereto as Exhibit A.

State means the state of Washington.

Termination Date means the earliest of (i) the Commitment Expiration Date, as such date may be extended pursuant to Section 14, hereof, and (ii) the date the Commitment terminates by its terms in accordance with Section 15, hereof.

Term Sheet means the commitment letter or proposal submitted for the Bond to the City to purchase the Bond as approved by the Designated Representative pursuant to Section 6 of this ordinance and may include a separate agreement, at the option of and approved by the Designated Representative.

Unutilized Amount means, as of any date, an amount equal to the difference between (i) the Available Commitment and (ii) the aggregate amount outstanding of Draws made by the City pursuant to the terms hereof.

(b) *Interpretation.* In this ordinance, unless the context otherwise requires:

(1) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this ordinance, refer to this ordinance as a whole and not to any particular article, section, subdivision or clause hereof, and the term “hereafter” means after, and the term “heretofore” means before, the date of this ordinance;

(2) Words of the masculine gender mean and include correlative words of the feminine and neuter genders, and words importing the singular number mean and include the plural number and vice versa;

(3) Words importing persons include firms, associations, partnerships (including partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(4) Any headings preceding the text of the several articles and sections of this ordinance, and any table of contents or marginal bonds appended to copies hereof, are solely for convenience of reference and do not constitute a part of this ordinance, nor shall they affect its meaning, construction or effect;

(5) All references herein to “articles,” “sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof.

Section 2. Authorization of Bond. For the purpose of evidencing a revolving line of credit to finance the Improvements, the City shall issue its limited tax general obligation bond, in the form of a revolving draw down obligation, in the principal amount of not to exceed \$3,500,000 (the “Bond”).

(a) *Bond Details.* The Bond will be designated as the “City of North Bend, Washington, Limited Tax General Obligation Bond, 2016 (Revolving Line of Credit),” will be dated the Date of Issue, will be issued as a single instrument in fully registered form in the denomination of not to exceed \$3,500,000.

(b) *Interest Rate and Payment Terms.* From the Effective Date through the Termination Date, and upon and subject to the terms and conditions and on the basis of the representations, warranties and agreements by the City in this ordinance, the Bank will, when requested by the City pursuant to procedures for making Draws set forth in this ordinance, to make Draws from time to time (but in no event more than four (4) per calendar month) in an aggregate principal amount not to exceed the Available Commitment.

Each Draw shall (i) be pursuant to a Request for Draw, (ii) mature on the Commitment Expiration Date, and (iii) be in a minimum principal amount of \$100,000. Interest on each Draw shall be calculated on the basis of a year of 360 days of twelve 30-day months from the Draw Date. Except as otherwise provided herein upon the occurrence and continuation of an Event of

Default, the outstanding under the Bond shall bear interest at the lesser of (1) the Maximum Interest Rate and (2) the LIBOR Index Rate.

Subject to the right to cure a payment default as provided herein, the principal of, and to the extent permitted by applicable law, interest on any outstanding payments in default shall bear interest, from the date due and payable until paid, payable on demand, at a rate per annum equal to the lesser of (i) the Default Rate and (ii) Maximum Interest Rate.

The Calculation Agent shall determine the LIBOR Index Rate on each Computation Date with respect to each Draw, and such rate shall become effective on the Libor Index Reset Date next succeeding the Computation Date and interest at such rate shall accrue each day with respect to such Draw, commencing on and including the next succeeding LIBOR Index Reset Date to but excluding the immediately succeeding LIBOR Index Reset Date. The LIBOR Index Rate shall be rounded upward to the fifth decimal place. Promptly following the determination of the LIBOR Index Rate, the Calculation Agent shall give notice thereof to the City. The Calculation Agent's internal records and applicable interest rates shall be determinative in the absence of manifest error.

Accrued but unpaid interest on the Bond shall be due and payable on the each Interest Payment Date. All outstanding principal of Draws shall be due and payable on the Termination Date. Interest due and payable on the Bond shall be equal to the amount accrued to, but excluding the related payment date. If the payment date for the principal of or interest on the Bond is a day other than a LIBOR Business Day, the date for payment thereof shall be extended, without penalty, to the next succeeding LIBOR Business Day, and such extended period of time shall be included in the computation of interest; provided, however, the payment of interest on the Bond on such extended date shall have the same force and effect as if made on the original payment date.

If the Bank determines that for any reason in connection with any request to make a Draw that (a) dollar deposits are not being offered to banks in the London interbank market for the applicable amount, or (b) adequate and reasonable means do not exist for determining LIBOR, the Bank will promptly so notify the City. Thereafter, the obligation of the Bank to make or maintain Draws shall be suspended until the Bank revokes such notice. Upon receipt of such notice, (i) the City shall immediately revoke any pending request for Draws, and deliver notice to the Bank that the rate on Draws will be converted to a rate determined by the Bank, after consultation with the City, in the amount specified therein and (ii) the interest on all outstanding Draws shall be automatically converted to the interest rate set forth in such notice on the next succeeding LIBOR Index Reset Date. Upon any such conversion, the City shall also pay accrued interest on the amount so converted.

Notwithstanding anything to the contrary in this ordinance, if the corporate federal tax rate decreases for any period during which the Bond is outstanding (whether or not any lender is actually taxed at said maximum marginal statutory rate), the City shall pay an additional amount to the Bank on the amount outstanding on the Bond equal to the difference between the number equal to one minus the new corporate federal tax rate and 0.6501, multiplied by the sum of one-month LIBOR plus 2.58%.

(d) *Delegation to the Designated Representative.* The Designated Representative is hereby authorized to determine for the City the amount and the timing of Draws and repayments under the Bond, in accordance with procedures agreed to by the Bank and as set forth in this ordinance.

(e) *Renewal of the Bond.* The Bond is renewable at the request of the City Council and the consent of the Bank, which may be withheld by the Bank in its sole discretion, pursuant to Section 14 of this ordinance.

Section 3. Prepayment. The City may prepay any Draw, in whole or in part, without premium, on the LIBOR Index Reset Date provided at least three (3) LIBOR Business Days' prior written notice is given by the City to the Bank. Each such notice shall specify the date and amount of such prepayment. Each such notice of optional prepayment shall be irrevocable and shall bind the City to make such prepayment in accordance with such notice. Any prepayment of Draws shall be in a principal amount of \$20,000 or a whole multiple of \$20,000 in excess thereof or, if less, the entire principal amount thereof then outstanding under the Bond being prepaid. All prepayments of principal shall include accrued interest to the date of prepayment and all other amounts due and payable at such time pursuant to this ordinance.

If a prepayment shall occur on any date other than a LIBOR Index Reset Date, in the event the Bank shall incur any loss, cost, or expense (including any loss, cost, or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired or contracted to be acquired by the Bank to purchase or hold the Bond or the relending or reinvesting of such deposits or other funds or amounts paid or prepaid to the Bank) as a result of any redemption or conversion of the Bond on a date other than a Libor Index Reset Date for any reason, whether before or after default, and whether or not such payment is required by any provision of this ordinance, then upon the demand of the Bank, the City shall pay to the Bank a redemption or conversion premium, as applicable, in such amount as will reimburse the Bank for such loss, cost, or expense. If the Bank requests such redemption or conversion premium, as applicable, it shall provide to the City a certificate setting forth the computation of the loss, cost, or expense giving rise to the request for such redemption or conversion premium, as applicable, in reasonable detail and such certificate shall be conclusive if reasonably determined.

In the event of prepayment in whole of the Bond prior to the Termination Date, the Bond shall be deemed to remain outstanding for subsequent Draws absent a written notice to the Bank by the City that the prepaid Bond is no longer outstanding and available for further Draws hereunder.

Section 4. Registration.

(a) *Bond Registrar/Bond Register.* The Assistant City Administrator/Finance Director shall act as Bond Registrar. The Bond Registrar is authorized, on behalf of the City, to authenticate and deliver the Bond if transferred or exchanged in accordance with the provisions of the Bond and this ordinance and to carry out all of the Bond Registrar's powers and duties under this ordinance.

(b) *Registered Ownership.* The City and the Bond Registrar may deem and treat the Registered Owner of the Bond as the absolute owner for all purposes, and neither the City nor the Bond Registrar shall be affected by any notice to the contrary. Payment of the Bond shall be made only as described in this ordinance. All such payments made as described in this ordinance shall be valid and shall satisfy the liability of the City upon the Bond to the extent of the amount so paid.

(c) *No Transfer or Exchange of Registered Ownership.* The Bond shall not be transferrable without the consent of the City unless (i) the Bank's corporate name is changed and the transfer is necessary to reflect such change; or (ii) the transferee is a successor in interest of the Bank by means of a corporate merger, an exchange of stock, or a sale of assets.

(d) *Place and Medium of Payment.* Both principal of and interest on the Bond shall be payable in lawful money of the United States of America. Principal and interest on the Bond shall be payable by check, warrant, ACH transfer or by other means mutually acceptable to the Bank and the City. Upon final payment of principal and interest of the Bond, the Registered Owner shall surrender the Bond for cancellation at the office of the Bond Registrar in accordance with this ordinance.

Section 5. Bond Fund; Security for the Bond. A special fund of the City known as the "Bond Redemption Fund, 2016" (the "Bond Fund") is hereby authorized to be created by the City. The Bond Fund shall be drawn upon for the sole purpose of paying the principal of and interest on the Bond. Money in the Bond Fund not needed to pay the interest or principal next coming due may temporarily be deposited in legal investments for City funds, but only to the extent that the same are acquired, valued and disposed of at Fair Market Value.

The City hereby irrevocably covenants and agrees for as long as the Bond is outstanding and unpaid that each year it will include in its budget and levy an *ad valorem* tax upon all the property within the City subject to taxation in an amount that will be sufficient, together with other revenues and money of the City legally available for such purposes, to pay the principal of and interest on the Bond when due.

The City hereby irrevocably pledges that the annual tax provided for herein to be levied for the payment of such principal and interest shall be within and as a part of the tax levy permitted to cities without a vote of the people, and that a sufficient portion of each annual levy to be levied and collected by the City prior to the full payment of the principal of and interest on the Bond will be and is hereby irrevocably set aside, pledged and appropriated for the payment of the principal of and interest on the Bond. The full faith, credit and resources of the City are hereby irrevocably pledged for the annual levy and collection of said taxes and for the prompt payment of the principal of and interest on the Bond when due.

Section 6. Sale of the Bond and Authorization to Designated Representative. The City hereby accepts the Bank's Term Sheet, to purchase the Bond on the terms specified therein and in this ordinance. The proper officials of the City are hereby authorized and directed to do all things necessary for the prompt execution and delivery of the Bond and the items required to be delivered to the Bank under the terms of the Term Sheet and for proper use and application of

the proceeds of sale thereof. In accordance with the Term Sheet, the City will pay the Bank a loan origination fee of \$20,000.

(a) *Additional Fees to Bank.* The City shall pay or cause to be paid to the Bank on October 1, 2016, for the period commencing on the Effective Date to and including September 30, 2016, and in arrears on the first LIBOR Business Day of each January, April, July and October to occur thereafter to the Termination Date, and on the Termination Date, a nonrefundable commitment fee (the "Commitment Fee") in an amount equal to the product of (i) the daily average Unutilized Amount during the related quarterly period, and (ii) 15 basis points.

(b) *Fees, Costs and Expenses.* The City shall pay the fees and costs of Bond Counsel, and any other expenses and costs that the City incurs in connection with this ordinance and the Bond. The City shall also pay the Bank's attorney fees related to this transaction (estimated at \$6,000).

The City shall pay within thirty (30) days after demand, if an Event of Default shall have occurred, all costs and expenses of the Bank in connection with the enforcement (whether by means of legal proceedings or otherwise) of any of its rights under the Bond and this ordinance and such other documents which may be delivered in connection therewith.

(c) *Conditions to Closing/Date of Issue.* Prior to the issuance of the Bond, the City shall provide, or cause to be provided, to the Bank the following documents:

(1) a certified copy of this ordinance and the executed and authenticated Bond;

(2) an opinion of Bond Counsel, in form acceptable to the Bank, to the effect that this ordinance and the Bond are and will be valid and legally binding obligations of the City, enforceable against the City in accordance with their terms; and

(3) the certificate of the Designated Representative to the effect that:

(i) The City is duly created and existing under the laws of the State, has all necessary power and authority to perform its duties under this ordinance and the Bond, and that this ordinance and the Bond will constitute legal, valid and binding obligations of the City which are enforceable in accordance with their terms;

(ii) there is no action, suit, proceeding or investigation at law or in equity before or by any court or government, city or body pending or, to the best of the knowledge of the City, threatened against the City to restrain or enjoin the adoption of this ordinance or the execution and delivery of the Bond, or the collection and application of funds as contemplated by the this ordinance or the Bond, which, in the reasonable judgment of the City, would have a material and adverse effect on the ability of the City to pay the amounts due under the Bond;

(iii) the adoption of this ordinance and the execution and delivery of this ordinance and the Bond do not and will not conflict in any material respect with or constitute

on the part of the City a breach of or default under any law, charter provision, court decree, administrative regulation, ordinance, ordinance or other agreement to which the City is a party or by which it is bound; and

(4) such other closing documents and opinions as may be reasonably required by the Bank.

Further, as a condition to the issuance of the Bond, the Bank, on the Date of Issue, shall provide a certificate in the form satisfactory to Bond Counsel acknowledging the following: (1) the Bond is not being registered under the Securities Act of 1933 and is not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state; (2) the Bank will hold the Bond as one single debt instrument; (3) no CUSIP numbers will be obtained for the Bond; (4) no final official statement has been prepared in connection with the private placement of the Bond; (5) the Bond will not close through The Depository Trust Company or any similar repository and will not be in book entry form; (6) the Bond shall not be rated by any rating agency; and (7) the Bond is not listed on any stock or other securities exchange.

(d) *Records.* To the extent permitted by law, the City will permit the Bank (at the expense of the Bank, unless and until an Event of Default has occurred, at which time such expenses shall be borne by the City) to examine the books and financial records (except books and financial records the examination of which by the Bank is prohibited by law or by attorney or client privilege), and make copies thereof or extracts therefrom, and to discuss the affairs, finances and accounts of the City's finances with the City's principal officials, at such reasonable times and as often as the Bank may reasonably request.

(e) *Existence.* The City (a) shall maintain its existence pursuant to the laws of the State and (b) shall not liquidate or dissolve, or sell or lease or otherwise transfer or dispose of all or any substantial part its property, assets or business, or combine, merge or consolidate with or into any other entity.

Section 7. Procedures for Draws; Disposition of Drawings Under the Bond.

(a) *Communications and Dispositions of Drawings.* Following the execution and delivery of the Bond, the Designated Representative shall notify the Bank in writing each time that a Draw is required to pay costs of the Improvements or costs of issuance of the Bond. Proceeds of Draws on the Bond shall be deposited in the Project Fund which is hereby authorized to be created by the City (the "Project Fund"). The City will use Draws, together with other money available therefor, to pay costs of the Improvements and to pay all expenses incidental thereto (including but not limited to costs of issuance of the Bond, engineering, financing, legal or any other incidental costs) and to repay any advances made on account of such costs or for redeeming the Bond.

The Assistant City Administrator/Finance Director shall invest money in the Project Fund and the subaccounts contained therein in such obligations as may now or hereafter be permitted to cities of the State by law and which will mature prior to the date on which such money shall be needed, but only to the extent that the same are acquired, valued and disposed of at Fair Market Value. Upon completion of the Improvements, Bond proceeds (including interest

earnings thereon) may be used for other capital projects of the City or shall be transferred to the Bond Fund to pay principal on the Bonds.

(b) *Procedures for Draws.* Each Draw shall be made upon the City's irrevocable notice to the Bank in the form of a Request for Draw with blanks appropriately completed. Each Request for Draw shall be signed by the Designated Representative and shall specify: (1) the Draw Date which shall be a LIBOR Business Day and shall be at least three (3) LIBOR Business Days after the date of the Request for Draw; and (2) the principal amount of the Draw, which shall not exceed the Available Commitment as of the proposed Draw Date. Each Request for Draw must be received by the Bank not later than 12:00 noon eastern time three LIBOR Business Days immediately prior to the requested Draw Date.

The obligation of the Bank to consummate the Draw (other than the initial Draw) is subject to the satisfaction of the following conditions precedent on the Draw Date:

(i) the representations of the City set forth in Section 6 of this ordinance shall be true and correct in all material respects on and as of such Draw Date, and shall be deemed to have been made on such Draw Date;

(ii) no Event of Default shall have occurred and be continuing on such Draw Date and no Material Adverse Effect has occurred and be continuing;

(iii) after giving effect to such Draw, the aggregate principal amount of all Draws shall not exceed the Available Commitment;

(iv) there shall not have occurred and be continuing any default by the City under any agreement with the City for borrowing money, lease financing of property or provision of credit with the owner of the Bond or an affiliate of the owner of the Bond;

(v) there shall not have occurred and be continuing any default under any agreement for borrowing money, lease financing of property or provision of credit other than with the owner of the Bond or an affiliate of the owner of the Bond under which the City is an obligor where there is outstanding, owing or committed an aggregate amount in excess of \$250,000; and

(vi) the Bank shall have received a Request for Draw as required under, and in strict conformity with, this section.

Upon receipt of a Request for Draw by the Bank, the Bank, subject to the terms and conditions of this ordinance, shall be required to consummate the Draw by 3:00 p.m. eastern time on the proposed Draw Date for the account of the City in an amount equal to the amount of the requested Draw. Notwithstanding the foregoing, in the event such Request for Draw is received by the Bank after 12:00 noon eastern time on the LIBOR Business Day which is three (3) LIBOR Business Days immediately prior to the day of the proposed Draw, the Bank shall be required to consummate the related Draw by 3:00 p.m. eastern time on the fourth LIBOR Business Day after receipt of the related Request for Draw. The Bank shall determine the applicable LIBOR Index Rate with respect to any Draw two LIBOR Business Days prior to the related Draw Date.

Section 8. Form of Bond. The Bond will be in substantially the following form:

UNITED STATES OF AMERICA

NO. N-1

Not to exceed \$3,500,000
(or as much thereof as is
shown on the attached
Loan Draw Record)

STATE OF WASHINGTON

CITY OF NORTH BEND
LIMITED TAX GENERAL OBLIGATION BOND, 2016
(REVOLVING LINE OF CREDIT)

INTEREST RATE: Variable, as provided in the Bond Ordinance
MATURITY DATE: _____, 2018
REGISTERED OWNER: KEYBANK, NATIONAL ASSOCIATION
WA-31-13-2548
1301 5th Avenue
Seattle, WA 98101

TAX IDENTIFICATION #: _____
PRINCIPAL AMOUNT: NOT TO EXCEED THREE MILLION FIVE HUNDRED
THOUSAND DOLLARS (or as much thereof as is shown on the
Loan Draw Record)

The City of North Bend, Washington, a municipal corporation organized and existing under and by virtue of the laws of the State of Washington (the "City"), hereby acknowledges itself to owe and for value received, promises to pay to the Registered Owner identified above, or registered assigns, an amount equal to the total outstanding incremental loan draws (the "Draws") made in accordance with the terms of this bond and the hereinafter defined Bond Ordinance.

This bond is issued pursuant to Ordinance No. _____ of the City Council, adopted on June 21, 2016 (the "Bond Ordinance"), to finance the costs of capital improvements to City facilities. Capitalized terms appearing on this bond and not otherwise defined herein have the meanings given those terms in the Bond Ordinance.

Reference is made to the Bond Ordinance for other covenants and declarations of the City and other terms and conditions upon which this bond has been issued, which terms and conditions are made a part hereof by this reference.

The City irrevocably and unconditionally covenants to the holder of this bond that it will keep and perform all of the covenants of this bond and the Bond Ordinance.

This bond and the Bond Ordinance may not be revised, amended or rescinded without the prior written consent of the owner of this bond.

The City may request Draws upon this bond in any amount on any LIBOR Business Day during the term of this bond subject to the terms of the Bond Ordinance. The terms of the Bond Ordinance are hereby incorporated by reference. No Draw may exceed the total amount of the costs to be paid from such Draw, and the proceeds of each Draw shall be used immediately to pay those costs, or to reimburse the City for such costs paid by the City. **The aggregate principal amount of outstanding Draws on this bond at any one time shall not exceed \$3,500,000.**

Both principal of and interest on this bond are payable in lawful money of the United States of America. Upon the final payment of principal and interest of this bond, the Registered Owner shall present and surrender this bond to the Assistant City Administrator/Finance Director of the City, as "Bond Registrar".

Draws on this bond shall bear interest at the LIBOR Index Rate as defined and in accordance with the additional terms as set forth in the Bond Ordinance. Interest on each Draw shall accrue from the date of that Draw and shall be computed in accordance and paid in accordance with the terms of the Bond Ordinance. Principal of this bond, together with all accrued and unpaid interest thereon, shall be payable on the Commitment Expiration Date, as defined in the Bond Ordinance (the "Maturity Date"), if not sooner paid.

If this bond is not paid when properly presented at the Maturity Date, the City shall be obligated to pay interest on this bond at the applicable rate of interest thereon from and after the Maturity Date until both principal and interest are paid in full.

The City has reserved the right and option to prepay this bond, in whole or in part, at any time prior to the Maturity Date as provided in the Bond Ordinance.

This bond is a general obligation of the City. The City hereby irrevocably covenants and agrees with the owner of this bond that it will include in its annual budget and levy taxes annually, within and as a part of the tax levy permitted to the City without a vote of the electorate, upon all the property subject to taxation in amounts sufficient, together with other money legally available therefor, to pay the principal of and interest on this bond as the same shall become due. The full faith, credit and resources of the City are hereby irrevocably pledged for the annual levy and collection of such taxes and the prompt payment of such principal and interest.

This bond is issued under and in accordance with the provisions of the Constitution and applicable statutes of the State of Washington and ordinances of the City, including the Bond Ordinance.

This bond is not transferable, except in whole to a Financial Institution.

This bond has not been designated as a “qualified tax-exempt obligation” for investment by financial institutions under Section 265(b) of the Internal Revenue Code of 1986, as amended.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Ordinance until the Certificate of Authentication hereon shall have been manually signed by or on behalf of the Bond Registrar or its duly designated agent.

This bond is issued under and in accordance with the provisions of the Constitution and applicable statutes of the State of Washington and ordinances duly adopted by the City Council including the Bond Ordinance.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State of Washington to exist and to have happened, been done and performed precedent to and in the issuance of this bond exist and have happened, been done and performed and that the issuance of this bond does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the City may incur.

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

IN WITNESS WHEREOF, the City of North Bend, Washington, has caused this bond to be executed by the manual or facsimile signatures of the Mayor and the City Clerk and the seal of the City imprinted, impressed or otherwise reproduced hereon as of this ____ day of _____, 2016.

[SEAL]

CITY OF NORTH BEND, WASHINGTON

By /s/ manual or facsimile
Mayor

ATTEST:

 /s/ manual or facsimile
City Clerk

REGISTRATION CERTIFICATE

This bond is registered in the name of the Registered Owner on the books of the City, in the office of the Bond Registrar, as to both principal and interest, as noted in the registration blank below. All payments of principal of and interest on this bond shall be made by the City from the Bond Fund.

Date of Registration	Name and Address of Registered Owner	Signature of Bond Registrar
_____, 2016	KeyBank, National Association WA-31-13-2548 1301 5th Avenue Seattle, WA 98101	Assistant City Administrator/Finance Director

The Loan Draw Record shall be substantially in the following form:

CITY OF NORTH BEND, WASHINGTON
LIMITED TAX GENERAL OBLIGATION BOND, 2016 (REVOLVING LINE OF CREDIT)

LOAN DRAW RECORD

	Date	Amount	Total
[Draw][Repayment]	_____	_____	_____
[Draw][Repayment]	_____	_____	_____
[Draw][Repayment]	_____	_____	_____
[Draw][Repayment]	_____	_____	_____
[Draw][Repayment]	_____	_____	_____
[Draw][Repayment]	_____	_____	_____
Repayment	_____	_____	_____

Section 9. Execution of Bond. The Bond shall be executed on behalf of the City with the manual or facsimile signature of the Mayor, and shall be attested by the manual or facsimile signature of the Clerk.

Only such Bond as shall bear thereon a Certificate of Authentication in the form earlier recited, manually executed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this ordinance. Such Certificate of Authentication shall be conclusive evidence that the Bond so authenticated has been duly executed, authenticated and delivered hereunder and is entitled to the benefits of this ordinance.

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

Section 10. Tax Covenants. The City shall take all actions necessary to assure the exclusion of interest on the Bond from the gross income of the owners of the Bond to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the Bond, including but not limited to the following:

(a) *Private Activity Bond Limitation.* The City shall assure that the proceeds of the Bond are not so used as to cause the Bond to satisfy the private business tests of Section 141(b) of the Code or the private loan financing test of Section 141(c) of the Code.

(b) *Limitations on Disposition of Improvements.* The City shall not sell or otherwise transfer or dispose of (i) any personal property components of the Improvements other than in the ordinary course of an established government program under Treasury Regulation 1.141-2(d)(4) or (ii) any real property components of the Improvements, unless it has received an opinion of nationally recognized bond counsel to the effect that such disposition shall not adversely affect the treatment of interest on the Bond as excludable from gross income for federal income tax purposes.

(c) *Federal Guarantee Prohibition.* The City shall not take any action or permit or suffer any action to be taken if the result of such action would be to cause the Bond to be “federally guaranteed” within the meaning of Section 149(b) of the Code.

(d) *Rebate Requirement.* The City shall take any and all actions necessary to assure compliance with Section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the Bond.

(e) *No Arbitrage.* The City shall not take, or permit or suffer to be taken, any action with respect to the proceeds of the Bond which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the Bond would have caused the Bond to be an “arbitrage bond” within the meaning of Section 148 of the Code.

(f) *Registration Covenant.* The City shall maintain a system for recording the ownership of each Bond that complies with the provisions of Section 149 of the Code until all Bond have been surrendered and canceled.

(g) *Record Retention.* The City shall retain its records of all accounting and monitoring it carries out with respect to the Bond for at least three years after the Bond mature or are redeemed (whichever is earlier); however, if the Bond are redeemed and refunded, the City shall retain its records of accounting and monitoring at least three years after the earlier of the maturity or redemption of the obligations that refunded the Bond.

(h) *Compliance with Federal Tax Certificate.* The City shall comply with the provisions of the Federal Tax Certificate with respect to the Bond, which are incorporated herein as if fully set forth herein. The covenants of this Section shall survive payment in full or defeasance of the Bond.

Section 11. No Undertaking to Provide Ongoing Disclosure. The City is exempt from the ongoing disclosure requirements of Securities and Exchange Council Rule 15c2-12 by reason

of the exemption set forth in subsection (d)(i) of that rule with respect to the issuance of securities in authorized denominations of \$100,000 or more.

Section 12. Financial Reporting. The City covenants and agrees, for so long as the Bond is outstanding, to provide the Bank within 270 days after the end of each Fiscal Year, financial statements as of the end of that fiscal year audited by the office of the Washington State Auditor; provided, however, that if the audit is not yet completed, such audit shall be delivered within 10 days of receipt thereof; and each annual budget of the City promptly after City's adoption thereof. The City further covenants and agrees to promptly provide Bank with other information as may reasonably be requested.

Section 13. Lost, Stolen or Destroyed Bond. In case the Bond shall be lost, stolen or destroyed, the City may execute and the Bond Registrar may deliver a new Bond of like date and tenor to the Bank and upon its filing with the Bond Registrar evidence satisfactory to said Bond Registrar that the Bond was actually lost, stolen or destroyed, and upon furnishing the Bond Registrar with indemnity satisfactory to the Bond Registrar.

Section 14. Extension of Maturity Date. In the event that the Bank and the City wish to extend the Commitment Expiration Date, on or before the date one hundred twenty (120) days prior to the then current Commitment Expiration Date, the City may provide written notice to the Bank, in the form of Exhibit B hereto, of its desire to extend the Commitment Expiration Date and requesting the Bank to continue to hold the Bond and make Draws hereunder. Such written notice shall include internally prepared full-year financial statements from the City for the Fiscal Year just ended unless such requirement is waived by the Bank in writing. The Bank will make reasonable efforts to respond to such request within thirty (30) days after receipt of all information necessary, in the Bank's reasonable judgment, to permit the Bank to make an informed credit decision. The Bank may, in its sole and absolute discretion, decide to accept or reject any such request and no consent shall become effective unless the Bank shall have consented thereto in writing. In the event the Bank fails to definitively respond to such request within such thirty (30) day period, the Bank shall be deemed to have refused to grant such request. Upon the Bank's written acceptance of such request, the Bank and the City may extend the Commitment Expiration Date by delivering a notice (an "*Extension Notice*") in the form of Exhibit B properly completed and executed by the City and the Bank to the Bond Registrar not less than twenty (20) days prior to the date on which such extension is to be effective, as specified in such notice. The consent of the Bank, if granted, shall be conditioned upon the preparation, execution and delivery of documentation and opinions in form and substance satisfactory to the Bank. By providing notice to the Bank in the form of Exhibit B hereto, the City shall be deemed to represent that (a) no Event of Default has occurred and is continuing, (b) no event has occurred and is continuing that is reasonably likely to result in a Material Adverse Effect and (c) all representations of the City made in this ordinance, including closing certificates referenced herein, are true and correct and are deemed to be made as of the date of such request. Any extension shall be for a minimum of one year and a maximum of two years.

Notwithstanding anything to the contrary in this Section 14, any extension of the Commitment Expiration Date shall require the approval of Council, which may be in the form of a new ordinance or may be in the form of an amendatory ordinance approving a terms and conditions for such extension.

Section 15. Events of Default and Remedies. This ordinance shall constitute a contract and shall be enforceable by the Bank as a contract under the laws of the State. The Bond shall not be subject to acceleration.

If an Event of Default is continuing in excess of ninety (90) days, the Bank may increase the interest rate on all outstanding principal on the Bond to the lesser of (i) the Default Rate and (ii) the Maximum Interest Rate by notice to the City, until the payment default has been cured. In the Event of Default, the Bank shall be under no obligation to provide any further Draws on the Bond, absent written agreement by the Bank to resume such Draws. In addition, in the Event of Default, the Bank may terminate the Commitment and shall be under no obligation to provide any further Draws on the Bond.

Section 16. Notices. All written notices to be given under this ordinance shall be given by first class mail, overnight courier or personal delivery to the party entitled thereto at its address set forth below. Notice shall be effective either (a) 48 hours after deposit in the United States of America first class mail or overnight courier, postage or charges prepaid, or (b) in the case of personal delivery to any person, upon actual receipt, or (c) in the case of electronic delivery, upon receipt of confirmation of delivery to the recipient.

Section 17. Patriot Act Notice. The City agrees upon a written notice from the Bank that pursuant to the requirements of the Patriot Act that the Bank is required to obtain, verify and record information that identifies the City, which information includes the name and address of the City and other information that will allow the Bank to identify the City in accordance with the Patriot Act, that the City shall promptly provide such information to the Bank.

Section 18. Waiver of Jury Trial. THE CITY, UPON RELIANCE THAT THE BANK HAS OR WILL COVENANT TO WAIVE THE SAME, HEREBY AGREES TO WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, BETWEEN THE BANK AND THE CITY ARISING OUT OF, IN CONNECTION WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED BETWEEN THEM IN CONNECTION WITH THIS ORDINANCE, THE BOND OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith OR THE TRANSACTIONS RELATED THERETO.

Section 19. Severability. If any one or more of the covenants or agreements provided in this ordinance to be performed on the part of the City shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements in this ordinance and shall in no way affect the validity of the other provisions of this ordinance or of the Bond.

Section 20. Effective Date. This ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after the date of publication.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 21st DAY OF JUNE, 2016.

CITY OF NORTH BEND:

APPROVED AS TO FORM:

Ken Hearing, Mayor

Pacifica Law Group LLP, Bond Counsel

ATTEST/AUTHENTICATED:

Published: _____

Effective: _____

Susie Oppedal, City Clerk

Exhibit A

Form of Request for Draw

[Date]

KeyBank National Association
Paul Kazmierczak
Service Officer II
4900 Tiedeman Road
Brooklyn, Ohio 44144
216-813-4828
Fax Number: 216-370-5997
Email: KAS_Servicing@keybank.com

Ladies and Gentlemen:

The undersigned, **[Insert Name of Undersigned]** the _____ of the City of North Bend, Washington (the “City”), under that Ordinance No. _____ (the “Ordinance”) hereby gives notice irrevocably, pursuant to Section 7 of the Ordinance, of the Draw specified below. Capitalized terms used herein have the meanings set forth in the Ordinance.

1. The LIBOR Business Day of the proposed Draw is _____, 20__ (the “Draw Date”).
2. The principal amount of the proposed Draw is \$_____.
3. Wire transfer to:

Bank Name: _____
 ABA Routing No. _____
 Credit to: City of North Bend
 Account No.: _____
 Notify: _____ [person contact]
 (____) ____-____
 Reference: City of North Bend

3. The undersigned, hereby certifies that the following statements are true on the date hereof, and will be true on the Draw Date, before and after giving effect thereto.

(a) the representations of the City set forth the Ordinance (including those incorporated by reference) are true and correct in all material respects on and as of the date hereof, and shall be deemed to have been made on the date hereof;

(b) no Event of Default or Material Adverse Change has occurred and is continuing on the date hereof, or would result from the proposed Draw or from the application of the proceeds thereof;

(c) the proposed Draw will not violate any order, judgment or decree of any court or authority of competent jurisdiction entered against the City or any provision of law as then in effect as it affects the City;

(d) after giving effect to the proposed Draw, the aggregate principal amount of all Draws will not exceed the Maximum Facility Amount (\$3,500,000);

(e) no default has occurred and is continuing on the date hereof by the City under any agreement with the City for borrowing money, lease financing of property or provision of credit with the owner of the Bond or an affiliate of the owner of the Bond; and

(f) no default has occurred and is continuing on the date hereof by the City under any agreement for borrowing money, lease financing of property or provision of credit other than with the owner of the Bond or an affiliate of the owner of the Bond under which the City is an obligor where there is outstanding, owing or committed an aggregate amount in excess of \$250,000.

CITY OF NORTH BEND

By: _____
Name: _____
Title: _____

Exhibit B

Form of Request for Extension

[Date]

KeyBank National Association
Paul Kazmierczak, Service Officer II
4900 Tiedeman Road
Brooklyn, Ohio 44144
Fax Number: 216-370-5997

Ladies and Gentlemen:

The undersigned, **[Insert Name of Undersigned]** the **[Insert Title of Undersigned]** of the City of North Bend, Washington (the “City”), refers to Ordinance No. _____, the terms defined therein being used herein as therein defined, and pursuant to Section 14 of the Ordinance requests the Bank to extend the Commitment Expiration Date under the Ordinance to _____, 20___. City understands that any such extension shall only be effective if Bank signs the Agreement to Extend set forth below.

CITY OF NORTH BEND

By: _____
Name: _____
Title: _____

AGREEMENT TO EXTEND

KeyBank National Association hereby agrees to extend the Commitment Date to the date set forth above.

Date: _____

KEYBANK NATIONAL ASSOCIATION

By: _____
Name: _____
Title: _____

CERTIFICATE

I, the undersigned, City Clerk of the City Council of the City of North Bend, Washington (the "City"), DO HEREBY CERTIFY:

1. The attached copy of Ordinance No. _____ (the "Ordinance") is a full, true and correct copy of an ordinance duly passed at a regular meeting of the City Council of the City held at the regular meeting place thereof on June 21, 2016, as that ordinance appears on the minute book of the City; and the Ordinance will be in full force and effect five (5) days after its adoption and publication as provided by law; and

2. A quorum of the members of the City Council was present throughout the meeting and a majority of those members present voted in the proper manner for the passage of the Ordinance.

IN WITNESS WHEREOF, I have hereunto set my hand this 21st day of June, 2016.

Susie Oppedal, City Clerk



SUMMARY TERMS AND CONDITIONS

June 15, 2016

**City of North Bend, Washington
\$3,500,000
LTGO Secured Revolving Credit Facility**

The following terms and conditions outline a direct purchase financing option available through KeyBank, National Association ("Lender").

- Borrower/Issuer:** City of North Bend, Washington ("Borrower" or the "City").
- Lender:** KeyBank, National Association ("Lender").
- Facility:** Up to \$3,500,000 Revolving Line of Credit ("Facility")
- Purpose:** The purpose of the Facility will be to provide interim financing on projects for the City.
- Maturity:** The maturity date will be 3 years from closing.
- Maturity extensions will be provided at the request of the Borrower and with the sole consent of the Bank. The Bank will notify the Borrower of the decision regarding the extension not later than 30 days after the request at no additional upfront cost to Borrower.
- Variable Interest Rate:** $(\text{One-Month LIBOR} + 2.58\%) \times (0.6501) = 1.97\%$ One-Month LIBOR as of June 15, 2016 was 0.46%.
- Variable interest rate will be adjusted every 30 days based on an index to the One-Month LIBOR rate. Interest will be calculated on the basis of 30 / 360 day count. In the event that the LIBOR Fixed Rate or any other index that may be used to calculate interest due is determined to be less than zero, such index shall be deemed to be zero for purposes of calculations of interest.
- Origination Fee:** \$20,000
- Commitment Fee:** 15 basis points per annum.
- The commitment fee will be calculated against the average unused portion of the Facility, charged quarterly in arrears.
- Tax Status:** Tax-Exempt
- Repayment Terms:** Interest due on a monthly basis. All remaining principal and accrued interest due at Maturity.

Security:

The Facility will constitute a general obligation of the City and is payable from tax revenues of the City and such other money as is lawfully available and pledged by the City for the payment of principal of and interest on the Facility. For as long as the Facility is outstanding, the City irrevocably will pledge to, in the manner provided by law, within the constitutional and statutory limitations provided by law without the assent of the voters, include in its annual property tax levy amounts sufficient, together with other money that is lawfully available, to pay principal of and interest on the Facility as the same become due. Any such tax levy is subject to certain limitations. The full faith, credit, and resources of the City will be pledged irrevocably for the prompt payment of the principal of and interest on the Facility.

Prepayment:

There will be no fee or penalty for prepayment, provided that any principal payments shall be made on a LIBOR reset date. Principal payments made outside of this schedule may be subject to break-funding fees associated with the Bank's LIBOR funding.

**Representations,
Warranties and
Covenants:**

Customary representations, warranties and covenants for a Facility of this nature.

**Covenants and Financial
Reporting:**

Lender will require covenants including:

- (1) Default Interest Rate - 4% above the current Interest Rate for any outstanding payments in default, upon the occurrence of a payment default longer than 90 days, the default interest rate shall apply to all outstanding principal, until the payment default has been cured.
- (2) Waiver of Jury Trials - Issuer and Lender will agree to irrevocably waive all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to the Facility or the actions of the Borrower or Lender in the negotiation, administration, performance or enforcement.
- (3) Tax code revision - The Interest Rate on the Facility quoted herein takes into consideration a marginal maximum federal corporate tax rate of 35%. In the event of a decrease in the marginal maximum corporate tax rate, the Interest Rate on the Facility shall be increased by an amount the Lender specifies as required to maintain the expected after tax yield. In addition, if any amendments to existing law are enacted which would adversely affect the Lender's after tax yield, or if interest on the Facility becomes taxable or subject to the federal alternative minimum tax (except as such interest is already subject to the alternative minimum tax on the Closing Date), the interest rate shall be adjusted by an amount the Lender specifies as required in order to maintain their expected after tax yield, or the Lender may otherwise seek compensation from the City in amounts sufficient to maintain such expected after tax yield.
- (4) Financial Reporting - (a) Receipt of full-year audited financial statement within 270 days after fiscal year end. (b) Receipt of other information as Lender may from time to time reasonably request.
- (5) Change in Federal Corporate Tax Rate - If the corporate federal tax rate decreases for any period during which the Bond is outstanding (whether or not any lender is actually taxed at said maximum marginal statutory rate), the City shall pay an additional amount to the lender on the amount outstanding on the Bond equal to the difference between the number equal to 1 minus the new corporate federal tax rate and 0.6501, multiplied by the sum of One-

month LIBOR + 2.58%.

- Conditions:** Subject to credit approval. Term sheet expires July 15, 2016.
- Approval Process:** Upon being awarded the financing, a final credit write up will be completed by our credit underwriting team. KeyBank's credit approval and documentation process can be completed within 10 business days.
- Expenses:** The Borrower shall pay all costs and expenses related to the Facility, including but not limited to Issuer and Lender's Counsel, estimated at \$6,000.
- Other:** The terms and conditions of this proposal are not limited to the above terms and conditions. Those matters, which are not covered by or made clear in the above outline, are subject to mutual agreement of the parties.

This financing term sheet is provided for discussion purposes only and does not represent a commitment from Lender. It is to be used for internal use only and not to be disclosed to outside third parties without Lender's consent. This financing term sheet is intended as an outline of certain of the material terms of the Financing Agreement and does not purport to summarize all of the conditions, covenants, representations, warranties and other provisions which would be contained in definitive documentation for the Financing Agreement contemplated hereby.

This term sheet is issued in reliance upon the accuracy of all information presented by you to us and is contingent upon the absence of any material adverse change in your condition, financial or otherwise, from the condition as it was represented to us at the time of this proposal. This term sheet is subject to our formal approval and the execution of documentation acceptable to each of us. It is not a commitment by us to engage in this transaction. (a) KeyBank National Association ("KeyBank") is not acting as an advisor to you and does not owe a fiduciary duty pursuant to Section 15B of the Exchange Act to you with respect to the information and material contained in this communication; (b) KeyBank is acting for its own interests; and (c) you should discuss any information and material contained in this communication with any and all internal or external advisors and experts that you deem appropriate before acting on this information or material.



City Council Agenda Bill

SUBJECT:	Agenda Date: June 21, 2016	AB16-072
A Motion Authorizing Amendment #1 for Additional Services to the Contract with Tetra Tech, Inc. for the Sewer Comprehensive Plan, Capital Facilities Plan, and Rate Study	Department/Committee/Individual	
	Mayor Ken Hearing	
	City Administrator – Londi Lindell	
	City Attorney - Mike Kenyon	
	City Clerk – Susie Oppedal	
	Community & Economic Development – Gina Estep	
	Finance – Dawn Masko	
	Public Works – Mark Rigos, P.E.	X
Cost Impact: \$42,653		
Fund Source: Sewer Operating Fund		
Timeline: Immediate		

Attachments: Work Order Amendment (work scope to be provided at meeting)

SUMMARY STATEMENT:

On September 1, 2015, North Bend City Council authorized the City to enter into a contract with Tetra Tech to develop a Sewer Comprehensive Plan, Capital Facilities Plan, and Rate Study to plan for needed operational, redundancy, and capacity improvements throughout the sewer system, including the wastewater treatment plant. The plan is currently 80% complete, but the budget is depleted. This is due to numerous items that were not identified in the original scope of services, as discussed below:

- Extra meetings with City staff – There were significantly more meetings needed during the plan development than was originally anticipated, mainly due to discussion of sewer rate options and evaluation of different financing options.
- Population Projections – The original work scope specified that the City would develop population projections and send them to Tetra Tech. Because the Comprehensive Plan had not been developed to that level of detail at the time, Tetra Tech developed the growth curves instead of the City. Additionally, the growth curves were adjusted to better align with the final Land Use element of the Comp Plan and PSRC growth objectives. This adjustment necessitated significant work to re-calculate flow and load estimates and revise the plan to reflect the new growth targets.
- High Peak Flows – The highest ever recorded peak flows at the Wastewater Treatment Plant (WWTP) occurred in November and December 2015. The flows were so high that the existing flow metering equipment at the plant could not pass all of the water. As such, Tetra Tech assisted the City with estimating the flows during those timeframes. This also created the need to revise flow projections, Inflow and Infiltration estimates, collection system analysis, and WWTP and effluent disposal alternatives.
- Regional Treatment Alternative – The original scope of work identified a four hour meeting with the City of Snoqualmie and the Snoqualmie Tribe to discuss the regional treatment alternative. While that meeting never took place, significant time was invested in evaluating options for regional treatment, which included identifying a proposed alignment for a pipeline between North Bend and Snoqualmie, evaluating the Snoqualmie WWTP, identifying capacity improvements needed at the Snoqualmie WWTP, and estimating costs to perform all of the work.
- Critical Improvements Implementation – Tetra Tech developed an expedited implementation program to correct existing deficiencies at the WWTP within 5 years. The effort required to develop this plan exceeded the level of effort anticipated in the original scope. There was a significant amount of coordination with the City’s Wastewater Manager in identifying the problems and developing solutions and timeframes for implementation that would otherwise have not occurred to that level.

City Council Agenda Bill

- 5-Year Financing and Sewer Rates – The scope of work assumed two rate studies would be performed during the course of plan development. The first would be a high-level review of the rates with many documented assumptions that would allow the City to simply raise the existing rates by a percentage, which would allow for quick implementation in order to increase revenues in the short term. It was to be based on the short-term improvement plan. The second would take a closer look at the rates, have fewer assumptions, and take into account the 20-year improvement plan. Instead, there was a need to obtain short term financing to supplement the operating budget. This need required a much more detailed look at the rates such that the lender would be satisfied that the revenue projections were adequate to cover loan payments. Multiple iterations of the 5-year plan, rate structure, and funding scenarios were evaluated to arrive at the final rate structure.

This amendment will provide seed money for the project to continue with a further evaluation of the needs to complete the project to be done at a later date. It is important to note that the original fee estimate submitted by Tetra Tech was \$460,000, but after negotiations, the fee was reduced to \$382,500. It is anticipated that the total cost at completion will be near the original fee estimate submitted by Tetra Tech.

Item	Fee Estimate
Original Contract	\$ 382,500
Amendment #1	\$ 42,653
Total Revised Contract	\$ 425,153

COMMITTEE REVIEW AND RECOMMENDATION: This item has not had committee review due to the timing necessary to keep work in motion.

RECOMMENDED ACTION: MOTION to approve AB16-072, authorizing Amendment #1 for Additional Services to the Contract with Tetra Tech for the Sewer Comprehensive Plan, Capital Facilities Plan, and Rate Study, in an amount not to exceed \$42,653.

RECORD OF COUNCIL ACTION

<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>
June 21, 2016		

**FIRST AMENDMENT TO THE CONTRACT FOR SERVICES
BY AND BETWEEN THE CITY OF NORTH BEND AND
TETRA TECH, INC.**

THIS AMENDMENT to the Contract for Services entered into between the City of North Bend and Tetra Tech, Inc. effective September 1, 2015 (hereafter the "Agreement"), is made in consideration of the mutual benefits, terms, and conditions hereinafter specified and pursuant to Section 14 of the Agreement.

1. Exhibit A of the Agreement is hereby amended by the addition of the "Amendment No. 1" for additional services, dated June 15, 2016, which is attached hereto and incorporated by this reference as an addendum to Exhibit A.
2. Section 2 of the Agreement is hereby amended to read as follows:

Compensation and Method of Payment. The City shall pay the Consultant for services rendered within ten (10) days after City Council voucher approval. The Consultant will bill the City monthly based upon actual time expended and expenses incurred on the project. Based on the fee proposals in Exhibit "A", the Consultant shall be paid a total amount not to exceed **\$425,153.00** without written modification of the Agreement signed by the City.

All other terms and conditions remain as provided in the original Agreement effective September 1, 2015.

DATED this ____ day of _____, 2016.

CITY OF NORTH BEND

CONSULTANT

By: _____
Printed Name: _____
Title: _____

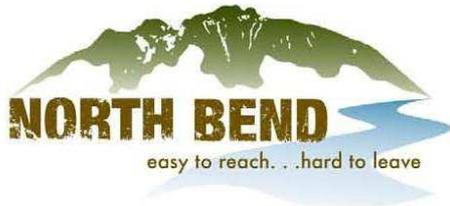
By: _____
Printed Name: _____
Title: _____

Attest/Authenticated:

City Clerk

Approved as to form:

Michael R. Kenyon, City Attorney



City Council Agenda Bill

SUBJECT:		Agenda Date: June 21, 2016	AB16-073
A Resolution Adopting North Bend's Comprehensive Emergency Management Plan (CEMP)		Department/Committee/Individual	
		Mayor Ken Hearing	
		City Administrator – Londi Lindell	
		City Attorney - Mike Kenyon	
		City Clerk – Susie Oppedal	
		Community & Economic Development – Gina Estep	
		Finance – Dawn Masko	
		Public Works – Mark Rigos, P.E.	X
Cost Impact: N/A			
Fund Source: N/A			
Timeline: Immediate			
Attachments: Resolution			
<p>The City of North Bend's emergency management consultant Fuzzy Fletcher of Fletcher Consulting recently prepared the City's Comprehensive Emergency Management Action Plan (CEMP). The final version is dated December, 2015. The City's Public Works Department is responsible for emergency management through its EOC (Emergency Operations Center) located at the Public Works Shops on North Bend Way. However, the City, as a whole, provides support in the form of personnel, finances, materials, and processes through four overlapping phases during an event, emergency and/or disaster. These include:</p> <ul style="list-style-type: none"> • Mitigation - efforts to reduce loss of life and property by lessening the impact of disasters; • Preparedness - development of resources to manage the impacts of hazardous events; • Response - activities to stop the disaster or emergency and its effects; and • Recovery - both short and long term restoration of the capabilities impacted by emergencies and disasters. <p>Events, emergencies and disasters can cause human suffering, injury and death, property damage, environmental degradation, loss of essential services, economic hardship, disruption to state, local, and tribal governments, as well as other governmental, public and private organizations. The mission is to minimize the impacts of emergencies and disasters to the people, property, environment and economy in the City of North Bend.</p> <p>The CEMP provides the City with the following benefits:</p> <ol style="list-style-type: none"> 1. Support for mitigation, preparedness, response and recovery; 2. The City is eligible to receive grant related emergency training, support and supplies; 3. In an emergency, the many financial and ICS (Incident Command System) forms are readily available for the City; and 4. Having a CEMP greater increases the likelihood for State or Federal reimbursements. <p>In conclusion, the new CEMP is a valuable resource for the City and is recommended for adoption. A copy of the CEMP is available for viewing at the Public Works Department for those that may wish to view it. It was made available for the City's Transportation and Public Works (TPW) Committee on June 8, 2016.</p> <p>Mr. Fletcher will be available at the June 21, 2016 to answer any questions the City Council may have regarding the new CEMP.</p>			
COMMITTEE REVIEW AND RECOMMENDATION: This item was discussed at the June 8, 2016 TPW Committee and was recommended for approval.			
RECOMMENDED ACTION: MOTION to approve AB16-073, a resolution adopting the City's Comprehensive Emergency Action Plan.			
RECORD OF COUNCIL ACTION			
<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>	
June 21, 2016			

RESOLUTION

A RESOLUTION OF THE CITY OF NORTH BEND, WASHINGTON, ADOPTING THE DECEMBER 2015 COMPREHENSIVE EMERGENCY MANAGEMENT PLAN

WHEREAS, a comprehensive emergency management plan (CEMP) is required by state law (Chapter 36.52 RCW), the Federal Emergency Management Agency (FEMA), the U.S. Department of Homeland Security and the CEMP supports the National Preparedness System (NIMS) facilitating interoperability between local, state and federal governments in the event of a disaster; and

WHEREAS, a CEMP is a basic written plan with elements addressing all natural and man-made emergencies and disasters to which a city is vulnerable and specifying the purpose, organization, responsibilities and facilities of the city and officials in mitigating and preparing for emergencies and disasters consistent with WAC 118-30-030(9) and WAC 118-30-060(1)(8); and

WHEREAS, the City's consultant, Fletcher Consultants, working with City staff, completed the CEMP in December 2015; and

WHEREAS, the North Bend CEMP specifies authorities, functions and responsibilities to establish collaborative action involving the whole community among local, state, tribal, federal, volunteer, private and public sector organizations. By coordinating all phases of emergency management, the plan assists organizations in minimizing the impact of disasters and emergencies in the City and will serve as a significant tool for saving lives, protecting property, sustaining the economy and preserving the environment; and

WHEREAS, events, emergencies and disasters can cause human suffering, injury and death, property damage, environmental degradation, loss of essential services, economic hardship, disruption to state, local, and tribal governments, as well as other governmental, public and private organizations. The mission is to minimize the impacts of emergencies and disasters to the people, property, environment and economy in the City of North Bend;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Adoption of Comprehensive Emergency Management Plan. The North Bend City Council hereby adopts the 2015 Comprehensive Emergency Management Plan in its entirety.

**PASSED BY THE CITY COUNCIL OF THE CITY OF NORTH BEND,
WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 21ST DAY OF
JUNE, 2016.**

CITY OF NORTH BEND:

APPROVED AS TO FORM:

Kenneth G. Hearing, Mayor

Michael R. Kenyon, City Attorney

ATTEST/AUTHENTICATED:

Effective:
Posted:

Susie Oppedal, City Clerk