City of Bothell

Council Chambers, 18415 101st Ave NE, Bothell, WA

City Council Regular Meeting Agenda
Tuesday, July 2, 2019
6:00 PM

Members of the City Council: Mayor Andy Rheaume, Deputy Mayor Davina Duerr, Councilmember Tom Agnew, Councilmember Rosemary McAuliffe, Councilmember James McNeal, Councilmember Liam Olsen, Councilmember Jeanne Zornes

Members of the Staff: City Manager Jennifer Phillips, Assistant City Manager Kellye Mazzoli, City Attorney Paul Byrne, Public Works Director Erin Leonhart, Finance Director Chris Bothwell, Community & Economic Development Director Michael Kattermann, Parks & Recreation Director Nik Stroup, Human Resources Director Mathew Pruitt, Information Services Director Joe Sherman, Police Chief Carol Cummings, Fire Chief Bruce Kroon, City Clerk Laura Hathaway

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

2. Meeting Agenda Approval

3. Review Public Engagement Opportunities

4. Proclamation: Honoring the 1st Legislative District Delegation

5. Special Presentations: Fire Station Project Management Update

6. City Manager/Council Committee Reports
   a. Council Appointment to Housing Affordability Regional Task Force

7. Visitor Comment
   During this portion of the meeting, the Mayor will invite visitor comment. Each speaker will be granted 3 minutes

8. Consent

   a. Minutes – June 11 and 18, 2019 City Council Meeting Minutes
      Recommended Action: Approve the June 11 and June 18, 2019 City Council Meeting Minutes as presented.

   b. AB # 19-107 – Professional Services Agreement Supplement No. 1 with OAC, Inc., for Project/Construction Management Services for the Bond Replacement Project of Fire Station 42 and Fire Station 45
      Recommended Action: Authorize the City Manager to enter into Professional Services Agreement Supplement #1, Phase 2 with OAC Service, Inc., in the amount not to exceed $308,007 to provide project/construction management services through April 2020.
c. **AB # 19-108 – 2019 Purchase of New City Vehicles through Bud Clary Chevrolet via Washington State Department of Enterprise Services Master Contracts Usage Agreement**
   
   Recommended Action: Approve the purchase of two vehicles from Bud Clary Chevrolet in the amount of $88,316.00, plus applicable Washington State Sales Tax, estimated at 8.4%, per Washington State Procurement Contract Number 05916.


d. **AB # 19-109 – Maintenance Agreement with Washington State Department of Transportation (WSDOT) for Repairs on the 102nd Avenue NE Bridge**
   
   Recommended Action: Authorize the City Manager to enter into a maintenance agreement with Washington State Department of Transportation, in substantially the same form as presented, for maintenance of 102nd Avenue NE Bridge.


e. **AB # 19-110 – Construction Contract - 2019 Crack Seal**
   
   Recommended Action: Authorize the City Manager to enter into a construction contract with Huizenga Enterprises, LLC., in the amount of $241,739 for construction of the 2019 Crack Seal, and in substantially the same form as presented.


f. **AB # 19-111 – Construction Contract – 2019 Overlays Project**
   
   Recommended Action: Authorize the city Manager to enter into a construction contract with Granite Construction Company, in the amount of $705,148.00 for construction of the 2019 Overlays Project, in substantially the same form as presented.


9. **Public Hearing**

   a. **AB # 19-112 – Extension of Interim Ordinance Relating to Small Wireless Deployments**
      
      Recommended Action: Approve the proposed ordinance as written or amended following the public hearing.


10. **Ordinances/Resolutions**

   a. **AB # 19-113 – Adoption of the King County 2019 Comprehensive Solid Waste Management Plan**
      
      Recommended Action: Approve the proposed resolution adopting the King County 2019 Comprehensive Solid Waste Management Plan.


11. **Discussion/Update Items**

   a. **AB # 19-114 – Surplus Property Update**
      
      Recommended Action: No action is requested this evening; however, Council is asked to receive the report.

   b. **AB # 19-115 - Economic Development Dashboard**
      
      Recommended Action: No action is requested this evening; however, Council is asked to receive the report.

   c. **AB # 19-116 – Public Safety Levy and Capital Bond Project Plan and 1st Quarter Update**
      
      Recommended Action: No action is requested this evening; however, Council is asked to receive the report.
Pgs. 133-142


   Recommended Action: No action is requested this evening; however, Council is asked to receive the report.

12. **Council Conversations**

13. **Adjourn**

---

**SPECIAL ACCOMODATIONS**: The City of Bothell strives to provide accessible meetings for people with disabilities. If special accommodations are required, please contact the ADA Coordinator at (425) 806-6151 at least one day prior to the meeting.

Copies of agenda bills and attachments listed in this agenda may be obtained from the City Clerk’s Office the Friday before the meeting. **PRELIMINARY AGENDA**: The preceding is a preliminary agenda; other items may be added and action taken on matters which do not appear above. Bothell City Council meetings are aired live on Bothell Community Television (BCTV) Channel 21/26 (Comcast/Verizon) (available to Comcast and Verizon Cable customers within Bothell City limits). Meetings are generally replayed according to the following schedule (subject to change): Wednesday following the meeting at 10 a.m.; Friday, Saturday and Sunday following the meeting at 10 a.m. and 7 p.m. City Council and Planning Commission meetings and the BCTV schedule are viewable online at [www.bothellwa.gov](http://www.bothellwa.gov)
(This page intentionally left blank)
Honoring the 1st Legislative District Delegation

WHEREAS, the City of Bothell appreciates the members of Washington State Legislative District 1 in their service to the citizens of Bothell; and

WHEREAS, Senator Guy Palumbo and Representatives Shelley Kloba, and Derek Stanford worked diligently to advance the City of Bothell’s 2019-2020 Legislative Agenda; and

WHEREAS, the Legislators of the 1st District supported legislation that funds urgently needed improvements on the north end of Interstate 405 to reduce congestion and support the effectiveness of Bus Rapid Transit; and

WHEREAS, the Legislators of the 1st District supported a 2019-21 state operating budget which appropriates $400,000 to the City of Bothell for the Canyon Park Subarea Plan and funds 19 Basic Law Enforcement Academy training classes at the Criminal Justice Training Commission; and

WHEREAS, the Legislators of the 1st District supported a 2019-21 state capital budget which invests $1.5 million toward the Bothell Downtown Revitalization plan and $1.08 million toward the replacement of the Bridge at Bothell Landing;

NOW, THEREFORE, the Bothell City Council, on behalf of the citizens of Bothell, hereby extends our thanks to

SENATOR GUY PALUMBO,

REPRESENTATIVE DEREK STANFORD

and

REPRESENTATIVE SHELLEY KLOBA

for their outstanding service, dedication, and commitment to the citizens of Bothell and urge all citizens to join us in extending our appreciation for their public service.

Signed this 2nd of July, 2019.

___________________________
Andrew J. Rheaume, Mayor
1. **Call to Order, Roll Call, Pledge of Allegiance**

Deputy Mayor Duerr called the meeting to order at 6:00 PM. All Councilmember present with the exception of Mayor Rheaume and Councilmember Olsen who were absent and excused.

2. **Meeting Agenda Approval**

There were no changes to the meeting agenda.

3. **Visitor Comment**

There were no visitor comments.

4. **Study Sessions**

   a. **AB # 19-097 – Study Session on Parks, Recreation and Open Space (PROS) Plan Update for 2020-2026**

   Recommended Action: No action is requested this evening; however, Council is asked to receive the report and provide direction to staff on their vision, values and goals for the update to the Parks, Recreation and Open Space (PROS) Plan.

   Planning and Grants Manager Tracey Perkosky introduced Consultant Steve Duh of Conservation Technix. Together they presented and entertained Council questions.

   Councilmember Olsen arrived at 6:09 PM.

   Staff asked for Council’s direction on their top priorities:

   - Councilmember Agnew – Park in Snohomish County/Develop active space at Wayne
   - Councilmember McAuliffe – Community based activities and youth activities
   - Councilmember Zornes – Skate park and dog park
   - Councilmember Olsen – Park in Snohomish County/Develop active space at Wayne
   - Deputy Mayor Duerr – Snohomish County Active Field Space/Public Private Partnership on Wayne
   - Councilmember McNeal – Public Private Partnerships/Community Center and Active Space

   Staff asked Council what they want to see more of or where they should focus their energy. Consensus was to explore Public Private Partnerships and see what the community surveys say.
b. **AB # 19-098 – Study Session on Proposed Critical Area Regulations Amendments**

   Recommended Action: No formal action is required at this time. Council is asked to review the information presented, consider policy recommendations and direct staff to prepare an ordinance for public hearing on July 2, 2019.

   If the City Council is interested in accelerating the more extensive wetlands buffers update, provide direction to the City Manager.

Mayor Rheaume arrived at 7:11 PM.

Senior Planner Dave Boyd presented and entertained Council questions. This item will return to Council at a later date for approval.

**MOTION:** Deputy Mayor Duerr moved to amend the agenda to add an executive session under RCW 42.30.110 (1)(i) anticipated to last 10 minutes with action; and add a new business item, AB 19-099 - Settlement Agreement Regarding Lot P-South to the agenda. Councilmember Zornes second. The motion carried 7-0.

**EXECUTIVE SESSION:** Council adjourned to Executive Session at 7:42 PM until 7:55 PM to discuss Litigation pursuant to RWC 42.30.110 (1)(i) with action expected.

Council reconvened to Regular Session at 7:55 PM.

**Added Item – AB # 19-099 – Settlement Agreement regarding Lot P-South**

   Recommended Action: Approve the Settlement Agreement that was negotiated by all parties in good faith during mediation.

   City Attorney Paul Byrne presented and entertained Council questions.

   **MOTION:** Deputy Mayor Duerr moved approval of the Settlement Agreement that was negotiated by all parties in good faith during mediation. Councilmember Agnew second. The motion carried 7-0.

   Staff will ensure this Agenda Bill and Attachments are added to the packet information on the website and in the file.

5. **Council Conversations**

   Council engaged in conversation on various topics including exploring recognition of partnership between City Staff and Main Street for flower baskets along Main Street and exploring the possibilities of installing a plaque at Wayne (former Wayne) recognizing the community and stewards that made it possible. No action taken.

6. **Adjourn**

   Mayor Rheaume adjourned the meeting at 8:16 PM.
City Council Regular Meeting Minutes  
Tuesday, June 18, 2019  
6:00 PM

Members of the City Council: Mayor Andy Rheaume, Deputy Mayor Davina Duerr, Councilmember Tom Agnew, Councilmember Rosemary McAuliffe, Councilmember James McNeal, Councilmember Liam Olsen, Councilmember Jeanne Zornes

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

Mayor Rheaume called the meeting to order at 6:00 PM and led the Pledge of Allegiance.

All Councilmembers were present.

2. Meeting Agenda Approval

The meeting agenda was approved as presented.

3. Review Public Engagement Opportunities

Mayor Rheaume reviewed upcoming public engagement opportunities.

4. Proclamation Honoring Steve’s Cafe

Mayor Rheaume presented the proclamation recognizing Steve and Marlene Hofer for Steve’s Café and their contributions to the community.

5. Special Presentation – Recology Annual Update

Quinn Apuzzo, Recology’s Government and Community Relations Manager, presented the 2018 Annual Update and along with Sabrina Combs, entertained Council questions.

6. Special Presentation – Bothell Service Center Electrical Resistance Heating (ERH) Treatment of Contaminates Soils

John Kane of Kane Environmental and Robert D’Anjou of Cascade Thermal presented an update on the results of the ERH treatment at the Bothell Service Center site and entertained Council questions.

7. City Manager/Council Committee Reports

Councilmembers gave brief updates regarding internal and regional committee activities.

8. Visitor Comment

Leigh Henderson – spoke regarding the Court Services Options Study
9. **Consent**
   
a. Minutes – June 4, 2019 City Council Meeting Minutes  
   Recommended Action: Approve the June 4, 2019 Meeting Minutes as presented.

b. AB # 19-100 – May 1-31, 2019 Vouchers  
   Recommended Action: Approve the following May 1 - 31, 2019 vouchers totaling $3,946,871.08 that were approved and paid by the City Auditor.  
   - Wire No.395,396,400,402, and 592  
   - Check No. 207409-207881

c. AB # 19-101 – May 1-31, 2019 Payroll and Benefit Transactions  
   Recommended Action: Approve payroll direct deposit transactions #2000123652 - #2000124363 in the amount of $1,959,397.43; payroll and benefit checks #38564 - #38621 plus wire benefit payments #601 - #609 in the amount of $2,125,559.59 for May 1, 2019 – May 31, 2019 payroll that were approved and paid by the City Auditor.

d. AB # 19-102 – Termination of Storm Drain Easement  
   Recommended Action: Authorize the City Manager to terminate the storm drain easement conveyed in King County Recording No. 8105080652

**MOTION:** Deputy Mayor Duerr moved approval of Consent Items as presented. Councilmember Agnew second. The motion carried 7-0.

10. **New Business**

a. AB # 19-103 - Potential Plan and Code Amendments for Minimum Density in Residential–Activity Center (R-AC) Zoning  
   Recommended Action: Initiate 2019 Plan and Code amendments to analyze potential minimum development levels (i.e., density/activity units) for the R-AC Plan designation and zoning classification, assign the amendments to the Planning Commission for recommendation and future action by the Council, and amend the 2019 Docket by deferring Docket item 7B to 2020 and delaying work on item 7C until later in 2019.

Senior Planner Bruce Blackburn presented the item and entertained Council questions.

**MOTION:** Councilmember Olson moved approval of the recommended item as presented, which includes the addition of deferring completion of item 7C to 2020. Councilmember Agnew second. The motion carried 7-0.

11. **Discussion/Update Items**

a. AB # 19-104 - First Quarter 2019 Financial Report  
   Recommended Action: No action is requested this evening; however, Council is asked to receive the report and ask any questions.

Finance Director Chris Bothwell presented the item and entertained Council questions.
b. AB# 19-105 - Report on Emergency Fireworks Ban Process
   Recommended Action: No action is requested this evening; however, Council is asked
to receive the report.

Assistant City Manager Kellye Mazzoli presented the item and along with Deputy Chief/Fire
Marshal Butch Noble, entertained Council questions.

Council recessed from the dais at 7:51 PM and reconvened in a study session format on the floor
at 8:06 PM.

12. Study Session

   a. AB # 19-106 - Court Services Options Study
      Recommended Action: No formal action at this time. Council is asked to review and
discuss the Municipal Court Services Study Report and provide direction to the City
Manager.

Consultants Karen Reed and Anne Pflug presented the item and along with City Attorney
Paul Byrne and City Manager Jennifer Phillips, entertained Council questions.

MOTION: Deputy Mayor Duerr moved to extend the meeting to 9:30 PM. Councilmember
McNeal second. The motion carried 7-0.

Questions and discussed ensued.

MOTION: Deputy Mayor Duerr moved to extend the meeting to 9:40 PM. Councilmember
McAuliffe second. The motion carried 7-0.

Direction from Council was to table the item with an additional study session to be
scheduled at a date uncertain.

13. Council Conversations

None.

14. Adjourn

Mayor Rheaume adjourned the meeting at 9:39 PM.

Submitted for approval July 2, 2019.
Bothell City Council
AGENDA BILL

Meeting Date: July 2, 2019       Action ☒ No Action ☐       AB #: 19-107

Subject: Professional Services Agreement Supplement #1 with OAC Services, Inc. for Project/Construction Management Services for the Replacement of Fire Stations 42 and 45

Budget Impact/Source of Funds: Not to Exceed $308,007 from the Safe and Secure Bond. Revenues and expenditures associated with the bond are currently unbudgeted. Staff will bring a budget amendment forward to the City Council later in the biennium. This item is consistent with the spending plan for the bond.

Staff Presenter/Department: Jeff Sperry, Fleet and Facilities Manager/Public Works

Background:

In November 2018, voters passed the Safe and Secure bond to fund the replacement of Bothell Fire Station 42 (Downtown Headquarters) and Fire Station 45 (Canyon Park).

In December 2018, the City published a Request for Qualification for a Project/Construction Management firm to manage the Fire Station projects through construction completion. In April 2019, through a thorough selection process, consistent with City procurement policies, City staff selected OAC Services, Inc. (OAC) to provide project/construction management services.

Due to the nature of this project, staff divided the contract with OAC into three phases. The project phases and preliminary durations are:

<table>
<thead>
<tr>
<th>Phase</th>
<th>Description</th>
<th>Estimated Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phase 1</td>
<td>Project Start-up, Pre-Design, and Procurement Method Selection and Approval</td>
<td>April - June 2019 (scope and fee included in original contract)</td>
</tr>
<tr>
<td>Phase 2</td>
<td>Procurement, Preliminary Design, and Project Validation</td>
<td>July 2019-April 2020 (current proposed Supplement #1)</td>
</tr>
<tr>
<td>Phase 3</td>
<td>Final Design, Construction, and Closeout</td>
<td>May 2020-February 2023 (future Amendment)</td>
</tr>
</tbody>
</table>

During Phase 1, with OAC the team evaluated methods of project delivery to determine the most cost-effective and timely way serve the community. OAC conducted a workshop with staff and the team determined that Progressive Design Build is the best method for the critical operations of the Fire Stations. OAC will provide a special presentation about Progressive Design Build at the July 2, 2019 Council meeting.
Previous City Actions:

- November 2018: Voters approved the Safe & Secure Bond and Levy
- April 2019: City Manager approved Professional Services Agreement No. 1757, Phase 1 professional services agreement with OAC Services, Inc., in the amount of $95,000 to provide project/construction management services.

Discussion:

Supplement #1 with OAC is for Phase 2 services – procurement, preliminary design, and project validation. Specifically, it will include procurement of the Progressive Design-Build team, and continue with project management through pre-design to 30 percent design of Fire Station 42 and Fire Station 45. The anticipated duration of Phase 2 is July 2019 thru April 2020. The cost of this supplement is not to exceed $308,007. Staff will return to Council with Supplement #2 with OAC for Phase 3 construction/project management services through completion of the project.

Contract prices, including labor rates, overhead, and a fixed fee have been negotiated and compared with rates from previous contracts and have been determined to be fair and reasonable.

Category: Consent

Attachments:

1. OAC Services, Inc. Supplement #1 for Phase 2 Services - Procurement, Preliminary design, and Project Validation
2. OAC Services, Inc. Professional Services Agreement No. 1757

Recommended Action:

Authorize the City Manager to enter into Professional Service Agreement Supplement #1, Phase 2 with OAC Service, Inc., in the amount not to exceed $308,007 to provide project/construction management services through April 2020.

City Manager Approval: ___________________________ Date: 06/23/2019
1. Parties

This Supplemental Agreement No. 1 for Professional Services (‘Supplemental Agreement”) is entered into as of the Effective Date specified below, and supplements that certain Professional Services Agreement, Contract No. 1757, dated April 16th 2019, and the exhibits thereto (“Original Agreement”), between the City of Bothell, a Washington municipal corporation having its principal place of business at 18415 101st Avenue N.E., Bothell, Washington 98011 (“City”), and OAC Services, Inc., a corporation organized under the laws of the State of Washington, located and doing business at 2200 First Avenue S, Ste. 200, Seattle, WA 98134 (“Consultant”).

2. Recitals

2.1 Consultant has provided professional services to City under the Original Agreement related to the Construction Management for Fire Station 42, 45 rebuild project.

2.2 City desires to modify, delete, and/or add services and/or desires to change the contract amount set forth in the Original Agreement and any prior supplemental agreements.

2.3 Consultant agrees to perform the services specified herein in accordance with the terms and conditions of this Supplemental Agreement.

NOW, THEREFORE, in consideration of the mutual benefits and promises set forth herein, it is agreed by and between the parties as follows:

3. Modifications, Deletions or Additions to Original Terms and Conditions.

3.1 Supplemental Services. In addition to performing the services described in the Original Agreement and any supplemental agreements thereto, Consultant shall perform the services described in the Supplemental Scope of Services/Scope of Work, which is attached and incorporated by this reference as Exhibit A (“Supplemental Services”). The Supplemental Services may modify, delete, and/or add services to those previously agreed to by the parties and/or may change the total contract amount.
3.2 Payment. City shall pay Consultant for Supplemental Services rendered based upon the Supplemental Schedule of Charges, which is attached and incorporated by this reference as Exhibit B. The increased amount to be paid for said Supplemental Services is $308,007.00. In no event shall the total amount paid by City for all services exceed the sum of $403,007.00 dollars, including applicable sales taxes, which is the maximum amount to be paid under both the Original Agreement and this Supplemental Agreement. This amount may not be exceeded without prior written authorization from City in the form of an executed supplemental agreement.

3.3 Time of Performance. Consultant shall perform the Supplemental Services with due diligence. In no event shall completion of the Supplemental Services be delayed beyond [4/30/2020 (date)].

3.4 No Other Changes. All provisions of the Original Agreement and any supplemental agreements thereto shall remain in full force except as expressly amended by this Supplemental Agreement.

4. Effective Date

This Supplemental Agreement shall be effective on the last date entered by each party below.

CITY OF BOTHELL

______________________________  Date
Jennifer Phillips
City Manager

ATTEST/AUTHENTICATED:

______________________________  Date
Laura K. Hathaway
City Clerk

APPROVED AS TO FORM:

______________________________  Date
Paul Byrne
City Attorney
CONSULTANT:

By: __________________________ Date:
Its: __________________________
EXHIBIT A

Supplemental Scope of Services/Scope of Work

[See Attached]
EXHIBIT A
OAC SCOPE OF SERVICES
Supplement 01 – Phase 2 Services
Bothell Fire Stations 42 & 45
Alternative Project Delivery,
Project Management, and Construction Management

Phase 2 – Procurement, Preliminary Design, and Project Validation

Project Phases and Preliminary Durations:

<table>
<thead>
<tr>
<th>Phase</th>
<th>Description</th>
<th>Estimated Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phase 1</td>
<td>Project Start-up, Pre-Design, and Procurement Method</td>
<td>April 2019-June 2019 (scope and fee included in original contract)</td>
</tr>
<tr>
<td>Phase 2</td>
<td>Procurement, Preliminary Design, and Project Validation</td>
<td>July 2019-April 2020 (current proposed Amendment 01)</td>
</tr>
<tr>
<td>Phase 3</td>
<td>Final Design, Construction, and Closeout</td>
<td>May 2020-February-2023 (future Amendment)</td>
</tr>
</tbody>
</table>

Scope of services are developed based on the following format:
A. Task descriptions
B. Deliverables
C. Assumptions

OAC Costs and Expenses:
See Exhibit B – Amendment 01 – Phase 2 Services.

OAC Labor Rates:
See Exhibit B – Amendment 01 – Phase 2 Services.

A. Task Descriptions
Phase 1 task P1-500 is modified to accommodate a Design Build Procurement process. P1-500 started during Phase 1 and will completed in Phase 2. P1-500: A/E Procurement now reads:

1. **P1-500/P2-100: Progressive Design-Build Procurement**
   OAC will closely collaborate with the City and lead and manage the solicitation, evaluation, and selection of a design-build team and necessary special consultants required for the project. This includes the preparation of request for qualifications (RFQ) and request for proposals (RFP) documents, managing the evaluation of responses, planning and managing interactive meetings with shortlisted firms, and the scoring process. OAC will provide comments for consideration in the preparation of the design-builder contract, including recommended language pertaining to scope, budget, quality, schedule, management processes, and coordination requirements with the City management team.

2. **P2-200: Project Management**
During Phase 2, OAC will work with the City to further develop and finalize project participant roles and responsibilities from the City and OAC. OAC promotes a “Project First” mentality and “One Team-One Goal” approach to the work.

OAC will provide project management services to facilitate efficient progress of the work and keep the City advised of all aspects of work under this agreement. OAC will work with a teaming approach and coordinate its work with City staff and other project consultants or contractors. OAC will perform the following project management activities during Phase 2:

- **Financial Management**
  - Development and management of itemized project budget with work breakdown codes and structure.
  - Baseline cashflow projection and periodic updates for the duration of the project.
  - Contract administration, review and processing of design-builder’s monthly progress payment requests.

- **Design Management**
  - Design phase management and participation in value analysis and constructability meetings.

- **Quality Management**
  - Quality verification and monitoring of design-builder quality management plan.

- **Time Management**
  - Preliminary project planning and scheduling.

- **Risk Management**
  - Development and maintenance of a project risk register for risks specific to the City and the project.

- **Document Management**
  - Maintain web-based file and document sharing and management system.
  - Document management and control.

- **Reporting**
  - Monthly progress reporting of budget and schedule performance, design-builder progress, and consultant activities.

- **Meetings**
  - Meeting organization, facilitation, and documentation, including preparation of agendas and meeting minutes.

- **Permitting**
I) Monitor permit planning and requirements, and coordinate with the City and design-builder to facilitate approvals.

Sustainability
m) Monitor and promote development of LEED Silver certification project goals and activities.

Partnering/Outreach
n) Coordinate and facilitate partnering meetings with the City and design-builder.
o) Monitor and promote design-builder MWBE participation goals.
p) Community and project participant outreach.

During Phase 2, OAC will work with the City to identify key roles and responsibilities and continue to develop the overall Project Management Plan. OAC will review information periodically to ensure the plan is complete and up-to-date and that appropriate user input has been included in project planning. OAC will assist the City in continuous development of the plan to meet the requirements outlined in this Agreement. The plan, project controls and work flow processes may include (but are not limited to) the following elements, as deemed necessary by the project team.

a) Project description.
b) Project organization chart and staffing plan.
c) Signed project charter and approach to project partnering (signed by stakeholders, design-builder, and OAC).
d) Communications protocol.
e) Project roles, responsibilities, and authority of team members.
f) Financial limits of authority for signatories.
g) Assist in development and management of submittal, RFI, and change proposal workflow processes. Submittal and RFI review and approval workflow.
h) Quality validation plan.

4. P2-400: Schedule Review and Analysis
OAC will develop preliminary milestone schedules to assist with project planning and maintain high visibility to key decision milestones prior to procurement of the design-builder.

Once the design-builder is procured and per requirements within the design-builder contract, the design-builder will become responsible for developing and maintaining the project schedule, including all Owner-direct work.

OAC will provide a monthly schedule analysis based on review of the native format of the design-builder’s project schedule. This will include review of schedule logic, actual progress versus planned,
analysis of durations, sequence of work, and/or phasing. OAC will provide regular and ad hoc reports for City decision-makers and managers.

5. **P2-500: Independent Cost Review and Analysis**
   See Exhibit C – Amendment 01 only includes Phase 2 scope of services.

   See Exhibit C – Amendment 01 only includes Phase 2 scope of services.

7. **P2-700: Enhanced Commissioning Services**
   See Exhibit C – Amendment 01 only includes Phase 02 scope of services.

8. **P2-800: Building Envelope**
   Phase 02 services will be provided under this scope on an hourly not-to-exceed basis for services that may include but are not limited to: review of preliminary design and owner project requirements (OPRs).

9. **P2-900: City of Bothell Management Reserve**
   Additional consulting services as assigned and approved by the City by written change order or addendum.

B. **Deliverables:**

1. Project Management Share Point Website
2. Outreach Presentation Materials
3. Design-Builder RFQ and RFP Documents
4. Design-Builder Contract Development Comments (for City legal counsel review)
5. Project Management Plan (and all associated contents)
6. Monthly Project Progress Reports (scope, schedule, budget)
7. Recommendations for:
   a) Design-builder Pay Requests
   b) Design Submittals
   c) Requests for Information
   d) Change Proposals
   e) Insurance Requirements
   f) Pre-construction Services
8. Schedule Analysis Findings
9. Budget Analysis Findings
10. Project Risk Register
11. Independent Financial Auditing Recommendations (optional work)
12. Enhanced Commissioning Recommendations (optional work)
13. Building Envelope Design Review Recommendations (optional work)
14. Additional consulting services/Managers Reserve (optional work)
C. Assumptions:

1. Phase 2 duration is 10 months (July 2019-April 2020).
2. One OAC-led project management meeting per week is assumed throughout Phase 2.
3. One (1) draft and one (1) revision of all future phase scopes of work and fees are included.

END OF DOCUMENT
EXHIBIT B

Supplemental Schedule of Charges

[See Attached]
EXHIBIT B
OAC COST OF SERVICES
Supplement 01 – Phase 2 Services
Bothell Fire Stations 42 & 45
Alternative Project Delivery,
Project Management, and Construction Management

Phase 2 – Procurement, Preliminary Design, and Project Validation

Project Phases and Preliminary Durations:

<table>
<thead>
<tr>
<th>Phase</th>
<th>Description</th>
<th>Estimated Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phase 1</td>
<td>Project Start-up, Pre-Design, and Procurement Method Selection and Approval</td>
<td>April 2019-June 2019 (scope and fee included in original contract)</td>
</tr>
<tr>
<td>Phase 2</td>
<td>Procurement, Preliminary Design, and Project Validation</td>
<td>July 2019-April 2020 (current proposed Amendment 01)</td>
</tr>
<tr>
<td>Phase 3</td>
<td>Final Design, Construction, and Closeout</td>
<td>May 2020-February-2023 (future Amendment)</td>
</tr>
</tbody>
</table>

OAC Costs and Expenses:

<table>
<thead>
<tr>
<th>Position</th>
<th>Amount</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal in Charge</td>
<td>$34,540</td>
<td>estimated</td>
</tr>
<tr>
<td>Sr. Project Manager</td>
<td>$148,748</td>
<td>estimated (0.4 FTE)</td>
</tr>
<tr>
<td>Project Engineer</td>
<td>$39,624</td>
<td>estimated</td>
</tr>
<tr>
<td>DB Advisor</td>
<td>$32,144</td>
<td>estimated</td>
</tr>
<tr>
<td>Scheduler</td>
<td>$8,820</td>
<td>estimated</td>
</tr>
<tr>
<td>Permit Specialist/APM</td>
<td>$1,184</td>
<td>estimated</td>
</tr>
<tr>
<td>Sr. Project Coordinator</td>
<td>$6,446</td>
<td>estimated</td>
</tr>
<tr>
<td>Subtotal PM/CM</td>
<td>$271,506</td>
<td>NTE</td>
</tr>
<tr>
<td>Building Envelope Review</td>
<td>$5,000</td>
<td>NTE</td>
</tr>
<tr>
<td><strong>Subtotal Phase 2 OAC Staff</strong></td>
<td>$276,507</td>
<td>NTE</td>
</tr>
<tr>
<td>Estimating (Roen Associates)</td>
<td>$5,000</td>
<td>NTE</td>
</tr>
<tr>
<td>Financial Audit (Pacific Construction Consultants)</td>
<td>$5,000</td>
<td>NTE</td>
</tr>
<tr>
<td>Commissioning (KBA)</td>
<td>$5,000</td>
<td>NTE</td>
</tr>
<tr>
<td>Subtotal Subconsultants</td>
<td>$15,000</td>
<td></td>
</tr>
<tr>
<td>OAC Markup at 10%</td>
<td>$1,500</td>
<td>estimated</td>
</tr>
<tr>
<td><strong>Subtotal Phase 2 incl. Subconsultants</strong></td>
<td>$293,007</td>
<td></td>
</tr>
<tr>
<td>Reimbursables</td>
<td>$5,000</td>
<td>estimated</td>
</tr>
<tr>
<td>P2-900 City of Bothell Management Reserve</td>
<td>$10,000</td>
<td></td>
</tr>
<tr>
<td><strong>Total Phase 2:</strong></td>
<td>$308,007</td>
<td>NTE</td>
</tr>
</tbody>
</table>
Only Phase 2 scope and fees are proposed within Amendment 01. Below is a summary of total projected costs for OAC’s services for Phases 1-3.

Fee Summary
- Phase 1: Contracted amount - $91,012
- **Phase 2: Amendment 01 NTE amount** - $308,007
- Phase 1-2 total amount: $399,019

  Phase 3: Estimated amount (including sub consultants) – $1,300,000 TBD
- **Total Anticipated Phase 1-3 amount**- $1,700,000 TBD

**Rates:**
All 2019 OAC hourly rates listed below are subject to 5% annual escalation. Subconsultants, if any, are subject to 10% mark-up.

- Principal in Charge - $275
- Senior Project Manager - $205
- Project Manager - $186
- Project Scheduler - $210
- Permit Specialist - $141
- Assistant Project Manager - $141
- Project Engineer - $130
- Senior Project Coordinator - $158
- Project Coordinator - $135
- Sr. Building Enclosure Specialist/ Registered Roof Consultant - $195
- Sr. Architectural Designer (Building Enclosure Specialist) - $190

**Reimbursables:**
Reimbursable expenses include, without limitation, the following:
- Mileage adjusted to current year IRS rate: approximately 58 cents per mile in 2019.
- Parking, vendor printing and publications, miscellaneous: cost plus 10% mark up.

**Allocation of fees:**
- Fees are to be allocated to each fire station as determined by the City of Bothell.

END OF DOCUMENT
CERTIFICATE OF LIABILITY INSURANCE

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFER NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

PRODUCER
Dealey, Renton & Associates
P. O. Box 12675
Oakland, CA 94604-2675
License #0020739

INSURED
OAC Services, Inc.
2200 1st Avenue S, #200
Seattle WA 98134

CERTIFICATE NUMBER: 341506645

COVERAGES

A COMMERCIAL GENERAL LIABILITY

Y Y 8604J680523 5/20/2019 5/20/2020 EACH OCCURRENCE $1,000,000 DAMAGE TO RENTED PREMISES (Per occurrence) $1,000,000 MED EXP (Any one person) $10,000 PERSONAL & ADV INJURY $1,000,000 GENERAL AGGREGATE $2,000,000 PRODUCTS - COM/OPT AGG $2,000,000

B AUTOMOBILE LIABILITY

Y Y BA1810L355 5/20/2019 5/20/2020 COMBINED SINGLE LIMIT (Per accident) $1,000,000 BODILY INJURY (Per person) $10,000 BODILY INJURY (Total) $1,000,000 PROPERTY DAMAGE (Per accident) $1,000,000

C WORKERS COMPENSATION AND EMPLOYERS LIABILITY

Y N UB5K225985 5/20/2019 5/20/2020 E.L. EACH OCCURRENCE $10,000 E.L. EACH EMPLOYEE $1,000,000 E.L. EACH EMPLOYEE - EA EMPLOYEE $2,000,000

D Professional Liability

105937003 5/20/2019 5/20/2020 $3,000,000 $3,000,000 per Claim Annual Aggregate

AWARD NUMBER: 25674

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Umbrella Liability policy is a follow-form to underlying General Liability/Auto Liability/Employers Liability.

Project Name: Bothell Fire Station 42 & 45.
City of Bothell is named as Additional Insured as respects General and Auto Liability as required per written contract or agreement. General Liability is Primary/Non-Contributory per policy form wording.

CERTIFICATE HOLDER
City of Bothell
Public Works
Attn: Jeff Sperry
21233 20th Ave SE
Bothell WA 98021

CANCELLATION
30 Day Notice of Cancellation

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

© 1988-2015 ACORD CORPORATION. All rights reserved.
THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED
(ARCHITECTS, ENGINEERS AND SURVEYORS)

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. The following is added to SECTION II – WHO IS AN INSURED:

   Any person or organization that you agree in a "written contract requiring insurance" to include as an additional insured on this Coverage Part, but:

   a. Only with respect to liability for "bodily injury", "property damage" or "personal injury"; and

   b. If, and only to the extent that, the injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the "written contract requiring insurance" applies, or in connection with premises owned by or rented to you.

   The person or organization does not qualify as an additional insured:

   c. With respect to the independent acts or omissions of such person or organization; or

   d. For "bodily injury", "property damage" or "personal injury" for which such person or organization has assumed liability in a contract or agreement.

   The insurance provided to such additional insured is limited as follows:

   e. This insurance does not apply on any basis to any person or organization for which coverage as an additional insured specifically is added by another endorsement to this Coverage Part.

   f. This insurance does not apply to the rendering of or failure to render any "professional services".

   g. In the event that the Limits of Insurance of the Coverage Part shown in the Declarations exceed the limits of liability required by the "written contract requiring insurance", the insurance provided to the additional insured shall be limited to the limits of liability required by that "written contract requiring insurance". This endorsement does not increase the limits of insurance described in Section III – Limits Of Insurance.

   h. This insurance does not apply to "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless the "written contract requiring insurance" specifically requires you to provide such coverage for that additional insured, and then the insurance provided to the additional insured applies only to such "bodily injury" or "property damage" that occurs before the end of the period of time for which the "written contract requiring insurance" requires you to provide such coverage or the end of the policy period, whichever is earlier.

2. The following is added to Paragraph 4.a. of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:

   The insurance provided to the additional insured is excess over any valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to the additional insured for a loss we cover. However, if you specifically agree in the "written contract requiring insurance" that this insurance provided to the additional insured under this Coverage Part must apply on a primary basis or a primary and non-contributory basis, this insurance is primary to other insurance available to the additional insured which covers that person or organizations as a named insured for such loss, and we will not share with the other insurance, provided that:

   (1) The "bodily injury" or "property damage" for which coverage is sought occurs; and

   (2) The "personal injury" for which coverage is sought arises out of an offense committed; after you have signed that "written contract requiring insurance". But this insurance provided to the additional insured still is excess over valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to the additional insured when that person or organization is an additional insured under any other insurance.
3. The following is added to Paragraph 8., Transfer Of Rights Of Recovery Against Others To Us, of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:

We waive any right of recovery we may have against any person or organization because of payments we make for "bodily injury", "property damage" or "personal injury" arising out of "your work" performed by you, or on your behalf, done under a "written contract requiring insurance" with that person or organization. We waive this right only where you have agreed to do so as part of the "written contract requiring insurance" with such person or organization signed by you before, and in effect when, the "bodily injury" or "property damage" occurs, or the "personal injury" offense is committed.

4. The following definition is added to the DEFINITIONS Section:

"Written contract requiring insurance" means that part of any written contract under which you are required to include a person or organization as an additional insured on this Coverage Part, provided that the "bodily injury" and "property damage" occurs and the "personal injury" is caused by an offense committed:

a. After you have signed that written contract;

b. While that part of the written contract is in effect; and

c. Before the end of the policy period.
BUSINESS AUTO EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to the Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

A. BROAD FORM NAMED INSURED
B. BLANKET ADDITIONAL INSURED
C. EMPLOYEE HIRED AUTO
D. EMPLOYEES AS INSURED
E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS
F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS
G. WAIVER OF DEDUCTIBLE – GLASS
H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT
I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT
J. PERSONAL PROPERTY
K. AIRBAGS
L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS
M. BLANKET WAIVER OF SUBROGATION
N. UNINTENTIONAL ERRORS OR OMISSIONS

PROVISIONS

A. BROAD FORM NAMED INSURED

The following is added to Paragraph A.1., Who Is An Insured, of SECTION II – COVERED AUTOS LIABILITY COVERAGE:

Any organization you newly acquire or form during the policy period over which you maintain 50% or more ownership interest and that is not separately insured for Business Auto Coverage. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier.

B. BLANKET ADDITIONAL INSURED

The following is added to Paragraph c. in A.1., Who Is An Insured, of SECTION II – COVERED AUTOS LIABILITY COVERAGE:

Any person or organization who is required under a written contract or agreement between you and that person or organization, that is signed and executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to be named as an additional insured is an "insured" for Covered Autos Liability Coverage, but only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Section II.

C. EMPLOYEE HIRED AUTO

1. The following is added to Paragraph A.1., Who Is An Insured, of SECTION II – COVERED AUTOS LIABILITY COVERAGE:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in an "employee's" name, with your permission, while performing duties related to the conduct of your business.

2. The following replaces Paragraph b. in B.5., Other Insurance, of SECTION IV – BUSINESS AUTO CONDITIONS:

b. For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

(1) Any covered "auto" you lease, hire, rent or borrow; and

(2) Any covered "auto" hired or rented by your "employee" under a contract in an "employee's" name, with your
permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

D. EMPLOYEES AS INSURED
The following is added to Paragraph A.1., Who Is An Insured, of SECTION II – COVERED AUTOS LIABILITY COVERAGE:

Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS
1. The following replaces Paragraph A.2.a.(2), of SECTION II – COVERED AUTOS LIABILITY COVERAGE:
   (2) Up to $3,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

2. The following replaces Paragraph A.2.a.(4), of SECTION II – COVERED AUTOS LIABILITY COVERAGE:
   (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to $500 a day because of time off from work.

F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS
The following replaces Subparagraph (5) in Paragraph B.7., Policy Period, Coverage Territory, of SECTION IV – BUSINESS AUTO CONDITIONS:

(5) Anywhere in the world, except any country or jurisdiction while any trade sanction, embargo, or similar regulation imposed by the United States of America applies to and prohibits the transaction of business with or within such country or jurisdiction, for Covered Autos Liability Coverage for any covered "auto" that you lease, hire, rent or borrow without a driver for a period of 30 days or less and that is not an "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.

(a) With respect to any claim made or "suit" brought outside the United States of America, the territories and possessions of the United States of America, Puerto Rico and Canada:

(i) You must arrange to defend the "insured" against, and investigate or settle any such claim or "suit" and keep us advised of all proceedings and actions.

(ii) Neither you nor any other involved "insured" will make any settlement without our consent.

(iii) We may, at our discretion, participate in defending the "insured" against, or in the settlement of, any claim or "suit".

(iv) We will reimburse the "insured" for sums that the "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, that the "insured" pays with our consent, but only up to the limit described in Paragraph C., Limits Of Insurance, of SECTION II – COVERED AUTOS LIABILITY COVERAGE.

(v) We will reimburse the "insured" for the reasonable expenses incurred with our consent for your investigation of such claims and your defense of the "insured" against any such "suit", but only up to and included within the limit described in Paragraph C., Limits Of Insurance, of SECTION II – COVERED AUTOS LIABILITY COVERAGE, and not in addition to such limit. Our duty to make such payments ends when we have used up the applicable limit of insurance in payments for damages, settlements or defense expenses.

(b) This insurance is excess over any valid and collectible other insurance available to the "insured" whether primary, excess, contingent or on any other basis.

(c) This insurance is not a substitute for required or compulsory insurance in any country outside the United States, its territories and possessions, Puerto Rico and Canada.
You agree to maintain all required or compulsory insurance in any such country up to the minimum limits required by local law. Your failure to comply with compulsory insurance requirements will not invalidate the coverage afforded by this policy, but we will only be liable to the same extent we would have been liable had you complied with the compulsory insurance requirements.

(d) It is understood that we are not an admitted or authorized insurer outside the United States of America, its territories and possessions, Puerto Rico and Canada. We assume no responsibility for the furnishing of certificates of insurance, or for compliance in any way with the laws of other countries relating to insurance.

G. WAIVER OF DEDUCTIBLE – GLASS

The following is added to Paragraph D., Deductible, of SECTION III – PHYSICAL DAMAGE COVERAGE:

No deductible for a covered "auto" will apply to glass damage if the glass is repaired rather than replaced.

H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT

The following replaces the last sentence of Paragraph A.4.b., Loss Of Use Expenses, of SECTION III – PHYSICAL DAMAGE COVERAGE:

However, the most we will pay for any expenses for loss of use is $65 per day, to a maximum of $750 for any one "accident".

I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT

The following replaces the first sentence in Paragraph A.4.a., Transportation Expenses, of SECTION III – PHYSICAL DAMAGE COVERAGE:

We will pay up to $50 per day to a maximum of $1,500 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type.

J. PERSONAL PROPERTY

The following is added to Paragraph A.4., Coverage Extensions, of SECTION III – PHYSICAL DAMAGE COVERAGE:

Personal Property

We will pay up to $400 for "loss" to wearing apparel and other personal property which is:

(1) Owned by an "insured"; and

(2) In or on your covered "auto".

This coverage applies only in the event of a total theft of your covered "auto".

No deductibles apply to this Personal Property coverage.

K. AIRBAGS

The following is added to Paragraph B.3., Exclusions, of SECTION III – PHYSICAL DAMAGE COVERAGE:

Exclusion 3.a. does not apply to "loss" to one or more airbags in a covered "auto" you own that inflate due to a cause other than a cause of "loss" set forth in Paragraphs A.1.b. and A.1.c., but only:

a. If that "auto" is a covered "auto" for Comprehensive Coverage under this policy;

b. The airbags are not covered under any warranty; and

c. The airbags were not intentionally inflated.

We will pay up to a maximum of $1,000 for any one "loss".

L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS

The following is added to Paragraph A.2.a., of SECTION IV – BUSINESS AUTO CONDITIONS:

Your duty to give us or our authorized representative prompt notice of the "accident" or "loss" applies only when the "accident" or "loss" is known to:

(a) You (if you are an individual);

(b) A partner (if you are a partnership);

(c) A member (if you are a limited liability company);

(d) An executive officer, director or insurance manager (if you are a corporation or other organization); or

(e) Any "employee" authorized by you to give notice of the "accident" or "loss".

M. BLANKET WAIVER OF SUBROGATION

The following replaces Paragraph A.5., Transfer Of Rights Of Recovery Against Others To Us, of SECTION IV – BUSINESS AUTO CONDITIONS:

5. Transfer Of Rights Of Recovery Against Others To Us

We waive any right of recovery we may have against any person or organization to the extent required of you by a written contract signed and executed prior to any "accident" or "loss" provided that the "accident" or "loss" arises out of operations contemplated by
such contract. The waiver applies only to the person or organization designated in such contract.

N. UNINTENTIONAL ERRORS OR OMISSIONS

The following is added to Paragraph B.2., Concealment, Misrepresentation, Or Fraud, of SECTION IV – BUSINESS AUTO CONDITIONS:

The unintentional omission of, or unintentional error in, any information given by you shall not prejudice your rights under this insurance. However this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.
WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit any one not named in the Schedule.

**SCHEDULE**

**DESIGNATED PERSON:**

**DESIGNATED ORGANIZATION:**

Project Name: Bothell Fire Station 42 & 45 – City of Bothell
EXHIBIT C
SUBCONSULTANTS TO OAC SERVICES
Supplement 01 – Phase 2 Services

Bothell Fire Stations 42 & 45
Alternative Project Delivery,
Project Management, and Construction Management

Phase 2 – Procurement, Preliminary Design, and Project Validation

Project Phases and Preliminary Durations:

<table>
<thead>
<tr>
<th>Phase</th>
<th>Description</th>
<th>Estimated Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phase 1</td>
<td>Project Start-up, Pre-Design, and Procurement Method Selection and Approval</td>
<td>April 2019-June 2019 (scope and fee included in original contract)</td>
</tr>
<tr>
<td>Phase 2</td>
<td>Procurement, Preliminary Design, and Project Validation</td>
<td>July 2019-April 2020 (current proposed Amendment 01)</td>
</tr>
<tr>
<td>Phase 3</td>
<td>Final Design, Construction, and Closeout</td>
<td>May 2020-February-2023 (future Amendment)</td>
</tr>
</tbody>
</table>

Consultants listed herein will provide services including, but not limited to, those outlined below at time and expense with a total not-to-exceed (NTE) agreement amount.

1. Pacific Construction Consultants (PCC)
   a. Services may include: review of preliminary design/validation phase design builder invoices.
   b. Not to exceed $5000 at the following rates:
      i. Principal ................................................................. $163 / hr
      ii. Associate ................................................................. $139 / hr
      iii. Sr. Staff Auditor .................................................... $125 / hr
      iv. Staff Auditor ............................................................. $114 / hr
      v. Clerical .......................................................................... $50 / hr

2. Keithly Barber Associates, Inc. (KBA)
   a. Services may include: review and input on owner project requirements (OPRs), participation in early basis of design (BOD) development with design builder.
   b. Not to exceed $5000 at the following rates:
      i. Principal or Senior Project Manager/ Primary Cx Authority (SPM/CxA)...$190 / hr
      ii. Project Manager /Primary Cx Authority (PM/CxA)............................ $145 / hr
      iii. Senior Commissioning Professional (SCxP).....................................$145 / hr
      iv. Commissioning Professional (CxP).............................................. $135 / hr
      v. Technical Commissioning Provider (TCx)....................................... $115 / hr
3. **Roen Associates**
   a. Services may include: cost review and analysis for one milestone estimate or miscellaneous questions through Phase 2.
   b. Not to exceed $5000 at the following rates:
      i. Cost Consultant.................................................................$145 / hr

END OF DOCUMENT
1. Parties.

This Professional Services Agreement, Contract No. 1757 (“Agreement”), is entered into as of the Effective Date specified below between the City of Bothell, a Washington municipal corporation having its principal place of business at 18415 101st Avenue N.E., Bothell, Washington 98011 (“City”), and OAC Services, Inc., a corporation organized under the laws of the State of Washington, located and doing business at Seattle, Washington (“Consultant”).

2. Recitals.

2.1 City desires to obtain professional services for work related to Project Management for rebuilding Bothell Fire Stations 42 and 45.

2.2 City has solicited for such professional services as required by law, including chapter 39.80 RCW if applicable.

2.3 Consultant represents that it is available and able to provide qualified personnel and facilities necessary for the work and services contemplated herein, and Consultant further represented that it can accomplish the work and services within the required time period and in accordance with City’s specifications and professional standards.

2.4 Consultant agrees to perform the work and services specified herein in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual benefits and promises set forth herein, it is agreed by and between the parties as follows:

3. Terms and Conditions.

3.1 Services. City hereby retains Consultant, and Consultant agrees, to perform in accordance with this Agreement the work and services as set forth in the Scope of Services/Scope of Work, which is attached and incorporated by this reference as Exhibit A (“Services”), except those services contemplated in Exhibit A to be completed under a later phase.

3.2 Payment.

3.2.1 City shall pay the Consultant for Services rendered based upon the Schedule of Charges, which is attached and incorporated by this reference as Exhibit B (“Schedule of Charges”). In no event shall the amount paid by City exceed the sum of $95,000, including applicable sales taxes. This amount is the maximum amount to be paid for the Services included under this Agreement and shall not be exceeded without prior written authorization from City in the form of a negotiated and executed supplemental agreement.

3.2.2 Consultant shall submit periodic invoices (but not more frequently than monthly) to City upon completion of the Services under the terms of payments as described in
Exhibit B. City shall pay Consultant within forty-five (45) days of the receipt of a correct invoice in accordance with City’s usual payment procedures. If City objects to all or any portion of any invoice, it shall so notify Consultant within twenty (20) days from the date of receipt but shall pay the undisputed portion of the invoice. The parties shall immediately make every effort to settle the disputed portion of any invoice.

3.2.3 Acceptance of any payment by Consultant shall constitute a release of all payment claims against City arising under this Agreement as to such portion of the Services. No payment to Consultant, whether periodic or final, shall constitute a waiver or release by City of any claim, right, or remedy it may have against Consultant regarding performance of the Services as required by this Agreement.

3.3 Time of Performance. Consultant agrees that the Services shall begin immediately upon the Effective Date or City’s issuance of a Notice to Proceed, whichever is applicable, and Consultant shall continue to perform the Services with due diligence. Services shall be completed under the time provided for in Exhibit A, but in no event shall completion of the Services be delayed beyond December 31, 2019. The Schedule of Charges and time for performance of the Services shall not be increased because of any delays or costs attributable to Consultant. In the event of a delay not attributable to Consultant, which could not be reasonably anticipated and which results in an increase in costs to perform the Services, City shall either equitably adjust, through the execution of an amendment or supplemental agreement, the Schedule of Charges and/or time for performance of the Services or terminate.

3.4 Relationship of Parties. Consultant is an independent contractor under this Agreement, and the parties intend that an independent contractor-client relationship is the only relationship created by this Agreement. No employee, agent, representative, or subconsultant of Consultant shall be or shall be deemed to be the employee, agent, representative, or subconsultant of City. Consultant has no authority, and will not represent itself to have authority, to legally bind City or otherwise act for City or on City’s behalf. None of the compensation or other benefits provided by City to its employees shall be available to Consultant’s employees, agents, representatives or subconsultants. Consultant shall be solely responsible for all compensation, taxes, withholding, and other benefits due to its employees, agents, representatives, and subconsultants. Consultant shall be solely responsible for its acts and omissions and for the acts and omissions of Consultant’s agents, employees, representatives, and subconsultants during performance of this Agreement. On or before the Effective Date, Consultant shall file, maintain, and/or open all necessary records with the Internal Revenue Service and the State of Washington, and as may be required by RCW 51.08.195, to establish Consultant’s status as an independent contractor.

3.5 Services Performed at Consultant’s Risk. Consultant shall take all precautions reasonably necessary to perform the Services and shall be responsible for the safety of its employees, agents and subconsultants in the performance of the Services.

3.6 Supervision, Inspection and Performance.

3.6.1 Even though Consultant is an independent contractor with the authority to control and direct the performance and details of the Services, the Services must meet the approval
of City and shall be subject to City's general right of inspection and supervision to secure the satisfactory completion of this Agreement.

3.6.2 Consultant represents that it has or will obtain all personnel necessary to perform the Services and that such personnel shall be qualified, experienced, and licensed as may be necessary or required by applicable laws and regulations to perform the Services. All Services shall be performed by Consultant, its employees, or by subconsultants whose selection has been authorized by City; provided that City's authorization shall not relieve Consultant or its subconsultants from any duties or obligations under this Agreement, or at law, to perform the Services in a satisfactory and competent manner. Consultant shall ensure that all contractual duties, requirements and obligations that Consultant owes to City shall also be owed to City by Consultant's subconsultants retained to perform the Services.

3.6.3 Consultant shall be responsible for the professional quality, technical adequacy, accuracy, timely completion, and coordination of the Services and all plans, designs, drawings, specifications, reports, and other work performed pursuant to this Agreement. Consultant shall perform the Services in accordance with the standard of care of its profession in the same or similar localities acting under similar circumstances at the time services are performed. Consultant shall be responsible for the professional standards, performance, and actions of all persons and firms performing the Services under this Agreement. Consultant shall, without additional compensation, correct any specific breach of a contractual obligation in the Services and revise any errors or omissions in any plans, designs, drawings, specifications, reports, and other products prepared under this Agreement.

3.7 Termination of Agreement.

3.7.1 Termination by City for Consultant's Default. City may terminate this Agreement, in whole or in part and at any time, in writing if Consultant substantially fails to fulfill any or all of its material obligations through no fault of City and upon failure of Consultant to remedy said breach within ten (10) days of written notice by City of such breach. If City terminates all or part of this Agreement for default, City shall determine the amount of Services satisfactorily performed to the date of termination and the amount owing to Consultant using the criteria set forth below; provided that (a) no amount shall be allowed for anticipated profit on unperformed Services or other work, and (b) any payment due to Consultant at the time of termination may be adjusted to the extent of any additional costs City incurs or will incur because of Consultant's default. In such event, City shall consider the actual costs incurred by Consultant in performing the Services to the date of termination, the amount of Services originally required which was satisfactorily completed to the date of termination, whether the Services or deliverables were in a form or of a type which is usable and suitable to City at the date of termination, the cost to City of either completing the Services itself or employing another firm to complete the Services in addition to the inconvenience and time which may be required to do so, and other factors which affect the value to City of the Services performed to the date of termination. Under no circumstances shall payments made under this provision exceed the Schedule of Charges. This provision shall not preclude City from filing claims and/or commencing litigation to secure compensation for damages incurred beyond that covered by withheld payments.

3.7.2 Termination by City for Convenience. City may terminate this Agreement, in whole or in part and at any time, for the convenience of City. City shall terminate by delivery
to Consultant a notice of termination specifying the extent of the termination and the effective date of termination. If City terminates this Agreement for convenience, City shall pay Consultant the amount otherwise due in accordance with this Agreement for Services satisfactorily performed to the date of termination.

3.7.3 Termination by Consultant. Consultant may terminate this Agreement in the case of a material breach and upon failure of City to remedy said breach within ten (10) days of written notice by Consultant of such breach. Consultant may also terminate the Agreement if key personnel and/or facilities are lost due to an act of God or other force majeure creating a situation under which Consultant is physically unable to perform. Consultant’s notice of termination shall be in writing.

3.8 Discrimination. When hiring of employees to perform Services, and in any subcontract arising hereunder, Consultant, its subconsultants, or any person acting on behalf of Consultant or subconsultant shall not, by reason of race, religion, color, age, sex, national origin or the presence of any sensory, mental or physical handicap, veteran status, or sexual orientation, discriminate against any person who is qualified and available to perform the Services to which the employment relates.

3.9 Indemnification and Compliance with Law.

3.9.1 The indemnification and defense obligations specified in this Section 3.9 ("Indemnity Obligations") have been mutually negotiated and shall survive the expiration, abandonment, or termination of this Agreement. The Indemnity Obligations shall extend to claims that are not reduced to a suit and to any claims that may be compromised prior to the culmination of any litigation or the institution of any litigation. Inspection, acceptance or payment by City of or for any Services performed by Consultant shall not be grounds for avoidance of any Indemnity Obligations.

3.9.2 Consultant’s duty to indemnify the City under this Agreement varies, as more particularly set forth below, depending on the circumstances that give rise to the obligation of indemnity. However, the Consultant’s indemnity obligation shall extend – under any and all such circumstances – to all liability, claims, damages, losses, and expenses incurred by the City, whether direct, indirect, consequential, and specifically including (but not limited to) any attorneys’ and consultants’ fees and other expenses of litigation or arbitration (for convenience, these are collectively referred to as “losses”) that arise from the particular act or omission giving rise to the indemnity obligation.

3.9.2.1 General Indemnity. Except to the extent arising out of professional errors and omissions which is addressed below or to the extent one of the other more specific indemnity obligations set forth below applies, Consultant shall defend, indemnify, and hold harmless the City, including its officers, employees, agents, and volunteers, from any and all losses and claims including any and all claims for personal injury, bodily injury, including death, or damage to property that are caused or alleged to be caused, in whole or in part, by any act or omission of Consultant in the performance of this Agreement. This obligation of indemnity excludes negligent acts to the extent caused by the City (whether concurrent, contributory, or both).
3.9.2.2 Professional Errors and Omissions. For any losses that arise from the exercise of Consultant’s professional judgment in the performance of architectural, landscape architectural, engineering, or land surveying services such that RCW 4.24.115 would apply, Consultant shall indemnify, and hold harmless the City from all such losses to the extent caused by any negligent act, omission, breach of contract, or willful or intentional misconduct of Consultant in the performance of this Agreement. The obligation of indemnity under this Subparagraph does not, however, extend to losses caused by the negligence (whether sole, concurrent, or contributory) of the City. The foregoing indemnification includes reimbursement of attorney fees and costs incurred by the City.

3.9.2.3 Construction Claims. In the event that this Agreement is relative to the construction, alteration, repair, addition to, subtraction from, improvement to, or maintenance of any building, highway, road, excavation, or other structure, project, development, or improvement attached to real estate (specifically including moving or demolition in connection therewith) and therefore subject to RCW 4.24.115, Consultant shall defend, indemnify, and hold harmless the City from all losses to the extent caused or alleged to be caused by any violation of law, including state, federal, or municipal law or ordinance, or by any negligent act or omission of Consultant in the performance of this Agreement. The obligation of indemnity under this Subparagraph does not, however, extend to losses caused by the negligence (whether sole, concurrent, or contributory) of the City.

3.9.3 In any and all claims against the City by any employee of Consultant, the indemnification obligations set forth above shall not be limited in any way by any limitation on the amount or type of damages or compensation benefits payable by or for Consultant under the applicable worker’s or workmen’s compensation, benefit, or disability laws (including but not limited to the Industrial Insurance laws, Title 51 of the Revised Code of Washington). Consultant expressly waives any immunity Consultant might have under such laws and, by entering into this Agreement, acknowledges that this waiver has been mutually negotiated.

3.9.4 The obligations of this Paragraph shall not be construed to negate, abridge, or otherwise reduce any other right or obligation which would otherwise exist as to any person or entity described in this paragraph.

3.9.5 For purposes of this Paragraph only, the term “City” shall mean and include the City and its council members and other elected officials, other officers, and employees, and the term “Consultant” shall mean and include Consultant, all of its Subconsultants and suppliers at all tiers, agents, and any other person directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable.

3.9.6 The parties recognize that one party may have unique knowledge or involvement in the acts that certain claims are based on; therefore, the parties agree that upon receipt or service of a claim arising out of or related to the work or project which is the subject of this Contract, the parties hereto will cooperate in good faith in the defense of any claim. The intent and purpose of this subsection is to ensure the good faith cooperation of both parties in the defense of any claim initially so that all necessary knowledge and personnel are made available to each other in order achieve the best claim defense possible.
3.9.6.1 The parties agree that they each have the right to tender the defense of any third party claims to the other party without violating the provisions of this section. However, notwithstanding any other provision in this section, in the event that either party fails to accept tender from the other party, the parties agree that it is their intent that they will cooperate and initially defend any claims arising out of, in connection with, or incident to their own acts, regardless of the type or characterization of the act(s) and each party is free to assert such defenses, claims, counterclaims and third party claims as they deem appropriate.

3.10 Insurance. Unless otherwise stated in Exhibit C, the following insurance requirements shall apply.

3.10.1 Insurance. The Consultant shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

3.10.2 No Limitation. Consultant’s maintenance of insurance as required by the agreement shall not be construed to limit the liability of the Consultant to the coverage provided by such insurance, or otherwise limit the City’s recourse to any remedy available at law or in equity.

3.10.3 Minimum Scope of Insurance. Consultant shall obtain insurance of the types described below:

A. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.

B. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors and personal injury and advertising injury. The City shall be named as an additional insured under the Consultant’s Commercial General Liability insurance policy with respect to the work performed for the City.

C. Workers’ Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

D. Professional Liability insurance appropriate to the Consultant’s profession.

3.10.4 Minimum Amounts of Insurance. Consultant shall maintain the following insurance limits:

A. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of $1,000,000 per accident.
B. Commercial General Liability insurance shall be written with limits no less than $1,000,000 each occurrence, $2,000,000 general aggregate.

C. Professional Liability insurance shall be written with limits no less than $1,000,000 per claim and $1,000,000 policy aggregate limit.

3.10.5 Other Insurance Provisions. The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability, Professional Liability and Commercial General Liability insurance:

A. The Consultant’s insurance coverage shall be primary insurance as respect the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Consultant’s insurance and shall not contribute with it.

B. The Consultant’s insurance shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City. In the event that such endorsement cannot be obtained from Consultant’s insurance carrier, Consultant shall be responsible for providing notice in accordance with the terms of this provision.

3.10.6 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

3.10.7 Verification of Coverage. Consultant shall furnish the City with original certificates and a copy of the amending endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Consultant before commencement of the work, which is attached and incorporated by this reference as Exhibit C (“Consultant’s Certificate(s) of Insurance”).

3.11 Records, Documents, and Audits.

3.11.1 Provided the City make payment as required under this Agreement, original documents, drawings, designs and reports developed and produced under this Agreement, whether in written or electronic format, shall become the property of City, and shall be promptly delivered to City as required by the Services or at the termination of this Agreement. All written information submitted by on party to the other in connection with the Services will be safeguarded by the recipient to at least the same extent as such party safeguards like information relating to its own business. If such information is publicly available, is already in Consultant’s possession or known to it, or is rightfully obtained by Consultant from third parties, Consultant shall bear no responsibility for its disclosure, inadvertent or otherwise.

3.11.2 City acknowledges that the documents prepared by Consultant are prepared specific to the project described herein. If City modifies or uses any of said documents for other projects or purposes without the written approval of Consultant, City releases and shall indemnify Consultant from all responsibility for any errors or omissions therein with respect to such
modification or other use. The foregoing is not and shall not be construed as the Consultant's consent to any such modifications or uses.

3.11.3 Consultant and its subconsultants shall maintain books, records, documents, and other evidence directly pertinent to performance of the Services (the "books") in accordance with generally accepted accounting principles and practices consistently applied. City or any duly authorized representative shall have access to and be permitted to inspect such books for the purpose of audit, examination, and copying for a period of six (6) years after completion or termination of the Agreement, whichever is later. Audits conducted under this Section 3.11 shall be in accordance with generally accepted auditing standards and established procedures and guidelines of the reviewing or auditing agency.

3.12 Disputes and Remedies.

3.12.1 Choice of Law; Venue. This Agreement shall be interpreted in accordance with the laws of the State of Washington. The Superior Court of King County, Washington, shall have exclusive jurisdiction and venue over any legal action arising under this Agreement.

3.12.2 Dispute Resolution. All claims, counterclaims, disputes, and other matters in question between City and Consultant arising out of or relating to this Agreement shall be referred to the City Manager or a designee for determination, together with all pertinent facts, data, contentions, and so forth. The City Manager shall consult with Consultant's representative and make a determination within thirty (30) calendar days of such referral. Should the claims, counterclaims, or disputes not be resolved by the City Manager's decision, the parties shall refer the matter to professional mediation in Seattle, Washington, which shall be conducted within thirty (30) calendar days of the City Manager's decision. The cost of mediation shall be shared equally. No civil action on any claim, counterclaim, or dispute may be commenced until thirty (30) days following such mediation.

3.12.3 Remedies. The Consultant's and the City's rights and remedies in this Agreement are in addition to all other rights and remedies provided by law. The parties may exercise such rights and remedies in any order and at any time as it determines necessary or appropriate.

3.13 Notice. All communications regarding this Agreement shall be sent to the parties at the addresses listed below, or at such other address as given pursuant to this Section, and shall be effective on the next business day if sent by registered or certified mail or deposited with an overnight delivery service.

City of Bothell
Public Works
Jeff Sperry
18415 101st Ave. NE
Bothell, WA 98011

OAC Services, Inc.
Attention: Legal Department
2200 First Avenue S, Ste. 200
Seattle, WA 98134
cc: Dave Jobs

3.14 Entire Agreement. The written terms and provisions of this Agreement, together with all referenced Exhibits, supersede all prior verbal statements of either party including, without limitation, any officer or other representative of City or Consultant, and such statements shall not
be effective or be construed as entering into or forming a part of, or altering in any manner whatsoever, this Agreement. The entire agreement between the parties with respect to the subject matter hereunder is contained in this Agreement and the referenced Exhibits.

3.15 Priority of Documents. In the event that the language and provisions of this Agreement are contrary to or conflict with any language or provisions set forth in any exhibit to this Agreement, the language and provisions of this Agreement shall control, and the contrary or conflicting language or provisions of the exhibit(s) shall be disregarded and shall be considered void.

3.16 Modification. No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of City and Consultant.

3.17 Assignment. Any assignment of this Agreement by Consultant without the prior written consent of City shall be void.

3.18 Waiver. A waiver of any breach by either party shall not constitute a waiver of any subsequent breach.

3.19 Third-Party Beneficiaries. There are no third-party beneficiaries to this Agreement.

3.20 Counterparts. This Agreement shall be signed in duplicate or triplicate and may not be signed in counterparts.

3.21 Authorized Signatures. By their signatures below each party represents that it has taken all necessary steps and is fully authorized to sign for and on behalf of the named principal above.

3.22 Effective Date. This Agreement shall be effective on the last date entered by the parties below.

SIGNATURE PAGE FOLLOWS IMMEDIATELY
EXHIBIT A
Scope of Services / Scope of Work

[See Attached]
EXHIBIT A

Bothell Fire Station 42 & 45
Project Management Scope of Work (SOW)

Project Description
The City of Bothell is starting a multi-year project to rebuild, with new construction, two Fire Stations on existing sites. The original intention is to do each fire station individually and in succession to one another, with timeline, design, and build to be determined. Funding for this project includes local sources. All aspects of this project will need to comply with the requirements of the funding agencies.

OAC Services, Inc. shall provide Project Management services for Phase 1 as outlined below. These services shall generally include providing a leadership role on behalf of the City of Bothell. Should the City elect to retain OAC for future phases, the scope and fees of those phases will be amended to this agreement at that time.

Project Schedule
The original intention is to begin design work in the first half of 2019 with the goal to complete final design and obtain necessary environmental and permitting clearances to begin construction of Station 45 by spring 2020. The City’s baseline schedule completes construction of the Fire Station 45 by early 2021 and Fire Station 42 by early 2023. The City has expressed the desire to analyze different methods of delivery and different orders of work in order to expedite the work as well as be more cost efficient.

Project Phases:
1. Phase 1, Pre-Design
2. Phase 2, Design and Permitting (not in scope, to be developed during phase 1)
3. Phase 3, Construction and Closeout (not in scope, to be developed during phase 1)

Tasks:
Tasks in each phase will be developed based on the following format:
- Task descriptions
- Deliverables list
- Assumptions (if needed for clarification)
- Estimated costs

Fees:
A separate fee will be provided for Phase 1, and future phase scopes of work. There are services which are optional and/or dependent upon the project delivery method selected and they will be broken out and priced separately as additional services. Additional Services may include the following:
1. Alternative Delivery and Public Review Committee (PRC) approval
2. Cost Estimating (subcontract)
3. Enhanced Commissioning (sub-contract)
4. Value Analysis (subcontract)
5. Constructability Review (subcontract)
6. Building Envelope Review
7. FF&E Coordination
8. Warranty Period

Refer to Exhibit B for fees.

Rates:
All 2019 OAC rates listed below are subject to 5% annual escalation. Subconsultants, if any, are subject to 10% mark-up. Refer to Exhibit B for rates.

Phase 1 – Project Start-up / Pre-Design Tasks:

P1-100: Stakeholder meetings
OAC will set up initial City and stakeholder meetings to validate the overall project scope and clarify issues or concerns.

P1-200: Outline of Project Management Plan
OAC will establish an outline of, and partial completion of, sections of the project management plan. This plan includes roles and responsibilities, communication and procedure protocols, as well as time and quality management plans. During this phase, OAC and the City will establish the internal project team. The team and OAC will review the planning information that has been developed for completeness and that appropriate user input has been included in program and project planning. The project management plan will be further developed and updated during future phases.

P1-300: Scope, Budget and Schedule Validation
OAC will review the preliminary summary scope and budget report and validate assumptions and recommend revisions as necessary.

P1-400: Alternative Procurement
OAC will conduct a workshop with the City and other stakeholders to evaluate delivery methods (Design Did Build, General Contractor/Construction Manager, or Design Build) and make a recommendation for the appropriate method to continue with the selection of the design team.

P1-401: Alternative Order of Work
OAC will evaluate several options of order of work such as: 1) Design each station separately and build under separate construction contracts; 2) Design both stations together but build under separate contracts; and 3) Design both stations together and build under one contract (sequentially). OAC will then make a recommendation to the City on which option to consider using based on efficiency and schedule.

P1-500: A/F Procurement
Once the delivery method is established, OAC will assist the City in the selection of the design team(s) required for the Project. This includes preparation of the Request for Proposals (RFP), evaluation of proposals, interviews and assisting in preparation of Professional Services Agreements; including

City of Bothell Fire Station 42 & 45
recommended language pertaining to scope, budget and schedule adherence, as well as Design Team/Project Manager/City interface requirements.

**P1-600: Develop scope and fee for future phases**

In conjunction with the City, develop a scope and fee for the remaining project phase and tasks based on the outline provided within this document. OAC’s Future Phase scope of work will be based on the project delivery method selected, well-understood needs of the City and stakeholders, and specific project requirements.

**P1-700: Alternative Project Delivery Services**

If alternative project delivery is selected (GC/CM or DB), OAC will organize and prepare the Project Review Committee (PRC) application. OAC will respond to PRC questions with draft answers for the City to submit to the PRC. OAC will prepare PRC presentation including Power Point slides, recommend speaking roles and facilitate practice sessions. Services will not be performed without approval by the City.

**P1-800: City of Bothell Management Reserve**

Additional consulting services as assigned and approved by the City by written change order or addendum.

**P1 Deliverables:**

- P1-100 Meeting Agendas and Minutes
- P1-200 Outline and draft content of Project Management Plan
- P1-300 Budget Analysis
- P1-300 Outline of Project Schedule
- P1-400 Alternative Delivery Selection recommendation
- P1-401 Design/Construction Sequencing recommendation
- P1-500 RFP for A/E Procurement
- P1-600 SOW and Fee proposals for Future Phases
- P1-700 PRC application if applicable
- P1-800 Other as assigned by City per management reserve

**P1 Assumptions:**

- Phase 1 scope is assumed to be completed in a 2-4 month time period.
- The City shall provide past project data for City staff resumes and experience to OAC for the PRC application. The final PRC application will be delivered by the City in accordance with PRC procedures.
- Up to twelve (12) weekly general project management meetings are included in OAC’s scope.
- One (1) alternate delivery workshop/meeting is included in OAC’s scope.
- One (1) draft and one (1) revision of all future phase scopes of work and fees are included.

END OF DOCUMENT

City of Bothell Fire Station 42 & 45
EXHIBIT B

Schedule of Charges

[See Attached]
EXHIBIT B

Bothell Fire Station 42 & 45
Project Management Fee

Fees:
A separate fee will be provided for each Phase per Exhibit A Scope of Work. Only Phase 1 fees are included in this Exhibit B.

Rates:
All 2019 OAC hourly rates listed below are subject to 5% annual escalation. Subconsultants, if any, are subject to 10% mark-up.

- Principal in Charge - $275
- Senior Project Manager - $205
- Project Scheduler - $210
- Permit Specialist / Assistant Project Manager - $141
- Project Engineer - $130
- Senior Project Coordinator - $158

Known subconsultants hourly rate:
- Roen Estimating - $145

Reimbursables:
Reimbursable expenses include, without limitation, the following:
- Mileage adjusts to current year IRS rate: approx. 58 cents/mile (2019)
- Vendor printing and publications: cost plus 10% mark up.

P1 Fee:

Tasks P1-100 through 600 (Cost plus fixed fee services):
For the Services described in Exhibit A which OAC performs, OAC’s compensation shall not exceed $76,662 which consists of the Cost of the Work and the Fixed Fee outlined below (collectively, the “NTE Amount”). The NTE Amount shall be invoiced to the City monthly, as follows: (a) the Cost of the Work shall be billed and payable by the City based upon the time actually expended during the preceding billing period; and (b) the Fixed Fee shall be billed and payable by the City in four equal amounts on a monthly basis. This NTE Amount excludes Washington State Sales Tax.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>OAC Services Cost of Work</td>
<td>$68,996</td>
</tr>
<tr>
<td>OAC Services Fee</td>
<td>$7,666</td>
</tr>
<tr>
<td>Subtotal</td>
<td>$76,662</td>
</tr>
</tbody>
</table>

City of Bothell Fire Station 42 & 45

July 2, 2019 Agenda Packet Page 52 of 142
The lump sum does not include OAC’s reimbursable expenses, which shall be payable as set forth herein and are estimated as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reimbursables (mileage, printing, misc.)</td>
<td>$1,200</td>
</tr>
<tr>
<td>Subcontracts (Estimating) NTE amount</td>
<td>$2,000</td>
</tr>
<tr>
<td>10% OAC Subcontract Admin. Cost (estimated)</td>
<td>$200</td>
</tr>
</tbody>
</table>

**Subtotal P1-100 through 600**  $80,062

**Tasks P1-700 (hourly rate based estimate):**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>OAC Services</td>
<td>$8,150</td>
</tr>
</tbody>
</table>

**Tasks P1-800 (hourly rate based):**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>OAC Services NTE amount</td>
<td>$5,000</td>
</tr>
</tbody>
</table>

**Total Tasks P1-100 through 800**  $91,012

END OF DOCUMENT
EXHIBIT C
Consultant’s Certificate(s) of Insurance

[See Attached]
### Certificate of Liability Insurance

This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by the policies below. This certificate of insurance does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder.

**Important:** If the certificate holder is an additional insured, the policy(ies) must have additional insured provisions or be endorsed. If subrogation is waived, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

#### Producer
Dealey, Renton & Associates  
P.O. Box 12676  
Oakland, CA 94604-2675  
License #0020739

#### Insured
OAC Services, Inc  
2200 1st Avenue S, #200  
Seattle WA 98134

#### Coverages

<table>
<thead>
<tr>
<th>Type of Insurance</th>
<th>Certificate Number: 55949552</th>
<th>Revision Number:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A X COMMERCIAL GENERAL LIABILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CLAIMS-MADE</td>
<td>OCCUR</td>
<td>8404J680523</td>
</tr>
<tr>
<td>GENERAL AGGREGATE LIMIT APPLIES PER:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>POLICY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PROJECT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OTHER</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>B AUTOMOBILE LIABILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ANY AUTO</td>
<td>OWNED Autos only</td>
<td>SCHEDULED AUTOS</td>
</tr>
<tr>
<td><strong>C X UMBRELLA LIABILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OCCUR</td>
<td>CLAIMS-MADE</td>
<td>CUP4J681488</td>
</tr>
<tr>
<td>DED</td>
<td>RETENTION $10,000</td>
<td></td>
</tr>
<tr>
<td><strong>D WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ANY/PROPRIETOR/PARTNER EXECUTIVE OFFICER MEMBER/REDEEMED (Mandatory in NH)</td>
<td>N/A</td>
<td>UB5K235985</td>
</tr>
<tr>
<td><strong>E Professional Liability</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>105037003</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Policy Limits:**
- EACH OCCURRENCE: $1,000,000  
- DAMAGE TO RENTED PREMISES (Per occurrence): $1,000,000  
- MED EXP (Any one person): $10,000  
- PERSONAL & ADV INJURY: $1,000,000  
- GENERAL AGGREGATE: $2,000,000  
- PRODUCTS (COMP/ADV AGG): $2,000,000  
- DEFINED LIMITS:
  - COMBINED SINGLE LIMIT: $1,000,000  
  - BODILY INJURY (Per person): $1,000,000  
  - BODILY INJURY (Per accident): $1,000,000  
  - PROPERTY DAMAGE (Per accident): $1,000,000  

**Description of Operations/Locations/Vehicles:** (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
- Umbrella Liability policy is a follow-form to underlying General Liability/Auto Liability/Employers Liability.
- Project Name: Bothell Fire Station 42 & 45.
- City of Bothell is named as Additional Insured as respects General and Auto Liability as required per written contract or agreement. General Liability is Primary/Non-Contributory per policy form wording.

### Certificate Holder
City of Bothell  
Public Works  
Attn: Jeff Sperry  
21233 20th Ave SE  
Bothell WA 98021

### Cancellation

**30 Day Notice of Cancellation**

**Should Any of the Above Described Policies Be Cancelled Before the Expiration Date Thereof, Notice Will Be Delivered in Accordance with the Policy Provisions.**

**Authorized Representative**

[Signature]

ACORD 25 (2016/03) The ACORD name and logo are registered trademarks of ACORD.

© 1988-2015 ACORD CORPORATION. All rights reserved.
THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED
(Architects, Engineers and Surveyors)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. The following is added to SECTION II – WHO IS AN INSURED:

Any person or organization that you agree in a "written contract requiring insurance" to include as an additional insured on this Coverage Part, but:

a. Only with respect to liability for "bodily injury", "property damage" or "personal injury"; and

b. If, and only to the extent that, the injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the "written contract requiring insurance" applies, or in connection with premises owned by or rented to you.

The person or organization does not qualify as an additional insured:

c. With respect to the independent acts or omissions of such person or organization; or

d. For "bodily injury", "property damage" or "personal injury" for which such person or organization has assumed liability in a contract or agreement.

The insurance provided to such additional insured is limited as follows:

e. This insurance does not apply on any basis to any person or organization for which coverage as an additional insured specifically is added by another endorsement to this Coverage Part.

f. This insurance does not apply to the rendering of or failure to render any "professional services".

g. In the event that the Limits of Insurance of the Coverage Part shown in the Declarations exceed the limits of liability required by the "written contract requiring insurance", the insurance provided to the additional insured shall be limited to the limits of liability required by that "written contract requiring insurance". This endorsement does not increase the limits of insurance described in Section III – Limits Of Insurance.

h. This insurance does not apply to "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless the "written contract requiring insurance" specifically requires you to provide such coverage for that additional insured, and then the insurance provided to the additional insured applies only to such "bodily injury" or "property damage" that occurs before the end of the period of time for which the "written contract requiring insurance" requires you to provide such coverage or the end of the policy period, whichever is earlier.

2. The following is added to Paragraph 4.a. of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:

The insurance provided to the additional insured is excess over any valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to the additional insured for a loss we cover. However, if you specifically agree in the "written contract requiring insurance" that this insurance provided to the additional insured under this Coverage Part must apply on a primary basis or a primary and non-contributory basis, this insurance is primary to other insurance available to the additional insured which covers that person or organizations as a named insured for such loss, and we will not share with the other insurance, provided that:

(1) The "bodily injury" or "property damage" for which coverage is sought occurs; and

(2) The "personal injury" for which coverage is sought arises out of an offense committed;

after you have signed that "written contract requiring insurance". But this insurance provided to the additional insured still is excess over valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to the additional insured when that person or organization is an additional insured under any other insurance.
3. The following is added to Paragraph 8., Transfer Of Rights Of Recovery Against Others To Us, of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:

We waive any right of recovery we may have against any person or organization because of payments we make for "bodily injury", "property damage" or "personal injury" arising out of "your work" performed by you, or on your behalf, done under a "written contract requiring insurance" with that person or organization. We waive this right only where you have agreed to do so as part of the "written contract requiring insurance" with such person or organization signed by you before, and in effect when, the "bodily injury" or "property damage" occurs, or the "personal injury" offense is committed.

4. The following definition is added to the DEFINITIONS Section:

"Written contract requiring insurance" means that part of any written contract under which you are required to include a person or organization as an additional insured on this Coverage Part, provided that the "bodily injury" and "property damage" occurs and the "personal injury" is caused by an offense committed:

a. After you have signed that written contract;

b. While that part of the written contract is in effect; and

c. Before the end of the policy period.
THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS AUTO EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to the Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

A. BROAD FORM NAMED INSURED
B. BLANKET ADDITIONAL INSURED
C. EMPLOYEE HIRED AUTO
D. EMPLOYEES AS INSURED
E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS
F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS
G. WAIVER OF DEDUCTIBLE – GLASS

PROVISIONS

A. BROAD FORM NAMED INSURED

The following is added to Paragraph A.1., Who Is An Insured, of SECTION II – COVERED AUTOS LIABILITY COVERAGE:

Any organization you newly acquire or form during the policy period over which you maintain 50% or more ownership interest and that is not separately insured for Business Auto Coverage. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier.

B. BLANKET ADDITIONAL INSURED

The following is added to Paragraph c. in A.1., Who Is An Insured, of SECTION II – COVERED AUTOS LIABILITY COVERAGE:

Any person or organization who is required under a written contract or agreement between you and that person or organization, that is signed and executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to be named as an additional insured is an "insured" for Covered Autos Liability Coverage, but only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Section II.

C. EMPLOYEE HIRED AUTO

1. The following is added to Paragraph A.1., Who Is An Insured, of SECTION II – COVERED AUTOS LIABILITY COVERAGE:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in an "employee's" name, with your permission, while performing duties related to the conduct of your business.

2. The following replaces Paragraph b. in B.5., Other Insurance, of SECTION IV – BUSINESS AUTO CONDITIONS:

b. For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

(1) Any covered "auto" you lease, hire, rent or borrow; and

(2) Any covered "auto" hired or rented by your "employee" under a contract in an "employee's" name, with your
permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

D. EMPLOYEES AS INSURED

The following is added to Paragraph A.1., Who Is An Insured, of SECTION II – COVERED AUTOS LIABILITY COVERAGE:

Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS

1. The following replaces Paragraph A.2.a.(2), of SECTION II – COVERED AUTOS LIABILITY COVERAGE:

(2) Up to $3,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

2. The following replaces Paragraph A.2.a.(4), of SECTION II – COVERED AUTOS LIABILITY COVERAGE:

(4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to $500 a day because of time off from work.

F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS

The following replaces Subparagraph (5) in Paragraph B.7., Policy Period, Coverage Territory, of SECTION IV – BUSINESS AUTO CONDITIONS:

(5) Anywhere in the world, except any country or jurisdiction where any trade sanction, embargo, or similar regulation imposed by the United States of America applies to and prohibits the transaction of business with or within such country or jurisdiction, for Covered Autos Liability Coverage for any covered "auto" that you lease, hire, rent or borrow without a driver for a period of 30 days or less and that is not an "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.

(a) With respect to any claim made or "suit" brought outside the United States of America, the territories and possessions of the United States of America, Puerto Rico and Canada:

(i) You must arrange to defend the "insured" against, and investigate or settle any such claim or "suit" and keep us advised of all proceedings and actions.

(ii) Neither you nor any other involved "insured" will make any settlement without our consent.

(iii) We may, at our discretion, participate in defending the "insured" against, or in the settlement of, any claim or "suit".

(iv) We will reimburse the "insured" for the reasonable expenses incurred with our consent for your investigation of such claims and your defense of the "insured" against any such "suit", but only up to and included within the limit described in Paragraph C., Limits Of Insurance, of SECTION II – COVERED AUTOS LIABILITY COVERAGE.

(v) We will reimburse the "insured" for the reasonable expenses incurred with our consent for your investigation of such claims and your defense of the "insured" against any such "suit", but only up to and included within the limit described in Paragraph C., Limits Of Insurance, of SECTION II – COVERED AUTOS LIABILITY COVERAGE, and not in addition to such limit. Our duty to make such payments ends when we have used up the applicable limit of insurance in payments for damages, settlements or defense expenses.

(b) This insurance is excess over any valid and collectible other insurance available to the "insured" whether primary, excess, contingent or on any other basis.

(c) This insurance is not a substitute for required or compulsory insurance in any country outside the United States, its territories and possessions, Puerto Rico and Canada.
You agree to maintain all required or compulsory insurance in any such country up to the minimum limits required by local law. Your failure to comply with compulsory insurance requirements will not invalidate the coverage afforded by this policy, but we will only be liable to the same extent we would have been liable had you complied with the compulsory insurance requirements.

(d) It is understood that we are not an admitted or authorized insurer outside the United States of America, its territories and possessions, Puerto Rico and Canada. We assume no responsibility for the furnishing of certificates of insurance, or for compliance in any way with the laws of other countries relating to insurance.

G. WAIVER OF DEDUCTIBLE—GLASS
The following is added to Paragraph D., Deductible, of SECTION III—PHYSICAL DAMAGE COVERAGE:

No deductible for a covered "auto" will apply to glass damage if the glass is repaired rather than replaced.

H. HIRED AUTO PHYSICAL DAMAGE—LOSS OF USE—INCREASED LIMIT
The following replaces the last sentence of Paragraph A.4.b., Loss Of Use Expenses, of SECTION III—PHYSICAL DAMAGE COVERAGE:

However, the most we will pay for any expenses for loss of use is $65 per day, to a maximum of $750 for any one "accident".

I. PHYSICAL DAMAGE—TRANSPORTATION EXPENSES—INCREASED LIMIT
The following replaces the first sentence in Paragraph A.4.a., Transportation Expenses, of SECTION III—PHYSICAL DAMAGE COVERAGE:

We will pay up to $50 per day to a maximum of $1,500 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type.

J. PERSONAL PROPERTY
The following is added to Paragraph A.4., Coverage Extensions, of SECTION III—PHYSICAL DAMAGE COVERAGE:

Personal Property
We will pay up to $400 for "loss" to wearing apparel and other personal property which is:

(1) Owned by an "insured"; and

(2) In or on your covered "auto".

This coverage applies only in the event of a total theft of your covered "auto".

No deductibles apply to this Personal Property coverage.

K. AIRBAGS
The following is added to Paragraph B.3., Exclusions, of SECTION III—PHYSICAL DAMAGE COVERAGE:

Exclusion 3.a. does not apply to "loss" to one or more airbags in a covered "auto" you own that inflate due to a cause other than a cause of "loss" set forth in Paragraphs A.1.b. and A.1.c., but only:

a. If that "auto" is a covered "auto" for Comprehensive Coverage under this policy;

b. The airbags are not covered under any warranty; and

c. The airbags were not intentionally inflated.

We will pay up to a maximum of $1,000 for any one "loss".

L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS
The following is added to Paragraph A.2.a., of SECTION IV—BUSINESS AUTO CONDITIONS:

Your duty to give us or our authorized representative prompt notice of the "accident" or "loss" applies only when the "accident" or "loss" is known to:

(a) You (if you are an individual);

(b) A partner (if you are a partnership);

(c) A member (if you are a limited liability company);

(d) An executive officer, director or insurance manager (if you are a corporation or other organization); or

(e) Any "employee" authorized by you to give notice of the "accident" or "loss".

M. BLANKET WAIVER OF SUBROGATION
The following replaces Paragraph A.5., Transfer Of Rights Of Recovery Against Others To Us, of SECTION IV—BUSINESS AUTO CONDITIONS:

5. Transfer Of Rights Of Recovery Against Others To Us

We waive any right of recovery we may have against any person or organization to the extent required of you by a written contract signed and executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of operations contemplated by
COMMERCIAL AUTO

such contract. The waiver applies only to the person or organization designated in such contract.

N. UNINTENTIONAL ERRORS OR OMISSIONS

The following is added to Paragraph B.2., Concealment, Misrepresentation, Or Fraud, of SECTION IV – BUSINESS AUTO CONDITIONS:

The unintentional omission of, or unintentional error in, any information given by you shall not prejudice your rights under this insurance. However this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.
WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit any one not named in the Schedule.

SCHEDULE

DESIGNATED PERSON:

DESIGNATED ORGANIZATION:
Project Name: Bothell Fire Station 42 & 45 -- City of Bothell
Subject: 2019 Purchase of New City Vehicles through Bud Clary Chevrolet via Washington State Department of Enterprise Services Master Contracts Usage Agreement

Budget Impact/Source of Funds: $88,316.00 (plus applicable WSST, estimated at 8.4%) – from the Safe and Secure Levy. Revenues and expenditures associated with the levy are currently unbudgeted. Staff will bring a budget amendment forward to the City Council later in the biennium. This item is consistent with the levy spending plan.

Staff Presenter/Department: Jeff Sperry, Fleet and Facilities Manager/Public Works Department

Background:

In November of 2018, voters approved the Safe and Secure Levy. Included in the approved Levy are new Police Patrol positions that will increase public safety by incorporating a swing patrol shift. The initial one-time cost of the new positions includes the purchase of vehicles.

The City of Bothell is a member of the Master Contracts Usage Agreement (MCUA) with the Washington State Department of Enterprise Services (DES). As a volume purchaser, DES collectively negotiates statewide master contracts for goods and services, designed to reduce risk and streamline the purchasing process for state agencies, local and tribal governments, public school districts and colleges, and nonprofit organizations throughout Washington. The statewide contracts have met state and City requirements for competitive bidding and other procurement laws. The City utilizes the MCUA to purchase many of its vehicles. Specific Council action is required only when the purchase of vehicles from one vendor is over the City Manager’s purchasing threshold. In February, 2019, the City purchased one Chevrolet vehicle as asset replacement for the Police Department and these additional purchases from Chevrolet will exceed the City Manager’s threshold.

Previous City Actions:

- 2003: City of Bothell became a member of the Washington State Purchasing Cooperative which is now the Master Contracts Usage Agreement (MCUA)
- November 2018: Voters approved Safe & Secure Levy
Discussion:

The recommended purchases included in this agenda bill are two Chevrolet Tahoes for Police Department Patrol approved in the Levy that will be new additions to the City fleet. The DES has selected Bud Clary Chevrolet as the vendor for these proposed vehicles.

The Fleet Division reviewed these vehicle recommendations with the Police Department, and determined that the two vehicles recommended for purchase as part of this agenda bill will meet the department’s needs.

Public Works recommends purchasing these vehicles promptly to ensure delivery as soon as possible. The new vehicles will be delivered approximately three to five months after the initial order is placed.

Category: Consent

Attachments:

N\A

Recommended Action:

Approve the purchase of two vehicles from Bud Clary Chevrolet in the amount of $88,316.00, plus applicable Washington State Sales Tax, estimated at 8.4%, per Washington State Procurement Contract Number 05916.

City Manager Approval: ___________________________ Date: 06/23/2019
Meeting Date: July 02, 2019   Action ☒ No Action ☐   AB #: 19-109

Subject: Maintenance Agreement with Washington State Department of Transportation (WSDOT) to perform repairs on the 102nd Ave NE Bridge

Budget Impact/Source of Funds: $15,200 from the 2019 Capital Improvement Fund. This item is included in the adopted budget.

Staff Presenter/Department: Khin Gyi, Sr. Capital Projects Engineer/Public Works Dept.

Background:

This Maintenance Agreement with the Washington State Department of Transportation (WSDOT) is for maintenance and repairs of the 102nd Avenue NE Bridge over SR-522 and Sammamish River. The work is comprised of resurfacing the bridge sidewalk; repair of a pothole on the bridge deck which developed at an expansion joint; and removal of accumulated moss to improve bridge drainage.

Previous City Actions:

November 27, 2018 – City Council adopted the 2019-2020 Budget.

Discussion:

This agreement provides a cost-effective means for performance of necessary maintenance while also complying with section 5.5 of the City’s Procurement Policy. At this time, City staff is not equipped to complete these maintenance items in-house. The City has not previously partnered with WSDOT for this type of work; however, Public Works often partners with other agencies like King and Snohomish Counties for road maintenance. The dollar amount is within staff procurement levels and it is budgeted work. The item is before the Council for consideration as it is considered an Interlocal Agreement.

Category: Consent

Attachments:

1. Vicinity Map
2. Maintenance Agreement JC8567
Recommended Action:

Authorize the City Manager to enter into a maintenance agreement with Washington State Department of Transportation, in substantially the same form as presented, for maintenance of 102nd Avenue NE Bridge.

City Manager Approval: ___________________________ Date: 06/23/2019
The City of Bothell delivers this data (map) in an AS-IS condition. GIS data (maps) are produced by the City of Bothell for internal purposes. No representation or guarantee is made concerning the accuracy, currency, or completeness of the information provided.

Vicinity Map: 102nd Ave NE Bridge over SR522 and Sammamish River

BRIDGE over SR-522 and Sammamish River
(This page intentionally left blank)
# Maintenance Agreement

**Work by WSDOT for Other State, Federal, and Local Governmental Agencies**

<table>
<thead>
<tr>
<th>Agreement Number</th>
<th>Contact Name/Phone #</th>
</tr>
</thead>
<tbody>
<tr>
<td>JC8567</td>
<td>Jennifer Phillips</td>
</tr>
<tr>
<td></td>
<td>(425) 806-6800</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Federal Tax ID #</th>
<th>Estimated Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>91-6001403</td>
<td>15,200</td>
</tr>
</tbody>
</table>

**Description of Work**

Resurface sidewalk on 102nd Ave NE bridge, repair bridge deck and remove moss.

This Agreement is entered into by and between the Washington State Department of Transportation (WSDOT) and the above named governmental agency (Agency), hereinafter referred to individually as the “Party” and collectively as the “Parties”.

## Recital

1. The Agency has requested and WSDOT has agreed to perform certain work as described above.

Now Therefore, pursuant to chapter 39.34 RCW,

It Is Hereby Agreed As Follows:

## 1. General

1.1 WSDOT agrees to perform the above described work, using state labor, equipment and materials, as requested by the Agency.

1.2 The Agency agrees, in consideration of the faithful performance of the above described work to be done by WSDOT, to reimburse WSDOT for the actual direct and related indirect costs of the work. Administrative Charges at current rate are considered part of indirect costs.

## 2. Payment

2.1 The estimated cost of the work is stated above. The Agency agrees to set aside funds for payment to WSDOT in this amount.

2.2 The Agency agrees to pay WSDOT for the work done within thirty (30) days from receipt of a WSDOT invoice, which shall include documentation supporting the work done.

2.3 If the Agency is a county or city, the Agency agrees that if it does not make payment as provided under the terms of this Agreement, the Agency authorizes WSDOT to withhold and use as payment Motor Vehicle Fund monies credited or to be credited to the Agency.

2.4 The Agency agrees further that if payment is not made to WSDOT within thirty (30) days from receipt of WSDOT’s invoice, WSDOT may charge late fees and/or interest in accordance with Washington State Law.
3. **Increase in Cost**

3.1 The parties agree that the estimated cost of the work may be exceeded by up to 25%. In the event of such increased costs the parties agree to modify the estimated cost of work by written amendment, signed by both parties. WSDOT shall notify the Agency of increased costs as they become known.

4. **Right of Entry**

4.1 The Agency grants to WSDOT a right of entry upon all land in which the Agency has interest for the purpose of accomplishing the work described above.

5. **Termination Clause**

(Check the Appropriate Box Below)

☐ 5.1 This Agreement will automatically terminate five (5) years after date of execution. This Agreement may be terminated by either party upon thirty (30) days advanced written notice to the other party. In the event of termination, payment will be made by the Agency for work completed by WSDOT as of the effective date of

✓ 5.2 This Agreement will terminate upon completion of the work described herein.

6. **Disputes and Venue**

6.1 In the event that a dispute arises under this Agreement, it shall be resolved as follows: WSDOT’s Secretary of Transportation or designee and the Agency’s head or designee shall review the applicable facts, contract terms, statutes and rules affecting the dispute to resolve the matter. If the parties cannot reach a resolution, the parties agree that any legal action to enforce any right or obligation under this Agreement may only be brought in Thurston County Superior Court. The venue specified in this section shall not apply to any federal agency that is a party to this Agreement.

7. **Modification**

7.1 This Agreement may be amended by the mutual agreement of the parties. Such amendments or modification shall not be binding unless they are in writing and signed by persons authorized to bind each party.

In Witness Whereof, the parties hereto have executed this Agreement as of the party’s date signed last below.

<table>
<thead>
<tr>
<th>Requesting Agency</th>
<th>Washington State Department of Transportation</th>
</tr>
</thead>
<tbody>
<tr>
<td>By:</td>
<td>By: Troy A. Cowan</td>
</tr>
<tr>
<td>Printed:</td>
<td>Printed:</td>
</tr>
<tr>
<td>Title:</td>
<td>Title: ARA for M-0</td>
</tr>
<tr>
<td>Date:</td>
<td>Date: 5-14-19</td>
</tr>
</tbody>
</table>
Bothell City Council
AGENDA BILL

Meeting Date: July 2, 2019  Action [x] No Action [ ] AB #: 19-110

Subject: Construction Contract - 2019 Crack Seal

Budget Impact/Source of Funds: This contract is fully funded in the 2019 Pavement Preservation Program in the Adopted 2019-2020 Capital Budget. Because the contract value is less than the budgeted value, the remaining budgeted balance will remain available for future projects.

Staff Presenter/Department: Jack Bartman, Public Works, Senior Capital Projects Engineer

Background:

The City’s 2019 Pavement Preservation Program includes the third year of the citywide pavement crack seal program. This program is aimed at sealing cracks in asphalt roadways to extend the life of the pavement as long as possible. This will delay costly overlay or reconstruction and allow the City to get the most cost-benefit out of the roadway.

In November 2016, Bothell voters passed the City’s Safe Street and Sidewalk Levy. With this funding, Public Works began reviewing roadway segments to determine good candidates for crack seal and patching to extend the life of the roadways. This work is mainly to address needs on the arterial road system; however, some work is done on local roads in support of future slurry seal projects. Roadways selected for the 2019 Crack Seal Program are shown on Attachment 1.

Previous City Actions:

- November 27, 2018: City Council adopted the 2019 Pavement Preservation Program as part of the Adopted 2019-2020 Capital Budget

Discussion:

The bid opening was held on June 4, 2019. Two bids were received for this project and the lowest responsive and responsible bid was $241,739, submitted by Huizenga Enterprises, LLC. (See Bid Tabulation, Attachment 2). The engineer’s estimate was $472,240. The contractor was asked why they were able to decrease their bid over bids on previous projects by such a significant amount. They said that they have made several changes to their operations and equipment that have greatly improved their efficiency.

After evaluating the bids, staff recommends Council award the construction contract in the amount of $241,739 to Huizenga Enterprises, LLC. Funding is from the 2019 Pavement Preservation Program.
Construction of the 2019 Crack Seal project is anticipated to begin in July 2019 and be completed within 40 working days.

**Category:** Consent

**Attachments:**

1. Vicinity Map
2. Bid Tabulation

**Recommended Action:**

Authorize the City Manager to enter into a construction contract with Huizenga Enterprises, LLC., in the amount of $241,739 for construction of the 2019 Crack Seal, and in substantially the same form as presented.

City Manager Approval: ___________________________  Date: 06/23/2019
Legend
- Local Roads
- Arterial Streets
- Bothell City Limit

2019 Crack Sealing
## PUBLIC WORKS DEPARTMENT
### CAPITAL IMPROVEMENT PROJECT
### BIDDING RESULTS FOR 2019 Crack Sealing

### ENGINEER'S ESTIMATE

<table>
<thead>
<tr>
<th>No.</th>
<th>Bid Item Description</th>
<th>Qty.</th>
<th>Unit</th>
<th>Engineer's Cost Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Total Price</td>
</tr>
<tr>
<td>1</td>
<td>SPCC Plan</td>
<td>1 LS</td>
<td>$2,000.00</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>2</td>
<td>Project Temporary Traffic Control</td>
<td>1 LS</td>
<td>$50,000.00</td>
<td>$50,000.00</td>
</tr>
<tr>
<td>3</td>
<td>Erosion/Water Pollution Control (1%)</td>
<td>1 LS</td>
<td>$6,300.00</td>
<td>$6,300.00</td>
</tr>
</tbody>
</table>

**Schedule A Subtotal:**
$58,300.00
$46,228.00
$14,500.00
$ -
$ -
$ -
$ -

**Washington State Sales Tax: 0%**
$ -
$ -
$ -
$ -
$ -
$ -
$ -

**SubTotal Construction Cost Estimate:**
$58,300.00
$46,228.00
$14,500.00
$ -
$ -
$ -
$ -

<table>
<thead>
<tr>
<th>No.</th>
<th>Bid Item Description</th>
<th>Qty.</th>
<th>Unit</th>
<th>Engineer's Cost Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Total Price</td>
</tr>
<tr>
<td>1</td>
<td>Mobilization (12%)</td>
<td>1 LS</td>
<td>$35,000.00</td>
<td>$35,000.00</td>
</tr>
<tr>
<td>2</td>
<td>Off duty Uniformed Police Officer</td>
<td>16 HR</td>
<td>$90.00</td>
<td>$1,440.00</td>
</tr>
<tr>
<td>3</td>
<td>Crack Sealing</td>
<td>21000 LF</td>
<td>$1.50</td>
<td>$315,000.00</td>
</tr>
</tbody>
</table>

**Schedule B Subtotal:**
$351,440.00
$163,882.00
$287,360.00
$ -
$ -
$ -
$ -

**Washington State Sales Tax: 0%**
$ -
$ -
$ -
$ -
$ -
$ -
$ -

**SubTotal Construction Cost Estimate:**
$351,440.00
$163,882.00
$287,360.00
$ -
$ -
$ -
$ -

<table>
<thead>
<tr>
<th>No.</th>
<th>Bid Item Description</th>
<th>Qty.</th>
<th>Unit</th>
<th>Engineer's Cost Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Total Price</td>
</tr>
<tr>
<td>1</td>
<td>Mobilization (12%)</td>
<td>1 LS</td>
<td>$5,500.00</td>
<td>$5,500.00</td>
</tr>
<tr>
<td>2</td>
<td>Crack Sealing</td>
<td>18000 LF</td>
<td>$1.50</td>
<td>$27,000.00</td>
</tr>
<tr>
<td>3</td>
<td>Washington State Sales Tax</td>
<td>1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Schedule C Subtotal:**
$62,500.00
$5,429.00
$56,550.00
$ -
$ -
$ -
$ -

**Washington State Sales Tax: 0%**
$ -
$ -
$ -
$ -
$ -
$ -
$ -

**SubTotal Construction Cost Estimate:**
$62,500.00
$31,629.00
$36,850.00
$ -
$ -
$ -
$ -

**Total Construction Cost Estimate:**
$472,240.00
$241,739.00
$342,360.00
$ -
$ -
$ -
$ -

---

**Project Engineer:** Jack Bartman
**Consulting Engineer:**
Meeting Date: July 2, 2019   Action ☒ No Action ☐   AB #: 19-111

Subject: Construction Contract - 2019 Overlays Project

Budget Impact/Source of Funds: This contract is fully funded in the 2019 Pavement Preservation and Sidewalk Programs in the Adopted 2019-2020 Capital Budget

Staff Presenter/Department: Jack Bartman, Public Works, Senior Capital Projects Engineer

Background:

The Pavement Preservation Program is aimed at repairing the pavement surface through crack seals, asphalt patches, and pavement overlays before the roadways have deteriorated to a point where reconstruction is required.

In November 2016, Bothell voters passed the City’s Safe Streets Levy. One goal of this funding is to improve the overall condition of arterial streets.

Woodinville Drive was identified as the candidate for the 2019 Overlay Project. The project on Woodinville Drive will remove and replace the asphalt surface between I-405 and the eastern City limits.

This project will also reconstruct 400 linear feet of the outside southbound lane of 120th Ave NE, just south of the intersection with North Creek Parkway N. This section is settling and becoming unsafe for motorized vehicles and bicycles. Reconstruction of the roadway will incorporate use of a lighter weight engineered fill material to help minimize future settlement in this area of heavy peat. A similar project was done just to the north of this project in 2015, and is performing well.

Previous City Actions:

11/27/19: City Council adopted the 2019 Pavement Preservation Program as part of the 2019-2020 Capital Budget

Discussion:

On June 4, 2019, the City received three bids, ranging from $705,148 to $788,300. The lowest responsive and responsible bid was submitted by Granite Construction Company, in the amount of $705,148. This is within approximately 6 percent of the engineer’s estimate of $665,230. After evaluating the bids and conducting reference checks, staff recommends Council award the construction contract to Granite Construction Company.

Construction is anticipated to begin in mid-July 2019, and is to be completed in 40 working days.
Category: Consent

Attachments:

1. Project Vicinity Map
2. Bid Tabulation

Recommended Action:

Authorize the City Manager to enter into a construction contract with Granite Construction Company, in the amount of $705,148.00 for construction of the 2019 Overlays Project, in substantially the same form as presented.

City Manager Approval: ____________________________ Date: 06/23/2019
The City of Bothell delivers this data (map) in an AS-IS condition. GIS data (maps) are produced by the City of Bothell for internal purposes. No representation or guarantee is made concerning the accuracy, currency, or completeness of the information provided.
## PUBLIC WORKS DEPARTMENT

### CAPITAL IMPROVEMENT PROJECT

#### BIDDING RESULTS

**FOR**

**2019 Arterial Overlays Project**

<table>
<thead>
<tr>
<th>No.</th>
<th>Bid Item Description</th>
<th>Q'ty</th>
<th>Unit</th>
<th>Cost</th>
<th>Price</th>
<th>Unit</th>
<th>Total</th>
<th>Cost</th>
<th>Price</th>
<th>Unit</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>SubTotal Construction Cost Estimate:</td>
<td></td>
<td></td>
<td>$258,380.00</td>
<td>$258,380.00</td>
<td></td>
<td>$258,380.00</td>
<td>$258,380.00</td>
<td></td>
<td>$258,380.00</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>SubTotal State Sales Tax:</td>
<td></td>
<td></td>
<td>$2.00</td>
<td>$2.00</td>
<td></td>
<td>$2.00</td>
<td>$2.00</td>
<td></td>
<td>$2.00</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>SubTotal Construction Cost Estimate:</td>
<td></td>
<td></td>
<td>$260,382.00</td>
<td>$260,382.00</td>
<td></td>
<td>$260,382.00</td>
<td>$260,382.00</td>
<td></td>
<td>$260,382.00</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Washington State Sales Tax:</td>
<td></td>
<td></td>
<td>$2.00</td>
<td>$2.00</td>
<td></td>
<td>$2.00</td>
<td>$2.00</td>
<td></td>
<td>$2.00</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>SubTotal Construction Cost Estimate:</td>
<td></td>
<td></td>
<td>$406,850.00</td>
<td>$406,850.00</td>
<td></td>
<td>$406,850.00</td>
<td>$406,850.00</td>
<td></td>
<td>$406,850.00</td>
<td></td>
</tr>
</tbody>
</table>

---

<table>
<thead>
<tr>
<th>No.</th>
<th>Bid Item Description</th>
<th>Q'ty</th>
<th>Unit</th>
<th>Cost</th>
<th>Price</th>
<th>Unit</th>
<th>Total</th>
<th>Cost</th>
<th>Price</th>
<th>Unit</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Urban Sprawl Impact A</td>
<td>1</td>
<td>Unit</td>
<td>$8,000.00</td>
<td>$8,000.00</td>
<td></td>
<td>$8,000.00</td>
<td>$8,000.00</td>
<td></td>
<td>$8,000.00</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Urban Sprawl Impact A</td>
<td>1</td>
<td>Unit</td>
<td>$4,500.00</td>
<td>$4,500.00</td>
<td></td>
<td>$4,500.00</td>
<td>$4,500.00</td>
<td></td>
<td>$4,500.00</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Urban Sprawl Impact A</td>
<td>1</td>
<td>Unit</td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td></td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td></td>
<td>$1,000.00</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Urban Sprawl Impact A</td>
<td>1</td>
<td>Unit</td>
<td>$2,000.00</td>
<td>$2,000.00</td>
<td></td>
<td>$2,000.00</td>
<td>$2,000.00</td>
<td></td>
<td>$2,000.00</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Urban Sprawl Impact A</td>
<td>1</td>
<td>Unit</td>
<td>$1,500.00</td>
<td>$1,500.00</td>
<td></td>
<td>$1,500.00</td>
<td>$1,500.00</td>
<td></td>
<td>$1,500.00</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Urban Sprawl Impact A</td>
<td>1</td>
<td>Unit</td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td></td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td></td>
<td>$1,000.00</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Urban Sprawl Impact A</td>
<td>1</td>
<td>Unit</td>
<td>$1,500.00</td>
<td>$1,500.00</td>
<td></td>
<td>$1,500.00</td>
<td>$1,500.00</td>
<td></td>
<td>$1,500.00</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Urban Sprawl Impact A</td>
<td>1</td>
<td>Unit</td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td></td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td></td>
<td>$1,000.00</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Urban Sprawl Impact A</td>
<td>1</td>
<td>Unit</td>
<td>$1,500.00</td>
<td>$1,500.00</td>
<td></td>
<td>$1,500.00</td>
<td>$1,500.00</td>
<td></td>
<td>$1,500.00</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Urban Sprawl Impact A</td>
<td>1</td>
<td>Unit</td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td></td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td></td>
<td>$1,000.00</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Urban Sprawl Impact A</td>
<td>1</td>
<td>Unit</td>
<td>$1,500.00</td>
<td>$1,500.00</td>
<td></td>
<td>$1,500.00</td>
<td>$1,500.00</td>
<td></td>
<td>$1,500.00</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Urban Sprawl Impact A</td>
<td>1</td>
<td>Unit</td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td></td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td></td>
<td>$1,000.00</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Urban Sprawl Impact A</td>
<td>1</td>
<td>Unit</td>
<td>$1,500.00</td>
<td>$1,500.00</td>
<td></td>
<td>$1,500.00</td>
<td>$1,500.00</td>
<td></td>
<td>$1,500.00</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Urban Sprawl Impact A</td>
<td>1</td>
<td>Unit</td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td></td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td></td>
<td>$1,000.00</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Urban Sprawl Impact A</td>
<td>1</td>
<td>Unit</td>
<td>$1,500.00</td>
<td>$1,500.00</td>
<td></td>
<td>$1,500.00</td>
<td>$1,500.00</td>
<td></td>
<td>$1,500.00</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Urban Sprawl Impact A</td>
<td>1</td>
<td>Unit</td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td></td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td></td>
<td>$1,000.00</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Urban Sprawl Impact A</td>
<td>1</td>
<td>Unit</td>
<td>$1,500.00</td>
<td>$1,500.00</td>
<td></td>
<td>$1,500.00</td>
<td>$1,500.00</td>
<td></td>
<td>$1,500.00</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>Urban Sprawl Impact A</td>
<td>1</td>
<td>Unit</td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td></td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td></td>
<td>$1,000.00</td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>Urban Sprawl Impact A</td>
<td>1</td>
<td>Unit</td>
<td>$1,500.00</td>
<td>$1,500.00</td>
<td></td>
<td>$1,500.00</td>
<td>$1,500.00</td>
<td></td>
<td>$1,500.00</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>Urban Sprawl Impact A</td>
<td>1</td>
<td>Unit</td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td></td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td></td>
<td>$1,000.00</td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>Urban Sprawl Impact A</td>
<td>1</td>
<td>Unit</td>
<td>$1,500.00</td>
<td>$1,500.00</td>
<td></td>
<td>$1,500.00</td>
<td>$1,500.00</td>
<td></td>
<td>$1,500.00</td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>Urban Sprawl Impact A</td>
<td>1</td>
<td>Unit</td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td></td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td></td>
<td>$1,000.00</td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>Urban Sprawl Impact A</td>
<td>1</td>
<td>Unit</td>
<td>$1,500.00</td>
<td>$1,500.00</td>
<td></td>
<td>$1,500.00</td>
<td>$1,500.00</td>
<td></td>
<td>$1,500.00</td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>Urban Sprawl Impact A</td>
<td>1</td>
<td>Unit</td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td></td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td></td>
<td>$1,000.00</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>Urban Sprawl Impact A</td>
<td>1</td>
<td>Unit</td>
<td>$1,500.00</td>
<td>$1,500.00</td>
<td></td>
<td>$1,500.00</td>
<td>$1,500.00</td>
<td></td>
<td>$1,500.00</td>
<td></td>
</tr>
</tbody>
</table>

---

**Project Engineer:** Jack Bartman

**Consulting Engineer:**
Meeting Date: July 2, 2019        Action ☑ No Action ☐        AB #: 19-112

Subject: Extension of Interim Ordinance Relating to Small Wireless Deployments

Budget Impact: None

Staff Presenter/Department: Michael Kattermann, Community Development Director
Darcey Eilers, Deputy City Attorney

Policy Consideration and Connection to Council Goals:

The Council is asked to hold a public hearing and approve an ordinance extending the interim zoning ordinance governing wireless communications facilities. The interim ordinance adopted by the City Council on January 8, 2019, will expire July 8, 2019, unless extended. The policy consideration for Council is whether to extend the interim ordinance for another six months or allow the interim ordinance to lapse and revert to the previous code provisions. In the latter option, the City would be out of compliance with Federal Communications Commission rules until permanent regulations are adopted.

Background:

Federal Communications Commission (FCC) rules issued in 2018 required cities to adopt regulations for deployment of small wireless facilities, incorporating limitations on permit review times and pre-empting local authority to regulate placement in public right-of-way. The deadline for complying with the FCC rules was January 14, 2019.

City staff worked with outside legal counsel anticipating the need to amend the City’s ordinances to address small wireless deployments and to incorporate other changes required by federal law. The City’s current code, in Chapter 12.11 titled Wireless Communication Facilities, addresses primarily large-scale macro facilities such as lattice towers. The current code provisions must be amended to explicitly allow small wireless facilities, to incorporate eligible facility request provisions, and to adopt the new federal standard for review for all wireless communication facilities, both macro and small wireless facilities. Due to the short time frame, the complexity of the issues, and other priorities, staff recommended, and Council approved, an interim ordinance on January 8, 2019, to meet the basic FCC requirements and provide additional time for the permanent ordinance to be developed.

Since the interim ordinance was adopted, staff worked with the Planning Commission to develop additional aesthetic design and concealment measures for the downtown design area where the decorative street lights are required. The FCC rules required publication of these standards by April 14, 2019. These design and concealment measures were
incorporated into the Bothell Design and Construction Standards and published by the deadline.

In addition to the design requirements, staff has been working with outside legal counsel on preparing the amendments to the BMC to make the small wireless regulations permanent.

**Discussion:**

The interim ordinance automatically expires after six months unless Council takes action to extend. If no action is taken and the interim ordinance expires, the previous, permeant BMC regulations would apply. However, because there are no provisions for small wireless facilities in the existing BMC, staff would have no mechanism for approving these facilities and Bothell would be out of compliance with FCC rules. Although there have been no applications for small wireless facilities in Bothell to-date, multiple companies have expressed interest implementing these facilities in the city and other cities are beginning to process permits for these facilities.

Under state law, cities can extend the interim ordinance for six months after holding a public hearing. The proposed ordinance (Attachment 1) extends the provisions of the interim ordinance for six months to provide staff and outside legal counsel sufficient time to finalize the permanent regulations. The permanent ordinance, which can be approved any time during the six-month period, will replace the interim ordinance with specific amendments to Chapter 12.11 BMC, Wireless Communication Facilities. The proposed attached ordinance does not change any regulations contained in the previously-approved interim ordinance.

Staff is requesting additional time to complete the permanent regulations and recommending Council hold a public hearing and approve the proposed ordinance extending the interim ordinance for an additional six months.

**Previous City Actions:**

[Note: These franchise agreements relate to telecommunications services; City staff is not aware of any small cell applications or installations currently in Bothell.]

- October 3, 2017: Council approved
  - AB 17-153 - Ordinance Regarding a Utility Franchise Agreement with Electric Lightwave, LLC for telecommunications facilities
  - AB 17-154 - Ordinance Regarding a Utility Franchise Agreement with MCImetro Access Transmission Services for telecommunications wireline facilities
  - AB 17-155 - Ordinance Regarding a Utility Franchise Agreement with Verizon Wireless for macro wireless communication facilities
  - AB 17-156 - Ordinance Regarding a Utility Franchise Agreement with XO Communications Services, LLC for telecommunications wireline facilities
  - AB 17-157 - Ordinance Regarding a Utility Franchise Agreement with Astound Broadband, LLC for telecommunications services
• September 4, 2018 – Council approved Extension of Cable Television Franchise Agreement with Frontier Communications Northwest, Inc.
• January 8, 2019 – Council approved interim ordinance regulating small cell wireless facilities

Category: Public Hearing
• Mayor opens the Public Hearing
• Staff Presentation
• Public Comment
• Council Deliberations
• Motion to approve Recommended Action
• Council Vote on motion

Recommended Action:
Approval of the proposed ordinance as written or amended following the public hearing.

Attachments:
1. Proposed Ordinance renewing the City’s interim wireless communications facilities provisions.

City Manager Approval: ___________________________ Date: 06/22/2019
(This page intentionally left blank)
ORDINANCE NO. ______________ (2019)

AN ORDINANCE OF THE CITY OF BOTHELL, WASHINGTON, RENEWING THE INTERIM REGULATIONS RELATED TO WIRELESS COMMUNICATIONS FACILITIES ADOPTED BY ORDINANCE NO. 2273; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the Federal Communications Commission (FCC) recently adopted a Declaratory Ruling, Order and Regulation, which imposes limitations on the processing and review of all permits associated with the deployment of small wireless facilities; and

WHEREAS, such regulations required the City of Bothell to have procedures in place on or before January 14, 2019, with the ability to adopt additional aesthetic standards on or before April 14, 2019; and

WHEREAS, on January 8, 2019, the Bothell City Council adopted Ordinance No. 2273 establishing interim regulations related to wireless communication facilities; and

WHEREAS, in accordance with RCW 36.70A.390 and RCW 35A.63.220, Ordinance No. 2273 provided that the interim regulations would remain in effect for a period of six (6) months from the effective date of the ordinance or until adoption of permanent regulations, whichever was sooner; and

WHEREAS, the City has diligently pursued revising the code to address the issues that led to the adoption of the interim regulations, but additional time is needed to draft a permanent ordinance; and

WHEREAS, the Community Development Director has recommended that the interim regulations set forth in Ordinance No. 2273 be extended to enable completion of the drafting of the final amendments; and

WHEREAS, the circumstances which led to the adoption of the interim regulations in Ordinance No. 2273 continue to exist today and will continue existing until final regulations are adopted to adequately process and review applications for small wireless facilities; and

WHEREAS, unless the interim regulations are extended to allow the completion of the drafting and adoption of permanent regulations, the City may receive a small wireless facility application and have no way to process it, thus negatively impacting the City’s citizens; and
WHEREAS, RCW 36.70A.390 and RCW 35A.63.220 authorize the City to renew the interim regulations for an additional period of six (6) months provided that a public hearing is held; and

WHEREAS, the Bothell City Council held a public hearing on the renewal on July 2, 2019, and after considering all the testimony received, finds that it is prudent to renew the interim regulations adopted by Ordinance No. 2273 until January 2, 2020, in order to complete the needed work and adopt permanent regulations.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BOTHELL, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. CLASSIFICATION. This ordinance, and the interim regulations set forth in Ordinance No. 2273 renewed hereby, are of an interim and temporary nature and shall not be codified. The codifier is authorized and directed to insert a note at the end of each code section of the BMC amended by Ordinance No. 2273 to read as follows:

“This Section has been temporarily amended as provided Ordinance No. 2273 of the City of Bothell, as renewed by Ordinance No. ________. These ordinances may be found at http://weblink.bothellwa.gov/weblink.”

The codifier may use alternative wording to advise readers of the existence of the interim amendments adopted by Ordinance No. 2273 and renewed by this ordinance, with the approval of the City Clerk.

Section 2. FINDINGS. In support of the renewal approved by this ordinance, the Bothell City Council adopts the recitals set forth in Ordinance No. 2273 as well as the above recitals of this Ordinance.

Section 3. RENEWAL OF INTERIM REGULATIONS. The interim regulations adopted by Ordinance No. 2273 of the City of Bothell, passed by the Bothell City Council on January 8, 2019, and effective on January 13, 2019, are hereby extended and renewed and made effective through January 2, 2020, unless sooner replaced by permanent regulations adopted by subsequent ordinance. The interim amendments shall automatically expire on January 2, 2020, unless further renewed.

Section 4. TRANSMITTAL TO DEPARTMENT OF COMMERCE. Pursuant to RCW 36.70A.106, a copy of this ordinance was transmitted to the Department of Commerce.

Section 5. SEVERABILITY. If any section, sentence, clause or phrase of this ordinance should be held to be invalid 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 6. EFFECTIVE DATE. This ordinance shall take effect five (5) days after its publication, or publication of an approved summary thereof consisting of the title, in the City's official newspaper, or as otherwise provided by law.

Section 7. CORRECTIONS. The City Clerk and the codifiers of this ordinance are authorized to make necessary corrections to this ordinance including, but not limited to, the correction of scrivener’s/clerical errors, references, ordinance numbering, section/subsection numbers, and any references thereto.
SUMMARY OF ORDINANCE NO. ___________ (2019)

City of Bothell, Washington

On the _______ day of _______________, 2019, the City Council of the City of Bothell passed Ordinance No. ___________ (2019). A summary of the content of said Ordinance, consisting of the title, is provided as follows:

AN ORDINANCE OF THE CITY OF BOTHELL, WASHINGTON, RENEWING THE INTERIM REGULATIONS RELATED TO WIRELESS COMMUNICATIONS FACILITIES ADOPTED BY CITY OF BOTHELL ORDINANCE NO. 2273; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

The full text of this Ordinance will be mailed upon request.

________________________________________
LAURA HATHAWAY
CITY CLERK

FILED WITH THE CITY CLERK: ________________
PASSED BY THE CITY COUNCIL: ________________
PUBLISHED: ________________________________
EFFECTIVE DATE: __________________________
ORDINANCE NO.: ___________________ (2019)
Bothell City Council

AGENDA BILL

Meeting Date: July 2, 2019 Action ☒ No Action ☐ AB # 19-113

Subject: Consider adoption of the King County 2019 Comprehensive Solid Waste Management Plan

Budget Impact/Source of Funds: $0

Staff Presenter/Department: Sabrina Combs, Sustainability and Projects Coordinator/Public Works

Policy Consideration and Connection to Council Goals:

The King County Comprehensive Solid Waste Management Plan incorporates a number of policy and program changes that the City Council is asked to consider including:

- Reevaluating the 2007 Transfer Plan that may result in changes to the transfer system, not discussed in the 2001 Plan or its 2011 and 2013 reviews;
- Recommending the Sustainable Solid Waste Management Plan to study options for resource recovery, and changes to how the solid waste rate is structured;
- Creating new policies such as mandatory recycling requirements throughout King County, a 70% recycling goal, and construction debris recycling and disposal policies;
- Considering anaerobic digestion (AD) and advanced materials recovery (AMR) processing as possible transfer and processing options;
- Extending the life of Cedar Hills Regional Landfill by further developing the site; and,
- Considering waste export, partial early export, and waste-to-energy and other alternative conversion technologies as long-term disposal options.

This item is consistent with the Council Environmental Stewardship and Sustainability goal by providing the City a detailed plan for managing solid waste.

Background:

Revised Code of Washington (RCW) 70.95.080 requires each city develop its own comprehensive solid waste management plan, enter into an agreement to prepare a joint city/county plan, or authorize the County to prepare the plan for the City’s solid waste management.

The City of Bothell and King County have an Interlocal Agreement (ILA) that provides for the cooperative management of solid waste, including maintenance and periodic updates to the King County Comprehensive Solid Waste Management Plan, through December 31, 2040. The ILA clarifies that all waste generated within the current Bothell city limits, including within Snohomish County, will be disposed of in the King County system. The solid waste in any areas of Snohomish County annexed into Bothell after January 1, 2011 will be disposed of in the Snohomish County system.
The King County Comprehensive Solid Waste Management Plan (Comprehensive Plan) meets the requirements in RCW 70.95. This Comprehensive Plan guides actions by King County, all cities in King County except Seattle and Milton, and private companies that provide curbside collection and processing of recyclable materials.

The King County Solid Waste Division worked with cities to update the 2001 Comprehensive Plan. The new Comprehensive Plan presents strategies for managing King County's solid waste over the next six to 20 years. It also includes policies, recommendations, and goals for solid waste system planning, waste prevention, recycling and solid waste collection, solid waste transfer and processing systems, landfill management and solid waste disposal, and fees and costs of services for solid waste systems.

Previous City Actions:

- March 4, 2002, Bothell City Council adopted Ordinance 1872 to approve the Comprehensive Solid Waste Management Plan
- June 4, 2013, Bothell City Council approves Amended and Restated Solid Waste Interlocal Agreement
- October 2016 – November 2017, King County Solid Waste Division meets monthly with advisory committees to develop the draft Comprehensive Plan
- February 20, 2018, City and King County staff presented the draft Comprehensive Plan to Council and requested direction
- September 4, 2018, Council received an update about MSWMAC and the Comprehensive Plan process
- May 20, 2019, the Comprehensive Plan was recommended to the King County Council by the Regional Policy Committee sitting as the Solid Waste Interlocal Forum and the King County Council approved it.

Discussion:

The King County Solid Waste Division has been working with the Metropolitan Solid Waste Management Advisory Committee and the Solid Waste Advisory Committee to develop this Comprehensive Plan. City staff participated in this effort. The Comprehensive Plan incorporates a number of policy and program changes including:

- Reevaluating the 2007 Transfer Plan that may result in changes to the transfer system, not discussed in the 2001 Plan or its 2011 and 2013 reviews;
- Recommending the Sustainable Solid Waste Management Plan to study options for resource recovery, and changes to how the solid waste rate is structured;
- Creating new policies such as mandatory recycling requirements throughout King County, a 70% recycling goal, and construction debris recycling and disposal policies;
- Considering anaerobic digestion (AD) and advanced materials recovery (AMR) processing as possible transfer and processing options;
- Extending the life of Cedar Hills Regional Landfill by further developing the site; and,
- Considering waste export, partial early export, and waste-to-energy and other alternative conversion technologies as long-term disposal options
The ILA establishes the process to update the Comprehensive Plan. In order to be adopted, it must be approved by the King County Council and cities representing three-quarters of the incorporated population of jurisdictions that are parties to the Interlocal Agreement. In calculating the three-quarters, the calculations shall consider only those incorporated jurisdictions taking formal action to approve or disapprove the Comprehensive Plan within 120 days of receipt. The 120-day time period begins from receipt by an incorporated jurisdiction. The City of Bothell has until September 16, 2019 to adopt the plan.

**Category:** Resolution

- Presentation by King County Solid Waste Division Staff
- Council Questions/Discussion
- Motion to Approve Recommended Action
- Council Vote on Recommended Action

**Attachments:**

1. [King County 2019 Comprehensive Solid Waste Management Plan](#) – this is provided as a link only
2. Draft Resolution relating to the management of solid waste with King County

**Recommended Action:**

Approve the proposed resolution adopting the King County 2019 Comprehensive Solid Waste Management Plan.

City Manager Approval: ___________________________ Date: 06/25/2019
(This page intentionally left blank)
RESOLUTION NO. __________ (2019)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BOTHELL, WASHINGTON, APPROVING THE 2019 COMPREHENSIVE SOLID WASTE MANAGEMENT PLAN FOR THE KING COUNTY SOLID WASTE SYSTEM

WHEREAS, the purpose of the 2019 Comprehensive Solid Waste Management Plan (2019 Plan) is to plan for solid waste and materials reduction, collection, and handling and management services and programs in the geographic area for which King County has comprehensive planning authority for solid waste management by law or by Interlocal agreement, or both; and

WHEREAS, the 2019 Plan was prepared in accordance with RCW 70.95.080, which requires that each county within the state, in cooperation with the various cities located within such county, prepare and periodically update a coordinated, comprehensive solid waste management plan; and

WHEREAS, King County and all cities in King County except Seattle and Milton have executed the 2013 Amended and Restated Interlocal Agreement ("the interlocal agreement"). Under the interlocal agreement, King County serves as the planning authority for solid waste; and

WHEREAS, King County worked with the city representatives serving on the Metropolitan Solid Waste Management Advisory Committee to develop the 2019 Plan, and

WHEREAS, the 2019 Plan updates and replaces the 2001 Comprehensive Solid Waste Management Plan approved by City Ordinance/ Motion/ Resolution __________ adopted on ____________________; and
WHEREAS, on April 17, 2019 the King County Regional Policy Committee, acting as the Metropolitan King County Council Solid Waste Interlocal Forum, recommended adoption of Ordinance 18893 for approval of the 2019 Plan; and

WHEREAS, on April 24, 2019 the Metropolitan King County Council adopted Ordinance 18893, which approved the 2019 Plan; and

WHEREAS, the interlocal agreement sets a 120-day period for cities to take action on the 2019 Plan. The 2019 Plan cannot receive final approval unless cities representing at least 75 percent of the incorporated population of the cities that take action in the 120-day period approve the Plan. The 120-day period runs from receipt by a city of the Plan recommended by the Regional Policy Committee and approved by the Metropolitan King County Council; and

WHEREAS, after city approval the 2019 Plan is further subject to final approval by the Washington State Department of Ecology;

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

Section 1. The 2019 Comprehensive Solid Waste Management Plan, Attachment A to this resolution, is hereby approved.

Section 2. The City Clerk is authorized to make necessary corrections to this resolution including, but not limited to, the correction of scrivener’s/clerical errors, references, resolution numbering, section/subsection numbers and any references thereto.

PASSED this ___________ day of ______________________, 2019.

APPROVED:

________________________
ANDREW J. RHEAUME
MAYOR
ATTEST/AUTHENTICATED:

_____________________
LAURA HATHAWAY
CITY CLERK

FILED WITH THE CITY CLERK: ____________________________
PASSED BY THE CITY COUNCIL: ____________________________
RESOLUTION NO.: __________ (2019)
(This page intentionally left blank)
Subject: Surplus Property Update

Budget Impact/Source of Funds: N/A

Staff Presenter/Department: Jeanie Ashe, Economic Development Manager

Background:

A key component to the implementation of Bothell’s downtown redevelopment vision was the purchase and sale of properties in and around downtown. As “master developer” the City has sold properties and negotiated development agreements that has protected the City’s interests, delivered amenities and mixed uses, and generated more than $800 million in private investment.

While Bothell’s redevelopment plan has been highly successful, four properties have fallen out of escrow and one property was repurchased. To ensure city-owned properties are sold at the highest and best value, the City has been expending resources to create market-ready properties to be sold free of contamination. The following is a Bothell surplus property update:
Background: Council declared Lot A surplus property via resolution in December 2015 and approved a Purchase and Sale Agreement (PSA) and Development Agreement (DA). On March 31, 2017, the PSA expired. On April 18, 2017, Council directed staff to return with options that optimize the property.

Update: An environmental covenant was recorded on a small triangular piece of land (approximately 100 square feet in size) at the northeast corner of Lot A. Staff recorded a boundary line adjustment with King County in February 2019 effectively moving the contamination from Lot A.

The lot has many challenges including its unique shape, right-in and right-out access only, and the setbacks on the property. Additionally, mainstream developers find that the size of the lot does not make it financially feasible to build multi-family housing.

The City’s designated real estate broker, Kidder Mathews, offered the property for sale on April 15, 2019. The request for offers closed May 31, 2019. The City is currently evaluating offers.

Lot A is on the market.
**LOT D**  
Intersection of SR 522 and Bothell Way NE  
2.24 Acres  
Parcel Number 237420-0065  
Zone Downtown Core/Downtown Neighborhood District

**Background:** A Council-approved PSA was drawn out over a period of almost two years due to the lengthy process required by the Department of Ecology to obtain a Consent Decree that addresses clean up. After three amendments to the PSA, Council voted to not authorize another amendment.

The City entered into a Consent Decree to clean up the site in February 2018.

**Update:** Installation of electrical resistance heating (ERH) equipment was installed and clean-up completed in May 2019. The next phase, bioremediation has begun and it is anticipated it will continue until 2022. With collaboration between developers and the City’s environmental clean-up consultant, development on Lot D can occur during the bioremediation phase.

Residual petroleum contamination on Lot D has been identified and will be addressed under the City’s existing consent decree. It is anticipated that the Department of Ecology will approve the amended consent decree in October 2019.

Target date for putting Lot D on the market is fourth quarter 2019.
Background: On April 6, 2016, the City and a hotel developer entered into a PSA. After 10 amendments, the PSA was executed on March 10, 2017. A Development Agreement and Environmental Indemnity Agreement immediately followed and were signed March 16, 2017. As a result of construction timelines not being met, City Council exercised their right to repurchase the property at its June 19, 2018 council meeting.

Update: The buyback of the Civic Center Lot was completed in January 2019. The corner of the lot is contaminated. The City hired consultant Floyd Snider to review the existing and historical data for this lot and will identify data gaps. Once they have completed their review they will meet with the City to discuss strategy and potential liable party involvement. Anticipate the meeting will take place this summer.

Future Discussions: The construction of the City Hall driveway into the parking garage and the corner lot cleanup has created an opportunity for a boundary line adjustment thereby creating two parcels. Future discussion could include whether or not to create two parcels and a review of future use.

Target date for putting the Civic Center Lot on the market is 2020/2021.
LOT EFG
Intersection of SR 522 and Bothell Way NE
1.10 Acres
Parcel number 945720-0020
Zone Downtown Core

**Background:** In April 2016, the City Council approved a PSA. The buyer elected not to close escrow on the property. Staff then commissioned a consultant to evaluate and recommend proper ingress and egress on the site help realize the highest and best use of the property. The report was completed but did not receive public support. Staff will reevaluate the circulation for this site at a future date.

**Update:** Considerable resources have been expended to identify and resolve the contamination of Lot EFG. While the contamination is nearly resolved, investigation has determined the contamination is tied to the Civic Center Lot. A contract with consultant Floyd Snyder was entered into in January 2019. The consultant has been reviewing existing and historical data. There is missing data from the four private properties between the Civic Center Lot and Lot EFG. Once the consultants have completed their review they will meet with staff to discuss strategy and potential liable property involvement. Anticipate the review and meeting will take place this summer.

Target date for putting Lot EFG on the market is 2020/2021.
LOT P SOUTH
Intersection of Pop Keeney Way and Thrask
1.67 Acres
Parcel number 072605-9498
Zone Downtown Neighborhood

Background: In March 2016, the City Council approved a PSA. In June 2017, the Council, within the rights of the PSA, elected not to authorize an extension to the PSA and the PSA expired.

Large amounts of contaminated soil has been excavated from Lot P South and properly disposed of. While most of the monitoring results have been good, contamination is still present.

Update: As of June 2019, the City successfully enrolled in the Petroleum Technical Assistance Program. The goal is to secure a NFA upon completion of soil excavation in September/October 2019.

Target date for putting Lot P South on the market is fourth quarter 2019.
Category: Discussion/Update Item

- Staff Presentation
- Council Questions

Recommended Action:

No action is requested this evening; however, Council is asked to receive the report.

City Manager Approval: ____________________________ Date: 06/24/2019
Bothell City Council
AGENDA BILL

Meeting Date: July 2, 2019   Action ☒  No Action ☒  AB #: 19-115

Subject: Economic Development Dashboard

Budget Impact/Source of Funds: N/A

Staff Presenter/Department: Jeanie Ashe, Economic Development Manager

Background:

The overarching role of the Economic Development Manager is to ensure Bothell’s economic viability via the implementation of programs and policies. Sustainable economic development programs start with sound data. To attain appropriate information, staff secured the services of Western Washington University, Center of Economic and Business Research to build an economic dashboard for Bothell.

The resulting business metrics and dashboard are a combination of Bothell’s revenues, demographics and regional indicators. All of the data combined tells the story of the City’s economic health and provides information to inform planning, programs and policies.

The goal is to update the Business Metrics and Indicators quarterly and to update the Economic Dashboard annually. In addition to tracking Bothell’s economy, the information can be used to support grants, post on the City’s website, used for marketing, and provided to site selectors.

Category: New Business

• Staff Presentation
• Council Questions

Attachments:

1. City of Bothell Business Metrics and Indicators
2. City of Bothell Economic Dashboard

Recommended Action:

No action is requested this evening. However, Council is asked to review the information and provide feedback.

City Manager Approval: ___________________________ Date: 06/23/2019
City of Bothell

Business Metrics and Indicators

<table>
<thead>
<tr>
<th>REAL ESTATE OVERVIEW (2019)</th>
<th>MEDIAN HOUSE PRICE</th>
<th>MEDIAN RENT – 1 BD</th>
<th>MEDIAN RENT – MULTI FAMILY</th>
</tr>
</thead>
<tbody>
<tr>
<td>BOTHELL</td>
<td>$612,367</td>
<td>$1,520</td>
<td>$1,775</td>
</tr>
<tr>
<td>KING COUNTY</td>
<td>$685,000</td>
<td>$1,660</td>
<td>$2,500</td>
</tr>
<tr>
<td>SNOHOMISH COUNTY</td>
<td>$485,000</td>
<td>$1,342</td>
<td>$2,070</td>
</tr>
</tbody>
</table>

Construction Costs Per Square Foot

<table>
<thead>
<tr>
<th></th>
<th>Residential</th>
<th>Commercial</th>
<th>Retail</th>
<th>Manufacturing</th>
<th>Healthcare</th>
<th>AVERAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$305.5</td>
<td>$445.6</td>
<td>$370</td>
<td>$318</td>
<td>$499.3</td>
<td>$387.7</td>
</tr>
</tbody>
</table>

Unemployment Rates

Building Permit Revenue

Retail Sales Per Capita

Business License Revenue

CONSTRUCTION COSTS PER SQUARE FOOT

City of Bothell
Labor Inventory, Covered Employment, for Bothell

- Edu/Health: 18.6%
- PBS: 17.5%
- Mfg: 11.0%
- Leisure: 9.8%
- Nat. Resources: 0.1%
- Govt: 1.3%
- TWU: 2.5%
- Other Services: 3.2%
- Wholesale: 4.6%
- Const: 7.7%
- Info: 7.8%
- Retail: 7.5%
- FIRE: 8.1%

ASSESSED VALUE (Q1 2019)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Assessed Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>RETAIL (44-45)</td>
<td>$210,273,000</td>
</tr>
<tr>
<td>REAL ESTATE; LEASING (53)</td>
<td>$251,185,000</td>
</tr>
<tr>
<td>MANUFACTURING (31-33)</td>
<td>$158,323,900</td>
</tr>
<tr>
<td>R&amp;D; LIFE SCIENCE (5417)</td>
<td>$12,086,900</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$631,868,800</td>
</tr>
</tbody>
</table>

Lodging Tax Revenue

- 2009: $0
- 2010: $100
- 2011: $200
- 2012: $300
- 2013: $400
- 2014: $500
- 2015: $600
- 2016: $700
- 2017: $800
- 2018: $900

Leakage by NAICS Q1 2019

- Building Materials: $0
- Health and Personal Care: $0
- Gasoline: $0
- Furniture: $0
Bothell’s construction sector is the largest by taxable sales, at 38% of total taxable sales, with retail close behind at 31%. Wholesale trade, composed of goods not sold to consumers, is the next largest sector at 14%. Real estate and leasing make up 8% of Bothell’s taxable sales and may grow in the coming years as construction projects in the real estate market are completed. Depending on where the growth is concentrated, large shifts may occur between real estate and construction, albeit probably not enough to bump construction from the largest sector if the current growth rate is maintained.

In looking at sectors that contribute less than 10% individually, real estate and leasing is in the largest at 8%, followed closely by life science research at 6%. However, this could be slightly enlarged due to the inclusion of physical and engineering research in the life science classification. Also included in this sector is biotechnology research, which is reported within a different classification. We observe within the data that R&D make up a larger portion of the Snohomish-Bothell economy than in King-Bothell.

When considering sales tax data, it is important to note that the Washington State Department of Revenue assigns NAICS (industry) classifications based on what they interpret to be the primary business of the entity. This may change with time – in which case all previous business records are moved to the new category for reporting. Read the above chart as businesses reporting within these classifications reported collecting sales tax and that tax collection may be either a major or minor component to their business efforts.
Demographic Data

<table>
<thead>
<tr>
<th></th>
<th>BOTHELL</th>
<th>KING COUNTY</th>
<th>SNOHOMISH COUNTY</th>
<th>WASHINGTON STATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>MEDIAN INCOME</td>
<td>$96,785</td>
<td>$83,571</td>
<td>$78,020</td>
<td>$66,174</td>
</tr>
<tr>
<td>POPULATION</td>
<td>105,753</td>
<td>2,118,119</td>
<td>771,904</td>
<td>7,169,967</td>
</tr>
<tr>
<td>LABOR FORCE</td>
<td>60,182</td>
<td>1,200,419</td>
<td>412,425</td>
<td>3,636,944</td>
</tr>
<tr>
<td>PARTICIPATION RATE</td>
<td>57%</td>
<td>57%</td>
<td>53%</td>
<td>51%</td>
</tr>
</tbody>
</table>

Source: JobsEQ, ESRI

Bothell’s median income is substantially higher than the median incomes in King County, Snohomish County, and Washington State, at $96,785 - $13,000 more than the King County median. Bothell’s 57% labor force participation rate is higher than the state as well, although tied with King County. This high labor force participation rate and median income are both partially attributable to the high rate of attainment for bachelor’s degrees within the city. It should be noted that the national average is 63%, meaning all areas being compared are relatively low when compared to the US.

The population of Bothell is well educated - more than 30% of people hold a bachelor’s degree. High school diplomas are the next most popular option, as this is the highest level of education for over 15% of residents. While there is no data for average salary by education level for Bothell, an average of Snohomish and King Counties is shown for comparison. The higher the degree attained, the higher the salary earned, with a larger jump between associates and bachelor’s degree.

Snohomish County generally has the highest unemployment rate among our sample, excepting a brief period in Q3 and Q4 2018 when it was surpassed by the King County side of Bothell. Overall, there is a slight downward trend in all locations since the beginning of 2016, reflected in the labor market across the nation. However, in Q4 2018, Bothell-King and Bothell-Snohomish ended with unemployment rates only 0.3% and 1% lower than they started in 2016.
Economic Data

Bothell’s mean commute time is the highest of the benchmarks, at 32 minutes. Snohomish County ranks just below Bothell at 31.8 minutes, which may be one of the reasons Bothell’s commute time is the longest. King County and Washington State are both lower, at 29.1 and 27.1 minutes, respectively. Spread between commute times is within 5 minutes.

More people commute into Bothell than commute out of it, with 17,000 incoming and 33,000 outgoing. Unsurprisingly, the most popular outgoing commute location is Seattle, followed by Everett and Bellevue. This graph shows the top destinations for commuters to and from Bothell, but it does not represent the aggregate trends, given that these top locations represent a greater proportion of the outgoing population than the incoming.

As a general trend, Bothell has higher median house prices and rents than both Washington State and Snohomish County, but slightly lower than King County. The higher median home value does not pose an immediate concern for housing affordability since the median income is higher in Bothell than in all surrounding counties as well as in Washington State. The median house mortgage is 29.9% of the median income, meaning that the median house is affordable by the 33%-of-income standard.

| Source JobsEQ, RentJungle, Trulia, Runstad |
Aside from an initial downturn between 2014 and 2015, Building Permit revenue has been increasing since 2012. The highest growth rate has been observed between 2017 and 2018, with building permit revenue increasing 38%, to over $1.2M. This is reflective of the forecasted growth trend in the construction sector, seen in the industry cluster graph on page 5 of this report.

The stores with the highest retail sales per capita are warehouse clubs and superstores, with $263 in taxable sales per person. Next, are electronics and appliance stores with $197 in taxable sales per capita. Electronics manufacturing has the lowest forecasted growth for Bothell, meaning we may see a change in this relationship, although there are too many variables to say for certain.

Business license revenue has shown a positive trend since 2011, with the only negative growth occurring in 2009. The largest growth rate was seen between 2011 and 2012, at 165%. Since then, the growth rate has steadily declined until 2018, which saw a growth rate of 8%. This is slightly higher than the average growth of 5% for the last 4 years.

Gross business income has been on the rise since 2012, with the largest growth seen between 2014 and 2015 at 18%. The smallest growth was seen between 2016 and 2017, at 4%, but the growth rate has picked up since then to 10% from 2017 to 2018. This follows the Washington State trend, with Bothell’s GBI growing slightly faster on average.
Industry Cluster

This chart shows the average wages, average annual employment forecast rate, and location quotient for selected industries. The location quotient (LQ) is the physical industry concentration in Bothell compared to the nation, meaning that if an industry has a LQ of 1, then that industry is equally specialized in Bothell and in the nation.

The industry with the highest LQ in Bothell is the pharmaceutical industry, at 6.56, meaning that the pharmaceutical industry is over 6 times as present in Bothell as it is from the national average. The location of the bubble also indicates the wage and employment forecast. The pharmaceutical industry pays on average $100,000 per year in salary and forecasts a slight employment growth of 0.33%.

In considering this data it is important to note that many sectors encompass various business activities. Manufacturing activities, research and development among other activities may occur within any sector with the business entity itself being classified as neither. In thinking about manufacturing in Bothell, we note that one data source indicates 367 manufacturing firms while another 58. Employment in manufacturing is projected as 4,668 by another.

Media is the highest paying industry, with an average annual salary of more than $168,000. Media employment growth is forecasted for just over 1%, and their industry presence is higher than the national average at an LQ of 1.83. The lowest paying industry is Consumer Services, at an average annual salary of just over $30,000.

Construction and Health are the two industries with the highest predicted growth rates for employment at 2.09% and 2.62%, respectively. Unfortunately, these two industries pay lower than most large industries in Bothell, at just over $70,000 for Construction and $48,000 for Health. However, given that the median Salary in Bothell is substantially higher than in both Snohomish and King County, growth in low-paying job markets may be reflected in the median salary in future reports.

This graph also shows the growth rate at which an industry would have a competitive advantage. In Bothell, no industries cross this threshold, although the health industry comes closest.
Leakage exists when the sales within an industry is lower for a community than it is as an average for the State. Leakage may indicate that residents are needing to go outside the community to find products or services that they prefer. All communities have some leakage – and some capture. The graph above illustrates leakage that exists in Bothell. The vehicle parts industry has the highest leakage amount, meaning that that industry has a higher potential for growth than sporting goods since the sporting goods industry has the lowest leakage amount. Furniture is the next smallest leakage ranking, followed by health and personal care.

### Assessed Value

<table>
<thead>
<tr>
<th>KEY SECTOR</th>
<th>ASSESSED VALUE PRESENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>RETAIL</td>
<td>$158,323,900</td>
</tr>
<tr>
<td>HOUSING</td>
<td>$210,273,000</td>
</tr>
<tr>
<td>MANUFACTURING</td>
<td>$251,185,000</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>$12,086,900</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$631,868,800</td>
</tr>
</tbody>
</table>

The assessed value of real estate utilized by these select sectors was gathered using a combination of companies by NAICS code, county assessor’s data, and GIS software to determine the assessed land value per industry. This explores the usage of land per industry, and over time, will demonstrate patterns of expansion and growth within each industry. Currently, the manufacturing sector has the largest assessed land value, which, when compared to the industry sizes reported on page 1 of this report, shows that a large assessed value does not reflect industry size, but rather geographic size and development.
The Education and Health sector is the largest employer for the city of Bothell (18.6%), closely followed by Professional and Business Services (17.5%). Within the Education and Health sector, Education is the largest, with more than twice as many employees as Healthcare Practitioners. Third largest by employees is manufacturing, largely composed of production, architecture, and engineering.

The observable growth in lodging tax revenue was interrupted in 2017, showing the first decline since 2009. The largest growth period was from 2010 to 2011, with a growth rate of 37%. On a more negative note, the rate of decline has increased over the last two years, from -1% to -3%. It should be noted, however, that the average growth rate is about 9%, which is reflective of the overall positive trend in lodging tax revenue.

<table>
<thead>
<tr>
<th>CONSTRUCTION COSTS PER SQUARE FOOT</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

These costs were derived from an average of multiple subsectors per industry, such as apartments or single family homes, both of which have different costs per square feet to construct. These numbers reflect the 2019 construction costs in Seattle, which will include a major-city premium. Construction costs for Bothell will be variable as well, depending on the county in which the project is in and its proximity to other large cities.

The healthcare industry has the highest construction costs per square foot, at $499.3. This is about $44 higher per square foot than the next highest, which is commercial space. Considering that healthcare has the largest predicted employment growth rate by far, as shown in the industry cluster graph on page 5 of this report, the high construction costs for health buildings constitute a large portion of the construction budgets in the city, along with residential. However, it should be noted that for every major city in the US, Health buildings have higher construction costs than nearly every other sector, so these higher costs are generally not reducible and are driven by the level of specificity required by healthcare buildings. As this report continues, a time-series comparison will be available to compare trends in these industries.
Cost of Living

<table>
<thead>
<tr>
<th></th>
<th>GROCERY</th>
<th>HOUSING</th>
<th>UTILITIES</th>
<th>HEALTHCARE</th>
<th>TRANSPORTATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bothell</td>
<td>115.6</td>
<td>200.1</td>
<td>115.5</td>
<td>92.5</td>
<td>133.5</td>
</tr>
<tr>
<td>Seattle</td>
<td>118.7</td>
<td>275</td>
<td>104.7</td>
<td>102.9</td>
<td>140.8</td>
</tr>
<tr>
<td>Redmond</td>
<td>111.9</td>
<td>301.5</td>
<td>105.6</td>
<td>134.7</td>
<td>137.1</td>
</tr>
<tr>
<td>Bellevue</td>
<td>111.5</td>
<td>292.2</td>
<td>96</td>
<td>81.7</td>
<td>132.2</td>
</tr>
</tbody>
</table>

Source: bestplaces, salary.com, payscale, areavibes, JobsEQ

The cost of living index is generated by comparing the costs of goods and services against the national average, which is set at 100. Bothell’s housing index of 200.1 means that housing costs are nearly double compared to the national average. For nearly all components of the composite cost of living, Bothell, Seattle, Redmond, and Bellevue rank similarly. The sectors of Housing and Healthcare have the highest variations, with housing spanning 100 points between Redmond and Bothell. This partially explains the high number of Bothell residents commuting to Redmond.

Source: bestplaces, salary.com, payscale, areavibes, JobsEQ

The composite cost of living considers the cost of living for all potential expenditures. Bellevue ranks highest, driven by their substantially higher median house and rent prices. Redmond is second, driven by both housing and healthcare costs. Despite Bothell having a higher median house price than both Snohomish County and Washington State, it has a lower cost of living index than all three of the cities shown for comparison. Bothell does, however, have a higher cost of healthcare than in other cities. All cost of living indices were generated by averaging several different sources, as to attempt to remove any subjectivity or data error.
Subject: Public Safety Levy and Capital Bond Project Plan and 1st Quarter Update


Staff Presenter/Department: Carly Joerger, Public Safety Levy Coordinator

Connection to Council Goals:

This report is connected with the Council Goals of Fiscal Responsibility and Stability, Public Safety Strategy, and City-Wide Teambuilding, Training, and Organizational Development.

Background:

On October 17, 2017 City Council directed staff to engage the community to determine the level and cost of public safety services needed to address the increasing quantity and complexity of public safety related cases. Over the next six months, staff conducted a public process and needs analysis to determine the additional services required to ease the increasing demands on police, fire, and court services. In June 2018, the City Council approved a temporary 12-year Public Safety Levy Lid Lift and a 20-year Public Safety Capital Bond for voter consideration in the November 2018 general election. Bothell voters approved both measures; the levy was supported by more than 60% and the bond by nearly 65%.

The Levy Lid Lift
Voter approval of the Levy Lid Lift increases the amount of annual property tax revenue the City can collect over the next 12 years to pay for 27 additional public safety staff and other operational and program needs. Key features include: full-time emergency medical services at Station 45, additional patrol shift during peak hours, new Community Crime Reduction team for proactive policing, an embedded mental health professional, and dedicated staff for traffic enforcement, school safety, crime investigation, community engagement, and more. At the end of the 12-year levy lid lift, Bothell voters will have the opportunity to decide again on the level and cost of public safety service they desire.
- 2019 tax rate is $0.43/$1,000 assessed value (AV)
- Totals approximately $220/year on a $500,000 home
- Generates an estimated $4.85 million in 2019

The Capital Bond
Voter approval of the Capital Bond allows the City to issue bonds worth up to $35.5 million to demolish and rebuild two aging fire stations; Station 42 (Downtown) and Station 45 (Canyon Park). Station 42 was built in 1980 and Station 45 was built in 1985. The station rebuild includes health and safety upgrades, technical modernization, energy efficiency, and more to
accommodate current and future growth. These two projects are paid for entirely by the voter-approved, additional property tax revenue the City will collect over the next 20 years. The City plans to issue the first round of debt in late 2019, meaning Bothell residents will not begin being taxed for the bond until 2020. Since the two stations will not be under construction at the same time, the City will not issue the full $35.5 million worth of bonds all at once. The bond tax rate for Bothell residents will fluctuate according to the timing of bond issuance.

**Previous City Actions:**
- June 19, 2018 – Council Approves Public Safety Levy and Bond Measure for November 2018 Ballot
- November 6, 2018 – Voters Approve Public Safety Levy and Bond Measure
- March 5, 2019 - Council Approves $2 million in loans from Utility Funds to initiate work on implementing the levy and capital bond.
- April 2, 2019 – Council Approves Purchasing Specialist Position, 1/3 paid for with Levy funds, and receives updates on Public Safety Levy implementation costs.

**Discussion:**
The following report details the Public Safety Levy Implementation Plan and provides the Quarter 1 2019 Levy and Capital Bond update. First, the implementation plan and corresponding service delivery timeline are presented. Next, additional financial context for the levy is discussed including funding mechanics and a 12-year fund balance projection. The second half of the report summarizes the Quarter 1 2019 Update on the levy and bond project progress, as well as the communications plan.

**The Levy Implementation Plan**
The Levy Implementation Team’s primary objective is to produce and follow an implementation plan that can be easily tracked and is feasible, fiscally responsible, and delivers the public safety services promised to voters. The implementation plan (see below) is the result of months of staff work to account for the complexities associated with implementing a project this large in scope and scale. It is anticipated that all additional services included in the Public Safety Levy package will be provided at full operation by the fourth quarter of 2021.
Mechanics of the Levy Lid Lift

Successful implementation of the levy depends on a thorough understanding of the levy lid lift revenue structure and its inherent constraints. In 2001, Washington voters approved I-747 (tax-limiting legislation) to increase accountability and transparency in government spending. This law limits the amount of general property tax revenue a City can collect to no more than 1% over the dollar amount collected in the prior year (represented by the green boxes in the graph below). When voters approve a levy lid lift, it increases the amount of revenue the City can collect to deliver services to the community. Specifically, the current approved Public Safety Levy Lid Lift will raise $4.85 million in 2019 at a tax rate of $0.43/$1,000 AV. The following 6 years, as permitted by state law, the City can increase each year’s property tax revenue amount by the Consumer Price Index for Urban Wage Earners (CPI-W), which is typically around 2%. For the final 6 years of the levy, annual increases to the tax revenue amount are limited to 1%. At the end of the 12-year period, the additional funding provided by the public safety levy expires and Bothell residents are taxed at what the rate would have been without the levy lid lift.

![Public Safety Levy Lid Lift Structure](image)

The central implication of the levy lid lift structure is that funding is designed to increase at a decreasing rate. However, staffing costs increase at a rate far larger than the allowed 1% per year. Without careful planning and close monitoring of fund balances, the mechanics of the levy can lead to a structural imbalance where expenditures outpace revenues. To mitigate this risk, staff has prepared a 12-year financial projection, represented visually in the following graph.
This projection is based on service delivery timelines and the constraints of the levy structure. The ending fund balance represents the levy revenues minus levy expenditures. The projection assumes that current, stable economic conditions will continue. It is important to note that any significant volatility in market conditions will impact this projection. Other assumptions include both commercial and residential development will continue at the current rate. Similarly, any changes in the rate of new development will alter the projection. Staff will monitor the levy funds closely and report updates to Council on a quarterly basis.

Quarter 1 Update
The following provides an update on the levy, capital bond, and associated communications deliverables that occurred from January through the end of March 2019.

Levy
Hiring began in January with six firefighters, four of whom graduated from the Fire Academy on April 12, 2019. During the first quarter, the police department hired two officers who will begin field training in Quarter 2. To cover the associated levy and bond expenses until revenues are received from property taxes and bond issuances, the City Council approved a $1 million loan from the Water Utility Fund and a $1 million loan from the Sewer Utility Fund on March 5.

Capital Bond
Bond implementation has consisted of forming the project team, developing a Request for Proposals for a construction project manager, and beginning plans for continuity of fire and emergency medical services (EMS) while the two stations are under construction. The Bond Implementation Team is made up of representatives from the Fire, Public Works, Finance, Legal, Information Services, and Police Departments.

Four construction project manager proposals were reviewed by the Public Works and Fire Department staff. OAC Services, a project and construction management firm, was selected and an initial contract estimated at $85,000 was negotiated. OAC will focus on identifying the design/construction methods and construction schedules. Residents will not be taxed for the
capital bond until 2020, after the City issues the first round of debt. The interfund loans approved by Council on March 5th will cover bond expenses until the bond property tax revenues arrive in 2020.

Communications
Staff completed development of a communications plan focused on sharing the Safe and Secure story on the City website and social media, and through community engagement opportunities. The goals of the communications plan are to:

- Humanize and celebrate the new, voter-approved services
- Provide accessible and easy to understand progress updates
- Enhance the City of Bothell’s reputation as a trusted steward of public funds

Staff has also created a Safe and Secure branded logo and designed two informational signs at Stations 42 and 45. See www.bothellwa.gov/safebothell for the latest progress updates and stories on new hires. Similar to the reporting done on the Safe Streets and Sidewalks Levy, staff will bring Public Safety Levy and Bond updates to City Council on a quarterly basis.

Category: Discussion/Update Item
- Staff Presentation
- Council Discussion

Attachments:
1. Safe and Secure Quarterly Accountability Report Q1 2019

Recommended Action:

No action is requested this evening; however, Council is asked to receive the report.

City Manager Approval: ___________________________ Date: 06/24/2019
Quarterly Accountability Report
Safe and Secure Bothell
January – March 2019

This report includes background on the levy and bond packages, implementation plans, financial updates, summaries of Quarter 1 2019 levy and bond milestones, and an overview of the communications plan.

Background

In November 2018, Bothell voters passed two public safety ballot measures; a 12-year Levy “Lid Lift” for additional staff positions in police, fire, court, and supportive services, and a 20-year Capital Bond to rebuild two aging fire stations.

The Levy Lid Lift
This ballot measure increases the amount of property tax revenue the City can collect over the next 12 years. After 12 years, Bothell residents will have another opportunity to decide on the level of public safety service they desire.

The levy lid lift supports 27 additional public safety staff and other operational and program needs. Key features include: full-time emergency medical services at Station 45, additional patrol shift during peak hours, new Community Crime Reduction team for proactive policing, traffic enforcement, school safety, crime investigation, community engagement, and an embedded mental health professional.

- 2019 tax rate is $0.43/$1,000 assessed value (AV)
- Totals approximately $220/year on a $500,000 home
- Generates an estimated $4.85 million in 2019
The Capital Bond
Approval of the Capital Bond allows the City to issue bonds worth up to $35.5 million to demolish and rebuild Stations 42 (Downtown) and 45 (Canyon Park). Station 44 is a Snohomish County Fire District 10 station and will not be rebuilt. These projects are paid for entirely by the additional, voter-approved property tax revenue the City will collect over the next 20 years.

The station rebuilds include health and safety upgrades, technical modernization, energy efficiency, and more to accommodate current and future growth. Station 42 was built in 1980 and Station 45 was built in 1985.

The City plans to issue the first round of debt in late 2019, meaning Bothell residents will not be taxed for the bond until 2020. Since the two stations will not be under construction at the same time, the City will not issue the full $35.5 million worth of bonds all at once. The bond tax rate for Bothell residents will fluctuate according to the timing of bond issuance.

Implementation Planning
The implementation of both the Levy and the Bond involves careful planning, clear communication, and strong collaboration between multiple departments. Immediately after the passage of both measures, City staff formed a Levy Implementation Team and a Bond Implementation Team to begin designing implementation strategies.

Implementing the Levy
The additional workload associated with hiring 27 new positions and purchasing all associated equipment, vehicles and work spaces, was such that the Levy Team decided to invest in additional resources to support a successful implementation. The implementation costs below represent the full cost, including salary and benefits, for the
remainder of the 2019-2020 biennium. In total, these additional implementation costs are less than 0.85% of the total 12-year levy projected revenue.

**Levy Implementation Costs 2019-2020**

<table>
<thead>
<tr>
<th>Cost Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Management Software</td>
<td>$ 3,000</td>
</tr>
<tr>
<td>Limited Term Levy Coordinator</td>
<td>$ 167,000</td>
</tr>
<tr>
<td>Police Background Investigator</td>
<td>$ 126,281</td>
</tr>
<tr>
<td>Limited Term Accounting Specialist</td>
<td>$ 40,000</td>
</tr>
<tr>
<td>Limited Term IS Technician</td>
<td>$ 83,321</td>
</tr>
<tr>
<td>Purchasing Specialist (1/3 Levy funded)</td>
<td>$ 38,065</td>
</tr>
<tr>
<td>Police Station Facility Improvements</td>
<td>$ 50,000</td>
</tr>
<tr>
<td>Interest on interfund loan</td>
<td>$ 30,000</td>
</tr>
<tr>
<td><strong>Total Estimated Implementation Costs</strong></td>
<td><strong>$ 534,667</strong></td>
</tr>
</tbody>
</table>

The Levy Team began working on a 12-year financial plan so all revenues and expenses can be closely tracked and informed decisions can be made for the uses of all the funds. The completed financial plan and project plan was presented to the City Council on July 2, 2019.

**Implementing the Bond**

During the first quarter, bond implementation planning consisted of forming the project team and developing a Request for Proposals for a construction project manager. The Bond Team includes representatives from the Fire, Public Works, Finance, Legal, IS, and Police Departments.

**Quarter 1 Updates**

**Finance**

To cover the associated levy and bond expenses until revenues are received from property taxes and bond issuances, the City Council approved a $1 million loan from the Water Utility Fund and a $1 million loan from the Sewer Utility Fund on March 5. The first property tax payment for the levy lid lift will be received in the second quarter and is anticipated to total around $2.5 million. Residents will not be taxed for the capital bond until 2020 after the City issues the first round of debt.

**Levy**

Hiring began in January with six firefighters, four of whom are expected to graduate from the Fire Academy on April 12, 2019. During the first quarter, the police department hired two officers who will begin field training in Quarter 2. The figure below shows the
implementation timeline generated by the Levy Team. It is anticipated that all of the new, voter-approved services will be provided by the fourth quarter of 2021.

**Public Safety Levy Implementation Timeline**

<table>
<thead>
<tr>
<th>Q2 2019</th>
<th>Q3 2019</th>
<th>Q4 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application Analyst</td>
<td>Police Support Officer</td>
<td>Firefighters</td>
</tr>
<tr>
<td>Probation Lead</td>
<td>Community Engagement</td>
<td>Aid Car</td>
</tr>
<tr>
<td>Swing Shift</td>
<td>Property Coordinator</td>
<td></td>
</tr>
<tr>
<td>PROACT Team</td>
<td>Building Maintenance</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>SOSO Detective</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Traffic Officer</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Navigator EMHP</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Capital Bond**

In the first quarter, the bond project team developed a Request for Proposals for a construction project manager. Four proposals were reviewed by the Public Works and Fire Department staff. OAC Services, a project and construction management firm, was selected and an initial contract estimated to be $85,000 was negotiated. OAC will focus on identifying the design/construction methods and construction schedules. The Fire Department has also begun planning to ensure continuity of service while the two stations are under construction.

**Communications Plan**

Staff completed development of a communications plan focused on telling the Safe and Secure story on the City website and social media, and through community engagement opportunities. The goals of the communications plan are to:

- Humanize and celebrate the new, voter-approved services
- Provide accessible and easy to understand progress updates
- Enhance the City of Bothell’s reputation as a trusted steward of public funds

Staff also created a logo and designed two informational signs at Stations 42 and 45. See [www.bothellwa.gov/safebothell](http://www.bothellwa.gov/safebothell) for the latest progress updates and stories on new hires.
Meeting Date: July 2, 2019   Action ☒ No Action ☐ AB #: 19-117

Subject: Safe Streets and Sidewalks Levy Lid Lift – 1st Quarter 2019 Update and 2018 Accountability and Financial Report

Budget Impact/Source of Funds: N/A

Staff Presenter/Department: Erin Leonhart, Public Works Director

Connection to Council Goals:

This report is connected with the Council Goal of Fiscal Responsibility and Stability.

Background:

In November 2016, voters approved the Safe Streets and Sidewalks Levy Lid Lift. This additional property tax was imposed for nine-years at an initial rate of $0.50 per $1,000 of assessed value, generating an estimated $4 million in the first year.

Specifically, the Safe Streets and Sidewalks Levy:

- Fully funds Street Operations;
- Reinstates funding eliminated during the economic recession for asphalt patching and sidewalk repair/replacement programs;
- Maintains completed Capital Facilities Plan projects;
- Increases the City’s pavement marking program;
- Increases the annual Pavement Preservation program to a target of $3 million (assuming $400,000 per year in grants) to improve the overall condition of collector and principal arterial streets and slow the declining condition of neighborhood streets;
- Increases the annual Sidewalk/Walkway program to a target of $900,000 (assuming $150,000 per year in grants) with a goal of building one-quarter mile of sidewalk/walkway each year while also addressing prioritized ADA issues. The focus for the voter-approved funding is safe school walk routes; and,
- Dedicates $100,000 per year to crosswalk installation and upgrades, prioritizing school walk routes.
**Previous City Actions:**

- June 28, 2016 – Council adopted an Ordinance authorizing a November 8, 2016 Election for a Safe Streets and Sidewalks Levy Lid Lift.
- November 8, 2016 – Voters approved the Safe Streets and Sidewalks Levy Lid Lift
- February 20, 2018 – 2017 Annual Accountability Report presented to Council
- April 16, 2019 – 2018 Annual Accountability Report presented to Council

**Discussion:**

Within the Ordinance for the ballot measure, the City committed to producing an annual accountability report documenting actions and program status. In addition to the annual reports, the Public Works Department provides quarterly updates on levy-funded programs and activities. The Safe Streets 1st Quarter 2019 Update and the 2018 Accountability and Financial Report are attached for Council information. They are also available on the City website: [www.bothellwa.gov/safestreets](http://www.bothellwa.gov/safestreets). The Accountability and Financial Report was published in the June edition of the *Bothell Bridge*.

**Category:** New Business/Update Item

- Staff Presentation
- Council Discussion

**Attachments:**

1. Safe Streets 1st Quarter 2019 Update
Recommended Action:

No action is requested this evening; however, Council is asked to receive the report.

City Manager Approval: ____________________________  Date: 06/23/2019
Investing in your streets and sidewalks

Passage of the Safe Streets & Sidewalks Levy in November 2016 brings over $4 million in annual funding for the City’s transportation network for nine years. The priorities for funding are to:

- Improve the condition of major streets
- Construct sidewalks and crosswalks around schools
- Patch asphalt and repair and replace sidewalks
- Fully fund the Street Operations Division
- Improve pavement markings

First Quarter 2019 Status Update

Street Operations

Street Operations continues to address critical ongoing maintenance programs such as pothole repairs, asphalt patching, sidewalk repair, sign and pavement markings, and emergent response activities. Street Operations responded to protect the community and keep commerce flowing during snowstorms in the first quarter of this year. In response to snowstorms in February, 26 Public Works crewmembers worked around the clock in twelve-hour shifts, plowing 2,000 lane miles. The City deployed over 550 tons of sand and road salt mixture, and over 3,500 gallons of liquid anti-ice. Clean-up efforts continued into the second quarter of this year to include repairing potholes, clearing downed trees and limbs from parks and streets, and removing sand from streets and storm systems.

Sidewalk repair and replacement, as well as asphalt patching programs, also continued through the first quarter of this year. In the first quarter, the Street Operations Division worked on sidewalks near Shelton View Elementary School. Crews completed over 500 linear feet of sidewalk repair and replacement in the Birkshire neighborhood. The table below shows the significant progress in 2019 thru the first quarter.

<table>
<thead>
<tr>
<th>Metrics</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sidewalk Repair</td>
<td>507 linear feet</td>
</tr>
<tr>
<td>Asphalt Repair</td>
<td>10,824 square feet</td>
</tr>
<tr>
<td>Potholes</td>
<td>465</td>
</tr>
</tbody>
</table>

Pavement Preservation

The Pavement Preservation Program accomplishments in the first quarter include:

- Arterial Overlay
  - Overlay of Woodinville Drive from I-405 to eastern City limits – Design in progress. Construction planned to start in July.
  - Overlay of NE 160th and Juanita-Woodinville Road – Design is in progress and expected to be advertised for construction Spring 2020.
1st Quarter 2019 Update

- Arterial Street Seal and Repair: Crack Seal and Patching
  - Annual citywide crack sealing and asphalt patching of arterial roads typically starts in June and continues into July.

Safe School Walk Routes

The Safe School Walk Routes Program accomplishments in the first quarter of 2019 were:

- **NE 188th Non-Motorized Project** – Design is 90% complete. Construction contract to be advertised in June 2019.
- **7th/88th Walkway Project** – Design is 90% complete. Construction contract to be advertised in June 2019.
- **2019 Americans with Disabilities Act (ADA) Curb Ramp Project** – The plans, specifications and estimate were advertised for construction with bids opened on February 28. The construction contract is scheduled to be awarded by Council on April 2. Construction of 27 new curb ramps to start in April 2019.
- **19th Ave. SE, 232nd St SE, and 23rd Ave Non-Motorized** – The plans, specifications and estimate were advertised for construction with bids opened on March 14. The construction contract is scheduled to be awarded by Council on April 9. Construction is expected to start in May 2019.

Please see the Safe Streets & Sidewalks Levy [online map](#) for all project locations and timelines.

Communications

The Communications Team published an article highlighting project updates in the March issue of the Bridge and on the City website. Created a form for Project Engineers to submit new construction projects for the website.

This quarter the City worked to offer information on its projects in various languages and formats. Staff worked closely with Northshore School District to gather data on the top languages spoken across the City and has begun developing “I Speak” cards for front desk staff at City Hall to use with walk-in visitors. These efforts are part of the City’s initiative around inclusion and diversity.

Please visit the Safe Streets & Sidewalks website to find the most current information about Safe Streets & Sidewalks Programs, including financial reporting.
Safe Streets and Sidewalk Levy Annual Report

Investing in your streets and sidewalks

Bothell voters approved the Safe Streets & Sidewalks Levy in November 2016. In 2018, the City received $4.5 million in levy revenue for the City’s transportation network. The priorities for funding are:

- Improve the condition of major streets
- Construct sidewalks and crosswalks around schools
- Patch local streets
- Repair and replace sidewalks
- Fully fund the Street Operations division
- Improve pavement markings

Safe Streets & Sidewalks is a nine-year levy lid lift at an initial rate of $0.50 per $1,000 of assessed value. Due to growth in Bothell, the rate in 2018 was $0.45898 per $1,000. For up-to-date information, including maps of past and upcoming projects, please visit www.bothellwa.gov/safestreets.

Revenue

The total revenue collected in 2018 for the levy was $4,505,311, in addition to the beginning fund balance of $2,278,802. The revenue received from the Safe Streets & Sidewalks Levy funds a critical portion of the City of Bothell’s street and sidewalk programs (see Figure 1). Additional revenue sources include Real Estate Excise Tax, the Solid Waste Street Preservation Fee, and the Street Cut Fee.
Expenditures

Spending for programs funded by the Safe Streets & Sidewalks Levy is not uniform from year to year, particularly for sidewalk and paving projects. In 2018, the City had increased funding across several sources compared to previous years. Grant funding in particular increased significantly, in part because of the availability of matching funds provided by the Safe Streets & Sidewalks Levy.

*Note: The 2018 financial data is draft as of press time. Once the financial audit is complete, final figures will be available.

Figure 1

2018 Funding Distribution

*Street Fund did not include the transfer of Business License Fees which was suspended in 2017 and 2018.
**State Shared Revenue is comprised of Motor Vehicle Fuel Tax, Multi-Modal Transportation revenue, and Motor Vehicle Account revenue.
***Taxes and Fees include real estate excise tax, solid waste street preservation fees, and street cut fees.
Street Operations

The successful passage of the levy allows Street Operations to continue critical activities like pothole repair, asphalt patching, sidewalk repair, sign and pavement markings, and emergency response activities like snow and ice removal.

In addition to money received from the Safe Streets & Sidewalks Levy, Street Operations expenditures were funded by other revenues such as the Motor Vehicle Fuel Tax and permit fees. The City Council voted to suspend the transfer of Business License Fees to the Street Fund from 2017 thru 2020. Part of the Street Operations expenditure shown in 2018 is reversing the transfer of $500,000 in Business License Fees that occurred in 2017.

Pavement Preservation

The levy funding provides a more robust pavement preservation program that began in 2017. Bothell’s Pavement Preservation Program consists of three components: arterial asphalt overlay (resurfacing), arterial seal and repair, and local street seal. Major activities in 2018 were a slurry seal project on the local roads near Frank Love Elementary School, sealing 216,972 linear feet (about 41 miles) of cracks on city arterials and resurfacing these arterials:

- Beardslee Blvd. between Sunrise Dr. to 110th Ave. NE
- 228th St. SE between 19th Ave. SE to 35th Ave. SE

The City spent approximately $3.6 million more on the Pavement Preservation Program in 2018 than in the prior year. In addition to Safe Streets & Sidewalks Levy funds, the program was funded by taxes and fees, including the Solid Waste Street Preservation Fee, and expense reimbursements from Alderwood Water and Wastewater District and King County. Additionally, the City secured over $800,000 in grants for pavement projects in 2018.

Receive traffic impact information at www.bothellwa.gov/trafficalerts.
Safe School Walk Routes

Levy funding provides a more robust program with a specific focus on walkways and crosswalks near schools. Major activities in 2018 were:

- Selected a consultant for the design phase of 7th Ave. SE Non-Motorized Improvements project;
- Completed approximately 75 percent of the design of NE 188th St. Non-Motorized Improvements project; and
- Completed 100 percent of the design of 19th Ave. SE/232nd St. SE/23rd Ave. SE Non-Motorized Improvements project.

Sidewalk and crosswalk projects in 2018 were funded by multiple sources including the Safe Streets & Sidewalks Levy Fund, Real Estate Excise Taxes, and the following grant funds from the Washington State Department of Transportation:

- NE 188th St. Non-Motorized Improvements project: $672,000 (plus a $600,000 award from the Transportation Improvement Board Complete Streets Program)
- 7th Ave. SE Non-Motorized Improvements project: $375,000
- 19th Ave. SE/232nd St. SE/23rd Ave. SE Non-Motorized Improvements project: $749,000

Communications

The City is dedicated to keeping you informed and engaged about the Safe Streets & Sidewalks Program. In 2018:

- The City's GIS team created a dynamic map highlighting current, future and completed Capital Improvement Projects at https://gismaps.bothellwa.gov/cip.
- City staff provides regular updates to the community about projects with Construction and Safe Streets newsletters. Sign up at www.bothellwa.gov/notifyme.
- We posted videos on Facebook of the Beardslee Blvd paving project. Watch for a video about the upcoming sidewalk project on NE 188th St.