



**CITY OF EDGEWOOD
COUNCIL STUDY SESSION AGENDA**

Tues., May 2, 2017 – 7:00 PM ♦ City Hall – 2224 104th Avenue East ♦ Edgewood, WA

1. CALL TO ORDER

Pledge of Allegiance & Roll Call

2. COUNCIL BUSINESS

- A. Review/Discussion** (pg. 2) - Quasi-Judicial Rezone
- B. Review/Discussion** (pg. 10) - Building Dept. Code Enforcement
- C. Review/Discussion** (pg. 30) - Concurrency Ordinance
- D. Review/Discussion** (pg. 52) - Lakehaven ILA Map Revision
- E. Review/Discussion** (pg. 62) - RFP City Hall Painting Submittals
- F. Review/Discussion** (pg. 94) - TVI Investments
- G. Review/Discussion** (pg. 124) - USDA Loan Pay Down
- H. Discussion** (pg. 133) - Lowering Speed Limits
- I. Discussion** (**no material**) – Police Staffing

3. OTHER COUNCIL ITEMS

4. ADJOURN

This meeting is accessible to persons with disabilities. For individuals who may require special accommodations, please contact City Hall at (253) 952.3299, 24 hours in advance.



CITY OF EDGEWOOD

STAFF REPORT

STUDY SESSION AGENDA ITEM: Permanent Rezone Code Discussion

Date: May 2, 2017

Title: Permanent Rezone Code Discussion

Attachments: DRAFT Permanent Rezone Ordinance 17-XXXX

Submitted By: Kevin Stender, Community Development Director

Approved For Agenda By: Daryl Eiding, Mayor

Discussion: The Council passed an Emergency Ordinance on February 28, 2017 consistent with Section 36.70A.390 of the RCW to repeal EMC 18.40.110 regarding Quasi-Judicial Rezones and temporarily replacing it with a new EMC 18.40.110 that was much clearer. As part of the adoption of Emergency Interim measures the City Council must conduct a Public Hearing within 60 days of passage of the interim regulations. The Council set that Public Hearing date for March 28, 2017.

Following the procedures outlined in the emergency ordinance, the Planning Commission began review of the permanent measures at the March 20, 2017 Planning Commission meeting and then made formal recommendations for a permanent code update to EMC 18.40.110 after a Public Hearing held on April 3, 2017. The Planning Commission did not recommend any changes from the prior interim regulations that were previously put in place.

Recommendation: Place the item on the Agenda for 1st reading at the May 9, 2017 Regular Council meeting and then skipping the May 16, 2017 Study Session as we will be in training and then placing on the May 23, 2017 Regular Council Meeting for Public Hearing as well as 2nd reading and adoption.

Fiscal Impact: None known.

**CITY OF EDGEWOOD, WASHINGTON
ORDINANCE NO. 17-XXXX**

AN ORDINANCE OF THE CITY OF EDGEWOOD, WASHINGTON, RELATING TO LAND USE AND ZONING, ADOPTING A NEW PERMANENT ZONING ORDINANCE RELATING TO QUASI-JUDICIAL MAP AMENDMENTS, REPEALING SECTION 18.40.110 OF THE EDGEWOOD MUNICIPAL CODE; DESCRIBING THE ELEMENTS OF A COMPLETE APPLICATION, THE CRITERIA FOR APPROVAL, DEADLINE FOR ISSUANCE OF A FINAL DECISION, AND EXPIRATION OF THE APPROVAL, PROVIDING FOR SEVERABILITY AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City's regulations relating to quasi-judicial rezones in Edgewood Municipal Code (EMC) Section 18.40.110 were unclear and required modification; and

WHEREAS, Section 36.70A.390 of the Revised Code of Washington authorizes the City Council to adopt an interim zoning ordinance; and

WHEREAS, the City Council approved the interim zoning ordinance at the February 28, 2017 regular Council meeting and established a date for a Public Hearing before themselves on March 28, 2017; and

WHEREAS, the City's SEPA responsible official determined that the zoning ordinance update was exempt from SEPA pursuant to WAC 197-11-800(19) as a procedural type code change without effect on the environment; and

WHEREAS, through the interim ordinance, the Planning Commission reviewed the interim regulations at the March 20, 2017 regular Planning Commission meeting; and

WHEREAS, the Planning Commission recommended that the regulations be adopted as permanent regulations following public testimony at a public hearing on April 3, 2017; and

WHEREAS, the City Council reviewed the Planning Commission recommendation and DRAFT permanent zoning ordinance regulations at the May 2, 2017 Study Session; and

WHEREAS, the City Council moved forward the first reading of the Ordinance at the May 9, 2017 regular Council meeting; and

WHEREAS, the City Council held a public hearing May 23, 2017 to receive public testimony regarding the DRAFT permanent zoning ordinance; and

WHEREAS, this Ordinance was presented to the City Council for second reading on May 23, 2017; and

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

Section 1. Section 18.40.110 of the Edgewood Municipal Code is hereby repealed.

Section 2. A new Section 18.40.110 is hereby added to the Edgewood Municipal Code, which shall read as follows:

18.40.110 Quasi-judicial Map Amendments -- Purpose. The purpose of Sections 18.40.110 through 18.40.117 is to establish procedures for amendment of the City's Official Zoning Map. The Official Zoning Map is the map of the City which depicts the zoning designations on property, and implements or gives effect to the Comprehensive Plan. Quasi-judicial amendments are those amendments of the Official Zoning Map that involve the application of existing policy to a specific development application, and do not involve the adoption of new policy (which occurs through legislative decisions).

Section 3. A new Section 18.40.111 is hereby added to the Edgewood Municipal Code, which shall read as follows:

18.40.111 Administration of Quasi-Judicial Map Amendments.

A. **Quasi-Judicial Map Amendments, Generally.** The Director is authorized and directed to administer the provisions of this Chapter relating to Quasi-Judicial Map Amendments. The authority to hold a public hearing and provide a final recommendation is granted to the Hearing Examiner and the City Council has the authority to make the final decision after a closed record hearing. If approved, the City Council will adopt an ordinance amending the City's Official Zoning Map.

B. **Development Agreement.** The City shall not process any Quasi-Judicial Map Amendments with Development Agreements under the interim zoning ordinance.

Section 4. A new Section 18.40.112 is hereby added to the Edgewood Municipal Code, which shall read as follows:

18.40.112 Procedure for Quasi-Judicial Map Amendments. The following steps shall be followed in the processing of Quasi-Judicial Amendments.

- A. Determination of Complete Application;
- B. Notice of Application;
- C. SEPA;
- D. Determination of Consistency;

- E. Notice of Public Hearing;
- F. Preparation of Staff Report;
- G. Public Hearing; and
- H. Issuance of Recommendation to City Council;
- I. City Council Closed Record Hearing
- J. If Quasi-Judicial Map Amendment is adopted, an ordinance is adopted to change the Official Land Zoning Map.

Section 5. A new Section 18.40.113 is hereby added to the Edgewood Municipal Code, which shall read as follows:

18.40.113 Requirements for a Complete Quasi-Judicial Map Amendment Application. The following materials shall be submitted to the City for a complete Quasi-Judicial Amendment (site specific rezone):

- A. Application Form: Seven (7) copies of the completed application form;
- B. Date, name, address, telephone number and e-mail of the applicant;
- C. Name, address, telephone number and e-mail of the owner of the property identified in the application;
- D. Legal description of the subject property;
- E. Identification of all sections of the comprehensive plan policies and map addressing the property subject to the application, including identification of the comprehensive plan map designation;
- F. Description of any proposed development of the property under the proposed zoning designation;
- G. Any plans, information and/or studies that accurately depict existing and proposed use(s) and improvements;
- H. An explanation of the rationale for the proposed amendment;
- I. An explanation of how the proposed amendment and associated development proposal(s), if any, conform to, conflict with, or relate to the criteria set forth in Section 18.40.114, as applicable;
- J. A completed SEPA checklist including the supplement sheet for nonproject actions; and
- K. A title report dated within 30 days of submittal for the subject property.
- L. The application fee, as established by the City.

Section 6. A new Section 18.40.114 is hereby added to the Edgewood Municipal Code, which shall read as follows:

18.40.114. Criteria for Approval of Quasi-Judicial Map Amendment.

- A. The following general rules apply to Quasi-Judicial Map Amendment applications:

1. There is no presumption of validity favoring the action of rezoning;
2. The proponents of the rezone have the burden of proof to demonstrate that conditions have changed since the original zoning; and
3. The rezone must bear a substantial relationship to the public health, safety, morals or welfare.

B. Implementation of the general rules in subsection A above involves analysis of the following criteria in order to approve a Quasi-Judicial Map Amendment:

1. Consistency with the existing comprehensive plan (the comprehensive plan that has been approved and is in place at the time the application was submitted);
2. Consistency with the purpose of the proposed zoning district;
3. Consistency between zone criteria and area characteristics;
4. Zoning history and precedential effect. Previous and potential zoning changes both in and around the area identified in the application shall be examined;
5. The impact of more intense zones on less intense zones or industrial and commercial zones on other zones shall be minimized by the use of transitions or buffers, if possible. A gradual transition between zoning categories, including height limits, is preferred. Physical buffers may provide an effective separation between different uses and intensities of development. The following elements may be considered as buffers:
 - a. Natural features including but not limited to topographical breaks, lakes, streams, and ravines;
 - b. Major traffic arterials and railroad tracks;
 - c. Distinct change in street layout and block orientation;
 - d. Open space and greenspaces.
6. Zone boundaries.
 - a. In establishing boundaries, the following element shall be considered:
 - i. Physical buffers as described in subsection A(5) above; and
 - ii. Platted lot lines.
 - b. Boundaries between commercial and residential areas shall generally be established so that commercial uses face each other across the street on which they are located, and face away from adjacent residential areas. An exception may be made when physical buffers can provide a more effective separation between uses.
7. Height limits. In general, height limits greater than thirty five (35) feet should be limited to areas where higher height limits would be

consistent with the comprehensive plan or where the designation would be consistent with the existing built character of the area;

8. Impact Evaluation. The evaluation of the changes that would result from approval of the application shall consider the possible negative and positive impacts on the affected area and its surroundings. Factors to be examined include, but are not limited to, the following:

- a. Housing;
- b. Public services;
- c. Environmental factors, such as noise, air and water quality, terrestrial and aquatic flora and fauna, glare, odor, shadows and energy conservation;
- d. Pedestrian safety;
- e. Manufacturing activity;
- f. Employment activity;
- g. Character of areas recognized for architectural or historic value;
- h. Shoreline view, public access and recreation;
- i. Service capacities. Development which can be reasonably anticipated based on the proposed development potential shall not exceed the service capacities which can reasonably be anticipated in the area, including: street access to the area; street capacity in the area; transit service; parking capacity; utility and sewer capacity; shoreline navigation.

9. Changed Circumstances. Consideration of changed circumstances shall be limited to elements or conditions included in the criteria for the relevant zone designations in the Zoning Code;

10. Critical Areas. If the area is located in or adjacent to a critical area, the effect of the rezone on the critical area shall be considered.

Section 7. A new Section 18.40.115 is hereby added to the Edgewood Municipal Code, which shall read as follows:

18.40.115 Conditioning. A Quasi-Judicial Map Amendment may be conditioned based on the criteria set forth in 18.40.114 and RCW 43.21C.060 (SEPA). Conditions shall be included in a Development Agreement recorded against the subject property.

Section 8. A new Section 18.40.116 is hereby added to the Edgewood Municipal Code, which shall read as follows:

18.40.116 Deadline for Final Decision. A Quasi-Judicial Map Amendment shall be approved, approved with conditions or denied within one hundred-twenty (120) days after the application has been determined complete.

Section 9. A new Section 18.40.117 is hereby added to the Edgewood Municipal Code, which shall read as follows:

18.40.117 Expiration.

A. A Quasi-Judicial Amendment approval with or without a development agreement shall expire three years from the effective date of the approval, unless;

1. If, prior to the end of the three-year period, a complete application is filed for a building permit that is subsequently issued; or
2. Another time for expiration is specified in the final decision or development agreement.

B. When a Quasi-Judicial Amendment expires, the Official Land Use Map shall be amended so that the zoning designation in effect immediately prior to the approval shall re-apply to the subject property, except as otherwise expressly provided in the original ordinance adopting the Quasi-Judicial Amendment.

Section 10. Severability. If any section, sentence, clause or phrase of this Ordinance should be held to be unconstitutional or unlawful by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 11. Publication. This Ordinance shall be published by an approved summary consisting of the title.

Section 12. Effective Date. This Ordinance shall take effect and be in full force immediately upon passage, having received the vote of a majority plus one of the entire Council.

PASSED BY THE CITY COUNCIL OF THE CITY OF EDGEWOOD THIS 23rd DAY OF MAY, 2017.

Daryl Eidinger, Mayor

AUTHENTICATED:

Rachel Pitzel, City Clerk

DRAFT 4/24/17

APPROVED AS TO FORM:

Carol Morris, City Attorney

DRAFT



**CITY OF EDGEWOOD
STAFF REPORT**

STUDY SESSION AGENDA ITEM: Building Code Enforcement

Date: May 2, 2017

Title: Building Code Enforcement

Attachments: Draft Building Code Enforcement Ordinance

Submitted By: Aaron C. Nix, ACA – Municipal Services

Approved For Agenda By: Daryl Eiding, Mayor

Discussion: The City's code enforcement provisions defer to either Pierce County or State law provisions that are somewhat general in most instances and do not typically outline sufficient processes or appeal procedures that are appropriate for the needs of the City of Edgewood. Staff/City Attorney have begun drafting language for consideration by the Mayor and City Council as it pertains to code enforcement provisions as it relates to Edgewood's Building Code. A draft version/Ordinance has been included for the Council's initial consideration, of which Staff will review and go over at the study session slated for May 2nd.

Recommendation: N/A

Fiscal Impact: N/A

DRAFT 4/24/17

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF EDGEWOOD, WASHINGTON, RELATING TO BUILDING CODE ENFORCEMENT, ADOPTING NEW BUILDING CODE ENFORCEMENT PROCEDURES WHICH DESCRIBE VIOLATIONS, EXPLAIN THE PROCESS FOR INVESTIGATION AND ENFORCEMENT OF VIOLATIONS, LISTING THE ELEMENTS OF A NOTICE OF VIOLATION, DESCRIBING THE PROCEDURES FOR ISSUANCE AND SERVICE OF NOTICES OF VIOLATION, STOP WORK ORDERS AND EMERGENCY ORDERS, PROVIDING FOR HEARINGS ON APPEALS, DESCRIBING THE HEARING PROCESS, **SETTING** PENALTIES FOR VIOLATIONS, REPEALING PREVIOUS CODE ENFORCEMENT PROCEDURES IN _____, AND ADDING A NEW CHAPTER 16. TO THE EDGEWOOD MUNICIPAL CODE.

Comment [cm1]: This title needs to be amended

WHEREAS, the City has decided to update its Building Code enforcement procedures; and

WHEREAS, the City SEPA Responsible Official has determined that this Ordinance is categorically exempt from SEPA as affecting only procedural and no substantive standards, pursuant to WAC 197-11-800(19); and

WHEREAS, on _____, 2017, the Planning Commission held a public hearing on this Ordinance and made a recommendation of _____ to the City Council; and

WHEREAS, the City Council considered this Ordinance during its regular City Council meetings on _____ and _____, Now, Therefore,

THE CITY COUNCIL OF THE CITY OF EDGEWOOD, WASHINGTON, ORDAINS
AS FOLLOWS:

Section 1. Section 15.05.050(O) of the Edgewood Municipal Code, which amends

Section 110.6 of the International Building Code, is hereby amended to read as follows:

110.6 Approval Required. Work shall not be done beyond the point indicated in each successive inspection without first obtaining the approval of the Building Official. The Building Official, upon notification, shall make the requested inspections and shall either indicate that portion of the construction is satisfactory as completed, or shall notify the permit holder or an agent of the permit holder wherein the same fails to comply with this Code. Any portions that do not comply shall be corrected and such portion shall not be covered or concealed until authorized by the Building Official.

~~There shall be a final inspection and approval and issuance of a Certificate of Occupancy for all buildings and structures when completed and ready for occupancy or use. Buildings that have not received a final approval shall not be occupied without written approval of the Building Official and Fire Chief.~~

Section 2. Section 15.05.050(Q) of the Edgewood Municipal Code, which amends

Section 111.5 of the International Building Code, is hereby amended to read as follows:

111.5 Violation of requirements of certificate of occupancy. The City Council affirms that the issuance of any certificate of occupancy is of vital importance in the safeguarding of life safety, property, safety and health of occupants of any structure; and further, that the enforcement of all City development regulations is of vital importance to the City's economic vitality and the public good. Any person allowing a building to be occupied without a certificate of occupancy first being issued as required by this Chapter shall be in violation of this Chapter, ~~and shall be assessed a civil penalty not to exceed \$500. Such person shall also be guilty of a gross misdemeanor punishable by a criminal penalty not to exceed \$5,000 and/or one year imprisonment. Each day that a building is occupied without a certificate of occupancy shall be a separate violation.~~

Section 3. Section 114.4 of the International Building Code is hereby amended to read as follows:

114.4 Violations. Any person who violates a provision of this code or fails to comply with any of the requirements thereof or who erects, constructs, alters or repairs a building or structure in violation of the approved construction documents or directive of the building official, or of a permit or certificate issued under the provisions of this code, shall be subject to the enforcement procedures and

penalties as set forth in chapter 16. ~~EMC. Shall be subject to a civil penalty in the amount of \$ — per day for each violation. Each day that a violation continues after due notice has been served shall be deemed a separate offense.~~

Section 4. Section 15.05.050(S) of the Edgewood Municipal Code, which amends Section 115.3 of the International Building Code, is hereby amended to read as follows:

115.3 Unlawful continuance. ~~It is unlawful for any person who to continues any work after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall be assessed a civil penalty not to exceed \$500. Such person shall also be guilty of a gross misdemeanor punishable by a criminal penalty not to exceed \$5,000 and/or one year imprisonment. Each day that work continues after a person has been served with a stop work order shall be a separate violation.~~

Section 5. Section 15.05.060(E) of the Edgewood Municipal Code, which amends Section R106.1 of the International Residential Code, is hereby amended to read as follows:

R106.1 Submittal Documents. ~~In addition to the materials required by RCW 19.27.095 for a complete building permit application, plans, specifications, engineering calculations, diagrams, soil investigation reports, environmental data pertaining to any Critical Area designation as required by EMC Title 14, special inspection and structural observation programs and other data shall constitute the submittal documents and shall be submitted in one or more sets with each application for a permit. When such plans are not prepared by a licensed architect, geologist, or engineer, the Building Official may require that the applicant submitting such plans or other data demonstrate that state law does not require that the plans be prepared by a licensed architect, geologist or engineer. The Building Official may require plans, computations and specifications to be prepared and designed by an engineer, geologist or architect licensed by the state to practice as such, even if not required by state law.~~

Each sheet of plans must bear the seal and signature of the architect, geologist, or engineer who prepared the plans and specifications. Such architect, geologist or engineer must be qualified in the proposed work and authorized for such practice in the state of Washington. Further, plans, computations and specifications for all structural design work must bear the seal and signature of and be prepared and designed by (or under the direct supervision of) an architect, geologist or structural engineer authorized to practice as such in the state of Washington. However, the Building Official may accept the design of a professional engineer for assembly line products or designed specialty structural products.

Section 6. Section 15.05.060(L) of the Edgewood Municipal Code, which amends

Section R113.4 of the International Residential Code, is hereby amended to read as follows:

R113.4 Violation Penalties. Any person who erects, constructs, alters or repairs a building or a structure in violation of this Code, shall be subject to the enforcement procedures and penalties set forth in chapter 16. . EMC. In addition, any person who erects, constructs, alters or repairs a building or a structure before obtaining the necessary permits required by this Code, or fails to obtain a permit when otherwise required by this Code, shall be subject to a \$500 Administrative Compliance Fee or an investigation fee equal to the permit fee as required by this Code, whichever may be greater in addition to all other applicable remedies and penalties. The \$500 Administrative Compliance Fee or the investigation fee shall be in addition to the required permit fees.

Section 7. Section 15.05.060(M) of the Edgewood Municipal Code, which amends

Section R114.2 of the International Residential Code, is hereby amended to read as follows:

R114.2 Unlawful Continuance. Any person who continues any work in or about the structure after having been served with a stop work order, except such work as that person is directed to perform to remove an unsafe condition, shall be subject to the enforcement procedures and penalties set forth in chapter 16. . ~~Assessed a civil penalty not to exceed \$500. Such person shall also be guilty of a gross misdemeanor punishable by a criminal penalty not to exceed \$5,000 and/or one year imprisonment. Each day that work continues after a person has been served with a stop work order shall be a separate violation.~~

Section 8. Section 15.05.080(C) of the Edgewood Municipal Code, which amends

Section 106.3 of the Uniform Plumbing Code, is hereby amended to read as follows:

106.3 Penalties. Any person, firm or corporation violating any provision of this Code shall be ~~deemed guilty of a Civil Infraction as specified in EMC Title 16.~~ subject to the enforcement procedures and penalties as set forth in chapter 16. EMC.

Section 9. Section 15.05.080(D) of the Edgewood Municipal Code, which amends

Section 107.3 of the Uniform Plumbing Code, shall be amended to read as follows:

107.3 Appeals. Appeals of final orders or decisions made by the building official under the Uniform Plumbing Code shall be processed according to the procedures set forth in chapter 16. . ~~The hearing examiner shall hear and decide appeals of orders, decisions or determinations made by the building official relative to the application and interpretation of UPC as amended in accordance with chapter 2.40 EMC. The appellant shall pay the fee required pursuant to the City's currently adopted fee schedule, as may be amended from time to time. An application for appeal shall be based on the claim that the true intent of the UPC as amended or the rules legally adopted thereunder have been incorrectly interpreted, the provisions of the UPC as amended do not fully apply or an equally good or better form of construction is proposed. The hearing examiner shall have no authority to waive requirements of the UPC as amended.~~

Section 10. Section 15.05.090(E) of the Edgewood Municipal Code, which amends Section 108.4 of the International Mechanical Code, is hereby amended to read as follows:

108.4 Violation -- Penalties. Persons who shall violate a provision of this Code or shall fail to comply with any of the requirements thereof or who shall erect, install, alter or repair mechanical work in violation of the approved construction documents or directive of the Code Official, or of a permit or certificate issued under the provisions of this Code, shall be subject to the enforcement procedures and penalties in chapter 16. EMC. ~~guilty of a civil infraction, as specified in EMC Title 18.~~

Section 11. Section 15.05.090(F) of the Edgewood Municipal Code, which amends Section 109.1 of the International Mechanical Code, is hereby amended to read as follows:

109.1 Application for Appeals. Appeals of final orders or decisions made by the building official under the International Mechanical Code shall be processed according to the procedures set forth in chapter 16. . ~~The hearing examiner shall hear and decide appeals of orders, decisions or determinations made by the building official relative to the application and interpretation of this Code as amended in accordance with chapter 2.40 EMC. The appellant shall pay the fee required pursuant to the City's currently adopted fee schedule, as may be amended from time to time. An application for appeal shall be based on a claim that the true intent of this Code as amended or the rules legally adopted thereunder have been incorrectly interpreted, the provisions of this Code as amended do not fully apply or an equally good or better form of construction is proposed. The hearing examiner shall have no authority to waive requirements of this Code as amended. References made to the board of appeals or decision of the~~

~~board, IMC 109.2 through 109.6.2 shall mean hearing examiner or decision of the hearing examiner.~~

Section 12. Section 15.05.100(D) of the Edgewood Municipal Code, which amends Section 106.4 of the International Property Maintenance Code, is hereby amended to read as follows:

106.4 Violation penalties. Any person who shall violate a provision of this code, or fail to comply therewith, shall be subject to the enforcement procedures and penalties set forth in chapter 16. EMC. In addition, any person who violates a provision of this code by erecting, constructing, altering or repairing a building or structure before obtaining the necessary permits required by this Code shall be subject to a \$500 Administrative Compliance Fee or an investigation fee equal to the permit fee as required by this Code, whichever may be greater in addition to all other applicable remedies and penalties. The \$500 Administrative Compliance Fee or the investigation fee shall be in addition to the required permit fees.

Section 13. Section 15.05.100(E) of the Edgewood Municipal Code, which amends Section 109.6 of the International Property Maintenance Code, is hereby amended to read as follows:

109.6 Hearing. Hearings on any final order or decision made by city officials relative to the application and interpretation of the IPMC shall follow the procedures set forth in chapter 16. EMC. ~~Any person required to take emergency measures shall comply with such order forthwith. Any affected person may request an appeal using the procedures specified in Chapter 2.40 EMC. The applicant shall first file an appeal with the required processing fee with the Department of Community Development, whereupon a hearing date will be scheduled. The Hearing Examiner will render his decision within 10 days of the closing of the hearing.~~

Section 14. Section 15.05.100(F) of the Edgewood Municipal Code, which amends Section 111.1 of the International Property Maintenance Code, is hereby amended to read as follows:

111.1 Application for Appeals. Appeals of any final order or decision made by city officials relative to the application and interpretation of the IPMC shall follow the procedures set forth in chapter 16. EMC. The hearing examiner shall hear and decide appeals of orders, decisions or determinations made by city officials relative to the application and interpretation of the PMC as amended in accordance with chapter 2.40 EMC. The appellant shall pay the fee required pursuant to the City's currently adopted fee schedule, as may be amended from time to time.

Section 15. Section 15.05.110(C) of the Edgewood Municipal Code, which amends

Section 108.1 of the International Fire Code, is hereby amended to read as follows:

108.1 Board of Appeals established. ~~In order to decide appeals of orders, decisions, or determinations made by the fire code official relative to the application and interpretation of this code, there is hereby created an appeals process for administrative decisions consisting of the hearing examiner as appointed by the City. The hearing examiner and appellant will use the procedures already specified in chapter 2.40 EMC, and shall render his decision within 10 days of the closing of the hearing. The applicant or aggrieved party shall first file an appeal, including the required processing fee, to the Department of Community Development. Appeals of any final order or decision made by the fire code official relative to the application and interpretation of the IFC shall follow the procedures set forth in chapter 16. EMC.~~

Section 16. Section 15.05.110(C) of the Edgewood Municipal Code, which amends

Section 109.3 of the International Fire Code, is hereby amended to read as follows:

109.3 Violation penalties. Persons who shall violate a provision of this code or shall fail to comply with any of the requirements thereof or who shall erect, install, alter, repair or do work in violation of the approved construction documents or directive of the fire code official, or of a permit or certificate used under the provisions of this code, shall be subject to the enforcement procedures and penalties set forth in chapter 16. EMC. ~~shall be guilty of a civil infraction as specified in Edgewood Municipal Code (EMC) 18.30.130.~~

Section 17. Section 15.05.110(C) of the Edgewood Municipal Code, which amends

Section 111.1 of the International Fire Code, is hereby amended to read as follows:

111.1 Stop Work Order. ~~The fire code official or building code official may issue a stop work order under the circumstances described in EMC Section 16. _____, and shall follow the procedures in chapter 16. _____ for issuance and appeals. Whenever the fire code official or building code official finds any work regulated by this code being performed in a manner contrary to the provisions of this code or in a dangerous or unsafe manner, the fire code official or building code official is authorized to issue a stop work order.~~

Section 18. Section 15.05.110(C) of the Edgewood Municipal Code, which amends Section 111.4 of the International Fire Code, is hereby amended to read as follows:

111.4 Failure to Comply. Any person who continues any work after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall be subject to the enforcement procedures and penalties set forth in chapter 16. _____ EMC. ~~assessed a civil penalty not to exceed \$500. Such person shall also be guilty of a gross misdemeanor punishable by a criminal penalty not to exceed \$5,000 and/or one year imprisonment. Each day that work continues after a person has been served with a stop work order shall be a separate violation.~~

Section 19. A new Chapter _____ is hereby added to the _____ Municipal Code, which shall read as follows:

Chapter 16. ENFORCEMENT

Sections:

- 15.25.001 **Intent.**
- 15.25.002 **Violations.**
- 15.25.003 **Responsibility to Enforce.**
- 15.25.004 **Investigation and Notice of Violation.**
- 15.25.005 **Time to Comply.**
- 15.25.006 **Stop Work Order.**
- 15.25.007 **Emergency Order**
- 15.25.008 **Appeals.**
- 15.25.009 **Appeal Hearing.**
- 15.25.010 **Civil Penalty.**
- 15.25.011 **Criminal Penalties.**
- 15.25.012 **Additional Relief.**
- 15.25.013 **Penalties for Subdivision Violations.**

15.25.001 Intent. This chapter shall be enforced for the benefit of the health, safety and welfare of the general public, and not for the benefit of any particular person or class of persons. It is the intent of this chapter to place the obligation of complying with its requirements upon the owner, occupier or other person responsible for the condition of the land and buildings within the scope of the Zoning Code, Title 15 and the Subdivision Code, Title 14. No provision of, or any term used in this chapter, is intended to impose any duty to enforce, or any other duty upon the City or any of its officers or employees which would subject them to damages in a civil action.

15.25.002 Violations.

A. It is a violation of the Zoning Code, Title 15, and the Subdivision Code, Title 14, for any person to initiate, maintain or cause to be initiated or maintained, the use of any structure, land or property within the City, without first obtaining the permits or authorizations required for the use by the aforementioned codes.

B. It is a violation of the Zoning Code, Title 15, and the Subdivision Code, Title 14, for any person to use, construct, locate, demolish or cause to be used, constructed, located, or demolished any structure, land or property within the City, in any manner that is not permitted by the terms of any permit or authorization issued pursuant to the aforementioned Titles; provided, that the terms or conditions are explicitly stated on the permit or the approved plans.

C. In addition to the above, it is a violation of Titles 15 and 14 to:

1. Remove or deface any sign, notice, complaint or order required by or posted in accordance with the aforementioned Titles; and
2. To misrepresent any material fact in any application, plans or other information submitted to obtain any building or construction authorization.

15.25.003 Responsibility to enforce.

A. The Community Development Director shall have the responsibility to enforce this Chapter. The Director may call upon the police, fire, building, public works or other appropriate City departments to assist in enforcement. As used in this chapter, "Community Development Director" or "Director" shall also mean his or her duly authorized representative.

B. Upon presentation of proper credentials, the Director may, with the consent of the owner or occupier of a building or premises, or pursuant to a lawfully issued inspection warrant, enter at reasonable times any building or premises subject to the consent or warrant, in order to perform the responsibilities imposed by this Chapter.

15.25.004 Investigation and Notice of Violation.

A. Investigation. The Director is authorized to investigate any structure or use which he/she reasonably believes does not comply with the standards and requirements of the Zoning Code, Title 15 or the Subdivision Code, Title 14.

B. Notice of Violation. If, after investigation, the Director determines that the standards or requirements of the Zoning Code, Title 15, and the Subdivision Code, Title 14 or the provisions of this chapter have been violated, the Director may serve a Notice of Violation upon the owner, tenant or other person responsible for the condition. The Notice of Violation shall contain the following information:

1. The name and address of the person to whom it is directed;
2. The location and specific description of the violation;
3. A statement that the Notice (or Order, in the case of a Stop Work or Emergency Order) is effective immediately upon posting at the site and/or receipt by the person to whom it is directed;
4. The Notice of Violation may include or reference a Stop Work Order or Emergency Order requiring that the violation immediately cease, or that the potential violation be avoided;
5. The Notice of Violation may include or reference a Stop Work or Emergency Order requiring that the person cease all work on the premises until correction and/or remediation of the violation as specified in the Order;
6. A specific identification of each standard, code provision or requirement violated;
7. A specific description of the actions required to correct, remedy or avoid the violation or to comply with the standards, code provision or requirements, including but not limited to, replacement, repair, supplementation, re-vegetation or restoration;
8. A reasonable time for compliance;
9. A statement that the violation may result in the imposition of penalties, and if the violation is not already subject to criminal prosecution, that any subsequent violations may result in criminal prosecution as provided in Section 15.25.011 (or 15.25.013 for subdivision violations);
10. A statement that failure to comply with the Notice of Violation may result in further enforcement actions, including issuance of additional Notices of Violation, civil fines and criminal penalties; and
11. A statement that the Notice of Violation represents a determination that a violation has been committed by the person named in the Notice of Violation, and that

the determination shall be final unless appealed as provided in Section 15.25.008, and that the appeal must be timely filed under the procedures set forth in 15.25.008(E) (within 15 calendar days of service of the Notice of Violation).

C. Each Day a Separate Violation. Each day a person or entity fails to comply with the code provision cited in the Notice of Violation may be considered a separate violation for which a citation may be issued.

D. Service. The Notice of Violation shall be served on the owner, tenant or other person responsible for the condition in the manner set forth in RCW 4.28.080 for service of a summons, or personally, as set forth in RCW 4.28.080(15). In lieu of service under RCW 4.28.080(15), where the person cannot with reasonable diligence be served as described, the Notice of Violation may be served as provided in RCW 4.28.080(16).

E. Posting. A copy of the Notice of Violation shall be posted at a conspicuous place on the property, unless posting the notice is not physically possible.

F. Other Actions May Be Taken. Nothing in this chapter shall be deemed to limit or preclude any action or proceeding pursuant to Sections 15.25.006 (Stop Work Order), 15.25.007 (Emergency Order), 15.25.010 (Civil Penalty), 15.25.011 (Criminal Penalties), 15.25.012 (Additional Relief), or 15.25.013 (Subdivision Violations).

G. Additional Notice to Others. The Director may mail, or cause to be delivered to all residential and/or nonresidential rental units in the structure, or post at a conspicuous place on the property, a notice which informs each recipient or resident about the Notice of Violation, Stop Work Order or Emergency Order and the applicable requirements and procedures.

H. Recording. A copy of the Notice of Violation may be filed with the County Auditor when the responsible party fails to correct the violation and no appeal is filed, or the Director requests that the City Attorney take appropriate enforcement action. The Director may choose not to file a copy of the Notice or Order if the Notice or Order is directed only to a responsible person other than the owner of the property.

I. Amendment. A Notice or Order may be amended at any time in order to:

1. Correct clerical errors; or
2. Cite additional authority for a stated violation.

15.25.005 Time to comply. When calculating a reasonable time for compliance in the Notice of Violation, the Director shall consider the following criteria:

- A. The type and degree of violation cited in the Notice;
- B. The stated intent, if any, of a responsible party to take steps to comply;

- C. The procedural requirements for obtaining a permit to carry out corrective action;
- D. The complexity of the corrective action, including seasonal considerations, construction requirements and the legal prerogatives of landlords and tenants; and
- E. Any other circumstances beyond the control of the responsible party.

15.25.006 Stop Work Order.

A. Whenever a continuing violation of Titles 15 or 14 will materially impair the Director's ability to secure compliance, or when the continuing violation threatens the health or safety of the public, the Director has the authority to issue a Stop Work Order prohibiting any work or other activity at the site. The Stop Work Order shall be in writing and served upon persons engaged in doing such work or causing such work to be done. The Stop Work Order shall be immediately posted on the property. Failure to comply with a Stop Work Order shall constitute a violation of this chapter.

B. The Stop Work Order shall include the information in Section 15.25.004(B)(1) through (8). In addition, the Stop Work Order shall include a statement that the person to whom the Stop Work Order is directed or the property owner may file an appeal and request an expedited hearing with the Hearing Examiner within seven (7) calendar days after service of the Stop Work Order. If no appeal is filed and compliance is not achieved within the compliance date, the Director may ask the City Attorney to seek additional relief under Section 15.25.012 and/or the Director may file a Notice of Violation for the violation pursuant to 15.25.004, seeking compliance and describing penalties.

C. Expedited appeal. The Hearing Examiner shall hold the expedited appeal hearing on a Stop Work Order according to the applicable procedures in Section 15.26.009. If the Hearing Examiner finds that a violation has occurred which has not been corrected by the deadline established for compliance, the Director may ask the City Attorney to seek additional relief under Section 15.25.012 and/or the Director may issue a Notice of Violation for the violation pursuant to 15.25.004, describing penalties.

15.25.007 Emergency order.

A. Whenever any use or activity in violation of Title 15 or Title 14 threatens the health and safety of the occupants of the premises or any member of the public, the Director has the authority to issue an Emergency Order directing that the use or activity be discontinued and the condition causing the threat to the public health and safety be corrected. The Emergency Order shall be immediately posted on the property and served on the person(s) responsible. Failure to comply with an Emergency Order shall constitute a violation of this Chapter.

B. The Emergency Order shall include all of the information in Section 15.25.004(B)(1) through (8). In addition, the Emergency Order shall include a statement that the person to whom the Emergency Order is directed may file an appeal and request an expedited

hearing with the Hearing Examiner within seven (7) calendar days after service or posting of the Emergency Order. If no appeal is filed and compliance is not achieved, the Director may ask the City Attorney to seek additional relief under Section 15.25.012 and/or the Director may issue a Notice of Violation pursuant to 15.25.004, seeking compliance and penalties.

C. **Expedited appeal.** The Hearing Examiner shall hold the expedited appeal hearing on an Emergency Order according to the applicable procedures in 15.26.009. If the Hearing Examiner finds that the violation described in the Emergency Order occurred or exist, any condition described in the Emergency Order which is not corrected within the time specified is hereby declared to be a public nuisance and the Director may ask that the City Attorney take action to obtain a warrant of abatement for the property in Superior Court. The owner or person responsible (or both) shall be responsible for the costs associated with the abatement, in the manner provided by law.

15.25.008 Appeals.

A. No appeal of a Notice of Violation citing criminal penalties. There is no administrative appeal of a Notice of Violation issued pursuant to 15.25.004 for violations which would subject the violator to criminal prosecution and/or the imposition of criminal penalties. A Notice of Violation or citation for a violation that subjects the violator to criminal penalties is enforced in municipal court.

B. Expedited Appeal Hearings on Stop Work and Emergency Orders. An expedited public hearing shall be held by the Hearing Examiner, according to the procedures in this Section, on an appeal of a Stop Work or Emergency Order, regardless of whether the violations described in the Stop Work Order or Emergency Order would eventually subject the violator to civil or criminal prosecution and/or the imposition of civil or criminal penalties. The expedited appeal hearing shall be for the sole purpose of determining whether the Stop Work or Emergency Order was correctly issued and/or whether a violation occurred. If a violation occurred, the Director may issue a Notice of Violation.

C. Appeal Hearings on Notices of Violations Citing Civil Penalties. Unless an appeal of a Notice of Violation is filed with the Director in accordance with this Section, or an appeal involving an expedited hearing is filed, the Notice of Violation shall become the Final Order of the Director. The Final Order, including the collection of penalties, may be enforced by the City Attorney in Superior Court.

D. Standing to file appeal.

1. *Notice of Violation.* Only parties of record have standing to file an appeal of a Notice of Violation. Parties of record are defined to mean:

- a. The property owner or the person responsible for the condition of the property;

- b. Any person who can demonstrate that he/she is aggrieved by the decision; and
- c. The City Council.

2. *Stop Work Order and Emergency Order.* Only the property owner or the person responsible for the condition of the property may request an expedited appeal hearing for a Stop Work Order or Emergency order.

E. Time to file appeal.

- 1. Notice of Violation under 15.25.004. The party of record must file an appeal with the Director within fifteen (15) calendar days of service of the Notice of Violation.
- 2. Stop Work or Emergency Orders under 15.25.006 or 15.25.007. The property owner or the person responsible for the condition of the property may request an expedited appeal hearing within seven (7) calendar days after service of the Stop Work or Emergency Order.
- 3. Computing deadline for filing appeal. For purposes of computing the time for filing an appeal, the day the decision issued shall not be counted. If the last day of the deadline for filing the appeal is a Saturday, Sunday or holiday designated by RCW 1.16.050 or city ordinance, then the appeal must be filed on the next business day. Appeals shall be delivered to the Director by mail, by personal delivery or by fax before 5:00 p.m. on the last business day of the appeal period. Appeals received by mail after 5:00 p.m. on the last day of the appeal period will not be accepted, no matter when such appeals were mailed or postmarked.

E. Content of appeal. Appeals shall be in writing, be accompanied by the required appeal fee, and contain the following information:

- 1. Appellant's name, address and phone number;
- 2. A statement describing appellant's standing to appeal;
- 3. Appellant's statement of grounds for appeal and the facts upon which the appeal is based with specific references to the facts in the record;
- 4. The specific relief sought;
- 5. A statement that the appellant has read the appeal and believe the contents to be true, followed by the appellant's signature.

F. Effect. The timely filing of an appeal shall stay any enforcement action based on a Stop Work Order, Emergency Order or Notice of Violation until the Hearing Examiner's

decision issues unless the Director finds that the violation causes an immediate threat to public health or safety.

15.25.009 Appeal Hearing.

A. The public hearing on an appeal shall include the following elements and be conducted as follows:

1. The Hearing Examiner shall set the time and place of the hearing, and arrange for notice of the public hearing to be provided, except in cases involving an expedited hearing. For expedited hearings, notice of the hearing shall be provided to the appellant and every reasonable effort shall be made to schedule the hearing within one week after receipt of the appeal.
2. A party to the hearing may participate personally or by an attorney.
4. The Hearing Examiner shall, at the appropriate stage in the proceeding, give all parties full opportunity to submit and respond to motions and file briefs and objections.
5. If the person requesting the hearing fails to attend or participate in the hearing (other than filing the timely request for an appeal hearing as provided in this chapter), the Hearing Examiner may issue a default order of dismissal.
6. To the extent necessary for full disclosure of all relevant facts and issues, the Hearing Examiner shall afford to all parties the opportunity to respond, present evidence and argument, conduct cross-examination and submit rebuttal evidence.
7. The Hearing Examiner shall cause the hearing to be recorded by a method chosen by the City, which shall allow preparation of a verbatim transcript.
8. The hearing shall be open to public observation.
9. All testimony of parties and witnesses shall be made under oath or affirmation.
10. Ex parte communications shall be addressed as set forth in chapter 42.36 RCW.
11. The scope and standard of review shall be de novo. The City shall have the initial burden of proof in cases involving notices of violation, stop work orders, emergency orders or penalties, to demonstrate by a preponderance of the evidence the existence of a violation or that the legal standard for imposing the penalty has been met. The Examiner shall grant substantial weight or otherwise accord deference whenever directed by ordinance or statute.

12. After the conclusion of the public hearing, the Hearing Examiner may allow the parties a designated time for the submission of memos, briefs or proposed findings, as long as the Hearing Examiner can still issue his/her final decision according to any applicable deadline established by this chapter.

13. At or after the appeal hearing on a Notice of Violation, the Hearing Examiner may:

- (a) Sustain the notice of violation;
- (b) Withdraw the notice of violation;
- (c) Continue the review to a date certain for receipt of additional information;
- (d) Modify the notice of violation, which may include an extension of the compliance date.

D. Except with regard to expedited hearings, the Hearing Examiner shall issue written findings of fact and conclusions of law within 10 calendar days of the date of the completion of the hearing and shall cause the same to be mailed by regular first class mail to the person(s) named on the notice of violation, mailed to the complainant, if possible. A copy of the final decision may be recorded against the property in the County Auditor's office. The decision on expedited hearings shall issue within five (5) business days after the completion of the hearing.

E. The decision of the Hearing Examiner on appeal shall be final, and no further administrative appeal may be filed. In order to appeal the decision of the Hearing Examiner, a person with standing must file an appeal of the decision to superior court as provided under Chapter 36.70C RCW within the deadline set forth in RCW 36.70C.040.

15.25.010 Civil Penalty.

A. In addition to any other sanction or remedial procedure which may be available, any person violating or failing to comply with any of the provisions of this chapter relating to the Zoning Code (Title 15), shall be subject to a cumulative penalty in the amount of ____ hundred dollars (\$____.00) per day for each violation from the date set for compliance until compliance is achieved. Each day of noncompliance shall constitute a separate offense.

B. The penalty imposed by this section shall be collected by civil action brought in the name of the City. The Director shall notify the City Attorney in writing of the name of any person subject to the penalty, and the City Attorney shall, with the assistance of the Director, take appropriate action to collect the penalty.

C. The violator may show as full or partial mitigation of liability:

1. That the violation giving rise to the action was caused by the willful act, or neglect, or abuse of another; or

2. That correction of the violation was commenced promptly upon receipt of the notice thereof, but that full compliance within the time specified was prevented by inability to obtain necessary materials or labor, inability to gain access to the subject structure, or other condition or circumstance beyond the control of the defendant.

15.25.011 Criminal penalties.

A. Any person violating or failing to comply with any of the provisions of this chapter or the Zoning Code (Title 15) who has had a judgment entered against him or her pursuant to 15.25.010 or 15.25.011(B) for the same violation within the past five years shall be subject to criminal prosecution and upon conviction of a subsequent violation shall be fined in a sum not exceeding five thousand dollars (\$5,000) or be imprisoned for a term not exceeding one year or be both fined and imprisoned. Each day of noncompliance shall constitute a separate offense.

B. The above criminal penalty may also be imposed:

1. For any other violation of this chapter or the Zoning Code, Title 15, for which corrective action is not possible; and

2. For any willful, intentional, or bad faith failure or refusal to comply with the standards or requirements of this chapter or the Zoning Code, Title 15.

15.25.012 Additional relief.

The Director may seek legal or equitable relief to enjoin any acts or practices and abate any condition which constitutes or will constitute a violation of the Zoning Code, Title 15 or Title 14, the Subdivision Code, when civil or criminal penalties are inadequate to effect compliance.

15.25.013 Penalties for Subdivision Violations.

A. Any person, firm, corporation or association or any agency or any person, firm, corporation or association who violates any provision of Subdivisions, Title 14, relating to the sale, offer for sale, lease or transfer of any lot, tract, or parcel of land, shall be guilty of a gross misdemeanor and each sale, offer for sale, lease or transfer of each separate lot, tract or parcel of land in violation of any provision of Subdivisions, Title 14, shall be deemed a separate and distinct offense and subject to a separate citation.

B. Whenever land within a subdivision granted final approval is used in a manner or for a purpose which violates any provision of Subdivisions, Title 14, or any condition of plat approval prescribed for the plat by the city, the City Attorney may commence an action to restrain and enjoin such use and compel compliance with the provisions of Subdivisions, Title

14, or with such terms and conditions. The costs of such action shall be taxed against the violator.

Section 3. Publication. This Ordinance shall be published by an approved summary consisting of the title.

Section 4. Severability. If any section, sentence, clause or phrase of this Ordinance should be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 5. Effective Date. This Ordinance shall become effective five days after publication as provided by law.

ADOPTED by the City Council of the City of _____, signed by the Mayor and attested by the City Clerk in authentication of such passage on this ____ day of _____, 201__.

_____ Mayor

ATTEST/AUTHENTICATED:

City Clerk

APPROVED AS TO FORM:

City Attorney



**CITY OF EDGEWOOD
STAFF REPORT**

STUDY SESSION AGENDA ITEM: Transportation Concurrency Ordinance

Date: May 2, 2017

Title: Transportation Concurrency Ordinance

Attachments: Transportation Concurrency Ordinance, Edgewood TIA Guidelines and Planning Commission Recommendation (Dated April 17, 2017)

Submitted By: Aaron C. Nix, ACA – Municipal Services

Approved For Agenda By: Daryl Eiding, Mayor

Discussion: Transportation Concurrency is a significant item that faces many jurisdictions planning under the Growth Management Act in the Puget Sound area in the State of Washington. The City of Edgewood's current Municipal Code is somewhat silent on specifics in regard to this issue and Staff and the City Attorney have worked on revising this language in order to make it clearer not only for Staff and the Development Community, but to allow the Citizens of Edgewood to gain a better perspective on what is required in meeting this GMA mandate, timing, deadlines and the materials needed in order to fulfill the reporting functions of this process. These draft materials have made their way through the City's Planning Commission, including a Public Hearing and the attached recommendation for the Council's consideration and next steps.

Recommendation: Move that Ordinance 17-XXXX, Transportation Concurrency Ordinance, be forwarded to the full City Council's May 9, 2017 meeting for consideration of adoption.

Fiscal Impact: N/A

DRAFT – May 2, 2017

ORDINANCE NO. 17-XXXX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EDGEWOOD, RELATING TO COMPREHENSIVE PLANNING UNDER THE GROWTH MANAGEMENT ACT, ADOPTING CONCURRENCY REGULATIONS FOR THE REVIEW OF LEGISLATIVE AND QUASI-JUDICIAL APPLICATIONS, AS MANDATED BY THE GMA FOR TRANSPORTATION FACILITIES, REPEALING SECTION 18.90.030 OF CHAPTER 18.90 AND ADOPTING A NEW CHAPTER 18.105 TO THE EDGEWOOD MUNICIPAL CODE AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the Growth Management Act (“GMA,” chapter 36.70A RCW) requires that cities planning under GMA “adopt and enforce ordinances which prohibit development approval if the development causes the level of service on a locally owned transportation facility to decline below the standards adopted in the transportation element of the comprehensive plan, unless transportation improvements or strategies to accommodate the impacts of development are made concurrent with the development (RCW 36.70A.070(6)(b));” and

WHEREAS, the City has adopted concurrency regulations in chapter/section 18.90.030 of the Edgewood Municipal Code which need to be updated; and

WHEREAS the SEPA Responsible Official has determined that this Ordinance is categorically exempt from SEPA as affecting only procedural and no substantive standards, pursuant to WAC 197-11-800(19); and

WHEREAS, the Planning Commission held a public hearing on this Ordinance on April 17, 2017, and made a recommendation of approval to the City Council; and

WHEREAS, on May 2, 2017, the City Council considered this Ordinance, together with the Planning Commission’s recommendation, during a regular Council meeting; Now, Therefore,

THE CITY COUNCIL OF THE CITY OF EDGEWOOD, WASHINGTON, ORDAINS
AS FOLLOWS:

Section 1. Section 18.90.030 of the Edgewood Municipal Code is hereby repealed.

Section 2. A new Chapter 18.105 is hereby added to the Edgewood Municipal Code,
which shall read as follows:

CHAPTER 18.105 CONCURRENCY MANAGEMENT

Sections:

18.105.010	Purpose.
18.105.020	Authority.
18.105.030	Exempt development.
18.105.040	Capacity evaluation required for a change of use.
18.105.050	Capacity evaluations required for certain rezones or comprehensive plan amendments.
18.105.060	All capacity determinations exempt from project permit processing.
18.105.070	Level of Service standards.
18.105.080	Effect of LOS standards.
18.105.090	Capacity evaluations required prior to issuance of CRC.
18.105.100	Water, transportation and sewer – Application for capacity evaluation.
18.105.110	Submission and acceptance of an application for a CRC.
18.105.120	Method of capacity evaluation.
18.105.130	Purpose of capacity reservation certificate.
18.105.140	Procedure for capacity reservation certificates.
18.105.150	Use of reserved capacity.
18.105.160	Transfer of reserved capacity.
18.105.170	Denial letter.
18.105.180	Notice of concurrency determination.
18.105.190	Expiration and extensions of time.
18.105.200	Appeals.
18.105.210	Purpose and procedure for administration.
18.105.220	Annual reporting and monitoring.
18.105.230	Road LOS monitoring and modeling.
18.105.240	Traffic impact analysis standardized format.

18.105.010 Purpose. The purpose of this Chapter is to implement the concurrency provisions of the transportation and utilities elements of the City’s comprehensive plan, the water and sewer comprehensive plans, all in accordance with RCW 36.70A.070(6)(b), consistent with WAC 365-

195-510 and 365-195-835. All applications that are not exempt (as defined herein) shall be processed under and shall comply with this Chapter, which shall be cited as the City’s “concurrency management ordinance.”

18.105.020 Authority. The Director of Public Works or his/her designee, shall be responsible for implementing and enforcing this concurrency management ordinance.

18.105.030 Exempt development.

A. No development activity (as defined in Section 18.20.070 EMC) shall be exempt from the requirements of this chapter, unless the permit is listed below. The following types of permits are not subject to the capacity reservation certificate (CRC) process because they do not create additional long-term impacts on transportation facilities:

1. Administrative interpretations;
2. Sign permit;
3. Street vacations;
4. Demolition permit;
5. Street use permit;
6. Interior alterations of a structure with no change in use;
7. Excavation/clearing permit;
8. Hydrant use permit;
9. Right-of-way permit;
10. Single-family remodeling with no change of use;
11. Plumbing permit;
12. Electrical permit;
13. Mechanical permit;
14. Excavation permit;
15. Sewer connection permit;
16. Driveway or street access permit;
17. Grading permit;
18. Tenant improvement permit;
19. Fire code permit;
20. Design review approval.

Notwithstanding the above, if any of the above permit applications will generate any new p.m. peak hour trips, require additional sewer capacity, or increase water consumption, such application shall not be exempt from the requirements of this Chapter.

B. Transportation. This Chapter shall apply to all applications for development or redevelopment if the proposal or use will generate any new p.m. peak-hour trips. Every application for development shall be accompanied by a concurrency application. Developments or redevelopments, excluding an individual single-family residence, that will generate one or more new projected vehicle trips that will pass through an intersection or roadway section identified with a level of service below the acceptable level noted in the transportation element in

the City's comprehensive plan, or that will generate 15 or more new p.m. peak hour trips shall also be required to have the City prepare a traffic report as defined in EMC Section 18.105.090.

18.105.040 Capacity evaluation required for a change in use. Any non-exempt development activity shall require a capacity evaluation in accordance with this Chapter.

A. Increased Impact on Road Facilities. If a change in use will have a greater impact on road facilities than the previous use, as determined by the Director, based on review of information submitted by the applicant and such supplemental information as available, a CRC shall be required for the net increase only. Provided that: the applicant shall provide reasonably sufficient evidence that the previous use has been actively maintained on the site during the five-year period prior to the date of application for the capacity evaluation.

B. Decreased Impact on Road Facilities. If a change in use will have an equal or lesser impact on road facilities than the previous use as determined by the Director, based on review of information submitted by the applicant and supplemental information as available, a CRC will not be required.

C. No Capacity Credit. If no use existed on the site for the five-year period prior to the date of application, no capacity credit shall be issued pursuant to this Section.

D. Demolition or Termination of Use. In the case of a demolition or termination of an existing use or structure, the capacity evaluation for future redevelopment shall be based upon the net increase of the impact on road facilities for the new or proposed land use, as compared to the land use existing prior to demolition. Provided that: such credit is utilized through a CRC within five years of the date of the issuance of the demolition permit.

18.105.050 Capacity evaluations required for certain rezones and comprehensive plan amendments. A capacity evaluation shall be required as part of any application for a comprehensive plan amendment or zoning map amendment (rezone) which, if approved, would increase the intensity or density of permitted development. As part of that capacity evaluation, the Director shall determine whether capacity is available to serve both the extent and density of development which would result from the zoning/comprehensive plan amendment. The capacity evaluation shall be submitted as part of the staff report and shall be considered by the City in determining the appropriateness of the comprehensive plan or zoning amendment.

18.105.060 All capacity determinations exempt from project permit processing. The processing of applications pursuant to the authority in this Chapter shall be exempt from project permit processing procedures as described in Chapter 18.40 of the Zoning Code, except that the appeal procedures of Chapter 18.40 shall apply as indicated in this Chapter. The City's processing of capacity determinations and resolving capacity disputes involves a different review procedure due to the necessity to perform continual monitoring of facility and service needs, to ensure continual funding of facility improvements, and to develop annual updates to the transportation and utilities elements of the comprehensive plan.

18.105.070 Level of Service Standards.

A. Generally. Level of Service (LOS) is the established minimum capacity of public facilities or services that must be provided per unit of demand or other appropriate measure of need, as mandated by chapter 36.70A RCW. LOS standards shall be used to determine if public facilities or services are adequate to support a development's impact. The concept of concurrency is based on the maintenance of specified levels of service through capacity monitoring, allocation and reservation procedures. Concurrency describes the situation in which road facilities are available when the impacts of development occur. For road facilities, this time period is statutorily established as within six years from the time of development. (See, RCW 36.70A.070(6)(b) and WAC 365-195-210.)

1. *Roads.* The City has designated levels of service for road facilities in the transportation element of the City's comprehensive plan:

- a. to conform to RCW 47.80.030 for transportation facilities subject to regional transportation plans;
- b. to reflect realistic expectations consistent with the achievement of growth aims;
- c. for road facilities according to WAC 365-195-325; and
- d. to prohibit development if concurrency for road facilities is not achieved (RCW 36.70A.070), and if sufficient public and/or private funding cannot be found, land use assumptions in the City's comprehensive plan will be reassessed to ensure that level of service standards will be met, or level of service standards will be adjusted.

18.105.080 Effect of LOS standards.

A. *Roads.* The Director shall use the LOS standards set forth in the transportation element of the City's comprehensive plan to make concurrency evaluations as part of the review of any application for a transportation concurrency reservation certificate (CRC) issued pursuant to this chapter.

18.105.090 Capacity evaluations required prior to issuance of CRC.

A. A capacity evaluation for transportation shall be required for any of the nonexempt activities identified in Section 18.105.030 of this chapter.

B. The Director shall utilize the requirements in Sections 18.105.070 through 18.105.080 to conduct a capacity evaluation prior to issuance of a CRC. In addition to the requirements set forth in these sections, the Director may also utilize state law or the Washington Administrative Code, or such other rules regarding concurrency, which may be established from time to time by administrative rule. In cases where LOS standards do not apply, the Director shall have the authority to utilize other factors in preparing capacity evaluations to include, but not be limited to, independent LOS analysis.

C. A capacity reservation certificate (CRC) will not be issued except after a capacity evaluation performed pursuant to this Chapter, indicating that capacity is available in all applicable City road facilities.

18.105.100 Application for capacity evaluation.

A. An application for a CRC and the application for the underlying development permit, or other activity, shall be accompanied by the requisite fee, as determined by City Council resolution. An applicant for the CRC shall submit the following information to the Director, on a form provided by the Director, together with the underlying development application:

1. Date of submittal;
2. Developer's name, address, telephone number and e-mail;
3. Legal description of property as required by the underlying development permit application, together with an exhibit showing a map of the property;
4. Proposed use(s) by land use category, square feet and number of units;
5. Phasing information by proposed uses, square feet and number of units, if applicable;
6. Existing use of property;
7. Acreage of property;
8. Proposed site design information, if applicable;
9. The applicant's proposed mitigation (if any) for the impact on the City's transportation facilities;
10. Written consent of the property owner, if different from the developer;
11. Proposed request of capacity by legal description, if applicable;
12. Stormwater drainage report prepared by a licensed professional engineer.

B. Additional information for transportation capacity evaluations only:

1. A preliminary site plan, which is a plan showing the approximate layout of proposed structures and other development, type and number of dwelling units, type and number of nonresidential building areas with gross square footage, the land use codes per the most recent edition of Trip Generation from the Institute of Transportation Engineers (ITE) and an analysis of the points of access to existing and proposed roadways;
2. The applicant is not required to submit a traffic impact analysis from an independent traffic engineer. Instead, those applicants with a transportation CRC application that are required to have the City provide a traffic report in accordance with shall instead pay to the City a deposit equal to the estimated fee for the City's preparation of a traffic report. The amount of the fee shall be determined by City resolution and paid at the time the transportation CRC application is submitted. The fee shall be

vary based on the number of new p.m. peak-hour trips produced by the development. The applicant shall be subject to repayment of fees for any subsequent revisions to the original traffic report. Fees for revisions may be calculated in proportion to the original fee depending on the effort involved to revise the traffic report. Even if the traffic report is based on an estimate of the impact, the applicant will still be bound by the estimate of the impact, and any upward deviation from the estimated traffic impact shall require at least one of the following: (a) a finding that the additional concurrency sought by the developer through a revised application is available to be reserved by the project; (b) mitigation of the additional impact under SEPA; (c) revocation of the CRC.

18.105.110 Submission and acceptance of a CRC application.

A. Notice of application. Issuance of a notice of application for the underlying permit application shall be handled by the planning director or designee, following the process in Section 18.40. The notice of application required by Section 18.40 shall state that an application for a concurrency determination has been received by the City.

B. Determination of Completeness. The planning director shall immediately forward all CRC applications received with development applications to the public works/engineering staff. Within twenty-eight (28) days after receiving an application for a CRC, the public works/engineering staff shall mail or personally deliver to the applicant a determination which states either:

1. That the concurrency application is complete; or
2. That the concurrency application is incomplete and what is necessary to make the application complete.

C. Additional information. An application for a CRC is complete for purposes of initial processing when it meets the submission requirements in Section 18.105.100. The determination of completeness shall be made when the application is sufficiently complete for review, even though additional information may be required or project modifications may be undertaken subsequently. The Director's determination of completeness shall not preclude the Director's ability to request additional information or studies.

D. Incomplete applications.

1. Whenever the City issues a determination that the CRC is not complete, the CRC application shall be handled in the same manner as a project permit application under Section 18.40.

2. Date of Acceptance of Application. An application for a CRC shall not be officially accepted or processed until it is complete and the underlying development application has been determined complete. When an application is determined complete, the Director shall accept it and note the date of acceptance.

18.105.120 Method of capacity evaluation.

A. Generally. In order to determine concurrency for the purposes of issuance of a transportation CRC, the Director shall make the determination described in subsections B and C of this Section. The Director may deem the development concurrent with transportation facilities, with the condition that the necessary facilities or services shall be available through a financial commitment in an enforceable development agreement (*see*, chapter 18.50.090 of this Code). In no event shall the Director determine concurrency for a greater amount of capacity than is needed for the development proposed in the underlying application.

B. Transportation.

1. Upon submission and acceptance of a complete transportation CRC application, the Director shall conduct a traffic impact analysis and issue a traffic report for those applications meeting the requirements of Section 18.105.110(B)(1).

2. In performing the concurrency evaluation for transportation facilities, and to prepare the transportation CRC, the Director shall determine, based on the conclusions of the traffic report, whether a proposed development can be accommodated within the existing or planned capacity of transportation facilities. This shall involve the following:

a. A determination of anticipated total capacity at the time the proposed impacts of development occur or within six years of such time;

b. Calculation of how much of that capacity will be used by existing developments and other planned developments at the time the impacts of the proposed development occur;

c. Calculation of the available capacity for the proposed development;

d. Calculation of the impact on the capacity of the proposed development, minus the effects of any mitigation identified by the applicant to be provided by the applicant at the applicant's cost;

e. Comparison of available capacity with proposed development impacts.

3. The Director shall determine if the capacity of the City's transportation facilities, less the capacity which is reserved, can be provided while meeting the level of service performance standards set forth in the City's comprehensive plan, and if so, shall provide the applicant with a transportation CRC. The Director's determination will be based on the application materials provided by the applicant, which must include the applicant's proposed mitigation for the impact on the City's transportation facilities.

C. Lack of Concurrency.

1. Transportation. If the director determines that the proposed development will cause the LOS of a City-owned transportation facility to decline below the standards adopted in the transportation element of the City's comprehensive plan, and improvements or strategies to accommodate the impacts of development are not planned to be made concurrent with development, a transportation CRC and the underlying development permit, if such an application has been made, shall be denied. Upon denial, the applicant may perform one of the following:

- a. Appeal the findings of the traffic report in accordance with Section 18.40; or
- b. Offer alternative data and/or perform an independent traffic impact analysis at the applicant's sole expense in support of alternative conclusions. Any study shall be in accordance with Section 18.105.090; or
- c. Modify the development proposal to lessen the traffic impacts and/or identify voluntary transportation improvements as mitigation to be provided by the applicant at the applicant's cost and re-apply for capacity review. Re-application shall require repayment of the traffic report preparation fee in accordance with Section 18.105.100(2); or
- d. Withdraw the CRC application.

18.105.130 Purpose of Capacity Reservation Certificate.

A. A transportation CRC is a determination by the Director that: (1) the proposed development identified in the CRC application does not cause the level of service on a City-owned transportation facility to decline below the standards adopted in the transportation element of the City's comprehensive plan; or (2) that a financial commitment (embodied in a development agreement) is in place to complete the necessary improvements or strategies within six (6) years. Upon issuance of a transportation CRC, the Director will reserve transportation facility capacity for this application until the expiration of the underlying development permit or as otherwise provided in Section 18.40. Although the CRC may identify the number of projected trips associated with the proposed development, nothing in this Chapter (including the trip

transfer procedures) shall imply that the applicant “owns” or has any ownership interest in the projected trips.

18.105.140 Procedure for capacity reservation certificates. After receipt of a complete application for a CRC, the Director shall process the application in accordance with this Chapter and issue the CRC or a denial letter.

18.105.150 Use of reserved capacity. When a CRC and a development permit issues for a project, the CRC shall continue to reserve the capacity unless the development permit lapses or expires without issuance of a certificate of occupancy.

18.105.160 Transfer of reserved capacity. Reserved capacity shall not be sold or transferred to property not included in the legal description provided by the applicant in the CRC application. The applicant may, as part of a development permit application, designate the amount of capacity to be allocated to portions of the property, such as lots, blocks, parcels or tracts included in the application. Capacity may be reassigned or allocated within the boundaries of the original reservation certificate by application to the director. At no time may capacity or any certificate be sold or transferred to another party or entity to real property not described in the original application.

18.105.170 Denial letter. If the Director determines that there is a lack of concurrency under the above provisions, the Director shall issue a denial letter, which shall advise the applicant that capacity is not available. If the applicant is not the property owner, the denial letter shall also be sent to the property owner. At a minimum, the denial letter shall identify the application and include the following information:

A. For roads:

1. An estimate of the level of the deficiency on the transportation facilities; and
2. The options available to the applicant such as the applicant’s agreement to construct the necessary facilities at the applicant’s cost.

B. For all. A statement that the denial letter may be appealed if the appeal is submitted to the City Engineer within ten (10) days after issuance of the denial letter, and that the appeal must conform to the requirements in Section 18.40. Any appeal of a denial letter must be filed according to this section, prior to issuance of the City’s decision on the underlying development application. If an appeal is filed, processing of the underlying development application shall be stayed until the final decision on the appeal of the denial letter.

18.105.180 Notice of concurrency determination.

A. Notice of the concurrency determination shall be given to the public together with, and in the same manner as, that provided for the SEPA threshold

determination for the underlying development permit, unless the project is exempt from SEPA, in which case notice shall be given in the same manner as a final decision on the underlying development permit without any accompanying threshold determination. In the case of an approved CRC, any mitigation identified by the applicant to be provided by the applicant at the applicant's cost shall be included in the SEPA threshold determination or underlying permit decision (if categorically exempt from SEPA).

B. If a denial letter is not timely appealed, the underlying permit application will be processed and in most instances, will result in a denial. If a denial letter is appealed, any mitigation or conditions included in the appeal decision shall be included in the SEPA threshold decision or underlying permit decision (if categorically exempt from SEPA).

18.105.190 Expiration of CRC and extensions of time.

A. Expiration. If a certificate of occupancy has not been requested prior to the expiration of the underlying permit or termination of the associated development agreement, the Director shall convert the reserved capacity to available capacity for the use of other developments. The act of requesting a certificate of occupancy before expiration of the CRC shall only convert the reserved capacity to used capacity if the building inspector finds that the project actually conforms with applicable codes. If a complete underlying project permit application is expired as provided for in Section 18.40, the Director shall convert any reserved capacity allocated to the underlying project permit for use by other developments.

B. Extensions for Road Facilities. The City shall assume that the developer requests an extension of transportation capacity reservation when the developer is requesting a renewal of the underlying development permit. No unused capacity may be carried forward beyond the duration of the transportation CRC or any subsequent extension.

C. If a CRC has been granted for a rezone or comprehensive plan amendment, the CRC shall expire when the development agreement for the comprehensive plan or rezone terminates. If there is no associated development agreement, the CRC shall expire within five years after the CRC approval anniversary date.

18.105.200 Appeals. Upon receipt of an appeal of the denial letter, the Director shall handle the appeal as follows:

A. A meeting shall be scheduled with the applicant to review the denial letter and the application materials, together with the appeal statement.

B. Within fourteen (14) days after the meeting, the Director shall issue a written appeal decision, which will list all of the materials considered in making the decision. The appeal decision shall either affirm or reverse the denial letter. If the denial

letter is reversed, the Director shall identify the mitigation that the applicant proposes to provide at the applicant's cost, which will be imposed on the application approval in order to achieve concurrency.

C. The mitigation identified in the appeal decision shall be incorporated into the City's SEPA threshold decision on the application.

D. The appeal decision shall state that it may be appealed with any appeal of the underlying application or activity, pursuant to Section 18.40.

18.105.210 Purpose and procedure for administration.

A. "Capacity" refers to the ability or availability of water in the City's water system. "Capacity" refers to the ability to treat effluent in the City's wastewater treatment plant to the levels and volume limits in the City's NPDES permit. "Capacity" also refers to the ability or availability of road facilities to accommodate users, expressed in an approximate unit of measure, such as LOS for road facilities. "Available capacity" represents a specific amount of capacity that may be reserved by or committed to future users of the City's road facilities.

B. There are two capacity accounts to be utilized by the Director in the implementation of this Chapter for water, sewer and transportation. These accounts are:

1. The available capacity account; and
2. The reserved capacity account.

Capacity is withdrawn from the available capacity account and deposited into a reserved capacity account when a CRC is issued. Once the proposed development is constructed and an occupancy certificate is issued, the capacity is considered "used." Each capacity account of available or reserved capacity will experience withdrawals on a regular basis. Only the Director may transfer capacity between accounts.

18.105.220 Annual reporting and monitoring.

A. The Director is responsible for completion of annual transportation capacity availability reports. These reports shall evaluate reserved capacity and permitted development activity for the previous 12-month period, and determine existing conditions with regard to available capacity for roads. The evaluations shall report on capacity used for the previous period and capacity available for the six-year capital facilities of the City's comprehensive plan, six-year transportation plan for road facilities, based on LOS standards. Forecasts shall be based on the most recently updated schedule of capital improvements, growth projections, public road facility inventories, and revenue projections, and shall, at a minimum, include:

1. A summary of development activity;
2. The status of each capacity account;

3. The six-year transportation plan;
4. Actual capacity of selected street segments and intersections and current LOS;
5. Recommendations on amendments to CIP and annual budget, to LOS standards, or other amendments to the transportation element of or to the comprehensive plan;

B. The findings of the annual capacity availability report shall be considered by the Council in preparing the annual update to the capital improvement element, any proposed amendments to the CIP and six-year TIP, and shall be used in the review of development permits and capacity evaluations during the next period.

C. Based upon the analysis included in the annual capacity availability reports, the Director shall recommend to the City Council each year any necessary amendments to the CIP, TIP and comprehensive plan. The Director shall also report on the status of all capacity accounts when public hearings for comprehensive plan amendments are heard.

18.105.230 Road LOS monitoring and modeling.

A. The City shall monitor level of service standards through an annual update of the six-year transportation plan which will add data reflecting development permits issued and trip allocations reserved.

B. A new trip allocation shall be assigned for each traffic analysis zone, based on the results from the traffic demand model used by the City, to ensure that the City is achieving the adopted LOS standards described in this Chapter and the transportation element of the comprehensive plan.

C. Amendments to the trip allocation program that exceed the total aggregate annual trip allocation per zone for any given year shall require an amendment to the comprehensive plan. Monitoring and modeling shall be required and must include anticipated capital improvements, growth projections, and all reserved and available capacity.

18.105.240 Traffic Impact Analysis standardized format. Incorporated herein by this reference are the standardized Traffic Impact Analysis Guidelines, originally dated March 2012 or subsequently updated, of the required format for any submitted developer's independent traffic impact analysis. The traffic impact analysis may be completed at the time of submittal of the original application or upon denial of a transportation CRC application.

Section 2. Publication. This Ordinance shall be published by an approved summary consisting of the title.

Section 3. Severability. If any section, sentence, clause or phrase of this Ordinance should be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 4. Effective Date. This Ordinance shall become effective five days after publication as provided by law.

PASSED by the Council and approved by the Mayor of the City of _____, this ____ day of May, 2017.

CITY OF EDGEWOOD

Mayor, Daryl Eidinger

ATTEST/AUTHENTICATED:

City Clerk, Rachel Pitzel

APPROVED AS TO FORM:
Office of the City Attorney

City Attorney, Carol Morris

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
PUBLISHED:
EFFECTIVE DATE:

ORDINANCE NO:

City of Edgewood

Traffic Impact Analysis Guidelines

These guidelines describe how to prepare a traffic study, or Traffic Impact Analysis (TIA), for developments in the City of Edgewood. A traffic study is needed to review site access and circulation design and to determine impacts and mitigation for State Environmental Policy Act (SEPA) determination. Traffic studies may also be needed to support independent fee calculations under the Transportation Impact Fee ordinance.

The TIA must be prepared by a licensed professional engineer who has knowledge and experience in transportation engineering and planning. The City of Edgewood will not accept studies prepared by unqualified individuals.

Applicability

These TIA Guidelines provide a step-by-step process for the City's development review related to the transportation system. As shown in Table 1, an applicant may not be required to complete all steps of the TIA Guidelines depending on the number of new PM peak hour trips estimated to be generated by the proposed development. The City Engineer may, however, override the threshold guidelines for preparation of a TIA in order to address specific potential impacts of a development application. The City Engineer also will consider prior applications and potential for cumulative traffic impacts in establishing the scope of a TIA for a specific development application.

Table 1. Traffic Study Thresholds of Analysis

TIA Type	Traffic Generation	Residential Land Use Example	Commercial Land Use Example	Sections to be Completed ¹
I	Ten or fewer PM peak hour vehicle trips	16-unit Apartment Complex	Specialty Retailer less than 4,000 sqft	1
II	11 to 50 PM peak hour vehicle trips	17 to 80-unit Apartment Complex	Specialty Retailer between 4,000 sqft and 18,000 sqft	1, 2, 3
III	51 or more PM peak hour vehicle trips	82-unit Apartment Complex	Specialty Retailer greater than 18,000 sqft	1, 2, 3, 4

1. The City Engineer can modify the steps to be completed based on specific issues and/or potential for cumulative impacts that should be addressed.

Step 1 — Project Information and Trip Generation

The applicant shall provide the City Engineer, or the Engineer's designee, with a summary of the project, which generally includes the following:

- A narrative description of the project
- Location (vicinity map and site plan)
- Type and size of proposed development (number of residential units and/or square footage of building)
- Existing uses, if any (number of residential units and/or square footage of building)
- Proposed access locations
- Phasing and timing of development
- Horizon year (year of completion and projected full occupancy/build-out)

- PM peak hour trip generation based on the City's transportation impact fee rate schedule, or other method acceptable to the City Engineer.

The traffic impact analysis application form is provided as Attachment B.

Step 2 — Scoping Meeting

This meeting will be necessary for all proposed developments generating more than 10 PM peak hour vehicle trips. The purpose of the meeting is to discuss the preliminary information submitted by the applicant, obtain additional information about the proposal, clarify issues surrounding the project, and in some cases, determine whether a full traffic study is necessary. The applicant will schedule a meeting with the City Engineer, or the Engineer's designee, after the City has received the preliminary information described above, along with these additional items:

- Analysis of the proposed access locations (including proposed sight distances at access/egress locations, operational characteristics, etc.)
- Detailed PM peak hour trip generation analysis. Other time periods may be required such as the AM, noon, or school peak hours, or weekend conditions as directed by the City Engineer. Trip generation shall be based on the current edition of *Trip Generation*, Institute of Transportation Engineers (ITE) and the ITE Trip Generation Handbook, unless otherwise approved by the City. Assumptions and methodology for internal, link-diverted or pass-by trips must be provided, if applicable.
- Estimated distribution percentages will be provided from the City's traffic model. The applicant must use the data to prepare a figure showing the assignment of peak hour trips.
- A copy of the City's Synchro model will be provided to the applicant. Any modifications to the traffic signal timing will need to be agreed upon at the meeting.

If feasible, the TIA scoping meeting should be scheduled as part of, or in conjunction with, a pre-application meeting. For relatively simple development applications, the meeting may be conducted via the phone.

For proposed developments that generate more than 50 net new PM peak hour trips, the scoping meeting will establish the following initial parameters for the traffic study:

- Approval, or modification, of trip generation
- Approval, or modification, of traffic distribution percentages and assignment routes
- Background growth rates (non-project specific)
- Background or "pipeline" development projects
- Study area roadways and intersections
- Analysis methodologies

Step 3— Evaluation of Preliminary Information

For all developments generating between 11 and 50 net new PM peak hour trips, the City will review the preliminary information submitted at the scoping meeting to determine if further transportation analysis is necessary.

If further analysis is needed, the applicant will continue to Step 4. The City will provide the applicant with direction for the initial parameters, assumptions, and methodologies as identified above in order to prepare the study.

If no further analysis is needed, the applicant will skip Step 4 and only have to pay their transportation impact fee.

Step 4 — Traffic Impact Analysis for SEPA Evaluation

Developments generating more the 50 PM peak hour vehicle trips, and others as determined by the City Engineer, or the Engineer's designee, will be required to prepare a traffic study. The TIA will address potential transportation impacts of the project under SEPA. The TIA will build from the project information submitted in Steps 1 and 2.

The traffic study is required to address the following items:

A. Site Access Roadways/Driveways

- Site plan depicting on-site circulation and connections to other properties and roadways
- Sight distance requirements and adequacy (per AASHTO requirements)
- Level of service analysis for intersection(s)
- Channelization evaluation
- Vehicle storage/queuing analysis
- Traffic control warrants
- Collision history analysis (only required for access to arterials and collectors, unless otherwise directed by the City)

B. Existing and Forecast Traffic Volumes

- Provide existing intersection turning movement counts for study time periods (traffic volumes should be less than one year old, unless otherwise approved by the City). The weekday PM peak hour shall be used unless otherwise defined during scoping meeting.
- Attach actual traffic count sheets.
- Future peak-hour intersection turning movement volumes without project traffic based on:
 - o Annual background traffic growth factor/rates (cite source/methodology per scoping meeting)
 - o Background or "pipeline" traffic from other future development projects (provided by the City per scoping meeting)
- Forecast peak hour turning movements for with-project conditions based on trip generation, distribution, and assignments per scoping meeting.

C. Level of Service Analysis

Level of service analyses shall be based on the current edition of *Highway Capacity Manual*, Transportation Research Board, and related software, or alternative methods approved by City. The following criteria should be used in the analysis:

- Evaluate arterial/arterial or arterial/collector intersections impacted by 20 or more peak-hour project trips (or as otherwise identified by the City).
- Evaluate existing and future conditions with and without project (other planned developments impacting study area must be factored into the Level of Service [LOS] calculations).
- Assumptions/variations to standard analysis default values shall be noted and justification provided for their use, such as signal timing.
- Attach LOS calculation sheets.
- Compare the resulting future with-project LOS to the City's adopted LOS standards.

D. Other Travel Modes

The TIA shall include an evaluation of impacts on and potential improvements to other travel modes within the site vicinity. These may include, but are not limited to, the following:

- Public Transit
- School Bus
- Pedestrian
- Bicycle

E. Parking

A parking supply and demand analysis may be required by the City Engineer, or the Engineer's designee, in situations where parking may become an issue or could impact a adjacent business or neighborhood.

F. Mitigation Recommendations

The TIA should include recommendations to mitigate project impacts consistent with City standards. Mitigation may include construction of, or contribution toward, improvements to roadways, intersections, non-motorized facilities, traffic controls, transit, and others, as appropriate. Other mitigation could include Travel Demand Management (TDM) strategies and/or more aggressive Commute Trip Reduction (CTR) targets. Payment of the transportation impact fee also shall be noted.

G. TIA Report

The applicant shall submit the complete Traffic Study to the City Engineer (or designee) at the same time of the submission of an application for the proposed development to the City community development department.

The report shall generally be formatted per the outline in Attachment A. The report should include the sections and figures detailed in the attached outline. The completed report shall be stamped by a professional engineer that prepared or directly supervised the TIA.

The following must be submitted to the City:

- One hard copy of the TIA and all documentation
- Copy of the TIA, including appendices, in PDF format
- Electronic copy of Synchro output and data files
- Electronic copy of the trip generation table in Excel format

H. City Review

The City Engineer (or designee) will review the TIA for accuracy and completeness. The City Engineer (or designee) will make a determination of completeness of the study within twenty-one (21) days of submission. If the TIA is deemed incomplete, the City Engineer (or designee) shall identify in writing the specific requirements, needs, and additional information needed to complete the TIA.

If the study is deemed complete, the City will use it and its findings in establishing potential mitigation needs and conditions of approval for the development application, including the appropriate transportation impact fee.

Attachment A

Traffic Study Report Outline

The following information shall be included in each traffic study report:

1. Cover sheet (include name and location of project, applicant, engineer and date).
 - A. Engineer's stamp and signature.
2. Table of contents.
3. Introduction.
 - A. Type of development.
 - B. Size of development.
 - C. Location map, including depiction of major streets and intersections in the study area.
 - D. Site plan, including proposed driveways, streets, parking facilities, and internal circulation for vehicles, pedestrians, and bicyclists.
4. Summary of Existing Conditions.
 - A. Description and map of the existing roadway system within project site and surrounding area.
 - B. Map of study area with weekday peak hour turning movements.
 - C. Table of existing weekday peak hour levels of service.
 - D. Accident rate analysis for the study area.
 - E. Traffic control devices in the study area.
 - F. Description and map of the location and routes of the public transit system servicing the area.
 - G. Description and map showing the location and routes of the bicycle and pedestrian facilities serving the area.
5. Summary of Future Baseline Conditions (without project).
 - A. Summary of planned improvements in the area.
 - B. Summary of future pipeline projects assumed in the analysis.
 - C. Map of study area with future baseline weekday peak hour turning movements.
 - D. Table of future baseline weekday peak hour levels of service.
6. Summary of Future Plus Project Conditions.
 - A. Description and table of the trip generation assumptions.
 - B. Map of the trip distribution assumptions.
 - C. Map of the project trip assignment peak hour turning movements.
 - D. Map of study area with future with project weekday peak hour turning movements.
 - E. Table of future with project weekday peak hour levels of service.
 - F. Transit analysis.
 - G. Bicycle and pedestrian analysis.
 - H. Parking analysis.
 - I. Site access analysis.
7. Findings and Recommendations.
 - A. Findings of needed improvements.
 - B. Proposed mitigation recommendations.
 - C. Transportation impact fee estimate.
8. Appendix.
 - A. Raw turn data movement counts.
 - B. Level of service calculation worksheets.
 - C. Detailed trip generation worksheet(s).

Attachment B
City of Edgewood Traffic Impact Analysis Form

Project Information

Name: _____

TIA Project Number: _____

Application File Number: _____

Location: _____

TAZ: _____

Application Date: _____

Pre-Application Meeting Date: _____

Type and Size of Proposed Use _____

Estimated Net New PM peak hour trip generation
(attach calculations and methodology) _____

Existing uses on site (credits for trip generation) _____

Horizon year (anticipated year of completion) _____

TIA Tier (attach trip generation analysis/ methodology): _____

Notes on Assumptions/ Determination or Traffic Study
Level

Revisions / Final Development Approval

Revisions/ Adjustments (Date and Notes)

Revision 1 _____

Revision 2 _____

Revision 3 _____

Final Development Approval Date: _____

Adjust Trip Generation Estimates, if Needed (Notes) _____

Traffic Impact Fee Requirement: _____

Other Transportation Conditions of Approval: _____

Other Notes: _____



**CITY OF EDGEWOOD
STAFF REPORT**

STUDY SESSION AGENDA ITEM: Lakehaven Interlocal Sewer Service

Area Agreement Amendment

Date: 05/02/2017

Title: First Amendment to Interlocal Agreement for Sewer Services with LWSD

Attachments: Sewer Service Area Map Now and Proposed, First Amendment and Resolution 17-XXXX

Submitted By: Aaron Nix, City of Edgewood, ACA – Municipal Services

Approved For Agenda By: Daryl Eiding, Mayor

Discussion: Four properties, identified as Pierce County tax parcels #0420102018, #0420102037, #0420103132, and #0420032004, were included within the boundaries of the City of Edgewood's Local Improvement District #1, but not included within the boundaries of the service area within the interlocal agreement with the Lakehaven Water and Sewer District. In order to allow these properties to develop and receive similar services as those under the original service agreement with LWSD, a modification to the original Interlocal Agreement is needed. Staff has drafted these materials and are bringing these materials forward for the Council's consideration. If approved by Edgewood's City Council, the materials would then need to be approved by the Board of Director's for LWSD in order to allow the property owners to move forward with their development proposals as it relates to sanitary sewer services outlined within the City's Interlocal Agreement with LWSD.

Recommendation: N/A

Fiscal Impact: N/A

RESOLUTION NO. 17-XXXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EDGEWOOD, WASHINGTON, AUTHORIZING THE MAYOR TO SIGN THE FIRST AMENDMENT TO THE 2007 INTERLOCAL AGREEMENT (JANUARY 23, 2007) BETWEEN THE CITY OF EDGEWOOD AND THE LAKEHAVEN WATER AND SEWER DISTRICT, ONCE DETAILS ARE FINALIZED, FOR SERVICES ASSOCIATED WITH ACCEPTING, CONVEYING AND TREATING SEWAGE FOR SPECIFIED PROPERTIES WITHIN THE CITY OF EDGEWOOD, AS OUTLINED WITHIN THE AGREEMENT.

WHEREAS, The City of Edgewood entered into an Interlocal Agreement, in accordance with RCW 39.34, on January 23, 2007 with then, Lakehaven Utility District (LUD), to accept, convey and treat sewage from residential and non-residential property lying within the City; and

WHEREAS, four additional properties, identified as Pierce County tax parcels #0420102018, #0420102037, #0420103132 and #0420032004 were four properties included within the boundaries of the City of Edgewood's Local Improvement District #1, in accordance, generally, with the City's approved General Sewer Plan, but were not included within the boundaries of the map within the original Interlocal Agreement agreed to with LUD, identified herein as Exhibit A; and

WHEREAS, the City's approved General Sewer Plan states that Phase I Core areas and selected Phase II areas would be

WHEREAS, On October 6, 2016, Lakehaven Utility District (LUD) officially changed its name to Lakehaven Water and Sewer District (LWSD); and

WHEREAS, the City of Edgewood has approached Lakehaven Water and Sewer District for the inclusion of these properties within the service area and have revised the map to include these properties shown in Exhibit B, with the desire to include these properties under the terms and conditions as outlined in the signed, January 23, 2007 Interlocal Agreement between the City of Edgewood and Lakehaven Water and Sewer District; and

WHEREAS, the City Attorney has drafted a first amendment to the Interlocal Agreement that was signed in January 2007, that includes these proposed service area revisions and has been included herein as Exhibit C;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EDGEWOOD, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. (First Amendment to Interlocal Agreement). A Resolution authorizing the Mayor to sign the first amendment to the 2007 Interlocal Agreement between the City of Edgewood and the Lakehaven Water and Sewer District, for services associated with accepting, conveying, and treating sewage for specified properties within the City of Edgewood, as outlined with the agreement. Current Sewer Service Area

Map, Exhibit A, Proposed Sewer Service Area Map, Exhibit B and First Amendment to Interlocal Agreement, Exhibit C.

Section 2. Effective Date. This resolution will take effect immediately upon passage by the City Council.

ADOPTED this 9th day of May, 2017

Daryl Eiding, Mayor

ATTEST:

Rachel Pitzel, City Clerk

Exhibit A
(Current Sewer Service Area)

Exhibit B
(Proposed Sewer Service Area)

Exhibit C
(First Amendment to Interlocal Agreement)

**FIRST AMENDMENT TO
AGREEMENT BETWEEN THE
CITY OF EDGEWOOD
AND
LAKEHAVEN WATER AND SEWER DISTRICT**

Section 1. Date and Parties.

This document (“First Amendment”), is dated the ___ day of _____, 2017, and is entered into by and between the CITY OF EDGEWOOD, a Washington municipal corporation (“City”) and the LAKEHAVEN WATER AND SEWER DISTRICT (Formally Lakehaven Utility District), a Washington municipal corporation (“LWSD”). This First Amendment modifies the Agreement between City of Edgewood and Lakehaven Water and Sewer District dated January 23rd, 2007 (the “2007 Agreement”).

Section 2. General Recitals.

A. In the 2007 Agreement, the City and LWSD agreed that because LWSD operates sewer facilities near the northern boundary of the City, that LWSD would allow properties within the City to connect and discharge sewage for treatment by LWSD, under the terms and conditions set forth in that 2007 Agreement; and

B. The properties served by LWSD as provided in the 2007 Agreement were depicted in the map attached to that 2007 Agreement as Exhibit C;

C. Four properties, identified as Pierce County tax parcels #0420102018, #0420102037, #0420103132 and #0420032004 were properties included within the boundaries of the City of Edgewood’s created Sanitary Sewer Local Improvement District #1, in accordance, generally, with the City’s General Sewer Plan (Ecology approved 2007), but these properties were not included within the boundaries of the map within the original Interlocal Agreement for servicing this system, agreed to with LWSD;

D. The parties have agreed to amend Exhibit C in the 2007 Agreement by substituting the Exhibit C-1 attached hereto, which shows the additional properties to be included in the City Sewer Service Area Served by LWSD.

Section 3. Amendment to 2007 Agreement. Section 2 references Exhibit C, which is the City Sewer Service Area Served by LWSD under the 2007 Agreement. The parties hereto agree that Exhibit C shall be eliminated and replaced by Exhibit C-1, which is attached to this First Amendment and incorporated herein.

Section 4. Other Terms Unchanged. All other terms of the 2007 Agreement remain unchanged and enforceable. This First Amendment is intended to modify the terms and

conditions of the Agreement only insofar as such modifications are set forth in this First Amendment. In the case of any conflict between the terms of the 2007 Agreement and the terms of the First Amendment, the provisions of the First Amendment shall control.

DATED: This ____ day of _____, 2017.

CITY OF EDGEWOOD

By: _____

Its: Mayor

Date:

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

LAKEHAVEN WATER AND SEWER
DISTRICT

By: _____

Printed Name: _____

Its: _____

Date:

APPROVED AS TO FORM:

LWSD Attorney

EXHIBIT C
MAP OF THE CITY SEWER SERVICE AREA
SERVICED BY LUD

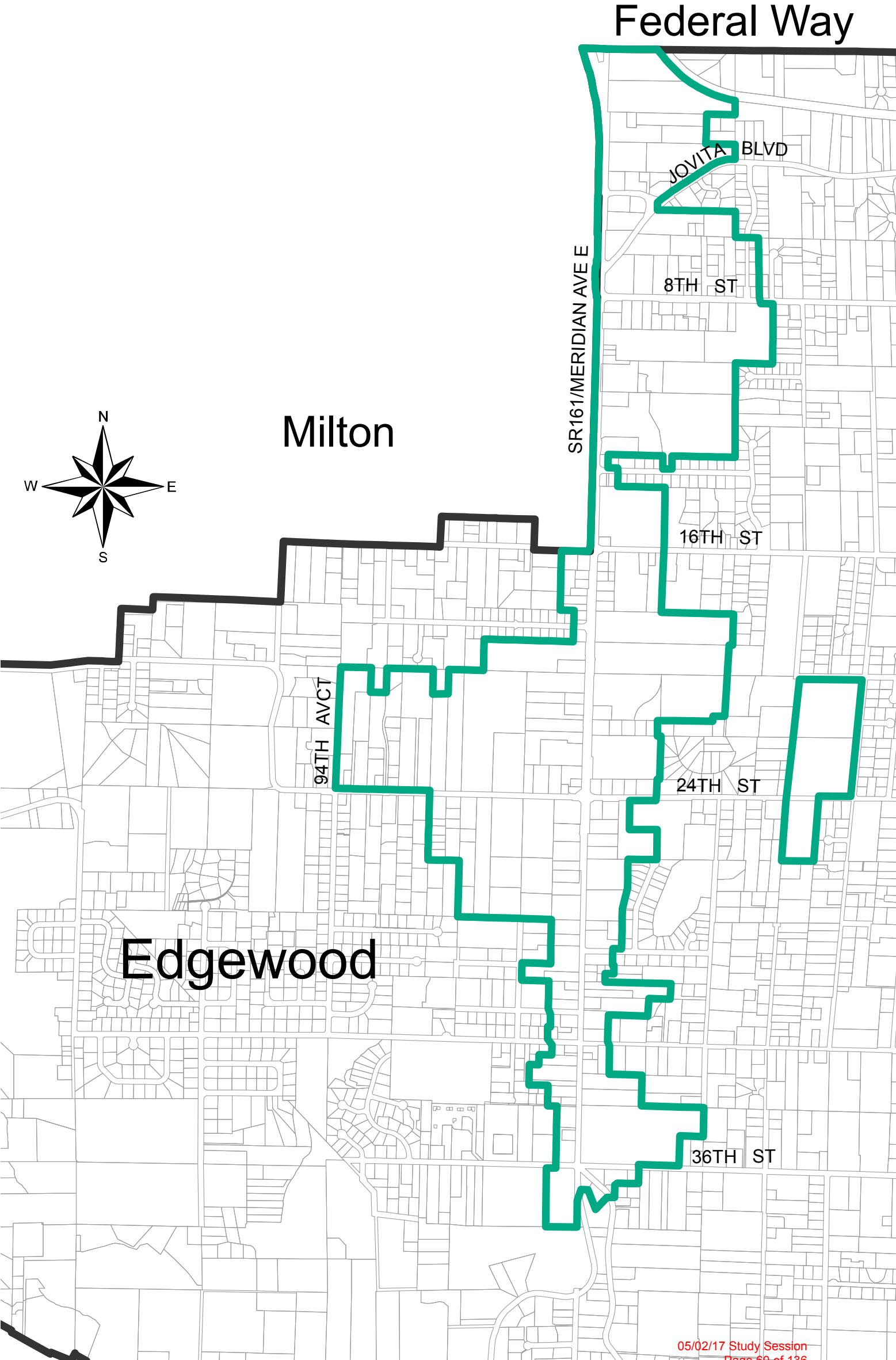
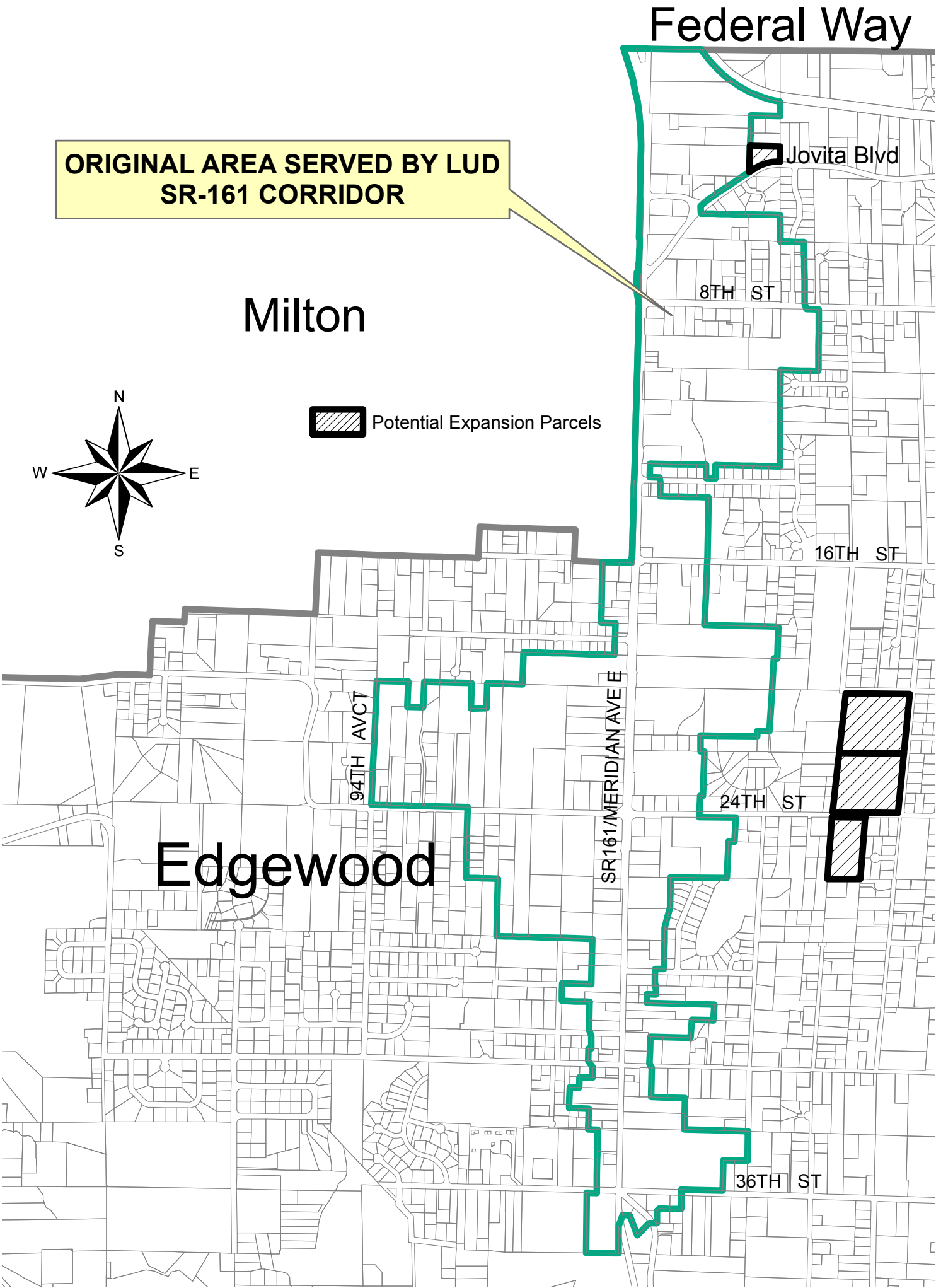


EXHIBIT C
MAP OF THE ORIGINAL CITY SEWER
SERVICE AREA SERVICED BY LUD





**CITY OF EDGEWOOD
STAFF REPORT**

STUDY SESSION AGENDA ITEM: City Hall Re-Staining/Painting

Project

Date: 5/02/2017

Title: City Hall Re-Staining/Painting Project

Attachments: Request for Proposals and 3 bids received from members of the City's current Small Works Roster.

Submitted By: Aaron C. Nix, ACA – Municipal Services

Approved For Agenda By: Daryl Eidinger, Mayor

Discussion: As the Council will recall, Staff attempted to move forward with repainting/staining City Hall last year with a proposed budget that was well under the bids received. Due to these circumstances, the decision was made to reject these bids and re-allocate adequate budget in 2017 in order to cover the costs associated with completing this work appropriately and completely. 3 bids were received by the deadline indicated within the attached RFP, with one rejected, as the firm was not on the City's approved Small Works Roster. An additional bid was received on the following Monday, April 24, 2017, by the City Clerk. Due to a mailing discrepancy, the City agreed to accept the bid and it has been included within this packet material for the Council's consideration. Below are the City Code requirements as it relates to utilizing the City's small works roster in moving forward with awarding a contract for this work.

2.65.010 Purchase of materials, supplies, or equipment.

D. Determining Lowest Responsible Bidder. The city shall purchase the materials, equipment or supplies from the lowest responsible bidder; provided, that whenever there is a reason to believe that the lowest acceptable bid is not the best price obtainable, all bids may be rejected and the city may call for new bids or enter into direct negotiations to achieve the best possible price. The following factors, in addition to price, may be taken into account by the city in determining the lowest responsible bidder:

1. Any preferences provided by law to Washington products and vendors;
2. The quality of the materials, supplies and equipment to be purchased;

3. The conformity of the materials, supplies and equipment to the city's specifications;
4. The purposes for which the materials, supplies and equipment are required;
5. The times for delivery of the materials, supplies and equipment;
6. The character, integrity, reputation, judgment, experience and efficiency of the bidder; and
7. Such other information as may have a bearing on the decision to purchase the supplies, materials or equipment.

2.65.020 Small works roster procedures.

C. Contractors on Small Works Roster(s). The small works roster(s) shall consist of all responsible contractors who have requested to be on the roster(s) and are properly licensed or registered to perform such work in this state. Contractors desiring to be placed on a roster or rosters must keep current records of any applicable licenses, certifications, registrations, bonding, insurance, or other appropriate matters on file with the city as a condition of being placed on a roster or rosters.

E. Electronic, Telephone, or Written Quotations. The city shall obtain electronic, telephone, or written quotations for public works contracts from contractors on the appropriate small works roster to assure that a competitive price is established and to award contracts to the lowest responsible bidder, as defined in RCW [43.19.1911](#), as follows:

1. A contract awarded from a small works roster need not be advertised. Invitations for quotations shall include an estimate of the scope and nature of the work to be performed as well as materials and equipment to be furnished. However, detailed plans and specifications need not be included in the invitation. This subsection does not eliminate other requirements for architectural or engineering approvals as to quality and compliance with building codes;
2. Quotations may be invited from all appropriate contractors on the appropriate small works roster. As an alternative, quotations may be invited from at least five contractors on the appropriate small works roster who have indicated the capability of performing the kind of work being contracted, in a manner that attempts to equitably distribute opportunities among the contractors on the appropriate roster;

5. A written record shall be made by the city representative of each contractor's bid on the project and of any conditions imposed on the bid. Immediately after an award is made, the bid quotations obtained shall be recorded, open to public inspection, and available by telephone inquiry; and

F. Determining Lowest Responsible Bidder. The city council shall award the contract for the public works project to the lowest responsible bidder; provided, that whenever there is a reason to believe that the lowest acceptable bid is not the best price obtainable, all bids may be rejected and the city council may call for new bids. In addition to price and the factors described in EMC [2.65.010](#)(D), the city council shall take into account the following:

1. The ability, capacity and skill of the bidder to perform the contract;
2. Whether the bidder can perform the contract within the time specified by the city;
3. The quality of the bidder's performance of previous contracts or services; and
4. The previous and existing compliance by the bidder with laws relating to the contract or services.

G. Life Cycle Costing. In considering bids for the construction of public works projects, whenever there is reason to believe that applying the "life cycle costing" method to bid evaluation would result in the lowest total cost to the city, first consideration shall be given to the bid with the lowest life cycle cost which complies with the specifications. Evaluation of "life cycle cost" shall follow the process described in EMC [2.65.010](#).

H. Award. All of the telephone bids or quotations shall be collected and presented at the same time to the city council for consideration, determination of the lowest responsible bidder, and award of the contract.

Recommendation: There is a significant discrepancy between the low bid and the other two bids provided, which are much more aligned with the estimated project costs, including materials, labor and clean-up costs. Based on these factors and in accordance with Edgewood Municipal Code, further discussion is needed on the appropriate bid to utilize and move forward or reject them all and re-bid the project.

Fiscal Impact: \$80,000 budgeted within City's 2017 Budget

Public Agency Name: City of Edgewood
Roster Type: Small Works Roster
Date: 04/05/2017
Time: 03:09 pm
Main-Category: Facility Construction, Repair, and Maintenance
Sub-Category: Painting - Exterior

Small Works Roster Businesses:

A+ PROFESSIONAL COATINGS, INC.

Action Services Corporation

Adroit Contractors, Inc.

ALL CITY FENCE COMPANY

All Services Property Maintenance

AM NW Construction Partners LLC

Anderson Construction Inc.

Applied Restoration, Inc.

Artus Construction Company

Atlas Paving Company

Avalon Contracting, Inc.

Axthelm Construction, Inc

Bay Shore Construction

Beisley Inc

Black Rock Construction & Development LLC

Byer Contracting, LLC

C & C Painting and Construction, LLC

Carbon River Builders

Cascade Industrial Services LLC

Chumley Construction

Circles Around Maintenance & Construction LLC

CMAX LLC

Coatings Northwest LLC

Coatings Unlimited, Inc.

Collaborative Construction Solutions, LLC

Color Tech Inc.

columbia basin painting & wallcovering

Columbia Industrial Coatings

Combined Construction, Inc.

Compass Northwest, Inc.

Crestline Builders LLC

Crystal Soda Blast

Custom Coatings

D & D Construction Inc

DARDAN ENTERPRISES, INC

Diverse Coatings

Douglas Whitney LLC

EHS-International, Inc.

Elite Construction & Development, LLC

Emerald City Coatings And Construction Co.

EMTech LLC

ENECON USA, Inc.

Extreme Coatings, Inc. dba ECI Services

Ferris-Turney General Contractors, Inc.

First Choice Home Service LLC

Floorz an More llc

Gates Painting Co., LLC

GHB Window Cleaning Inc.

Goins Construction Co Inc

Handy's drilling inc.

Hanson Excavation

Harkness Construction, LLC

HART CONSTRUCTION COMPANY INC.

HCI Industrial & Marine Coatings, Inc.

Henifin Construction, LLC

Hoeks Painting LLC

worchel@gmail.com

360-216-7350

Chris. Moore@carbonriverbuilders.

253-377-0888 Com

mikeb@coatingsnorthwest.com

360-232-1266

gsnider@coatingsunlimited.com

425-251-3268

Customcoatings2@gmail.com

253-228-4752

timhp LLC@aol.com

360-352-6232

Ironclad Industrial Flooring
Iron Creek Construction
Jeff Smith Painting
John Lupo Construction, Inc.
K&K Construction
K-A General Construction Contractor LLC
Kaplan Homes Unlimited LLC.
Kodiak Industrial Solutions, LLC
LANG LLC
Lewis surface Development CO.
Long Painting Company
Lower 48 Contracting/Painting
M.A.D. Construction, LLC
Magna Construction
Mahto Construction
Martinson Painting LLC
Master Painting Services Inc.
Mattila Painting, Inc
MDK Constructon, Inc
minkconstructionllc
mr. asphalt & son's LLC
Mt. View Locating Services, LLC
MULTIFACET GROUP
Murphy Tree Service
Noel Construction and Home Maintenance LLC.
Nordic Construction, Inc.
Northwest Abatement Services, Inc.
Northwest Power Services Inc.
Northwest Remodel & Design
N P M Construction Co.
NW Construction General Contracting, Inc.
Pacific Tech Construction
Paintcrafters-Plus, Inc.
Paintmaster Services Inc.
Park Place Painting
Precision Northwest Construction, LLC
Prime Development Group LLC
ProEnd Painting
Pugetsound commercial property services LLC
Purcell P & C, LLC
RailWorks Track Systems
Ram Construction General Contractors, LLC
Randal Industries Inc
RAZZ Construction, Inc.
R C Walsh & Company LLC
RC Zeigler Company Inc
Realm Inc.
Regency NW Construction
Resicon LLC
Rocky Bay Construction
Sabelhaus West, Inc.
Sandustrial LLC
Saxon Enterprises, LLC
Sky Northwest, Inc.
SMS - Superior Maintenance Solutions LLC
Sound Construction and Coating Inc
South Sound Contractors
Star Construction
Steadfast Construction, INC.
stellar enterprises llc
Sterling Group DKI
Sterling Telecommunications & Construction, Inc.
Superior/Coit Inc.
Superior LLC

julie@martinsonpainting.com
253-691-2851

office@puget

Talakai Construction, LLC
TeamFurmanite
The BJC Group, Inc.
Tiger Construction, LTD
Trinity Contractors Inc.
Tru Colors Contracting Inc.
Valdez Construction, Inc
VP Peri Painting Company
Washington Excavation & Septic LLC.
WCCL SYSTEMS LLC
Welwest Construction Inc.
Western Partitions, Inc
Western Specialty Contractors
Western States Construction, Inc.
Western Ventures Construction Inc
Western Washington Construction Ltd
Wheeler Painting, Inc.
WHH Nisqually Federal Services, LLC
Windwood Enterprises Inc.

Vic@upperi.com

425-898-8494

COPY

Rachel Pitzel

From: Dino Marzano <customcoatings2@gmail.com>
Sent: Sunday, April 23, 2017 10:02 PM
To: Aaron Nix
Cc: Daryl Eidinger; Rachel Pitzel; Jill Schwerzler-Herrera
Subject: Re: City of Edgewood City Hall Painting/Staining Project 2017
Attachments: Custom Coatings Mission Statement (2017_04_01 21_16_14 UTC).doc; Edgewood II.pdf

Aaron, Darrel, Rachel,
Hello I sent out my bid my mail on Wednesday of last week.
I left for wrestling tournament Friday morning came home today to find my bid was returned because of ineligible address.
I hope you can find it within your selves to allow my bid to be processed and accepted.
Thank you
Dino

On Fri, Apr 7, 2017 at 10:23 AM, Aaron Nix <aaron@cityofedgewood.org> wrote:

Good Morning,

Your company has been identified within our small works roster as one that might have an interest in painting/staining Edgewood City Hall (2224 104th Avenue East), as we've budgeted money to have this done this year. City Hall is a two-story building that was constructed approximately 10 years ago and is due for re-painting/staining of the exterior structure. The building itself is approximately 15,000 square feet in size and the upper floor houses City Administrative Staff, as well as its Police Department. The expectation is that City operations would continue as usual through the re-painting/staining of the exterior building, with normal working hours of 8:30 am to 5:00 pm Monday-Friday. Please review the attached request and please submit a bid in order to be considered for this work. I very much appreciate your time and look forward to hearing from you in the very near future.

Cordially,

Aaron C. Nix, M.P.A.

City of Edgewood, WA

Assistant City Administrator – Municipal Services

Acting Public Works Director

(253) 952-3299

Custom Coatings

Company Introduction

We are a company that is diverse in our coating applications.

We apply coating systems in the Commercial and Residential settings.

Such as Vapor barriers, Resinous floor coatings, Latex paints, Staining, Lacquer, varnishes.

Repellants, and Anti graffiti applications for concrete or brick finishes.

Vinyl wall covering..

We install coating systems that ensure protection of your home and commercial building needs.

Mission Statement

To maintain a high level of professionalism, develop and maintain our business relationships with a direct line of communication, and to hold ourselves accountable to a high level of performance while maintaining a level of quality that ensues all our customers are pleased they chose Custom Coatings to install their coating systems.

Dino Marzano - Project Manager

Field experience: 27 years

Pre apprenticeship: 2 years Bates Vocational School

Apprenticeship: 2 years Union Local 64

Job Roles: Field painter, leadman and foreman, Project Manager

Owner Operator -

Dino Marzano - 253-228-4752 email - customcoatings2@gmail.com

Equipment available:

5 airless sprayers

4 3000 PSI pressure washers

Safety equipment

Rental equipment available: compressors and lift trucks

Municipal Building Painting/Staining Project 2017 PROPOSAL

Proposals due by 4:30 pm April 21, 2017

Bids may be submitted in person or by U.S. Mail, or email to: City of Edgewood, City Hall, 2224 104th Avenue East, Edgewood, WA 98372-1513, (253) 952-3299, facsimile (253) 952-3537, email rachel@cityofedgewood.org.

We, the undersigned, hereby agree to bid the following per the "Request for Proposals," - Edgewood City Hall Painting/Staining Project 2017

Lump Sum:

Task One: Preparation of Substrate per Details

\$ 3850⁰⁰

Task Two: Painting/Staining of all Substrate per Details

\$ 11,650⁰⁰

Sales Tax 9.9%:

\$ 1534⁵⁰

TOTAL:

\$ 17034⁵⁰

Prices include freight, all licenses, permits, fees, etc. not otherwise specifically mentioned.

BIDDER NAME:

Custom Coatings

ADDRESS:

7044 S-K ST Tacoma WA

TELEPHONE:

253-2284752

EMAIL:

CustomCoatings2@gmail.com

UBI NO. _____

CONTACT:

Dino Marlan

Bidder Checklist: MRSC Small Works Roster (registered): yes

Statement of Bidders Qualification (included with bid) _____

BID PROPOSAL
For City Hall Exterior Painting/Staining

This proposal shall include all material, equipment, labor, and license and permit fees, taxes and any other associated costs. The bid price shall be lump sum.

BASE BID

The Base Bid shall include all work as shown in these specifications.

Base Bid Amount	\$	<u>15,500</u>	✓
WSST @ 9.9%	\$	<u>1534.50</u>	✓
TOTAL BASE BID	\$	<u>17,034.50</u>	✓

ACW
4/27/2017

The undersigned has read these specifications and is familiar with the site and requirements of this construction project. The bid amount presented in this proposal is a lump sum price to perform all work necessary to complete this project.

Contractor Name: Custom Coatings

Address: 7044 S K St City: Tacoma Zip: 98408

Phone: 253-228-4782 Fax: 253-302-9902

Signature: [Signature]

Custom Coatings
Painting, Wall Coverings & Coating Systems

List of References

GSA - Jackson Federal Building 30 corridor repaint, HVAC drip pan restoration and various other projects for GSA

Pine Island Construction

1314 S Weller St, Seattle, WA 98144

Colin Matsushima (206) 339-9880

Titan Industries - Various new construction and TI projects

John Macintyre

253-224-4171

Shinstine / Associates

Brody Stohr

253-770-5858

Kassel Construction - Various projects

Matt Vernon

1-425-828-0236

Rosco Diversified - Various Commercial and Residential

Tim Ross

253-255-3010

Rachel Pitzel

From: Lower 48 Contracting/Painting, Inc. <lower48contracting@frontier.com>
Sent: Thursday, April 20, 2017 11:57 AM
To: Rachel Pitzel
Subject: Estimate for Painting Edgewood City Hall.
Attachments: img20170420_11454033.pdf

Hi Rachel,

Here is the painting estimate for Edgewood City Hall. Please E-mail me back to confirm you received this estimate and it meets all your requirements.

Thank-You



Lower 48 Contracting / Painting, Inc.
14622 NE 95th Street | Redmond, WA 98052
T 425-643-5005 | C 425-766-8400 | F 425-497-1094
lower48contracting@frontier.com | www.lower48contracting.com
| Matthew 7: 7-8 |

Municipal Building Painting/Staining Project 2017 PROPOSAL

Proposals due by 4:30 pm April 21, 2017

Bids may be submitted in person or by U.S. Mail, or email to: City of Edgewood, City Hall, 2224 104th Avenue East, Edgewood, WA 98372-1513, (253) 952-3299, facsimile (253) 952-3537, email rachel@cityofedgewood.org.

We, the undersigned, hereby agree to bid the following per the "Request for Proposals," - Edgewood City Hall Painting/Staining Project 2017

Lump Sum:

Task One: Preparation of Substrate per Details \$ 12,942

Task Two: Painting/Staining of all Substrate per Details \$ 51,728

Sales Tax 9.9%: \$ 6,402

TOTAL:

\$ 71,072

Prices include freight, all licenses, permits, fees, etc. not otherwise specifically mentioned.

BIDDER NAME: Lower 48 Contracting/Painting, Inc.

ADDRESS: 14622 NE 95th St Redmond WA 98052

TELEPHONE: 425-766-8400

EMAIL: Lower48contracting@frontier.com

UBI NO. 601 919 778

CONTACT: David Deming

Bidder Checklist: MRSC Small Works Roster (registered): yes

Statement of Bidders Qualification (included with bid) my own references

BID PROPOSAL
For City Hall Exterior Painting/Staining

This proposal shall include all material, equipment, labor, and license and permit fees, taxes and any other associated costs. The bid price shall be lump sum.

BASE BID

The Base Bid shall include all work as shown in these specifications.

Base Bid Amount	\$	<u>64670</u>	/
WSST @ 9.9%	\$	<u>6402</u>	/
TOTAL BASE BID	\$	<u>71072</u>	/

ACW
4/27/2017

The undersigned has read these specifications and is familiar with the site and requirements of this construction project. The bid amount presented in this proposal is a lump sum price to perform all work necessary to complete this project.

Contractor Name: Lower 48 Contracting/painting Inc.
Address: 14622 NE 95th City: Redmond Zip: 98052
Phone: 425-766-8400 Fax: 425-497-1094
Signature: [Signature]



References

Western Industrial

14511 NE 87 Street
Redmond, WA

Warehouse

Painted 2011

OFC, Klahanie Center

4570 Klahanie Drive
Issaquah, WA

Retail Strip Mall

4 Buildings

Painted 2006

Kent Corporate Park

22436 - 22442 72 Avenue South
Tukwila, WA 98032

4 Buildings

Painted 2014

100,000 Square Feet

Highland Terrace Elementary

100 North 160th Street
Shoreline, WA 98155

2 Buildings

Painted 2014

City of Mercer Island

9601 SE 36th Street
Mercer Island, WA

Maintenance Facility

Painted 2010

HO Water Sports

17622 67th Court
Redmond, WA 98052

Warehouse

Painted 2012

Lake Forest Park School

18500 37 Ave. NE,
Shoreline, WA 98155

Elementary School

4 Buildings

Painted 2014

Galland Building

1200 2nd Ave
Seattle, WA

Office Building

Painted 2008

*To view these and other projects, Please view our website at
www.lower48contracting.com*



References

WSE Credit Union

1500 Fairview Avenue East
Seattle, WA

Commercial Retail

Painted 2013

Terrace Village

22001 66 Ave W., Mt. Lake Terrace
Mt. Lake Terrace, WA

Commercial Retail

3 Buildings

Painted 2015

Comcast

900 132nd St. SW
Everett, WA

Corporate Warehouse

1 Building 60,000 Sq. Ft.

Painted 2013

Snohomish County Jail

3025 Oakes Ave
Everett, WA 98201

Government Building

Painted 2016 Painted the jail hospital

Northwest Corp. Park

6001-6017 6th Ave S
Seattle, WA

5 Buildings

229,680 Sq. Ft.

Painted 2008

UW Tower

4333 Brooklyn Ave NE
Seattle, WA

Office Building

24 Story Interior

Painted 2008

Inca Building

400 112 Avenue NE
Bellevue, WA

Office Building

5 Story Building, 85,000 Sq. Ft.

Painted 2013

Tim's Cascade

1150 Industry Drive N.
Algona, WA

Building

97,000 Sq. Ft.

Painted 2007

*To view these and other projects, Please view our website at
www.lower48contracting.com*



References

Together Center

16225 NE 87 Street
Redmond, WA 98052

3 Buildings

Painted 2015

Transiplex

2580 S. 156 St.
Seattle, WA 98158

4 Buildings

Painted 2014

70,000 Sq. Ft.

Fire Station 71

190 East Sunset Way
Issaquah, WA

2 Buildings

Painted 2011

Eastside Fire & Rescue

5 Different Eastside Locations
Issaquah, WA

Buildings

5 Fire Stations

Painted 2009

Leviton

2222 222 Street SE
Bothell, WA 98021

Corporate Park

Painted 2012

40 Lake Bellevue

40 Lake Bellevue Drive
Bellevue, WA 98005

Office Building

Painted 2014

Kirkland Theatre

123 5th Ave
Kirkland, WA

City of Kirkland

Painted 2010

Woodinville Water District

17238 NE Woodinville/Duvall RD
Woodinville, WA

1 Buildings

Corporate Office.

Painted 2016

*To view these and other projects, Please view our website at
www.lower48contracting.com*



References

Umbra

6707 Hardeson Road,
Everett, WA

Corporate Warehouse

1 Building, 120,000 Sq. Ft.
Painted 2013

520 Building

520 112 Ave NE
Bellevue, WA 98004

1 Building

Painted 2015

Ronald Waste Water District

17505 Linden Ave. North
Seattle, WA 98133

Office Building

Painted 2012

Redmond Town Center

7525 166th Ave NE
Redmond, WA 98052

Out Door Mall

3 metal awnings
Painted 2016

Frontier Bank

520 112th Ave NE
Bellevue, WA

Office Building

Painted 2008

Mill Creek Distribution Center

21840 76th Avenue S
Kent, WA

2 Buildings

223, 680 Sq. Ft.
Painted 2011

Factoria Market Place

4055 Factoria Mall SE
Bellevue, WA

Exterior Retail Repaint

Painted 2011

*To view these and other projects, Please view our website at
www.lower48contracting.com*

Rachel Pitzel

From: Julie Brazier <julie@martinsonpainting.com>
Sent: Friday, April 21, 2017 2:22 PM
To: Rachel Pitzel
Cc: Jeremy Martinson
Subject: Fw: Attached Image
Attachments: 0894_001.pdf

Hi Rachel,

Attached is our proposal for the Municipal Building / Staining Project 2017 Proposal.

Please let us know if you need anything else.

Thank you,

Julie Brazier
Bookkeeper
Martinson Painting LLC
julie@martinsonpainting.com

From: jeremy-martinsonpainting@comcast.net <jeremy-martinsonpainting@comcast.net>
Sent: Friday, April 21, 2017 2:28 PM
To: Julie Brazier
Subject: Attached Image

Municipal Building Painting/Staining Project 2017 PROPOSAL

Proposals due by 4:30 pm April 21, 2017

Bids may be submitted in person or by U.S. Mail, or email to: City of Edgewood, City Hall, 2224 104th Avenue East, Edgewood, WA 98372-1513, (253) 952-3299, facsimile (253) 952-3537, email rachel@cityofedgewood.org.

We, the undersigned, hereby agree to bid the following per the "Request for Proposals," - Edgewood City Hall Painting/Staining Project 2017

Lump Sum:

Task One: Preparation of Substrate per Details \$ 26,100.00

Task Two: Painting/Staining of all Substrate per Details \$ 58,450.00

Sales Tax 9.9%: \$ 8370.45

TOTAL:

\$ 92,920.45 *

Prices include freight, all licenses, permits, fees, etc. not otherwise specifically mentioned.

* Please see attached additional option *

BIDDER NAME: Martinson Painting LLC

ADDRESS: PO Box 1848 Milton, WA 98354

TELEPHONE: 253-777-6513

EMAIL: Jeremy@martinsonpainting.com

UBI NO. 602-493-909

CONTACT: Jeremy Martinson

Bidder Checklist: MRSC Small Works Roster (registered): ✓

Statement of Bidders Qualification (included with bid) ✓

BID PROPOSAL
For City Hall Exterior Painting/Staining

This proposal shall include all material, equipment, labor, and license and permit fees, taxes and any other associated costs. The bid price shall be lump sum.

BASE BID

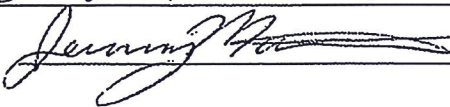
10,110.80

The Base Bid shall include all work as shown in these specifications.

Base Bid Amount	\$	<u>84,550.00</u>	
WSST @ 9.9%	\$	<u>8,370.45</u>	
TOTAL BASE BID	\$	<u>92,920.45</u> *	<u>82,809.65</u>

** Please See attached additional option **

The undersigned has read these specifications and is familiar with the site and requirements of this construction project. The bid amount presented in this proposal is a lump sum price to perform all work necessary to complete this project.

Contractor Name: Martinson Painting LLC
Address: PO Box 1848 City: Milton Zip: 98354
Phone: 253-777-6513 Fax: 253-770-6042
Signature: 

Municipal Building Painting / Staining Project 2017 Proposal

Additional Option:

We are suggesting a deduct to clean with Sherwin Williams Woodscape Revived Product instead of stripping all the cedar and applying Benjamin Moore Restore and Brightener. Then applying Sherwin Williams Woodscape Waterborn, to these areas that are listed.

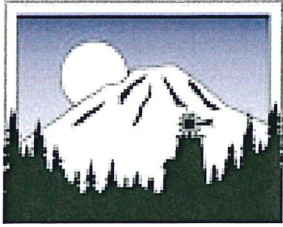
We are suggesting this for the North larger area that is L shaped cedar shingle siding and the fenced in area undercover on the North side of the building. Also on the South East side for the cedar shingle shakes that are also under cover. Both of these areas are still in good shape and we are concerned with how good the adhesion of the existing stain is. We feel like this option we are suggesting for cleaning and staining would be sufficient for these areas. By doing this it would deduct \$9,200 plus tax off the overall proposal.



Reference List

<u>Name:</u>	<u>Business:</u>	<u>Phone Number:</u>
Lorene Corey Strip malls, TI's, Personal Residence (REI, Bed Bath & Beyond, Starbucks, ETC)	G Group Property Management	503-871-2721
Kevin Stender Edgewood City Hall Clean and Stain and Edgewood City Barn	City of Edgewood	253-952-3299
Harley Wanaka Custom Homes, Burien Toyota, Olympia Toyota and Doxon Toyota	Wanaka & Sons	253-606-9669
Dale Harrison Design Build Custom Homes	Harrison Homes, LLC	253-606-6781
Joe Schafsma Design Build Custom Homes	Concept Builders	253-735-7771

Jeremy Martinson
Martinson Painting
C-253-691-2851
f-253-770-6042
Jeremy@martinsonpainting.com
P.O Box 1848
Milton, WA 98354-1848



CITY OF EDGEWOOD

2224 104th Avenue E., Edgewood, WA 98372
Phone: (253)952-3299
www.cityofedgewood.org

April 7, 2017

REQUEST FOR PROPOSALS

Edgewood City Hall Painting/Staining Project 2017

The City of Edgewood is soliciting proposals through our small works roster process for the cleaning, preparation, re-caulking and staining of the City Hall Building, located at 2224 104th Avenue East, Edgewood, WA 98372.

Instructions to Bidders: Proposal shall include a separate lump sum bid price for each task.

Scope of Work

Task One

Preparation of all substrates (board-and-batten siding, shingles, eaves, trim, and metal entry awning)

Surface preparation of the substrates:

1. Prepare surfaces in an expert manner to produce completed work of a top quality appearance and durability.
2. All surfaces must be made free of contamination (dust, dirt, chalk, soot, salt spray, grease, oil, wax, mildew, etc.) that may adversely affect the adhesion of scheduled primers, sealants, patching compounds, paints, coatings, stains, etc. Utilize the appropriate solvent or biodegradable detergent solution to clean, remove, or neutralize surfaces so that they may readily receive repair, sealing, and coating materials.
3. When using chemicals or solvents to prepare surfaces, special care is to be taken to insure all chemicals or solvents used are completely removed from the substrate prior to application of primer and finish coat systems.
4. Whenever possible pressure wash surfaces to be painted, utilizing appropriate PSI so as not to damage the substrate. Where pressure washing is not possible, legal, or practical, hand wash with a biodegradable detergent and clean water, sponge, or broom to thoroughly clean areas to be painted.
5. After surfaces have been cleaned and allowed to dry, remove any loose or peeling paint using hand tools or power tools in accordance with SSPC-SP2 (Hand Tool Cleaning) and SSPS-SP3 (Power Tool Cleaning) Methods. Feather-sand all repair edges and dust clean.
6. Excavate blisters in existing paint film, feather-sand edges, and dust clean.

7. Thoroughly scuff-sand glossy surfaces scheduled for painting to insure proper adhesion; and use a phosphate-free TSP solution or chemical de-glosser where necessary and permissible.
8. Avoid using patching and repair materials with high lime concentrations on cementitious surfaces.
9. All repairs and or patching to be feathered and blended to match the adjacent substrate.
10. Remove any existing deteriorated patching and caulking materials and repair or replace as specified below.
11. Test unpainted and repaired concrete, concrete block and stucco surfaces to verify that the pH of the surface is suitable for the application of the specified primer or paint finish.
12. Prime or spot prime new or repaired and patched surfaces with a suitable primer.
13. It is the contractors' responsibility to determine if the surface or substrate is in sound condition prior to commencement of any work including but not limited to washing, preparation, painting, coating, or staining of any surface or substrate.

A. Metal Substrates:

1. Dust, dirt, rust, scale, oil/grease, contaminants, peeling or loose paint to be removed by high pressure power washing, scraping, sanding, hand/power tool scraping, and wire brushing as necessary to insure a clean sound substrate for application of prime/finish coat systems. Scrape and sand smooth all areas to receive finish.
2. De-gloss all glossy/slick surfaces prior to application of finish coat systems.
3. Remove all oils and or contamination from metal and etch substrates with appropriate cleaner/etcher/degreaser as per manufacturer recommendations, wash and rinse thoroughly prior to application of prime/finish coat systems.
4. All metal to be free of moisture prior to application of prime/finish coat systems.
5. Prime all bare metal within three hours of preparation. Top coat all primed areas immediately upon cure.
6. Special Instructions Regarding Metal Awning¹:
 - Primer: Spot prime as needed- P04 Super Spec Acrylic Metal Primer@ (Min. 5 mils WFT; 2.0 mils DFT)
 - Finish: HP29 Super Spec DTM Acrylic SG Enamel @ (Min. 4 mils WFT; 2.3 mils DFT)

B. Wood Substrates:

1. Clean all surfaces from dirt, dust, contaminants, and loose, peeling paint prior to application of prime/finish coat systems by pressure wash. Care to be taken to use correct pressure so as not to score substrate.
2. Scrape and sand smooth all areas to receive paint, sanding all remaining paint material to a feathered edge. Remove mildew with a solution of chlorine bleach, TSP, and water.
3. All glossy or slick surfaces to be de-glossed by sanding or chemical de-glosser as necessary to insure best possible adhesion.
4. If applicable, prime all raw wood areas as specified in section 4.01.
5. Fill holes, cracks, and imperfections as specified during bid process, repeated application of patching/caulking materials may be necessary to bring repaired areas flush with adjacent substrate.

¹ Extra preparation may be required to ensure adhesion

6. Raw wood areas to be primed prior to patching/caulking, re-prime patched/caulked areas after repairs are fully cured.

7. If wood repair is to be performed in addition to the painting contract, awarded contractor to full prime all six sides of any new wood as defined in the Finish Schedule prior to installation to insure best possible performance. The repair of dry-rotted, delaminating, moisture, or termite damaged wood or compositional wood surfaces and the treatment of nails rendered ineffective and unstable due to extensive corrosion is not included in this scope of work. Repair to these areas should be completed prior to painting by a properly licensed contractor to insure the integrity of new coating systems.

8. All wood substrates to have no more than 15% moisture content prior to application of prime/finish coat systems.

9. When painting substrates subject to excessive tannin bleed such as redwood or cedar, prime as specified and apply additional primer as necessary to insure complete hold out prior to application of finish coat systems.

10. Special Instructions:

N638 and N640 general surface preparation:

- Optimal performance is achieved when the product is applied to a clean, dry, and absorbent wood substrate.
- New Wood: Smooth planed wood siding, trim, or deck boards must be sanded thoroughly or treated with Benjamin Moore® Brighten, Brightener & Neutralizer (317) to break the “mill glaze” and allow proper penetration and adhesion. After prep is complete, test for penetration by applying a few drops of water to the dry substrate. If the water does not quickly penetrate, repeat prep or consult your Benjamin Moore® retailer.
- Weathered Wood: Prior to staining, weathered wood must be treated with Benjamin Moore® Restore, for Gray & Weathered Wood (316), following label directions, until a sound surface is obtained (loose or damaged wood fibers removed). Neutralize surface with Brighten, Brightener & Neutralizer (317) following label directions. Allow surface to dry thoroughly. Note: When applying to vertical surfaces, apply from bottom to top.
- Un-weathered areas such as eaves, ceilings, overhangs or protected wall areas must be washed with
- Benjamin Moore® Clean, Multi-Purpose Cleaner (318) and rinsed with a strong stream from a garden hose to remove surface salts that can interfere with proper adhesion.
- Mildew: Stains from mildew must be removed by cleaning with Benjamin Moore® Clean (318) prior to coating the surface.
- Caution: Refer to the 315, 316, 317, 318 technical data, and material safety data sheets for instructions on their proper use and handling.

Task Two

Painting/Staining of Siding, Shingles, Eaves & Trim, Metal Awning

Application of Stain/Paint:

Stain Finish Schedule

- A. Finish surfaces in accordance with the following procedure(s) for the surface and finish desired.
- B. All products to be applied according to their recommended mils of wet film (WFT) and dry film (DFT) thicknesses to achieve full coverage. Refer to product Technical Data Sheets.

Exterior Substrates:

A. Substrate- Wood Board-and-Batten

1. Finish: 0640 Arborcoat Solid Deck & Siding Stain to cover completely @ (Min. 4 mils WFT; 1.4 mils DFT) or approved equivalent

B. Substrate- Wood Shingles

1. Finish: N638 Arborcoat Semi-Transparent Deck & Siding Stain @ (Penetrating Minimal DFT) or approved equivalent
2. Finish: N638 Arborcoat Semi-Transparent Deck & Siding Stain @ (Penetrating Minimal DFT) or approved equivalent.²

C. Substrate- Metal Awning³

1. Primer: Spot prime as needed- P04 Super Spec Acrylic Metal Primer@ (Min. 5 mils WFT; 2.0 mils DFT)
2. Finish: HP29 Super Spec DTM Acrylic SG Enamel @ (Min. 4 mils WFT; 2.3 mils DFT)

D. Colors

- The City of Edgewood Representative will provide final color selections. Colors TBD
- The owner's representative must choose, approve, and sign-off all colors prior to application.
- Color chips, paint outs, and/or drawdowns of selected colors to be provided by the awarded contractor and signed off prior to commencement of work.
- If a color change is decided upon, additional samples will be at the discretion of the contractor and may be billed to the Project. Significant changes to existing colors or schemes typically result in additional coats being required to provide a finish with proper hide, uniformity, and color representation. Prior to award of contract, a "mock-up" of the selected color scheme is recommended to determine the number of coats required to attain satisfactory results. Should additional coats be required, the document must be amended to address the necessary changes.
- Unless otherwise specified, bids are to be submitted for a same or similar color re-paint. If a significant color change is decided upon, additional coats may be required at additional cost unless otherwise noted in this specification

² Generally, one coat of stain is sufficient on properly prepared substrates. On siding, if the stain is quickly absorbed, an additional coat can be applied prior to drying. A second coat of stain may be necessary on some surfaces to achieve desired color.

³ Extra preparation may be required to ensure adhesion.

- After contract award, any revisions to established color schemes that necessitate additional coats are considered “extra work”. Under these circumstances, a written “WORK CHANGE ORDER” by the owner confirming approval and acceptance of the additional work and expense must be issued before the Contractor can proceed and receive just compensation.

E. Product Handling

- Product mixing and thinning if necessary shall be according to the manufacturer’s instruction. Any mixing required shall be done in the specified work and storage area. All mixing and/or thinning material such as tools, paint thinners, rags, and partially filled containers shall be returned to the storage area at the completion of each day’s work.
- Materials in five-gallon containers shall be stacked no more than three-high and put in a categorized area as defined in 2.02 C.
- Onsite storage of equipment and/or materials to be approved through the owner or owner’s representative prior to commencement of work. All storage must comply with local health and fire regulations.
- Disposal of all wastewater and unused materials shall be in compliance with current A.Q.M.D. and local legal requirements and regulations. New federal regulations regarding lead safety are effective April 22, 2011. These regulations require "lead safe" work practices for remodeling, renovation, and painting activities, and were adopted by the U.S. Environmental Protection Agency (USEPA) as mandated by Congress. USEPA requires that at least one contractor (per job) working on a pre-1978 residential building or child-care facility is "certified". Businesses that renovate, remodel, and paint must be certified by USEPA. Bidding contractors to submit certification documentation with proposals for applicable projects.
- If the property is pre-1978, lead testing as required by law is to be conducted independently and as per current regulations at the expense of the property owner. If lead is found to be present, contractors are to revise all bids appropriately. Lead presence may significantly increase the cost of all previously submitted bids.
- Painting and preparation of any existing coatings or substrates containing lead to be conducted in full compliance with current regulations as defined by the U.S. Environmental Protection Agency (USEPA).

Schedule of Work

- Painting Contractor shall coordinate the commencement of all work with the City of Edgewood Representative so as not to cause inconvenience to the citizens and staff.
- Painting Contractor shall post notices in conspicuous places, at least three to five days in advance informing employees of the date that work will commence.
- A pre-commencement meeting is required to coordinate all details with painting contractor, owner/owners representative and any other contractor or vendor affected by work to be performed.
- Contractor must complete work prior to **August 1, 2017**.
- Estimated value of the work is **\$65,000**.

Bidding

Bids shall include total costs broken down by parts referenced above including labor and materials, obtaining necessary licenses and permits (local and/or state), and all equipment necessary to safely complete the job, disposal of all related waste and cleanup of the site. Work will be performed per the current edition of the International Building Code and City standards. The Contractor shall not subcontract Work unless the City approves in writing. If the City requests, the Contractor shall provide proof that the Subcontractor has the experience, ability and equipment the Work requires. Contractors must be registered contractors at time of bid, have a current UBI number, have industrial insurance coverage as verified by WA L&I, have an Employment Security Department number, have a WA state Excise Tax Registration Number, and must not be disqualified from bidding per the Debarred Contractors list. Successful bidder must have or shall obtain a City of Edgewood business license.

Bids are due by 4:30 pm on Friday, April 21, 2017. Bids may be submitted in person, by U.S. Mail, or email to: City of Edgewood, City Hall, 2224 104th Avenue East, Edgewood, WA 98372-1513, (253) 952-3299, facsimile (253) 952-3537, email rachel@cityofedgewood.org. Results of the bid will be posted on the city website after award. There will be a pre-bid meeting to look over the job at City of Edgewood, City Hall Building, 2224 104th Avenue East, Edgewood, WA on, **April 14, 2017 at 10:00am**. Interested contractors are to submit a completed proposal form and a Statement of Bidder's Qualifications including references utilizing the forms provided. The City of Edgewood reserves the right, without any liability on our part, to accept a proposal of the bidder submitting the lowest responsible bid, to reject any or all bids, revise or cancel the work to be performed, or do the work otherwise, if the best interest of the City is served thereby.

For technical questions or to schedule a site visit, please contact Mayor Daryl Eidinger at 253-952-3299 between the hours of 8:30am to 5:00pm, Monday through Friday.

The City of Edgewood, in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C 2000d to 2000d-4 and Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation issued pursuant to such Act, hereby notifies all bidders that it will affirmatively ensure that in any contract entered into pursuant to this advertisement, disadvantaged business enterprises as defined at 49 CFR Part 26 will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, national origin, or sex in consideration for an award.

Municipal Building Painting/Staining Project 2017 PROPOSAL

Proposals due by 4:30 pm April 21, 2017

Bids may be submitted in person or by U.S. Mail, or email to: City of Edgewood, City Hall, 2224 104th Avenue East, Edgewood, WA 98372-1513, (253) 952-3299, facsimile (253) 952-3537, email rachel@cityofedgewood.org.

We, the undersigned, hereby agree to bid the following per the "Request for Proposals," - Edgewood City Hall Painting/Staining Project 2017

Lump Sum:

Task One: Preparation of Substrate per Details \$ _____

Task Two: Painting/Staining of all Substrate per Details \$ _____

Sales Tax 9.9%: \$ _____

TOTAL: \$ _____

Prices include freight, all licenses, permits, fees, etc. not otherwise specifically mentioned.

BIDDER NAME: _____

ADDRESS: _____

TELEPHONE: _____

EMAIL: _____

UBI NO. _____

CONTACT: _____

Bidder Checklist: MRSC Small Works Roster (registered): _____

Statement of Bidders Qualification (included with bid) _____

BID PROPOSAL
For City Hall Exterior Painting/Staining

This proposal shall include all material, equipment, labor, and license and permit fees, taxes and any other associated costs. The bid price shall be lump sum.

BASE BID

The Base Bid shall include all work as shown in these specifications.

Base Bid Amount	\$ _____
WSST @ 9.9%	\$ _____
TOTAL BASE BID	\$ _____

The undersigned has read these specifications and is familiar with the site and requirements of this construction project. The bid amount presented in this proposal is a lump sum price to perform all work necessary to complete this project.

Contractor Name: _____

Address: _____ City: _____ Zip: _____

Phone: _____ Fax: _____

Signature: _____



**CITY OF EDGEWOOD
STAFF REPORT**

**STUDY SESSION AGENDA ITEM: TVI Government Securities
Purchase**

Date: May 2, 2017

Title: TVI Government Securities Purchase-Strategic Reserve Fund

Attachments: TVI Government Securities Purchase Documents; LGIP Document.

Submitted By: Dave Gray, Asst. City Administrator

Approved For Agenda By: Daryl Eiding, Mayor

Discussion: In 2014 the City of Edgewood placed their Strategic Reserve Balance and some General Fund Balance into four (4) government securities (approved restricted government funding investments) through Paul Jarvis of TVI. He is well known among government Finance Officers (GFOA) and TVI produces investment events and presentations around the Northwest. The City's last investment product will be sold this June, returning the funds to the Treasury Account with US Bank. As the investment return environment has improved for these types of purchases, as an alternative to the State of Washington's Local Government Investment Pool, staff (Dave) in concert with the Mayor's oversight, recommends reinvesting a million dollars of the current Strategic Reserve Fund Balance (\$1,002,749.25 as of 3/31/2017) directly in government securities through TVI. The Local Government Investment Pool (LGIP) is designed to provide maximum security with total liquidity for local governments. It invests, by State Law restriction, in the same government backed securities as TVI provides directly. They do this via a pooling of assets, keeping a cash balance available for investors (local governments) to pull cash out without notice. This need for liquidity produces a much lower return on investment for the pool members. The City of Edgewood uses the LGIP for the General Fund operating reserve balance, as it produces some investment return while keeping liquidity at 100%. The **risk** to the City by purchasing the same quality of government securities direct, is the City has then agreed to not withdraw the funds for a fixed period of time. Should the City need to execute a withdrawal prior to the maturity date of the investment, it would pay a penalty. The penalty diminishes over time as the investment nears maturity. The penalties are not onerous in comparison to the total amount invested (worst case example: the City needs to withdraw 100% of the invested funds the day after the investment is placed could generate approximately a \$30,000 dollar loss on a \$1,000,000 million dollar investment). It is unlikely the City would need to cash out the

investment early, and the penalty (risk) reduces as the investment matures. The position of the City is that the City is not in the business of seeking investment income as a source of revenue. The City maintains a healthy cash balance as a cushion against the volatility of its cyclical revenue (fees for services) and its cyclical overhead costs. That said, placing what has been for two years, and is very likely an amount that will continue for years to come, a strategic reserve amount balance into a higher earnings return vehicle, will help offset the cost of banking services by making the reserve balance work for the City. The **reward** is the difference between the average earnings from the LGIP and the market value of the investment over the life of the investment. As of this date those rates are:

LGIP Yield as of April 25, 2017 = .070 (7 tenths of a percent)

Estimated Direct Purchase Rate = 1.62 (one and 6.2 tenths of a percent)

The reward in total dollars is about an additional \$29,000 over the return from that of an LGIP investment.

Recommendation: To authorize the Mayor to purchase one million dollars of government backed securities, as authorized by RCW 39.59, from the Strategic Reserve Fund Balance with maturity dates not to exceed three years.

Fiscal Impact: It is estimated the increased return on investment over the not to exceed three year period will generate an additional interest income to the Strategic Reserve Fund of \$29,000.00

From: Alex McCann [mailto:alex.mccann@timevalueinv.com]
Sent: Wednesday, April 26, 2017 5:46 PM
To: Dave Gray
Subject: RE: City of Edgewood

To compare the LGIP versus the bond I think a simple cashflow will explain things clearly.

The bonds are yielding 1.62% right now instead of 1.67%. That being said, if you put \$1,000,000 into that bond tomorrow, and it matured on 12/14/2020, here is the cashflow:

Spend \$1,002,689.44 to purchase the bond
(\$997,000.00 is principal and \$5,689.44 is accrued interest you have to pay the seller who held the bond from the last interest payment date of 12/14/16 until tomorrow's date of 4/27/17)
Receive interest payments of:
\$7,700 every six months from 6/14/17 through 12/14/20 for a total of \$61,600.00
You would also receive \$1,000,000 back at maturity 12/14/20

-\$1,002,689.44 (spent)
+\$61,600.00 (interest payments)
+\$1,000,000 (principal at maturity)

Total: \$58,910.56

This total income represents a yield of 1.62% for the life of the bond.

Now let's say you put that same \$1,000,000 into the LGIP instead of a bond. Let's assume the average yield for the life of your money in the LGIP earned .82% but of course keep in mind that fluctuates so rates could go down or up.

$\$1,000,000 \times .0082$ for 3 year and 7 months (until December of 2020) divided by 365 days a year =
\$22.46 per day
Total days until 12/14/2020 is 1333 days $\times \$22.46$ per day = \$29,946.91.
So \$29,946.91 is the amount you would earn on the \$1,000,000 if you left it in the LGIP for the same duration.

You would receive \$58,910.56 if you purchased a \$1,000,000 bond maturing 12/14/20.
The net difference between what you would earn on the bond versus what you would earn in the LGIP is \$29,963.65. $(\$58,910.56 - \$29,946.91) = 28,963.36$ more than LGIP same period.

You earn a little more than double on the bond which makes sense because we're assuming you earn .82% in the LGIP and 1.62% on the bond and a 1.62% yield assumes you are reinvesting the semi-annual interest payments at 1.62%.

Sincerely,

Alex McCann | Chief Operations Officer
Time Value Investments, Inc. | 9725 3rd Ave NE, Suite 610 | Seattle, WA 98115
Direct: 206-365-3000 | Toll Free: 877-707-7787 | Fax: 206-417-6000 | www.timevalueinv.com



Public Funds Investment Educational Videos at www.timevalueinv.com/p/educational-videos

Securities offered through ProEquities, Inc. a Registered Broker-Dealer, Member, FINRA & SIPC. Any non-securities activities conducted by Time Value Investments, Inc. are independent of ProEquities, Inc.

GUIDE TO PUBLIC FUNDS INVESTING FOR LOCAL GOVERNMENTS

Office of the Washington State Treasurer

June 2016



James L. McIntire
Washington State Treasurer

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I. STATEMENT OF PURPOSE

The Office of the State Treasurer has developed this guide as a resource for local governments¹ with statutory authority to invest who are considering investment options and developing an investment strategy. It lists and discusses the investments permitted under state law for local governments, sets forth the basic elements of a sound investment program, and discusses many of the potential risks and pitfalls of public funds investing. As well, it provides links to additional resources that will help investors to identify and implement industry best practices. While this guide is intended to be broadly applicable to a range of local government investors, some sections may be more useful than others for specific investors.

The information in this guide reflects statutory changes effective June 9, 2016.

II. PRUDENCE IN INVESTMENTS

What does a successful investment program for public funds look like? It focuses on **safety** and **liquidity** of funds as its primary objectives, seeks to maximize **return**, and operates within the bounds of **legality**. It employs defined strategies and procedures in pursuit of these objectives. Insofar as investing involves both opportunities and risks, it is managed to ensure the safety and availability of public funds, with the secondary objective of generating an additional revenue stream. Local government investment managers should adhere to the “Prudent Person” standard, which says that investment decisions must be suitable for the risk and return profile and the time horizon of the investor.

Safety and liquidity are the primary objectives for public funds investors. A strong investment program will go further to focus on performance. In practice, investment performance is the product of a strong investment process. The main elements of the investment process are controlling risk, identifying a reasonable expectation around expected return, and controlling costs (i.e. inefficient or excessive trading). These elements combine to form a mechanism to optimize risk and return. Performance monitoring using an appropriate benchmark enables managers to see whether their investment strategy is effective.

Local government investors with limited resources or experience may find that caution is the best approach in the management of investment performance. Without specific expertise in the area of credit analysis, for example, investments in certain legally permitted instruments may not be a good idea, as adequate control of risk is not possible. Some investors may find that they are best able to

¹ As defined in RCW 39.59.010

structure a successful program by working with an outside advisor who brings experience in developing strategy and monitoring performance. These concepts are discussed further below.

III. INVESTMENT POLICY

A prudent investment strategy should be anchored by a well-structured formal investment policy. The investment policy should articulate the objectives, parameters and benchmarks of the local government portfolio and should be regularly reviewed. The policy serves to protect both the entity and the investment officers and also to provide information to the broker/dealer community that is providing coverage. The Office of the State Treasurer encourages local governments to submit their policies to the Washington Public Treasurers Association (WPTA), which offers an investment policy certification program. This peer review program serves to ensure that the policy adequately addresses all important aspects of an investment program.

At a minimum, a local government investment policy should contain:

- ***Objectives of the investment portfolio/agency:*** The primary objective of public funds investing is generally safety of principal, followed by liquidity in order to ensure availability of sufficient cash (or highly marketable securities) to meet spending requirements. Any objectives around portfolio return should be tied to market returns in order to ensure that managers are not pushed to assume inappropriate levels of risk.
- ***Identification of funds governed by the policy:*** The policy should state which fund or funds it applies to (e.g. operating funds, bond proceeds, or pooled funds).
- ***Delegation of investment authority:*** The policy needs to identify the persons or positions with authority and responsibility for investment and allocation decisions.
- ***Ethical and legal standards:*** The policy should establish a prudent person standard and establish restrictions to mitigate potential conflicts of interest.
- ***Authorized dealers and financial institutions:*** The policy should name the requirements to be met by financial institutions and dealers doing business with the governmental entity. Possible examples include net capital requirements, registration and good standing with appropriate regulatory bodies, and review of the entity's investment policy.
- ***Safekeeping and custody:*** The policy should specify that all security transactions be conducted on a delivery versus payment basis and set forth the requirements for safekeeping of the securities purchased.
- ***Internal controls:*** The policy should outline the internal control structure that governs the investment process.

- **Authorized investments:** The policy should identify all authorized investments, referring to applicable state laws as well as any other relevant policies. It should define the following investment parameters:
 - Limits on specific types of securities as a percent of the total portfolio
 - Maximum term, by type of security
 - Issuer limits—maximum percentage of an issuer permitted in portfolio
 - Limits on repurchase agreements
 - Other requirements such as collateralization
 - Requirements around securities lending agreements
 - Procedures for dealing with portfolio out of compliance after purchase
 - Other appropriate diversification restrictions
 - Minimum credit rating requirements, by type of security
- **Oversight and reporting requirements:** The policy should make clear which individual or committee has oversight authority over investment officers. It should specify the type, frequency and form of reporting to the person or committee with oversight authority. It should identify an appropriate benchmark that will be used to gauge the performance of the portfolio.

IV. ELIGIBLE INVESTMENTS

In order to ensure the safety and liquidity of public assets, local governments in the state of Washington are restricted to specific investments that are permitted by state law. For an investment to be considered eligible it must be explicitly listed in statute. The Revised Code of Washington statutes that primarily govern the investment of public funds are attached as Appendix I.

While certain investments may be legal, they may not be appropriate for a given entity at a specific point in time. To arrive at a prudent investment strategy it is not enough to consider the range of permitted investments. Investment officers must also carefully consider the risk and return of possible investments in relation to the safety and liquidity requirements of the local investing entity.

V. INVESTMENT CONSIDERATIONS

Cash Flow Forecasting: For some public entities the cash balances they have are destined to be spent as the entity conducts its normal business. However, most entities have cash balances in excess of their immediate needs. The investment of surplus funds can be an important source of revenue, particularly in higher interest rate environments. Through cash flow forecasting you should be able to distinguish

between cash that should be invested in short-term instruments and cash that is not expected to be needed for a longer period of time (often invested separately as a “core” portfolio).

In order to forecast cash flows over a period of up to twelve months into the future, managers need to take into account:

- Recurring cash flows: cash flows that take place on a regular basis, such as payroll disbursements or sales tax revenues. The amount and timing of recurring cash flows can be understood and modeled using past years’ data, budget information, debt payment schedules and similar sources.
- Non-Recurring cash flows: one-time cash flows, such as from a bond sale and payments or a major capital expenditure.
- Required and/or desired levels of cash reserves to cover unexpected expenditures or other unanticipated cash flow needs.

Certain cash flows may be recurring but seasonal; for example, tax revenues may show a pattern of increases and decreases over a calendar year.

Cash flow forecasts should be updated on an ongoing basis to align them with actual results. If estimates and results are significantly different, corrections may be needed. Where there are significant variances between forecast and actual cash flows, managers should identify the source of the variance and determine whether future forecasts should be adjusted.

Short-term Investment Options: The following are options for investing cash that needs to be available to meet your short-term needs. In this discussion short-term refers to anything from overnight out to one year. The time horizon may vary depending on the nature and certainty of your cash flows, the instruments you are utilizing and the overall size of the available liquidity.

It is important to consider transaction costs when evaluating options for investing short-term funds, especially in a low rate environment. For example, \$100,000 invested at 5.25% (the LGIP and Fed Funds rate in 2007) earns \$14.39/day but \$100,000 invested at 0.41% (the LGIP rate in early 2016) earns \$1.12/ day. In the latter case, if you receive \$100,000 and need it for payroll in 10 days, you are better off financially to leave it in your checking account than to invest it in the LGIP for those 10 days. Depositing it with the LGIP will result in a wire fee from your bank for sending and another fee for receiving it back from the LGIP. If your wire fee is \$7.50 you would pay \$15 and receive \$11.23 in earnings, a net cost of \$3.77. Additionally, many banks offer a rate on compensating balances that can be used to offset banking fees.

Local Government Investment Pool (LGIP). The creation of the LGIP was authorized by the legislature in 1986. It has been a popular and successful liquidity vehicle for local and state

governments since its inception. There are currently over 500 participants in the LGIP, with between \$8 billion and \$12 billion invested. The LGIP is a voluntary investment option that offers 100% liquidity on a daily basis. The low fee structure provides participants with a competitive short-term investment option. Additional information about the LGIP may be found on the Office of the State Treasurer (OST) website.

Bank Liquidity Accounts. Numerous qualified public depositories offer interest bearing demand deposit accounts with rates that are close to or even better than the LGIP (see Section IX below: Protection of Deposits). They offer daily liquidity, but there may be a limit on the number of withdrawals during each month. These accounts are a safe option as they are covered under the Public Deposit Protection Commission (PDPC), which provides that all public deposits be either Federal Deposit Insurance Corporation (FDIC) insured or collateralized with the PDPC.

Some products offered by banks may not be statutorily eligible so you do need to make sure that what you are utilizing is a deposit account and not some sort of investment fund. Money market mutual funds are not eligible investments for public funds.

Certificates of Deposit. A Certificate of Deposit (CD) can be a good option, especially if you have known cash flows that will be occurring in the future, e.g., debt service payments on December 1 or June 1. A CD must be completed with a qualified public depository (negotiable CDs are not eligible investments). Rates will vary from bank to bank so you should explore multiple options.

Other Deposit Programs. There are a few deposit programs available that provide an investor with full FDIC insurance on an initial deposit greater than the FDIC maximum. Your initial deposit must be made with a participating qualified public depository, which will then place the funds into the program, where it will be divided into a series of smaller deposits with other financial institutions, each of which would be fully FDIC insured. One example of this is the Certificate of Deposit Account Registry Service (CDARS) program.

US Treasury Bills and Notes, US Agency and Supranational Agency discount notes or coupon instruments, and commercial paper are also common short-term investment instruments. For entities with relatively small amounts to invest, these instruments are often not as attractive as the LGIP or deposit accounts. This is because of economies of scale, they are mostly date specific, and you need to allow for safekeeping. Before buying commercial paper investors also need to perform credit analysis, as it is not advisable to rely solely on the ratings provided by the rating agencies. Note that commercial paper purchases must adhere to the investment policies and procedures adopted by the State Investment Board.²

² The State Investment Board expects to issue an updated policy on commercial paper and corporate notes in September 2016.

Repurchase Agreements (Repos) consist of an agreement by a seller (an authorized dealer) to sell to the buyer (a local government investor) authorized investment securities (referred to as collateral), with the agreement to purchase the securities back on an agreed to date and rate of interest, to be paid to the buyer. Detailed repo guidelines may be found on the OST website.

Longer-term Investment Options: For funds that are not expected to be needed within a twelve-month time horizon, there are several additional securities that may be considered.

US Treasury Notes. These are backed by the full faith and credit of the US government and considered to be very low risk. They are highly liquid. They will generally deliver a lower return than other securities having comparable maturities, but at times the spread between Treasuries and other credit instruments is quite narrow.

US Agency Bonds. These are bonds of government sponsored enterprises. While they carry the implicit backing of the US government, they are not backed by its full faith and credit in the same way as Treasury notes. Some of the most commonly invested, highly rated and most liquid of these are bonds of Fannie Mae (FNMA), Freddie Mac (FHLMC), the Federal Home Loan Bank (FHLB) and the Federal Farm Credit Banks (FFCB). Agency securities are sold as both bullet and callable bonds.

Supranational Agency Bonds. These are US dollar-denominated bonds of quasi-governmental organizations that exist in multiple countries to promote economic development. Local governments in Washington State are permitted to invest in those supranational agencies that have the US government as their largest shareholder.³ Supras are highly rated and have similar structures to US Agency bonds.

Municipal Bonds. These are debt securities issued by a state, municipality or county, or any other local government entity. They are considered higher risk than US government securities. While these are an eligible investment option, investment in municipal bonds should only be undertaken by local governments with the ability to perform credit analysis on the issuer, rather than relying solely on the ratings provided by rating agencies.

Corporate Notes. Corporate notes are considered higher risk than US government securities. As a result, they will almost always deliver higher returns, but investment in corporate notes should only be undertaken by local governments with the ability to perform credit analysis on the issuer. RCW 39.59 requires that corporate notes be purchased on the secondary market

³ As of June 2016, the following supranational agencies had the US government as their largest shareholder: the International Bank for Reconstruction and Development (IBRD or World Bank); the International Finance Corporation (IFC); the Asian Development Bank (ADB) and the Inter-American Development Bank (IADB)

and in accordance with the investment policies and procedures adopted by the State Investment Board.⁴

Credit Risk: Credit risk is the risk of default or the risk of reduction in market value caused by changes in the credit quality of issuers or counterparties. All securities have credit risk; any security that is not backed by the full faith and credit of the United States has greater credit risk. The rationale for owning credit risk is the additional expected return derived from the interest rate spread for a risky bond over a riskless bond. As well, some diversification can be achieved with the addition of credit to a portfolio as changes in interest rates and credit spreads are not perfectly correlated. Credit risk can affect the value of a portfolio in three ways: default risk, credit spread risk, and downgrade risk.

Default risk is the risk that an issuer will default on its obligations and fail to make timely principal and interest payments.

Credit spread risk is the risk the interest rate spread for a risk bond over a riskless bond will increase after the credit risk has been purchased. If the spread increases, the price of the risk bond will decrease, potentially resulting in a loss if the bond is sold before maturity.

Downgrade risk is the risk that a credit rating organization reduces its credit rating for an issuer. This could impact a portfolio if the bond has to be sold.

In order to evaluate and monitor these risks in relation to investments with higher credit risk, such as municipal or corporate debt, the portfolio manager should perform ongoing credit research and modeling. An external adviser or manager can also offer expertise in credit analysis. Credit modeling and research do not rely solely on a credit rating organization. Credit work usually involves a combination of different approaches. One approach is to look at historical default frequencies and the events that precipitated them. Another approach is to use information from the corporate balance sheet and equity market to create a structural model of default probability. Another popular approach is fundamental analysis; looking at a firm's competitive position, industry trends, and financials.

The key point here is that before investing in securities, be sure to perform thorough analysis on the credit of the security and continue to monitor that credit for as long as you hold that security. The policy should also address the actions required if the rating of an issuer is downgraded.

⁴ The State Investment Board expects to issue an updated policy on commercial paper and corporate notes in September 2016.

VI. INVESTMENT PROCESS

A methodical and considered approach to investing will look different for different public funds investors. Local government portfolios vary greatly in size, and this will impact the value that a more developed investment process can add. As well, some managers of local government portfolios balance a number of responsibilities within their agency or organization. For those entities with smaller portfolios, an active investment strategy may not deliver enough additional benefit to justify the time involved or the cost of an advisor. Similarly, for those portfolio managers who have other organizational responsibilities, the analysis described below may be overly time-consuming. In these situations it may make sense to identify a more streamlined, hands-off investment process that requires less day-to-day oversight and fewer organizational resources, even if it does not maximize returns. For local government investors with mid- to large-sized portfolios, however, an understanding of the concepts in this section may prove valuable for developing an investment strategy, either internally or in consultation with an investment advisor (discussed in Section VII).

Broadly speaking the investment process spans four major areas:

- 1) Setting investment objectives and constraints
- 2) Developing and implementing a portfolio strategy
- 3) Monitoring the portfolio
- 4) Portfolio Adjustments

Setting Investment Objectives and Constraints: Investment policies and procedures must be tailored to the needs of each local government. The first step, setting the investment objective and constraints, requires analysis of the source of investment funds. Updated cash flow statements along with other analysis should give an indication of how long-lived the assets to be invested are. Whether the assets are more permanent or short-lived in nature will determine how much risk a portfolio may tolerate. Knowledge of the investing legal authority and authorized investments combined with portfolio risk tolerance and return needs provide the basis of completing a formal investment policy. Forming the investment policy is a critical step in the portfolio management process, as it serves as a roadmap for investment decisions.

A key part of the investment policy roadmap is the selection of the appropriate benchmark. The benchmark should reflect the desired characteristics of your portfolio and is the quantitative expression of the risk and return objectives. A benchmark should have the following general characteristics: first, the benchmark needs to be investable; that is, an investor should be able to buy and hold the benchmark securities. Second, the benchmark should be transparent; that is, all the securities, prices, and returns can be found and calculated. Finally, the benchmark needs to be relevant; that is, an investor is familiar with the securities in the benchmark, the benchmark is

consistent with the desired investment style, and the investor's goals are aligned with positive returns in the benchmark.

While safety and liquidity are the primary goals of any public funds portfolio, managers have a responsibility to attain the highest possible yield within those bounds. Any incremental yield achieved without unnecessary risk represents a tangible benefit to the manager's agency or entity. An investment policy that sets appropriate objectives and a benchmark based on the investor's characteristics can help the investor to maximize yield while remaining within an appropriate investment framework.

Developing and Implementing a Portfolio

Strategy: After stating the investment objectives and constraints in the investment policy, which identifies an appropriate benchmark, attention can be turned to developing and implementing a portfolio strategy. Relevant fixed income strategies for public funds investors can be broken down into three main types. They are pure passive management (or pure indexing), enhanced indexing (which is a hybrid approach), and active management. The difference between these strategies lies in the degree to which the risk factors of the portfolio match the risk factors of the benchmark. The relevant risk factors are:

- **Market risk**, defined here as parallel changes in the yield curve, and measured by duration.
- **Yield curve risk**, changes in the slope and shape of yield curve, and measured by key rate duration.
- **Market volatility**, changes in actual volatility or implied volatility of options, and measured by convexity. For local government investors in Washington State, callable securities are the only eligible investments that incorporate (embedded) options.
- **Credit risk**, changes in credit quality, and measured by changes in credit spread.

Effective Duration and Callable Securities

Duration is a measurement of risk that the principal value of a bond portfolio will fluctuate as interest rates change. It is one of the most important factors to consider as you evaluate the impact of any investment on your portfolio. Generally it is desirable for the duration of a portfolio as a whole to approximately match the duration of the benchmark, although managers may elect to take a somewhat longer or shorter position in an easing or tightening environment.

Effective duration is a measurement that takes into account the optionality in a portfolio. The effective duration of a callable security will fluctuate as its probability of call increases or decreases. A high proportion of callable securities in a portfolio, while it can increase yield, means that in the event of a market move the effective duration of the portfolio can shift dramatically. This can result in a portfolio that is much longer (or shorter) than its benchmark and can force managers to give up yield (if securities are called in an easing environment) or cause cash flow problems (if securities extend and are underwater in a tightening environment).

- **Liquidity risk**, changes in liquidity of individual securities as market conditions change, and measured by bid/offer spread.

These risk factors allow a portfolio manager to determine both the benchmark's and the managed portfolio's risk profile, which is a tabulation of sensitivities to market conditions. A pure passive management strategy is the easiest and most straightforward to implement. Essentially, the portfolio attempts to mimic the risks of the benchmark as closely as possible. It is very difficult and expensive to try to replicate the index exactly. A simpler solution is to build out a ladder of investments that matches the risk factors of the index. The advantage to a passive strategy is that the portfolio manager does not need to make independent economic or interest rate forecasts. It is premised on the idea is that it is very difficult to beat the market.

The other two more active management strategies essentially rely on the manager's forecasting ability. If the manager's forecasts of the future path of the factors that influence fixed income returns are more accurate than those reflected in current prices, then the return of the portfolio should increase. An active manager seeks to exploit opportunities in the market.

An enhanced indexing strategy involves creating small divergences in the risk factors between the portfolio and the benchmark. The duration of the portfolio may be matched to the benchmark while other risk factors are allowed to deviate in smaller, controlled ways. For example, issue selection, where the manager may identify and select securities that are undervalued relative to a valuation model. The manager may use yield curve strategies, where areas of the yield curve that are overvalued are underweighted while areas of the curve that are undervalued are overweighted. Partial duration is a good way to monitor a portfolio's interest rate risk at various points along the yield curve. Another example of an enhanced indexing strategy is sector or credit quality positioning, where a manager tilts the portfolio to favor a sector or credit view.

A pure active management strategy involves deliberately creating larger mismatches between the portfolio and the benchmark risk factors. In this instance the portfolio manager is actively pursuing opportunities in the market to increase return. The objective of the manager is to produce sufficient returns to overcome the style's additional transaction costs and risks.

Monitoring the Portfolio: Irrespective of the investment management strategy that is selected, once the portfolio has been constructed it must be monitored. Monitoring involves two activities. The first is to assess whether there have been changes in the market that have changed the key inputs in the portfolio construction process. The second is to monitor the performance of the portfolio. Monitoring the performance of the portfolio is called return attribution analysis, which seeks to explain how the results were achieved. Performance attribution first determines whether the portfolio manager is adding any value by outperforming the benchmark. Second, attribution analysis tackles the detail of why returns were what they were. For example, the process should identify the degree to which the

realized performance was a result of changes in the level of interest rates, changes in the slope of the yield curve, changes in credit spreads, or issue selection. The process should be informative for both the portfolio manager and management and give all parties a better sense of the portfolio's risk and return.

Portfolio Adjustments: Investment management is an ongoing process. Monitoring activities should naturally feed directly into an evaluation of whether portfolio adjustments need to be made. For example, if capital markets have changed and result in changes to the portfolio's risk profile an adjustment can be made to get the portfolio back into line. Alternatively, through the portfolio attribution process, adjustments may need to be made to ensure the portfolio performs as expected going forward. However, every adjustment comes with a cost. The cost of trading is measured by the bid offer spread and the frequency of turnover in the portfolio. Any adjustment to the portfolio must weigh the costs of the transactions versus the benefits.

VII. USE OF INVESTMENT ADVISORS, MANAGERS AND CONSULTANTS

Many public entities throughout the United States use the services of investment advisors, managers or consultants. Their use emerged in the 1980s, has expanded over the years, and is usually cost-effective, primarily with governments responsible for portfolios exceeding \$30 million.

- **Investment Advisors** typically provide advice only as they assist with the operation of the investment portfolio. They are not given the discretion to execute buy or sell transactions without the authorization of the entity's investment officer. They also provide other services, such as annual investment policy review and recommendations, credit research, financial institution risk analysis, and a full suite of reports and periodic in-person reports to staff, upper management and elected officials.
- **Investment Managers** generally provide the same services as investment advisors. However, they are given discretion to decide upon all buy and sell transactions, provided they conform to the entity's investment policy. Most public fund investment managers in Washington State do not have the authority to enlist the services of investment managers. See below.
- **Investment Consultants** can provide various services, from helping a government develop its investment strategy, to reviewing investment policy, to assisting with credit research. Investment consultants do not advise on specific buy or sell transactions.

Most public fund managers in Washington State do not have the authority to delegate to an external entity those management functions that require the exercise of discretion or judgment in which factual information is weighed and personal judgment is exercised in order to reach a conclusion, e.g., to enlist the services of an investment manager. However, they can enlist the services of investment advisors

and the scope of services they may provide can include nearly everything except making the decision to purchase or sell securities. For example, an advisor could recommend the purchase of a particular security. Should the entity authorize the purchase of that security the advisor could then act on your authorization and purchase that security for your entity.

Many governments - large and small - see financial and program management value in the services that external investment professionals provide. The reasons are varied: internal finance staff may not have sufficient time to devote to the program beyond the basics, or they lack a complete range of expertise to effectively manage their investment portfolios. However, even those entities with expertise and time often find value in the third-party view that an outside advisor brings to their investment program. Staff turnover is an additional factor; investment advisors, managers and consultants can help maintain continuity in this highly important function.

Investment advisors help manage the two primary risks inherent in portfolio management: credit risk and duration risk. While credit risk is generally well-understood, duration risk is often the greater of the two. Expertise in managing both risks is key to operating a successful investment program which includes the careful balancing of the two (the risk-reward relationship) in order to achieve optimal earnings. Advisors normally offset their fees with improved earnings and most users of this service confirm that earnings more than offset the fees.

Selection of an investment advisor/consultant should be determined through Requests for Proposals (RFP) and should include minimum qualifications to ensure that proposals are solicited only from those firms that are experienced and have strong reputations in assisting with the management of government investment portfolios. A relatively small number of firms offer the types of services mentioned above. Therefore, policies that limit proposals to a government's own city, county or state may seriously limit the number of firms able to qualify to provide services. RFPs will elicit more and possibly better results by considering proposals from firms anywhere within the United States. As is the case with other types of procurements, the use of specialized consultants to assist in the selection of advisors, managers or consultants may help in achieving optimal results.

The links section of this piece includes a link to the Government Finance Officers Association (GFOA) Best Practices paper on selection of investment advisors.

VIII. SAFEKEEPING ARRANGEMENTS

Once you purchase a security from a dealer you need to make arrangements to pay for the security and for proper safekeeping. Nearly all of the securities that are eligible for public operating fund investors in Washington State are available in book-entry form, e.g., electronic. The paying agents for

the issuers are the Fed or the Depository Trust Company (DTC), who keep track of the registered owners of each Committee on Uniform Security Identification Procedures (CUSIP) in their registries and will act as a conduit for payment of principal and interest. Bondholders do not deal directly with the paying agents but must work through a third-party for custody or safekeeping.

There are various ways that this can work, ranging from contracting with an independent third-party to having the safekeeping provided by the dealer you bought the security from. Safekeeping is an important aspect of your investment program because this is one area where fraud can occur. Delivery versus payment is an important principle to follow in your investment program. You do not want to pay for a security until you have received it from the dealer.

Industry standard, and the best option, is for safekeeping to be provided by an independent third-party that the investor has contracted with. However, another option is to have safekeeping provided by the same institution that sold the security, provided it is kept in a separate area of the institution, such as the trust department. One option to avoid is to have the dealer or investment advisor directly provide the safekeeping. This violates the delivery versus payment principle and really puts the investor in a position of putting their complete trust in the dealer or advisor.

Statewide Custody Program: RCW 43.08.280 enables local governments and institutions of higher education to contract for safekeeping with a statewide custody provider named by the State Treasurer as the result of a RFP process.

The intent of this legislation was to make third-party custody available to as many local entities as possible, on the best terms that could be negotiated on a statewide basis. The legislation is designed to enable the State Treasurer to select a custodian and negotiate a model contract and fees with the selected firm. The model contract and fee structure are then available to any local government or institution of higher education in the state for an agreed upon time period. The local entity would therefore not have to conduct its own RFP. However, the decision to sign the model contract rests entirely with each local entity. Nothing in the legislation prevents a local entity from arriving at its own contract, with the same or a different firm. If it should choose to do that, normal procurement regulations applicable to the local entity would apply, however.

Upon execution of the model contract, the resulting agreement is solely between the local entity and the statewide custodian. OST is not a party to the contract. It is the responsibility of the local entity to understand the terms and conditions of the contract prior to executing it with the statewide custodian and to ensure the terms and conditions are met by the statewide custodian during the term of the agreement.

Current information on the statewide custody program is available on the OST website:

<http://www.tre.wa.gov/revenueDistribution/statewideCustody.shtml>

IX. PROTECTION OF DEPOSITS

RCW 39.58 requires that all deposits of public funds be made with qualified public depositories, where they would be protected through the actions of the Public Deposit Protection Commission (PDPC). The PDPC, comprised of the State Treasurer, Governor, and Lieutenant Governor, makes and enforces regulations and administers a program to ensure that deposits of public funds are protected if a financial institution becomes insolvent.

The PDPC determines which banks and thrifts are approved to hold public funds and monitors collateral pledged to secure uninsured public deposits. This pledging of collateral secures public treasurers' deposits when they exceed the amount insured by the FDIC (\$250,000.00) such that they are 100% protected.

Washington state and federally chartered credit unions may also accept public deposits, within the limitations set forth in RCW 39.58.240. State law allows deposits up to the maximum amount insured by the National Credit Union Share Insurance Fund (NCUSIF) for any one depositor (i.e., state or local government) of public funds. In this instance the PDPC does not insure or collateralize beyond what the NCUSIF insures.

Approximately 80 public depositories are authorized to accept public deposits in the State of Washington as of this publication. The names of authorized public depositories may be found at:

<http://www.tre.wa.gov/documents/pdpc/publicDepositoriesBanks-Thrifts.shtml> and
<http://www.tre.wa.gov/documents/pdpc/publicDepositoriesCreditUnions.shtml>

X. LINKS AND RESOURCES:

The following best practices papers may be found on the GFOA website, www.gfoa.org/best-practices, under the topic of Treasury Management.

- ***Investment of Bond Proceeds***, September 2014
- ***Government Relationships with Securities Dealers***, October 2012
- ***Creating an Investment Policy***, October 2010
- ***Ensuring the Safety of Reverse Repurchase Agreements***, October 2010
- ***Establishing a Policy for Repurchase Agreements***, October 2010

- ***Managing Market Risk in Investment Portfolios***, October 2009
- ***Selection and Review of Investment Advisors***, October 2009
- ***Using Commercial Paper in Investment Portfolios***, October 2009
- ***Local Government Investment Pools***, October 2008
- ***Mark-to-Market Reporting for Public Investment Portfolios***, February 2008
- ***Diversifying the Investment Portfolio***, March 2007
- ***Monitoring the Value of Securities in Repurchase Agreements***, February 2006
- ***Due Diligence on Bank and Treasury Management Providers***, May 2014
- ***Using Safekeeping and Third-Party Custodian Services***, October 2010
- ***Procurement of Banking Services***, March 2010

The Washington State Association of County Treasurers has also published a best practices document for county investment pools.

The following are links to investment policy resources:

- Washington State Treasurer Treasury/Trust Portfolio Investment Policy:
www.tre.wa.gov/documents/inv_ttpol.pdf
- Washington Public Treasurer's Association: [WPTA Investment Policy Certification Program](http://www.wpta.org/WPTA-Investment-Policy-Certification-Program)
- GFOA links to sample investment policies: www.gfoa.org/financial-policy-examples-investments
- CFA Institute investment policy guidelines:
www.cfainstitute.org/learning/products/publications/ccb/Pages/ccb.v2010.n13.1.aspx?WPID=AlsoViewedProducts

APPENDIX I

Text of Washington Statutes (RCW) Governing Eligible Investments of Public Funds by Local Governments⁵

RCW 39.59.010

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

- (1) "Bond" means any agreement which may or may not be represented by a physical instrument, including but not limited to bonds, notes, warrants, or certificates of indebtedness, that evidences an obligation under which the issuer agrees to pay a specified amount of money, with or without interest, at a designated time or times either to registered owners or bearers.
- (2) "Local government" means any county, city, town, special purpose district, political subdivision, municipal corporation, or quasi-municipal corporation, including any public corporation, authority, or other instrumentality created by such an entity.
- (3) "State" includes any state in the United States, other than the state of Washington.

RCW 39.59.020 Authorized Investments - Bonds, Warrants, and Other Investments

- (1) Local governments in the state of Washington are authorized to invest their funds and money in their custody or possession, eligible for investment, in investments authorized by this chapter.
- (2) Nothing in this section is intended to limit or otherwise restrict a local government from investing in additional authorized investments if that local government has specific authority to do so.

RCW 39.59.____ (New section effective June 2016; number not yet assigned)

Any local government in the state of Washington may invest in:

- (1) Bonds of the state of Washington and any local government in the state of Washington;
- (2) General obligation bonds of a state and general obligation bonds of a local government of a state, which bonds have at the time of investment one of the three highest credit ratings of a nationally recognized rating agency;
- (3) Subject to compliance with RCW 39.56.030, registered warrants of a local government in the same county as the government making the investment;
- (4) Certificates, notes, or bonds of the United States, or other obligations of the United States or its agencies, or of any corporation wholly owned by the government of the United States; or United States dollar denominated bonds, notes, or other obligations that are issued or

⁵ Additional statutes govern specific entities and agencies.

guaranteed by supranational institutions, provided that, at the time of investment, the institution has the United States government as its largest shareholder;

- (5) Federal home loan bank notes and bonds, federal land bank bonds and federal national mortgage association notes, debentures and guaranteed certificates of participation, or the obligations of any other government sponsored corporation whose obligations are or may become eligible as collateral for advances to member banks as determined by the board of governors of the federal reserve system⁶;
- (6) Bankers' acceptances purchased on the secondary market;
- (7) Commercial paper purchased in the secondary market, provided that any local government of the state of Washington that invests in such commercial paper must adhere to the investment policies and procedures adopted by the state investment board; and
- (8) Corporate notes purchased on the secondary market, provided that any local government of the state of Washington that invests in such notes must adhere to the investment policies and procedures adopted by the state investment board.⁷

RCW 43.250.040 Authority of official to place funds in the public funds investment account--Investment of funds by state treasurer--Degree of judgment and care required.

If authorized by statute, local ordinance, resolution, or other appropriate official action, the state treasurer, a government finance official or financial officer or his or her designee, or authorized tribal official, may place funds into the public funds investment account for investment and reinvestment by the state treasurer in those securities and investments set forth in RCW 43.84.080 and chapter 39.58 RCW. The state treasurer shall invest the funds in such manner as to effectively maximize the yield to the investment pool. In investing and reinvesting moneys in the public funds investment account and in acquiring, retaining, managing, and disposing of investments of the investment pool, there shall be exercised the judgment and care under the circumstances then prevailing which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of the funds considering the probable income as well as the probable safety of the capital.

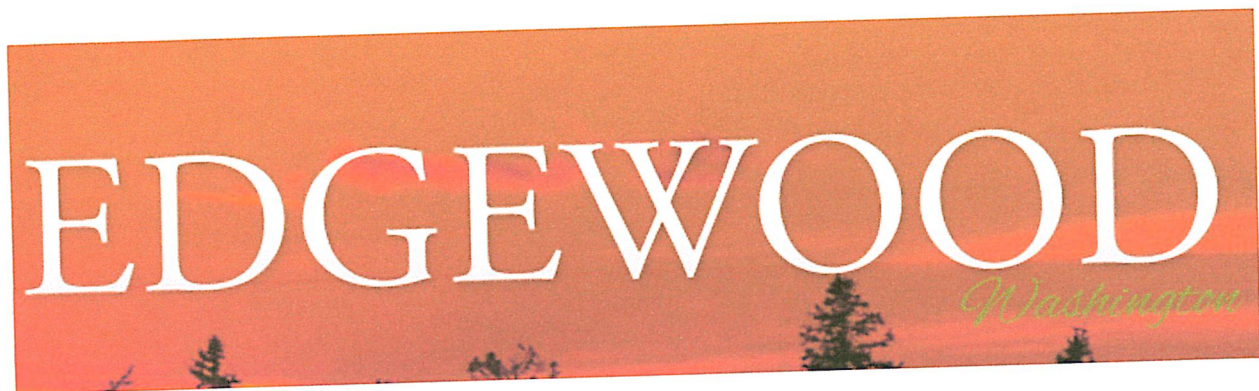
⁶ For additional information on Federal reserve eligible collateral refer to:
http://www.ny.frb.org/banking/collateral_pledging.html

⁷ The State Investment Board expects to issue an updated policy on commercial paper and corporate notes in September 2016.

Time Value Investments, Inc.
9725 3rd Ave. NE, Suite 610
Seattle, WA 98115
Tel: 206-365-3003
Toll Free: 877-707-7787
Fax: 206-417-6000



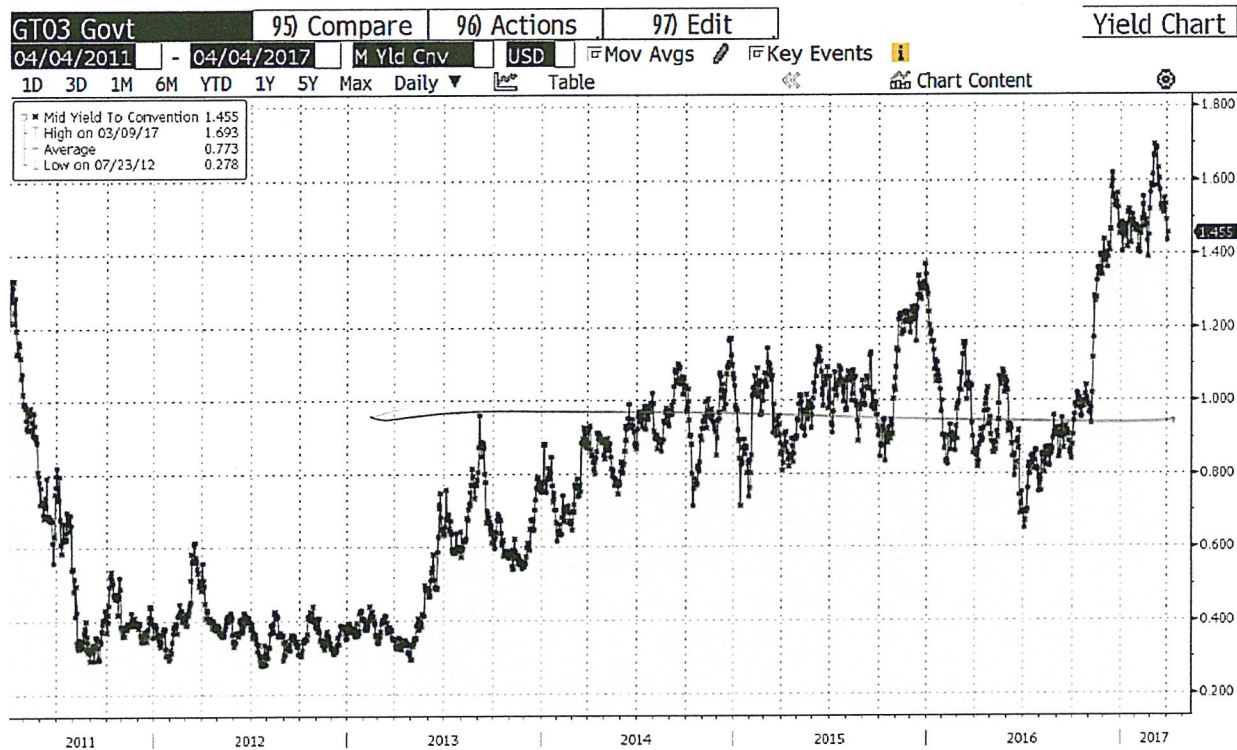
PUBLIC FUNDS INVESTMENT INFORMATION PREPARED FOR:



Presented by:
Jonathan McVety
Institutional Investments
Time Value Investments, Inc.

Securities offered through ProEquities, Inc., a Registered Broker-Dealer, Member, FINRA & SIPC.
Time Value Investments, Inc., is independent of ProEquities, Inc.

HERE IS A GRAPH OF THE 3 YEAR US TREASURY NOTE FROM 4/4/2011 TO 4/4/17:



The Federal Reserve made the following statement regarding the Federal Funds Rate on 3/15/17:

Board of Governors of the Federal Reserve System

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Press Release

Release Date: March 15, 2017

For release at 2:00 p.m. EDT

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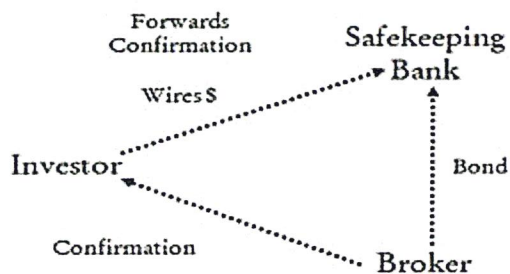
3/15/17 UPDATE: "...The Committee expects that economic conditions will evolve in a manner that will warrant gradual increases in the federal funds rate; the federal funds rate is likely to remain, for some time, below levels that are expected to prevail in the longer run. However, the actual path of the federal funds rate will depend on the economic outlook as informed by incoming data."

View entire statement at: <http://www.federalreserve.gov/newsevents/press/monetary/20170315a.htm>

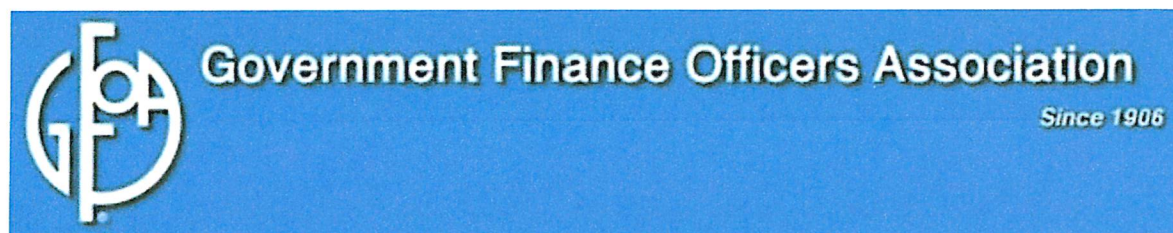
HOW IS A BOND PURCHASED?

The Entity does not wire to the broker, but rather to the Entity's "Safekeeping Bank" (please see below). An authorized party from the Entity signs and forwards the broker's confirmation to the Entity's safekeeping bank. The Entity's safekeeping bank then ensures that only the authorized bond comes into the Entity's account and only releases funds after the correct bond has been received into the Entity's account.

As GFOA explains below, "This practice ensures that no funds are at risk in an investment transaction as funds are not released until securities are delivered, ensuring the governmental entity has either money or securities at all times during the transaction."



This process, known as "Delivery Versus Payment (DVP) is consistent with GFOA "Best Practices" (please see below):



"Investments should be settled in a delivery-versus-payment (DVP) basis. In this procedure, the buyer's payment for securities is due at the time of delivery. Security delivery and payment occur simultaneously. This practice ensures that no funds are at risk in an investment transaction as funds are not released until securities are delivered, ensuring the governmental entity has either money or securities at all times during the transaction."

Full document available here: http://www.gfoa.org/downloads/GFOA_ADVSafekeepingandCustody.pdf

YTC

Screen Printed

FFCB 1.54 12/14/20 Corp Settings

Page 1/1 Yield and Spread Analysis

95) Buy 96) Sell

1) Yield & Spread 2) Yields 3) Graphs 4) Pricing 5) Description 6) Custom 7) Calls

Settlement Date	04/07/17	Price	99.5363	☐ Blend	☒ Full Screen
YTC (3133EGEU5)	Date	Price	Yield		
Yield to Maturity	12/14/2020	100.00	1.670		
Yield to Custom	12/14/2018	100.00	1.820		
Yield to Next Call	06/14/2017	100.00	4.031		
Yield to Worst Call	12/14/2020	100.00	1.670		
May be called anytime starting 06/14/2017					

Date	Price	Yield	Treas Crv	Spr	Adj Dur	Risk
06/14/17	100.0000	4.0307	0.762	3.268	0.185	0.185
12/14/20	100.0000	1.6700	1.610	0.060	3.551	3.551

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3133EFZT7 Corp YTC 99.400

66 <G0> to message data

FFCB 1.4 02/24/20 Corp Settings

Page 1/1 Yield and Spread Analysis

95 Buy

96 Sell

1) Yield & Spread 2) Yields 3) Graphs 4) Pricing 5) Description 6) Custom 7) Calls

Settlement Date	04/07/17	Price	99.7186	☐ Blend	☒ Full Screen
YTC (3133EFZT7)	Date	Price	Yield		
Yield to Maturity	02/24/2020	100.00	1.500		
Yield to Custom	02/24/2019	100.00	1.552		
Yield to Next Call	04/13/2017	100.00	18.303		
Yield to Worst Call	02/24/2020	100.00	1.500		
May be called anytime starting 02/24/2017					

Date	Price	Yield	Treas Crv	Spr	Adj Dur	Risk
04/13/17	100.0000	18.3029	0.730	17.573	0.017	0.017
02/24/20	100.0000	1.5000	1.447	0.053	2.808	2.805

SN 202421 EDT GMT-4:00 H698-2361-3 04-Apr-2017 15:15:39

QZ096761 Corp LAST CMD1
66 <G0> to message data

FNMA 1.2 08/16/19 Corp Settings

Page 1/1 Yield and Spread Analysis

95) Buy

96) Sell

1) Yield & Spread 2) Yields 3) Graphs 4) Pricing 5) Description 6) Custom 7) Calls

Settlement Date	04/07/17	Price	99.6294	☐ Blend	☒ Full Screen
YTC (3135G0N58)	Date	Price	Yield		
Yield to Maturity	08/16/2019	100.00	1.360		
Yield to Custom	02/16/2019	100.00	1.402		
Yield to Next Call	05/16/2017	100.00	4.629		
Yield to Worst Call	08/16/2019	100.00	1.360		
May be called quarterly starting 02/16/2017					

Date	Price	Yield	Treas Crv	Spr	Adj Dur	Risk
05/16/17	100.0000	4.6295	0.742	3.888	0.108	0.108
08/16/17	100.0000	2.2385	0.835	1.404	0.355	0.355
11/16/17	100.0000	1.8154	0.937	0.879	0.601	0.600
02/16/18	100.0000	1.6359	0.992	0.644	0.848	0.847
05/16/18	100.0000	1.5385	1.047	0.492	1.094	1.092
08/16/18	100.0000	1.4762	1.105	0.371	1.339	1.337
11/16/18	100.0000	1.4339	1.164	0.270	1.584	1.580
02/16/19	100.0000	1.4025	1.223	0.180	1.828	1.824
05/16/19	100.0000	1.3790	1.278	0.101	2.070	2.066
08/16/19	100.0000	1.3600	1.333	0.027	2.313	2.308

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Statement of Account for No: 00625
March 2017
Primary Account

FINANCE DIRECTOR
CITY OF EDGEWOOD
2224 104TH AVENUE EAST
EDGEWOOD, WA 98372-1513

Date	Description	Comment	Deposits	Withdrawals	Balance
03/01/2017	Beginning Balance				2,080,910.37
03/31/2017	Month End Balance				2,080,910.37
	March Earnings	Daily Factor Earnings	1,238.40		
	Net Ending Balance				2,082,148.77

Account Summary

Beginning Balance:	2,080,910.37	Gross Earnings:	1,252.00
Deposits:	0.00	Administrative Fee:	13.60
Withdrawals:	0.00	Net Earnings:	1,238.40
Month End Balance:	2,080,910.37		
Administrative Fee Rate:	0.0077 %	Net Ending Balance:	2,082,148.77
Gross Earnings Rate:	0.7084 %		
Net Earnings Rate:	0.7007 %	Average Daily Balance:	2,080,910.37



**CITY OF EDGEWOOD
STAFF REPORT**

STUDY SESSION AGENDA ITEM: USDA LID NO. 1 Loan Pay Down

Date: May 2, 2017

Title: USDA LID NO. 1 Loan Pay Down

Attachments: USDA LID NO. 1 Loan Repayment Worksheets

Submitted By: Dave Gray, Asst. City Administrator

Approved For Agenda By: Daryl Eiding, Mayor

Discussion: In 2014 the City of Edgewood procured a USDA loan (three bonds issued) to cover the remaining construction costs for the LID No. 1 sewer. The loan rate is 4%. The LID assessment for LID participants' is 4.25%. The additional .25% is to cover the costs of building a reserve fund, a loan covenant of the USDA loan. The City has met the reserve fund loan covenants requirements for the years 2015 and 2016 and year to date 2017. Staff estimates given the current level of assessment payment activity, the City will continue to meet the annual reserve contributions stipulated in the loan covenants through LID assessment collections. Since securing the USDA loan a number of parcels assessed under LID No. 1 have paid the outstanding assessment balance. This has resulted in a growing cash balance in the LID No. 1 fund balance and a reduction in annual interest revenue. As current invested cash returns are less than 4.25% it is incumbent upon the City to reduce the USDA loan balance using LID No.1 fund balance cash, thus reducing the associated USDA loan interest expense for those parcels no longer being assessed interest. Staff suggests utilizing a portion of the fund balance to accelerate the USDA LID No. 1 loan reserve account balance to offset the reduced future principal and interest payment receipts not expected in future years due to the early assessment payoffs. A worksheet (attached) details the suggested actions for the USDA loan pay down and the accelerated accumulation into the reserve fund.

Action Requested: Authorize the Mayor to cause the USDA LID NO.1 loan to be paid down in 2017 by an amount not to exceed \$3,806,991.00.

Fiscal Impact: The fiscal impact to the City would only occur should the LID No. 1 fail to meet its obligations under the covenants of the USDA loan. The pay down will reduce overall USDA loan interest expense at 4% per annum.

CITY OF EDGEWOOD

Paid-in-Full LID Accounts -- Cumulative

<i>Account</i>	<i>Tax Parcel No.</i>	<i>Property Owner</i>	<i>Original Assessment</i>	<i>Date Paid</i>
150	042009-4148	Wendel Kuecker & Douglas Clerget	\$42,745.00	Aug 16, 2011
146	042009-4147	Wendel & Patricia Kuecker	\$16,214.00	Aug 16, 2011
111	042009-4144	Timberland Savings Bank	\$181,297.00	Aug 17, 2011
112	042009-4143	Timberland Savings Bank	\$156,240.00	Aug 17, 2011
113	042009-4142	Timberland Savings Bank	\$170,979.00	Aug 17, 2011
122	042009-4150	D & Daughters Development LLC	\$108,336.00	Aug 17, 2011
149	042009-4035	Michael & Kathryn Cook	\$15,477.00	Aug 22, 2011
038	042003-7060	Les Schwab Tire Center	\$214,600.00	Aug 24, 2011
077	042009-1010	Duane & Ellen Schmitz	\$132,656.00	Aug 24, 2011
043	042003-3007	Jones Company	\$645,328.63	Aug 25, 2011
094	042009-1052	East Pierce Fire and Rescue	\$52,326.00	Aug 26, 2011
095	042009-1028	East Pierce Fire and Rescue	\$11,792.00	Aug 26, 2011
093	042009-1025	East Pierce Fire and Rescue	\$58,221.00	Aug 26, 2011
160	042010-3132	Puyallup School District #3	\$41,271.00	Aug 30, 2011
083	042009-1014	Puyallup School District #3	\$14,740.00	Aug 30, 2011
078	042009-1011	Puyallup School District #3	\$109,810.00	Aug 30, 2011
020	042003-2115	C A H Investments Inc.	\$79,594.00	Aug 30, 2011
159	042010-2018	Puyallup School District #3	\$75,909.00	Aug 30, 2011
158	042010-2037	Puyallup School District #3	\$75,172.00	Aug 30, 2011
121	042009-4034	D & Daughters Development LLC	\$20,635.00	Aug 30, 2011
117	042009-3031	Keavin McIntosh & North Hill Dental LLC	\$94,333.00	Aug 31, 2011
064	042009-1004	Edgewood Grange 266	\$24,320.00	Aug 31, 2011
107	042009-4049	Mark Twain Enterprises LLC	\$44,219.00	Aug 31, 2011
105	042009-4139	Mark Twain Enterprises LLC	\$14,740.00	Aug 31, 2011
106	042009-4141	Mark Twain Enterprises LLC	\$14,740.00	Aug 31, 2011
104	042009-4138	Mark Twain Enterprises LLC	\$14,740.00	Aug 31, 2011
080	042009-1029	Michaux Family Trust	\$43,482.00	Sep 1, 2011
<i>Total 2011</i>			<i>\$2,473,916.63</i>	
.....				
087	042010-6029	Herbert & Dollie Elving	\$75,909.00	Jul 10, 2012
075	042010-2087	Makena Kai LLC	\$7,370.00	Aug 9, 2012
156	042015-2138	Jeremy & Emily Martinson	\$10,318.00	Aug 17, 2012
126	042009-4015	Northwest Bus Sales Inc.	\$203,406.00	Aug 23, 2012
125	362500-0374	Edgewood Investors LLC	\$381,755.00	Aug 23, 2012

<i>Account</i>	<i>Tax Parcel No.</i>	<i>Property Owner</i>	<i>Original Assessment</i>	<i>Date Paid</i>
123	362500-0375	Edgewood Investors LLC	\$346,445.00	Aug 23, 2012
101	042010-2039	Richard & Mary Bjerk	\$18,424.00	Aug 28, 2012
050	042010-6021	Roger & Pamela Shannon	\$14,740.00	Aug 28, 2012
004	042003-2057	Red Sentinel LP	\$18,424.00	Aug 30, 2012
147	042009-4041	Kevin & Victoria Yanasak	\$27,268.00	Aug 30, 2012
085	042009-5025	Edgewood NW LLC	\$84,016.00	Aug 30, 2012
060	042010-2025	Russell & Dorothy Hanson	\$36,849.00	Aug 31, 2012
009	042003-2013	AZ @ Edgewood LLC	\$61,641.69	Sep 4, 2012
110	042009-4115	Norman A Massie	\$452,505.00	Sep 7, 2012
080	042009-1029	Michaux Family Trust	\$43,482.00	Sep 17, 2012
120	042010-7031	2506 103rd Street East LLC	\$374,385.00	Nov 1, 2012
119	042010-7030	2506 103rd Street East LLC	\$183,508.00	Nov 1, 2012
137	042010-3045	RJ Ventures LLC	\$19,898.00	Dec 5, 2012

Total 2012 *\$2,360,343.69*

080	042009-1029	Michaux Family Trust	\$43,482.00	Jun 27, 2013
075	042010-2087	Makena Kai LLC	\$7,370.00	Jul 9, 2013
120	042010-7031	2506 103rd Street East LLC	\$374,385.00	Aug 14, 2013
119	042010-7030	2506 103rd Street East LLC	\$183,508.00	Aug 14, 2013
147	042009-4041	Kevin & Victoria Yanasak	\$27,268.00	Aug 15, 2013
126	042009-4015	Northwest Bus Sales Inc.	\$203,406.00	Aug 20, 2013
110	042009-4115	Norman A Massie	\$452,505.00	Aug 26, 2013
050	042010-6021	Roger & Pamela Shannon	\$14,740.00	Aug 26, 2013
156	042015-2138	Jeremy & Emily Martinson	\$10,318.00	Aug 28, 2013
125	362500-0374	Edgewood Investors LLC	\$381,755.00	Aug 30, 2013
123	362500-0375	Edgewood Investors LLC	\$346,445.00	Aug 30, 2013
060	042010-2025	Russell & Dorothy Hanson	\$36,849.00	Dec 30, 2013

Total 2013 *\$2,082,031.00*

080	042009-1029	Michaux Family Trust	\$43,482.00	Jul 7, 2014
126	042009-4015	Northwest Bus Sales Inc.	\$203,406.00	Jul 23, 2014
147	042009-4041	Kevin & Victoria Yanasak	\$27,268.00	Aug 6, 2014
110	042009-4115	Norman A Massie	\$452,505.00	Aug 25, 2014
119	042010-7030	2506 103rd Street East LLC	\$183,508.00	Aug 28, 2014
156	042015-2138	Jeremy & Emily Martinson	\$10,318.00	Aug 28, 2014
120	042010-7031	2506 103rd Street East LLC	\$374,385.00	Aug 28, 2014
125	362500-0374	Edgewood Investors LLC	\$381,755.00	Sep 16, 2014
123	362500-0375	Edgewood Investors LLC	\$346,445.00	Sep 16, 2014
115R	042010-3139	George & Arlyn Skarich	\$28,360.00	Oct 21, 2014

Account	Tax Parcel No.	Property Owner	Original Assessment	Date Paid
050	042010-6021	Roger & Pamela Shannon	\$14,740.00	Oct 22, 2014
075	042010-2087	Makena Kai LLC	\$7,370.00	Nov 24, 2014

Total 2014 \$2,073,542.00

126	042009-4015	Northwest Bus Sales Inc.	\$203,406.00	Jul 10, 2015
110	042009-4115	Norman A Massie	\$452,505.00	Aug 28, 2015
120	042010-7031	2506 103rd Street East LLC	\$374,385.00	Sep 8, 2015
119	042010-7030	2506 103rd Street East LLC	\$183,508.00	Sep 8, 2015
050	042010-6021	Roger & Pamela Shannon	\$14,740.00	Sep 24, 2015
140R	042009-4079	Docken Properties LP	\$31,905.00	Nov 6, 2015
125	362500-0374	Edgewood Investors LLC	\$381,755.00	Dec 22, 2015
123	362500-0375	Edgewood Investors LLC	\$346,445.00	Dec 22, 2015

Total 2015 \$1,988,649.00 (1)

110	042009-4115	Norman A Massie	\$452,505.00	Mar 21, 2016
126	042009-4015	Northwest Bus Sales Inc.	\$203,406.00	Aug 10, 2016
120	042010-7031	2506 103rd Street East LLC	\$374,385.00	Aug 29, 2016
119	042010-7030	2506 103rd Street East LLC	\$183,508.00	Aug 29, 2016
050	042010-6021	Roger & Pamela Shannon	\$14,740.00	Sep 21, 2016
140R	042009-4079	Docken Properties LP	\$31,905.00	Oct 24, 2016

Total 2016 \$1,260,449.00 (2)

119	042010-7030	2506 103rd Street East LLC	\$183,508.00	Jan 10, 2017
120	042010-7031	2506 103rd Street East LLC	\$374,385.00	Jan 10, 2017

Total 2017 \$557,893.00 (3)

85 PAID-IN-FULL ASSESSMENTS

\$12,796,824.32

SINCE USDA LOAN

\$ 3,806,991.00

CITY OF EDGEWOOD

Sewer Local Improvement District No. 1

Balance as of December 31, 2016

Beginning Balance	14,030,291.25	Deferred Principal	12,319,279.62
- Adjustments	0.00	+ Delinquent Principal	358,085.54
- Principal Collected	1,352,926.09		
Principal Balance	\$12,677,365.16	Principal Receivable	\$12,677,365.16
		Variance	0.00

Interest and Accrued Penalties

Beginning Interest Due	865,219.88	Beginning Penalties	30,295.07
+ Next Interest Billing	540,266.93	+ Penalties Applied	44,178.43
- Interest Collected	602,305.37	- Penalties Collected	47,469.41
- Adjustments	0.00	- Adjustments	0.00
Interest Receivable	\$803,181.44	Accrued Penalties	\$27,004.09

Billing / Collection Comparison

Principal Billed	870,441.27	Principal Collected	1,352,926.09
Interest Billed	622,205.33	Interest Collected	602,305.37
Penalties Applied	46,601.21	Penalties Collected	47,469.41
Total Billed	\$1,539,247.81	Total Collected	\$2,002,700.87

Delinquency Summary

Delinquent Principal	358,085.54
Delinquent Interest	263,509.92
Accrued Penalties	27,004.09
Total Past Due	\$648,599.55

Current Receivables

Principal Balance	12,677,365.16
Current Interest Due	539,671.52
Delinquent Interest	263,509.92
Accrued Penalties	27,004.09
Total Receivable	\$13,507,550.69

Sewer Local Improvement District No. 1

Assessment Summary -- December 31, 2016

ACCOUNT NUMBER	TAX PARCEL NUMBER	PROPERTY OWNER	ASSESSMENT AMOUNT	PRINCIPAL BALANCE	CURRENT INTEREST	DELINQUENT INTEREST	ACCRUED PENALTIES	PAYMENT IN FULL	TOTAL OVERDUE
001	042003-2111	Eugene & Young Choy, Daniel Kellogg	178,701.94	133,979.81	5,694.14	0.00	0.00	139,673.95	0.00
002R	042003-2021	Edward & Enid Duncan	212,700.00	183,825.44	7,812.58	0.00	0.00	191,638.02	0.00
003	042003-2083	Edgewood Property Development LLC	221,768.73	166,326.53	7,068.88	0.00	0.00	173,395.41	0.00
005	042003-2081	Edgewood Property Development LLC	104,910.51	78,682.86	3,344.02	0.00	0.00	82,026.88	0.00
006	042003-2080	Edgewood Property Development LLC	92,993.95	69,745.45	2,964.18	0.00	0.00	72,709.63	0.00
007	042003-2056	Edgewood Property Development LLC	274,627.93	205,970.93	8,753.76	0.00	0.00	214,724.69	0.00
008	042003-2004	Edgewood Property Development LLC	274,768.46	205,959.76	8,753.29	0.00	0.00	214,713.05	0.00
010	042003-6056	Hasit LLC	45,693.00	34,269.75	1,456.46	0.00	0.00	35,726.21	0.00
012	042003-2160	Frisco Properties LLC	18,424.00	13,813.00	587.05	0.00	0.00	14,400.05	0.00
013	042003-2118	Harry L McDowell	14,740.00	11,055.00	469.84	0.00	0.00	11,524.84	0.00
014	042003-2029	Jeffrey & Beverly Ward	14,532.40	10,899.30	463.22	0.00	0.00	11,362.52	0.00
015	042003-2159	HTK Management LLC	83,524.80	62,590.99	2,769.31	0.00	0.00	65,360.30	0.00
016	042003-6066	Hasit LLC	56,747.00	42,560.25	1,808.81	0.00	0.00	44,369.06	0.00
017	042003-2164	Frisco Properties LLC	41,855.51	31,391.61	1,334.14	0.00	0.00	32,725.75	0.00
018	042003-6058	Hasit LLC	152,779.70	114,584.80	4,869.85	0.00	0.00	119,454.65	0.00
019	042003-2158	Accord Inc.	163,531.00	122,648.25	5,212.55	0.00	0.00	127,860.80	0.00
022	657500-0010	O D S Investments LLC	50,852.00	38,139.00	1,620.91	0.00	0.00	39,759.91	0.00
023	657500-0022	Edgewood Center LLC	69,276.00	51,957.00	2,208.17	0.00	0.00	54,165.17	0.00
024	657500-0030	Edgewood Center LLC	68,539.00	51,404.25	2,184.68	0.00	0.00	53,588.93	0.00
025	657500-0040	Kenneth B Foster	56,010.00	47,608.50	2,023.36	4,046.72	967.41	54,645.99	10,615.13
026	657500-0021	ADF I LLC	77,383.00	58,037.25	2,466.58	0.00	0.00	60,503.83	0.00
027R	042003-3077	1999 Stokes Family LLC	379,315.00	336,231.16	14,289.82	0.00	0.00	350,520.98	0.00
028	042003-3040	Jeanette Wheeler	14,740.00	11,054.72	469.83	0.00	0.00	11,524.55	0.00
029	042003-3026	Jeanette Wheeler	17,688.00	13,265.66	563.79	0.00	0.00	13,829.45	0.00
030	042003-3029	David Zahradnik & Crystal McDowell	29,479.00	25,057.15	1,064.93	2,132.96	509.66	28,764.70	5,590.52
031R	042003-3140	Suelo Marina LLC	322,595.00	322,595.00	13,710.29	27,420.58	4,669.76	368,395.63	64,349.84
032	042003-7049	Mykola Polishchuk	11,055.00	6,849.21	291.09	0.00	0.00	7,140.30	0.00
033	042003-7050	John & Linda Pettit	61,906.00	46,429.50	1,973.25	0.00	0.00	48,402.75	0.00

ACCOUNT NUMBER	TAX PARCEL NUMBER	PROPERTY OWNER	ASSESSMENT AMOUNT	PRINCIPAL BALANCE	CURRENT INTEREST	DELINQUENT INTEREST	ACCRUED PENALTIES	PAYMENT IN FULL	TOTAL OVERDUE
034	042003-3084	Daniel & Linda Grossruck	257,206.00	192,904.50	8,198.44	0.00	0.00	201,102.94	0.00
035	042003-7058	Plemmons Hutchens LLC	126,540.00	94,905.00	4,033.46	0.00	0.00	98,938.46	0.00
036	042003-7059	Plemmons Hutchens LLC	671,635.89	503,726.94	21,408.39	0.00	0.00	525,135.33	0.00
037	042003-7061	Lennar Northwest Inc.	663,780.00	497,835.00	21,157.99	0.00	0.00	518,992.99	0.00
039	042003-3142	Edgewood Veterinary Clinic Inc.	25,057.00	18,792.75	798.69	0.00	0.00	19,591.44	0.00
040	742000-0013	Alan W Jones Family Trust	17,688.00	13,266.00	563.81	0.00	0.00	13,829.81	0.00
042	742000-0020	Alan W Jones Family Trust	22,109.00	16,581.75	704.72	0.00	0.00	17,286.47	0.00
046	042010-2024	Baker-Edgewood LLC	27,268.00	20,451.00	869.17	0.00	0.00	21,320.17	0.00
047	042010-2099	Baker-Edgewood LLC	24,320.00	18,240.00	775.20	0.00	0.00	19,015.20	0.00
048	042010-2007	Edgewood Commercial LLC	427,616.38	342,093.10	14,538.96	15,275.99	1,470.29	373,378.34	38,127.10
049	042010-6020	Nybo Investments II LLC	32,427.00	24,320.25	1,033.61	0.00	0.00	25,353.86	0.00
051	042010-2105	Red Carpet Flooring Inc.	131,573.96	98,671.89	4,193.56	0.00	0.00	102,865.45	0.00
052	042009-5009	Edgewood Bible Church	61,169.00	45,876.75	1,949.76	0.00	0.00	47,826.51	0.00
053	042009-5011	Sandra Rosenberg	40,534.00	34,453.90	1,464.29	3,273.12	716.71	39,908.02	8,043.23
054	042010-2060	Baker-Edgewood LLC	41,271.00	30,953.25	1,315.51	0.00	0.00	32,268.76	0.00
055	042010-2059	Jon Rogers & Ronda Buchanan	22,109.00	17,687.20	751.71	834.95	77.83	19,351.69	2,018.23
056	042010-2098	Rogers Buchanan Revocable Living Trust	9,581.00	8,143.85	346.11	773.66	172.51	9,436.13	1,904.27
057	042009-5010	Edgewood Bible Church	39,797.00	29,847.75	1,268.53	0.00	0.00	31,116.28	0.00
058	042010-2021	Jeffrey S Bradshaw	36,112.00	28,889.60	1,227.81	1,268.77	123.31	31,509.49	3,197.68
059	042009-1030	Edgewood Bible Church	25,794.00	19,345.50	822.18	0.00	0.00	20,167.68	0.00
061	042009-1024	Edgewood Bible Church	46,430.00	34,822.50	1,479.96	0.00	0.00	36,302.46	0.00
062	042010-2019	John Ulrich	36,849.00	27,636.75	1,245.75	0.00	0.00	28,882.50	0.00
063	042009-1020	Edgewood Bible Church	33,901.00	25,425.75	1,080.59	0.00	0.00	26,506.34	0.00
065	042010-2008	Edgewood Heights LLC	1,505,793.68	1,204,634.96	51,196.99	53,792.38	5,177.43	1,314,801.76	134,259.49
067	363000-0090	Jeffery & Karen Twyford	36,112.00	28,830.59	1,225.30	1,225.30	121.57	31,402.76	3,152.47
068R	042009-1134	Ray & Eldean Rempel & Tina Rempel	790,535.00	751,008.25	31,917.85	31,917.85	1,291.88	816,135.83	72,736.48
069	042010-2102	Edgewood Heights LLC	1,453,164.50	1,162,531.58	49,407.59	51,912.27	4,996.47	1,268,847.91	129,566.97
070	042009-1032	Carol A Davis	89,911.00	67,433.25	2,865.91	0.00	0.00	70,299.16	0.00
071R	042009-1012	Darlene Masters & Patricia Schmidt	328,267.00	295,440.30	12,556.21	0.00	0.00	307,996.51	0.00
072	042010-2108	Carrera Holdings LLC	22,109.00	17,687.20	751.71	818.21	77.16	19,334.28	2,000.82
073	042010-2104	Carrera Holdings LLC	870,612.61	696,490.09	29,600.83	30,521.12	2,970.19	759,582.23	77,021.94
074	042010-2033	Carrera Holdings LLC	600,581.62	480,465.30	20,419.78	21,060.46	2,049.18	523,994.72	53,138.72
076	042009-1111	Northwood Estate LLC	110,547.00	88,437.60	3,758.60	3,966.47	380.79	96,543.46	9,874.61

ACCOUNT NUMBER	TAX PARCEL NUMBER	PROPERTY OWNER	ASSESSMENT AMOUNT	PRINCIPAL BALANCE	CURRENT INTEREST	DELINQUENT INTEREST	ACCRUED PENALTIES	PAYMENT IN FULL	TOTAL OVERDUE
079R	042009-1051	Darlene Masters & Patricia Schmidt	100,678.00	90,610.20	3,850.93	0.00	0.00	94,461.13	0.00
081	042009-1084	Sripriya Ramshanker & Anand Sundaram	227,727.00	182,181.60	8,226.64	8,226.64	786.66	199,421.54	20,399.65
082	042009-1083	Sripriya Ramshanker & Anand Sundaram	32,427.00	25,941.60	1,171.43	1,171.43	112.02	28,396.48	2,904.80
084A	042009-5031	Cobalt Storage Edgewood LLC	196,260.33	147,195.23	6,255.80	0.00	0.00	153,451.03	0.00
086A	042009-1148	Michael & Elizabeth Hardin	197,287.04	147,965.29	6,288.52	0.00	0.00	154,253.81	0.00
088	042010-6030	Randy Libri & Tina Wendling	15,477.00	11,607.75	493.33	0.00	0.00	12,101.08	0.00
089	042010-6031	City of Edgewood	16,951.00	12,713.25	540.31	0.00	0.00	13,253.56	0.00
090	042010-2012	City of Edgewood	824,680.00	618,510.00	26,286.68	0.00	0.00	644,796.68	0.00
091	042009-1019	Roesch 24th Street LLC	33,164.00	24,873.00	1,057.10	0.00	0.00	25,930.10	0.00
092	042009-1022	Roesch 24th Street LLC	53,799.00	40,349.25	1,714.84	0.00	0.00	42,064.09	0.00
096	042009-1027	Myoung Kun & Jong Ok Yun	18,424.00	13,818.00	587.26	0.00	0.00	14,405.26	0.00
097	042009-1146	Myoung Kun & Jong Ok Yun	23,583.00	17,687.25	751.71	0.00	0.00	18,438.96	0.00
098	042010-2013	Pacwest Energy LLC	39,797.00	29,847.75	1,268.53	0.00	0.00	31,116.28	0.00
099	042010-2031	Steve & Christine Cope	22,109.00	16,581.75	704.72	0.00	0.00	17,286.47	0.00
100	042010-2040	Gordon Clausnitzer	38,323.00	28,742.25	1,221.55	0.00	0.00	29,963.80	0.00
102	042010-2041	City of Edgewood	64,854.00	48,640.50	2,067.22	0.00	0.00	50,707.72	0.00
103	042009-4070	Jimmy & Karla Hillberg	40,534.00	30,388.95	1,291.53	0.00	0.00	31,680.48	0.00
108	042009-4018	Helen Neave & Patricia Bymers	58,958.00	39,170.97	1,664.77	0.00	0.00	40,835.74	0.00
109	042009-4125	Gary Finlayson & D Ellsworth	215,935.00	87,866.08	3,734.31	0.00	0.00	91,600.39	0.00
114	042010-3086	Holgate Properties LLC	88,596.00	70,876.80	3,012.26	3,012.26	298.50	77,199.82	7,740.56
116	042010-3145	Karen S Gearhart	134,867.00	101,150.25	4,298.89	0.00	0.00	105,449.14	0.00
118	042010-3027	Mitchell & Ann Maughan	125,286.00	93,964.50	3,993.49	0.00	0.00	97,957.99	0.00
119	042010-7030	2506 103rd Street East LLC	183,508.00	137,043.92	5,824.37	0.00	0.00	142,868.29	0.00
120	042010-7031	2506 103rd Street East LLC	374,385.00	279,591.03	11,882.62	0.00	0.00	291,473.65	0.00
127	042009-8022	Virginia M Brown	67,802.00	50,851.50	2,161.19	0.00	0.00	53,012.69	0.00
128R	362500-0373	AKA The Brickhouse LLC	21,270.00	20,206.50	858.78	858.78	34.76	21,958.82	1,957.04
129	042009-8023	James & Corinne Le Ford	67,065.00	50,298.75	2,137.70	0.00	0.00	52,436.45	0.00
130	362500-0372	North Meridian Associates et al	129,708.00	97,281.00	4,134.44	0.00	0.00	101,415.44	0.00
131R	042009-4080	Docken Properties LP	106,350.00	95,156.85	4,044.17	0.00	0.00	99,201.02	0.00
132	042010-3106	Chong Nam & Young Suk Yi	50,115.00	37,586.25	1,597.42	0.00	0.00	39,183.67	0.00
133R	042009-4023	Docken Properties LP	63,810.00	57,094.10	2,426.50	0.00	0.00	59,520.60	0.00
134	042010-3074	Dorothy Bartelson	14,003.00	10,502.25	446.35	0.00	0.00	10,948.60	0.00
135	042010-3013	Dorothy Bartelson	16,951.00	12,713.25	540.31	0.00	0.00	13,253.56	0.00

ACCOUNT NUMBER	TAX PARCEL NUMBER	PROPERTY OWNER	ASSESSMENT AMOUNT	PRINCIPAL BALANCE	CURRENT INTEREST	DELINQUENT INTEREST	ACCRUED PENALTIES	PAYMENT IN FULL	TOTAL OVERDUE
136	042010-3078	Scott Bartelson	14,740.00	11,055.00	469.84	0.00	0.00	11,524.84	0.00
138	042010-3065	Dorothy Bartelson	13,266.00	9,949.50	422.85	0.00	0.00	10,372.35	0.00
139	042009-8026	Roesch 24th Street LLC	87,701.00	65,775.75	2,795.47	0.00	0.00	68,571.22	0.00
141	042010-3097	L & L Associates I LLC	75,909.00	56,931.75	2,419.60	0.00	0.00	59,351.35	0.00
142	042010-3026	L & L Associates I LLC	91,385.00	68,538.75	2,912.90	0.00	0.00	71,451.65	0.00
143	042009-8013	Roesch 24th Street LLC	70,750.00	53,062.50	2,255.16	0.00	0.00	55,317.66	0.00
144	042010-3023	Jeanette Wheeler	39,797.00	29,846.99	1,268.50	0.00	0.00	31,115.49	0.00
145	042010-3042	Patricia Twiggs & Jerry Moore	29,479.00	22,109.25	939.64	0.00	0.00	23,048.89	0.00
148	042010-3072	Geraldine R Thomas	91,385.00	68,247.46	2,900.52	0.00	0.00	71,147.98	0.00
151	042010-3011	Geraldine R Thomas	49,378.00	36,876.11	1,567.23	0.00	0.00	38,443.34	0.00
152	042016-1022	Reba Golden	16,214.00	12,160.50	578.02	0.00	0.00	12,738.52	0.00
153	042016-1020	Reba Golden	15,477.00	11,607.75	551.83	0.00	0.00	12,159.58	0.00
154	042016-1024	Reba Golden	8,107.00	6,080.25	289.01	0.00	0.00	6,369.26	0.00
155	042015-2137	Jeremy & Emily Martinson	37,586.00	28,189.50	1,198.05	0.00	0.00	29,387.55	0.00
157	042015-2068	Timothy & Denise Haisch	44,219.00	33,164.25	1,409.48	0.00	0.00	34,573.73	0.00
109 ACTIVE ACCOUNTS			16,089,614.94	12,677,365.16	539,671.52	263,509.92	27,004.09	13,507,550.69	648,599.55
20 DELINQUENT ACCOUNTS									

Term (years): 20
 Installment: 6
 Due Date: August 31, 2017
 Interest Rate: 4.250%
 Penalty Rate: 12.00%



**CITY OF EDGEWOOD
STAFF REPORT**

STUDY SESSION AGENDA ITEM: City Speed Limit Discussion

Date: 5/02/2017

Title: City Speed Limit Discussion

Attachments: EMC Chapter 10.10

Submitted By: Daryl Eidingen

Approved For Agenda By: Daryl Eidingen, Mayor

Discussion: As the Council is aware, numerous citizens have expressed concern over various roads in the City in regard to pedestrian safety. Most of the concerns are about lack of shoulder to walk on. The City of Seattle recently lowered all speeds on residential roads with a study showing that reduction by 10 mph would increase the survival rates for pedestrians from impact by a factor of 4, reducing injuries to the citizens. I have included our EMC, and as you can see, the Council can pick which roads might most need speed adjustments.

Recommendation: Determine which, if any, roads the council feels safety could be improved to our citizens, and seek public impute after specific changes are determined.

Fiscal Impact: Estimated to be about \$1000 per reduction for new signage installed.

Chapter 10.10

SPEED LIMITS

Sections:

- 10.10.010 State speed laws applicable – Exceptions.
- 10.10.020 Increasing state speed limit.
- 10.10.030 Decreasing state speed limit.
- 10.10.040 Posting of signs authorized.
- 10.10.050 Speed limits within school zones.
- 10.10.100 Penalties.

10.10.010 State speed laws applicable – Exceptions.

The state traffic laws regulating the speed of vehicles at 25 miles per hour. shall be applicable upon all streets within the city, except that the legislative authority of the city, as authorized by state law, may declare and determine by order, rule or regulation, properly adopted, that certain increased or decreased speed regulations shall be applicable upon specified streets or in certain areas, in which event it is unlawful for any person to operate a vehicle at a speed in excess of the speed so established when proper signs are in place giving notice thereof. (Ord. 98-124 § 1, 1999).

10.10.020 Increasing state speed limit.

Whenever conditions are found to exist upon an arterial street or highway which warrant an increase in the speed permitted by state law, the legislative authority of this city, subject to the approval of the State Highway Commission in cases involving state highways, shall determine and declare a reasonable and safe maximum speed limit for such arterial street or highway, or portion thereof, not to exceed 55 miles per hour. Pursuant to the foregoing authority, the following speed limits are established for the following streets and highways:

A. Thirty-Five Miles Per Hour.

1. 8th Street East from 114th Avenue East to 122nd Avenue East;
2. 8th Street East from SR 161 to 114th Avenue East;
3. 16th Street East from 112th Avenue East to 114th Avenue East;
4. 18th Street East from 112th Avenue East to 114th Avenue East;
5. 18th Street East from 114th Avenue East to 122nd Avenue East;
6. 20th Street East from 87th Avenue Court East to 92nd Avenue East;
7. 24th Street East from 92nd Avenue East to SR 161;
8. 24th Street East from 112th Avenue East to 122nd Avenue East;
9. 24th Street East from SR 161 to 112th Avenue East;
10. 32nd Street East from 114th Avenue East to 112th Avenue East;
11. 32nd Street East from 112th Avenue East to SR 161;
12. 32nd Street East from 122nd Avenue East to 114th Avenue East;
13. 36th Street East from SR 161 to 114th Avenue East;
14. 36th Street East from 114th Avenue East to 122nd Avenue East;
15. 48th Street East from 122nd Avenue East to 114th Avenue East;

16. 48th Street East from 114th Avenue East to Chrisella Road East;
17. 48th Street East/Edgewood Drive East from 122nd Avenue East to Sumner Heights Drive East;
18. 92nd Avenue East from 20th Street East to 24th Street East;
19. 112th Avenue East from 24th Street East to 18th Street East;
20. 112th Avenue East from 32nd Street East to 24th Street East;
21. 112th Avenue East from 18th Street East to 16th Street East;
22. 114th Avenue East from 36th Street East to 32nd Street East;
23. 114th Avenue East from 8th Street East to Jovita Blvd East;
24. 114th Avenue East from 18th Street East to 8th Street East;
25. 114th Avenue East from 48th Street East to 36th Street East;
26. 114th Avenue East from Jovita Boulevard to County Line;
27. 122nd Avenue East from 36th Street East to 48th Street East;
28. 122nd Avenue East from 8th Street East to 18th Street East;
29. 122nd Avenue East from 32nd Street East to 36th Street East;
30. 122nd Avenue East from 24th Street East to 32nd Street East;
31. 122nd Avenue East from 18th Street East to 24th Street East;
32. Edgewood Drive East from Sumner Heights Drive East to Sumner Heights Drive East;
33. Jovita Blvd East from 114th Avenue East to West Valley Hwy East;
34. Jovita Blvd East from SR 161 to 114th Avenue East;
35. Sumner Heights Drive East from Edgewood Drive East to Sumner city limits.

B. Forty Miles Per Hour.

1. Meridian Avenue from the Pierce County line south to the city limits. (Ord. 98-124 § 2, 1999).

10.10.030 Decreasing state speed limit.

Whenever it is deemed inadvisable for vehicles to operate at the maximum speed allowed by state law at 25 miles per hour on any portion of a street or public highway on account of a sharp curvation, highway construction or repairs, excessive traffic, any dangerous condition, or other temporary or permanent cause, the legislative authority of the city, subject to the approval of the State Highway Commission in cases involving state highways, shall determine and fix a lower maximum speed or otherwise regulate a lesser speed; provided, that in no case shall the maximum speed be reduced to less than 20 miles per hour. (Ord. 98-124 § 3, 1999).

10.10.040 Posting of signs authorized.

The mayor is hereby authorized and directed to cause appropriate signs to be posted informing the public of the speed limits established pursuant to this chapter. The city clerk is hereby directed to file a certified copy of the ordinance codified in this chapter with the Secretary of Transportation for approval of the speed limits on state highways as provided by law. (Ord. 15-447 § 1 (Exh. A); Ord. 98-124 § 4, 1999).

10.10.050 Speed limits within school zones.

A. Whenever a child or children are present in the vicinity of a city street, sidewalk or shoulder area posted with school speed limit signs, and/or when that school limit sign is equipped with flashing yellow lights to indicate that the school speed limit sign is in effect, no person shall operate a motor vehicle in excess of 20 miles per hour within such posted areas.

B. The mayor is authorized to establish school speed limit zones in the vicinity of schools within the city and to direct the placement of appropriate signage to advise the motoring public of the speed restrictions. (Ord. 15-447 § 1 (Exh. A); Ord. 01-173 § 1).

10.10.100 Penalties.

Unless another penalty is expressly provided, every person convicted of a violation of any section of this title shall be guilty of an infraction and shall be punished by a fine of not more than \$250.00. (Ord. 01-173 § 2).