

City of Port Orchard Council Meeting Agenda November 10, 2020 6:30 p.m.

Mayor:

Rob Putaansuu Administrative Official

Councilmembers:

Bek Ashby

Finance Committee

Economic Development & Tourism Committee Transportation Committee, **Chair**

KRCC/KRCC PlanPol-alt /KRCC TransPol PSRC-alt/PSRC TransPOL-Alt/PRTPO

Shawn Cucciardi Finance Committee E/D & Tourism Committee, **Chair** Kitsap Economic Development Alliance

Fred Chang

Economic Development & Tourism Committee Land Use Committee

Jay Rosapepe (Mayor Pro-Tempore)
Utilities/Sewer Advisory Committee
Land Use Committee
Transportation Committee
Lodging Tax Advisory Committee, Chair
KRCC-alt

John Clauson Finance Committee, Chair Utilities/Sewer Advisory Committee Kitsap Public Health District-alt

Cindy Lucarelli

Festival of Chimes & Lights Committee, **Chair** Utilities/Sewer Advisory Committee, **Chair** Kitsap Economic Development Alliance

Scott Diener
Land Use Committee, **Chair**Transportation Committee

Department Directors:

Nicholas Bond, AICP Development Director

Mark Dorsey, P.E.
Director of Public Works/City Engineer

Tim Drury

Municipal Court Judge

Noah Crocker, M.B.A. Finance Director

Matt Brown Police Chief

Brandy Rinearson, MMC, CPRO City Clerk

Meeting Location:

Council Chambers, 3rd Floor 216 Prospect Street Port Orchard, WA 98366

Contact us

(360) 876-4407 cityhall@cityofportorchard.us

Pursuant to the Governor's "Stay Home - Stay Safe" Order, the City will take actions on necessary and routine business items.

The City is prohibited from conducting meetings <u>unless</u> the meeting is NOT conducted in-person and instead provides options for the public to attend through telephone, internet or other means of remote access, and also provides the ability for persons attending the meeting (not in-person) to hear each other at the same time. Therefore;

Remote access only

Link: https://us02web.zoom.us/j/83587072487

Zoom Meeting ID: 835 8707 2487 **Zoom Call-In:** 1 253 215 8782

1. CALL TO ORDER

A. Pledge of Allegiance

2. APPROVAL OF AGENDA

3. CITIZENS COMMENTS

(Please limit your comments to **3 minutes** for items listed on the Agenda and that are not for a Public Hearing. When recognized by the Mayor, please state your name for the official record)

4. CONSENT AGENDA

(Approval of Consent Agenda passes all routine items listed below, which have been distributed to each Councilmember for reading and study. Consent Agenda items are not considered separately unless a Councilmember so requests. In the event of such a request, the item is returned to Business Items.)

- A. Approval of Vouchers and Electronic Payments
- B. Approval of Payroll and Direct Deposits
- C. Adoption of a Resolution Approving Grant No. S-W-153(001)-1 with the Washington State Transportation Improvement Board for the 2020-2021 Relight Washington Grant Program (Dorsey) Page 3
- D. Approval of Change Order No. 1 to Contract No. 071-20 with Express Septic Tank Cleaning for the Sidney Glen Elementary School Annual Pumping (Dorsey) Page 11
- E. Approval of the October 20, 2020, Council Work Study Meeting Minutes

 Page 14
- 5. PRESENTATION
- 6. PUBLIC HEARING

7. BUSINESS ITEMS

A. Adoption of a Resolution Approving a Contract with Charon Drilling, Inc. for the 2020-2021 Well #11 Modification and Testing and

- Decommissioning of Wells #1 and #2 and Documenting Procurement Procedures (Dorsey) Page 17
- **B.** Adoption of a Resolution Approving an Agreement with the McCormick Meadows HOA Concerning Landis Court SW (Bond) *Page 35*
- **C.** Adoption of a Resolution Repealing Resolution No. 022-12 and Adopting Updated Financial Policies (Crocker) **Page 62**
- **D.** Adoption of a Resolution Accepting the Lodging Tax Advisory Committee's Recommendation for 2021 Funding Allocation (Rinearson) *Page 87*
- **E.** Approval of a Contract with South Kitsap Fire and Rescue to Share Funding for the Community Health Navigator Position (M. Brown) *Page 90*
- F. Approval of the October 27, 2020, Council Meeting Minutes Page 97

8. DISCUSSION ITEMS (No Action to be Taken)

A. Use of the Van Zee Park by a Recreational Sports Organization (Rinearson) Page 102

9. REPORTS OF COUNCIL COMMITTEES

10. REPORT OF MAYOR

11. REPORT OF DEPARTMENT HEADS

12. CITIZEN COMMENTS

(Please limit your comments to **3 minutes** for any items not up for Public Hearing. When recognized by the Mayor, please state your name for the official record)

13. EXECUTIVE SESSION: Pursuant to RCW 42.30.110, the City Council <u>will</u> hold an executive session regarding pending and potential litigation. The session duration will be announced prior to the executive session.

14. ADJOURNMENT

COMMITTEE MEETINGS	Date & Time	Location
Finance	November 23, 2020; 5:00pm	Remote Access
Economic Development and Tourism	December 14, 2020; 9:30am – 2 nd Monday of each month	Remote Access
Utilities	November 17, 2020; 5:00pm-3 rd Tuesday of each month	Remote Access
Sewer Advisory	November 18, 2020; 6:30pm	Remote Access
Land Use	December 9, 2020; 4:30pm	Remote Access
Transportation	November 24, 2020; 5:00pm – 4 th Tuesday of each month	Remote Access
Lodging Tax Advisory	TBD	Remote Access
Festival of Chimes & Lights	November 16, 2020; 3:30pm	Remote Access
Outside Agency Committees	Varies	Varies

CITY COUNCIL GOOD OF THE ORDER



City of Port Orchard

216 Prospect Street, Port Orchard, WA 98366 (360) 876-4407 • FAX (360) 895-9029

Agenda Staff Report

Agenda Item No.: Consent Agenda 4C Meeting Date: November 10, 2020

Subject: Adoption of a Resolution Approving Prepared by: Mark Dorsey, P.E.

Grant No. S-W-153(001)-1 with the Public Works Director

Washington State Transportation Atty Routing No: N/A

Improvement Board for the 2020-2021 Atty Review Date: N/A

Relight Washington Grant Program

Summary: The City of Port Orchard, being an eligible no-match required grant recipient for the Washington State Transportation Improvements Board's (TIB) Relight Washington Grant Program, has been awarded an initial \$200,000 grant for the conversion of at least 499 Schedule 53 Cobra Head (HPS) to LED streetlight conversions. The Agreement requires that the Work be provided by Puget Sound Energy (PSE) and paid for by the City, with subsequent reimbursement by TIB. Additional grant funding to complete the entirety of the Schedule 53 Inventory is available upon request.

Relationship to Comprehensive Plan: Chapter 7.3, Non-City Managed Utilities

Recommendation: Staff recommends adoption of Resolution No. 050-20, thereby approving Contract No. C082-12 with the Washington State Transportation Improvement Board (TIB) for acceptance of a Relight Washington Grant Program award of \$200,000 for the conversion of at least 499 Schedule 53 Cobra Head (HPS) to LED streetlight conversions.

Motion for Consideration: I move to adopt Resolution No. 050-20 and authorize the Mayor Pro-Tem to execute Contract No. C082-12 with the Washington State Transportation Improvement Board (TIB) for acceptance of a Relight Washington Grant Program award of \$200,000 for the conversion of at least 499 Schedule 53 Cobra Head (HPS) to LED streetlight conversions.

Alternatives: Do not accept.

Fiscal Impact: Reimbursement grant award of \$200,000, with cash-flow management required.

Attachments: Resolution and TIB Relight Washington Grant Agreement No. S-W-153(001)-1.

RESOLUTION NO. 050-20

A RESOLUTION OF THE CITY OF PORT ORCHARD, WASHINGTON, AUTHORIZING THE MAYOR TO EXECUTE CONTRACT NO. C082-20 WITH THE WASHINGTON STATE TRANSPORTATION IMPROVEMENT BOARD (TIB), THEREBY ACCEPTING A GRANT FOR THE 2020-2021 RELIGHT WASHINGTON PROGRAM.

WHEREAS, in 2015 the Washington State Transportation Improvement Board (TIB), in partnership with Puget Sound Energy (PSE) and Avista Utilities, introduced the no-match required Relight Washington Grant Program to move small cities to the front of the line in cost savings LED streetlight conversions pursuant to RCW 47.26 and chapter 479 WAC; and

WHEREAS, the City of Port Orchard is eligible for said grant funding, being a small city with an assessed valuation under \$2 billion; and

WHEREAS, TIB's Relight Washington Grant Agreement provides for reimbursement of PSE's costs in the conversion of streetlights under the Schedule 53 Cobra Head (HPS) Street Lights to LED Conversion Program; and

WHEREAS, TIB has initially established a grant funding amount of \$200,000 within the Relight Washington Grant Agreement that will provide for at least 499 streetlight conversions, with additional grant funding available upon request to convert the entirety of the Schedule 53 inventory of streetlights; and

WHEREAS, the City, as the recipient of the grant, agrees to provide all documentation required for both the reimbursement of PSE's conversion Work and Project Closeout and to complete the Project Closeout within a two-year maximum term; now, therefore,

THE CITY COUNCIL OF THE CITY OF PORT ORCHARD, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

THAT: It is the intent of the Port Orchard City Council that the recitals set forth above are hereby adopted and incorporated as findings in support of this Resolution.

THAT: The City Council authorizes the Mayor Pro-Tem to execute Contract No. 082-20 with the Washington State Transportation Improvement Board, thereby accepting a Grant for the 2020-2021 Relight Washington Program.

THAT: This Resolution shall be take full force and effect upon passage and signatures hereon.

	of Port Orchard, SIGNED by the Mayor Pro-Tem and ion of such passage on this 10 th day of November 2020.
	Jay Rosapepe, Mayor Pro-Tem
ATTEST:	
Brandy Rinearson, MMC, City Clerk	

City of Port Orchard
S-W-153(001)-1
LED Streetlight Conversion

STATE OF WASHINGTON TRANSPORTATION IMPROVEMENT BOARD AND City of Port Orchard GRANT AGREEMENT

THIS GRANT AGREEMENT ("Agreement") is made and entered into between the WASHINGTON STATE TRANSPORTATION IMPROVEMENT BOARD ("TIB") and the City of Port Orchard, a Washington state municipal corporation ("RECIPIENT").

WHEREAS, the TIB has developed a grant program, Relight Washington, to provide for the conversion of standard streetlights to LED lighting ("Project") for eligible cities and towns to reduce municipal electrical costs, and

WHEREAS, the above-identified city/town is eligible to receive a Project grant and attests that it has the legal authority to receive such grant and to perform the Project pursuant to the terms of this grant,

NOW, THEREFORE, pursuant to chapter 47.26 RCW and chapter 479 WAC, the above recitals that are incorporated herein as if fully set forth below, and in consideration of the terms, conditions, and performances contained herein, and the attached Exhibits, if any, which are made a part hereof,

IT IS MUTUALLY AGREED AS FOLLOWS:

1. GRANT

TIB agrees to grant funds in the amount of Two Hundred Thousand AND NO/100 dollars (\$200,000) for the Project pursuant to terms contained herein, and the RECIPIENT agrees to accept such grant funds and agrees to perform and be subject to the terms and conditions of this Agreement.

2. USE OF TIB GRANT FUNDS

TIB grant funds may come from Motor Vehicle Fuel Tax revenue. Any use of these funds for anything other than for highway or street Project improvements is prohibited and shall subject the RECIPIENT to the terms, conditions and remedies set forth in Section 9.

3. PROJECT AND BUDGET

The Project shall provide for the conversion of identified streetlights within RECIPIENT's city limits. The RECIPIENT agrees to enter into an agreement with or otherwise provide for a service provider to perform the actual conversion work. The RECIPIENT further agrees that it shall be solely responsible for and shall pay its service provider's invoices for costs of the work. The Project and Budget may be amended by the Parties, pursuant to Section 7.

4. PROJECT DOCUMENTATION

The RECIPIENT agrees to and shall make reasonable progress and submit timely Project documentation, as applicable, throughout the term of this Agreement and Project.

Required documents include, but are not limited to the following:

- a) Documentation to support all costs expended for the Project.
- b) Project Closeout Form.

5. BILLING AND PAYMENT

The RECIPIENT may submit progress payment requests to the TIB as necessary. If billable amounts are greater than \$50,000, RECIPIENT shall submit requests for payments on a quarterly basis. If progress payments are not regularly requested, reimbursements may be delayed or scheduled in a to be determined payment plan.

6. RECORDS MAINTENANCE

- 6.1 The RECIPIENT shall maintain books, records, documents, data and other evidence relating to this Agreement and performance of the Project work described herein, including but not limited to accounting procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Agreement. RECIPIENT shall retain such records for a period of six years following the date of final payment. At no cost to TIB, these records shall be provided when requested, including materials generated under the Agreement, and shall be subject at all reasonable times to inspection, review or audit by TIB personnel, the Office of the State Auditor, and federal and state officials so authorized by law, regulation or agreement.
- 6.2 If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

7. INCREASE OR DECREASE IN TIB GRANT FUNDS

RECIPIENT may request an increase in the TIB grant funds for the Project. Requests must be made in writing and will be considered by TIB and awarded at the sole discretion of TIB. An increase in grant funds shall be by amendment pursuant to Section 14. If an increase is denied, the recipient shall be solely liable for costs incurred in excess of the Agreement grant amount.

8. TERM OF AGREEMENT

This Agreement shall be effective upon execution by the Parties and shall continue through closeout of the grant amount, or modification thereof, or unless terminated as provided herein. In no event shall the Agreement term exceed two years, unless extended by Agreement amendment pursuant to Section 14.

9. DEFAULT AND TERMINATION



9.1 NON-COMPLIANCE

- a) In the event TIB determines, in its sole discretion, the RECIPIENT has failed to comply with the terms and conditions of this Agreement, TIB shall notify the RECIPIENT, in writing, of the non-compliance.
- b) RECIPIENT shall provide a written response within ten (10) business days of receipt of TIB's notice of non-compliance, which shall include either a detailed plan to correct the non-compliance, a request to amend the Project, or a denial accompanied by supporting details. An agreement to amend the Project must be pursuant to Section14.
- c) RECIPIENT shall have thirty (30) days in which to make reasonable progress toward compliance pursuant to its plan to correct or implement an amendment to the Project.
- d) Should RECIPIENT dispute non-compliance, TIB will investigate the dispute and may withhold reimbursement payments or prohibit the RECIPIENT from incurring additional reimbursable costs during the investigation.

9.2 DEFAULT

RECIPIENT may be considered in default if TIB determines, in its sole discretion, that:

- a) RECIPIENT is not making reasonable progress toward correction and compliance.
- b) TIB denies the RECIPIENT's request to amend the Project.
- c) After investigation, TIB confirms RECIPIENT'S non-compliance.

TIB reserves the right to order RECIPIENT to immediately stop work on the Project and TIB may stop Project progress payments until the requested corrections have been made or if the Agreement is terminated.

9.3 TERMINATION

- a) In the event of default as determined pursuant to Section 9.2, TIB shall serve RECIPIENT with a written notice of termination of this Agreement, which may be served in person, by email or by certified letter. Upon service of notice of termination, the RECIPIENT shall immediately stop work and/or take such actions necessary as may be directed by TIB.
- b) In the event of default and/or termination, the RECIPIENT may be liable for damages as authorized by law including, but not limited to, repayment of grant funds.
- c) The rights and remedies of TIB provided in this Agreement are not exclusive and are in addition to any other rights and remedies provided by law.

9.4 TERMINATION OR SUSPENSION FOR NECESSITY

TIB may, with ten (10) days written notice, terminate or suspend this Agreement, in whole or in part, because funds are no longer available for the purpose of meeting TIB's obligations. If this Agreement is so terminated, TIB shall be liable only for payment required under this Agreement for Project work performed or costs incurred prior to the effective date of termination.

10. DISPUTE RESOLUTION

- a) The Parties shall make good faith efforts to quickly and collaboratively resolve any dispute arising under or in connection with this Agreement. The dispute resolution process outlined in this Section applies to disputes arising under or in connection with the terms of this Agreement.
- b) Informal Resolution. The Parties shall use their best efforts to resolve disputes promptly and at the lowest organizational level.
- c) In the event that the Parties are unable to resolve the dispute, the Parties shall submit the matter to non-binding mediation facilitated by a mutually agreed upon mediator. The Parties shall share equally in the cost of the mediator.
- d) Each Party agrees to participate to the fullest extent possible in resolving the dispute in order to avoid delays or additional incurred cost to the Project.
- e) The Parties agree that they shall have no right to seek relief in a court of law in accordance with Section 11 until and unless the Dispute Resolution process has been exhausted.

11. GOVERNANCE, VENUE, AND ATTORNEYS FEES

This Agreement shall be construed and interpreted in accordance with the laws of the state of Washington and venue of any action brought hereunder shall be in the Superior Court for Thurston County. The Parties agree that each Party shall be responsible for its own attorneys' fees and costs.

12. INDEMNIFICATION, HOLD HARMLESS, AND WAIVER

- 12.1 Each Party, shall protect, defend, indemnify, and save harmless the other Party, its officers, officials, employees, and authorized agents, while acting within the scope of their employment as such, from any and all costs, claims, judgments, and/or awards of damages (both to persons and/or property), arising out of, or in any way resulting from, a Party's own negligent acts or omissions which may arise in connection with its performance under this Agreement. No Party will be required to indemnify, defend, or save harmless the other Party if the claim, suit, or action for injuries, death, or damages (both to persons and/or property) is caused by the sole negligence of the other Party. Where such claims, suits, or actions result from the concurrent negligence of the Parties, the indemnity provisions provided herein shall be valid and enforceable only to the extent of a Party's own negligence.
- 12.2 Each Party agrees that its obligations under this section extends to any claim, demand and/or cause of action brought by, or on behalf of, any of its officers, officials, employees or authorized agents. For this purpose, each Party, by mutual negotiation, hereby waives, with respect to the other Party only, any immunity that would otherwise be available to it against such claims under the Industrial Insurance provision of Title 51 RCW.
- 12.3 The obligations of this indemnification and waiver Section shall survive termination of this Agreement.

13. ASSIGNMENT

The RECIPIENT shall not assign or transfer its rights, benefits, or obligations under this Agreement without the prior written consent of TIB. The RECIPIENT is deemed to consent to assignment of this Agreement by TIB to a successor entity. Such consent shall not constitute a waiver of the RECIPIENT's other rights under this Agreement.

14. AMENDMENTS

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

15. INDEPENDENT CAPACITY

The RECIPIENT shall be deemed an independent contractor for all purposes and the employees of the RECIPIENT or any of its contractors, subcontractors, and employees thereof shall not in any manner be deemed employees of TIB.

16. ENTIRE AGREEMENT

This Agreement, together with the Exhibits, if any, the provisions of chapter 47.26 RCW, chapter 479 WAC, and TIB Policies, constitute the entire Agreement between the Parties and supersedes all previous written or oral agreements between the Parties.

RECIPIENT		Transportation Improvement Board
Chief Executive Officer	Date	Executive Director Date
Print Name		Print Name
		Approved as to Form By: SIGNATURE ON FILE ANN E. SALAY Senior Assistant Attorney General NOTE: Any changes to the terms of this Agreement shall require further approval of the Office of the Attorney General



City of Port Orchard

216 Prospect Street, Port Orchard, WA 98366 (360) 876-4407 • FAX (360) 895-9029

Agenda Staff Report

Agenda Item No.: Consent Agenda 4D

Meeting Date: November 10, 2020

Subject Approval of Change Order No. 1 to Contract No.

Prepared by: Mark Dorsey, P.E.

071-20 with Express Septic Tank Cleaning for

Public Works Director Atty Routing No.: N/A

the Sidney Glen Elementary School Annual

Atty Review Date: N/A

Pumping

Summary: On August 27th, 2020, the Public Works Director approved Contract No. C071-20 with Express Septic Tank Cleaning for the Sidney Glen Elementary School Annual Pumping in the amount of \$2,570.22. Estimated amount of sewerage to be hauled to an off-site facility was based on previous years totals and was subsequently quoted at 2,000 gallons. The 6,466-gallon septic tank was thoroughly cleaned resulting in a haul away total of 3,500 gallons this year.

Recommendation: Staff recommends that the City Council authorize the Mayor Pro-Tem to execute Change Order No. 1 to Contract No. C071-20 with Express Septic Tank Cleaning in the amount of \$741.20, thereby bringing the Total Contract value to \$3,311.42.

Relationship to Comprehensive Plan: Chapter 7 - Utilities

Motion for Consideration: I move to authorize the Mayor Pro-Tem to execute Change Order No. 1 to Contract No. C071-20 with Express Septic Tank cleaning in the amount of \$741.20, thereby bringing the Total Contract value to \$3,311.42.

Fiscal Impact: The 2019/2020 budget allocated \$10,000 for this activity (431.5.535.30.40).

Alternatives: None.

Attachments: CO #1 to Small Works Contract No. C071-20.

CITY OF PORT ORCHARD

Authorization for Change Order No. 1

Date:	10/27/2020		Contractor:	Express Sept	tic Tank Cleani	ing
Project:	Sidney Glen Eleme	entary School		PO Box 1938	3	
	Annual Pumping		_	Port Orchard	d, WA 98366	
Contract / Job #	C071-20		-			
This Change Order a Sidney Glen Elemen estimated amount b gallons.	tary Annual Pump	ing contract.	Contracted amo	ount of 2000	gallons was	an
	o Francisco	Contrac	ct History	5545	merk sak	Para Seria
	Amount	Sales Tax	Total		Date	Appvd by
Original Contract	\$2,358.00	\$212.22		\$2,570.22		PW DIRECTO
Change Order 1	\$680.08	\$61.12		\$741.20	10-Nov-20	
Total Contract	\$3,038.08	\$273.34	\$3,311	.42		
I have reviewed the Chacosts are true and accur Delpha Oxier Contractor Approval Sig Delpha Oxier Vice P	ate. nature		Dublic Works Direct	tor/Cily Engin		scriptions and
Printed Name & Title			Printed Name			
ange Orders that do not exceed 10 0,000, of either legally authorized nount established by City Council corks Director. ange Orders that do not exceed 10 00,000, of either legally authorized nount established by City Council a	budget limit or contract an be approved by the Publ 1%, with a maximum of I budget limit or contract	Approve	d: Mayor Pro-Te	em		
ayor. ange Orders over \$100,000 or exce uncil Action.	eed a total of 10% require		Council Appr	oval Date		

PO BOX 1938 Port Orchard, WA 98366

Date	Invoice #	ĺ
9/30/2020	11457	

Bill To	
City Of Port Orchard 216 Prospect St Port Orchard, WA 98366	

Job Address	显得最高的
Sidney Glen Elementry 500 Birch Rd 98367	

P.O. Number	Due Date
	9/30/2020

Item	Description	Quantity	Amount
	AFFIDAVIT STATUS APPROVED AFFIDAVIT ID 975415 Tank is 8 feet deep from top of tank to floor of tank plus 10 feet of risers for a total of 18 feet from grade to bottom of tank. 2 trips to City sewer. Hauled away 3500 gallons for disposal at Bio Recycling. Pumped extra water due to vactor truck onsite rinsing tank with water.		
Truck Time	Truck Time \$784,00 per load to off load to City sewer designated site per City of Port Orchard 2 loads to city sewer 4000 GALLONS PER LOAD		1,568.00T
Septic Pumping	Septic Pumping @ 42¢ Per Gallon to haul offsite to Bio Recycling Actually gallons hauled off 3500 Gallons (ESTIMATE WAS BASED ON 2000-GALLONS FROM 2018)		1,470.00T
	Sales Tax		273.42
		-	

Phone # www.expresssepticservice.com E-mail Balance Due \$3,311.42

83,311,42

Balance Due \$3,311.42



City of Port Orchard Council Meeting Minutes Work Study Session Meeting of October 20, 2020

CALL TO ORDER AND ROLL CALL

Mayor Putaansuu called the meeting to order at 6:30 p.m.

Roll call was taken by the City Clerk as follows:

Councilmember Ashby	Present via Remote Access
Councilmember Chang	Present via Remote Access
Councilmember Clauson	Present via Remote Access
Councilmember Cucciardi	Present via Remote Access
Councilmember Diener	Present via Remote Access
Councilmember Lucarelli	Present via Remote Access
Mayor Pro-Tem Rosapepe	Present via Remote Access
Mayor Putaansuu	Present via Remote Access

Staff present via Remote Access: Community Development Director Bond, Police Chief Brown, Finance Director Crocker, Public Works Director Dorsey, and City Clerk Rinearson.

Mayor Putaansuu said Pursuant to the Governor's "Stay Home - Stay Safe" Order, the City will conduct the meeting through Zoom.

Pledge of Allegiance

Mayor Putaansuu led the audience and Council in the Pledge of Allegiance.

1. Community Event Center

Mayor Putaansuu introduced John Morrisey with the Kitsap Public Facilities District and Steve Rice and Lorie Limson Cook with Rice Fergus Miller.

Ms. Limson Cook and Mr. Rice provided a progress update on the South Kitsap Community Event Center which included progress to date, site assessment, user program, public outreach, final program, preliminary conceptual plans for 3 sites, and site selection criteria, event space and uses, public comments, library space, the 3 site options (640 Bay Street/Kitsap Bank parking site, Kitsap Bank/Marina site, and Myhre's/Library site), design requirements, and potential space uses.

Additional discussion was held regarding water enjoyment use, shoreline master program, preferred alternative, parking, downtown master plan, and the public survey.

Council Direction: No direction was given.

2. Proposed Preliminary 2021-2022 Biennial Budget

Mayor Putaansuu noted this was brought before the Finance Committee who provided their recommendations and asked to have this discussed before the full Council.

Finance Director Crocker stated the preliminary budget is on file with the City Clerk and available for review by Council and members of the public. Pursuant to RCW 35.34.090, a Public Hearing on the proposed, preliminary 2021 – 2022 Biennial Budget is required on or before the first Monday of December. The hearing allows Council to hear public input on the preliminary budget, consider public comments and make any changes as indicated by the majority of the Council.

Citizens and community organizations are encouraged to participate by providing the Council with their input for future infrastructure priorities, public safety enhancements, cultural and recreational opportunities, and other public services.

Following citizen comments, the public hearing will be closed and the Council may continue with its deliberations concerning the 2021 – 2022 Biennial Budget. If the Council has any additional changes, these should be conveyed to staff so that a final 2021 – 2022 Budget can be presented for adoption on November 24, 2020.

At 7:06 p.m., Mayor Putaansuu opened the public hearing.

Finance Director Crocker provided a presentation on the preliminary budget and discussed background, overview, summary and highlights, revenues, department budgets, street fund, enterprise funds, equipment rental and revolving fund, capital project funds, debt service funds, special review funds, stabilization funds, and upcoming dates.

There being no more testimony, Mayor Putaansuu closed the public hearing at 7:41 p.m.

Additional discussion was held regarding the next steps, financial and human resources, possible Transportation Committee presentation, and clarification regarding the budget.

Council Direction: No direction was given.

NEW: GOOD OF THE ORDER

Mayor Putaansuu provided an update on employee's workstations and laptops and working remotely.

Councilmember Lucarelli mentioned she sent an email asking the Council to sponsor a tree and it appears the majority are in support.

ADJOURNMENT	
The meeting adjourned at 8:23 p.m. No other action	on was taken. Audio/Visual was successful.
Brandy Rinearson, MMC, City Clerk	Jay Rosapepe, Mayor Pro-Tem



City of Port Orchard

216 Prospect Street, Port Orchard, WA 98366 (360) 876-4407 • FAX (360) 895-9029

Agenda Staff Report

Agenda Item No.: Business Item 7A Meeting Date: November 10, 2020

Subject: Adoption of a Resolution Approving a Prepared by: Contract with Charon Drilling, Inc. for the 2020-2021 Well #11 Modification Atty Routing No.: N/A

Meeting Date: November 10, 2020

Mark Dorsey, P.E. Public Works Director

and Testing and Decommissioning of Atty Review Date: N/A

Wells #1 and #2 and Documenting

Procurement Procedures

Summary: On September 22 and September 29, 2020, the City's Public Works Department advertised in the Kitsap Sun, on the City's Webpage, in the Daily Journal of Commerce and uploaded the Bid Documents to the Washington Builder's Exchange. By the amended October 16, 2020 Bid Opening Due Date at 1:00 PM, the City received and opened two (2) Sealed Bids for the 2020-2021 Well #11 Modification and Testing and Decommissioning of Wells #1 and #2 Project. In general summary, the Sealed Bids received (applicable tax included) ranged from the apparent low of \$98,200.00 to the apparent high of \$119,600.00, with the Engineers Estimate at \$100,000.00. Upon review by Staff and following the completion of the Mandatory Bidder Responsibility Checklist, it was determined that Charon Drilling, Inc. provided the low responsive Bid Proposal of \$98,200.00 for the 2020-2021 Well #11 Modification and Testing and Decommissioning of Wells #1 and #2 Project.

Relationship to Comprehensive Plan: Chapter 7 - Utilities.

Recommendation: Staff recommends that the City Council adopt Resolution No. 040-20, thereby approving Contract No. C074-20 with Charon Drilling, Inc. in the amount of \$98,200.00 for the 2020-2021 Well #11 Modification and Testing and Decommissioning of Wells #1 and #2 Project and documenting the procurement procedures.

Motion for Consideration: I move to adopt Resolution No. 040-20, and authorize the Mayor Pro-Tem to execute Contract No. C074-20 with Charon Drilling, Inc. in the amount of \$98,200 for the 2020-2021 Well #11 Modification and Testing and Decommissioning of Wells #1 and #2 Project.

Fiscal Impact: Funding provided from Water Capital Fund 413.

Alternatives: Do not approve.

Attachments: Resolution No. 040-20 and Contract No. C074-20.

RESOLUTION NO. 040-20

A RESOLUTION OF THE CITY OF PORT ORCHARD, WASHINGTON, APPROVING CONTRACT NO. C074-20 WITH CHARON DRILLING, INC. THE 2020-2021 WELL #11 MODIFICATION AND TESTING AND DECOMMISSIONING OF WELLS #1 AND #2 PROJECT AND DOCUMENTING THE PROCUREMENT PROCEDURES.

WHEREAS, on September 22 and September 29, 2020, the City's Public Works Department Advertised in the Kitsap Sun, on the City's Webpage, in the Daily Journal of Commerce and uploaded the Bid Documents to the Washington Builder's Exchange, with an October 9, 2020 Bid Opening Due Date; and

WHEREAS, on October 5, 2020, Addendum No. 1 was issued, thereby revising the Bid Opening Due Date from October 9, 2020 to October 16, 2020; and

WHEREAS, by the October 16, 2020 Bid Opening 1:00 PM deadline, the City received and opened two (2) Sealed Bids, with Charon Drilling, Inc. determined to be the responsive Low Bid; and

WHEREAS, on November 20, 2020, the Public Works Department completed the Bidder's Checklist; and

WHEREAS, the Port Orchard City Council, at the 2015 recommendation of the State Auditor's Office, wishes to document their selection/procurement process as described above for this particular contract by Resolution; now, therefore,

THE CITY COUNCIL OF THE CITY OF PORT ORCHARD, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

THAT: It is the intent of the Port Orchard City Council to adopt the "Whereas" statements contained herein, as findings in support of the City's selection and procurement procedures.

THAT: The City Council adopts the resolution and authorizes the Mayor Pro-Tem to execute Contract No. 074-20 with Charon Drilling, Inc. for the 2020-2021 Well #11 Modification and Testing and Decommissioning of Well #1 and #2 Project.

PASSED by the City Council of the City of Port Orchard, SIGNED by the Mayor Pro-Tem and attested by the City Clerk in authentication of such passage on this 10th day of November 2020.

ATTEST:	Jay Rosapepe, Mayor Pro-Tem	
Brandy Rinearson, MMC, City Clerk		

CONTRACT

CITY OF PORT ORCHARD

WELL #11 MODIFICATIONS AND TESTING AND DECOMMISSIONING OF WELLS #1 & #2 CONTRACT NO. C074-20

CONTRACT NO. <u>C0/4-20</u>
THIS CONTRACT ("Contract") is made and entered into this day of, 20
WITNESSETH:
That the Contractor, in consideration of the covenants, agreements and payments to be performed and made by the City, hereby covenants and agrees to furnish all labor, tools, materials, equipment and supplies required for, and to execute, construct and finish in full compliance with the Contract Documents, WELL #11 MODIFICATIONS AND TESTING AND DECOMMISSIONING OF WELLS #1 & #2. The Contractor further agrees to perform all such work for the Contract Price stated in the Contractor's Bid Proposal dated, attached hereto and incorporated herein by this reference as if set forth in full.
The Contract Documents, duly identified, together with the Instructions to Bidders, a confirmed copy of the Proposal made by the Contractor on, and the 2020 WSDOT Standard Specifications for Road, Bridge, and Municipal Construction, as modified by Amendments and Special Provisions, are hereby made a part of this Contract and are mutually cooperative therewith. Time is of the essence of this Contract. It is agreed that the work covered by this Contract shall start within 14 calendar days after Notice to Proceed is issued and that all construction shall be complete within 60 working days after the Notice to Proceed Date.
It is further agreed that the City will suffer damage and be put to additional expense in the event that the Contractor shall not have the specified portions of the work completed in all its parts in the time specified, and as it may be difficult to accurately compute the amount of such damage, the Contractor expressly convents and agrees to pay to the City liquidated damages, the sum as calculated by the equation shown in Section 1-08.9 of the WSDOT Standard Specifications, for each and every working day said work is not complete beyond the time shown in the Proposal.

The City of Port Orchard, in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d to 2000d-4 and Title 49, Code of Federal Regulations, Department of Transportation subtitle A, Office of the Secretary, Part 21, nondiscrimination in federally assisted programs of the Department of Transportation issued pursuant to such Act, must affirmatively insure that its contracts comply with these regulations.

Also, in accordance with Title VI, the City is required to include the following clauses in every contract subject to Title VI and its related regulations.

Therefore, during the performance of this Contract, the Contractor, for itself, its assignees, and successors in interest agrees as follows:

City of Port Orchard WBLL #11 MODIFICATION & TESTING AND DECOMMISSIONING OF WBLLS #1 & # Project <u>#PW2020-</u>016 Permit <u>#TBD</u> Contract <u>#C074-20</u>

- 1. Compliance with Regulations: The Contractor will comply with the Acts and the Regulations relative to Nondiscrimination in Federally-assisted programs of the U.S. Department of Transportation, Federal Highway Administration (FHWA), as they may be amended from time to time, which are herein incorporated by reference and made a part of this Contract.
- 2. Nondiscrimination: The Contractor, with regard to the work performed by it during this Contract, will not discriminate on the grounds of race, color, national origin, sex, age, disability, income-level, or LEP in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations as set forth in Appendix A, attached hereto and incorporated herein by this reference, including employment practices when this Contract covers any activity, project, or program set forth in Appendix B of 49 C.F.R. part 21.
- 3. Solicitations for Subcontracts, Including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding, or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Contractor of the Contractor's obligations under this Contract and the Acts and the Regulations relative to Non-discrimination on the grounds of race, color, national origin, sex, age, disability, income-level, or LEP.
- 4. Information and Reports: The Contractor will provide all information and reports required by the Acts, the Regulations and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the City or the FHWA to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of the Contractor is in the exclusive possession of another who fails or refuses to furnish the information, the Contractor will so certify to the City or the FHWA, as appropriate, and will set forth what efforts it has made to obtain the information.
- 5. Sanctions for Noncompliance: In the event of the Contractor's noncompliance with the Nondiscrimination provisions of this Contract, the City will impose such contract sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:
 - 1. withholding payments to the Contractor under the Contract until the Contractor complies; and/or
 - 2. cancelling, terminating, or suspending the Contract, in whole or in part.
- 6. Incorporation of Provisions: The Contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The Contractor will take action with respect to any subcontract or procurement as the City or the FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Contractor may request the City to enter into any litigation to protect the interests of the City. In addition, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

Contractor understands that her/his bid response documents and any contract documents may be subject to release under the Public Records Act Chapter 42.56 RCW and the City may be required to disclose such documents upon a request. Contractor acknowledges that s/he has been advised to mark any records believed to be trade secrets or confidential in nature as "confidential." If records marked as "confidential" are found to be responsive to the request for records, the City as a courtesy to the

Contractor, may elect to give notice to Contractor of the request so as to allow Contractor to seek a protective order from a Court. Contractor acknowledges and agrees that any records deemed responsive to a public records request may be released at the sole discretion of, and without notice by, the City. With this Contract, Contractor is furnishing a Corporate Surety Bond in the amount of
Dollars (\$\(\frac{9\beta_1200}{200}\)) with as Surety, to insure full compliance, execution and performance of this Contract by the Contractor in accordance with all its terms and provisions.
In the event of litigation, venue shall be within Kitsap County, Washington.
IN WITNESS WHEREOF the parties hereto have caused these presents to be duly executed.
CITY OF PORT ORCHARD
By:Robert Putaansuu, Mayor
CONTRACTOR
By: Dave Charon Title: President
Title: President
Address: 12719, 224 St East
Address: 12719, 224 St East ORaham, WA 98338
ATTEST:
Brandy Rinearson, MMC, City Clerk
APPROVED AS TO FORM:
Charlotte Archer, City Attorney

PERFORMANCE AND PAYMENT BOND

CITY OF PORT ORCHARD WELL 11 MODIFICATION & TESTING AND DECOMMISSIONING OF WELLS 1 & 2 PROJECT PW PROJECT NO. 2020-016 Bond to City of Port Orchard, Washington

Bond No. 107293958

We, Charon E (Princ		,and Travelers Casualty and Surety Company of America (Surety)
sum of (\$ 98,200.00 successors, he Performance contract date Well 11 Modific	d severally bound to the Ninety-Eight Thousand), the paymen eirs, administrators, exect Bond is provided to set d	Corporation, and as a surety corporation authorized intractors with municipal corporations in Washington State, e City of Port Orchard, Washington ("Owner"), in the penal Two Hundred and 00/100 Dollars t of which sum, on demand, we bind ourselves and our cutors, or personal representatives, as the case may be. This ecure the performance of Principal in connection with a, between Principal and Owner for a project entitled ect") — Public Works Project No. 2020-016

("Contract"). The initial penal sum shall equal 100 percent of the Total Bid Price, including all applicable state sales tax, as specified in the Proposal submitted by Principal.

NOW, THEREFORE, this Performance and Payment Bond shall be satisfied and released only upon the condition that Principal:

Faithfully performs all provisions of the Contract and changes authorized by Owner in the manner and within the time specified as may be extended under the Contract;

Pays all laborers, mechanics, subcontractors, lower tier subcontractors, material persons, and all other persons or agents who supply labor, equipment, or materials to the Project;

Pays the taxes, increases and penalties incurred on the Project under Titles 50, 51 and 82 RCW on: (A) Projects referred to in RCW 60.28.011(1)(b); and/or (B) Projects for which the bond is conditioned on the payment of such taxes, increases and penalties.

The surety shall indemnify, defend, and protect the Owner against any claim of direct or indirect loss resulting from the failure:

Of the Principal (or any of the employees, subcontractors, or lower tier subcontractors of the Principal) to faithfully perform the Contract, or

Of the Principal (or any subcontractor or lower tier subcontractor of the Principal) to pay all laborers, mechanics, subcontractors, lower tier subcontractors, material person, or any other person who provides supplies or provisions for carrying out the work.

The liability of Surety shall be limited to the penal sum of this Performance and Payment Bond.

No change, extension of time, alteration, or addition to the terms of the Contract or to the Work to be performed under the Contract shall in any way affect Surety's obligation on the Performance Bond. Surety hereby waives notice of any change, extension of time, alteration, or addition to the terms of the Contract or the Work, with the exception that Surety shall be notified if the Contract time is extended by more than twenty percent (20%).

If any modification or change increases the total amount to be paid under the Contract, Surety's obligation under this Performance and Payment Bond shall automatically increase in a like

amount. Any such increase shall not exceed twenty-five percent (25%) of the original amount of the Performance and Payment Bond without the prior written consent of Surety.

This Performance and Payment Bond shall be governed and construed by the laws of the State of Washington, and venue shall be in Kitsap County, Washington.

IN WITNESS WHEREOF, the parties have e counterparts this <u>3rd</u> day of <u>Novemb</u>	executed this instrument in two (2) identical er, 20 <u>20</u> .
Charon Drilling, Inc.	Travelers Casualty and Surety Company of America
¹ Principal	Surety
Dave Charon	Chyl 2
Signature of Authorized Official	Signature of Authorized Official
Daw Chaxon, President	By Christopher Kinyon
Printed Name and Title	Attorney in Fact (Attach Power of Attorney)
Name and address of local office of	Propel Insurance
Agent and/or Surety Company:	PO Box 2940
	Tacoma, WA 98401

Surety companies executing bonds must appear on the current Authorized Insurance List in the State of Washington per Section 1-02.7 of the Standard Specifications.

ACKNOWLEDGEMENT
Corporation, Partnership, or Individual

)ss.

STATE OF

COUNTY OF

On this <u>6</u> day of <u>November</u>, 20<u>30</u>, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally

	corporation, partnership, individual,	of Chacon Drilling Inc the Of Observe Characters The Dave Characters The Characters of the following the characters of the following the characters of the characters
oath s	stated that △ he △she w	nstrument to be the free and voluntary act and deed of said of individual for the uses and purposes therein mentioned, and on as authorized to execute said instrument. seal hereto affixed the day and year first above written. Print or type name NOTARY PUBLIC, in and for the State of Washington Residing at
	ary Seal with Ink Stamp	

City of Port Orchard WELL #11 MODIFICATION & TESTING AND DECOMMISSIONING OF WELLS #1 & # Project #PW2020-016 Permit #TBD Contract #C074-20

WASHINGTON

PIERCE

STATE OF

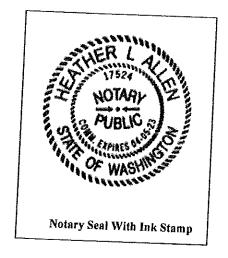
COUNTY OF

SURETY ACKNOWLEDGEMENT

)ss.

On this __3rd __day of __November ____, 20__20 __, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Christopher Kinyon ____, to me known to be the _Attorney-in-Fact of __Travelers Casualty and Surety Company of America ___, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that \(\Omega\) he \(\Omega\) she was authorized to execute said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Print or type name

Heather L. Allen

NOTARY PUBLIC,
in and for the State of Washington
Residing Kent, Washington
My Commission expires: 04/05/2023

CITY OF PORT ORCHARD MAINTENANCE/WARRANTY BOND

RE:	Project Name: Well 11 Modification Owner/Developer/Contractor: Project Address: McCormick We	Project #: 2020-016 Surety Bond #: 107293958 Date Posted: 11/03/2020 Expiration Date: 11/03/2022 & Testing and Decommissioning of Wells 1 & 2 Project, Project No. 2020-016, Contract No. C074-20 Charon Drilling, Inc. pods, Port Orchard, Washington
Washing Washing dollars (America administ	Connecticut gton (hereinafter called the "Sure gton, in the sum of Nineteen Thou \$ 19,640.00	ESE PRESENTS: That we, Charon Drilling, Inc. (hereinafter nalty and Surety*, a corporation organized under the laws of the and authorized to transact surety business in the State of ty"), are held and firmly bound unto the City of Port Orchard, is and Six Hundred Forty and 00/100 The total contract amount, lawful money of the United States of we and each of us bind ourselves, our heirs, executors, intly and severally, by these presents. THE CONDITIONS of any of America
y public pro	WHEREAS, the above named Pri	ncipal has constructed and installed certain improvements on

AS, the above named Principal has constructed and installed certain improvements on public property in connection with a project as described above within the City of Port Orchard; and

WHEREAS, the Principal is required to post a bond for the twenty-four (24) months following written and final acceptance of the project in order to provide security for the obligation of the Principal to repair and/or replace said improvements against defects in workmanship, materials or installation during the twenty-four (24) months after written and final approval/acceptance of the same by the City;

NOW, THEREFORE, this Maintenance Bond has been secured and is hereby submitted to the City. It is understood and agreed that this obligation shall continue in effect until released in writing by the City, but only after the Principal has performed and satisfied the following conditions:

- The work or improvements installed by the Principal and subject to the terms and conditions of Α. this Bond are as follows: (insert complete description of work here)
- В. The Principal and Surety agree that the work and improvements installed in the above-referenced project shall remain free from defects in material, workmanship and installation (or, in the case of landscaping, shall survive,) for a period of twenty-four (24) months after written and final acceptance of the same and approval by the City. Maintenance is defined as acts carried out to prevent a decline, lapse or cessation of the state of the project or improvements as accepted by the City during the twenty-four (24) month period after final and written acceptance, and includes, but is not limited to, repair or replacement of defective workmanship, materials or installations.
- C. The Principal shall, at its sole cost and expense, carefully replace and/or repair any damage or defects in workmanship, materials or installation to the City-owned real property on which improvements have been installed, and leave the same in as good condition as it was before commencement of the work.

- D. The Principal and the Surety agree that in the event any of the improvements or restoration work installed or completed by the Principal as described herein, fail to remain free from defects in materials, workmanship or installation (or in the case of landscaping, fail to survive), for a period of twenty-four (24) months from the date of approval/acceptance of the work by the City, the Principal shall repair and/replace the same within ten (10) days of demand by the City, and if the Principal should fail to do so, then the Surety shall:
 - 1. Within twenty (20) days of demand of the City, make written commitment to the City that it will either:
 - a). remedy the default itself with reasonable diligence pursuant to a time schedule acceptable to the City; or
 - b). tender to the City within an additional ten (10) days the amount necessary, as determined by the City, for the City to remedy the default, up to the total bond amount.

Upon completion of the Surety's duties under either of the options above, the Surety shall then have fulfilled its obligations under this bond. If the Surety elects to fulfill its obligation pursuant to the requirements of subsection D(1)(b), the City shall notify the Surety of the actual cost of the remedy, upon completion of the remedy. The City shall return, without interest, any overpayment made by the Surety, and the Surety shall pay to the City any actual costs which exceeded the City estimate, limited to the bond amount.

- 2. In the event the Principal fails to make repairs or provide maintenance within the time period requested by the City, then the City, its employees and agents shall have the right at the City's sole election to enter onto said property described above for the purpose of repairing or maintaining the improvements. This provision shall not be construed as creating an obligation on the part of the City or its representatives to repair or maintain such improvements.
- E. Corrections. Any corrections required by the City shall be commenced within ten (10) days of notification by the City and completed within thirty (30) days of the date of notification. If the work is not performed in a timely manner, the City shall have the right, without recourse to legal action, to take such action under this bond as described in Section D above.
- F. Extensions and Changes. No change, extension of time, alteration or addition to the work to be performed by the Principal shall affect the obligation of the Principal or Surety on this bond, unless the City specifically agrees, in writing, to such alteration, addition, extension or change. The Surety waives notice of any such change, extension, alteration or addition thereunder.
- G. Enforcement. It is specifically agreed by and between the parties that in the event any legal action must be taken to enforce the provisions of this bond or to collect said bond, the prevailing party shall be entitled to collect its costs and reasonable attorney fees as a part of the reasonable costs of securing the obligation hereunder. In the event of settlement or resolution of these issues prior to the filing of any suit, the actual costs incurred by the City, including reasonable attorney fees, shall be considered a part of the obligation hereunder secured. Said costs and reasonable legal fees shall be recoverable by the prevailing party, not only from the proceeds of this bond, but also over and above said bond as a part of any recovery (including recovery on the bond) in

any judicial proceeding. The Surety hereby agrees that this bond shall be governed by the laws of the State of Washington. Venue of any litigation arising out of this bond shall be in Kitsap County Superior Court.

H. Bond Expiration. This bond shall remain in full force and effect until the obligations secured hereby have been fully performed and until released in writing by the City at the request of the Surety or Principal.

DATED this 3rd day of Novemb	per , 20 <u>20</u> .
SURETY COMPANY (Signature must be notarized) By: Christopher Kinyon Its Attorney-in-Fact	DEVELOPER/OWNER (Signature must be notarized) By: Osce Characteristics Its Prosident
Business Name: Travelers Casualty and Surety Company of A Business Address; 1501 Fourth Ave., Suite 1000	V
City/State/Zip Code: Seattle, WA 98101 Telephone Number: (206) 326-4290	City/State/Zip Code: Graham, WA 98338 Telephone Number: (253) 847-5794
	·
	CHECK FOR ATTACHED NOTARY SIGNATURE Individual (Form P-1) Corporation (Form P-2) Surety Company (Form P-2)

y)
)
) ss.)
sfactory evidence that Dave Charan is the person acknowledged as the Attorney in Fact that (he/she) signed this instrument, on oath stated that strument and acknowledged it to be (his/her) free and voluntary in the instrument.
Dated: November 5, 2020 (print or type name) NOTARY PUBLIC in and for the State of Washington, residing at: CTANAM My Commission expires: U-13-2024
wy Commission expires: CC 1 3 000- 1
ss.
actory evidence that Christopher Kinyon is the person acknowledged as the Attorney-in-Fact that (he/she) signed this instrument, on oath stated that rument and acknowledged it to be (his/her) free and voluntary the instrument. Dated: November 3, 2020 Heather L. Allen (print or type name)

City of Port Orchard WELL #11 MODIFICATION & TESTING AND DECOMMISSIONING OF WELLS #1 & # Project <u>#PW2020-</u>016 Permit <u>#TBD</u> Contract <u>#C074-20</u>

LD-45



NOTARY PUBLIC in and for the State of Washington, residing

at: Kent, Washington

My Commission expires: 04/05/2023

APPENDIX A

During the performance of this Contract, the Contractor, for itself, its assignees, and successors in interest agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

Pertinent Non-Discrimination Authorities:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 C.F.R. Part 21.
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 et seq.), (prohibits discrimination on the basis of sex);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 C.F.R. Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U .S.C. § 6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC§ 471, Section 4 7123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, subrecipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189) as implemented by Department of Transportation regulations at 49 C.P.R. parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to -ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);

9	Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).



Travelers Casualty and Surety Company of America **Travelers Casualty and Surety Company** St. Paul Fire and Marine Insurance Company

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company are corporations duly organized under the laws of the State of Connecticut (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint Christopher Kinyon, of Tacoma, Washington, their true and lawful Attorney-in-Fact to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed, and their corporate seals to be hereto affixed, this 3rd day of February,







State of Connecticut

City of Hartford ss.

On this the 3rd day of February, 2017, before me personally appeared Robert L. Raney, who acknowledged himself to be the Senior Vice President of Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations

In Witness Whereof, I hereunto set my hand and official seal.

My Commission expires the 30th day of June, 2021



This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company, which resolutions are now in

RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke

FURTHER RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation

FURTHER RESOLVED, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more

FURTHER RESOLVED, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, Kevin E. Hughes, the undersigned, Assistant Secretary of Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company, do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which remains in full force and effect. Dated this 3rd day of November 2020







CITY OF PORT ORCHARD

DECLARATION OF OPTION FOR PERFORMANCE AND PAYMENT BOND OR ADDITIONAL RETAINAGE

(APPLICABLE TO CONTRACTS OF \$150,000 OR LESS - RCW 39.08.010)

Note: This form <u>must</u> be submitted at the time the Contractor executes the Contract. The Contractor shall designate the option, where applicable, desired by checking the appropriate space.

The Contractor shall provide 5% retainage, pursuant to RCW 60.28.011(1)(a).

1.

2.	In addition, the Contractor elects to (select one):
	(1) Furnish a performance and payment bonds in the amount of the total contract sum. An executed performance and payment bond on the required form is included with the executed contract documents.
	(2) Have the City retain, in lieu of the performance and payment bonds, ten percent (10%) of the total contract amount for a period of thirty days after date of final acceptance, or until receipt of all necessary releases from the department of revenue and the department of labor and industries and settlement of any liens filed under chapter 60.28 RCW, whichever is later. RCW 39.08.010.
	In choosing option 2, the Contractor agrees that if the Contractor, its heirs, executors, administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and agreements in the Contract, and shall faithfully perform all the provisions of such

abide by, and well and truly keep and perform the covenants, conditions and agreements in the Contract, and shall faithfully perform all the provisions of such Contract and shall also well and truly perform and fulfill all the undertakings, covenants, terms, conditions and agreements of any and all duly authorized modifications of the Contract that may hereafter be made, at the time and in the manner therein specified, and shall pay all laborers, mechanics, subcontractors, and materialmen, and all persons who shall supply such person or persons, or subcontractors, with provisions and supplies for the carrying on of such work, on his or her part, and shall defend, indemnify, and save harmless the City of Port Orchard, Washington, its officers and agents from any claim for such payment, then the funds retained in lieu of a performance bond shall be released at the time provided in said option 2; otherwise, the funds shall be retained until the Contractor fulfills the said obligations.

Contractor Signature Date 11.2.70	Jaw Chair
Bond No.	Contractor Signature, Date <u>///3/20</u>



City of Port Orchard

216 Prospect Street, Port Orchard, WA 98366 (360) 876-4407 • FAX (360) 895-9029

Agenda Staff Report

Agenda Item No.: Business Item 7B Meeting Date: November 10, 2020

Subject: Adoption of a Resolution Approving an Prepared by: Nicholas Bond, AICP

Agreement with the McCormick Meadows DCD Director

HOA Concerning Landis Court SW

Atty Routing No.: Matter 11-Development

Atty Review Date: November 5, 2020

Summary: At the September 15, 2020 City Council Work Study meeting, the City Council was presented with a request from the McCormick Meadows HOA concerning the possible public dedication of Landis Court SW. At that meeting, the City Council requested that City staff proceed with preparing the necessary instruments to accept Landis Court SW as a public road.

Landis Court SW is a cul-de-sac private road in the McCormick Meadows subdivision. When Division 2 of McCormick Meadows was recorded in 2012, the City declined to accept the road because the radius of its curve exceeded the City's Public Works road standards. Due to an oversight, the developer removed the road from the public dedications on the final plat, but did not actually convey it to the homeowners association (HOA). This has resulted in Landis Court SW being in a "limbo" situation, with neither the City nor the McCormick Meadows HOA having ownership or maintenance rights and responsibilities for the road. The HOA has been asking the City to take over this road for several years.

The road curve radius cannot be corrected without buying out property occupied by an existing home. However, the City has performed tests to ensure that the road subgrade is in satisfactory condition, and has indicated to the HOA that if the HOA pays for a pavement grind and overlay to bring the road to like-new condition, the City may accept the road and take over future maintenance. The former developer, while claiming that he no longer owns the road, is willing to sign a quit claim deed to relinquish any legal interest he may still have in it. The HOA has indicated that it wishes to clear the cloud on the title, and that if the City will take over the property it is willing to do a special assessment to meet the City's requirements for the road improvements.

The South Kitsap Fire Department (SKFD) does not object to the City taking ownership of Landis Court SW, as a change in ownership will make no difference to SKFD's existing emergency response access. City ownership would also allow the City to enforce parking requirements in future, if desired.

Relationship to Comprehensive Plan: N/A

Recommendation: Staff recommends that the City Council approved the attached Resolution as presented.

Motion for consideration: "I move to adopt a Resolution authorizing the Mayor Pro-Tem to execute an agreement with the McCormick Meadows HOA and Feigley Road Partners LLC concerning Landis Court SW."

Fiscal Impact: The City will accept maintenance responsibilities for this short cul-de-sac road. The HOA will repair the road prior to dedication and will pay for the installation of signage that meets city requirements.

Alternatives: Do not approve the agreement.

Attachments: Resolution, Attachment 1: Agreement with McCormick HOA and Feigley Road Partners LLC, Exhibit A: Final Plat Map, Exhibit B: Overlay Map and Description, Exhibit C: Signage Details, Exhibit D: Deed #1, Exhibit E: Deed #2 and Attachment 2: Sketch and Legal Description.

RES	OLU	TION	NO.	

A RESOLUTION OF THE CITY OF PORT ORCHARD, WASHINGTON, AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH THE MCCORMICK MEADOWS HOMEOWNERS ASSOCIATION AND FEIGLEY ROAD PARTNERS, LLC, REGARDING LANDS COURT SW.

WHEREAS, on October 25, 20212, the McCormick Meadows Division 2 was recorded, to include Landis Court SW, which is identified as a private road on the plat; and

WHEREAS, the McCormick Meadows preliminary plat identified the road as public but the road was labeled as private road on the face of the final plat and was not clearly dedicated to either the city or the McCormick Meadows Homeowners Association (the "HOA"); and

WHEREAS, the HOA and Feigley Road Partners, LLC ("FRP") desire to execute a quit claim deed to transfer ownership to the City and for the City to dedicate the road as a public road; and

WHEREAS, the road is in need of substantial repairs and work to conform with the City's applicable standards for public roads; and

WHEREAS, the City desires to dedicate the road as a public road once the necessary repairs and work are completed; now therefore;

THE CITY COUNCIL OF THE CITY OF PORT ORCHARD, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

THAT: It is the intent of the Port Orchard City Council that the recitals set forth above are hereby adopted and incorporated as findings in support of this Resolution.

THAT: The City Council authorizes the Mayor Pro-Tem or designee to execute the Agreement attached hereto as Attachment 1. Per the Agreement, upon completion by the HOA of the repair work and installation of signage and receipt of executed quit claim deeds from FRP and the HOA regarding Landis Court SW, the City Council authorizes the acceptance of the quit claim deeds from FRP and the HOA and the dedication of Landis Court SW, legally described in Attachment 2 to this resolution, for public street purposes. The Mayor is authorized to execute documentation to effectuate this Resolution, in a form acceptable to the City Attorney.

THAT: This Resolution shall be take full force and effect upon passage and signatures hereon.

Resolution No
Page 2 of 2

PASSED by the City Council of the City of attested by the Clerk in authentication of such page	Port Orchard, SIGNED by the Mayor Pro-Tem and ssage this 10th day of November 2020.
	Jay Rosapepe, Mayor Pro-Tem
ATTEST:	
Brandy Rinearson, MMC, City Clerk	

Attachment 1 to Resolution 046-20

AGREEMENT BETWEEN CITY OF PORT ORCHARD MCCORMICK MEADOWS HOA AND FEIGLEY ROAD PARTNERS, LLC

This agreement ("agreement") is entered into between the City of Port Orchard, a Washington municipal corporation ("City" or "Port Orchard"), the McCormick Meadows Homeowners Association, a Washington non-profit corporation ("HOA"), and Feigley Road Partners, LLC, a Washington limited liability company ("FRP"). The City, the HOA and FRP are each a "party" and together the "Parties" to this agreement.

RECITALS

- A. FRP was the developer of McCormick Meadows Division 2 which it subsequently platted pursuant to the plat recorded on October 25, 2012 under Kitsap County Auditor No. 201210250061 and is attached as Exhibit "A" (the "Plat").
- B. The Plat includes streets that following final plat approval were dedicated as public roads.
- C. One of the streets, Landis Court SW, was labeled on the Plat as a "private road" and, as a result, was not dedicated as a public road or otherwise transferred by FRP.
- D. FRP claims no right, title or interest in Landis Court SW and is willing to execute a quit claim deed in favor of the City to effect the intent of dedicating the road to the public.
- E. The HOA has asked the City to accept the deed as a dedication of Landis Court SW and make this private road a public road.
- F. The City is reluctant to accept the road because, years ago, Landis Court SW was repaired and includes a large patch that was not constructed in accordance with the applicable City standards.
- G. Subject to City Council approval, the City desires to accept Landis Court SW as a public road provided that the road is repaired and signage is installed consistent with the City's specifications.
- H. The HOA, on behalf of its members, acknowledges that by making Landis Court SW a public road, the City may enforce the "no parking" requirements set out in the Port Orchard Municipal Code.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual representations and covenants set forth herein, the parties hereby agree as follows:

1. McCormick Meadows Homeowners Association agrees as follows:

a. The HOA agrees to perform the asphalt grind and overlay work to Landis Court SW to repair the roadway which work is described and depicted in Exhibit "B" and agrees to pay for the installation of signage as described and depicted in Exhibit "C".

b. Upon completion by the HOA of the work specified in Section 1.a. above and acceptance by the City, the HOA will execute and deliver a quit claim deed transferring all right, title and interest it may have in Landis Court SW to the City of Port Orchard. The form of the HOA quit claim deed is attached as Exhibit "D".

2. FRP agrees as follows:

Upon completion by the HOA of the work specified in Section 1.a above and acceptance by the City, FRP will execute and deliver a quit claim deed transferring all right, title and interest it may have in Landis Court SW to the City of Port Orchard. The form of the FRP quit claim deed is attached as Exhibit "E".

3. The City agrees as follows:

Prior to the performance of any work contemplated in Section 1.a. above, the City will seek approval by the City Council, that upon completion of the work specified in Section 1.a. above, and inspection and acceptance of that work by the City, the City will accept the quit claim deeds from both the HOA and FRP at which time Landis Court SW will be a public road and added to the City's transportation system.

MISCELLANEOUS PROVISIONS

Effective Date: This Agreement shall be effective and binding upon the signatories once it is fully executed, provided that acceptance of the quit claim deeds and dedication of the right of way are expressly conditioned on City Council approval. This Agreement shall automatically terminate if the City Council does not grant its approval.

Binding Acceptance: This Agreement shall bind and benefit the parties hereto and their respective heirs, beneficiaries, administrators, executors, receivers, trustees, successors, and assigns, and the promises and obligations herein shall survive the expiration date hereof. Any purported assignment of this Agreement is void without the express written consent of the signatories.

Voluntary Agreement: This Agreement is freely and voluntarily given by each party, without any duress or coercion, and after each party has consulted with its counsel. Each party has carefully and completely read all of the terms and provisions of this Agreement. Neither any of the parties, nor any of their affiliates, nor the City, will take any action to challenge any provision of this Agreement; nor will they participate with any other person or entity in any such challenge.

Severability: If any term, condition, or provision of this Agreement shall, to any extent, be held to be invalid, preempted, or unenforceable, the remainder hereof shall be valid in all other respects and continue to be effective.

Counterparts: This Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original copy, and all of which together shall

constitute one agreement binding on all parties hereto, notwithstanding that all parties shall not have signed the same counterpart.

No Waiver: No waiver of any provision of this Agreement or any breach of this Agreement shall be effective unless such waiver is in writing and signed by the waiving party and any such waiver shall not be deemed a waiver of any other provision of this Agreement or any other or subsequent breach of this Agreement.

Captions and References: The captions and headings of sections throughout this Agreement are intended solely to facilitate reading and reference to the sections and provisions of this Agreement. Such captions shall not affect the meaning or interpretation of this Agreement. This Agreement consists of this document and Exhibits A – E attached hereto.

CITY OF DODT ODCHADD

Recitals: The recitals set forth above are incorporated herein by reference.

MCCODMICK MEADOWS HOA.

WECORWICK WEADOWS HOA.	CITT OF TOKT OKCHARD		
[Signature]	Jay Rosapepe, Mayor-Pro-Tem		
Printed Name:	Date signed:		
Title:	Date signed.		
Date signed:			
FEIGLEY ROAD PARTNERS, LLC	Approved as to Form:		
Thomas A. Barghausen Date signed:	Charlotte A. Archer, City Attorney		

EXHIBIT A
McCormick Meadows Division 2 Plat

Situate Within the NE 1/4 of the SW 1/4 and the SE 1/4 of the NW 1/4, Section 5, Township 23 North, Range 1 East, W.M., Kitsap County, Washington

Dedication

KNOW ALL MEN BY THESE PRESENTS THAT WE, THE UNDERSIGNED, OWNERS IN THE SIMPLE OF THE LAND HEREBY PLATTED, HEREBY PLATTED, PLOCKART END THE DATA NAD DEBLOCATE TO THE DATA NAD DEBLOCATE TO THE USE OF THE PLATE AND THE PLAT, AND THE USE THEREOF POR NAY MAN DALL PUBLIC PROPRESS AND THE PLAT, AND THE USE THEREOF POR NAY MAN DALL PUBLIC PROPRESS NAT WITH THE USE THEREOF POR PUBLIC HIGHWAY PURPOSSES, ALSO THE ROINT TO MAKE ALL SLOPES FOR CUTS AND PILLS UPON THE LOTS OR TRACTS SHOWN ON THIS PLAT IN THE REASONAGE ORIGINAL GAUDING OF ALL THE STREETS NOWN HEREBY AND THE LOTS OR TRACTS SHOWN ON THIS PLAT IN THE REASONAGE OR AND LOTS OR TRACTS SHOWN ON THIS PLAT IN THE REASONAGE DATE OWNERS THEREOF POR THE CONTRACT SHOWN OF THIS PLAT IN THE REASONAGE OF WARD THE OWNERS THEREOF AND ASSIGNS, HEREBY WANDE ALL CLAMSF FOR DAMAGES AND ASSIGNS, HEREBY WANDE ALL CLAMSF FOR DAMAGES AGAINST AND COORDENAMENTAL ALLITHOUGHTY ARSING FROM THE CONSTRUCTION AND MAINTENANCE OF PUBLIC FACILITIES AND PUBLIC PROPERTY WITHIN THIS PLATE.

DIMENSIONS AND USES OF ALL LOTS AND TRACTS OF LAKID EMBRACED IN THIS PLAT ARE SUBJECT TO AND SHALL BE IN CONFORMITY WITH CITY OF PORT ORCHARD ZONING REGULATIONS.

TRACTS A, B, C, D, E, AND H OF THIS PLAT SHALL BE CONVEYED TO THE MCCORMICK MEADOWS HOMEOWNERS ASSOCIATION UPON RECORDATION OF THIS PLAT.

THIS SUBDIVISION HAS BEEN MADE WITH THE FREE CONSENT AND IN ACCORDANCE WITH THE DESIRES OF THE OWNERS. IN WITNESS WHEREOF WE HAVE BEREUNTO SEPOUR HANDS AND SEALS.

Feigley Road Partners, LLC

Acknowledgments

STATE OF WASHINGTON) COUNTY OF KING ON THIS (LOAV OF SECTEMBER) 2.242, BEFORE ME. THE UNDERSCORD, A PROTARY PUBLIC IN AND FOR THE STATE OF WASHINGTON, DULY COMMISSIONADAND SWORD, PROSPECATION, DULY COMMISSIONADAND SWORD THE WITHIN AND FOREGOING, INSTRUMENT, AND ACKNOWLEDGED THAT WITHIN AND FOREGOING, INSTRUMENT, AND ACKNOWLEDGED THAT HE SIGNED THE SAME AS HE SEE AND OUTUNIARY ACT AND DEED, FOR THE USES AND PURPOSES THERED AND WASHINGTONED, AND ON CONTRIBUTION THE SAME AS HEAD.

SIGNED AND SWORN BEFORE ME ON THIS 12 TDAY OF SEPT, 20 12

PANCON A BANA THE OF WASHINGTON MY COMMISSION EXPIRES: 4-09-14 NOTARY PUBLIC IN AND RESIDING AT: KENT

SANDRA L BAILEY
NOTARY PUBLIC
STATE OF WASHINGTON
COMMISSION EXPIRES

STATE OF WASHINGTON) COUNTY OF KLALA

ON THIS (2) TO VER AND THE COMMISSIONED AND SWORN, PERSONALLY APPEARED THE TOTAL OF THE STATE OF WASHINGTON, DULY COMMISSIONED AND SWORN, PERSONALLY APPEARED THEMEN AND THE AND THE NEW OF THE WITHIN AND POBEGOING INSTRUMENT, AND ACKNOWLENGED THAT HE SIGKED THE MESS AND VOLUNTARY ACT AND DEED, FOR THE USES AND PURPOSES THERE IN AND THE SIGKED THAT HE SIGKED THE WAS AUTHORIZED TO EXECUTE SAID INSTRUMENT.

SIGNED AND SWORN BEFORE ME ON THIS 104 DAY OF Scol., 2012.

Lebralm. Ordural NOTARY PUBLICIA AND EOR THE STATE OF WASHINGTON RESIDING AT: JOHN.

MY COMMISSION EXPIRES: UML 10, 2012

Treasurer's Certificate

I HEREBY CERTIFY THAT ALL TAXES AND DELINQUENT ASSESSMENTS FOR WHICH THE SUBJECT PROPERTY MAY BE LIABLE AS OF THE DATE OF CERTIFICATION HAVE BEEN DULY PAID, SATISTED OR DISCHARGED.

Recording Certificate

UNDER RECORDING NUMBER FILED FOR RECORD AT THE REQUEST OF **CELALUL FOR DALMES.** ON THIS AS DAY OF MINUTES PAST OCLOCK PA. AND RECORDED IN VOLUME 35. OF PLATS, PAGES 15.5-157 Walt Nashington by Mylunder

A.N.L. Olson & Associates, Inc.

Engineering, Planning and Surveying

Legal Description

THAT PORTION OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER AND OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 5, TOWNSHIP 23 NORTH, RANGE 1 EAST, W.M., IN KITSAP COUNTY, WASHINGTON, DESCRIBED AS

SECTION 5: THENCE NORTH 25852" EAST ALONG SAID EAST LINE A DISTANCE OF 6929 FEET TO THE NORTHEAST CORNER OF SAID SOUTHEAST QUARTER. THENE MORTH 87179 WEST 10.84 HE BETO THE NORTHWEST CORNER OF SAID SOUTHEAST QUARTER. OF THE NORTHWEST QUARTER. THENCE NOTH 74909 WEST ALONG THE WEST LINE THEREOF A DISTANCE OF 13224 FEET OT THE NORTHWEST QUARTER. OF THE NORTHWEST QUARTER OF THENCE SOUTH 74909 WEST ALONG THE WEST LINE THEREOF A DISTANCE OF 13244 FEET OT THE NORTHWEST CORNER OF SOUTH LINE THEREOF A DISTANCE OF 1344 FEET OT THE REGINARY DATE OF BEDIANDER TAKEN CORDED WITHOUT OF THE SHORT THENCE SOUTH SOUTH SOUTH LINE THENCE ALONG SAID CHAPLE AND ALONG THE MOST AND ALONG SAID SOUTH LINE AN ARC DISTANCE OF 4460 TEET THROUGH A CENTRAL ANGLE OF SEVENCE OF 1460 TEET THROUGH A CENTRAL ANGLE OF SEVENCE OF 1460 TEET THROUGH A CENTRAL ANGLE OF SEVENCE OF 1460 TEET THROUGH A CENTRAL ANGLE OF SEVENCE OF 1460 TEET THROUGH A CENTRAL ANGLE OF SEVENCE OF 1460 TEET THROUGH A CENTRAL ANGLE OF SEVENCE OF 1460 TEET THROUGH A CENTRAL OF BEGINNING.

Surveyor's Certificate

I, CREGORY A, BOBH, REGISTRED, SA A PROFESSIONAL LAND SHRYEYOR BY THE STATE OF WASHINGTON, CRETTEY THAT THIS BLAST HOW AN ACTUAL SHRYEY OF THE LAND HEBERN DESCRIBED, CONDUCTED UNDER MY SUPRIVISION, DURING THE PERIOD OF SEPTEMBER. 2011 TO THAT, 2012, THAT THE DESTANCES, COURSES AND MACLES ANGE SHROWN HEBERO CORRECTLY, AND THAT MONUMENTS, OTHER THAN HOUSE MONUMENTS APPROVED FOR SETTING AT A LATER DATE, THE BEST SET AND THAT LOT CORNERS HAVE BEEN STAKED ON THE GROUND AS DEPICTED ON THE GROUND AS DEPICTED ON





Approvals

I HEREBY CERTIFY THAT THE LAYOUT OF STREETS, ALLEYS AND OTHER RIGHTS OF WAY, DESIGN OF BRIDGES, SEWAGE AND WATER SYSTEMS AND OTHER STRUCTURES IN THIS PLAT HAVE BEEN CONSTRUCTED TO THE CITY OF PORT ORCHARD STANDARDS IN ACCORDANCE WITH THE REQUIREMENTS OF THE PORT ORCHARD PUBLIC WORRAS DEPARTMENT OR THAT A FINANCIAL GUARANTEE IN AN AMOUNT SUFFICIENT TO COMPLETE THE WORK IS DEPOSITED WITH THE CITY.

HE PORT ORCHARD CITY COUNCIL FOUND THAT THE FINAL PLAT FOR OF THE PRELIMINARY PLAT APPROVAL, MEETS THE REQUIREMENTS INAMICS. J012 T McCormick, meadows division 2 conforms to all terms of state and local law, and therefore approved said F MAYOR, CITY OF PORT ORCHARD THE RECORDS OF THE CITY OF PORT ORCHARD THERE ARE NO DELINQUENT ASSESSMENTS BLECT PROPERTY AS OF THE DATE OF THIS CERTIFICATION.

2012 10250061

Sheet 1 of 5

Sheet 2 of 5

20121025006



McCormick Meadows Division 2

♠ N.L. Olson & Associates, Inc.

2453 Bethel Avenue, P.O. Box 637, Port Orchard, WA 98366 Engineering, Planning and Surveying

> Situate Within the NE 1/4 of the SW 1/4 and the SE 1/4 of the NW 1/4, Section 5, Township 23 North, Range 1 East, W.M., Kitsap County, Washington

Notes

- HHIS SURVEY WAS ACCOMPLISHED BY FIELD TRAVERSE PROCEDURES USING A LEICA TCRA 1105 TOTAL STATION AND MEETS OR EXCEEDS THE TRAVERSE ACCURACY STANDARDS SET FORTH IN WAC 332-130-090.
- SEE VOLUME 33 OF PLATS, PAGES 111 THROUGH 117, INCLUSIVE, FOR SUBDIVISION OF SECTION 5, TOWNSHIP 23 NORTH, RANGE 1 EAST, W.M.
 - ALL LOTS, EXCEPT FOR LOT 42, SHALL ACCESS FROM INTERIOR ROADS ONLY. LOT 42 SHALL ACCESS FROM LONE BEAR DRIVE.
- TRACTS A, B, C, D, AND H, AS DEPICTED ON SHEETS 4 AND S OF THIS PLAT, SHALL BE CONVEYED TO THE MACORAICK MEADOWS MEMORYMENE AND UNKEEP OF SAID TRACTS, TRACTS A AND B CONTAIN WELLANDS AND SHALL BE MANTANED CONSISTENT WITH AND SIBBLET TO PORT ORCHARD MUNICIPAL CODE TITLE 18 "ENVIRONMENTAL REGULATIONS" IN EFFECT AT THE TIME OF RECORDING OF THIS PLAT.
 - UPON COMPLETION OF THE STORM DRAINAGE CONVEYANCE FACILITIES, THE DEVELOPER SHALL PROVIDE WRITTEN WOUTCE OT THE CITT AND SHALL BE REQUEDED TO POST A TWO-FEAR MANTENANCE BOND FOR THE FACILITY. THE DEVELORER WILL BE RESPONSIBLE FOR PROVIDING BEGILLAR AND ADEQUATE MANTENANCE DOTRING THIS TWO-YEAR DEVELORER WILL BE RESPONSIBLE FOR PROVIDING BEGILLAR AND ADEQUATE MATERIANCE DURING THIS TWO-YEAR WHILL THE CALLITY IS ACCEPTABLE AND SO PRECENT OF THE HOMES IN DIVISIOUS 2. HAVE BEEN COMPLETED THE SYSTEM AND. WHILL TAKE OVER MANTENANCE AND OPERATION OF THE SYSTEM STORM MANTANED AND OPERATIDD BY THE DEVELOPER, AND ACCEPTED BY THE CITY, IN ACCORDANCE WITH POMC CHAPTER 153.2 STORMWATER MANNAGEMENT, IN PERCLI THE DIFFORM THE OF RECORDING OF THIS PLAT.
 - THE PROPERTY OWNERS WITHIN THIS PLAT SHALL BE RESPONSIBLE FOR AMINITANANCE OF ALL LANDSCAPNO WITHIN THE RESTRICAND PROCESDE RIGHT OF WAY INCLUDING ANY STRUCTURES OTHER THAN ROLAWAY, STORM DRÁNAGE FACILITIES, AND TRAFFE SIGNAGE, MANTENANCE SHALL INCLUDE, BIT NOT BE LIMITED TO, MOWNO OF LAWN AREAS.
- THIS PLAT IS SUBJECT TO ALL ELEMENTS OF THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (CCRS) RECORDS OF THE BASIS-OF THE McCORMICK MEADOWS HOMEOWNERS ASSOCIATION (THE ASSOCIATION).
- THE ARTICLES OF INCORPORATION FOR THE MCORMICK MEADOWS HOMEOWNERS ASSOCIATION ARE ON FILE WITH THE STATE OF WASHINGTON IN OLYMPIA.
- A SUBDIVISION GUARANTEE PREPARED BY FIDELITY NATIONAL TITLE INSURANCE COMPANY, THEIR ORDER NUMBER 64,1028556, THEID INNES, 2012, AND ALL SUPPLEMENTS THEEGOF, WERE RELID UNDO NOR RECORD ITEMS AFFECTING THE SUBDIVISION. ACCORDING TO THESE DOCUMENTS, THE GOLLOWING ITEMS AFFECT THE STITE.
 - (a) RELOCATION OF INGRESS, EGRESS AND UTILITY EASEMENT AREA RECORDED UNDER AUDITOR'S FILE. No. 830922095, (SAID INSTRUMENT AMENDS EASEMENT AGREEMENTS RECORDED UNDER AUDITOR'S FILE. Nos. 830922095, EASEMENT
- (b.) LONE BEAR LANE ACCESS AND UTILITIES EASEMENT RECORDED UNDER AUDITOR'S FILE No. 2006/92560423. (c.) UNDERGROUND ELECTRICAL UTILITIES EASEMENT RECORDED UNDER AUDITOR'S FILE No. 201108100018.
- (4) ELECTRICAL TRANSMISSION EASEMENT RECORDED UNDER AUDITOR'S FILE No. 738213.
- THE INDIVIDUAL LOT ROOF AND FOOTING DRAINAGE SYSTEMS AND ASSOCIATED COLLECTION SYSTEMS ARE PRIVATE AND SHALL BE MAINTAINED BY THE INDIVIDUAL PROPERTY OWNERS. (e.) COMMUNICATION EASEMENT RECORDED UNDER AUDITOR'S FILE No. 8512230127
- DEPTLOWERY AGREEMENT FOR STORANMATER BETWER NITES, COUNTY, THE SOUTH KITES, SCHOOL DISTRICT, AND GEM I, DINTED AREA 13, 300, KITSAP COINTY, RECOUNTS, STORAWATER RANGE FROM THE DEPTLOWENT OF THE RESIDENCE AND THE DEPTLOWENT OF THE RESIDENCE AND THE CHARGE AND THE RESIDENCE AND THE RESIDENCE AND THE CHARGE AND THE SOUTH AND THE CHARGE A 11. STORMWATER FROM McCORMICK MEADOWS SHALL BE CONVEYED TO THE EXISTING REGIONAL STORMWATER FACILITY ON PARCEL B, AND PACKEL B, AND PACKE C, AS DEPICTED ON SHEET 3. A PORTION OF THE REGIONAL STORMWATER FACILITYS CAPACITY IS RESERVED TO THE SOUTH RITING SCHOOL DISTRICT AND TO GEM I, LLC IN ACCORDANCE WITH THE TERMS OF THE
- 12. NO COMBUSTIBLE (AS DEFINED BY THE LATEST EDITION OF THE INTERNATIONAL BUILDING CODE) BUILDING SURFACE, EAVES, OR OVERBLANG SIALL BE LOCATED CLOSER THAN EIGHT (8) FEET HORIZONTALLY TO ANY ELECTRIC FOWER TRANSFORMER, FURTHERMORE, NO WINDOW, DOOR, OR OTHER OPENING SHALL BE LOCATED CLOSER THAN EIGHT (8) FEET TO ANY ELECTRIC POWER TRANSFORMER.

Easement Provisions

(4) ALL LOTS AND TRACTS WITHIN THIS PLAT SHALL BE BENEFITED BY AND SUBBECT TO PERMANENT MULTI-PURFOSE EASEMENTS OVER AND URINER T LET FOOT WHERE STREET OR ROLD, FROM THE OLD SHALL BE PLACED UPON ANY LOT OR TRACT UNLESS THE SAME SHALL BE UNDERGROUND OR IN A CONDUIT ATTACHED TO A BUILDING.

(B) LOT 79 AND TRACT C OF THIS PLAT SHALL BE SUBJECT TO A PERMANIENT EASEMENT, OVER, UNDER AND ACROSS A STRIP OF PART, 15 FEET WUDTH, AS DELINEALED ON SHEET'S OF THE PLAT MAP HEREWITH, GRANTED HERRIN TO THE CITY OF PORT ORCHARD. THE PURPOSE OF SUBD. EASEMENT IS FOR INGRESS, EGRESS AND THE INSTALLATION, OPERATION AND MAINTENANCE OF STORM DRAIN PIPE LINES AND STORM DRAIN FACILITIES.

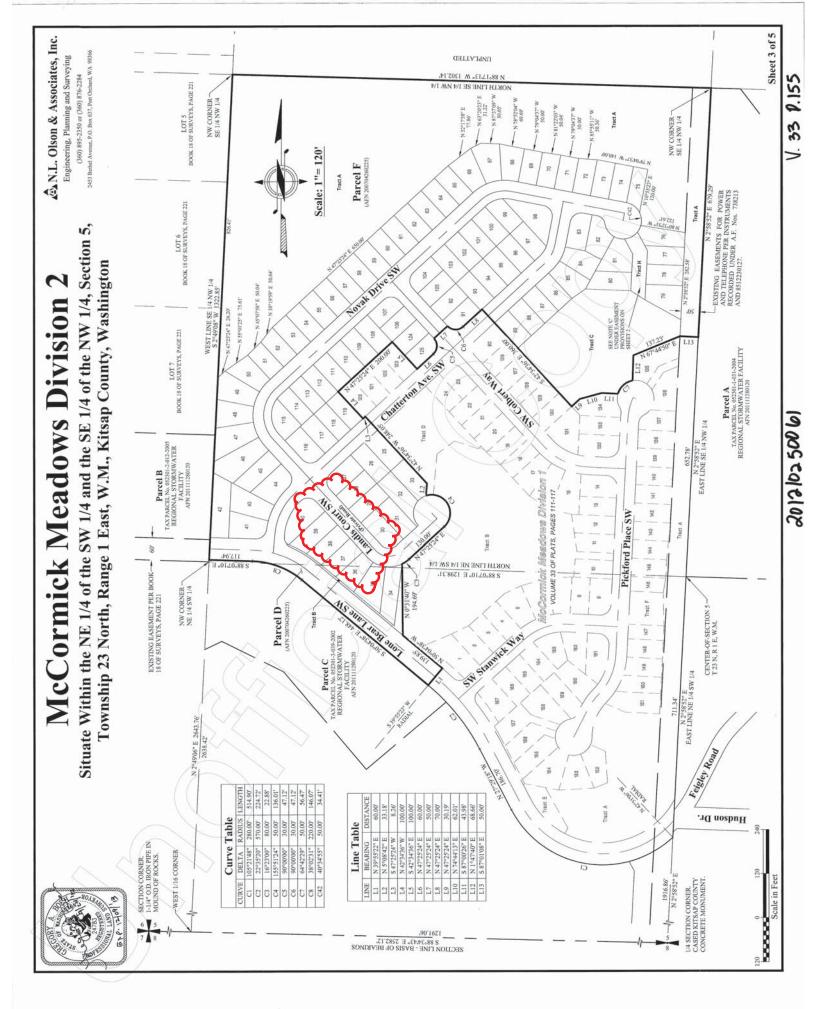
(C) LOTS 76 THROUGH 80, INCLUSIVE, SHALL BE TOGETHER WITH A PERMANENT EASEMENT FOR INGRESS, EGRESS, AND UTILITIES VER, UNDER AND KROSS TRACT, I.AS DELINEATED ON THE PLAT MAP HEREWITH. OWNERS OF SAID LOTS, ARE RESPONSIBLE FOR MANTENANCE OF THE ROADWAY.

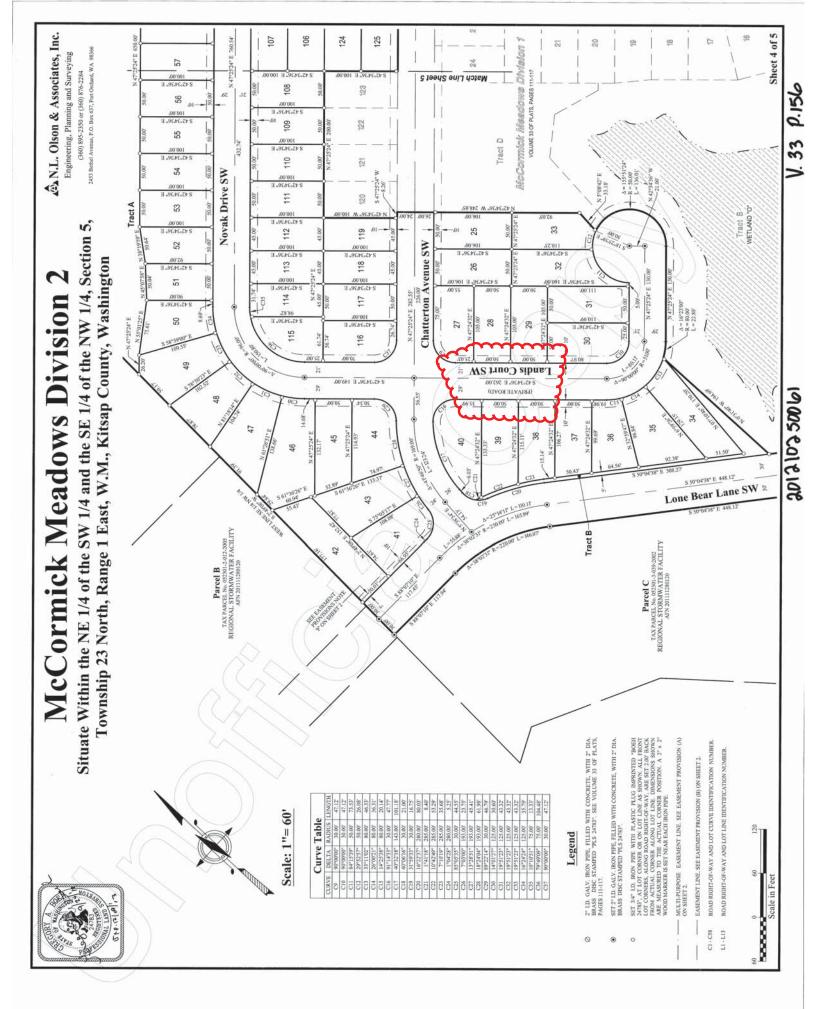
(D) TRACT H OF THIS PLAT SHALL BE SUBJECT TO A PERMANENT EASEMENT, OVER, UNDER AND ACROSS SAID TRACT, GRANTED THE THE UT OF PORT OF GRENAD. THE PREVENT OF AND MAINTENANCE OF SANITARY SEWER PIPE LINES AND SANITARS SEWER PIPE LINES AND SANITARS SEWER AND LITTLES.

(B) ALL LOTS ARE HERBER SUBJECT TO AN EASEMENT, 249 FETT IN WUDTH, PRACLILE, WITH AND ABILTING ALL INTERORY LOT
LINES AND 5.00 FEET IN WIDTH PARALLEL AND ABILTING ALL BEAR LOT LINES FOR THE PURPOSE OF PRIVATE STORM DABANGE
THE EASEMENT SHALL MOVE WITH THE ADDISTID LOT LINES, MAINTENANCE OF ALL PRIVATE STORM DABANGE EASEMENTS AND
REARDEN SHALL BASEMENTS ON THE PLACE SHALL BE THE RESPONSIBILITY OF THE LOTS ANDOR PLACED EASEMENTS AND
REAL BASEMENTS ON THE PLACE SHALL BE THE RESPONSIBILITY OF THE LOTS ANDOR PLACED BEAUTH BROWN SHALL HE ASEMBLYS FOR THE PLACE SHALL BE CONSTRUCTED WITHIN
THESE EASEMENTS. THE EASEMENTS HAVE NOT BEEN DEPICTED HERDON.

FF LOTS 41 AND 42 SHALL BE SUBJECT TO A LANDSCAPING AND IRRIGATION EASMENT ALONG THE SOUTHERLY 5 FEET AS DEPICTED ON SHEET 4 OF THIS PLAT.







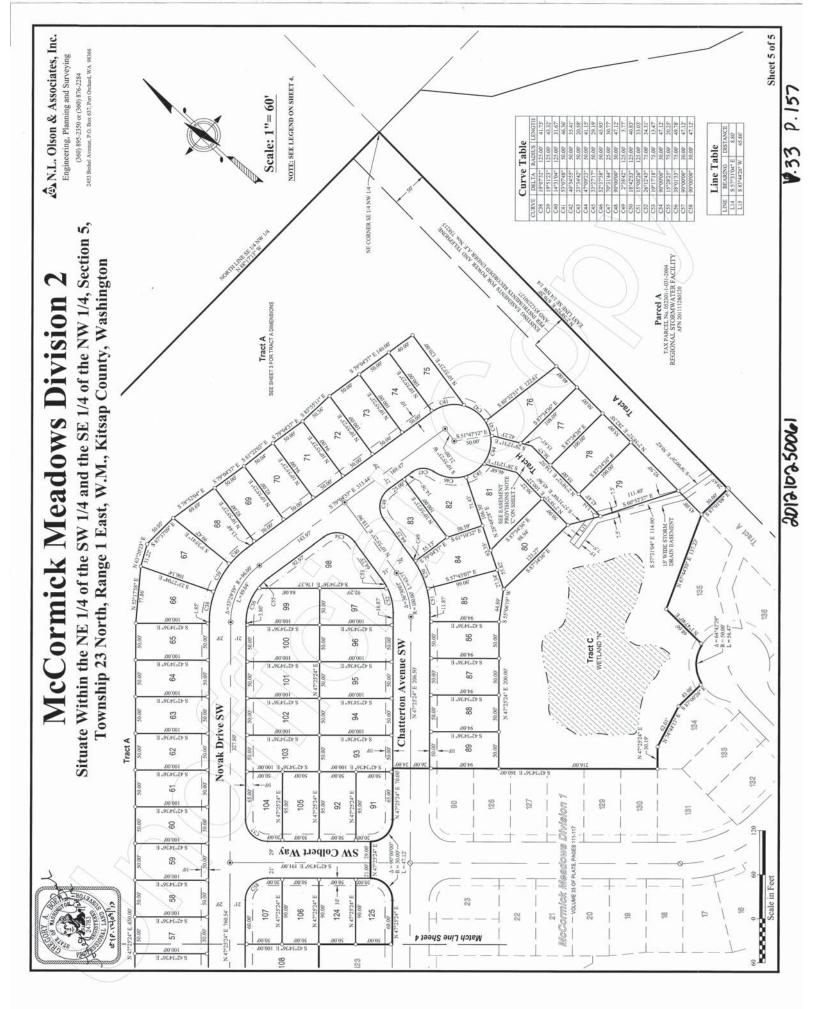
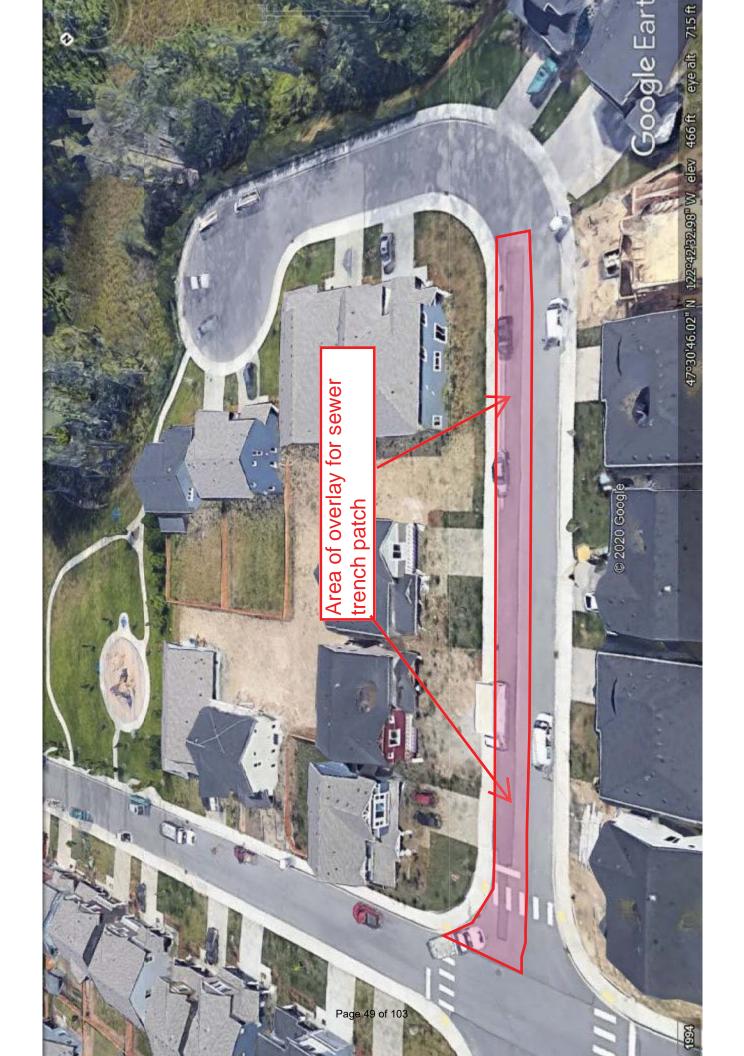


EXHIBIT B
Asphalt Overlay Work



Description of pavement repairs to Landis Ct.:

Complete the utility trench patch repair. Remove and replace the 2 inch asphalt wearing course for one lane from curb to centerline with hot mix asphalt (HMA CL ½" PG 58). The extent of the repair shall be from the existing pavement joint at the intersection with Chatterton Ave. to the end of the utility patch. Prepare surfaces by leveling and proof rolling the existing layer of CSTC surfacing. The existing patch is assumed to be 6 inches and may be ground to 2 inches below the existing roadway surface or removed, replaced with CSTC, and compacted.

Work shall be in accordance with the current edition of the City of Port Orchard Design and Construction Standards and WSDOT Standard Specifications.

EXHIBIT C Signage

10/29/2020

Novastar Development, Inc 18215 72nd Ave South Kent, WA 98032

rweber@novastardev.com

Project: Landis Ct signs

	Reg Hrs	OT Hrs	Rate	Rate	Amount
Fournier	4.00		35.35		141.40
					-
					-
					-
					-
					-
					-
TOTALS	4.00	-	35.35		141.40

Materials	Quantity	Amount		Freight	Tax	Total
Materials	1.00	702.00	702.00		63.18	765.18
concrete	6.00	4.29	25.74		2.32	28.06
thermoplastic	1.00	325.96	325.96		29.34	355.30
TOTALS		1,032.25	1,053.70	-	94.83	1,148.53

Equipment:	Hours	Rate		Amount
Trk 43	4.00	12.78		51.12
				-
				-
				-
TOTALS	4.00			51.12

Total Labor:		141.40
Fringe Benefits (100%)		141.40
Total Materials:		1,148.53
Overhead (15%)tax & freight n/a		158.06
Total Equipment :		51.12
Coding 002.0.369.40		
TOTAL DUE		1,640.51

EXHIBIT D HOA Quit Claim Deed

AFTER RECORDING MAIL TO:

Document Title: Quit Claim Deed

Grantor: McCormick Meadows HOA, a Washington non-profit corporation

City of Port Orchard, a Washington municipal corporation Grantee: Abbr. Legal: McCormick Meadows Div. 2 Plat Auditor No. 201210250061

Legal Description is on Page 1 of Document.

Parcel Number: N/A

QUIT CLAIM DEED

THE GRANTOR, McCormick Meadows HOA, a Washington non-profit corporation, for and in consideration of the City of Port Orchard's assumption of responsibility, hereby conveys and quit claims to the City of Port Orchard, a Washington municipal corporation, all right, title and interest in and to that certain street, inclusive of all improvements, labelled "Landis Court SW" on sheet 2 of 5 and sheet 3 of 5 of the Plat for McCormick Meadows Division 2 recorded on October 25, 2012 under Kitsap County Auditor No. 201210250061. The street "Landis Court SW" is dedicated to the use of the public as a public street and shall no longer be considered a private road as designated on the plat.

DATED this day of November, 2020.
McCORMICK MEADOWS HOA
By:
Its President
STATE OF WASHINGTON)
)ss. COUNTY OF)
On this day personally appeared before me, to me known to be the President of McCormick Meadows HOA, a Washington non-profit corporation, and the individual

QUIT CLAIM DEED Page 1 of 2

described in and who executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned.

GIVEN under my hand and	official seal this day of November, 2020.
	NOTARY PUBLIC in and for the State of Washington, residing at
ACCEPTED:	
CITY OF PORT ORCHARD	
By:	
Its Date: November , 2020.	

EXHIBIT E FRP Quit Claim Deed

AFTER RECORDING MAIL TO:

Document Title: Quit Claim Deed

Grantor: Feigley Road Partners, LLC, a Washington limited liability company

Grantee: City of Port Orchard, a Washington municipal corporation
Abbr. Legal: McCormick Meadows Div. 2 Plat Auditor No. 201210250061

Legal Description is on Page 1 of Document.

Parcel Number: N/A

QUIT CLAIM DEED

THE GRANTOR, Feigley Road Partners, LLC, a Washington limited liability company, for and in consideration of the City of Port Orchard's assumption of responsibility, hereby conveys and quit claims to the City of Port Orchard, a Washington municipal corporation, all right, title and interest in and to that certain street, inclusive of all improvements, labelled "Landis Court SW" on sheet 2 of 5 and sheet 3 of 5 of the Plat for McCormick Meadows Division 2 recorded on October 25, 2012 under Kitsap County Auditor No. 201210250061. The street "Landis Court SW" is dedicated to the use of the public as a public street and shall no longer be considered a private road as designated on the plat.

DATED this	day of November, 2020.
	Feigley Road Partners, LLC
	By: Thomas A. Barghausen Its Managing Member
STATE OF WASHINGTON	
COUNTY OF)ss.)

On this day personally appeared before me Thomas A. Barghausen, to me known to be the Managing Member of Feigley Road Partners, LLC, a Washington limited liability company, and

QUIT CLAIM DEED Page 1 of 2 the individual described in and who executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said company, for the uses and purposes therein mentioned.

GIVEN under my hand and o	fficial seal this day of November, 2020.
	NOTABY BUBLIO is and family a Otata of
	NOTARY PUBLIC in and for the State of Washington, residing at
	My commission expires:
	Printed Name:
ACCEPTED:	
CITY OF PORT ORCHARD	
By:	
- Its	
Date: November, 2020.	

QUIT CLAIM DEED Page 2 of 2

Attachment 2

EXHIBIT	

LEGAL DESCRIPTION

The road named Landis Court SW as shown on the Plat of McCormick Meadows Division 2, Volume 33 of Plats, Pages 153 through 157, under recording number 201210250061, records of Kitsap County, together with the associated cul-de-sac and all associated fillets, described as follows:

Said private road lies 29 feet to the right and 21 feet to the left of the following described Centerline:

Beginning at the brass disk shown as set on said Plat at the intersection of Chatterton Avenue SW and Novak Drive SW and Landis Court SW;

Thence S 42°34′36″ E 262.00 feet to the beginning of a curve concave to the north having a radius of 51.00 feet;

Thence Northeasterly 81.11 feet along said curve through a central angle of 90°00′00″ to a brass disk as shown on said Plat;

Thence N 47°25′24″ E 130.00 feet to a brass disk as shown on said Plat;

Thence N 42°34′36″ W 21.00 feet to a brass disk as shown on said Plat and the Terminus of the herein described Centerline of Landis Court SW;

TOGETHER WITH the cul-de-sac, the center of which lies at said Terminus of the herein described Centerline, said cul-de-sac having a radius of 50 feet;

TOGETHER WITH the fillets on each side of Landis Court SW at the intersection of Landis Court SW and Chatterton Avenue SW, said fillets each having a radius of 30 feet.



c:\users\dmyhill\desktop\landis court sw legal description.docx







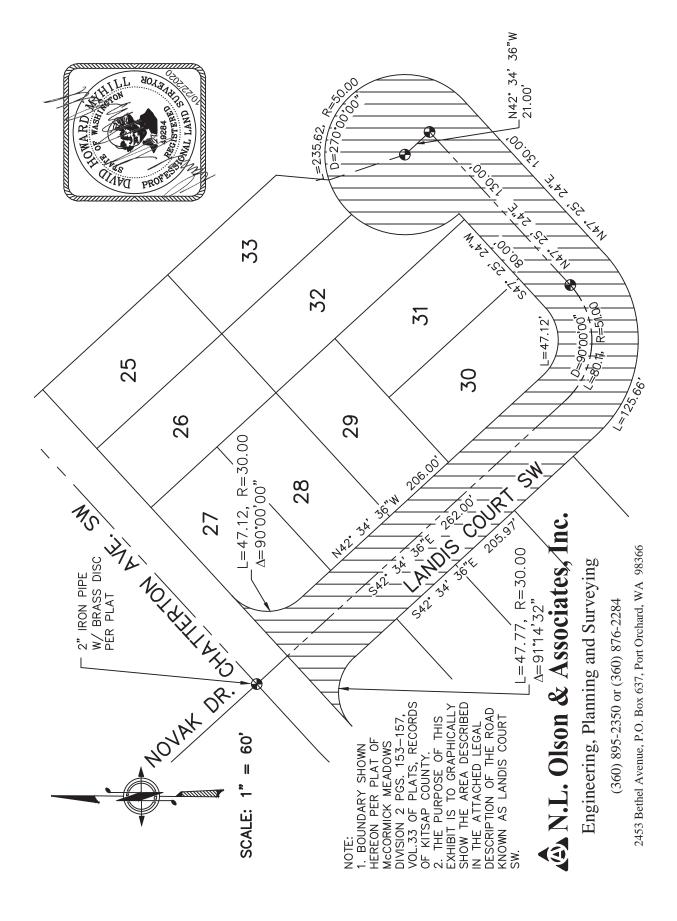
NOT TO SCALE

(a) N.L. Olson & Associates, Inc.

Engineering, Planning and Surveying

(360) 895-2350 or (360) 876-2284

2453 Bethel Avenue, P.O. Box 637, Port Orchard, WA 98366





City of Port Orchard

216 Prospect Street, Port Orchard, WA 98366 (360) 876-4407 • FAX (360) 895-9029

Agenda Staff Report

Agenda Item No.: Business Item 7C Meeting Date: November 10, 2020

Subject: Adoption of a Resolution Repealing Prepared by: Noah Crocker

Resolution No. 022-12 and Adopting Finance Director

Updated Financial Policies Atty Routing No.: Matter 7 - Finance

Atty Review Date: November 4, 2020

Summary: On August 28, 2012, the City Council adopted City financial Policies by resolution, providing guidance and a policy framework for the City to operate. In accordance with financial best practices, City staff reviewed these financial policies to ensure they are continuing to provide the City with the most current financial guidance. The City has continued to grow and evolve, and staff have identified some the policies have become obsolete and outdated. By this Resolution, the City Council would adopt updated Financial Policies to reflect the most current state of sound fiscal practices. These updates are proposed to reflect the current state of the City's operations, as well as the current financial goals set by Council. Of importance is the removal of reference to GAAP-based reporting, as the City has moved to cash basis reporting. Additionally, the City has separated its enterprise funds into separate account structures to provide greater transparency, uniformity and understanding of the utilities. As the enterprise funds have evolved so has the working capital and stabilization reserve targets for these funds which have now been incorporated into these financial policies.

Recommendation: Staff recommends approving the resolution repealing resolution No. 022-12 and adopting the updated Financial Policies as attached in Exhibit A.

Relationship to Comprehensive Plan: N/A

Motion for consideration: "I move to adopt a resolution repealing No. 022-12 and adopting the updated and revised Financial Policies."

Fiscal Impact: N\A

Alternatives: Do not approve Resolution and provide alternative guidance

Attachments: Resolution and red-line and final Financial Policies.

RESOL	.UTION	NO.	

A RESOLUTION OF THE CITY OF PORT ORCHARD, WASHINGTON, REPEALING RESOLUTION NO. 022-12 AND ESTABLISHING UPDATED FINANCIAL POLICIES FOR REVENUE, EXPENDITURE, CASH, INVESTMENT AND DEBT MANAGEMENT, FUND BALANCE AND RESERVE, INVENTORY AND PHYSICAL ASSETS, AND ACCOUNTING PRACTICES AND PROCESSES.

WHEREAS, the Port Orchard City Council and Mayor recognize that financial integrity is of utmost importance for the residents of the City; and

WHEREAS, written, adopted financial policies have many benefits for the City, such as assisting our elected official and staff in the financial management of the City, saving time and energy discussing financial matters, engendering public confidence, and providing continuity overt time as elected officials and staff member change; and

WHEREAS, financial policies provide the foundation and framework for many of the issues and decisions facing the City, and promote sound financial management and assist in the City's stability, efficiency and effectiveness; and

WHEREAS, in recognition of these values, the City adopted financial policies via Resolution No. 022-12; and

WHEREAS, consistent with best practices, Staff reviewed existing policies to propose updated policies to ensure they continue to provide the best framework and guidance; and

WHEREAS, the Council Finance Committee and subsequently the full council have reviewed the proposed updates to the financial policies, and find that they are consistent with sound fiscal policies and in the best interests of the City's residents; now, therefore;

THE CITY COUNCIL OF THE CITY OF PORT ORCHARD, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

THAT: Resolution NO. 022-12 is hereby repealed in its entirety.

THAT: The Financial Policies attached hereto as Exhibit A are hereby approved and adopted.

THAT: This Resolution shall be take full force and effect upon passage and signatures hereon. The repeal of Resolution No. 022-12 by this resolution shall not be construed as affecting any existing right acquired under the laws repealed, nor as affecting any proceeding instituted thereunder, nor any rule, regulation or order promulgated thereunder.

PASSED by the City Council of the City of P attested by the City Clerk in authentication of such	ort Orchard, SIGNED by the Mayor Pro-Tem and passage this 10 th day of November 2020.
ATTEST:	Jay Rosapepe, Mayor Pro-Tem
Brandy Rinearson, MMC, City Clerk	

City of Port Orchard Financial Policies

The financial integrity of our City government is of utmost importance. Our City has evolved with a variety of financial policies that can be found in many different sources including: City Council Resolutions and Ordinances; Budget documents; and Capital Improvement Programs. The set of policies within this document seeks to serve as a central reference point of the most important of our policies, which are critical to the continued financial health of our city.

Written, adopted financial policies have many benefits, such as assisting the elected officials and staff in the financial management of the City, saving time and energy when discussing financial matters, engendering public confidence, and providing continuity over time as elected officials and staff members change. While these policies will be amended periodically, they -will provide the basic-foundation and framework for many of the issues and decisions facing the City. They will promote sound financial management and assist in the City's stability, efficiency, and effectiveness.

Financial Goals

The City of Port Orchard's financial goals seek to:

- •Ensure the financial integrity of the City
- Manage the financial assets in a sound and prudent manner
- •Improve financial information for decision makers at all levels:
 - Policy makers as they contemplate decisions that affect the City on a long-term basis
 - o Managers as they implement policy on aday-to-day basis
- •Maintain and further develop programs to ensure the long term ability to pay all costs necessary to provide the level and quality of service required by the citizens
- •Maintain a spirit of openness and transparency while being fully accountable to the public for the City's fiscal activities

Financial Policies

Port Orchard's financial policies address the following major areas:

- General Policies
- Revenue Policies
- Expenditure Policies
- Operating Budget Policy
- · Capital Management Policy
- · Accounting Policy
- Debt Policy
- Cash Management/Investment Policy
- Reserve/Stabilization –Arrangements

I. General Policies

- The City Council may adopt resolutions or ordinances to set financial policies to assure the financial strength and accountability of the City.
- 2. The Mayor and/or <u>Treasurer Finance Director</u> may develop administrative directives and general procedures for implementing the City Council's financial policies.
- 3. All City Departments share in the responsibility of meeting policy goals and ensuring long-term financial health. Future service plans and programs will be developed to reflect current policy directives, projected resources, and future service requirements.
- 4. Efforts should be coordinated with other governmental agencies to achieve common policy objectives, share the cost of providing governmental services on an equitable basis, and support favorable legislation at the state and federal level.
- 5. Initiate, encourage, and participate in economic development efforts to create job opportunities and strengthen the local economy.
- 6. The City will strive to maintain fair and equitable relationships with its contractors and suppliers.

II. Revenue Policies

Design, maintain, and administer a revenue system that will assure a reliable, equitable, diversified, and sufficient revenue stream to support desired City services.

General Revenues

- Current expenditures will be funded by current revenues. The City will try strive to
 maintain a diversified and stable revenue system to protect programs from shortterm fluctuations in any single source.
- Budgeted revenues will be estimated conservatively using accepted standards and estimates provided by the state, other governmental agencies or reliable economic forecasters when available.
- 3. General Fund and other unrestricted revenues will not be earmarked for specific purposes, activities or services unless otherwise authorized by City Council or required by law, or generally accepted accounting practices—(GAAP). All nonrestricted unrestricted revenues will be deposited into the General Fund and appropriated by the budget process.
- 4. If revenues from "one-time" or limited duration sources are used to balance the City's annual operating budget, it is to be-fully disclosed and explained at the time the budget is written. It is the City's goal to not rely on these types of revenues to balance the operating budget.
- The CityThe willCity will not use deficit financing and borrowing to support on-going

operations in the case of long-term (greater than one year) revenue downturns. Revenue forecasts will be revised, and expenses will be reduced to conform to the revised long-term revenue forecast or revenue increases will be considered.

6. The City will follow an aggressive and professional policy of collecting revenues. When necessary, discontinuing service, small claims court, collection agencies, foreclosure, liens and other methods of collection, such as imposing penalties, collection and late charges, may be used.

Fees and Charges

- 7. Enterprise and Internal Service operations are to be self-supporting.
- 8. The City is to maximize the use of service users' charges in lieu of ad valorem (property) taxes and subsidies from other City funds, for services that can be identified and where costs are directly related to the level of service provided.
 - a. Charges for providing utility services shall-will be sufficient to finance all
 operating, capital outlay, and debt service expenses of the City's enterprise
 funds, including operating contingency, planned capital improvements, and
 reserve requirements.
 - b. Park recreation programs should be funded by a users' charge. User charges shall be comparable to other neighboring cities where practical.
 - Other reimbursable work performed by the City (labor, meals, contracted services, equipment and other indirect expenses) shall be billed at actual or estimated actual-cost.
 - d. The City Council by resolutions or ordinances may declare certain community events beneficial to the City and its citizens, and allow City personnel, under the direction and control of the Mayor or his/her designated department director to support the event, without requiring reimbursement of expenses. Community events declared beneficial shall be included in the current expense budget.
 - e. Charges for services shall accurately reflect the actual or estimated cost of providing a specific service. The cost of providing specific services shall be recalculated periodically, and the fee adjusted accordingly. The City shall should maintain a current schedule of fees and charges, showing when the fees were last reviewed and/or recalculated.
 - f. The City <u>will may</u> consider market rates and charges levied by other municipalities for like services in establishing rates, fees, and charges.
 - g. Certain fees, such as rental fees, will be based upon market conditions and are not subject to the limitations of cost recovery.

Formatted: Indent: Left: 0.65", First line: 0"

Grants

- Grant funding for programs or items which address the City's current priorities and policy objectives should be considered to leverage City funds. Inconsistent and/or fluctuating grants should not be used to fund on-going programs.
- 10. Before accepting any grant, the City shall thoroughly consider the implications in tenns_terms_of ongoing obligations that will be required in connection with acceptance of said grant.
- 11. All grants and other federal and state funds shall be managed to comply with the laws, regulations, and guidance of the grantor.

III. Expenditure Policies

Identify priority services, establish appropriate service levels, and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of services.

- The City will strive to adopt an <u>annual-biennial</u> General Fund budget in which current expenditures do not exceed current projected revenues. Capital expenditures may be funded from one-time revenues. <u>The City will determine a list of one time revenues.</u>
- Department Directors are responsible for managing their budgets within the total appropriation for their department.
- 3. The City will take immediate corrective actions if at any time during the fiscal year expenditure and revenue re-estimates are such that an operating deficit is projected at year-end. Corrective actions can include a hiring freeze, <u>furloughs</u>, <u>staffing reductions</u>, expenditure reductions, fee increases, or use of contingencies. The City Council may approve a short-term interfund loan or use of one-time revenue sources to address temporary gaps in cash flow, although this will be avoided if possible.
- 4. Long-term debt or bond financing shall not be used to finance current operating expenditures.
- 6. Emphasis should be placed on improving individual and work group productivity rather than adding to the work force. The City will invest in technology and other efficiency tools to maximize productivity. The City should hire additional staff only after the need for such positions has been demonstrated and documented.
- 7. All compensation planning and collective bargaining is encouraged to focus on the total cost of compensation which includes direct salary, health care benefits, pension contributions, and other benefits which are a cost to the City.

Resolution No.022XXX-1220 Exhibit A

- 8. Periodic comparisons of service delivery will be made to ensure that quality services are provided to our citizens at the most competitive and economical_-cost. Privatization and contracting with other governmental agencies should be evaluated- as alternatives to service delivery where appropriate. Programs that are determined to be inefficient and/or ineffective shall be reduced in scope or eliminated.
- Whenever feasible, government activities should be considered enterprises if so doing will increase efficiency of service delivery or recover the cost of providing the service from the benefiting entity by user fees.
- 10. The City will make every effort to maximize any discounts offered by creditors/vendors.

IV. Operating Budget Policies

- 1. The City Council will adopt and maintain a balanced annual biennial operating budget.
- 2. The City will strive to adopt a budget where current annual operating revenues will be equal to or greater than current operating expenditures.
- 3. Balanced revenue and expenditure forecasts should be prepared to examine the City's ability to absorb operating costs due to changes in the economy, service demands, contractual obligations, and capital improvements.
- 4. In the event a balanced budget is not attainable, and the cause of the imbalance is expected to last for no more than one year, the planned use of reserves to balance the budget is permitted. In the event that a budget shortfall is expected to continue beyond one year, the planned use of reserves must be developed as part of a corresponding strategic financial plan to close the gap through revenue increases or expenditure decreases.
- 5. The operating budget shall serve as the <u>annual biennial</u> financial plan for the City. It will serve as the policy document of the City Council for implementing Council goals and objectives. The budget will provide the staff the resources necessary to accomplish City Council determined service levels.
- 6. As mandated by RCW 35A.334.05180, the Mayor-chief administrative officer shall annually biennially present a proposed operating budget to the City Council at least sixty days before the beginning of the next fiscal bienniumon or before the first Monday in October. The City Council must adopt by ordinance a final balanced budget no later than December 31 of each year.
- 7. As stipulated under RCW 35A.34.270, all appropriations in any current operating fund shall lapse at the end of each fiscal biennium. However, this shall not prevent payments in the following biennium upon uncompleted programs or improvements in progress or on orders subsequently filled or claims subsequently billed for the purchase of material, equipment, and supplies or for personal or contractual services not completed or furnished by the end of the fiscal biennium, all of which have been properly budgeted and contracted for prior to the close of such fiscal biennium, but furnished or completed in due course thereafter.
- 7.8. Funds may not be expended or encumbered for the following fiscal year biennium until

Formatted: Font: 11.5 pt, Font color: Custom Color(RGB(70,68,70))

Resolution No.022XXX-1220 Exhibit A

the budget has been adopted by the City Council.

V. Capital Management Policies

Review and monitor the state of the City's capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs, <u>fonding funding</u> alternatives, and availability of resources.

Resolution No.022XXX-1220 Exhibit A

Capital Facilities Plan Element

 The City will develop a <u>Capital Facilities pPlan (CFP)</u> as defined and required by RCW 36.70A.070 which is consistent with the City Comprehensive Plan. <u>The Capital Budget should reflect the Capital Facilities Plan Elements.</u> The plan shall be for a period of six years.

Capital Asset Management

- The City will maintain its capital assets at a level adequate to protect the City's capital
 investment and to minimize future maintenance and replacement costs. The budget
 will provide for adequate maintenance and orderly replacement of capital assets from
 current revenues where possible.
- 2. The capitalization threshold used in determining if a given asset qualifies for capitalization is \$45,000 per item with a useful life of over one year.
- 3. The City Departments will conduct on a continuous, monthly, annually, multi-year basis or performed in sections over a multi-year cycle a an annual physical count/inspection of all-capital assets.
- Adequate insurance will be maintained on all capital assets consistent with the results
 of the annual physical count/inspection.

VI. Accounting Policies

Comply with prevailing federal, state, and local statutes and regulations. Conform to a comprehensive basis of accounting in compliance with Washington State statutes, <u>Budgeting</u>, <u>Accounting</u>, and <u>Reporting System (BARS)</u>, and with generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB,) and the Government Finance Officers Association (GFOA) where applicable.

- The City will maintain expenditure categories according to state statute and administrative regulation. The City will use the "Budgeting, Accounting & Reporting System" (BARS) prescribed by the State Auditor for its revenue and expenditure classification.
- Quarterly budget reports showing the current status of revenues and expenditures will
 may be prepared and distributed to council, and appropriate staff and management
 personnel in a timely manner and made available for public inspection.
- 3. Electronic financial systems will be maintained to monitor revenues, expenditures, and program performance on an ongoing basis.
- 4. The Annual Financial Report will be prepared and submitted to the State Auditor's Office no later than 150 days from the end of the preceding fiscal year.
- 5. The Annual Financial Report will be prepared on the basis of accounting that

Formatted: Font: 11 pt

Formatted: Font: Not Italic

- demonstrates compliance with Washington State statutes and the BARS manual prescribed by the State Auditor, which is a comprehensive basis of accounting other than generally accepted accounting principles. The report will provide full disclosure of all financial activities and related matters.
- 6. The City's budget should satisfy criteria as a financial and programmatic policy document, as a comprehensive financial plan, as an operations guide for all organizational units, and as a communications device for all significant budgetary issues, trends and resources.-_It should be a goal of the Finance Department to submit build athe budget document_that is readable, transparent, and-_worthy of to the Washington Finance Officers Association (WFOA) or Government Finance Officers Association (GFOA) _dDistinguished Budget Presentation budget presentation program;_.

VII. Debt Policies

Establish guidelines for debt financing that will provide needed capital equipment and infrastructure improvements while minimizing the impact of debt payments on current revenues.

- The City will not use long-term debt to pay for current operations. The use of bonds or certificates of participation will only be considered for significant capital and infrastructure improvements.
- 2. The term of the debt shall never extend beyond the useful life of the improvements to be financed.
- General obligation debt will not be used for self supporting enterprise activity. General
 Obligation debt should be prioritized for governmental activities; however, it could be
 considered for enterprise activities as deemed appropriate and in the best interest of the
 City by City Council.
- 4. The general policy of the City is to establish debt repayment schedules that use level annual principal and interest payments.
- 5. Interest earnings on bond proceeds will be limited to 11 funding the improvements specified in the authorizing bond ordinance, or 2) payment of debt service on the bonds.
- 6. Proceeds from debt will be used in accordance with the purpose of the debt issue. Funds remaining after the project is completed will be used in accordance with the provisions stated in the bond ordinance that authorized the issuance of the debt.
- 7. The City will use the most prudent methods of acquiring capital outlay items, including but not limited to, the use of lease-purchase agreements. In no case will the City lease-purchase equipment whose useful life is less than the term of the lease-lease.
- 8. The City will maintain its bond rating at the highest level fiscally prudent, so that future borrowing costs are minimized and access to the credit market is-preserved. The City will encourage and maintain good relations with financial bond rating agencies and will follow a policy of full and open disclosure.

VIII. Cash Management and Investment Policies

Manage and invest the City's operating cash to ensure its legality, safety, provide for necessary liquidity, avoid imprudent risk, and optimize yield.

- +1. Cash and Investment programs -will -be -maintained -in -accordance -with -City -regulations and will ensure that proper controls and safeguards are maintained. City funds will be managed -in a -prudent and -diligent -manner -with an emphasis -on safety -of principal, liquidity principal, liquidity, and financial return on principal (yield), in that —order.
- 2. The City will develop and adopt an investment policy.
- The City will <u>develop and maintain written guidelines on cash handling</u>, accounting, segregation of duties, and other-financial matters.
- 4. All financial transactions of the city fall under the responsibility and control of the City TreasurerFinance Director; except the financial duties of the municipal court as prescribed by Washington Court Rule, General Rule 29, (GR29) which shall be the responsibility of the Presiding Judge of the Municipal Court.
- 5. Special investigative unit funds as provided in Chapter 69.50 RCW needed for the interception of illegal drugs leading to drug seizures shall be held in a transactional account for the purpose of securely and quickly providing access to funds on demand. Signatories shall include the Chief of Police and Police Commander Deputy Chief.
- 6-5. Access to mMonthly reports will be provided prepared and distributed to all departments and prepared and distributed to the City Council showing cash position, and year-to-date budgeted and actual expenditures.
- 7-6. The City will conduct annual reviews of its internal controls and cash handling procedures.

IX. Reserve Policies

Maintain the reserves, contingencies, and ending fond-fund balances of the various operating funds at levels sufficient to protect the City's credit as well as its financial position from emergencies.

General Fund and Enterprise Reserves

The City recognizes that reserves need to be acquired over multiple budget <u>years_cycles_and</u> require discipline and a strong commitment to maintain.

Reserves are a necessary component of the overall finance management strategy of the City. Reserves serve a variety of purposes. 1) Ensuring adequate resources for cash flow 2) Mitigating short-term effects of revenue shortages 3) Leveraging beneficial opportunities 4)

9

Resolution No.022XXX-1220 Exhibit A

Providing the ability to exercise flexible financial planning, and 5) To address unforeseen emergencies or changes in conditions.

Header distance from edge: 0", Footer distance from edge: 0"

The City will strive to maintain the following a-two tier reserve structure:

- Assigned Ending Fund Balance designated as working capital in the general fund and Enterprise funds
- Stabilization Arrangement reported as restricted or committed in the general fund and Enterprise Funds

Working Capital

General Fund (Current Expense, Street): The City's goal shall be to maintain a minimum undesignated unreserved General Fund—ending fund -balance of at least five-12.5% (45 days) percent of annual budgeted General Fund—operating revenues per fund (rounded to nearest thousand) with the intent to move toward an ending fund balance target of 25% (90 days) as funding allows. Ending Fund balance may be used to cover cash flow needs caused by the timing of the ad valorem tax cycle collections which results in the traditional "W" cash flow sequence. Ending -fund-balance -reserve is -considered -working capital of -the general ffund.

Enterprise Fund's (Water, Sewer, Storm): The City's goal shall be to maintain a minimum undesignated-reserved ending fund balance of at least 17% (~60 days) of annual budgeted operating revenues per fund (rounded to the nearest thousand) with the intent to move toward an ending fund balance target of 25% (90 days) as funding allows. Ending Fund balance may be used to cover cash flow needs. Ending fund balance reserve is considered working capital of the fund.

Stabilization Arrangement Fund

<u>General Fund (Current, Street)</u>: A City Stabilization <u>Arrangement in an amount of two months 17% (~ 60 days)</u> of <u>its five year arithmetic mean of its annual allocated</u> General Fund expenditure budget may be maintained annually as resources allow. Funding may come from one time revenues, monthly budgeted amounts from general revenues, and transfers from ending fund balance as authorized by Council resolution.

Enterprise Funds (Water, Sewer, Storm): A City Stabilization amount of 25% of its annual allocated expenditure budget per fund may be maintained annually as resources allow. Funding may come from one-time revenues, monthly budgeted amounts from operation revenues, and transfers from ending fund balance as authorized by Council.

Stabilization reserves shall be used if all efforts have been exhausted to fund a qualifying event and no reasonable budget adjustments are available to continue to provide essential services to

Formatted: Font: Bold

Formatted: Left: 1", Right: 1", Top: 1", Bottom: 1",

Formatted: Font: Bold

Resolution No. $\frac{022XXX}{Exhibit A}$ -1220

the public. The <u>City TreasurerFinance Director</u> must quantify, document and present the significance of the qualifying event. Authorization for spending stabilization reserves requires a simple majority vote of the City Council.

Qualifying Events:

- The State of Washington or Federal government formally declares a disaster or emergency.
- A natural or urgent event that jeopardizes public safety, impedes commerce, or threatens additional damage to City infrastructure.
- Unforeseen events or situation outside of the scope of contingency planning or planned normal courseof government operations.
- An act of war, terrorism, or declaration of Martial law.

Formatted: Left: 1", Right: 1", Top: 1", Bottom: 1"

City of Port Orchard Financial Policies

The financial integrity of our City government is of utmost importance. Our City has evolved with a variety of financial policies that can be found in many different sources including: City Council Resolutions and Ordinances; Budget documents; and Capital Improvement Programs. The set of policies within this document seeks to serve as a central reference point of the most important of our policies, which are critical to the continued financial health of our city.

Written, adopted financial policies have many benefits, such as assisting the elected officials and staff in the financial management of the City, saving time and energy when discussing financial matters, engendering public confidence, and providing continuity over time as elected officials and staff members change. While these policies will be amended periodically, they will provide the foundation and framework for many of the issues and decisions facing the City. They will promote sound financial management and assist in the City's stability, efficiency, and effectiveness.

Financial Goals

The City of Port Orchard's financial goals seek to:

- •Ensure the financial integrity of the City
- Manage the financial assets in a sound and prudent manner
- •Improve financial information for decision makers at all levels:
 - o Policy makers as they contemplate decisions that affect the City on a long-term basis
 - o Managers as they implement policy on aday-to-day basis
- •Maintain and further develop programs to ensure the long term ability to pay all costs necessary to provide the level and quality of service required by the citizens
- •Maintain a spirit of openness and transparency while being fully accountable to the public for the City's fiscal activities

Financial Policies

Port Orchard's financial policies address the following major areas:

- General Policies
- Revenue Policies
- Expenditure Policies
- Operating Budget Policy
- Capital Management Policy

- Accounting Policy
- Debt Policy
- Cash Management/Investment Policy
- Reserve/Stabilization Arrangements

I. General Policies

- I. The City Council may adopt resolutions or ordinances to set financial policies to assure the financial strength and accountability of the City.
- 2. The Mayor and/or Finance Director may develop administrative directives and general procedures for implementing the City Council's financial policies.
- 3. All City Departments share in the responsibility of meeting policy goals and ensuring long-term financial health. Future service plans and programs will be developed to reflect current policy directives, projected resources, and future service requirements.
- 4. Efforts should be coordinated with other governmental agencies to achieve common policy objectives, share the cost of providing governmental services on an equitable basis, and support favorable legislation at the state and federal level.
- 5. Initiate, encourage, and participate in economic development efforts to create job opportunities and strengthen the local economy.
- 6. The City will strive to maintain fair and equitable relationships with its contractors and suppliers.

II. Revenue Policies

Design, maintain, and administer a revenue system that will assure a reliable, equitable, diversified, and sufficient revenue stream to support desired City services.

General Revenues

- Current expenditures will be funded by current revenues. The City will strive to maintain a diversified and stable revenue system to protect programs from shortterm fluctuations in any single source.
- 2. Budgeted revenues will be estimated conservatively using accepted standards and estimates provided by the state, other governmental agencies or reliable economic forecasters when available.
- 3. General Fund and other unrestricted revenues will not be earmarked for specific purposes, activities or services unless otherwise authorized by City Council or required by law, or generally accepted accounting practices. All unrestricted revenues will be deposited into the General Fund and appropriated by the budget process.
- 4. If revenues from "one-time" or limited duration sources are used to balance the City's annual operating budget, it is to befully disclosed and explained at the time the budget is written. It is the City's goal to not rely on these types of revenues to balance the operating budget.
- 5. The City will not use deficit financing and borrowing to support on-going

- operations in the case of long-term (greater than one year) revenue downturns. Revenue forecasts will be revised, and expenses will be reduced to conform to the revised long-term revenue forecast or revenue increases will be considered.
- 6. The City will follow an aggressive and professional policy of collecting revenues. When necessary, discontinuing service, small claims court, collection agencies, foreclosure, liens and other methods of collection, such as imposing penalties, collection and late charges, may be used.

Fees and Charges

- 7. Enterprise and Internal Service operations are to be self-supporting.
- 8. The City is to maximize the use of service users' charges in lieu of ad valorem (property) taxes and subsidies from other City funds, for services that can be identified and where costs are directly related to the level of service provided.
 - a. Charges for providing utility services will be sufficient to finance all operating, capital outlay, and debt service expenses of the City's enterprise funds, including operating contingency, planned capital improvements, and reserve requirements.
 - b. Park recreation programs should be funded by a users' charge. User charges shall be comparable to other neighboring cities where practical.
 - c. Other reimbursable work performed by the City (labor, meals, contracted services, equipment and other indirect expenses) shall be billed at actual or estimated cost.
 - d. The City Council by resolutions or ordinances may declare certain community events beneficial to the City and its citizens, and allow City personnel, under the direction and control of the Mayor or his/her designated department director to support the event, without requiring reimbursement of expenses. Community events declared beneficial shall be included in the current expense budget.
 - e. Charges for services shall accurately reflect the actual or estimated cost of providing a specific service. The cost of providing specific services shall be recalculated periodically, and the fee adjusted accordingly. The City should maintain a current schedule of fees and charges, showing when the fees were last reviewed and/or recalculated.
 - f. The City may consider market rates and charges levied by other municipalities for like services in establishing rates, fees, and charges.
 - g. Certain fees, such as rental fees, will be based upon market conditions and are not subject to the limitations of cost recovery.

Grants

- 9. Grant funding for programs or items which address the City's current priorities and policy objectives should be considered to leverage City funds. Inconsistent and/or fluctuating grants should not be used to fund on-going programs.
- 10. Before accepting any grant, the City shall thoroughly consider the implications in terms of ongoing obligations that will be required in connection with acceptance of said grant.
- 11. All grants and other federal and state funds shall be managed to comply with the laws, regulations, and guidance of the grantor.

III. Expenditure Policies

Identify priority services, establish appropriate service levels, and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of services.

- 1. The City will strive to adopt a biennial General Fund budget in which current expenditures do not exceed current projected revenues. Capital expenditures may be funded from one-time revenues.
- 2. Department Directors are responsible for managing their budgets within the total appropriation for their department.
- 3. The City will take immediate corrective actions if at any time during the fiscal year expenditure and revenue estimates are such that an operating deficit is projected at year-end. Corrective actions can include a hiring freeze, furloughs, staffing reductions, expenditure reductions, fee increases, or use of contingencies. The City Council may approve a short-term interfund loan or use of one-time revenue sources to address temporary gaps in cash flow, although this will be avoided if possible.
- 4. Long-term debt or bond financing shall not be used to finance current operating expenditures.
- 5. The City will assess funds for services provided internally by other funds. Interfund service fees charged to recover these costs will be recognized as revenue to the providing fund.
- 6. Emphasis should be placed on improving individual and work group productivity rather than adding to the work force. The City will invest in technology and other efficiency tools to maximize productivity. The City should hire additional staff only after the need for such positions has been demonstrated and documented.
- 7. All compensation planning and collective bargaining is encouraged to focus on the total cost of compensation which includes direct salary, health care benefits, pension contributions, and other benefits which are a cost to the City.

- 8. Periodic comparisons of service delivery will be made to ensure that quality services are provided to our citizens at the most competitive and economical cost. Privatization and contracting with other governmental agencies should be evaluated as alternatives to service delivery where appropriate. Programs that are determined to be inefficient and/or ineffective shall be reduced in scope or eliminated.
- 9. Whenever feasible, government activities should be considered enterprises if so doing will increase efficiency of service delivery or recover the cost of providing the service from the benefiting entity by user fees.
- 10. The City will make every effort to maximize any discounts offered by creditors/vendors.

IV. Operating Budget Policies

- 1. The City Council will adopt and maintain a balanced biennial operating budget.
- 2. The City will strive to adopt a budget where current annual operating revenues will be equal to or greater than current operating expenditures.
- 3. Balanced revenue and expenditure forecasts should be prepared to examine the City's ability to absorb operating costs due to changes in the economy, service demands, contractual obligations, and capital improvements.
- 4. In the event a balanced budget is not attainable, and the cause of the imbalance is expected to last for no more than one year, the planned use of reserves to balance the budget is permitted. In the event that a budget shortfall is expected to continue beyond one year, the planned use of reserves must be developed as part of a corresponding strategic financial plan to close the gap through revenue increases or expenditure decreases.
- 5. The operating budget shall serve as the biennial financial plan for the City. It will serve as the policy document of the City Council for implementing Council goals and objectives. The budget will provide the staff the resources necessary to accomplish City Council determined service levels.
- 6. As mandated by RCW 35A.34.080, the chief administrative officer shall biennially present a proposed operating budget to the City Council at least sixty days before the beginning of the next fiscal biennium. The City Council must adopt by ordinance a final balanced budget no later than December 31 of each year.
- 7. As stipulated under RCW 35A.34.270, all appropriations in any current operating fund shall lapse at the end of each fiscal biennium. However, this shall not prevent payments in the following biennium upon uncompleted programs or improvements in progress or on orders subsequently filled or claims subsequently billed for the purchase of material, equipment, and supplies or for personal or contractual services not completed or furnished by the end of the fiscal biennium, all of which have been properly budgeted and contracted for prior to the close of such fiscal biennium, but furnished or completed in due course thereafter.
- 8. Funds may not be expended or encumbered for the following biennium until the budget has been adopted by the City Council.

V. Capital Management Policies

Review and monitor the state of the City's capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs, funding alternatives, and availability of resources.

Capital Facilities Plan Element

1. The City will develop a capital facilities plan as defined and required by RCW 36.70A.070 which is consistent with the City Comprehensive Plan. The Capital budget should reflect the Capital Facilities Plan Elements. The plan shall be for a period of six years.

Capital Asset Management

- 1. The City will maintain its capital assets at a level adequate to protect the City's capital investment and to minimize future maintenance and replacement costs. The budget will provide for adequate maintenance and orderly replacement of capital assets from current revenues where possible.
- 2. The capitalization threshold used in determining if a given asset qualifies for capitalization is \$5,000 per item with a useful life of over one year.
- 3. The City Departments will conduct on a continuous, monthly, annually, multi-year basis or performed in sections over a multi-year cycle a physical count/inspection of capital assets.
- 4. Adequate insurance will be maintained on capital assets.

VI. Accounting Policies

Comply with prevailing federal, state, and local statutes and regulations. Conform to a comprehensive basis of accounting in compliance with Washington State statutes, Budgeting, Accounting, and Reporting System (BARS), and with generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB,) and the Government Finance Officers Association (GFOA) where applicable.

- 1. The City will maintain expenditure categories according to state statute and administrative regulation. The City will use the "Budgeting, Accounting & Reporting System" (BARS) prescribed by the State Auditor for its revenue and expenditure classification.
- 2. Quarterly budget reports showing the current status of revenues and expenditures may be prepared and distributed to council, and appropriate staff and management personnel in a timely manner and made available for public inspection.
- 3. Electronic financial systems will be maintained to monitor revenues, expenditures, and program performance on an ongoing basis.
- 4. The Annual Financial Report will be prepared and submitted to the State Auditor's Office no later than 150 days from the end of the preceding fiscal year.

- 5. The Annual Financial Report will be prepared on the basis of accounting that demonstrates compliance with Washington State statutes and the BARS manual prescribed by the State Auditor, which is a comprehensive basis of accounting other than generally accepted accounting principles. The report will provide full disclosure of all financial activities and related matters.
- 6. The City's budget should satisfy criteria as a financial and programmatic policy document, as a comprehensive financial plan, as an operations guide for all organizational units, and as a communications device for all significant budgetary issues, trends and resources. It should be a goal of the Finance Department to build a budget document that is readable, transparent, and worthy of distinguished budget presentation program.

VII. Debt Policies

Establish guidelines for debt financing that will provide needed capital equipment and infrastructure improvements while minimizing the impact of debt payments on current revenues.

- 1. The City will not use long-term debt to pay for current operations. The use of bonds or certificates of participation will only be considered for significant capital and infrastructure improvements.
- 2. The term of the debt shall never extend beyond the useful life of the improvements to be financed.
- 3. General Obligation debt should be prioritized for governmental activities; however, it could be considered for enterprise activities as deemed appropriate and in the best interest of the City by City Council.
- 4. The general policy of the City is to establish debt repayment schedules that use level annual principal and interest payments.
- 5. Interest earnings on bond proceeds will be limited to 1) funding the improvements specified in the authorizing bond ordinance, or 2) payment of debt service on the bonds.
- 6. Proceeds from debt will be used in accordance with the purpose of the debt issue. Funds remaining after the project is completed will be used in accordance with the provisions stated in the bond ordinance that authorized the issuance of the debt.
- 7. The City will use the most prudent methods of acquiring capital outlay items, including, but not limited to, the use of lease-purchase agreements. In no case will the City lease-purchase equipment whose useful life is less than the term of the lease.
- 8. The City will maintain its bond rating at the highest level fiscally prudent, so that future borrowing costs are minimized and access to the credit market is preserved. The City will encourage and maintain good relations with financial bond rating agencies and will follow a policy of full and open disclosure.

VIII. Cash Management and Investment Policies

Manage and invest the City's operating cash to ensure its legality, safety, provide for necessary liquidity, avoid imprudent risk, and optimize yield.

- 1 . Cash and Investment programs will be maintained in accordance with City regulations and will ensure that proper controls and safeguards are maintained. City funds will be managed in a prudent and diligent manner with an emphasis on safety of principal, liquidity, and financial return on principal (yield), in that order.
- 2. The City will develop and adopt an investment policy.
- 3. The City will develop and maintain written guidelines on cash handling, accounting, segregation of duties, and otherfinancial matters.
- 4. All financial transactions of the city fall under the responsibility and control of the Finance Director; except the financial duties of the municipal court as prescribed by Washington Court Rule, General Rule 29, (GR29) which shall be the responsibility of the Presiding Judge of the Municipal Court.
- 5. Access to monthly reports will be provided to all departments and prepared and distributed to the City Council showing cash position, and year-to-date budgeted and actual expenditures.
- 6. The City will conduct annual reviews of its internal controls and cash handling procedures.

IX. Reserve Policies

Maintain the reserves, contingencies, and ending fund balances of the various operating funds at levels sufficient to protect the City's credit as well as its financial position from emergencies.

General Fund and Enterprise Reserves

The City recognizes that reserves need to be acquired over multiple budget cycles and require discipline and a strong commitment to maintain.

Reserves are a necessary component of the overall finance management strategy of the City. Reserves serve a variety of purposes. 1) Ensuring adequate resources for cash flow 2) Mitigating short-term effects of revenue shortages 3) Leveraging beneficial opportunities 4)

Providing the ability to exercise flexible financial planning, and 5) To address unforeseen emergencies or changes in conditions.

The City will strive to maintain the following two tier reserve structure:

Working Capital

General Fund (Current Expense, Street): The City's goal shall be to maintain a minimum unreserved ending fund balance of at least 12.5% (45 days) of annual budgeted operating revenues per fund (rounded to nearest thousand) with the intent to move toward an ending fund balance target of 25% (90 days) as funding allows. Ending Fund balance may be used to cover cash flow needs caused by the timing of the ad valorem tax cycle collections. Ending fund balance reserve is considered working capital of the fund.

Enterprise Fund's (Water, Sewer, Storm): The City's goal shall be to maintain a minimum unreserved ending fund balance of at least 17% (60 days) of annual budgeted operating revenues per fund (rounded to the nearest thousand) with the intent to move toward an ending fund balance target of 25% (90 days) as funding allows. Ending Fund balance may be used to cover cash flow needs. Ending fund balance reserve is considered working capital of the fund.

Stabilization Fund

General Fund (Current, Street): A City Stabilization amount of 17% (~ 60 days) of its annual allocated General Fund expenditure budget may be maintained annually as resources allow. Funding may come from one time revenues, monthly budgeted amounts from general revenues, and transfers from ending fund balance as authorized by Council.

Enterprise Funds (Water, Sewer, Storm): A City Stabilization amount of 25% of its annual allocated expenditure budget per fund may be maintained annually as resources allow. Funding may come from one-time revenues, monthly budgeted amounts from operation revenues, and transfers from ending fund balance as authorized by Council.

Stabilization reserves shall be used if all efforts have been exhausted to fund a qualifying event and no reasonable budget adjustments are available to continue to provide essential services to the public. The Finance Director must quantify, document and present the significance of the qualifying event. Authorization for spending stabilization reserves requires a simple majority vote of the City Council.

Qualifying Events:

- The State of Washington or Federal government formally declares a disaster or emergency.
- A natural or urgent event that jeopardizes public safety, impedes commerce, or threatens additional damage to City infrastructure.
- Unforeseen events or situation outside of the scope of contingency planning or planned normal course of government operations.
- An act of war, terrorism, or declaration of Martiallaw.



Allocation

City of Port Orchard

216 Prospect Street, Port Orchard, WA 98366 (360) 876-4407 • FAX (360) 895-9029

Agenda Staff Report

Agenda Item No.: Business Item 7D Meeting Date: November 10, 2020

Subject: Adoption of a Resolution Accepting the Lodging Tax Advisory Committee's Recommendation for 2021 Funding Atty Routing No.: N/A

Meeting Date: November 10, 2020

Brandy Rinearson, MMC

City Clerk

N/A

Summary: Each year, staff solicits applicants to apply for Lodging Tax funds that are used for tourism marketing and festival and events. The funds are used to attract tourists to the City.

Atty Review Date: N/A

At the August 10, 2020, Economic Development/Tourism committee meeting, committee members and staff discussed options on how the City should proceed in the funding allocation process for 2021, due to the amount of estimated revenue coming in lower than anticipated and with a significant amount of funds for 2020 not being expended.

At the August 18, 2020, City council meeting, Council directed staff to move forward with the Lodging Tax application process for 2021, but only for tourism marketing with the understanding that the funds will be reviewed in early 2021. After the review, the Council will determine if the City will open the application process for Festivals and Events. The total amount of funds being allocated for 2021 is \$100,000.

On October 26, 2020, the Lodging Tax Advisory Committee heard presentations from applicants requesting funds for 2021 tourism marketing. On October 27, 2020, the Committee met to discuss the applications received and to provide a recommendation to the Council on how funds should be awarded.

During the deliberation process, the committee understood that some funds needed to be reserved for Event and Festivals. The funds allocated below are consistent with past allocations for Tourism Marketing.

The Committee's recommendation is as follows:

Organization	FY's 2021 Funds Requested	Committee Recommendation
Fathoms O' Fun Festival-Tourism Marketing	\$3,500	\$3,500
Port Orchard Bay Street Association-Tourism Marketing	\$12,450	\$8,000
Port Orchard Chamber of Commerce-Explore Port	\$10,000	\$6,000
Orchard-Tourism Marketing		
Port Orchard Chamber of Commerce-Tourism Information/Visitor Center	\$14,000	\$10,000
Sidney Museum & Arts Association-Tourism Marking	\$5,000	\$5,000
Visit Kitsap Peninsula- Tourism Marketing	\$24,000	\$20,000
Total	\$68,950	\$52,500

Recommendation: Staff recommends adoption of a resolution accepting the lodging tax recommendations for 2021, as presented.

Relationship to Comprehensive Plan: None.

Motion for consideration: I move to adopt a resolution, accepting the Lodging Tax Advisory Committee's recommendation for the 2021 funding allocation, as presented.

Fiscal Impact: \$100,000 has been budgeted in the 2021 expenditure portion of the 2021/2022 Biennial

Budget.

Alternatives: N/A

Attachments: Resolution.

RESOL	N NOITU.	IO .

A RESOLUTION OF THE CITY OF PORT ORCHARD, WASHINGTON, ACCEPTING THE LODGING TAX ADVISORY COMMITTEE'S RECOMMENDATION FOR 2021 FUNDING ALLOCATION.

WHEREAS, on September 23, 2020, October 2, 2020, and October 8, 2020, notices were published notifying the public that the City was accepting proposals for the Hotel/Motel Lodging Tax funding applications for 2021; and

WHEREAS, proposals were due to the City Clerk no later than October 14, 2020; which 6 applications were received; and

WHEREAS, on October 26, 2020, the Lodging Tax Advisory Committee met and heard presentations from all applicants; and

WHEREAS, on October 27, 2020, the Lodging Tax Advisory Committee met to review the applications and provide their recommendations to City Council; now, therefore,

THE CITY COUNCIL OF THE CITY OF PORT ORCHARD, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

THAT: The City Council accepts the Lodging Tax Advisory Committee's 2021 lodging tax recommendations as follows:

	FY's 2021	Committee
Organization	Funds Requested	Recommendation
Fathoms O' Fun Festival- Tourism Marketing	\$3,500	\$3,500
Port Orchard Bay Street Association-Tourism	\$12,450	\$8,000
Marketing		
Port Orchard Chamber of Commerce-Explore Port	\$10,000	\$6,000
Orchard-Tourism Marketing		
Port Orchard Chamber of Commerce-Tourism	\$14,000	\$10,000
Information/Visitor Center		
Sidney Museum & Arts Association-Tourism	\$5,000	\$5,000
Marking		
Visit Kitsap Peninsula-Tourism Marketing	\$24,000	\$20,000
Total	\$68,950	\$52,500

PASSED by the City Council of the City of Port Orchard, SIGNED by the Mayor Pro-Tem and attested by the City Clerk in authentication of such passage this 10th day of November 2020.

	<u></u>	
	Jay Rosapepe, Mayor Pro-Tem	
ATTEST:		
Brandy Rinearson, MMC, City Clerk		



City of Port Orchard

216 Prospect Street, Port Orchard, WA 98366 (360) 876-4407 • FAX (360) 895-9029

Agenda Staff Report

Agenda Item No.: Business Item 7E Meeting Date: November 10, 2020

Subject: Approval of a Contract with South Kitsap Fire and Rescue to Share Funding for the Community
Health Navigator Position Atty Routing No.: N/A

Atty Review Date: N/A

Summary: The police department is recommending a new FTE position within the department to serve as a Community Health Navigator. The position is included in the 2021-2022 budget for approval by the Council as part of the overall biennial budget. The intent of the ILA is to have the process established for implementation immediately at the beginning of 2021.

The joint Community Health Navigator will be an adaption of the current Navigator position that is under contract with the City of Poulsbo. The new Navigator position will continue its work with the police department and be assigned half-time to the fire department.

The Navigator will engage with individuals identified by first responders as needing intervention and connect them to resources and social services. The Navigator will also facilitate individuals across all involved systems of care. The goal of the program will also be to improve coordination with first responders and service providers such as mental health and chemical dependency counselors, housing providers, and other regional services. The goal is to reduce the use of emergency services by guiding individuals to necessary resources that may provide longer term assistance.

This contract covers an upcoming FTE position and provides the framework for successful implementation of the program.

Recommendation: Staff recommends the Council approve the ILA between the City of Port Orchard and South Kitsap Fire Rescue to share funding for the Community Health Navigator position.

Relationship to Comprehensive Plan: N/A

Motion for consideration: I move to authorize the Mayor Pro-Tem to execute the interlocal agreement between the City of Port Orchard and South Kitsap Fire Rescue to share funding for the Community Health Navigator position.

Fiscal Impact: \$65,000 annually.

Alternatives: Not approve the ILA and provide additional guidance.

Attachments: ILA between City of Port Orchard and South Kitsap Fire Rescue.

INTERLOCAL AGREEMENT BETWEEN THE CITY OF PORT ORCHARD AND KITSAP COUNTY FIRE PROTECTION DISTRICT NO. 7 (SOUTH KITSAP FIRE AND RESCUE) REGARDING A COMMUNITY HEALTH NAVIGATOR PROGRAM

THIS AGREEMENT ("Agreement") is entered into between the City of Port Orchard ("the City") and Kitsap County Fire Protection District No. 7, South Kitsap Fire and Rescue ("the District") (individually a "Party" and collectively the "Parties"), under the authority of the Interlocal Cooperation Act, RCW 39.34, for the purposes set forth herein.

WHEREAS, the City and the District believe there is a need for a Community Health Navigator Program in South Kitsap; and

WHEREAS, many individuals in the South Kitsap community rely on emergency services (police and fire) for low acuity calls that could be handled or resolved by alternative resources if those individuals were aware of available alternative resources; and

WHEREAS, Community Health Navigators build effective working relationships with individuals after they have been in contact with First Responders, by providing support, education and assistance to those individuals to help them navigate the complex health care system and by informing those individuals of the resources available to them; and

WHEREAS, the City and District believe that if individuals in the South Kitsap community had a resource such as a Community Health Navigator Program, low acuity calls would be reduced, thus allowing First Responders to better respond to life-threatening emergencies; and

WHEREAS, the City and the District desire to cooperate and commence a Community Navigator Program that serves the City's Police Department and the District; and

WHEREAS, the Parties desire to share the costs for the new Community Health Navigator Program and have come to a mutual understanding as to their responsibilities and wish to set forth that understanding in writing; NOW, THEREFORE,

THE PARTIES HERETO AGREE AS FOLLOWS:

1. **PURPOSE OF AGREEMENT.** The purpose of this Agreement is to set forth the mutual understanding of the Parties as to their respective obligations relating to a Community Health Navigator Program.

2. DUTIES AND RESPONSIBILITIES OF THE CITY.

- 2.1. The Parties agree that the City will be responsible for hiring an individual who will be responsible for the new Community Health Navigator Program established by this Agreement. The City may suspend provision of services for the Program whenever the position is vacant.
- 2.2. The City agrees that this individual's sole responsibility shall be as the new Community Health Navigator. The Community Health Navigator's responsibilities are more fully described in the job description attached hereto as Exhibit A.
- 2.3. The Community Health Navigator shall be an employee of the City at all times, and as such, the City shall retain all rights, duties and obligations as an employer and shall be responsible for all compensation, benefits and resources associated with the employment of that individual.
- 2.4. The City shall be responsible for the oversight of the Community Health Navigator and shall supervise that individual's daily activities. The Community Health Navigator is subject to all City administrative policies and is terminable at the City's discretion.
- 2.5. The City agrees that the Community Health Navigator is available for the District's Community Health Navigator Program needs for at least 20 hours per week. The Parties acknowledge, however, that the number of hours worked for the District may fluctuate depending on the Navigator's workload.
- 2.6. The City shall sign and abide by the terms of a Business Associate Agreement to allow the Parties to share HIPAA protected information.
- 2.7. The City will provide monthly reports to the District regarding the work performed by the Community Health Navigator on behalf of the District. The Parties will mutually agree as to the form and content of the report.

3. **DUTIES AND RESPONSIBILITIES OF THE DISTRICT.**

- 3.1. The District agrees to pay for fifty percent (50%) of those costs associated with the total cost of compensation for the individual hired by the City as the new Community Health Navigator. This amount shall not exceed \$65,000.00 annually, provided, after the first year, the cap may increase on an annual basis by an amount equal to the Seattle-Tacoma-Bellevue CPI-U. if requested by the City. In the event that this Agreement is terminated early, the District shall only be responsible for its pro-rated share of the cost of the Community Health Navigator.
- 3.2. The District shall provide transportation for the Community Health Navigator for work performed by the Community Health Navigator on behalf of the District, where travel is necessary in the discretion of the District.
- 3.3. The District shall provide annual HIPAA training for the Community Health Navigator.
- 4. **DURATION OF AGREEMENT.** This Agreement shall take effect upon the date it is (1) executed fully by both Parties and (2) either filed with the County Auditor or posted on at

least one of the Parties' websites in accordance with Section 16 below ("Effective Date"). This Agreement shall remain in full force and effect for three (3) years starting on the Effective Date, unless or until earlier terminated as provided for in Section 5.

- 5. **TERMINATION.** Either Party may terminate this Agreement at any time by giving the other Party ninety (90) days advance written notice of the intent to terminate; PROVIDED that the provisions of Paragraphs 6 and 8 shall survive the termination of this Agreement.
- 6. **INSURANCE/MUTUAL INDEMNIFICATION.** Each Party shall carry appropriate liability and property damage insurance to cover any loss occasioned by the negligent actions of the acting Party during the performance of any obligation pursuant to this Agreement, in the types of coverage and amounts as follows:
 - Commercial General Liability in an amount not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$1,000,000) aggregate.
 - Automobile Liability in an amount not less than one million dollars (\$1,000,000) per occurrence.
 - A Certificate of Insurance for worker's compensation coverage.

The insurance requirements herein shall be deemed satisfied by evidence of a Party's membership in a self-insurance pool. Failure on the part of any Party to maintain the insurance as required shall constitute a material breach of this agreement.

Each Party also agrees to indemnify, defend and hold harmless the other Party and its elected and appointed officials, officers, employees and agents, from and against all claims, losses, damages, suits and expenses, including reasonable attorneys' fees and costs, to the extent they arise out of, or result from, the negligence or willful misconduct of the indemnitor or its elected or appointed officials, officers, employees or agents in the performance of this Agreement, provided the District shall indemnify and hold harmless the City for fifty percent (50%) of any settlement amount, damages, losses, costs, penalties and fees, including attorney fees, of any nature or kind arising out of the acts or omissions of the Community Health Navigator while performing duties on behalf of the District. Solely for purposes of this indemnification provision, each Party waives the immunity it would otherwise enjoy under RCW Title 51 (Industrial Insurance) and acknowledges that this waiver was mutually negotiated by the Parties.

Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the District and the

City, their officers, officials, employees, and volunteers, the City's and/or District's liability hereunder shall be only to the extent of the City's and/or District's negligence.

- 7. **PAYMENT.** The District shall pay its portion of the cost associated with the Community Health Navigator within 30 days of issuance of an invoice by the City. An invoice will be issued by the City annually for the duration of the Agreement.
- 8. **REVIEW MEETINGS**. Every three months, and more often if deemed necessary, the Parties shall meet to discuss the development and implementation of the Community Health Navigator Program. The Parties shall review the work being performed by the Community Health Navigator, review successes and failures and determine whether any changes need to be made to the program. The Community Health Navigator shall remain an employee of the City at all times, and the City shall retain the right and duty to supervise and direct the Community Health Navigator at all times.
- 9. **NO JOINT ENTITY OR PROPERTY.** No joint entity or enterprise is created by this Agreement and no property will be acquired by the Parties under this Agreement. Each Party will retain independent title to any property acquired by that Party and used in the performance of the duties and responsibilities provided herein.
- 10. **ADMINISTRATION.** This Agreement shall be administered by the City's Mayor and the District's Fire Chief.
- 11. **NOTICE.** Any notices to be given under this Agreement shall be delivered in person or mailed to the Parties at the following addresses:

To the City: Mayor Rob Putaansuu

City of Port Orchard 216 Prospect St.

Port Orchard, WA 98366

To the District: Chief Jeff Faucett

Kitsap County Fire Protection District No. 7 (SKFR)

1974 Fircrest Dr SE Port Orchard, WA 98366

or to such other persons or addresses as may be provided, from time to time, by the Parties. Notices given by mail shall be deemed received three (3) days after the same are placed in the U.S. Mail, postage prepaid, addressed as provided in this section.

- 12. **SEVERABILITY.** In the event that any section, sentence, clause, or paragraph of this Agreement is held to be invalid by any court of competent jurisdiction, the remainder of this Agreement shall not be affected and shall remain in full force and effect.
- 13. **NO WAIVER.** Any Party's failure to insist upon strict performance of another Party's covenants or agreements, or to exercise any rights, shall not be deemed a waiver or relinquishment by such Party, and such covenants, agreements and rights shall continue in full force and effect.
- 14. **INTEGRATED AGREEMENT.** This Agreement constitutes the entire agreement and understanding between the Parties regarding the subject matter hereof and may be modified only by a written instrument signed by both Parties hereto, and duly authorized by the governing body for each Party. There are no other verbal or other agreements that modify or affect this Agreement.
- 15. **COOPERATION / DISPUTES**. The Parties shall strive to cooperate with one another in all reasonable respects and at all reasonable times so the terms and spirit of this Agreement may be fully implemented for the benefit of both Parties and their constituents. If a dispute cannot be cooperatively resolved, this Agreement shall be deemed to be made and construed in accordance with the laws of the State of Washington, and jurisdiction and venue for any action arising out of this Agreement shall be in Kitsap County, Washington.
- 16. **FILING OF AGREEMENT.** Parties shall file a certified copy of this Agreement with the Kitsap County Auditor or, alternatively, post the Agreement on each Party's website before the Agreement becomes effective, as required by RCW 39.34.040.
- 17. **REASONABLE INTERPRETATION.** For the reason that both Parties hereto have had ample opportunity to provide input for the preparation of this Agreement, it shall not be interpreted in favor of or against either Party. Rather, it shall be provided with a reasonable interpretation to the end that its terms and intent may be fully and reasonably implemented.

CITY OF PORT ORCHARD	KITSAP COUNTY FIRE PROTECTION
	DISTRICT NO. 7 (SKFR)
Mayor Pro-Tem Jay Rosapepe	Chairman Gerald Preuss

Date:	Date:
ATTEST/AUTHENTICATED:	
APPROVED AS TO FORM:	
Attorney for the District	_
APPROVED AS TO FORM:	
City Attorney	_



City of Port Orchard Council Meeting Minutes Regular Meeting of October 27, 2020

1. CALL TO ORDER AND ROLL CALL

Mayor Putaansuu called the meeting to order at 6:30 p.m.

Roll call was taken by the City Clerk as follows:

Councilmember Ashby	Present via Remote Access
Councilmember Chang	Present via Remote Access
Councilmember Clauson	Present via Remote Access
Councilmember Cucciardi	Absent
Councilmember Diener	Present via Remote Access
Councilmember Lucarelli	Present via Remote Access
Mayor Pro-Tem Rosapepe	Present via Remote Access
Mayor Putaansuu	Present via Remote Access

Staff present via Remote Access: Finance Director Crocker, Community Development Director Bond, Public Works Director Dorsey, Utility Manager J. Brown, City Attorney Archer, Police Chief M. Brown, HR Coordinator Lund, and City Clerk Rinearson.

Mayor Putaansuu stated pursuant to the Governor's Stay at Home, Stay Safe order, the City Council will be conducting the meeting via Zoom this evening.

A. PLEDGE OF ALLEGIANCE

Mayor Putaansuu led the audience and Council in the Pledge of Allegiance.

2. APPROVAL OF AGENDA

MOTION: By Councilmember Diener, seconded by Councilmember Lucarelli, to approve the agenda as presented.

The motion carried.

3. CITIZENS COMMENTS

There were no citizen comments.

4. CONSENT AGENDA

- **A.** Approval of Voucher Nos. 80705 through 80809, including bank drafts in the amount of \$820,478.37 and EFT's in the amount of \$33,546.44 totaling \$854,024.81.
- **B.** Approval of Payroll Check Nos. 80701 through 80704 including bank drafts and EFT's in the amount of \$146,272.16; and Direct Deposits in the amount of \$183,725.29 totaling \$329,997.45.

MOTION: By Councilmember Clauson, seconded by Councilmember Rosapepe, to approve the consent agenda as published.

The motion carried.

5. PRESENTATION

A. South Kitsap Community Event Center-Site Section Criteria

Steve Rice, Rice Fergus Miller, provided a presentation on the Site Selection Criteria for the South Kitsap Community Events Center which included important criteria, potentially negative criteria, and most important criteria.

6. PUBLIC HEARING

A. Property Tax Levy and Revenue Sources Current Expense Budget 2021-2022 and Satisfying the Requirements of RCW 84.55.120

Mayor Putaansuu opened the public hearing at 7:05 p.m.

Finance Director Crocker provided a 2021 Revenue Sources Presentation, and a brief discussion was held with the Council and Mayor regarding details of the presentation.

There being no more testimony, Mayor Putaansuu closed the public hearing at 7:20 p.m.

7. BUSINESS ITEMS

A. Adoption of an Ordinance Setting the Amount of Property Tax to be Levied for the Year 2021 Pursuant to RCW 84.55.120

MOTION: By Councilmember Ashby, seconded by Councilmember Clauson, to adopt an ordinance setting the 2021 property tax levy and the amount of property taxes to be raised for the budget year of 2021.

The motion carried. (Ordinance No. 031-20)

B. Adoption of a Substantial Need Ordinance for Property Taxes to be Levied for the Year 2021 Pursuant to RCW 84.55.0101

MOTION: By Councilmember Clauson, seconded by Councilmember Rosapepe, to adopt an ordinance finding a substantial need to increase property taxes levied by one percent(1%) and to set the levy limit at one hundred one percent (101%) to ensure adequate funding for City services in calendar year 2021.

The main motion carried. (Ordinance No. 032-20)

C. Adoption of an Ordinance Approving the 2020 Port Orchard Municipal Code Title 20 *Unified Development Code* "Housekeeping" Amendments

MOTION: By Councilmember Lucarelli, seconded by Councilmember Diener, to adopt an ordinance adopting minor corrections, clarifications, and updates to Title 20 POMC.

The motion carried. (Ordinance No. 033-20)

D. Approval of an Interlocal Agreement with the South Kitsap School District for the School Resource Officer Program

MOTION: By Councilmember Rosapepe, seconded by Councilmember Ashby, to authorize the Mayor to sign the ILA between the South Kitsap School District and the City of Port Orchard for the 2020-2021 school year.

The motion carried. (Contract No. 084-20)

E. Approval of a Memorandum of Understanding with the Police Guild Representing Patrol Regarding Starting Pay of Lateral Police Officer Applicants

MOTION: By Councilmember Diener, seconded by Councilmember Clauson, to authorize the Mayor to sign a Memorandum of Understanding with the Police Guild representing Patrol Officers to revise the language in Article 8.1 of the bargaining agreement related to starting pay.

The motion carried. (Amendment to Contract No. 046-19)

F. Approval of the October 13, 2020 Council Meeting Minutes

MOTION: By Councilmember Clauson, seconded by Councilmember Lucarelli, to approve the Council

meeting minutes of October 13th.

The motion passed. Councilmember Rosapepe abstained.

MOTION: By Councilmember Clauson, seconded by Councilmember Diener, to approve the excusal of Councilmember Cucciardi for personal reasons this evening.

The motion carried.

8. DISCUSSION ITEMS (No Action to be Taken)

A. Reservoir Cleaning Video

Utility Manger Jacki Brown shared a video cleaning the City's reservoirs.

Council Direction: No direction was given to staff.

9. REPORTS OF COUNCIL COMMITTEES

Mayor Putaansuu reported the Finance committee may meet November 10th and November 23rd depending on the outcome of tomorrow's budget meeting.

Councilmember Chang reported on the October 26th Economic Development and Tourism committee meeting.

Councilmember Lucarelli reported on the October 20th Utilities committee meeting. The next meeting is scheduled for November 17th. She also reported on the Festival of Chimes and Lights activities associated with the event.

Councilmember Diener reported the Land Use committee is scheduled to meet November 4th.

Councilmember Ashby reported on the October 27th Transportation committee meeting.

Councilmember Rosapepe reported on the October 26^{th} and October 27^{th} Lodging Tax Advisory committee meetings.

Mayor Putaansuu reported the department director's budget meetings are scheduled for tomorrow and gave an update on the Department of Emergency Management and COVID-19.

Councilmember Ashby reported on the Peninsula RTPO (Regional Transportation Planning Organization), and KRCC (Kitsap Regional Coordinating Council) meetings.

10. REPORT OF MAYOR

Mayor Putaansuu reported on the following:

- Draft legislative priorities;
- Budget;
- Bay Street Pedestrian Pathway; and
- Selection committee for the Event Community Center.

11. REPORT OF DEPARTMENT HEADS

City Attorney Archer reported the moratorium on utility shut offs has been extended until the end of the year and we are expecting an extension on the OPMA/PRA (Open Public Meetings Act/Public Records Act) proclamation.

Police Chief Brown reported on windstorm activities and provided an update on the Strategic Advisory committee.

Finance Director Crocker reported on the budget, noting we are almost there.

HR Coordinator Lund reported she is working on Laserfiche.

City Clerk Rinearson reported on Laserfiche and documents.

Community Development Director Bond reported on the retiring building inspector, permitted new-single family residences, and new apartment complexes.

12. CITIZEN COMMENTS

There were no citizen comments.

13. EXECUTIVE SESSION

There was no executive session.

14. ADJOURNMENT

The meeting adjourned at 8:18 p.m. No other action was taken. Audio/Visual was successful.		
Brandy Rinearson, MMC, City Clerk	Jay Rosapepe, Mayor Pro-Tem	



City of Port Orchard

216 Prospect Street, Port Orchard, WA 98366 (360) 876-4407 • FAX (360) 895-9029

Agenda Staff Report

Agenda Item No.:	Discussion Item 8A	Meeting Date:	November 10, 2020
Subject:	Use of the Van Zee Park by a Recreational	Prepared by:	Brandy Rinearson, MMC
	Sports Organization		City Clerk
		Atty Routing No.:	N/A
		Atty Review Date:	N/A
	Sports Organization	,	N/A

Summary: Wade Schmidt, Recreation Coaching Director of the South Kitsap Soccer Club, reached out to the City to possibly lease a portion of Van Zee park to use as a field for soccer practices. They are needing a field that has lights.

After discussion with the Land Use committee, staff was directed to get the length of the lease, how often they would be practicing, and how many teams would be using the field at once. Upon getting the information, the committee instructed staff to bring straight to council for their consideration.

Staff reached out to Mr. Schmidt, who provided the requested additional information:

If we can use Van Zee, it would be for 2-3 hours per night Mon-Thu. But the field condition and hourly cost are the two unknowns. We are a non-profit organization that is all volunteers. We don't have deep pockets for expensive fields and our insurance would have to inspect the field to ensure the children will not twist ankles or trip over uneven ground. We have 1 or 2 teams per night that might use the field. If we decide the field is playable, the insurance will cover it, and we can afford it, we would likely use it Nov-Dec, and possibly use it Jan-Mar. Please understand that I am not committing the Soccer Club to using Van Zee at this time. I'm looking at options and possibilities, and the Soccer Club Board of Directors will determine what options we will use depending on field size, condition, and cost.

Staff is looking for direction on if the Council wishes to lease the field/park to the sports organization and if so, what the monthly lease amount would be for.

Recommendation: N/A

Relationship to Comprehensive Plan: None.

Fiscal Impact: To be determined.

Alternatives: Do not allow use of parks for this type of activity.

Attachments: Approximate cost for light usage in 2019

Brandy Rinearson

From:

Tony Lang

Sent:

Tuesday, October 20, 2020 9:36 AM

To:

Mark Dorsey; Brandy Rinearson

Cc:

Jenine Floyd; Kara Sexton; Patti Saltsgaver

Subject:

RE: Use of Givens Park Baseball Field at night

Attachments:

2019 Van Zee Usage.pdf

See attached.

I'm not sure if you need this much information but here you go, In 2019:

September:

88KWh used at .07cents per KWh=

\$6.16

October:

332KWh used at .07cents per KWh=

\$23.24

November:

364KWh used at .07cents per KWh=

<u>\$25.48</u>

Total \$54.88

The last group that used the lighting used it for a total of 50 hours for a total of 784KWh at .07 per KWh. We would need the actual price per KWh from Patti so we can update billing rate appropriately. It would be nice to know as I can change the rate in the Musco lighting system to get averages and totals

Tony Lang

Operations Manager City of Port Orchard 216 Prospect St. Port Orchard, WA 98366 P-360.535.2490