



# Meeting Agenda

## City Council

City Hall  
601 4th Avenue E  
Olympia, WA 98501

Information: 360.753.8244

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**Tuesday, December 10, 2019**

**7:00 PM**

**Council Chambers**

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**1. ROLL CALL**

**1.A ANNOUNCEMENTS**

**1.B APPROVAL OF AGENDA**

**2. SPECIAL RECOGNITION**

- 2.A** [19-1145](#) Special Recognition - Westminster Presbyterian Church's Hope Village

**3. PUBLIC COMMENT**

*(Estimated Time: 0-30 Minutes) (Sign-up Sheets are provided in the Foyer.)*

*During this portion of the meeting, citizens may address the City Council regarding items related to City business, including items on the Agenda. In order for the City Council to maintain impartiality and the appearance of fairness in upcoming matters and to comply with Public Disclosure Law for political campaigns, speakers will not be permitted to make public comments before the Council in these three areas: (1) on agenda items for which the City Council either held a Public Hearing in the last 45 days, or will hold a Public Hearing within 45 days, or (2) where the public testimony may implicate a matter on which the City Council will be required to act in a quasi-judicial capacity, or (3) where the speaker promotes or opposes a candidate for public office or a ballot measure.*

*Individual comments are limited to three (3) minutes or less. In order to hear as many people as possible during the 30-minutes set aside for Public Communication, the City Council will refrain from commenting on individual remarks until all public comment has been taken. The City Council will allow for additional public comment to be taken at the end of the meeting for those who signed up at the beginning of the meeting and did not get an opportunity to speak during the allotted 30-minutes.*

**COUNCIL RESPONSE TO PUBLIC COMMENT (Optional)**

**4. CONSENT CALENDAR**

*(Items of a Routine Nature)*

- 4.A** [19-1155](#) Approval of November 26, 2019 Study Session Meeting Minutes

**Attachments:** [Minutes](#)

- 4.B** [19-1154](#) Approval of November 26, 2019 City Council Meeting Minutes

**Attachments:** [Minutes](#)

- 4.C** [19-1153](#) Bills and Payroll Certification

**Attachments:** [Bills and Payroll](#)

- 4.D [19-0265](#) Approval of a Resolution Adopting the 2021-2026 Transportation Improvement Program
- Attachments:** [Resolution](#)  
[2021-2026 TIP Project Summary](#)  
[2021-2026 TIP Project Maps](#)  
[2021-2026 TIP WSDOT Report](#)
- 4.E [19-0686](#) Approval of a Resolution Authorizing an Intergovernmental Agreement with Thurston County Medic One for Basic Life Support Services
- Attachments:** [Resolution](#)  
[Agreement](#)
- 4.F [19-1140](#) Approval of a Resolution Authorizing a Professional Services Agreement with Pioneer Technologies for Grant Management and Brownfield Consulting Services
- Attachments:** [Resolution](#)  
[Agreement](#)
- 4.G [19-1132](#) Approval of a Resolution Granting Special Tax Valuation for the Olympia Heritage Site at 208 18th Avenue SW
- Attachments:** [Resolution](#)  
[Agreement](#)  
[Olympia Heritage Commission Recommendation](#)  
[Certificate of Approval](#)
- 4.H [19-1092](#) Approval of a Resolution Granting Special Tax Valuation for the Olympia Heritage Site at 215 19th Avenue SW
- Attachments:** [Resolution](#)  
[Agreement](#)  
[Heritage Commission Recommendation](#)  
[Certificate of Approval](#)
- 4.I [19-1133](#) Approval of a Resolution Granting Special Tax Valuation for the Olympia Heritage Site at 1616 Capitol Way South
- Attachments:** [Resolution](#)  
[Agreement](#)  
[Olympia Heritage Commission Recommendation](#)  
[Certificate of Approval](#)

#### 4. SECOND READINGS (Ordinances) - None

#### 4. FIRST READINGS (Ordinances)

- 4.J [19-1151](#) Approval of an Ordinance Amending Ordinance 7212 (Special Funds)  
**Attachments:** [Ordinance](#)
- 4.K [19-1152](#) Approval of an Ordinance Amending Ordinance 7213 (Capital Budget)  
**Attachments:** [Ordinance](#)
- 4.L [19-1150](#) Approval of an Ordinance Amending Ordinance 7214 (Operating Budget)  
**Attachments:** [Ordinance](#)
- 4.M [19-1069](#) Approval of an Ordinance Adopting 2020 Utility Rates and General Facilities Charges  
**Attachments:** [Ordinance](#)
- 4.N [19-1104](#) Approval of an Ordinance Setting 2020 Development Fee Adjustments  
**Attachments:** [Ordinance](#)
- 4.O [19-1093](#) Approval of an Ordinance Amending Transportation Impact Fees  
**Attachments:** [Ordinance](#)  
[Cost Distribution](#)
- 4.P [19-1123](#) Approval of an Ordinance Amending Olympia Municipal Code Related to Storm and Surface Water Management  
**Attachments:** [Ordinance](#)
- 4.Q [19-1122](#) Approval of an Ordinance Amending Olympia School District Impact Fees  
**Attachments:** [Ordinance](#)
- 4.R [19-1124](#) Approval of an Ordinance Authorizing State-Mandated Amendments to the Model Business and Occupation Tax Ordinance  
**Attachments:** [Ordinance](#)  
[Model Apportionment Rule for Taxpayer Use](#)
- 4.S [19-1149](#) Approval of an Ordinance Adopting the 2020 Operating, Special Funds, Capital Budget, Capital Facilities Plan, and 2020-2025 Financial Plan  
**Attachments:** [Ordinance](#)
- 4.T [19-1143](#) Approval of an Ordinance to Vacate a Portion of Bethel Street NE between State Avenue and Olympic Drive  
**Attachments:** [Ordinance](#)  
[Petition to Vacate](#)  
[Proposed Development Site Plan](#)  
[Vicinity Map](#)

- 4.U [19-1144](#) Approval of an Ordinance to Grant a Master Permit to Noel Communications  
*Attachments:* [Ordinance](#)  
[Map](#)
- 4.V [19-1142](#) Approval of an Ordinance to Grant a Master Permit to Astound Broadband  
*Attachments:* [Ordinance](#)  
[Map](#)
- 4.W [19-1049](#) Approval of an Ordinance Extending the Term of the Cable Television Franchise with Comcast Cable Communications Management, LLC  
*Attachments:* [Ordinance](#)

## 5. PUBLIC HEARING

- 5.A [19-1017](#) Public Hearing on Community Development Block Grant (CDBG) Program Year 2019 Amendments  
*Attachments:* [DRAFT CDBG Program Year 2019 Amendments](#)  
[Olympia CDBG Program Annual Cycle](#)

## 6. OTHER BUSINESS

- 6.A [19-1148](#) Intercity Transit Update
- 6.B [19-1146](#) Approval of the City of Olympia 2020 Legislative Agenda  
*Attachments:* [Draft Olympia 2020 Legislative Agenda](#)  
[Association of Washington Cities 2020 Legislative Priorities](#)
- 6.C [19-1141](#) Update on the Boulevard Road Property Draft Request for Qualifications  
*Attachments:* [Draft Request for Qualifications](#)

## 7. CONTINUED PUBLIC COMMENT

*(If needed for those who signed up earlier and did not get an opportunity to speak during the allotted 30 minutes)*

## 8. REPORTS AND REFERRALS

### 8.A COUNCIL INTERGOVERNMENTAL/COMMITTEE REPORTS AND REFERRALS

### 8.B CITY MANAGER'S REPORT AND REFERRALS

## 9. ADJOURNMENT

*The City of Olympia is committed to the non-discriminatory treatment of all persons in employment and the delivery of services and resources. If you require accommodation for your attendance at the City*



*Council meeting, please contact the Council's Executive Assistant at 360.753.8244 at least 48 hours in advance of the meeting. For hearing impaired, please contact us by dialing the Washington State Relay Service at 7-1-1 or 1.800.833.6384.*



## City Council

### Special Recognition - Westminster Presbyterian Church's Hope Village

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 2.A  
**File Number:** 19-1145

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**Type:** recognition **Version:** 1 **Status:** Recognition

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#### **Title**

Special Recognition - Westminster Presbyterian Church's Hope Village

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee.

##### **City Manager Recommendation:**

Recognize Westminster Presbyterian Church and its partner organizations for Olympia's first faith-based tiny house village.

#### **Report**

##### **Issue:**

Whether to hear a brief overview of Westminster Presbyterian Church's tiny house village.

##### **Staff Contact:**

Keith Stahley, Interim Assistant City Manager 360 753 8227

##### **Presenter(s):**

Keith Stahley, Interim Assistant City Manager  
Therin Fenner, Pastor, Westminster Presbyterian Church of Olympia  
Frank Sanborn, Member, Westminster Presbyterian Church of Olympia  
Nancy Nelson, Member, Westminster Presbyterian Church of Olympia  
Peter Cook, Member, FAITH (Faith Alliance Initiative for Tiny Houses)

##### **Background and Analysis:**

The City of Olympia strongly believes that the current homeless crisis we find ourselves in is not a problem that can be effectively dealt with by any one organization and particularly not by the city alone. An effective response is going to take partnerships - Partnerships between layers of government (federal, state and local); partnerships with social service agencies; and partnerships with faith-based organizations.

Westminster Presbyterian Church has stepped forward and constructed the first faith-based tiny house village in Olympia. It is known as Hope Village. This facility will provide a stable, warm, dry

and supported environment for eight or more residents to move forward with their lives. This facility is not a permanent supportive housing project. It is meant to be transitional housing where residents stabilize, recover and move on to permanent housing.

Westminster was joined by United Churches of Olympia (two houses), First United Methodist of Olympia (two house), Olympia Unitarian Universalist Congregation (one house), and Westwood Baptist Church (one house). Peace Lutheran Church of Kent also contributed one house in conjunction with the Low Income Housing Institute (LIHI) and two from LIHI itself. It is the city's hope that each of these entities will maintain their support of this project and the individuals living there throughout the life of the project.

The City has a contract with Westminster Presbyterian to support construction and operations of this facility. LIHI will be providing active outreach and social service support to the residents and the church.

The City wishes to recognize this courageous and important step that Westminster Presbyterian has taken and understands the courage that it required on the part of church leadership and the congregation. The City encourages other faith-based organizations to join Westminster Presbyterian in this direct action.

**Attachments:**

None



City Hall  
601 4th Avenue E.  
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360-753-8244

## City Council

### Approval of November 26, 2019 Study Session Meeting Minutes

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 4.A  
**File Number:** 19-1155

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**Type:** minutes **Version:** 1 **Status:** Consent Calendar

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**Title**

Approval of November 26, 2019 Study Session Meeting Minutes



## Meeting Minutes - Draft

### City Council

City Hall  
601 4th Avenue E  
Olympia, WA 98501

Information: 360.753.8244

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**Tuesday, November 26, 2019**

**5:30 PM**

**Council Chambers**

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#### Study Session

**1. ROLL CALL**

**2. BUSINESS ITEM**

**2.A**     [19-1114](#)           Forms of Government Overview by Municipal Research and Services Center

Mayor Selby introduced Municipal Research and Services Center (MRSC) Executive Director Tracy Burrows and guest speaker Lloyd Halverson who has previously been a City Manager and Chief Administrator under various forms of local government.

Ms. Burrows provided background about MRSC. She gave a presentation on forms of city government and authority distribution for each of them. She compared similar size cities to Olympia, discussed wards and districts, and reviewed the process to change the form of government.

Mr. Halverson discussed his experience with various forms of government in Washington and referenced a study the City of Camas completed in 2018 on forms of government. He indicated the study is available by contacting the Camas City Clerk.

Councilmembers asked clarifying questions. Mayor Pro Tem Bateman suggested asking the Salary Commission to look at quarter time versus half time pay for Councilmembers.

**The study session was completed.**

**3. ADJOURNMENT**

The meeting adjourned at 6:50 p.m.



City Hall  
601 4th Avenue E.  
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360-753-8244

## City Council

### Approval of November 26, 2019 City Council Meeting Minutes

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 4.B  
**File Number:** 19-1154

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**Type:** minutes **Version:** 1 **Status:** Consent Calendar

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**Title**

Approval of November 26, 2019 City Council Meeting Minutes



# Meeting Minutes - Draft

## City Council

City Hall  
601 4th Avenue E  
Olympia, WA 98501

Information: 360.753.8244

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**Tuesday, November 26, 2019**

**7:00 PM**

**Council Chambers**

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### 1. ROLL CALL

**Present:** 7 - Mayor Cheryl Selby, Mayor Pro Tem Jessica Bateman, Councilmember Jim Cooper, Councilmember Clark Gilman, Councilmember Nathaniel Jones, Councilmember Lisa Parshley and Councilmember Renata Rollins

### 1.A ANNOUNCEMENTS

Mayor Selby announced the Council met in Study Session at 5:30 p.m. on forms of government. No decisions were made.

### 1.B APPROVAL OF AGENDA

The agenda was approved.

### 2. SPECIAL RECOGNITION

#### 2.A [19-0990](#) Special Recognition - Pesticide Free Parks

Parks Planning & Maintenance Director Jonathon Turlove discussed City actions to reduce the use of pesticides in City parks and announced this year the City expanded the practice from a pilot program to all City parks.

Councilmembers commented and suggested sharing Olympia's practice with AWC and others to get the word out.

**The recognition was received.**

#### 2.B [19-1113](#) Special Recognition - Small Business Saturday

Mayor Selby read a proclamation for Small Business Saturday on November 30, 2019. She said she will provide the proclamation to the Olympia Downtown Alliance to share with others.

**The recognition was received.**

### 3. PUBLIC COMMENT

Jerry Dierker and Phyllis Booth spoke.

**COUNCIL RESPONSE TO PUBLIC COMMENT (Optional)**

Councilmember Gilman explained the Council's process for pulling items from the Consent Calendar and stated his intent to pull Item 4D at the appropriate time. Councilmember Cooper discussed the role of Rotary Clubs.

**4. CONSENT CALENDAR**

Councilmember Gilman pulled 4D for staff comment and separate action after the Consent Calendar.

- 4.A**     [19-1115](#)            Approval of November 19, 2019 Study Session Meeting Minutes

**The minutes were adopted.**

- 4.B**     [19-1116](#)            Approval of November 19, 2019 City Council Meeting Minutes

**The minutes were adopted.**

- 4.C**     [19-1039](#)            Approval of a Resolution Authorizing an Interlocal Agreement with the Department of Enterprise Services for the Legion Way Improvements

**The resolution was adopted.**

**4. SECOND READINGS (Ordinances)**

- 4.E**     [19-1065](#)            Approval of an Ordinance Amending Ordinance 7201 (Special Funds)

**The ordinance was adopted on second reading.**

- 4.F**     [19-1072](#)            Approval of an Ordinance Amending Ordinance 7202 (Capital Budget)

**The ordinance was adopted on second reading.**

- 4.G**     [19-1066](#)            Approval of an Ordinance Amending Ordinance 7203 (Operating Budget)

**The ordinance was adopted on second reading.**

**Approval of the Consent Agenda**

**Councilmember Cooper moved, seconded by Councilmember Parshley, to adopt the Consent Calendar. The motion carried by the following vote:**

**Aye:**            7 - Mayor Selby, Mayor Pro Tem Bateman, Councilmember Cooper, Councilmember Gilman, Councilmember Jones, Councilmember Parshley and Councilmember Rollins

**4. FIRST READINGS (Ordinances) - None**



**PULLED FROM CONSENT CALENDAR**

- 4.D**     [19-1112](#)     Approval of a Resolution Authorizing a Multifamily Housing Tax Exemption Agreement Between the City of Olympia and 500 Columbia Place LLC.

Councilmember Gilman spoke in support of the resolution in order to provide policy stability and predictability for citizens. He also discussed concerns and made the following suggestions:

1. Approve the agreement with 500 Columbia Place LLC.
2. Institute a January 1, 2020 temporary moratorium on multi-family housing tax exemptions, with the date of building permit submission determining eligibility.
3. Obtain a reporting from multi-family tax exemption recipients and analyze that data as described in state statute.
4. Base reconsideration of the multi-family housing tax exemption for Olympia on the 2019 performance review on multi-family tax exemptions conducted by the Washington Joint Legislative Audit and Review Committee and the City's own analysis of exemptions granted by the City.

Home Fund Manager Cary Retlin discussed the multi-family tax exemption program and discussed how the program is intended to incentivize affordable housing.

Councilmember Rollins agreed with Councilmember Gilman's comments about stability and predictability and said she supports not offering the 8-year exemption any more. She will vote against this item.

Councilmember Parshley echoed Councilmember Gilman's and Rollins' comments and the need for more housing. She agreed with concerns already outlined and spoke about addressing a variety of housing options for affordable housing gaps.

Mayor Pro Tem Bateman spoke in support of the motion because it's current law and this project was already in the queue. She noted of all the recent projects that have come forward for the multifamily tax exemption, only 1 has been for affordable housing. She questioned why the 12-year option isn't being taken advantage of and said the City needs to continuously analyze the benefit of allowing tax exemptions and getting more affordable housing.

Councilmember Jones agreed with many of the comments already stated and echoed the same concerns. He said he will be supporting the motion. He is opposed to a moratorium because this is an important tool in getting more housing.

Mayor Selby said she would like to see more data and hopes the Land Use & Environment Committee will be able to dig into this topic more.

**Councilmember Parshley moved, seconded by Councilmember Cooper, to approve the resolution authorizing a multi-family tax exemption for 500**

**Columbia Place LLC and authorize the Interim City Manager to sign the agreement. The motion carried by the following vote:**

**Aye:** 6 - Mayor Selby, Mayor Pro Tem Bateman, Councilmember Cooper, Councilmember Gilman, Councilmember Jones and Councilmember Parshley

**Nay:** 1 - Councilmember Rollins

## 5. PUBLIC HEARING

### 5.A [19-1038](#) Public Hearing on an Application for a Master Permit with Noel Communications

City Engineer Fran Eide briefed the Council on Noel Communications' Master Permit renewal request. Councilmembers asked clarifying questions. Mayor Selby opened the public hearing at 7:47 p.m. No one spoke. Mayor Selby closed the public hearing at 7:47 p.m.

**Councilmember Cooper moved, seconded by Councilmember Jones, to approve the application for a Master Permit and direct staff to prepare a Master Permit ordinance. The motion carried by the following vote:**

**Aye:** 7 - Mayor Selby, Mayor Pro Tem Bateman, Councilmember Cooper, Councilmember Gilman, Councilmember Jones, Councilmember Parshley and Councilmember Rollins

## 6. OTHER BUSINESS

### 6.A [19-1103](#) Approval of the 2020 Grants to Arts and Culture Organizations

Arts Program Manager Stephanie Johnson and Arts Commission Vice Chair Frederick Dobler provided background on 2019 grants to arts organizations and highlighted 2020 grant applications and recommendations. Councilmembers asked clarifying questions.

**Mayor Pro Tem Bateman moved, seconded by Councilmember Cooper to approve the grants to area arts and culture organizations for 2020 as recommended by the Arts Commission. The motion carried by the following vote:**

**Aye:** 7 - Mayor Selby, Mayor Pro Tem Bateman, Councilmember Cooper, Councilmember Gilman, Councilmember Jones, Councilmember Parshley and Councilmember Rollins

### 6.B [19-1108](#) Budget Balancing - 2020 Operating and Capital Budgets

Administrative Services Director Debbie Sullivan provided information about finalizing the operating budget, Finance Committee recommendation and final capital budget review. She discussed 2020 revenue adjustments based on new information from the

County, final 2020 revenue projections, 2020 expense adjustments, and MUT tax expenditures.

Interim City Manager Jay Burney and Finance Committee Chair Jim Cooper discussed Council goal money, including using \$2,500 for Modern Warriors Live, which is a joint request from SPSCC that the other local jurisdictions have also pledged for the same amount.

Councilmembers asked clarifying questions and gave consensus for staff to prepare an ordinance for future adoption. They also thanked staff for all the budget improvement efforts.

**7. CONTINUED PUBLIC COMMENT - None**

**8. REPORTS AND REFERRALS**

**8.A COUNCIL INTERGOVERNMENTAL/COMMITTEE REPORTS AND REFERRALS**

Councilmembers reported on events and meetings attended.

Mayor Selby reported on work a few Councilmembers did in selecting a firm to move forward with City Manager recruitment. She indicated Human Resources Director Linnaea Jablonski and Councilmember Cooper will draft a contract with Karras Consulting and the Mayor will call them tomorrow to inform them of the contract.

Councilmember Cooper noted there is no December Finance Committee meeting.

**8.B CITY MANAGER'S REPORT AND REFERRALS**

Interim City Manager wished the Council a Happy and restful Thanksgiving. He announced Chief Roberts will have a celebration for his retirement on Tuesday, December 3 at 1:00 p.m. in Council Chambers.

**9. ADJOURNMENT**

The meeting adjourned at 8:48 p.m.



City Hall  
601 4th Avenue E.  
Olympia, WA 98501  
360-753-8244

## City Council

### Bills and Payroll Certification

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 4.C  
**File Number:** 19-1153

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**Type:** decision **Version:** 1 **Status:** Consent Calendar

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**Title**  
Bills and Payroll Certification

CITY OF OLYMPIA  
EXPENDITURE SUMMARY

"I, THE UNDERSIGNED, DO HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT THE MATERIALS HAVE BEEN FURNISHED, THE SERVICES RENDERED OR THE LABOR PERFORMED AS DESCRIBED HEREIN, THAT ANY ADVANCE PAYMENT IS DUE AND PAYABLE PURSUANT TO A CONTRACT OR IS AVAILABLE AS AN OPTION FOR FULL OR PARTIAL FULFILLMENT OF A CONTRACTUAL OBLIGATION, AND THAT THE CLAIMS ARE JUST, DUE AND UNPAID OBLIGATIONS AGAINST THE CITY OF OLYMPIA, AND THAT I AM AUTHORIZED TO AUTHENTICATE AND CERTIFY TO SAID CLAIMS", AND,

"I, THE UNDERSIGNED, DO HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT CLAIMS FOR EMPLOYEE AND OFFICER EXPENSES ARE JUST, DUE AND UNPAID OBLIGATIONS AGAINST THE CITY OF OLYMPIA, AND THAT I AM AUTHORIZED TO CERTIFY SAID CLAIMS".

FOR PERIOD 10/27/2019 11/2/2019  
 FOR A/P ACH PAYMENTS and A/P CHECKS NUMBERED 3720438 THROUGH 3720567  
 FOR OTHER ELECTRONIC PAYMENTS DATED \_\_\_\_\_ THROUGH \_\_\_\_\_

INCLUSIVE IN THE AMOUNT TOTALING

DATED

ADMINISTRATIVE SERVICES DIRECTOR

11-7-19

*Robert L. Sullivan*

TOTAL APPROVED FOR PAYMENT  
FUND

\$362,034.78	001	GENERAL FUND
\$0.00	002	SHOP FACILITIES
\$31,632.43	003	REVOLVING ACCOUNT FUND
\$0.00	004	URBAN ARTERIAL FUND
\$0.00	006	Development Fee Revenue
\$0.00	007	Parking Fund
\$371.00	014	LEOFF 1 OPEB Trust Fund
\$0.00	21	Washington Center Endow
\$1,483.69	025	WASHINGTON CENTER
\$0.00	026	MUNICIPAL ARTS FUND
\$38,048.12	029	EQUIP & FACIL REPLACE RES
\$3,638.06	107	HUD
\$0.00	108	HUD
\$0.00	127	IMPACT FEES
\$0.00	130	SEPA MITIGATION FUND
\$3,176.23	132	LODGING TAX FUND
\$0.00	133	ARTS AND CONFERENCE FUND
\$0.00	134	PARKS AND REC SIDEWALK UT TAX
\$0.00	135	PARKING BUSINESS IMP AREA
\$0.00	136	FARMERS MKRT REPAIR/REPLC
\$0.00	137	CHILDREN'S HANDS ON MUSEUM
\$0.00	138	TRANS BENEFIT DISTRICT
\$0.00	141	Oly Metro Park District
\$19,396.08	142	HOME FUND
\$0.00	208	LID OBLIGATION CDNTROL
\$0.00	216	4th/5th AVE PW TRST
\$0.00	223	LTGO BOND FUND '06-PARKS
\$0.00	224	UTGO BOND FUND 2009 FIRE
\$0.00	225	CITY HALL DEBT FUND
\$0.00	226	2010 LTGO BOND-STREETPROJ
\$0.00	227	LOCAL DEBT FUND
\$0.00	228	2010B LTGO BONDS-HOCM
\$0.00	230	LTGO Bond Fund 2016
\$57,033.96	317	CIP
\$0.00	322	4/5th AVE CORRIDOR/BRIDGE
\$0.00	323	CIP CONSTR FUND - PARKS
\$0.00	324	FIRE STATION 4 CONSTRUCT
\$0.00	325	CITY HALL CONST
\$0.00	326	TRANSPORTATION CONST
\$0.00	329	GO BOND PROJECT FUND
\$0.00	331	FIRE EQUIPMENT REPLACEMENT FUND
\$71,153.34	401	WATER
\$13,857.37	402	SEWER
\$6,946.76	403	SOLID WASTE
\$5,685.01	404	STORM AND SURFACE WATER
\$0.00	418	Stormwater Debt Service Fund
\$510.98	434	STORM AND SURFACE WATER CIP
\$0.00	461	WATER CIP FUND
\$583.94	462	SEWER CIP FUND
\$0.00	463	SOLID WASTE/ADVERTISING
\$10,946.23	501	EQUIPMENT RENTAL
\$0.00	502	C. R. EQUIPMENT RENTAL
\$262.50	503	UNEMPLOYMENT COMPENSATION
\$0.00	504	INS TRUST FUND
\$0.00	505	WORKERS COMPENSATION
\$0.00	604	FIREMEN'S PENSION FUND
\$0.00	605	CUSTOMERS WATER RESERVE
\$0.00	621	WASHINGTON CENTER ENDOW
\$0.00	631	PUBLIC FACILITIES
\$0.00	662	LAW ENFORCEMENT RECORD MGNTSYS
\$0.00	701	PARKS-NEIGHBORHOOD
\$0.00	702	PARKS-COMMUNITY
\$0.00	703	PARKS-OPEN SPACE
\$0.00	707	PARKS-SPECIAL USE
\$0.00	711	TRANSPORTATION
\$0.00	720	SCHOOLS

Reconciliation of Superior All Checks Register to Expenditure Summary  
Data From Superior All Checks Register

Description	From Check	to Check	Check Amount
Payroll A/P (vendors) Checks			201,146.42
Payroll A/P (vendors) Checks	3720445	3720445	20,180.61
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Subtotal			221,327.03
VOID CHECKS			(20,566.60)
EFT			145,441.11
A/P Checks			282,336.94
Grand Total			628,740.48
Proof			0.00

\$628,740.48 GRAND TOTAL FOR WEEK









**CITY OF OLYMPIA  
PAYROLL CERTIFICATION**

The Administrative Services Director of the City of Olympia, Washington, hereby certifies that the payroll gross earnings, benefits, and LEOFF I post-retirement insurance benefits for the pay cycle ending **11/15/2019** have been examined and are approved as recommended for payment.

<b>Employees Gross Pay:</b>	<u>\$ 2,363,185.33</u>	
<b>Employer Share of Benefits:</b>	<u>\$ 792,975.04</u>	2,363,185.33 + 792,975.04 +
<b>TOTAL</b>	<u><u>\$ 3,156,160.37</u></u>	3,156,160.37G+

<b>Payroll Check Numbers</b>	<u>92447</u>	<u>92448</u>	<b>Manual Checks</b>
<b>And</b>	<u>          </u>	<u>          </u>	<b>Fire Pension Checks</b>
<b>And</b>	<u>          </u>	<u>          </u>	<b>Manual Checks</b>
<b>And</b>	<u>92449</u>	<u>92471</u>	<b>Semi Payroll Checks</b>

and Direct Deposit transmission.

11-25-19  
DATE

  
ADMINISTRATIVE SERVICES DIRECTOR

**CITY OF OLYMPIA  
PAYROLL CERTIFICATION**

The Administrative Services Director of the City of Olympia, Washington, hereby certifies that the payroll gross earnings, benefits, and LEOFF I post-retirement insurance benefits for the pay cycle ending **10/31/2019** have been examined and are approved as recommended for payment.

Employees Gross Pay:	<u>\$ 2,283,313.19</u>
Fire Pension Gross Pay:	<u>\$ 29,689.06</u>
Employer Share of Benefits:	<u>\$ 765,406.02</u>
Employer Share of LEOFF I Police Post-Retirement Benefits:	<u>\$ 24,280.34</u>
Employer Share of LEOFF I Fire Post-Retirement Benefits:	<u>\$ 17,908.75</u>
<b>TOTAL</b>	<u><u>\$ 3,120,597.36</u></u>

Payroll Check Numbers	<u>92399</u>	<u>92399</u>	Manual Checks
And	<u>92376</u>	<u>92380</u>	Fire Pension Checks
And	<u>92400</u>	<u>92408</u>	Manual Checks
And	<u>92409</u>	<u>92446</u>	Semi Payroll Checks

and Direct Deposit transmission.

11/7/19  
DATE

  
ADMINISTRATIVE SERVICES DIRECTOR



## City Council

### Approval of a Resolution Adopting the 2021-2026 Transportation Improvement Program

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 4.D  
**File Number:** 19-0265

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**Type:** resolution   **Version:** 1   **Status:** Consent Calendar

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**Title**

Approval of a Resolution Adopting the 2021-2026 Transportation Improvement Program

**Recommended Action**

**Committee Recommendation:**

Not referred to a committee.

**City Manager Recommendation:**

Move to approve the resolution adopting the 2021-2026 Six-Year Transportation Improvement Program (TIP).

**Report**

**Issue:**

Whether to approve the resolution adopting the 2021-2026 Six-Year Transportation Improvement Program (TIP).

**Staff Contact:**

David Smith, Project Engineer, Public Works - Transportation, 360.753.8496

**Presenter(s):**

None - Consent Calendar Item.

**Background and Analysis:**

Washington State Department of Transportation (WSDOT) requires local governments to outline their specific transportation needs in a Six-Year Transportation Improvement Program (TIP). Cities must identify projects in the TIP before they can receive state and federal funding. City staff updates the TIP each year so that all projects identified in the Capital Facilities Plan (CFP) are in the TIP. The City submits the TIP to WSDOT annually in July.

A table summarizing the 2021-2026 TIP is attached. The 2021-2026 Six-Year TIP in the required WSDOT format, which will be sent to WSDOT, is also attached.

It is important to note that City staff works closely with state and federal agencies to understand funding criteria. Every year, staff reviews projects and makes revisions to the TIP so that the City is in

the best position to successfully secure funding.

The cost estimates and project schedules in the TIP are preliminary and will be updated when funding is requested. The TIP is organized as follows:

1. Fully Funded Projects. These projects have received grant funding and are in the process of being implemented.
2. Capacity Projects. These projects do not meet current levels of service (capacity) as defined by the Olympia Comprehensive Plan. They often have multiple funding sources including impact fees, grants, and City general fund dollars.
3. Annual Programs. These programs fund multiple projects within specific categories and are in alphabetical order:
  - Access and Safety Improvements
  - Bike Improvements
  - Sidewalks and Pathways
  - Street Repair and Reconstruction
4. Parks, Arts and Recreation Projects, in priority order. These projects are included in order to qualify them for state and federal funding.

**Neighborhood/Community Interests (if known):**

City staff distributed the draft 2021-2026 TIP and gave notice of the Public Hearing to the following organizations: City-recognized neighborhood associations, the West Olympia Business Association, Intercity Transit, WSDOT, Thurston Regional Planning Council, the cities of Lacey and Tumwater, Thurston County, Bicycle and Pedestrian Advisory Committee (BPAC), Olympia Safe Streets Campaign, and other interested parties.

**Options:**

1. Approve the resolution adopting the 2021-2026 Six-Year Transportation Improvement Program (TIP). This will allow the City to meet state law for updating the TIP annually and allow the City to be eligible for grant funding on the listed projects.
2. Incorporate City Council changes to the 2021-2026 Six-Year TIP that are consistent with the 2020-2025 CFP and adopt the resolution.
3. Delay approving the TIP so City Council can consider deleting, revising, and adding projects. Council would need to take action no later than July 24, 2020 in order to meet WSDOT's July 31, 2020 deadline.

**Financial Impact:**

The 2021-2026 TIP identifies 15 projects totaling approximately \$130.2 million. The City is seeking approximately \$54.3 million in federal funding and \$11.2 million in state funding. The CFP establishes specific funding sources and commitment for funding of the projects in the TIP.

**Attachment(s):**

Resolution

2021-2026 TIP Project Summary

2021-2026 TIP Project Maps

2021-2026 TIP WSDOT Report

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON,  
ADOPTING THE SIX-YEAR TRANSPORTATION IMPROVEMENT PROGRAM FOR THE  
YEARS 2021-2026.**

**WHEREAS**, pursuant to the requirements of RCW 35.77.010, the City of Olympia has prepared a Transportation Improvement Program for the ensuing six calendar years; and

**WHEREAS**, pursuant to this law, the City Council of the City of Olympia did hold a public hearing on the Transportation Improvement Program on November 19, 2019, at City Hall in Olympia, Washington;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL DOES HEREBY RESOLVE AS FOLLOWS:**

**Section 1.** The City of Olympia Transportation Improvement Program, a copy of which is attached hereto and made a part hereof, is adopted. Two copies of the City of Olympia Transportation Improvement Program for the ensuing six calendar years, together with a copy of this Resolution, shall be filed with the Secretary of the Department of Transportation, State of Washington.

**Section 2.** The City of Olympia has reviewed the work accomplished under the prior program and determines that the attached program is adopted in order to meet current City transportation needs. The TIP contains information as to how the City will spend money for non-motorized transportation purposes. If former railroad right-of-ways become available, the City will evaluate such right-of-way in relation to identified needs in the TIP and the City's Capital Facilities Plan.

**Section 3.** The City of Olympia determines that this program is consistent with the *Olympia Comprehensive Plan*.

**PASSED BY THE OLYMPIA CITY COUNCIL** this \_\_\_\_ day of \_\_\_\_\_ 2019.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

  
\_\_\_\_\_  
CITY ATTORNEY



# Six Year Transportation Improvement Program Summary 2021 - 2026

The City is required by State law to prepare a six-year Transportation Improvement Program (TIP) and submit it to the Washington State Department of Transportation (WSDOT). City staff updates the TIP annually to reflect the City's most recent Capital Facilities Plan (CFP). Projects need to be identified in the TIP before cities can receive state and federal funding. The following includes a list of the current TIP projects. For more detailed information, please refer to the complete 2020-2025 Capital Facilities Plan.

Map No.	Project Name	Description	Project Origin	Planned Grant Funds	Planned Local Funds	Total Funds
1	Mottman Road Bike Lanes and Half Street Frontage Improvement	<i>Project Limits:</i> Mottman Road from Mottman Court to SPSCC <ul style="list-style-type: none"> <li>Construct sidewalk, planter strip, and streetlights on one side; widen for Class II bike lanes and pave street.</li> </ul>	Street Repair and Reconstruction Program	\$5,860,000	\$0	\$5,860,000
2	Fones Road - Transportation	<i>Project Limits:</i> Fones Road from 18 <sup>th</sup> Avenue to Pacific Avenue <ul style="list-style-type: none"> <li>Improvements will address vehicle capacity, truck access, access management, and safe and inviting bicycle and pedestrian facilities.</li> </ul>	Capacity Need	\$4,991,988	\$8,240,338	\$13,232,326
3	Cain Road and North Street Intersection Improvements	<i>Project Limits:</i> Intersection of Cain Road and North Street; 300 feet south of North Street to 300 feet north of North Street <ul style="list-style-type: none"> <li>Intersection capacity improvements include installation of a compact roundabout and sidewalk modifications.</li> </ul>	Capacity Need	\$180,513	\$264,100	\$444,613
4	Wiggins Road and 37 <sup>th</sup> Avenue Intersection Improvements	<i>Project Limits:</i> Intersection of Wiggins Road and 37 <sup>th</sup> Avenue <ul style="list-style-type: none"> <li>Intersection capacity improvements include a traffic signal within the existing intersection configuration.</li> </ul>	Capacity Need	\$207,135	\$303,048	\$510,183
5	US 101/West Olympia Access Project	<i>Project Limits:</i> Black Lake Boulevard to Kaiser Road <ul style="list-style-type: none"> <li>Construct westbound and eastbound off/on-ramps from US 101 to Kaiser Road. Also construct a westbound off-ramp from US 101 to Yauger Way via an at-grade intersection at Black Lake Boulevard and Kaiser Road.</li> </ul>	Capacity Need	\$2,822,644	\$4,129,664	\$6,952,308

Map No.	Project Name	Description	Project Origin	Planned Grant Funds	Planned Local Funds	Total Funds
Various Locations Citywide	Access and Safety Improvements	<p><i>Project Limits:</i> Various locations</p> <ul style="list-style-type: none"> <li>The purpose of this program is to improve access and safety for all users of the transportation system: <b>Hazard Elimination and Safety projects</b> improve safety on high accident street sections or intersections. Projects may include new guardrails, railroad crossings, and intersection improvements. <b>Pedestrian Crossing Improvements</b> help pedestrians cross major streets. Improvements may include bulb-outs, crossing islands, and/or flashing crosswalk beacons. <b>Street Access projects</b> remove barriers on walkways for persons with disabilities. Projects may include ADA access ramps or audible pedestrian signals.</li> </ul>	Access and Safety Improvements	\$0	\$1,200,000	\$1,200,000
Various Locations Citywide	Bike Improvements	<p><i>Project Limits:</i> Various locations</p> <ul style="list-style-type: none"> <li>The purpose of this program is to complete elements of the bicycle network: <b>Bike Corridors:</b> Low-volume, low-stress streets improved for bicycle travel. <b>Other improvements:</b> Gaps and spot improvements in the bike lane network.</li> </ul>	Bicycle Improvements	\$0	\$1,200,000	\$1,200,000
Various Locations Citywide	Sidewalks and Pathways	<p><i>Project Limits:</i> Various Locations</p> <ul style="list-style-type: none"> <li>The purpose of this program is to: Maintain and repair sidewalks and pathways. <b>Construct pathways</b> for pedestrians and bicyclists. Pathways are non-motorized short-cuts that link streets to parks, schools, trails, and other streets. Pathways for improvement will be identified by neighborhoods. <b>Construct new sidewalks</b> based upon the 2004 Sidewalk Program. The program focuses on building sidewalks on at least one side of arterials, major collectors, and neighborhood collectors.</li> </ul>	Sidewalks and Pathways	\$0	\$6,750,000	\$6,750,000
Various Locations Citywide	Street Repair and Reconstruction	<p><i>Project Limits:</i> Various locations</p> <ul style="list-style-type: none"> <li>This program addresses: Complete <b>Street Reconstruction projects</b> address streets with pavement in the worst condition. These reconstruction projects add bicycle and pedestrian facilities at the time the street is reconstructed. <b>Maintenance projects</b> that are beyond the capacity of City maintenance crews. These projects include, for example, repairing and replacing striping, guardrails, railing, signals, and lighting. <b>Major Resurfacing projects</b> are repaving projects that may include other elements such as ADA access ramps and bulb-outs for pedestrians at intersections. <b>Street Preservation</b> is an on-going effort to preserve the condition of our streets and delay major reconstruction. This may include, for example, chip sealing streets and sealing cracks.</li> </ul>	Street Repair and Reconstruction Program	\$0	\$16,950,000	\$16,950,000



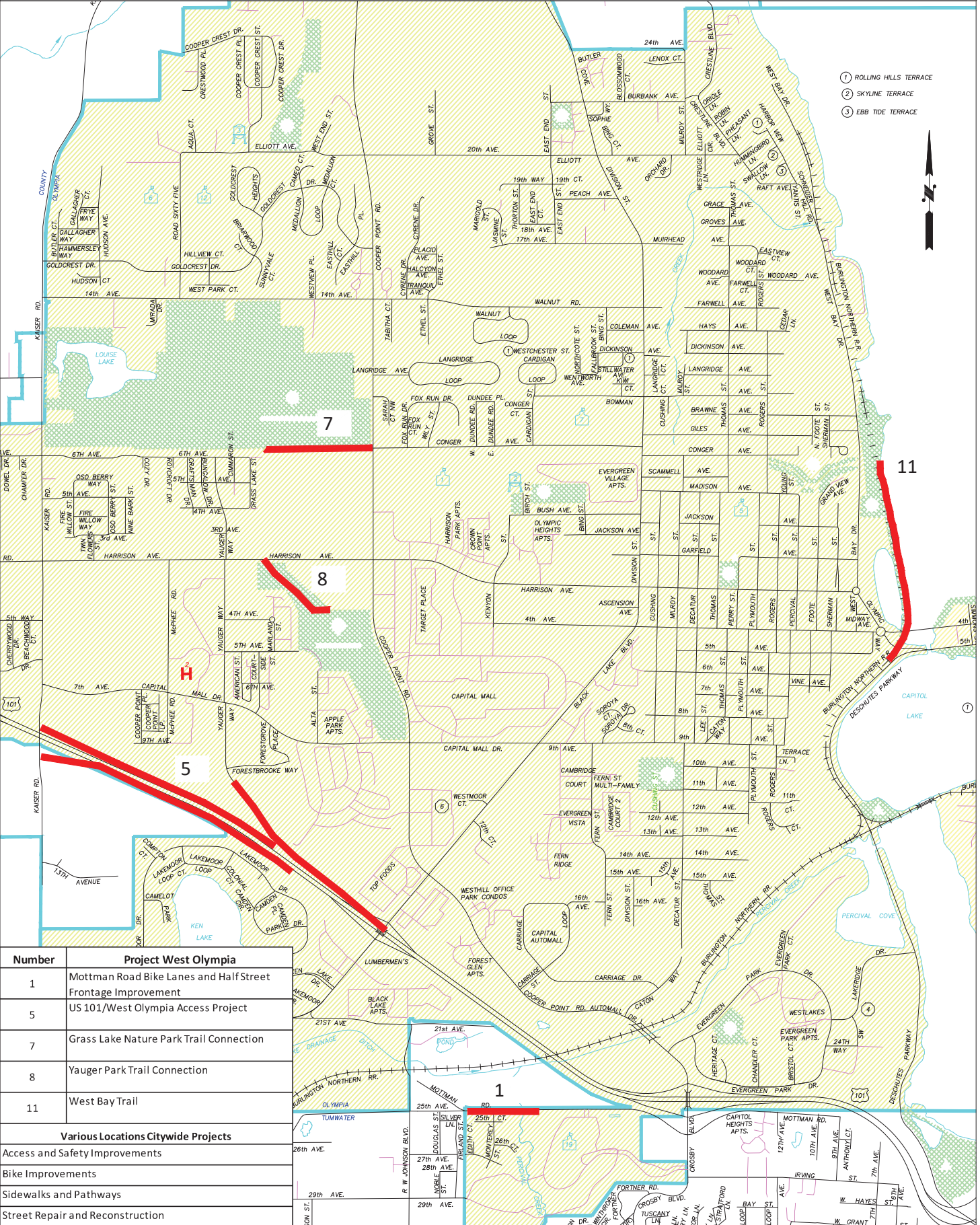
Map No.	Project Name	Description	Project Origin	Planned Grant Funds	Planned Local Funds	Total Funds
6	Percival Landing, Section A, Phase 2	<i>Project Limits:</i> Percival Landing <ul style="list-style-type: none"> <li>Boardwalk and float replacement.</li> </ul>	Identified Maintenance Needs	\$6,830,000	\$3,370,000	\$10,200,000
7	Grass Lake Nature Park Trail Connection	<i>Project Limits:</i> Cooper Point Road to Regional Trail <ul style="list-style-type: none"> <li>Design and construct trail.</li> </ul>	2016 Parks, Arts & Recreation Plan	\$536,000	\$264,000	\$800,000
8	Yauger Park Trail Connection	<i>Project Limits:</i> Yauger Park to Harrison Avenue <ul style="list-style-type: none"> <li>Design and construct trail.</li> </ul>	Regional Trails Plan	\$323,610	\$159,390	\$483,000
9	Olympia Woodland Trail, Phase 3	<i>Project Limits:</i> From Henderson Boulevard to Eastside Street <ul style="list-style-type: none"> <li>Design and construct trail.</li> </ul>	2016 Parks, Arts & Recreation Plan	\$3,330,333	\$1,665,167	\$4,995,500
10	Olympia Woodland Trail, Phase 4	<i>Project Limits:</i> From Tumwater Historical Park to Henderson Boulevard <ul style="list-style-type: none"> <li>Design and construct trail.</li> </ul>	Regional Trails Plan	\$13,733,333	\$6,866,667	\$20,600,000
11	West Bay Trail	<i>Project Limits:</i> From 5 <sup>th</sup> Avenue to West Bay Park <ul style="list-style-type: none"> <li>Design and construct a multi-modal trail.</li> </ul>	Regional Trails Plan	\$26,666,667	\$13,333,333	\$40,000,000

# 2021 - 2026 Projects

## Six-Year Transportation Improvement Program



# Olympia and Vicinity



Number	Project West Olympia
1	Mottman Road Bike Lanes and Half Street Frontage Improvement
5	US 101/West Olympia Access Project
7	Grass Lake Nature Park Trail Connection
8	Yaeger Park Trail Connection
11	West Bay Trail
<b>Various Locations Citywide Projects</b>	
Access and Safety Improvements	
Bike Improvements	
Sidewalks and Pathways	
Street Repair and Reconstruction	



# 2021 - 2026 Projects

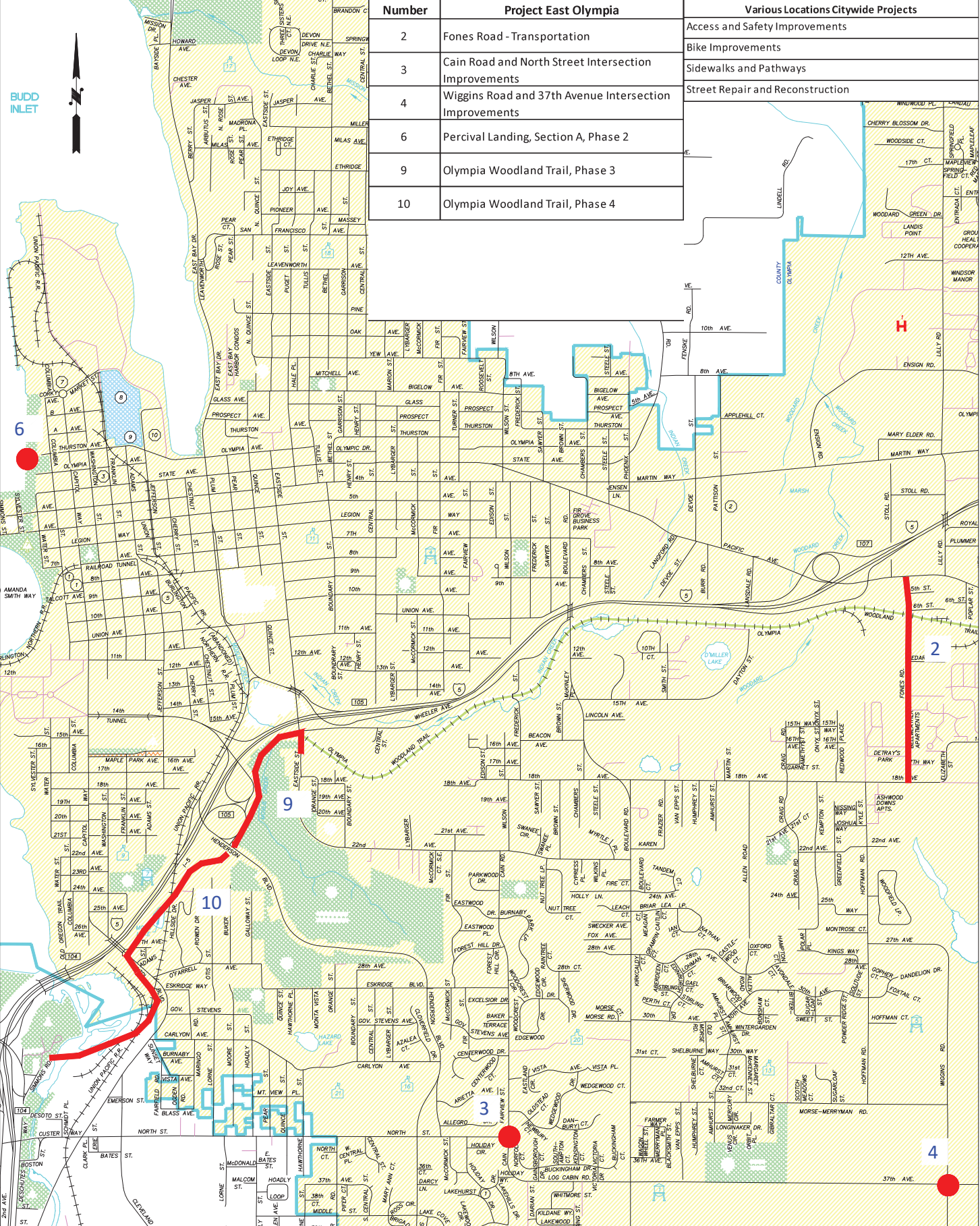
## Six-Year Transportation Improvement Program



# Olympia and Vicinity

Number	Project East Olympia
2	Fones Road - Transportation
3	Cain Road and North Street Intersection Improvements
4	Wiggins Road and 37th Avenue Intersection Improvements
6	Percival Landing, Section A, Phase 2
9	Olympia Woodland Trail, Phase 3
10	Olympia Woodland Trail, Phase 4

Various Locations Citywide Projects	
Access and Safety Improvements	
Bike Improvements	
Sidewalks and Pathways	
Street Repair and Reconstruction	



BUDD INLET



6

9

10

3

4

2

Agency: Olympia  
 County: Thurston  
 MPO: TRPC MPO

Hearing Date: 11/19/2019  
 Adoption Date: Amendment Date:  
 Resolution #: Amendment #:

**Six Year Transportation Improvement Program**  
**From 2021 to 2026**

Functional Class	Priority Number	Project Title Regionally Significant (Y/N) Road Name Structure Id from: Beginning Terminus to: End Terminus Project Description	Improvement Type	Total Length	Utility Codes	Project Phase	Status	Phase Start	Project Costs					Fed. Funded Projects Only			
									Federal Funding		State Funding			Total Funds	Envir. Type	R/W Reqr'd? (Date)	
									Fed.Fund Code	Cost by Phase	Fund Code	State Funds	Local Funds				
17		<b>Mottman Road Bike Lanes and Half Street Frontage Improvement</b> Mottman Road from: Mottman Court to: SPSCC Structure Id Construct Sidewalk, Planter Strip, and Streetlights on one side; Widen for Class II Bike Lanes and Overlay Street.	N	28	0.18	G P S T W	PE RW CN	S S S	2021 2022 2024			OTHER OTHER OTHER	552600 599500 4707900		552,600 599,500 4,707,900	CE	Y
<b>Totals</b>												5,860,000		5,860,000			
16		<b>Fones Road - Transportation</b> Fones Road from: 18th Avenue to: Pacific Avenue Structure Id Improvements will address vehicle capacity, truck access, access management, and safe and inviting bicycle and pedestrian facilities. Will include adding lanes, sidewalks, planter strips, bike lanes, streetlighting, stormwater improvements, and undergrounding of overhead utilities.	Y	3	0.67	C G P T W	RW CN	P P	2021 2022			TIB TIB	81314 4910674	134226 8106112	215,540 13,016,786	CE	Y
<b>Totals</b>												4,991,988	8,240,338	13,232,326			
16		<b>Cain Road and North Street Intersection Improvements</b> Cain Road from: 300 feet south of North Street to: 300 feet north of North Street Structure Id Intersection capacity improvements include installation of a compact roundabout and sidewalk modifications.	N	3	0.12	C G P T	PE CN	P P	2023 2024			TIB TIB	35830 144683	52422 211678	88,252 356,361	CE	Y
<b>Totals</b>												180,513	264,100	444,613			
17		<b>Wiggins Road and 37th Avenue Intersection Improvements</b> Wiggins Road from: At 37th Avenue to: At 37th Avenue Structure Id Intersection capacity improvements include a traffic signal within the existing intersection configuration.	N	3	0.02	C G P T	CN	P	2025			TIB	207135	303048	510,183	CE	Y
<b>Totals</b>												207,135	303,048	510,183			

# Six Year Transportation Improvement Program

From 2021 to 2026

Agency: Olympia  
 County: Thurston  
 MPO: TRPC MPO

Hearing Date: 11/19/2019  
 Adoption Date: Amendment Date:  
 Resolution #: Amendment #:

Functional Class	Priority Number	Project Title Regionally Significant (Y/N)	Road Name Structure Id from: Beginning Terminus to: End Terminus Project Description	Improvement Type	Total Length	Utility Codes	Project Phase	Status	Phase Start	Project Costs				Envir. Type	R/W Reqrd? (Date)		
										Fund Source Information							
										Federal Funding		State Funding					
Fed.Fund Code	Cost by Phase	Fund Code	State Funds	Local Funds	Total Funds												
12		US 101/West Olympia Access Project Y	US 101 from: Black Lake Boulevard to: Kaiser Road Structure Id Construct westbound and eastbound off/on-ramps from US 101 to Kaiser Road. Also construct a westbound off-ramp from US 101 to Yauger Way via an at-grade intersection at Black Lake Boulevard. Add Auxiliary lanes east and westbound between Black Lake Boulevard and Kaiser Road.	1	1.10	P	PE	P	2021	STP(US)	1821452			2664872	4,486,324	CE	Y
							RW	P	2022	STP(US)	1001192			1464792	2,465,984		
Totals											2,822,644			4,129,664	6,952,308		
0		Access and Safety Improvements N	Various Locations from: N/A to: N/A Structure Id The purpose of this program is to improve access and safety for all users of the transportation system: Hazard Elimination and Safety projects improve safety on high accident street sections or intersections. Projects may include new guardrails, railroad crossings, and intersection improvements. Pedestrian Crossing Improvements help pedestrians cross major streets. Improvements may include bulb-outs, crossing islands, and/or flashing crosswalk beacons. Street Access projects remove barriers on walkways for persons with disabilities. Projects may include ADA access ramps or audible pedestrian signals.	28		C G P  T W	PE	P	2021					244800	244,800	CE	N
							CN	P	2021					955200	955,200		
Totals														1,200,000	1,200,000		
0		Bike Improvements N	Various Locations from: N/A to: N/A Structure Id The purpose of this program is to complete elements of the bicycle network: Bike Corridors: Low-volume, low-stress streets improved for bicycle travel. Other Improvements: Gaps and spot improvements in the bike lane network.	28			PE	P	2021					285600	285,600	CE	N
							CN	P	2021					914400	914,400		
Totals														1,200,000	1,200,000		



Agency: Olympia  
 County: Thurston  
 MPO: TRPC MPO

Hearing Date: 11/19/2019  
 Adoption Date: Amendment Date:  
 Resolution #: Amendment #:

**Six Year Transportation Improvement Program**  
**From 2021 to 2026**

Functional Class	Priority Number	Project Title Regionally Significant (Y/N)	Road Name Structure Id from: Beginning Terminus to: End Terminus Project Description	Improvement Type	Total Length	Utility Codes	Project Phase	Status	Phase Start	Project Costs				Fed. Funded Projects Only			
										Fund Source Information				Envir. Type	R/W Reqr'd? (Date)		
										Federal Funding		State Funding					
Fed.Fund Code	Cost by Phase	Fund Code	State Funds	Local Funds	Total Funds												
0		<i>Sidewalks and Pathways</i> N	STIP ID: Oly1112a Fed. Aid # Agency ID: 300 MPO ID: NRS	28			PE	P	2021				918000	918,000	CE	N	
		Various Locations from: N/A to: N/A Structure Id This purpose of this program is to: Maintain and repair sidewalks and pathways. Construct pathways for pedestrians and bicyclists. Pathways are non-motorized short-cuts that link streets to parks, schools, trails, and other streets. Construct new sidewalks based upon the 2004 Sidewalk Program. The program focuses on building sidewalks on at least one side of arterials, major collectors, and neighborhood collectors.					CN	P	2021				5832000	5,832,000			
Totals													6,750,000	6,750,000			
0		<i>Street Repair and Reconstruction</i> N	STIP ID: Oly1117a Fed. Aid # Agency ID: 400 MPO ID: NRS	4			PE	P	2021				3762000	3,762,000	CE	N	
		Various Locations from: N/A to: N/A Structure Id This program addresses: Complete Street Reconstruction projects address streets with pavement in the worst condition. These reconstruction projects add bicycle and pedestrian facilities at the time the street is reconstructed. Maintenance projects that are beyond the capacity of City maintenance crews. These projects include, for example, repairing and replacing striping, guardrails, railing, signals, and lighting. Major Resurfacing projects are repaving projects that may include other elements such as ADA access ramps and bulb-outs for pedestrians at intersections. Street Preservation is an ongoing effort to preserve the condition of our streets and delay major reconstruction. This may include, for example, chip sealing streets and sealing cracks.					CN	P	2021				13188000	13,188,000			
Totals													16,950,000	16,950,000			
0		<i>Percival Landing, Section A, Phase 2</i> N	STIP ID: Oly1151a Fed. Aid # Agency ID: 500 MPO ID: NRS	28			CN	P	2022	STP(E)	6437423		3141002	9,578,425	CE	N	
		Percival Landing from: N/A to: N/A Structure Id Boardwalk and float replacement from south end of phase 1 to north end of 'D' dock.					PE	P	2021	STP(E)	392577		228998	621,575			
Totals													6,830,000	3,370,000	10,200,000		
0		<i>Grass Lake Nature Park Trail Connection</i> N	STIP ID: Oly1152a Fed. Aid # Agency ID: 501 MPO ID: NRS	28	1.00		PE	P	2022	STP(E)	94222		47111	141,333	CE	N	
		from: Cooper Point Road to: Regional Trail Structure Id Design and construct multi-modal trail.					CN	P	2023	STP(E)	471111		235556	706,667			
Totals													565,333	282,667	848,000		

Six Year Transportation Improvement Program

From 2021 to 2026

Agency: Olympia  
 County: Thurston  
 MPO: TRPC MPO

Hearing Date: 11/13/2018  
 Adoption Date: 12/11/2018 Amendment Date:  
 Resolution #: M-1993 Amendment #:

Functional Class	Priority Number	Project Title Regionally Significant (Y/N)	Road Name Structure Id from: Beginning Terminus to: End Terminus Project Description	Improvement Type	Total Length	Utility Codes	Project Phase	Status	Phase Start	Project Costs				Fed. Funded Projects Only				
										Fund Source Information					Envir. Type	R/W Reqrd? (Date)		
										Federal Funding		State Funding						
Fed.Fund Code	Cost by Phase	Fund Code	State Funds	Local Funds	Total Funds													
0		<i>Yauger Park Shared Use Trail Connection</i>	N	STIP ID: Oly1153a Fed. Aid # Agency ID: 502 MPO ID: NRS	28	0.40	PE	P	2021	STP(E)	42210			20790	63,000	CE	N	
		from: Yauger Park to: Harrison Boulevard					CN	P	2022	STP(E)	281400			138600	420,000			
		Structure Id																
		Design and construct trail connection.																
							Totals						323,610		159,390	483,000		
0		<i>Olympia Woodland Trail, Phase 3</i>	N	STIP ID: Oly1154a Fed. Aid # Agency ID: 503 MPO ID: B2 NRS	28	0.40	PE	P	2021	STP(E)	499550			249775	749,325	CE	N	
		from: Henderson Boulevard to: Eastside Street					CN	P	2022	STP(E)	2830783			1415392	4,246,175			
		Structure Id																
		Design and construct multi-modal trail.																
							Totals						3,330,333		1,665,167	4,995,500		
0		<i>Olympia Woodland Trail, Phase 4</i>	N	STIP ID: Oly1754b Fed. Aid # Agency ID: 504 MPO ID:	28	0.94	PE	P	2023	STP(E)	2266000			1133000	3,399,000	CE	N	
		from: Tumwater Historical Park to: Henderson Boulevard					CN	P	2024	STP(E)	11467333			5733667	17,201,000			
		Structure Id																
		Design and construct a multi-modal trail.																
							Totals						13,733,333		6,866,667	20,600,000		
0		<i>West Bay Trail</i>	N	STIP ID: Oly2155a Fed. Aid # Agency ID: 505 MPO ID:	28	0.57	PE	P	2022	STP(E)	7333333			3666667	11,000,000	CE	N	
		from: 5th Avenue to: West Bay Park					CN	P	2023	STP(E)	19333334			9666666	29,000,000			
		Structure Id																
		Design and construct a multi-modal trail.																
							Totals						26,666,667		13,333,333	40,000,000		
<b>Grand Totals for Olympia</b>												<b>54,271,920</b>		<b>11,239,636</b>	<b>64,714,374</b>	<b>130,225,930</b>		



## City Council

### Approval of a Resolution Authorizing an Intergovernmental Agreement with Thurston County Medic One for Basic Life Support Services

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 4.E  
**File Number:** 19-0686

---

**Type:** decision **Version:** 1 **Status:** Consent Calendar

---

#### **Title**

Approval of a Resolution Authorizing an Intergovernmental Agreement with Thurston County Medic One for Basic Life Support Services

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee.

##### **City Manager Recommendation:**

Move to approve the resolution authorizing the Intergovernmental EMS Contract for Basic Life Support (BLS) Funding and authorizing the Interim City Manager to sign the agreement.

#### **Report**

##### **Issue:**

Whether to approve an intergovernmental agreement with Thurston County for Basic Life Support (BLS) services as described in an Intergovernmental EMS Contract. This contract quantifies reimbursement and allows the City to receive this revenue.

##### **Staff Contact:**

Toby Levens, Finance & Policy Coordinator, 360.753.8431

##### **Presenter(s):**

Mark John, Fire Chief, 360.753.8466

#### **Background and Analysis:**

Thurston County (Medic One) and the City of Olympia (Fire Department) have a long standing working relationship for the delivery of Advanced Life Support (ALS) (Paramedic) and Basic Life Support (BLS) (EMT/Firefighter) Services. For over 40 years, there has been an intergovernmental agreement detailing the reimbursement from the County to the City regarding the ALS services. Over the years, Medic One has also provided some support to the BLS mission, but there did not exist a formal contract for this reimbursement until 2019. This first contract is about to expire and several



minor housekeeping changes are required. The new Intergovernmental EMS Contract, Basic Life Support (BLS) Funding agreement memorializes those changes, defines an expiration date and contains language for the contract to be automatically renewed every year up to five years.

Nothing in the new language has direct effect on the City of Olympia or the Fire Department. The amount of BLS direct support received by the City as Fire Department revenue and the amount of supplies and equipment (non-revenue) supplied to the Fire Department changes slightly each year based on the Countywide EMS system call volumes. The amount of revenue for 2019 was \$115,956.00, with a similar amount in BLS supplies and equipment provided to the Fire Department. The contract contains language to allow this variation without re-opening and re-signing the contract each year.

Accepting this intergovernmental agreement secures this long-standing, valuable relationship and defines the revenue and support for years to come.

**Neighborhood/Community Interests (if known):**

N/A

**Options:**

1. Approve the resolution and direct the Interim City Manager to sign the Intergovernmental EMS Contract, Basic Life Support (BLS) funding.
2. Do not approve the resolution.

**Financial Impact:**

\$115,956.00 in revenue to the City and a similar amount in supplies and equipment provided by Medic One directly the Fire Department.

**Attachments:**

Resolution  
Agreement

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON,  
APPROVING AN INTERGOVERNMENTAL EMS CONTRACT BETWEEN THE CITY OF  
OLYMPIA AND THURSTON COUNTY FOR BASIC LIFE SUPPORT FUNDING.**

**WHEREAS**, Chapter 39.34 RCW authorizes local governments to enter into agreements for joint and cooperative undertakings; and

**WHEREAS**, the City of Olympia, for the Fire Department (City), and Thurston County (County) have an existing Intergovernmental EMS contract for the reimbursement of Basic Life Support (BLS) service expiring on December 31, 2019; and

**WHEREAS**, the City and the County wish to continue this arrangement with minor "housekeeping" changes; and

**WHEREAS**, in consideration of the mutual benefits and covenants contained in the Intergovernmental EMS contract, the City wishes to enter into a new Intergovernmental EMS Contract, Basic Life Support (BLS) Funding for the years 2020 through 2024;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL DOES HEREBY RESOLVE** as follows:

1. The Olympia City Council hereby approves the form of Intergovernmental EMS Contract between the City of Olympia and Thurston County for Basic Life Support (BLS) Funding and the terms and conditions contained therein.
2. The City Manager is authorized and directed to execute on behalf of the City of Olympia the Intergovernmental EMS Contract, and any other documents necessary to execute said Agreement, and to make any minor modifications as may be required and are consistent with the intent of the Agreement, or to correct any scrivener's errors.

**PASSED BY THE OLYMPIA CITY COUNCIL** this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

  
\_\_\_\_\_  
DEPUTY CITY ATTORNEY

**INTERGOVERNMENTAL EMS CONTRACT**  
Basic Life Support (BLS) Funding

**THIS CONTRACT** is made and entered into in duplicate originals this day by and between the **COUNTY OF THURSTON**, a municipal corporation, hereinafter referred to as the 'COUNTY' and **CITY OF OLYMPIA** (Fire Department) a municipal corporation, hereinafter referred to as the 'AGENCY';

**WHEREAS**, Chapter 39.34 RCW authorizes local governments to enter into agreements for joint and cooperative undertakings; and

**WHEREAS**, regulations over the provision of emergency medical services include Chapters 18.71, 18.73, 70.168 RCW and Chapter 246-976 WAC; and

**WHEREAS**, RCW 70.168.120 authorizes the County to establish local emergency medical services care councils; and

**WHEREAS**, Thurston County Medic One is supported by a county wide levy in order to provide county wide emergency medical services as provided by law; and

**WHEREAS**, certain local agencies have the Basic Life Support (BLS) resources, as defined in State Statute available to provide such services at the requisite level of quality and training; and

**WHEREAS**, the COUNTY desires to have the AGENCY perform BLS services as hereinafter set forth; requiring specialized skills and other supportive capabilities; and

**WHEREAS**, sufficient COUNTY resources are not available to provide such services; and

**WHEREAS**, the AGENCY represents that it is qualified and possesses sufficient skills and the necessary capabilities, including technical and professional expertise where required, to perform the BLS services set forth in this Contract;

THEREFORE, in consideration of the terms, conditions, covenants, and performance, contained herein, the parties hereto mutually agree as follows:

**I. SERVICES**

- A. The AGENCY shall perform such services and accomplish such tasks, as are identified and designated as AGENCY responsibilities throughout this Contract (Exhibit 'A').
- B. The COUNTY, through the Thurston County Emergency Medical Services Fund, shall provide the AGENCY with financial support and medical supplies, based on prior year call volume for said agency.

COUNTY BLS Supply Funds shall be used to provide emergency medical care or emergency medical services, including training for such personnel and related equipment, supplies, vehicles, structures needed to provide this care or service, and/or encourage preventative health measures. Expenses shall be consistent with the level of the public agency's State Department of Health Certification. These funds may be expended directly by COUNTY on behalf of the providing agency, or by the providing agency with reimbursement requested from COUNTY. The expended amount shall not exceed the amount allocated for each providing agency (Exhibit 'B' – subject to annual adjustment).

COUNTY Financial Support is provided directly to each jurisdiction to cover a portion of the costs for the provision of their BLS service delivery. The amount shall not exceed the amount allocated for each providing agency (Exhibit 'B').

- C. The COUNTY shall provide funding for the provision of certain occupational health vaccination and testing services, to include Hepatitis B vaccination series, Titer tests, Tuberculosis tests, Tetanus/Diphtheria/pertussis (Td or Tdap) and influenza vaccines for all Thurston County Fire agency EMS providers in addition to the Supply and Direct Support amounts.
- D. COUNTY shall provide and manage modems, for the ePCR system, as well as ePCR hardware/software, and associated support. AGENCY is responsible for providing a point of contact to COUNTY's Medic One Business Application Administrator. AGENCY is responsible for providing unlimited cellular data for each modem it uses.
- E. AGENCY shall provide COUNTY with access to COUNTY provided hardware.
- F. AGENCY shall not abuse or misuse COUNTY equipment.

## **II. EFFECTIVE DATE; DURATION**

The term of this Contract and the performance of the AGENCY shall commence on January 1, 2020. and shall automatically renew every year up to 5 years from the original contract effective date, upon mutual agreement between the parties hereto and pursuant to the terms and conditions herein. This agreement replaces all prior interlocal agreements regarding the subject matter contained in this agreement.

## **III. THE EMERGENCY MEDICAL SERVICES COUNCIL**

- A. The EMS Council is formally established by Thurston County Board of Commissioners Resolution No. 6131, and the EMS Council is recognized by the Washington State Department of Health.
- B. The EMS Council shall advise the COUNTY with regard to the formulation and implementation of an Emergency Medical Services System consistent with State and Federal guidelines, including budget allocations. The EMS Council is not a party to this Contract, and nothing herein shall serve to create third party rights in favour of the EMS Council, or any other person, or entity not specifically identified as a party to this Contract.

## **IV. COMPENSATION AND METHOD OF PAYMENT**

- A. No payment by the COUNTY shall be made for any service rendered by AGENCY except for services identified and set forth in this Contract.
- B. No payment by the COUNTY shall be made for any service rendered by AGENCY without a signed Intergovernmental EMS Contract, for BLS funding.
- C. If AGENCY is merged with another agency, allocated funds will remain in the budget, only through the current County biennial budget.

- D. Purchase requests over \$49,999.00 requires prior approval from Thurston County Medic One. Purchase requests over \$49,999.00 must be received at least 30 calendar days prior to ordering the item or service.
- E. Goods and services shall be ordered no later than November 30<sup>th</sup> of each year and must be received by December 31<sup>st</sup>.
- F. Invoices and reimbursement requests need to be submitted within 30 days from the date item is received.
- G. Invoices and requests for reimbursement for goods and services delivered in December must be received in the COUNTY's Medic One office no later than January 15<sup>th</sup> of the following year.
- H. In the rare circumstance where a Medic One Paramedic accompanies a patient on a BLS transport capable unit due to emergency circumstances, the Fire Agency shall bill Medic One according to the Fire Agency's respective rate schedules. Medic One will set their reimbursement rate schedule according to the Centers for Medicare & Medicaid Services (CMS) rate schedule and shall publish this no later than January 1<sup>st</sup> of each year. These transport charges shall be reimbursed utilizing the ALS budget and shall not utilize BLS funds. No additional fees, charges, or other costs shall be submitted to the patient or their health care provider

**V. ESTABLISHMENT AND MAINTENANCE OF RECORDS**

- A. The AGENCY agrees to maintain books, records and documents and accounting procedures and practices which accurately reflect all direct and indirect costs related to the performance of this Contract. Such fiscal books, records, documents, reports and other data shall be maintained in a manner consistent with the "Budgeting, Accounting, Reporting System for Counties and Cities, and Other Local Governments," referred to as "BARS," as issued by the Office of the State Auditor, State of Washington.

The AGENCY further agrees that the COUNTY and/or State/Federal officials shall have the right to monitor and audit at their own expense the fiscal components of the AGENCY to ensure that actual expenditures remain consistent with the terms of this Contract.

- B. The AGENCY shall retain all books, records, documents and other material relevant to this Contract for the amount of time required by the State of Washington. The AGENCY agrees that the COUNTY or its designee shall have full access and right to examine any of said materials at all reasonable times during said period.
- C. The AGENCY'S fiscal management system shall include the capability to provide accurate, current and complete disclosure of the financial status of this Contract upon request.
- D. The patient care records of the Agency as submitted per Exhibit 'A' shall be accessible by the AGENCY for planning, quality control and all applicable public records requests.
- E. If it is determined that a Business Associate Agreement (BAA) is required, it shall be completed as an addendum to this Agreement and incorporated herein.

**VI. ASSIGNMENT/SUBCONTRACTING**

- A. The AGENCY shall not assign any portion of this Contract without the written consent of the COUNTY, and it is further agreed that said consent must be sought in writing by the AGENCY not less than fifteen (15) days prior to the date of any proposed assignment.
- B. Any work or services assigned hereunder shall be subject to each provision of this Contract and proper bidding procedures where applicable as set forth by local, State and/or Federal statutes, ordinances and guidelines.
- C. The COUNTY will not unreasonably withhold consent. If the COUNTY fails to respond to a request by the agency to assign all or any portion of this Contract within fifteen (15) calendar days, consent shall be deemed to have been given.

**VII. FUTURE SUPPORT**

The COUNTY makes no commitment to future support and assumes no obligation for future support of the activity contracted for herein, except as may be expressly set forth in this Contract. All compensation methods and formulas shall be reviewed for appropriateness, each contract period.

**VIII. COMPLIANCE WITH LAWS**

The parties, in performance of this Contract, agrees to comply with all applicable local, State and/or Federal laws and ordinances, including standards for licensing, certification and operation of facilities, programs and accreditation, and licensing of individuals and any other standards or criteria as described in this Contract to assure quality of services.

**IX. NON-DISCRIMINATION IN EMPLOYMENT AND SERVICES**

- A. The COUNTY and the AGENCY are equal opportunity employers.
- B. The AGENCY agrees that it shall not discriminate against any employee or applicant on the grounds of race, color, religion, sex, sexual orientation, national origin, creed, marital status, age, veteran status, or the presence of any disability; provided that the prohibition against discrimination in employment because of disability shall not apply if the particular disability prevents the particular worker involved from performing the occupational requirements of the job. The AGENCY shall take such action with respect to this Contract as may be required to ensure full compliance with state and federal law.
- C. The AGENCY shall not, on the grounds of race, color, sex, sexual orientation, religion, national origin, creed, marital status, age, veteran status or the presence of any disability deny any individual any services or other benefits provided under this Contract.

**X. RELATIONSHIP OF PARTIES**

- A. No agent, employee, servant or representative of the AGENCY shall be deemed to be an employee, agent, servant or representative of the COUNTY for any purpose, and the employees of the AGENCY are not entitled to any of the benefits the COUNTY provides for COUNTY employees. The AGENCY shall be solely and entirely responsible for its acts and for the acts of its agents, and employees during the performance of this Contract.

- B. The COUNTY will not exercise control and direction over the work of the AGENCY, with the exception of agency personnel operating under Department of Health's approved protocol, and is interested primarily in the results to be achieved. However, the services contemplated herein must meet the general financial approval of the COUNTY and shall be subject to the COUNTY'S general rights of financial inspection and review to secure the satisfactory completion hereof.
- C. In the event that any of the AGENCY'S employees or agents, carry on activities or conduct themselves in any manner which may jeopardize the funding of this Contract, the AGENCY shall be responsible for taking adequate measures to prevent said employee or agent from performing or providing any of the services contained in this Contract.
- D. Communications between the AGENCY and the COUNTY shall be addressed to the regular place of business:

THURSTON COUNTY  
 c/o MEDIC ONE DIRECTOR  
 2703 PACIFIC AVE SE, SUITE C  
 OLYMPIA, WA 98501

CITY OF OLYMPIA  
 c/o FIRE CHIEF

- E. In the event that the COUNTY or the AGENCY individually or collectively with other AGENCIES providing EMS under this contract have reached an impasse regarding a material portion of this contract, the COUNTY and the AGENCY/AGENCIES may mutually agree to seek the services of a neutral third party for the purposes of fact finding and resolution recommendation regarding the specifics of the impasse. The neutral third-party entity shall be mutually agreed upon by all parties prior to engagement of the neutral third-party entity. Further, all parties shall agree to the purpose for which the neutral third-party entity shall be engaged and said purpose will be reduced to writing and signed by all parties. The recommendation of the third party shall be considered a non-binding recommendation. The cost of neutral third-party fact-finding services and recommendation shall be borne equally by all parties involved.

**XI. POLITICAL ACTIVITY PROHIBITED**

None of the funds, materials, property or services provided directly or indirectly under this Contract shall be used for the purpose of assisting a campaign for election of any person to any office or for the promotion of or opposition to any ballot proposition.

**XII. INDEMNIFICATION; HOLD HARMLESS**

- A. All services to be rendered or performed under this Contract shall be performed or rendered entirely at the AGENCY'S own risk and the AGENCY expressly agrees to indemnify and hold harmless the COUNTY and all of its officers, agents, employees, or otherwise, from any and all liability, loss or damage including reasonable costs of defense that they may suffer as a result of claims, demands, actions, or damages to any and all persons or property, costs or judgments against the COUNTY which result from or arise out of the services to be performed by the AGENCY under this Contract; provided, this section shall not apply to liability resulting exclusively from errors or omissions of the COUNTY, its officers, or employees.
- B. The COUNTY expressly agrees to indemnify and hold harmless the AGENCY and all of its officers, agents, employees, or otherwise, from any and all liability, loss or damage including reasonable costs of defense that they may suffer as a result of claims, demands, actions, or damages to any and all persons or property, costs or judgments against the AGENCY which result from or arise out of the failure of products or equipment provided by the COUNTY to

the extent such failure results from the negligence of the COUNTY, or the services to be performed by the AGENCY as a result of acting under the express and negligent direction or control of a COUNTY agent or representative, excluding the Medical Program Director or any other medical doctor.

- C. In the event that a claim and/or lawsuit is brought against a party to this Agreement, or against any party's officers, officials or employees for actions arising out of their conduct in responding to a request for assistance, it shall be the duty of each such party to promptly notify the other party that the same has been initiated.
- D. Solely for purposes of enforcing the indemnification obligations of a party under this Section XII, each party expressly waives, by mutual negotiation, its immunity under Title 51 of the Revised Code of Washington, the Industrial Insurance Act, and agrees that the obligation to indemnify, defend, and hold harmless provided for in this Section XIII extends to any such claim brought against the indemnified party by or on behalf of any employee of the indemnifying party. The foregoing waiver shall not in any way preclude the Indemnifying party from raising such immunity as a defense against any claim brought against the indemnifying party by any of its employees.

### **XIII. INSURANCE**

The AGENCY shall maintain insurance coverage sufficient to insure its operations, including professional legal liability and general liability either through membership in a Washington State approved government risk pool or through commercial insurance. Commercial coverage must meet the following minimum requirements:

1. **Professional Legal Liability:** The coverage shall apply to liability for a professional error, act or omission arising out of the scope of the AGENCY'S services provided subject to this Contract. Coverage shall not exclude bodily injury, property damage or hazards within the scope of the AGENCY'S services subject to this Contract.
2. **Commercial General Liability:** The AGENCY shall maintain Commercial General Liability coverage for bodily injury, personal injury and property damage, subject to limits of not less than \$1,000,000 per loss, or equivalent coverage provided through a joint self-insurance program approved by the Washington State Risk Manager. This shall automatically increase to a minimum of \$2,000,000 per loss in 2021.
  - a. The AGENCY'S general liability insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
3. **Other Commercial Insurance Provisions**
  - a. The AGENCY'S liability insurance provisions shall be primary with respect to any insurance or self-insurance programs covering the COUNTY, its elected and appointed officers, officials, employees and agents.
  - b. The AGENCY shall place insurance with insurers licensed to do business in the State of Washington and having A.M. Best Company ratings of no less than A-, with the exception that excess and umbrella coverage used to meet the requirements for limits of liability or gaps in coverage need not be placed with insurers or re-insurers licensed in the State of Washington, or equivalent coverage provided through a joint self-insurance program approved by the Washington State Risk Manager.



- c. Certificates of Insurance or other reasonable notices of coverage shall be provided to the Office or Department issuing the Contract. The address of the Certificate Holder shall be shown as the current address of the Office or Department. Written notice of cancellation or change shall be mailed to the COUNTY at the following address:

Attn: Risk Analyst  
Human Resources  
2000 Lakeridge Drive S.W.  
Olympia, Washington 98502

#### **XIV. SUSPENSION, TERMINATION AND CLOSE-OUT**

If the AGENCY fails to comply with the terms and conditions of this Contract, the COUNTY may pursue such remedies as are legally available including, but not limited to, the suspension or termination of this Contract in the manner specified herein.

- A. Suspension: If the AGENCY fails to comply with the terms of this Contract, or whenever the AGENCY is unable to substantiate full compliance with the provisions of this Contract, the COUNTY may suspend the Contract pending corrective action or investigation, after first allowing a reasonable period for the AGENCY'S cure. The COUNTY shall provide written notice of intent to suspend the Contract, and shall set forth the actions the AGENCY must take, and the time frame within which such action must occur to avoid suspension. If, following such reasonable period for cure the AGENCY fails to cure, the COUNTY may suspend the Contract pending corrective action or investigation by COUNTY employees or their agents. The effective date of suspension shall not be less than seven (7) business days following written notification of suspension to the AGENCY. The suspension shall remain in full force and effect until the AGENCY has taken corrective action to the satisfaction of the COUNTY and is able to substantiate its full compliance with the terms and conditions of this Contract. No obligation incurred by the AGENCY during the period of suspension shall be allowable under the Contract except any reasonable, proper and otherwise allowable costs which the AGENCY could not avoid during the period of suspension. If the AGENCY has corrected its action(s) to the satisfaction of the COUNTY, the COUNTY shall immediately notify the AGENCY in writing that the period of suspension has ended, and shall specify the effective date of the end of such suspension.
- B. Termination for Cause by County: If the AGENCY fails to cure the non-compliance issues that resulted in a suspension of the Contract by the COUNTY, and any of the below-listed conditions exist, the COUNTY may terminate this Contract in whole or in part. If the COUNTY exercises its right to terminate the Contract, it shall notify the AGENCY in writing of the effective date of the termination, and shall set forth the reasons for termination. The COUNTY shall not give less than 21 days' notice of intent to terminate the Contract. After the effective date of termination, no charges incurred by the AGENCY under any terminated portions of the Contract are allowable as against the COUNTY, except for any charges reasonably incurred or encumbered prior to the AGENCY receiving notice of intent to terminate.

Non-compliance, and one of the following conditions provides cause for termination:

1. The lack of compliance with the provisions of this Contract are of such scope and nature that the COUNTY deems continuation of this Contract to be substantially detrimental to the interests of the COUNTY;
2. The AGENCY has failed to take satisfactory action to correct non-compliance as directed by the COUNTY or its authorized representative within the time specified by same and as set forth in the request to cure notice in Section XIV A.

- C. Termination for Cause by Agency: In the event the COUNTY fails to comply with the terms and conditions of this Contract, the AGENCY shall give notice of such failure and allow a reasonable period for the COUNTY'S cure. Thereafter, in the event the COUNTY fails to cure, the AGENCY may terminate part or all of this Contract upon no less than twenty-one (21) days written notice to the COUNTY.
- D. Termination for Other Grounds: This Contract may also be terminated in whole or in part as follows:
  - 1. By either party with the mutual consent of the other party, in which case the two parties shall devise by mutual written agreement, the conditions of termination including the effective date thereof and in case of termination in part, that portion to be terminated;
  - 2. By the COUNTY, if the funds allocated by the COUNTY via this Contract are from anticipated sources of revenue, and if the anticipated sources of revenue do not become available for use in purchasing said services.
- E. Close-Out: In the event that this Contract is terminated in whole or in part for any reason, the following provisions shall apply:
  - 1. Upon written request by the AGENCY, the COUNTY shall make or arrange for payment to the AGENCY of allowable reimbursable costs not covered by previous payments;
  - 2. The AGENCY shall immediately refund to the COUNTY any monies paid in advance for services not performed;
  - 3. The AGENCY shall submit, within thirty (30) days after the date of expiration of this Contract, all financial, performance and other reports required by this Contract;
  - 4. In the event a financial audit has not been performed prior to close out of this Contract, the COUNTY retains the right to withhold a just and reasonable sum from the final payment to the AGENCY after fully considering the recommendations on disallowed costs resulting from the final audit.

## **XV. JURISDICTION**

- A. This Contract has been and shall be construed as having been made and delivered within the State of Washington, and it is agreed by each party hereto that this Contract shall be governed by the laws of the State of Washington, both as to interpretation and performance.
- B. Any action of law, suit in equity, or judicial proceeding for the enforcement of this Contract or any provisions thereof, shall be instituted and maintained only in any of the courts of competent jurisdiction in Thurston County or in the superior court of the two nearest judicial districts as determined pursuant to RCW 36.01.050.

## **XVI. SEVERABILITY**

- A. It is understood and agreed by the parties hereto that if any part, term or provision of this Contract is held by the courts to be illegal, the validity of the remaining provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Contract did not contain the particular provision held to be invalid.

- B. If it should appear that any provision hereof is in conflict with a statute of the State of Washington, said provision which may conflict therewith shall be deemed modified to conform to such statutory provision.

## **XVII. ENTIRE AGREEMENT**

The parties agree that this Contract is the complete expression of the terms hereto and any oral representations or understandings not incorporated herein are excluded. This agreement replaces all prior interlocal agreements regarding the subject matter contained in this agreement. Further, any modification of this Contract shall be in writing and signed by both parties. Failure to comply with any of the provisions stated herein shall constitute material breach of contract and is cause for termination. Both parties recognize time is of the essence in the performance of the provision of this Contract. It is also agreed by the parties that the forgiveness of the non-performance of any provision of this Contract does not constitute a waiver of the provisions of this Contract.

## **XVIII. NO THIRD PARTY LIABILITY**

This Contract shall not be construed to provide any benefits to or create a cause of action for or on behalf of any third parties. Specifically and without limiting the foregoing, this Agreement shall not create or be construed as creating an exception to the Public Duty Doctrine.

## **XIX. DISPUTE RESOLUTION**

The parties shall use reasonable efforts to mediate any dispute arising under this Contract. In the event of such a dispute, each party may, upon mutual agreement of both parties, designate, in writing, not more than three (3) candidates it proposes to act as a non-binding mediator within ten (10) days following notification of a dispute. If the parties cannot agree on one of the mediators from the combined list within five (5) days, then the parties shall promptly meet and select a mediator by blind draw. Upon selection of the mediator, the parties shall within forty-five (45) days or as soon thereafter as possible, meet and engage in a mediation of the dispute with the assistance of the mediator. The cost for the mediation services shall be borne equally between the parties, each party paying one-half of the cost. The mediator shall determine reasonable procedures. Testimony and briefing, if any, provided to the mediator shall be inadmissible in any subsequent court proceedings. If mediation fails to resolve the dispute, the parties may thereafter seek redress in a court of competent jurisdiction. Nothing in this section shall be construed to prohibit either party from exercising its right to terminate this Agreement as otherwise provided in this Agreement or be construed as a pre-condition to the exercise of such right to terminate.

**XX. EQUAL OPPORTUNITY TO DRAFT**

Each party has had opportunity to consult with counsel in connection with the negotiation, execution and delivery of this Contract. Each of the provisions of this Contract has been reviewed and negotiated, and represents the combined work product of both parties hereto. No presumption or other rules of construction which would render the provisions of this Contract in favor of or against the party preparing the same will apply in connection with the construction or interpretation of any of the provisions of this Contract.

**XXI. MISCELLANEOUS**

**Successors.** All of the terms, covenants, and conditions in this Contract shall extend to and bind any approved legal successors and assigns of the parties hereto.

**Effect of Recitals** The headings and recitals in this Contract are for convenience only and do not in any way limit or amplify the provisions of this Contract

**Recording.** The parties shall ensure that copy of this Contract is filed with the Thurston County Recorder's Office or posted by subject on either party's website.

This Agreement does not establish a separate legal entity, joint board, or administrative section for the purpose of acquiring, managing, or disposing of property or any other financial obligation allowed under the Act.

This Agreement does not provide for jointly owned property. All property presently owned or hereafter acquired by one party to enable it to perform the services required under this Agreement, shall remain the property of the acquiring party in the event of the termination of this agreement.

**No Agency Created.** This Contract does not create a partnership between the parties and no separate legal entity is created by this Contract. No real or personal property belonging to the COUNTY shall be exchanged with AGENCY during the performance of this Contract. No real or personal property belonging to the AGENCY shall be exchanged with COUNTY during the performance of this Contract.

**Contract Administration.** This Contract shall be administered by the Fire Chief of the AGENCY and the COUNTY's Emergency Services Director.

DATED: \_\_\_\_\_

DATED: \_\_\_\_\_

Thurston County, Washington

\_\_\_\_\_  
Agency Representative

\_\_\_\_\_  
Director, Emergency Services

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
**CITY ATTORNEY**

**JON TUNHEIM  
PROSECUTING ATTORNEY**

  
\_\_\_\_\_  
By: Rick Peters, Deputy Prosecuting Attorney

## EXHIBIT A: SERVICES

### I. SERVICE AREA

The following services shall be provided within Thurston County, or for mutual aid response outside of Thurston County, during the term of this Contract.

### II. SERVICES

- A. The AGENCY shall provide BLS patient care as dispatched and following all applicable COUNTY Medic One protocols. The COUNTY, through the Thurston County Emergency Medical Services Fund, shall provide the AGENCY with financial support and medical supplies, based on prior year call volume for said agency. Medic One BLS Supply Funds shall be used to provide emergency medical care or emergency medical services, including related personnel costs, training for such personnel and related equipment, supplies, vehicles, structures needed to provide this care or service, and/or encourage preventative health measures. Expenses shall be consistent with the level of the public agency's State Department of Health Certifications. These funds may be expended directly by Medic One on behalf of the providing agency, or by the providing agency with reimbursement requested from Medic One. The expended amount shall not exceed the amount allocated for each providing agency (Exhibit "B") – subject to annual adjustment. Medic One Financial Support is provided directly to each jurisdiction to cover a portion of the costs for the provision of their BLS service delivery.
- a. For non-transporting units, AGENCY shall submit the patient care reporting data as required by the COUNTY's current patient care data management system to the COUNTY within one (1) hour of the EMS run.
  - b. For transporting units, AGENCY shall submit the patient care reporting data before the unit leaves the hospital. If the ePCR system has failed, and patient care reporting data must be submitted in paper form, AGENCY shall submit data within 24 hours.
- B. The AGENCY assumes all responsibility for equipment/supplies received.
- C. COUNTY shall have supply orders filled and ready for pickup on the date requested by the Agency. Orders must be submitted no later than 2 business days prior to pick up. Orders not picked up by the Agency on the date requested will be returned to stock, unless prior notification is given for a delayed pick up.
- D. AGENCY shall notify COUNTY within 30 days of supplies/equipment purchased/received, for reimbursement requests.
- E. County shall provide monthly BLS supply fund expenditure reports within 15 business days following the last day of the previous month.
- F. AGENCY shall reconcile accounts within 30 days of receiving COUNTY's monthly BLS supply fund expended report.
- G. AGENCY shall use COUNTY ePCR in the field for patient care, and perform periodic updates as required.
- H. AGENCY shall leave modems, utilized by ePCR, powered on at all times.

- I. AGENCY shall report ePCR outages upon recognition of failure.
- J. AGENCY shall conduct OTEP, in accordance with COUNTY requirements.
- K. AGENCY shall establish, in writing, a BLS POC (point of contact), and provide this to the COUNTY.
- L. Agency shall provide BLS level of service in accordance with State Statute and Department of Health approved protocols.

## EXHIBIT B: PAYMENT

1. The formula for BLS funding may be updated by the Emergency Medical Services Council (EMSC) as needed without affecting other terms and conditions of this agreement.
2. The formula will take into consideration each individual AGENCY's relative share of run (incident) volume for the given fiscal year (January – December). This volume is calculated from the number of EMS runs that have occurred in that AGENCY's jurisdiction, and not include runs made by the AGENCY for mutual aid outside its jurisdiction.
3. The EMS run volume statistics shall be prepared by Thurston 911 Communications and provided to the COUNTY. This information shall be provided by February of each year.
4. The funding is based on the annual budget for BLS Direct Support (financial and supplies & equipment) as approved by the EMSC. The total amount is then allocated by the COUNTY to each AGENCY based on it's individual share (or percentage).
5. Each year, the COUNTY shall prepare an annual allocation form based on the EMSC approved budget. The form shall identify the following:
  - a. Each AGENCY's run volume;
  - b. The percentage of the total Thurston County run volume that AGENCY responded to;
  - c. The total approved budget for financial support for each AGENCY;
  - d. The financial support base compensation for each AGENCY (same for all AGENCYS);
  - e. The financial support compensation per run (call);
  - f. The financial support compensation for reimbursement of AGENCY mobile computer terminal costs per run (call);
  - g. The total approved budget for supplies & equipment for AGENCYS;
  - h. The supply & equipment support base compensation for each AGENCY (same for all AGENCYS);
  - i. The supply & equipment support compensation per run (call); and
  - j. The total compensation to be provided to each AGENCY.
6. The terms and conditions for compensation are covered in Section IV "Compensation and Methods of Payment" of this agreement.



## City Council

### Approval of a Resolution Authorizing a Professional Services Agreement with Pioneer Technologies for Grant Management and Brownfield Consulting Services

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 4.F  
**File Number:** 19-1140

---

**Type:** discussion **Version:** 1 **Status:** Consent Calendar

---

#### **Title**

Approval of a Resolution Authorizing a Professional Services Agreement with Pioneer Technologies for Grant Management and Brownfield Consulting Services

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee.

##### **City Manager Recommendation:**

Move to approve the Resolution Approving a Professional Services Agreement between the City of Olympia and Pioneer Technologies for Grant Management and Brownfield Consulting Services.

#### **Report**

##### **Issue:**

Whether to approve the professional service agreement with Pioneer Technologies for Grant Management and Brownfield Consulting Services for the amount not to exceed \$545,600.

##### **Staff Contact:**

Mike Reid, Economic Development Director, Community Planning and Development, 360.753.8591

##### **Presenter(s):**

None - Consent Calendar Item.

##### **Background and Analysis:**

On June 5, 2019, the City of Olympia was notified by the Environmental Protection Agency (EPA) that it had been selected to negotiate the terms of a Brownfield Assessment Grant. On September 30, 2019, the City of Olympia was notified that the submitted cooperative agreement had been accepted by the EPA, and the City would be awarded with the requested \$600,000 grant. There are no matching funds required for this grant.

This agreement will provide funding for the City of Olympia to inventory, characterize, assess, and



conduct cleanup planning and community involvement-related activities for brownfield sites in Olympia, Washington. The City, in partnership with the Port of Olympia and the Olympia Metropolitan Parks District, will primarily focus on Peninsula and West Bay brownfields: real properties where expansion, development or reuse may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.

The City issued a Request for Qualifications and Pioneer Technologies was selected as the qualified respondent. The City and Pioneer developed a Professional Service Agreement that will fulfil the EPA -approved work plan for this grant.

**Neighborhood/Community Interests (if known):**

Part of the grant process includes community outreach and holding a community meeting in which interested parties can learn more about how to identify and nominate sites in Olympia for environmental assessment.

**Options:**

1. Approve the Resolution Approving a Professional Services Agreement between the City of Olympia and Pioneer Technologies for Grant Management and Brownfield Consulting Services.
2. Do not approve the Resolution Approving a Professional Services Agreement between the City of Olympia and Pioneer Technologies for Grant Management and Brownfield Consulting Services.

**Financial Impact:**

There are no matching funds required for the grant.

**Attachments:**

Resolution  
Agreement

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON, APPROVING A PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF OLYMPIA AND PIONEER TECHNOLOGIES FOR GRANT MANAGEMENT AND BROWNFIELD CONSULTING SERVICES.**

**WHEREAS**, the City of Olympia (City), as lead entity for an Assessment Coalition consisting of the City, the Olympia Metropolitan Parks District, and the Port of Olympia, has been awarded a \$600,000 Brownfield Assessment Grant through the U.S. Environmental Protection Agency (EPA); and

**WHEREAS**, the City seeks the temporary professional services of a skilled independent consultant in the capacity of grant management and brownfield consulting services to assist the City with the EPA-Approved Work Plan, to include programmatic activities, community involvement and site inventory, site assessments, and cleanup and reuse planning; and

**WHEREAS**, Pioneer Technologies (Pioneer) has the requisite skill and experience necessary to provide such services; and

**WHEREAS**, per Olympia Municipal Code Section 3.16.020.C, it is necessary for the City Council to approve the terms and conditions of the Professional Services Agreement between the City and Pioneer;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL DOES HEREBY RESOLVE** as follows:

1. The Olympia City Council hereby approves the form of Professional Services Agreement between the City of Olympia and Pioneer Technologies for grant management and brownfield consulting services and the terms and conditions contained therein.
2. The Interim City Manager is authorized and directed to execute the Professional Services Agreement on behalf of the City of Olympia, and any other documents necessary to execute said Agreement, and to make any minor modifications as may be required and are consistent with the intent of the Agreement, or to correct any scrivener's errors.

**PASSED BY THE OLYMPIA CITY COUNCIL** this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

  
\_\_\_\_\_  
DEPUTY CITY ATTORNEY

**PROFESSIONAL SERVICES AGREEMENT  
FOR  
GRANT MANAGEMENT AND BROWNFIELD CONSULTING SERVICES**

This Professional Services Agreement ("Agreement") is effective as of the date of the last authorizing signature ("effective date"). The parties ("Parties") to this Agreement are the City of Olympia, a Washington municipal corporation ("City"), and Pioneer Technologies, a Washington corporation ("Consultant").

A. The City seeks the temporary professional services of a skilled independent consultant capable of working without direct supervision, in the capacity of grant management and brownfield consulting services; and

B. Consultant has the requisite skill and experience necessary to provide such services.

NOW, THEREFORE, the Parties agree as follows:

1. Services.

Consultant shall provide the services more specifically described in Exhibit "A," attached to and incorporated into this Agreement ("Services"), in a manner consistent with the accepted practices for other similar services, and when and as specified by the City's representative.

2. Term.

The term of this Agreement commences upon the effective date of this Agreement and continues until the completion of the Services, but in any event no later than August 31, 2022 ("Term"). This Agreement may be extended for additional periods of time upon the mutual written agreement of the City and the Consultant.

3. Termination.

Prior to the expiration of the Term, this Agreement may be terminated immediately, with or without cause by the City.

4. Compensation.

A. Total Compensation. In consideration of the Consultant performing the Services, the City shall pay the Consultant an amount not to exceed Five Hundred Forty-Five Thousand, Six Hundred and No/100 Dollars (\$545,600) calculated on the basis of the hourly labor charge rate schedule for Consultant's personnel attached to this Agreement as Exhibit "B"

B. Method of Payment. Payment by the City for the Services will only be made after the Services have been performed, a voucher or invoice is submitted in the form specified by the City, which invoice specifically describes the Services performed, the name of Consultant's personnel performing such Services, the hourly labor charge rate for such personnel, and the same is approved by the

appropriate City representative. The City shall make payment on a monthly basis, within thirty (30) days after receipt of such voucher or invoice.

C. Consultant Responsible for Taxes. The Consultant is solely responsible for the payment of any taxes imposed by any lawful jurisdiction as a result of the performance and payment of this Agreement.

5. Compliance with Laws.

Consultant shall comply with and perform the Services in accordance with all applicable federal, state, and City laws including, without limitation, all City codes, ordinances, resolutions, standards, and policies, as now existing or hereafter adopted or amended.

6. Assurances.

The Consultant affirms that it has the requisite training, skill, and experience necessary to provide the Services and is appropriately accredited and licensed by all applicable agencies and governmental entities, including but not limited to being registered to do business in the City of Olympia by obtaining a City of Olympia business registration.

7. Independent Contractor/Conflict of Interest.

It is the intention and understanding of the Parties that the Consultant is an independent contractor and that the City is neither liable nor obligated to pay Consultant sick leave, vacation pay, or any other benefit of employment, nor to pay any social security or other tax which may arise as an incident of employment. The Consultant shall pay all income and other taxes due. Industrial or any other insurance that is purchased for the benefit of the City, regardless of whether such may provide a secondary or incidental benefit to the Consultant, does not convert this Agreement to an employment contract. It is recognized that Consultant may be performing professional services during the Term for other parties; provided, however, that such performance of other services may not conflict with or interfere with Consultant's ability to perform the Services. Consultant agrees to resolve any such conflicts of interest in favor of the City.

8. Equal Opportunity Employer.

A. In all Consultant services, programs, or activities, and all Consultant hiring and employment made possible by or resulting from this Agreement, Consultant and Consultant's employees, agents, subcontractors, and representatives shall not unlawfully discriminate against any person based on any legally protected class status including but not limited to: sex, age (except minimum age and retirement provisions), race, color, religion, creed, national origin, marital status, veteran status, sexual orientation, gender identity, genetic information, or the presence of any disability, including sensory, mental or physical handicaps; provided, however, that the prohibition against discrimination in employment because of disability does not apply if the particular disability prevents the performance of the essential functions required of the position.

This requirement applies, but is not limited to the following: employment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Consultant shall not violate any of the terms of Chapter 49.60 RCW, Title VII of the Civil

Rights Act of 1964, the Americans with Disabilities Act, Section 504 of the Rehabilitation Act of 1973 or any other applicable federal, state, or local law or regulation regarding nondiscrimination. Any material violation of this provision is grounds for termination of this Agreement by the City and, in the case of the Consultant's breach, may result in ineligibility for further City agreements.

B. In the event of Consultant's noncompliance or refusal to comply with the above nondiscrimination plan, this Agreement may be rescinded, canceled, or terminated in whole or in part, and the Consultant may be declared ineligible for further agreements or contracts with the City. The City shall, however, give Consultant a reasonable time in which to correct this noncompliance.

C. To assist the City in determining compliance with the foregoing nondiscrimination requirements, Consultant shall complete and return the *Statement of Compliance with Nondiscrimination* attached as Exhibit C. If the contract amount is \$50,000 or more, the Consultant shall execute the attached Equal Benefits Declaration - Exhibit D.

9. Confidentiality.

Consultant agrees not to disclose any information and/or documentation obtained by Consultant in performance of this Agreement that has been expressly declared confidential by the City. Breach of confidentiality by the Consultant is grounds for immediate termination.

10. Indemnification/Insurance.

A. Indemnification / Hold Harmless. Consultant shall defend, indemnify, and hold the City, its officers, officials, employees, and volunteers harmless from any and all claims, injuries, damages, losses, or suits including attorney fees, arising out of or resulting from the acts, errors, or omissions of the Consultant in performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

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 Consultant and the City, its officers, officials, employees, and volunteers, the Consultant's liability hereunder is only to the extent of the Consultant's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Consultant's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the Parties. The provisions of this section survives the expiration or termination of this Agreement.

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

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

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

1. Automobile Liability insurance covering all owned, non-owned, hired, and leased vehicles. Coverage must be at least as broad as ISO occurrence form (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage.

2. Commercial General Liability insurance must be at least as broad as ISO occurrence form CG 00 01 and must cover liability arising from premises, operations, independent contractors, stop gap liability, personal injury, and advertising injury. The City must be named as an additional insured under the Consultant's Commercial General Liability insurance policy with respect to the work performed for the City using an additional insured endorsement at least as broad as ISO CG 20 26.

3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

4. Professional Liability insurance appropriate to the Consultant's profession.

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

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.

2. Commercial General Liability insurance must be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate.

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

F. Other Insurance Provisions. The Consultant's Automobile Liability and Commercial General Liability insurance policies are to contain, or be endorsed to contain that they are primary insurance as respect the City. Any Insurance, self-insurance, or insurance pool coverage maintained by the City is excess of the Consultant's insurance and does not contribute with it.

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

H. Verification of Coverage. Consultant shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Consultant before commencement of the work.

I. Notice of Cancellation. The Consultant shall provide the City with written notice of any policy cancellation, within two (2) business days of their receipt of such notice.

J. Failure to Maintain Insurance. Failure on the part of the Consultant to maintain the insurance as required constitutes a material breach of contract, upon which the City may, after giving five (5) business days' notice to the Consultant to correct the breach, immediately terminate the Agreement or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due the Consultant from the City.

K. City's Full Access to Consultant Limits. If the Consultant maintains higher insurance limits than the minimums shown above, the City is insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Consultant, irrespective of whether such limits maintained by the Consultant are greater than those required by this Agreement or any certificate of insurance furnished to the City evidences limits of liability lower than those maintained by the Consultant.

11. Work Product.

Any deliverables identified in the Scope of Work or otherwise identified in writing by the City that are produced by Consultant in performing the Services under this Agreement and which are delivered to the City belong to the City. The Consultant shall deliver any such work product to the City by Consultant at the termination or cancellation date of this Agreement, or as soon thereafter as possible. All other documents are owned by the Consultant.

12. Treatment of Assets.

A. Title to all property furnished by the City remains in the name of the City.

B. Title to all nonexpendable personal property and all real property purchased by the Consultant, the cost of which the Consultant is entitled to be reimbursed as a direct item of cost under this Agreement, passes to and vests in the City, or if appropriate, the state or federal department supplying funds therefor, upon delivery of such property by the Consultant. If the Consultant elects to capitalize and depreciate such nonexpendable personal property in lieu of claiming the acquisition cost as a direct item of cost, title to such property remains with the Consultant. An election to capitalize and depreciate or claim acquisition cost as a direct item of cost is irrevocable.

C. Nonexpendable personal property purchased by the Consultant under the terms of this Agreement in which title is vested in the City may not be rented, loaned, or otherwise passed to any person, partnership, corporation/association, or organization without the prior expressed written approval of the City or its authorized representative, and such property must, unless otherwise provided in this Agreement or approved by the City or its authorized representative, be used only for the performance of this Agreement.

D. As a condition precedent to reimbursement for the purchase of nonexpendable personal property, title to which vests in the City, the Consultant agrees to execute such security agreements and other documents as necessary for the City to perfect its interest in such property in accordance with the "Uniform Commercial Code--Secured Transactions" as codified in Article 9 of Title 62A, the Revised Code of Washington.

E. The Consultant is responsible for any loss or damage to the property of the City including expenses entered thereunto which results from negligence, willful misconduct, or lack of good faith on the part of the Consultant, or which results from the failure on the part of the Consultant to maintain and administer in accordance with sound management practices that property, to ensure that the property will be returned to the City in like condition to that in which it was furnished or purchased, fair wear and tear excepted.

F. Upon the happening of loss or destruction of, or damage to, any City property, the Consultant shall notify the City or its authorized representative and shall take all reasonable steps to protect that property from further damage.

G. The Consultant shall surrender to the City all property of the City within thirty (30) days after rescission, termination, or completion of this Agreement unless otherwise mutually agreed upon by the Parties.

13. Books and Records.

The Consultant shall maintain books, records, and documents which sufficiently and properly reflect all direct and indirect costs related to the performance of the Services and maintain such accounting procedures and practices as may be deemed necessary by the City to assure proper accounting of all funds paid pursuant to this Agreement. These records are subject, at all reasonable times, to inspection, review or audit by the City, its authorized representative, the State Auditor, or other governmental officials authorized by law to monitor this Agreement.

Records owned, used, or retained by the City that meet the definition of a "public record" pursuant to RCW 42.56.010 are subject to disclosure under Washington's Public Records Act. Should the Consultant fail to provide records created or used by Consultant in its work for the City within ten (10) days of the City's request for such records, Consultant shall indemnify, defend, and hold the City harmless for any public records judgment, including costs and attorney's fees, against the City involving such withheld records.

14. Non-Appropriation of Funds.

If sufficient funds are not appropriated or allocated for payment under this Agreement for any future fiscal period, the City is not obligated to continue the Agreement after the end of the current fiscal period, and this Agreement automatically terminates upon the completion of all remaining Services for which funds are allocated. No penalty or expense accrues to the City in the event this provision applies.

15. General Provisions.

A. Entire Agreement. This Agreement contains all of the agreements of the Parties with respect to any matter covered or mentioned in this Agreement and no prior agreements are effective for any purpose.

B. Modification. No provision of this Agreement, including this provision, may be amended or modified except by written agreement signed by the Parties.



C. Full Force and Effect; Severability. Any provision of this Agreement that is declared invalid or illegal in no way affects or invalidates any other provision and all other provisions remain in full force and effect. Further, if it should appear that any provision hereof is in conflict with any statutory provision of the State of Washington, the provision appears to conflict therewith must be deemed inoperative and null and void insofar as it may be in conflict therewith, and must be deemed modified to conform to such statutory provision.

D. Assignment. Neither the Consultant nor the City has the right to transfer or assign, in whole or in part, any or all of its obligations and rights under this Agreement without the prior written consent of the other Party.

1. If the Consultant desires to assign this Agreement or subcontract any of its work under this Agreement, the Consultant shall submit a written request to the City for approval not less than fifteen (15) days prior to the commencement date of any proposed assignment or subcontract.

2. Any work or services assigned or subcontracted for hereunder is subject to each provision of this Agreement.

3. Any technical/professional service subcontract not listed in this Agreement, which is to be charged to this Agreement, must have prior written approval by the City.

4. The City reserves the right to inspect any assignment or subcontract document.

E. Successors in Interest. Subject to the foregoing Subsection, the rights and obligations of the Parties inure to the benefit of and are binding upon their respective successors in interest, heirs, and assigns.

F. Attorney Fees. In the event either of the Parties defaults on the performance of any term of this Agreement or either Party places the enforcement of this Agreement in the hands of an attorney, or files a lawsuit, the prevailing party is entitled to its reasonable attorneys' fees, costs and expenses to be paid by the other Party.

G. No Waiver. Failure or delay of the City to declare any breach or default immediately upon occurrence does not waive such breach or default. Failure of the City to declare one breach or default does not act as a waiver of the City's right to declare another breach or default.

H. Governing Law. This Agreement is made in, governed by, and must be interpreted in accordance with the laws of the State of Washington.

I. Authority. Each individual executing this Agreement on behalf of the City and Consultant represents and warrants that such individuals are duly authorized to execute and deliver this Agreement on behalf of the Consultant or the City.

J. Notices. Any notices required to be given by the Parties must be delivered at the addresses set forth below. Any notices may be delivered personally to the addressee of the notice or may be deposited in the United States mail, postage prepaid, to the address set forth below. Any notice so posted in the United States mail must be deemed received three (3) days after the date of mailing.

K. Captions. The respective captions of the Sections of this Agreement are inserted for convenience of reference only and do not modify or otherwise affect any of the provisions of this Agreement.

L. Performance. Time is of the essence in performance of this Agreement and each and all of its provisions in which performance is a factor. Adherence to completion dates set forth in the description of the Services is essential to the Consultant's performance of this Agreement.

M. Remedies Cumulative. Any remedies provided for under the terms of this Agreement are not intended to be exclusive, but are cumulative with all other remedies available to the City at law, in equity, or by statute.

N. Counterparts. This Agreement may be executed in any number of counterparts, which counterparts collectively constitute the entire Agreement.

O. Equal Opportunity to Draft. The Parties have participated and had an equal opportunity to participate in the drafting of this Agreement, and the Exhibits, if any, attached. No ambiguity may be construed against any party upon a claim that that party drafted the ambiguous language.

P. Venue. All lawsuits or other legal actions whatsoever with regard to this Agreement must be brought in Thurston County, Washington, Superior Court.

Q. Ratification. Any work performed prior to the effective date that falls within the scope of this Agreement and is consistent with its terms is hereby ratified and confirmed.

R. Certification Regarding Debarment, Suspension, and Other Responsibility Matters.

1. By signing the Agreement below, the Consultant certifies to the best of its knowledge and belief, that it and its principles:

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

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

c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph 1.b. of this certification; and

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

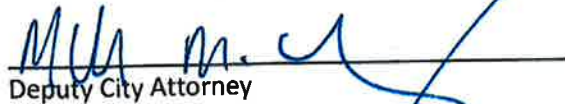
2. Where the Consultant is unable to certify to any of the statements in this certification, such Consultant shall attach an explanation to this proposal.

S. Early Retirement from the State of Washington- Certification. By signing this form, you certify that no one being directly compensated for their services pursuant to this Agreement has retired from the Washington State Retirement System using the 2008 Early Retirement Factors with restrictions on returning to work.

CITY OF OLYMPIA

By: \_\_\_\_\_  
Steven J. Burney, Interim City Manager  
P.O. Box 1967  
Olympia WA 98507-1967  
Date of Signature: \_\_\_\_\_

APPROVED AS TO FORM:

  
Deputy City Attorney

I certify that I am authorized to execute this Agreement on behalf of the Consultant.

PIONEER TECHNOLOGIES:

  
By: \_\_\_\_\_  
Chris Waldron  
Title: Principal  
5205 Corporate Center Court SE, Suite C  
Olympia WA 98503  
360.570.1700  
Date of Signature: 11/22/2019

**Exhibit "C"**

**STATEMENT OF COMPLIANCE WITH NONDISCRIMINATION REQUIREMENT**

The Olympia City Council has made compliance with the City's *Nondiscrimination in Delivery of City Services or Resources* ordinance (OMC 1.24) a high priority, whether services are provided by City employees or through contract with other entities. It is important that all contract agencies or vendors and their employees understand and carry out the City's nondiscrimination policy. Accordingly, each City agreement or contract for services contains language that requires an agency or vendor to agree that it shall not unlawfully discriminate against an employee or client based on any legally protected status, which includes but is not limited to: race, creed, religion, color, national origin, age, sex, marital status, veteran status, sexual orientation, gender identity, genetic information, or the presence of any disability. Indicate below the methods you will employ to ensure that this policy is communicated to your employees, if applicable.

\_\_\_\_\_ affirms compliance with the City of Olympia's nondiscrimination ordinance and contract provisions. **Please check all that apply:**

- Nondiscrimination provisions are posted on printed material with broad distribution (newsletters, brochures, etc.).  
What type, and how often? \_\_\_\_\_
- Nondiscrimination provisions are posted on applications for service.
- Nondiscrimination provisions are posted on the agency's web site.
- Nondiscrimination provisions are included in human resource materials provided to job applicants and new employees.

- Nondiscrimination provisions are shared during meetings.  
What type of meeting, and how often? \_\_\_\_\_
- If, in addition to two of the above methods, you use other methods of providing notice of nondiscrimination, please list:  
\_\_\_\_\_  
\_\_\_\_\_

- If the above are not applicable to the contract agency or vendor, please check here and sign below to verify that you will comply with the City of Olympia's nondiscrimination ordinance.

**Failure to implement the measures specified above or to comply with the City of Olympia's nondiscrimination ordinance constitutes a breach of contract.**

By signing this statement, I acknowledge compliance with the City of Olympia's nondiscrimination ordinance.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
Print Name of Person Signing

**Alternative Section for Sole Proprietor:** I am a sole proprietor and have reviewed the statement above. I agree not to discriminate against any client, or any future employees, based on any legally protected status.

\_\_\_\_\_  
(Sole Proprietor Signature)

\_\_\_\_\_  
(Date)

***Exhibit "D"***  
**EQUAL BENEFITS COMPLIANCE DECLARATION**

**Contractors or consultants on City agreements or contracts estimated to cost \$50,000 or more shall comply with Olympia Municipal Code, Chapter 3.18. This provision requires that if contractors or consultants provide benefits, they do so without discrimination based on age, sex, race, creed, color, sexual orientation, national origin, or the presence of any physical, mental or sensory disability, or because of any other status protected from discrimination by law. Contractors or consultants must have policies in place prohibiting such discrimination, prior to contracting with the City.**

---

I declare that the Consultant listed below complies with the City of Olympia Equal Benefits Ordinance, that the information provided on this form is true and correct, and that I am legally authorized to bind the Consultant.

\_\_\_\_\_  
Consultant Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

# Memo



5205 Corporate Ctr. Ct. SE, Ste. A  
Olympia, WA 98503-5901  
Phone: 360.570.1700  
Fax: 360.570.1777  
www.uspioneer.com

**To:** Mike Reid  
**From:** Joel Hecker and Chris Waldron  
**Cc:** Mark Rentfrow  
**Date:** October 28, 2019  
**Subject:** PIONEER Technologies Corporation Statement of Work for USEPA Brownfield Assessment Grant Project

PIONEER Technologies Corporation (PIONEER) is excited to partner with the City of Olympia (City) on their United States Environmental Protection Agency (USEPA) Brownfield Assessment Grant Project. The specific scope of work has not been defined; however, the framework of the scope of work will include those items listed in the USEPA-Approved Work Plan. PIONEER will work with the City to complete programmatic activities, community involvement and site inventory, site assessments, and cleanup and reuse planning. Estimates of PIONEER's costs are included in the following subsections, separated by Work Plan tasks. These estimates are based on the cost guidelines provided in the Work Plan and are summarized in Table 1.

**Table 1 – Budget Table(s) from Section 4.1 of the Work Plan**

Budget Categories	<u>Hazardous Substances Assessment Grant Project Tasks</u>				
	Task 1 Programmatic	Task 2 Community Outreach and Site Inventory	Task 3 Site Assess. (PHI & PHII ESAs)	Task 4 Cleanup and Reuse Planning	Total Budget
Personnel	\$6,000	\$3,500		\$6,000	\$15,500
Travel		\$400			\$400
Supplies		\$500			\$500
Contractual		\$4,500	\$404,100	\$50,000	\$483,600
Indirect Administrative	\$25,000				
<b>Total Budget</b>	<b>\$31,000</b>	<b>\$8,900</b>	<b>\$404,100</b>	<b>\$56,000</b>	<b>\$500,000</b>
Budget Categories	<u>Petroleum Assessment Grant Project Tasks</u>				
Personnel		\$1,500		\$3,000	\$4,500
Travel	\$2,600	\$400			\$3,000
Supplies		\$500			\$500
Contractual		\$1,500	\$72,500	\$13,000	\$92,000
Indirect Administrative	\$5,000				
<b>Total Budget</b>	<b>\$7,600</b>	<b>\$3,900</b>	<b>\$72,500</b>	<b>\$16,000</b>	<b>\$100,000</b>
<b>Total Dir. Costs</b>	<b>\$38,600</b>	<b>\$12,800</b>	<b>\$476,600</b>	<b>\$72,000</b>	<b>\$600,000</b>

## Programmatic Activities

In accordance with the Work Plan, there are no contractual costs for programmatic activities.

## **Community Involvement and Site Inventory**

Costs for community involvement and site inventory activities are not to exceed \$6,000 without written approval from the City. The costs will be subdivided between the hazardous substances grant (\$4,500) and the petroleum grant (\$1,500).

These costs include preparing, printing, and mailing project information and marketing documents, costs for coordinating/conducting community involvement and outreach meetings, and costs for visiting and identifying new sites. Costs for this task will be billed on a time and materials basis in accordance with Attachment 1.

## **Site Assessments**

Costs for site assessment activities (e.g., eligibility determinations [EDs], Phase I and Phase II Environmental Site Assessments [ESAs], and Sampling and Analysis Plans [SAPs]) are not to exceed \$476,600 without written approval from the City. The costs will be subdivided between the hazardous substances grant (\$404,100) and the petroleum grant (\$72,500).

The costs for completing site assessments will vary depending on the complexity of the site and whether the Washington Department of Ecology is involved. Based on past experience, PIONEER's EDs typically cost \$500 to \$1,000, Phase I ESAs cost \$4,000 to \$6,000, SAPs cost \$4,000 to \$6,000, and Phase II ESAs cost \$15,000 to \$60,000. However, actual costs may vary depending on site-specific variables. Costs for complex sites may exceed these estimates. Phase I ESAs will be billed as lump sum. EDs, SAPs, and Phase II ESAs will be billed as time and materials, not-to-exceed, in accordance with Attachment 1.

Quality Assurance Project Plan(s) (QAPPs) will also be prepared under this task and will be a lump sum cost of \$5,000 each. If amenable to USEPA, PIONEER will prepare one joint QAPP for the hazardous substances grant and petroleum grant.

Time spent on project meetings and on periodic reporting (e.g., ACRES database entries, quarterly reporting, and final closeout reporting) will also be included in this task. ACRES database entries will be built into the cost of the Phase I and II ESAs. PIONEER estimates quarterly reports will cost \$500 to \$1,000 and the final closeout report will cost \$4,000 to \$5,000.

## **Cleanup and Reuse Planning**

Costs for cleanup and reuse planning activities are not to exceed \$63,000 without written approval from the City. The costs will be subdivided between the hazardous substances grant (\$50,000) and the petroleum grant (\$13,000).

These costs may include preparation of Remediation Work Plans (RWPs), assessment of brownfields cleanup/redevelopment alternatives (ABCAs), evaluation of institutional and engineering controls, and/or meeting with local, county, and/or state units of government officials to discuss the proposed cleanup and to assist with planning for the successful redevelopment of brownfield sites. Costs for this task will be billed as time and materials, not-to-exceed, in accordance with Attachment 1.

## **Task Authorization Requests**

PIONEER will submit task authorization requests with project costs for each ED, Phase I ESA, QAPP, SAP, Phase II ESA, and Cleanup/Reuse Plan to the City. PIONEER will not begin work until the City approves the task authorization requests. Invoices will be submitted to the City on a monthly basis. Payment terms are net 30 days.

## **Enclosures**

Attachment 1

PIONEER's Price List for City of Olympia (2019 - 2020)



## Exhibit B

# PIONEER Technologies Corporation's Price List for the City of Olympia (2019 – 2020)

PIONEER TECHNOLOGIES CORPORATION LABOR CATEGORY	2019 - 2020 Price List for City of Olympia (Hourly Rate) <sup>1</sup>
Principal Scientist Principal Engineer Principal Developer	\$152
Senior Professional Engineer	\$141
Senior Scientist Senior Developer Senior Project Manager Senior Engineer	\$134
Project Scientist Project Developer Project Engineer	\$124
Staff Scientist Staff Developer Staff Engineer	\$107
Field Tech/CAD/GIS/Data Analyst 3	\$96
Field Tech/CAD/GIS/Data Analyst 2	\$94
Field Tech/CAD/GIS/Data Analyst 1	\$84
Administrative Assistant	\$56

<sup>1</sup>These prices incorporate a discount of approximately 5 to 27%, depending on labor category, on our standard, commercial hourly rates.

OTHER EXPENSES*	Rate
Vehicle Miles	IRS Current Mileage Rate
Other Direct Costs/Subcontractor/Equipment Rental	Cost Plus 8%
Examples include but are not limited to:	
<b>Phase I ESA's:</b>	
<ul style="list-style-type: none"> <li>• Historical Document Search/Database Search</li> </ul>	
<b>Phase II ESA's:</b>	
<ul style="list-style-type: none"> <li>• Field Equipment (e.g., water level meters, water quality meters, personal protective equipment)</li> <li>• Drilling Subcontractor (to be determined)</li> <li>• Utility Locate Service (to be determined)</li> <li>• Concrete Coring/Asphalt Cutting Subcontractor (to be determined)</li> <li>• Analytical Laboratory Subcontractor (to be determined)</li> </ul>	
<b>Cleanup and Reuse Planning:</b>	
<ul style="list-style-type: none"> <li>• Remediation Subcontractor, for planning/costing purposes only, (to be determined)</li> </ul>	

\* To be approved by the City prior to use.

**Exhibit "C"**

**STATEMENT OF COMPLIANCE WITH NONDISCRIMINATION REQUIREMENT**

The Olympia City Council has made compliance with the City's *Nondiscrimination in Delivery of City Services or Resources* ordinance (OMC 1.24) a high priority, whether services are provided by City employees or through contract with other entities. It is important that all contract agencies or vendors and their employees understand and carry out the City's nondiscrimination policy. Accordingly, each City agreement or contract for services contains language that requires an agency or vendor to agree that it shall not unlawfully discriminate against an employee or client based on any legally protected status, which includes but is not limited to: race, creed, religion, color, national origin, age, sex, marital status, veteran status, sexual orientation, gender identity, genetic information, or the presence of any disability. Indicate below the methods you will employ to ensure that this policy is communicated to your employees, if applicable.

\_\_\_\_\_ affirms compliance with the City of Olympia's nondiscrimination ordinance and contract provisions. **Please check all that apply:**

- Nondiscrimination provisions are posted on printed material with broad distribution (newsletters, brochures, etc.).  
What type, and how often? \_\_\_\_\_
- Nondiscrimination provisions are posted on applications for service.
- Nondiscrimination provisions are posted on the agency's web site.
- Nondiscrimination provisions are included in human resource materials provided to job applicants and new employees.
- Nondiscrimination provisions are shared during meetings.  
What type of meeting, and how often? \_\_\_\_\_
- If, in addition to two of the above methods, you use other methods of providing notice of nondiscrimination, please list:  
\_\_\_\_\_  
\_\_\_\_\_

- If the above are not applicable to the contract agency or vendor, please check here and sign below to verify that you will comply with the City of Olympia's nondiscrimination ordinance.

**Failure to implement the measures specified above or to comply with the City of Olympia's nondiscrimination ordinance constitutes a breach of contract.**

By signing this statement, I acknowledge compliance with the City of Olympia's nondiscrimination ordinance.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
Print Name of Person Signing

<b>Alternative Section for Sole Proprietor:</b> I am a sole proprietor and have reviewed the statement above. I agree not to discriminate against any client, or any future employees, based on any legally protected status.	
_____ (Sole Proprietor Signature)	_____ (Date)

***Exhibit "D"***  
**EQUAL BENEFITS COMPLIANCE DECLARATION**

**Contractors or consultants on City agreements or contracts estimated to cost \$50,000 or more shall comply with Olympia Municipal Code, Chapter 3.18. This provision requires that if contractors or consultants provide benefits, they do so without discrimination based on age, sex, race, creed, color, sexual orientation, national origin, or the presence of any physical, mental or sensory disability, or because of any other status protected from discrimination by law. Contractors or consultants must have policies in place prohibiting such discrimination, prior to contracting with the City.**

---

I declare that the Consultant listed below complies with the City of Olympia Equal Benefits Ordinance, that the information provided on this form is true and correct, and that I am legally authorized to bind the Consultant.

\_\_\_\_\_  
Consultant Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title



## City Council

### Approval of a Resolution Granting Special Tax Valuation for the Olympia Heritage Site at 208 18th Avenue SW

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 4.G  
**File Number:** 19-1132

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**Type:** resolution **Version:** 1 **Status:** Consent Calendar

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#### **Title**

Approval of a Resolution Granting Special Tax Valuation for the Olympia Heritage Site at 208 18<sup>th</sup> Avenue SW

#### **Recommended Action**

##### **Committee Recommendation:**

The Heritage Commission recommends approval of the special valuation application for 208 18<sup>th</sup> Avenue SW.

##### **City Manager Recommendation:**

Move to approve the resolution granting special property tax valuation status for the historic property at 208 18<sup>th</sup> Avenue SW.

#### **Report**

##### **Issue:**

Whether to approve the application for property tax revaluation.

##### **Staff Contact:**

Marygrace Goddu, Historic Preservation Officer, Community Planning & Development, 360.753.8031

##### **Presenter(s):**

None - Consent Calendar Item.

#### **Background and Analysis:**

The City of Olympia participates in the Washington State Special Tax Valuation program. The program provides owners of designated historic buildings with the opportunity to apply for a property tax revaluation following the completion of approved rehabilitation work. The purpose is to incentivize historic preservation by offsetting the costs to maintain and upgrade older buildings. To qualify for special valuation, the qualified rehabilitation expenses must be equal to or greater than 25 percent of the value of the building, exclusive of land, prior to rehabilitation.

As outlined in OMC 3.60 Special Property Tax Valuation the Olympia Heritage Commission (OHC) performs a full review of each application and its related expenses. The OHC then makes a

recommendation to City Council for approval or denial.

The application must be reviewed or denied by the City Council before December 31, 2019. If approved, the City enters into a ten-year agreement with the property owner to ensure no additional modifications are made that adversely impact the property's historic value without written consent by the City.

The Thurston County Assessor completes the final processing of the special valuation. Beginning in the following year (2020) the property is reassessed (to include the new improvements) and the Total Qualified Expenditures are subtracted from the newly assessed property value for a period of ten years.

### 208 18<sup>th</sup> Avenue SW

On October 23, 2019, the Olympia Heritage Commission passed a unanimous motion to recommend approval of the application for Special Valuation at 208 18<sup>th</sup> Avenue SW. The Heritage Commission recommendation is based on the following:

- 1) The property is listed on the Olympia Heritage Register as a contributing property in the South Capitol Neighborhood Historic District.
- 2) The rehabilitation work was completed within the requisite 24 months prior to application.
- 3) The rehabilitation work and related expenses were reviewed by the Heritage Review Committee on October 14, 2019. The committee recommended approval to the full Heritage Commission.
- 4) The assessed value of the structure prior to rehabilitation work was \$211,700.00. Total Qualified Expenditure would have to meet or exceed a value of \$59,925.00 to meet the 25 percent threshold.
- 5) Staff conducted a review of all receipts and found the Total Qualified Expenditures is \$405,741.57, and exceeds the 25 percent value threshold.

The City Attorney has approved the attached ten-year agreement as to form. The attached Certificate of Approval will be submitted to the Thurston County Assessor.

### **Neighborhood/Community Interests (if known):**

The public has an interest in preserving the places that are important to Olympia's history, culture, and sense of place.

### **Options:**

1. Approve the resolution granting special valuation for the historic property at 208 18<sup>th</sup> Avenue SW.
2. Do not approve the resolution with findings of inconsistency with program requirements.

### **Financial Impact:**

Approving the application will result in no direct financial impact to City budgets. Staff time for processing Special Valuation applications is included in the operating budget.

### **Attachments:**

Resolution

Agreement

Olympia Heritage Commission Recommendation

Certificate of Approval

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON, GRANTING SPECIAL PROPERTY TAX VALUATION STATUS TO THE HISTORIC PROPERTY LOCATED AT 208 18<sup>th</sup> AVENUE SW AND APPROVING A SPECIAL VALUATION AGREEMENT BETWEEN THE CITY OF OLYMPIA AND SAM AND JENNIFER MEYER FOR SUCH PURPOSE**

**WHEREAS**, Sam and Jennifer Meyer have applied for special valuation of the property at 208 18<sup>th</sup> Avenue SW in Olympia, Washington ("Property"), pursuant to Chapter 84.26.030 RCW and Olympia Municipal Code ("OMC") 3.60.010 (the Application); and

**WHEREAS**, pursuant to OMC 3.60.020(B), the Heritage Commission reviewed the Application and made a unanimous recommendation for approval at its meeting on October 23, 2019; and

**WHEREAS**, the Heritage Commission's recommendation is required to be forwarded to the Olympia City Council, which acts as the Local Review Board and approves or denies applications for special property tax valuation pursuant to OMC 3.60.020(A); and

**WHEREAS**, the Olympia City Council, acting as the Local Review Board, has determined that the Application meets all the required criteria for special property tax valuation;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL DOES HEREBY RESOLVE** as follows:

1. The Olympia City Council, acting as the Local Review Board pursuant to OMC 3.60.020 (A), finds that the property located at 208 18<sup>th</sup> Avenue SW, Olympia, Washington, meets the criteria for special valuation and hereby grants special tax valuation status for the Property and approves the form of Special Valuation Agreement ("Agreement") between the City of Olympia and Sam and Jennifer Meyer, under the terms and conditions contained in the Agreement.
2. The Interim City Manager is authorized and directed to execute the Agreement on behalf of the City of Olympia, and to make any minor modifications as may be required and are consistent with the intent of the Agreement, or to correct any scrivener's errors.
3. The Interim City Manager or his designee is hereby authorized to execute a certificate of approval and file a copy of the certificate with the Thurston County Assessor within ten days, as provided in RCW 84.26.060.

**PASSED BY THE OLYMPIA CITY COUNCIL** this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

  
\_\_\_\_\_  
DEPUTY CITY ATTORNEY

## SPECIAL VALUATION AGREEMENT

THIS SPECIAL VALUATION AGREEMENT is entered into by and between **Sam and Jennifer Meyer**, (“APPLICANT”), and the City of Olympia, through the Olympia City Council acting as the local review board under RCW Chapter 84.26, (“LOCAL REVIEW BOARD”).

WHEREAS, the APPLICANT is the owner of record of the historic property located at **208 18<sup>th</sup> Avenue SW, Olympia, Washington**, as more fully described in Exhibit A, which is attached to and incorporated into this agreement (“PROPERTY”); and

WHEREAS, the APPLICANT has requested special valuation of the PROPERTY under Chapter 84.26 RCW; and

WHEREAS, the LOCAL REVIEW BOARD has determined that the PROPERTY has been substantially rehabilitated within the two-year period preceding the date of application; and

WHEREAS, the LOCAL REVIEW BOARD has determined that approved costs of the rehabilitation are four hundred and five thousand, seven hundred and forty one dollars and fifty seven cents (**\$405,741.57**) equaling or exceeding twenty-five percent (25%) of the assessed valuation of the PROPERTY prior to the improvements; and

WHEREAS, the LOCAL REVIEW BOARD has verified that the PROPERTY is a historic property which falls within a class of properties determined eligible for special valuation by local ordinance or administrative rule; and

WHEREAS, the LOCAL REVIEW BOARD finds the rehabilitation work has not altered the PROPERTY in any way which adversely affects those elements which qualify it as historically significant;

NOW, THEREFORE, in consideration for the mutual covenants contained in this agreement, the APPLICANT and the LOCAL REVIEW BOARD agree as follows:

1. The local REVIEW BOARD hereby determines that the PROPERTY qualifies for special valuation under Chapter 84.26 RCW.
2. The APPLICANT shall comply with the U.S. Secretary of the Interior’s Standards for Rehabilitation as set forth in Exhibit B, attached to and incorporated into this agreement.
3. The PROPERTY may not be altered without the prior written consent of the LOCAL REVIEW BOARD, signed by a duly authorized representative of the LOCAL REVIEW BOARD. No construction, alteration, or remodeling or any other action may be undertaken which would affect the historic character of the PROPERTY which classifies it as eligible for special valuation, or which would affect the appearance of the PROPERTY as depicted in the photographs attached to



and incorporated into this agreement as Exhibit C, or which would adversely affect the structural soundness of the PROPERTY. However, the reconstruction, repair, repainting, or refinishing of presently existing parts or elements of the PROPERTY subject to this agreement, damage to which has resulted from casualty loss, deterioration, or wear and tear, is permitted without the prior approval of the LOCAL REVIEW BOARD, if that reconstruction, repair, repainting, or refinishing is performed in a manner that does not alter the appearance of those elements of the PROPERTY subject to this agreement as they exist as of the effective date. Exterior changes that require the consent of the LOCAL REVIEW BOARD include any substantial structural change or any change in design, color, or materials.

4. The PROPERTY may not be demolished without the prior written consent of the LOCAL REVIEW BOARD, signed by a duly authorized representative of the LOCAL REVIEW BOARD.
5. The APPLICANT shall make historic aspects of the PROPERTY accessible to the public one day each year if the PROPERTY is not visible from a public right-of-way.
6. The APPLICANT shall monitor the PROPERTY for its continued qualification for special valuation and notify the Thurston County Assessor within thirty (30) days of PROPERTY disqualification because of:
  - a. a loss of historic integrity,
  - b. sale or transfer to new ownership exempt from taxation, or
  - c. sale or transfer to new ownership which does not intend to agree to the terms of this agreement or file a Notice of Compliance form with the Thurston County Assessor.
7. There may be no changes in standards of maintenance, public access, alteration, or report requirements, or any other provisions of this agreement during the period of the classification without the approval of all parties to this agreement.
8. Term of Agreement. This agreement takes effect immediately upon signature (“effective date”) and remains in effect until the PROPERTY is no longer eligible for special valuation either through disqualification under RCW 84.26.080 or upon expiration of the ten-year period of special valuation commencing **January 1, 2020** and ending **December 31, 2029**.
9. Indemnification. The APPLICANT or APPLICANT’s successors or assigns shall indemnify the State and LOCAL REVIEW BOARD for any and all liability and claims which may be asserted against the State or LOCAL REVIEW BOARD as a result of this agreement or the participation by the APPLICANT in the Special Valuation Program.

10. Governing Law/Venue. The terms of this agreement must be construed in accordance with the laws of the State of Washington. Venue for any legal action related to this agreement is Thurston County Superior Court.



Signature(s) of Owner(s)/Applicant(s)

\_\_\_\_\_  
Signature of City Manager (Local Review Board)

Approved as to form:



City Attorney

Attachments:

Exhibit A: Property Description

Exhibit B: Washington State Advisory Council's Maintenance and Rehabilitation Standards

Exhibit C: Contemporary and Historical Photographs

## EXHIBIT A

### **Property Description**

Property description for 208 18<sup>th</sup> Avenue SW Olympia, Washington, as listed in the South Capitol Neighborhood Historic District):

*This is a 1924 Craftsman/Bungalow by Tumwater Lumber Mills, constructed for Maude Tamblin, Assistant Director for the Department of Public Instruction in 1925.*

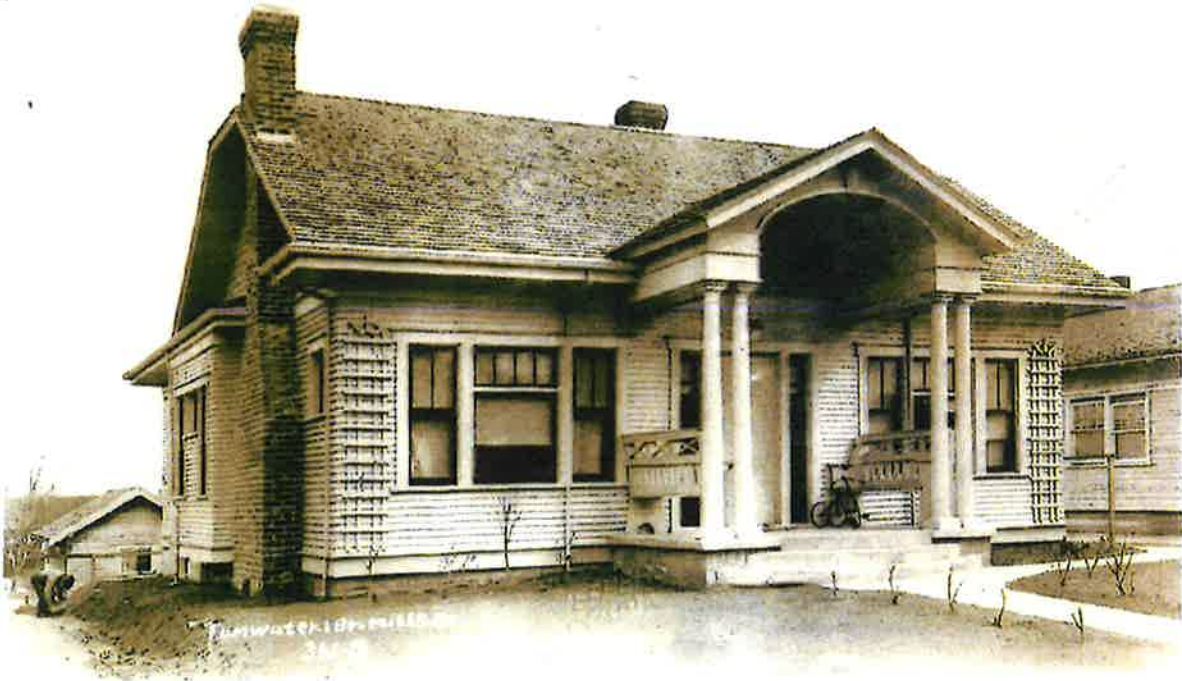
*One and one-half story, side gabled house has a projecting front gabled porch with vaulted ceiling supported by paired posts. The entry is flanked by tripartite windows with segmented upper mullions. Front door has sidelights. Other windows are one-over-one. Squared bay on west end.*

## EXHIBIT B

### **U.S. Secretary of the Interior's Standards for Rehabilitation**

1. A property will be used as it was historically or be given a new use that requires minimal change to its distinctive materials, features, spaces, and spatial relationships.
2. The historic character of a property will be retained and preserved. The removal of distinctive materials or alteration of features, spaces, and spatial relationships that characterize a property will be avoided.
3. Each property will be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or elements from other historic properties, will not be undertaken.
4. Changes to a property that have acquired historic significance in their own right will be retained and preserved.
5. Distinctive materials, features, finishes, and construction techniques or examples of craftsmanship that characterize a property will be preserved.
6. Deteriorated historic features will be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature will match the old in design, color, texture, and, where possible, materials. Replacement of missing features will be substantiated by documentary and physical evidence.
7. Chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible. Treatments that cause damage to historic materials will not be used.
8. Archeological resources will be protected and preserved in place. If such resources must be disturbed, mitigation measures will be undertaken.
9. New additions, exterior alterations, or related new construction will not destroy historic materials, features, and spatial relationships that characterize the property. The new work will be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and its environment.
10. New additions and adjacent or related new construction will be undertaken in such a manner that, if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

EXHIBIT C



**CERTIFICATION OF APPROVAL**

Regarding Special Valuation on Improvements to Historic Property

**OWNER: Sam and Jennifer Meyer**

**SUBJECT: 208 18<sup>th</sup> Avenue SW**

THE CITY OF OLYMPIA CERTIFIES that the application for special valuation on improvements to a historic property under Chapter 84.26 RCW, Chapter 3.60 of the Olympia Municipal Code, and Thurston Ordinance 8563 was approved by the Olympia City Council at a meeting on November 29, 2019. The approved rehabilitation costs are \$405,741.57.

The City Council found that the property qualified as an eligible historic property on the following basis:

1. The building is an eligible class of buildings per Olympia Municipal Code 03.60.010. The South Capitol Neighborhood National Historic District, to which the building is a contributing property, was designated on October 22, 1991.
2. The building is not altered in a manner that would adversely affect those elements that qualify it as historically significant. The features named as historically significant when the building was designated were preserved in this rehabilitation.
3. The rehabilitation cost and time requirements were met as follows:
  - The assessed value of the structure prior to rehabilitation was: **\$211,700.00**
  - Twenty-five percent of this is: **\$52,925;**
  - The approved rehabilitation costs are: **\$405,741.57;**
  - Costs were verified by receipts submitted by the owner; and
  - The rehabilitation period is within the requisite 24 months prior to the application date of September 30, 2019.

A copy of the signed ten-year agreement is enclosed.

DATED at Olympia, Washington, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

By:

\_\_\_\_\_  
(Name), City Manager





**MEMORANDUM**

**TO:** Olympia City Council  
**FROM:** Olympia Heritage Commission  
**DATE:** November 20, 2019  
**SUBJECT:** 2019 Special Tax Valuation Recommendations

Pursuant to OMC 3.60 Special Tax Valuation the Heritage Commission recommends approval of Special Tax Valuation of the following properties to City Council, in its program role as the “Local Review Board”:

215 19<sup>th</sup> Avenue SW

208 18<sup>th</sup> Avenue SW

1616 Capitol Way S

Each of these properties has undergone a significant rehabilitation that meets the City of Olympia’s standards for historic preservation.

Following a careful review, the Commission determined that all three applicants meet the requirements and standards of the Special Tax Valuation program described in OMC 3.60. The Commission recommends that agreements with the owners be duly signed, and that certification of eligibility and related information be forwarded to the County Assessor before December 31, 2019 in keeping with program requirements.



**CERTIFICATION OF APPROVAL**

Regarding Special Valuation on Improvements to Historic Property

OWNER: **Sam and Jennifer Meyer**

SUBJECT: **208 18<sup>th</sup> Avenue SW**

THE CITY OF OLYMPIA CERTIFIES that the application for special valuation on improvements to a historic property under Chapter 84.26 RCW, Chapter 3.60 of the Olympia Municipal Code, and Thurston Ordinance 8563 was approved by the Olympia City Council at a meeting on December 19, 2019. The approved rehabilitation costs are \$405,741.57.

The City Council found that the property qualified as an eligible historic property on the following basis:

1. The building is an eligible class of buildings per Olympia Municipal Code 03.60.010. The property was placed on the Olympia Heritage Register/The relevant historic district, to which the building is a contributing property, was designated in October, 1991.
2. The building is not altered in a manner that would adversely affect those elements that qualify it as historically significant. The features named as historically significant when the building was designated were preserved in this rehabilitation.
3. The rehabilitation cost and time requirements were met as follows:
  - The assessed value of the structure prior to rehabilitation was: **\$211,700.00**;
  - Twenty-five percent of this is: **\$59,925.00**;
  - The approved rehabilitation costs are: **\$405,741.57**;
  - Costs were verified by receipts submitted by the owner; and
  - The rehabilitation period is within the requisite 24 months prior to the application date of September 30, 2019.

A copy of the signed ten-year agreement is enclosed.

DATED at Olympia, Washington, this \_\_\_\_\_ day of December, 2019.

By:

\_\_\_\_\_  
Jay Burney, Interim City Manager



## City Council

### Approval of a Resolution Granting Special Tax Valuation for the Olympia Heritage Site at 215 19th Avenue SW

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 4.H  
**File Number:** 19-1092

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**Type:** resolution **Version:** 2 **Status:** Consent Calendar

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#### **Title**

Approval of a Resolution Granting Special Tax Valuation for the Olympia Heritage Site at 215 19<sup>th</sup> Avenue SW

#### **Recommended Action**

##### **Committee Recommendation:**

The Heritage Commission recommends approval of the special valuation application for 215 19<sup>th</sup> Avenue SW.

##### **City Manager Recommendation:**

Move to approve the resolution granting special property tax valuation status for the historic property at 215 19<sup>th</sup> Avenue SW.

#### **Report**

##### **Issue:**

Whether to approve the application for property tax revaluation.

##### **Staff Contact:**

Marygrace Goddu, Historic Preservation Officer, Community Planning & Development, 360.753.8031

##### **Presenter(s):**

None - Consent Calendar Item.

#### **Background and Analysis:**

The City of Olympia participates in the Washington State Special Tax Valuation program. The program provides owners of designated historic buildings with the opportunity to apply for a property tax revaluation following the completion of approved rehabilitation work. The purpose is to incentivize historic preservation by offsetting the costs to maintain and upgrade older buildings. To qualify for special valuation, the qualified rehabilitation expenses must be equal to or greater than 25 percent of the assessed value of the building, exclusive of land, prior to rehabilitation.

As outlined in OMC 3.60 Special Property Tax Valuation the Olympia Heritage Commission (OHC)

performs a full review of each application and its related expenses. The OHC then makes a recommendation to City Council for approval or denial.

The application must be reviewed or denied by the City Council before December 31, 2019. If approved, the City enters into a ten-year agreement with the property owner to ensure no additional modifications are made that adversely impact the property's historic value, without written consent by the City.

The Thurston County Assessor completes the final processing of the special valuation. Beginning in the following year (2020) the property is reassessed (to include the new improvements) and the Total Qualified Expenditures are subtracted from the newly assessed property value for a period of ten years.

### 215 19<sup>th</sup> Avenue SW

On October 23, 2019, the Olympia Heritage Commission passed a unanimous motion to recommend approval of the application for Special Valuation at 215 19<sup>th</sup> Avenue SW. The Heritage Commission recommendation is based on the following:

- 1) The property is listed on the Olympia Heritage Register as a contributing property in the South Capitol Neighborhood National Historic District.
- 2) The rehabilitation work was completed within the requisite 24 months prior to application.
- 3) The rehabilitation work and related expenses were reviewed by the Heritage Review Committee on October 14, 2019. The committee recommended approval to the full Heritage Commission.
- 4) The assessed value of the structure prior to rehabilitation work was \$215,400.00. Total Qualified Expenditure would have to meet or exceed a value of \$53,850.00 to meet the 25 percent threshold.
- 5) Staff conducted a review of all receipts and found the Total Qualified Expenditures is \$156,979.00, and exceeds the 25 percent value threshold.

The City Attorney has approved the attached ten-year agreement as to form. The attached Certificate of Approval will be submitted to the Thurston County Assessor.

### **Neighborhood/Community Interests (if known):**

The public has an interest in preserving the places that are important to Olympia's history, culture, and sense of place.

### **Options:**

1. Approve the resolution granting special valuation for the historic property at 215 19<sup>th</sup> Avenue SW.
2. Do not approve the resolution with findings of inconsistency with program requirements.

### **Financial Impact:**

Approving the application will result in no direct financial impact to City budgets. Staff time for processing Special Valuation applications is included in the operating budget.

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**Type:** resolution **Version:** 2 **Status:** Consent Calendar

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**Attachments:**

Resolution

Agreement

Heritage Commission Recommendation

Certificate of Approval

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON, GRANTING SPECIAL PROPERTY TAX VALUATION STATUS TO THE HISTORIC PROPERTY LOCATED AT 215 19<sup>TH</sup> AVENUE SW AND APPROVING A SPECIAL VALUATION AGREEMENT BETWEEN THE CITY OF OLYMPIA AND ROBERT A. MEYER AND KAREN A. MEYER FOR SUCH PURPOSE**

**WHEREAS**, Robert A. Meyer and Karen A. Meyer have applied for special valuation of the property at 215 19<sup>TH</sup> Avenue SW in Olympia, Washington ("Property"), pursuant to Chapter 84.26.030 RCW and Olympia Municipal Code ("OMC") 3.60.010 (the Application); and

**WHEREAS**, pursuant to OMC 3.60.020(B), the Heritage Commission reviewed the Application and made a unanimous recommendation for approval at its meeting on October 23, 2019; and

**WHEREAS**, the Heritage Commission's recommendation is required to be forwarded to the Olympia City Council, which acts as the Local Review Board and approves or denies applications for special property tax valuation pursuant to OMC 3.60.020(A); and

**WHEREAS**, the Olympia City Council, acting as the Local Review Board, has determined that the Application meets all the required criteria for special property tax valuation;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL DOES HEREBY RESOLVE** as follows:

1. The Olympia City Council, acting as the Local Review Board pursuant to OMC 3.60.020 (A), finds that the property located at 215 19<sup>th</sup> Avenue SW, Olympia, Washington, meets the criteria for special valuation and hereby grants special tax valuation status for the Property and approves the form of Special Valuation Agreement ("Agreement") between the City of Olympia and Robert A. Meyer and Karen A. Meyer, under the terms and conditions contained in the Agreement.
2. The Interim City Manager is authorized and directed to execute the Agreement on behalf of the City of Olympia, and to make any minor modifications as may be required and are consistent with the intent of the Agreement, or to correct any scrivener's errors.
3. The Interim City Manager or his designee is hereby authorized to execute a certificate of approval and file a copy of the certificate with the Thurston County Assessor within ten days, as provided in RCW 84.26.060.

**PASSED BY THE OLYMPIA CITY COUNCIL** this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

  
\_\_\_\_\_  
DEPUTY CITY ATTORNEY

## **SPECIAL VALUATION AGREEMENT**

THIS SPECIAL VALUATION AGREEMENT is entered into by and between **Robert and Karen Meyer**, (“APPLICANT”), and the City of Olympia, through the Olympia City Council acting as the local review board under RCW Chapter 84.26, (“LOCAL REVIEW BOARD”).

WHEREAS, the APPLICANT is the owner of record of the historic property located at **215 19<sup>th</sup> Ave SW, Olympia, Washington**, as more fully described in Exhibit A, which is attached to and incorporated into this agreement (“PROPERTY”); and

WHEREAS, the APPLICANT has requested special valuation of the PROPERTY under Chapter 84.26 RCW; and

WHEREAS, the LOCAL REVIEW BOARD has determined that the PROPERTY has been substantially rehabilitated within the two-year period preceding the date of application; and

WHEREAS, the LOCAL REVIEW BOARD has determined that approved costs of the rehabilitation are one hundred and fifty-six thousand, nine hundred and seventy-nine dollars and ninety cents (\$156,979.90) equaling or exceeding twenty-five percent (25%) of the assessed valuation of the PROPERTY prior to the improvements; and

WHEREAS, the LOCAL REVIEW BOARD has verified that the PROPERTY is a historic property which falls within a class of properties determined eligible for special valuation by local ordinance or administrative rule; and

WHEREAS, the LOCAL REVIEW BOARD finds the rehabilitation work has not altered the PROPERTY in any way which adversely affects those elements which qualify it as historically significant;

NOW, THEREFORE, in consideration for the mutual covenants contained in this agreement, the APPLICANT and the LOCAL REVIEW BOARD agree as follows:

1. The local REVIEW BOARD hereby determines that the PROPERTY qualifies for special valuation under Chapter 84.26 RCW.
2. The APPLICANT shall comply with the U.S. Secretary of the Interior’s Standards for Rehabilitation as set forth in Exhibit B, attached to and incorporated into this agreement.
3. The PROPERTY may not be altered without the prior written consent of the LOCAL REVIEW BOARD, signed by a duly authorized representative of the LOCAL REVIEW BOARD. No construction, alteration, or remodeling or any other action may be undertaken which would affect the historic character of the PROPERTY which classifies it as eligible for special valuation, or which would affect the appearance of the PROPERTY as depicted in the photographs attached to

and incorporated into this agreement as Exhibit C, or which would adversely affect the structural soundness of the PROPERTY. However, the reconstruction, repair, repainting, or refinishing of presently existing parts or elements of the PROPERTY subject to this agreement, damage to which has resulted from casualty loss, deterioration, or wear and tear, is permitted without the prior approval of the LOCAL REVIEW BOARD, if that reconstruction, repair, repainting, or refinishing is performed in a manner that does not alter the appearance of those elements of the PROPERTY subject to this agreement as they exist as of the effective date. Exterior changes that require the consent of the LOCAL REVIEW BOARD include any substantial structural change or any change in design, color, or materials.

4. The PROPERTY may not be demolished without the prior written consent of the LOCAL REVIEW BOARD, signed by a duly authorized representative of the LOCAL REVIEW BOARD.
5. The APPLICANT shall make historic aspects of the PROPERTY accessible to the public one day each year if the PROPERTY is not visible from a public right-of-way.
6. The APPLICANT shall monitor the PROPERTY for its continued qualification for special valuation and notify the Thurston County Assessor within thirty (30) days of PROPERTY disqualification because of:
  - a. a loss of historic integrity,
  - b. sale or transfer to new ownership exempt from taxation, or
  - c. sale or transfer to new ownership which does not intend to agree to the terms of this agreement or file a Notice of Compliance form with the Thurston County Assessor.
7. There may be no changes in standards of maintenance, public access, alteration, or report requirements, or any other provisions of this agreement during the period of the classification without the approval of all parties to this agreement.
8. Term of Agreement. This agreement takes effect immediately upon signature (“effective date”) and remains in effect until the PROPERTY is no longer eligible for special valuation either through disqualification under RCW 84.26.080 or upon expiration of the ten-year period of special valuation commencing **January 1, 2020** and ending **December 31, 2029**.
9. Indemnification. The APPLICANT or APPLICANT’s successors or assigns shall indemnify the State and LOCAL REVIEW BOARD for any and all liability and claims which may be asserted against the State or LOCAL REVIEW BOARD as a result of this agreement or the participation by the APPLICANT in the Special Valuation Program.

10. Governing Law/Venue. The terms of this agreement must be construed in accordance with the laws of the State of Washington. Venue for any legal action related to this agreement is Thurston County Superior Court.

Karen A. Meyer

Robert C. Meyer Jr

Signature(s) of Owner(s)/Applicant(s)

Signature of City Manager (Local Review Board)

Approved as to form:

M. M. Deputy  
City Attorney

Attachments:

Exhibit A: Property Description

Exhibit B: Washington State Advisory Council's Maintenance and Rehabilitation Standards

Exhibit C: Contemporary and Historical Photographs



## EXHIBIT A

### **Property Description**

Property description for **215 19<sup>th</sup> Ave SW** Olympia, Washington, as listed in the South Capitol Historic District:

*Constructed in 1927 in the English Revival style, early owner Max Baude, parcel # 39600200701*

*A well-preserved English Tudor Revival style, this house wa built in 1926 for Maximilian Baude who owned a barbershop in Olympia at 515 S, Capitol Way. The house was custom built and has not been altered.*

*The Baude House is a rectangular, one and one-half story structure built in the English Revival style on a poured concrete foundation. The gable roof is covered with composition shingle and has close eaves; it has a shed-roofed dormer on the front (north) façade and a full-width, shed-roofed dormer at the rear. Walls are clad with stucco, with half-timbering on the front gable and dormer, and a brick chimney rises on the west wall. The arched entry door is offset on the front façade and topped by a bracketed hood. Fenestration includes bands of multi-paned casements, and double –hung sash with six-over-one lights. To the east of the house is a detached garage.*

## EXHIBIT B

### **U.S. Secretary of the Interior's Standards for Rehabilitation**

1. A property will be used as it was historically or be given a new use that requires minimal change to its distinctive materials, features, spaces, and spatial relationships.
2. The historic character of a property will be retained and preserved. The removal of distinctive materials or alteration of features, spaces, and spatial relationships that characterize a property will be avoided.
3. Each property will be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or elements from other historic properties, will not be undertaken.
4. Changes to a property that have acquired historic significance in their own right will be retained and preserved.
5. Distinctive materials, features, finishes, and construction techniques or examples of craftsmanship that characterize a property will be preserved.
6. Deteriorated historic features will be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature will match the old in design, color, texture, and, where possible, materials. Replacement of missing features will be substantiated by documentary and physical evidence.
7. Chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible. Treatments that cause damage to historic materials will not be used.
8. Archeological resources will be protected and preserved in place. If such resources must be disturbed, mitigation measures will be undertaken.
9. New additions, exterior alterations, or related new construction will not destroy historic materials, features, and spatial relationships that characterize the property. The new work will be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and its environment.
10. New additions and adjacent or related new construction will be undertaken in such a manner that, if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

EXHIBIT C





**MEMORANDUM**

**TO:** Olympia City Council  
**FROM:** Olympia Heritage Commission  
**DATE:** November 20, 2019  
**SUBJECT:** 2019 Special Tax Valuation Recommendations

Pursuant to OMC 3.60 Special Tax Valuation the Heritage Commission recommends approval of Special Tax Valuation of the following properties to City Council, in its program role as the “Local Review Board”:

215 19<sup>th</sup> Avenue SW

208 18<sup>th</sup> Avenue SW

1616 Capitol Way S

Each of these properties has undergone a significant rehabilitation that meets the City of Olympia’s standards for historic preservation.

Following a careful review, the Commission determined that all three applicants meet the requirements and standards of the Special Tax Valuation program described in OMC 3.60. The Commission recommends that agreements with the owners be duly signed, and that certification of eligibility and related information be forwarded to the County Assessor before December 31, 2019 in keeping with program requirements.

**CERTIFICATION OF APPROVAL**

Regarding Special Valuation on Improvements to Historic Property

OWNER: **Robert and Karen Meyer**

SUBJECT: **215 19<sup>th</sup> Avenue SW**

THE CITY OF OLYMPIA CERTIFIES that the application for special valuation on improvements to a historic property under Chapter 84.26 RCW, Chapter 3.60 of the Olympia Municipal Code, and Thurston Ordinance 8563 was approved by the Olympia City Council at a meeting on December 10, 2019. The approved rehabilitation costs are \$156,979.90.

The City Council found that the property qualified as an eligible historic property on the following basis:

1. The building is an eligible class of buildings per Olympia Municipal Code 03.60.010. The South Capitol Neighborhood National Historic District, to which the building is a contributing property, was designated on October 22, 1991.
2. The building is not altered in a manner that would adversely affect those elements that qualify it as historically significant. The features named as historically significant when the building was designated were preserved in this rehabilitation.
3. The rehabilitation cost and time requirements were met as follows:
  - The assessed value of the structure prior to rehabilitation was: **\$215,400.00**
  - Twenty-five percent of this is: **\$53,850.00;**
  - The approved rehabilitation costs are: **\$156,979.90;**
  - Costs were verified by receipts submitted by the owner; and
  - The rehabilitation period is within the requisite 24 months prior to the application date of September 25, 2019.

A copy of the signed ten-year agreement is enclosed.

DATED at Olympia, Washington, this \_\_\_\_\_ day of December, 2019.

By:

\_\_\_\_\_  
Jay Burney, Interim City Manager



## City Council

### Approval of a Resolution Granting Special Tax Valuation for the Olympia Heritage Site at 1616 Capitol Way South

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 4.1  
**File Number:** 19-1133

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**Type:** resolution **Version:** 1 **Status:** Consent Calendar

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#### **Title**

Approval of a Resolution Granting Special Tax Valuation for the Olympia Heritage Site at 1616 Capitol Way South

#### **Recommended Action**

##### **Committee Recommendation:**

The Heritage Commission recommends approval of the special valuation application for 1616 Capitol Way South.

##### **City Manager Recommendation:**

Move to approve the resolution granting special property tax valuation status for the historic property at 1616 Capitol Way South.

#### **Report**

##### **Issue:**

Whether to approve the application for property tax revaluation based on the historic property rehabilitation costs.

##### **Staff Contact:**

Marygrace Goddu, Historic Preservation Officer, Community Planning & Development, 360.753.8031

##### **Presenter(s):**

None - Consent Calendar Item.

#### **Background and Analysis:**

The City of Olympia participates in the Washington State Special Tax Valuation program. The program provides owners of designated historic buildings with the opportunity to apply for a property tax revaluation following the completion of approved rehabilitation work. The purpose is to incentivize historic preservation by offsetting the costs to maintain and upgrade older buildings. To qualify for special valuation, the qualified rehabilitation expenses must be equal to or greater than 25 percent of the value of the building, exclusive of land, prior to rehabilitation.

As outlined in OMC 3.60 Special Property Tax Valuation the Olympia Heritage Commission (OHC)

performs a full review of each application and its related expenses. The OHC then makes a recommendation to City Council for approval or denial.

The application must be reviewed or denied by the City Council before December 31, 2019. If approved, the City enters into a ten-year agreement with the property owner to ensure no additional modifications are made that adversely impact the property's historic value, without written consent by the City.

The Thurston County Assessor completes the final processing of the special valuation. Beginning in the following year (2020) the property is reassessed (to include the new improvements) and the Total Qualified Expenditures are subtracted from the newly assessed property value for a period of ten years.

### 1616 Capitol Way South

On November 20, 2019, the Olympia Heritage Commission passed a unanimous motion to recommend approval of the application for Special Valuation at 1616 Capitol Way South. The Heritage Commission recommendation is based on the following:

- 1) The property is listed on the Olympia Heritage Register as a contributing property in the South Capitol Neighborhood National Historic District.
- 2) The rehabilitation work was completed within the requisite 24 months prior to application.
- 3) The rehabilitation work and related expenses were reviewed by the Heritage Review Committee on October 28, 2019. The committee recommended approval to the full Heritage Commission.
- 4) The assessed value of the structure prior to rehabilitation work was \$181,200.00. Total Qualified Expenditure would have to meet or exceed a value of \$45,300.00 to meet the 25 percent threshold.
- 5) Staff conducted a review of all receipts and found the Total Qualified Expenditures is \$188,922.00, and exceeds the 25 percent value threshold.

The City Attorney has approved the attached ten-year agreement as to form. The attached Certificate of Approval will be submitted to the Thurston County Assessor.

### **Neighborhood/Community Interests (if known):**

The public has an interest in preserving the places that are important to Olympia's history, culture, and sense of place.

### **Options:**

1. Approve the resolution granting special valuation for the historic property at 1616 Capitol Way South.
2. Do not approve the resolution with findings of inconsistency with program requirements.

### **Financial Impact:**

Approving the application will result in no direct financial impact to City budgets. Staff time for processing Special Valuation applications is included in the operating budget.

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**Type:** resolution **Version:** 1 **Status:** Consent Calendar

---

**Attachments:**

Resolution

Agreement

Heritage Commission Recommendation

Certificate of Approval



RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON, GRANTING SPECIAL PROPERTY TAX VALUATION STATUS TO THE HISTORIC PROPERTY LOCATED AT 1616 CAPITOL WAY SOUTH AND APPROVING A SPECIAL VALUATION AGREEMENT BETWEEN THE CITY OF OLYMPIA AND CAPITOL HISTORIC PROPERTIES, LLC. FOR SUCH PURPOSE**

**WHEREAS**, Capitol Historic Properties, LLC. has applied for special valuation of the property at 1616 Capitol Way South in Olympia, Washington ("Property"), pursuant to Chapter 84.26.030 RCW and Olympia Municipal Code ("OMC") 3.60.010 (the Application); and

**WHEREAS**, pursuant to OMC 3.60.020(B), the Heritage Commission reviewed the Application and made a unanimous recommendation for approval at its meeting on November 20, 2019; and

**WHEREAS**, the Heritage Commission's recommendation is required to be forwarded to the Olympia City Council, which acts as the Local Review Board and approves or denies applications for special property tax valuation pursuant to OMC 3.60.020(A); and

**WHEREAS**, Mayor Cheryl Selby has an interest in the Property and has therefore recused herself from acting on this Resolution; and

**WHEREAS**, the Olympia City Council, with Mayor Selby recused, acting as the Local Review Board, has determined that the Application meets all the required criteria for special property tax valuation;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL DOES HEREBY RESOLVE** as follows:

1. The Olympia City Council, with Mayor Selby recused, acting as the Local Review Board pursuant to OMC 3.60.020 (A), finds that the property located at 1616 Capitol Way South, Olympia, Washington, meets the criteria for special valuation and hereby grants special tax valuation status for the Property and approves the form of Special Valuation Agreement ("Agreement") between the City of Olympia and Capitol Historic Properties, LLC., under the terms and conditions contained in the Agreement.
2. The Interim City Manager is authorized and directed to execute the Agreement on behalf of the City of Olympia, and to make any minor modifications as may be required and are consistent with the intent of the Agreement, or to correct any scrivener's errors.

3. The Interim City Manager or his designee is hereby authorized to execute a certificate of approval and file a copy of the certificate with the Thurston County Assessor within ten days, as provided in RCW 84.26.060.

**PASSED BY THE OLYMPIA CITY COUNCIL** this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

\_\_\_\_\_  
MAYOR PRO TEM

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

  
\_\_\_\_\_  
DEPUTY CITY ATTORNEY

## SPECIAL VALUATION AGREEMENT

THIS SPECIAL VALUATION AGREEMENT is entered into by and between **Capitol Historic Properties**, (“APPLICANT”), and the City of Olympia, through the Olympia City Council acting as the local review board under RCW Chapter 84.26, (“LOCAL REVIEW BOARD”).

WHEREAS, the APPLICANT is the owner of record of the historic property located at **1616 Capitol Way S, Olympia, Washington**, as more fully described in Exhibit A, which is attached to and incorporated into this agreement (“PROPERTY”); and

WHEREAS, the APPLICANT has requested special valuation of the PROPERTY under Chapter 84.26 RCW; and

WHEREAS, the LOCAL REVIEW BOARD has determined that the PROPERTY has been substantially rehabilitated within the two-year period preceding the date of application; and

WHEREAS, the LOCAL REVIEW BOARD has determined that approved costs of the rehabilitation are one hundred eighty eight thousand nine hundred and twenty two dollars and ninety nine cents (**\$188,922.99.**) equaling or exceeding twenty-five percent (25%) of the assessed valuation of the PROPERTY prior to the improvements; and

WHEREAS, the LOCAL REVIEW BOARD has verified that the PROPERTY is a historic property which falls within a class of properties determined eligible for special valuation by local ordinance or administrative rule; and

WHEREAS, the LOCAL REVIEW BOARD finds the rehabilitation work has not altered the PROPERTY in any way which adversely affects those elements which qualify it as historically significant;

NOW, THEREFORE, in consideration for the mutual covenants contained in this agreement, the APPLICANT and the LOCAL REVIEW BOARD agree as follows:

1. The local REVIEW BOARD hereby determines that the PROPERTY qualifies for special valuation under Chapter 84.26 RCW.
2. The APPLICANT shall comply with the U.S. Secretary of the Interior’s Standards for Rehabilitation as set forth in Exhibit B, attached to and incorporated into this agreement.
3. The PROPERTY may not be altered without the prior written consent of the LOCAL REVIEW BOARD, signed by a duly authorized representative of the LOCAL REVIEW BOARD. No construction, alteration, or remodeling or any other action may be undertaken which would affect the historic character of the PROPERTY which classifies it as eligible for special valuation, or which would affect the appearance of the PROPERTY as depicted in the photographs attached to

and incorporated into this agreement as Exhibit C, or which would adversely affect the structural soundness of the PROPERTY. However, the reconstruction, repair, repainting, or refinishing of presently existing parts or elements of the PROPERTY subject to this agreement, damage to which has resulted from casualty loss, deterioration, or wear and tear, is permitted without the prior approval of the LOCAL REVIEW BOARD, if that reconstruction, repair, repainting, or refinishing is performed in a manner that does not alter the appearance of those elements of the PROPERTY subject to this agreement as they exist as of the effective date. Exterior changes that require the consent of the LOCAL REVIEW BOARD include any substantial structural change or any change in design, color, or materials.

4. The PROPERTY may not be demolished without the prior written consent of the LOCAL REVIEW BOARD, signed by a duly authorized representative of the LOCAL REVIEW BOARD.
5. The APPLICANT shall make historic aspects of the PROPERTY accessible to the public one day each year if the PROPERTY is not visible from a public right-of-way.
6. The APPLICANT shall monitor the PROPERTY for its continued qualification for special valuation and notify the Thurston County Assessor within thirty (30) days of PROPERTY disqualification because of:
  - a. a loss of historic integrity,
  - b. sale or transfer to new ownership exempt from taxation, or
  - c. sale or transfer to new ownership which does not intend to agree to the terms of this agreement or file a Notice of Compliance form with the Thurston County Assessor.
7. There may be no changes in standards of maintenance, public access, alteration, or report requirements, or any other provisions of this agreement during the period of the classification without the approval of all parties to this agreement.
8. Term of Agreement. This agreement takes effect immediately upon signature (“effective date”) and remains in effect until the PROPERTY is no longer eligible for special valuation either through disqualification under RCW 84.26.080 or upon expiration of the ten-year period of special valuation commencing **January 1, 2020** and ending **December 31, 2029**.
9. Indemnification. The APPLICANT or APPLICANT’s successors or assigns shall indemnify the State and LOCAL REVIEW BOARD for any and all liability and claims which may be asserted against the State or LOCAL REVIEW BOARD as a result of this agreement or the participation by the APPLICANT in the Special Valuation Program.

10. Governing Law/Venue. The terms of this agreement must be construed in accordance with the laws of the State of Washington. Venue for any legal action related to this agreement is Thurston County Superior Court.

\_\_\_\_\_  
\_\_\_\_\_  
  
\_\_\_\_\_  
Signature(s) of Owner(s)/Applicant(s)

\_\_\_\_\_  
Signature of City Manager (Local Review Board)

Approved as to form:

  
\_\_\_\_\_  
City Attorney

Attachments:

Exhibit A: Property Description

Exhibit B: Washington State Advisory Council's Maintenance and Rehabilitation Standards

Exhibit C: Contemporary and Historical Photographs

## EXHIBIT A

### **Property Description**

Property description for 1616 Capitol Way S Olympia, Washington, as listed in the South Capitol Neighborhood Historic District:

*This is a 1902 Queen Anne home, occupied at one time by Governor Albert Mead.*

*Recently refurbished as apartments (1991), this house was used by Governor Mead, who served from 1905 – 1909, as his home. Governor Albert Mead said the Governor's Mansion completed in 1907 was too expensive to heat, and his wife said the large brick building was too cold, so they rented this house as their home. Behind the house was a barn in which they kept a milk cow.*

*The Meads later lived in the Percival Mansion in West Olympia for the larger part of his term.*

*The Mead House is a rectangular, two-story wood frame structure of restrained Queen Anne style on a poured concrete foundation. Its cross-gabled roof is covered with composition shingles, with wood shingles in the gables set off by horizontal banding. A small hip-roofed porch with turned posts and a simple balustrade shelters the entry door on the front (west) façade. At the southwest front corner is a polygonal bay, with decorative brackets and a pendant below the overhanging corner of the second story. Below the south gable is a projecting polygonal bay with hip roof. Fenestration consists of tall double-Ohung sash with one-over-one lights. A one-story, gable-roofed extension projects to the rear. The house is now divided into apartments.*

## EXHIBIT B

### **U.S. Secretary of the Interior's Standards for Rehabilitation**

1. A property will be used as it was historically or be given a new use that requires minimal change to its distinctive materials, features, spaces, and spatial relationships.
2. The historic character of a property will be retained and preserved. The removal of distinctive materials or alteration of features, spaces, and spatial relationships that characterize a property will be avoided.
3. Each property will be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or elements from other historic properties, will not be undertaken.
4. Changes to a property that have acquired historic significance in their own right will be retained and preserved.
5. Distinctive materials, features, finishes, and construction techniques or examples of craftsmanship that characterize a property will be preserved.
6. Deteriorated historic features will be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature will match the old in design, color, texture, and, where possible, materials. Replacement of missing features will be substantiated by documentary and physical evidence.
7. Chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible. Treatments that cause damage to historic materials will not be used.
8. Archeological resources will be protected and preserved in place. If such resources must be disturbed, mitigation measures will be undertaken.
9. New additions, exterior alterations, or related new construction will not destroy historic materials, features, and spatial relationships that characterize the property. The new work will be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and its environment.
10. New additions and adjacent or related new construction will be undertaken in such a manner that, if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

EXHIBIT C







**MEMORANDUM**

**TO:** Olympia City Council  
**FROM:** Olympia Heritage Commission  
**DATE:** November 20, 2019  
**SUBJECT:** 2019 Special Tax Valuation Recommendations

Pursuant to OMC 3.60 Special Tax Valuation the Heritage Commission recommends approval of Special Tax Valuation of the following properties to City Council, in its program role as the “Local Review Board”:

215 19<sup>th</sup> Avenue SW

208 18<sup>th</sup> Avenue SW

1616 Capitol Way S

Each of these properties has undergone a significant rehabilitation that meets the City of Olympia’s standards for historic preservation.

Following a careful review, the Commission determined that all three applicants meet the requirements and standards of the Special Tax Valuation program described in OMC 3.60. The Commission recommends that agreements with the owners be duly signed, and that certification of eligibility and related information be forwarded to the County Assessor before December 31, 2019 in keeping with program requirements.

**CERTIFICATION OF APPROVAL**

Regarding Special Valuation on Improvements to Historic Property

OWNER: **Capitol Historic Properties, LLC**

SUBJECT: **1616 Capitol Way South**

THE CITY OF OLYMPIA CERTIFIES that the application for special valuation on improvements to a historic property under Chapter 84.26 RCW, Chapter 3.60 of the Olympia Municipal Code, and Thurston Ordinance 8563 was approved by the Olympia City Council at a meeting on December 10, 2019. The approved rehabilitation costs are \$188,922.99.

The City Council found that the property qualified as an eligible historic property on the following basis:

1. The building is an eligible class of buildings per Olympia Municipal Code 03.60.010. The South Capitol Neighborhood National Historic District, to which the building is a contributing property, was designated on October 22, 1991.
2. The building is not altered in a manner that would adversely affect those elements that qualify it as historically significant. The features named as historically significant when the building was designated were preserved in this rehabilitation.
3. The rehabilitation cost and time requirements were met as follows:
  - The assessed value of the structure prior to rehabilitation was: **\$181,200.00**
  - Twenty-five percent of this is: **\$45,300.00;**
  - The approved rehabilitation costs are: **\$188,922.99;**
  - Costs were verified by receipts submitted by the owner; and
  - The rehabilitation period is within the requisite 24 months prior to the application date of September 17, 2019.

A copy of the signed ten-year agreement is enclosed.

DATED at Olympia, Washington, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

By:

\_\_\_\_\_  
Jay Burney, Interim City Manager



## City Council

### Approval of an Ordinance Amending Ordinance 7212 (Special Funds)

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 4.J  
**File Number:** 19-1151

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**Type:** ordinance **Version:** 1 **Status:** 1st Reading-Consent

---

**Title**

Approval of an Ordinance Amending Ordinance 7212 (Special Funds)

**Recommended Action**

**Committee Recommendation:**

Not referred to a committee.

**City Manager Recommendation:**

Move to approve the ordinance amending Ordinance 7212 on first reading and forward to second reading.

**Report**

**Issue:**

Whether to amend Ordinance 7212 on first reading and forward to second reading.

**Staff Contact:**

Nanci Lien, Fiscal Services Director, Administrative Services Department, 360.753.8465

**Presenter(s):**

None - Consent Calendar item

**Background and Analysis:**

City Council may revise the City's Special Funds Budget by approving an ordinance. Generally, budget amendments are presented quarterly to Council for their review and approval, but may be made at any time during the year. The amended ordinances appropriate funds and provide authorization to expend the funds.

No separate ordinances were passed since the adoption of ordinance 7212 on November 26, 2019, relating to the Special Funds Budget.

The attached ordinance includes recommended amendments to the 2019 Special Funds Budget for the following:

**1. Administrative Service Department**

- \$87,454 in appropriations for software related expenditures for ESO Fire Inspection (OFD), Dude Solutions (Parks), and Criminal Justice Case Management (Court). Funding for Fire and Parks software coming from transfers from department operating funds. The Criminal Justice Case Management Software appropriation is an administrative correction. It was approved as part of the 2018 EOY funding, but was appropriated in the wrong fund.

**2. Hands on Children Museum**

- \$11,234 in appropriation for increase in insurance costs. Funding from the Public Facility District revenues.

**Neighborhood/Community Interests (if known):**

N/A

**Options:**

1. Approve ordinance that amends Ordinance 7212. Authorizes staff to expend the funds.
2. Do not approve the proposed ordinance. The budget items not previously presented to the Council would not be authorized.

**Financial Impact:**

Total increase in appropriations is \$98,688. The sources of funding are noted above.

**Attachments:**

Ordinance

Ordinance No. \_\_\_\_\_

**AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, APPROPRIATING FUNDS  
WITHIN VARIOUS SPECIAL FUNDS AND AMENDING ORDINANCE NO. 7212**

**WHEREAS**, the Olympia City Council passed Ordinance No. 7212 on November 26, 2019, appropriating funds within various special funds; and

**WHEREAS**, the following amendments need to be made to Ordinance No. 7212;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:**

**Section 1.** The following appropriations are hereby made:

<b>FUND</b>	<b>APPROP. FUND BALANCE</b>	<b>ESTIMATED REVENUE</b>	<b>APPROP.</b>	<b>ADDITIONS TO FUND BALANCE</b>
HUD Fund	\$8,166	\$1,937,023	\$1,945,189	-
Lodging Tax Fund	1,366,150	1,000,000	893,452	1,472,698
Parking Business Improvement Area Fund	59,673	100,000	115,840	43,833
Farmers Market Repair and Replacement Fund	76,701	-	-	76,701
Hands On Children's Museum	528,637	514,000	<del>458,188</del> <u>469,422</u>	<del>584,449</del> <u>573,215</u>
Home Fund Operating Fund	347,916	1,100,506	1,100,506	347,916
Fire Equipment Replacement Fund	-	2,197,387	2,061,372	136,015
Equipment Rental Replacement Reserve Fund	11,776,033	1,885,830	3,295,730	10,366,133
Unemployment Compensation Fund	628,385	99,400	85,000	642,785
Insurance Trust Fund	105,444	2,137,035	2,142,246	100,233

Workers Compensation Fund	2,689,704	1,301,000	1,546,791	2,443,913
<b>TOTALS</b>	<b>\$17,586,809</b>	<b>\$12,272,181</b>	<del><b>\$13,644,314</b></del> <b>\$13,655,548</b>	<del><b>\$16,214,676</b></del> <b>\$16,203,442</b>

**Section 2. Severability.** The provisions of this Ordinance are declared separate and severable. If any provision of this Ordinance or its application to any person or circumstances is held invalid, the remainder of this Ordinance or application of the provision to other persons or circumstances, shall be unaffected.

**Section 3. Ratification.** Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.


**Section 4. Effective Date.** This Ordinance shall take effect five (5) days after publication, as provided by law.

\_\_\_\_\_  
MAYOR

**ATTEST:**

\_\_\_\_\_  
CITY CLERK

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
CITY ATTORNEY (BCA)

**PASSED:**

**APPROVED:**

**PUBLISHED:**



## City Council

### Approval of an Ordinance Amending Ordinance 7213 (Capital Budget)

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 4.K  
**File Number:** 19-1152

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**Type:** ordinance **Version:** 1 **Status:** 1st Reading-Consent

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**Title**

Approval of an Ordinance Amending Ordinance 7213 (Capital Budget)

**Recommended Action**

**Committee Recommendation:**

Not referred to a committee.

**City Manager Recommendation:**

Move to approve the ordinance amending Ordinance 7213 on first reading and forward to second reading.

**Report**

**Issue:**

Whether to amend Ordinance 7213 on first reading and forward to second reading.

**Staff Contact:**

Nanci Lien, Fiscal Services Director, Administrative Services Department, 360.753.8465

**Presenter(s):**

None - Consent Calendar item

**Background and Analysis:**

City Council may revise the City's Capital Budget by approving an ordinance. Generally, budget amendments are presented quarterly to Council for their review and approval but may be made at any time during the year. The amended ordinances appropriate funds and provide authorization to expend the funds.

No separate ordinances were passed since the adoption of ordinance 7213 on November 26, 2019, relating to the Capital Budget.

The attached ordinance includes recommended amendments to the 2020 Capital Budget as outlined below:

**1. Parks Capital Projects**

- \$3,800 in appropriations for expenditures related to Park acquisition. Funding to come from lease payments on the Yelm Highway Community Park property.
- \$145,987 in appropriations for expenditures related to the Percival Landing project. Funding to come from insurance proceeds.
- (\$79,833) reduction in appropriations for expenditures and revenue related to a Recreation and Conservation Office (RCO) grant that is complete.

**2. Transportation Capital Projects**

- \$71,050 in appropriations for expenditures related to school zone flashing beacons. Funding to come from associated grant proceeds.
- (\$568,291) reduction in appropriations and associated revenue related to the Boulevard Road/Morse-Merriman Roundabout. Grant revenue was reduced at the time of the award.
- \$500,000 in appropriations for expenditures related to Henderson & Eskridge Boulevard Intersection Improvements. Funding to come from the Transportation Improvement Board grant.

**Neighborhood/Community Interests (if known):**

None noted.

**Options:**

1. Approve the ordinance amending ordinance 7213. This allows staff to continue capital projects, complete seismic upgrades to reservoirs, and return unused funds to be used on future projects.
2. Do not approve the amending ordinance. This would stop certain projects.

**Financial Impact:**

Total increase in appropriations is \$232,492. The sources of funding are noted above.

**Attachment:**

Ordinance



Ordinance No. \_\_\_\_\_

**AN ORDINANCE RELATING TO THE ADOPTION OF THE CITY OF OLYMPIA'S CAPITAL FACILITIES PLAN FOR THE YEARS 2019-2024 AND AMENDING ORDINANCE NO. 7213.**

**WHEREAS**, the Olympia City Council adopted the Capital Facilities Plan for years 2019 through 2024 by passing Ordinance No. 7213 on November 26, 2019; and

**WHEREAS**, the CFP meets the requirements of the Washington State Growth Management Act, including RCW 36.70A.070(3); and

**WHEREAS**, the following amendments need to be made to Ordinance No. 7213;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

**Section 1.** That certain document entitled the "Capital Facilities Plan," covering the years 2019 through 2024, a copy of which will be on file with the Office of the Director of Administrative Services and available on the City's web site, is hereby adopted as the Capital Facilities Plan for the City of Olympia and is incorporated herein as though fully set forth.

**Section 2.** Upon appropriation by the City Council of funds therefor, the City Manager shall be authorized to prepare plans and specifications, to take bids, and to make expenditures for the projects set forth in the CFP during the year for which said projects are scheduled; provided, however, that any award of bids and execution of contracts for construction shall be approved as provided in OMC Chapter 3.16.

**Section 3.** It is anticipated that the funding source and the construction schedule for projects identified in the CFP may be changed over the next year. Such changes shall not constitute an amendment to the Comprehensive Plan for purposes of RCW 36.70A.130.

**Section 4.** The Director of Administrative Services is hereby authorized to bring forward into fiscal year 2019 all appropriations and allocations not otherwise closed, completed, or deleted from prior fiscal years' capital budgets.

**Section 5.** The following appropriations are hereby made:

FUND	APPROP. FUND BALANCE	ESTIMATED REVENUE	APPROP.	ADDITIONS TO FUND BALANCE
Impact Fee Fund	\$10,453,696	-	\$8,455,867	\$1,997,829
SEPA Mitigation Fee Fund	1,609,899	-	980,106	629,793
Parks & Recreational Sidewalk, Utility Tax Fund	4,541,489	2,970,000	6,799,284	712,205
Real Estate Excise Tax Fund	6,171,866	1,500,000	6,626,043	1,045,823
Capital Improvement Fund	8,016,156	<del>54,073,031</del> 54,151,723	<del>54,733,031</del> 54,815,523	<del>7,356,156</del> 7,352,356
Olympia Home Fund Capital Fund	-	1,495,000	504,442	990,558
City Hall Fund	4,043	-	-	4,043

Water CIP Fund	19,154,424	25,262,612	25,299,674	19,117,362
Sewer CIP Fund	9,394,530	5,716,162	9,922,736	5,187,956
Waste ReSources CIP Fund	-	758,300	368,000	390,300
Storm Water CIP Fund	1,427,176	<del>11,556,854</del> <u>11,706,854</u>	<del>11,206,918</del> <u>11,356,918</u>	1,777,112
Storm Drain Mitigation Fund	1,069,576	-	485,812	583,764
<b>TOTALS</b>	<b>\$61,842,855</b>	<b><del>\$103,331,959</del></b> <b><u>\$103,560,651</u></b>	<b><del>\$125,381,913</del></b> <b><u>\$125,614,405</u></b>	<b><del>\$39,792,901</del></b> <b><u>\$39,789,101</u></b>

**Section 6. Severability.** The provisions of this Ordinance are declared separate and severable. If any provision of this Ordinance or its application to any person or circumstances is held invalid, the remainder of this Ordinance or application of the provision to other persons or circumstances shall be unaffected.

**Section 7. Ratification.** Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.


**Section 8. Effective Date.** This Ordinance shall take effect five (5) days after publication, as provided by law.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED TO FORM:

  
\_\_\_\_\_  
CITY ATTORNEY (DCA)

PASSED:

APPROVED:

PUBLISHED:



## City Council

### Approval of an Ordinance Amending Ordinance 7214 (Operating Budget)

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 4.L  
**File Number:** 19-1150

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**Type:** ordinance **Version:** 1 **Status:** 1st Reading-Consent

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**Title**

Approval of an Ordinance Amending Ordinance 7214 (Operating Budget)

**Recommended Action**

**Committee Recommendation:**

Not referred to a committee.

**City Manager Recommendation:**

Move to approve the Ordinance amending Ordinance 7214 on first reading and forward to second reading.

**Report**

**Issue:**

Whether to amend Ordinance 7214 on first reading and forward to second reading.

**Staff Contact:**

Nanci Lien, Fiscal Services Director, Administrative Services Department, 360.753.8465

**Presenter(s):**

None - Consent Calendar item

**Background and Analysis:**

City Council may revise the City's Operating Budget by approving an ordinance. Generally, budget amendments are presented quarterly to Council for their review and approval but may be made at any time during the year. The amended ordinances appropriate funds and provide authorization to expend the funds.

No separate ordinances were passed since the adoption of ordinance 7214 on November 26, 2019, relating to the Operating Budget.

The attached ordinance includes recommended amendments to the 2019 Operating Budget for the following:

**1. Administrative Services**

- \$12,000 in appropriations for expenditures related transfers to the Information Services fund for ESO Fire Inspection (OFD) and Court Criminal Justice Case Management (Court). Note: The Criminal Justice Case Management Software appropriation is an administrative correction. It was approved as part of the 2018 EOY funding, but was appropriated in the wrong fund.

**2. Community Planning & Development**

- \$30,000 in appropriations for expenditures related to the Homes First program. Funding from CDBG reserved funds.

**3. Fire**

- \$169,500 in appropriations for expenditures related to Fire fleet program. Funding to come from increase in revenue for work performed for other fire agencies.
- \$29,899 in appropriations for expenditures related to the Fire False Alarm program. Funding to come from increase in revenue for work performed.
- \$90,000 in appropriations for expenditures related to Medic I program. Funding to come from increase in revenue for work performed.
- \$45,000 in appropriations for expenditures related to Training program. Funding to come from increase in revenue for work performed.
- \$12,000 in appropriations for expenditures related to a transfer to Information Services fund for ESO Software. Funding to come from reduction in Fire operating expenditures.

**4. Police**

- \$100,000 in appropriations for expenditures related to the service contract with Washington Association of Sheriffs and Police Chiefs - Mental Health Response Team. Funding to come from the service contract revenue.

**5. Parks & Recreation**

- \$9,000 in appropriations for expenditures related to maintenance and operations. Funding to come from additional program and donation revenues.

**Neighborhood/Community Interests (if known):**

None noted.

**Options:**

1. Approve ordinance amending ordinance 7214. This provides staff with budget capacity to proceed with initiatives approved by Council.
2. Do not approve the amending ordinance; staff will not have authorization to expend the funds.

**Financial Impact:**

Total increase in appropriations of \$473,399. The sources of funding are noted above.

**Attachments:**

Ordinance

Ordinance No. \_\_\_\_\_

**AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, RELATING TO BUDGETS, FINANCE, AND SALARIES, AND AMENDING ORDINANCE NO. 7214.**

**WHEREAS**, the Olympia City Council passed Ordinance No. 7173 on December 18, 2018; and

**WHEREAS**, throughout the year, updates are required to recognize changes relating to budget, finance, and salaries; and

**WHEREAS**, the Olympia City Council amended Ordinance No. 7173 by passage of Ordinance No. 7195 on June 11, 2019; and

**WHEREAS**, the Olympia City Council amended Ordinance 7195 by passage of Ordinance No. 7203 on October 8, 2019; and

**WHEREAS**, the Olympia City Council amended Ordinance No. 7203 by passage of Ordinance No. 7214 on November 26, 2019; and

**WHEREAS**, throughout the year, updates are required to recognize changes relating to budgets, finance, and salaries; and

**WHEREAS**, the following changes need to be made to Ordinance No. 7214;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:**

**Section 1. 2019 Budget.** The budget for the calendar year 2019 is hereby adopted in the amounts and for the purposes as shown below; and the following sums, or so much thereof as shall severally be found necessary, are hereby appropriated out of any of the monies in the several funds in the City Treasury hereinafter named.

FUND	APPROP. FUND BALANCE	ESTIMATED REVENUE	APPROP	ADDITIONS TO FUND BALANCE
General, Regular Operations	\$18,277,806	<del>\$82,929,851</del> <u>\$83,373,250</u>	<del>\$84,239,503</del> <u>\$84,682,902</u>	\$16,968,154
General, Special Sub-Funds				
Special Accounts	2,541,995	<del>1,161,943</del> <u>1,249,397</u>	<del>3,496,201</del> <u>3,613,655</u>	<del>207,737</del> <u>177,737</u>
Development Fee Revenue	846,963	3,953,252	4,023,836	776,379
Parking	1,159,858	1,493,340	1,775,051	878,147
Post Employment Benefits	2,620,447	995,300	3,615,747	-
Washington Center Endowment	754,983	3,000	248,853	509,130
Washington Center Operating	85,179	503,000	508,000	80,179
Municipal Arts	472,663	59,000	524,070	7,593

Equipment & Facilities Reserve	3,480,663	1,276,465	4,475,024	282,104
<b>Total General Fund</b>	<b>30,240,557</b>	<b>92,375,151</b>	<b>102,906,285</b>	<b>19,709,423</b>
		<b>92,906,004</b>	<b>103,467,138</b>	<b>19,679,423</b>
LID Control	6	-	-	6
LID Guarantee	80,435	-	-	80,435
4 <sup>th</sup> /5 <sup>th</sup> Avenue Corridor Bridge Loan	86	546,084	546,084	86
UTGO Bond Fund - 2009 Fire	68,664	1,187,039	1,191,557	64,146
City Hall Debt Fund - 2009	7,326	2,418,038	2,421,918	3,446
2010 LTGO Bond — Street Projects	-	434,813	434,813	-
L.O.C.A.L. Debt Fund - 2010	-	178,282	178,282	-
2010B LTGO Bonds – HOCM	-	444,188	444,188	-
2013 LTGO Bond Fund	-	671,065	671,065	-
2016 LTGO Parks BAN	-	10,067,500	10,067,500	-
Water Utility O&M	37,469,007	14,186,171	17,661,872	33,993,306
Sewer Utility O&M	42,517,479	20,724,055	22,556,629	40,684,905
Solid Waste Utility	1,597,772	12,757,152	13,432,084	922,840
Stormwater Utility	23,884,025	5,933,432	6,754,511	23,062,946
Water/Sewer Bonds	13,652,732	2,044,782	2,033,548	13,663,966
Stormwater Debt Fund	1,379,797	123,650	123,650	1,379,797
Water/Sewer Bond Reserve	1,260,900	-	-	1,260,900
Equipment Rental	324,903	2,357,141	2,361,959	320,085
<b>TOTALS</b>	<b>\$152,483,689</b>	<b>\$166,448,543</b>	<b>\$183,785,945</b>	<b>\$135,146,287</b>
		<b>\$166,979,396</b>	<b>\$184,346,798</b>	<b>\$135,116,287</b>

**Section 2. Administration.** The City Manager shall administer the budget, and in doing so may authorize adjustments within the funds set forth in Section 1 above, to the extent that such adjustments are consistent with the budget approved in Section 1.

**Section 3. Salaries and Compensation.** The salaries and compensation for the City of Olympia employees for the calendar year 2019 shall be as set forth in the "Supplementary Information" section of the 2019 Adopted Operating Budget document, or as the same may be amended by the City Manager as part of his administration of the budget pursuant to Section 2 above.

**Section 4. Benefit Cost Sharing.** The City Manager is authorized to modify and establish benefit cost sharing for City employees; and such programs may be based, in part, on an employee's start date with the City.

**Section 5. Severability.** The provisions of this Ordinance are declared separate and severable. If any provision of this Ordinance or its application to any person or circumstances is held invalid, the remainder of this Ordinance or application of the provision to other persons or circumstances shall be unaffected.

**Section 6. Ratification.** Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

**Section 7. Effective Date.** This Ordinance shall take effect five (5) days after publication, as provided by law.

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MAYOR

ATTEST:

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CITY CLERK

APPROVED AS TO FORM:

  
CITY ATTORNEY (JEA)

PASSED:

APPROVED:

PUBLISHED:





## City Council

### Approval of an Ordinance Adopting 2020 Utility Rates and General Facilities Charges

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 4.M  
**File Number:** 19-1069

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**Type:** ordinance **Version:** 1 **Status:** 1st Reading-Consent

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#### Title

Approval of an Ordinance Adopting 2020 Utility Rates and General Facilities Charges

#### Recommended Action

##### Committee Recommendation:

The proposed rates and charges reflect recommendations from the City Council, Finance Committee and the Utility Advisory Committee. City Council held a public hearing on November 19, 2019. The review considered recommendations forwarded to Council by the Utility Advisory Committee.

##### City Manager Recommendation:

Move to approve the ordinance adopting the 2020 utility rates and general facilities charges on first reading and forward to second reading.

#### Report

##### Issue:

Whether to approve an ordinance adopting the 2020 utility rates and general facility charges (GFC). Increases in LOTT Clean Water Alliance rates and capacity development charges are also included in the ordinance.

##### Staff Contacts:

Gary Franks, Waste ReSources Director, Public Works Department, 360.753.8780  
Eric Christensen, Water Resources Director, Public Works Department, 360.570.3741

##### Presenters:

None - Consent Calendar Item

##### Background and Analysis:

City of Olympia provides vital utility services to our community. For 2020, staff is proposing rate increases (rounded) as follows:

- Drinking Water 6.3%
- Storm and Surface Water 3.5%
- Wastewater 0.2%

- Waste ReSources                      3.3%
- LOTT                                        3.0%
- Combined                                3.4% or \$8.78 bi-monthly/single family account

Key financial drivers for the proposed 2020 rate increase include:

- Increased funding for capital project construction (Drinking Water)
- One new employee, a sweeper operator (Storm and Surface Water)
- Shift funding of 1.25 FTE from Storm and Surface Water to Wastewater to correct an inequity in funding.
- Using cash reserves to buy down Waste ReSources residential rates.
- Distributing Waste ReSources rate increases amongst all rate categories.
- One percent increase in the municipal utility tax.

Additionally, utility-related development charges are proposed to increase \$318 (2.2 percent) per new single family residence as follows:

- Storm and Surface Water general facility charge (GFC) is proposed to increase 10 percent to \$1,440 plus \$6.60 per vehicle trip (\$137 total).

#### LOTT Clean Water Alliance Rate

Lacey, Olympia, Tumwater, Thurston County (LOTT) Clean Water Alliance Board of Directors has approved increases for both monthly wastewater treatment rates and their capital development charge (CDC). The CDC is similar to the City's GFC. The City collects monthly rates and CDCs for LOTT through the utility billing and development permitting processes.

- The LOTT Clean Water Alliance capacity development charge (CDC) is proposed to increase 3 percent (\$181) to \$6,231.

#### **Neighborhood/Community Interests (if known):**

City utilities provide important public health services for Olympia residents. Utility rates are set to ensure reliable, uninterrupted levels of service.

#### **Options:**

1. Approve the ordinance adopting the 2020 utility rates and general facility charges.  
Implications:
  - Supports essential City public and environmental health services.
  - Increases rates for customers and charges for new development.
2. Modify or decline the proposed 2020 increases.  
Implications:
  - Avoids, or lessens additional customer costs.
  - Risk failures in fulfilling City public and environmental health responsibilities.

#### **Financial Impact:**

The proposed rate and GFC increases will generate revenue to implement Council-adopted utility

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**Type:** ordinance **Version:** 1 **Status:** 1st Reading-Consent

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master plans and ensure financially responsible management of City utilities.

**Attachment:**  
Ordinance

**AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, RELATING TO UTILITY FEES AND CHARGES AND AMENDING SECTION 4.24.010 OF THE OLYMPIA MUNICIPAL CODE**

**WHEREAS**, the City’s utilities are managed with a goal of resource sustainability in order to maintain, rebuild, expand systems, and prepare for revenue variability; and

**WHEREAS**, the City Council intends to meet the goals and polices for utility fiscal management set forth in the Comprehensive Plan and utility master plans; and

**WHEREAS**, the City Council intends to promote rate equity through cost recovery by customer class, and to smooth out rate spikes over a period of up to six years, the time period for which the CFP is developed; and

**WHEREAS**, the City’s Storm and Surface Water Utility and the Wastewater Utility are managed to maintain minimum operating expense reserves of ten (10) percent, and the Drinking Water Utility is managed to maintain minimum operating expense reserves of twenty five (25) percent; and

**WHEREAS**, in order to incorporate the foregoing principles into City Drinking Water Utility, City Storm and Surface Water Utility, City Wastewater Utility and LOTT Cleanwater Alliance (LOTT) wastewater treatment rates, the City Council received recommendations from the Utility Advisory Committee, held hearings, and reviewed the utility rates set forth in this Ordinance; and

**WHEREAS**, pursuant to the Interlocal Cooperation Act Agreement for Sewer Treatment, the LOTT Board of Directors is empowered to “impose, alter, regulate, and control rates, charges, and assessments;” and the LOTT Board of Directors held a public hearing and approved certain rate increases, which the City Council must annually adopt;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:**

**Section 1. Amendment of OMC 4.240.010. Section 4.24.010 of the Olympia Municipal Code is hereby amended to read as follows:**

**4.24.010 Computation and assessment of charges**

The rates set forth below do not reflect any possible surcharges or discounts provided to a parcel of property or customer under any provision of City ordinances or taxes assessed directly upon customers for which the City acts as collection agent.

**A. WATER**

1. Occupant turning on water after delinquent shutoff penalty	<del>\$10.00</del> <u>\$40.00</u>	OMC 13.04.360
2. Delinquency notification penalty	\$10.00	OMC 13.04.430
3. Service disconnected/water reconnect for nonpayment penalty	\$25.00	OMC 13.04.430

4. Fire hydrant meter	\$ 1,500 deposit plus \$50.00 per month plus consumption charge	OMC 13.04.410
5. Water for residential building construction purposes	Ready to serve plus consumption charge in Subsection 8a	OMC 13.04.410
6. Non-emergency after-hours water service turn on/shut off	\$110.00	OMC 13.04.340
7. Water General Facility Charges, assessed and payable as provided in OMC 13.04.375:		OMC 13.04.375

<b>Meter Size</b>	<b>AWWA Capacity Factor</b>	<b>GFC</b>
3/4" -inch	1.00	\$4,433
1" -inch Residential Fire Sprinkler	1.00	\$4,433
1" -inch	1.67	\$7,483
1 1/2" -inch	3.33	\$14,920
2" -inch	5.33	\$23,881
3" -inch	10.67	\$46,670
4" -inch	16.33	\$73,168
6" -inch	33.33	\$149,338
8" -inch	53.33	\$238,951
10" -inch	76.67	\$347,419
12" -inch	100.00	\$448,064

This charge is assessed in addition to any other charges or assessments levied under this chapter.

8. Water Meter Rates—Inside City Limits:

a. **Schedule I: Monthly Charges.**

The following is the monthly charge based upon meter size for all customers. Customers with meter sizes not listed in the schedule will be charged at the rate applicable to the next larger meter size listed.

<b>Meter Size</b>	<b>Ready to Serve Charge</b>	<b>OMC 13.04.380</b>
3/4-inch	<del>\$12.98</del> <u>\$13.80</u>	+ consumption charge
1-inch Residential Fire Sprinkler	<del>\$12.98</del> <u>\$13.80</u>	+ consumption charge
1-inch	<del>\$17.28</del> <u>\$18.37</u>	+ consumption charge
1 1/2-inch	<del>\$28.02</del> <u>\$29.79</u>	+ consumption charge
2-inch	<del>\$40.88</del> <u>\$43.46</u>	+ consumption charge
3-inch	<del>\$75.26</del> <u>\$80.00</u>	+ consumption charge

<b>Meter Size</b>		<b>Ready to Serve Charge</b>	<b>OMC 13.04.380</b>
4-inch	<del>\$113.91</del> <u>\$121.09</u>	+ consumption charge	
6-inch	<del>\$221.28</del> <u>\$235.22</u>	+ consumption charge	
8-inch	<del>\$350.13</del> <u>\$372.19</u>	+ consumption charge	
10-inch	<del>\$500.43</del> <u>\$531.96</u>	+ consumption charge	
12-inch	<del>\$650.76</del> <u>\$691.76</u>	+ consumption charge	

(1) Residential and nonresidential premises that are vacant are subject to payment of the full Water ready-to-serve charge. This fee will be charged even if the water is turned off.

**Consumption charge per 100 cubic feet:**

	<b>Block 1</b>	<b>Block 2</b>	<b>Block 3</b>	<b>Block 4</b>
Residential (Single Family and Duplex Residential)	<del>\$1.88</del> <u>\$2.00</u>	<del>\$3.15</del> <u>\$3.35</u>	<del>\$5.03</del> <u>\$5.35</u>	<del>\$6.62</del> <u>\$7.04</u>
Nonresidential (Multi-family and Commercial)	<del>\$2.63</del> <u>\$2.80</u>	<del>\$3.94</del> <u>\$4.19</u>	--	--
Irrigation	<del>\$2.63</del> <u>\$2.80</u>	<del>\$7.77</del> <u>\$8.26</u>	--	--
<b>Blocks Definition:</b>	<b>Block 1</b>	<b>Block 2</b>	<b>Block 3</b>	<b>Block 4</b>
Single Family and Duplex (1) Residential	0-400 cf/unit	401-900 cf/unit	901-1,400 cf/unit	1,401+ cf unit
Nonresidential (2)	Nov-June Usage	July-Oct Usage	--	
Irrigation	Nov-June Usage	July-Oct Usage		

(1) Single family accounts with or without accessory dwelling units are charged as one single family account.

(2) If nonresidential block usage cannot administratively be prorated between blocks, usage is billed at the block rate in which the meter reading period ends.

b. **Wholesale customers:**

See OMC 13.04.380B.

c. **State buildings with sprinkler systems or fire service connections:**

See OMC 13.04.380C.

d. **Fire protection:**

Automatic sprinkler systems or special fire service connections with the City water system will be charged the monthly ready-to-serve charge based on meter size in 4.24.010(A)(8a). Residential

fire service connections that require a 1" pipe size will be charged the same as a 3/4" pipe size as shown in Subsection 8a.

**B. WASTEWATER (SEWER)**

1) LOTT Charges

LOTT wastewater monthly service charge	<del>\$39.80</del> <u>\$41.00</u> per ERU	OMC 13.08.190
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Nonresidential accounts are billed one (1) ERU minimum per month. ERU charges in excess of one (1) ERU are billed at the rate of ~~\$4.42~~ \$4.56 per 100 cf or any part thereof for LOTT wastewater service charges.

LOTT capacity development charge	<del>\$6,049.21</del> <u>\$6,230.69</u> per ERU	OMC 13.08.210
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2) City of Olympia Monthly Sewer Charges

a.A) Residential accounts with separately metered City of Olympia water service servicing: one separate single-family residence, one single-family residence with accessory dwelling unit, one unit of a residential duplex, one mobile home, or one trailer is billed based on monthly water consumption as follows:

0 – 250 cf	<del>\$13.29</del> <u>\$13.32</u> per month	
251 – 350 cf	<del>\$13.29</del> <u>\$13.32</u> per month plus <del>\$.0818</del> <u>\$0.082</u> per cf	OMC 13.08.190
351 cf and above	<del>\$21.47</del> <u>\$21.52</u> per month	

b.B) Residential accounts with residential duplexes with a single water meter servicing both units are billed based on water consumption as follows:

0 – 500 cf	<del>\$26.58</del> <u>\$26.64</u> per month	
501 – 700 cf	<del>\$26.58</del> <u>\$26.64</u> per month plus <del>\$.0818</del> <u>\$0.082</u> per cf	OMC 13.08.190
701 cf and above	<del>\$42.94</del> <u>\$43.04</u> per month	

c.C) Residential accounts not included in A) or B) ~~\$21.47~~ \$21.52 per ERU OMC 13.08.190

d.D) Nonresidential accounts are billed one (1) ~~\$21.47~~ \$21.52 per ERU OMC 13.08.190  
ERU minimum per month. ERU charges in excess of one (1) ERU are billed at the rate of \$.0307 per 1 cf. for local collection system.

3) City of Olympia General Facility Charge

Wastewater (Sewer) general facility charge	\$3,442.00 per ERU	OMC 13.08.205
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Wastewater (Sewer) general facility charge for properties on public combined sewers and in the Downtown Deferred General Facility Charge Payment Option Area	\$1,483.00 per ERU	OMC 13.08.010 OMC 13.08.205
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**C. WASTE RESOURCES**

**1. Residential garbage rates, monthly, every-other-week collection:**

	OMC 13.12.160
One twenty-gallon cart (minimum residential garbage service)	<del>\$10.98</del> <u>\$11.35</u>
One thirty-five gallon cart	
Recycle rate	<del>\$18.97</del> <u>\$19.60</u>
Nonrecycle rate	<del>\$23.79</del> <u>\$24.58</u>
One sixty-five gallon cart	
Recycle rate	<del>\$25.90</del> <u>\$26.76</u>
Nonrecycle rate	<del>\$32.46</del> <u>\$33.54</u>
Two sixty-five gallon carts	
Recycle rate	<del>\$49.56</del> <u>\$51.21</u>
Nonrecycle rate	<del>\$62.06</del> <u>\$64.13</u>
Three sixty-five gallon carts	<del>\$93.15</del> <u>\$96.25</u>
One ninety-five gallon cart	
Recycle rate	<del>\$44.88</del> <u>\$46.37</u>
Nonrecycle rate	<del>\$56.23</del> <u>\$58.10</u>
More than three sixty-five gallon carts	<del>\$93.15</del> <u>\$96.25</u> + <del>\$32.46</del> <u>\$33.54</u> for each sixty-five gallon cart over three carts

**2. Residential garbage rates, monthly, weekly collection:**

One thirty-five gallon cart	
Recycle rate	<del>\$41.81</del> <u>\$43.20</u>
Nonrecycle rate	<del>\$52.32</del> <u>\$54.06</u>
One sixty-five gallon cart	
Recycle rate	<del>\$83.62</del> <u>\$86.40</u>
Nonrecycle rate	<del>\$104.61</del> <u>\$108.09</u>
One ninety-five gallon cart	<del>\$135.92</del> <u>\$140.45</u>

**3. Extended pickup:**



Rate	Distance
\$1/month	Over 5 feet to 25 feet
\$2/month	Over 25 feet to 100 feet
\$1/month	Every 50 feet over 100 feet

- a. Persons requesting extended distance service must be at least sixty-five years of age or handicapped where said person cannot wheel a full or partially full garbage cart to the collection point.
- b. No person living with the qualified applicant can wheel a full or partially full garbage cart to the collection point.
- c. Extended pickup service to be at no charge when the combined annual income of the household of the qualified applicant is equal to or less than fifty percent of the median household income in Thurston County.
- d. Persons requesting service must apply with the utilities office by filling out an affidavit for extended service. Upon approval of affidavit, service will be granted.
- e. Qualified applicant will reapply on a yearly basis on or before December 31st of each year.
- f. In the case of a multifamily residence or complex, only the qualified tenant's cart will be clearly marked with the tenant's name and unit number.

**4. Residential and commercial organics rate, monthly, every other week collection:**

Organics:

Per City-owned 95-gallon cart or each 1/2 yard of material collected ~~\$10.25~~ \$10.59

**5. Commercial garbage rates, monthly, weekly collection:**

One ten gallon can (minimum commercial garbage service)	<del>\$7.10</del> <u>\$7.34</u>
One thirty-two gallon can or cart	<del>\$20.96</del> <u>\$21.66</u>
Two thirty-two gallon cans or equivalent cart service	<del>\$31.97</del> <u>\$33.03</u>
Three thirty-two gallon cans or equivalent cart service	<del>\$60.12</del> <u>\$62.12</u>
Four thirty-two gallon cans or equivalent cart service	<del>\$79.21</del> <u>\$81.85</u>
More than four thirty-two gallon cans or equivalent cart service	<del>\$79.21</del> <u>\$81.85</u> + <del>\$20.96</del> <u>\$21.66</u> for each additional thirty-two gallons of service

**6. 95-gallon garbage and refuse cart service, monthly:**

One pickup weekly	<del>\$60.12</del> <u>\$62.12</u>
Two pickups weekly	<del>\$115.22</del> <u>\$119.06</u>

Three pickups weekly	<del>\$168.02</del> <u>\$173.62</u>
Four pickups weekly	<del>\$221.80</del> <u>\$229.19</u>
Five pickups weekly	<del>\$274.91</del> <u>\$284.06</u>

7. **One-yard garbage and refuse dumpster service, monthly:**

One pickup weekly	<del>\$118.20</del> <u>\$122.14</u>
Two pickups weekly	<del>\$232.42</del> <u>\$240.16</u>
Three pickups weekly	<del>\$342.73</del> <u>\$354.14</u>
Four pickups weekly	<del>\$452.82</del> <u>\$467.90</u>
Five pickups weekly	<del>\$562.76</del> <u>\$581.50</u>
Six pickups weekly	<del>\$672.82</del> <u>\$695.22</u>

8. **One and one-half yard garbage and refuse dumpster service, monthly:**

One pickup weekly	<del>\$156.27</del> <u>\$161.47</u>
Two pickups weekly	<del>\$297.84</del> <u>\$307.76</u>
Three pickups weekly	<del>\$438.26</del> <u>\$452.85</u>
Four pickups weekly	<del>\$578.36</del> <u>\$597.62</u>
Five pickups weekly	<del>\$718.42</del> <u>\$742.34</u>
Six pickups weekly	<del>\$858.95</del> <u>\$887.55</u>

9. **Two-yard garbage and refuse dumpster service, monthly:**

One pickup weekly	<del>\$194.15</del> <u>\$200.62</u>
Two pickups weekly	<del>\$370.45</del> <u>\$382.79</u>
Three pickups weekly	<del>\$546.84</del> <u>\$565.05</u>
Four pickups weekly	<del>\$723.20</del> <u>\$747.28</u>
Five pickups weekly	<del>\$899.61</del> <u>\$929.57</u>
Six pickups weekly	<del>\$1,073.13</del> <u>\$1,108.87</u>

10. **Three-yard garbage and refuse dumpster service, monthly:**

One pickup weekly	<del>\$274.67</del> <u>\$283.82</u>
Two pickups weekly	<del>\$537.58</del> <u>\$555.48</u>
Three pickups weekly	<del>\$798.21</del> <u>\$824.79</u>
Four pickups weekly	<del>\$1,066.59</del> <u>\$1,102.11</u>
Five pickups weekly	<del>\$1,319.87</del> <u>\$1,363.82</u>
Six pickups weekly	<del>\$1,568.94</del> <u>\$1,621.19</u>

**11. Four-yard garbage and refuse dumpster service, monthly:**

One pickup weekly	<del>\$345.38</del> <u>\$356.88</u>
Two pickups weekly	<del>\$683.41</del> <u>\$706.17</u>
Three pickups weekly	<del>\$1,014.72</del> <u>\$1,048.51</u>
Four pickups weekly	<del>\$1,339.05</del> <u>\$1,383.64</u>
Five pickups weekly	<del>\$1,656.50</del> <u>\$1,711.66</u>
Six pickups weekly	<del>\$1,968.58</del> <u>\$2,034.13</u>

**12. Six-yard garbage and refuse dumpster service, monthly:**

One pickup weekly	<del>\$501.50</del> <u>\$518.20</u>
Two pickups weekly	<del>\$979.35</del> <u>\$1,011.96</u>
Three pickups weekly	<del>\$1,453.91</del> <u>\$1,502.33</u>
Four pickups weekly	<del>\$1,928.14</del> <u>\$1,992.35</u>
Five pickups weekly	<del>\$2,402.53</del> <u>\$2,482.53</u>
Six pickups weekly	<del>\$2,762.92</del> <u>\$2,854.93</u>

**13. Prepaid extra tag for unscheduled collection of a bag on regular garbage collection day; ~~\$5.39~~ \$5.57/each.**

**14. Extra unscheduled can, bag or box on regular garbage collection day to which a City approved prepaid tag is not attached: ~~\$8.81~~ \$9.10/each.**

**15. Fees for special pickups, minor ancillary services, and yard waste drop-off site disposal services, other than unscheduled extra cans or material on regular collection day, are established by the City Manager, based on cost of service; to include labor, equipment, distance traveled, and volume of materials as appropriate.**

**16. City-owned drop boxes: customers will be charged repair fees on boxes which have been burned or damaged:**

Ten cubic yards:

Delivery fee	<del>\$71.18</del> <u>\$76.64</u>	
Daily rental	<del>\$2.45</del> <u>\$2.64</u>	
Hauling fee	<del>\$216.79</del> <u>\$233.42</u>	
Dumping charge		Current disposal fee, surcharge and 14.1% <u>15.1%</u> service fee on disposal fee

Twenty cubic yards:

Delivery fee	<del>\$71.18</del> <u>\$76.64</u>
Daily rental	<del>\$3.15</del> <u>\$3.39</u>
Hauling fee	<del>\$216.79</del> <u>\$233.42</u>

Dumping charge		Current disposal fee, surcharge and <del>14.1%</del> <u>15.1%</u> service fee on disposal fee
Thirty cubic yards:		
Delivery fee	<del>\$71.18</del> <u>\$76.64</u>	
Daily rental	<del>\$4.37</del> <u>\$4.71</u>	
Hauling fee	<del>\$216.79</del> <u>\$233.42</u>	
Dumping charge		Current disposal fee, surcharge and <del>14.1%</del> <u>15.1%</u> service fee on disposal fee
Forty cubic yards:		
Delivery fee	<del>\$71.18</del> <u>\$76.64</u>	
Daily rental	<del>\$4.37</del> <u>\$4.71</u>	
Hauling fee	<del>\$216.79</del> <u>\$233.42</u>	
Dumping charge		Current disposal fee, surcharge and <del>14.1%</del> <u>15.1%</u> service fee on disposal fee
Standby or dig out	\$90.00	per hour

**17. Customer-owned compactors and special containers. Dumping charges are based on weight at transfer station:**

Cubic Yard	Charge Per Haul
10 or less	<del>\$216.79</del> * <u>\$233.42</u>
15	<del>\$216.79</del> * <u>\$233.42</u>
20	<del>\$216.79</del> * <u>\$233.42</u>
25	<del>\$216.79</del> * <u>\$233.42</u>
30	<del>\$216.79</del> * <u>\$233.42</u>
35	<del>\$216.79</del> * <u>\$233.42</u>
40	<del>\$216.79</del> * <u>\$233.42</u>
42	<del>\$216.79</del> * <u>\$233.42</u>
	* plus disposal fee plus <del>14.1%</del> <u>15.1%</u> service charge on disposal fee
Standby or dig out	\$90.00 per hour

No delivery fees or rental fees will be charged for City-owned drop boxes used to haul source-separated yard waste for composting or construction and demolition debris for recycling. If material is contaminated, the customer will be charged current disposal fees and ~~14.1%~~ 15.1% service charge on the disposal fee, plus delivery fee and daily rental fees.

**18. City-owned temporary garbage and refuse dumpster services (customers will be charged repair fees for containers which have been burned or damaged):**

One cubic yard:

Delivery fee	<del>\$54.36</del> <u>\$56.17</u>
Daily rental fee	<del>\$2.14</del> <u>\$2.21</u>
Fee per dump	<del>\$44.73</del> <u>\$46.22</u>

One and 1/2 cubic yard:

Delivery fee	<del>\$54.36</del> <u>\$56.17</u>
Daily rental fee	<del>\$2.14</del> <u>\$2.21</u>
Fee per dump	<del>\$47.38</del> <u>\$48.96</u>

Two yard:

Delivery fee	<del>\$54.36</del> <u>\$56.17</u>
Daily rental fee	<del>\$2.14</del> <u>\$2.21</u>
Fee per dump	<del>\$50.77</del> <u>\$52.46</u>

Three yard:

Delivery fee	<del>\$54.36</del> <u>\$56.17</u>
Daily rental fee	<del>\$2.14</del> <u>\$2.21</u>
Fee per dump	<del>\$66.77</del> <u>\$68.99</u>

Four yard:

Delivery fee	<del>\$54.36</del> <u>\$56.17</u>
Daily rental fee	<del>\$2.14</del> <u>\$2.21</u>
Fee per dump	<del>\$92.51</del> <u>\$95.59</u>

Six yard:

Delivery fee	<del>\$54.36</del> <u>\$56.17</u>
Daily rental fee	<del>\$2.14</del> <u>\$2.21</u>
Fee per dump	<del>\$126.38</del> <u>\$130.59</u>

**19. City-owned temporary organics dumpster services (customers will be charged repair fees for dumpsters which have been burned or damaged):**

One cubic yard:

Fee per dump	<del>\$20.50</del> <u>\$21.18</u>
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One and 1/2 cubic yard:

Fee per dump	<del>\$30.75</del> <u>\$31.77</u>
Two yard:	
Fee per dump	<del>\$41.00</del> <u>\$42.37</u>
Three yard:	
Fee per dump	<del>\$61.50</del> <u>\$63.55</u>

If material is contaminated, customer will be charged the dump fee, delivery fee and daily rental fee for City-owned temporary garbage and refuse dumpster services as established in Section 16 of this ordinance.

**20. An additional surcharge of \$70.00 per month applies to permanent commercial dumpster customers who require Saturday collection and are subject to regular monthly fees set forth in OMC 4.24.010C Subsections 5, 6, 7, 8, 9, 10, 11, 12, 16, 17, 18 or 19.**

**D. STORM AND SURFACE WATER**

At the time of issuance of a building/engineering permit, per OMC 13.16.080, a storm and surface water GFC is assessed at the rate of: ~~\$1,309.90/Impervious Unit (2,528 sq. ft.) plus quality GFC is assessed at a rate of \$6.00~~ \$6.60 per average daily vehicle trip based on the Institute of Traffic Engineers' Trip Generation Manual.

**1. Storm drainage service charges:**

a. Single-Family and Duplex Residential Parcels. All parcels in the City are subject to a monthly charge for storm drainage service in accordance with the following schedule:

Single-family parcels with or without accessory dwelling units (Regardless of date approved)	<del>\$14.05</del> <u>\$14.55</u> /utility account
Plats approved after 1990 with signed maintenance agreement	<del>\$12.57</del> <u>\$13.01</u> /utility account
Duplex parcels (Regardless of date approved)	<del>\$14.05</del> <u>\$14.55</u> /unit ( <del>\$28.10</del> <u>\$29.10</u> when billed as a single account)

b. Commercial, Multi-Family, Industrial and Governmental Parcels. A charge per utility account will be established at the time of issuance of a clearing, filling, excavating or grading permit and assessed monthly as follows:

Administrative fee	<del>\$13.75</del> <u>\$14.24</u> plus:
For parcels developed after January 1990 (Category I)	<del>\$5.17</del> <u>\$5.35</u> per billing unit or
For parcels developed between January 1980 and January 1990 (Category II)	<del>\$10.80</del> <u>\$11.18</u> per billing unit or
For parcels developed before January 1980 (Category III)	<del>\$13.63</del> <u>\$14.11</u> per billing unit

c. For developed parcels without structural impervious areas, the following construction phase charge is assessed at the time of issuance of a clearing, filling, excavating or grading permit:

Single-family and duplex zoned

~~\$5.90~~ \$6.11 per parcel x total number of parcels identified in preliminary plat x 24 months

d. Undeveloped parcels. No charge.

~~2. State highway charges:~~

~~Monthly fee for state highway rights of way~~

~~30% of the storm drainage service charges~~

~~3. Other roadway charges:~~

~~Monthly fee for roadway rights of way, other than state highways within the City boundary~~

**E. RECLAIMED WATER**

- |  |   |               |
|--|---|---------------|
| 1. Occupant turning on water after delinquent shutoff penalty            | <del>\$10.00</del> <u>\$40.00</u>         | OMC 13.24.330 |
| 2. Delinquency notification penalty                                      | \$10.00                                   | OMC 13.24.340 |
| 3. Service disconnected/reclaimed water reconnect for nonpayment penalty | \$25.00                                   | OMC 13.24.340 |
| 4. Reclaimed water for commercial construction purposes                  | \$50.00 per month plus consumption charge | OMC 13.24.200 |
| 5. Non-emergency after-hours reclaimed water service turn on/shut off    | \$110.00                                  | OMC 13.24.250 |

6. Reclaimed Water Rates

a. Meter Rates – The monthly charge based upon meter size for all reclaimed water customers follows 4.24.010.A.8. Customers with meter sizes not listed in the schedule will be charged at the rate applicable to the next larger meter size listed.

b. Consumption charges

- (1) Indoor use of reclaimed water: 70% of the consumption charges in 4.24.010.A.8.
- (2) Outdoor use of reclaimed water: 70% of the consumption charges in 4.24.010.A.8 for Irrigation.

**Section 2. Corrections.** The City Clerk and codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance, including the correction of scrivener/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

**Section 3. Severability.** The provisions of this Ordinance are declared separate and severable. If any provision of this Ordinance or its application to any person or circumstances is held invalid, the remainder of this Ordinance or application of the provision to other persons or circumstances shall be unaffected.

**Section 4. Ratification.** Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

**Section 5. Effective Date.** This Ordinance shall take effect January 1, 2020.

\_\_\_\_\_  
MAYOR

**ATTEST:**

\_\_\_\_\_  
CITY CLERK

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
CITY ATTORNEY

**PASSED:**

**APPROVED:**

**PUBLISHED:**





## City Council

### Approval of an Ordinance Setting 2020 Development Fee Adjustments

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 4.N  
**File Number:** 19-1104

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**Type:** ordinance **Version:** 1 **Status:** 1st Reading-Consent

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#### **Title**

Approval of an Ordinance Setting 2020 Development Fee Adjustments

#### **Recommended Action**

##### **Committee Recommendation:**

Finance Committee recommends adoption of the ordinance.

##### **City Manager Recommendation:**

Move to approve the ordinance adopting 2020 Development Fee Adjustments on first reading and forward to second reading.

#### **Report**

##### **Issue:**

Whether to adjust development fees in 2020 as shown in the draft ordinance.

#### **Staff Contact:**

Leonard Bauer, Deputy Director, Community Planning and Development, 360.753.8206

#### **Presenter(s):**

Leonard Bauer, Deputy Director, Community Planning and Development

#### **Background and Analysis:**

City Council's adopted policy for the Development Services Fund includes a target of 85 percent of the City's cost for review and inspection of development permit applications is to be recovered through application fees. Development engineering fees are adopted in Olympia Municipal Code (OMC) 4.04.010. Building code review and inspection fees are adopted in OMC 4.36.010. Land use development review fees are adopted in OMC 4.04.010.

Annual review of these fees is conducted for closer alignment with this adopted cost recovery target and other City policy goals, as well as comparison with neighboring jurisdictions' fees.

Based on this review, staff recommended the adjustments to land use, engineering and building review/inspection fees included in the attached draft ordinance for 2020. Finance Committee reviewed the staff proposal and recommends adoption.

[Note: The ordinance also includes proposed changes to document recording fees, to reflect increases in fees assessed by the Thurston County Auditor.]

**Neighborhood/Community Interests (if known):**

Development review and inspection fees are of interest primarily to applicants for those services.

**Options:**

1. Approve the attached ordinance adopting 2020 Development Fee Adjustments.
2. Revise the ordinance to adjust specific 2020 Development Fees.
3. Do not approve the ordinance adjusting 2020 Development Fees.

**Financial Impact:**

The proposed fee adjustments move closer to, but do not completely reach, the adopted policy of 85 percent cost recovery in all cases, due to consideration of neighboring jurisdictions' fees and other policy goals.

**Attachments:**

Ordinance

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE RELATING TO FEES, SPECIFICALLY FEES FOR ENGINEERING APPLICATIONS AND INSPECTIONS, DOCUMENT RECORDING, BUILDING PERMIT INSPECTIONS, AND LAND USE APPLICATION REVIEWS; AND AMENDING SECTIONS 4.04.010, 4.36.010, AND 4.40.010 OF THE OLYMPIA MUNICIPAL CODE.**

**WHEREAS**, property tax limits are creating greater pressure for development review costs to be fee supported;

**WHEREAS**, the Development Fee Revenue Fund was created by the Olympia City Council's adoption of Ordinance No. 6983 to more accurately record the fee-supported portion of the City's costs to provide permit review and inspection services; and

**WHEREAS**, Ordinance No. 6983 also states that the Olympia City Council shall establish a Target Fund Balance and policies for management of the Target Fund Balance for the Development Fee Revenue Fund; and

**WHEREAS**, Resolution No. 1864 established policies to manage the Development Fee Revenue Fund, including a cost recovery target of 85% of City costs to provide review and permit services; and

**WHEREAS**, this creates a need to increase certain fees to more closely align them with the target adopted in Resolution No. 1864 for recovery of the City's cost to provide permit review and inspection services;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:**

**Section 1. Amendment of OMC 4.04.010.** Section 4.04.010 of the Olympia Municipal Code is hereby amended to read as follows:

**4.04.010 Assessment of fees.**

A. Commencing ~~August~~ January 1, 2018 ~~2018~~ 2020, the following fee schedule is in full force and effect.

**Application Type**

**Plan Check Fees**

**Engineering Fee Schedule**

Water Main Extension (For projects outside city limits, fees will increase by 25%) \$452.00 + \$0.50 per linear foot or part thereof

Sewer Main Extension (For projects outside city limits, fees will increase by 25%) \$452.00 + \$0.50 per linear foot or part thereof

Reclaimed Water Main or Service Extension \$452.00 + \$0.50 per linear foot or part thereof

Streets \$452.00 + \$0.50 per linear foot or part thereof

Curb and Sidewalk \$452.00 + \$0.50 per linear foot or part thereof

**Application Type****Plan Check Fees****Engineering Fee Schedule**

Storm On-Site	\$600.00 + \$37.00 per Acre Gross Parcel Area
Storm Pipe	\$452.00 + \$0.50 per linear foot or part thereof
Street Lighting (For projects outside city limits, fees will increase by 25%)	\$452.00 + \$0.50 per linear foot or part thereof
Driveway: Commercial	\$678.00 each
STEP Sewer System: Commercial	\$1,355.00 each
Sewer Pump Station	\$1,355.00 each
On-Site Community Septic System (For projects outside city limits, fees will increase by 25%)	\$1,355.00 each
Traffic Signal	\$1,355.00 each
Solid Waste Pad and/or enclosure	\$350.00
Landscape Plan Review	<del>\$450.00</del> <u>650.00</u>
Resubmittal Fee	50% of plan review fee starting with second resubmittal after the initial application

**Application Type****Permit/Inspection Fees**

Single Family Residential Erosion Control Inspection (up to and including 5,000 sq ft)	\$205.00 each
Single Family Residential Erosion Control Inspection (5,001 to 20,000 sq ft)	\$255.00
Residential Subdivision and Commercial Site fee	
Erosion Control and LID Inspection (based on lot size) (new building sites only)	
5,001 – 20,000 sq ft	\$255.00
20,001 – 40,000 sq ft	\$355.00
40,001 – 220,000 sq ft	\$455.00
Over 220,000 sq ft	\$575.00

\*Note: Subdivision is based on total subdivision until all improvements are accepted by the City, then individual lot fees apply if a permit is being issued for work that disturbs ground or requires LID

Streets and/or Alleys	\$2.30 per linear foot or part thereof
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## Application Type

### Permit/Inspection Fees

Curb and/or sidewalk	\$2.30 per linear foot or part thereof
Sidewalk Fee-in-lieu	City Engineer's estimate of actual cost
Street lighting (For projects outside city limits, fees will increase by 25%)	\$1.60 per linear foot or part thereof
Driveways: Residential	\$158.00 each
Driveways: Commercial	\$788.00 each
Sanitary Sewer Main (For projects outside city limits, fees will increase by 25%)	\$3.10 per linear foot or part thereof plus <del>\$1.00</del> <u>1.50</u> per linear foot for Television Inspection
STEP Sewer System: Residential (For projects outside city limits, fees will increase by 25%)	\$509.00 each
STEP Sewer System: Commercial (For projects outside city limits, fees will increase by 25%)	\$1,019.00 each
Sewer Pump Station	\$1,019.00 each
On-Site Community Septic System (For projects outside city limits, fees will increase by 25%)	\$1,019.00 each
Sewer Lateral Connection at Main	\$368.00 each
Sewer Lateral Connection on Property	\$147.00 each
Storm Sewer Main	\$3.10 per linear foot or part thereof plus <del>\$1.00</del> <u>1.50</u> per linear foot for Television Inspection
Storm On-Site System	\$677.00 each
Water Main (For projects outside city limits, fees will increase by 25%)	\$3.10 per linear foot or part thereof
Water Connection (New)	\$200.00 each
Water Purity Sampling Test (Collected for second and subsequent tests for the same system)	Actual Costs to be Assessed
Water Main Shutdown (collected for second or subsequent request for the same system)	Actual Costs to be Assessed
Reclaimed Water Main or Service Connection	\$3.10 per linear foot or part thereof
Reclaimed Water Connection (new)	\$200.00 each
Reclaimed Water Sampling Test (Collected for second and subsequent tests for the same system)	Actual Costs to be Assessed

**Application Type**

**Permit/Inspection Fees**

Reclaimed Water Main or Service Connection Shutdown (collected for second or subsequent request for the same system)	Actual Costs to be Assessed
Traffic Signal	\$1,575.00 each
Solid Waste Pad and/or enclosure	\$250.00
Landscape	\$375.00
Bicycle Parking	\$125.00
Paving of Parking Lots (including re-paving)	\$0.06 per square foot or part thereof
Right-of-Way Obstruction Permit (No Traffic Control Plan Required)	\$184.00 each
Right-of-Way Obstruction Permit	\$562.00 each
Right-of-Way Obstruction Permit (Traffic Control Plan Required, and on-site signage, cones, or flaggers needed)	
Right-of-Way Excavation/Restoration (Completion Bond Required before Issuance of a Permit equal to 125% value of the work)	\$184.00 each
Right-of-Way Vacation Request	\$1,943.00 each
Latecomer Reimbursement Contract	\$1,943.00 + 5% Administrative Fee (5% of the reimbursement amount shall be deducted by the city for administrative fees each time the city collects a latecomer fee from a property owner within the reimbursement area)
UGA City Utility Availability Authorization	\$175.00 each
Long Term Right-of-Way Use Authorization for Open Right-of-Way Use per Year	\$420.00 per year
Street Closure Permit for Temporary Moving of Structures or Equipment	\$850.00 each
Recording Fees for Bills of Sale, Easements, Deeds	<del>\$80.00</del> <u>103.00</u>
Recording Fees for Stormwater Maintenance Agreements	<del>\$115.00</del> <u>153.00</u>

**Private Utilities**

**Application Type**

**Permit/Inspection Fees**

Private Utility (power, natural overhead, gas, telecommunications, CATV) (New development of systems):

New Short Plat – (2-9 Lots)

Plan Check: \$158.00

Permit Fees: \$26.00

New Long Plat – (10-25 Lots)

Plan Check: \$315.00

Permit Fees: \$53.00 + \$0.20 per linear foot or part thereof

New Long Plat – (26+ Lots)

Plan Check: \$525.00

Permit Fees: \$79.00 + \$0.20 per linear foot or part thereof

New Commercial:

Plan Check: \$315.00

Permit Fees: \$53.00

New R-O-W Utilities (New or Extension)

Plan Check: \$263.00 + \$0.9 per linear foot or part thereof

Permit Fees: \$26.00

Repair/Replace Existing

Plan Check: \$0.00

Permit Fees: \$26.00 + \$0.10 per linear foot or part thereof

New/Replace Pole: \$26.00 per Each

Resubmittal fees starting with second resubmittal after the initial application

50% plan check fees

**Pavement Restoration Fee**

Base Fee

\$25.00 per square foot or part thereof

Year 1 (new pavement)

5X base fee

Year 2

4X base fee

Year 3

3X base fee

Year 4

2X base fee

Year 5

1X base fee

**Application Type**

**Permit/Inspection Fees**

**Tree Protections and Replacement Ordinance Fee Schedule**

Tree Plan Review for New Commercial Development	\$1,575.00 each
Tree Plan Review for New Multi-family Residential Development	\$1,575.00 each
Tree Plan Review for New Subdivisions - 9 lots and less	\$525.00 each
Tree Plan Review for New Subdivisions - 10 lots and more	\$1,575.00 + \$26.00 per lot
Tree Plan Field Inspection for New Commercial Development	\$1,575.00 each
Tree Plan Field Inspection for New Multi-family Residential Development	\$1,575.00 each
Tree Plan Field Inspection for New Subdivisions - 9 lots and less	\$525.00 each
Tree Plan Review for New Subdivisions - 10 lots and more	\$1,575.00 + \$26.00 per lot
Tree Plan Review for Tree Trimming by Private Utility	\$210.00 + \$0.10 per linear foot, or part thereof, of project
Tree Plan Field Inspection for Tree Trimming by Private Utility	\$210.00+\$0.10 per linear foot, or part thereof, of project
Tree Conversion Option Harvest	\$150.00 per acre, or part thereof, to \$3,000.00 maximum
Technology Fee – applicable to all permits and plan review fees	



**Section 2. Amendment of OMC 4.36.010.** Section 4.36.010 of the Olympia Municipal Code is hereby amended to read as follows:

**4.36.010 Building code review and permit fees**

A. The determination of value or valuation under any of the provisions of this code shall be made by the building official based on the valuation data established by the International Code Council under the provisions of building standards valuation data or other supporting data. The value to be used in computing the building and building plan review fees shall be the total of all construction work for which the permit is issued as well as all finish work, painting, roofing, electrical, plumbing, heating, air conditioning, elevators, fire extinguishing systems and other permanent equipment. Single-family and duplex dwellings of wood frame construction having an area of more than 2,500 square feet per unit shall be valued at "good construction" rate. All others will be valued at "average construction" rate. Remodels shall be valued based on the contract price of the project or as determined by the building official.

B. Payment of fees. A permit shall not be valid until the fees prescribed by law have been paid, nor shall an amendment to a permit be released until the additional fee, if any, has been paid.

C. Schedule of permit fees. On buildings, structures, gas, mechanical, and plumbing systems or alterations requiring a permit, a fee for each permit shall be paid as required using the current fee schedule.

D. Plan Review Fees: When submittal documents are required a plan review fee shall be paid at the time of submitting the submittal documents for plan review. The current fee schedule as adopted shall establish said plan review fee. The actual permit fees and related plan review fee shall be determined upon completion of the plan review and the balance owing shall be paid at the time of permit issuance.

The plan review fee shall be a separate fee from the permit fees specified in this section and are in addition to the permit fees.

When submittal documents are incomplete or changed so as to require additional plan review or when the project involves deferred submittal items, an additional plan review fee shall be charged at the rate shown in the current fee schedule.

E. Building permit valuations. The value to be used in computing the building permit and building plan review fees shall be the total value of all construction work for which the permit is issued, as well as all finish work, painting, roofing, electrical, plumbing, heating, air conditioning, elevators, fire extinguishing systems and any other permanent equipment. Contractor's overhead and profit is also included. The Valuation factor will be used in assessing the building permit for installation of Sign and Commercial Landscaping permits (plan review for Signs and Commercial landscaping will be 65% of the permit).

F. Investigation Fees: Work without a Permit.

1. Investigation. Whenever any work for which a permit is required by this code has been commenced without first obtaining said permit, a special investigation shall be made before a permit may be issued for such work.
2. Fee. An investigation fee, in addition to the permit fee, shall be collected whether or not a permit is then or subsequently issued. The investigation fee shall be equal to the amount of the permit fee required by this code. The minimum investigation fee shall be the same as the minimum fee set forth in the currently adopted fee schedule. This fee is an additional, punitive fee and shall not apply to any Grading or Building Permit Fee that may subsequently be issued. Payment of the investigative fee does not vest the illegal work with any legitimacy, nor does it establish any right to a Permit for continued development of that project. If the work done remains illegal for 90 days after service of the Stop Work Order, it shall be considered hazardous and shall be abated per the Olympia Municipal Code.
3. The payment of such investigation fee shall not exempt any person from compliance with all other provisions of this code nor from any penalty prescribed by law.

G. Fee Refunds.

The building official may authorize the refunding of:

1. 100% of any fee erroneously paid or collected.
2. Up to 80% of the permit fee paid when no work has been done under a permit issued in accordance with this code.
3. Up to 80% of the plan review fee paid when an application for a permit for which a plan review fee has been paid is withdrawn or canceled before any plan reviewing is done. The building official shall not authorize refunding of any fee paid except on written application filed by the original permittee not later than 180 days after the date of fee payment.

H. Fee Exempt Permits:

1. Agricultural/deer fences up to eight (8) feet tall

**FEE TABLE -- BUILDING PERMIT FEES**

**Building Permit Fees (based on valuation)**

<b>Total Valuation</b>	<b>Fee</b>
\$1.00 to \$500.00	\$105.00

**FEE TABLE -- BUILDING PERMIT FEES**

**Building Permit Fees (based on valuation)**

<b>Total Valuation</b>	<b>Fee</b>
\$501.00 to \$2,000.00	\$105.00 for the first \$500.00 plus \$5.30 for each additional \$100.00 or fraction thereof, to and including \$2,000.00
\$2,001.00 to \$25,000.00	\$184.50 for the first \$2,000.00 plus \$16.80 for each additional \$1,000.00 or fraction thereof, to and including \$25,000.00
\$25,001.00 to \$50,000.00	\$570.90 for the first \$25,000.00 plus \$12.71 for each additional \$1,000.00 or fraction thereof, to and including \$50,000.00
\$50,001.00 to \$100,000.00	\$888.65 for the first \$50,000.00 plus \$9.45 for each additional \$1,000.00 or fraction thereof, to and including \$100,000.00
\$100,001.00 to \$500,000.00	\$1,361.15 for the first \$100,000.00 plus \$7.98 for each additional \$1,000.00, or fraction thereof, to and including \$500,000.00
\$500,001.00 to \$1,000,000.00	\$4,553.15 for the first \$500,000.00 plus \$7.09 for each additional \$1,000.00 or fraction thereof, to and including \$1,000,000.00
\$1,000,001.00 and up	\$8,098.15 for the first \$1,000,000.00 plus \$5.93 for each additional \$1,000.00 or fraction thereof

**Other Building Inspections and Fees**

Inspections outside of normal business hours	\$125.00 per hour* (minimum charge - two hours)
Reinspection fees	\$125.00 per hour*
Inspections for which no fee is specifically indicated	\$125.00 per hour* (minimum charge - one-half hour)
Additional plan review required by changes, additions or revisions to approved plans	\$125.00 per hour* (minimum charge - one-half hour)
For use of outside consultants for plan checking and inspections, or both	Actual Costs*
Certificate of occupancy inspection not related to building permit and as required by Section 110	\$125.00 per hour* (minimum 2 hours)
Inspections requested on expired permits	\$125.00 per hour* (minimum charge - two hours)

\* Or the total hourly cost to the jurisdiction, whichever is the greatest. This cost shall include supervision, overhead, equipment, hourly wages and fringe benefits of the employees involved.

\*\* Including administrative and overhead costs.

**Other Building Inspections and Fees**

For Stop Work issued (work being done without a permit) \$175 per hour (minimum charge – one hour)

State of Washington State Building Code Council charges \$4.50 on every building permit issued

Temporary Certificate of Occupancy (TCO) ~~\$225.00~~ Application filing fee (nonrefundable):  
Residential (single-family) \$100

Commercial and multi-family residential \$150 (interior remodel)

Commercial and multi-family residential \$500 (new construction and substantial exterior and interior remodel)

**Building Plan Review Fees**

SF Plan Review	68% of building permit fee
Tree removal permit	\$25.00 per tree up to \$250.00 total
Commercial Review	68% of building permit fee
Addition/remodel SF, duplex	68% of building permit fee
Sign Review Fee	\$35.00

**Mobile/Manufactured Housing or Commercial Permit Fees**

*Temporary use (single wide)	\$150.00
*Temporary use (double wide)	\$175.00
Permanent use (single wide)	\$200.00
Permanent use (double wide)	\$225.00
Permanent use (triple wide)	\$250.00
Add-a-room (pre-manufactured addition)	\$150.00
*Temporary commercial use (single)	\$200.00
Permanent commercial use (double)	\$225.00
Permanent commercial use (triple)	\$250.00

Plan check fee of 65% of permit fee will be required for commercial use only.

\*Temporary use is considered 180 unless otherwise approved through written request

**Demolition Permit Fees**

Buildings less than 3,000 sq ft	\$55.00
Buildings between 3,001 and 5,000 sq ft	\$100.00
Buildings between 5,001 and 10,000 sq ft	\$150.00
Buildings greater than 10,000 sq ft	\$200.00
Technology Fee – applicable to all permits and plan review fees	3.9% of permit/plan review

**Electrical Permit and Inspection Fees**

See OMC 4.36.020.

**Mechanical Permit Fees (plus applicable unit fees)**

**Permit Issuance Fee**

For the issuance of each permit	\$105.00
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**Single Family Residential (flat fee no permit issuance fee)**

New SFR Mechanical Heating system including ducts and vents attached thereto (first unit, up to and including 2,500 sq ft)	\$245.00
Additional Unit/s and/or associated ducts and vents attached thereto (over 2,500 sq ft)	\$280.00

**Unit Fee Schedule**

Note: The following includes permit issuance fee.

**Furnaces**

For the installation or relocation of each forced-air or gravity-type furnace or burner, including ducts and vents attached to such appliance	\$55.00
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**Appliance Vents**

For the installation, relocation or replacement of each appliance vent installed and not included in an appliance permit	\$35.00
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**Repairs or Additions**

For the repair of, alteration of, or addition to each heating appliance, refrigeration unit, cooling unit, absorption unit, or each heating, cooling, absorption or evaporative cooling system, including installation of controls regulated by the Mechanical Code	\$55.00
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**Boilers, Compressors and Absorption Systems**

For the installation or relocation of each boiler or compressor	\$95.00
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**Air Handlers**

For each air-handling unit to and including 10,000 cubic feet per minute (4,720 L/s), including ducts attached thereto \$55.00

Note: This fee does not apply to an air-handling unit which is a portion of a factory assembled appliance, cooling unit, evaporative cooler or absorption unit for which a permit is required elsewhere in the Mechanical Code.

For each air-handling unit exceeding 10,000 cubic feet per minute (4,720 L/s) \$55.00

**Evaporative Coolers**

For each evaporative cooler other than portable type \$55.00

**Ventilation and Exhaust**

For each ventilation fan connected to a single duct \$35.00

For each ventilation system which is not a portion of heating or air conditioning system authorized by a permit \$35.00

For the installation of each hood which is served by mechanical exhaust, including the ducts for such hood \$35.00

**Wood or Gas Stove Insert including vent** \$65.00

**Incinerators** \$125.00

**Miscellaneous**

For each appliance or piece of equipment regulated by the Mechanical Code but not classed in other appliance categories, or for which no other fee is listed in the code \$35.00

Permit fees for fuel-gas piping shall be as follows:

Single gas pipe repair or connection including flexible connector for up to the first 5 connections \$35.00

Multiple gas pipe repair or connections including flexible gas connectors for 6 or more connections, additional fee of \$2.50 ea

**Other Inspections and Fees**

Inspections outside of normal business hours, \*per hour (minimum charge - two hours) \$175.00\*

Reinspection fees \$175.00\*

Inspection for which no fee is specifically indicated, per hour (minimum charge - one-half hour) \$175.00\*

Additional plan review required by changes, additions or revisions to plans or to plans for which an initial review has been completed (minimum charge - one-half hour)	\$175.00*
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For use of outside consultants for plan checking and inspections, or both.	Actual Cost
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For Stop Work issued (work being done without a	\$175 per hour (minimum charge – one hour)
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\* Or the total hourly cost to the jurisdiction, whichever is greatest. This cost shall include supervision, overhead, equipment, hourly wages and fringe benefits of the employees involved.

**Plumbing Permit Fees**

Permit Issuance

For issuing each permit	\$105.00
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**Single Family Residential (flat fee no permit issuance fee)**

New SFR Plumbing system (up to 3 bathrooms, one kitchen, over 3/1 use unit schedule for additional fixtures)	\$245.00
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**Swimming Pools\***

For each in-ground swimming pool or spa	\$125.00 (fencing requirements apply)
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For each above ground swimming pool over 5000 gallons	\$62.50 (fencing requirements apply)
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\*All pools over 24 inches in depth require approved fencing

Plumbing Permits for New Single Family Residential	\$225.00
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**Unit Fee Schedule**

Note: The following requires a permit issuance fee in addition to unit fees

Gas Piping System

Single gas pipe repair or connection including flexible gas connector for up to the first 5 connections	\$35.00
Multiple gas pipe repair or connections including flexible gas connectors for 6 or more connections, additional fee of	\$2.50 ea
For each plumbing fixture on one trap or a set of fixtures on one trap (including water, drainage piping and backflow protection)	\$15.00
For each building sewer and each trailer park sewer	\$35.00
Rainwater systems - per drain (inside building)	\$10.00
For each private sewage disposal system/grinder pump (when allowed)	\$75.00
For each water heater and/or vent	\$25.00
For each industrial waste pretreatment interceptor including its trap and vent, except kitchen-type grease interceptors functioning as fixture trap	\$21.00
For each installation, alteration or repair of water piping and/or water treating equipment, each	\$20.00
For each repair or alteration of drainage or vent piping, each fixture	\$20.00
For each lawn sprinkler system on any one meter including backflow protection devices therefor	\$35.00
For atmospheric-type vacuum breakers not included in lawn sprinkler system	\$35.00

**Other Inspections and Fees**

Inspections outside of normal business hours, per hour (minimum charge - two hours)	\$125.00*
Reinspection fees	\$125.00*
Inspection for which no fee is specifically indicated	\$125.00*



**Other Inspections and Fees**

Additional plan review required by changes, additions or revisions to approved plans, per hour (minimum charge - one hour)	\$175.00*
For the use of outside consultants for plan checking and/or inspections	*Actual Costs
For Stop Work being issued (work being done without permit)	\$175.00

**Grading Plan Permit Fees**

\$250.00 base fee plus \$.01 per cubic yard

**Other Inspections and Fees**

Inspections outside of normal business hours, per hour (minimum charge - two hours)	\$175.00*
Reinspection fees	\$175.00*
Inspection for which no fee is specifically indicated, per hour (minimum charge one-half hour)	\$175.00*

\*Or the total hourly cost to the jurisdiction, whichever is greatest. This cost shall include supervision, overhead, equipment, hourly wages and fringe benefits of the employees involved.

**Grading Plan Review Fees**

65% of the permit fee

**Other Fees**

Additional plan review required by changes, additions or revisions to approved plans, per hour (minimum charge - one-half hour)	\$175.00*
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\* Or the total hourly cost to the jurisdiction, whichever is greatest. This cost shall include supervision, overhead, equipment, hourly wages and fringe benefits of the employees involved.

**Section 3. Amendment of OMC 4.40.010.** Section 4.40.010 of the Olympia Municipal Code is hereby amended to read as follows:

**4.40.010 Land use application review fees**

A. Commencing January 1, 2013~~20~~, the following fee schedule is in full force and effect.

<b>Certifications and Appealable Letters</b>	<b>Land Use and Planning Applications<sup>1</sup></b>
Independent Confirmation of Critical Areas Report	\$650 plus any consultant costs
Wetland Report prepared by City staff	\$800 plus any consultant costs
Zoning, Occupancy Status, Flood Hazard, and other staff confirmations	\$200
Staff-Researched Letter, Shoreline Permit Exemption, Discretionary Time Extension, or Appealable Opinion <sup>2</sup>	\$360 plus any consultant costs
<b>Actions Independent of Development Review</b>	
Presubmission Conference	\$240
SEPA Review (only)	\$480
Variance (staff level)	\$300
Variance and/or Reasonable Use Exception (by Examiner)	<del>\$480</del> <u>\$850</u> + \$1,000 Hearing Examiner deposit <sup>5</sup>
<b>Code and Plan Amendments</b>	
Comprehensive Plan Amendment (post-screening without rezone)	<del>\$320</del> <u>\$2,500</u>
Shoreline Program	\$3,200
Original Master Plan (Villages & Centers) (See OMC Chapter 18.05)	\$3,200 + \$ 140 per acre or part thereof + \$2,500 Hearing Examiner deposit <sup>5</sup>
Master Plan Revision	\$1,600 + \$1,500 Hearing Examiner deposit <sup>5</sup>
Development Agreement	\$3,200 + \$2,000 Hearing Examiner deposit if referred to examiners <sup>5</sup>
Zoning and Development Code Maps or Text	\$3,200 + if a site-specific rezone, a \$1,500 Hearing Examiner deposit <sup>5</sup>
<b>Annexations</b>	
Notice of Intent to Annex	\$320
Petition to Annex	\$2,880

**Temporary Uses**

Temporary Use Permit for three or less consecutive days \$50

Temporary Uses for four or more consecutive days \$200

**Subdivision Actions**

Lot Consolidation \$360

Boundary Line Adjustment \$320 plus \$160 per boundary line

Preliminary Short or Large-Lot Plat \$600 + \$ 300 per lot

Final Short or Large-lot Plat \$600

Preliminary Full (ten or more lots) Plat \$ 3,600+ \$ 600 per acre, or part thereof + \$2,500 Hearing Examiner deposit<sup>5</sup>

Final Full (ten or more lots) Plat<sup>3</sup> \$2,600

Binding Site Plan Any land use review fee; plus sum equivalent to platting fee - latter reduced by 1/2 if concurrent with initial development

Improvements deferral review by Examiner (OMC 17.44.020(E)) \$1,800+ \$2,000 Hearing Examiner deposit<sup>5</sup>

**Land Use (Site Plan) Review<sup>3</sup>**

No new structure to 5,000 square feet new gross floor area \$2,600

5,001 to 8,000 square feet of new gross floor area \$4,700

8,001 to 16,000 square feet of new gross floor area \$6,800

16,000 to 24,000 square feet of new gross floor area \$9,200

24,001 or more square feet of new gross floor area \$11,500

Wireless Communication Facility \$3,700, plus any consultant costs of City

**Supplemental Actions**

Traffic modeling or distribution by City staff No charge, except any consultant fees

Additional SEPA Review (WAC 197-11-335) No charge, except any consultant fees

Environmental Impact Statement \$3,200+ preparation at contract rate to be determined

Design Concept Review --Board Level \$900

Design Details Review-- Board Level \$900

Design Review--Staff Level	\$240
Sign (Design) Review	\$55 per sign to \$330 maximum per occupancy
Examiner Review--Project Subject to SEPA	\$1,200 + \$2,000 Hearing Examiner deposit <sup>5</sup>
Wireless Communication Facility -- Subject to SEPA	\$4,600+ \$2,000 Hearing Examiner deposit <sup>5</sup> plus any consultant costs of City
Examiner Review--Project SEPA Exempt	\$900 + \$750 Hearing Examiner deposit <sup>5</sup>
Wireless Communication Facility -- SEPA Exempt	\$3,700 + \$750 Hearing Examiner deposit <sup>5</sup> plus any consultant costs of City
Modification of an approved application	50% of standard fee plus any Examiner deposit
Consolidated Review (RCW 36.70B.120) <sup>4</sup>	\$5,000
Impact Fee Appeal to Examiner	\$1,000 + \$500 Hearing Examiner deposit <sup>5</sup>
Other Appeal to Examiner	\$1,000
Appeals to Council (only if authorized)	\$500
Request for Reconsideration or Clarification by Examiner (OMC 18.75.060 and 070)	\$240 + \$500 Hearing Examiner deposit <sup>5</sup>

**Historic Rehabilitation Tax Exemption**

Commercial	\$880
Residential	\$260
Technology Fee – applicable to all planning applications	3.9% of planning fee

NOTES:

1. Additional fees may be applicable, including tree plan and engineering fees.
2. Staff certification or researched letter fees, and need for third-party consultation are at the discretion of the Planning Manager.
3. There is no extra charge for Planned Residential Development Approval.
4. The Consolidated Review Fee is an additional fee that applies to requests to merge review of preliminary development applications with construction permit applications, such as land use review and engineering permits.
5. Where Examiner deposit is required, applicant is responsible and required to pay actual Hearing Examiner costs, which may be higher or lower than the deposit amount.

**Section 4. Corrections.** The City Clerk and codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance, including the correction of scrivener/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

**Section 5. Severability.** The provisions of this ordinance are declared separate and severable. If any provisions of this ordinance or its application to any person or circumstances is held invalid, the remainder of this ordinance or application of the provision to other persons or circumstances, is unaffected.

**Section 6. Ratification.** Any act consistent with the authority and prior to the effective date of this ordinance is hereby ratified and affirmed.

**Section 7. Effective Date.** This ordinance takes effect January 1, 2020.

\_\_\_\_\_  
MAYOR

**ATTEST:**

\_\_\_\_\_  
CITY CLERK

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
DEPUTY CITY ATTORNEY

**PASSED:**

**APPROVED:**

**PUBLISHED:**



## City Council

### Approval of an Ordinance Amending Transportation Impact Fees

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 4.O  
**File Number:** 19-1093

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**Type:** ordinance **Version:** 1 **Status:** 1st Reading-Consent

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**Title**

Approval of an Ordinance Amending Transportation Impact Fees

**Recommended Action**

**Committee Recommendation:**

Not referred to a committee.

**City Manager Recommendation:**

Move to approve the ordinance amending Transportation Impact Fees on first reading and forward to second reading.

**Report**

**Issue:**

Whether to adopt an ordinance amending Transportation Impact Fees.

**Staff Contact:**

David Smith, P.E., Transportation Project Engineer, Public Works Department, 360.753.8496

**Presenter(s):**

None - Consent Calendar Item.

**Background and Analysis:**

The City charges developers a Transportation Impact Fee to offset the impact of new development on the transportation system. Transportation Impact Fees fund future transportation capital improvement projects. The cost is calculated based on the type of land use and the projected number of afternoon, peak-hour vehicle trips generated by the development.

On an annual basis, staff adjusts project costs to remain current with the cost of labor, construction materials, and real property. Staff makes updates to the Transportation Impact Fee Rate Study approximately every three-five years. The last update was in 2016.

Attached are the proposed amendments to the Transportation Impact Fee Ordinance.

**Neighborhood/Community Interests (if known):**

Public Hearings for the Capital Facilities Plan were held on October 29 and November 19, 2019. The City Council did not receive any comments during these public hearings concerning the increase in Transportation Impact Fees.

**Options:**

1. Approve the ordinance amending Transportation Impact Fees on first reading and forward to second reading. Project costs will remain current with the cost of labor, construction materials, and real property.
2. Approve the ordinance with changes to some of the proposed Transportation Impact Fee rates. Staff will incorporate any changes recommended by Council in the ordinance for second reading.
3. Do not approve the ordinance amending Transportation Impact Fees.

**Financial Impact:**

The Transportation Impact Fee will increase from \$2,782 to \$2,787 per new vehicle trip

**Attachments:**

Ordinance  
Cost Distribution

Ordinance No. \_\_\_\_\_

**AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON AMENDING TRANSPORTATION IMPACT FEES, AND AMENDING SECTION 15.16.040 OF THE OLYMPIA MUNICIPAL CODE.**

**WHEREAS**, RCW 82.02.050 - .090 authorizes the City of Olympia to adopt an ordinance imposing impact fees; and

**WHEREAS**, in Ordinance Nos. 5490 and 6164, the City of Olympia did adopt such impact fees, to include "Transportation Impact Fees"; and

**WHEREAS**, the City Council has called for an annual review of impact fees, concurrent with the annual review of the Capital Facilities Plan (CFP) element of the City's Comprehensive Plan, to consider adjustments to the fees; and

**WHEREAS**, following said review of the 2020-2025 CFP, the Olympia City Council desires to amend Transportation Impact Fees to account for projects fully funded, completed, removed, costs of labor, construction materials, and real property; and

**WHEREAS**, this Ordinance is adopted pursuant to Article 11, Section 11, of the Washington Constitution; and

**WHEREAS**, this Ordinance is supported by the staff report, attachments, and documents on file with the Department of Public Works;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:**

**Section 1. Amendment of OMC 15.16.040. Olympia Municipal Code Section 15.16.040 is hereby amended to read as follows:**

**15.16.040 Schedule D, Transportation Impact Fees**

**SCHEDULE D  
TRANSPORTATION IMPACT FEE RATE SCHEDULE  
Effective January 1, ~~2019~~2020**

<b>Land Uses</b>	<b>Unit of Measure</b>	<b>Rate</b>
<b>Cost per New Trip Generated:</b>		<del>\$2,782</del> \$2,787
<i>Residential</i>		
Single Family (Detached), Townhouse & Manufactured Home	dwelling	<del>\$3,213</del> \$3,219



**SCHEDULE D  
TRANSPORTATION IMPACT FEE RATE SCHEDULE  
Effective January 1, 20192020**

Land Uses	Unit of Measure	Rate
Multi Family, Duplex, Triplex, Fourplex, Cottage Housing & Courtyard Apartment	dwelling	<del>-\$1,921</del> <u>\$1,925</u>
Apartment (3 to 10 levels) includes Studio	dwelling	<del>\$1,510</del> <u>\$1,512</u>
Senior Housing, Accessory Dwelling & Single-Room Occupancy	dwelling	<del>\$727</del> <u>\$ 728</u>
Mobile Home	dwelling	<del>\$1,493</del> <u>\$1,496</u>
<i>Commercial – Services</i>		
Bank	sq ft / GFA	<del>\$21.97</del> <u>\$22.01</u>
Day Care	sq ft / GFA	<del>\$22.89</del> <u>\$22.93</u>
Hotel/Motel	room	<del>\$2,226</del> <u>\$2,230</u>
Service Station <sup>1</sup>	fueling position	<del>\$9,371</del> <u>\$9,388</u>
Quick Lubrication Vehicle Shop	servicing positions	<del>\$5,727</del> <u>\$5,738</u>
Automobile Care Center	sq ft / GLA	<del>-\$4.76</del> <u>\$4.77</u>
Movie Theater	seat	\$127
Health Club	sq ft / GFA	<del>-\$7.61</del> <u>\$7.62</u>
Marina	berth	\$492
<i>Institutional</i>		
Elementary /Jr. High/ High School	student	\$193
University/College	student	\$426
Church	sq ft / GFA	\$1.89
Hospital	sq ft / GFA	<del>-\$3.45</del> <u>\$3.46</u>
Assisted Living, Nursing Home, Group Home	bed	<del>-\$571</del> <u>\$572</u>
<i>Industrial</i>		
Light Industry/Manufacturing/Industrial Park	sq ft / GFA	<del>-\$4.02</del> <u>\$4.03</u>
Warehousing/Storage	sq ft / GFA	<del>\$1.51</del> <u>\$1.52</u>

**SCHEDULE D  
TRANSPORTATION IMPACT FEE RATE SCHEDULE  
Effective January 1, 20192020**

Land Uses	Unit of Measure	Rate
Mini Warehouse	sq ft / GFA	\$1.23
<i>Restaurant</i>		
Restaurant	sq ft / GFA	<del>-\$13.22</del> <u>\$13.25</u>
Fast Food Restaurant	sq ft / GFA	<del>\$30.28</del> <u>\$30.33</u>
Coffee/Donut Shop with Drive-Through Window	sq ft / GFA	<del>\$25.80</del> <u>\$25.84</u>
Coffee/Donut Shop with Drive-Through Window and No Indoor Seating	sq ft / GFA	<del>-\$9.95</del> <u>\$9.96</u>
<i>Commercial – Retail</i>		
Retail Shopping Center:		
up to 49,999	sq ft / GLA	<del>-\$5.71</del> <u>\$5.72</u>
50,000-99,999	sq ft / GLA	<del>\$5.04</del> <u>\$5.05</u>
100,000-199,999	sq ft / GLA	<del>\$4.96</del> <u>\$4.97</u>
200,000-299,999	sq ft / GLA	<del>\$4.54</del> <u>\$4.55</u>
300,000-399,999	sq ft / GLA	<del>-\$5.40</del> <u>\$5.41</u>
over 400,000	sq ft / GLA	<del>-\$6.09</del> <u>\$6.10</u>
Supermarket > 5,000 SF	sq ft / GFA	<del>\$11.82</del> <u>\$11.84</u>
Convenience Market < 5,000 SF	sq ft / GFA	<del>\$30.96</del> <u>\$31.01</u>
Furniture Store	sq ft / GFA	\$0.33
Car Sales - New/Used	sq ft / GFA	<del>\$8.94</del> <u>\$8.96</u>
Nursery/Garden Center	sq ft / GFA	<del>-\$9.46</del> <u>\$9.48</u>
Pharmacy/Drugstore	sq ft / GFA	<del>\$6.22</del> <u>\$6.24</u>
Hardware/Building Materials Store < 25,000 SF	sq ft / GFA	<del>-\$5.25</del> <u>\$5.26</u>
Discount Merchandise Store (Free Standing)	sq ft / GFA	<del>\$5.79</del> <u>\$5.80</u>
Video Rental	sq ft / GFA	<del>\$9.65</del> <u>\$9.67</u>
Home Improvement Superstore > 25,000 SF	sq ft / GFA	<del>-\$2.63</del> <u>\$2.64</u>

**SCHEDULE D  
TRANSPORTATION IMPACT FEE RATE SCHEDULE  
Effective January 1, 20192020**

Land Uses	Unit of Measure	Rate
Miscellaneous Retail	sq ft / GLA	<del>-\$5.45</del> <u>\$5.46</u>
<i>Commercial – Office</i>		
Administrative Office:		
0-99,999	sq ft / GFA	<del>-\$11.45</del> <u>\$11.47</u>
100,000-199,999	sq ft / GFA	<del>-\$6.98</del> <u>\$6.99</u>
200,000-299,999	sq ft / GFA	<del>-\$6.09</del> <u>\$6.10</u>
over 300,000	sq ft / GFA	<del>\$5.70</del> <u>\$5.71</u>
Medical Office/Clinic	sq ft / GFA	<del>\$11.92</del> <u>\$11.94</u>
<i>Downtown<sup>2</sup> Fees</i>		
Apartment includes All Multi Family Uses, Townhouse, & Studio	dwelling	<del>-\$901</del> <u>\$902</u>
Senior Housing, Accessory Dwelling & Single Room Occupancy	dwelling	<del>\$434</del> <u>\$435</u>
Assisted Living, Nursing Home, Group Home	bed	\$341
Hotel/Motel	room	<del>-\$1,328</del> <u>\$1,330</u>
Movie Theater	seat	\$82
Marina	berth	<del>-\$293</del> <u>\$294</u>
Downtown Services/Retail <sup>3</sup>	sq ft / GLA	<del>\$3.59</del> <u>\$3.60</u>
Administrative Office:		
0-99,999	sq ft / GFA	<del>\$7.91</del> <u>\$7.92</u>
100,000-199,999	sq ft / GFA	<del>\$4.82</del> <u>\$4.83</u>
200,000-299,999	sq ft / GFA	<del>\$4.20</del> <u>\$4.21</u>
over 300,000	sq ft / GFA	<del>\$3.94</del> <u>\$3.95</u>
Medical Office/Clinic	sq ft / GFA	<del>-\$8.23</del> <u>\$8.25</u>
Industrial Park	sq ft / GFA	\$2.78
Warehousing/Storage	sq ft / GFA	\$1.05
Mini Warehouse	sq ft / GFA	\$0.85

Notes: For uses with Unit of Measure in "sq ft / GFA" or "sq ft/GLA", impact fee is dollars per square foot.

- 1) Service Station can include Mini Mart (less than or equal to 2,500 square feet) and/ or Car Wash. Mini Mart greater than 2,500 square feet is calculated separately.
- 2) Downtown: As defined in Olympia Municipal Code 15.04.020.O.
- 3) Downtown Services/Retail includes Retail Stores, Restaurants, Supermarkets, Convenience Markets, Video Rentals, Banks, Health Clubs, Day Cares, and Libraries.

**Section 2. Corrections.** The City Clerk and codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance, including the correction of scrivener/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

**Section 3. Severability.** If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of the Ordinance or application of the provisions to other persons or circumstances shall remain unaffected.

**Section 4. Ratification.** Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

**Section 5. Effective Date.** This Ordinance shall take effect January 1, 2020, after its passage by the Olympia City Council and publication, as provided by law.

\_\_\_\_\_  
MAYOR

**ATTEST:**

\_\_\_\_\_  
CITY CLERK

**APPROVED AS TO FORM:**



\_\_\_\_\_  
CITY ATTORNEY

**PASSED:**

**APPROVED:**

**PUBLISHED:**

## Transportation Impact Fee Cost Distribution

PROJECT/STREET	A1	A15	A18	A19	A20
	COST	Total Funds Appropriated or Assigned through May 7, 2018	Not Debt Financed	Payment Schedule for Horizon Year Debt Based on Bond Issuance	Total Funds Needed for Horizon Year A18+ A19
Fones Road - 18th Avenue to Pacific	\$15,340,000	\$145,974	\$15,194,026	\$0	\$15,194,026
Henderson Boulevard & Eskridge Boulevard Intersection Improvements	\$1,060,000	\$132,083	\$927,917	\$0	\$927,917
Wiggins Road & 37th Avenue Intersection Improvements	\$764,000	\$253,817	\$510,183	\$0	\$510,183
Cain Road & North Street Intersection Improvements	\$465,000	\$20,387	\$444,613	\$0	\$444,613
US 101/West Olympia Access Project - Design, Environmental Permits and Mitigation, and ROW	\$6,953,000	\$692	\$6,952,308	\$0	\$6,952,308
Debt Service	\$2,616,075	\$0		\$2,616,075	\$2,616,075
	\$0	\$0			\$0
<b>Total</b>	<b>\$27,198,075</b>	<b>\$552,953</b>	<b>\$24,029,047</b>	<b>\$2,616,075</b>	<b>\$26,645,122</b>

Percent of new project traffic due to growth within City of Olympia and UGA	64.8000000%
Project Costs Allowable for Impact Fees	\$17,266,039
New PM Peak Hour Trips	6,241
Cost Per Trip without Administration Fee	\$2,767
Administration Fee	\$20
Cost Per Trip with Administration Fee	\$2,787





## City Council

# Approval of an Ordinance Amending Olympia Municipal Code Related to Storm and Surface Water Management

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 4.P  
**File Number:** 19-1123

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**Type:** decision   **Version:** 1   **Status:** 1st Reading-Consent

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### Title

Approval of an Ordinance Amending Olympia Municipal Code Related to Storm and Surface Water Management

### Recommended Action

#### Committee Recommendation:

On November 20, 2019, the Finance Committee reviewed and discussed the financial implications of exempting roadways from storm and surface water charges, in combination with elimination of Storm and Surface Water Utility funding of sidewalks and pathways projects in the Capital Facilities Plan. The Finance Committee recommended staff forward this item to Council for approval.

#### City Manager Recommendation:

Move to approve the ordinance amending Olympia Municipal Code Chapter 13.16 regarding storm and surface water regulations on first reading and forward to second reading.

### Report

#### Issue:

Whether to approve an ordinance amending storm and surface water regulations.

#### Staff Contact:

Eric Christensen, Water Resources Director, Public Works, 360.570-3741

#### Presenter(s):

None - Consent Calendar Item.

#### Background and Analysis:

Storm and Surface Water Utility staff have reviewed codes relevant to their operations and are proposing revisions. The revisions take into account policies and strategies identified in the City of Olympia Storm and Surface Water Plan (2018).

The majority of the proposed revisions correct inconsistencies in terms. Specific substantial changes to the chapter include:

- Establishing the Storm and Surface Water Utility's purpose and obligations under the Western Washington Phase II Municipal Stormwater Permit (MS4 permit);
- Making definitions and regulations regarding prohibited discharges and illicit discharges consistent with requirements of the MS4 permit;
- Making explicit that all properties pay storm and surface water utility rates with the only exemptions being undeveloped properties, City streets, Washington State Department of Transportation (WSDOT) highways and private streets;
- Making explicit the two components (stormwater and water quality) of the storm and surface water general facility charge and when they are each applicable;
- Clarifying the process for a commercial property to apply for a lower rate category;
- With the owner or occupant's consent, establishing right of entry for City staff to inspect and repair stormwater facilities; and
- Consistent with the MS4 permit, requiring property owners to inspect and maintain stormwater facilities to function as they were designed.

**Neighborhood/Community Interests (if known):**

The proposed revisions will help the Utility maintain compliance with the MS4 permit ordinance and are consistent with the Utility's mission to reduce flooding, improve water quality and protect and enhance aquatic habitat in Olympia.

**Options:**

1. Approve the ordinance amending Olympia Municipal Code Chapter 13.16 regarding storm and surface water regulations on first reading and forward to second reading.
2. Advise staff to revise the ordinance before approval. This incorporates Council input while still correcting code deficiencies and inconsistencies.
3. Do not approve the ordinance. This option would not correct identified code deficiencies and inconsistencies.

**Financial Impact:**

Exempting City streets and WSDOT highways will reduce the Storm and Surface Water Utility annual revenue by a net value of \$130,000. The Utility has resources above reserves to manage this revenue reduction.

**Attachment:**

Ordinance

Ordinance No. \_\_\_\_\_

**AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, AMENDING CHAPTER 13.16 OF THE OLYMPIA MUNICIPAL CODE RELATED TO THE STORM AND SURFACE WATER UTILITY.**

**WHEREAS**, the City of Olympia owns and operates a municipal separate storm sewer system (MS4); and

**WHEREAS**, the City is covered under a Western Washington Phase II Municipal Stormwater Permit (Permit) administered by the state of Washington Department of Ecology; and

**WHEREAS**, the Permit requires that the City implement an ordinance or other regulatory mechanism including escalating enforcement procedures and actions to effectively prohibit non-stormwater, illicit discharges into the City's MS4; and

**WHEREAS**, the Permit requires that the City implement an ordinance or other enforceable mechanism that addresses runoff from new development, redevelopment, and construction site projects; and

**WHEREAS**, the Permit requires that the City implement an ordinance or other enforceable mechanism that clearly identifies the party responsible for maintenance, requires inspection of facilities, and establishes enforcement procedures to provide for adequate long-term operation and maintenance of stormwater treatment and flow control facilities; and

**WHEREAS**, this Ordinance is consistent with the City of Olympia Comprehensive Plan policy to require prevention and treatment practices for businesses and land uses that have the potential to contaminate stormwater; and

**WHEREAS**, this Ordinance is consistent with the City of Olympia Comprehensive Plan policy to improve programs and management strategies designed to prevent and reduce contamination of street runoff and other sources of stormwater; and

**WHEREAS**, this Ordinance is consistent with the City of Olympia Comprehensive Plan policy to inspect private and public stormwater systems to identify required maintenance and repairs; and

**WHEREAS**, this Ordinance meets the goals and requirements of the Growth Management Act; and

**WHEREAS**, RCW Chapters 35A.63 and 36.70A and Article 11, Section 11 of the Washington State Constitution authorize and permit the City to adopt this Ordinance;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:**

**Section 1. Amendment of OMC 13.16.** Olympia Municipal Code Chapter 13.16 is hereby amended to read as follows:



## Chapter 13.16 STORM AND SURFACE WATER UTILITY MANAGEMENT

### 13.16.000 Chapter Contents

#### Sections:

- 13.16.005 Purpose.
- 13.16.007 Stormwater Management Program.
- 13.16.010 Definitions.
- 13.16.017 Drainage ~~d~~Design and ~~e~~Erosion ~~e~~Control ~~m~~Manual – Adopted.
- 13.16.018 Drainage Design and Erosion Control mManual – Provisions to prevail in event of conflict.
- 13.16.020 Permit required.
- 13.16.030 ~~Nonpermitted~~Prohibited uses of the storm drainage system.
- 13.16.040 ~~Connection~~Discharge or connection to the storm drainage system.
- 13.16.050 ~~Charges for use of the storm drainage system~~Storm drainage service charges.
- 13.16.060 Provision of abutting storm drainage system facilities.
- 13.16.070 Payment for connection to the ~~storm drainage system~~ MS4.
- 13.16.080 ~~Storm drainage system~~Stormwater general facilities charges.
- 13.16.090 ~~Credit for additional~~Reduction in storm drainage detention/retention-service charge for impervious surface, flow control or water quality-stormwater treatment.
- 13.16.120 Billing date.
- 13.16.130 Adjustment of charges and appeals.
- 13.16.140 ~~Collection of~~Lien for delinquent charges.
- 13.16.150 Right of entry for inspection, code enforcement, and repair.
- 13.16.160 Authority to maintain, operate, maintain-regulate and modify-control the utility.
- 13.16.170 Stormwater facility maintenance.
- 13.16.180 Enforcement – Civil and Criminal Penalties – Public Nuisance.

#### **13.16.005 Purpose**

Stormwater runoff poses a potential hazard to the health, safety, and welfare of the residents of Olympia, their property, and the environment. The purpose of the City of Olympia’s Storm and Surface Water Utility is to protect public and environmental health by collecting stormwater runoff and either infiltrating or conveying it to streams, rivers, and Puget Sound with the aim of reducing the frequency and severity of flooding, improving water quality, and protecting, enhancing, and restoring aquatic habitat. The Storm and Surface Water Utility operates a municipal separate storm sewer system that is regulated under the federal Clean Water Act, 33 U.S.C. §1251 et seq. and the state Water Pollution Control Act, RCW 90.48. As required by those laws, the city holds coverage under the Western Washington Phase II Municipal Stormwater Permit (MS4 Permit). The Storm and Surface Water Utility also conducts a number of programs and activities required by the MS4 Permit, including a Stormwater Management Program. The purpose of this chapter is to regulate and control stormwater runoff and to ensure compliance with the MS4 Permit, including the Stormwater Management Program. Storm drainage service charges are assessed to fund the work of the Utility, including the operation, maintenance, and improvement of the MS4, and the Stormwater Management Program.

### **13.16.007 Stormwater Management Program**

The Director of Public Works, or the Director of Public Works' designee, is authorized and directed to prepare a Stormwater Management Program Plan, in accordance with the MS4 Permit. The Stormwater Management Program Plan provides a set of actions and activities designed to reduce the discharge of pollutants from the MS4 to the maximum extent practicable, and comprising the components required by the MS4 Permit, and any additional actions necessary to meet the requirements of applicable Total Maximum Daily Load requirements. A copy of the Stormwater Management Program Plan shall be kept on file in the offices of the City Clerk and the Public Works Department and made available on the City's website.

### **13.16.010 Definitions**

The following words, when used herein, shall have the following meanings unless the context clearly indicates otherwise:

A. "Best management practice" means a schedule of activities, prohibition of practices, maintenance procedure, managerial practice, or structural features that when used singly or in combination prevents or reduces the release of pollutants and other adverse impacts to waters of Washington State.

AB. "Billing unit" means the same as "equivalent residential unit", two thousand five hundred twenty-eight feet of impervious surface development on a parcel.

BC. "Combined sewer" means a system that collects sanitary sewage and stormwater in a single sewer system.

CD. "Conveyance" means any catch basin, pipe, culvert, curb, gutter, ditch, humanmadeswale, human-made channel, storm drain, or road with a Storm Drainage System that conveys or collects stormwater.

DE. "Developed parcel" means, with respect to a parcel, any parcel which has been altered from a natural state with or without a permit from the city. This includes clearing, grading or filling, whether or not that work accompanies excavation and construction.

EF. "Drainage Design and Erosion Control Manual," or "the Manual" means the 2016 Edition of the Olympia Drainage Design and Erosion Control Manual, as the same may be amended from time to time document adopted in Section 13.16.017.

FG. "Duplex parcel" means a parcel which has been developed and constructed for the purpose of providing habitat for two-family dwelling units on a single property parcel and has been and continues to be used solely for that purpose.

H. "Flow control" means a facility designed to mitigate the impacts of increased stormwater runoff flow rates generated by development. Flow control facilities are best management practices specified in Volume III of the Manual that are engineered to meet the flow control standards of Core Requirement #7 specified in Volume I of the Manual.

GI. "Illicit connection" means any humanmadehuman-made conveyance that is connected to a municipal separate storm sewer without a permit, excluding roof drains and other similar type connections. Examples

include but are not limited to sanitary sewer connections, floor drains, channels, pipelines, conduits, inlets, or outlets that are connected directly to the municipal separate storm sewer system.

~~H~~J. "Illicit discharge" means any direct or indirect non-stormwater discharge to the city's storm ~~drain~~drainage system, except as expressly allowed by this chapter.

~~I~~K. "Impervious surface" means a non-vegetated surface area which (1) either prevents or retards the entry of water into the soil mantle as under natural conditions prior to development. ~~A non-vegetated surface area which, or (2)~~ causes water to run off the surface in greater quantities or at an increased rate of flow from the flow present under natural conditions prior to development. Common impervious surfaces include, but are not limited to, roof tops, walkways, patios, driveways, parking lots or storage areas, concrete or asphalt paving, gravel roads and parking areas, packed earthen materials, and oiled, macadam or other surfaces which similarly impede the natural infiltration of stormwater.

~~J~~L. "Municipal separate storm sewer system" or "MS4" means a conveyance or system of conveyances: (including roads with drainage systems, municipal streets, catch basins, curbs, gutters, ditches, manmade channels, or storm drains):

- a. Owned or operated by the City; and
- b. Designed or used for collecting or conveying stormwater.

~~A~~The municipal separate storm sewer system does not include combined sewers or a publicly owned treatment works used in treatment of municipal sewage or industrial wastes of a liquid nature.

M. "MS4 Permit" means the National Pollutant Discharge Elimination System and State Waste Discharge General Permit, commonly known as the Western Washington Phase II Municipal Stormwater Permit, issued by the Department of Ecology and periodically re-issued.

~~K~~N. "Nonresidential parcel" means a parcel which has been developed for any purpose other than a single-family dwelling unit or duplex and includes, among others, all multifamily apartments and condominiums with three or more units and all property owned by governmental and nonprofit entities.

~~L~~O. "Non-stormwater discharge" means any discharge, to atthe storm ~~drain~~drainage system; that is not composed entirely of stormwater.

~~P~~. "Owner" has the meaning given in OMC 1.04.010.K. In addition, for purposes of this chapter, "owner" includes a person that controls a parcel on behalf of a parcel's owner.

~~M~~Q. "Parcel" means any area of land within the city/City of Olympia which is deemed a distinct property as identified by the county assessor, whether or not the parcel is considered taxable.

~~N~~. "Publicly Owned Treatment Works" or "POTW" means any device or system used in treatment of municipal sewage or industrial wastes of a liquid nature which is publicly owned.

ØR. "Single-family residential parcel" means a parcel which has been developed and constructed for the purpose of providing a habitat for a single-family dwelling unit with or without an accessory dwelling unit, and has and continues to be used solely for that purpose.

PS. "Storm drainage system" means all ~~humanmade~~~~manmade~~ and natural systems that are used for the collection, conveyance, and disposal of ~~rainfall, from the land~~stormwater. The storm drainage system may include lands outside of the city, but such lands will only be subject to this code when they are annexed to the city or by interlocal agreement with the governmental entity in which the property is located. The storm drainage system includes the MS4; all streets, ditches, pipes, and stormwater facilities; appurtenances; wetlands; streams, whether intermittent or perennial; ponds; lakes; creeks; rivers; tidelands; or outfalls subject to stormwater runoff flows from the land area of the city or from property covered by an interlocal agreement.

T. "Stormwater" means that portion of precipitation, including snowmelt, that does not naturally percolate into the ground or evaporate, but flows via overland flow, interflow, pipes, or other conveyance into a receiving water or storm drainage system.

U. "Stormwater facility" means one or more constructed or natural features, other than the MS4, that collect, convey, channel, hold, inhibit, retain, detain, infiltrate, divert, treat, or filter stormwater. Stormwater facilities include, but are not limited to, conveyances, detention ponds, retention ponds, constructed wetlands, infiltration devices, catch basins, oil/water separators, and biofiltration swales.

V. "Stormwater treatment" means one or more best management practices or facilities that are specified in Volume V of the Manual to remove pollutants from stormwater and engineered to meet the treatment standards in Core Requirement #6 specified in Volume I of the Manual.

QW. "Undeveloped parcel" means any parcel which has not been altered from ~~ait~~ natural state by logging, clearing or grading ~~within twenty-five years since 1996~~, or by filling, excavation, or construction at any act as defined under "developed parcel" above time.

RX. "Utility" means the ~~city~~City of Olympia's storm and surface water utility, which operates and maintains storm or surface water ~~drains, channels~~conveyances and facilities or outfalls for such waters and the rights and interests in other properties relating to the system.

### **13.16.017 Drainage ~~d~~Design and ~~e~~Erosion ~~c~~Control ~~m~~Manual – Adopted**

A certain document entitled Drainage Design and Erosion Control Manual for Olympia, 2016 Edition ("the Manual"), as amended, is adopted by reference as though fully set forth herein. One copy of the Manual is to be placed and held in the office of the director of administrative services for the city and be available to the public.

### **13.16.018 Drainage Design and ~~e~~Erosion ~~c~~Control ~~m~~Manual – Provisions to prevail in event of conflict**

The provisions of the ~~m~~Manual adopted in Section 13.16.017 shall control and prevail over any provisions of current ordinances, development standards and/or policies insofar as a conflict may occur.

### 13.16.020 Permit required

Before ~~storm drainage runoff~~stormwater may be discharged to any part of the storm drainage system the owner of the parcel on which the runoffstormwater is generated shall apply to the city department of community planning and development for an engineering permit to do the same. The issuance of and terms and conditions to be attached to said ~~permits~~permit shall be governed by the Manual.

### 13.16.030 ~~Nonpermitted~~ Prohibited uses of the storm drainage system

No one may discharge or cause to be discharged any materials of any kind into the ~~storm drainage system~~MS4, except ~~natural rainfall~~stormwater, clean groundwater, ~~or~~and clean city potable water. ~~This prohibition includes water with chlorine concentrations of less than 0.1 ppm or greater, soil products of erosion and contaminants in runoff from impervious areas on a parcel unless such discharge is through an approved treatment device.~~

~~This prohibition does not include discharges from emergency fire fighting activities or non-stormwater discharges covered by another National Pollutant Discharge Elimination System (NPDES) permit, provided the discharger is in full compliance with all requirements of the permit.~~

This prohibition does not include:

1. Water from emergency fire fighting activities.
2. Non-stormwater discharges covered by a National Pollutant Discharge Elimination System (NPDES) permit, provided the discharger is in full compliance with all requirements of the permit.
3. Air conditioning condensation.
4. Irrigation water from agricultural sources that is commingled with urban stormwater.
5. Springs.
6. Uncontaminated water from crawl space and basement pumps.
7. Discharges from lawn watering and other irrigation runoff, unless the discharges or other runoff are of water from the city's water supply system that has been wasted in violation of OMC 13.04.080.
8. Dechlorinated swimming pool, spa, and hot tub discharges. The discharges must be dechlorinated to a total residual chlorine concentration of 0.1 ppm or less, pH-adjusted and reoxygenized if necessary, volumetrically and velocity controlled to prevent resuspension of sediments in the MS4. Discharges shall be thermally controlled to prevent an increase in temperature of the receiving water. Swimming pool cleaning wastewater and filter backwash shall not be discharged to the MS4.
9. Uncontaminated pumped groundwater.

10. Street and sidewalk wash water when the surfaces are swept prior to washing, detergents are not used, and water use is minimized.
11. External building wash water when detergents are not used and water use is minimized.
12. Water used to control dust when water use is minimized.
13. Other non-stormwater discharges that are in compliance with the requirements of a pollution prevention plan that addresses control of such discharges and is approved by the Director.

**13.16.040 ~~Connection~~ Discharge or connection to the storm drainage system**

~~No work shall be performed which results in runoff from a parcel to the storm drainage system except under the conditions specified in the required storm drainage permit or as provided in the Manual or herein.~~

~~Where the connection involves construction of physical facilities such as pipes, inlets, channels, ditches, or other similar improvements, all work shall be approved and inspected by the department of public works prior to acceptance of the work and prior to any occupancy of development on a parcel.~~

~~The construction, use, maintenance, or continued existence of illicit connections to the municipal separate storm sewer system is prohibited. This prohibition expressly includes, without limitation, illicit connections made in the past, regardless of whether the connection was permissible under law or practices applicable or prevailing at the time of connection. A person is in violation of this chapter when a person connects a line conveying sewage to the municipal separate storm sewer system, or allows such a connection to continue.~~

A. All stormwater facilities that discharge to the storm drainage system shall be inspected by the department of public works prior to final approval or occupancy to ensure proper installation of such stormwater facilities.

B. The construction, use, maintenance, or continued existence of illicit connections to the MS4, is prohibited. This prohibition expressly includes, without limitation, illicit connections made in the past, regardless of whether the connection was permissible under law or practices applicable or prevailing at the time of connection. A person is in violation of this chapter when that person connects a line conveying sewage to the MS4, or allows such a connection to continue.

C. If, after notice and opportunity to cure as provided in OMC 4.44.030, the owner does not abate the illicit connection(s) as directed by the city, the city shall have the authority to abate such connection(s) and bill the owner for all reasonable costs. Any delinquent payments shall constitute a lien on the parcel.

**13.16.050 ~~Charges for use of the storm drainage system~~ Storm drainage service charges**

~~A. Any and all use of the storm drainage system shall be subject to the payment of all fees, costs and charges specified herein.~~

~~B. Residential and nonresidential developed parcels that are vacant shall be subject to full payment of all fees, costs and charges for use of the storm drainage system as specified herein, in accordance with the schedule in Section 4.24.010.~~

A. A storm drainage service charge is imposed on every parcel, including vacant parcels, within the city and the owner(s) thereof, except for the following:

1. Undeveloped parcels.

2. City streets, roads, alleys, and rights-of-way. All such streets, roads, alleys, and rights-of-way collect and convey stormwater to the storm drainage system, the value of which is equal to the storm drainage service charge that would otherwise be imposed.

3. State of Washington highways, so long as the State of Washington maintains, constructs, and improves all conveyances associated with such highways in conformance with all city standards, including standards hereafter established, at no cost to the city.

4. Other streets (excluding driveways and parking areas) not dedicated to the city, but established with a separate right-of-way tract, so long as the owner(s) constructs, maintains, and improves all conveyances and stormwater facilities associated with such streets (except for the streets themselves) in conformance with all city standards in effect as of 2017, at no cost to the city.

B. The storm drainage service charges are set forth in the schedule in OMC Section 4.24.010.

#### **13.16.060 Provision of abutting storm drainage system facilities**

Whenever a parcel is developed, the applicable development permit shall require the owner(s) to construct that portion of the ~~storm drainage system~~ MS4 abutting said parcel in accordance with the city's comprehensive plan and applicable development policies and standards for ~~storm drainage~~ stormwater. Provided that the department of public works shall establish policies and procedures for applying ~~LIDs~~ local improvement districts, latecomers agreements ~~and~~, city participation, ~~and other exceptions as promulgated for the city's other utility services.~~

#### **13.16.070 Payment for connection to the ~~storm drainage system~~ MS4**

The owner(s) of a parcel shall pay all costs of connecting ~~and discharging runoff from its parcel to the storm drainage system~~ MS4. This obligation shall be assumed in addition to any permit fee or other ~~stormwater~~ storm drainage service charges assessed pursuant to this chapter.

#### **13.16.080 ~~Storm drainage system~~ Stormwater general facilities charges**

A. In recognition of the city's investment in the ~~storm drainage system~~ MS4, each applicant for a development permit ~~who will discharge into the MS4~~ shall pay a ~~storm drainage system~~ MS4 general facilities charge ("~~Storm Drainage~~ MS4 GFC") in an amount as set forth in Title 4 of this code at the time of issuance of a building/ ~~or~~ engineering permit, ~~except as provided below.~~

B. ~~The Storm Drainage System GFC may be deferred for residential developments in the Downtown Deferred General Facility Charge Payment Option Area. An unpaid Storm Drainage GFC deferred under this section shall constitute a lien against the property for which it is payable. Payment of the Storm Drainage GFC need not be~~



made prior to the time of connection if the payer provides the Community Planning and Development Department with proof that a Voluntary General Facility Charge Lien Agreement, in a form approved by the City Attorney, has been executed by all legal owners of the property upon which the development activity allowed by the building permit is to occur, and the agreement has been recorded in the office of the Thurston County Auditor. When such deferral is sought for a portion of the development activity, the City, at its sole discretion, shall determine the portions of the Storm Drainage GFC to be applied to the portions of the development activity. If a Voluntary General Facility Charge Lien Agreement has been recorded, payment of the general facility charge shall be deferred under the following conditions:

1. The Storm Drainage GFC will be assessed at the rate in effect at the time of issuance of the building permit for the project, and
2. Payment of the Storm Drainage GFC will be made at the earlier of the closing of sale of the property or any portion of the property, or three (3) years from the date of the City's issuance of a Certificate of Occupancy for the property against which the Storm Drainage GFC is assessed, and
3. A GFC payment made within one (1) year of issuance of the Certificate of Occupancy for the development shall pay the fees assessed at the time of issuance of the building permit, or
4. A GFC payment made within the second year from issuance of the Certificate of Occupancy for the development shall pay the Storm Drainage GFC plus interest, for a total of 105% of the fees assessed at the time of issuance of the building permit, or
5. A GFC payment made within the third year from issuance of the Certificate of Occupancy for the development shall pay the Storm Drainage GFC plus interest, for a total of 110% of the fees assessed at the time of issuance of the building permit.

In the event that the Storm Drainage GFC and/or interest (if any) is not paid within the time provided in this subsection, all such unpaid charges, fees and interest shall constitute a lien against the property for which they were assessed. The lien may be enforced either by foreclosure pursuant to RCW 61.12 or by termination of water service pursuant to Section 13.04.430 of this Code. The City may use other collection methods at its option. In the event of foreclosure, the owner at the time of foreclosure shall also pay the City's reasonable attorney fees and costs incurred in the foreclosure process. Notwithstanding the foregoing, the City shall not commence foreclosure proceedings less than thirty (30) calendar days prior to providing written notification to the then present owner of the property via certified mail with return receipt requested advising of its intent to commence foreclosure proceedings. If the then present owner cures the default within the thirty-day cure period, no attorney fees and/or costs will be owed.

The deferred payment option set forth in this subsection shall terminate on August 1, 2009, unless otherwise re-authorized by the City Council.

C. All monies collected from the general facilities charge will be deposited in an account to be used for the capital improvements program of this utility.

B. In recognition of the city's investment in stormwater water quality treatment, each applicant for a development permit who will connect to city streets shall pay a water quality general facilities charge ("Water



Quality GFC") in an amount as set forth in Title 4 of this code at the time of issuance of a building or engineering permit.

C. All monies collected from the MS4 GFC will be deposited in an account to be used for the capital improvements program of this utility.

**13.16.090 Credit for additional Reduction in storm drainage detention/retention service charge for impervious surface, flow control or water quality stormwater treatment**

A. Nonresidential Parcels. Upon application An owner may submit to the department of public works and submittal of an application for reduction in the storm drainage service charge that includes proof of the quantity of impervious surface or proof that an a stormwater facility approved stormwater system by the city is providing detention/retention flow control or water quality stormwater treatment in excess of the policies and standards that existed at the time of development ("Application"). The owner must execute an approved agreement to maintain the stormwater facility prior to approval of a reduction. After reviewing an Application and inspecting the stormwater facility, if deemed appropriate, the director may approve a reduction in the applicable service charges indicated storm drainage service charge for the parcel or parcels receiving flow control or stormwater treatment as provided in Section 4.24.010(4) of this code. That reduction will be accomplished by adjusting reducing the development category of the affected parcel to the next highest by one category (e.g., from Category III to Category II) and calculating stormwater storm drainage service charges accordingly.

B. If the city approves a reduction in the storm drainage service charge for a parcel or parcels and later determines that the stormwater facility for such parcel or parcels is not providing flow control or stormwater treatment, the city may reduce or revoke the reduction.

BC. Residential Plats. Upon application to the department of public works, the director may approve a reduction in the storm drainage service charge assessed under OMC 4.24.010.D (4), for parcels in a plat approved prior to 1990, to that rate provided for plats approved after 1990 if it can be shown that said plat has a stormwater system facility that meets or exceeds the city flow control and stormwater treatment standards enacted in 1990 and the entity/person responsible therefor executes an approved maintenance agreement with the city to maintain the stormwater facility.

**13.16.120 Billing date**

The monthly or bimonthly billing date for the storm and surface water utility drainage service charges shall coincide with the billing date for the other city utilities, except that those users who the owner(s) of parcels that do not receive only the services of this utility from other city utilities shall be billed on the date established by the director of administrative services as set forth in Chapter- 4.24- of this code.

Except as otherwise provided herein, all monies collected from by the storm and surface water utility shall be deposited in the storm and surface water utility fund which was established under Section- 3.22.030- of the Olympia Municipal Code.

**13.16.130 Adjustment of charges and appeals**

Any person who considers that the charges established for their parcel are in error may apply in writing to the public works department for an adjustment. The grounds of the complaint shall be explicitly stated in the

written complaint. The public works department shall review each complaint and respond to it in writing. A copy of the response shall be forwarded to the complainant and the department of administrative services.

#### **13.16.140 ~~Collection of Lien for delinquent charges~~**

The city shall have a lien against parcels to which storm drainage service ~~has charges have~~ been furnished ~~assessed~~, which lien shall be in the amount of the charges due and owing.

#### **13.16.150 Right of entry for inspection, code enforcement and repair**

Whenever necessary to make an inspection to enforce any provision of this chapter, or whenever there is reasonable cause to believe there exists a violation of this chapter upon a parcel within the jurisdiction of the city, any authorized official of the city may, upon presentation of proper credentials and consent of any owner or occupant, enter such parcel at all reasonable times to inspect the same or to perform any duty imposed upon him or her by this chapter. If no owner or occupant consents to entry, the official may apply to any court of competent jurisdiction for an order allowing such entry.

#### **13.16.160 Authority to maintain, operate, maintain-regulate and modify-control the utility**

The city elects to exercise all lawful powers necessary to maintain, operate, regulate, and control a storm and surface water utility as it exists and may be modified in the future.

#### **13.16.170 Stormwater facility maintenance**

Parcel owners shall inspect all stormwater facilities located on their parcels and maintain the facilities in accordance with the Manual so they function as designed.

If the city determines that maintenance or repair is required for a stormwater facility on a parcel not owned by the city, the city shall notify the owner of the parcel of the specific maintenance or repair required. The city shall set a reasonable time in which such work is to be completed by the person given notice. If the required maintenance or repair is not completed within the time set, the city will notify the owner that the city intends to perform the maintenance or repair and to bill the owner for the expenses incurred. The expenses charged to the owner shall become a charge on the owner's storm drainage service charge bill and may be collected by the city in the manner authorized for collection of such bills.

If at any time the city determines that a stormwater facility on private property creates an imminent threat to public health or welfare, the city may take immediate measures to remedy such threat, without providing notice to the owner.

#### **13.16.180 Enforcement – Civil and criminal penalties – Public nuisance**

A. The Code Enforcement Officer shall enforce the provisions of this chapter.

B. ~~Any person, firm, or corporation who knowingly violates or fails to comply with the following sections of this chapter: 13.16.017, 13.16.020, 13.16.030 and 13.16.040 shall be deemed to have committed a misdemeanor, and if found guilty, shall be subject to a fine not to exceed One Thousand Dollars (\$1,000) and/or imprisonment not to exceed ninety (90) days or both such fine and imprisonment. Each day shall be a~~

~~separate violation. Each day of such violation or noncompliance shall constitute a separate offense. In the event of continuing violation or failure to comply, the second and subsequent days shall constitute a gross misdemeanor, punishable by a fine not to exceed Five Thousand Dollars (\$5,000) and/or imprisonment for not more than three hundred and sixty five (365) days or both such fine and imprisonment.~~

~~EB. As an additional and concurrent remedy, it~~ It shall be a civil infraction for any person, firm, or corporation to violate or fail to comply with the provisions of Olympia Municipal Code Sections 13.16.017, 13.16.020, 13.16.030, and 13.16.040, and 13.16.170. Each day shall be a separate infraction. A person found to have committed a civil infraction shall be assessed a monetary penalty as follows:

1. First offense: Class 3 (\$50), not including statutory assessments.
2. Second offense arising out of the same facts as the first offense: Class 2 (\$125), not including statutory assessments.
3. Third offense arising out of the same facts as the first offense: Class 1 (\$250), not including statutory assessments.

~~D. See also OMC Chapter 4.44, Uniform Code Enforcement.~~

~~C. As a separate and concurrent remedy, any person who violates or fails to comply with the following sections of this chapter~~ Section 13.17.170 shall be liable to the City for the actual expense of cleanup or required maintenance or repair.

~~ED. It shall be a public nuisance to violate or fail to comply with any of the following sections of this chapter: 13.16.017, 13.16.020, 13.16.030 and 13.16.040.~~

~~See also OMC Chapter 4.44, Uniform Code Enforcement.~~

**Section 2. Corrections.** The City Clerk and codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance, including the correction of scrivener/clerk errors, references, ordinance numbering, section/subsection numbers and any references thereto.

**Section 3. Severability.** If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of the Ordinance or application of the provisions to other persons or circumstances shall remain unaffected.

**Section 4. Ratification.** Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

**Section 5. Effective Date.** This Ordinance shall take effect thirty (30) days after publication, as provided by law.

\_\_\_\_\_  
MAYOR

**ATTEST:**

\_\_\_\_\_  
CITY CLERK

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
CITY ATTORNEY

**PASSED:**

**APPROVED:**

**PUBLISHED:**



## City Council

### Approval of an Ordinance Amending Olympia School District Impact Fees

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 4.Q  
**File Number:** 19-1122

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**Type:** ordinance **Version:** 1 **Status:** 1st Reading-Consent

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**Title**

Approval of an Ordinance Amending Olympia School District Impact Fees

**Recommended Action**

**Committee Recommendation:**

Not referred to a Committee

**City Manager Recommendation:**

Move to approve the ordinance amending the Olympia School District Impact Fees on first reading and forward to second reading.

**Report**

**Issue:**

Whether to approve the ordinance amending the Olympia School District Impact Fees on first reading and forward to second reading.

**Staff Contact:**

Debbie Sullivan, Administrative Services Director, 360.753.8499

**Presenter(s):**

None - Consent calendar item

**Background and Analysis:**

The proposed update to the Olympia School District (OSD) Impact fees is based on the adoption by the School Board's 2020-2025 Capital Facilities Plan (CFP). The Assistant Superintendent presented their CFP on October 29 and proposed impact fee changes to the City Council on November 12. A public hearing was held on October 29 and November 19.

The impact fee rates are calculated based, in part, on the projects identified in the District's CFP that are needed to address future growth. School impact fees are charged only to residential projects inside Olympia city limits. The City collects the fees on behalf of the school district and remits the fees with interest to them on a monthly basis. Based on the school district's approved CFP, the fees

are as follows:

**January 1 - June 30 2020**

	<b>2019</b>	<b>2020</b>
Single Family	\$4,972	\$5,177 (\$205 increase from 2019)
Multi-Family: Non-Downtown	\$2,575	\$2,033 (\$542 decrease from 2019)
Multi-Family: Downtown	\$ 0	\$ 0 (No change from 2019)

**July 1 - December 31, 2020**

	<b>2019</b>	<b>2020</b>
Single Family	\$4,972	\$5,177 (\$205 increase from 2019)
Multi-Family: Non-Downtown	\$2,575	\$2,033 (\$542 decrease from 2019)
Multi-Family: Downtown	\$ 0	\$1,627 (\$1,627 increase from 2019)

**Neighborhood/Community Interests (if known):**

Impact fees collected will help pay for new or expanded school facilities when the demand for services is created by new development.

**Options:**

1. Move to approve the ordinance amending the Olympia School District impact fees on first reading and forward to second reading.
2. Do not approve the Ordinance amending the Olympia School District impact fees. The City will not be able to collect OSD impact fees in 2020.

**Financial Impact:**

Varies based on the number of new single-family or multi-family residential permits issued in 2020.

**Attachments:**

Ordinance

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, AMENDING SCHOOL IMPACT FEES, AND AMENDING SECTION 15.16.030 OF THE OLYMPIA MUNICIPAL CODE.**

**WHEREAS**, RCW 82.02.050 - .090 authorizes the City of Olympia to adopt an ordinance imposing impact fees; and

**WHEREAS**, in Ordinance Nos. 5490 and 6164, the City of Olympia did adopt such impact fees, to include "School Impact Fees"; and

**WHEREAS**, the Olympia School District has updated its capital facility plan and revised its proposed impact fees as reflected in the School District's adopted 2020-2025 Capital Facility Plan; and

**WHEREAS**, the City Council has called for an annual review of impact fees, concurrent with the annual review of the Capital Facilities Plan (CFP) element of the City's Comprehensive Plan, to consider adjustments to the fees; and

**WHEREAS**, following said review of the 2020-2025 CFP, the Olympia City Council desires to revise School Impact Fees as adopted in the Olympia School District's 2020-2025 Capital Facility Plan; and

**WHEREAS**, this Ordinance is adopted pursuant to Article 11, Section 11, of the Washington State Constitution; and

**WHEREAS**, this Ordinance is supported by the staff report, attachments, and documents on file with the Department of Administrative Services;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:**

**Section 1. Amendment of OMC 15.16.030. Section 15.16.030 of the Olympia Municipal Code is hereby amended to read as follows:**

**15.16.030 - Schedule C, School Impact Fees**

For complete building permit applications submitted after the effective date of this title, the following schedule shall apply:

(Applies to residential development only)

<b>Housing Type:</b>	
Single Family - detached (including manufactured homes on individual lots)	\$4,972 <u>\$5,177</u>
Multifamily per unit (including townhouses) <u>(Non-Downtown)</u>	\$2,575 <u>\$2,033</u>
Downtown Multi Family per units (including townhouses) - <u>Effective July 1, 2020</u>	\$-0 <u>\$1,627</u>

**Section 2. Corrections.** The City Clerk and codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance, including the correction of scrivener/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

**Section 3. Severability.** The provisions of this Ordinance are declared separate and severable. If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of this Ordinance or application of the provision to other persons or circumstances, shall be unaffected.

**Section 4. Ratification.** Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

**Section 5. Effective Date.** This Ordinance shall be in force and effect on January 1, 2020, after its passage by the Olympia City Council and publication, as provided by law.

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MAYOR

**ATTEST:**

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CITY CLERK

**APPROVED AS TO FORM:**



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CITY ATTORNEY

**PASSED:**

**APPROVED:**

**PUBLISHED:**





## City Council

### Approval of an Ordinance Authorizing State-Mandated Amendments to the Model Business and Occupation Tax Ordinance

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 4.R  
**File Number:** 19-1124

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**Type:** ordinance **Version:** 1 **Status:** 1st Reading-Consent

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#### **Title**

Approval of an Ordinance Authorizing State-Mandated Amendments to the Model Business and Occupation Tax Ordinance

#### **Recommended Action**

##### **Committee Recommendation:**

The Finance Committee recommends approving the State-mandated changes to the Model Business and Occupation Tax Ordinance

##### **City Manager Recommendation:**

Move to approve the ordinance authorizing State-mandated amendments to the Model Business and Occupation Tax ordinance on first reading and forward to second reading.

#### **Report**

##### **Issue:**

Whether to approve the State-mandated changes to the Model Business and Occupation Tax Ordinance

##### **Staff Contact:**

Thomas Donnelly, Fiscal Services Accounting Manager, Administrative Services, 360.570.3816

##### **Presenter(s):**

None - Consent calendar item

#### **Background and Analysis:**

A task force of Business and Occupation (B&O) cities, business community representatives and the Association of Washington Cities developed recommendations for the legislature at the beginning of the 2019 legislative session for the purposes of clarifying definitions within existing local laws and extending the period of time for annual filings. These recommendations were incorporated into House Bills 1403 and 1059.

House Bill 1403 amends the apportionment rule simplifying the calculation clarifying definitions related to business and occupation taxes. House Bill 1059 changes the annual filing deadline for

taxpayers who file annual returns. Both House Bills passed and were signed into legislation. The bills require all cities with a B&O Tax ordinance to adopt the following changes and put them into effective January 1, 2020:

1. Effective January 1, 2020 - Change the service income apportionment method used for calculating business and occupation tax; and
2. Effective January 1, 2021 - Change the due date for annual tax filers from January 31 to April 15.

### **Neighborhood/Community Interests**

Staff will communicate these changes on the B&O Tax filing forms and update the City's website. Additional notification from the State's business licensing service will be provided when applying for, or renewing a business license.

### **Options:**

1. Approve changes to the City's B&O Tax Ordinance to comply with recently passed State legislation.
2. Direct staff to perform additional analysis and reschedule for further discussion.
3. Direct staff to modify with recommended changes and approve as amended which may put the City out of compliance with the recently enacted State legislation.

### **Financial Impact:**

Unable to determine at this time. Fiscal Services will report after year one and year two as to any financial impacts relating new legislation.

### **Attachments:**

Ordinance

Model Apportionment Rule for Taxpayer Use

Ordinance No. \_\_\_\_\_

**AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, RELATING TO BUSINESS AND OCCUPATION TAX; AMENDING SECTIONS 5.04.040, 5.04.105, 5.05.110, AND 5.05.040 OF THE OLYMPIA MUNICIPAL CODE.**

**WHEREAS**, in order to provide for a more uniform system of city business and occupation (B&O) taxes that eliminates multiple taxation, while allowing for some continued local control and flexibility to cities, in 2003 the Washington State Legislature passed SHB 2030 (codified as Chapter 35.102 RCW) requiring all Washington cities imposing a B&O tax to adopt the mandatory provisions of the Model B&O Ordinance for their individual tax codes; and

**WHEREAS**, in 2004, the City of Olympia enacted Ordinance No. 6328, which substantially adopted the Model B&O Ordinance consistent with the provisions of RCW 35.102.040, while tailoring it where permitted to reflect the unique local characteristics of Olympia; and

**WHEREAS**, in 2019, the Washington State Legislature passed SHB 1403, which changed the service income apportionment method used for the purpose of computing B&O tax and the filing deadline for annual B&O tax returns, and 2SHB 1059, which extended the tax filing deadline to April 15 for annual tax returns; and

**WHEREAS**, the 2019 legislation required amendments to the Model B&O Ordinance, and it is therefore necessary to amend the Olympia Municipal Code accordingly to conform with the Model B&O Ordinance;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:**

**Section 1. Amendment of OMC 5.04.040.** Olympia Municipal Code 5.04.040 is hereby amended to read as follows:

**5.04.040 Definitions**

In construing the provisions of this chapter, the following definitions shall be applied. Words in the singular number shall include the plural, and the plural shall include the singular.

"Advance" "reimbursement":

1. "Advance" means money or credits received by a taxpayer from a customer or client with which the taxpayer is to pay costs or fees on behalf of the customer or client.
2. "Reimbursement" means money or credits received from a customer or client to repay the taxpayer for money or credits expended by the taxpayer in payment of costs or fees of the customer or client.

"Agricultural product" "farmer":

1. "Agricultural product" means any product of plant cultivation or animal husbandry including, but not limited to: A product of horticulture, grain cultivation, vermiculture, viticulture, or aquaculture as defined in RCW 15.85.020; plantation Christmas trees; turf; or any animal including but not limited to an animal

that is a private sector cultured aquatic product as defined in RCW 15.85.020, or a bird, or insect, or the substances obtained from such an animal. "Agricultural product" does not include animals intended to be pets.

2. "Farmer" means any person engaged in the business of growing or producing, upon the person's own lands or upon the lands in which the person has a present right of possession, any agricultural product whatsoever for sale. "Farmer" does not include a person using such products as ingredients in a manufacturing process, or a person growing or producing such products for the person's own consumption. "Farmer" does not include a person selling any animal or substance obtained therefrom in connection with the person's business of operating a stockyard or a slaughter or packinghouse. "Farmer" does not include any person in respect to the business of taking, cultivating, or raising timber.

"Artistic or cultural organization":

1. "Artistic or cultural organization" means an organization which is organized and operated exclusively for the purpose of providing artistic or cultural exhibitions, presentations, or performances or cultural or art education programs, as defined in subsection (10) of this section, for viewing or attendance by the general public.

2. The organization must be a not-for-profit corporation under Chapter 24.03 RCW.

3. The organization must be managed by a governing board of not less than eight (8) individuals, none of whom is a paid employee of the organization or by a corporation sole under Chapter 24.12 RCW.

4. No part of its income may be paid directly or indirectly to its members, stockholders, officers, directors, or trustees, except in the form of services rendered by the corporation in accordance with its purposes and bylaws.

5. Salary or compensation paid to its officers and executives must be only for actual services rendered, and at levels comparable to the salary or compensation of like positions within the state.

6. Assets of the corporation must be irrevocably dedicated to the activities for which the exemption is granted and, on the liquidation, dissolution, or abandonment by the corporation, may not inure directly or indirectly to the benefit of any member or individual except a non-profit organization, association, or corporation which also would be entitled to the exemption.

7. The corporation must be duly licensed or certified when licensing or certification is required by law or regulation.

8. The amounts received that qualify for exemption must be used for the activities for which the exemption is granted.
9. Services must be available regardless of race, color, national origin, ancestry, religion, age, sex, marital status, sexual orientation, Vietnam or disable veteran status, or the present of any mental or physical disability.
10. The term "artistic or cultural exhibitions, presentation, or performances or cultural or art education programs" is limited to:
  - a. An exhibition or presentation of works of art or objects of cultural or historical significance, such as those commonly displayed in art or history museums;
  - b. A musical or dramatic performance or series of performances; or
  - c. An educational seminar or program, or series of such programs, offered by the organization to the general public on an artistic, cultural, or historical subject.

"Business": "Business" includes all activities engaged in with the object of gain, benefit, or advantage to the taxpayer or to another person or class, directly or indirectly.

"Business and occupation tax": "Business and occupation tax" or "gross receipts tax" means a tax imposed on or measured by the value of products, the gross income of the business, or the gross proceeds of sales, as the case may be, and that is the legal liability of the business.

"By Product": See Product.

"Casual Sale": See Sale.

"Commercial" or "industrial use": Means the following uses of products, including by-products, by the extractor or manufacturer thereof:

1. Any use as a consumer;
2. The manufacturing of products including articles, substances or commodities;

"Company": See Person.

"Competitive Telephone Service": "Competitive telephone service" means the providing by any person or telecommunications equipment or apparatus, or service related to that equipment or apparatus such as repair or maintenance service, if the equipment or apparatus is of a type which can be provided by persons that are

not subject to regulation as telephone companies under Title 80 RCW and for which a separate charge is made.

"Consumer": "Consumer" means the following:

1. Any person who purchases, acquires, owns, holds, or uses any tangible or intangible personal property irrespective of the nature of the person's business and including, among others, without limiting the scope hereof, persons who install, repair, clean, alter, improve, construct, or decorate real or personal property of or for a consumer other than for the purpose of:
  - a. resale as tangible or intangible personal property in the regular course of business;
  - b. incorporating such property as an ingredient or component of real or personal property when installing, repairing, cleaning, altering, imprinting, improving, constructing, or decorating such real or personal property of or for consumers;
  - c. incorporating such property as an ingredient or component of a new product or as a chemical used in processing a new product when the primary purpose of such chemical is to create a chemical reaction directly through contact with an ingredient of a new product; or
  - d. consuming the property in producing ferrosilicon which is subsequently used in producing magnesium for sale, if the primary purpose of such property is to create a chemical reaction directly through contact with an ingredient of ferrosilicon;
2. Any person engaged in any business activity taxable under Section 5.04.060(G);
3. Any person who purchases, acquires, or uses any competitive telephone service as herein defined, other than for resale in the regular course of business;
4. Any person who purchases, acquires, or uses any personal, business, or professional service defined as a retail sale or retail service in this section, other than for resale in the regular course of business;
5. Any person who is an end user of software;
6. Any person engaged in the business of "public road construction" in respect to tangible personal property when that person incorporates the tangible personal property as an ingredient or component of a publicly-owned street, place, road, highway, easement, right-of-way, mass public transportation terminal or parking facility, bridge, tunnel, or trestle by installing, placing or spreading the property in or upon the right-of-way of a publicly-owned street, place, road, highway, easement, bridge, tunnel, or trestle or in or upon the site of a publicly-owned mass public transportation terminal or parking facility;

7. Any person who is an owner, lessee or has the right of possession to or an easement in real property which is being constructed, repaired, decorated, improved, or otherwise altered by a person engaged in business;

8. Any person who is an owner, lessee, or has the right of possession to personal property which is being constructed, repaired, improved, cleaned, imprinted, or otherwise altered by a person engaged in business;

9. Any person engaged in "government contracting." Any such person shall be a consumer within the meaning of this subsection in respect to tangible personal property incorporated into, installed in, or attached to such building or other structure by such person;

Nothing contained in this or any other subsection of this section shall be construed to modify any other definition of "consumer."

"Delivery": "Delivery" means the transfer of possession of tangible personal property between the seller and the buyer or the buyer's representative. Delivery to an employee of a buyer is considered delivery to the buyer. Transfer of possession of tangible personal property occurs when the buyer or the buyer's representative first takes physical control of the property or exercises dominion and control over the property. Dominion and control means the buyer has the ability to put the property to the buyer's own purposes. It means the buyer or the buyer's representative has made the final decision to accept or reject the property, and the seller has no further right to possession of the property and the buyer has no right to return the property to the seller, other than under a warranty contract. A buyer does not exercise dominion and control over tangible personal property merely by arranging for shipment of the property from the seller to itself. A buyer's representative is a person, other than an employee of the buyer, who is authorized in writing by the buyer to receive tangible personal property and take dominion and control by making the final decision to accept or reject the property. Neither a shipping company nor a seller can serve as a buyer's representative. It is immaterial where the contract of sale is negotiated or where the buyer obtains title to the property. Delivery terms and other provisions of the Uniform Commercial Code (Title 62A RCW) do not determine when or where delivery of tangible personal property occurs for purposes of taxation.

"Digital Automated Service", "digital code", and "digital goods": "Digital Automated Service", "digital code", and "digital goods" have the same meaning as in RCW 82.04.192.

"Digital products": "Digital products" means digital goods, digital codes, digital automated services, and the services described in RCW 82.04.050(2)(g) and (6)(b).

"Director": "Director" means the Clerk-Treasurer of the City or any officer, agent or employee of the City designated to act on the Director's behalf.

"Eligible gross receipts tax": "Eligible gross receipts tax" means a tax which:

1. Is imposed on the act or privilege of engaging in business activities within Section 5.04.060; and
2. Is measured by the gross volume of business, in terms of gross receipts and is not an income tax or value added tax; and
3. Is not, pursuant to law or custom, separately stated from the sales price; and
4. Is not a sales or use tax, business license fee, franchise fee, royalty or severance tax measured by volume or weight, or concession charge, or payment for the use and enjoyment of property, property right or a privilege; and
5. Is a tax imposed by a local jurisdiction, whether within or without the State of Washington, and not by a Country, State, Province, or any other non-local jurisdiction above the County level.

“Engaging in business”:

1. The term “Engaging in business” means commencing, conducting, or continuing in business, and also the exercise of corporate or franchise powers, as well as liquidating a business when the liquidators thereof hold themselves out to the public as conducting such business.
2. This section sets forth examples of activities that constitute engaging in business in the City, and establishes safe harbors for certain of those activities so that a person who meets the criteria may engage in de ~~minimis-minimis~~ business activities in the City without having to pay a business license fee. The activities listed in this section are illustrative only and are not intended to narrow the definition of “engaging in business” in subsection (1). If an activity is not listed, whether it constitutes engaging in business in the City shall be determined by considering all the facts and circumstances and applicable law.
3. Without being all inclusive, any one of the following activities conducted within the City by a person, or its employee, agent, representative, independent contractor, broker or another acting on its behalf constitutes engaging in business and requires a person to register and obtain a business license.
  - a. Owning, renting, leasing, maintaining, or having the right to use, or using, tangible personal property, intangible personal property, or real property permanently or temporarily located in the City.
  - b. Owning, renting, leasing, using, or maintaining, an office, place of business, or other establishment in the City.
  - c. Soliciting sales.



- d. Making repairs or providing maintenance or service to real or tangible personal property, including warranty work and property maintenance.
- e. Providing technical assistance or service, including quality control, product inspections, warranty work, or similar services on or in connection with tangible personal property sold by the person or on its behalf.
- f. Installing, constructing, or supervising installation or construction of, real or tangible personal property.
- g. Soliciting, negotiating, or approving franchise, license, or other similar agreements.
- h. Collecting current or delinquent accounts.
- i. Picking up and transporting tangible personal property, solid waste, construction debris, or excavated materials.
- j. Providing disinfecting and pest control services, employment and labor pool services, home nursing care, janitorial services, appraising, landscape architects, security system services, surveying, and real estate services including the listing of homes and managing real property.
- k. Rendering professional services such as those provided by accountants, architects, attorneys, auctioneers, consultants, engineers, professional athletes, barbers, baseball clubs and other sports organizations, chemists, consultants, psychologists, court reporters, dentists, doctors, detectives, laboratory operators, teachers, veterinarians.
- l. Meeting with customers or potential customers, even when no sales or orders are solicited at the meetings.
- m. Training or recruiting agents, representatives, independent contractors, brokers or others, domiciled or operating on a job in the City, acting on its behalf, or for customers or potential customers.
- n. Investigating, resolving, or otherwise assisting in resolving customer complaints.
- o. In-store stocking or manipulating products or goods, sold to and owned by a customer, regardless of where sale and delivery of the goods took place.
- p. Delivering goods in vehicles owned, rented, leased, used, or maintained by the person or another acting on its behalf.

4. If a person, or its employee, agent, representative, independent contractor, broker or another acting on the person's behalf, engages in no other activities in or with the City but the following, it need not register and obtain a business license.
  - a. Meeting with suppliers of goods and services as a customer.
  - b. Meeting with government representatives in their official capacity, other than those performing contracting or purchasing functions.
  - c. Attending meetings, such as board meetings, retreats, seminars, and conferences, or other meetings wherein the person does not provide training in connection with tangible personal property sold by the person or on its behalf. This provision does not apply to any board of director member or attendee engaging in business such as a member of a board of directors who attends a board meeting.
  - d. Renting tangible or intangible property as a customer when the property is not used in the City.
  - e. Attending, but not participating in a "trade show" or "multiple vendor events". Persons participating at a trade show shall review the City's trade show or multiple vendor event ordinances.
5. A seller located outside the City merely delivering goods into the City by means of common carrier is not required to register and obtain a business license, provided that it engages in no other business activities in the City. Such activities do not include those in subsection (4).

The City expressly intends that engaging in business include any activity sufficient to establish nexus for purposes of applying the tax under the law and the Constitutions of the United States and the State of Washington. Nexus is presumed to continue as long as the taxpayer benefits from the activity that constituted the original nexus-generating contact or subsequent contacts.

"Extracting": "Extracting" in the activity engaged in by an extractor and is reportable under the extracting classification.

"Extractor": "Extractor" means every person who from the person's own land or from the land of another under a right or license granted by lease or contract, either directly or by contracting with others for the necessary labor or mechanical services, for sale or for commercial or industrial use, mines, quarries, takes or produces coal, oil, natural gas, ore, stone, sand, gravel, clay, mineral or other natural resource product; or fells, cuts or takes timber, Christmas trees, other than plantation Christmas trees, or other natural products; or takes fish, or takes, cultivates, or raises shellfish, or other sea or inland water foods or products. "Extractor" does not

include persons performing under contract the necessary labor or mechanical services for others; Or persons meeting the definition of farmer.

"Extractor for Hire": "Extractor for hire" means a person who performs under contract necessary labor or mechanical services for an extractor.

"Government contracting": See Sale at Retail.

"Gross income of the business": "Gross income of the business" means the value proceeding or accruing by reason of the transaction of the business engaged in and includes gross proceeds of sales, compensation for the rendition of services, gains realized from trading in stocks, bonds, or other evidences of indebtedness, interest, discount, rents, royalties, fees, commissions, dividends, and other emoluments however designated, all without any deduction on account of the cost of tangible property sold, the cost of materials used, labor costs, interest, discount, delivery costs, taxes, or any other expense whatsoever paid or accrued and without any deduction on account of losses.

"Gross proceeds of sales": "Gross proceeds of sales" means the value proceeding or accruing from the sale of tangible personal property, digital goods, digital codes, digital automated services or for other services rendered, without any deduction on account of the cost of property sold, the cost of materials used, labor costs, interest, discount paid, delivery costs, taxes, or any other expense whatsoever paid or accrued and without any deduction on account of losses.

"In this City" or "within this City": "In this City" or "within this City" includes all federal areas lying within the corporate city limits of the City of Olympia.

"Isolated Sale": See Sale.

"Magazine": See Newspaper.

"Manufacturing": "Manufacturing" means the activity conducted by a manufacturer and is reported under the manufacturing classification.

"Manufacturer" "to manufacture" "processing for hire":

1. "Manufacturer" means every person whom, either directly or by contracting with others for the necessary labor or mechanical services, manufactures for sale or for commercial or industrial use from the person's own materials or ingredients any products. When the owner of equipment or facilities furnishes, or sells to the customer prior to manufacture, materials or ingredients equal to less than twenty percent (20%) of the total value of all materials or ingredients that become a part of the finished product, the owner of the equipment or facilities will be deemed to be a processor for hire and not a manufacturer. A business not located in this City that is the owner of materials or ingredients processed

for it in this City by a processor for hire shall be deemed to be engaged in business as a manufacturer in this City.

2. "To manufacture" means all activities of a commercial or industrial nature wherein labor or skill is applied, by hand or machinery, to materials or ingredients so that as a result thereof a new, different or useful product is produced for sale or commercial or industrial use, and shall include:

- a. the production of special made or custom made articles;
- b. the production of dental appliances, devices, restorations, substitutes, or other dental laboratory products by a dental laboratory or dental technician; and
- c. crushing and/or blending of rock, sand, stone, gravel, or ore; and
- d. the producing of articles for sale, or for commercial or industrial use from raw materials or prepared materials by giving such materials, articles, and substances of trade or commerce new forms, qualities, properties or combinations including, but not limited to, such activities as making, fabricating, processing, refining, mixing, slaughtering, packing, aging, curing, mild curing, preserving, canning, and the preparing and freezing of fresh fruits and vegetables.

"To manufacture" shall not include the production of digital goods or the production of computer software if the computer software is delivered from the seller to the purchaser by means other than tangible storage media, including the delivery by use of a tangible storage media where the tangible storage media is not physically transferred to the purchaser.

3. "Processing for hire" means the performance of labor and mechanical services upon materials or ingredients belonging to others so that as a result a new, different or useful product is produced for sale, or commercial or industrial use. A processor for hire is any person who would be a manufacturer if that person were performing the labor and mechanical services upon that person's own materials or ingredients. If a person furnishes, or sells to the customer prior to manufacture, materials or ingredients equal to twenty percent (20%) or more of the total value of all materials or ingredients that become a part of the finished product the person will be deemed to be a manufacturer and not a processor for hire.

"Newspaper" "magazine" "periodical": "Newspaper" means a publication offered for sale regularly at stated intervals at least once a week and printed on newsprint in tabloid or broadsheet format folded loosely together without stapling, glue, or any other binding of any kind. "Magazine" or "periodical" means any printed publication, other than a newspaper, issued and offered for sale regularly at stated intervals at least once every three (3) months, including any supplement or special edition of the publication. Any publication meeting this definition qualifies regardless of its content.

"Non-profit corporation or non-profit organization": "Non-profit corporation or non-profit organization" means a corporation or organization in which no part of the income can be distributed to its members, directors, or officers and that holds a current tax exempt status as provided under Sec. 501(c)(3) of the Internal Revenue Code, as may hereafter be amended, or is specifically exempted from the requirement to apply for its tax exempt status under Sec. 501(c)(3) of the Internal Revenue Code, or as may hereafter be amended. Where the term "non-profit organization" is used, it is meant to include non-profit corporations.

"Office" "place of business": "Office" or "place of business" means a fixed location or permanent facility where the regular business of the person is conducted and which is either owned by the person or over which the person exercises legal dominion and control. The regular business of the person is presumed conducted at a location:

1. Whose address the person uses as its business mailing address;
2. Where the place of primary use is shown on a telephone billing or a location contains a telephone line listed in a public telephone directory or other similar publication under the business name; and
3. Where the person holds itself out to the general public as conducting its regular business through signage or other means; and
4. Where the person is required to obtain any appropriate state and local business license or registration unless they are exempted by law from such requirement.
5. A vehicle such as a pick-up, van, truck, boat or other motor vehicle is not an office or place of business. A post office box is not an office or place of business. If a person has an office or place of business, the person's home is not an office or place of business unless it meets the criteria for office or place of business above. If a person has no office or place of business, the person's home or apartment within the City will be deemed the place of business.

"Person": "Person" means any individual, receiver, administrator, executor, assignee, trustee in bankruptcy, trust, estate, firm, co-partnership, joint venture, club, company, joint stock company, business trust, municipal corporation, political subdivision of the State of Washington, corporation, limited liability company, association, society, or any group of individuals acting as a unit, whether mutual, cooperative, social, non-profit, or otherwise and the United States or any instrumentality thereof.

"Precious metal bullion or monetized bullion": "Precious metal bullion" means any precious metal which has been put through a process of smelting or refining, including, but not limited to, gold, silver, platinum, rhodium, and palladium, and which is in such state or condition that its value depends upon its contents and not upon its form. For purposes of this section, "monetized bullion" means coins or other forms of money manufactured from gold, silver, or other metals and heretofore, now, or hereafter used as a medium of

exchange under the laws of this state, the United States, or any foreign nation, but does not include coins or money sold to be manufactured into jewelry or works of art.

"Processing for hire": See Manufacturer.

"Product" "Byproduct": "Product" means tangible personal property, including articles, substances, or commodities created, brought forth, extracted, or manufactured by human or mechanical effort. "Byproduct" means any additional product, other than the principal or intended product, which results from extracting or manufacturing activities and which has a market value, without regard to whether or not such additional product was an expected or intended result of the extracting or manufacturing activities.

"Public road construction": See Sale at Retail.

"Retailing": "Retailing" means the activity of engaging in making sales at retail and is reported under the retailing classification.

"Retail Sale": See Sale at Retail.

"Retail Service": "Retail service" shall include the sale of or charge made for personal, business, or professional services including amounts designated as interest, rents, fees, admission, and other service emoluments however designated, received by persons engaging in the following business activities:

1. Amusement and recreation services including but not limited to golf, pool, billiards, skating, bowling, swimming, bungee jumping, ski lifts and tows, basketball, racquet ball, handball, squash, tennis, batting cages, day trips for sightseeing purposes, and others, when provided to consumers. "Amusement and recreation services" also include the provision of related facilities such as basketball courts, tennis courts, handball courts, swimming pools, and charges made for providing the opportunity to dance. The term "amusement and recreation services" does not include instructional lessons to learn a particular activity such as tennis lessons, swimming lessons, or archery lessons.
2. Abstract, title insurance, and escrow services;
3. Credit bureau services;
4. Automobile parking and storage garage services;
5. Landscape maintenance and horticultural services but excluding (i) horticultural services provided to farmers and (ii) pruning, trimming, repairing, removing, and clearing of trees and brush near electric transmission or distribution lines or equipment, if performed by or at the direction of an electric utility;
6. Service charges associated with tickets to professional sporting events; and

7. The following personal services: Physical fitness services, tanning salon services, tattoo parlor services, steam bath services, Turkish bath services, escort services, and dating services.

8. The term shall also include the renting or leasing of tangible personal property to consumers and the rental of equipment with an operator.

"Royalties": "royalties" means compensation for the use of intangible property, such as copyrights, patents, licenses, franchises, trademarks, tradenames, and similar items.

"Sale" "Casual or isolated sale":

1. "Sale" means any transfer of the ownership of, title to, or possession of property for a valuable consideration and includes any activity classified as a "sale at retail", "retail sale", or "retail service". It includes renting or leasing, conditional sale contracts, leases with option to purchase, and any contract under which possession of the property is given to the purchaser but title is retained by the vendor as security for the payment of the purchase price. It also includes the furnishing of food, drink, or meals for compensation whether consumed upon the premises or not.

2. "Casual or isolated sale" means a sale made by a person who is not engaged in the business of selling the type of property involved on a routine or continuous basis.

"Sale at retail" or "Retail sale":

1. "Sale at retail" or "retail sale" means every sale of tangible personal property (including articles produced, fabricated, or imprinted) to all persons irrespective of the nature of their business and including, among others, without limiting the scope hereof, persons who install, repair, clean, alter, improve, construct, or decorate real or personal property of or for consumers, other than a sale to a person who presents a resale certificate under RCW 82.04.470 and who:

a. Purchases for the purpose of resale as tangible personal property in the regular course of business without intervening use by such person; or

b. Installs, repairs, cleans, alters, imprints, improves, constructs, or decorates real or personal property of or for consumers, if such tangible personal property becomes an ingredient or component of such real or personal property without intervening use by such person; or

c. Purchases for the purpose of consuming the property purchased in producing for sale a new article of tangible personal property or substance, of which such property becomes an ingredient or component or is a chemical used in processing, when the primary purpose of such chemical is to create a chemical reaction directly through contact with an ingredient of a new article being produced for sale; or

d. Purchases for the purpose of consuming the property purchased in producing ferrosilicon which is subsequently used in producing magnesium for sale, if the primary purpose of such property is to create a chemical reaction directly through contact with an ingredient of ferrosilicon; or

e. Purchases for the purpose of providing the property to consumers as part of competitive telephone service, as defined in RCW 82.04.065. The term shall include every sale of tangible personal property which is used or consumed or to be used or consumed in the performance of any activity classified as a "sale at retail" or "retail sale" even though such property is resold or utilized as provided in (a), (b), (c), (d), or (e) of this subsection following such use.

f. Purchases for the purpose of satisfying the person's obligations under an extended warranty as defined in subsection (7) of this section, if such tangible personal property replaces or becomes an ingredient or component of property covered by the extended warranty without intervening use by such person.

2. "Sale at retail" or "retail sale" also means every sale of tangible personal property to persons engaged in any business activity that is taxable under OMC 5.04.060 (G).

3. "Sale at retail" or "retail sale" shall include the sale of or charge made for tangible personal property consumed and/or for labor and services rendered in respect to the following:

a. The installing, repairing, cleaning, altering, imprinting, or improving of tangible personal property of or for consumers, including charges made for the mere use of facilities in respect thereto, but excluding charges made for the use of coin-operated laundry facilities when such facilities are situated in an apartment house, rooming house, or mobile home park for the exclusive use of the tenants thereof, and also excluding sales of laundry service to nonprofit health care facilities, and excluding services rendered in respect to live animals, birds and insects;

b. The constructing, repairing, decorating, or improving of new or existing buildings or other structures under, upon, or above real property of or for consumers, including the installing or attaching of any article of tangible personal property therein or thereto, whether or not such personal property becomes a part of the realty by virtue of installation, and shall also include the sale of services or charges made for the clearing of land and the moving of earth excepting the mere leveling of land used in commercial farming or agriculture;

c. The charge for labor and services rendered in respect to constructing, repairing, or improving any structure upon, above, or under any real property owned by an owner who conveys the property by title, possession, or any other means to the person performing such construction, repair, or improvement for the purpose of performing such construction, repair, or improvement and the property is then reconveyed by title, possession, or any other means to the original owner;



d. The sale of or charge made for labor and services rendered in respect to the cleaning, fumigating, razing or moving of existing buildings or structures, but shall not include the charge made for janitorial services; and for purposes of this section the term "janitorial services" shall mean those cleaning and caretaking services ordinarily performed by commercial janitor service businesses including, but not limited to, wall and window washing, floor cleaning and waxing, and the cleaning in place of rugs, drapes and upholstery. The term "janitorial services" does not include painting, papering, repairing, furnace or septic tank cleaning, snow removal or sandblasting;

e. The sale of or charge made for labor and services rendered in respect to automobile towing and similar automotive transportation services, but not in respect to those required to report and pay taxes under chapter 82.16 RCW;

f. The sale of and charge made for the furnishing of lodging and all other services, except telephone business and cable service, by a hotel, rooming house, tourist court, motel, trailer camp, and the granting of any similar license to use real property, as distinguished from the renting or leasing of real property, and it shall be presumed that the occupancy of real property for a continuous period of one month or more constitutes a rental or lease of real property and not a mere license to use or enjoy the same. For the purposes of this subsection, it shall be presumed that the sale of and charge made for the furnishing of lodging for a continuous period of one month or more to a person is a rental or lease of real property and not a mere license to enjoy the same;

g. The installing, repairing, altering, or improving of digital goods for consumers;

h. The sale of or charge made for tangible personal property, labor and services to persons taxable under (a), (b), (c), (d), (e), (f) and (g) of this subsection when such sales or charges are for property, labor and services which are used or consumed in whole or in part by such persons in the performance of any activity defined as a "sale at retail" or "retail sale" even though such property, labor and services may be resold after such use or consumption. Nothing contained in this subsection shall be construed to modify subsection (1) of this section and nothing contained in subsection (1) of this section shall be construed to modify this subsection.

4. "Sale at retail" or "retail sale" shall also include the providing of competitive telephone service to consumers.

5. a. "Sale at retail" or "retail sale" shall also include the sale of prewritten software other than a sale to a person who presents a resale certificate under RCW 82.04.470, regardless of the method of delivery to the end user. For purposes of this subsection 5(a), the sale of prewritten computer software includes the sale of or charge made for a key or an enabling or activation code, where the key or code is required to activate prewritten computer software and put the software into use. There is no separate

sale of the key or code from the prewritten computer software, regardless of how the sale may be characterized by the vendor or by the purchaser. The term "sale at retail" or "retail sale" does not include the sale of or charge made for:

- i. custom software
  - ii. the customization of prewritten software
- b. i. The term also includes the charge made to consumers for the right to access and use prewritten computer software, where possession of the software is maintained by the seller or a third party, regardless of whether the charge for the service is on a per use, per user, per license, subscription, or some other basis.
- ii. The service described in this subsection 5(b)(i) includes the right to access and use prewritten software to perform data processing.

For purposes of this subsection 5(b)(ii) "data processing" means the systematic performance of operations on data to extract the required information in an appropriate form or to convert the data to usable information. Data processing includes check processing, image processing, form processing, survey processing, payroll processing, claim processing, and similar activities.

6. "Sale at retail" or "retail sale" shall also include Public Road Construction, which is the sale of or charge made for labor and services rendered in respect to the building, repairing, or improving of any street, place, road, highway, easement, right of way, mass public transportation terminal or parking facility, bridge, tunnel, or trestle which is owned by a municipal corporation or political subdivision of the state or by the United States and which is used or to be used primarily for foot or vehicular traffic including mass transportation vehicles of any kind.

7. "Sale at retail" or "retail sale" shall also include the sale of or charge made for an extended warranty to a consumer. For purposes of this subsection, "extended warranty" means an agreement for a specified duration to perform the replacement or repair of tangible personal property at no additional charge or a reduced charge for tangible personal property, labor, or both, or to provide indemnification for the replacement or repair of tangible personal property, based on the occurrence of specified events. The term "extended warranty" does not include an agreement, otherwise meeting the definition of extended warranty in this subsection, if no separate charge is made for the agreement and the value of the agreement is included in the sales price of the tangible personal property covered by the agreement.

8. "Sale at retail" or "retail sale" shall also include Government Contracting, which is the sale of or charge made for labor and services rendered in respect to the constructing, repairing, decorating, or improving of new or existing buildings or other structures under, upon, or above real property of or for the United States, any instrumentality thereof, or a county or city housing authority created pursuant to

chapter 35.82 RCW, including the installing, or attaching of any article of tangible personal property therein or thereto, whether or not such personal property becomes a part of the realty by virtue of installation.

9. "Sale at retail" or "retail sale" shall not include the sale of services or charges made for the clearing of land and the moving of earth of or for the United States, any instrumentality thereof, or a county or city housing authority. Nor shall the term include the sale of services or charges made for cleaning up for the United States, or its instrumentalities, radioactive waste and other byproducts of weapons production and nuclear research and development. (This is reported under the service or other classification).

10. "Sale at retail" or "retail sale" shall not include the sale of or charge made for labor and services rendered for environmental remedial action. (This is reported under the service and other classification.)

11. "Sale at retail" or "retail sale" shall also include the following sales to consumers of digital goods, digital codes, and digital automated services:

- a. Sales in which the seller has granted the purchaser the right of permanent use;
- b. Sales in which the seller has granted the purchaser a right of use that is less than permanent;
- c. Sales in which the purchaser is not obligated to make continued payment as a condition of the sale; and
- d. Sales in which the purchaser is obligated to make continued payment as a condition of the sale.

A retail sale of digital goods, digital codes, or digital automated services under this subsection includes any services provided by the seller exclusively in connection with the digital goods, digital codes, or digital automated services, whether or not a separate charge is made for such services.

For purposes of this subsection, "permanent" means perpetual or for an indefinite or unspecified length of time. A right of permanent use is presumed to have been granted unless the agreement between the seller and the purchaser specifies or the circumstances surrounding the transaction suggest or indicate that the right to use terminates on the occurrence of a condition subsequent.

12. "Sale at retail" or "retail sale" shall also include the installing, repairing, altering, or improving of digital goods for consumers.

"Sale at wholesale" "wholesale sale": "Sale at wholesale" or "wholesale sale" means any sale of tangible personal property, digital goods, digital codes, digital automated services, prewritten computer software, or services described in Subsection 5.b.i, which is not a retail sale, and any charge made for labor and services

rendered for persons who are not customers, in respect to real or personal property and retail services, if such charge is expressly defined as a retail sale or retail service when rendered to or for consumers. Sale at wholesale also includes the sale of telephone business to another telecommunications company for the purpose of resale, as contemplated by RCW 35.21.715.

"Service": shall include the sale of or charge for personal, business or professional activities, including amounts designated as internet, rent, fees, admission, and other service emoluments however designated, received by persons engaging in business activities not included in the designation of "retail service," "sale at retail," or "sale at wholesale." By way of example only, "service" includes but is not limited to legal and engineering services, consulting, and appraisal services.

"Software" "prewritten or canned software" "custom software" "customization of canned software" "master copies" "retained rights":

1. "Prewritten or canned software" means computer software, including prewritten upgrades, that is not designed and developed by the author or other creator to the specifications of a specific purchaser. The combining of two or more prewritten computer software programs or prewritten portions thereof does not cause the combination to be other than prewritten computer software. Prewritten computer software includes software designed and developed by the author or other creator to the specifications of a specific purchaser when it is sold to a person other than such purchaser. Where a person modifies or enhances computer software of which such person is not the author or creator, the person shall be deemed to be the author or creator only of the person's modifications or enhancements. Prewritten computer software or a prewritten portion thereof that is modified or enhanced to any degree, where such modification or enhancement is designed and developed to the specifications of a specific purchaser, remains prewritten computer software; however where there is a reasonable, separately stated charge or an invoice or other statement of the price given to the purchaser for the modification or enhancement, the modification or enhancement shall not constitute prewritten computer software.
2. "Custom software" means software created for a single person.
3. "Customization of canned software" means any alteration, modification, or development of applications using or incorporating canned software to specific individualized requirements of a single person. Customization of canned software includes individualized configuration of software to work with other software and computer hardware but does not include routine installation. Customization of canned software does not change the underlying character or taxability of the original canned software.
4. "Master copies" of software means copies of software from which a software developer, author, inventor, publisher, licensor, sublicensor, or distributor makes copies for sale or license. The software encoded on a master copy and the media upon which the software resides are both ingredients of the master copy.

5. "Retained rights" means any and all rights, including intellectual property rights such as those rights arising from copyrights, patents, and trade secret laws, that are owned or are held under contract or license by a software developer, author, inventor, publisher, licensor, sublicensor, or distributor.

6. "Software" means any information, program, or routine, or any set of one (1) or more programs, routines, or collections of information used, or intended for use, to convey information that causes one or more computers or pieces of computer-related peripheral equipment, or any combination thereof, to perform a task or set of tasks. "Software" includes the associated documentation, materials, or ingredients regardless of the media upon which that documentation is provided, that describes the code and its use, operation, and maintenance and that typically is delivered with the code to the consumer. All software is classified as either canned or custom.

"Taxpayer": "Taxpayer" means any "person", as herein defined, required to have a business license under this chapter or liable for the collection of any tax or fee under this chapter, or who engages in any business or who performs any act for which a tax or fee is imposed by this chapter.

"Tuition fee": "Tuition fee" includes library, laboratory, health service and other special fees, and amounts charged for room and board by an educational institution when the property or service for which such charges are made is furnished exclusively to the students or faculty of such institution. "Educational institution," as used in this section, means only those institutions created or generally accredited as such by the state and includes educational programs that such educational institution cosponsors with a non-profit corporation or a non-profit organization, as defined by the Internal Revenue Code Section 501(c)(3), as may hereafter be amended, if such educational institution grants college credit for coursework successfully completed through the educational program, or an approved branch campus of a foreign degree-granting institution in compliance with chapter 28B.90 RCW, and in accordance with RCW 82.04.4332 or defined as a degree-granting institution under RCW 28B.85.010(3) and accredited by an accrediting association recognized by the United States secretary of education, and offering to students an educational program of a general academic nature or those institutions which are not operated for profit and which are privately endowed under a deed of trust to offer instruction in trade, industry, and agriculture, but not including specialty schools, business colleges, other trade schools, or similar institutions.

"Value proceeding or accruing": "Value proceeding or accruing" means the consideration, whether money, credits, rights, or other property expressed in terms of money, a person is entitled to receive or which is actually received or accrued. The term shall be applied, in each case, on a cash receipts or accrual basis according to which method of accounting is regularly employed in keeping the books of the taxpayer.

"Value of products":

1. The value of products, including by-products, extracted or manufactured, shall be determined by the gross proceeds derived from the sale thereof whether such sale is at wholesale or at retail, to which

shall be added all subsidies and bonuses received from the purchaser or from any other person with respect to the extraction, manufacture, or sale of such products or by-products by the seller.

2. Where such products, including by-products, are extracted or manufactured for commercial or industrial use; and where such products, including by-products, are shipped, transported or transferred out of the City, or to another person, without prior sale or are sold under circumstances such that the gross proceeds from the sale are not indicative of the true value of the subject matter of the sale; the value shall correspond as nearly as possible to the gross proceeds from sales in this state of similar products of like quality and character, and in similar quantities by other taxpayers, plus the amount of subsidies or bonuses ordinarily payable by the purchaser or by any third person with respect to the extraction, manufacture, or sale of such products. In the absence of sales of similar products as a guide to value, such value may be determined upon a cost basis. In such cases, there shall be included every item of cost attributable to the particular article or article extracted or manufactured, including direct and indirect overhead costs. The Director may prescribe rules for the purpose of ascertaining such values.

3. Notwithstanding subsection (2) above, the value of a product manufactured or produced for purposes of serving as a prototype for the development of a new or improved product shall correspond to (a) the retail selling price of such new or improved product when first offered for sale; or (b) the value of materials incorporated into the prototype in cases in which the new or improved product is not offered for sale.

“Wholesale sale”: See Sale at Wholesale.

“Wholesaling”: “Wholesaling” means engaging in the activity of making sales at wholesale, and is reported under the wholesaling classification.

**Section 2. Amendment of OMC 5.04.105a.** Olympia Municipal Code Section 5.04.105a is hereby amended to read as follows:

**5.04.105a Allocation and apportionment of income when activities take place in more than one jurisdiction**

Effective January 1, 2008, gross income, other than persons subject to the provisions of chapter 82.14A RCW, shall be allocated and apportioned as follows:

- A. Gross income derived from all activities other than those taxed as service or royalties under OMC 5.04.060.G shall be allocated to the location where the activity takes place.
- B. In the case of sales of tangible personal property, the activity takes place where delivery to the buyer occurs.

C. In the case of sales of digital products, the activity takes place where delivery to the buyer occurs. The delivery of digital products will be deemed to occur at:

1. The seller's place of business if the purchaser receives the digital product at the seller's place of business;
2. If not received at the seller's place of business, the location where the purchaser or the purchaser's donee, designated as such by the purchaser, receives the digital product, including the location indicated by instructions for delivery to the purchaser or donee, known to the seller;
3. If the location where the purchaser or the purchaser's donee receives the digital product is not known, the purchaser's address maintained in the ordinary course of the seller's business when use of this address does not constitute bad faith;
4. If no address for the purchaser is maintained in the ordinary course of the seller's business, the purchaser's address obtained during the consummation of the sale, including the address of a purchaser's payment instrument, if no other address is available, when use of this address does not constitute bad faith; and
5. If no address for the purchaser is obtained during the consummation of the sale, the address where the digital good or digital code is first made available for transmission by the seller or the address from which the digital automated service or service described in RCW 82.04.050 (2)(g) or (6)(b) was provided, disregarding for these purposes any location that merely provided the digital transfer of the product sold.

D. If none of the methods in Subsection 5.04.105a (C) for determining where the delivery of digital products occurs are available after a good faith effort by the taxpayer to apply the methods provided in subsections 5.04.105a (C) (1) through (5), then the city and the taxpayer may mutually agree to employ any other method to effectuate an equitable allocation of income from the sale of digital products. The taxpayer will be responsible for petitioning the city to use an alternative method under this subsection 5.04.105a (C) (4). The city may employ an alternative method for allocating the income from the sale of digital products if the methods provided in Subsections 5.04.105a (C) (1) through (5) are not available and the taxpayer and the city are unable to mutually agree on an alternative method to effectuate an equitable allocation of income from the sale of digital products.

~~For purposes of subsections 5.04.105a (C) (1) through (5), "Receive" has the same meaning as in RCW 82.32.730.~~

E. For purposes of subsections 5.04.105a.C.1 through 5, the following definitions apply:

1. "Digital automated services", "digital codes", and "digital goods" have the same meaning as in RCW 82.02.192.

2. "Digital products" means digital goods, digital codes, digital automated services, and the services described in RCW 82.04.050 (2)(g) and (6) (c).

3. "Receive" has the same meaning as in RCW 82.32.730(9)(f).

**EF.** Gross income derived from activities taxed as services and other activities taxed under OMC 5.04.060.G shall be apportioned to the city by multiplying apportionable income by a fraction, the numerator of which is the payroll factor plus the service-income factor and the denominator of which is two.

1. The payroll factor is a fraction, the numerator of which is the total amount paid in the city during the tax period by the taxpayer for compensation and the denominator of which is the total compensation paid everywhere during the tax period. Compensation is paid in the city if:

- a. The individual is primarily assigned within the city;
- b. The individual is not primarily assigned to any place of business for the tax period and the employee performs fifty percent or more of the employee's service for the tax period in the city; or
- c. The individual is not primarily assigned to any place of business for the tax period, the individual does not perform fifty percent or more of the individual's service in any city and the employee resides in the city.

2. The service income factor is a fraction, the numerator of which is the total service income of the taxpayer in the city during the tax period, and the denominator of which is the total service income of the taxpayer everywhere during the tax period. Service income is in the city if: the customer location is in the city.

- ~~a. The customer location is in the city; or~~
  - ~~b. The income-producing activity is performed in more than one location and a greater proportion of the service income-producing activity is performed in the city than in any other location, based on costs of performance, and the taxpayer is not taxable at the customer location; or~~
  - ~~c. The service income-producing activity is performed within the city, and the taxpayer is not taxable in the customer location.~~
- ~~3. If the allocation and apportionment provisions of this subsection do not fairly represent the extent of the taxpayer's business activity in the city or cities in which the taxpayer does business, the taxpayer~~



may petition for or the tax administrators may jointly require, in respect to all or any part of the taxpayer's business activity, that one of the following methods be used jointly by the cities to allocate or apportion gross income, if reasonable:

a.—Separate accounting;

b.—The use of a single factor;

c.—The inclusion of one or more additional factors that will fairly represent the taxpayer's business activity in the city; or

d.—The employment of any other method to effectuate an equitable allocation and apportionment of the taxpayer's income.

D. The definitions in this subsection apply throughout this section.

1.—"Apportionable income" means the gross income of the business taxable under the service classifications of a city's gross receipts tax, including income received from activities outside the city if the income would be taxable under the service classification if received from activities within the city; less any exemptions or deductions available.

2.—"Compensation" means wages, salaries, commissions, and any other form of remuneration paid to individuals for personal services that are or would be included in the individual's gross income under the federal internal revenue code.

3.—"Individual" means any individual who, under the usual common law rules applicable in determining the employer-employee relationship, has the status of an employee of that taxpayer.

4.—"Customer location" means the city or unincorporated area of a county where the majority of the contacts between the taxpayer and the customer take place.

5.—"Primarily assigned" means the business location of the taxpayer where the individual performs the individual's duties.

6.—"Service taxable income" or "service income" means gross income of the business subject to tax under either the service or royalty classification.

7.—"Tax period" means the calendar year during which tax liability is accrued. If taxes are reported by a taxpayer on a basis more frequent than once per year, taxpayers shall calculate the factors for the previous calendar year for reporting in the current calendar year and correct the reporting for the previous year when the factors are calculated for that year, but not later than the end of the first quarter of the following year.

~~8. "Taxable in the customer location" means either that a taxpayer is subject to a gross receipts tax in the customer location for the privilege of doing business, or that the government where the customer is located has the authority to subject the taxpayer to gross receipts tax regardless of whether, in fact, the government does so.~~

~~9. Assignment or apportionment of revenue under this Section shall be made in accordance with and in full compliance with the provisions of the interstate commerce clause of the United States Constitution where applicable.~~

a. Gross income of the business from engaging in an apportionable activity must be excluded from the denominator of the service income factor if, in respect to such activity, at least some of the activity is performed in the city, and the gross income is attributable under (b) of this subsection (F) to a city or unincorporated area of a county within the United States or to a foreign country in which the taxpayer is not taxable. For purposes of this subsection (F)(a), "not taxable" means that the taxpayer is not subject to a business activities tax by that city or county within the United States or by that foreign country, except that a taxpayer is taxable in a city or county within the United States or in a foreign country in which it would be deemed to have a substantial nexus with the city or county within the United States or with the foreign country under the standards in RCW 35.102.050 regardless of whether that city or county within the United States or that foreign country imposes such a tax.

b. If the allocation and apportionment provisions of this subsection (a) do not fairly represent the extent of the taxpayer's business activity in the city, the taxpayer may petition for or the tax administrator may require, in respect to all or any part of the taxpayer's business activity, if reasonable:

i. Separate accounting;

ii. The exclusion of any one or more of the factors;

iii. The inclusion of one or more additional factors that will fairly represent the taxpayer's business activity in the city; or

iv. The employment of any other method to effectuate an equitable allocation and apportionment of the taxpayer's income.

c. The party petitioning for, or the tax administrator requiring, the use of any method to effectuate an equitable allocation and apportionment of the taxpayer's income pursuant to subsection (2 (b)) of this subsection must prove by a preponderance of the evidence:

- i. That the allocation and apportionment provisions of this subsection (F) do not fairly represent the extent of the taxpayer's business activity in the city; and
- ii. That the alternative to such provisions is reasonable.

The same burden of proof shall apply whether the taxpayer is petitioning for, or the tax administrator is requiring, the use of an alternative reasonable method to effectuate an equitable allocation and apportionment of the taxpayer's income.

d. If the tax administrator requires any method to effectuate an equitable allocation and apportionment of the taxpayer's income, the tax administrator cannot impose any civil or criminal penalty with reference to the tax due that is attributable to the taxpayer's reasonable reliance solely on the allocation and apportionment provisions of this subsection (6).

e. A taxpayer that has received written permission from the tax administrator to use a reasonable method to effectuate an equitable allocation and apportionment of the taxpayer's income shall not have that permission revoked with respect to transactions and activities that have already occurred unless there has been a material change in, or a material misrepresentation of, the facts provided by the taxpayer upon which the tax administrator reasonably relied in approving a reasonable alternative method.

f. The following definitions apply throughout this section:

i. "Apportionable income" means the gross income of the business taxable under the service classifications of a city's gross receipts tax, including income received from activities outside the city if the income would be taxable under the service classification if received from activities within the city, less any exemptions or deductions available.

ii. "Business activities tax" means a tax measured by the amount of, or economic results of, business activity conducted in a city or county within the United States or within a foreign country. The term includes taxes measured in whole or in part on net income or gross income or receipts. "Business activities tax" does not include a sales tax, use tax, or a similar transaction tax, imposed on the sale or acquisition of goods or services, whether or not denominated a gross receipts tax or a tax imposed on the privilege of doing business.

iii. "Compensation" means wages, salaries, commissions, and any other form of remuneration paid to individuals for personal services that are or would be included in the individual's gross income under the federal internal revenue code.

iv. "Customer" means a person or entity to whom the taxpayer makes a sale or renders services or from whom the taxpayer otherwise receives gross income of the business.

v. "Customer location" means the following:

(a). For a customer not engaged in business, if the service requires the customer to be physically present where the service is performed.

(b) For a customer not engaged in business, if the service does not require the customer to be physically present:

(1). The customer's residence; or

(2). If the customer's residence is not known, the customer's billing/mailling address.

(c) For a customer engaged in business:

(1). Where the services are ordered from;

(2). At the customer's billing/mailling address if the location from which the services are ordered is not known; or

(d). At the customer's commercial domicile if none of the above are known.

vi. "Individual" means any individual who, under the usual common law rules applicable in determining the employer-employee relationship, has the status of an employee of that taxpayer.

vii. "Primarily assigned" means the business location of the taxpayer where the individual performs his or her duties.

viii. "Service-taxable income" or "service income" means gross income of the business subject to tax under either the service or royalty classification.

ix. Tax period" means the calendar year during which tax liability is accrued. If taxes are reported by a taxpayer on a basis more frequent than once per year, taxpayers shall calculate the factors for the previous calendar year for reporting in the current calendar year and correct the reporting for the previous year when the factors are calculated for that year, but not later than the end of the first quarter of the following year.

g. Assignment or apportionment of revenue under this Section shall be made in accordance with and in full compliance with the provisions of the interstate commerce clause of the United States Constitution where applicable.

**Section 3. Amendment of OMC 5.04.110.** Olympia Municipal Code 5.04.110 is hereby amended to read as follows:

**5.04.110 Exemptions**

The provisions of this chapter shall not apply to the following:

A. This chapter shall not apply to non-profit organizations exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, as hereafter amended, except with respect to retail sales of such persons; provided, however, that the exemption set forth in the foregoing provision of this OMC 5.04.110(A) shall not apply to medical services, including a hospital, as defined in RCW 70.41, if gross income of the business of the medical service or hospital, net of exemptions and deductions (if any) permitted to be taken under OMC 5.04.110 and OMC 5.04.120, exceeds \$30 million.

B. Certain social and beneficiary organizations. This chapter shall not apply to social benefit societies or social fire insurance associations, as described in Title 48 RCW; nor to beneficiary corporations or societies organized under and existing by virtue of Title 24 RCW, if such beneficiary corporations or societies provide in their bylaws for the payment of death benefits. This exemption is limited, however, to gross income from premiums, fees, assessments, dues or other charges directly attributable to the insurance or death benefits provided by such societies, associations, or corporations.

C. Certain corporations furnishing aid and relief. This chapter shall not apply to the gross sales or the gross income received by corporations which have been incorporated under any act of Congress of the United States of America and whose principal purposes are to furnish volunteer aid to members of the armed forces of the United States of America and also to carry on a system of national and international relief and to apply the same in mitigating the sufferings caused by pestilence, famine, fire, floods, and other national calamities and to devise and carry on measures for preventing the same.

D. Operation of sheltered workshops. This chapter shall not apply to income received from the Department of Social and Health Services for the cost of care, maintenance, support, and training of persons with developmental disabilities at non-profit group training homes as defined by Chapter 71A.22 RCW or to the business activities of non-profit organizations from the operation of sheltered workshops. For the purposes of this subsection, "the operation of sheltered workshops" means performance of business activities of any kind on or off the premises of such non-profit organizations which are performed for the primary purpose of:

1. Providing gainful employment or rehabilitation services to the handicapped as an interim step in the rehabilitation process for those who cannot be readily absorbed in the competitive labor market do not exist; or
2. Providing evaluation and work adjustment services for handicapped individuals.

E. Credit unions. This chapter shall not apply to the gross income of credit unions organized under the laws of this state, any other state, or the United States.

F. Health maintenance organization, health care service contractor, certified health plan.

1. This chapter does not apply to any health maintenance organization, health care service contractor, or certified health plan in respect to premiums or prepayments that are taxable under RCW 48.14.0201. However, per RCW 48.14.0201(7), this exemption is not intended to, and shall not, impair the City's ability to impose a tax hereunder upon the health care services directly delivered by the employees of a health maintenance organization under RCW chapter 48.46.

G. Public utilities. This chapter shall not apply to any person in respect to a business activity with respect to which tax liability is specifically imposed under the provisions of Olympia Municipal Code Chapter 5.84.

H. Investments – dividends from subsidiary corporations. This chapter shall not apply to amounts derived by persons, other than those engaging in banking, loan, security, or other financial businesses, from investments or the use of money as such, and also amounts derived as dividends by a parent from its subsidiary corporations.

I. International banking facilities. This chapter shall not apply to the gross receipts of an international banking facility. As used in this subsection, an "international banking facility" means a facility represented by a set of asset and liability accounts segregated on the books and records of a commercial bank, the principal office of which is located in this state, and which is incorporated and doing business under the laws of the United States or of this state, a United States branch or agency of a foreign bank, an Edge corporation organized under Section 25(a) of the Federal Reserve Act, 12 United States Code 611-631, or an Agreement corporation having an agreement or undertaking with the Board of Governors of the Federal Reserve System under Section 25 of the Federal Reserve Act, 12 United States Code 601-604(a), that includes only international banking facility time deposits (as defined in subsection (a)(2) of Section 204.8 of Regulation D (12 CFR Part 204), as promulgated by the Board of Governors of the Federal Reserve System), and international banking facility extensions of credit (as defined in subsection (a)(3) of Section 204.8 of Regulation D).

J. Insurance business. This chapter shall not apply to amounts received by any person who is an insurer or their appointed insurance producer upon which a tax based on gross premiums is paid to the State pursuant to RCW 48.14.020, and provided further, that the provisions of this subsection shall not exempt any bonding company from tax with respect to gross income derived from the completion of any contract as to which it is a surety, or as to any liability as successor to the liability of the defaulting contractor.

K. Farmers - agriculture. This chapter shall not apply to any farmer in respect to amounts received from selling fruits, vegetables, berries, butter, eggs, fish, milk, poultry, meats or any other agricultural product that is raised, caught, produced, or manufactured by such persons.

L. Boxing/Wrestling exhibitions. This chapter shall not apply to any person in respect to the business of conducting boxing contests and sparring or wrestling matches and exhibitions for the conduct of which a license must be secured from the State Department of Licensing.

M. Racing. This chapter shall not apply to any person in respect to the business of conducting race meets for the conduct of which a license must be secured from the Washington State Horse Racing Commission.

N. Ride sharing. This chapter does not apply to any funds received in the course of commuter ride sharing or ride sharing for persons with special transportation needs in accordance with RCW 46.74.010.

O. Employees.

1. This chapter shall not apply to any person in respect to the person's employment in the capacity as an employee or servant as distinguished from that of an independent contractor. For the purposes of this subsection, the definition of employee shall include those persons that are defined in the Internal Revenue Code, as may be amended hereafter.

2. A booth renter is an independent contractor for purposes of this chapter.

P. Amounts derived from sale, lease or rental of real estate. This chapter shall not apply to gross proceeds derived from the sale, lease or rental of real estate. This, however, shall not be construed to allow an exemption of amounts received as commissions from the sale of real estate, nor as fees, handling charges, discounts, interest or similar financial charges resulting from, or relating to, real estate transactions. This chapter shall also not apply to amounts received for the rental of real estate if the rental income is derived from a contract to rent for a continuous period of thirty (30) days or longer.

Q. Mortgage brokers' third-party provider services trust accounts. This chapter shall not apply to amounts received from trust accounts to mortgage brokers for the payment of third-party costs if the accounts are operated in a manner consistent with RCW 19.146.050 and any rules adopted by the director of financial institutions.

R. Amounts derived from manufacturing, selling or distributing motor vehicle fuel. This chapter shall not apply to the manufacturing, selling, or distributing motor vehicle fuel, as the term "motor vehicle fuel" is defined in RCW ~~82.36.010~~ 82.38.020 and exempt under RCW ~~82.35.0440~~ 82.38.280, provided that any fuel not subjected to the state fuel excise tax, or any other applicable deduction or exemption, will be taxable under this chapter.

S. Amounts derived from liquor, and the sale or distribution of liquor. This chapter shall not apply to liquor as defined in RCW 65.04.010 and exempt in RCW 66.08.120.

T. Casual and isolated sales. This chapter shall not apply to the gross proceeds derived from casual or isolated sales.

U. Community Events and Farmers Markets. This chapter shall not apply to community events licensed under OMC 5.17, and farmers markets licensed under OMC 5.18, as specified in OMC 5.17 and OMC 5.18.

V. Accommodation sales. This Chapter shall not apply to sales for resale by persons regularly engaged in the business of making retail sales of the type of property so sold to other persons similarly engaged in the business of selling such property where (1) the amount paid by the buyer does not exceed the amount paid by the seller to the vendor in the acquisition of the article and (2) the sale is made as an accommodation to the buyer to enable the buyer to fill a bona fide existing order of a customer or is made within fourteen (14) days to reimburse in kind a previous accommodation sale by the buyer to the seller.

W. Taxes collected as trust funds. This Chapter shall not apply to amounts collected by the taxpayer from third parties to satisfy third party obligations to pay taxes such as the retail sales tax, use tax, and admission tax.

X. United States gross income. The gross income received by the United States or any instrumentality thereof and by the state or any municipal subdivision thereof.

**Section 4. Amendment of OMC 5.04.120.** Olympia Municipal Code 5.04.120 is hereby amended to read as follows:

#### **5.04.120 Deductions**

In computing the license fee or tax, there may be deducted from the measure of tax the following items:

A. Membership fees and certain service fees by non-profit youth organization. For purposes of this subsection, "non-profit youth organization" means a non-profit organization engaged in character building of youth which is exempt from property tax under RCW 84.36.030. In computing tax due under this chapter, there may be deducted from the measure of tax all amounts received by a non-profit youth organization:

1. As membership fees or dues, irrespective of the fact that the payment of the membership fees or dues to the organization may entitle its members, in addition to other rights or privileges, to receive services from the organization or to use the organization's facilities; or
2. From members of the organization for camping and recreational services provided by the organization or for the use of the organization's camping and recreational facilities.

B. Fees, dues, charges. In computing tax, there may be deducted from the measure of tax amounts derived from bona fide:

1. initiation fees;



2. dues;
3. contributions;
4. donations;
5. tuition fees;
6. charges made by a non-profit trade or professional organization for attending or occupying space at a trade show, convention, or educational seminar sponsored by the non-profit trade or professional organization, which trade show, convention, or educational seminar is not open to the general public; charges made for operation of privately operated kindergartens;
7. and endowment funds.

This subsection shall not be construed to exempt any person, association, or society from tax liability upon selling tangible personal property or upon providing facilities or services for which a special charge is made to members or others. If dues are in exchange for any significant amount of goods or services rendered by the recipient thereof to members without any additional charge to the member, or if the dues are graduated upon the amount of goods or services rendered, the value of such goods or services shall not be considered as a deduction under this section.

C. Artistic and cultural organizations -- income from business activities. In computing tax, there may be deducted from the measure of tax those amounts received by artistic or cultural organizations, as defined in this chapter, which represent:

1. Income derived from business activities conducted by the organization, provided that this deduction does not apply to retail sales made by artistic and cultural organizations;
2. Amounts received from the United States or any instrumentality thereof or from the State of Washington, or any municipal corporation or subdivision thereof as compensation for; or to support artistic or cultural exhibitions, performances, or programs provided by an artistic or cultural organization for attendance or viewing by the general public; or
3. Amounts received as tuition charges collected for the privilege of attending artistic or cultural education programs.

D. Artistic or cultural organization -- Deduction for tax under the manufacturing classification -- Value of articles for use in displaying art objects or presenting artistic or cultural exhibitions, performances, or programs. In computing tax, there may be deducted from the measure of tax by persons subject to payment of the tax under the manufacturing classification, the value of articles to the extent manufacturing activities are undertaken by an artistic or cultural organization, as defined in this chapter, solely for the purpose of

manufacturing articles for use by the organization in displaying art objects or presenting artistic or cultural exhibitions, performances, or programs for attendance or viewing by the general public.

E. Day care activities. In computing tax, there may be deducted from the measure of tax amounts derived from day care activities by any organization organized and operated for charitable, educational, or other purposes which is exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1954, as amended; provided, however, that amounts derived from selling, altering or repairing tangible personal property shall not be deductible.

F. Compensation from public entities for health or social welfare services -- exception. In computing tax, there may be deducted from the measure of tax amounts received from the United States or any instrumentality thereof or from the State of Washington or any municipal corporation or political subdivision thereof as compensation for, or to support, health or social welfare services rendered by a health or social welfare organization (as defined in RCW 82.04.431) or by a municipal corporation or political subdivision, except deductions are not allowed under this subsection for amounts that are received under an employee benefit plan. For purposes of this subsection, "employee benefit plan" includes the military benefits program authorized in 10 USC Sec. 1071 et seq., as amended, or amounts payable pursuant thereto.

G. Interest on investments or loans secured by mortgages or deeds of trust. In computing tax, to the extent permitted by Chapter 82.14A RCW, there may be deducted from the measure of tax by those engaged in banking, loan, security or other financial businesses, amounts derived from interest received on investments or loans primarily secured by first mortgages or trust deeds on non-transient residential properties.

H. Interest on loans to farmers and ranchers, producers, or harvesters of aquatic products, or their cooperatives. In computing tax, there may be deducted from the measure of tax amounts derived as interest on loans to bona fide farmers and ranchers, producers, or harvesters of aquatic products, or their cooperatives by a lending institution which is owned exclusively by its borrowers or members and which is engaged solely in the business of making loans and providing finance-related services to bona fide farmers and ranchers, producers, or harvesters of aquatic products, their cooperatives, rural residents for housing, or persons engaged in furnishing farm-related or aquatic-related services to these individuals or entities.

I. Interest on obligations of the state, its political subdivisions, and municipal corporations. In computing tax, there may be deducted from the measure of tax by those engaged in banking, loan, security or other financial businesses, amounts derived from interest paid on all obligations of the State of Washington, its political subdivisions, and municipal corporations organized pursuant to the laws thereof.

~~J. Receipts from tangible personal property delivered outside the State. In computing tax, there may be deducted from the measure of tax under retailing or wholesaling amounts derived from the sale of tangible personal property that is delivered by the seller to the buyer or the buyer's representative at a location outside the State of Washington.~~ Receipts from the sale of tangible personal property and retail services delivered outside the City but within the State of Washington. Effective January 1, 2008, amounts included in the gross

receipts reported on the tax return derived from the sale of tangible personal property delivered to the buyer or the buyer's representative outside the City but within the State of Washington may be deducted from the measure of tax under the retailing, retail services, or wholesaling classification

K. Cash discount taken by purchaser. In computing tax, there may be deducted from the measure of tax the cash discount amounts actually taken by the purchaser. This deduction is not allowed in arriving at the taxable amount under the extracting or manufacturing classifications with respect to articles produced or manufactured, the reported values of which, for the purposes of this tax, have been computed according to the "value of product" provisions.

L. Credit losses of accrual basis taxpayers. In computing tax, there may be deducted from the measure of tax the amount of credit losses actually sustained by taxpayers whose regular books of account are kept upon an accrual basis.

M. Repair, maintenance, replacement, etc., of residential structures and commonly held property - eligible organizations.

1. In computing tax, there may be deducted from the measure of tax amounts used solely for repair, maintenance, replacement, management, or improvement of the residential structures and commonly held property, but excluding property where fees or charges are made for use by the public who are not guests accompanied by a member, which are derived by:

a. A cooperative housing association, corporation, or partnership from a person who resides in a structure owned by the cooperative housing association, corporation, or partnership; or

b. An association of owners of property as defined in RCW 64.32.010, as now or hereafter amended, from a person who is an apartment owner as defined in RCW 64.32.010; or

c. An association of owners of residential property from a person who is a member of the association. "Association of owners of residential property" means any organization of all the owners of residential property in a defined area that all hold the same property in common within the area.

2. For the purposes of this subsection "commonly held property" includes areas required for common access such as reception areas, halls, stairways, parking, etc., and may include recreation rooms, swimming pools and small parks or recreation areas; but is not intended to include more grounds than are normally required in a residential area, or to include such extensive areas as required for golf courses, campgrounds, hiking and riding areas, boating areas, etc.

3. To qualify for the deductions under this subsection:

- a. The salary or compensation paid to officers, managers, or employees must be only for actual services rendered and at levels comparable to the salary or compensation of like positions within the county wherein the property is located;
- b. Dues, fees, or assessments in excess of amounts needed for the purposes for which the deduction is allowed must be rebated to the members of the association; and,
- c. Assets of the association or organization must be distributable to all members and must not inure to the benefit of any single member or group of members.

N. Sales at wholesale or retail of precious metal bullion and monetized bullion. In computing tax, there may be deducted from the measure of tax amounts representing the sale at wholesale or retail of precious metal bullion and monetized bullion. However, no deduction is allowed on amounts received as commissions upon transactions for the accounts of customers over and above the amount paid to other dealers associated in such transactions, and no deduction or offset is allowed against such commissions on account of salaries or commissions paid to salespeople or other employees.

O. Amounts representing rental of real estate for assisted living facilities. In computing tax, there may be deducted from the measure of the tax amounts derived from the value of the rental of real estate for "assisted living facilities." To qualify for the deduction, the assisted living facility must meet the definition of "assisted living facility" and licensed by the State of Washington under RCW 18.20. The deduction shall be in the amount of twenty-five percent (25%) of the gross monthly billing when the boarder has resided within the assisted living facility for longer than thirty (30) days.

P. Radio and television broadcasting - advertising agency fees - national, regional, and network advertising - interstate allocations. In computing tax, there may be deducted from the measure of tax by radio and television broadcasters amounts representing the following:

1. advertising agencies' fees when such fees or allowances are shown as a discount or price reduction in the billing or that the billing is on a net basis, i.e., less the discount;
2. actual gross receipts from national network, and regional advertising or a "standard deduction" as provided by RCW 82.04.280; and
3. local advertising revenue that represent advertising which is intended to reach potential customers of the advertiser who are located outside the State of Washington. The Director may issue a rule that provides detailed guidance as to how these deductions are to be calculated.

Q. Constitutional prohibitions. In computing tax, there may be deducted from the measure of the tax amounts derived from business which the city is prohibited from taxing under the Constitution of the State of Washington or the Constitution of the United States.

R. Receipts from the sale of tangible personal property delivered outside the City but within Washington. Effective January 1, 2008, amounts included in the gross receipts reported on the tax return derived from the sale of tangible personal property delivered to the buyer or the buyer's representative outside the City but within the State of Washington may be deducted from the measure of tax under the retailing or wholesaling classification. (Note: The cities which tax retail services under the retailing classification, and not the service and other classification, should also include retail services in this deduction (both in the title and in the deduction itself)).

S. Professional employer services. In computing the tax, a professional employer organization may deduct from the calculation of gross income the gross income of the business derived from performing professional employer services that is equal to the portion of the fee charged to a client that represents the actual cost of wages and salaries, benefits, workers' compensation, payroll taxes, withholding, or other assessments paid to or on behalf of a covered employee by the professional employer organization under a professional employer agreement.

**Section 5. Amendment of OMC 5.05.040.** Olympia Municipal Code 5.05.040 is hereby amended to read as follows:

**5.05.040 When due and payable -- Reporting periods -- Monthly, quarterly, and annual returns -- Threshold provisions or Relief from filing requirements -- Computing time periods -- Failure to file returns**

A. Other than any annual license fee or registration fee assessed under this Title, the tax imposed by this Title or Chapter 5.04 of the Code shall be due and payable in quarterly installments. At the Director's discretion, businesses may be assigned to an annual or monthly reporting period depending on the tax amount owing or type of tax. Until December 31, 2020, tax payments are due on or before the last day of the next month following the end of the assigned reporting period covered by the return. Effective January 1, 2021, tax payments are due on or before the time provided in RCW 82.32.045 (1) thru (3).

B. Taxes shall be paid as provided in this chapter and accompanied by a return on forms as prescribed by the Director. The return shall be signed by the taxpayer personally or by a responsible officer or agent of the taxpayer. The individual signing the return shall swear or affirm that the information in the return is full and true.

C. Tax returns must be filed and returned by the due date whether or not any tax is owed. Returns not received on or before the due date are subject to penalties and interest in accordance with this chapter.

D. Notwithstanding subsection (A) of this section, a person shall not owe any tax under this chapter and Chapter 5.04 of this Code if the following conditions are met:

1. The person's gross income of the business from all activities taxable under Chapter 5.04 of this Code is less than \$20,000 dollars per year or is equal to or less than \$5,000 during any quarter if reporting on a quarterly basis; and

2. The person is not required to collect or pay to the City any other tax or fee which the City is authorized to collect.

Regardless of reporting period assigned, any person whose value of products, gross proceeds of sales, or gross income of the business, subject to tax after all allowable deductions, does not exceed the threshold amount in the current calendar year or calendar quarter, shall file a return, declare no tax due on their return, and submit the return to the Director. The gross receipts and deduction amounts shall be entered on the tax return even though no tax may be due.

E. A taxpayer who commences to engage in business activity shall file a return and pay the tax or fee for the portion of the reporting period during which the taxpayer is engaged in business activity subject to the conditions set forth in subsection D above.

F. Except as otherwise specifically provided by any other provision of this chapter, in computing any period of days prescribed by this chapter the day of the act or event from which the designated period of time runs shall not be included. The last day of the period shall be included unless it is a Saturday, Sunday, or City or Federal legal holiday, in which case the last day of such period shall be the next succeeding day which is neither a Saturday, Sunday, or City or Federal legal holiday.

G. If any taxpayer fails, neglects or refuses to make a return as and when required in this chapter, the Director is authorized to determine the amount of the tax or fees payable by obtaining facts and information upon which to base the Director's estimate of the tax or fees due. Such assessment shall be deemed prima facie correct and shall be the amount of tax owed to the City by the taxpayer. The Director shall notify the taxpayer by mail of the amount of tax so determined, together with any penalty, interest, and fees due; the total of such amounts shall thereupon become immediately due and payable.

**Section 6. Corrections.** The City Clerk and codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance, including the correction of scrivener/clerk errors, references, ordinance numbering, section/subsection numbers and any references thereto.

**Section 7. Severability.** If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of the Ordinance or application of the provisions to other persons or circumstances shall remain unaffected.

**Section 8. Ratification.** Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

**Section 9. Effective Date.** This Ordinance shall take effect five (5) days after publication, as provided by law.

\_\_\_\_\_  
MAYOR

**ATTEST:**

\_\_\_\_\_  
CITY CLERK

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
DEPUTY CITY ATTORNEY

**PASSED:**

**APPROVED:**

**PUBLISHED:**

## Model Rule

### Apportionment of Service Receipts beginning January 1, 2020

#### (1) Introduction.

Substitute House Bill 1403 simplifies the administration of municipal business and occupation tax apportionment primarily by changing the definition of customer location to adopt market-based sourcing in the income factor. SHB 1403 further simplifies the administration of municipal business and occupation tax apportionment by excluding service receipts from the income factor denominator attributable to jurisdictions where the taxpayer would not be subject to tax and establishing guidelines for the application of an alternative apportionment method. No changes are made to the payroll factor. The intent of this rule is to provide guidance on the new method of apportioning service income beginning January 1, 2020.

#### (2) Apportionable Service revenue apportioned beginning January 1, 2020.

Gross income derived from service activities taxed under \_\_\_\_\_ [*insert city code reference to .050(1)(g) – any other business activity than those enumerated*] after January 1, 2020, shall be apportioned to the City by multiplying the apportionable income by a fraction, the numerator of which is the payroll factor plus the service income factor and the denominator of which is two (2).

- (a) The payroll factor is a fraction, the numerator of which is the total amount paid for compensation in the City during the tax period by the taxpayer and the denominator of which is the total compensation paid everywhere during the tax period. Compensation is paid in the City if:
- (i) The individual is primarily assigned within the City;
  - (ii) The individual is not primarily assigned to any place of business for the tax period and the employee performs fifty percent (50%) or more of his or her service for the tax period in the city; or
  - (iii) The individual is not primarily assigned to any place of business for the tax period, the individual does not perform fifty percent (50%) or more of his or her service in any city, and the employee resides in the city.

Per [*insert city code reference to .077(7)(f) – Individual*], “Individual” means any individual who, under the usual common law rules applicable in determining



## Apportionment of Service Receipts beginning January 1, 2020

the employer-employee relationship, has the status of an employee of that taxpayer.

- (b) The service income factor is a fraction, the numerator of which is the total service income of the taxpayer in the City during the tax period, and the denominator of which is the total service income of the taxpayer everywhere during the tax period. Service income is in the City if the customer location is in the City.
- (c) Income Factor Denominator – Excluded Income. Gross income of the business from engaging in an apportionable activity must be excluded from the denominator of the service income factor if, in respect to such activity, at least some of the activity is performed in the city, and the gross income is attributable under (b) of this section (2) to a city or unincorporated area of a county within the United States or to a foreign country in which the taxpayer is not taxable.
- (d) If the allocation and apportionment provisions of this section (2) do not fairly represent the extent of the taxpayer's business activity in the city, the taxpayer may petition for or the tax administrator may require, in respect to all or any part of the taxpayer's business activity, if reasonable:
  - (i) Separate accounting;
  - (ii) The exclusion of any one or more of the factors;
  - (iii) The inclusion of one or more additional factors that will fairly represent the taxpayer's business activity in the city; or
  - (iv) The employment of any other method to effectuate an equitable allocation and apportionment of the taxpayer's income.
- (e) The party petitioning for, or the tax administrator requiring, the use of any method to effectuate an equitable allocation and apportionment of the taxpayer's income pursuant to subsection (d) of this section (2) must prove by a preponderance of the evidence:
  - (i) That the allocation and apportionment provisions of this section (2) do not fairly represent the extent of the taxpayer's business activity in the city; and
  - (ii) That the alternative to such provisions is reasonable. The same burden of proof shall apply whether the taxpayer is petitioning for, or the tax administrator is requiring, the use of an alternative, reasonable method

## Apportionment of Service Receipts beginning January 1, 2020

to effectuate an equitable allocation and apportionment of the taxpayer's income.

- (f) If the tax administrator requires any method to effectuate an equitable allocation and apportionment of the taxpayer's income, the tax administrator cannot impose any civil or criminal penalty with reference to the tax due that is attributable to the taxpayer's reasonable reliance solely on the allocation and apportionment provisions of this section (2).
  - (g) A taxpayer that has received written permission from the tax administrator to use a reasonable method to effectuate an equitable allocation and apportionment of the taxpayer's income shall not have that permission revoked with respect to transactions and activities that have already occurred unless there has been a material change in, or a material misrepresentation of, the facts provided by the taxpayer upon which the tax administrator reasonably relied in approving a reasonable alternative method.
- (3) Definitions. The definitions in this section apply throughout this rule.
- (a) **"Apportionable income"** means the gross income of the business taxable under the service classifications of a city's gross receipts tax, including income received from activities outside the city if the income would be taxable under the service classification if received from activities within the city, less any exemptions or deductions available.
  - (b) **"Business activities tax"** means a tax measured by the amount of, or economic results of, business activity conducted in a city or county within the United States or within a foreign country. The term includes taxes measured in whole or in part on net income or gross income or receipts. "Business activities tax" does not include a sales tax, use tax, or a similar transaction tax, imposed on the sale or acquisition of goods or services, whether denominated a gross receipts tax or a tax imposed on the privilege of doing business.
  - (c) **"Compensation"** means wages, salaries, commissions, and any other form of remuneration paid to individuals for personal services that are or would be included in the individual's gross income under the federal internal revenue code.
  - (d) **"Customer"** means a person or entity to whom the taxpayer makes a sale or renders services or from whom the taxpayer otherwise receives gross income of the business.

## Apportionment of Service Receipts beginning January 1, 2020

- (e) **"Customer Location"** means the following:
- (i) For a customer not engaged in business, if the service requires the customer to be physically present, where the service is performed.
  - (ii) For a customer not engaged in business, if the service does not require the customer to be physically present:
    - (A) The customer's residence; or
    - (B) If the customer's residence is not known, the customer's billing/ mailing address.
  - (iii) For a customer engaged in business:
    - (A) Where the services are ordered from; or
    - (B) At the customer's billing/ mailing address if the location from which the services are ordered is not known; or
    - (C) At the customer's commercial domicile if none of the above are known.

The customer location of a customer under (3)(e)(ii) and (3)(e)(iii) is determined based on a cascading method or series of steps. Only if the first step is unknown may the taxpayer move to the next step and so forth.

- (f) **"Individual"** means any individual who, under the usual common law rules applicable in determining the employer-employee relationship, has the status of an employee of that taxpayer.
- (g) **"Not Taxable"** means that the taxpayer is not subject to a business activities tax by that city or county within the United States or by that foreign country, except that a taxpayer is taxable in a city or county within the United States or in a foreign country in which it would be deemed to have a substantial nexus with the city or county within the United States or with the foreign country under the standards in RCW 35.102.050 regardless of whether that city or county within the United States or that foreign country imposes such a tax.
- (h) **"Primarily assigned"** means the business location of the taxpayer where the individual performs his or her duties.
- (i) **"Service taxable income"** or "service income" means gross income of the business subject to tax under either the service or royalty classification.
- (j) **"Tax period"** means the calendar year during which tax liability is accrued. If taxes are reported by a taxpayer on a basis more frequent than once per year, taxpayers shall calculate the factors for the previous calendar year for reporting in the current calendar year and correct the reporting for the previous year when the factors are calculated for that year, but not later than the end of the first quarter of the following year.

## Apportionment of Service Receipts beginning January 1, 2020

- (4) Examples. The following examples identify a number of facts and then state a conclusion. The tax status of each circumstance must be determined after a review of all the facts and circumstances.
- (a) **Example 1:** An individual with health insurance seeks medical services at a doctor's office in Seattle. The individual is the customer for purposes of determining customer location even though the individual may utilize their insurance to pay for the medical services provided to them. The individual is required to be present at the doctor's office to receive the services, therefore the service receipts are sourced to the location of the doctor's office where the services are performed.
- (b) **Example 2:** PCA Co. provides electronic design plans for residential homeowners in Washington, Oregon and Idaho. The service is designed to allow home owners to be their own general contractors. Homeowners upload pictures of their home to PCA's website and PCA delivers electronic plans and projected work plans to the customer's email. PCA reports under the service activity classification and has its only business location in Seattle. Because PCA's service does not require the customer to be physically present and their customers are not engaged in business, PCA would source their receipts first to the customer residence. Only if the customer's residence is not known, PCA would source their receipts to the customer's billing/ mailing address.
- (c) **Example 3:** MNO Co. provides professional services to customers engaged in business throughout Washington. MNO maintains billing address information for all of its customers. In addition, MNO also has information about the location from which the services are ordered, contracts, invoices, and other communication with the customer. MNO must follow the sourcing hierarchy in subsection 3(e) above for sourcing service receipts to the customer location. MNO would first determine the location from which the services are ordered; if the location from which the services were ordered was not known, MNO would use the customer's billing or mailing address; and finally, if MNO did not know its customer's billing or mailing address, MNO would source the service income to the customer's place of domicile or where it is headquartered. In this example, MNO has information in its business records to identify the location from which the services were

## Apportionment of Service Receipts beginning January 1, 2020

ordered. Therefore, MNO will source its service receipts to the location from which services were ordered and will not use the customer billing addresses.

- (d) **Example 4:** QRS LLC is located in Tacoma, Washington and provides architectural services to customers engaged in business throughout Washington State. TUV Co., a software company located in Seattle, contracts with QRS to draft plans to renovate their branch office in Bellevue. The order was made by TUV personnel located in Seattle. QRS will source the TUV service receipts to Seattle, the location from which the services were ordered.
- (e) **Example 5:** Safe-T Service LLC is a security company that provides building security to customers engaged in business throughout Washington State. Huge Software Co. contracts with Safe-T Service to perform afterhours security for their sales office in Seattle. The services were ordered from the sales office in Seattle and approved by the company's main office and procurement department in Bellevue. Safe-T Service will source Huge Software Co. service receipts to Seattle, the location from which the services were ordered and not from where the order was approved.
- (f) **Example 6:** Company MMM reports under the service classification and has its only business location in Seattle. MMM has employees but also maintains contracts with independent contractors who sell the company's services. The independent contractors are paid by commissions. The independent contractors are located partly outside of the state and partly within the state. MMM employs managers who visit the independent contractors but are assigned to the Seattle office. Company MMM has nexus outside of the state due to their independent contractors working with MMM's ultimate customer. MMM should compute their taxable service income using the two-factor method. Since their employees and the traveling managers are assigned to the Seattle office, 100% of the payroll is assigned to Seattle. Assuming that 75% of the service income is attributable to customer locations outside of Seattle (see subsection (3)(e) for definition of customer location) and 25% inside of Seattle, then the two-factor apportionment would be as follows:

$$\text{Apportionment Factor} = \frac{100\% (\text{Seattle payroll factor}) + 25\% (\text{Seattle income factor})}{2} = \frac{125\%}{2} = 62.5\%$$

**Apportionment of Service Receipts beginning January 1, 2020**

(g) **Example 7:** MNO Corp, a service corporation based in Seattle, provides web-based services through the means of the Internet to individual customers who are residents of Seattle and elsewhere. Sales of 20 percent of MNO Corp’s web-based services are attributed to customers within Seattle (see subsection (3)(e)) and 40 percent of MNO Corp’s service employees are located in Seattle. Assuming that no service income is excluded from the denominator because the taxpayer is taxable in all customer locations, the two-factor apportionment would be as follows:

$$\text{Apportionment Factor} = \frac{40\% \text{ (Seattle payroll factor)} + 20\% \text{ (Seattle income factor)}}{2} = \frac{60\%}{2} = 30\%$$

(h) **Example 8:** Same as Example 7, however 10 percent of MNO Company’s sales are attributable to cities in which MNO is “not taxable” (the taxpayer is not subject to a business activities tax and the taxpayer is not deemed to have substantial nexus in the customer location , see subsection 3(g) above). Furthermore, some of the service activity is performed in Seattle. As a result, 10 percent of MNO’s sales must be excluded from the income factor denominator. Therefore, the service apportionment factor and the two-factor apportionment would be as follows:

$$\text{Service activity income factor} = \frac{20\% \text{ (Service income)}}{100\% \text{ (Worldwide service activity income)} - 10\% \text{ (Excluded income)}} = \frac{20\%}{90\%} = 22.2\%$$

$$\text{Apportionment Factor} = \frac{40\% \text{ (Payroll factor)} + 22.2\% \text{ (20/90 Service income factor)}}{2} = \frac{62.2\%}{2} = 31.1\%$$

(i) **Example 9:** Hobbs & Smith Co. provides engineering consulting services to businesses. Hobbs & Smith has offices in Seattle, Bellingham and Tacoma. Hobbs & Smith’s service income is attributed 40-percent in Seattle, 40-percent in Bellingham, and 20-percent in Tacoma. Their office staffing is 60-percent in Seattle, 30-percent in Bellingham and 10-percent in Tacoma. Projects are shared among the various offices. A staff working a project may sit in one office and report to a specialist and managers that are in different offices. Therefore, some of the service activity is performed in all of Hobbs & Smith’s offices. The service income apportionment factor and two-factor apportionment would be as follows:

## Apportionment of Service Receipts beginning January 1, 2020

$$\text{Seattle Apportionment Factor} = \frac{60\% (\text{Seattle payroll factor}) + 40\% (\text{Seattle income factor})}{2} = \frac{100\%}{2} = 50.0\%$$

$$\text{Bellingham Apportionment Factor} = \frac{30\% (\text{Bellingham payroll factor}) + 40\% (\text{Bellingham income factor})}{2} = \frac{70\%}{2} = 35.0\%$$

$$\text{Tacoma Apportionment Factor} = \frac{10\% (\text{Tacoma payroll factor}) + 20\% (\text{Tacoma income factor})}{2} = \frac{30\%}{2} = 15.0\%$$

(j) **Example 10:** Same as Example 9, however Hobbs & Smith only has offices in Seattle and Tacoma. Hobbs & Smith service income is 50-percent in Seattle, 30-percent in Tacoma, and 20-percent in Fife under (e) of section (3) above. Their office staffing is 40-percent in Seattle and 60-percent in Tacoma. Hobbs & Smith is “not taxable” in Fife because Fife does not impose a business activities tax and the taxpayer is not deemed to have a substantial nexus in Fife (see subsection (g) of section (3)). Fife customers travel to the Tacoma office for business meetings with Hobbs & Smith. Projects are shared among the various offices. A staff working a project may sit in one office and report to a specialist and managers that are in different offices. Therefore, some of the service activity is performed in all of Hobbs & Smith’s offices. The service income apportionment factor and the two-factor apportionment would be as follows:

$$\text{Seattle service income factor} = \frac{50\% (\text{Service income})}{100\% (\text{Worldwide service income}) - 20\% (\text{Excluded income})} = \frac{50\%}{80\%} = 62.5\%$$

$$\text{Seattle Apportionment Factor} = \frac{40\% (\text{Seattle payroll factor}) + 62.5\% (50/80 \text{ Service income factor})}{2} = \frac{103\%}{2} = 51\%$$

$$\begin{aligned} \text{Tacoma service income factor} &= \frac{30\% (\text{Service income})}{100\% (\text{Worldwide service income}) - 20\% (\text{Excluded income})} = \frac{30\%}{80\%} = 37.5\% \\ &= \frac{60\% (\text{Tacoma payroll factor}) + 37.5\% (30/80 \text{ Service income factor})}{2} = \frac{98\%}{2} = 49\% \end{aligned}$$

**Apportionment of Service Receipts beginning January 1, 2020**

<b>Tacoma Apportionment Factor</b>	<b>2</b>	<b>2</b>
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(k) **Example 11:** Same as Example 10, except all work is done in the Seattle office and the Tacoma office handles the administrative operations of the business. Hobbs & Smith have nexus in Tacoma because of the presence of the office. However, because none of the work is done in Tacoma, none of the Fife income would be excluded from the service income factor for Tacoma. The service income apportionment factor and the two-factor apportionment would be as follows:

$$\text{Seattle service income factor} = \frac{50\% \text{ (Service income)}}{100\% \text{ (Worldwide service income)} - 20\% \text{ (Excluded income)}} = \frac{50\%}{80\%} = 62.5\%$$

$$\text{Seattle Apportionment Factor} = \frac{40\% \text{ (Seattle payroll factor)} + 62.5\% \text{ (50/80 Service income factor)}}{2} = \frac{103\%}{2} = 51\%$$

$$\text{Tacoma service income factor} = \frac{30\% \text{ (Service income)}}{100\% \text{ (Worldwide service income)}} = \frac{30\%}{100\%} = 30\%$$

$$\text{Tacoma Apportionment Factor} = \frac{60\% \text{ (Tacoma payroll factor)} + 30\% \text{ (30/100 Service income factor)}}{2} = \frac{90\%}{2} = 45\%$$





## City Council

# Approval of an Ordinance Adopting the 2020 Operating, Special Funds, Capital Budget, Capital Facilities Plan, and 2020-2025 Financial Plan

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 4.S  
**File Number:** 19-1149

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**Type:** ordinance **Version:** 1 **Status:** 1st Reading-Consent

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### Title

Approval of an Ordinance Adopting the 2020 Operating, Special Funds, Capital Budget, Capital Facilities Plan, and 2020-2025 Financial Plan

### Recommended Action

#### Committee Recommendation:

The Finance Committee considered public testimony received at Public Hearings held on October 29 and November 19, as well as the Council budget balancing discussion on November 26.

#### City Manager Recommendation:

Move to approve the ordinance adopting the 2020 Operating, Special Funds and Capital budgets, and the Capital Facilities Plan: 2020-2025 Financial Plan on first reading and forward to second reading.

### Report

#### Issue:

Whether to approve the ordinance adopting the 2020 Operating, Special Funds and Capital budgets, and the Capital Facilities Plan: 2020-2025 Financial Plan on first reading and forward to second reading.

#### Staff Contact:

Debbie Sullivan, Administrative Services Director, 360.753.8499

#### Presenter(s):

None - Consent calendar item

#### Background and Analysis:

State law requires the City Manager to present a balanced Preliminary Operating budget and Capital budget to Council each year. By State law the budget must be adopted no later than December 31. The City Council's Finance Committee met throughout the year to review, discuss, and provide direction to the City Manager on the 2020 Preliminary Operating budget, Capital budget, and the

## Capital Facilities Plan (CFP) and 2020-2025 Financial Plan.

The 2020 Preliminary Operating, Special Funds, and Capital budgets include resources to provide services such as police and fire protection, developing and maintaining parks, open space and recreational centers, and building and maintaining City streets and utility infrastructure.

### **Operating Budget**

The Operating Budget was presented to Council on October 29. A public hearing was held on November 19. Finance Committee met on November 20 to prepare a final recommendation which was presented to the full Council on November 26. Since the Preliminary Operating budget was presented on October 29, changes in revenue and expenditures were adjusted. The following major changes to the Operating budget were discussed with Council on November 26 and made to the final document:

1. Increase of General Fund Revenues of \$100,000. This is a result of updated revenue projections.
2. Increase General Fund Expenditures of \$100,000, which includes City Council changes to preliminary budget to fund a Police Auditor; "Five Things" mailed to renters; increased hours of Olympia Fire Department (OFD) Cares; adding fire vehicles to the equipment reserve fund; and increasing Council Goal money.
3. Increase utility expenditures to account for a 1 percent increase in Municipal Utilities, and adopt corresponding utility rates presented to Council on November 12.

### **Capital Budget and Capital Facilities Plan: 2020-2025 Financial Plan**

The Capital Facilities Plan (CFP) is a Chapter in the City's 20-Year Comprehensive Plan adopted by Council in 2014. The CFP portion of the Plan is updated annually. The first year of the six-year financial plan serves as the City's annual Capital budget.

The Planning Commission received a briefing on the CFP and a copy of the Olympia School District's draft 2020-2025 CFP on August 19. On September 16, the Planning Commission held a public hearing. The City's Preliminary CFP and 2020-2025 Financial Plan also went to the Bicycle Pedestrian and Advisory Committee (BPAC); Parks and Recreation Committee (PRAC); and the Utility Advisory Committee (UAC) for review and comment. The Planning Commission, BPAC, PRAC, and UAC submitted comments for Council's consideration.

City Council held public hearings on October 29 and November 26 to hear testimony on both the

2020 Preliminary Capital Budget and the CFP: 2020-2025 Financial Plan.

Since the Preliminary Capital budget and CFP: 2020-2025 Financial Plan was presented on August 13, the following major changes to the Capital budget were discussed with Council on November 26 and made to the final document:

1. Real Estate Excise Tax. Increase 2020 revenue by \$500,000 and allocate to Transportation - Street Repair & Reconstruction
2. Sidewalk & Pathways. Change Funding Source of \$150,000 from Stormwater Utility to General Fund
3. Olympia Metropolitan Park District. Increase revenue by \$354,611. Allocate \$280,000 to Lions Park Sprayground and \$74,611 to Percival Landing Repair Reserve.
4. New project pages for the Lee Creighton Justice Center Reconstruction, Waste ReSources Maintenance Center Construction, Public Works & Parks Maintenance Center Reconstruction, and West Olympia Commercial Property projects.

### **Special Funds**

The budget also includes Special funds such as Home Fund, Lodging Tax, Parking & Business Improvement Area, Farmers Market Repair & Replacement, and Hands on Children's Museum. Since the Preliminary budget was presented on October 29, changes in revenue and expenditures were adjusted. The following major changes to the Special Funds were made to the final document:

1. Home Fund. Increase Housing and Homelessness Expenditures of \$1,579,656 to include appropriations related to the six Housing programs: Community Health & Safety, Shelter, Housing, Staffing and Affordable and Supportive Housing. Funding from previously approved interfund loans and HB-1406.

### **Neighborhood/Community Interests (if known):**

City Council held public hearings on October 29 and November 19 to hear testimony on the CFP: 2020-2025 Financial Plan. Council also held a public hearing on November 19 to hearing testimony on the Preliminary Operating Budget.

The Planning Commission received a briefing on the CFP and a copy of the Olympia School District's draft 2020-2025 CFP on August 19. On September 16, the Planning Commission held a public hearing. The City's Preliminary CFP and 2020-2025 Financial Plan also went to the Bicycle

Pedestrian and Advisory Committee (BPAC); Parks and Recreation Committee (PRAC); and the Utility Advisory Committee (UAC) for review and comment. The Planning Commission, BPAC, PRAC, and UAC prepared comments for Council's consideration.

**Options:**

1. Approve the Ordinance Adopting the 2020 Operating, Special Funds and Capital budgets and the Capital Facilities Plan: 2020-2025 Financial Plan on first reading and move to second reading.
2. Direct staff to make changes to the Ordinances and/or the Capital Facilities Plan: 2020-2025 Financial Plan and move to second reading.

**Financial Impact:**

Total 2020 Appropriations:

- Operating Funds - \$178,151,013
- Special Funds - \$11,560,724
- Capital Funds - \$34,153,377
- Totals \$223,865,114

**Attachments:**

Ordinance

Ordinance No. \_\_\_\_\_

**AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, ADOPTING THE CITY OF OLYMPIA'S 2020 OPERATING, SPECIAL, AND CAPITAL BUDGETS AND 2020-2025 CAPITAL FACILITIES PLAN; SETTING FORTH THE ESTIMATED REVENUES AND APPROPRIATIONS.**

**WHEREAS**, the tax estimates and budget for the City of Olympia, Washington, for the 2020 calendar year have been prepared and filed as provided by the laws of the State of Washington; and

**WHEREAS**, the Olympia City Manager submitted to the City Council a recommended "Capital Facilities Plan," herein referred to as "CFP," for the fiscal years 2020 through 2025; and

**WHEREAS**, the preliminary budget was printed for distribution and notice published in the official paper of the City of Olympia, setting the time and place for hearing on the budget and stating that all taxpayers requesting a copy from the City Clerk would be furnished a copy of the preliminary budget to review; and

**WHEREAS**, the CFP projects the proposed locations and capacities of expanded or new capital facilities needed to serve growth projected in the City's comprehensive plan, along with a six-year plan that will finance such capital facilities and the anticipated capital expenditures required to construct them for said period; and

**WHEREAS**, the Olympia City Council held a public hearing on the preliminary budget on November 19, 2019, as required by law, and has considered the public testimony presented; and

**WHEREAS**, the Olympia School District's Capital Facilities Plan is being incorporated as a component of the City's CFP to allow for the collection of school impact fees; and

**WHEREAS**, the CFP element of the Comprehensive Plan Goals and Policies is included in the CFP; and

**WHEREAS**, the City Council has held public hearings and reviewed the recommended CFP along with the CFP Goals Policies and has made revisions thereto; and

**WHEREAS**, the revisions made by the City Council have been incorporated into the recommended CFP; and

**WHEREAS**, the CFP meets the requirements of the Washington State Growth Management Act, including RCW 36.70A.070(3);

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:**

**Section 1.** The 2020 Estimated Revenues and Appropriations for each Fund are as follows:

**Operating Budget**

FUND	USE OF FUND BALANCE	ESTIMATED REVENUE	APPROP	ADDITION TO FUND BALANCE
General, Regular Operations	\$291,797	\$85,558,562	\$85,850,359	\$0
General, Special Sub-Funds				
Special Accounts	129,477	1,214,795	1,344,272	0
Development Fee Revenue	421,394	3,677,069	4,098,463	0
Parking	22,721	1,510,840	1,533,561	0
Post Employment Benefits	370,000	1,005,000	1,375,000	0
Washington Center Endowment	0	10,500	10,500	0
Washington Center Operating	0	530,500	530,500	0
Municipal Arts	0	59,544	59,544	0
Equipment & Facilities Reserve	179,678	1,359,047	1,538,725	0
<b>Total General Fund</b>	<b>\$1,415,067</b>	<b>\$94,925,857</b>	<b>\$96,340,924</b>	<b>\$0</b>
LID Control				0
LID Guarantee				0
4th/5th Avenue Corridor Bridge Loan	0	539,099	539,099	0
UTGO Bond Fund - 2009 Fire	0	1,190,757	1,190,757	0
City Hall Debt Fund - 2009	0	2,419,518	2,419,518	0
2010 LTGO Bond - Street Projects	0	438,613	438,613	0
L.O.C.A.L. Debt Fund - 2010	0	89,142	89,142	0
2010B LTGO Bonds - HOCCM	0	457,088	457,088	0
2013 LTGO Bond Fund	0	675,775	675,775	0
2016 LTGO Parks BAN	0	14,673,000	14,673,000	0
Water Utility O&M	0	15,729,920	15,257,101	472,819
Sewer Utility O&M	123,899	21,553,824	21,677,723	0
Solid Waste Utility	0	13,593,875	13,356,483	237,392
Stormwater Utility	638,475	5,710,756	6,349,231	0
Water/Sewer Bonds	0	2,042,382	2,042,382	0
Stormwater Debt Fund	0	123,650	123,650	0
Water/Sewer Bond Reserve	0	0	0	0
Equipment Rental	10,884	2,509,643	2,520,527	0
<b>Subtotal Other Operating Funds</b>	<b>\$773,258</b>	<b>\$81,747,042</b>	<b>\$81,810,089</b>	<b>\$710,211</b>
<b>Total Operating Budget</b>	<b>\$2,188,325</b>	<b>\$176,672,899</b>	<b>\$178,151,013</b>	<b>\$710,211</b>

**Special Funds Budget**

FUND	USE OF FUND BALANCE	ESTIMATED REVENUE	APPROP	ADDITION TO FUND BALANCE
HUD Fund	\$0	\$600,000	\$591,819	\$8,181
Lodging Tax Fund	0	1,132,309	1,019,083	113,226
Parking Business Improvement Area Fund	0	100,000	98,500	1,500
Farmers Market Repair and Replacement Fund	0	0	0	0
Hands On Children's Museum	132,854	543,634	676,488	0
Home Fund Operating Fund	0	2,432,135	2,432,135	0
Fire Equipment Replacement Fund	0	200,000	200,000	0
Equipment Rental Replacement Reserve Fund	122,762	2,217,238	2,340,000	0
Unemployment Compensation Fund	0	112,500	85,000	27,500
Insurance Trust Fund	0	2,463,199	2,463,199	0
Workers Compensation Fund	204,000	1,450,500	1,654,500	0
<b>Total Special Funds Budget</b>	<b>\$459,616</b>	<b>\$11,251,515</b>	<b>\$11,560,724</b>	<b>\$150,407</b>

**Capital Budget**

FUND	USE OF FUND BALANCE	ESTIMATED REVENUE	APPROP	ADDITION TO FUND BALANCE
Impact Fee	\$2,141,104	\$467,191	\$2,608,295	\$0
SEPA Mitigation Fee Fund	0	0	0	0
Parks & Recreational Sidewalk, Utility Tax Fund	0	2,668,536	2,662,182	6,354
Real Estate Excise Tax Fund	0	2,274,752	1,500,000	774,752
Capital Improvement Fund	304,758	10,542,832	10,847,590	0
Olympia Home Fund Capital Fund	0	1,561,310	1,561,310	0
Water CIP Fund	1,551,706	6,221,294	7,773,000	0
Sewer CIP Fund	2,755,699	1,692,301	4,448,000	0
Waste ReSources CIP Fund	0	368,000	0	368,000
Storm Water CIP Fund	294,560	2,458,440	2,753,000	0
Storm Drainage Mitigation Fund	0	0	0	0
<b>Total Capital Budget</b>	<b>\$7,047,827</b>	<b>\$28,254,656</b>	<b>\$34,153,377</b>	<b>\$1,149,106</b>

<b>Total City Budget</b>	<b>\$9,695,768</b>	<b>\$216,179,070</b>	<b>\$223,865,114</b>	<b>\$2,009,724</b>
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**Section 2. Administration.** The City Manager shall administer the budgets and in doing so may authorize adjustments within the funds set forth in Section 1 above, to the extent that such adjustments are consistent with the budget approved in Section 1 above.

**Section 3. Salaries and Compensation.** The salaries and compensation for the City of Olympia employees for the calendar year 2020 shall be as set forth in the "Supplementary Information" section of the 2020 Adopted Budget document, or as the same may be amended by the City Manager as part of their administration of the budget pursuant to Section 2 above.

**Section 4. Benefit Cost Sharing.** The City Manager is authorized to modify and establish benefit cost sharing for City employees; and such programs may be based, in part, on an employee's start date with the City.

**Section 5. Capital Facilities Plan.** That certain document entitled the "Capital Facilities Plan," covering the years 2020 through 2025, a copy of which will be on file with the Office of the Director of Administrative Services and available on the City's web site, is hereby adopted as the Capital Facilities Plan for the City of Olympia and is incorporated herein as though fully set forth.

**Section 6. City Manager Authorization.** Upon appropriation by the City Council of funds therefor, the City Manager shall be authorized to prepare plans and specifications to take bids, and to make expenditures for the projects set forth in the CFP during the year for which said projects are scheduled; provided, however, that any award of bids and execution of contracts for construction shall be approved as provided in OMC Chapter 3.16.

**Section 7. Change in Funding Source and Construction Schedule.** It is anticipated that the funding source and the construction schedule for projects identified in the CFP may be changed over the next year. Such changes shall not constitute an amendment to the Comprehensive Plan for purposes of RCW 36.70A130.

**Section 8. Director of Administrative Services Authorization.** The Director of Administrative Services is hereby authorized to bring forward into fiscal year 2020 all appropriations and allocations not otherwise closed, completed, or deleted from prior fiscal years' Capital and Special Fund budgets.

**Section 9. Severability.** The provisions of this Ordinance are declared separate and severable. If any provision of this Ordinance or its application to any person or circumstances is held invalid, the remainder of this Ordinance or application of the provision to other persons or circumstances shall be

**Section 10. Ratification.** Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.



**Section 11. Effective Date.** This Ordinance shall take effect January, 1, 2020.

\_\_\_\_\_  
MAYOR

**ATTEST:**

\_\_\_\_\_  
CITY CLERK

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
CITY ATTORNEY

**PASSED:**

**APPROVED:**

**PUBLISHED:**



## City Council

### Approval of an Ordinance to Vacate a Portion of Bethel Street NE between State Avenue and Olympic Drive

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 4.T  
**File Number:** 19-1143

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**Type:** ordinance   **Version:** 1   **Status:** 1st Reading-Consent

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#### **Title**

Approval of an Ordinance to Vacate a Portion of Bethel Street NE between State Avenue and Olympic Drive

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee.

##### **City Manager Recommendation:**

Move to approve the ordinance vacating a portion of Bethel Street NE between State Avenue and Olympic Drive on first reading and forward to second reading.

#### **Report**

##### **Issue:**

Whether to approve an ordinance vacating a portion of Bethel Street NE between State Avenue and Olympic Drive.

##### **Staff Contact:**

Fran Eide, P.E., City Engineer, Public Works Engineering, 360.753.8422

##### **Presenter(s):**

None - Consent Calendar Item.

#### **Background and Analysis:**

A property owner next to Bethel Street NE asked the City to vacate a portion of Bethel Street NE between State Avenue and Olympic Drive. On October 15, 2019, Council adopted a resolution setting the date of November 12, 2019, for a Public Hearing to hear public comment regarding the request.

On November 12, 2019, a Public Hearing was held, and Council directed staff to draft a Vacation Ordinance for Council approval.

City staff reviewed the request using the criteria outlined in Olympia Municipal Code Section

12.16.100.

Staff recommends approval of the partial street vacation with the requirement that the property owner make payment of one-half appraised value to the City.

**Neighborhood/Community Interests (if known):**

The public hearing provided an opportunity for Council to hear comments from the community regarding the requested vacation.

**Options:**

- Option 1: Move to approve on first reading and forward to second reading the ordinance to vacate a portion of Bethel Street NE between State Avenue NE and Olympic Drive NE. This option allows the vacation to occur, consistent with the adjacent property development approvals.
- Option 2: Move to approve on first reading and forward to second reading the ordinance to vacate a portion of Bethel Street NE between State Avenue NE and Olympic Drive NE with additional conditions.
- Option 3: Do not move to approve the ordinance to vacate a portion of Bethel Street NE between State Avenue NE and Olympic Drive NE. This option will require the developer of the adjacent property to revise plans for installation of a retaining wall.

**Financial Impact:**

The applicant will be required to pay \$4,053, one-half of the appraised value of the property to be vacated, before the vacation takes effect.

**Attachments:**

Ordinance  
Petition to Vacate  
Proposed Development Site Plan  
Vicinity Map

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON VACATING AS A PUBLIC THOROUGHFARE A PORTION OF BETHEL STREET NE.**

**WHEREAS**, the Olympia City Council adopted Resolution No. M-2058 on October 15, 2019, setting a public hearing to allow public comment relating to the vacation of a portion of Bethel Street NE; and

**WHEREAS**, notice of this proposed vacation and hearing was posted physically on site, and mailed to adjoining neighbors; and

**WHEREAS**, a public hearing was held by the Olympia City Council on said petition on November 12, 2019, at the City Council's regular 7:00 p.m. meeting; and

**WHEREAS**, the City has received no comments objecting to the vacation from utility providers with regard to this vacation; and

**WHEREAS**, the Public Works Department has indicated that the property has no known current or foreseeable future use to the City as a right-of-way; and

**WHEREAS**, this vacation is deemed to be in the public interest and to serve the public welfare;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:**

**Section 1.** As recommended by the City of Olympia Public Works Department and as requested by the owner of the abutting parcel(s), the Olympia City Council, pursuant to RCW 35.79.010, hereby vacates as a public thoroughfare the following described public thoroughfare situated in the City of Olympia, Thurston County, State of Washington, to wit:

*The West 5 feet of the Right of Way of Bethel Street adjacent to Lot 1 of Block 3 of J.R. Pattison's Addition to the City of Olympia, according to the Plat thereof, recorded in Volume 3 of Plats, Page 120, records of Thurston County, Washington; described as follows:*

*Beginning at the Southeast corner of said Lot 1 of Block 3 of J.R. Pattison's Addition, thence North 85°55' 18" East parallel with the South line of said Lot 1, 5.03 feet; thence North 1°49'46" East parallel with the East line of said Lot 1, 105.57 feet; thence South 85° 55'12" West parallel with the North line of said Lot 1, 5.03 feet to the Northeast corner of said Lot 1, thence South 01°49'26" West along the East line of said Lot 1 to the Point of Beginning.*

*Containing 528 square feet, more or less.*

**Section 2.** The vacation meets the criteria set forth in OMC 12.16.100, which is summarized below as follows:

- The proposed vacation will not be materially detrimental to other properties in the vicinity, nor will it endanger public health, safety or welfare.
- The subject right-of-way is not needed for general access, emergency services, utility facilities or other similar public purposes, nor is it necessary as part of a long range circulation plan, pedestrian/bicycle pathway plan or street improvement plan.
- The subject vacation is consistent with the adopted Olympia Comprehensive Plan and all other related land use and circulation regulations and policies.
- The subject vacation would not directly or indirectly result in an adverse impact on historical or cultural resources, the natural environment or otherwise negatively affect environmentally sensitive areas.

**Section 3. Effective Date.** This Ordinance shall not become effective until the owners of the abutting property make payment required under OMC 12.16.080, OMC 12.16.090 and RCW 35.79.030 for the area so vacated. Failure of the abutting property owners to make payment within ninety (90) days of the passage of this Ordinance shall automatically (without further Council action) void the petition and the vacation of right of way approved by this Ordinance. If payment is made immediately upon approval of the Ordinance, the Ordinance shall take effect five (5) days after passage and publication.

**Section 4. Certification of Payment.** I, Debbie Sullivan, City Clerk, hereby certify that an amount equal to one-half of the appraised value of property above vacated was  was not  received within the required timeframe.

\_\_\_\_\_  
MAYOR

**ATTEST:**

\_\_\_\_\_  
CITY CLERK

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
DEPUTY CITY ATTORNEY

**PASSED:**

**APPROVED:**

**PUBLISHED:**



# Petition to Vacate Public Right-of-Way

19-1765

OFFICIAL USE ONLY			
Applicant:		Address:	
Phone:	File#:	Receipt #:	Date:

### HONORABLE MAYOR AND CITY COUNCIL:

We, the undersigned, do hereby petition the Olympia City Council to vacate the following described public right-of-way:

LEGAL DESCRIPTION OF AFFECTED RIGHT-OF-WAY:
Please see attached

PURPOSE OF REQUEST AND STATEMENT OF PUBLIC BENEFIT: *
Please see attached
<i>*See submittal requirements and criteria for approval on the reverse side of this form</i>

PETITIONERS*		
Owner's signature	Owner's Names	Parcel Number
x	Tim Zola	68200300100
x	Danielle Zola	68200300100
<i>*Attach additional sheets as necessary</i>		

I verify that each of the above signatures represents a legal and registered owner of the property abutting the above-described right-of-way.

5-2-19

Applicant's Signature

Date

May 2, 2019

RE: Bethel Street Outpatient Clinic, Petition to Vacate as per OMC 12.16.020  
205 Bethel St. NE, Olympia, WA 98506  
PN: 68200300100

To Whom It May Concern:

Pursuant to Olympia Municipal Code which governs Petitions to Vacate, please accept the following notes regarding criteria which must be met per OMC 12.16.100.

*No petition to vacate a street or alley shall be approved unless all of the following criteria can be met:*

- A. *The proposed vacation will not be materially detrimental to other properties in the vicinity, nor will it endanger public health, safety or welfare. Typical detriments or endangerments include, but are not limited to: depriving property of reasonable and convenient access; increasing traffic safety hazards; or decreasing transportation service levels.*

The approval of the petition under consideration will not be detrimental to the public welfare or injurious to the vicinity. Indeed, the improvements that are proposed which require the requested Vacation will provide enormous public benefit and valuable enhancement to all properties in the vicinity.

- B. *The subject rights-of-way is not needed for general access, emergency services, utility facilities or other similar public purposes, nor is it necessary as part of a long range circulation plan, pedestrian/bicycle pathway plan or street improvement plan. Providing easements, relocating facilities or implementing other similar alternatives equal or superior to the existing or planned facilities may cause the petition to comply with this criteria;*

The land within the subject rights-of-way is not needed for general access or emergency services. The area of the land under consideration for vacation is not currently available for use by the public due to an existing change in grade. The property owner requesting this petition is proposing improvements to Bethel Street and the adjoining area which will improve public access and overall usability of the street. The area covered by this petition contains no publicly owned utilities and does not negatively affect public access to utilities located nearby.

- C. *The subject vacation is consistent with the adopted Olympia Comprehensive Plan and all other related land use and circulation regulations and policies, including but not limited to the Engineering Design and Development Standards and Titles 17 (Subdivisions) and 18 (Zoning) of the Olympia Municipal Code;*

City staff has indicated that this petition is in keeping with long range plans for the street which will be affected. A related Land Use Review is being applied for, and that review will establish that all required regulations and policies are being adhered to, as will review and approval of engineering and building permits which are required prior to any construction.

*D. The subject vacation would not directly or indirectly result in an adverse impact on historical or cultural resources, the natural environment or otherwise negatively affect an environmentally sensitive area as defined by Chapter 18.76 of the Olympia Municipal Code.*

The land affected by this petition is not the site of any historical or culturally relevant resource, nor is it within any known environmentally sensitive areas as defined by OMC 18.76.

Thank you for your consideration of this matter.

Sincerely,

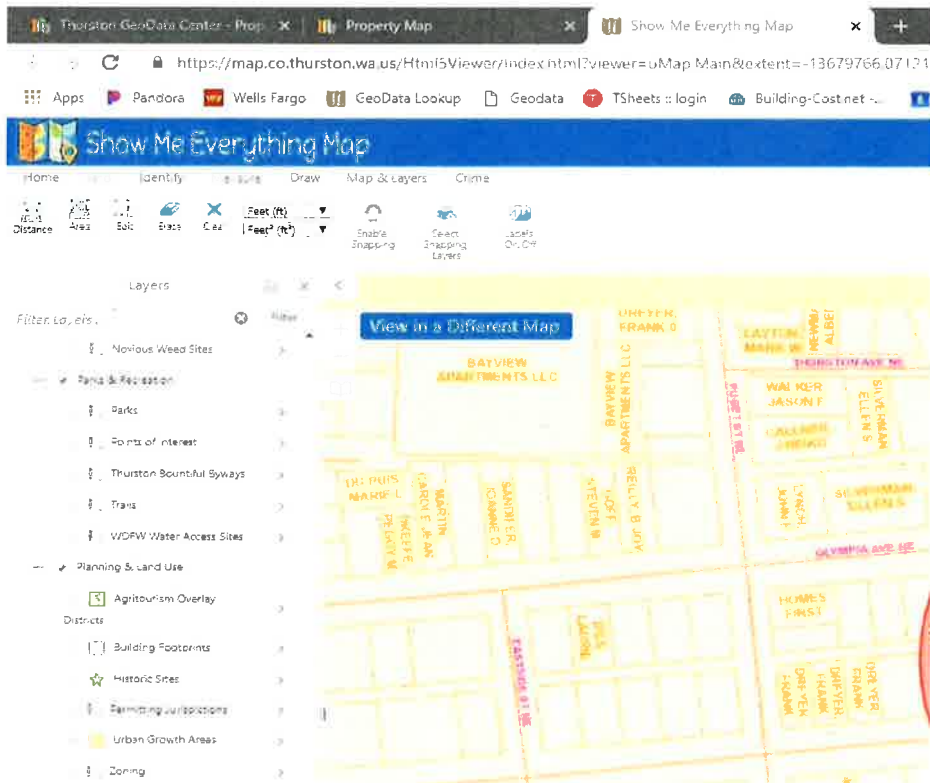
A handwritten signature in black ink, appearing to read "Randy Foster", with a stylized flourish at the end.

Randy Foster



**Subject Property ID Shown in  
Provided Map View**

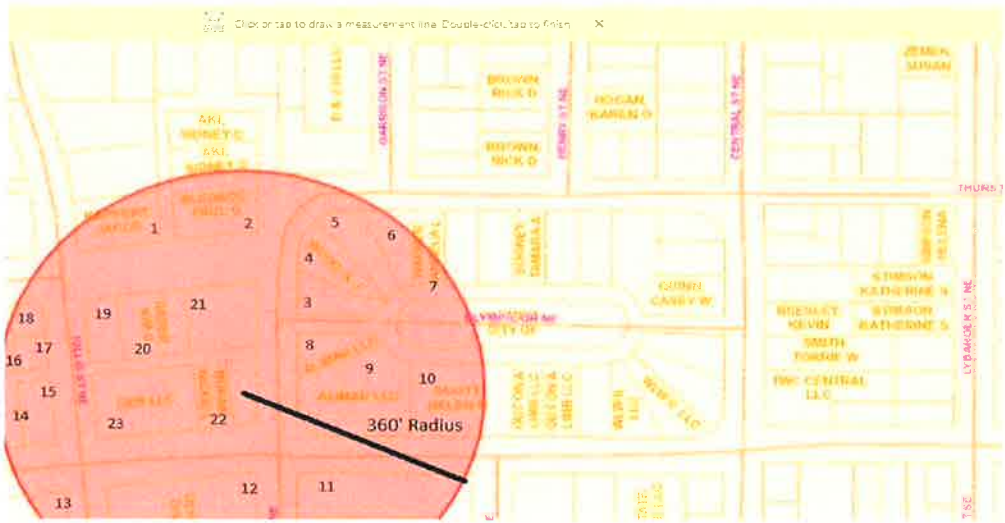
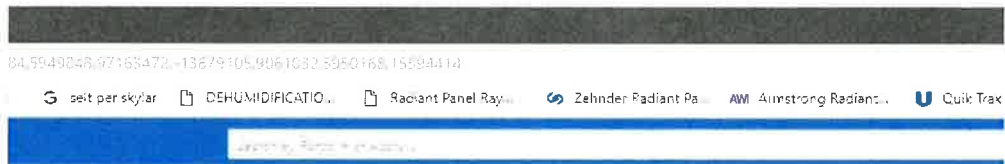
	<b>Owner Name</b>
1	KAPPERT, JACOB
2	BLEDSON, PATRICK G
3	ILLAHEE, LISA MARIE
4	WOOD, KJ
5	ZABEL, KENNETH E JR
6	SILVER, GRACE D
7	WARNER, ANGELA L
8	ALIMAR LLC
9	ALIMAR LLC
10	SCOTT, HELEN M
11	OLYMPIA SCHOOL DISTRICT NO 111
12	OLYMPIA SCHOOL DISTRICT NO 111
13	OLYMPIA SCHOOL DISTRICT NO 111
14	NORTH & NORTH LLC
15	SINCLAIR STATE STREET PROPERTIES LLC
16	CRABTREE, WILLIAM M
17	KWIECINSKI, PATRICK J
18	LIVINGSTON, TIM
19	GENDELMAN, IRINA
20	RADER, KIM V
21	PRICKETT, ERIK J
22	MORAN, NICKIE L
23	GEB LLC



**Mailing Address**

3139 DONNELLY DR. SE  
 2313 BAKER RD SW  
 222 BETHEL ST NE  
 POB 3735  
 1234 SUMMIT LAKE SHORE RD NW  
 C/O ANGELINA MORGAN 1215 BOWMAN AVE NW  
 1353 THURSTON AVE NE  
 POB 12479  
 POB 12479  
 1321 OLYMPIC DR NE  
 1113 LEGION WAY SE  
 1113 LEGION WAY SE  
 1113 LEGION WAY SE  
 1222 STATE AVE NE  
 301 HAZELWOOD AVE  
 2320 BENSON RD SW  
 215 TULLIS ST NE  
 1227 OLYMPIA AVE NE  
 1135 GARRISON ST NE  
 1259 OLYMPIA AVE NE  
 217 BETHEL ST NE  
 2210 NE 92ND ST # 201  
 1910 4TH AVE PMB 196

Zip Code	City	State
98501	Olympia	WA
98512	Olympia	WA
98506	Olympia	WA
98509	Lacey	WA
98502	Olympia	WA
98502	Olympia	WA
98506	Olympia	WA
98508-2479	Olympia	WA
98508-2479	Olympia	WA
98506	Olympia	WA
98501	Olympia	WA
98501	Olympia	WA
98501	Olympia	WA
98506	Olympia	WA
94127	San Franci	CA
98512	Olympia	WA
98506	Olympia	WA
98506	Olympia	WA
98506	Olympia	WA
98506	Olympia	WA
98506	Olympia	WA
98506	Olympia	WA
98115	SEATTLE	WA
98501	Olympia	WA



**Site address**

- 304 TULLIS St NE
- 303 BETHEL
- 222 BETHEL ST NE
- 230 BETHEL ST NE
- 1307 THURSTON AVE
- 1317 NE THURSTION ST
- 1353 THURSTON AVE NE
- 210 BETHEL ST NE
- 210 BETHEL ST NE
- 1321 OLYMPIC DR NE
- 1314 4TH AVENUE EAST
- 1314 4TH AVENUE EAST
- 1314 4TH AVENUE EAST
- 1222 STATE AVE NE
- 1226 NE STATE ST
- 1223 NE OLYMPIA AVE
- 215 TULLIS ST NE
- 1227 OLYMPIA AVE NE
- 220 NE TULLIS ST
- 1259 OLYMPIA AVE NE
- 215 BETHEL ST NE # 17
- 1264 NE STATE AVE
- 1250 NE STATE AVE



Subject Property ID Shown in Provided Map View	Owner Name	Mailing Address	Zip Code	City	State	Site address
1	KAPPERT, JACOB	3139 DONNELLY DR. SE	98501	Olympia	WA	304 TULLIS ST NE
2	BLEDSE, PATRICK G	2313 BAKER RD SW	98512	Olympia	WA	303 BETHEL
3	ILLAHEE, LISA MARIE	222 BETHEL ST NE	98506	Olympia	WA	222 BETHEL ST NE
4	WOOD, KJ	POB 3735	98509	Lacey	WA	230 BETHEL ST NE
5	ZABEL, KENNETH E JR	1234 SUMMIT LAKE SHORE RD NW	98502	Olympia	WA	1307 THURSTON AVE
6	SILVER, GRACE D	C/O ANGELINA MORGAN 1215 BOWMAN AVE NW	98502	Olympia	WA	1317 NE THURSTON ST
7	WARNER, ANGELA L	1353 THURSTON AVE NE	98506	Olympia	WA	1353 THURSTON AVE NE
8	ALIMAR LLC	POB 12479	98508-2479	Olympia	WA	210 BETHEL ST NE
9	ALIMAR LLC	POB 12479	98508-2479	Olympia	WA	210 BETHEL ST NE
10	SCOTT, HELEN M	1321 OLYMPIC DR NE	98506	Olympia	WA	1321 OLYMPIC DR NE
11	OLYMPIA SCHOOL DISTRICT NO 111	1113 LEGION WAY SE	98501	Olympia	WA	1314 4TH AVENUE EAST
12	OLYMPIA SCHOOL DISTRICT NO 111	1113 LEGION WAY SE	98501	Olympia	WA	1314 4TH AVENUE EAST
13	OLYMPIA SCHOOL DISTRICT NO 111	1113 LEGION WAY SE	98501	Olympia	WA	1314 4TH AVENUE EAST
14	NORTH & NORTH LLC	1222 STATE AVE NE	98506	Olympia	WA	1222 STATE AVE NE
15	SINCLAIR STATE STREET PROPERTIES LLC	301 HAZELWOOD AVE	94127	San Franc	CA	1226 NE STATE ST
16	CRABTREE, WILLIAM M	2320 BENSON RD SW	98512	Olympia	WA	1223 NE OLYMPIA AVE
17	KWIECINSKI, PATRICK J	215 TULLIS ST NE	98506	Olympia	WA	215 TULLIS ST NE
18	LIVINGSTON, TIM	1227 OLYMPIA AVE NE	98506	Olympia	WA	1227 OLYMPIA AVE NE
19	GENDELMAN, IRINA	1135 GARRISON ST NE	98506	Olympia	WA	220 NE TULLIS ST
20	RADER, KIM V	1259 OLYMPIA AVE NE	98506	Olympia	WA	1259 OLYMPIA AVE NE
21	PRICKETT, ERIK J	217 BETHEL ST NE	98506	Olympia	WA	215 BETHEL ST NE # 17
22	MORAN, NICKIE L	2210 NE 92ND ST # 201	98115	SEATTLE	WA	1264 NE STATE AVE
23	GEB LLC	1910 4TH AVE PMB 196	98501	Olympia	WA	1250 NE STATE AVE

Subject Property ID Shown in Provided Map View	Owner Name	Mailing Address	Zip Code	City	State	Site address
1	KAPPERT, JACOB	3139 DONNELLY DR. SE	98501	Olympia	WA	304 TULLIS ST NE
2	BLEDSE, PATRICK G	2313 BAKER RD SW	98512	Olympia	WA	303 BETHEL
3	ILLAHEE, LISA MARIE	222 BETHEL ST NE	98506	Olympia	WA	222 BETHEL ST NE
4	WOOD, KJ	POB 3735	98509	Lacey	WA	230 BETHEL ST NE
5	ZABEL, KENNETH E JR	1234 SUMMIT LAKE SHORE RD NW	98502	Olympia	WA	1307 THURSTON AVE
6	SILVER, GRACE D	C/O ANGELINA MORGAN 1215 BOWMAN AVE NW	98502	Olympia	WA	1317 NE THURSTON ST
7	WARNER, ANGELA L	1353 THURSTON AVE NE	98506	Olympia	WA	1353 THURSTON AVE NE
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16	CRABTREE, WILLIAM M	2320 BENSON RD SW	98512	Olympia	WA	1223 NE OLYMPIA AVE
17	KWIECINSKI, PATRICK J	215 TULLIS ST NE	98506	Olympia	WA	215 TULLIS ST NE
18	LIVINGSTON, TIM	1227 OLYMPIA AVE NE	98506	Olympia	WA	1227 OLYMPIA AVE NE
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23	GEB LLC	1910 4TH AVE PMB 196	98501	Olympia	WA	1250 NE STATE AVE

# EXHIBIT A

## Right of Way Vacation Legal Description

The West 5 feet of the Right of Way of Bethel Street adjacent to Lot 1 of Block 3 of J.R. Pattison's Addition to the City of Olympia, According to the Plat Thereof recorded in Volume 3 of Plats, Page 120, records of Thurston County, Washington; described as follows:

Beginning at the Southeast corner of said Lot 1 of Block 3 of J.R. Pattison's Addition, thence North  $85^{\circ}55'18''$  East parallel with the South line of said Lot, 5.03 feet; thence North  $1^{\circ}49'46''$  East parallel with the East line of said Lot, 105.57 feet; thence South  $85^{\circ}55'12''$  West parallel with the North line of said Lot, 5.03 feet to the Northeast corner of said Lot 1 and the terminus of said Right of Way vacation.



## Kristina Horton

---

**From:** Tiffani King  
**Sent:** Wednesday, August 7, 2019 3:07 PM  
**To:** Kristina Horton; Fran Eide; Steve Sperr  
**Cc:** David Smith; Tim Smith; Chuck Dower  
**Subject:** RE: Zola Mixed Use - LU 19-2862

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Update on the vacation application –

Looks like it did not show up on Kristina's to do list. I will be working with chuck to figure out why it happened and get it fixed so that it can be processed.

Tiffani King  
Engineering Plans Examiner  
City of Olympia  
Community Planning & Development  
(360) 753-8257  
tking@ci.olympia.wa.us

---

**From:** Tiffani King  
**Sent:** Wednesday, August 07, 2019 12:06 PM  
**To:** Kristina Horton <khorton@ci.olympia.wa.us>; Fran Eide <feide@ci.olympia.wa.us>; Steve Sperr <ssperr@ci.olympia.wa.us>  
**Cc:** David Smith <dsmith3@ci.olympia.wa.us>; Tim Smith <tsmith@ci.olympia.wa.us>  
**Subject:** Zola Mixed Use - LU 19-2862

Hi Everyone –

The Zola mixed use project is here for review and we are looking like we may be able to go straight to approval with some conditions.

I was not originally assigned to this project – but have been assigned to it from this point forward. I was looking at this one and realized that there has been a vacation request here since May 2019 (**19-1765**). There hasn't been any action taken on that application and I wanted to check in on it to make sure it hasn't dropped off the radar.

I guess there were some meetings earlier in the year – the customer needs to install a retaining wall that would encroach into the right of way (unless we approve the vacation request) and would result in a 6 foot sidewalk instead of the typical 10 ft sidewalk. In concept it appears that the City was in agreement with this proposal. Do we also need a deviation request – or does/can this be included with the reasons for the vacation and the approval language of the vacation request?

I am just reaching out – thinking we need to include this in the conditions of approval – and again just to check the status of the vacation request.

Tiffani King

## Kristina Horton

---

**From:** Steve Sperr  
**Sent:** Wednesday, August 7, 2019 1:19 PM  
**To:** Tiffani King  
**Cc:** Kristina Horton; Fran Eide; David Smith; Tim Smith  
**Subject:** Re: Zola Mixed Use - LU 19-2862

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Tiff,  
I don't think we need Deviation Request per se, since we plan to include the explanation of what we agreed to allow there in the staff report for the street vacation to City Council

-Steve  
(Sent from my iPhone)

On Aug 7, 2019, at 12:06 PM, Tiffani King <[tking@ci.olympia.wa.us](mailto:tking@ci.olympia.wa.us)> wrote:

Hi Everyone –

The Zola mixed use project is here for review and we are looking like we may be able to go straight to approval with some conditions.

I was not originally assigned to this project – but have been assigned to it from this point forward. I was looking at this one and realized that there has been a vacation request here since May 2019 (**19-1765**). There hasn't been any action taken on that application and I wanted to check in on it to make sure it hasn't dropped off the radar.

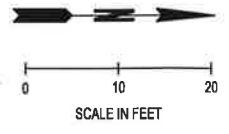
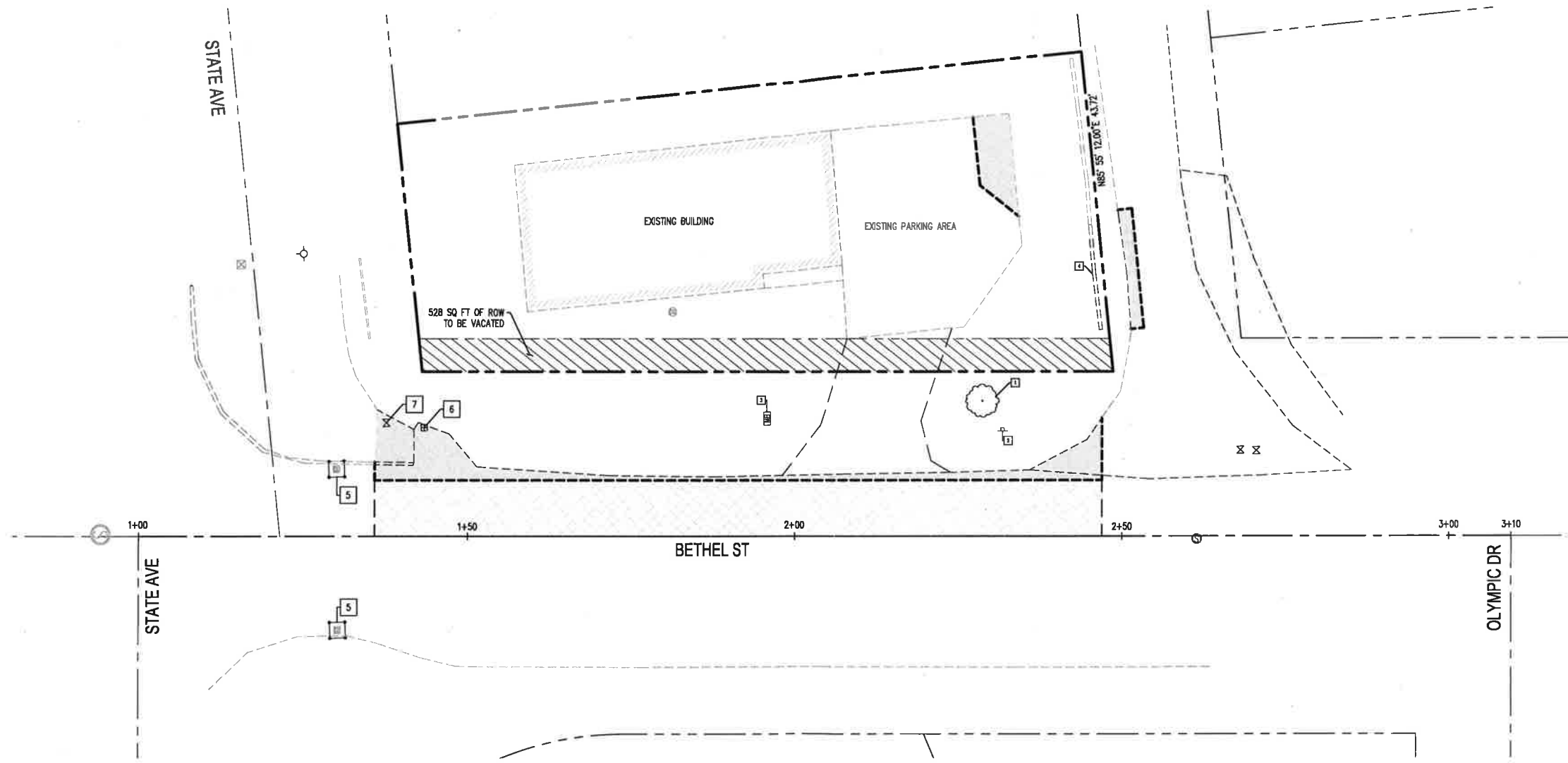
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I am just reaching out – thinking we need to include this in the conditions of approval – and again just to check the status of the vacation request.

Tiffani King  
Engineering Plans Examiner  
City of Olympia  
Community Planning & Development  
(360) 753-8257  
[tking@ci.olympia.wa.us](mailto:tking@ci.olympia.wa.us)



May 03, 2019 10:00:12am - User: csever  
 N:\PROJECTS\3247 SR\_7\MOBILE\_ZOLA\3247.01\_ZOLA CLINIC FRONTAGE IMPROVEMENTS\3247.01\_SP-01.DWG



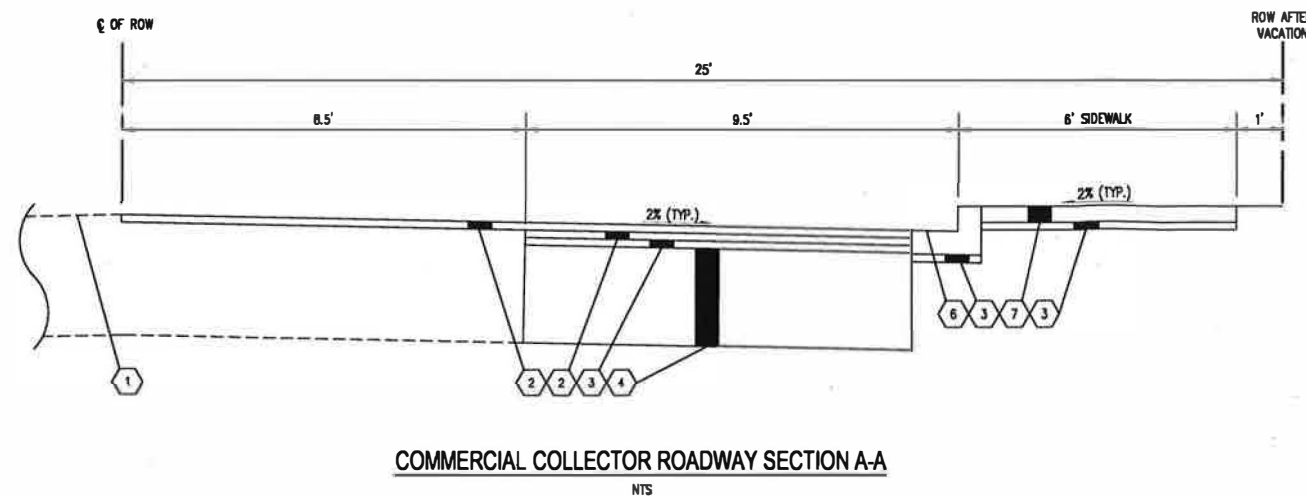
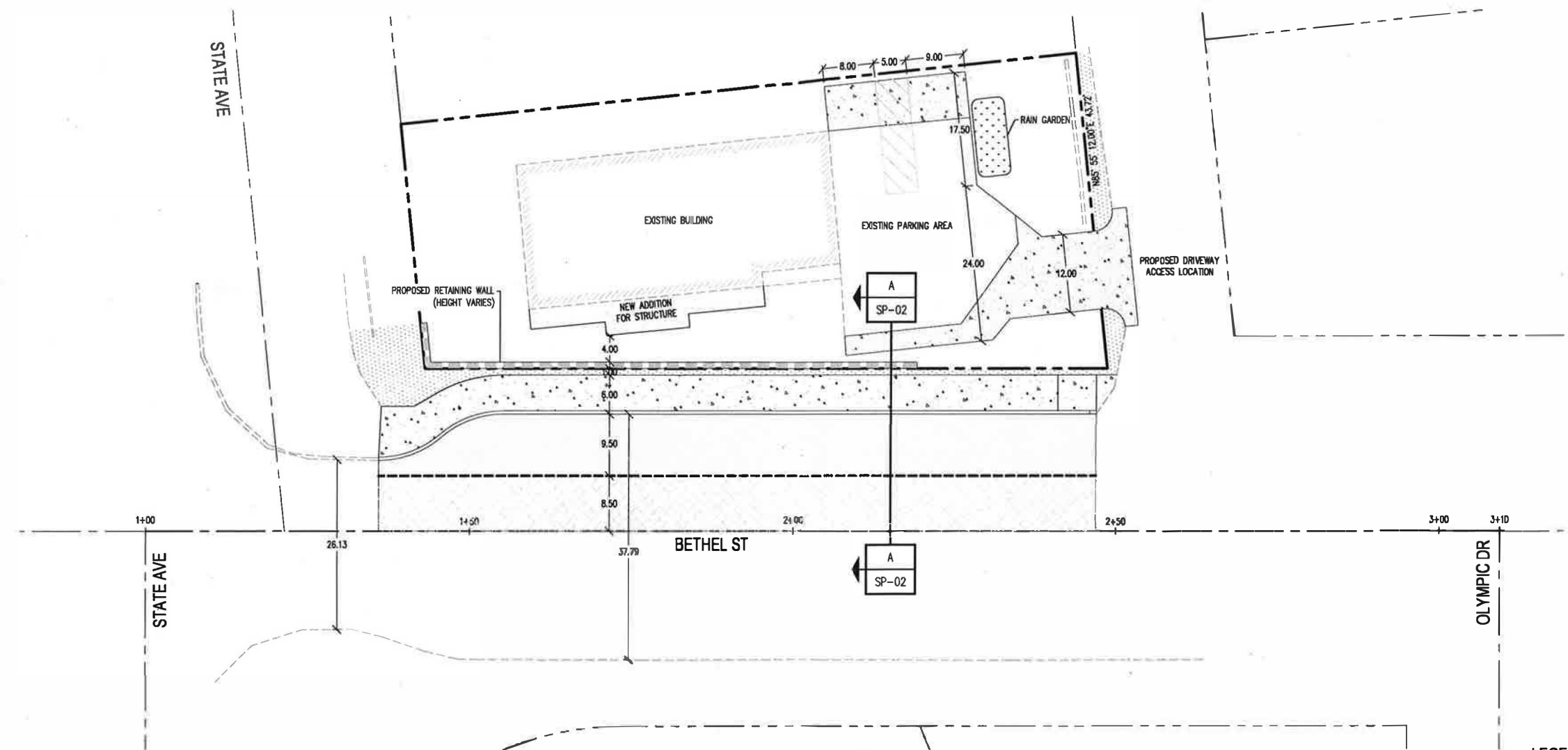
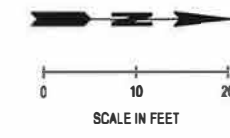
**[X] DEMOLITION NOTES:**

1. REMOVE & DISPOSE OF EXISTING TREE
2. REMOVE & DISPOSE OF EXISTING SIGN
3. RELOCATE EXISTING MAILBOX
4. REMOVE & DISPOSE OF EXISTING BLOCK WALL
5. INLET PROTECTION DEVICE
6. ADJUST EXISTING WATER METER TO FINISHED GRADE
7. ADJUST EXISTING GATE VALVE TO FINISHED GRADE

**LEGEND**

- PROPERTY LINE
- ROW CENTERLINE
- EDGE OF EXISTING PAVEMENT
- EDGE OF EXISTING GRAVEL
- EXISTING BLOCK WALL
- EXISTING BUILDING
- SAWCUT
- INLET PROTECTION
- ASPHALT TO BE REMOVED
- MILL & OVERLAY 0.17' OF EXISTING ASPHALT
- ROW TO BE VACATED

REVISIONS	DATE	BY	
△			
<b>SCJ ALLIANCE</b> CONSULTING SERVICES 212 N TOWER AVE, CENTRALIA, WA 98531 P: 360.669.0700 F: 360.352.1509 SCJALLIANCE.COM			
SHEET TITLE: <b>EROSION CONTROL &amp; DEMOLITION PLAN</b>		PROJECT NAME: <b>ZOLA CLINIC</b> 205 BETHEL STREET OLYMPIA, WA 98502	
DESIGNER: C. SEVERS			
DRAWN BY: C. DAHM			
APPROVED BY: C. SEVERS			
DATE: APRIL, 2019			
JOB NO: 3247.01			
DRAWING FILE NO: 3247.01 SP-01			
DRAWING NO: SP-01			
SHEET NO: 1 OF 2			



COMMERCIAL COLLECTOR ROADWAY SECTION A-A  
NTS

- CONSTRUCTION KEY NOTES**
- 1 EXISTING ROADWAY PAVEMENT TO REMAIN
  - 2 0.17" DEPTH HMA CL. 1/2" PG 64-22
  - 3 0.17" CRUSHED SURFACING TOP COURSE (5/8" MINUS)
  - 4 2.08" CRUSHED SURFACING BASE COURSE
  - 5 0.67" CRUSHED SURFACING BASE COURSE
  - 6 CEMENT CONCRETE CURB & GUTTER PER CITY OF OLYMPIA STD. DTL. 4-14A
  - 7 CEMENT CONCRETE SIDEWALK PER CITY OF OLYMPIA STD. DTL. 4-9C

- GENERAL NOTES**
1. ALL FRONTAGE IMPROVEMENTS SHALL BE COMPLETED IN ACCORDANCE WITH THE CITY OF OLYMPIA ENGINEERING DESIGN & DEVELOPMENT STANDARDS.
  2. ALL SURFACING AND PAVING DEPTHS ARE COMPACTED DEPTHS.
  3. ALL SAWCUT LINES SHALL BE CLEANED AND TACK COAT SHALL BE APPLIED BEFORE ASPHALT PLACEMENT.

**LEGEND**

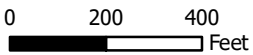
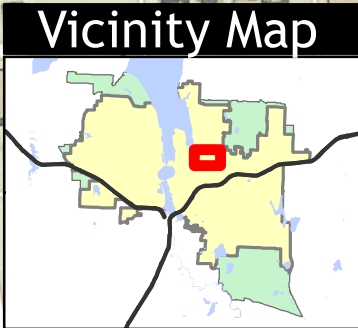
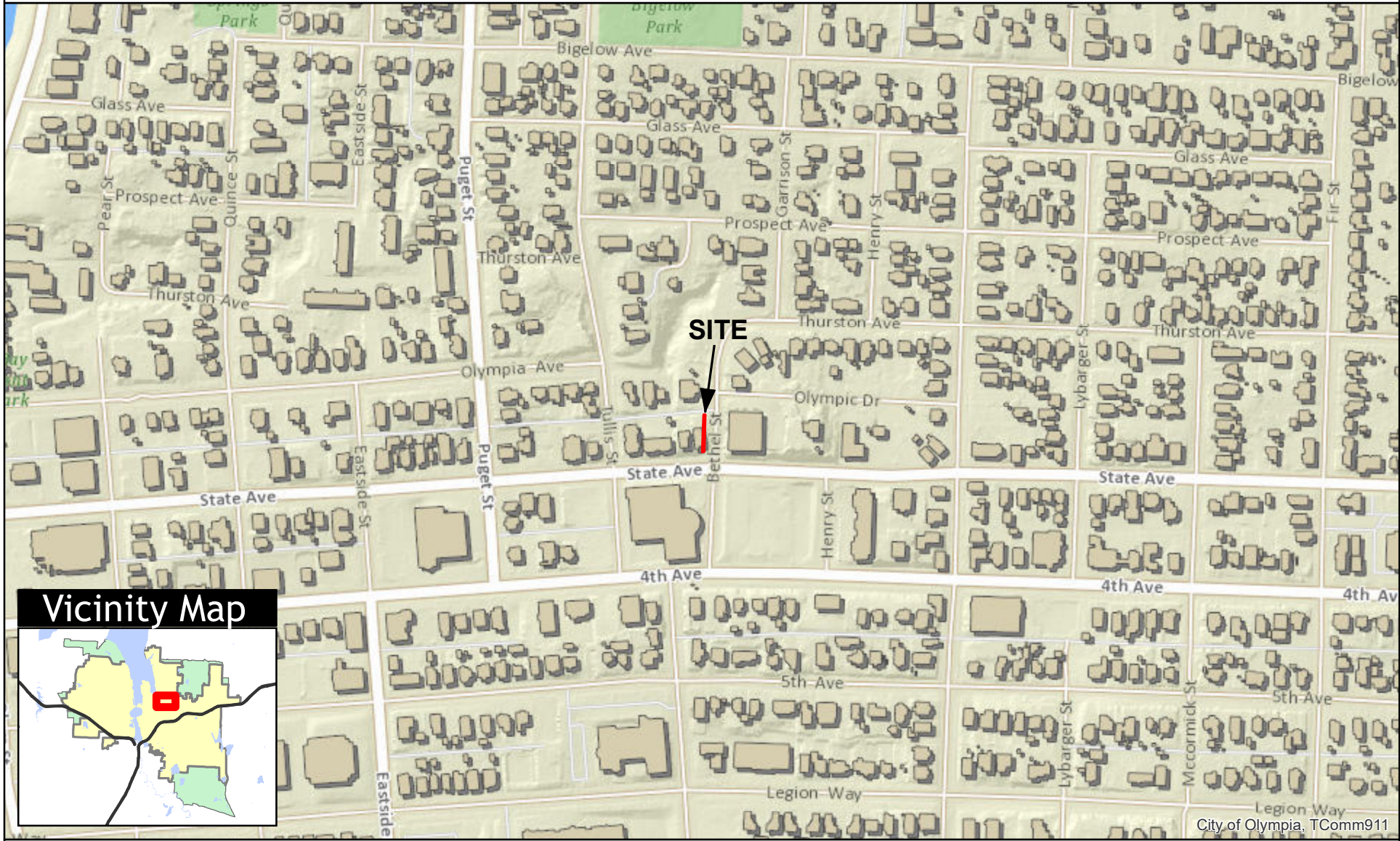
	PROPERTY LINE
	ROW CENTERLINE
	EDGE OF EXISTING PAVEMENT
	EDGE OF EXISTING GRAVEL
	EXISTING WALL
	EXISTING BUILDING
	CEMENT CONCRETE CURB & GUTTER
	CEMENT CONCRETE SIDEWALK
	CEMENT CONCRETE PAVEMENT
	ASPHALT PAVEMENT
	MILL & OVERLAY 0.17" OF EXISTING ASPHALT
	LANDSCAPING PER CITY OF OLYMPIA REQUIREMENTS

REVISIONS △   	DATE   	BY   	 <b>SCJ ALLIANCE</b> CONSULTING SERVICES 212 N TOWER AVE, CENTRALIA, WA 98531 P: 360.669.0700 F: 360.352.1509 SCJALLIANCE.COM
<b>SITE PLAN</b>			<b>ZOLA CLINIC</b> 205 BETHEL STREET OLYMPIA, WA 98502
SEAL:			DESIGNER: C. SEEVERS DRAWN BY: C. DAHM APPROVED BY: C. SEEVERS DATE: APRIL, 2019 JOB NO: 3247.01 DRAWING FILE NO: 3247.01 SP-02 DRAWING NO: SP-02 SHEET NO: 2 OF 2

May 03, 2018 10:05:15am - User: csever@scj.com  
 PROJECT: 3247.01 - ZOLA CLINIC FRONTAGE IMPROVEMENTS (CAD) 3247.01 SP-02.DWG



# Bethel Street Vacation Petition



1 inch = 400 feet

Map printed 9/20/2019

The City of Olympia and its personnel cannot assure the accuracy, completeness, reliability, or suitability of this information for any particular purpose. The parcels, right-of-ways, utilities and structures depicted hereon are based on record information and aerial photos only. It is recommended the recipient and/or user field verify all information prior to use. The use of this data for purposes other than those for which they were created may yield inaccurate or misleading results. The recipient may not assert any proprietary rights to this information. The City of Olympia and its personnel neither accept or assume liability or responsibility, whatsoever, for any activity involving this information with respect to lost profits, lost savings or any other consequential damages.







## City Council

### Approval of an Ordinance to Grant a Master Permit to Noel Communications

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 4.U  
**File Number:** 19-1144

---

**Type:** ordinance **Version:** 1 **Status:** 1st Reading-Consent

---

**Title**

Approval of an Ordinance to Grant a Master Permit to Noel Communications

**Recommended Action**

**Committee Recommendation:**

Not referred to a committee.

**City Manager Recommendation:**

Move to approve the ordinance granting Noel Communications a Master Use Permit on first reading and forward to second reading.

**Report**

**Issue:**

Whether to approve the ordinance granting Noel Communications a Master Use Permit.

**Staff Contact:**

Fran Eide, P.E., City Engineer, Public Works Engineering, 360.753.8422

**Presenter(s):**

None - Consent Calendar Item.

**Background and Analysis:**

A Master Permit, as defined in the Olympia Municipal Code, is an agreement whereby the City may grant general permission to a service provider to enter, use, and occupy the right-of-way for the purpose of locating facilities.

Noel Communications has made a request to install fiber optic lines throughout the Olympia area (see attached map) to provide telecommunications, internet access, and private line services to potential customers. These lines would be in addition to the lines Noel Communications currently has in the City's right of way, installed under a previous permit.

Staff evaluated the routes proposed by the applicant and found there is sufficient capacity to accommodate the new lines, both overhead and underground. The addition of these lines will not impact City utilities.

A hearing was held on November 26, 2019, to hear public comment regarding the request. There were no comments against the proposed renewal of the Master Permit. Council directed staff to draft a Master Permit Ordinance for Council approval.

The applicant has acquired all required licenses and approvals to place the new lines on existing power poles.

**Neighborhood/Community Interests (if known):**

Service to affected customers will not be interrupted.

**Options:**

- Option 1: Move to approve first reading and forward to second reading an Ordinance to grant Noel Communications a Master Permit. This option allows Noel Communications to continue to serve existing customers and located current and future planned facilities in City of Olympia right of way.
- Option 2: Move to approve first reading and forward to second reading an Ordinance to grant Noel Communications a Master Permit to occupy City of Olympia right of way with additional conditions.
- Option 3: Do not approve an ordinance to allow Noel Communications to occupy City of Olympia right of way. This option will require Noel Communications to remove existing facilities and work with current customers to transfer to other providers of telecommunication services.

**Financial Impact:**

The applicant will be required to pay fees associated with permits to do work within the City right of way.

**Attachments:**

Ordinance  
Map

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, GRANTING A NON-EXCLUSIVE MASTER PERMIT TO NOEL COMMUNICATIONS INC., LEGALLY AUTHORIZED TO CONDUCT BUSINESS IN THE STATE OF WASHINGTON, FOR THE PURPOSE OF CONSTRUCTING, OPERATING, AND MAINTAINING TELECOMMUNICATIONS TRANSMISSION LINES IN CERTAIN PUBLIC RIGHTS-OF-WAY IN THE CITY; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, NOEL COMMUNICATIONS INC. is a competitive telecommunications company providing communications and telecommunications services; and

**WHEREAS**, NOEL COMMUNICATIONS INC.'s route through the City of Olympia ("City") requires the use of certain portions of City rights-of-way for the installation, operation, and maintenance of a telecommunications system; and

**WHEREAS**, the City Council held a public hearing on November 26, 2019, where it was presented with information demonstrating that NOEL COMMUNICATIONS INC. satisfies the requirements set forth in Olympia Municipal Code ("OMC") 11.06.020. In particular, the City Council was presented with information confirming and demonstrating the following: That NOEL COMMUNICATIONS INC. has submitted all required licenses, certificates, and authorizations from the Federal Communications Commission, the Washington Utilities and Transportation Commission, and any other federal or state agency with jurisdiction over the activities proposed by NOEL COMMUNICATIONS INC. That the capacity of the public ways can accommodate NOEL COMMUNICATIONS INC.'s Facilities if the Master Permit is granted. That the City's rights-of-way will accommodate additional utility and facilities if the Master Permit is granted. That NOEL COMMUNICATIONS INC. confirms that there are currently no additional Facilities planned and there is no anticipated damage or disruption to the City's rights-of-way. That construction of additional Facilities will comply with the City's Engineering Design and Development Standards ("EDDS"). That there will be minimal effect, if any, on public health, safety, and welfare if the Master Permit requested is granted. That the proposed route of NOEL COMMUNICATIONS INC.'s Facilities is appropriate; an alternate route is not needed. And that NOEL COMMUNICATIONS INC. has agreed to comply with all federal, state, and local telecommunications laws, regulations, and policies; and

**WHEREAS**, the Revised Code of Washington (RCW) authorizes the City to grant and regulate nonexclusive Master Permits, for the use of public streets, rights-of-way, and other public property, for transmission of communications; and

**WHEREAS**, the insurance provisions of this Master Permit are updated and supersede the insurance provisions set forth in OMC 11.10.220; and

**WHEREAS**, this Master Permit contains the following:

- Section 1. Non-exclusive Master Permit Granted
- Section 2. Authority
- Section 3. Master Permit Term
- Section 4. Acceptance of Terms and Conditions

Section 5. Construction Provisions and Standards

- A. Permit Required
- B. Coordination
- C. Construction Standards
- D. Underground Installation Required
- E. Relocation.
- F. Removal or Abandonment
- G. Bond
- H. "One-Call" Location & Liability
- I. As-Built Plans Required
- J. Recovery of Costs
- K. Vacation

Section 6. Master Permit Compliance.

- A. Master Permit Violations
- B. Emergency Actions.
- C. Other Remedies
- D. Removal of System

Section 7. Insurance

Section 8. Other Permits & Approvals

Section 9. Transfer of Ownership.

Section 10. Administrative Fees.

Section 11. Notices.

Section 12. Indemnification.

Section 13. Severability

Section 14. Reservation of Rights

Section 15. Police Powers

Section 16. Future Rules, Regulations, and Specifications

Section 17. Effective Date

Section 18. Law and Venue

Section 19. Ratification

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:**

**Section 1. Non-exclusive Master Permit Granted.**

**A.** The City hereby grants to NOEL COMMUNICATIONS INC., subject to the terms and conditions of this Ordinance ("Master Permit"), the rights to construct, replace, repair, monitor, maintain, use, and operate the Facilities (as defined in OMC 11.02.020 O) necessary for an underground telecommunications transmission system, within the City-owned rights-of-way generally described in Exhibit A, and referred to as the "Master Permit Area."

**B.** The rights granted by this Master Permit are not exclusive to NOEL COMMUNICATIONS INC. and the granting of this Master Permit does not in any way prohibit or limit the City's ability to grant other Master Permits or rights along, over, or under the Master Permit area, provided that such other uses do not unreasonably interfere with NOEL COMMUNICATIONS INC.'s exercise of the rights granted in this Master Permit, as determined by the City. This Master Permit does not allow for interference

with existing utilities or in any way limit, prohibit, or prevent the City from using the Master Permit Area, and does not in any way affect the City's jurisdiction over that area.

**Section 2. Authority.** The City Manager or the City Manager's designee is hereby granted the authority to administer and enforce the terms and conditions of this Master Permit, and may develop such rules, policies, and procedures as deemed necessary to carry out this Master Permit.

**Section 3. Master Permit Term.** This Master Permit is effective for a period of five years from the effective date of this Ordinance. The effectiveness of this Master Permit is contingent upon NOEL COMMUNICATIONS INC.'s delivery of a written acceptance to the City pursuant to Section 4 of this Master Permit. If NOEL COMMUNICATIONS INC. requests a Master Permit renewal prior to the expiration date, the City may, at the City's sole discretion, extend the term of this Master Permit beyond the expiration date to allow processing of the renewal. If the City elects to extend the term of this Master Permit, the City shall provide written notice of the extension to NOEL COMMUNICATIONS INC. prior to the expiration date.

**Section 4. Acceptance of Terms and Conditions.** As required by OMC 11.10.020, NOEL COMMUNICATIONS INC. shall, within 30 days of the effective date of this Ordinance or within such other time period as is mutually agreed by the parties, deliver to the City Manager for filing an unconditional acceptance of this Master Permit in the form attached as Exhibit B. NOEL COMMUNICATIONS INC.'s failure to deliver the acceptance within this time period voids and nullifies this Master Permit and terminates any and all rights granted under this Master Permit.

**Section 5. Construction Provisions and Standards.** NOEL COMMUNICATIONS INC. shall abide by the following construction provisions and standards, and NOEL COMMUNICATIONS INC.'s failure to abide by any of the following construction provisions or standards constitutes non-compliance with the terms and conditions of this Master Permit and may result in imposition of some or all of the remedies specified in Section 6.

**A. Permit Required.** Neither NOEL COMMUNICATIONS INC., nor any person or entity working on NOEL COMMUNICATIONS INC.'s behalf or at NOEL COMMUNICATIONS INC.'s direction, may perform any construction, installation, maintenance, repair, or restoration activities (except for emergency repairs) in the Master Permit Area without first obtaining appropriate permits from the Community Planning and Development Department (CP&D). In case of an emergency, NOEL COMMUNICATIONS INC. shall within 24 hours of the emergency, obtain a permit from CP&D.

**B. Coordination.** All construction, installation, maintenance, repair, or restoration activities are subject to City inspection and approval, as provided in the OMC. NOEL COMMUNICATIONS INC. shall arrange and allow for such inspection. NOEL COMMUNICATIONS INC. shall coordinate all construction, installation, maintenance, repair, or restoration activities and inspections with CP&D to ensure consistency with City infrastructure, future Capital Improvement Projects, all developer improvements, and pertinent codes and ordinances.

**C. Construction Standards.** NOEL COMMUNICATIONS INC., and any person or entity working on NOEL COMMUNICATIONS INC.'s behalf or at NOEL COMMUNICATIONS INC.'s direction, shall perform all construction, installation, maintenance, repair, or restoration activities within the Master Permit Area so as to produce the least amount of interference with the free passage of pedestrian, bicycle, and vehicular traffic. NOEL COMMUNICATIONS INC., and any person or entity working on NOEL COMMUNICATIONS INC.'s behalf or at NOEL COMMUNICATIONS INC.'s direction, shall perform all



construction, installation, maintenance, repair, or restoration activities in conformance with the EDDS and with Title 11 of the OMC.

**D. Underground Installation Required.** NOEL COMMUNICATIONS INC., and any person or entity working on NOEL COMMUNICATIONS INC.'s behalf or at NOEL COMMUNICATIONS INC.'s direction, shall install any new Facilities underground unless otherwise exempted from this requirement, in writing, by the City Manager, or the City Manager's designee.

**E. Relocation.**

1. NOEL COMMUNICATIONS INC. shall, at its own expense, temporarily or permanently remove, relocate, place underground, change, or alter the position of any of its Facilities within the right-of-way whenever the City has determined that such removal, relocation, undergrounding, change, or alteration is reasonably necessary for the construction, repair, maintenance, installation, public safety, or operation of any City or other public improvement in or upon the rights-of-way. NOEL COMMUNICATIONS INC. may seek reimbursement for relocation expenses from the City as provided for in the OMC.
2. NOEL COMMUNICATIONS INC. may, after receipt of written notice requesting a relocation of its Facilities, submit to the City written alternatives to such relocation. Such alternatives must include the use and operation of temporary transmitting facilities in adjacent rights-of-way. The City shall evaluate such alternatives and advise NOEL COMMUNICATIONS INC. in writing if one or more of the alternatives are suitable to accommodate the work, which would otherwise necessitate relocation of the Facilities. If requested by the City, NOEL COMMUNICATIONS INC. shall submit additional information to assist the City in making such evaluation. The City shall give each alternative proposed by NOEL COMMUNICATIONS INC. full and fair consideration. In the event the City ultimately determines that there is no other reasonable alternative, NOEL COMMUNICATIONS INC. shall relocate its Facilities as otherwise provided in this Section.

**F. Removal or Abandonment.** Upon the removal from service of any of NOEL COMMUNICATIONS INC.'s Facilities, NOEL COMMUNICATIONS INC. shall comply with all applicable standards and requirements prescribed by the OMC and the EDDS for the removal or abandonment of the Facilities. No Facilities constructed or owned by NOEL COMMUNICATIONS INC. may be abandoned without the express written consent of the City.

**G. Bond.** Before undertaking any of the construction, installation, maintenance, repair, or restoration activities authorized by this Master Permit, NOEL COMMUNICATIONS INC. shall upon the request of the City, furnish a bond executed by NOEL COMMUNICATIONS INC. and a corporate surety authorized to operate a surety business in the State of Washington, in an amount determined by the City as sufficient to ensure performance of NOEL COMMUNICATIONS INC.'s obligations under this Master Permit. At NOEL COMMUNICATIONS INC.'s sole option, NOEL COMMUNICATIONS INC. may provide alternate security in the form of an assignment of funds or a letter of credit, in the same amount as the bond. All forms of bond or alternate security must be in the form reasonably acceptable to the City. The bond must be conditioned so that NOEL COMMUNICATIONS INC. shall observe all the terms and conditions and shall faithfully perform all of the obligations of this Master Permit, and to repair or replace any defective work or materials discovered in the City's roads, streets, or property. NOEL COMMUNICATIONS INC. may not encumber a bond required by this Section for any other purpose.

**H. "One-Call" Location & Liability.** NOEL COMMUNICATIONS INC. shall subscribe to and maintain membership in the regional "One-Call" utility location service and shall promptly locate any of its Facilities upon request. The City is not liable for any damages to NOEL COMMUNICATIONS INC.'s Facilities or for interruptions in service to NOEL COMMUNICATIONS INC.'s customers which are a direct result of work performed for any City project for which NOEL COMMUNICATIONS INC. has failed to properly locate its Facilities within the prescribed time limits and guidelines established by One-Call. The City is also not liable for any damages to NOEL COMMUNICATIONS INC.'s Facilities or for interruptions in service to NOEL COMMUNICATIONS INC.'s customers resulting from work performed under a permit issued by the City.

**I. As-Built Plans Required.** NOEL COMMUNICATIONS INC. shall maintain accurate engineering plans and details of all Facilities installed within the City limits and shall, at the City's request, provide such information in both paper form and electronic form using the most current AutoCAD version prior to close-out of any permits issued by the City and any construction, installation, maintenance, repair, or restoration activities performed by NOEL COMMUNICATIONS INC., or any person or entity working on NOEL COMMUNICATIONS INC.'s behalf or at NOEL COMMUNICATIONS INC.'s direction, pursuant to this Master Permit. The City shall determine the acceptability of any as-built submittals provided under this Section.

**J. Recovery of Costs.** NOEL COMMUNICATIONS INC. is subject to all permit fees associated with activities undertaken through the authority granted in this Master Permit or under other ordinances of the City. Where the City incurs costs and expenses for review or inspection of activities undertaken through the authority granted in this Master Permit or any ordinances relating to the subject for which permit fees have not been established, NOEL COMMUNICATIONS INC. shall pay such reasonable costs and expenses directly to the City.

**K. Vacation.** If, at any time, the City vacates any City road, right-of-way, or other City property which is subject to rights granted by this Master Permit and the vacation is for the purpose of acquiring the fee or other property interest in the road, right-of-way, or other City property for the use of the City, in either its proprietary or governmental capacity, then the City may, at its option and by giving 30 days written notice to NOEL COMMUNICATIONS INC., terminate this Master Permit with reference to such City road, right-of-way, or other City property vacated, and the City is not liable for any damages or loss to NOEL COMMUNICATIONS INC. by reason of such termination other than those provided for in RCW chapter 35.99.

## **Section 6. Master Permit Compliance.**

**A. Master Permit Violations.** If NOEL COMMUNICATIONS INC. fails to fully comply with any of the provisions of this Master Permit, the City may provide written notice to NOEL COMMUNICATIONS INC., which describes the violation(s) of the Master Permit and requests remedial action within 30 days of receipt of the violation notice. If NOEL COMMUNICATIONS INC. has not remedied the violation(s) identified in the violation notice at the end of the 30-day period following receipt of the violation notice, the City may declare an immediate termination of this Master Permit, provided that remedying the violation(s) was reasonably possible within that 30-day period. If the violation(s) identified in the violation notice could not possibly be remedied within the 30-day period, the City may declare an immediate termination of this Master Permit at the end of the period in which the violation could possibly have been remedied.

**B. Emergency Actions.**

1. If the City determines that any of NOEL COMMUNICATIONS INC.'s actions, or any failure by NOEL COMMUNICATIONS INC. to act to correct a situation caused by NOEL COMMUNICATIONS INC., creates a threat to life or property, the City may order NOEL COMMUNICATIONS INC. to immediately correct the threat or, at the City's discretion, the City may act to correct the threat; provided that, when possible, the City shall notify NOEL COMMUNICATIONS INC. and give NOEL COMMUNICATIONS INC. an opportunity to correct the threat before the City acts to correct the threat. NOEL COMMUNICATIONS INC. is liable to the City for all costs, expenses, and damages resulting to the City from the threat or incurred by the City in acting to correct the threat to the extent that the threat was caused by NOEL COMMUNICATIONS INC. NOEL COMMUNICATIONS INC. shall reimburse the City for any such costs within 30 days of written notice of the completion of such action or determination of damages by the City. The failure by NOEL COMMUNICATIONS INC. to take appropriate action to correct a threat caused by NOEL COMMUNICATIONS INC. and identified by the City is a violation of this Master Permit.
2. If during construction, installation, maintenance, repair, or restoration of any of NOEL COMMUNICATIONS INC.'s Facilities any damage occurs to an underground facility, and the damage results in the release of natural gas or other hazardous substance or potentially endangers life, health, or property, NOEL COMMUNICATIONS INC. or any person or entity working on NOEL COMMUNICATIONS INC.'s behalf or at NOEL COMMUNICATIONS INC.'s direction shall immediately call 911 or other local emergency response number.

**C. Other Remedies.** Nothing contained in this Master Permit limits the City's available remedies in the event of NOEL COMMUNICATIONS INC.'s failure to comply with this Master Permit, including but not limited to, the City's right to a lawsuit for specific performance, or damages, or both.

**D. Removal of System.** In the event that this Master Permit is terminated as a result of violations of this Master Permit, NOEL COMMUNICATIONS INC. shall at its sole expense, promptly remove all Facilities, provided that the City, at its sole option, may allow NOEL COMMUNICATIONS INC. to abandon some or all of its Facilities in place.

**Section 7. Insurance.**

**A.** NOEL COMMUNICATIONS INC. shall maintain liability insurance written on an occurrence form during the full term of this Master Permit for bodily injuries and property damages. The policy must contain coverage in the amounts and conditions set forth in subsection D of this Section.

**B.** Such insurance must specifically name, as additional insured, the City, its officers (including its elected and appointed officials), employees, and agents (including its representatives, consultants, engineers, and volunteers); must apply as primary insurance; must stipulate that no insurance affected by the City will be called on to contribute to a loss covered thereunder; and must further provide that the policy may not be modified or canceled during the term of this Master Permit without giving advanced written notice to the City. Notice must be by certified mail to the City Manager, return receipt requested.

**C.** If the City determines that circumstances warrant an increase in insurance coverage and liability limits to adequately cover the risks of the City, the City may require additional insurance to be

acquired. The City shall provide written notice should the City exercise its right to require additional insurance.

**D.** NOEL COMMUNICATIONS INC. shall grant, secure, and maintain the following liability insurance policies insuring both NOEL COMMUNICATIONS INC. and the City, and its elected and appointed officers, officials, agents, employees, representatives, engineers, consultants, and volunteers as additional insured parties against claims for injuries to persons or damages to property which may arise from or in connection with the exercise of the rights granted to NOEL COMMUNICATIONS INC.:

1. Commercial general liability insurance, written on an occurrence basis and on form to include premises, products, completed operations, explosions, collapse and underground hazards with limits not less than \$5,000,000.00 per occurrence covering bodily injury or death and property damage and may be placed with a combination of primary and excess liability policies;
2. Automobile liability for owned, non-owned and hired vehicles with a limit of \$3,000,000.00 for each accident covering bodily injury or death and property damage and may be placed with a combination of primary and excess liability policies;
3. Worker's compensation within statutory limits and employer's liability insurance with limits of not less than \$1,000,000.00;
4. The liability insurance policies required by this Section must be maintained by NOEL COMMUNICATIONS INC. throughout the term of the Master Permit and such other period of time during which NOEL COMMUNICATIONS INC. is operating without an authorization or is engaged in the removal of its Facilities. NOEL COMMUNICATIONS INC. shall provide an insurance certificate, together with an endorsement naming the City, and its elected and appointed officers, officials, agents, employees, representatives, engineers, consultants, and volunteers as additional insureds, to the City prior to the commencement of any work or installation of any Facilities pursuant to this Master Permit. Any deductibles or self-insured retentions must be declared to and approved by the City. NOEL COMMUNICATIONS INC. shall pay and is solely responsible for any deductibles and self-insured retentions. The liability insurance policies required by this Section must contain a clause stating that coverage applies separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. NOEL COMMUNICATIONS INC.'s insurance must be primary insurance as respects the City, its elected and appointed officers, officials, agents, employees, representatives, engineers, consultants, and volunteers. Any insurance maintained by the City, elected and appointed officers, officials, agents, employees, representatives, engineers, consultants, and volunteers is in excess of NOEL COMMUNICATIONS INC.'s insurance and does not contribute with it; and
5. In addition to the coverage requirements set forth in this Section, the insurance certificate must state should any of the required insurance be cancelled or not renewed, advanced written notice must be provided to the City Manager of such intent to cancel or not to renew. Within 30 days after receipt by the City of said notice, and in no event later than five days prior to said cancellation or intent not to renew, NOEL COMMUNICATIONS INC. shall obtain and furnish to the City replacement insurance policies meeting the requirements of this Section.

**Section 8. Other Permits & Approvals.** Nothing in this Agreement relieves NOEL COMMUNICATIONS INC. from any obligation to obtain approvals or permits from applicable federal, state, and City authorities for all activities in the Master Permit Area.

**Section 9. Transfer of Ownership.**

**A.** NOEL COMMUNICATIONS INC. shall not sell, transfer, assign, or otherwise encumber its rights provided by this Master Permit without the prior written consent of the City, which the City shall not unreasonably withhold or delay. The City's consent is not required where NOEL COMMUNICATIONS INC.'s transfers or assigns its rights under this Master Permit for the purpose of securing a debt, or where the transfer or assignment is to another person or entity controlling, controlled by, or under common control with NOEL COMMUNICATIONS INC. NOEL COMMUNICATIONS INC. may license the use of its Facilities to other users without the consent of the City, but NOEL COMMUNICATIONS INC. remains solely responsible for complying with the terms and conditions of this Master Permit.

**B.** In any sale, transfer, or assignment of this Master Permit which requires the City's consent, NOEL COMMUNICATIONS INC. shall demonstrate to the City's satisfaction that the recipient of such sale, transfer, or assignment has the technical ability, financial capability, and any other legal or general qualifications reasonably determined by the City to be necessary to ensure that the recipient can meet the terms and conditions of this Master Permit. The City Council will determine the qualifications of any proposed recipient in a public hearing and will approve or deny the sale, transfer, or assignment by resolution. NOEL COMMUNICATIONS INC. shall, within 30 days of any sale, transfer, or assignment, of this Master Permit reimburse the City for any actual and reasonable administrative costs incurred by the City in approving the sale, transfer, or assignment.

**Section 10. Administrative Fees.**

**A.** The City is precluded from imposing Master Permit fees for "telephone businesses," as defined in RCW 82.16.010, except that fees may be collected for administrative expenses related to a Master Permit. NOEL COMMUNICATIONS INC. hereby warrants that its operations as authorized under this Master Permit are those of a telephone business as defined in RCW 82.16.010.

**B.** NOEL COMMUNICATIONS INC. is subject to a reasonable administrative fee for reimbursement of costs associated with the preparation, processing, and approval of this Master Permit and for reimbursement of administrative costs for issuing any permits and for inspecting, monitoring, or supervising any actions required under Section 5 above. These costs include but are not limited to wages, benefits, overhead expenses, equipment, and supplies associated with such tasks as plan review, site visits, meetings, negotiations, and other functions critical to proper management and oversight of City's right-of-way. Administrative fees exclude normal permit fees as provided in Title 11 of the OMC.

**C.** In the event NOEL COMMUNICATIONS INC. submits a request for work beyond the scope of this Master Permit, or submits a complex project that requires significant plan review or inspection, NOEL COMMUNICATIONS INC. shall reimburse the City for costs incurred by the City associated with the request or project. NOEL COMMUNICATIONS INC. shall pay such costs within 30 days of receipt of an invoice from the City.

**D.** Failure by NOEL COMMUNICATIONS INC. to make full payment of invoices within the time specified is grounds for the termination of this Master Permit.

**Section 11. Notices.** Each party shall deliver any notice to be served on the other party to the following addresses:

CITY:  
City of Olympia  
ATTN: City Manager  
PO Box 1967  
Olympia WA 98507

NOEL COMMUNICATIONS INC.:  
Nick Guy  
Chief Operating Officer  
901 Pitcher Street  
Yakima, WA 98901-3063

With a copy to:  
City of Olympia  
ATTN: City Attorney  
PO Box 1967  
Olympia WA 98507

With a copy to:  
Jym Schuler  
Facilities & OSP Mgr  
901 Pitcher Street  
Yakima, WA 98901-3063

**Section 12. Indemnification.**

**A.** NOEL COMMUNICATIONS INC. shall use reasonable and appropriate precautions to avoid damage to persons or property in any construction, installation, maintenance, repair, restoration or operation of its Facilities. NOEL COMMUNICATIONS INC. shall indemnify, defend, and hold the City harmless from all claims, actions, or damages, including reasonable attorney's and expert witness fees, which may accrue to or be suffered by any person or persons, corporation, or property to the extent caused in part or in whole by any act or omission of NOEL COMMUNICATIONS INC., its officers, agents, servants, or employees, carried on in the furtherance of the rights granted to NOEL COMMUNICATIONS INC. by this Master Permit, including, but not limited to, any delay or failure to comply with the City's directives to relocate or remove its Facilities. In the event any claim or demand is presented to or filed with the City which gives rise to NOEL COMMUNICATIONS INC.'s obligation pursuant to this Section, the City shall within a reasonable time notify NOEL COMMUNICATIONS INC. of the claim or demand and NOEL COMMUNICATIONS INC. shall have the right, at its election, to settle or compromise the claim or demand. In the event any lawsuit is commenced in which the City is named a party, and which lawsuit is based on a claim or demand which gives rise to NOEL COMMUNICATIONS INC.'s obligation pursuant to this Section, the City shall promptly notify NOEL COMMUNICATIONS INC. of the lawsuit, and NOEL COMMUNICATIONS INC. shall, at its sole cost and expense, defend such lawsuit by attorneys of its own election. In defense of such lawsuit, NOEL COMMUNICATIONS INC. may, at its election and at its sole cost and expense, settle or compromise such lawsuit.

**B.** To the extent of any concurrent negligence between NOEL COMMUNICATIONS INC. and the City, NOEL COMMUNICATIONS INC.'s obligations under this Section only extend to its share of negligence or fault. The City may at all times participate through its own attorney in any lawsuit which arises out of or relates to this Master Permit when the City determines that such participation is required to protect the interests of the City or the public. Such participation by the City is at the City's sole cost and expense.

**C.** With respect to the performance of this Master Permit and as to claims or demands against the City, its officers, agents, and employees, NOEL COMMUNICATIONS INC. expressly waives its immunity under Title 51 of the Revised Code of Washington, the Industrial Insurance Act, for injuries to its officers, agents, and employees and agrees that the obligation to indemnify, defend, and hold harmless provided for in this Section extends to any claim brought by or on behalf of NOEL

COMMUNICATIONS INC.'s officers, agents or employees. This waiver was mutually negotiated by the parties.

**Section 13. Severability.** If a court with proper jurisdiction holds that any section, sentence, clause, or phrase of this Master Permit is invalid or unconstitutional, the City may, at its sole option, deem the entire Master Permit to be affected and thereby nullified, or the City may elect to treat the portion declared invalid or unconstitutional as severable and enforce the remaining provisions of this Master Permit. If the City elects to enforce the remaining provisions of this Master Permit, NOEL COMMUNICATIONS INC. may elect to terminate this Master Permit.

**Section 14. Reservation of Rights.** The parties agree that this Master Permit is intended to satisfy the requirements of all applicable laws, administrative guidelines, rules, orders, and ordinances. Accordingly, any provision of this Master Permit or any local ordinance which may conflict with or violate the law is invalid and unenforceable, whether enacted before or after the effective date of this Master Permit, it being the intention of the parties to preserve their respective rights and remedies under the law, and that this Master Permit does not constitute a waiver of any rights or obligations by either party under the law.

**Section 15. Police Powers.** Nothing contained in this Master Permit affects the City's authority to exercise its police powers. NOEL COMMUNICATIONS INC. does not by this Master Permit obtain any vested rights to use any portion of the City right-of-way except for the locations approved by the City and then only subject to the terms and conditions of this Master Permit. This Master Permit and the permits issued for work related to this Master Permit are governed by applicable City ordinances in effect at the time of application for such permits.

**Section 16. Future Rules, Regulations, and Specifications.** NOEL COMMUNICATIONS INC. acknowledges that the City may develop rules, regulations, and specifications, including a general ordinance or other regulations governing telecommunications operations in the City. Such regulations, upon written notice to NOEL COMMUNICATIONS INC., thereafter govern NOEL COMMUNICATIONS INC.'s activities under this Master Permit; provided, however, that in no event may regulations:

**A.** Materially interfere with or adversely affect NOEL COMMUNICATIONS INC.'s rights pursuant to and in accordance with this Master Permit; or

**B.** Be applied in a discriminatory manner as it pertains to NOEL COMMUNICATIONS INC. and other similar user of such facilities.

**Section 17. Effective Date.** The City shall cause this Master Permit, or a summary, to be published in the official newspaper of the City, and this Master Permit takes effect five days after passage and publication as provided by law. Effectiveness of this Master Permit is subject to NOEL COMMUNICATIONS INC.'s acceptance of this Master Permit, as required by Section 4, above.

**Section 18. Law and Venue.** This Master Permit is issued under the laws of the State of Washington, and the forum for any dispute arising under this Master Permit is in Thurston County state Superior Court.

**Section 19. Ratification.** Any act consistent with the authority and prior to the effective date of this Master Permit is hereby ratified and affirmed.

\_\_\_\_\_  
MAYOR

**ATTEST:**

\_\_\_\_\_  
CITY CLERK

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
DEPUTY CITY ATTORNEY

**PASSED:**

**APPROVED:**

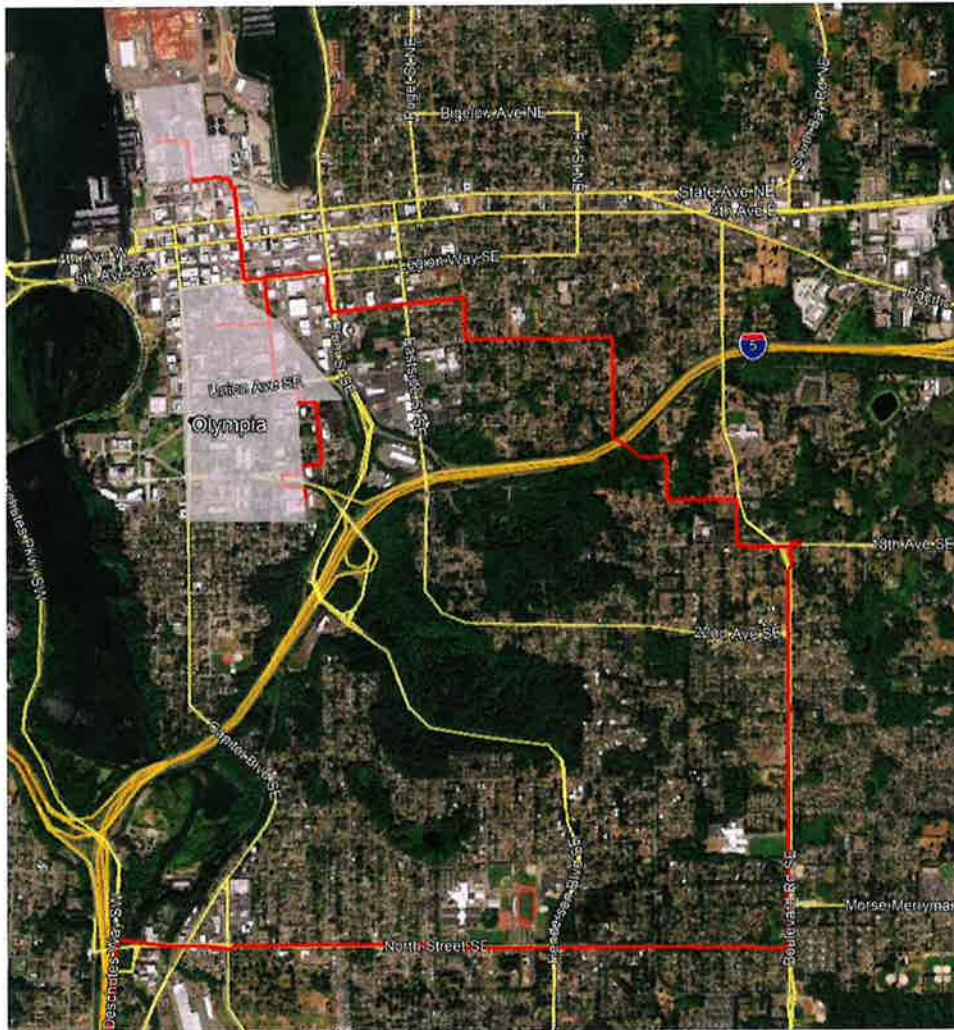
**PUBLISHED:**

**ATTACHMENTS:**     **EXHIBIT A, NOEL COMMUNICATIONS INC. system map (combination NOEL COMMUNICATIONS INC./ facilities)**  
                          **EXHIBIT B, Master Permit Acceptance Form, NOEL COMMUNICATIONS INC.**



**EXHIBIT A**

*Noel Communications – Future Wholesail Networks  
City of Olympia local fiber network*



Red line indicates 2019 existing facilities

Shaded area indicates future expansion areas

**EXHIBIT B**

**MASTER PERMIT ACCEPTANCE FORM**

**NOEL COMMUNICATIONS INC.**

Date: \_\_\_\_\_

City of Olympia  
City Clerk's Office  
PO Box 1967  
Olympia, WA 98507

Re: Ordinance No. \_\_\_\_\_  
Adopted \_\_\_\_\_

In accordance with and as required by Section 4 of the City of Olympia Ordinance referenced above, NOEL COMMUNICATIONS INC. hereby unconditionally accepts the terms, conditions, and obligations to be complied with or performed by it under the Master Permit.

I certify that I am duly authorized to execute this acceptance on behalf of NOEL COMMUNICATIONS INC.

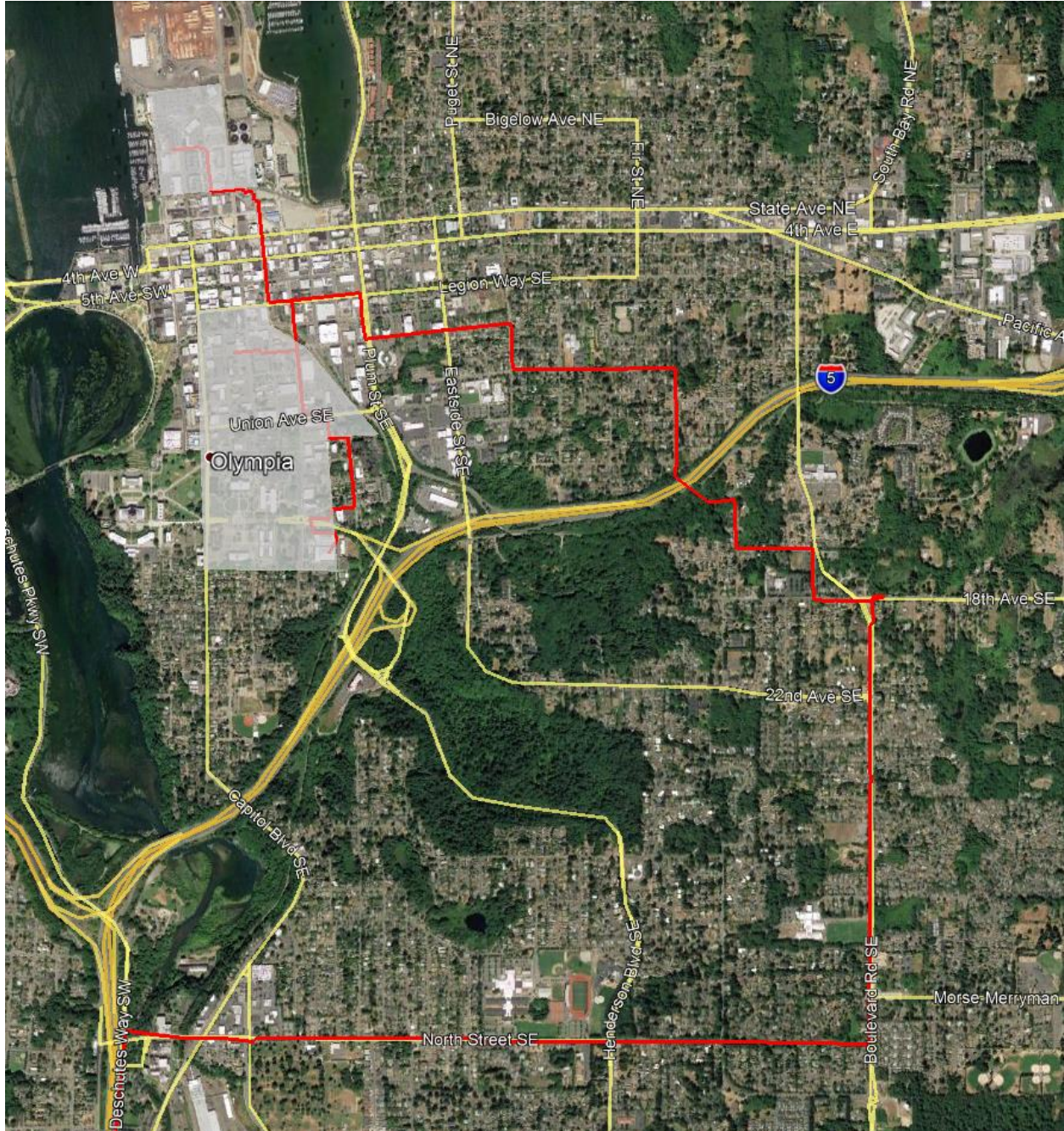
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name and Title



# Exhibit

## Noel Communications – City of Olympia local fiber network



Red line indicates 2019 existing facilities

Shaded area indicates future expansion areas



## City Council

### Approval of an Ordinance to Grant a Master Permit to Astound Broadband

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 4.V  
**File Number:** 19-1142

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**Type:** ordinance **Version:** 1 **Status:** 1st Reading-Consent

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#### **Title**

Approval of an Ordinance to Grant a Master Permit to Astound Broadband

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee.

##### **City Manager Recommendation:**

Move to approve the ordinance granting Astound Broadband a Master Use Permit on first reading and forward to second reading.

#### **Report**

##### **Issue:**

Whether to approve the ordinance granting Astound Broadband a Master Use Permit.

##### **Staff Contact:**

Fran Eide, P.E., City Engineer, Public Works Engineering, 360.753.8422

##### **Presenter(s):**

None - Consent Calendar Item.

#### **Background and Analysis:**

A Master User Permit, as defined in the Olympia Municipal Code (OMC), is an agreement whereby the City may grant general permission to a service provider to enter, use, and occupy the right-of-way for the purpose of locating facilities.

Astound Broadband, LLC has made a request to install fiber optic lines throughout the Olympia area (see attached map) to provide telecommunications, internet access, and private line services to potential customers, such as schools, government agencies, and health care facilities, as well as support services to existing cell phone towers. These lines would be in addition to the lines Astound Broadband, LLC currently has in the City's right-of-way, installed under a previous Master Use Permit.

Staff evaluated the routes proposed by the applicant and found there is sufficient capacity to

accommodate the new lines, both overhead and underground. The addition of these lines will not impact City utilities.

A hearing was held on September 10, 2019, to hear public comment regarding the request. There were no comments against the proposed renewal of the Master Permit. Council directed staff to draft a Master Permit Ordinance for Council approval.

The applicant has acquired all required licenses and approvals to place the new lines on existing Puget Sound Energy power poles.

**Neighborhood/Community Interests (if known):**

Service to affected customers will not be interrupted.

**Options:**

- Option 1: Move to approve first reading and move to second reading an ordinance to grant Astound Broadband a Master Permit. This option allows Astound Broadband to continue to serve existing customers and located current and future planned facilities in City of Olympia right of way.
- Option 2: Move to approve first reading and move to second reading an ordinance to grant Astound Broadband a Master Permit to occupy City of Olympia right of way with additional conditions.
- Option 3: Do not approve an ordinance to allow Astound Broadband to occupy City of Olympia right of way. This option will require Astound Broadband to remove existing facilities and work with current customers to transfer to other providers of telecommunication services.

**Financial Impact:**

The applicant will be required to pay fees associated with permits to do work within the City right of way.

**Attachments:**

Ordinance  
Map



ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, GRANTING A NON-EXCLUSIVE MASTER PERMIT TO ASTOUND BROADBAND, LLC, LEGALLY AUTHORIZED TO CONDUCT BUSINESS IN THE STATE OF WASHINGTON, FOR THE PURPOSE OF CONSTRUCTING, OPERATING, AND MAINTAINING TELECOMMUNICATIONS TRANSMISSION LINES IN CERTAIN PUBLIC RIGHTS-OF-WAY IN THE CITY; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, ASTOUND BROADBAND, LLC is a competitive telecommunications company providing communications and telecommunications services; and

**WHEREAS**, ASTOUND BROADBAND, LLC's route through the City of Olympia ("City") requires the use of certain portions of City rights-of-way for the installation, operation, and maintenance of a telecommunications system; and

**WHEREAS**, the City Council held a public hearing on September 10, 2019, where it was presented with information demonstrating that ASTOUND BROADBAND, LLC satisfies the requirements set forth in Olympia Municipal Code ("OMC") 11.06.020. In particular, the City Council was presented with information confirming and demonstrating the following: That ASTOUND BROADBAND, LLC has submitted all required licenses, certificates, and authorizations from the Federal Communications Commission, the Washington Utilities and Transportation Commission, and any other federal or state agency with jurisdiction over the activities proposed by ASTOUND BROADBAND, LLC. That the capacity of the public ways can accommodate ASTOUND BROADBAND's Facilities if the Master Permit is granted. That the City's rights-of-way will accommodate additional utility and facilities if the Master Permit is granted. That ASTOUND BROADBAND, LLC confirms that there are currently no additional Facilities planned and there is no anticipated damage or disruption to the City's rights-of-way. That construction of additional Facilities will comply with the City's Engineering Design and Development Standards ("EDDS"). That there will be minimal effect, if any, on public health, safety, and welfare if the Master Permit requested is granted. That the proposed route of ASTOUND BROADBAND, LLC's Facilities is appropriate; an alternate route is not needed. And that ASTOUND BROADBAND, LLC has agreed to comply with all federal, state, and local telecommunications laws, regulations, and policies; and

**WHEREAS**, the Revised Code of Washington (RCW) authorizes the City to grant and regulate nonexclusive Master Permits, for the use of public streets, rights-of-way, and other public property, for transmission of communications; and

**WHEREAS**, the insurance provisions of this Master Permit are updated and supersede the insurance provisions set forth in OMC 11.10.220; and

**WHEREAS**, this Master Permit contains the following:

- Section 1. Non-exclusive Master Permit Granted
- Section 2. Authority
- Section 3. Master Permit Term
- Section 4. Acceptance of Terms and Conditions
- Section 5. Construction Provisions and Standards

- A. Permit Required
  - B. Coordination
  - C. Construction Standards
  - D. Underground Installation Required
  - E. Relocation.
  - F. Removal or Abandonment
  - G. Bond
  - H. "One-Call" Location & Liability
  - I. As-Built Plans Required
  - J. Recovery of Costs
  - K. Vacation
- Section 6. Master Permit Compliance.
- A. Master Permit Violations
  - B. Emergency Actions.
  - C. Other Remedies
  - D. Removal of System
- Section 7. Insurance
- Section 8. Other Permits & Approvals
- Section 9. Transfer of Ownership.
- Section 10. Administrative Fees.
- Section 11. Notices.
- Section 12. Indemnification.
- Section 13. Severability
- Section 14. Reservation of Rights
- Section 15. Police Powers
- Section 16. Future Rules, Regulations, and Specifications
- Section 17. Effective Date
- Section 18. Law and Venue
- Section 19. Ratification

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:**

**Section 1. Non-exclusive Master Permit Granted.**

**A.** The City hereby grants to ASTOUND BROADBAND, LLC, subject to the terms and conditions of this Ordinance ("Master Permit"), the rights to construct, replace, repair, monitor, maintain, use, and operate the Facilities (as defined in OMC 11.02.020 O) necessary for an underground telecommunications transmission system, within the City-owned rights-of-way generally described in Exhibit A, and referred to as the "Master Permit Area."

**B.** The rights granted by this Master Permit are not exclusive to ASTOUND BROADBAND, LLC and the granting of this Master Permit does not in any way prohibit or limit the City's ability to grant other Master Permits or rights along, over, or under the Master Permit area, provided that such other uses do not unreasonably interfere with ASTOUND BROADBAND, LLC's exercise of the rights granted in this Master Permit, as determined by the City. This Master Permit does not allow for interference with existing utilities or in any way limit, prohibit, or prevent the City from using the Master Permit Area, and does not in any way affect the City's jurisdiction over that area.

**Section 2. Authority.** The City Manager or the City Manager’s designee is hereby granted the authority to administer and enforce the terms and conditions of this Master Permit, and may develop such rules, policies, and procedures as deemed necessary to carry out this Master Permit.

**Section 3. Master Permit Term.** This Master Permit is effective for a period of five years from the effective date of this Ordinance. The effectiveness of this Master Permit is contingent upon ASTOUND BROADBAND, LLC’s delivery of a written acceptance to the City pursuant to Section 4 of this Master Permit. If ASTOUND BROADBAND, LLC requests a Master Permit renewal prior to the expiration date, the City may, at the City’s sole discretion, extend the term of this Master Permit beyond the expiration date to allow processing of the renewal. If the City elects to extend the term of this Master Permit, the City shall provide written notice of the extension to ASTOUND BROADBAND, LLC prior to the expiration date.

**Section 4. Acceptance of Terms and Conditions.** As required by OMC 11.10.020, ASTOUND BROADBAND, LLC shall, within 30 days of the effective date of this Ordinance or within such other time period as is mutually agreed by the parties, deliver to the City Manager for filing an unconditional acceptance of this Master Permit in the form attached as Exhibit B. ASTOUND BROADBAND, LLC’s failure to deliver the acceptance within this time period voids and nullifies this Master Permit and terminates any and all rights granted under this Master Permit.

**Section 5. Construction Provisions and Standards.** ASTOUND BROADBAND, LLC shall abide by the following construction provisions and standards, and ASTOUND BROADBAND, LLC’s failure to abide by any of the following construction provisions or standards constitutes non-compliance with the terms and conditions of this Master Permit and may result in imposition of some or all of the remedies specified in Section 6.

**A. Permit Required.** Neither ASTOUND BROADBAND, LLC, nor any person or entity working on ASTOUND BROADBAND, LLC’s behalf or at ASTOUND BROADBAND, LLC’s direction, may perform any construction, installation, maintenance, repair, or restoration activities (except for emergency repairs) in the Master Permit Area without first obtaining appropriate permits from the Community Planning and Development Department (CP&D). In case of an emergency, ASTOUND BROADBAND, LLC shall within 24 hours of the emergency, obtain a permit from CP&D.

**B. Coordination.** All construction, installation, maintenance, repair, or restoration activities are subject to City inspection and approval, as provided in the OMC. ASTOUND BROADBAND, LLC shall arrange and allow for such inspection. ASTOUND BROADBAND, LLC shall coordinate all construction, installation, maintenance, repair, or restoration activities and inspections with CP&D to ensure consistency with City infrastructure, future Capital Improvement Projects, all developer improvements, and pertinent codes and ordinances.

**C. Construction Standards.** ASTOUND BROADBAND, LLC, and any person or entity working on ASTOUND BROADBAND, LLC’s behalf or at ASTOUND BROADBAND, LLC’s direction, shall perform all construction, installation, maintenance, repair, or restoration activities within the Master Permit Area so as to produce the least amount of interference with the free passage of pedestrian, bicycle, and vehicular traffic. ASTOUND BROADBAND, LLC, and any person or entity working on ASTOUND BROADBAND, LLC’s behalf or at ASTOUND BROADBAND, LLC’s direction, shall perform all construction, installation, maintenance, repair, or restoration activities in conformance with the EDDS and with Title 11 of the OMC.



**D. Underground Installation Required.** ASTOUND BROADBAND, LLC, and any person or entity working on ASTOUND BROADBAND, LLC's behalf or at ASTOUND BROADBAND, LLC's direction, shall install any new Facilities underground unless otherwise exempted from this requirement, in writing, by the City Manager, or the City Manager's designee.

**E. Relocation.**

1. ASTOUND BROADBAND, LLC shall, at its own expense, temporarily or permanently remove, relocate, place underground, change, or alter the position of any of its Facilities within the right-of-way whenever the City has determined that such removal, relocation, undergrounding, change, or alteration is reasonably necessary for the construction, repair, maintenance, installation, public safety, or operation of any City or other public improvement in or upon the rights-of-way. ASTOUND BROADBAND, LLC may seek reimbursement for relocation expenses from the City as provided for in the OMC.
2. ASTOUND BROADBAND, LLC may, after receipt of written notice requesting a relocation of its Facilities, submit to the City written alternatives to such relocation. Such alternatives must include the use and operation of temporary transmitting facilities in adjacent rights-of-way. The City shall evaluate such alternatives and advise ASTOUND BROADBAND, LLC in writing if one or more of the alternatives are suitable to accommodate the work, which would otherwise necessitate relocation of the Facilities. If requested by the City, ASTOUND BROADBAND, LLC shall submit additional information to assist the City in making such evaluation. The City shall give each alternative proposed by ASTOUND BROADBAND, LLC full and fair consideration. In the event the City ultimately determines that there is no other reasonable alternative, ASTOUND BROADBAND, LLC shall relocate its Facilities as otherwise provided in this Section.

**F. Removal or Abandonment.** Upon the removal from service of any of ASTOUND BROADBAND, LLC's Facilities, ASTOUND BROADBAND, LLC shall comply with all applicable standards and requirements prescribed by the OMC and the EDDS for the removal or abandonment of the Facilities. No Facilities constructed or owned by ASTOUND BROADBAND, LLC may be abandoned without the express written consent of the City.

**G. Bond.** Before undertaking any of the construction, installation, maintenance, repair, or restoration activities authorized by this Master Permit, ASTOUND BROADBAND, LLC shall upon the request of the City, furnish a bond executed by ASTOUND BROADBAND, LLC and a corporate surety authorized to operate a surety business in the State of Washington, in an amount determined by the City as sufficient to ensure performance of ASTOUND BROADBAND, LLC's obligations under this Master Permit. At ASTOUND BROADBAND, LLC's sole option, ASTOUND BROADBAND, LLC may provide alternate security in the form of an assignment of funds or a letter of credit, in the same amount as the bond. All forms of bond or alternate security must be in the form reasonably acceptable to the City. The bond must be conditioned so that ASTOUND BROADBAND, LLC shall observe all the terms and conditions and shall faithfully perform all of the obligations of this Master Permit, and to repair or replace any defective work or materials discovered in the City's roads, streets, or property. ASTOUND BROADBAND, LLC may not encumber a bond required by this Section for any other purpose.

**H. "One-Call" Location & Liability.** ASTOUND BROADBAND, LLC shall subscribe to and maintain membership in the regional "One-Call" utility location service and shall promptly locate any of its Facilities upon request. The City is not liable for any damages to ASTOUND BROADBAND, LLC's Facilities or for interruptions in service to ASTOUND BROADBAND, LLC's customers which are a direct result of work performed for any City project for which ASTOUND BROADBAND, LLC has failed to properly locate its Facilities within the prescribed time limits and guidelines established by One-Call. The City is also not liable for any damages to ASTOUND BROADBAND, LLC's Facilities or for interruptions in service to ASTOUND BROADBAND, LLC's customers resulting from work performed under a permit issued by the City.

**I. As-Built Plans Required.** ASTOUND BROADBAND, LLC shall maintain accurate engineering plans and details of all Facilities installed within the City limits and shall, at the City's request, provide such information in both paper form and electronic form using the most current AutoCAD version prior to close-out of any permits issued by the City and any construction, installation, maintenance, repair, or restoration activities performed by ASTOUND BROADBAND, LLC, or any person or entity working on ASTOUND BROADBAND, LLC's behalf or at ASTOUND BROADBAND, LLC's direction, pursuant to this Master Permit. The City shall determine the acceptability of any as-built submittals provided under this Section.

**J. Recovery of Costs.** ASTOUND BROADBAND, LLC is subject to all permit fees associated with activities undertaken through the authority granted in this Master Permit Agreement or under other ordinances of the City. Where the City incurs costs and expenses for review or inspection of activities undertaken through the authority granted in this Master Permit or any ordinances relating to the subject for which permit fees have not been established, ASTOUND BROADBAND, LLC shall pay such reasonable costs and expenses directly to the City.

**K. Vacation.** If, at any time, the City vacates any City road, right-of-way, or other City property which is subject to rights granted by this Master Permit and the vacation is for the purpose of acquiring the fee or other property interest in the road, right-of-way, or other City property for the use of the City, in either its proprietary or governmental capacity, then the City may, at its option and by giving 30 days written notice to ASTOUND BROADBAND, LLC, terminate this Master Permit with reference to such City road, right-of-way, or other City property vacated, and the City is not liable for any damages or loss to ASTOUND BROADBAND, LLC by reason of such termination other than those provided for in RCW chapter 35.99.

## **Section 6. Master Permit Compliance.**

**A. Master Permit Violations.** If ASTOUND BROADBAND, LLC fails to fully comply with any of the provisions of this Master Permit, the City may provide written notice to ASTOUND BROADBAND, LLC, which describes the violation(s) of the Master Permit and requests remedial action within 30 days of receipt of the violation notice. If ASTOUND BROADBAND, LLC has not remedied the violation(s) identified in the violation notice at the end of the 30-day period following receipt of the violation notice, the City may declare an immediate termination of this Master Permit, provided that remedying the violation(s) was reasonably possible within that 30-day period. If the violation(s) identified in the violation notice could not possibly be remedied within the 30-day period, the City may declare an immediate termination of this Master Permit at the end of the period in which the violation could possibly have been remedied.

**B. Emergency Actions.**

1. If the City determines that any of ASTOUND BROADBAND, LLC's actions, or any failure by ASTOUND BROADBAND, LLC to act to correct a situation caused by ASTOUND BROADBAND, LLC, creates a threat to life or property, the City may order ASTOUND BROADBAND, LLC to immediately correct the threat or, at the City's discretion, the City may act to correct the threat; provided that, when possible, the City shall notify ASTOUND BROADBAND, LLC and give ASTOUND BROADBAND, LLC an opportunity to correct the threat before the City acts to correct the threat. ASTOUND BROADBAND, LLC is liable to the City for all costs, expenses, and damages resulting to the City from the threat or incurred by the City in acting to correct the threat to the extent that the threat was caused by ASTOUND BROADBAND, LLC. ASTOUND BROADBAND, LLC shall reimburse the City for any such costs within 30 days of written notice of the completion of such action or determination of damages by the City. The failure by ASTOUND BROADBAND, LLC to take appropriate action to correct a threat caused by ASTOUND BROADBAND, LLC and identified by the City is a violation of this Master Permit.
2. If during construction, installation, maintenance, repair, or restoration of any of ASTOUND BROADBAND, LLC's Facilities any damage occurs to an underground facility, and the damage results in the release of natural gas or other hazardous substance or potentially endangers life, health, or property, ASTOUND BROADBAND, LLC or any person or entity working on ASTOUND BROADBAND, LLC's behalf or at ASTOUND BROADBAND, LLC's direction shall immediately call 911 or other local emergency response number.

**C. Other Remedies.** Nothing contained in this Master Permit limits the City's available remedies in the event of ASTOUND BROADBAND, LLC's failure to comply with this Master Permit, including but not limited to, the City's right to a lawsuit for specific performance, or damages, or both.

**D. Removal of System.** In the event that this Master Permit is terminated as a result of violations of this Master Permit, ASTOUND BROADBAND, LLC shall at its sole expense, promptly remove all Facilities, provided that the City, at its sole option, may allow ASTOUND BROADBAND, LLC to abandon some or all of its Facilities in place.

**Section 7. Insurance.**

**A.** ASTOUND BROADBAND, LLC shall maintain liability insurance written on an occurrence form during the full term of this Master Permit for bodily injuries and property damages. The policy must contain coverage in the amounts and conditions set forth in subsection D of this Section.

**B.** Such insurance must specifically name, as additional insured, the City, its officers (including its elected and appointed officials), employees, and agents (including its representatives, consultants, engineers, and volunteers); must apply as primary insurance; must stipulate that no insurance affected by the City will be called on to contribute to a loss covered thereunder; and must further provide that the policy may not be modified or canceled during the term of this Master Permit without giving advanced written notice to the City. Notice must be by certified mail to the City Manager, return receipt requested.

**C.** If the City determines that circumstances warrant an increase in insurance coverage and liability limits to adequately cover the risks of the City, the City may require additional insurance to be

acquired. The City shall provide written notice should the City exercise its right to require additional insurance.

D. ASTOUND BROADBAND, LLC shall grant, secure, and maintain the following liability insurance policies insuring both ASTOUND BROADBAND, LLC and the City, and its elected and appointed officers, officials, agents, employees, representatives, engineers, consultants, and volunteers as additional insured parties against claims for injuries to persons or damages to property which may arise from or in connection with the exercise of the rights granted to ASTOUND BROADBAND, LLC:

1. Commercial general liability insurance, written on an occurrence basis and on form to include premises, products, completed operations, explosions, collapse and underground hazards with limits not less than \$5,000,000.00 per occurrence covering bodily injury or death and property damage and may be placed with a combination of primary and excess liability policies;
2. Automobile liability for owned, non-owned and hired vehicles with a limit of \$3,000,000.00 for each accident covering bodily injury or death and property damage and may be placed with a combination of primary and excess liability policies;
3. Worker's compensation within statutory limits and employer's liability insurance with limits of not less than \$1,000,000.00;
4. The liability insurance policies required by this Section must be maintained by ASTOUND BROADBAND, LLC throughout the term of the Master Permit and such other period of time during which ASTOUND BROADBAND, LLC is operating without an authorization or is engaged in the removal of its Facilities. ASTOUND BROADBAND, LLC shall provide an insurance certificate, together with an endorsement naming the City, and its elected and appointed officers, officials, agents, employees, representatives, engineers, consultants, and volunteers as additional insureds, to the City prior to the commencement of any work or installation of any Facilities pursuant to this Master Permit. Any deductibles or self-insured retentions must be declared to and approved by the City. ASTOUND BROADBAND, LLC shall pay and is solely responsible for any deductibles and self-insured retentions. The liability insurance policies required by this Section must contain a clause stating that coverage applies separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. ASTOUND BROADBAND, LLC's insurance must be primary insurance as respects the City, its elected and appointed officers, officials, agents, employees, representatives, engineers, consultants, and volunteers. Any insurance maintained by the City, elected and appointed officers, officials, agents, employees, representatives, engineers, consultants, and volunteers is in excess of ASTOUND BROADBAND, LLC's insurance and does not contribute with it; and
5. In addition to the coverage requirements set forth in this Section, the insurance certificate must state should any of the required insurance be cancelled or not renewed, advanced written notice must be provided to the City Manager of such intent to cancel or not to renew. Within 30 days after receipt by the City of said notice, and in no event later than five days prior to said cancellation or intent not to renew, ASTOUND BROADBAND, LLC shall obtain and furnish to the City replacement insurance policies meeting the requirements of this Section.

**Section 8. Other Permits & Approvals.** Nothing in this Agreement relieves ASTOUND BROADBAND, LLC from any obligation to obtain approvals or permits from applicable federal, state, and City authorities for all activities in the Master Permit Area.

**Section 9. Transfer of Ownership.**

**A.** ASTOUND BROADBAND, LLC shall not sell, transfer, assign, or otherwise encumber its rights provided by this Master Permit without the prior written consent of the City, which the City shall not unreasonably withhold or delay. The City's consent is not required where ASTOUND BROADBAND, LLC's transfers or assigns its rights under this Master Permit for the purpose of securing a debt, or where the transfer or assignment is to another person or entity controlling, controlled by, or under common control with ASTOUND BROADBAND, LLC. ASTOUND BROADBAND, LLC may license the use of its Facilities to other users without the consent of the City, but ASTOUND BROADBAND, LLC remains solely responsible for complying with the terms and conditions of this Master Permit.

**B.** In any sale, transfer, or assignment of this Master Permit which requires the City's consent, ASTOUND BROADBAND, LLC shall demonstrate to the City's satisfaction that the recipient of such sale, transfer, or assignment has the technical ability, financial capability, and any other legal or general qualifications reasonably determined by the City to be necessary to ensure that the recipient can meet the terms and conditions of this Master Permit. The City Council will determine the qualifications of any proposed recipient in a public hearing and will approve or deny the sale, transfer, or assignment by resolution. ASTOUND BROADBAND, LLC shall, within 30 days of any sale, transfer, or assignment, of this Master Permit reimburse the City for any actual and reasonable administrative costs incurred by the City in approving the sale, transfer, or assignment.

**Section 10. Administrative Fees.**

**A.** The City is precluded from imposing Master Permit fees for "telephone businesses," as defined in RCW 82.16.010, except that fees may be collected for administrative expenses related to a Master Permit. ASTOUND BROADBAND, LLC hereby warrants that its operations as authorized under this Master Permit are those of a telephone business as defined in RCW 82.16.010.

**B.** ASTOUND BROADBAND, LLC is subject to a reasonable administrative fee for reimbursement of costs associated with the preparation, processing, and approval of this Master Permit and for reimbursement of administrative costs for issuing any permits and for inspecting, monitoring, or supervising any actions required under Section 5 above. These costs include but are not limited to wages, benefits, overhead expenses, equipment, and supplies associated with such tasks as plan review, site visits, meetings, negotiations, and other functions critical to proper management and oversight of City's right-of-way. Administrative fees exclude normal permit fees as provided in Title 11 of the OMC.

**C.** In the event ASTOUND BROADBAND, LLC submits a request for work beyond the scope of this Master Permit, or submits a complex project that requires significant plan review or inspection, ASTOUND BROADBAND, LLC shall reimburse the City for costs incurred by the City associated with the request or project. ASTOUND BROADBAND, LLC shall pay such costs within 30 days of receipt of an invoice from the City.

**D.** Failure by ASTOUND BROADBAND, LLC to make full payment of invoices within the time specified is grounds for the termination of this Master Permit.

**Section 11. Notices.** Each party shall deliver any notice to be served on the other party to the following addresses:

CITY:

City of Olympia  
ATTN: City Manager  
PO Box 1967  
Olympia WA 98507

ASTOUND BROADBAND, LLC:

Trudy Longnecker  
Sr. Manager Tariff and Compliance  
650 College Road East, Suite 3100  
Princeton NJ 08540

With a copy to:

City of Olympia  
ATTN: City Attorney  
PO Box 1967  
Olympia WA 98507

With a copy to:

Joseph Kahl  
VP Regulatory and Public Affairs  
650 College Road East, Suite 3100  
Princeton NJ 08540

**Section 12. Indemnification.**

**A.** ASTOUND BROADBAND, LLC shall use reasonable and appropriate precautions to avoid damage to persons or property in any construction, installation, maintenance, repair, restoration or operation of its Facilities. ASTOUND BROADBAND, LLC shall indemnify and hold the City harmless from all claims, actions, or damages, including reasonable attorney's and expert witness fees, which may accrue to or be suffered by any person or persons, corporation, or property to the extent caused in part or in whole by any act or omission of ASTOUND BROADBAND, LLC, its officers, agents, servants, or employees, carried on in the furtherance of the rights granted to ASTOUND BROADBAND, LLC by this Master Permit, including, but not limited to, any delay or failure to comply with the City's directives to relocate or remove its Facilities. In the event any claim or demand is presented to or filed with the City which gives rise to ASTOUND BROADBAND, LLC's obligation pursuant to this Section, the City shall within a reasonable time notify ASTOUND BROADBAND, LLC of the claim or demand and ASTOUND BROADBAND, LLC shall have the right, at its election, to settle or compromise the claim or demand. In the event any lawsuit is commenced in which the City is named a party, and which lawsuit is based on a claim or demand which gives rise to ASTOUND BROADBAND, LLC's obligation pursuant to this Section, the City shall promptly notify ASTOUND BROADBAND, LLC of the lawsuit, and ASTOUND BROADBAND, LLC shall, at its sole cost and expense, defend such lawsuit by attorneys of its own election. In defense of such lawsuit, ASTOUND BROADBAND, LLC may, at its election and at its sole cost and expense, settle or compromise such lawsuit.

**B.** To the extent of any concurrent negligence between ASTOUND BROADBAND, LLC and the City, ASTOUND BROADBAND, LLC's obligations under this Section only extend to its share of negligence or fault. The City may at all times participate through its own attorney in any lawsuit which arises out of or relates to this Master Permit when the City determines that such participation is required to protect the interests of the City or the public. Such participation by the City is at the City's sole cost and expense.

**C.** With respect to the performance of this Master Permit and as to claims or demands against the City, its officers, agents, and employees, ASTOUND BROADBAND, LLC expressly waives its immunity under Title 51 of the Revised Code of Washington, the Industrial Insurance Act, for injuries to its officers, agents, and employees and agrees that the obligation to indemnify, defend, and hold harmless provided for in this Section extends to any claim brought by or on behalf of ASTOUND BROADBAND, LLC's officers, agents or employees. This waiver was mutually negotiated by the parties.

**Section 13. Severability.** If a court with proper jurisdiction holds that any section, sentence, clause, or phrase of this Master Permit is invalid or unconstitutional, the City may, at its sole option, deem the entire Master Permit to be affected and thereby nullified, or the City may elect to treat the portion declared invalid or unconstitutional as severable and enforce the remaining provisions of this Master Permit. If the City elects to enforce the remaining provisions of this Master Permit, ASTOUND BROADBAND, LLC may elect to terminate this Master Permit.

**Section 14. Reservation of Rights.** The parties agree that this Master Permit is intended to satisfy the requirements of all applicable laws, administrative guidelines, rules, orders, and ordinances. Accordingly, any provision of this Master Permit or any local ordinance which may conflict with or violate the law is invalid and unenforceable, whether enacted before or after the effective date of this Master Permit, it being the intention of the parties to preserve their respective rights and remedies under the law, and that this Master Permit does not constitute a waiver of any rights or obligations by either party under the law.

**Section 15. Police Powers.** Nothing contained in this Master Permit affects the City's authority to exercise its police powers. ASTOUND BROADBAND, LLC does not by this Master Permit obtain any vested rights to use any portion of the City right-of-way except for the locations approved by the City and then only subject to the terms and conditions of this Master Permit. This Master Permit and the permits issued for work related to this Master Permit are governed by applicable City ordinances in effect at the time of application for such permits.

**Section 16. Future Rules, Regulations, and Specifications.** ASTOUND BROADBAND, LLC acknowledges that the City may develop rules, regulations, and specifications, including a general ordinance or other regulations governing telecommunications operations in the City. Such regulations, upon written notice to ASTOUND BROADBAND, LLC, thereafter govern ASTOUND BROADBAND, LLC's activities under this Master Permit; provided, however, that in no event may regulations:

A. Materially interfere with or adversely affect ASTOUND BROADBAND, LLC's rights pursuant to and in accordance with this Master Permit; or

B. Be applied in a discriminatory manner as it pertains to ASTOUND BROADBAND, LLC and other similar user of such facilities.

**Section 17. Effective Date.** The City shall cause this Master Permit, or a summary, to be published in the official newspaper of the City, and this Master Permit takes effect five days after passage and publication as provided by law. Effectiveness of this Master Permit is subject to ASTOUND BROADBAND's acceptance of this Master Permit, as required by Section 4, above.

**Section 18. Law and Venue.** This Master Permit is issued under the laws of the State of Washington, and the forum for any dispute arising under this Master Permit is in Thurston County Superior Court.

**Section 19. Ratification.** Any act consistent with the authority and prior to the effective date of this Master Permit is hereby ratified and affirmed.

\_\_\_\_\_  
MAYOR

**ATTEST:**

\_\_\_\_\_  
CITY CLERK

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
DEPUTY CITY ATTORNEY

**PASSED:**

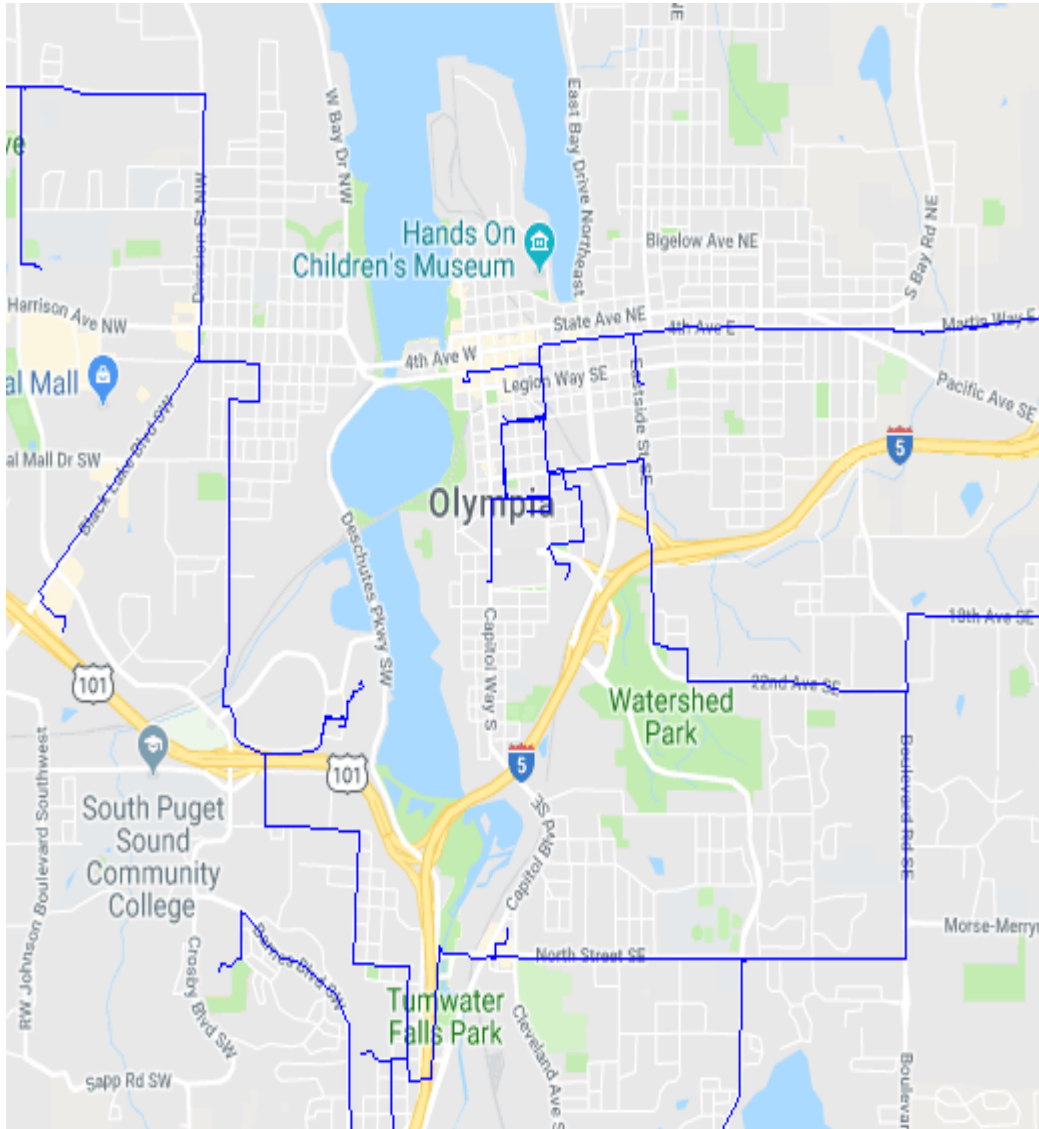
**APPROVED:**

**PUBLISHED:**

**ATTACHMENTS:**      *EXHIBIT A, ASTOUND BROADBAND, LLC system map (combination ASTOUND BROADBAND, LLC/ facilities)*  
*EXHIBIT B, Master Permit Acceptance Form,*  
*ASTOUND BROADBAND, LLC*



# Exhibit A



Astound Broadband System Map

**EXHIBIT B**

**MASTER PERMIT ACCEPTANCE FORM**

**ASTOUND BROADBAND, LLC**

Date: \_\_\_\_\_

City of Olympia  
City Clerk's Office  
PO Box 1967  
Olympia, WA 98507

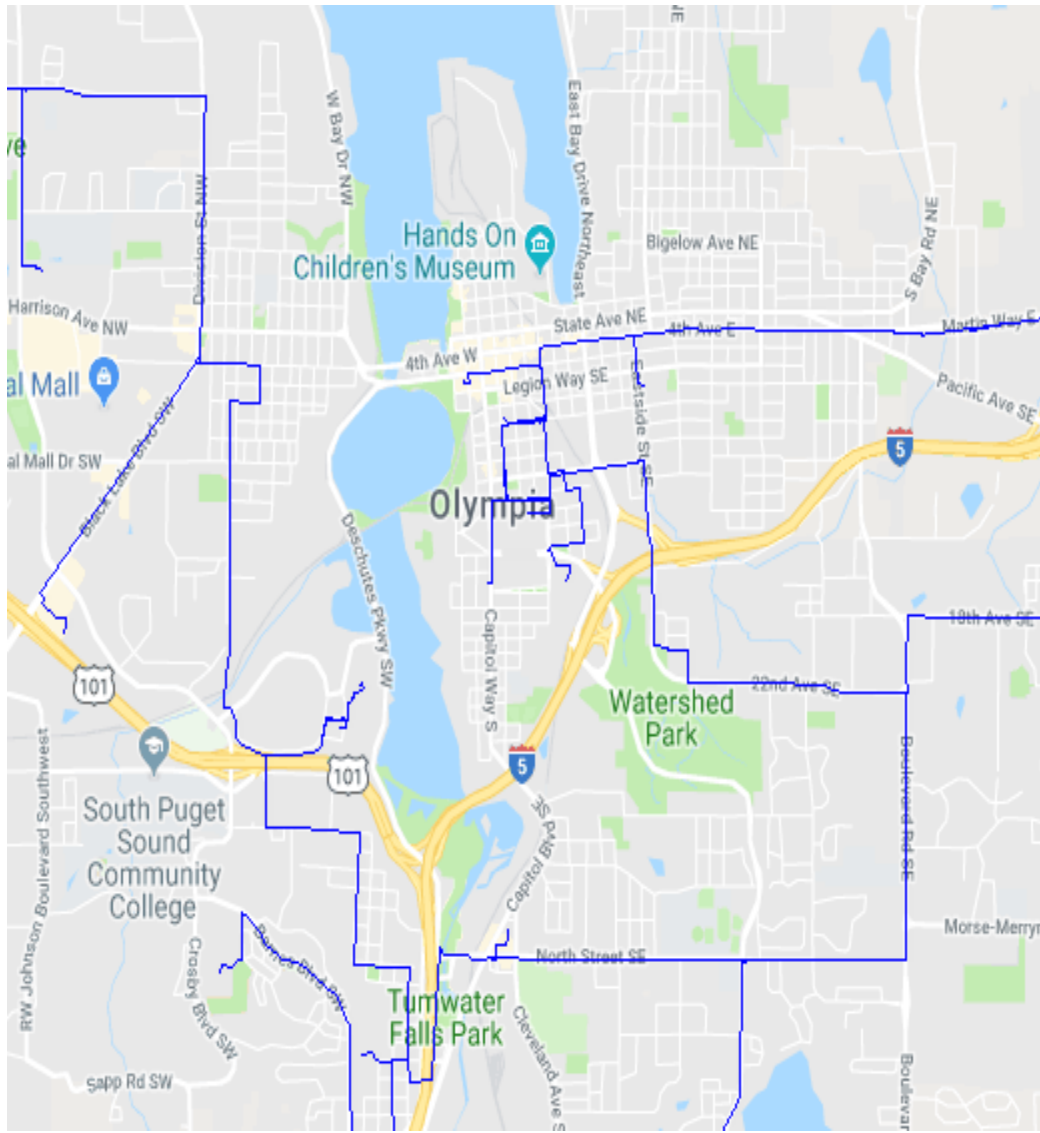
Re: Ordinance No. \_\_\_\_\_  
Adopted \_\_\_\_\_

In accordance with and as required by Section 4 of the City of Olympia Ordinance referenced above, ASTOUND BROADBAND, LLC hereby unconditionally accepts the terms, conditions, and obligations to be complied with or performed by it under the Master Permit.

I certify that I am duly authorized to execute this acceptance on behalf of ASTOUND BROADBAND, LLC.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name and Title





## City Council

### Approval of an Ordinance Extending the Term of the Cable Television Franchise with Comcast Cable Communications Management, LLC

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 4.W  
**File Number:** 19-1049

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**Type:** ordinance **Version:** 1 **Status:** 1st Reading-Consent

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#### **Title**

Approval of an Ordinance Extending the Term of the Cable Television Franchise with Comcast Cable Communications Management, LLC

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee

##### **City Manager Recommendation:**

Move to approve the Ordinance extending the term of the cable television franchise with Comcast Cable Communications Management, LLC on first reading and forward to second reading.

#### **Report**

##### **Issue:**

Whether to extend the terms of the City of Olympia's franchise agreement with Comcast Cable through December 31, 2020.

##### **Staff Contact:**

Kellie Purce Braseth, Strategic Communications Director, Executive Department, 360.753.8361

##### **Presenter(s):**

None - Consent Calendar Item.

#### **Background and Analysis:**

The City of Olympia's franchise agreement with Comcast Cable was set to expire on March 24, 2019. On March 27, 2018, the City Council approved an interlocal agreement to jointly undertake the franchise renewal process with the cities of Lacey and Tumwater and Thurston County. On Feb. 5, 2019, the Council approved an ordinance extending the franchise agreement through December 31, 2019.

The renewal process continues, with the legal, technical and financial reviews complete and the negotiations process underway. The proposed ordinance would extend the franchise agreement through December 31, 2020, and give the City additional time to complete the shared franchise

renewal/negotiation process with our neighboring jurisdictions.

**Neighborhood/Community Interests (if known):**

The community has a high interest in high-quality, accessible and affordable cable services.

**Options:**

1. Approve the Ordinance Extending the Term of the Cable Television Franchise with Comcast Cable Communications Management, LLC on first reading and forward to second reading.
2. Do not approve the Ordinance Extending the Term of the Cable Television Franchise with Comcast Cable Communications Management, LLC. The City will be operating with an expired franchise agreement during the renewal negotiations process.

**Financial Impact:**

The estimated \$26,000 renewal negotiations cost would be paid from Olympia cable franchise fees (PEG Fund).

**Attachments:**

Ordinance

Ordinance No. \_\_\_\_\_

**AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, EXTENDING THE TERM OF THE NONEXCLUSIVE CABLE TELEVISION FRANCHISE WITH COMCAST CABLE COMMUNICATIONS MANAGEMENT, LLC.**

**WHEREAS**, in 2009, by Ordinance No. 6625, Comcast of Washington IV, Inc., now known as Comcast Cable Communications Management, LLC, (Comcast) was granted a franchise agreement with the City of Olympia (City); and

**WHEREAS**, on February 5, 2019, by Ordinance No. 7185, the City and Comcast agreed to extend the existing franchise agreement while a new agreement was being drafted; and

**WHEREAS**, the current extended Franchise is due to expire on December 31, 2019; and

**WHEREAS**, the City of Olympia, together with the cities of Tumwater and Lacey, and Thurston County, have engaged a consultant to negotiate a comprehensive franchise agreement covering all four jurisdictions; and

**WHEREAS**, the parties are still in the process of completing those negotiations and preparing the new franchise agreement and the City wishes to further extend the term of its current extended Franchise with Comcast;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:**

**Section 1. Franchise Extension.** The term of the current extended Franchise between the City of Olympia and Comcast of Washington IV, Inc., now known as Comcast Cable Communications Management, LLC, is extended to December 31, 2020.

**Section 2. Other Franchise Terms and Conditions.** All other terms and conditions of the Current Franchise agreement remain in effect.

**Section 3. Corrections.** The City Clerk and codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance, including the correction of scrivener/clerk errors, references, ordinance numbering, section/subsection numbers and any references thereto.

**Section 4. Severability.** If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of the Ordinance or application of the provisions to other persons or circumstances shall remain unaffected.

**Section 5. Ratification.** Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

**Section 6. Effective Date.** This Ordinance shall take effect thirty (30) days after publication, as provided by law.

\_\_\_\_\_  
MAYOR

**ATTEST:**

\_\_\_\_\_  
CITY CLERK

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
CITY ATTORNEY

**PASSED:**

**APPROVED:**

**PUBLISHED:**







## City Council

### Public Hearing on Community Development Block Grant (CDBG) Program Year 2019 Amendments

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 5.A  
**File Number:** 19-1017

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**Type:** public hearing **Version:** 1 **Status:** Public Hearing

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#### **Title**

Public Hearing on Community Development Block Grant (CDBG) Program Year 2019 Amendments

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to committee.

##### **City Manager Recommendation:**

Hold a Public Hearing on proposed amendments to Community Development Block Grant (CDBG) Program Year 2019.

#### **Report**

##### **Issue:**

Whether to Hold a Public Hearing on proposed amendments to Program Year 2019 to allow for the expedited re-allocation of unused CDBG funds derived from the cancelled Salvation Army project and other unused prior year CDBG funds.

##### **Staff Contact:**

Anna Schlecht, Community Service Programs Manager, Community Planning and Development Department, (360) 753-8183

##### **Presenter(s):**

Anna Schlecht, Community Service Programs Manager, Community Planning and Development Department

##### **Background and Analysis:**

Staff have identified a total of \$550,000 in Community Development Block Grant (CDBG) funds that are available to be re-allocated in the current Program Year (PY) 2019, which runs from September 1, 2019 - August 31, 2020. This re-allocation process is considered a "Substantial Amendment" and must go through a 30-day public comment period with a public hearing.

This \$550,000 came from the following sources: 1) Salvation Army (SA) Funds: Salvation Army Olympia Corps canceled their two-year \$425,000 CDBG project to fund their Day Center /

Community Kitchen project. This SA project funding came from two consecutive awards of \$300,000 in PY 2018 and \$125,000 in the current PY 2019. 2) Other Prior Year Funds: Since the General Government Committee meeting in September, staff identified another \$125,000 in unspent funds from prior CDBG program years that are available to be re-allocated for CDBG eligible purposes. Together these sources offer a total of \$550,000 for re-allocation, making the proposed PY 2019 funding now a total of \$875,000.

**Proposed PY 2019 Amendment:** Staff presented a recommendation to the General Government Committee to re-allocate these unused funds in the purchase of land intended for the development of affordable / low cost housing. Council approved the amendment process on November 12, 2019. The actual properties to be considered will be presented at a soon to be scheduled Council Executive Session. Tonight's Public Hearing is part of the City's 30-day public comment period to seek citizen comments on the proposed amendments to the current PY 2019 Action Plan identified as follows:

<b>\$550,000</b>	<b><i>PROPOSED AMENDMENT: Land Acquisition (NEW)</i></b>
\$ 80,000	Interfaith Works Shelter Repairs
\$ 50,000	Crime Prevention Through Environmental Design (CPTED)
\$ 30,000	Small Business Training & Assistance
\$ 20,000	Micro-Enterprise Assistance/Business Training & Technical Assistance
\$ 55,000	Downtown Ambassador Program
<u>\$ 90,000</u>	<u>Program Administration - <b>Required</b></u>
<b>\$875,000</b>	<b>TOTAL PROPOSED PY 2019 CDBG FUNDING AMENDMENT</b>

**Amendment Public Process:** CDBG regulations call for a 30-day Citizen Participation Process in which the public can review this substantial amendment to the current PY Action Plan and offer their comments. Please note that the 30-day public comment period has been delayed two weeks and will now run from December 3, 2019 - Friday January 3, 2020, with a public hearing scheduled for December 10, 2019. Final approval of the proposed Amendment will be scheduled for January 7, 2020.

**CDBG Program Purpose:** The CDBG Program was created as a "bundled" federal aid program intended to aid the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. Regulations for the CDBG Program are contained in 24 CFR 570. The Olympia CDBG Program is guided by a Five-Year CDBG Consolidated Plan which provides strategic guidance subject to annual revisions and mid-year amendments. Please note that this Amendment will occur during the second year of the Five-Year CDBG Consolidated Plan (2018 - 2022).

**Prior Discussions:** This proposed PY 2019 Amendment was discussed at a General Government Committee meeting on September 25, 2019. The original Salvation Army project was discussed during Public Process for both the CDBG PY 2018 and the PY 2019 Action Plans. The Council approved this Substantial Amendment process on November 12, 2019.

**Neighborhood/Community Interests (if known):**

All neighborhoods and community stakeholders have an interest in how federal CDBG funds are invested in community development programs and projects.

**Options:**

1. Hold a Public Hearing on proposed amendments to Program Year 2019 as part of the 30-day public comment period running from December 3, 2019 - January 3, 2020.
2. Do not hold a Public Hearing on the proposed amendments to CDBG Program Year 2019 Action Plan and further delay action on re-allocation of unused CDBG funds.

**Financial Impact:**

This proposed Amendment Process would allow public comments on the proposed re-allocation of \$550,000,000 in CDBG funds from PY 2018 (\$300,000) and PY 2019 (\$125,000) for property acquisition.

**Attachments:**

DRAFT Amendment of Program Year 2019 CDBG Annual Action Plan  
CDBG Program Annual Cycle

## DRAFT AMENDMENT OF PROGRAM YEAR 2019 CDBG ANNUAL ACTION PLAN

Highlighted in yellow are the proposed amendments to the Olympia PY 2019 Plan, to be funded by re-allocated funds from current & prior CDBG years:

Recipient	Project	Outcomes	HUD Goal(s)	HUD Objectives	Proposed Funding
<b>To Be Determined</b>	Land Acquisition for Housing Development	Expanded Housing Inventory	Land Acquisition	LMH – Low/Moderate Housing – Low/Mod income residents	<b>\$550,000</b>
<b>Interfaith Works Shelter</b>	Shelter Sewer Repairs	Shelter Capacity Retained	Public Facilities	LMC – Low/ModIncome – Limited Clientele	<b>\$80,000</b>
<b>Enterprise for Equity</b>	Micro Business Training & Technical Assistance	Assistance for up to 10 businesses with fewer than 4 employees	Micro Enterprise	LMI – Low/Moderate Income	<b>\$20,000</b>
<b>Thurston Economic Development Council</b>	Small Business Training & Technical Assistance	Assistance for up to 40 businesses with more than 4 employees	Economic Development	LMJ – Low/Moderate Income Jobs	<b>\$30,000</b>
<b>Multiple Recipients</b>	Downtown Lighting Safety Project	Safety lighting enhancements in key downtown areas	Economic Development	LMJ – Low/Moderate Income Jobs	<b>\$50,000</b>
<b>City of Olympia</b>	Olympia Downtown Ambassadors	Outreach for up to 150 street dependent people daily	Public Services	LMC – Low/Moderate Income – Limited Clientele	<b>\$55,000</b>
<b>City of Olympia</b>	Program Administration	Planning & administration	N/A	N/A	<b>\$90,000</b>
		<b>TOTAL</b>	<b>PY 2019</b>	<b>ALLOCATIONS</b>	<b>\$875,000</b>

### PUBLIC COMMENT

The 30 Day public comment period runs from **December 3, 2019 - January 3, 2020**, offering the following options:

- **Written comments:** Olympia City Council, 601 4<sup>th</sup> Ave E, Olympia, WA 98501
- **Emails:** [cdbg@ci.olympia.wa.us](mailto:cdbg@ci.olympia.wa.us),
- **Phone calls:** City Council at 360-753-8244
- **Public hearing:** 7:00 p.m., Tuesday, December 10 at Olympia City Hall.

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#### For more information:

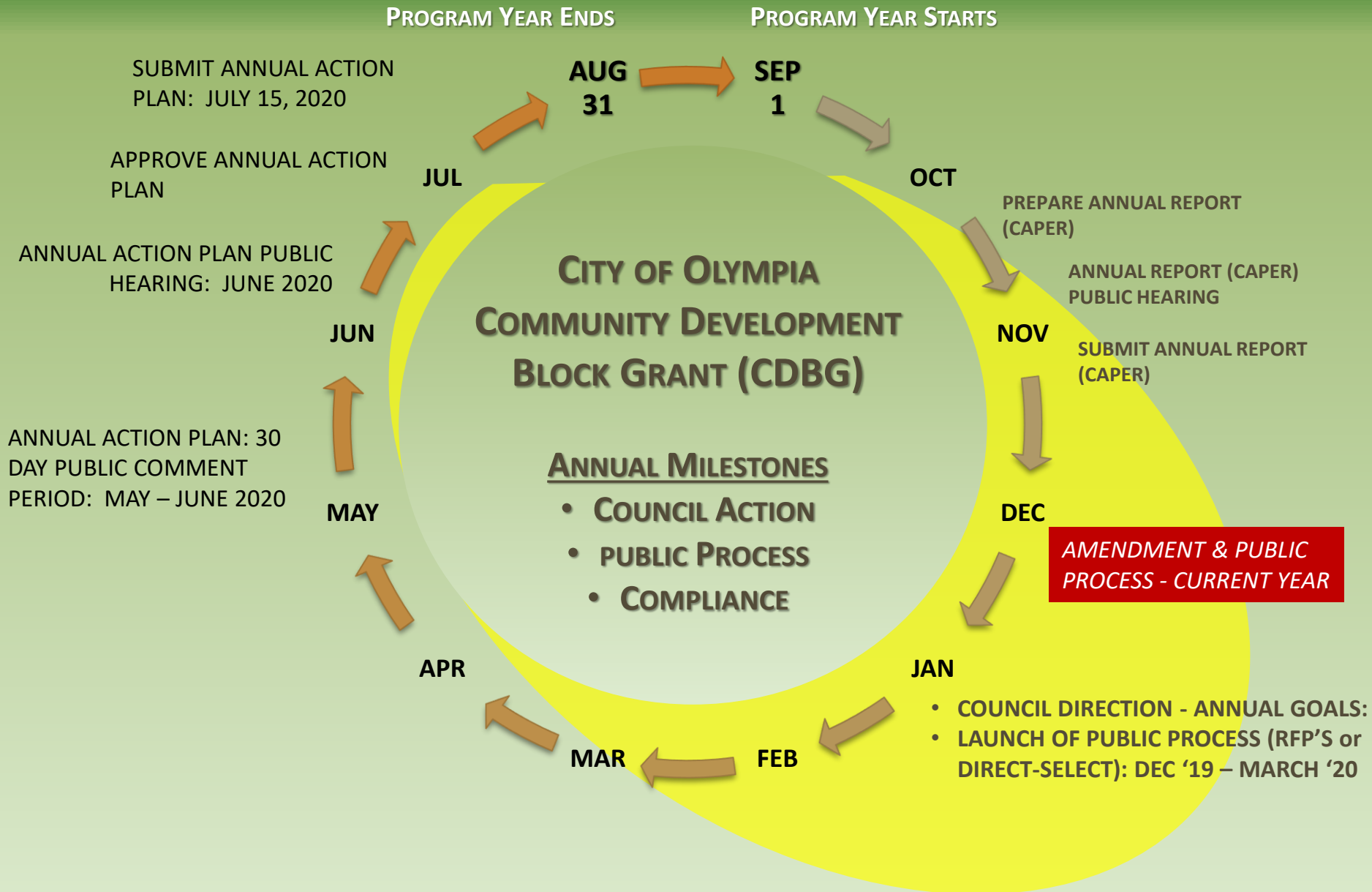
**M. Anna Schlecht**, Community Development Block Grant Program Manager  
[aschlech@ci.olympia.wa.us](mailto:aschlech@ci.olympia.wa.us) | 360.753.8183

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# OLYMPIA CDBG PROGRAM – ANNUAL CYCLE





## City Council

### Intercity Transit Update

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 6.A  
**File Number:** 19-1148

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**Type:** discussion **Version:** 1 **Status:** Other Business

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**Title**

Intercity Transit Update

**Recommended Action**

**Committee Recommendation:**

Not referred to a committee.

**City Manager Recommendation:**

Briefing only; no action requested.

**Report**

**Issue:**

Whether to receive an update on the activities of Intercity Transit.

**Staff Contact:**

Susan Grisham, Executive Assistant, 360.753.8244

**Presenter(s):**

Ann Freeman-Manzanares, General Manager  
Eric Phillips, Development Director, Intercity Transit  
Rob LaFontaine, Planning Manager, Intercity Transit

**Background and Analysis:**

Passage of Proposition 1 on November 6, 2018 ensures that current Intercity Transit services can be maintained and provides funding to implement new services over the next eight years. On November 7, 2018, the InterCity Transit Authority adopted the Intercity Transit Short- and Long-Range Plan to guide implementation and a schedule for planned service enhancements.

Representatives from Intercity Transit will review the implementation plan and planned service enhancements, including some of the anticipated challenges. The discussion will include an update on what Intercity Transit has accomplished since November 2018 and the options for making fare collection easier and faster to reduce delays and simplify access for more riders.

**Attachments:**

None





## City Council

### Approval of the City of Olympia 2020 Legislative Agenda

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 6.B  
**File Number:** 19-1146

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**Type:** decision   **Version:** 1   **Status:** Other Business

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**Title**

Approval of the City of Olympia 2020 Legislative Agenda

**Recommended Action**

**Committee Recommendation:**

Not referred to a committee.

**City Manager Recommendation:**

Move to approve the proposed 2020 Legislative Agenda for Olympia.

**Report**

**Issue:**

Whether to approve Olympia's 2020 Legislative Agenda.

**Staff Contact:**

Susan Grisham, Legislative Liaison, 360.753.8244

**Presenter(s):**

Susan Grisham, Legislative Liaison

**Background and Analysis:**

On November 4, 2019, the Council was presented with a draft 2020 Legislative agenda. Based on what was heard during that presentation, the following the updated version is presented for approval.

The following are the proposed priorities for Olympia:

- State resources and support to address homelessness, affordable housing, mental health and chemical dependency services.
- Funding for new US 101 Interchange ramps in West Olympia.
- State legislative action related to climate change.

Other items of interest to the City for the 2020 legislative session are:

- Changes to the Property Tax Levy Lid Lift.
- A Ban on Sales/Transport of English and Atlantic Ivy.
- Solid Waste Reduction.
- Funding for new First Responder Regional Training Center.
- Continued Funding for the Capitol Lake - Deschutes Estuary Phase II EIS Process.
- Financial support for the future purchase of the Armory in Olympia.

**Neighborhood/Community Interests (if known):**

N/A

**Options:**

1. Approve the proposed 2020 Legislative Agenda
2. Modify and approve the proposed 2020 Legislative Agenda
3. Do not approve the proposed 2020 Legislative Agenda and provide staff with feedback on next steps.

**Financial Impact:**

N/A

**Attachments:**

Draft Olympia 2020 Legislative Agenda  
Association of Washington Cities 2020 Legislative Priorities

# Olympia's 2020 Legislative Agenda

Olympia

## Investing in the Capital City

- Olympia is the front door of Washington's State government.
- As the Capital City, Olympia embraces its role as host to the state.
- We value State employees and visiting citizens who work, shop, and dine in our downtown.

## Olympia City Council

Cheryl Selby, Mayor  
Jessica Bateman, Mayor Pro Tem  
Jim Cooper  
Clark Gilman  
Nathaniel Jones  
Lisa Parshley  
Renata Rollins



## Contact City Council

Susan Grisham, Legislative Liaison  
360.753.8244  
citycouncil@ci.olympia.wa.us

## Administration

Jay Burney, Interim City Manager  
Keith Stahley, Interim Assistant City Manager

## 2020 Legislative Priorities:

### State resources and support to address homelessness, affordable housing, mental health and chemical dependency services.

- Olympia has the highest percentage of rent-burdened households and highest concentration of the Thurston County's homeless.
- Support is needed for use of state property for the homeless.
- State leadership and support is needed for mental health and chemical dependency resources.
- State leadership and support is needed for renter/tenant protections, including rent control.
  - The City supports a legislative amendment to the Residential Landlord-Tenant Act, specifically exempting RCW section 59.18.040(1) impacting domestic violence and shelter facilities, as well as tiny house and mitigation sites for lawful camping.

### Funding for new US 101 Interchange ramps in West Olympia.

- The Cooper Point Road/Black Lake Boulevard intersection is failing.
- Addressing congestion in this critical area requires more access from US 101 to West Olympia.
- The interchange ramps are Olympia's highest priority for capital fund.

### Further legislative action related to Climate Change.

- Further state leadership is needed to reduce greenhouse gas emissions from the built environment, transportation and other sectors.
- Olympia supports state building and energy code amendments, increases in renewable energy, and electric vehicle infrastructure.
- State funding support is needed to help advance local climate mitigation and adaptation efforts.

## OTHER PRIORITIES IMPORTANT TO OLYMPIA

### Changes to the Property Tax Levy Lid Lift

The current 1% levy lid restricts revenue growth when costs are increasing more than 1% per year.

- The City Supports raising the levy lid lift more than 1% for specific projects or initiatives.
- The City Supports raising the levy lid lift based on the rate of inflation or 1% annually, whichever is higher.

### A Ban on Sales/Transport of English and Atlantic Ivy

The City of Olympia seeks to ban the sale and transportation of English and Atlantic Ivy in Washington State.

- These types of ivy cause significant environmental damage to parks, trails, shorelines, and forest areas.
- Oregon banned the sale of these types of ivy in 2010.
- The Washington Recreation and Park Association has expressed support for such legislations.

### Solid Waste Reduction

The City is interested in tracking legislation on solid waste, including bills on reducing packaging and plastics, as well as improving recycling markets in Washington State.

### Funding for new First Responder Regional Training Center

\$4 million request for the design and construction of a Regional Training Center.

### Continued Funding for the Capitol Lake – Deschutes Estuary Phase II EIS Process

The City supports the continued public process for the Environmental Impact Statement to find a long-term solution for Capital Lake.

- A special appropriation or allocation through the state general fund is needed to continue this work.

### Future purchase of National Guard Armory

The City would like financial support for the future purchase of the Armory in Olympia, located at 515 Eastside St. SE.

## City Staff Contacts

### Interim City Manager

Jay Burney 360.753.8740  
jburney@ci.olympia.wa.us

### Interim Assistant City Manager

Keith Stahley 360.753.8227  
kstahley@ci.olympia.wa.us

### City Attorney

Mark Barber 360.753.8223  
mbarber@ci.olympia.wa.us

### Interim Community, Planning and Development Director

Leonard Bauer 360.753.8206  
lbauer@ci.olympia.wa.us

### Strategic Communications Director

Kellie Purce Braseth 360.753.8361  
kbraseth@ci.olympia.wa.us

### Legislative Liaison

Susan Grisham 360.753.8244  
sgrisham@ci.olympia.wa.us

### Fire Chief

Mark John 360.753.8466  
mjohn@ci.olympia.wa.us

### Public Works Director

Rich Hoey 360.753.8495  
rhoey@ci.olympia.wa.us

### Interim Police Chief

Aaron Jelcick 360.753.8255  
ajelcick@ci.olympia.wa.us

### Parks, Art and Recreation Director

Paul Simmons 360.753.8462  
psimmons@ci.olympia.wa.us

### Administrative Services Director

Debbie Sullivan 360.753.8499  
dsulliva@ci.olympia.wa.us

### Parking Services

360.753.8017  
parkingservices@ci.olympia.wa.us



olympiawa.gov





## **Adopt a comprehensive set of transportation policies that provide robust new resources and local options**

Cities are responsible for a significant share of the statewide transportation system and fund most of that responsibility out of local tax dollars. Cities struggle to meet the \$1 billion gap in transportation maintenance and preservation costs. To meet these ever-expanding needs, the state must maintain existing and create new transportation-specific revenue options for cities. The state must also develop a statewide transportation package that includes increased resources for city transportation needs.



## **Fully fund the Public Works Trust Fund (P WTF)**

The Public Works Trust Fund is a crucial funding partner in our efforts to provide the necessary infrastructure for our communities. We seek full funding for the program and ask the state to protect the current stream of loan repayments and uphold the 2% state share of REET dedicated to the account. Additionally, we look to strengthen the program by ending the ongoing revenue diversions as soon as possible.



## **Create a tax increment financing (TIF) option for cities**

Washington's cities need economic development tools that help maintain, expand, and modernize local infrastructure to spur local private sector investment. By investing in TIF, the Legislature can partner with cities to advance our shared goals of building a robust and diverse economy for communities around the state. For maximum impact, cities need access to both property-tax and sales-tax based TIF programs.



## **Preserve city fiscal health with secure funding sources**

Cities need revenue authority and flexibility to keep up with community growth and increasing service needs. State investment in shared revenue distributions is instrumental to support essential city programs and services. Responsive revenue options allow local elected officials to make the best community-based decisions about how to keep up with growth and the increasing costs of providing basic services like public safety and transportation. Arbitrary restrictions on local revenue decisions unnecessarily hurt residents by limiting critical local services.



## **Support statewide medication assisted treatment (MAT) services in city and regional jails by providing local flexibility**

Cities are experiencing the consequences of an overwhelmed state behavioral health system. While the state has made investments to address some of the challenges, more help is needed. Local jails have increasingly been called to action to address opioid use disorder and provide treatment. However, the costs are overwhelming city criminal justice budgets across the state. City jails need additional state support to access MAT services to save lives and reduce recidivism.



## **Advance a watershed-based strategic plan to address local fish-blocking culverts along with state culverts**

Cities need the state to adopt a broader vision to create a comprehensive response that funds local barrier corrections and provides actual habitat access for fish. Cities recognize that the state is facing a \$4 billion price tag to fix fish-blocking culverts that the U.S. Supreme Court has found to impinge on tribal treaty rights to fish harvests. Cities also own 1,300 barriers in the same streams, and similarly have no identified revenues to pay for needed corrections. A statewide approach is the only way to achieve meaningful salmon and orca recovery.



## **Continue to pursue new resources and policies to increase affordable housing both at the state and local level**

Our communities continue to face a housing crisis and need state support to incentivize housing options. The Legislature can help by proactively supporting cities' voluntary adoption of more effective ADU ordinances and providing additional councilmanic tax authority for housing. Cities need enhanced tools to attract and preserve multifamily development, like changing the multifamily tax exemption program to open it to smaller cities, extending the tax exemption for continued affordability guarantees, and expanding the ability to preserve existing affordable housing.

## Contact:

**Candice Bock**

Government Relations Director  
candiceb@awcnet.org • 360.753.4137





## City Council

### Update on the Boulevard Road Property Draft Request for Qualifications

**Agenda Date:** 12/10/2019  
**Agenda Item Number:** 6.C  
**File Number:** 19-1141

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**Type:** discussion **Version:** 1 **Status:** Other Business

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#### **Title**

Update on the Boulevard Road Property Draft Request for Qualifications

#### **Recommended Action**

##### **Committee Recommendation:**

The Land Use and Environment Committee reviewed the draft Boulevard Road Property Request for Qualifications and forwarded it on for Council feedback and review.

##### **City Manager Recommendation:**

Receive a briefing on the Boulevard Road Property Draft Request for Qualifications, and provide staff direction and feedback. Briefing only; no action requested.

#### **Report**

##### **Issue:**

Whether to receive a briefing on the development partner recruitment process for the Boulevard Road Property as presented in the draft Request for Qualifications.

##### **Staff Contact:**

Mike Reid, Economic Development Director, Community Planning and Development, 360.753.8591

##### **Presenter(s):**

Keith Stahley, Interim Assistant City Manager

#### **Background and Analysis:**

In 2016, the City acquired approximately 72 acres on Boulevard Road. Approximately 59 acres are dedicated to City park land, approximately 2.8 acres are dedicated to the future extension of the Log Cabin Road from Boulevard Road to Wiggins Road. The remaining portion of the property (approximately 10 acres) is located adjacent to Boulevard Road and was designated to be set aside for development of multi-family housing, and potentially some neighborhood-oriented commercial uses and a fire station. On September 19, 2019, the Land Use and Environment Committee reviewed the draft Request for Qualifications for a development partner and forwarded it to Council for consideration.

#### **Neighborhood/Community Interests (if known):**

The property has been of significant neighborhood interest. The acquisition of the 72-acre property was spurred by community response to a proposed housing development and interest in preserving the large wooded area north of the New Castle subdivision.

**Options:**

1. Receive the briefing.
2. Receive the briefing at another time.
3. Do not receive the briefing.

**Financial Impact:**

Property has been appraised with a value of \$2,160,000

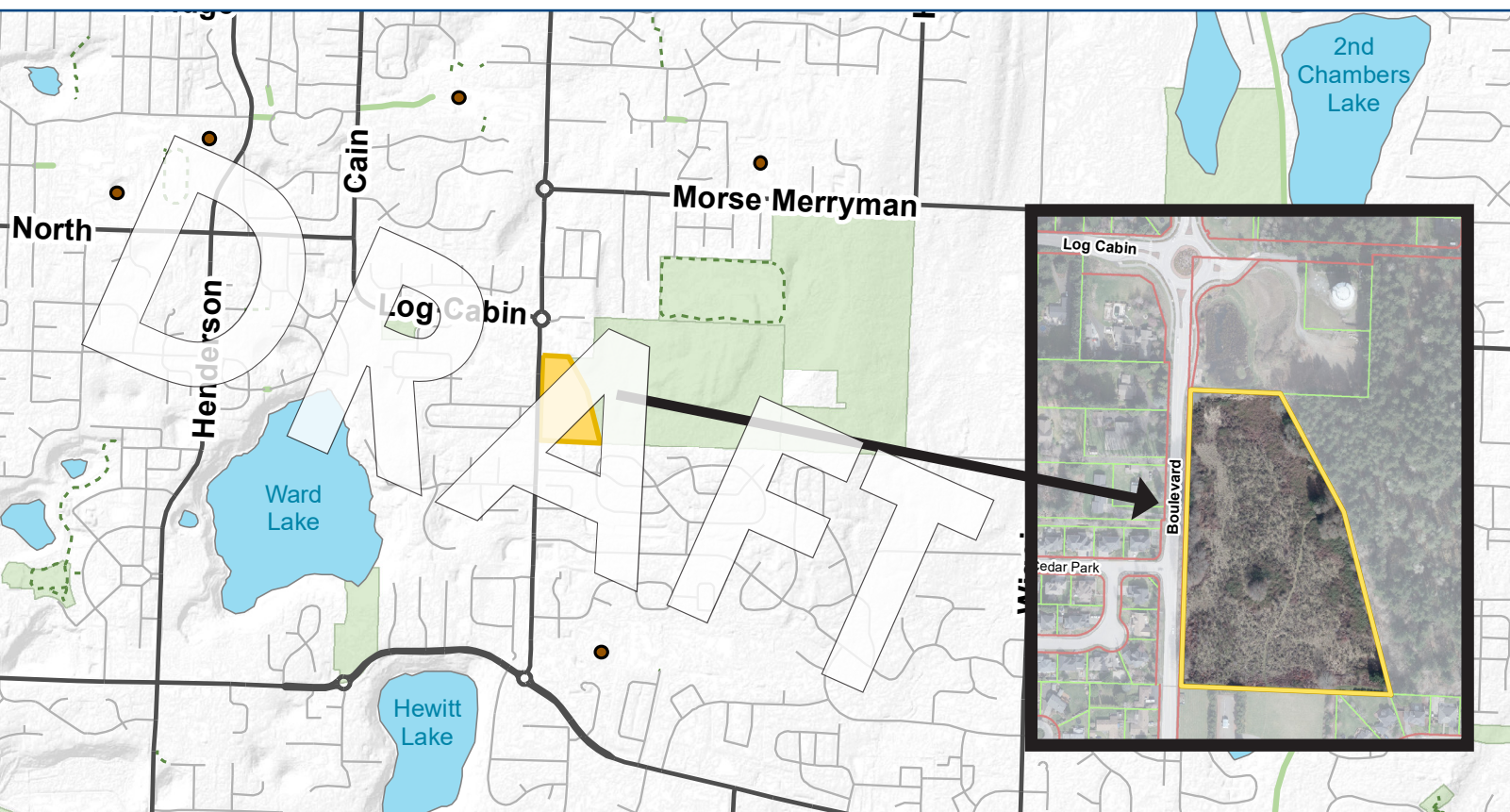
**Attachments:**

Draft Request for Qualifications



# Request for Qualifications

3900 Boulevard Road | Southeast Olympia, WA



Responses Due by Monday, February 3, 2020 at 4 pm



City of Olympia is seeking a well-qualified developer with an established track record of delivering high quality and affordable housing options. The City of Olympia has a 10 acre parcel for sale specifically for the development of a neighborhood that can meet and balance the varying housing needs of our community while incorporating sustainability, quality design, and some commercial or service needs of the surrounding area.

Upon identifying the preferred development partner the City will proceed with negotiations to sell the property to the selected party.

The parcel is zoned RM-18 (residential multi-family) and is located in southeast Olympia, WA.

## Have Questions?

[olympiawa.gov/RFP](http://olympiawa.gov/RFP)

Mike Reid, Economic Development Director

[mreid@ci.olympia.wa.us](mailto:mreid@ci.olympia.wa.us) | 360.753.8591





## Elements of a Successful Project (Project Vision)

- Housing for a mix of income levels with emphasis on median-income families
- Environmental sustainability in development, design, and construction
- Support and participation by the existing neighborhoods in the design and development of the project
- Quality design that reflects the character of the surrounding area
- Inclusion of a neighborhood commercial and community benefit element is encouraged
- Performance and timeliness of the developer/builder is critical



## Exclusive Negotiation Agreement (ENA)

The successful selection of a preferred development team will result in an Exclusive Negotiation Agreement (ENA) between the parties. The ENA will provide the following benefit to the selected partner:

- 180 day exclusive negotiation period to reach terms on a purchase and sales agreement for the property.
- \$25,000 in pre-development matching grant funding towards the drafting and execution of a scope of work to include neighborhood engagement plan, renderings, and development concept illustrations.

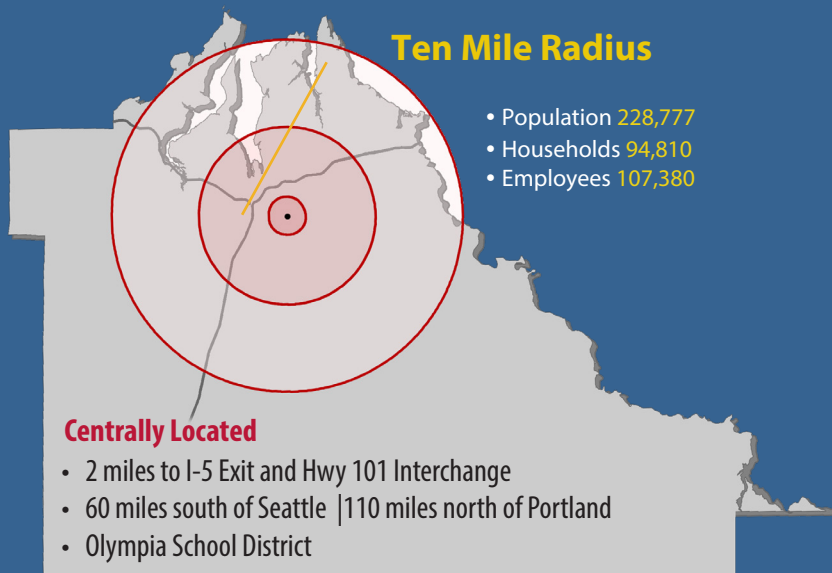
### Information Required

Responses to this RFQ must include the following elements

1. **Letter of Interest:** A letter expressing your interest in this development project.
2. **Firm History:** A brief history and description of your firm and likely project team. Include contact information for your firm.
3. **Resumes and References:** Professional resumes of each project team member, and the likely role of each team member. Include three (3) references that can speak to your firm's track record of success.
4. **Financial Capacity and Requirements:** Business and financial reference and resources, including evidence of ability to secure equity and debt for a project of this caliber, and likely funding sources. If price reductions or other financial considerations are anticipated please provide information.
5. **Representative Project Experience:** Demonstrate your firm's ability to successfully plan, design, finance, construct, lease, and manage development projects of similar scale and complexity, on-time and on-budget.
6. **Initial Impressions:** Share your initial impressions of:
  - a. the site;
  - b. the greater Olympia housing market;
  - c. how will you accomplish achieving the project vision;
  - d. the type of project you intend to pursue;
  - e. project concerns or questions with the site, process, or vision; and
  - f. how you would work with surrounding neighborhoods to ensure that the project enhances the area.

Target demographic is Median Income Families

- Focus on 2, 3, and 4 Bedroom housing units
- Target is monthly housing cost (rent/ mortgage + utilities) should be less than 30% of monthly income
- Median Family Income is \$83,700 annual or \$6,975 per month
- $\$6,975 \times 30\% = \$2,092.50$  targeted monthly housing expense



# RFQ Timeline

RFQ Available	Monday, January 6, 2020
Pre-submission Conference and Site Tour	Tuesday, January 14 at 1 pm
RFQ Due	Monday, February 3 by 4 pm
Notification of Short List Respondents	Monday, February 17
Open House Presentation & Council Interviews	TBD
City Council Deliberation	TBD
Selection Process Notification	TBD

## Property Description

**Address:** 3900 Boulevard Rd SE  
Olympia, WA 98501  
**Parcel #:** 11830330103  
**Appraised Value:** \$2,160,000  
**Land area:** 10 acres

**Zoning:** RM-18, Residential Multifamily - 18 Units per Acre  
**Density:** Minimum average housing density is 8 units per acre. Maximum density per acre is 24 with a maximum average housing density of 18 units per acre.  
**Fire station:** There may be need to incorporate a fire station to serve the area into the development.

## Due Diligence Materials

Copies of due diligence materials including property fact sheet, appraisal, hydrology report, and title report can be found at [www.olympiawa.gov/boulevard](http://www.olympiawa.gov/boulevard)

Responses must be received by 4 p.m. on Monday, January 2020. Responses may be sent by mail or hand delivered. Responses must be marked "**Response to Request for Qualifications – Boulevard Development**" and addressed to:

### Mail option:

City of Olympia | Attn: Mike Reid, Economic Dev Director  
PO Box 1967  
Olympia, WA 98507

### Hand delivery option:

City of Olympia | Attn: Mike Reid, Economic Dev Director  
601 4th Avenue East, Olympia

*The City of Olympia is committed to the non-discriminatory treatment of persons in the employment and the delivery of services and resources.*

*City of Olympia, Community Planning and Development Department CS 2019*