



Council Chambers, 865 SE Barrington Drive

September 5, 2023

6:00 PM

Meeting may be viewed live via YouTube at www.youtube.com/cityofoakharbor, on Facebook, or following the meeting on Channel 10/HD1090

CALL TO ORDER

Invocation - Led by Reverend Greg Steible, Whidbey Presbyterian Church

Pledge of Allegiance - Led by Mayor Severns

Excuse Absent Councilmembers

1. APPROVAL OF AGENDA

2. PRESENTATIONS

- a. Proclamations

- b. Honors & Recognitions
 - i. Oak Harbor Police Department Recognition

- c. Community Presentations

3. CITIZEN COMMENT PERIOD

Citizens may comment on subjects of interest not listed on the agenda or items listed on the Consent Agenda. To ensure comments are recorded properly, state your name clearly into the microphone. Please limit comments to three (3) minutes to ensure all citizens have sufficient time to speak.

4. CONSENT AGENDA

Items on the Consent Agenda are considered to be routine by the Council and will be enacted with one motion unless separate discussion is requested. Approval of the Consent Agenda authorizes the Mayor to implement each item in accordance with staff recommendations.

Consent Items

- a. Approval of Minutes: City Council Meeting of August 15, 2023 and City Council Workshop of August 23, 2023
- b. Approval of Payroll and Accounts Payable Vouchers

- c. Authorize the Mayor to Extend the Professional Services Agreement: Cabot Dow Associates, Inc. for Comprehensive Classification and Compensation Study for Non-Represented Employees
- d. Professional Services Agreement, Amendment No. 4 with Tim Shelley, Jr. for Videography Services
- e. Professional Services Agreement: Change Order No. 4 with American Construction: Repair of Boat Ramp Float
- f. Resolution 23-20: Authorizing the Mayor to sign a Recreation Conservation Office (RCO) Local Parks Maintenance Grant Application

5. MAYOR, COUNCIL & STAFF COMMENTS

- a. Mayor
- b. Councilmembers

6. PUBLIC HEARINGS & MEETINGS

To speak during a scheduled public hearing or meeting, please sign-in on the sheet provided in the Council Chambers. To ensure comments are recorded properly, state your name clearly into the microphone. Please limit comments to three (3) minutes to ensure all citizens have sufficient time to speak.

- a. Continuation of Public Hearing - Ordinance No. 1979: Franchise Agreement with Comcast Cable Communications, LLC

7. ORDINANCES & RESOLUTIONS

- a. None

8. CONTRACTS & AGREEMENTS

- a. None

9. OTHER ITEMS FOR CONSIDERATION

- a. Police Department: Opioid Settlement Allocation of Funds

10. REPORTS & DISCUSSION ITEMS

- a. Multi-Family Tax Exemption Update

11. EXECUTIVE SESSION

- a. Executive Session: Per RCW 42.30.110 (1) (i) To discuss with legal counsel, litigation or potential litigation

ADJOURN

**City of Oak Harbor
City Council Agenda Bill**

Bill No. 2.b.i.
Date: September 5, 2023
Subject: Oak Harbor Police Department
Recognition

FROM: Kevin Dresker, Chief of Police

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:

- Bob Severns, Mayor
- Blaine Oborn, City Administrator
- David Goldman, Finance Director
- Hillary J. Evans, City Attorney, as to form

RECOMMENDED ACTION

No action by Council is needed.

BACKGROUND / SUMMARY INFORMATION

Chief Dresker will recognize the service of an officer or officers of the Oak Harbor Police Department.

LEGAL AUTHORITY

FISCAL IMPACT

PREVIOUS COUNCIL / BOARD / CITIZEN INPUT

ATTACHMENTS

City of Oak Harbor
City Council Agenda Bill

Bill No. 4.a.
Date: September 5, 2023
Subject: Approval of Minutes: City
Council Meeting of August 15,
2023 and City Council
Workshop of August 23, 2023

FROM: Julie Nester, City Clerk

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:

- ⊙ Bob Severns, Mayor
- ⊙ Blaine Oborn, City Administrator
- ⊙ David Goldman, Finance Director
- ⊙ Hillary J. Evans, City Attorney, as to form

RECOMMENDED ACTION

Approval of Minutes of the August 15, 2023 Council Meeting and the August 23, 2023 Council Workshop.

BACKGROUND / SUMMARY INFORMATION

LEGAL AUTHORITY

FISCAL IMPACT

PREVIOUS COUNCIL / BOARD / CITIZEN INPUT

ATTACHMENTS

1. [Minutes of August 15, 2023](#)
2. [Minutes of August 23, 2023](#)

Oak Harbor City Council
Regular Meeting Minutes
August 15, 2023

This was both a physical meeting location and a virtual meeting. Meeting was viewable live via YouTube at www.youtube.com/cityofoakharbor, on Facebook, and on Cable Channel 10/HD 1090 following the meeting

CALL TO ORDER

Mayor Severns called the meeting to order at 6:00 p.m.

Invocation – Pastor David Parker, First United Methodist Church.

Pledge of Allegiance – Led by Mayor Severns

ROLL CALL

City Council Present:

Mayor Robert Severns
Mayor Pro Tem Tara Hizon
Councilmember Beth Munns
Councilmember Jim Woessner - absent
Councilmember Bryan Stucky
Councilmember Shane Hoffmire
Councilmember Eric Marshall
Councilmember Christopher Wiegenstein

Staff Present/Videoconference

Finance Director David Goldman
Fire Chief Ray Merrill
Police Chief Kevin Dresker
Police Captain Tony Slowik
Central Services Supervisor Sandra Place
Project Manager Brett Arvidson
Finance & Performance Analyst Chas Webster
Communications & IT Manager Sabrina Combs
Executive Assistant Macalle Finkle
City Clerk Julie Nester

Also in attendance: Attorney
Bob Zeinemann of Kenyon Disend, PLLC

EXCUSE ABSENT COUNCILMEMBERS

Mayor Severns welcomed all in attendance. He noted Councilmember Woessner was intending to participate remotely, and that Councilmember Marshall had indicated he would be late. As the meeting progressed, Councilmember Woessner was unable to attend. Councilmember Marshall arrived and joined the meeting at 6:28 p.m.

1. APPROVAL OF AGENDA

Mayor Severns called for any changes to the agenda. Hearing none, the agenda was approved as presented.

2. PRESENTATIONS

- a. Proclamations – None

- b. Honors & Recognitions – None
- c. Community Presentations –
 - i. Whidbey Island Marathon Report – Jared Loranger, Fizz Events

Jared Loranger of Fizz Events reported on the April 23, 2023 Whidbey Island Marathon and provided metrics of the event. 261 people ran the full marathon, 722 ran the half marathon, 405 did the 10K run/walk, 337 did the 5K run/walk and 61 participated in the kids' 1K run. The average age of all participants was 36, with 180 participants arriving from 39 states. Mr. Loranger also reported on the marketing efforts for the marathon, the updated features for 2023, plans for 2024, and offered his thanks for the more than 220 volunteers that assisted throughout the marathon.

Councilmembers Munns, Hoffmire and Mayor Pro Tem Hizon provided their respective comments.

3. CITIZEN COMMENT PERIOD

Mayor Severns noted citizens may comment on Consent Agenda items or subjects of interest not listed on the agenda at this time and that citizens would have the opportunity to comment on the remaining Agenda items during the meeting as appropriate.

Citizens can also visit the City's website prior to meetings for methods to submit public comment, or contact the City Clerk, Julie Nester by phone or email. When submitting comments, please include your name and address. Public comments sent anonymously will be shared with the Mayor and Council but will not be displayed.

The City received three public comments since the last regular meeting. One from Sherri Songstad who lives north of the City limits near Duguala Bay regarding trailers, boats and cars parked on Taylor Road, one from Mackenzie Powell who also resides outside the City limits near Cornet Bay regarding an infestation of bats, and one from Allen McPheeters regarding Lodging Tax Advisory Committee (LTAC) funding. Both of the comments from outside the City limits were referred to Island County Commissioner Janet St. Clair. All three comments were displayed on screen in the meeting.

Mayor Severns opened the floor for public comment from any other audience member present.

1. Pastor David Parker addressed the Council to report that the Oak Harbor Police Department would hold an event to thank Reverend Ron Lawler for his thirty-three years as the Department's Chaplin and to acknowledge and honor his service. The event will be on Thursday, August 17th at 3:00 p.m.

Hearing no one else with a desire to address the Council, the public comment period was closed.

4. CONSENT AGENDA

Consent Items

- a. Approval of Minutes of the August 2, 2023 Council Meeting
- b. Approval of Payroll and Accounts Payable Vouchers
- c. Annual Review of Lodging Tax Advisory Committee
- d. Professional Services Agreement with Fizz Events – 2024 Whidbey Island Marathon
- e. Purchase Authorization – Ford F150 Lightning Pickup (Police Department)

Mayor Severns called for any changes to the consent agenda. Hearing none, he noted the items were approved as presented.

5. MAYOR, COUNCIL & STAFF COMMENTS

a. Mayor - Mayor Severns provided the following comments and updates:

- City Office Closures: The Utilities Office will be closed on August 16 from 11:30 am to 4:30 pm, and all City offices will be closed on August 24 from 10:45 am to 1:15 pm for staff training.
- Active Transportation Plan: The community is invited to attend a virtual meeting on August 17 from 6-8 pm to discuss the draft action transportation plan.
- Upcoming Events: Were displayed on screen.

b. Councilmembers

i. Mayor Severns called upon the Council for any additional comments.

Mayor Pro Tem Hizon, and Councilmembers Munns, Stucky, Hoffmire, Wiegenstein, and Marshall provided their respective comments.

6. PUBLIC HEARINGS & MEETINGS

None

7. ORDINANCES & RESOLUTIONS

None

8. CONTRACTS & AGREEMENTS

a. Contract Amendment No. 2 with Gray & Osborne for On-Call Water Services

Project Manager Brett Arvidson reviewed the proposed contract amendment and background information, as well as an update on current and near complete projects.

The City retained Gray and Osborne to provide on-call engineering projects services In May of 2022. The majority of these projects involve replacing aging asbestos cement (AC) pipes and steel pipes. The City's Capital Plan also identifies a wide variety of water improvements in the next 5 years. The previous projects are either under construction or will be under construction in the near term. With near completion of the first projects, staff wants to begin work on more capital needs. These projects include:

1. Designing the replacement of the Ault Field Pump Station electrical system. This critical pump station was constructed in the 1970's and the ancient electrical components cannot be replaced. This task also includes adding cathodic protection to the North Reservoir. The cost for these services is \$72,450.00.
2. Assisting with implementation of the Supervisory Control and Data Acquisition System (SCADA). The SCADA system is a computer control system that allows the water Staff to monitor and control the pump, reservoirs, and valves throughout the city. The current system is outdated and no longer supported. Gray and Osborne will assist staff in developing an implementation plan and procurement for this SCADA system upgrade. The cost for these services is \$30,000.00.

3. Evaluate the City's main supply pipe capacity and hydraulics. The City's main supply is a 24-inch pipe from Anacortes, but that pipe is paralleled by segments of 10-inch pipe. One of these segments is badly corroded and leaking. A hydraulic study is necessary to determine the need and value of replacing this line. The cost for these services is \$29,480.00.

4. Assist with strategic planning for the future of the water system. With the upcoming revision of the City's comprehensive plan, staff is reviewing the current water system capital needs and the assumptions underlying the capital plan. Gray and Osborne will provide assistance in evaluating and prioritizing near term operational and capital needs. The cost for these services is \$30,000.00.

Gray and Osborne will provide engineering services on a time and materials basis including survey, design, permitting, report preparation, specifications/drawing production, bidding support, and project management. The contract amount with the On-Call Engineering Services for Water Projects increased by \$161,930.00 to a total contract of \$495,190.00.

Mayor Severns confirmed no public comment had been received on this item and called for any additional comments from the public present. Hearing none, he called upon the Council.

Councilmembers Hoffmire, Munns, Marshall and Wiegenstein provided their respective questions and comments.

Motion: Councilmember Hoffmire moved to authorize the Mayor to sign Professional Service Amendment No. 2 with Gray and Osborne, Inc. in the amount of \$161,930.00, increasing the total contract amount from \$333,260.00 to \$495,190.00. The motion was seconded by Councilmember Munns. The vote on the motion carried 6-0 with Councilmember Woessner absent.

9. OTHER ITEMS FOR CONSIDERATION

a. 2024 LTAC Grant Referral to Council

Finance & Performance Analyst Webster presented the referral and provided background information.

Per RCW 67.28.1817, a city or county with a population of 5,000 or more that collects lodging tax must also establish a lodging tax advisory committee (LTAC) to review applications and make funding recommendations. Per OHMC 2.66, any proposal to assign lodging tax funding must be submitted to the lodging tax advisory committee for review and comment at least 45 days before final action can be taken on the proposal by the legislative body.

Analyst Webster reviewed the LTAC schedule is as follows:

- City Council Agenda Bill to discuss funding level (starts 45-day clock) 8/15/23
- LTAC meeting to discuss grading criteria and application process 8/22/23
- LTAC grant application window 8/28/23 – 9/13/23
- LTAC meeting to evaluate grant applications 9/19/23
- LTAC meeting to determine grant award recommendations 9/26/23
- City Council Resolution approving LTAC Grant 10/17/23
(first regularly awards scheduled City Council meeting after 45 days)

Analyst Webster also reviewed the LTAC twelve-year history including last year's and projected amounts:

2022 Actual:	Total Revenue \$338,741.51	Total Grant Outlays \$289,878.70
2023 Projected:	Total Revenue \$340,030.27	Total Grant Outlays \$456,679.42
2024 Projected:	Total Revenue \$348,531.02	Total Grant Outlays \$181,160.07

Island County Joint Tourism (ICJT) provided their annual report to the Council at the July 26, 2023 Workshop. ICJT has requested an increase from the current annual contribution grant award of \$20,000 to \$87,166 which would be an estimated 1% contribution of the 2-2.5% available. The projected 2024 Grant Outlay is based on the total of multi-year contracts and the ICJT contribution.

Analyst Webster reviewed fund balances and three potential scenarios for 2024, showing the preliminary revenue estimates, known committed items (multi-year grants), the impact of the ICJT request, and the impact of an ICJT increase to the amount available for additional grants. She provided two suggested motions for Council consideration. Councilmember Stucky, as chair of the LTAC Committee provided additional comments, speaking to the three scenarios developed for Council consideration.

Mayor Severns confirmed just the one public comment, heard earlier this evening, had been received on this item. He turned to the Council for their questions and comments.

Councilmembers Munns, Marshall, Hoffmire, Stucky, Wiegenstein and Mayor Pro Tem Hizon provided their respective questions and comments.

Following a lengthy discussion, Mayor Pro Tem Hizon offered a fourth scenario as a compromise, endorsed by Councilmember Hoffmire. Additional discussion ensued.

Motion: Mayor Pro Tem Hizon moved to refer use of Civic Improvement (Lodging Tax) Funds of \$375,000 in 2024 to the Lodging Tax Advisory Committee for review of applications for those funds and their recommendation to City Council. Councilmember Wiegenstein seconded the motion. The vote on the motion was 6-0.

The Council then further discussed a second motion, increasing the annual Island County Joint Tourism contribution. Councilmember Stucky proposed a change in the suggested motion to add “to be reviewed on a biennial basis.”

Motion: Mayor Pro Tem Hizon moved to amend the Island County Joint Tourism Agreement to increase the annual contribution to \$50,000 and authorize the Mayor to execute the amendment to the joint agreement, to be reviewed on a biennial basis. Councilmember Marshall seconded the motion, which carried 6-0.

10. REPORTS & DISCUSSION ITEMS

None

11. EXECUTIVE SESSION

None

Adjourn

Motion: There being no further business, Councilmember Marshall moved to adjourn, seconded simultaneously by Councilmember Wiegenstein and Mayor Pro Tem Hizon. The motion was approved by a unanimous vote of 6-0, therefore the meeting adjourned at 7:57 p.m.

Certified by Julie Nester, City Clerk

Oak Harbor City Council
Workshop Meeting Minutes
August 23, 2023

This was both a physical meeting location and a virtual meeting The meeting was viewable via YouTube www.youtube.com/cityofoakharbor and Facebook or could be viewed on Channel 10/HD 1090 following the meeting. Public Comments are not normally taken or included for Council Workshops, although the Council may allow or request participation.

CALL TO ORDER

Mayor Severns called the meeting to order at 2:00 p.m.

ROLL CALL

City Council Present:

Mayor Robert Severns
Mayor Pro Tem Tara Hizon
Councilmember Beth Munns
Councilmember Jim Woessner
Councilmember Bryan Stucky
Councilmember Shane Hoffmire
Councilmember Eric Marshall
Councilmember Chris Wiegenstein

Staff Present: In-person or Videoconference

City Administrator Blaine Oborn
Finance Director David Goldman
Public Works Director Steve Schuller
Parks and Recreation Director Brian Smith
Human Resources Director Emma House
Police Chief Kevin Dresker
Police Captain Tony Slowik
Fire Chief Ray Merrill
Harbormaster Chris Sublet
Clean Water Facility Supervisor Jack Robinson
Communications & IT Manager Sabrina Combs
City Administrator Executive Assistant Macalle Finkle
City Clerk Julie Nester

Also in attendance: City Attorney
Hillary Evans of Kenyon Disend, PLLC

MAYOR

Mayor Severns called the workshop to order and welcomed those in attendance. Mayor Severns acknowledged the great and sudden loss of the orca whale Tokitae and the work of the Sacred Sea organization and offered the City's condolences to all involved.

Mayor Severns announced that before beginning the agenda he wished to take a moment to recognize the 5-year work anniversary of our City Administrator, Blaine Oborn. He noted Blaine has

been a valuable leader for the City of Oak Harbor and for the Administration team and asked him to come forward and be presented with his 5-year pin.

a. Receipt of Outstanding Treatment Plant Award for 2022

Mayor Severns announced the City had received a well-deserved award from the Washington State Department of Ecology, accompanied by a letter, which he will read as follows:

"The Washington State Department of Ecology would like to congratulate the City of Oak Harbor on receiving a 2022 Wastewater Treatment Plant Outstanding Performance Award for the staff's continued high performance in the operation of your treatment plant (also known as the Clean Water Facility).

Oak Harbor has a great record as one of the top municipal wastewater treatment plants in Washington based on effluent limits and overall environmental compliance. Ecology would like to commend the team for their perseverance, dedication, and award-winning efforts. It takes pronounced focus and teamwork to operate and maintain a treatment plant in top-running order.

Please present the enclosed plaque to the staff at the City of Oak Harbor. Thank you for the excellent service you and your Public Works staff provide to your community and to the waters of Washington State."

Mayor Severns asked Clean Water Facility Supervisor Jack Robinson and Public Works Director Steve Schuller to come forward to accept the award and thanked them for their service.

PARKS AND RECREATION DEPARTMENT

a. Marina Rate and Fees Update

Harbormaster Chris Sublet explained the update today was to give staff and Council an opportunity to discuss the topic and determine which options they would prefer to have added to the September 19, 2023, City Council meeting. He noted this was a continuation from the June 28, 2023, City Council Workshop. At that meeting, Paul Sorenson from BST & Associates presented the findings of his Oak Harbor Marina Rate Study. Staff then presented and introduced four Oak Harbor Marina rate options. The Marina Advisory Committee (MAC) spent several months reviewing and discussing the marina rates in conjunction with the Marina Rate Study, which includes a survey of several Puget Sound marinas and compared the current Oak Harbor Marina rates to the average, median and 90th percentile prices of similar services in the surveyed marinas. The rate study noted that current rates are not sustainable and would not keep up with operational costs. The study revealed that the Oak Harbor Marina rates are:

32% - 42% less than the median prices

41% - 53% less than the average prices

75% - 102% less than the 90th percentile

The biggest discrepancies are in the 50' – 59' open moorage categories where the current rates were at 50% - 102% less than the average, median, and 90th percentile prices. Based on the location, age of the marina and the fact that the marina is a City owned marina, BST & Associates recommends that the marina bring the rates up to the 2023 "median" price point. They also recommended a 5-year rate schedule. Staff recommends that the rates be brought up to the current 2023 median price point with a 3- year rate schedule. The 3-year rate schedule is based on the dredge bond being paid off in 3 years plus the current dredge and reconfiguration efforts that are underway (cost estimate is to be determined).

Harbormaster Sublet provided a historical overview of the Marina rates from 2019 forward. He noted BST & Associates briefed the Marina Advisory Committee (MAC) at the April and May meetings on his findings. The MAC also discussed the rate study and a rate increase at the June MAC meeting. A motion was made at that meeting to recommend that the rates be increased as per the Rate Study, and it was seconded. The motion failed with a tied vote. The MAC also discussed this at a special meeting on June 14, 2023 during which they once again reviewed the BST & Associates proposal as well as new proposals from MAC members Bradley, Skubi, Jones. Mr. Skubi made a recommendation to adopt Mr. Bradley's rate proposal and the Other Services Charges & Fees as per the BST recommendations and it was seconded and passed unanimously.

Harbormaster sublet provided an overview and comparison of the BST and Bradley, Skubi, and Jones rate proposals, concentrating primarily on the staff's recommended BST Plan and the MAC recommended Bradley Plan.

BST & Associates Proposal:

- Move all rates to the 2023 "Median" price point for the Puget Sound at the end of 3 years.
- The percentage increases are based on the length of the boat.
- The largest increases are in the 40' and up size categories.
- Maximizes the yearly moorage revenue.
- Keeps the marina under the average Puget Sound moorage prices.
- Brings all size categories up to the 2023 median Puget Sound moorage prices.

Mr. Ryan Bradley Proposal

- Spreads the increases out more evenly amongst all size categories.
- Increases the small boats percentage increase and reduces the large boat percentage increases.
- Does not fully maximize the yearly moorage revenue.
- Increases the rates of the smaller boats which have higher vacancy rates.
- Does not bring all size categories up to the median Puget Sound moorage prices.
- May not be as fair and equitable since the smaller boats will be absorbing some of the large boat percentage increases.

Harbormaster Sublet reiterated staff's recommendation that the rates be brought up to the current 2023 median price point with a 3- year rate schedule. This will increase the reserves, which will reduce the amount of the bond that will be required and will ultimately reduce the dredge fee that each tenant will have to pay. With interest rates rising much of the dredge fee may go to interest not paying off the bond. Harbormaster Sublet explained the BST plan also allows time for accurate estimates for the dredge and reconfigure project and brings the marina pricing more in line with current Puget Sound "median" pricing trends while still offering an exceptional value.

He noted the current 2x summer rate schedule for extended guest moorage will be discontinued as part of all of the proposed rate plans.

Mayor Severns turned to Council for discussion and to determine which of the four options they would prefer to have added to an upcoming agenda for consideration.

Councilmembers Munns, Stucky, Hoffmire, Marshall, and Mayor Pro Tem Hizon provided their respective questions and comments. Councilmembers Munns, Stucky, Marshall and Mayor Pro Tem Hizon voiced support for the proposed rate changes per the BST Associates study. Councilmembers Hoffmire, Munns and Stucky also noted they would like to allow time for the MAC to review and

consider any other information regarding the proposed rate changes once again. Staff will review Council comments and determine when this will be brought back to Council for final consideration and action.

Mr. Ken Hulett, Chair of the MAC, responded to questions from the Council. He stated he leaned towards the Bradley proposal, but noted there was some room in the middle between the BST and Bradley plans.

Mayor Severns voiced his appreciation of the service of the MAC. He noted staff and members of the Council had included the subject of dredging with the Army Corps of Engineers during their visit to Washington, D.C, earlier this year.

Staff will review Council comments and continue discussion with the MAC at their next meeting.

HUMAN RESOURCES

a. Compensation & Classification Study Update for Non-Represented Employees

Human Resources Director House reported on the study, performed by Cabot Dow Associates (CDA), Inc. on February 21, 2023. The City last completed this type of study in 2017. This study included a review of each position's classification and job description to ensure Oak Harbor's positions were compared accurately when CDA conducted the survey of other comparable agencies. This study included comparisons of City-provided health benefit costs, paid leave, retirement and additional compensation items provided for the City to weigh its overall compensation package with a select market of agencies that perform similar functions to determine competitive position among similar employers. This analysis will provide information as to whether the City's salaries and benefits need to be adjusted so as to continue to attract and retain high-performing employees.

This process is regulated by Oak Harbor Municipal Code (OHMC) 2.34.080 Compensation and OHMC 2.34.085 Health Benefits, as well as in the Oak Harbor Employee Policy Manual, Section 4.09 Salary Administration.

Director House was joined by a representative of Cabot Dow in reviewing the process, methodology, and overall findings of the study and next steps, including a review of the final report from CDA, adjusting the salary schedule, providing a budget amendment, implementing the adjusted salary schedule, and finalizing position descriptions. Director House noted that in comparison to the last study in 2017, the results of the current study show the City is far more in-line with other municipalities of similar size and budget.

Mayor Pro Tem Hizon and Councilmembers Hoffmire, Munns and Marshall provided their respective questions and comments.

POLICE DEPARTMENT

a. Police Department Opioid Presentation

Police Captain Tony Slowick provided background information and reviewed the process for the allocation of funds, related to the opioid settlement and strategy for dispensing those funds.

2019 to 2021 Island County saw a 60% increase in fatal overdoses and non-fatal overdoses are generally under-reported statewide. 2022 data is not yet available.

In 2022, the Washington Attorney General's Office resolved lawsuit with companies found to have

played a key role in fueling the opioid epidemic.

- April 2022, the City Council authorized signing the One Washington MOU regarding opioid settlement, which made the City a direct recipient of funding.
- September 2022, the City Council authorized signing the Allocation Agreement for Opioid Funds
- January 2023, the City of Oak Harbor signed the MOU forming the North Sound Region Opioid Abatement Council

The Settlement Agreement creates nine allocation regions throughout the State. Oak Harbor is a member of the North Sound Region, which includes Island, San Juan, Skagit, Snohomish, and Whatcom Counties. It requires that “All Opioid Funds, regardless of allocation, shall be utilized pursuant to the Approved Purposes ... set forth in Exhibit “A” of the One Washington MOU. Oak Harbor is the only city in Island County to receive settlement funds. The settlement allocation is dispersed over a seventeen-year period, to 2038.

Authorized uses include treatment, prevention, and other strategies. Oversight and auditing of the funding is by the North Sound Region Opioid Abatement Council (OAC). The City of Oak Harbor has one seat on the OAC.

- 10% of annual settlement funds are withheld each year for potential admin expenses for OAC.
- OAC is responsible for the Auditing & Reporting of settlement funds.
- One WA MOU provides a grievance process through the OAC for any misuse of funds.

Captain Slowik noted the OHPD will present a proposal for allocating opioid settlement funds at a future Council meeting.

Councilmembers Munns and Hoffmire provided their respective questions and comments.

ADMINISTRATION

a. City Administrator’s Report

City Administrator Oborn thanked Mayor Severns for the presentation of his five-year pin and thanked him for his leadership. He provided an overview and highlights from his monthly report, including legislative outreach, community support, economic development, communications, grant funding received from Island County and from the State of Washington Rural County Economic Development, Enterprise Resources Planning evaluations, and departmental reports from the Fire Department and Parks & Recreation.

Councilmembers Stucky, Hoffmire, and Mayor Pro Tem Hizon provided their respective questions and comments, as did Mayor Severns, thanking City Administrator Oborn for the thoroughness of his report.

CITY COUNCIL

Mayor Severns called for any additional comments from the Council. There were no additional comments.

ADJOURN

Hearing no other discussions, Mayor Severns declared the workshop meeting adjourned at 3:52 p.m.

Certified by Julie Nester, City Clerk

**City of Oak Harbor
City Council Agenda Bill**

Bill No. 4.b.
Date: September 5, 2023
Subject: Approval of Payroll and
Accounts Payable Vouchers

FROM: Finance: Accounts Payable and Human Resources: Payroll

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:

- Bob Severns, Mayor
- Blaine Oborn, City Administrator
- David Goldman, Finance Director
- Hillary J. Evans, City Attorney, as to form

RECOMMENDED ACTION

Approval of Accounts Payable Vouchers and Payroll Checks - See Voucher numbers listed in attachments and Check numbers listed on the agenda bill. Oak Harbor Municipal Code Chapter 3.72 establishes procedures for claims (Vouchers) payment. The determination that supports the signature coversheets is attached. Claim coversheets will be provided prior to the City Council meeting for appropriate signatures.

BACKGROUND / SUMMARY INFORMATION

Accounts Payable Vouchers

August 15, 2023

Checks #194071-194160 totaling \$970,773.60 (Voucher List 8c)

August 17, 2023

Check Voucher #91 in the amount of \$22,938.25 (Voucher List 8cc)

August 18, 2023

Checks #194161-194195 totaling \$172,102.63 (Voucher List 8d)

August 25, 2023

Checks #194196-194269 totaling \$3,414,964.87 (Voucher List 8e)

August 28, 2023

Check #194270 in the amount of \$1,350.00 (Voucher List 8f)

August 30, 2023

Check Voucher #92 in the amount of \$84,719.31 (Voucher List dor-jul)

Payroll

August 15, 2023

Semi

Direct Deposit: #65253-65406 \$355,235.76

Checks #103051-103057 \$96,065.53

EFT: 1634-1637 \$134,958.59

August 31, 2023

Semi

Direct Deposit: #65407-65561 \$371,370.29

Checks #103058-103078 \$327,259.65

EFT: 1638-1641 \$143,045.21

Monthly

Direct Deposit # 65562-65586 \$33,499.14

EFT # 1642-1644 \$7,895.53

Checks #103079-103089 \$11,502.62

EOM Special

Check #103090 \$207.98

LEGAL AUTHORITY

FISCAL IMPACT

PREVIOUS COUNCIL / BOARD / CITIZEN INPUT

ATTACHMENTS

1. [Voucher List 8c](#)
2. [Voucher List 8cc](#)
3. [Voucher List 8d](#)
4. [Voucher List 8e](#)
5. [Voucher List 8f](#)
6. [Voucher List dor-jul](#)

Voucher List
City of Oak Harbor

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194071	8/7/2023	0011201 ARMSTRONG, LINNANE	08072023		JULY MURAL CAMP EXPENSES	852.13
					Total :	852.13
194072	8/10/2023	0005843 LAND TITLE AND ESCROW OF	208345-LT		1250 SW SWANTOWN AVENUE, PROPE	791,030.38
					Total :	791,030.38
194073	8/11/2023	0000004 A+ AUTO GLASS & RADIATOR	62039		WINDSHIELD	381.50
					Total :	381.50
194074	8/11/2023	0011206 AARDVARK	PIN16555		PROJECT 7	4,414.50
					Total :	4,414.50
194075	8/11/2023	0010132 AERZEN USA CORP	SEPI-23-002881		V-BELT	334.32
					Total :	334.32
194076	8/11/2023	0005405 AGRICULTURE, UNITED STATES DEPT OF	3004655852		PERSONNEL COMPENSATION,PROGR,	436.87
					Total :	436.87
194077	8/11/2023	0000029 ALL PHASE ELECTRIC SUPPLY	0952-1126545		6 AWG ALCU 1H TERM LUG	19.77
					Total :	19.77
194078	8/11/2023	0010560 ALL PRO BUILDING MAINTENANCE	53806		CARPET CLEANING	950.00
					Total :	950.00
194079	8/11/2023	0000668 AUTO VALUE	77-00153556		TAILGATE HANDLE	33.69
			77-00153570		FUEL FILTER	83.71
			77-00153658		AIR FILTER	145.69
			77-00153667		FUEL FILTER	-64.18
			77-00153992		GAUGE FEMALE INSULATED DISCONN	19.51
			77-00154097		ENGINE OIL FILTER	94.54
			77-00154100		ZEREX	19.48
			77-00154149		FLEET 15W40	9.74
			77-0053571		SEAT BELT STOP KIT	8.48
					Total :	350.66
194080	8/11/2023	0004733 BARRON HEATING & AIR COND, INC	170938366		AC HEATING	1,417.98

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194080	8/11/2023	0004733 0004733 BARRON HEATING & AIR COND, INC	(Continued)			Total : 1,417.98
194081	8/11/2023	0011205 BECK, LINDEN	58161861		REFUND CHECK	160.00
						Total : 160.00
194082	8/11/2023	0000103 BLADE CHEVROLET, INC	807155		WHEEL	399.17
						Total : 399.17
194083	8/11/2023	0011147 BLEDSOE, HOWARD	58161969		REFUND CHECK	320.00
						Total : 320.00
194084	8/11/2023	0000142 CABOT DOW ASSOCIATES	08042023		CLASSIFICATION/COMPENSATION STL	3,060.00
						Total : 3,060.00
194085	8/11/2023	0011207 CARDIO PARTNERS, INC.	INV3224369		WALL SIGN, DEFIBRILLATOR	2,270.31
						Total : 2,270.31
194086	8/11/2023	0006215 CAROLLO	FB39129		ON CALL SUPPORT SERVICES	1,389.67
						Total : 1,389.67
194087	8/11/2023	0000153 CASCADE COLUMBIA DISTRIBUTION	872585		SODIUM FLORIDE	3,963.44
						Total : 3,963.44
194088	8/11/2023	0007525 CHARGEPOINT, INC	IN204015		CPCLD-COMMERCIAL-REN	3,019.32
						Total : 3,019.32
194089	8/11/2023	0000172 CHRISTIANS TOWING STORAGE	36635 37440		TOWING SERVICES TOWING SERVICES	225.00 276.35
						Total : 501.35
194090	8/11/2023	0010703 COLD WATER DIVING	138		SERVICE CALL ON "WATERLOO"	430.55
						Total : 430.55
194091	8/11/2023	0010034 COLE-PARMER	3507616		BUFFR PH7	133.42
						Total : 133.42
194092	8/11/2023	0000220 CUMMINS SALES AND SERVICE	01-94559		COOLER,SENSOR,PRESSURE & TEMP	2,187.37
						Total : 2,187.37

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194093	8/11/2023	0008263 CURTIS BLUE LINE	INV729147		TACTICAL PANTS	472.99
					Total :	472.99
194094	8/11/2023	0000028 DICOCHEA LLC	67539		SERVICE CALL	122.08
					Total :	122.08
194095	8/11/2023	0006984 ECOLUBE RECOVERY, LLC	3504060523		LABOR AND TRANSPORTATION	355.60
					Total :	355.60
194096	8/11/2023	0000279 EMPLOYMENT SECURITY, WASHINGTON ST. 000-94505210-7			2Q BENEFIT CHARGES	12.61
					Total :	12.61
194097	8/11/2023	0005422 ENVIRONMENTAL RESOURCE ASSOC	046861		DISSOLVED OXYGEN	172.72
					Total :	172.72
194098	8/11/2023	0006276 EXPRESS SERVICES, INC	29370072		ADMIN ASSISTANT SERVICES	340.20
					Total :	340.20
194099	8/11/2023	0000314 FISHERIES SUPPLY COMPANY	6564855		BIOBOR GAS TREATMENT,CYCLE OIL	477.82
					Total :	477.82
194100	8/11/2023	0010887 FLOWER, KATHLEEN	58162175		REFUND CHECK	160.00
					Total :	160.00
194101	8/11/2023	0000325 FRONTIER FORD	144851 145007 181793C		MOTOR SOCKET KEY FOBS	38.27 451.33 183.37
					Total :	672.97
194102	8/11/2023	0004048 GEOTEST SERVICES, INC	86023		2023 PAVING PROJECT ENG-22-07	3,734.70
					Total :	3,734.70
194103	8/11/2023	0000345 GREATER OAK HBR CHAMBER OF COM	30495		VISITOR CENTER OPERATION GRANT	9,208.33
					Total :	9,208.33
194104	8/11/2023	0011204 HALVERSON, GAY	58162280		REFUND CHECK	160.00
					Total :	160.00

Voucher List
City of Oak Harbor

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194105	8/11/2023	0000323 HD FOWLER COMPANY	16466436		VAN STONE FLANGE	136.99
			16470884		MAIN VALVE REPAIR	395.94
					Total :	532.93
194106	8/11/2023	0011027 HERSHMAN, NOMI	08032023		ENHANCE FITNESS CLASS INSTRUCTI	240.00
					Total :	240.00
194107	8/11/2023	0003095 HOME DEPOT CREDIT SERVICES	1622706		TOOLS	23.83
			1625056		TOOLS	92.98
			1900378		TOOLS	43.57
			1970704		TOOLS	276.84
			1970713		TOOLS	11.95
			2023382		TOOLS	12.50
			2162983		TOOLS	72.92
			23671		TOOLS	25.90
			2510122		TOOLS	95.79
			2970643		TOOLS	10.87
			3023263		TOOLS	224.68
			3614793		TOOLS	190.02
			3614858		TOOLS	38.40
			3904597		TOOLS	38.12
			4510961		TOOLS	14.88
			4516380		TOOLS	31.85
			4623552		TOOLS	151.20
			4623553		TOOLS	28.31
			5023011		TOOLS	74.23
			5042759		TOOLS	65.67
			5083065		TOOLS	-37.25
			5162651		TOOLS	235.66
			527795		TOOLS	64.71
			5614608		TOOLS	95.80
			5624567		TOOLS	374.20
			613039		TOOLS	130.58
			615083		TOOLS	32.67
			6162457		TOOLS	49.03
			623993		TOOLS	96.88
			6528178		TOOLS	15.27

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194107	8/11/2023	0003095 HOME DEPOT CREDIT SERVICES	(Continued)			
			8510543		TOOLS	66.10
			8613265		TOOLS	138.80
			8621850		TOOLS	41.85
			9025139		TOOLS	61.82
			9090228		TOOLS	-31.85
					Total :	2,858.78
194108	8/11/2023	0008578 HOSKENS, TERI	08022023		BIG BROTHERS SISTERS PRIVATE RE	96.00
					Total :	96.00
194109	8/11/2023	0011183 IMAGE SOURCE, INC.	SI115775		POPPER BALL	647.23
					Total :	647.23
194110	8/11/2023	0008834 INTEGRITY SAFETY SERVICES, INC	157-6945		ON SITE AUDIO SERVICES	800.00
					Total :	800.00
194111	8/11/2023	0008818 ISLAND COUNTY MASTER GARDENER	08062023		WHIDBEY GARDENING WORKSHOP	4,700.00
					Total :	4,700.00
194112	8/11/2023	0000411 ISLAND COUNTY TREASURER	714023		CRIME VICTIM ASSISTANECE FUNDS-C	15.82
			7312023		CRIME VICTIM ASSISTANECE FUNDS-C	18.25
					Total :	34.07
194113	8/11/2023	0009632 JENNINGS EQUIPMENT, INC	45894P		PARTS	1,790.99
					Total :	1,790.99
194114	8/11/2023	0008346 JENSEN, CYNDY	08032023		CLOGGING CLASS	148.75
					Total :	148.75
194115	8/11/2023	0000454 JET CITY EQUIPMENT RENTAL	55588		DUMP-MISC	217.60
			55605		DUMP-BIOSOLIDS	217.60
			55718		DUMP-BIOSOLIDS	217.60
			55787		DUMP-BIOSOLIDS	217.60
					Total :	870.40
194116	8/11/2023	0011203 KAAHANUI, KIM	59135017		REFUND CHECK	123.00

Voucher List
City of Oak Harbor

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194116	8/11/2023	0011203 0011203 KAAHANUI, KIM			(Continued)	Total : 123.00
194117	8/11/2023	0010634 KENYON DISEND, PLLC	1093639 1093640 1093641 1093642 1093643		GENERAL CITY ATTORNEY ADVICE GENERAL CITY ATTORNEY ADVICE GENERAL CITY ATTORNEY ADVICE GENERAL CITY ATTORNEY ADVICE GENERAL CITY ATTORNEY ADVICE	6,457.50 25.50 43.50 191.35 1,853.00 Total : 8,570.85
194118	8/11/2023	0000476 KERR, JACK	07-23		PUBLIC DEFENSE SCREENING JULY	1,600.00 Total : 1,600.00
194119	8/11/2023	0008925 LA FOND, CAROLE	58162426		REFUND CHECK	160.00 Total : 160.00
194120	8/11/2023	0010701 LEDGERWOOD, DANNIE	08052023		WORK BOOTS	98.09 Total : 98.09
194121	8/11/2023	0010040 LLUMIN, INC	INV32737		ANNUAL SUPPORT	2,475.00 Total : 2,475.00
194122	8/11/2023	0000530 MAILLIARD'S LANDING NURSERY	310250 310254 310365		SOIL PREMIUM LAWN TOOL ROCK SEND	60.88 97.89 16.85 Total : 175.62
194123	8/11/2023	0006072 MASTER'S TOUCH, LLC	87383 87384 P87383 P87384		MAILING SERVICES FOR LATE NOTICE MAILING SERVICE FOR REG STMTS POSTAGE RECONCILIATION POSTAGE RECONCILIATION	418.55 2,611.50 569.18 3,110.15 Total : 6,709.38
194124	8/11/2023	0009966 MCCROMETER, INC	595484		FPI MAG METER BIDIRECTIONAL	11,997.64 Total : 11,997.64
194125	8/11/2023	0008347 MCGEE, MARIA	08032023		YOGA SELF-PAY CLASS	681.70 Total : 681.70

Voucher List
City of Oak Harbor

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194126	8/11/2023	0002288 MCMaster-CARR SUPPLY CO	11024318		TUBING,PIES	3,985.80
Total :						3,985.80
194127	8/11/2023	0003610 MEYER SIGN COMPANY, INC	9084		SERVICE WATCHFIRE MESSAGE CENT	365.15
Total :						365.15
194128	8/11/2023	0007129 MICRO PRECISION CALIBRATION, I	STL-74122		PRESSURE GAGE	318.00
Total :						318.00
194129	8/11/2023	0000197 MILES SAND & GRAVEL COMPANY	1998202 1998770		BULDING SAND BULDING SAND	15.23 30.46
Total :						45.69
194130	8/11/2023	0008460 MOUNTAIN MIST	005509561		WATER	51.10
Total :						51.10
194131	8/11/2023	0007164 NATIONAL TESTING NETWORK	12997		ANNUAL NTN MEMEBERSHIP RENEWA	500.00
Total :						500.00
194132	8/11/2023	0000958 NATURAL RESOURCES, WASHINGTON STAT	001709668 4900/0100169930/2024 4900/010018137/2023		AQ EASE SANITATION INTEREST LATE FEE AQ EASE SANITATION	36.09 156.84 3,921.00
Total :						4,113.93
194133	8/11/2023	0003007 OFFICE DEPOT	320851694001		TONER HP	296.74
Total :						296.74
194134	8/11/2023	0006980 OHD, LLLP	90192		QFIT ANNUAL CALIBRATION	1,019.16
Total :						1,019.16
194135	8/11/2023	0006007 O'REILLY AUTO PARTS	2532-375580 2532-376523		AIR FILTER FUEL PUMP	28.27 50.70
Total :						78.97
194136	8/11/2023	0000724 PONY MAILING & BUSINESS CENTER	372690		UPS GROUND	33.86
Total :						33.86
194137	8/11/2023	0010722 RAY, DEVRI	08032023		ENHANCE FITNESS CLASS INSTRUCTI	180.00

Voucher List
City of Oak Harbor

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194137	8/11/2023	0010722 0010722 RAY, DEVRI			(Continued)	Total : 180.00
194138	8/11/2023	0010025 SANDERS, VICTOR	58162536		REFUND CHECK	160.00
						Total : 160.00
194139	8/11/2023	0000831 SIX ROBBLEES', INC	14P21736		GLOVES	124.70
						Total : 124.70
194140	8/11/2023	0000843 SOLID WASTE SYSTEMS, INC	0158527-IN		ROLLER,TARPER,ARM EXTEN	2,056.87
						Total : 2,056.87
194141	8/11/2023	0008345 SOUND GENERATIONS PROJECT ENHA	HW37000		EF ONLINE DATA USER LICENSE	250.00
						Total : 250.00
194142	8/11/2023	0000846 SOUND PUBLISHING, INC	WNT981001		CITY NOTICES	168.00
			WNT981065		CITY NOTICES	142.50
			WNT981074		CITY NOTICES	142.50
			WNT981122		CITY NOTICES	142.50
			WNT981140		CITY NOTICES	105.00
						Total : 700.50
194143	8/11/2023	0010371 SOUTH CORRECTIONAL ENTITY	7072		GENERAL HOUSING, BOOKING FEE	26,988.50
						Total : 26,988.50
194144	8/11/2023	0003883 STAPLES BUSINESS ADVANTAGE	3542654911		HP BLACK	90.37
			3543655306		FALCON DISPOSABLE DUSTER	61.77
			3543655312		WINDOW SELF SEALING	87.75
						Total : 239.89
194145	8/11/2023	0007736 SYSTEMS FOR PUBLIC SAFETY, INC	44637		EQUIPEMENT INSTALLATION	7,952.75
						Total : 7,952.75
194146	8/11/2023	0011202 TRAILERS NORTHWEST	24S1228		TRAILER	9,878.22
						Total : 9,878.22
194147	8/11/2023	0001053 TREASURER, WASHINGTON STATE	7142023		STATE PORTION OF COURT FEES	1,256.15
			7312023		STATE PORTION OF COURT FEES	1,390.51

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194147	8/11/2023	0001053 0001053 TREASURER, WASHINGTON STATE	(Continued)			Total : 2,646.66
194148	8/11/2023	0000940 UNIVAR USA, INC	51288208		CAUSTIC SODA	8,414.02
						Total : 8,414.02
194149	8/11/2023	0000926 USABLUBOOK	INV00068853 SCN004966		TENSETTE PIPET CREDIT MEMO	546.80 -366.24
						Total : 180.56
194150	8/11/2023	0000934 UTILITIES UNDERGROUND LOCATION	3070201		EXCAVATION NOTIFICATIONS 113	145.77
						Total : 145.77
194151	8/11/2023	0009297 VANDERMEER, ERLENE	58162678		REFUND CHECK	160.00
						Total : 160.00
194152	8/11/2023	0003067 WAIF	1409		JULY 2023 CITY CONTRACT	4,166.67
						Total : 4,166.67
194153	8/11/2023	0000971 WALMART COMMUNITY	1649936468		WATER	274.06
						Total : 274.06
194154	8/11/2023	0000245 WASTEQUIP	20INV000378430		ROC COVER W/REMOVABLE MOUNT	9,461.20
						Total : 9,461.20
194155	8/11/2023	0004185 WHIDBEY SEATAC SHUTTLE	WSSC-23-007		SHUTTLE - LEAVENWORTH	4,241.01
						Total : 4,241.01
194156	8/11/2023	0001005 WHIDBEYHEALTH MEDICAL CENTER	WAR29247 WAR29333		INMATE SERVICES INMATE SERVICES	95.50 192.00
						Total : 287.50
194157	8/11/2023	0001037 WORK OUTFITTERS	61977		BOOTS - BOONSTRA	212.67
						Total : 212.67
194158	8/11/2023	0010128 ZENON ENVIRONMENTAL CORP	902238673		473840A-VALVE-SOL	975.96
						Total : 975.96
194159	8/11/2023	0001067 ZEP SALES & SERVICE	9008795330		ZEP BIG ORANGE	354.65

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194159	8/11/2023	0001067 0001067 ZEP SALES & SERVICE	(Continued)			Total : 354.65
194160	8/11/2023	0000355 ZIPLY FIBER	360-675-1447		CURRENT PHONE CHARGES	231.76
			360-675-1568		CURRENT PHONE CHARGES	294.53
			360-675-1669		CURRENT PHONE CHARGES	72.20
			360-679-2530		CURRENT PHONE CHARGES	91.39
					Total :	689.88
90 Vouchers for bank code : bank						Bank total : 970,773.60
90 Vouchers in this report						Total vouchers : 970,773.60

Voucher List
City of Oak Harbor

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount	
91	8/15/2023	0004903 US BANK	4485580004137259		CREDIT CARD PURCHASES	1,916.62	
			4485590005638313		CREDIT CARD PURCHASES	1,575.67	
			4485590005859109		CREDIT CARD PURCHASES	922.07	
			4485590006499442		CREDIT CARD PURCHASES	1,871.40	
			4485590007073642		CREDIT CARD PURCHASES	895.77	
			4485590007177278		CREDIT CARD PURCHASES	60.47	
			4485590007394204		CREDIT CARD PURCHASES	3,552.10	
			4485591002298200		CREDIT CARD PURCHASES	2,881.26	
			4485591002867830		CREDIT CARD PURCHASES	198.19	
			4485591002886129		CREDIT CARD PURCHASES	1,174.94	
			4485591003114141		CREDIT CARD PURCHASES	7,889.76	
Total :						22,938.25	
1 Vouchers for bank code :		bank				Bank total :	22,938.25
1 Vouchers in this report					Total vouchers :	22,938.25	

Voucher List
City of Oak Harbor

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194161	8/18/2023	0009090 AMAZON CAPITAL SERVICES, INC	1631-MPJL-1FFJ 1DRN-MFNF-9CR7 1FXH-6C64-9GT6 1JTV-P749-CHNY 1KXR-1FT4-CMHX 1M7H-GYQY-DJGR 1M7H-GYQY-DK69 1PFG-3YWR-L1GV 1PVJ-RMQR-CFGC 1PVJ-RMQR-CGH6 1QPW-C1K1-939N 1TW7-T3C3-9H9T 1WF3-TQXX-9RRM 1YJD-YCFW-CJHD		COTTON BEACH TOWEL W/ BAG FANS BELT CLIP CASE EXPANSION REPAIR COUPLING INDOOR COUNTDOWN TIMER WOMEN STEEL TOE SHOES PICNIC PARTY DECOR COTTON BEACH TOWEL W/ BAG METRIC BOLT GAUGES STEEL TRIMMER HEAVY DUTY FLAG RIVET NUT TOOL WEBBING STRAPS DESK LAMP	506.96 163.92 38.99 192.78 59.50 79.11 203.25 296.31 100.80 21.79 55.01 87.18 51.82 76.29
Total :						1,933.71
194162	8/18/2023	0007839 ASHLEY'S DESIGN & LETTERMAN	102051		EMBROIDERED ITEM	49.05
Total :						49.05
194163	8/18/2023	0007807 BLIND ENTERPRISES	6491 6500 6502		MERROW VELCRO MERROW VELCRO MERROW VELCRO	9.50 16.00 129.50
Total :						155.00
194164	8/18/2023	0009423 CHRISTENSEN, CLARE	Ref000303167		UB Refund Cst #00154500	499.65
Total :						499.65
194165	8/18/2023	0011195 COOPER, MECOLE	Ref000303172		UB Refund Cst #00183421	139.69
Total :						139.69
194166	8/18/2023	0000247 DIAMOND SITE SERVICES	1-617710-20 1-630845-5 1-630846-5 1-630847-5 1-630848-5 1-630849-5		PORTABLES RENTAL PORTABLES RENTAL PORTABLES RENTAL PORTABLES RENTAL PORTABLES RENTAL PORTABLES RENTAL	140.00 585.00 585.00 180.00 180.00 360.00

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194166	8/18/2023	0000247 DIAMOND SITE SERVICES	(Continued) 1-630849-6 1-631613		PORTABLES RENTAL PORTABLES	180.00 2,704.60 Total : 4,914.60
194167	8/18/2023	0011192 DOBLER, RYAN	Ref000303168		UB Refund Cst #00172734	354.89 Total : 354.89
194168	8/18/2023	0000273 EDGE ANALYTICAL, INC	23-18961 23-20066 23-21260 23-21315 23-21391 23-21674 23-21705 23-22179		MONTHLY TESTING CHROMOGENIC SUBSTRATE TEST BIOSOLIDS TESTING MONTHLY TESTING BIOSOLIDS TESTING CHROMOGENIC SUBSTRATE TEST MONTHLY TESTING CHROMOGENIC SUBSTRATE TEST	90.00 120.00 63.00 289.00 482.00 144.00 156.00 72.00 Total : 1,416.00
194169	8/18/2023	0010656 ESO SOLUTIONS, INC	ESO-116503		FIRE PACKAGE	291.23 Total : 291.23
194170	8/18/2023	0000329 GALLS	024257925 025000631 025018143 025065751 025094329 025106301 025122894 025123288 025153899 025211300		PANT TACTICAL PANT POLO PANT BOOT POLO/PANT POLO MENS POLO PANT	-64.86 113.24 103.70 113.10 107.37 98.10 216.77 271.75 88.77 198.34 Total : 1,246.28
194171	8/18/2023	0010659 GLEGHORN, TOBY	08042023		BOOTS	174.24 Total : 174.24
194172	8/18/2023	0007998 GOOD TO GO	74973434		TOLLS	5.50

Voucher List
City of Oak Harbor

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194172	8/18/2023	0007998 0007998 GOOD TO GO	(Continued)			Total : 5.50
194173	8/18/2023	0011172 HEMSTAD CONSULTING, LLC, ANTHONY R. F HC.OAKHARBOR2023#3			MONTHLY FEE-JULY 2023.MFTE PROGI	3,062.25
						Total : 3,062.25
194174	8/18/2023	0006629 HIZON, TARA	062023		AWC ANNUAL CONFERENCE	479.46
						Total : 479.46
194175	8/18/2023	0000410 ISLAND COUNTY SOLID WASTE	10311 10327		ACCOUNT#2017 APPLIANCE ACCOUNT#6016 TIPPING FEE	47.25 106,941.85
						Total : 106,989.10
194176	8/18/2023	0000415 ISLAND DISPOSAL	7699186S144 7699193S144		DUMPSTER CHARGES - JULY RECYCLING CHARGES - JULY	22,757.46 15,698.06
						Total : 38,455.52
194177	8/18/2023	0007910 ISLAND DIVE SERVICE	2435 2483 2507		OAK HARBOR SET UP FEE OAK HARBOR SET UP FEE OAK HARBOR SET UP FEE	102.04 126.00 439.96
						Total : 668.00
194178	8/18/2023	0000454 JET CITY EQUIPMENT RENTAL	55679 55681 55739 55847		DUMP-CONCRETE DUMP-CONCRETE DUMP-CONCRETE DUMP-BRUSH	34.27 32.64 87.64 32.64
						Total : 187.19
194179	8/18/2023	0010570 KROES, DAMON	Ref000285662		UB Refund Cst #00176511	247.28
						Total : 247.28
194180	8/18/2023	0011196 LIMBRICK, JAVANTE'	Ref000303173		UB Refund Cst #00183579	98.83
						Total : 98.83
194181	8/18/2023	0011109 MORGAN, ROBERTA	Ref000303164		UB Refund Cst #00121558	14.58
						Total : 14.58
194182	8/18/2023	0000587 MOTOR TRUCKS, INC	12P31952 12P33941		XKEG2470E2-C CREDIT BELT, TENSIONER	-71.16 251.22

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194182	8/18/2023	0000587 MOTOR TRUCKS, INC	(Continued)			
			12P35035		BRAKDRUM	641.09
			12P35066		DRUM 16.5	896.15
					Total :	1,717.30
194183	8/18/2023	0000672 OAK HARBOR ACE	355816		CM WRENCH	10.89
			355892		PRIMER	36.16
			355893		ADAPTER	60.06
			355903		TRIMMER	21.79
			355938		WASP & HORNET KILL	8.18
			355956		FASTENERS	5.10
			355981		CORD BUNGEE	21.79
			356021		WOODCUTTER	22.88
			356044		PAINT THINNER	32.87
			356048		NUTS	1.09
			356076		COUPLE SCH	26.12
			356079		PIPE	14.77
			356095		FASTENERS	4.63
			356100		CM BAG COMBO	76.27
			356104		FASTENERS	56.81
			356108		FLUSH VALVE	10.45
			356119		FASTENERS	17.75
			356121		FASTENERS	14.44
			356122		GROMMET REFILL	32.24
			356127		DEKSCREWS	27.24
			356130		CHAIN	67.56
			356151		FITTING BRUSH	24.17
			356216		ELBOW,NIPPLE	48.10
			356220		FASTENERS	4.03
			356225		MARKING PNT	10.89
			356226		CABLETIE	29.41
			356238		SCRUB BRUSH	40.96
			356257		FASTENERS	26.29
			356275		NIPPLE	26.35
			356287		CLEANER	7.62
			356297		MULTI-MIX CONTAINER	21.47
			356304		NIPPLE	17.90

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194183	8/18/2023	0000672 OAK HARBOR ACE	(Continued)			
			356306		THREAD SEAL	11.47
			356314		STRAINR PAINT	8.68
			356315		TRASH CANE,SAFETY BLU	96.93
			356324		SUPLY HOSE	32.59
			356330		COARSE THREADED	28.77
			356331		FASTENERS	5.49
			356368		FASTENERS	9.29
			356395		HARDWARE	2.16
			356396		SPOT RMVR	10.89
			356421		FASTENERS	5.41
			356428		CEMENT	17.64
			356458		FASTENERS	4.88
			356479		LACQUER THINNER	11.98
			356482		NIPPLE	30.49
			356485		GORILLA TAPE	13.16
			356500		WRENCH STRAP	52.30
					Total :	1,168.41
194184	8/18/2023	0009055 OBORN, BLAINE	080723		FED.TRANSPORTATION & INFRASTRU	75.33
					Total :	75.33
194185	8/18/2023	0011194 PEASE, TRAVIS	Ref000303171		UB Refund Cst #00179508	92.70
					Total :	92.70
194186	8/18/2023	0011193 PRESSLEY, SHANE/ALICIA	Ref000303170		UB Refund Cst #00176700	121.46
					Total :	121.46
194187	8/18/2023	0007944 RAMIREZ, JOSEPH	091123		TRAVEL ADVANCE	121.50
					Total :	121.50
194188	8/18/2023	0005827 ROBINSON, JACK	082923		TRAVEL ADVANCE	165.50
					Total :	165.50
194189	8/18/2023	0010814 THE JOSEPH GROUP	Ref000303163		UB Refund Cst #00120276	174.26
					Total :	174.26
194190	8/18/2023	0007116 VAN WINGERDEN GREENHOUSES, INC	169467		PREMIUM HANGING BASKET	4,463.92

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194190	8/18/2023	0007116 0007116 VAN WINGERDEN GREENHOUSES, INC (Continued)				Total : 4,463.92
194191	8/18/2023	0005982 WASHINGTON FEDERAL	Ref000303166		UB Refund Cst #00124609	114.96
						Total : 114.96
194192	8/18/2023	0008461 WEBSTER, CHASTITY	081023		AWC BUDGET WORKSHOP	777.40
						Total : 777.40
194193	8/18/2023	0001039 WESTERN TRUCK CENTER	026P46971 026P47282 026P47333		COMPRESSOR CAB LATCH HYDRAULIC VALVE	1,008.11 386.71 104.24
						Total : 1,499.06
194194	8/18/2023	0001391 WINDERMERE	Ref000303165 Ref000303169		UB Refund Cst #00124285 UB Refund Cst #00175266	50.50 62.14
						Total : 112.64
194195	8/18/2023	0000355 ZIPLY FIBER	360-675-1286 360-675-5190		CURRENT PHONE CHARGES CURRENT PHONE CHARGES	63.63 52.51
						Total : 116.14
35 Vouchers for bank code : bank						Bank total : 172,102.63
35 Vouchers in this report						Total vouchers : 172,102.63

Voucher List
City of Oak Harbor

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194196	8/22/2023	0002644 C JOHNSON CONSTRUCTION, INC	1		WEST WHIDBEY UTILITY PROJECT	362,774.67
					Total :	362,774.67
194197	8/25/2023	0000066 AWC EMPLOYEES BENEFITS TRUST	08232023		SEPTEMBER 2023 PREMIUMS/LTD/EAI	3,994.58
					Total :	3,994.58
194198	8/25/2023	0000005 A-1 TOWING	77312		TOWING SERVICE	276.86
					Total :	276.86
194199	8/25/2023	0011211 AGUDA, DARRYL CECE	156DBY0YZE		MARINA REFUND	160.85
					Total :	160.85
194200	8/25/2023	0009090 AMAZON CAPITAL SERVICES, INC	1QCC-F3W6-9FPT		STAINLESS STEAL BUCLE SECURITY C	228.75
					Total :	228.75
194201	8/25/2023	0005001 ARAMARK	25702220		CARH F DEFENDER JKT	113.34
			25705059		BUCKET HAT WITH DRAWSTRING	97.97
			6560239037		EQUIPMENT RENTAL	30.75
			6560239038		EQUIPMENT RENTAL	36.47
			6560239039		EQUIPMENT RENTAL	16.35
			6560239040		EQUIPMENT RENTAL	48.33
			6560239041		EQUIPMENT RENTAL	33.93
			6560239042		EQUIPMENT RENTAL	20.75
			6560239043		EQUIPMENT RENTAL	16.36
			6560239063		EQUIPMENT RENTAL	108.31
					Total :	522.56
194202	8/25/2023	0000033 ARAMSCO, INC	TM-216159		HOSE,ADAPTER	91.67
					Total :	91.67
194203	8/25/2023	0004019 ASSOCIATED PETROLEUM PRODUCTS	23-888922		DIESEL & GAS	28,957.13
			23-891751		DIESEL	23,439.74
			23-893646		FUEL & DIESEL	16,197.20
			23-899267		FUEL & GAS	43,135.37
					Total :	111,729.44
194204	8/25/2023	0010881 ASTOUND BUSINESS SOLUTIONS	128947501-0010301		INTERNET	807.84

Voucher List
City of Oak Harbor

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194204	8/25/2023	0010881 0010881 ASTOUND BUSINESS SOLUTIONS	(Continued)			Total : 807.84
194205	8/25/2023	0001489 ATCO INTERNATIONAL	I0617032		QUICKIES	181.00
						Total : 181.00
194206	8/25/2023	0000094 BERG VAULT COMPANY	107286 108544		BERG ECOLOGY WASTE BLOCK CURB INLET CB	34.82 361.22
						Total : 396.04
194207	8/25/2023	0011213 BRADLEY, CHRIS	EMXQT9MN74		MARINA REFUND	34.46
						Total : 34.46
194208	8/25/2023	0000131 BROADVIEW APPLIANCE	SV00062704		WASHER MAINTENANCE	196.15
						Total : 196.15
194209	8/25/2023	0000150 CASCADE NATURAL GAS	58793000009		NATURAL GAS	103.53
						Total : 103.53
194210	8/25/2023	0000157 CDW GOVERNMENT, INC	LD68756		PARTS	3,561.53
						Total : 3,561.53
194211	8/25/2023	0010690 CLEARSTAR, INC	1436200 1443959 1458341		EMPLOYEE SCREENING EMPLOYEE SCREENING EMPLOYEE SCREENING	7.56 62.54 452.55
						Total : 522.65
194212	8/25/2023	0008674 COLOR GRAPHICS	26064-1 26065-1		SMALL BOWL SCRAPER 3 STEP LID	1,470.68 831.40
						Total : 2,302.08
194213	8/25/2023	0008263 CURTIS BLUE LINE	INV717372 INV733595		HARDWIRE, COVER CARRIER, TRAUM. HARDWIRE, COVER CARRIER, TRAUM.	1,605.57 1,595.76
						Total : 3,201.33
194214	8/25/2023	0010638 CYEMPTIVE TECHNOLOGIES, INC	ATG-47375 ATG-47428 ATG-47430		IT MANAGED CARE SERVICES NINJIO CYBERSECURITY TRAINING LIC FIREWALL CLUSTER	16,066.60 457.80 400.00

Voucher List
City of Oak Harbor

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194214	8/25/2023	0010638 0010638 CYEMPTIVE TECHNOLOGIES, INC	(Continued)			Total : 16,924.40
194215	8/25/2023	0000028 DICOCHEA LLC	68526 68535		LOCKSET LOCKSET	2,250.85 1,117.25 Total : 3,368.10
194216	8/25/2023	0000967 ECOLOGY, WASHINGTON STATE DEPT OF	LN-000003404 LN-000003406 LN-000003412		WATER QUALITY LOANS WATER QUALITY LOANS WATER QUALITY LOANS	509,134.51 1,373,601.25 846,180.54 Total : 2,728,916.30
194217	8/25/2023	0000273 EDGE ANALYTICAL, INC	23-23352 23-24466 23-24900		MONTHLY ANALYSIS CHROMOGENIC SUBSTRATE TEST CHROMOGENIC SUBSTRATE TEST	311.67 96.00 144.00 Total : 551.67
194218	8/25/2023	0006389 EQ HARBOR SERVICE, INC	3053		ENGINE MAINTENANCE	217.60 Total : 217.60
194219	8/25/2023	0011186 EXPLORE:NW	7423		QRT PG ADVRTSMNT	325.00 Total : 325.00
194220	8/25/2023	0006276 EXPRESS SERVICES, INC	29409348 29446271		ADMIN ASSISTANT ADMIN ASSISTANT	332.75 243.38 Total : 576.13
194221	8/25/2023	0002900 FASTENAL	WAANA150520		L U-BLT5/16X1	1.35 Total : 1.35
194222	8/25/2023	0011212 FIELDS, REBECCA	4W5KFQ1X6L 4W5KFQ1X6L		MARINA REFUND MARINA REFUND	191.94 32.72 Total : 224.66
194223	8/25/2023	0008880 FIZZ EVENTS, LLC	202326 202327		WHIDBEY ISLAND MARATHON JUNE FE WHIDBEY ISLAND MARATHON	4,050.00 4,050.00 Total : 8,100.00
194224	8/25/2023	0000326 FRONTIER BUILDING SUPPLY	1025482		DALYS CRYSTALFIN	72.83

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194224	8/25/2023	0000326 0000326 FRONTIER BUILDING SUPPLY	(Continued)			Total : 72.83
194225	8/25/2023	0011210 GEOENGINEERS	fin81823geo		REIMBURSE BALANCE OF HYDRANT D	1,416.60
						Total : 1,416.60
194226	8/25/2023	0000349 GRAINGER	9785823593 9793339608		PIPE WRENCH BRONZE BALL VALVE	122.07 162.91
						Total : 284.98
194227	8/25/2023	0004974 GREEN LIGHT SOLUTIONS	8721		MAITENANCE & INSPECTIONS	870.00
						Total : 870.00
194228	8/25/2023	0002747 GUARDIAN SECURITY	1386246 1386247 1386248 1386249 1386250 1386251 1386252		ALARM MONITORING ALARM MONITORING ALARM MONITORING ALARM MONITORING ALARM MONITORING ALARM MONITORING ALARM MONITORING	104.31 327.00 81.76 81.76 81.76 209.28 228.90
						Total : 1,114.77
194229	8/25/2023	0010984 GUY BROWN LLC	3544350075		BRANCH CASH FORWARD BAG	23.11
						Total : 23.11
194230	8/25/2023	0000382 HELTSLEY, RAY	082423		LEAVENWORTH	86.50
						Total : 86.50
194231	8/25/2023	0000417 INDUSTRIAL BOLT & SUPPLY	822818-1 822838-1		5PC POWER-OUT EXTRACTOR SURECAN 5G CONTAINER	513.75 119.99
						Total : 633.74
194232	8/25/2023	0005884 ISLAND COUNTY HUMAN SERVICES	2ND QTR 2023		2ND QTR 2023 EXCISE LIQUOR TAX	1,865.80
						Total : 1,865.80
194233	8/25/2023	0000411 ISLAND COUNTY TREASURER	080423		2ND QRT JOINT EXPENSES	46,923.52
						Total : 46,923.52
194234	8/25/2023	0000412 ISLAND COUNTY TREASURER	3RD QUARTER		ISLAND COUNTY JOINT TOURISM FUNI	5,000.00

Voucher List
City of Oak Harbor

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194234	8/25/2023	0000412 0000412 ISLAND COUNTY TREASURER	(Continued)			Total : 5,000.00
194235	8/25/2023	0000438 ISLAND GLASS COMPANY	2023-1882		INSULATED UNIT	294.30
						Total : 294.30
194236	8/25/2023	0000794 JOHN DEERE FINANCIAL	29950S		COVER,BAS,BELT	111.76
						Total : 111.76
194237	8/25/2023	0009092 KELLEY CONNECT CO.	4623688 4635726 4635727		LEASE PAYMENT LEASE PAYMENT 020-0090527-001 LEASE PAYMENT 020-0090527-002	245.57 599.52 234.54
						Total : 1,079.63
194238	8/25/2023	0010634 KENYON DISEND, PLLC	1093335 1093336 1093337		GENERAL CITY ATTY. ADVICE PUBLIC RECORDS REQUEST GUADALUPE WHALLEY - CODE ENFOF	10,367.56 476.50 916.00
						Total : 11,760.06
194239	8/25/2023	0000979 LES SCHWAB	41400676937 41400677554		4 WHEEL ALIGNMENT BOOM TRUCK SERVICE CALL	141.69 185.29
						Total : 326.98
194240	8/25/2023	0000524 LYNDEN ICE	203009874 208000895 208001306		ICE ICE ICE	132.50 110.55 118.80
						Total : 361.85
194241	8/25/2023	0000530 MAILLIARD'S LANDING NURSERY	307329 307530 308123 308232 308367 308476 308888 308987 308991 309029 309056		PLANTS PLANTS DUMP TRIP DUMP TRIPS DUMP TRIPS DUMP TRIPS DUMP TRIPS DUMP TRIPS YARD WASTE YARD WASTE YARD WASTE GRASS/BRUSH	30.44 185.09 135.70 243.15 145.85 196.25 95.45 131.15 7.00 7.00 10.00

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194241	8/25/2023	0000530 MAILLIARD'S LANDING NURSERY	(Continued)			
			309077		YARD WASTE GRASS/BRUSH	51.32
			309078		DUMP TRIPS	129.75
			309147		DUMP TRIPS	121.70
			309201		DUMP TRIPS	173.50
			309510		DUMP TRIPS	110.15
			309608		DUMP TRIPS	93.00
			309714		DUMP TRIPS	118.20
			309886		DUMP TRIPS	118.20
			309920		BARK RED FINE PEBBLE	41.32
			309930		BARK RED FINE PEBBLE	41.32
			309968		DUMP TRIPS	124.15
			310229		DUMP TRIPS	90.55
			310291		DUMP TRIPS	72.35
			310396		DUMP TRIPS	91.60
			310529		DUMP TRIPS	103.85
			310615		DUMP TRIPS	163.35
			310893		DUMP TRIPS	111.55
			311169		SOIL	60.88
			311184		SOIL	60.88
			311192		SOIL	60.88
			311743		TREE STAKE 6FT	46.87
			311830		BARK NATURAL MULCH	50.00
			311836		BARK NATURAL MULCH	50.00
					Total :	3,272.45
194242	8/25/2023	0006072 MASTER'S TOUCH, LLC	87626		POSTAGE RECONCILIATION	372.27
			P87626		POSTAGE RECONCILIATION	259.96
					Total :	632.23
194243	8/25/2023	0010019 MAUL FOSTER & ALONGI, INC	55673		MARINES HAVEN DNR ASSESSMENT	2,383.00
					Total :	2,383.00
194244	8/25/2023	0002288 MCMASTER-CARR SUPPLY CO	12288237		WORM-DRIVE CLAMPS	43.70
					Total :	43.70
194245	8/25/2023	0000958 NATURAL RESOURCES, WASHINGTON STAT	0017070039		AQ EASE SANITATION INTEREST	41.25

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194245	8/25/2023	0000958 0000958 NATURAL RESOURCES, WASHINGTON	(Continued)			Total : 41.25
194246	8/25/2023	0000612 NELSON PETROLEUM	0839704-IN		SHIELD CHOICE	1,437.09
						Total : 1,437.09
194247	8/25/2023	0000672 OAK HARBOR ACE	356206		36RDR72 CHAIN	404.37
			356322		SHARPEN CHAIN	15.26
			356373		FLEXZLA	55.75
			356484		PAINT THINNER	10.89
			356549		SCREWS	80.88
			356619		NIPPLE	17.37
			356621		ACETONE	13.07
			356637		PLSTC BUCKET	59.84
			356643		FASTENERS	88.34
			356663		PADLOCK	13.07
						Total : 758.84
194248	8/25/2023	0003164 PAINTERS ALLEY	P0043652		ULTRA SPEC 500	189.21
						Total : 189.21
194249	8/25/2023	0005551 PAPE MACHINERY EXCHANGE	2429586		SERVICE & PARTS	715.73
						Total : 715.73
194250	8/25/2023	0006209 PEP BOYS REMITTANCE DEPT	064482058420		EAG ENFORCER WINT	1,084.68
						Total : 1,084.68
194251	8/25/2023	0003566 PROTECTIVE COATING CONSULTANTS	70762		MARINA FUEL	1,798.00
						Total : 1,798.00
194252	8/25/2023	0000743 PUGET SOUND ENERGY	200000136776		ELECTRICITY	44.76
			200000947859		ELECTRICITY	2,561.23
			200001884218		ELECTRICITY	13.62
			200002036164		ELECTRICITY	64.48
			200002036719		ELECTRICITY	33.41
			200002036917		ELECTRICITY	86.13
			200002037097		ELECTRICITY	12.87
			200002037261		ELECTRICITY	11.55
			200002037501		ELECTRICITY	121.75

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194252	8/25/2023	0000743	PUGET SOUND ENERGY			
			(Continued)			
			200002170617		ELECTRICITY	10.78
			200002511539		ELECTRICITY	88.11
			200003267636		ELECTRICITY	14.08
			200003459654		ELECTRICITY	184.09
			200004342099		ELECTRICITY	10.55
			200004562878		ELECTRICITY	62.17
			200004856627		ELECTRICITY	11.31
			200005643446		ELECTRICITY	45.06
			200006103952		ELECTRICITY	10.21
			200007268135		ELECTRICITY	216.45
			200007702943		ELECTRICITY	72.76
			200007824192		ELECTRICITY	48.86
			200008386993		ELECTRICITY	10.83
			200008816189		ELECTRICITY	63.32
			200010322895		ELECTRICITY	73.29
			200010499248		ELECTRICITY	121.69
			200010499446		ELECTRICITY	24.94
			200010530240		ELECTRICITY	37.23
			200010531172		ELECTRICITY	10.94
			200010531354		ELECTRICITY	82.93
			200010531941		ELECTRICITY	93.78
			200010699706		ELECTRICITY	19.98
			200011316839		ELECTRICITY	255.84
			200011551930		ELECTRICITY	86.39
			200012220337		ELECTRICITY	10.55
			200012278087		ELECTRICITY	1,026.68
			200012838765		ELECTRICITY	17.14
			200013370750		ELECTRICITY	1,380.66
			200013734963		ELECTRICITY	1,160.37
			200013968405		ELECTRICITY	79.28
			200014366534		ELECTRICITY	112.80
			200014596478		ELECTRICITY	935.71
			200015399153		ELECTRICITY	11.31
			200015618321		ELECTRICITY	102.13
			200015685833		ELECTRICITY	59.62
			200017255619		ELECTRICITY	451.61

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194252	8/25/2023	0000743	PUGET SOUND ENERGY		(Continued)	
			200017575347		ELECTRICITY	55.93
			200017653656		ELECTRICITY	75.18
			200017654415		ELECTRICITY	251.90
			200017853025		ELECTRICITY	11.34
			200017968427		ELECTRICITY	1,044.87
			200019043344		ELECTRICITY	20.56
			200019500517		ELECTRICITY	58.62
			200020179194		ELECTRICITY	40.57
			200020235012		ELECTRICITY	739.84
			200022441113		ELECTRICITY	45.16
			200023231067		ELECTRICITY	25.57
			200023360569		ELECTRICITY	40.90
			200024715845		ELECTRICITY	34.71
			200025075157		ELECTRICITY	87.75
			220002244337		ELECTRICITY	57.79
			220002247165		ELECTRICITY	9.72
			220005593946		ELECTRICITY	13.71
			220007681624		ELECTRICITY	13.71
			220010389959		ELECTRICITY	30,474.03
			220015477015		ELECTRICITY	94.63
			220019185945		ELECTRICITY	192.16
			220021979996		ELECTRICITY	20.22
			220025981998		ELECTRICITY	35.31
			220031532249		ELECTRICITY	20.46
			300000005003		ELECTRICITY	129.55
			300000007421		ELECTRICITY	1,122.69
			300000009906		ELECTRICITY	205.77
			300000010409		ELECTRICITY	58.19
			300000010458		ELECTRICITY	88.28
			300000010516		ELECTRICITY	66.26
					Total :	45,088.63
194253	8/25/2023	0000801	SEA WESTERN, INC		SCOTT SCBA/RIT FLOW TEST	2,210.00
			INV25579			
			INV25643		FILL VLV	151.43
					Total :	2,361.43

Voucher List
City of Oak Harbor

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194254	8/25/2023	0008395 SHELLEY, JR, TIM	20230809		OFF SITE SERVICES	1,236.26
Total :						1,236.26
194255	8/25/2023	0000822 SHRED-IT USA, INC	8004429469		SHREDDING DERVICES	174.60
Total :						174.60
194256	8/25/2023	0000830 SIRENNET.COM	0269834		01-066C289213H	755.38
Total :						755.38
194257	8/25/2023	0000831 SIX ROBBLEES', INC	14P24048		ALARM-BACK UP	96.58
Total :						96.58
194258	8/25/2023	0000814 SKAGIT FARMERS SUPPLY	20975 585451 585884		ETHANOL RUBBER MAT RUBBER MAT	10.78 39.23 39.23
Total :						89.24
194259	8/25/2023	0000846 SOUND PUBLISHING, INC	WNT981171 WNT981179 WNT981691 WNT981693 WNT981694 WNT981778 WNT981782		CITY NOTICES CITY NOTICES CITY NOTICES CITY NOTICES CITY NOTICES CITY NOTICES CITY NOTICES	145.50 157.50 78.00 78.00 78.00 79.50 81.00
Total :						697.50
194260	8/25/2023	0010371 SOUTH CORRECTIONAL ENTITY	7097 7098 7155		TRANSPORT/SECURITY TRANSPORT/SECURITY BOOKING FEE	450.00 262.50 25,208.65
Total :						25,921.15
194261	8/25/2023	0003883 STAPLES BUSINESS ADVANTAGE	3544860855		GEL WRIST REST COMPACT	164.99
Total :						164.99
194262	8/25/2023	0000874 SURETY PEST CONTROL	235665640 238409508 252816111		PEST EXTERMINATION PEST EXTERMINATION PEST EXTERMINATION	47.95 86.10 381.50

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194262	8/25/2023	0000874 0000874 SURETY PEST CONTROL	(Continued)			Total : 515.55
194263	8/25/2023	0009167 TACOMA SCREW PRODUCTS, INC	260073884-00		HEX BOLTS	58.08
						Total : 58.08
194264	8/25/2023	0000414 THE PERFECT FIT	0709		TAILORING SERVICES	763.00
						Total : 763.00
194265	8/25/2023	0006331 ULINE	166433737		RECLOSABLE BAG	104.41
						Total : 104.41
194266	8/25/2023	0001017 WHIDBEY PRINTERS	52432		GUEST MOORAGE PAYMENT ENVELOF	171.42
						Total : 171.42
194267	8/25/2023	0001037 WORK OUTFITTERS	61971		SAFETY BOOTS- JOSH BRAEY	200.00
			61974		SAFETY BOOTS- REBECCA VAN HADEI	212.67
						Total : 412.67
194268	8/25/2023	0001061 XEROX CORPORATION	019436592		LEASE PAYMENT	385.04
			019436593		LEASE PAYMENT	741.04
						Total : 1,126.08
194269	8/25/2023	0000355 ZIPLY FIBER	360-675-0263		CURRENT PHONE CHARGES	354.09
						Total : 354.09
74 Vouchers for bank code : bank						Bank total : 3,414,964.87
74 Vouchers in this report						Total vouchers : 3,414,964.87

Voucher List
City of Oak Harbor

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
194270	8/28/2023	0000403 ISLAND COUNTY ECONOMIC	082823		LEADERSHIP WHIDBEY CLASS	1,350.00
					Total :	1,350.00
		1 Vouchers for bank code :	bank		Bank total :	1,350.00
		1 Vouchers in this report			Total vouchers :	1,350.00

Voucher List
City of Oak Harbor

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount		
92	8/29/2023	0000960 REVENUE, WASHINGTON STATE DEPT OF	7/31/2023		EXCISE TAX	84,719.31		
						Total :	84,719.31	
1 Vouchers for bank code :		bank					Bank total :	84,719.31
1 Vouchers in this report						Total vouchers :	84,719.31	

City of Oak Harbor
City Council Agenda Bill

Bill No. 4.c.
Date: September 5, 2023
Subject: Authorize the Mayor to Extend
the Professional Services
Agreement: Cabot Dow
Associates, Inc. for
Comprehensive Classification
and Compensation Study for
Non-Represented Employees

FROM: Emma House, Human Resources Director

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:

- Bob Severns, Mayor
- Blaine Oborn, City Administrator
- David Goldman, Finance Director
- Hillary J. Evans, City Attorney, as to form

RECOMMENDED ACTION

Authorize the Mayor to extend the Professional Services Agreement: Cabot Dow Associates, Inc. for Comprehensive Classification and Compensation Study for Non-Represented Employees, for time only, no additional cost, to be extended until September 30, 2023.

BACKGROUND / SUMMARY INFORMATION

The term of the Agreement commenced on February 21, 2023 and was set to terminate at midnight on September 1, 2023. This is to authorize the Mayor to approve an extension to the Agreement to terminate at midnight on September 30, 2023.

LEGAL AUTHORITY

FISCAL IMPACT

No additional cost for the agreement extension.

PREVIOUS COUNCIL / BOARD / CITIZEN INPUT

On February 21, 2023, City Council approved the Cabot Dow Associates, Inc. Professional Services Agreement for Consultant Services, Classification and Compensation Study for Non-Represented Employee Position Classifications.

ATTACHMENTS

1. [Cabot Dow Associates, Inc. PSA for Consultant Services - Comp and Class Study](#)

**PROFESSIONAL SERVICES AGREEMENT BETWEEN
CITY OF OAK HARBOR, WASHINGTON
AND CABOT DOW ASSOCIATES, INC.
FOR CONSULTANT SERVICES**

THIS AGREEMENT (“Agreement”) is made and entered into by and between the City of Oak Harbor, Washington, a Washington State municipal corporation (“City”), and Cabot Dow Associates, a Washington Inc (“Consultant”)

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

ARTICLE I. PURPOSE

This Agreement aims to conduct a comprehensive study of classification and compensation. The general terms and conditions of the relationship between the City and the Consultant are specified in this Agreement.

ARTICLE II. SCOPE OF SERVICES

The Scope of Services is attached hereto as **Exhibit “A”** and incorporated herein by this reference (“Scope of Services”). All services and materials necessary to accomplish the tasks outlined in the Scope of Services shall be provided by the Consultant unless noted otherwise in the Scope of Services or this Agreement. All such services shall be provided in accordance with the standards of the Consultant’s profession.

ARTICLE III. OBLIGATIONS OF THE CONSULTANT

III.1 MINOR CHANGES IN SCOPE. The Consultant shall accept minor changes, amendments, or revision in the detail of the Scope of Services as may be required by the City when such changes will not have any impact on the service costs or proposed delivery schedule. Extra work, if any, involving substantial changes and/or changes in cost or schedules will be addressed as follows:

Extra Work. The City may desire to have the Consultant perform work or render services in connection with each project in addition to or other than work provided for by the expressed intent of the Scope of Services in the scope of services. Such work will be considered as extra work and will be specified in a written supplement to the scope of services, to be signed by both parties, which will set forth the nature and the scope thereof. All proposals for extra work or services shall be prepared by the Consultant at no cost to the City. Work under a supplemental agreement shall not proceed until executed in writing by the parties.

III.2 WORK PRODUCT AND DOCUMENTS. The work product and all documents produced under this Agreement shall be furnished by the Consultant to the City, and upon completion of the work shall become the property of the City, except that the Consultant

may retain one copy of the work product and documents for its records. The Consultant will be responsible for the accuracy of the work, even though the work has been accepted by the City.

In the event that the Consultant shall default on this Agreement or in the event that this Agreement shall be terminated prior to its completion as herein provided, all work product of the Consultant, along with a summary of work as of the date of default or termination, shall become the property of the City. Upon request, the Consultant shall tender the work product and summary to the City. Tender of said work product shall be a prerequisite to final payment under this Agreement. The summary of work done shall be prepared at no additional cost to the City.

Consultant will not be held liable for reuse of documents produced under this Agreement or modifications thereof for any purpose other than those authorized under this Agreement without the written authorization of Consultant.

III.3 **TERM.** The term of this Agreement shall commence on February 21, 2023 and shall terminate at midnight on September 1, 2023. The parties may extend the term of this Agreement by written mutual agreement.

III.4 **NONASSIGNABLE.** The services to be provided by the Consultant shall not be assigned or subcontracted without the express written consent of the City.

III.5 **EMPLOYMENT.**

- a. The term “employee” or “employees” as used herein shall mean any officers, agents, or employees of the of the Consultant.
- b. Any and all employees of the Consultant, while engaged in the performance of any work or services required by the Consultant under this Agreement, shall be considered employees of the Consultant only and not of the City, and any and all claims that may or might arise under the Workman's Compensation Act on behalf of any said employees while so engaged, and any and all claims made by any third party as a consequence of any negligent act or omission on the part of the Consultant or its employees while so engaged in any of the work or services provided herein shall be the sole obligation of the Consultant.
- c. Consultant represents, unless otherwise indicated below, that all employees of Consultant that will provide any of the work under this Agreement have not ever been retired from a Washington State retirement system, including but not limited to Teacher (TRS), School District (SERS), Public Employee (PERS), Public Safety (PSERS), law enforcement and fire fighters (LEOFF), Washington State Patrol (WSPRS), Judicial Retirement System (JRS), or otherwise. *(Please indicate No or Yes below)*

_____ No employees supplying work have ever been retired from a Washington State retirement system.

_____ Yes employees supplying work have been retired from a Washington State retirement system.

In the event the Consultant indicates “no”, but an employee in fact was a retiree of a Washington State retirement system, and because of the misrepresentation the City is required to defend a claim by the Washington State retirement system, or to make contributions for or on account of the employee, or reimbursement to the Washington State retirement system for benefits paid, Consultant hereby agrees to save, indemnify, defend and hold City harmless from and against all expenses and costs, including reasonable attorney’s fees incurred in defending the claim of the Washington State retirement system and from all contributions paid or required to be paid, and for all reimbursement required to the Washington State retirement system. In the event Consultant affirms that an employee providing work has ever retired from a Washington State retirement system, said employee shall be identified by Consultant, and such retirees shall provide City with all information required by City to report the employment with Consultant to the Department of Retirement Services of the State of Washington.

III.6 INDEMNITY.

- 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 in connection with the performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.
- b. 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, including the duty and cost to defend, hereunder shall be only to the extent of the Consultant's negligence.
- c. 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.
- d. **Public Records Requests.** In addition to Paragraph IV.3b., when the City provides the Consultant with notice of a public records request per Paragraph IV.3b., Consultant agrees to save, hold harmless, indemnify and defend the City its officers, agents, employees and elected officials from and against all claims, lawsuits, fees, penalties and costs resulting from the consultants violation of the

Public Records Act RCW 42.56, or consultant's failure to produce public records as required under the Public Records Act.

- e. The provisions of this section III.6 shall survive the expiration or termination of this Agreement.

III.7 INSURANCE.

- a. **Insurance Term.** The Consultant shall procure and maintain insurance, as required in this Section, without interruption from commencement of the Consultant's work through the term of the Agreement and for thirty (30) days after the Physical Completion date, unless otherwise indicated herein
- b. **No Limitation.** Consultant's maintenance of insurance as required by the Agreement shall not be construed to limit the liability of the Consultant to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.
- c. **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 shall be written on Insurance Services Office (ISO) form CA 00 01.
 - (2) Commercial General Liability insurance shall be written at least as broad on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors, products-completed operations, stop gap liability, personal injury and advertising injury, and liability assumed under an insured Agreement. The Commercial General Liability insurance shall be endorsed to provide a per project general aggregate limit using ISO form CG 25 03 05 09 or an equivalent endorsement. There shall be no exclusion for liability arising from explosion, collapse or underground property damage. The City shall be named as an additional insured under the Consultant's Commercial General Liability insurance policy with respect to the work performed for the City using an Additional Insured endorsement CG 20 10 10 01 and Additional Insured-Completed Operations endorsement CG 20 37 10 01 or substitute endorsements providing at least as broad coverage.
 - (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.
- d. **Consultant shall maintain the following minimum insurance limits:**

- (1) Comprehensive General Liability. Insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate and \$2,000,000 products-completed operations aggregate limit.
 - (2) Automobile Liability. \$1,000,000 combined single limit per accident for bodily injury and property damage.
 - (3) Workers' Compensation. Workers' compensation limits as required by the Workers' Compensation Act of Washington.
 - (4) Professional Liability/Consultant's Errors and Omissions Liability. \$1,000,000 per claim and \$1,000,000 as an annual aggregate.
- e. **Notice of Cancellation.** In the event that the Consultant receives notice (written, electronic or otherwise) that any of the above required insurance coverage is being cancelled and/or terminated, the Consultant shall immediately (within forty-eight (48) hours) provide written notification of such cancellation/termination to the City.
- f. **Acceptability of Insurers.** Insurance is to be placed with insurers with a current A.M. Best rating of not less than A: VII.
- g. **Verification of Coverage.** In signing this Agreement, the Consultant is acknowledging and representing that required insurance is active and current. 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. Further, throughout the term of this Agreement, the Consultant shall provide the City with proof of insurance upon request by the City.
- h. **Insurance shall be Primary - Other Insurance Provision.** The Consultant's insurance coverage shall be primary insurance with respect to the City. The Consultant's Automobile Liability and Commercial General Liability insurance policies are to contain, or be endorsed to contain that they shall be primary insurance with respect to the City. Any Insurance, self-insurance, or self-insured pool coverage maintained by the City shall be in excess of the Consultant's insurance and shall not contribute with it.
- i. **Failure to Maintain Insurance.** Failure on the part of the Consultant to maintain the insurance as required shall constitute a material breach of Agreement, 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.

- j. **City Full Availability of Consultant Limits.** If the Consultant maintains higher insurance limits than the minimums shown above, the City shall be 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 whether any certificate of insurance furnished to the City evidences limits of liability lower than those maintained by the Consultant.
- k. **Subconsultant's Insurance.** The Consultant shall cause each and every Subconsultant to provide insurance coverage that complies with all applicable requirements of the Consultant-provided insurance as set forth herein, except the Consultant shall have sole responsibility for determining the limits of coverage required to be obtained by Subconsultants. The Consultant shall ensure that the City is an additional insured on each and every Subconsultant's Commercial General liability insurance policy using an endorsement as least as broad as ISO CG 20 10 10 01 for ongoing operations and CG 20 37 10 01 for completed operations.

III.8 DISCRIMINATION PROHIBITED AND COMPLIANCE WITH EQUAL OPPORTUNITY LEGISLATION. The Consultant agrees to comply with equal opportunity employment and not to discriminate against client, employee, or applicant for employment or for services because of race, creed, color, religion, national origin, marital status, sex, sexual orientation, age or handicap except for a bona fide occupational qualification with regard, but not limited to, the following: employment upgrading; demotion or transfer; recruitment or any recruitment advertising; layoff or terminations; rates of pay or other forms of compensation; selection for training, rendition of services. The Consultant further agrees to maintain (as appropriate) notices, posted in conspicuous places, setting forth the provisions of this nondiscrimination clause. The Consultant understands and agrees that if it violates this nondiscrimination provision, this Agreement may be terminated by the City, and further that the Consultant will be barred from performing any services for the City now or in the future, unless a showing is made satisfactory to the City that discriminatory practices have been terminated and that recurrence of such action is unlikely.

III.9 UNFAIR EMPLOYMENT PRACTICES. During the performance of this Agreement, the Consultant agrees to comply with RCW 49.60.180, prohibiting unfair employment practices.

III.10 LEGAL RELATIONS. The Consultant shall comply with all federal, state and local laws and ordinances applicable to work to be done under this Agreement. The Consultant represents that the firm and all employees assigned to work on any City project are in full compliance with the statutes of the State of Washington governing activities to be performed and that all personnel to be assigned to the work required under

this Agreement are fully qualified-and properly licensed to perform the work to which they will be assigned. This Agreement shall be interpreted and construed in accordance with the laws of Washington. Venue for any litigation commenced relating to this Agreement shall be in Island County Superior Court.

ARPA Compliance.

The City was awarded American Rescue Plan Act (ARPA) funding on March 11, 2021.

The Consultant understands that one of the sources of funding will be paid using ARPA funds. Accordingly, the Consultant agrees to comply with the terms and conditions set forth in **Exhibit B**, attached and incorporated herein, including any reporting obligations established by the U.S. Department of Treasury and/or the City as they relate to this contract.

III.11 INDEPENDENT CONTRACTOR.

- a. The Consultant and the City understand and expressly agree that the Consultant is an independent contractor in the performance of each and every part of this Agreement. The Consultant expressly represents, warrants and agrees that its status as an independent contractor in the performance of the work and services required under this Agreement is consistent with and meets the six-part independent contractor test set forth in RCW 51.08.195 or as hereafter amended. The Consultant, as an independent contractor, assumes the entire responsibility for carrying out and accomplishing the services required under this Agreement. The Consultant shall make no claim of City employment nor shall claim any related employment benefits, social security, and/or retirement benefits.
- b. The Consultant shall be solely responsible for paying all taxes, deductions, and assessments, including but not limited to federal income tax, FICA, social security tax, assessments for unemployment and industrial injury, and other deductions from income which may be required by law or assessed against either party as a result of this Agreement. In the event the City is assessed a tax or assessment as a result of this Agreement, the Consultant shall pay the same before it becomes due.
- c. The City may, during the term of this Agreement, engage other independent contractors to perform the same or similar work that the Consultant performs hereunder.
- d. Prior to commencement of work, the Consultant shall obtain a business license from the City.

III.12 CONFLICTS OF INTEREST. The Consultant agrees to and shall notify the City of any potential conflicts of interest in Consultant's client base and shall obtain written permission from the City prior to providing services to third parties where a conflict or

potential conflict of interest is apparent. If the City determines in its sole discretion that a conflict is irreconcilable, the City reserves the right to terminate this Agreement.

III.13 CITY CONFIDENCES. The Consultant agrees to and will keep in strict confidence, and will not disclose, communicate or advertise to third parties without specific prior written consent from the City in each instance, the confidences of the City or any information regarding the City or services provided to the City.

III.14 SUBCONSULTANTS.

- a. The Consultant shall be responsible for all work performed by subconsultants pursuant to the terms of this Agreement.
- b. The Consultant must verify that any subconsultants they directly hire meet the responsibility criteria for the project. Verification that a subconsultant has proper license and bonding, if required by statute, must be included in the verification process. The Consultant will use the following subconsultants or as set forth in Exhibit ____ :

- c. The Consultant may not substitute or add subconsultants without the written approval of the City.
- d. All subconsultants shall have the same insurance coverages and limits as set forth in this Agreement and the Consultant shall provide verification of said insurance coverage.

ARTICLE IV. OBLIGATIONS OF THE CITY

IV.1 PAYMENTS.

- a. The Consultant shall be paid by the City for services rendered under this Agreement as described in the Scope of Services and as provided in this section. In no event shall the compensation paid to Consultant under this Agreement exceed thirty-two thousands dollars (\$ 32,000.00) without the written agreement of the Consultant and the City. Such payment shall be full compensation for work performed and services rendered and for all labor, materials, supplies, equipment, and incidentals necessary to complete the work. In the event the City elects to expand the scope of services from that set forth in Exhibit A, the City shall pay Consultant a mutually agreed amount.
- b. The Consultant shall submit a monthly invoice to the City for services performed in the previous calendar month in a format acceptable to the City. The Consultant

shall maintain time and expense records and provide them to the City upon request.

- c. The City will pay timely submitted and approved invoices received before the 20th of each month within thirty (30) days of receipt.

IV.2 CITY APPROVAL. Notwithstanding the Consultant's status as an independent contractor, results of the work performed pursuant to this Agreement must meet the approval of the City, which shall not be unreasonably withheld if work has been completed in compliance with the Scope of Services and City requirements.

IV.3 MAINTENANCE/INSPECTION OF RECORDS.

- a. The Consultant shall maintain all books, records, documents and other evidence pertaining to the costs and expenses allowable under this Agreement in accordance with generally accepted accounting practices. All such books and records required to be maintained by this Agreement shall be subject to inspection and audit by representatives of the City and/or the Washington State Auditor at all reasonable times, and the Consultant shall afford the proper facilities for such inspection and audit. Representatives of the City and/or the Washington State Auditor may copy such books, accounts and records where necessary to conduct or document an audit. The Consultant shall preserve and make available all such books of account and records for a period of three (3) years after final payment under this Agreement. In the event that any audit or inspection identifies any discrepancy in such financial records, the Consultant shall provide the City with appropriate clarification and/or financial adjustments within thirty (30) calendar days of notification of the discrepancy.
- b. **Public Records.** The parties agree that this Agreement and records related to the performance of the Agreement are with limited exception, public records subject to disclosure under the Public Records Act RCW 42.56. Further, in the event of a Public Records Request to the City, the City may provide the Consultant with a copy of the Records Request and the Consultant shall provide copies of any City records in Consultant's possession, necessary to fulfill that Public Records Request. If the Public Records Request is large the Consultant will provide the City with an estimate of reasonable time needed to fulfill the records request.

ARTICLE V. GENERAL

V.1 NOTICES. Notices to the City shall be sent to the following address:

**City of Oak Harbor
Emma House, Human Resources Director
865 SE Barrington Drive
Oak Harbor, WA 98277**

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

Cabot Dow Associates, Inc.
PO Box 1806
Bellevue, WA 98009

Receipt of any notice shall be deemed effective three (3) days after deposit of written notice in the U.S. mail with proper postage and address.

V.2 **TERMINATION.** The right is reserved by the City to terminate this Agreement in whole or in part at any time upon ten (10) calendar days' written notice to the Consultant.

If this Agreement is terminated in its entirety by the City for its convenience, the City shall pay the Consultant for satisfactory services performed through the date of termination in accordance with payment provisions of Section IV.1.

V.3 **DISPUTES.** The parties agree that, following reasonable attempts at negotiation and compromise, any unresolved dispute arising under this Agreement may be resolved by a mutually agreed-upon alternative dispute resolution of arbitration or mediation.

V.4 **EXTENT OF AGREEMENT/MODIFICATION.** This Agreement, together with attachments or addenda, represents the entire and integrated Agreement between the parties and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended, modified or added to only by written instrument properly signed by both parties.

V.5 **SEVERABILITY.**

a. If a court of competent jurisdiction holds any part, term or provision of this Agreement to be illegal or invalid, in whole or in part, the validity of the remaining provisions shall not be affected, and the parties' rights and obligations shall be construed and enforced as if the Agreement did not contain the particular provision held to be invalid.

b. If any provision of this Agreement is in direct conflict with any statutory provision of the State of Washington, that provision which may conflict shall be deemed inoperative and null and void insofar as it may conflict, and shall be deemed modified to conform to such statutory provision.

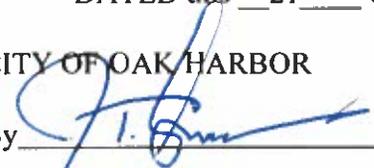
V.6 **NONWAIVER.** A waiver by either party hereto of a breach by the other party hereto of any covenant or condition of this Agreement shall not impair the right of the party not in default to avail itself of any subsequent breach thereof. Leniency, delay or failure of either party to insist upon strict performance of any agreement, covenant or condition of this Agreement, or to exercise any right herein given in any one or more instances, shall not be construed as a waiver or relinquishment of any such agreement, covenant, condition or right.

- V.7 **FAIR MEANING.** The terms of this Agreement shall be given their fair meaning and shall not be construed in favor of or against either party hereto because of authorship. This Agreement shall be deemed to have been drafted by both of the parties.
- V.8 **GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.
- V.9 **VENUE.** The venue for any action to enforce or interpret this Agreement shall lie in the Superior Court of Washington for Island County, Washington.
- V.10 **COUNTERPARTS.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same Agreement.
- V.11 **AUTHORITY TO BIND PARTIES AND ENTER INTO AGREEMENT.** The undersigned represent that they have full authority to enter into this Agreement and to bind the parties for and on behalf of the legal entities set forth below.

DATED this 21 day of February, 2023.

CITY OF OAK HARBOR

CABOT DOW ASSOCIATES, INC.

By 

By _____

Robert T. Severns, Mayor

Attest:



Julie Nester, City Clerk

Approved as to form:



Hillary Evans, City Attorney

Exhibit A
Scope of Services
(Attached)

Exhibit B
ARPA Funding Stipulations

U.S. DEPARTMENT OF THE TREASURY
CORONAVIRUS LOCAL FISCAL RECOVERY
FUND AWARD TERMS AND CONDITIONS

FEDERAL COMPLIANCE - The use of federal funds requires additional compliance and control mechanisms to be in place. The following represents the majority of compliance elements that may apply to any federal funds provided under this contract. For clarification regarding any of these elements or details specific to the federal funds in this contract, contact the U.S Department of the Treasury Coronavirus Local Fiscal Recovery Fund Award.

Sources of Funds description:

1. Use of Funds.
 - a. Consultant understands and agrees that the funds disbursed under this award may only be used in compliance with section 603(c) of the Social Security Act (the Act), Treasury's regulations implementing that section, and guidance issued by Treasury regarding the foregoing.
 - b. Consultant will determine prior to engaging in any project using this assistance that it has the institutional, managerial, and financial capability to ensure proper planning, management, and completion of such project.
2. Period of Performance. The period of performance for this award begins on the date hereof and ends on December 31, 2021. As set forth in Treasury's implementing regulations, Recipient may use award funds to cover eligible costs incurred during the period that begins on the date hereof and ends on December 31, 2024; and
3. Reporting. Recipient agrees to comply with any reporting obligations established by Treasury as they relate to this award including, but not limited to, providing all receipts and invoices for all goods and services and labor rate details for all labor
4. Maintenance of and Access to Records.
 - a. Consultant shall maintain records and financial documents sufficient to evidence compliance with section 603(c) of the Act, Treasury's regulations implementing that section, and guidance issued by Treasury regarding the foregoing.
 - b. The City shall have the right of access to records (electronic and otherwise) of the Consultant in order to conduct audits or other investigations for ARPA compliance purposes.
 - c. Records shall be maintained by the Consultant for a period of five (5) years after all funds have been expended or returned to the City, whichever is later.

5. Administrative Costs. Contractor may use funds provided under this award to cover both direct and indirect costs.

6. Compliance with Applicable Law and Regulations.

a. Consultant agrees to comply with the requirements of section 603 of the Act, regulations adopted by Treasury pursuant to section 603(f) of the Act, and guidance issued by Treasury regarding the foregoing. Consultant also agrees to comply with all other applicable federal statutes, regulations, and executive orders, and Consultant shall provide for such compliance by other parties in any agreements it enters into with other parties relating to this award.

b. Federal regulations applicable to this award include, without limitation, the following:

i. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 C.F.R. Part 200, other than such provisions as Treasury may determine are inapplicable to this Award and subject to such exceptions as may be otherwise provided by Treasury. Subpart F – Audit Requirements of the Uniform Guidance, implementing the Single Audit Act, shall apply to this award.

ii. Universal Identifier and System for Award Management (SAM), 2 C.F.R. Part 25, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 25 is hereby incorporated by reference.

iii. Reporting Subaward and Executive Compensation Information, 2 C.F.R. Part 170, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 170 is hereby incorporated by reference.

iv. OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement), 2 C.F.R. Part 180, including the requirement to include a term or condition in all lower tier covered transactions (contracts and subcontracts described in 2 C.F.R. Part 180, subpart B) that the award is subject to 2 C.F.R. Part 180 and Treasury's implementing regulation at 31 C.F.R. Part 19.

v. Governmentwide Requirements for Drug-Free Workplace, 31 C.F.R. Part 20.

vi. New Restrictions on Lobbying, 31 C.F.R. Part 21.

vii. Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 U.S.C. §§ 4601-4655) and implementing regulations.

viii. Generally applicable federal environmental laws and regulations.

c. Statutes and regulations prohibiting discrimination applicable to this award include,

without limitation, the following:

- i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury's implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin under programs or activities receiving federal financial assistance;
 - ii. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability;
 - iii. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving federal financial assistance;
 - iv. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and Treasury's implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance; and
 - v. Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.
7. **Remedial Actions.** In the event of Consultant's noncompliance with section 603 of the Act, other applicable laws, Treasury's implementing regulations, guidance, or any reporting or other program requirements, Treasury may impose additional conditions on the receipt of a subsequent tranche of future award funds, if any, or take other available remedies as set forth in 2 C.F.R. § 200.339. In the case of a violation of section 603(c) of the Act regarding the use of funds, previous payments shall be subject to recoupment as provided in section 603(e) of the Act.
8. **Hatch Act.** Consultant agrees to comply, as applicable, with requirements of the Hatch Act (5 U.S.C. §§ 1501-1508 and 7324-7328), which limit certain political activities of State or local government employees whose principal employment is in connection with an activity financed in whole or in part by this federal assistance.
9. **False Statements.** Consultant understands that making false statements or claims in connection with this award is a violation of federal law and may result in criminal, civil, or administrative sanctions, including fines, imprisonment, civil damages and penalties, debarment from participating in federal awards or contracts, and/or any other remedy available by law.
10. **Publications.** Any publications produced with funds from this award must display the following language: "This project [is being] [was] supported, in whole or in part, by federal

award number [enter project FAIN] awarded to [name of Consultant] by the U.S. Department of the Treasury.”

11. Disclaimer.

- a. The United States expressly disclaims any and all responsibility or liability to Recipient or third persons for the actions of the City or third persons resulting in death, bodily injury, property damages, or any other losses resulting in any way from the performance of this award or any other losses resulting in any way from the performance of this award or any contract, or subcontract under this award.
- b. The acceptance of this award by the City does not in any way establish an agency relationship between the United States and the City.

12. Protections for Whistleblowers.

- a. In accordance with 41 U.S.C. § 4712, Consultant may not discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing to any of the list of persons or entities provided below, information that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant.
- b. The list of persons and entities referenced in the paragraph above includes the following:
 - i. A member of Congress or a representative of a committee of Congress;
 - ii. An Inspector General;
 - iii. The Government Accountability Office;
 - iv. A Treasury employee responsible for contract or grant oversight or management;
 - v. An authorized official of the Department of Justice or other law enforcement agency;
 - vi. A court or grand jury; or
 - vii. A management official or other employee of Recipient, contractor, or subcontractor who has the responsibility to investigate, discover, or address misconduct.
- c. Consultant shall inform its employees in writing of the rights and remedies provided under this section, in the predominant native language of the workforce.

13. Increasing Seat Belt Use in the United States.

Pursuant to Executive Order 13043, 62 FR 19217 (Apr. 18, 1997), the City encourages the Consultant contractors to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented or personally owned vehicles.

Reducing Text Messaging While Driving. Pursuant to Executive Order 13513, 74 FR 51225 (Oct. 6, 2009), the City encourages its employees, subrecipients, consultants and contractors to adopt and enforce policies that ban text messaging while driving, and the City

should establish workplace safety policies to decrease accidents caused by distracted drivers.

**City of Oak Harbor
City Council Agenda Bill**

Bill No. 4.d.
Date: September 5, 2023
Subject: Professional Services
Agreement, Amendment No. 4
with Tim Shelley, Jr. for
Videography Services

FROM: Administration

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:

- ⊙ Bob Severns, Mayor
- ⊙ Blaine Oborn, City Administrator
- ⊙ David Goldman, Finance Director
- ⊙ Hillary J. Evans, City Attorney, as to form

RECOMMENDED ACTION

Motion to approve the Professionals Services Agreement Amendment No. 4 with Tim Shelley, Jr. for videography services.

BACKGROUND / SUMMARY INFORMATION

The City's original contract for videography services with Tim Shelley, Jr. dates from 2018. Mr. Shelley provides videography for regular and special Council meetings, Planning Commission meetings, and special events in which the City and its representatives are active participants, such as parades. Additional duties include filming content for the City's website. The management of the contract is overseen by the City's Communication/IT Manager.

Staff proposes this Amendment No. 4 to the Professional Services Agreement, extending the Agreement for two years, in keeping with the last amendment, and increasing compensation by the same percentage increase as was utilized for the last contract renewal.

LEGAL AUTHORITY

FISCAL IMPACT

PREVIOUS COUNCIL / BOARD / CITIZEN INPUT

ATTACHMENTS

1. [Professional Services Agreement, Amendment No. 4](#)
2. [Professional Services Agreement, Amendment No. 3](#)
3. [Professional Services Agreement with Tim Shelley, Jr. 2018-2019](#)

**FOURTH AMENDMENT TO THE PROFESSIONAL
SERVICES AGREEMENT BETWEEN
TIM SHELLEY, JR. AND THE CITY OF OAK HARBOR FOR
CONTRACTOR SERVICES**

WHEREAS, the City of Oak Harbor, a Washington State Municipal Corporation("CITY"), and Tim Shelley, Jr. a Washington Sole Proprietor ("CONTRACTOR"), entered into a Professional Services Agreement for Contractor Services for Videography and Staging (the "Agreement") on September 6, 2018, through September 5, 2019. The City and the Contractor shall be jointly referred to as the "Parties."

WHEREAS, as a First Amendment, the Parties amended the Agreement by extending the term to September 5, 2020, and amended Exhibit A to include a new weekend hourly rate for troubleshooting services; and

WHEREAS, the Parties adopted a Second Amendment extending the Agreement to September 5, 2021, and increased the regular and weekend hourly compensation rates; and

WHEREAS, the Parties agreed to a Third Amendment to the Agreement by extending its term to September 7, 2023, and increasing the regular and weekend hourly compensation rates for years 2021-2022 and 2022-2023; and

WHEREAS, the Parties wish to adopt a Fourth Amendment to the Agreement by extending its term to September 7, 2025, and increasing the regular and weekend hourly compensation rates for years 2023-2024 and 2024-2025 as noted in Exhibit A; and

NOW THEREFORE, the following provisions of the Agreement are hereby amended as follows:

1. **SCOPE OF SERVICES** (Article II, Exhibit A, paragraph 3):

For these services, Contractor shall be compensated at the rate of \$43.06 September 7, 2023 – September 6, 2024 per hour, and \$44.35 per hour in September, 7, 2024 – September 6, 2025 in quarter hour increments, and with one hour minimum for technology support.

If support or troubleshooting services are requested on weekends (defined as the period between Friday starting at 6:00 p.m. through Monday ending at 8:00 a.m.) and holidays, the compensation rate is set at \$53.06 per hour September 7, 2023-September 6, 2024 and \$54.65 in September 7, 2024 – September 6, 2025, with one hour minimum paid.

2. **OBLIGATION OF THE CONTRACTOR** (Article III. Section (3) Term):

The Agreement which commenced September 6, 2018, and was to terminate at midnight, September 5, 2019, and was subsequently trice amended, is hereby extended to terminate September 6, 2025.

3. Except as otherwise provided herein, all other terms and conditions in the Agreement entered into on September 6, 2018, shall remain unchanged.

DATED this 5th day of September 2023.

CITY OF OAK HARBOR

CONTRACTOR

Robert T. Severns, Mayor



Tim Shelley, Jr.

Approved as to form:

Hillary Evans, City Attorney

Attest:

Julie Nester, City Clerk

**THIRD AMENDMENT TO THE PROFESSIONAL SERVICES
AGREEMENT BETWEEN
TIM SHELLEY, JR. AND THE CITY OF OAK HARBOR FOR
CONTRACTOR SERVICES**

WHEREAS, the City of Oak Harbor, a Washington State Municipal Corporation (“CITY”), and Tim Shelley, Jr. a Washington Sole Proprietor (“CONTRACTOR”), entered into a Professional Services Agreement for Contractor Services for Videography and Staging (the “Agreement”) on September 6, 2018, through September 5, 2019. The City and the Contractor shall be jointly referred to as the “Parties.”

WHEREAS, as a First Amendment, the Parties amended the Agreement by extending the term to September 5, 2020, and amended Exhibit A to include a new weekend hourly rate for troubleshooting services; and

WHEREAS, the Parties adopted a Second Amendment extending the Agreement to September 5, 2021, and increased the regular and weekend hourly compensation rates; and

WHEREAS, the Parties agreed to a Third Amendment to the Agreement by extending its term to September 7, 2023, and increasing the regular and weekend hourly compensation rates for years 2022 and 2023 year in Exhibit A; and

NOW THEREFORE, the following provisions of the Agreement are hereby amended as follows:

1. **SCOPE OF SERVICES (Article II, Exhibit A, paragraph 3):**

For these services, Contractor shall be compensated at the rate of \$41.39 in 2021-2022 per hour, and \$42.22 per hour in 2022-2023 in quarter hour increments, and with one hour minimum for technology support.

If troubleshooting services are requested on weekends (defined as the period between Friday starting at 6:00 p.m. through Monday ending at 8:00 a.m.), the compensation rate is set at \$52.00 per hour in 2021-2022 and \$53.04 in 2022-2023, with one hour minimum paid.

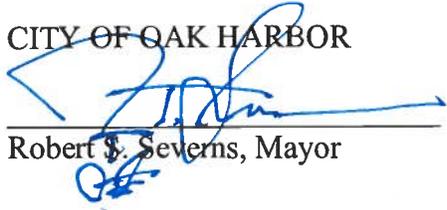
2. **OBLIGATION OF THE CONTRACTOR (Article III, Section (3) Term):**

The Agreement which commenced September 6, 2018, and was to terminate at midnight, September 5, 2019, and was subsequently twice amended, is hereby extended to terminate September 7, 2023.

3. **Except as otherwise provided herein, all other terms and conditions in the Agreement entered into on September 6, 2018, shall remain unchanged.**

DATED this 7th day of September 2021.

CITY OF OAK HARBOR


Robert S. Severns, Mayor

CONTRACTOR


Tim Shelley, Jr.

Approved as to form:


for Grant K. Weed, City Attorney

ATTEST:

By: 
Julie Lindsey, City Clerk

L:\LGL\Contracts\Tim Shelley, Jr - 3rd Amend. to PSA for Videography Services - 9.1.2021.docx

**PROFESSIONAL SERVICES AGREEMENT BETWEEN
CITY OF OAK HARBOR
AND TIM SHELLEY JR.
FOR CONTRACTOR SERVICES**

THIS AGREEMENT ("Agreement") is made and entered into by and between the City of Oak Harbor, a Washington State municipal corporation ("City"), and TIM SHELLEY JR., a Washington Sole Proprietor ("Contractor").

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

ARTICLE I. PURPOSE

The purpose of this Agreement is to provide the City with Contractor services regarding technical support for videography as described in Article II. The general terms and conditions of the relationship between the City and the Contractor are specified in this Agreement.

ARTICLE II. SCOPE OF SERVICES

The Scope of Services is attached hereto as Exhibit "A" and incorporated herein by this reference ("Scope of Services"). All services and materials necessary to accomplish the tasks outlined in the Scope of Services shall be provided by the Contractor unless noted otherwise in the Scope of Services or this Agreement. All such services shall be provided in accordance with the standards of the Contractor's profession.

ARTICLE III. OBLIGATIONS OF THE CONTRACTOR

- (1) Minor Changes in Scope. The Contractor shall accept minor changes, amendments, or revision in the detail of the Scope of Services as may be required by the City when such changes will not have any impact on the service costs or proposed delivery schedule.

Extra work, if any, involving substantial changes and/or changes in cost or schedules will be addressed as follows:

Extra Work. The City may desire to have the Contractor perform work or render services in connection with each project in addition to or other than work provided for by the expressed intent of the Scope of Services. Such work will be considered as extra work and will be specified in a written supplement to the Scope of Services, to be signed by both parties, which will set forth the nature and the scope thereof. All proposals for extra work or services shall be prepared by the Contractor at no cost to the City.

Work under a supplemental agreement shall not proceed until executed in writing by the parties.

- (2) Work Product and Documents. The work product and all documents produced under this Agreement shall be furnished by the Contractor to the City, and upon completion of the work shall become the property of the City, except that the Contractor may retain one copy of the work product and documents for its records. The Contractor will be responsible for the accuracy of the work, even though the work has been accepted by the City.

In the event that the Contractor shall default on this Agreement or in the event that this Agreement shall be terminated prior to its completion as herein provided, all work product of the Contractor, along with a summary of work as of the date of default or termination, shall become the property of the City. Upon request, the Contractor shall tender the work product and summary to the City. Tender of said work product shall be a prerequisite to final payment under this Agreement. The summary of work done shall be prepared at no additional cost to the City.

Contractor will not be held liable for reuse of documents produced under this Agreement or modifications thereof for any purpose other than those authorized under this Agreement without the written authorization of Contractor.

- (3) Term. The term of this Agreement shall commence on **September 6, 2018** and shall terminate at midnight, **September 5, 2019**. The parties may extend the term of this Agreement by written mutual agreement.
- (4) Nonassignable. The services to be provided by the Contractor shall not be assigned or subcontracted without the express written consent of the City.
- (5) Employment. Any and all employees of the Contractor, while engaged in the performance of any work or services required by the Contractor under this Agreement, shall be considered employees of the Contractor only and not of the City, and any and all claims that may or might arise under the Workman's Compensation Act on behalf of any said employees while so engaged, and any and all claims made by any third party as a consequence of any negligent act or omission on the part of the Contractor or its employees while so engaged in any of the work or services provided herein shall be the sole obligation of the Contractor.
- (6) Indemnification/Hold Harmless. Contractor 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 Contractor 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 Contractor and the City, its officers, officials, employees, and volunteers, the Contractor's liability, including the duty and cost to defend, hereunder shall be only to the extent of the Contractor's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Contractor'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 shall survive the expiration or termination of this Agreement.

- a. Insurance Term. The Contractor shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, or employees.
- b. No Limitation. The Contractor's maintenance of insurance as required by the Agreement shall not be construed to limit the liability of the Contractor to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.
- c. Minimum Scope of Insurance. The Contractor shall obtain insurance of the types and coverage described below:
 - i. Commercial General Liability insurance shall be at least as broad as ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, stop-gap independent contractors and personal injury and advertising injury. The City shall be named as an additional insured under the Contractor'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.
 - ii. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
 - iii. Professional Liability insurance appropriate to the Contractor's profession.
- d. Minimum Amounts of Insurance. The Contractor shall maintain the following insurance limits:
 - i. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate.
 - ii. Professional Liability insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.
- e. Other Insurance Provision. The Contractor's Automobile Liability and Commercial General Liability insurance policies are to contain, or be endorsed to

contain, that they shall be primary insurance with respect to the City. Any insurance, self-insurance, or self-insured pool coverage maintained by the City shall be in excess of the Contractor's insurance and shall not contribute with it.

- f. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.
 - g. Verification of Coverage. The Contractor 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 Contractor before commencement of the work.
 - h. Notice of Cancellation. The Contractor shall provide the City with written notice of any policy cancellation within two business days of their receipt of such notice.
 - i. Failure to Maintain Insurance. Failure on the part of the Contractor to maintain the insurance as required shall constitute a material breach of Agreement, upon which the City may, after giving five business days' notice to the Contractor 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 Contractor from the City.
 - j. City Full Availability of Contractor Limits. If the Contractor maintains higher insurance limits than the minimums shown above, the City shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Contractor, irrespective of whether such limits maintained by the Contractor are greater than those required by this Agreement or whether any certificate of insurance furnished to the City evidences limits of liability lower than those maintained by the Contractor.
- (7) Discrimination Prohibited and Compliance with Equal Opportunity Legislation. The Contractor agrees to comply with equal opportunity employment and not to discriminate against client, employee, or applicant for employment or for services because of race, creed, color, religion, national origin, marital status, sex, sexual orientation, age or handicap except for a bona fide occupational qualification with regard, but not limited to, the following: employment upgrading; demotion or transfer; recruitment or any recruitment advertising; layoff or terminations; rates of pay or other forms of compensation; selection for training, rendition of services. The Contractor further agrees to maintain (as appropriate) notices, posted in conspicuous places, setting forth the provisions of this nondiscrimination clause. The Contractor understands and agrees that if it violates this nondiscrimination provision, this Agreement may be terminated by the City, and further that the Contractor will be barred from performing any services for the City now or in the future, unless a showing is made satisfactory to the City that

discriminatory practices have been terminated and that recurrence of such action is unlikely.

- (8) Unfair Employment Practices. During the performance of this Agreement, the Contractor agrees to comply with RCW 49.60.180, prohibiting unfair employment practices.
- (9) Legal Relations. The Contractor shall comply with all federal, state and local laws and ordinances applicable to work to be done under this Agreement. The Contractor represents that the firm and all employees assigned to work on any City project are in full compliance with the statutes of the State of Washington governing activities to be performed and that all personnel to be assigned to the work required under this Agreement are fully qualified and properly licensed to perform the work to which they will be assigned. This Agreement shall be interpreted and construed in accordance with the laws of the State of Washington. Venue for any litigation commenced relating to this Agreement shall be in Island County Superior Court.
- (10) Independent Contractor.
 - a. The Contractor and the City understand and expressly agree that the Contractor is an independent contractor in the performance of each and every part of this Agreement. The Contractor expressly represents, warrants and agrees that his/her status as an independent contractor in the performance of the work and services required under this Agreement is consistent with and meets the six-part independent contractor test set forth in RCW 51.08.195 or as hereafter amended. The Contractor, as an independent contractor, assumes the entire responsibility for carrying out and accomplishing the services required under this Agreement. The Contractor shall make no claim of City employment nor shall claim any related employment benefits, social security, and/or retirement benefits.
 - b. The Contractor shall be solely responsible for paying all taxes, deductions, and assessments including, but not limited to, federal income tax, FICA, social security tax, assessments for unemployment and industrial injury, and other deductions from income which may be required by law or assessed against either party as a result of this Agreement. In the event the City is assessed a tax or assessment as a result of this Agreement, the Contractor shall pay the same before it becomes due.
 - c. The City may, during the term of this Agreement, engage other independent contractors to perform the same or similar work that the Contractor performs hereunder.
 - d. Prior to commencement of work, the Contractor shall obtain a business license from the City.
- (11) Conflicts of Interest. The Contractor agrees to and shall notify the City of any potential conflicts of interest in Contractor's client base and shall obtain written permission from the City prior to providing services to third parties where a conflict or potential conflict

of interest is apparent. If the City determines in its sole discretion that a conflict is irreconcilable, the City reserves the right to terminate this Agreement.

(12) City Confidences. The Contractor agrees to and will keep in strict confidence, and will not disclose, communicate or advertise to third parties without specific prior written consent from the City in each instance, the confidences of the City or any information regarding the City or services provided to the City.

(13) Subcontractors/SubContractors.

- a. The Contractor shall be responsible for all work performed by subcontractors/ subContractors pursuant to the terms of this Agreement.
- b. The Contractor must verify that any subcontractors/subContractors they directly hire meet the responsibility criteria for the project. Verification that a subcontractor/subContractor has proper license and bonding, if required by statute, must be included in the verification process. The Contractor will use the following subcontractors/subContractors or as set forth in Exhibit ____:

- c. The Contractor may not substitute or add subcontractors/subContractors without the written approval of the City.
- d. All subcontractors/subContractors shall have the same insurance coverages and limits as set forth in this Agreement and the Contractor shall provide verification of said insurance coverage.

ARTICLE IV. OBLIGATIONS OF THE CITY

(1) Payments.

- a. The Contractor shall be paid by the City on a time and materials basis for services rendered under this Agreement as described in the Scope of Services and as provided in this section and **Exhibit A**. In no event shall the compensation paid to Contractor under this Agreement exceed the amounts listed in **Exhibit A** without the written agreement of the Contractor and the City. Such payment shall be full compensation for work performed and services rendered and for all labor, materials, supplies, equipment, insurance required in contract, and incidentals necessary to complete the work. In the event the City elects to expand the scope of services from that set forth in Exhibit "A", the City shall pay Contractor a mutually agreed amount.

- b. The Contractor shall submit a monthly invoice to the City for services performed in the previous calendar month. At a minimum, invoices shall include:
- (i) a summary of previous invoices;
 - (ii) current invoice amount;
 - (iii) total current monthly billing;
 - (iv) amount authorized under this agreement; and
 - (v) total authorized amount still remaining under the agreement.

The Contractor shall maintain time and expense records and provide them to the City upon request.

- c. The City will pay timely submitted and approved invoices received before the 20th of each month within thirty (30) days of receipt.

- (2) City Approval. Notwithstanding the Contractor's status as an independent contractor, results of the work performed pursuant to this Agreement must meet the approval of the City, which shall not be unreasonably withheld if work has been completed in compliance with the Scope of Services and City requirements.
- (3) Maintenance/Inspection of Records. The Contractor shall maintain all books, records, documents and other evidence pertaining to the costs and expenses allowable under this Agreement in accordance with generally accepted accounting practices. All such books and records required to be maintained by this Agreement shall be subject to inspection and audit by representatives of the City and/or the Washington State Auditor at all reasonable times, and the Contractor shall afford the proper facilities for such inspection and audit. Representatives of the City and/or the Washington State Auditor may copy such books, accounts and records where necessary to conduct or document an audit. The Contractor shall preserve and make available all such books of account and records for a period of three (3) years after final payment under this Agreement. In the event that any audit or inspection identifies any discrepancy in such financial records, the Contractor shall provide the City with appropriate clarification and/or financial adjustments within thirty (30) calendar days of notification of the discrepancy.

ARTICLE V. GENERAL

- (1) Notices.

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

**BLAINE OBORN, CITY ADMINISTRATOR
CITY OF OAK HARBOR
865 SE BARRINGTON DRIVE
OAK HARBOR, WA 98277**

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

**TIM SHELLEY JR.
1315 CROSBY ROAD
OAK HARBOR, WA 98277**

Receipt of any notice shall be deemed effective three (3) days after deposit of written notice in the U.S. mail with proper postage and address.

- (2) Termination. The right is reserved by the City to terminate this Agreement in whole or in part at any time upon ten (10) calendar days' written notice to the Contractor.

If this Agreement is terminated in its entirety by the City for its convenience, the City shall pay the Contractor for satisfactory services performed through the date of termination in accordance with payment provisions of Section IV(1).

- (3) Disputes. The parties agree that, following reasonable attempts at negotiation and compromise, any unresolved dispute arising under this Agreement may be resolved by a mutually agreed-upon alternative dispute resolution of arbitration or mediation.
- (4) Extent of Agreement/Modification. This Agreement, together with attachments or addenda, represents the entire and integrated Agreement between the parties and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended, modified or added to only by written instrument properly signed by both parties.
- (5) Severability.
- a. If a court of competent jurisdiction holds any part, term or provision of this Agreement to be illegal or invalid, in whole or in part, the validity of the remaining provisions shall not be affected, and the parties' rights and obligations shall be construed and enforced as if the Agreement did not contain the particular provision held to be invalid.
 - b. If any provision of this Agreement is in direct conflict with any statutory provision of the State of Washington, that provision which may conflict shall be deemed inoperative and null and void insofar as it may conflict, and shall be deemed modified to conform to such statutory provision.
- (6) Nonwaiver. A waiver by either party hereto of a breach by the other party hereto of any covenant or condition of this Agreement shall not impair the right of the party not in default to avail itself of any subsequent breach thereof. Leniency, delay or failure of either party to insist upon strict performance of any agreement, covenant or condition of this Agreement, or to exercise any right herein given in any one or more instances, shall not be construed as a waiver or relinquishment of any such agreement, covenant, condition or right.

- (7) Fair Meaning. The terms of this Agreement shall be given their fair meaning and shall not be construed in favor of or against either party hereto because of authorship. This Agreement shall be deemed to have been drafted by both of the parties.
- (8) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.
- (9) Venue. The venue for any action to enforce or interpret this Agreement shall lie in the Island County Superior Court.
- (10) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same Agreement.
- (11) Authority to Bind Parties and Enter into Agreement. The undersigned represent that they have full authority to enter into this Agreement and to bind the parties for and on behalf of the legal entities set forth below.

DATED this 4th day of September, 2018.

CITY OF OAK HARBOR

TIM SHELLEY JR.

By



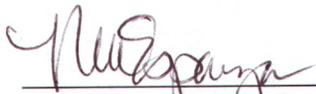
Robert Severns, Mayor

By



Tim Shelley Jr., Sole Proprietor

Approved as to form:



Nikki Esparza, City Attorney

EXHIBIT "A"
SCOPE OF SERVICES

Tim Shelley, Sole Proprietor

Contractor shall provide professional videography and staging services, along with specialized equipment, as requested by the city of Oak Harbor, including, but not necessarily limited to, the following:

1. Operator video and audio equipment at regular and special Oak Harbor City Council meetings in the City Hall Council Chambers;
2. Operate video and audio equipment at regular meetings of the Oak Harbor Planning Commission in the City Hall Council Chambers;
3. Operate video and audio equipment in support of special productions on issues of City business, including remote locations;
4. Upload and schedule programming to Channel 10 and, as requested, arrange live web streaming of City productions;
5. Provide troubleshooting services of Channel 10 programming playout during City business hours or when otherwise scheduled for support of City business;
6. Consultation as needed with City officials on equipment purchases related to the delivery of videography services;
7. Provide videography services at the same rate as the original Agreement on other projects as needed, once a specific scope of work and time has been agreed to by the Contractor and Department he is doing the work for. The Department will identify what funds will be used to pay for this service and that will be noted before the work is performed. The signed scope of work will be turned into the City Clerk to be included in the contract folder.

For these services, Contractor shall be compensated at the rate of \$39.00 per hour, quarter hour increments, and with one hour minimum for technology support. Contractor may also seek reimbursement for rental of specialized equipment not otherwise available to the City. The rate for equipment rental shall not exceed \$1,000 per month unless approved by the City Administrator.

If troubleshooting services of Channel 10 programming playout are requested on weekends (defined as the period between Friday starting at 6:00 p.m. through Monday ending at 8:00 a.m.), the compensation rate is set at \$49.00 per hour, with one hour minimum paid.

**City of Oak Harbor
City Council Agenda Bill**

Bill No. 4.e.
Date: September 5, 2023
Subject: Professional Services
Agreement: Change Order No. 4
with American Construction:
Repair of Boat Ramp Float

FROM: Brett Arvidson Project Engineer & Chris Sublet, Harbormaster

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:

- ⦿ Bob Severns, Mayor
- ⦿ Blaine Oborn, City Administrator
- ⦿ David Goldman, Finance Director
- ⦿ Hillary J. Evans, City Attorney, as to form

RECOMMENDED ACTION

It is recommended that the City Council authorize the Mayor to sign Change Order No. 4 for the F-Dock Breakwater and Float Repair Project with American Construction Company, Inc, in an amount of \$51,408.18 bringing the final contract amount to \$1,038,582.69.

BACKGROUND / SUMMARY INFORMATION

Construction is nearly complete for the repair of F-Dock though due to additional emergency repairs due to wind damage, construction has been prolonged. The construction contract was awarded to American Construction Company, Inc on August 17, 2021. American Construction began actual work around January 1, 2022. On November 17, 2021, City Council authorized Change Order No. 1 to replace a navigation pile struck by a boat. Change Order No. 2 involved replacing two lost panels and modifying the channel supports attached to the pile hoops.

Change Order No. 3 covered damage to the boat ramp in April of 2022 which is covered by a separate insurance claim. A large boat was moored to the boat ramp float during a wind event and snapped the piles supporting the float. The City was able to include this work under the existing in-water permit and negotiate a change order for the work which avoided a multi-year permitting and construction effort. Unfortunately by the time the permit and insurance issues got resolved, the construction window was delayed to the spring of 2023.

Change Order No. 3 increased the contract amount by \$85,306.99 and was limited to damage caused by the incident as an insurance claim. The original ramp was constructed in the 1970's and needed some major rebuilding. Some of the wood structure was rotted and many of the steel structural attachments were badly corroded. It was much more cost effective to replace these maintenance needs while the ramp was already disassembled and on dry land.

The extent of these repairs was difficult to fully estimate, so the contractor agreed to this extra work on a time and materials basis (contractually called force account work). To avoid mark-ups, the city provided much of the material for the repairs. The contractor crews were very efficient in incorporating these extra repairs. This approach was discussed at City Council Workshop on June 28, 2023.

Change Order No. 4 adds \$51,408.18 and will bring the final contract amount to \$1,038,582.69.

LEGAL AUTHORITY

FISCAL IMPACT

Funds Required: _____ \$51,408.18 _____

Appropriation Source: _____ Marina Fund Fund Balance _____

PREVIOUS COUNCIL / BOARD / CITIZEN INPUT

June 28, 2023 - The City Council was briefed on the additional boat ramp repair.

August 17, 2021 - City Council awarded the contract for F-Dock Breakwater and Float Repair Project to the low bidder, American Construction Company, Inc with the bid amount of

\$913,344.30 and to proceed with Bid items A, B and C. _

November 16, 2021 - City Council authorized the Mayor to sign Change Order No. 1 for F-Dock Breakwater and Float Repair project in an amount not to exceed \$45,000.00.

March 1, 2022 - City Council authorize the Mayor to sign Change Order No. 4 for the F-Dock Breakwater and Float Repair Project with American Construction Company, Inc, in an amount of \$58,990.47 bringing the final contract amount to \$807,227.20.

May 17, 2022 - City Council authorize the Mayor to sign any contract amendments and/or change orders necessary to implement repairs to the boat ramp dock from the April 4, 2022 storm, to the extent these actions are reimbursable by a third insurance claim.

ATTACHMENTS

1. [American Construction Change Order No. 4](#)
2. [American Construction Time & Materials Invoice](#)
3. [American Construction Change Order No. 4 Presentation](#)

City of Oak Harbor CONTRACT CHANGE ORDER NO. 4

Date:	September 5, 2023		
Agency Project No.	ENG-20-14		
Project Name	F-Dock Breakwater Repair		
Name of Change Order	Time and Materials for Additional Boat Ramp Repairs		
To:	American Construction, Inc		

Upon receipt of a fully executed copy of this change order, you are hereby directed to:

- Make changes in the plans and specifications as noted in this change order.
- Perform extra work as noted in this change order
- Execute work as noted in this change order
- Delete work as noted in this change order

- Conditions:
- A. The following change(s), and work affected thereby, are subject to all contract stipulations and covenants;
 - B. The rights of the "Owner" are not prejudiced; and
 - C. All claims against the "Owner" which are incidental to, or as a consequence of, this change order are waived

We the undersigned Contractor, having given careful consideration to the change(s) proposed, hereby agree to provide all equipment, furnish all materials, except as may be otherwise noted, and perform all services necessary to accomplish the specified work, and will accept the prices shown as full payment. We further agree with the adjustment to Contract time, if any, as noted in this change order.

ACCEPTED: Date: _____
By: _____

Contractor: **American Construction, Inc**
Title: _____

Original Contract (including tax)	\$ 704,256.30
Previous Change Orders (including tax)	\$129,290.93
This Change Order (including tax)	\$51,408.18
REV. CONTRACT AMOUNT	\$1,038,582.69

Additional Calendar Days for this change: No (0) calendar days

ORIGINAL: City (1 of 2)
Contractor (2 of 2)

cc: PW Project Finance File

**CITY OF OAK HARBOR
CONTRACT CHANGE ORDER NO. 4**

PROJECT NAME:	F-Dock Float and Breakwater Repair Project
NAME OF CHANGE:	Repair of Boat Ramp

Change Order Narrative

1. Provide additional work to the damaged boat ramp on a time and materials basis per rates provided on 4/18/23. Work will be performed as directed by the city project manager.

Cost Summary

Work to be performed on Time and materials basis not to exceed \$51,408.18 (including tax).

Contract Time Analysis and Summary

The City, in negotiation with the Contractor, has agreed to 365 additional calendar days to be added to the Contract.

By execution of this change order the Contractor agrees that this Change Order is a full and final adjustment of the cost and contract time to which the Contractor (and Subcontractors and Suppliers of any tier) is entitled and includes all direct costs and all indirect costs related to the subject matter of the Change Order, including, but not limited to, all costs arising from or related to delay, suspension, inefficiency, disruption, acceleration and the cumulative impact of this change and other changes on changed and unchanged work.

Project Engineer (Recommend Approval)

_____ Date

City Engineer (Approval)

_____ Date

Mayor

_____ Date

Oak Harbor Marina F Dock Breakwater and Float Repairs
 Boat Ramp Float Repairs
 Time & Material Rates
 Excluding Sales Tax

8/16/2023

LABOR

DATE	FOREMAN			CREWMAN			OPERATOR			DECK ENGINEER		
	ST	OT	DT	ST	OT	DT	ST	OT	DT	ST	OT	DT
7/26/2023	30	0	0	10	0	0	0	0	0	0	0	0
7/27/2023	30	0	0	10	0	0	0	0	0	0	0	0
7/28/2023	30	0	0	10	0	0	0	0	0	0	0	0
7/29/2023	30	0	0	10	0	0	0	0	0	0	0	0
	120.00	0.00	0.00	40.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

PILEBUCK FOREMEN												
ST				120.00	HOURS	@	\$96.50	=		\$11,580.00		
OT				0.00	HOURS	@	\$133.35	=		\$0.00		
DT				0.00	HOURS	@	\$170.20	=		\$0.00		
PILEBUCK CREWMAN												
ST				40.00	HOURS	@	\$89.67	=		\$3,586.80		
OT				0.00	HOURS	@	\$123.17	=		\$0.00		
DT				0.00	HOURS	@	\$156.67	=		\$0.00		
OPERATOR												
ST				0.00	HOURS	@	\$97.01	=		\$0.00		
OT				0.00	HOURS	@	\$132.02	=		\$0.00		
DT				0.00	HOURS	@	\$167.03	=		\$0.00		
DECK ENGINEER												
ST				0.00	HOURS	@	\$93.07	=		\$0.00		
OT				0.00	HOURS	@	\$123.15	=		\$0.00		
DT				0.00	HOURS	@	\$159.23	=		\$0.00		

LABOR COST	=	\$15,166.80
MARK UP, 29%	=	\$4,398.37
TOTAL LABOR W/ MARK UP	=	\$19,565.17

EQUIPMENT

DATE	FLOATING CRANE	BARGE	TUG	WORK SKIFF	AIR	PICKUP
	0.0	0.0	0.0	40.0	0.0	80.0
	0.00	0.00	0.00	40.00	0.00	80.00

FLOATING CRANE	0.00	HOURS	@	\$500.00	=	\$0.00
BARGE	0.00	HOURS	@	\$80.00	=	\$0.00
TUG BOAT	0.00	HOURS	@	\$100.00	=	\$0.00
WORK SKIFF	40.00	HOURS	@	\$20.00	=	\$800.00
AIR COMPRESSOR	0.00	HOURS	@	\$20.00	=	\$0.00
PICKUP	80.00	HOURS	@	\$20.00	=	\$1,600.00

EQUIPMENT COST	=	\$2,400.00
----------------	---	------------

RENTAL EQUIPEMENT ESTIMATED COST

INVOICE

BIRCH EQUIPMENT	271918-5	@	\$2,330.07	=	\$2,330.07
BIRCH EQUIPMENT	264805F-5	@	\$1,321.48	=	\$1,321.48
PACIFIC MOBILE OFFICE TRAILER	308732	@	\$808.80	=	\$808.80
BIRCH EQUIPMENT	272427-5	@	\$2,804.07	=	\$2,804.07

EQUIPMENT COST	=	\$9,664.42
ALLOWABLE MARK UP, 21%	=	\$2,029.53
TOTAL EQUIP W/ MARK UP	=	\$11,693.95

SUBCONTRACTORS

SUBCONTRACTOR COST	=	\$0.00
ALLOWABLE MARK UP, 21%	=	\$0.00
TOTAL W/ MARK UP	=	\$0.00

MATERIALS ESTIMATED COST

INVOICE

ACORN INN HOTEL	VISA		\$236.44	=	\$236.44
ACORN INN HOTEL	VISA		\$120.99	=	\$120.99
TOPPER	22.0408	@	\$9,807.37	=	\$9,807.37
MCMMASTER CARR	98910516	@	\$19.13	=	\$19.13
HOME DEPOT	VISA	@	\$189.40	=	\$189.40
HOME DEPOT	VISA	@	\$67.72	=	\$67.72
HOME DEPOT	VISA	@	\$94.08	=	\$94.08
SUMIDEN WIRE	PPPC230045	@	\$1,270.00	=	\$1,270.00
FED EX	8-164-56945	@	\$48.57	=	\$48.57
BUILDERS ALLIANCE	1001892	@	\$43.88	=	\$43.88
BUILDERS ALLIANCE	1001856	@	\$18.51	=	\$18.51
TACOMA SCREW	260070378-00	@	\$178.38	=	\$178.38
TACOMA SCREW	260070558-00	@	\$193.93	=	\$193.93
DUNLAP INDUSTRIAL	382368-1	@	\$227.46	=	\$227.46
WEST COAST WIRE ROPE	5604125	@	\$556.50	=	\$556.50
WEST COAST WIRE ROPE	5604124	@	\$75.00	=	\$75.00

MATERIAL COST	=	\$13,147.36
ALLOWABLE MARK UP, 21%	=	\$2,760.95
TOTAL W/ MARK UP	=	\$15,908.31

Total Without Markup	=	\$40,378.58
Markup	=	\$9,188.85
TOTAL AMOUNT	=	\$49,567.43

Maren Culbert

From: Guanlin Wang <acornmotorinn@gmail.com>
Sent: Monday, June 26, 2023 4:06 PM
To: Maren Culbert
Subject: Room Confirmation & Payment, Please Reply to Confirm.

14:03 06/27 You don't often get email from acornmotorinn@gmail.com. [Learn why this is important](#)

Room Confirmation & Payment, Please Reply to Confirm.

Confirmation #GW062665

June 26, 2023

American Construction
1501 Taylor Way
Tacoma, WA 98421
Phone: (253) 254-0118
Email: marenc@americanconstco.com

Dear Ms. Maren Culbert,

Below is a list of the accommodations you have reserved for Joe McArthur and guaranteed the payment with your/your company credit card ending# 1794.

Accommodations	# of Guests per room	# of Rooms	Arrival Date	Departure Date	Rate per Night	Total Amount (include tax)
One Queen / Non-Smoking	1 or 2	1	6/26/2023	6/28/2023	\$106.5+tax	\$236.44

Your credit card will cover for any room damage and/or hotel policy violation incurred
Cancellation Policy: *This reservation cannot be canceled. The deposit of \$115.44 has been applied to your credit card account. You will lose the full amount of the deposit if you cancel this reservation or guests do not show up on the arrival date.*
After you review the confirmation letter, would you please reply to confirm this reservation. Thank you for choosing Acorn Motor Inn for your hospitality needs. We look forward to seeing you soon.

Best Regards,

Janet Corbin
Acorn Motor Inn
31530 SR 20
Oak Harbor, WA 98277

Maren Culbert

From: Guanlin Wang <acornmotorinn@gmail.com>
Sent: Wednesday, June 28, 2023 9:24 AM
To: Maren Culbert
Subject: Room Confirmation & Payment, Please Reply to Confirm.

PLEASE You don't often get email from acornmotorinn@gmail.com. [Learn why this is important](#)

Room Confirmation & Payment, Please Reply to Confirm.

Confirmation #HM062823

mc 23-22 02.02
~~89.99~~

June 28, 2023

American Construction

1501 Taylor Way

Tacoma, WA 98421

Phone: (253) 254-0118

Email: marenc@americanconstco.com

Dear Ms. Maren Culbert,

Below is a list of the accommodations you have reserved for **Joe McArthur** and guaranteed the payment with your/your company credit card ending# 1794.

Accommodations	# of Guests per room	# of Rooms	Arrival Date	Departure Date	Rate per Night	Total Amount (include tax)
One Queen / Non-Smoking	1 or 2	1	6/28/2023	6/29/2023	\$109+tax	\$120.99

Your credit card will cover for any room damage and/or hotel policy violation incurred

Cancellation Policy: This reservation cannot be canceled.

After you review the confirmation letter, would you **please reply to confirm this reservation**. Thank you for choosing Acorn Motor Inn for your hospitality needs. We look forward to seeing you soon.

Topper

1333 Glenwood St
Woodland, WA 98674
www.topperfloats.com



INVOICE

BILL TO
American Construction Inc.
1501 Taylor Way
Tacoma, WA 98421

SHIP TO
American Construction Inc.
1501 Taylor Way
Tacoma, WA 98421

INVOICE 22.0408
DATE 06/05/2023
TERMS Net 20
DUE DATE 06/25/2023

CUSTOMER PO
MC23-22/89-99

TOPPER JOB
8224

ACTIVITY	AMOUNT	DUE
Miscellaneous Sales (9) Coated EPS Foam Billets, 1 @ \$8,812.00	8,812.00T	8,812.00 of 8,812.00
Freight - Customers Freight for Finished Goods, 1 @ \$275.37	275.37T	275.37 of 275.37
SUBTOTAL		9,087.37
TAX		<i>Anale</i> 936.00
TOTAL		10,023.37
BALANCE DUE		\$10,023.37

Any credit card payments will incur a 5% processing fee.
Page 1 of 1



Invoice

562-692-5911
562-695-2323 (fax)
la.sales@mcmaster.com

Purchase Order	0605ZAIKINS
Total	\$19.13
Invoice	98910516
Invoice Date	6/5/23
Payment Terms	2% 10, Net 30
Deduct \$0.18 on merchandise and tax if paid by 6/15/23.	

Billed to
AMERICAN CONSTRUCTION CO
1501 TAYLOR WAY
TACOMA WA 98421

Shipped to
American Construction Co
1501 Taylor Way
Tacoma WA 98421

Mail Payment to McMaster-Carr
 PO Box 7690
 Chicago IL 60680-7690

Your Account 372076100

Zach Aikins placed this order.

Line	Product	Ordered	Shipped	Balance	Price	Total
1	6389K341 Light Duty Dry-Running Nylon Sleeve Bearing for 3/4" Shaft Diameter and 1" Housing ID, 1-1/2" Long	5 Each	5	0	1.66 Each	8.30
						Merchandise 8.30
						Sales Tax 1.79
						Shipping 9.04
						Total \$19.13

Packing List	Shipped	Weight	Carrier	Tracking
3975086-01	6/5/23	1 lb	FedEx	642095862893



Statement No. _____

EXPENSE STATEMENT

Employee

Pay Period

Name	Emp #
SSN	Position
Department	Manager

From _____
To _____

Date	Account	Description	Mileage	Accom.	Fuel	Meals	Phone	Entertain	Other	TOTAL
				<<Mileage Only						\$0.00
				<<Mileage Only						\$0.00
										\$0.00
										\$0.00
										\$0.00
										\$0.00
										\$0.00
		MC23-22/89-99	Home Depot							\$94.08
		MC22-22/91-18	Home Depot							\$37.30
		MC22-22/91-18	Home Depot							\$49.63
		MC23-22/89-99	Home Depot							\$67.72
		MC 22-22/91-18	Home Depot							\$34.91
		MC23-22/89-99	Home Depot							\$189.40
										\$0.00
										\$0.00
										\$0.00
			0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$473.04

Approved By _____

Notes
2022 Mileage Rate is .56

Payment Needed

Office Use Only _____

Employee Signature: _____



How doers get more done.

31800 SR20 OAK HARBOR, WA 98277
 STORE MGR RHEA WEST (360)675-0105
 8563 00062 31377 04/21/23 10:46 AM
 SALE SELF CHECKOUT
 038902170613 68C-RED <A>
 #68N RED COLOR+ KEY 284.27

	8.54
SUBTOTAL	8.54
SALES TAX	0.77
TOTAL	\$9.31
XXXXXXXXXX7136 DEBIT	USD\$ 9.31

AUTH CODE 001246 Verified By PIN
 Chip Read US DEBIT
 AID A0000000980840

8563 04/21/23 10:46 AM



8563 62 31377 04/21/2023 3343



MC 1322/89-99

How doers get more done.

31800 SR20 OAK HARBOR, WA 98277
 STORE MGR RHEA WEST (360)675-0105
 8563 00002 44418 05/08/23 07:44 AM
 SALE CASHIER DANIEL
 038886001472 SIKA AF2 <A>
 10.10Z SIKA SPR STRNG ANCHRNG ADHSV
 3028.77 86.31

	86.31
SUBTOTAL	86.31
SALES TAX	7.77
TOTAL	\$94.08
XXXXXXXXXX7136 DEBIT	USD\$ 94.08

AUTH CODE 001593 Verified By PIN
 Chip Read US DEBIT
 AID A0000000980840

8563 05/08/23 07:44 AM



8563 02 44418 05/08/2023 5320

8563 04/21/23 10:47 AM
 8563 02 31393 04/21/2023 3343



XXXXXXXXXX7136 DEBIT
 AUTH CODE 002243
 Chip Read
 AID A0000000980840
 USD\$ 37.00
 Verified By PIN
 US DEBIT

31800 SR20 OAK HARBOR, WA 98277
 STORE MGR RHEA WEST (360)675-0105
 8563 00003 31393 04/21/23 10:47 AM
 SALE SELF CHECKOUT
 03898909828 SIKA LEVELING <A>
 290Z SIKA GRAY LEVELING SEALANT
 2817.11 34.22

	34.22
SUBTOTAL	34.22
SALES TAX	3.08
TOTAL	\$27.80



How doers get more done.

LOWE'S HOME CENTERS, LLC
1717 FREEWAY DRIVE
MOUNT VERNON, WA 98273 (360) 424-5030

- SALE -

SALES#: S0035VHF 4723109 TRANS#: 16272309 04-23-23

34612 20-02 COLD GALVANIZED SP 19.96
2 @ 9.98
73258 10.1-02 SIKI GRAY SELF LVL 9.28
61912 H 1-CT 1/2IN-13 X 2IN BL 8.46
6 @ 1.41
63449 GALV ROUND WASHER 1/2IN 5.04
12 @ 0.42
67342 HH 1-CT 1/2-IN 13 GALV HE 2.88
@ 0.48

SUBTOTAL: 45.62

TAX: 4.01

INVOICE 12043 TOTAL: 49.63

DEBIT: 49.63

DEBIT: XXXXXXXXXXXX7136 AMOUNT: 49.63 AUTHCD: 195131

CHIP REFID:00317125085 04/23/23 10:51:28

*PIN Verified

TRACE: 00192911

PURCHASE CASH BACK TOTAL DEBIT

49.63 0.00 49.63

APP: US DEBIT TVR: 8080048000

APP: A000000980840 TSI: 6800

STORE: 35 TERMINAL: 12 04/23/23 10:53:09

OF ITEMS PURCHASED: 27

EXCLUDES FEES, SERVICES AND SPECIAL ORDER ITEMS



ME 23-22/89-19

How doers
get more done.

31800 SR20 OAK HARBOR, WA 98277
STORE MGR RHEA WEST (360)675-0105

8563 00002 45928 05/08/23 01:16 PM
SALE CASHIER DANIEL

033886001472 SIKI AF2 <A>
10.10Z SIKI SPR STRNG ANCHRNG ADHSV
2@28.77 57.54

SUBTOTAL 57.54

SALES TAX 5.18

TOTAL \$62.72

XXXXXXXXXXXX7136 DEBIT

USD\$ 62.72

AUTH CODE 000134

Chip Read

AID A000000980840

Verified By PIN

US DEBIT

8563 05/08/23 01:16 PM



8563 02 45928 05/08/23



MC 23-22/89-99

How doers get more done.

31800 SR20 OAK HARBOR, WA 98277
STORE MGR RHEA WEST (360)675-0105

8563 00002 50589 06/07/23 09:32 AM
SALE CASHIER DANIEL

887480036909 CARRIAGE BLT <A>
CARR BOLT GALV 5/8 X 10 10PC
2@73.98 147.96

AWL 5/8HXNTGAUSS <A>
HEX NUT GALV 5/8 (AWL)
20@0.61 12.20

AVD CT WSHR GLV <A>
FLAT WASHER GALV 5/8 (AVD)
20@0.68 13.60

SUBTOTAL 173.76
SALES TAX 15.54
TOTAL \$189.40

XXXXXXXXXXXX7136 DEBIT USD\$ 189.40

AUTH CODE 000047
Chip Read Verified By PIN
AID A0000000980840 US DEBIT

8563 06/07/23 09:32 AM



8563 02 50589 06/07/2023 6100

RETURN POLICY DEFINITIONS
POLICY ID DAYS POLICY EXPIRES ON
A 1 90 09/05/2023

DID WE NAIL IT?

Take a short survey for a chance TO WIN
A \$5,000 HOME DEPOT GIFT CARD

Opine en español

www.homedepot.com/survey

User ID: H88 110030 101469
PASSWORD: 23307 101467

Entries must be completed within 14 days
of purchase. Entrants must be 18 or
older to enter. See complete rules on
website. No purchase necessary.



MC 22-22/89-99

How doers get more done.

31800 SR20 OAK HARBOR, WA 98277
STORE MGR RHEA WEST (360)675-0105

8563 00062 23291 05/30/23 08:58 AM
SALE SELF CHECKOUT

727096240003 NON SEAL WHT <A>
10.10Z RS NON-BAG SEALANT - WHITE
2@8.68 17.36
043374056860 TPV WHT 10FT <A> 14.67
TPV WDW SEAL LRG 5/16" X19/32" X10 WHT

SUBTOTAL 32.03
SALES TAX 2.88
TOTAL \$34.91

XXXXXXXXXXXX7136 DEBIT USD\$ 34.91

AUTH CODE 002029
Chip Read Verified By PIN
AID A0000000980840 US DEBIT

8563 05/30/23 08:58 AM



8563 62 23291 05/30/2023 4839

RETURN POLICY DEFINITIONS
POLICY ID DAYS POLICY EXPIRES ON
A 1 90 08/28/2023

DID WE NAIL IT?

Take a short survey for a chance TO WIN
A \$5,000 HOME DEPOT GIFT CARD

Opine en español

www.homedepot.com/survey

User ID: H88 55434 46933
PASSWORD: 23280 46871

Entries must be completed within 14 days
of purchase. Entrants must be 18 or
older to enter. See complete rules on
website. No purchase necessary.



Invoice

PAGE : 1 of 1

BILL TO :
AMERICAN CONSTRUCTION
1501 TAYLOR WAY
TACOMA WA 98421

INVOICE NO. : PPPC230045
INVOICE DATE : 06/09/2023
TERMS : PRE-PAID
SHIPPED DATE : 06/09/2023
CARRIER NAME : THEIR TRUCK

SHIP TO :
AMERICAN CONSTRUCTION
1501 TAYLOR WAY
TACOMA, WA 98421

CUST P.O.NO. : MC23-22/89-99
B/L NO. : SIPC232156
FREIGHT CHARGES : FOB
TRADE TERMS : FOB Destination, freight prepaid and add

NO	ITEM NAME	SIZE(in) COIL NO.	LENGTH UOM PRICE	AMOUNT
1	Epoxy Coated Strand - 1/2" x 270 KSI	1/2 S528808-7-4	450.00 FT 2,600.00 /MLF	1,170.00
SUBTOTAL			450.00 USD	1,170.00
			Freight	USD 100.00
			TAX	USD 0.00
TOTAL			USD	1,270.00

REMARK :
E-MAIL INVOICES TO: deem@americanconstco.com

REMIT-TO ADDRESS :
Sumiden Wire Products Corporation
PO Box 2105
Carol Stream, IL 60132-2105

Remit To:

Birch Equipment Rental & Sales #5
PO Box 30918
Bellingham, WA 98228-2918
www.birchequipment.com

Invoice

Closed	Invoice#
Fri 06/09/2023	271918-5

Bill to:

Customer #: 38116

Job Descr: Swap for 2010-01

American Construction Co., Inc.
1501 Taylor Way

Tacoma, WA 98421

Date Out Tue 05/30/2023

Terms	Aging Date
Net 10 Days	Fri 06/09/2023

Spring has sprung! Mowers, Trimmers, Pressure Washers and more...

Sales Rep: Justin W

Qty	Key	Items	Returned Date	Status	Each	Price
1	0160-2010#05	Forklift, Reach 8000lb 44ft, Cab Meter Out: 5973.2 Meter In: 5978.1 Total hours on meter: 4.9 Called Off #330056 on 6/7/2023 for 6/7/2023	Tue 06/06/2023	Returned	\$1,995.00	\$1,995.00
1	HERT-5	WA Equipment Tax	Tue 06/27/2023	Sold	\$24.94	\$24.94

Delivery Tue 05/30/2023 3:00PM

Rob

1280Engle rd
Coupeville, WA 98239

This unit has moved to OH

Pickup Thu 06/08/2023

Rob

1280Engle rd
Coupeville, WA 98239

Current On Account

Please Pay From This Invoice

Rental and Sales:		Logi/Env:		State/Local Tax 2901:
\$2,019.94		\$123.69		\$186.44
Total Amount:	\$2,330.07	Total Paid	\$0.00	Total Due: \$2,330.07

360-293-7788

www.birchequipment.com

360-293-8260



Invoice Number	Invoice Date	Account Number
8-164-56945	Jun 16, 2023	1178-3990-7

Billing Address:

AMERICAN CONSTRUCTION CO INC
1501 TAYLOR WAY
TACOMA WA 98421-4100

Shipping Address:

AMERICAN CONSTRUCTION CO
1501 TAYLOR WAY
TACOMA WA 98421-4100

Invoice Questions?**Contact FedEx Revenue Services**

Phone: 800.622.1147
M-F 7 AM to 8 PM CST
Sa 7 AM to 6 PM CST
Internet: fedex.com

Invoice Summary**FedEx Express Services**

Total Charges	USD	\$48.57
TOTAL THIS INVOICE	USD	\$48.57

You saved \$16.56 in discounts this period!

Other discounts may apply.

To pay your FedEx invoice, please go to www.fedex.com/payment. Thank you for using FedEx.

Account Summary as of Jun 16, 2023

Previous Balance	26.40
Payments	-26.40
Adjustments	0.00
New Charges	48.57

New Account Balance \$48.57

Payments not received by Jul 01, 2023 are subject to a late fee.



American Construction Co., Inc.
RECEIVED

JUN 20 2023

KC__BL__PS__NA__
JB__ _ _ _

Detailed descriptions of surcharges can be located at fedex.com

To ensure proper credit, please return this portion with your payment to FedEx. Please do not staple or fold. Please make check payable to FedEx.

Invoice Number	Invoice Amount	Account Number	Account Balance
8-164-56945	USD \$48.57	1178-3990-7	USD \$48.57

Remittance Advice

Your payment is due by Jul 01, 2023

Payments not received by this date are subject to a late fee.

816456945400000485791178399075000004857900000485790

0038418 01 AB 0.507 **AUTO T3 0 1166 98421-410001 -C01-P38456-11



AMERICAN CONSTRUCTION CO INC
1501 TAYLOR WAY

TACOMA WA 98421-4100



FedEx
P.O. Box 94515
PALATINE IL 60094-4515



63322660003110

Invoice Number	Invoice Date	Account Number	Page
8-164-56945	Jun 16, 2023	1178-3990-7	2 of 2

FedEx Express Shipment Summary By Payor Type

FedEx Express Shipments (Original)

Payor Type	Shipments	Rated Weight lbs	Transportation Charges	Special Handling Charges	Ret Chg/Tax Credits/Other	Discounts	Total Charges
Shipper	1		36.80	28.33		-16.56	48.57
Total FedEx Express	1		\$36.80	\$28.33		-\$16.56	\$48.57
TOTAL THIS INVOICE						USD	\$48.57



FedEx Express Shipment Detail By Payor Type (Original)

Ship Date: Jun 09, 2023 **Cust. Ref.:** INVOICE#PPPC230045 **Ref.#2:**
Payor: Shipper **Ref.#3:**

- Fuel Surcharge - FedEx has applied a fuel surcharge of 13.75% to this shipment.
- Distance Based Pricing, Zone 7
- 1st attempt Jun 12, 2023 at 08:44 AM.
- Original address - C/O CITIBANK LOCKBOX OP #2105/Chicago, IL 60631
- Your revenue threshold for this ship date was not met, therefore no Earned Discounts were applied.

		Sender	Recipient	
Automation	INET	Maren Culbert	GLEN GALLAMORE	
Tracking ID	772405596056	AMERICAN CONSTRUCTION CO., INC	* SUMIDEN WIRE PRODUCTS CORP.	
Service Type	FedEx 2Day	1501 Taylor Way	5505 CUMBERLAND	
Package Type	FedEx Envelope	TACOMA WA 98421 US	HARWOOD HEIGHTS IL 60656 US	
Zone	07			
Packages	1			
Rated Weight	N/A	Transportation Charge		36.80
Declared Value	USD 20.00	Discount		-16.56
Delivered	Jun 12, 2023 15:17	Fuel Surcharge		3.33
Svc Area	A1	Declared Value Charge		0.00
Signed by	E.CASTRO	Courier Pickup Charge		4.00
FedEx Use	000000000/1113/_	Address Correction		21.00
		Total Charge	USD	\$48.57
		Shipper Subtotal	USD	\$48.57
		Total FedEx Express	USD	\$48.57

FedEx® Billing Online

FedEx Billing Online allows you to efficiently manage and pay your FedEx invoices online. It's free, easy and secure. FedEx Billing Online helps you streamline your billing process. With all your FedEx shipping information available in one secure online location, you never have to worry about misplacing a paper invoice or sifting through reams of paper to find information for past shipments. Go to fedex.com to sign up today!

Remit To:

Birch Equipment Rental & Sales #5
PO Box 30918
Bellingham, WA 98228-2918
www.birchequipment.com

Invoice

Continued	Invoice#
Tue 06/20/2023	264805F-5

Bill to:

Customer #: 38116

American Construction Co., Inc.
1501 Taylor Way

Tacoma, WA 98421

Job Descr: CPU

PO #: MC2222-8999

Date Out Tue 05/30/2023

Terms	Aging Date
Net 10 Days	Tue 06/20/2023

Spring has sprung! Mowers, Trimmers, Pressure Washers and more. . .

Picked up by: Rob

Sales Rep: Jeff B

Qty	Key	Items	Billed To	Status	Each	Price
1	0100-3455#02	Generator, 25kva, Diesel, w/Trailer	Tue 06/27/2023	Billed To	\$1,080.00	\$1,080.00
		Meter Out: 7279.8	Meter In: 7314.8	Total hours on meter: 35.0		
1	0100-0752-5	Cord, Electric 6/4 50ft	Tue 06/27/2023	Billed To	\$63.00	\$63.00
1	HERT-5	WA Equipment Tax	Tue 05/23/2023	Pulled	\$0.79	\$0.79

Used at Address

Rob Pate 425-238-3144
Coupeville
1280 Engle Rd
Coupeville, WA 98239

Current On Account

Please Pay From This Invoice

Rental and Sales:		Logi/Env:		State/Local Tax 2901:
\$1,143.79		\$70.87		\$106.82
Total Amount:	\$1,321.48	Total Paid	\$0.00	Total Due: \$1,321.48

360-293-7788

www.birchequipment.com

360-293-8260



Sales Invoice



Oak Harbor
 33860 State Route 20
 Oak Harbor, Washington
 98277
 Phone: (360) 675-7790
 Fax: (360) 679-2563

Please Remit To:
 Builders Alliance
 3801 Hannegan Road
 Bellingham, WA. 98226

Invoice No 1001892
Invoice Date 06/26/2023
Terms 1% 10th, Net 25th
Customer AMERCONS
Contact Name Rob Pate (Needs PO)
Contact Number
Job
Your Ref oak harbor/mc2322-8999
Our Ref 4614525
Taken By Gary Stultz
Sales Rep House Account BAFR
Sale Type Pickup Now

Customer
 American Construction Co Inc
 1501 Taylor Way
 Tacoma, Washington, 98421



Special Instructions

Line	Product Code	Description	Qty/Footage	Price	UOM	Total	
1	346GTR	GALV THREADED ROD 3/4" X 6'	2 ea	21.94	ea	43.88	T

<p>The invoice is due on 07/25/2023. A discount of \$0.44 may be deducted from the total if the invoice is paid by 07/10/2023.</p> <p><small>In the event the Buyers obligations arising under this invoice are enforced through a collection agency or attorneys with or without suit or any other proceedings the buyer agrees to pay all collection costs and/or reasonable attorney fees on the balance due plus court costs.</small></p>	Total Amount	\$43.88
	Sales Tax	<i>Resale</i> \$3.95
	Invoice Total	\$47.83

Goods received in good condition

Print name _____

Signature _____



Sales Invoice



Oak Harbor
 33860 State Route 20
 Oak Harbor, Washington
 98277
 Phone: (360) 675-7790
 Fax: (360) 679-2563

Please Remit To:
 Builders Alliance
 3801 Hannegan Road
 Bellingham, WA. 98226

Invoice No **1001856**
Invoice Date 06/26/2023
Terms 1% 10th, Net 25th
Customer AMERCONS
Contact Name Rob Pate (Needs PO)
Contact Number
Job
Your Ref MC 2322-8999
Our Ref 4613200
Taken By Dave Kleffel
Sales Rep House Account BAFR
Sale Type Pickup Now

Customer
 American Construction Co Inc
 1501 Taylor Way
 Tacoma, Washington, 98421



Special Instructions

Line	Product Code	Description	Qty/Footage	Price	UOM	Total	
1	2007870	Milwaukee 48-00-5184 6" 18 TPI SAWZALL Blades (5 Pk)	1 ea	16.99	ea	16.99	T

<p>The invoice is due on 07/25/2023. A discount of \$0.17 may be deducted from the total if the invoice is paid by 07/10/2023.</p> <p>In the event the Buyers obligations arising under this invoice are enforced through a collection agency or attorneys with or without suit or any other proceedings the buyer agrees to pay all collection costs and/or reasonable attorney fees on the balance due plus court costs.</p>	Total Amount	\$16.99
	Sales Tax	\$1.52
	Invoice Total	\$18.51

Goods received in good condition

Print name _____

Signature _____



INVOICE

*** DUPLICATE ***



Customer #	Invoice Date	Invoice #
17150	06/26/23	260070378-00
Pmnt Terms	PO #	Page #
1%10th N30	MC2322-8999	1
Ship Via	Freight Terms	
WC Burlingtn		
Reference	Written By	Delivery Rep
	BLS	MML

Remit To TACOMA SCREW PRODUCTS INC
ATTENTION ACCOUNTS RECEIVABLE
2001 CENTER ST
TACOMA, WA 98409-7895

Pick Up Address BURLINGTON
TACOMA SCREW PRODUCTS INC
1075 GOLDENROD RD
BURLINGTON, WA 98233-3403
(360)757-1075/

Bill To AMERICAN CONSTRUCTION CO INC
ATTN: ACCOUNTS PAYABLE
1501 TAYLOR WAY
TACOMA, WA 98421-4100

Ship To AMERICAN CONSTRUCTION CO INC
ATTN: RECEIVING
1501 TAYLOR WAY
TACOMA, WA 98421-4100

Ln #	Product # And Description	Quantity Ordered	Quantity Shipped	Quantity Backordered	Unit Price	UM	Amount (Net)
1	017-115-2 3/4"-10 x 16" Carriage Bolts - ASTM A307, Coarse Thread, Galvanized	3	3	0	16.84900	EA	50.55
2	039-441-1 3/4"-10 x 3 ft. Threaded Rod - ASTM A307 Grade A, Coarse Thread, Galvanized	4	4	0	31.95710	EA	127.83
	EXT						\$178.38
3	556-703 3/4 ton Lever Chain Hoist	1	1	0	394.72320	EA	394.72

3	Lines Total	Qty Shipped Total	8				Merchandise Total \$ 573.10
							Taxes \$ 49.29
							Invoice Total \$ 622.39
							Balance Due \$ 622.39

Thank you for your order. Please note that all sales are subject to Tacoma Screw Products Inc.'s Terms of Sale and Condition of Sale. If there should be any questions, or if we can be of further service, please call (253) 572-3444 or (800) 562-8192. We appreciate and value your continued business.

Picked Up By Rob Pate Cash Discount 5.73 If Paid By 07/10/23



INVOICE

*** DUPLICATE ***



Customer #	Invoice Date	Invoice #
17150	06/27/23	260070558-00
Pmnt Terms	PO #	Page #
1%10th N30	MC2322-8999	1
Ship Via	Freight Terms	
WC Burlingtn		
Reference	Written By	Delivery Rep
Rob	DCM	MML

Remit To TACOMA SCREW PRODUCTS INC
ATTENTION ACCOUNTS RECEIVABLE
2001 CENTER ST
TACOMA, WA 98409-7895

Pick Up Address BURLINGTON
TACOMA SCREW PRODUCTS INC
1075 GOLDENROD RD
BURLINGTON, WA 98233-3403
(360)757-1075/

Bill To AMERICAN CONSTRUCTION CO INC
ATTN: ACCOUNTS PAYABLE
1501 TAYLOR WAY
TACOMA, WA 98421-4100

Ship To AMERICAN CONSTRUCTION CO INC
ATTN: RECEIVING
1501 TAYLOR WAY
TACOMA, WA 98421-4100

Ln #	Product # And Description	Quantity Ordered	Quantity Shipped	Quantity Backordered	Unit Price	UM	Amount (Net)
1	127-612-1 3/4"-10 x 3 ft. Threaded Rod - 18-8 Stainless Steel, Coarse	4	4	0	42.93080	EA	171.72
2	130-011-1 3/4" x 1-7/8" x .103 - .116 Flat Washers - 18-8 Stainless Steel	8	8	0	1.32150	EA	10.57
3	128-107-1 3/4"-10 Finished Hex Full Nuts - 18-8 Stainless Steel, Coarse	8	8	0	1.45470	EA	11.64

3	Lines Total	Qty Shipped Total	20		Merchandise Total \$	193.93
					Taxes \$ <i>Rush</i>	16.68
					Invoice Total \$	210.61
					Balance Due \$	210.61

Thank you for your order. Please note that all sales are subject to Tacoma Screw Products Inc.'s Terms of Sale and Condition of Sale. If there should be any questions, or if we can be of further service, please call (253) 572-3444 or (800) 562-8192. We appreciate and value your continued business.

Picked Up By Rob Pate Cash Discount 1.94 If Paid By 07/10/23



On the West Coast in Everett
 1028 W Marine View Dr
 Everett, WA 98201
 Ph: 425-339-2666 Fx: 425-258-2545
www.dunlapindustrial.com

Invoice

Invoice Number : 382368-1
 Customer# : AMECON
 Invoice Date : 06/28/2023
 Due Date : 07/28/2023
 Ship Date : 06/27/2023
 Ordered By : ROB
 Entered By : Jackson Malysheff
 Salesperson : 101, HOUSE ACCOUNT
 Terms : N30
 Ship Via :
 Ship Acct# :
 Customer PO : MC2322-8999

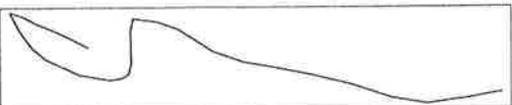
Bill to: AMERICAN CONSTRUCTION
 1501 TAYLOR WAY
 TACOMA, WA 98421

Phone: (253) 254-0118 Fax: (253) 254-0155

Ship to: DUNLAP COUNTER SALE
 1028 W MARINE VIEW DR
 EVERETT, WA 98201-1557

Phone: (253) 254-0118 Fax: (253) 254-0155

Line	Order	Ship	B/O	U/M	Item #	Description	Price	Per	Extension
0001	2	2	0	EA	LIF TE292X20P	2" X 20', 2PLY POLYESTER SLING 6400#-V, 5120#-C, 12.800#-B TWISTED EYE	43.95	EA	87.90
0002	10	10	0	EA	PFE 63114	4-1/2X3/32X5/8-11, STL CUT-OFF 10/BX, TYPE 27	4.77	EA	47.69
0003	1	1	0	EA	DRI SM-375-375	7/8x17INSDS-MAX BIT 11-1/2 USEABLE	71.38	EA	71.38
SubTotal									206.97
Tax									20.49
Total USD									227.46



Thank you for your business!

West Coast Wire Rope & Rigging Inc.

Branch: 20
 2900 NW 29th Avenue
 PORTLAND, OR 97210
 USA

PHONE: 503-228-9353
 FAX: 503-228-2435
 EMAIL: AR@WCWR.COM

INVOICE

INVOICE	
5604125	
Invoice Date	Page
06/30/2023 11:03:27	1 of 1
ORDER NUMBER	
1733018	

AMERICAN CONSTRUCTION CO INC (E)
 1501 TAYLOR RD
 TACOMA, WA 98421

Ship To:
 AMERICAN CONSTRUCTION CO INC
 CONTACT: ROB PATE 425-238-3144
 1404 SE CATALINA DR.
 OAK HARBOR, WA 98277

Customer ID: 12406

Term Description		Net Due Date	Disc Due Date	Discount Amount	Resale Certificate
NET 30		07/30/2023	07/30/2023	0.00	A17130023
Order Date	Pick Ticket No	PO Number			Sales Rep
05/26/2023 16:38:52	3608033	MC23-22/89-99			KATHIS
Quantities					
Ordered	Shipped	Remaining	UOM Unit Size	Disp. Item Description	Item ID Pricing UOM Unit Price Extended Price

Delivery Instructions: PLEASE DELIVER FITTINGS WITH PDX PT
 UNIT #2

Carrier: JASON BUDNICK

Tracking #:

6.000	6.000	0.000	EA	202156NS	EA	92.7500	556.50
			1.0	1/2" FEMALE GRABB-IT		1.0	

Total Lines: 1

SUB-TOTAL: 556.50

TAX: 0.00

AMOUNT DUE: 556.50

ALL WIRE ROPE IS OF IMPORT ORIGIN UNLESS OTHERWISE SPECIFIED. ALL CLAIMS MUST BE UPON RECEIPT OF MERCHANDISE. NO UNAUTHORIZED RETURNS WILL BE ACCEPTED. NO REPRESENTATIONS OR WARRANTIES ARE MADE UNLESS SPECIFICALLY SET FORTH HERE IN WRITING. ALL RETURNS ARE SUBJECT TO OUR INSPECTION AND WE RESERVE THE RIGHT TO IMPOSE A 20% RESTOCKING CHARGE. WEST COAST WIRE ROPE ASSUMES NO RESPONSIBILITY FOR THE USE OR MISAPPLICATION OF ANY PRODUCTS SOLD BY THIS FIRM. OUR PRODUCTS ARE SOLD WITH THE EXPRESS UNDERSTANDING THAT THE PURCHASER OR USER IS THOROUGHLY FAMILIAR WITH THE CORRECT APPLICATION AND PROPER USE FOR WHICH IT IS BEING PURCHASED. WEST COAST WIRE ROPE IS NOT RESPONSIBLE FOR CUSTOMER SUPPLIED MATERIALS. WE RESERVE THE RIGHT TO IMPOSE A 1 1/2% (18% PER ANNUM) FINANCE CHARGE ON ALL PAST DUE INVOICES. FINANCE CHARGES WILL NOT BE INVOICED

*** REPRINT ***

West Coast Wire Rope & Rigging Inc.

Branch: 20
 2900 NW 29th Avenue
 PORTLAND, OR 97210
 USA

PHONE: 503-228-9353
 FAX: 503-228-2435
 EMAIL: AR@WCWR.COM

INVOICE

INVOICE	
5604124	
Invoice Date	Page
06/30/2023 11:02:35	1 of 1
ORDER NUMBER	
1733018	

AMERICAN CONSTRUCTION CO INC (E)
 1501 TAYLOR RD
 TACOMA, WA 98421

Ship To:
 AMERICAN CONSTRUCTION CO INC
 CONTACT: ROB PATE 425-238-3144
 1404 SE CATALINA DR.
 OAK HARBOR, WA 98277

Customer ID: 12406

Term Description	Net Due Date	Disc Due Date	Discount Amount	Resale Certificate				
NET 30	07/30/2023	07/30/2023	0.00	A17130023				
Order Date	Pick Ticket No	PO Number		Sales Rep				
05/26/2023 16:38:52	3609015	MC23-22/89-99		KATHIS				
Quantities								
Ordered	Shipped	Remaining	UOM Unit Size	Disp.	Item ID Item Description	Pricing UOM Unit Size	Unit Price	Extended Price

Delivery Instructions: PLEASE DELIVER FITTINGS WITH PDX PT
 UNIT #2

Carrier: JASON BUDNICK

Tracking #:

1.000	1.000	0.000	EA		EQUIPRENT EQUIPMENT RENTAL	EA	75.0000	75.00
				1.0	WITH PLS MODEL-ECA POWER UNIT RENTAL RATE \$75/DAY OR \$350/WEEK			

Total Lines: 1

SUB-TOTAL: 75.00

TAX: 0.00

AMOUNT DUE: 75.00

ALL WIRE ROPE IS OF IMPORT ORIGIN UNLESS OTHERWISE SPECIFIED. ALL CLAIMS MUST BE UPON RECEIPT OF MERCHANDISE. NO UNAUTHORIZED RETURNS WILL BE ACCEPTED. NO REPRESENTATIONS OR WARRANTIES ARE MADE UNLESS SPECIFICALLY SET FORTH HERE IN WRITING. ALL RETURNS ARE SUBJECT TO OUR INSPECTION AND WE RESERVE THE RIGHT TO IMPOSE A 20% RESTOCKING CHARGE. WEST COAST WIRE ROPE ASSUMES NO RESPONSIBILITY FOR THE USE OR MISAPPLICATION OF ANY PRODUCTS SOLD BY THIS FIRM. OUR PRODUCTS ARE SOLD WITH THE EXPRESS UNDERSTANDING THAT THE PURCHASER OR USER IS THOROUGHLY FAMILIAR WITH THE CORRECT APPLICATION AND PROPER USE FOR WHICH IT IS BEING PURCHASED. WEST COAST WIRE ROPE IS NOT RESPONSIBLE FOR CUSTOMER SUPPLIED MATERIALS. WE RESERVE THE RIGHT TO IMPOSE A 1 1/2% (18% PER ANNUM) FINANCE CHARGE ON ALL PAST DUE INVOICES. FINANCE CHARGES WILL NOT BE INVOICED

*** REPRINT ***

Invoice #: INV-00308732



Date: 7/1/23

Billing Questions?
855-701-5968
billing@pacificmobile.com

PO #: MC 23-22/89-99

Ordered by: Rob Pate

Site Location: 1401 SE CATALINA DR, OAK HARBOR, WA 98277-4706

American Construction Co, Inc
1501 TAYLOR WAY
TACOMA, WA 98421-4100

Internal Use: EMAIL
deem@americanconstco.com

Branch No.: 5

Due Date: 7/1/23

Customer Number: 500096

Order #: RO026809

Unit #: 18065

Description	QTY	Price	Amount	Tax	Total
<u>Term: 7/1/2023 - 7/31/2023</u>					
10x24 Office Rental	1	\$671.00	\$671.00	\$60.40	\$731.40
Fee - Personal Property Tax	1	\$11.00	\$11.00	\$1.00	\$12.00
Rental - OSHA Step	1	\$60.00	\$60.00	\$5.40	\$65.40

Subtotal		\$742.00
Sales Tax	9.00%	\$66.80
Total Due		<u>\$808.80</u>

Kindly return this portion with your payment

Invoice #: INV-00308732

American Construction Co, Inc

Customer #: 500096

Rental Order #: RO026809

Due Date: 7/1/2023

Amount Due: \$808.80

Amount Enclosed: \$ _____

Please remit payment to:
Pacific Mobile Structures, Inc.
P.O. Box 24747
Seattle, WA 98124-0747

Remit To:

Birch Equipment Rental & Sales #5
 PO Box 30918
 Bellingham, WA 98228-2918
 www.birchequipment.com

Invoice

Closed	Invoice#
Thu 07/06/2023	272427-5

Bill to:

Customer #: 38116

Job Descr: Del

American Construction Co., Inc.
 1501 Taylor Way
 Tacoma, WA 98421

Date Out Mon 06/26/2023

Terms	Aging Date
Net 10 Days	Thu 07/06/2023

Spring has sprung! Mowers, Trimmers, Pressure Washers and more...

Sales Rep: Justin W

Qty	Key	Items	Returned Date	Status	Each	Price
1	0160-2010#05	Forklift, Reach 8000lb 44ft, Cab Meter Out: 5978.5 Meter In: 5987.7 Total hours on meter: 9.2 Called Off #331400 on 6/29/2023 for 6/29/2023	Thu 06/29/2023	Returned	\$1,995.00	\$1,995.00
1	0160-3056#02	Forklift, 6ft Fork Set GTH844 Called Off #331400 on 6/29/2023 for 6/29/2023	Thu 06/29/2023	Returned	\$75.00	\$75.00
1	HERT-5	WA Equipment Tax	Mon 07/17/2023	Sold	\$24.94	\$24.94
1	HERT-5	WA Equipment Tax	Mon 07/17/2023	Sold	\$0.94	\$0.94
1	ZHSEMI	Delivery, Per Hour - Semi	Mon 06/19/2023	Sold	\$165.00	\$165.00
1	IPKUPSEMI	Pickup, Per Hour - Semi	Mon 06/19/2023	Sold	\$165.00	\$165.00

Delivery Mon 06/26/2023 7:00AM - 9:00AM

Rob 425-238-3144
 Oak Harbor Marina
 1401 SE Catalina Dr.
 Oak Harbor, WA 98277
 Oak Harbor Marina

Pickup Fri 06/30/2023 1:07PM

Rob 425-238-3144
 Oak Harbor Marina
 1401 SE Catalina Dr.
 Oak Harbor, WA 98277

Current On Account

Please Pay From This Invoice

Rental and Sales:		Logi/Env:		State/Local Tax 1503:
\$2,425.88		\$148.80		\$229.39
Total Amount:	\$2,804.07	Total Paid	\$0.00	Total Due: \$2,804.07

360-293-7788

www.birchequipment.com

360-293-8260

CITY OF OAK HARBOR F-DOCK MARINA REPAIRS PROJECT CHANGE ORDER NO.4



CITY OF
Oak Harbor
WHIDBEY ISLAND, WASHINGTON

City Council Meeting

BACKGROUND

- The City of Oak Harbor Marina experienced damage to F-Dock in several previous storms.
- The previous damage was repaired through a contract with American Construction.
- Another wind event on April 4, 2022, damaged the Boat Ramp Dock.
- Repair of the recent damage is an additional insurance claim.
- Staff negotiated a change order with American Construction to get the dock repaired.
- Due to insurance and permitting issues, repair could not take place till this spring.

BOAT RAMP DAMAGE



ADDITIONAL REPAIRS

- The insurance claim for the boat ramps limited repairs to the pile support, the immediate 3 damaged floats, and the support cable.
- The boat ramp was constructed in the 1980's and was in need some additional maintenance/repairs beyond the insurance claim.
- The majority of the needed repairs consisted of replacing rotted wood and rusted supports.

BOAT RAMP CONDITION



BOAT RAMP CONDITION



ADDITIONAL REPAIRS (2)

- With the ramp out of the water and already under major repair, it was more efficient to add this additional maintenance work to the repair contract with American Construction.
- The actual amount of repair was difficult to estimate, so American agreed to proceed on a time and materials basis.

BOAT RAMP REPAIRS



BOAT RAMP REPAIRS



BOAT RAMP REPAIRS



ADDITIONAL REPAIRS (3)

- City staff coordinated with American Construction on what repairs were desired and were able to provide the majority of the materials which avoided markups.
- American Construction's construction crew were very competent, efficient, and worked closely with the marina staff, providing an improved boat ramp at completion.

CHANGE ORDER NO. 4

- The original insurance claim was \$85,306.99 which will be reimbursed by the insurance company less deductibles.
- The additional boat ramp repairs totaled to \$51,408.18 including tax.
- This additional repair work will be funded by marina funds.

RECOMMENDATION

It is recommended that City Council authorize the Mayor to sign Change Order No. 4 for additional boat ramp repairs in the amount of \$51,408.18 increasing the total contract amount to \$1,038,582.69.

Questions?

City Council Meeting

9/5/2023

City of Oak Harbor
City Council Agenda Bill

Bill No. 4.f.
Date: September 5, 2023
Subject: Resolution 23-20: Authorizing
the Mayor to sign a Recreation
Conservation Office (RCO)
Local Parks Maintenance Grant
Application

FROM: Brian Smith, Parks and Recreation Director

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:

- ⊙ Bob Severns, Mayor
- ⊙ Blaine Oborn, City Administrator
- ⊙ David Goldman, Finance Director
- ⊙ Hillary J. Evans, City Attorney, as to form

RECOMMENDED ACTION

Motion to approve Resolution 23-20, authorizing the Mayor to sign a Recreation and Conservation Office Local Parks Maintenance Grant Application.

BACKGROUND / SUMMARY INFORMATION

Washington State Recreation and Conservation Office has opened a grant cycle for Local Parks Maintenance. The funding is intended for deferred maintenance projects at city-owned parks.

LEGAL AUTHORITY

FISCAL IMPACT

Potential for receiving \$100,000 grant funds for the City with no matching requirement.

PREVIOUS COUNCIL / BOARD / CITIZEN INPUT

The City Council approved Resolution 23-14, authorizing the Mayor to sign the RCO Local Parks Maintenance grant application for an Oak Harbor Marina project.

The RCO has since put out guidance and the Marina project does not fit the parameters of this grant.

ATTACHMENTS

1. [RCO Powerpoint](#)
2. [RCO Resolution Form](#)
3. [Resolution 23-20](#)

CITY OF OAK HARBOR RCO LOCAL PARKS MAINTENANCE GRANT APPLICATION



CITY OF
Oak Harbor
WHIDBEY ISLAND, WASHINGTON

City Council Workshop
6/28/2023

RCO LOCAL PARKS MAINTENANCE

- **New Grant Opportunity**
 - Washington State Legislature is providing one time funding
 - \$2.5 million in FY 2024 Operating Budget
 - \$2.5 million in FY 2025 Operating Budget
 - Help local parks departments maintain working facilities
 - Focus on helping community in need address maintenance backlogs
 - Matching funds not required
 - Non-ground disturbing projects in FY 2024

DEFERRED MAINTENANCE

- Working with Little League
- Repair/Replace dugouts
- Replace bleacher
- Replace backstops
- Laser grading
- Aerating outfields
- Repair scoreboards

■ **IMPROVES SAFETY**



MOTION

I move to approve Resolution 23-20, authorizing the Mayor to sign a Recreation Conservation Office (RCO) Grant Application for the Local Parks Maintenance Grant (LPM).



Applicant Resolution/Authorization

Organization Name (sponsor) _____

Resolution No. or Document Name _____

Project(s) Number(s), and Name(s) _____

This resolution/authorization authorizes the person(s) identified below (in Section 2) to act as the authorized representative/agent on behalf of our organization and to legally bind our organization with respect to the above Project(s) for which we seek grant funding assistance managed through the Recreation and Conservation Office (Office).

WHEREAS, grant assistance is requested by our organization to aid in financing the cost of the Project(s) referenced above;

NOW, THEREFORE, BE IT RESOLVED that:

1. Our organization has applied for or intends to apply for funding assistance managed by the Office for the above "Project(s)."
2. Our organization authorizes the following persons or persons holding specified titles/positions (and subsequent holders of those titles/positions) to execute the following documents binding our organization on the above projects:

Grant Document	Name of Signatory or Title of Person Authorized to Sign
Grant application (submission thereof)	
Project contact (day-to-day administering of the grant and communicating with the RCO)	
RCO Grant Agreement (Agreement)	
Agreement amendments	
Authorizing property and real estate documents (Notice of Grant, Deed of Right or Assignment of Rights if applicable). These are items that are typical recorded on the property with the county.	

The above persons are considered an "authorized representative(s)/agent(s)" for purposes of the documents indicated. Our organization shall comply with a request from the RCO to provide documentation of persons who may be authorized to execute documents related to the grant.

3. Our organization has reviewed the sample RCO Grant Agreement on the Recreation and Conservation Office's WEB SITE at: <https://rco.wa.gov/wp-content/uploads/2019/06/SampleProjAgreement.pdf>. We understand and acknowledge that if offered an agreement to sign in the future, it will contain an indemnification and legal venue stipulation and other terms and conditions substantially in the form contained in the sample Agreement and that such terms and conditions of any signed Agreement shall be legally binding on the sponsor if our representative/agent enters into an Agreement on our behalf. The Office reserves the right to revise the Agreement prior to execution.
4. Our organization acknowledges and warrants, after conferring with its legal counsel, that its authorized representative(s)/agent(s) have full legal authority to act and sign on behalf of the organization for their assigned role/document.
5. Grant assistance is contingent on a signed Agreement. Entering into any Agreement with the Office is purely voluntary on our part.
6. Our organization understands that grant policies and requirements vary depending on the grant program applied to, the grant program and source of funding in the Agreement, the characteristics of the project, and the characteristics of our organization.
7. Our organization further understands that prior to our authorized representative(s)/agent(s) executing any of the documents listed above, the RCO may make revisions to its sample Agreement and that such revisions could include the indemnification and the legal venue stipulation. Our organization accepts the legal obligation that we shall, prior to execution of the Agreement(s), confer with our authorized representative(s)/agent(s) as to any revisions to the project Agreement from that of the sample Agreement. We also acknowledge and accept that if our authorized representative(s)/agent(s) executes the Agreement(s) with any such revisions, all terms and conditions of the executed Agreement shall be conclusively deemed to be executed with our authorization.
8. Any grant assistance received will be used for only direct eligible and allowable costs that are reasonable and necessary to implement the project(s) referenced above.
9. [for Recreation and Conservation Funding Board Grant Programs Only] If match is required for the grant, we understand our organization must certify the availability of match at least one month before funding approval. In addition, our organization understands it is responsible for supporting all non-cash matching share commitments to this project should they not materialize.
10. Our organization acknowledges that if it receives grant funds managed by the Office, the Office will pay us on only a reimbursement basis. We understand reimbursement basis means that we will only request payment from the Office after we incur grant eligible and allowable costs and pay them. The Office may also determine an amount of retainage and hold that amount until all project deliverables, grant reports, or other responsibilities are complete.
11. [for Acquisition Projects Only] Our organization acknowledges that any property acquired with grant assistance must be dedicated for the purposes of the grant in perpetuity unless otherwise agreed to in writing by our organization and the Office. We agree to dedicate the property in a signed "Deed of Right" for fee acquisitions, or an "Assignment of Rights" for other than fee acquisitions (which documents will be based upon the Office's standard versions of those documents), to be recorded on the title of the property with the county auditor. Our organization acknowledges that any property

acquired in fee title must be immediately made available to the public unless otherwise provided for in policy, the Agreement, or authorized in writing by the Office Director.

12. [for Development, Renovation, Enhancement, and Restoration Projects Only–If our organization owns the project property] Our organization acknowledges that any property owned by our organization that is developed, renovated, enhanced, or restored with grant assistance must be dedicated for the purpose of the grant in perpetuity unless otherwise allowed by grant program policy, or Office in writing and per the Agreement or an amendment thereto.
13. [for Development, Renovation, Enhancement, and Restoration Projects Only–If your organization DOES NOT own the property] Our organization acknowledges that any property not owned by our organization that is developed, renovated, enhanced, or restored with grant assistance must be dedicated for the purpose of the grant as required by grant program policies unless otherwise provided for per the Agreement or an amendment thereto.
14. [Only for Projects located in Water Resources Inventory Areas 1-19 that are applying for funds from the Critical Habitat, Natural Areas, State Lands Restoration and Enhancement, Riparian Protection, or Urban Wildlife Habitat grant categories; Aquatic Lands Enhancement Account; or the Puget Sound Acquisition and Restoration program, or a Salmon Recovery Funding Board approved grant] Our organization certifies the following: the Project does not conflict with the Puget Sound Action Agenda developed by the Puget Sound Partnership under RCW 90.71.310.
15. This resolution/authorization is deemed to be part of the formal grant application to the Office.
16. Our organization warrants and certifies that this resolution/authorization was properly and lawfully adopted following the requirements of our organization and applicable laws and policies and that our organization has full legal authority to commit our organization to the warranties, certifications, promises and obligations set forth herein.

This resolution/authorization is signed and approved on behalf of the resolving body of our organization by the following authorized member(s):

Signed _____

Title _____ Date _____

On File at: _____

This Applicant Resolution/Authorization was adopted by our organization during the meeting held:
(Local Governments and Nonprofit Organizations Only):

Location: _____ Date: _____

Washington State Attorney General's Office

Approved as to form Brian Tallen 2/13/2020
Assistant Attorney General Date

You may reproduce the above language in your own format; however, text may not change.

RESOLUTION 23-20

A RESOLUTION OF THE CITY OF OAK HARBOR AUTHORIZING
ITS PARKS AND RECREATION DEPARTMENT TO APPLY FOR WASHINGTON
STATE RECREATION AND CONSERVATION OFFICE LOCAL PARKS
MAINTENANCE GRANT

WHEREAS, the Parks and Recreation Director proposes to apply to a “Local Parks Maintenance” grant offered by the Washington State Recreation and Conservation Office; and

WHEREAS, the Washington State Legislature approved one-time funding to help local parks departments maintain their working facility to meet the needs of their residents; and

WHEREAS, the City owns and maintains ballfields at Windjammer Park and other area parks; and

WHEREAS, the fields are in need of deferred maintenance and repairs due, in part, to the Covid-19 pandemic; and

WHEREAS, the City would receive up to \$100,000 in grant funding to assist with this deferred maintenance;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Oak Harbor that the Mayor is authorized to sign Resolution 23-20 in support of obtaining grant funding to assist with a maintenance project for the ballfields at Windjammer Park and that the Mayor and/or his designee is authorized to execute all documents necessary to apply for the grant.

PASSED by the City Council and approved by its Mayor this 5th day of September, 2023.

CITY OF OAK HARBOR

Robert Severns, Mayor

Attest:

Julie Nester, City Clerk

Approved as to Form:

Hillary J. Evans, City Attorney

**City of Oak Harbor
City Council Agenda Bill**

Bill No. 6.a.
Date: September 5, 2023
Subject: Continuation of Public Hearing
- Ordinance No. 1979: Franchise
Agreement with Comcast Cable
Communications, LLC

FROM: Blaine Oborn, City Administrator

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:

- Bob Severns, Mayor
- Blaine Oborn, City Administrator
- David Goldman, Finance Director
- Hillary J. Evans, City Attorney, as to form

RECOMMENDED ACTION

Motion to adopt Ordinance No. 1979 - Approving Franchise Agreement with Comcast Cable Communications, LLC.

BACKGROUND / SUMMARY INFORMATION

The 2004 Franchise Agreement with Comcast expired in 2014 and Comcast has requested that the City of Oak Harbor approve a revised agreement. The City has used the City of Mukilteo's new franchise agreement as a template to update the agreement language. Attorney Lisa Marshall with Kenyon Disend, PLLC has been leading the effort in negotiating the new agreement.

There shouldn't be a change in the fiscal impact to the City from the updated Gross Revenue section of the franchise agreement. In addition, §9.1 authorizes Comcast to collect \$0.25 per month from each residential customer to support the possible addition of capital equipment to support the City's Access channel. This amount (\$0.25) can increase to no more than \$0.50 per month per residential customer but only after the City and Comcast meet and make a decision regarding the additional equipment needed.

Additional information was provided by City Attorney Evans and Finance Director Goldman at the June 28, 2023 workshop. A public hearing to consider the ordinance and franchise agreement was noticed for July 11, 2023. On July 11, 2023, City Council continued the item to August 2, 2023, to pursue changing the agreement from ten years to five years with a stipulation for Comcast to improve services for customers. Staff and legal counsel reviewed the Council directive and sought additional time to negotiate with Comcast. As a result, on August 2, City Council continued the public hearing to its September 5, 2023 meeting.

LEGAL AUTHORITY

RCW 35A.47.040

FISCAL IMPACT

Revenue Neutral

PREVIOUS COUNCIL / BOARD / CITIZEN INPUT

June 28, 2023 City Council Workshop

July 11, 2023 City Council Meeting

August 2, 2023 City Council Meeting

ATTACHMENTS

1. [Ordinance No. 1979](#)
2. [Franchise Agreement with Comcast Cable Communications, LLC](#)
3. [Presentation](#)

ORDINANCE NO. 1979

AN ORDINANCE OF THE CITY OF OAK HARBOR GRANTING A NON-EXCLUSIVE FRANCHISE TO CONSTRUCT, INSTALL, OPERATE, MAINTAIN, REPAIR, OR REMOVE CABLE TELEVISION FACILITIES WITHIN THE PUBLIC WAYS OF THE CITY OF OAK HARBOR TO COMCAST CABLE COMMUNICATIONS, LLC; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the Grantor is authorized by applicable law to grant one or more nonexclusive franchises to construct, operate, and maintain Cable television related facilities within the boundaries of the Grantor; and

WHEREAS, a franchise does not include, and is not a substitute for any other permit, agreement, or other authorization required by the Grantor, including without limitation, permits required in connection with construction activities in public ways which must be administratively approved by the Grantor after review of specific plans; and

WHEREAS, Grantee shall be responsible for its actual costs in using, occupying, and repairing public ways; and

WHEREAS, the Grantor and Grantee desire to effectuate good coordination of the use of the rights-of-way; and

WHEREAS, the Grantor finds that the franchise terms and conditions contained in this ordinance are in the public interest;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF OAK HARBOR do ordain as follows:

Section One. Grant of Franchise. The Mayor is authorized to execute a non-exclusive Franchise Agreement with Comcast Cable Communications, LLC to construct, install, operate, maintain, repair and remove cable television facilities within the public ways of the City of Oak Harbor for a period of 10 years on the terms and conditions set forth in Exhibit A attached hereto.

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

Section 3. Effective Date. This ordinance shall be in full force and effect five (5) days after its publication as provided by law. The “Effective Date” of the Franchise Agreement, however, shall be the date on which Comcast Cable Communications, LLC has executed and filed with the City Clerk the Acceptance Form attached at page 54 of the Franchise Agreement. The Franchise Agreement shall be of no force or effect if Comcast Cable Communications, LLC fails to file its

written acceptance within 30 days of the date of publication of this ordinance.

PASSED by the City Council this _____ day of _____, _____.

CITY OF OAK HARBOR

By _____
Robert Severns, Mayor

Dated: _____

Attest:

Julie Nester, City Clerk

Approved as to Form:

Hillary Evans, City Attorney

Published: _____

CABLE FRANCHISE

Between

CITY OF OAK HARBOR, WASHINGTON

And

COMCAST CABLE COMMUNICATIONS, LLC

Table of Contents

SECTION 1. DEFINITIONS.....	6
SECTION 2. GRANT OF FRANCHISE.....	13
2.1 Grant.....	13
2.2 Use of Rights-of-Way.....	14
2.3 Duration.....	15
2.4 Effective Date.....	15
2.5 Franchise Nonexclusive.....	15
2.6 Grant of Other Franchises.....	15
2.7 Familiarity with Franchise.....	16
2.8 Effect of Acceptance.....	16
2.9 Police Powers.....	16
2.10 Franchise Area.....	17
SECTION 3. FRANCHISE FEE AND FINANCIAL CONTROLS.....	17
3.1 Franchise Fee.....	17
3.2 Payments.....	17
3.3 Acceptance of Payment.....	17
3.4 Quarterly Franchise Fee Reports.....	17
3.5 Audits.....	17
3.6 Financial Records.....	18
3.7 Interest on Late Payments.....	18
3.8 Maximum Franchise Fee.....	18
3.9 Payment on Termination.....	18
SECTION 4. ADMINISTRATION AND REGULATION.....	19
4.1 General Provisions.....	19
4.2 Rates and Charges.....	19
4.3 Rate Discrimination.....	20
4.4 Filing of Rates and Charges.....	20
4.5 Late Fees.....	20
4.6 Time Limits Strictly Construed.....	20
4.7 Performance Evaluation.....	21
SECTION 5. FINANCIAL AND INSURANCE REQUIREMENTS.....	21

5.1	Indemnification	21
5.2	Insurance Requirements	23
5.3	Security	24
SECTION 6. CUSTOMER SERVICE.		24
6.1	Subscriber Contracts.....	25
6.2	Subscriber Privacy	25
6.3	Customer Service Center.....	25
6.4	Customer Service Agreement and Manual	25
SECTION 7. REPORTS AND RECORDS.		26
7.1	Open Records.....	26
7.2	Confidentiality.....	26
7.3	Records Required	26
7.4	Copies of Federal and State Reports.....	27
7.5	Complaint File and Reports.....	27
7.6	Inspection of Facilities.....	28
7.7	False Statements	28
SECTION 8. PROGRAMMING AND CHANNEL CAPACITY.....		28
8.1	Grantee Compliance	28
8.2	Broad Programming Categories.....	28
8.3	Obscenity	28
8.4	Parental Control Device	28
8.5	New Developments	29
SECTION 9. EDUCATIONAL AND GOVERNMENTAL ACCESS.		29
9.1	Access Fee	29
9.2	Access Reporting	30
9.3	Management and Control of Access Channels	30
9.4	Access Channels	31
9.5	Simulcast High Definition (HD) Access Channel	31
9.6	Change in Technology	32
9.7	Access Channels on Lowest Level of Service.....	32
9.8	Access Channel Location/Relocation.....	32
9.9	Technical Quality.....	32
SECTION 10. GENERAL RIGHT-OF-WAY USE AND CONSTRUCTION.		33
10.1	Construction.....	33

10.2	Relocation	34
10.3	Location of Facilities.....	35
10.4	Restoration of Rights-of-Way/Grantor Owned Property	35
10.5	Maintenance and Workmanship.....	36
10.6	Acquisition of Facilities.....	36
10.7	Discontinuing Use of Facilities	36
10.8	Hazardous Substances	37
10.9	Undergrounding of Cable	37
10.10	Construction Codes.....	38
10.11	Construction and Use of Poles.....	38
10.12	Tree Trimming.....	39
10.13	Standards.....	39
10.14	Stop Work	40
10.15	Work of Contractors and Subcontractors	40
	SECTION 11. CABLE SYSTEM DESIGN AND CAPACITY.....	40
11.1	Equal and Uniform Service	40
11.2	Cable System Upgrade	41
11.3	Technical Performance	41
11.4	Cable System Performance Testing.....	41
11.5	Additional Tests.....	41
	SECTION 12. SERVICE EXTENSION.....	42
12.1	Service Availability	42
	SECTION 13. STANDBY POWER AND EAS.	42
13.1	Standby Power.....	42
13.2	Emergency Alert Capability	43
	SECTION 14. FRANCHISE BREACHES; TERMINATION OF FRANCHISE.....	43
14.1	Informal Dispute Resolution	43
14.2	Procedure for Remedying Franchise Violations	43
14.3	Alternative Remedies	45
14.4	Assessment of Monetary Damages	45
14.5	Revocation	46
14.6	Removal.....	48
	SECTION 15. ABANDONMENT.....	48
15.1	Effect of Abandonment.....	48

SECTION 16. FRANCHISE TRANSFER..... 49

16.1 Transfer of Ownership or Control 49

SECTION 17. MISCELLANEOUS PROVISIONS. 51

17.1 Preferential or Discriminatory Practices Prohibited 51

17.2 Notices 51

17.3 Costs to be Borne by Grantee 51

17.4 Binding Effect 51

17.5 Authority to Amend..... 51

17.6 Venue..... 52

17.7 Governing Law 52

17.8 Captions 52

17.9 Construction of Franchise 52

17.10 No Joint Venture 52

17.11 Waiver 52

17.12 Severability..... 52

17.13 Entire Agreement 52

17.14 Compliance with Federal, State, and Local Laws..... 53

17.15 Customer Service Standards 53

17.16 Force Majeure 53

SECTION 18. EFFECTIVE DATE.....

CABLE TV FRANCHISE AGREEMENT

SECTION 1. DEFINITIONS.

1.1 For the purposes of this Franchise and all exhibits attached hereto the following terms, phrases, words and their derivations shall have the meanings given herein. When not inconsistent with the context, words used in the present tense include the future, words in the plural include the singular, and words in the singular include the plural. Words not defined shall be given their common and ordinary meaning. The word "shall" is always mandatory and not merely directory.

"Access" means the availability for Noncommercial use by various governmental and educational agencies, including Grantor and its designees, of particular channels on the System to receive and distribute Video Programming to Subscribers, as permitted under applicable law, including, but not limited to:

- (A) "Educational Access" means Access where Schools are the primary users having editorial control over programming and services;
- (B) "Governmental Access" means Access where governmental institutions or their designees are the primary users having editorial control over programming and services; and
- (C) "Access" means Educational Access and Governmental Access, collectively.

"Access Center" means a facility or facilities where signals are managed and delivered to the Grantee for Downstream transmission to Subscribers or to other Access Centers via a dedicated connection.

"Access Channel" means any Channel, or portion thereof, designated for Noncommercial Access purposes or otherwise made available to facilitate or transmit Access programming.

"Access Fees" means the Capital Fee paid to the Grantor by the Grantee in accordance with section 9.1 below.

"Activation" or "Activated" means the status of any capacity on or part of the System wherein the use of that capacity or part thereof may be made available without further installation of system equipment other than Subscriber premise equipment, whether hardware or software.

"Affiliated Entity" or "Affiliate" means when used in connection with Grantee any corporation, Person who owns or controls, is owned or controlled by, or is under common ownership or control with, Grantee and its successor corporations. Affiliated

Entity or Affiliate also means any Person with whom Grantee contracts to provide Cable Services on the Cable System.

"Bad Debt" means amounts lawfully owed by a Subscriber and accrued as revenues on the books of Grantee, but not collected after reasonable efforts by Grantee.

"Basic Service" means any Cable Service tier which includes, at a minimum, the retransmission of local television Broadcast Signals.

"Broadcast Signal" means a television signal transmitted over the air to a wide geographic audience, and received by a System off-the-air by antenna, microwave, satellite dishes or any other means.

"Cable Acts" means the Cable Communications Policy Act of 1984, and the Cable Television Consumer Protection and Competition Act of 1992, as amended by the Telecommunications Act of 1996 and any amendments thereto.

"Cable Operator" means any Person or groups of Persons, including Grantee, who provides Cable Service over a System and directly or through one or more Affiliates owns a significant interest in such System or who otherwise control(s) or is(are) responsible for, through any arrangement, the management and operation of such a System.

"Cable Service" means the one-way transmission to Subscribers of Video Programming, or other programming service and Subscriber interaction, if any, which is required for the selection or use of such Video Programming or other programming service.

"Channel" means a portion of the frequency band capable of carrying a Video Programming Service or combination of Video Programming Services, whether by analog or digital signal, on a twenty-four (24) hour per day basis or a portion thereof.

"Connection" with regard to connections to public buildings, means installation of fiber optic or coaxial cable or other System related facilities through the outer wall of the building.

"Designated Access Provider" means the entity or entities designated by the Grantor to manage or co-manage Educational or Governmental Access Channels and facilities. The Grantor may be a Designated Access Provider.

"Designated Distributor" means any entity authorized by Grantor to distribute Access Programming.

"Downstream Channel" means a Channel capable of carrying a transmission from the Headend to remote points on the System.

"Dwelling Unit" means any residential building, or each portion thereof.

"Expanded Basic Service" means cable programming services not included in the Basic Service and excluding premium or pay-per-view services.

"FCC" means the Federal Communications Commission or its lawful successor.

"Fiber Optic" means a transmission medium of optical fiber cable, along with all associated electronics and equipment capable of carrying Cable Service by means of electric lightwave pulses.

"Franchise" means the document in which this definition appears, which is executed between Grantor and Grantee, containing the specific provisions of the authorization granted and the contractual and regulatory agreement created hereby.

"Franchise Area" means the area within the jurisdictional boundaries of the Grantor, including any areas annexed by Grantor during the term of this Franchise.

"Franchise Fee" includes any tax, fee or assessment of any kind imposed by the Grantor on the Grantee or Subscribers, or both solely because of their status as such. The term Franchise Fee does not include:

- (A) Any tax, fee or assessment of general applicability, for example a utility tax;
- (B) Capital costs which are required by the Franchise to be incurred by the Grantee for educational or governmental access facilities, including the support required in Section 9.1;
- (C) Requirements or charges incidental to the awarding or enforcing of the franchise, including but not limited to, payments for bonds, letters of credit, insurance, indemnification, penalties or liquidated damages; or
- (D) Any fee imposed under Title 17, United States Code.

"Grantee" means Comcast Cable Communications, LLC or its lawful successor, transferee or assignee.

"Grantor" means the City of Oak Harbor.

"Gross Revenues" means, and shall be construed broadly to include all revenues derived directly or indirectly by Grantee and/or an Affiliated Entity that is the cable operator of the Cable System, from the operation of Grantee's Cable System to provide Cable Services within the City. Gross Revenues include, by way of illustration and not

limitation:

- (1) monthly fees for Cable Services, regardless of whether such Cable Services are provided to residential or commercial customers, including revenues derived from the provision of all Cable Services (including but not limited to pay or premium Cable Services, digital Cable Services, pay-per-view, pay-per-event, and video-on-demand Cable Services);
 - (2) installation, reconnection, downgrade, upgrade, or similar charges associated with changes in subscriber Cable Service levels;
 - (3) fees paid to Grantee for channels designated for commercial/leased access use and shall be allocated on a pro rata basis using total Cable Service subscribers within the City;
 - (4) converter, remote control, and other Cable Service equipment rentals, leases, or sales;
 - (5) Advertising Revenues as defined herein;
 - (6) late fees, convenience fees, and administrative fees, which shall be allocated on a pro rata basis using Cable Services revenue as a percentage of total subscriber revenues within the City;
 - (7) revenues from program guides;
 - (8) Franchise Fees;
 - (9) FCC Regulatory Fees;
 - (10) commissions from home shopping channels and other Cable Service revenue sharing arrangements which shall be allocated on a pro rata basis using total Cable Service subscribers within the City; and
 - (11) any Cable Service revenues that may develop in the future, whether or not anticipated, and consistent with GAAP.
- (A) “Advertising Revenues” shall mean revenues derived from sales of advertising that are made available to Grantee’s Cable System Subscribers within the City and shall be allocated on a pro rata basis using Grantee’s Cable System Subscribers within the Franchise Area in relation to the total number of Grantee’s Cable Service subscribers covered under the advertising arrangement. Additionally, Grantee agrees that Gross Revenues subject to franchise fees shall include all commissions, representative fees, Affiliated Entity fees, or rebates paid to National

Cable Communications (“NCC”) and Comcast Effectv (“Effectv”) or their successors associated with sales of advertising on the Cable System within the City allocated according to this paragraph using total Cable Service Subscribers reached by the advertising.

- (B) “Gross Revenues” shall not include:
- (1) actual bad debt write-offs, except any portion which is subsequently collected which shall be allocated on a pro rata basis using Cable Services revenue as a percentage of total subscriber revenues within the City;
 - (2) any taxes and/or fees on services furnished by Grantee imposed by an municipality, state, or other governmental unit, provided that Franchise Fees and the FCC regulatory fee shall not be regarded as such a tax or fee;
 - (3) fees imposed by any municipality, state, or other governmental unit on Grantee, including but not limited to Public, Educational and Governmental (PEG) Fees;
 - (4) launch fees and marketing co-op fees; and
 - (5) unaffiliated third-party advertising sales agency fees which are reflected as a deduction from revenues.
- (C) To the extent revenues are received by Grantee for the provision of a discounted bundle of services which includes Cable Services and non-Cable Services, Grantee shall calculate revenues to be included in Gross Revenues using a methodology that allocates revenue on a pro rata basis when comparing the bundled service price and its components to the sum of the published rate card, except as required by specific federal, state, or local law. It is expressly understood that equipment may be subject to inclusion in the bundled price at full rate card value. This calculation shall be applied to every bundled service package containing Cable Service from which Grantee derives revenues in the City. To the extent discounts reduce revenues includable for purposes of calculating Franchise Fees, Grantee may not unfairly or unlawfully allocate discounts for bundled services for the purpose of evading payment of Franchise Fees to the Grantor. The Grantor reserves its right to review and to challenge Grantee’s calculations.
- (D) Grantee reserves the right to change the allocation methodologies set forth in this definition of Gross Revenues in order to meet the standards required by governing accounting principles as promulgated and defined by the Financial Accounting Standards Board (“FASB”), Emerging Issues Task Force (“EITF”) and/or the U.S. Securities and Exchange Commission

("SEC"). Grantee will explain and document the required changes to the Grantor within sixty (60) days of making such changes, and as part of any audit or review of Franchise Fee payments, and any such changes shall be subject to 1.24.6 below.

- (E) Resolution of any disputes over the classification of revenue should first be attempted by agreement of the Parties, but should no resolution be reached, the Parties agree that reference shall be made to generally accepted accounting principles ("GAAP") as promulgated and defined by the FASB, EITF and/or the SEC. Notwithstanding the forgoing, the Grantor reserves its right to challenge Grantee's calculation of Gross Revenues, including the application of GAAP to Franchise Fees and the interpretation of GAAP as promulgated and defined by the FASB, EITF and/or the SEC.
- (F) For the purposes of determining Gross Revenue Grantee shall use the same method of determining revenues under GAAP as that which Grantee uses in determining revenues for the purpose of reporting to national and state regulatory agencies.

"Headend" or "Hub" means any Facility for signal reception and dissemination on a System, including cable, antennas, wires, satellite dishes, monitors, switchers, modulators, processors for Broadcast Signals or other signals, equipment for the interconnection of the System with adjacent Systems and interconnection of any networks which are part of the System, and all other related equipment and Facilities.

"Leased Access Channel" means any Channel or portion of a Channel commercially available for programming in accordance with Section 612 of the Cable Act.

"Noncommercial" means, in the context of Access Channels, that particular products and services are not promoted or sold. This term shall not be interpreted to prohibit an Access Channel operator or programmer from soliciting and receiving financial support to produce and transmit video programming on an Access Channel, or from acknowledging a contribution, in the manner of the Corporation for Public Broadcasting.

"Normal Business Hours" means those hours during which most similar businesses in the community are open to serve customers.

"Normal Operating Conditions" means those service conditions which are within the control of the Grantee. Those conditions which are not within the control of the Grantee include, but are not limited to, natural disasters, civil disturbances, power outages, telephone network outages, and severe or unusual weather conditions. Those conditions which are ordinarily within the control of the Grantee include, but are not limited to, special promotions, rate increases, and maintenance or upgrade of the System.

"Pay Service" or "Premium Service" means Video Programming or other programming service choices (such as movie channels or pay-per-view programs) offered to Subscribers on a per-channel, per-program or per-event basis.

"Person" means any natural person, sole proprietorship, partnership, joint venture, association, or limited liability entity or corporation, or any other form of entity or organization.

"Rights-of-Way" means land acquired or dedicated for public streets or roads, highways, avenues, lanes, alleys, bridges, sidewalks, easements and similar public property located within the Franchise area.

"Roads" means Rights-of-Way.

"School" means any accredited educational institution including, for example, primary and secondary schools (K-12), colleges and universities and excluding home schools and residential facilities.

"Service Interruption" means the loss of picture or sound on one or more cable channels.

"State" means the State of Washington.

"Subscriber" means any Person who lawfully receives Cable Services provided by Grantee by means of the System with Grantee's express permission.

"System" or "Cable System" means a facility, consisting of a set of closed transmission paths and associated signal generation, reception and control equipment that is designed to provide Cable Service which includes video programming and which is provided to multiple Subscribers within a community, but such term does not include (1) a facility that serves only to retransmit the television signals of one or more television broadcast stations; (2) a facility that serves Subscribers without using any public right-of-way; (3) a facility of a common carrier which is subject, in whole or in part, to the provisions of Title II of the federal Communications Act (47 U.S.C. § 201 et seq.), except that such facility shall be considered a Cable System (other than for purposes of Section 621(c) (47 U.S.C. § 541(c)) to the extent such facility is used in the transmission of video programming directly to Subscribers, unless the extent of such use is solely to provide interactive on-demand services; (4) an open video system that complies with federal statutes; or (5) any facilities of any electric utility used solely for operating its electric utility systems. When used herein, the term "Cable System" or "System" shall mean Grantee's Cable System in the Franchise Area.

"Tier" means a category of Cable Services provided by the Grantee for which a separate rate is charged.

“Upstream Channel” means a Channel capable of carrying a transmission to the Headend from remote points on the System.

“Video Programming” means programming provided by, or generally considered comparable to programming provided by, a television broadcast station.

SECTION 2. GRANT OF FRANCHISE.

2.1 Grant

- (A) Grantor hereby grants to Grantee a nonexclusive and revocable authorization to make reasonable and lawful use of the Rights-of-Way within the Franchise Area to construct, operate, maintain, reconstruct, and upgrade a System for the purpose of providing Cable Services, subject to the terms and conditions set forth in this Franchise. This Franchise shall constitute both a right and an obligation to fulfill the commitments set forth in, the provisions of this Franchise.
- (B) The Grantee, through this Franchise, is granted the right to operate its System using the Grantor's Rights-of-Way within the Franchise Area in compliance with all lawfully enacted applicable Grantor construction codes and regulations. Nothing in this Franchise shall be deemed to waive the requirements of the other codes and ordinances of general applicability lawfully enacted, or hereafter lawfully enacted, by the Grantor to the extent that the provisions of the codes and ordinances do not have the effect of materially limiting the benefits or materially expanding the obligations of the Grantee that are granted by this Franchise. The Grantee specifically agrees to comply with the provisions of Grantor ordinances provided that in the event of a conflict between the provisions of ordinances and the Franchise, the express provisions of the Franchise shall govern. Grantee reserves the right to challenge provisions of any ordinance, rule, regulation, resolution or other enactment of the Grantor that conflicts with its contractual right granted herein.
- (C) This Franchise shall not be interpreted to prevent the Grantor from imposing additional conditions, including additional compensation conditions for use of the Rights-of-Way, should Grantee provide service other than Cable Service, to the extent permitted by law.
- (D) Grantee promises and guarantees, as a condition of exercising the privileges granted by this Franchise, that any Affiliate of the Grantee directly involved in the offering of Cable Service in the Franchise Area, or directly involved in the management or operation of the System in the

Franchise Area, will also comply with the terms and conditions of this Franchise.

- (E) No rights shall pass to Grantee by implication.
- (F) This Franchise is intended to convey limited rights and interests only as to those Rights-of-Ways in which the Grantor has an actual interest. It is not a warranty of title or interest in any Rights-of-Way; it does not provide the Grantee with any interest in any particular location within the Rights-of-Way; and it does not confer rights other than as expressly provided in the grant hereof.

2.2 Use of Rights-of-Way

- (A) Subject to Grantor's supervision and control, Grantee may erect, install, construct, repair, replace, reconstruct, and retain in, on, over, under, upon, across, and along the Rights-of-Way within the Franchise Area, such wires, cables (both coaxial and fiber optic), conductors, ducts, conduit, vaults, manholes, amplifiers, appliances, pedestals, attachments and other property and equipment as are necessary and appurtenant to the operation of a System for the provision of Cable Services within the Franchise Area. Grantee shall comply with all applicable construction codes, laws, ordinances, and regulations, now in effect or enacted hereafter. This grant does not include the installation, maintenance or construction, repair or replacement of any wireless telecommunications facilities or equipment within Rights-of-Way or otherwise on Grantor owned property or on property held in trust or used by the Grantor.
- (B) Grantee must follow Grantor-established written requirements including all Grantor codes, ordinances and other regulations regarding placement of System facilities in Rights-of-Way, including the specific location of facilities in the Rights-of-Way, and must in any event install System facilities in a manner that minimizes interference with the use of the Rights-of-Way by others, including others that may be installing communications facilities. The Grantor may require that System facilities be installed at a particular time, at a specific place or in a particular manner as a condition of access to a particular Right-of-way; may deny access if Grantee is not willing to comply with Grantor's requirements; and may remove, or require removal of, any facility that is not installed in compliance with the requirements established by Grantor, or which is installed without prior Grantor approval of the time, place or manner of installation and charge Grantee for all the costs associated with removal; and may require Grantee to cooperate with others to minimize adverse impacts on the Rights-of-Way through joint trenching and other

arrangements. Grantee shall assume all Grantee's costs associated with any requirement of Grantor in the exercise of its police powers or in furtherance of any public improvement to move its System located in the Right-of-way.

2.3 Duration

The term of this Franchise and all rights, privileges, obligations and restrictions pertaining thereto shall be ten (10) years from the effective date of this Franchise, unless terminated sooner as hereinafter provided. This Franchise may be extended by mutual agreement of the parties for five (5) additional years.

2.4 Effective Date

The provisions of this Franchise shall be effective upon the written acceptance of this Franchise by the Grantee, signed by its proper officers, filed with the Clerk of the Grantor within sixty days from _____.

2.5 Franchise Nonexclusive

This Franchise shall be nonexclusive, and subject to all prior rights, interests, easements or licenses granted by Grantor or its predecessors to any Person to use any property, Rights-of-Way, easement, right, interest or license for any purpose whatsoever, including the right of Grantor to use same for any purpose it deems fit, including the same or similar purposes allowed Grantee hereunder. Grantor may at any time grant authorization to use the Rights-of-Way for any purpose not incompatible with Grantee's authority under this Franchise and for such additional Franchises for Systems as Grantor deems appropriate.

2.6 Grant of Other Franchises

(A) The Grantee acknowledges and agrees that the Grantor reserves the right to grant one or more additional franchises to provide Cable Service within the Franchise Area; provided, the Grantor agrees that it shall amend this Franchise to include any material terms or conditions that it makes available to the new entrant within ninety (90) days of the Grantee's request, so as to ensure that the regulatory and financial burdens on each entity are materially equivalent. "Material terms and conditions" include but are not limited to: franchise fees; insurance; system build-out requirements; security instruments; public, education and government Access Channels and support; customer service standards; required reports and related record keeping; and notice and opportunity to cure breaches. If any such additional or competitive franchise is granted by the Grantor which, in the reasonable opinion of the Grantee, contains more favorable or less burdensome terms or conditions than this Franchise, the Grantor agrees that it shall amend this Franchise to include any more favorable or less burdensome terms or conditions in a manner mutually agreed upon by Grantor and Grantee.

- (B) In the event an application for a new cable television franchise is filed with the Grantor proposing to serve the Franchise Area, in whole or in part, the Grantor shall provide notice of such application.
- (C) In the event that a wireline multichannel video programming distributor provides video service to the residents of the Grantor under the authority granted by federal or State legislation or other regulatory entity, the Grantee shall have a right to request Franchise amendments that relieve the Grantee of regulatory burdens that create a competitive disadvantage to the Grantee. In requesting amendments, the Grantee shall file a petition seeking to amend the Franchise. Such petition shall: (1) indicate the presence of such wireline competitor; (2) identify the basis for Grantee's belief that certain provisions of the Franchise place Grantee at a competitive disadvantage; and (3) identify the regulatory burdens to be amended or repealed in order to eliminate the competitive disadvantage. The Grantor shall not unreasonably withhold consent to the Grantee's petition.

2.7 Familiarity with Franchise

The Grantee acknowledges and warrants by acceptance of the rights, privileges and agreement granted herein, that it has carefully read and fully comprehends the terms and conditions of this Franchise and is willing to and does accept all reasonable risks of the meaning of the provisions, terms and conditions herein. The Grantee further acknowledges and states that it has fully studied and considered the requirements and provisions of this Franchise, and finds that the same are commercially practicable at this time and consistent with all local, state and federal laws and regulations currently in effect, including the Cable Act.

2.8 Effect of Acceptance

By accepting the Franchise, the Grantee: (1) acknowledges and accepts the Grantor's legal right to issue and enforce the Franchise; (2) agrees that it will not oppose the Grantor's intervening in any legal or regulatory proceeding affecting the System; (3) accepts and agrees to comply with each and every provision of this Franchise; and (4) agrees that the Franchise was granted pursuant to processes and procedures consistent with applicable law, and that it will not raise any claim to the contrary.

2.9 Police Powers

Grantee's rights hereunder are subject to the police powers of Grantor to adopt and enforce ordinances necessary to the safety, health and welfare of the public, and Grantee agrees to comply with all applicable laws, ordinances and regulations enacted pursuant to the police powers of Grantor, or hereafter enacted in accordance therewith, by Grantor or any other legally-constituted governmental unit having lawful jurisdiction over the subject matter hereof. Any

conflict between the provisions of this Franchise and any other present or future lawful exercise of Grantor's police powers shall be resolved in favor of the latter.

2.10 Franchise Area

Grantee shall provide Cable Service, as authorized under this Franchise, within the Franchise Area.

SECTION 3. FRANCHISE FEE AND FINANCIAL CONTROLS.

3.1 Franchise Fee

As compensation for the use of Grantor's Rights-of-Way or Roads, Grantee shall pay as a Franchise Fee to Grantor, throughout the duration of this Franchise, an amount equal to five (5%) percent of Grantee's Gross Revenues associated with Grantee's operation of its System in the Franchise Area. Accrual of such Franchise Fee shall commence as of the effective date of this Franchise.

3.2 Payments

Grantee's Franchise Fee payments to Grantor shall be computed quarterly for the preceding calendar quarter ending September 30, December 31, March 31 and June 30. Each quarterly payment shall be due and payable no later than forty-five (45) days after said dates.

3.3 Acceptance of Payment

No acceptance of any payment shall be construed as an accord by Grantor that the amount paid is, in fact, the correct amount, nor shall any acceptance of payments be construed as a release of any claim Grantor may have for further or additional sums payable or for the performance of any other obligation of Grantee.

3.4 Quarterly Franchise Fee Reports

Each payment shall be accompanied by a written report to Grantor, verified by an officer of Grantee, containing an accurate statement in summarized form, as well as in detail, of Grantee's Gross Revenues and the computation of the payment amount. Such reports shall detail all Gross Revenues of the System and shall be drafted in accordance with generally accepted accounting principles.

3.5 Audits

On an annual basis, upon thirty (30) days' prior written notice, Grantor shall have the right to conduct an independent audit of Grantee's records related to this Franchise and to re-compute any amounts determined to be payable under this Franchise. Provided Grantee cooperates in making all relevant records available upon request, Grantor will in good faith attempt to complete each audit within six

(6) months, and the audit period shall not be any greater than the previous three (3) years, unless Grantor has information relating to previous years beyond the three (3) which raises doubt as to the accuracy of payments made under this or previous Franchises. Any additional amounts due to the Grantor as a result of the audit shall be paid within sixty (60) days following written notice to the Grantee by the Grantor, which notice shall include a copy of the audit findings. If the audit shows that Franchise Fees have been underpaid, by three percent (3%) in a calendar year or more, Grantee shall pay the total cost of the audit.

3.6 Financial Records

Grantee agrees to meet with a representative of the Grantor upon written request to review Grantee's method of record-keeping, financial reporting, the computing of Franchise Fee obligations and other procedures, the understanding of which the Grantor deems necessary for reviewing reports and records that are relevant to the enforcement of this Franchise.

3.7 Interest on Late Payments

In the event any payment is not received within forty-five (45) days from the end of the calendar quarter, Grantee shall pay, in addition to the payment or sum due, interest from the due date at an interest rate of 1%, beginning on the forty-sixth (46th) day after the end of the calendar quarter and continuing every day thereafter until the seventy-sixth (76th) day after the end of the calendar quarter, or until payment is made, whichever is earlier. If any payment is not received within seventy-six (76) days after the end of the calendar quarter, Grantee shall be assessed a late fee in the additional amount of two hundred dollars (\$200.00) per day, beginning on the seventy-sixth (76th) day after the end of the calendar quarter and continuing every day thereafter until paid.

3.8 Maximum Franchise Fee

The parties acknowledge that, at present, applicable federal law limits Grantor to collection of a Franchise Fee of five percent (5%) of Gross Revenues. In the event that at any time during the duration of this Franchise, Grantor is authorized to collect an amount in excess of five percent (5%) of Gross Revenues, then this Franchise may be amended unilaterally by Grantor to provide that such excess amount shall be added to the Franchise Fee to be paid by Grantee to Grantor hereunder, provided that all providers of Cable Service in the Franchise Area over which the Grantor has jurisdiction are treated in an equivalent manner, and Grantee has received sixty (60) days prior written notice from Grantor of such amendment.

3.9 Payment on Termination

If this Franchise terminates for any reason, the Grantee shall file with the Grantor within ninety (90) calendar days of the date of the termination, a financial statement, certified by an independent certified public accountant, showing the

Gross Revenues received by the Grantee since the end of the previous fiscal year. Within sixty (60) days of the filing of the certified statement with the Grantor, Grantee shall pay any unpaid amounts as indicated. If the Grantee fails to satisfy its remaining financial obligations as required in this Franchise, the Grantor may do so by utilizing the funds available in a Letter of Credit or other security provided by the Grantee.

SECTION 4. ADMINISTRATION AND REGULATION.

4.1 General Provisions

- (A) Grantor shall be vested with the power and right to administer and enforce the requirements of this Franchise and the regulations and requirements of applicable law, including the Cable Act, or to delegate that power and right, or any part thereof, to the extent permitted under State and local law.
- (B) Grantee shall comply with all applicable federal and state laws and regulations, including regulations of any administrative agency thereof, as well as all Grantor ordinances, resolutions, rules and regulations heretofore or hereafter adopted or established during the term of the Franchise. Nothing in this Franchise shall limit or expand the Grantor's right of eminent domain under State law.
- (C) The Grantee and Grantor shall be entitled to all rights and be bound by all changes in local, State and federal law that occur subsequent to the effective date of this Franchise. The Grantee and the Grantor acknowledge that their rights and obligations under this Franchise are explicitly subject to all such changes. However, should such changes in law substantially reduce Grantee's obligation to pay or provide Franchise Fees, or any other support required in this Franchise, the Grantor and Grantee agree to enter into good faith negotiations for a six (6) month period, at the request of either party, to resolve the issues. If resolution is not reached within the six (6) month period, and the period has not been extended by mutual agreement, the term of this Franchise shall be reduced to three (3) years, and the parties shall commence the renewal process in accordance with the Cable Act.

4.2 Rates and Charges

All Grantee rates and charges related to or regarding Cable Services shall be subject to regulation by Grantor to the full extent authorized by applicable federal, State and local laws.

4.3 Rate Discrimination

All Grantee rates and charges shall be published (in the form of a publicly-available rate card), made available to the public, and shall be non-discriminatory as to all Persons of similar classes, under similar circumstances and conditions. Grantee shall apply its rates in accordance with governing law. Grantee shall permit Subscribers to make any in-residence connections the Subscriber chooses without additional charge and without penalizing the Subscriber therefore. However, if any in-home connection requires service from Grantee due to signal quality, signal leakage or other factors, caused by improper installation of such in-home wiring or faulty materials of such in-home wiring, the Subscriber may be charged appropriate service charges by Grantee. Nothing herein shall be construed to prohibit:

- (A) The temporary reduction or waiving of rates or charges in conjunction with valid promotional campaigns;
- (B) The offering of reasonable discounts to similarly situated Persons.
- (C) The offering of rate discounts for either Cable Service generally, or data transmission to governmental agencies or educational institutions; or
- (D) The offering of bulk discounts for Multiple Dwelling Units.

4.4 Filing of Rates and Charges

- (A) Throughout the term of this Franchise, Grantee shall maintain on file with Grantor a complete schedule of applicable rates and charges for Cable Services provided under this Franchise. Nothing in this subsection shall be construed to require Grantee to file rates and charges under temporary reductions or waivers of rates and charges in conjunction with promotional campaigns. As used in this subsection, no rate or charge shall be considered temporary if Subscribers have the ability over a period greater than twelve (12) consecutive months (or such other period as may be approved by Grantor) to purchase Cable Services at such rate or charge.
- (B) On an annual basis, Grantee shall provide a complete schedule of current rates and charges for any and all Leased Access Channels, or portions of such Channels, provided by Grantee.

4.5 Late Fees

If the Grantee assesses any kind of penalty fee for late payment, such fee shall comply with applicable law.

4.6 Time Limits Strictly Construed

Whenever this Franchise sets forth a time for any act to be performed by Grantee, such time shall be deemed to be of the essence, and any failure of Grantee to perform within the allotted time may be considered a material breach

of this Franchise. However, in the event that Grantee is prevented or delayed in the performance of any of its obligations under this Franchise by reason beyond the reasonable control of Grantee, Grantee shall have a reasonable time, under the circumstances, to perform the affected obligation under this Franchise or to procure a substitute for such obligation which is satisfactory to Grantor.

4.7 Performance Evaluation

- (A) Special evaluation sessions may be held at any time upon request by Grantor during the term of this Franchise.
- (B) All evaluation sessions shall be open to the public and announced at least one week in advance in a newspaper of general circulation in the Franchise Area. Grantor may notify its Subscribers of evaluation sessions by announcement on its Access Channel.
- (C) Topics which may be discussed at any evaluation session may include, but are not limited to, Cable Service rate structures; Franchise Fees; liquidated damages; free or discounted Cable Services; application of new technologies; system performance; Cable Services provided; programming offered; customer complaints; privacy; amendments to this Franchise; judicial and FCC rulings; line extension policies; and Grantor's or Grantee's rules; provided that nothing in this subsection shall be construed as requiring the renegotiation of this Franchise.
- (D) During evaluations under this Section, Grantee shall fully cooperate with Grantor and shall provide such information and documents as Grantor may require to perform the evaluation.

SECTION 5. FINANCIAL AND INSURANCE REQUIREMENTS.

5.1 Indemnification

- (A) General Indemnification
Grantee shall indemnify, defend and hold Grantor, its officers, officials, boards, commissions, authorized agents and employees, harmless from any action or claim for injury including death, damage, loss, liability, cost or expense, including court and appeal costs and attorneys' fees and expenses, arising from any casualty or accident to Person or property, including, without limitation, copyright infringement, defamation, and all other damages in any way arising out of, or by reason of, any construction, excavation, operation, maintenance, reconstruction, or any other act done under this Franchise, by or for Grantee, its agents, or its employees, or by reason of any neglect or omission of Grantee its agents

or its employees. Grantee shall consult and cooperate with the Grantor while conducting its defense of the Grantor.

(B) Indemnification for Relocation

Grantee shall indemnify Grantor for any damages, claims, additional costs or expenses assessed against, or payable by, Grantor related to, arising out of, or resulting, directly or indirectly, from Grantee's failure to remove, adjust or relocate any of its facilities in the Streets in a timely manner in accordance with any relocation required by Grantor.

(C) Additional Circumstances

Grantee shall also indemnify, defend and hold Grantor harmless for any claim for injury, damage, loss, liability, cost or expense, including court and appeal costs and attorneys' fees or expenses in any way arising out of:

- (1) The grant of this Franchise;
- (2) Any failure by Grantee to secure consents from the owners, authorized distributors or licensees/licensors of programs to be delivered by the System.

(D) Procedures and Defense

If a claim or action arises, Grantor or any other indemnified party shall tender the defense of the claim to Grantee, which defense shall be at Grantee's expense. Grantor may participate in the defense of a claim and, in any event, Grantee may not agree to any settlement of claims affecting Grantor without Grantor's written approval.

(E) Non-waiver

The fact that Grantee carries out any activities under this Franchise through independent contractors shall not constitute an avoidance of or defense to Grantee's duty of defense and indemnification under this Section.

(F) Duty to Give Notice and Tender Defense

The Grantor shall give the Grantee timely written notice of any claim or of the commencement of any action, suit or other proceeding covered by the indemnity in this Section. In the event any such claim arises, the Grantor or any other indemnified party shall tender the defense thereof to the Grantee and the Grantee shall have the obligation and duty to defend any claims arising thereunder, and the Grantor shall cooperate fully therein.

- (G) If separate representation to fully protect the interests of both parties is necessary, such as a conflict of interest between the Grantor and the counsel selected by Grantee to represent, the Grantor, Grantee shall pay expenses incurred by the Grantor in defending itself with regard to any

action, suit or proceeding indemnified by Grantee. The Grantor's expenses shall include all out-of-pocket expenses, such as consultants' fees, and shall also include the reasonable value of any services rendered by the Grantor attorney or his/her assistants or any employees of the Grantor or its agents but shall not include outside attorneys' fees for services that are unnecessarily duplicative of services provided the Grantor by Grantee.

5.2 Insurance Requirements

(A) General Requirement

Grantee must have adequate insurance during the entire term of this Franchise to protect the Grantor against claims for injuries to Persons or damages to property which in any way relate to, arise from or are connected with this Franchise, or involve Grantee, its agents, representatives, contractors, subcontractors and their employees.

(B) Initial Insurance Limits

Grantee must keep insurance in effect in accordance with the minimum insurance limits herein set forth by the Grantor from time to time. The Grantee shall obtain policies for the following initial minimum insurance limits:

(1) Commercial General Liability

Five million dollars (\$5,000,000) aggregate limit per occurrence for bodily injury, personal injury and property damage;

(2) Automobile Liability

Three million dollars (\$3,000,000) combined single limit per accident for bodily injury and property damage; and

(3) Employer's Liability

One million dollars (\$1,000,000).

(C) Endorsements

(1) All policies shall contain, or shall be endorsed so that:

(a) The Grantor shall be designated as additional insured.

(b) The Grantee's insurance coverage shall be primary insurance with respect to the Grantor, its officers, officials, boards, commissions, employees and duly authorized agents. Any insurance or self-insurance maintained by the Grantor, its officers, officials, boards, commissions,

employees and agents shall be in excess of the Grantee's insurance and shall not contribute to it; and

- (c) Grantee's insurance shall apply separately to each insured against whom a claim is made or lawsuit is brought, except with respect to the limits of the insurer's liability.
- (2) The insurance shall provide that the insurance shall not be cancelled or materially altered so as to be out of compliance with the requirements of this Section without thirty (30) days' written notice first being given to Grantor. If the insurance is cancelled or materially altered so as to be out of compliance with the requirements of this Section within the term of this Franchise, Grantee shall provide a replacement policy. Grantee agrees to maintain continuous uninterrupted insurance coverage, in the amounts required, for the duration of this Franchise.
- (D) Acceptability of Insurers
The insurance obtained by Grantee shall be placed with insurers with a Best's rating of no less than "A."
- (E) Verification of Coverage
The Grantee shall furnish the Grantor with certificates of insurance or a copy of the page of the policy reflecting blanket additional insured status. The certificates for each insurance policy are to be signed by a Person authorized by that insurer to bind coverage on its behalf. The certificates for each insurance policy are to be on standard forms or such forms as are consistent with standard industry practices, and are to be received and approved by the Grantor prior to the commencement of activities associated with this Franchise. The Grantee hereby warrants that its insurance policies satisfy the requirements of this Franchise.

5.3 Security

Upon the effective date of this Franchise, Grantee shall provide a performance bond in the amount of \$25,000.00 to ensure the faithful performance of its responsibilities under this Franchise and applicable law, including, by way of example and not limitation, its obligations to relocate and remove its facilities and to restore Grantor Rights-of-Way and other property.

SECTION 6. CUSTOMER SERVICE.

6.1 Subscriber Contracts

Grantee shall not enter into a contract with any Subscriber that is in any way inconsistent with the terms of this Franchise.

6.2 Subscriber Privacy

Grantee will comply with privacy rights of Subscribers in accordance with applicable federal, State and local laws.

6.3 Customer Service Center

Throughout the Franchise term, either a customer service or a bill payment location center must be conveniently located and available to Customers during normal business hours. Customers will be able to pay bills and return equipment at the customer service center or the bill payment center.

6.4 Customer Service Agreement and Manual

(A) Grantee shall provide to Subscribers an accurate, comprehensive service agreement and customer installation packet for use in establishing Subscriber service. This material shall, at a minimum, contain the following:

- (1) Grantee's procedure for investigation and resolution of Subscriber service complaints.
- (2) Services to be provided and rates for such services.
- (3) Billing procedures.
- (4) Service termination procedure.
- (5) A description of the manner that will be used to provide notice of changes in rates, service or service terms and conditions.
- (6) A complete statement of the Subscriber's right to privacy.
- (7) Converter and cable modem equipment policy.
- (8) The name, address and phone number of the Person identified by the Grantor as responsible for handling cable questions and complaints for the Grantor. This information shall be prominently displayed in the installation packet.

(B) A copy of the installation packet shall be provided to each Subscriber at the time of initial installation and any reconnection (excluding reconnections to the same Subscriber within twelve (12) months), and at any time the packet is requested by the Subscriber. Grantee shall make reasonable efforts to advise customers of any material changes in cable operation policies.

SECTION 7. REPORTS AND RECORDS.

7.1 Open Records

Grantor shall have access to, and the right to inspect, any books and records of Grantee, its parent corporations and affiliated entities, necessary for the enforcement of the terms of this Franchise. Grantee shall not deny Grantor access to any of Grantee's records on the basis that Grantee's records are under the control of any parent corporation, affiliated entity or a third party. Grantor may, in writing, request copies of any such records or books, and Grantee shall provide such copies within thirty (30) days of the transmittal of such request. One copy of all reports and records required under this or any other Section shall be furnished to Grantor at the sole expense of Grantee. If the requested books and records are too voluminous, or for security reasons cannot be copied or removed, then Grantee may request, in writing within ten (10) days, that Grantor inspect them at Grantee's local offices. If any books or records of Grantee are not kept in a local office and not made available in copies to Grantor upon written request as set forth above, and if Grantor determines that an examination of such records is necessary for the enforcement of this Franchise, then all reasonable travel and maintenance expenses incurred in making such examination shall be paid by Grantee.

7.2 Confidentiality

Grantor agrees to keep confidential any proprietary or confidential books or records, in their possession, to the extent permitted by law. Grantee shall be responsible for clearly and conspicuously identifying the work confidential or proprietary, and shall provide a brief written explanation as to why such information is confidential and how it may be treated as such under State or federal law. If Grantor receives a demand from any Person for disclosure of any information designated by Grantee as confidential, Grantor shall, so far as consistent with applicable law, advise Grantee and provide Grantee with a copy of any written request by the party demanding access to such information within a reasonable time. If Grantee believes that the disclosure of such documents by Grantor would interfere with Grantee's rights under federal or state law, Grantee shall institute an action in the Island County Superior Court to prevent the disclosure by Grantor of such documents. Grantee shall join the Person requesting the documents to such an action. Grantee shall defend, indemnify and hold Grantor harmless from any claim or judgment including, but not limited to, any penalties or costs under RCW 42.56.

7.3 Records Required

Grantee shall at all times maintain:

- (A) A full and complete set of plans, records and "as built" maps showing the exact location of all System equipment installed or in use in the Franchise Area, which is generated in Grantee's normal course of business;

- (B) A copy of all FCC filings on behalf of Grantee, its parent corporations or Affiliates which relate to the operation of the System in the Franchise Area;
- (C) A list of Grantee's Cable Services, rates and Channel line-ups;
- (D) A statistical compilation of Subscriber complaints, actions taken and resolution, and a log of service calls.

7.4 Copies of Federal and State Reports

Upon written request, Grantee shall submit to Grantor copies of any pleading, applications, notifications, communications and documents of any kind, submitted by Grantee or its Affiliates to any federal, State or local courts, regulatory agencies and other government bodies if such documents directly relate to the operations of Grantee's System within the Franchise Area. Grantee shall submit such documents to Grantor no later than thirty (30) days after receipt of Grantor's request. Grantee shall not claim confidential, privileged or proprietary rights to such documents unless under federal, State, or local law such documents have been determined to be confidential by a court of competent jurisdiction, or a federal or State agency. With respect to all other reports, documents and notifications provided to any federal, State or local regulatory agency as a routine matter in the due course of operating Grantee's System within the Franchise Area, Grantee shall make such documents available to Grantor upon Grantor's written request.

7.5 Complaint File and Reports

Grantee shall keep an accurate and comprehensive file of any and all complaints regarding the System, and Grantee's actions in response to those complaints, in a manner consistent with the privacy rights of Subscribers. Those files shall remain open to Grantor during normal business hours and shall be retained for a period of one year. Upon request, Grantee shall provide a report to the Grantor which can, at Grantor's option, include the following information:

- (A) Nature and type of customer complaints;
- (B) Number, duration, general location and customer impact of unplanned service interruptions;
- (C) Any significant construction activities which affect the quality or otherwise enhance the service of the System;
- (D) Average response time for service calls;
- (E) New areas constructed and available for Cable Service;
- (F) Video programming changes (additions/deletions); and
- (G) Such other information as reasonably requested by Grantor.

7.6 Inspection of Facilities

Grantor may inspect any of Grantee's cable system facilities and equipment in the Rights-of-Way at any reasonable time during business hours upon at least forty-eight (48) hours' notice, or, in case of emergency, upon demand without prior notice.

7.7 False Statements

Any intentional false or misleading statement or representation in any report required by this Franchise shall be a material breach of this Franchise and may subject Grantee to all remedies, legal or equitable, which are available to Grantor under this Franchise or otherwise.

SECTION 8. PROGRAMMING AND CHANNEL CAPACITY.

8.1 Grantee Compliance

Grantee will provide the broad categories of programming and Channel capacity required in this Franchise, and in all applicable federal, State or local laws, statutes, regulations or standards.

8.2 Broad Programming Categories

Grantee shall provide or enable the provision of at least the following initial broad categories of programming to the extent such categories are reasonably available:

- (A) Educational programming;
- (B) Sports programming;
- (C) General entertainment programming;
- (D) Children's programming;
- (E) Information/news programming;
- (F) National and local government programming.

8.3 Obscenity

Grantee or Grantor shall not transmit, or permit to be transmitted, over any Channel subject to its editorial control any programming which is obscene.

8.4 Parental Control Device

Upon request by any Subscriber, Grantee shall make available a parental control or lockout device traps or filters to enable a Subscriber to control access to both the audio and video portions of any or all Channels. Grantee shall inform its Subscribers of the availability of the lockout device at the time of their initial subscription and periodically thereafter.

8.5 New Developments

If there is a new technology which in Grantor's opinion would enhance substantially the quality or quantity of programming available to Subscribers on the System, Grantee shall, at the request of the Grantor, investigate the feasibility of implementing said technology and report to Grantor the results of such investigation.

SECTION 9. EDUCATIONAL AND GOVERNMENTAL ACCESS.

9.1 Access Fee

- (A) Grantee shall continue to collect and remit to the Grantor, as support for any lawful capital Access use, twenty-five cents (\$0.25) per Residential Subscriber per month, payable with Franchise Fees as an "Access Fee". This monthly amount may be increased in accordance with Section 9.1(C), but not to exceed fifty cents (\$0.50). Grantee shall not be responsible for collecting or paying the Access Fee with respect to gratis (free) or bad debt accounts. It is understood that pursuant to federal law, Grantee has the right to pass through the costs of Access Fee payments to Residential Subscribers, and Grantee shall be obligated to pay no more than the amount it actually collects from such Residential Subscribers.
- (B) Grantee shall make Access Fee payments quarterly, following the Effective Date of this Franchise, for the preceding calendar quarter ending March 31, June 30, September 30, and December 31. Each payment shall be due and payable no later than thirty (30) days following the end of the quarter and shall be accompanied by a written report to the City, verified by an authorized representative of Grantee, containing an accurate statement of Access Fee payments. The City shall have sole discretion to allocate the expenditure of such payments for any capital costs related to Access.
- (C) If during the term of this Franchise, the City determines that there is a need for additional capital equipment to support the Access Channel, then based upon that demonstrated need, both parties shall meet to discuss how to adjust the Access Fee. Such amount shall be the same amount required of all other Cable Operators in the Franchise Area. The City agrees that Federal law permits Grantee to line item the Access Fee as an external cost on Subscribers' bills. This Section does not require any specific increase or adjustment to the Access Fee; rather, such adjustment shall be made only by mutual agreement, as evidenced by a

written amendment to this Franchise.

- (D) The Access Fee shall not be treated as Franchise Fees for purposes of 47 U.S.C. § 542, and shall at no time be offset or deducted from Franchise Fee payments made to the Grantor under this Franchise.
- (E) The City shall have discretion to allocate the Access Fee in accordance with applicable law. To the extent Grantor makes access capital investments using Grantor funds prior to receiving the quarterly Access Fee funds, the Grantor is entitled to apply the subsequent quarterly Access Fee payments from Grantee toward such Grantor capital investments.
- (F) Upon the Grantee's written request, the Grantor shall submit a report no more frequently than annually on the use of the Access Channel and Access Fee. The Grantor shall submit the report to the Grantee within one hundred twenty (120) days of a written request. The Grantee may review the records of Grantor regarding the use of the Access Fee.

9.2 Access Reporting

Upon Grantee's written request the Grantor shall submit a report annually on the use of Access Channels and Capital Fee. The Grantor shall submit a report to Grantee within one hundred twenty (120) days of a written request. Grantee may review the records of the Grantor regarding the use of the Capital Fee.

9.3 Management and Control of Access Channels

- (A) Grantor may authorize Designated Access Providers to control, operate, and manage the use of any and all Access facilities provided by Grantee under this Franchise, including, without limitation, the operation of Access Channels. The Grantor or its designee may formulate rules for the operation of the Access Channels, consistent with this Franchise. Nothing herein shall prohibit the Grantor from authorizing itself to be a Designated Access Provider.
- (B) Grantee shall cooperate with Grantor and Designated Access Providers in the use of the System and Access facilities for the provision of Access Channels.

9.4 Access Channels

Grantee shall provide at no charge commencing within one hundred eighty (180) days after acceptance of this Franchise, and continuing throughout the term of this Franchise, One (1) Channel for use by Grantor for Government Access and One (1) Channel for use by Grantor or Grantor's Designated Access Provider for Education Access. (said Channels to be capable of cable-casting both live and recorded programming only within the geographic territory of Grantor).

9.5 Simulcast High Definition (HD) Access Channel

(A) The Grantee agrees to simulcast the one (1) SD Government Access Channel (currently Channel 10) in HD (HD PEG Channel) format after the Grantor or a Designated Access Provider maintains an average of five (5) hours per-day, five days per-week of Locally Scheduled Original Programming, and/or one (1) SD Educational Access Channel (currently Channel 21) in HD (HD PEG Channel) format after the Grantor or a Designated Access Provider maintains an average of five (5) hours per-day, five days per-week of Locally Scheduled Original Programming. For the purposes of this subsection, character-generated programming (i.e., community bulletin City Councils) shall not satisfy, in whole or in part, this programming requirement. Once the Grantor or a Designated Access Provider meets or exceeds this programming requirement, the Grantee shall provide one or both of the HD PEG Channels under the following conditions:

- (1) Upon the Grantor's request, the Grantee shall have ninety (90) days to activate the simulcast HD PEG Channel;
- (2) The Grantee shall be responsible for all capital engineering costs associated with fulfilling the request to activate the simulcast HD PEG Channels;
- (3) The Grantor or a Designated Access Provider shall be responsible for acquiring all equipment necessary to produce programming in HD;
- (4) Upon activation of the simulcast HD PEG Channel, Comcast shall own and maintain the encoder equipment used to transmit the HD signal from City Hall or the Designated Access Provider's location (the demarcation point); and
- (5) The Grantor or a Designated Access Provider shall provide the HD PEG Channel signal as specified by the Grantee's engineering standards, as amended by the Grantee from time to time because of changes in technology.

- (B) The Grantor acknowledges that the simulcast HD PEG Channels will be available only to those Subscribers who elect to subscribe to Grantee's high-definition Cable Service, receive a HD set-top converter, and pay all fees associated therewith.
- (C) Grantee shall have sole discretion to determine the Channel placement of the simulcast HD PEG Access Channels within its HD channel line-up.

9.6 Change in Technology

In the event Grantee makes any change in the System and related equipment and facilities or in Grantee's signal delivery technology, which directly or indirectly affects the signal quality or transmission of Access programming, Grantee shall at its own expense take necessary technical steps or provide necessary technical assistance, including the acquisition of all necessary equipment, and full training of Access personnel to ensure that the capabilities of Access channels are not diminished or adversely affected by such change. For example, this provision shall apply if Basic Service on the Cable System is converted from an analog to a digital format, such that the Access Channels must also be converted to digital in order to be received by Subscribers.

9.7 Access Channels on Lowest Level of Service

All SD Access Channels provided to Subscribers under this Franchise shall be included by Grantee, without limitation, as a part of the lowest level of service, subject to applicable law.

9.8 Access Channel Location/Relocation

Grantee currently carries Designated Access channels as follows: the City of Oak Harbor Government Access channel on Channel 10, and The Oak Harbor School District Education Access channel on Channel 21. Grantee will use reasonable efforts to minimize the movement of Access Channel assignments. Grantee shall provide three (3) months' notice to the Grantor prior to any relocation.

9.9 Technical Quality

The Grantee shall maintain Access channels at the same or better level of technical quality and reliability required by this Franchise and all other applicable laws, rules and regulations for other Channels. The Grantee shall provide routine maintenance and shall repair and replace, if necessary, all Grantee's transmission equipment, including fiber transmitters and receivers, channel modulators, associated cable and equipment, required to carry a quality signal to and from the Grantor's Designated Distributor's facilities (and Designated Access Providers') and the Grantee's facilities for the Access channels provided under this Franchise.

SECTION 10. GENERAL RIGHT-OF-WAY USE AND CONSTRUCTION.

10.1 Construction

- (A) Subject to applicable laws, regulations and ordinances of Grantor and the provisions of this Franchise, Grantee may perform all construction necessary for the operation of its System. All construction and maintenance of any and all Grantee's facilities within Rights-of-Way shall, regardless of who performs the construction, be and remain Grantee's responsibility.
- (B) Prior to beginning any construction, Grantee shall provide Grantor with a construction schedule for work in the Rights-of-Ways.
- (C) Grantee may make excavations in Rights-of-Way for any facility needed for the maintenance or extension of Grantee's System. Prior to doing such work, Grantee shall apply for, and obtain, appropriate permits from Grantor, and give appropriate notices to Grantor. As a condition of any permits so issued, Grantor officials may impose such conditions and regulations as are necessary for the purpose of protecting any structures in such Rights-of-Way, proper restoration of such Rights-of-Way and structures, protection of the public and the continuity of pedestrian or vehicular traffic. When obtaining a permit, Grantee shall inquire in writing about other construction currently in progress, planned or proposed, in order to investigate thoroughly all opportunities for joint trenching or boring. Whenever it is possible and reasonably practicable to joint trench or share bores or cuts, Grantee shall work with other providers, licensees, permittees and franchisees so as to reduce so far as possible the number of Rights-of-Way cuts within the Franchise Area.
- (D) In the event that emergency repairs are necessary, Grantee shall immediately notify Grantor of the need for such repairs. Grantee may initiate such emergency repairs, and shall apply for appropriate permits within forty-eight (48) hours after discovery of the emergency.
- (E) Repair and Restoration of Property
 - (1) The Grantee shall protect public and private property within the Rights-of-Way from damage.
 - (2) If public property is disturbed or damaged, the Grantee shall restore the property to its former condition. Public right-of-way or other Grantor property shall be restored in a manner and within a

timeframe approved by the Grantor's Director of Public Works. If restoration of public right-of-way or other property of the Grantor is not satisfactorily performed within a reasonable time, the Director of Public Works may, after prior notice to the Grantee, or without notice where the disturbance or damage may create a risk to public health or safety, or cause delay or added expense to a public project or activity, cause the repairs to be made at the Grantee's expense and recover the cost of those repairs from the Grantee. Within forty-five (45) days of receipt of an itemized list of those costs, including the costs of labor, materials and equipment, the Grantee shall pay the Grantor. If suit is brought by Grantor upon Grantee's failure to pay for repair or restoration, the reasonable costs and expenses of the prevailing party will be paid by the non-prevailing party.

(F) Movement for Other Permittees

At the request of any Person holding a valid permit and upon reasonable advance notice, Grantee shall temporarily raise, lower or remove its wires as necessary to permit the moving of a building, vehicle, equipment or other item. The expense of such temporary changes must be paid by the permit holder, and Grantee may require the estimated payment in advance.

10.2 Relocation

(A) Facilities Relocation

Upon the receipt of a demand by the Grantor, within thirty days, or in the event of an emergency, upon such shorter notice period as the Grantor deems reasonable under the circumstances, Grantee, at its sole cost and expense, shall remove or relocate any Facilities, if and when the removal or relocation of such Facilities is made necessary by the Grantor acting pursuant to any lawful governmental or proprietary purpose, including, without limitation, engaging in any lawful change of grade, alignment or width of any Rights-of-Way in the Franchise Area pursuant to any concern regarding health, safety and welfare, or in the installation or replacement of any street light pole. Whenever Grantee is required to remove Facilities or if Grantee desires to relocate Facilities, then the Grantor shall use its best efforts to accommodate Grantee by making another functionally equivalent property available for use in accordance with and subject to the terms and conditions of this Franchise. However, nothing in this Agreement shall be construed as creating an obligation of the Grantor to provide Grantee with such property.

(B) Relocation Costs

Whenever the removal or relocation of Facilities is required under this

Franchise or otherwise by order of Grantor, and such removal or relocation shall cause the Rights-of-Way to be damaged, Grantee, at its sole cost and expense, shall promptly repair and return the Rights-of-Way, in which the Facilities are located, to the same condition as existed prior to such work in the sole determination of Grantor. If Grantee does not return the affected site to a safe and satisfactory condition, then Grantor shall have the option to perform or cause to be performed such reasonable and necessary work and charge Grantee for the proposed costs to be incurred or the actual cost incurred by Grantor. Upon the receipt of a demand for payment by the Grantor, Grantee shall reimburse Grantor for such costs within thirty days.

- (C) In the event an underground conversion of cable facilities is required as part of the street improvement condition(s) of a new land use development, not associated with an approved Grantor road project nor included in the Grantor's six year Transportation Improvement Program (TIP), this Franchise shall in no way limit the Grantee's right to recoup all time and material costs associated with the underground conversion of the Cable System from the Person responsible for the project.

10.3 Location of Facilities

Within five (5) business days, unless otherwise specified in Grantee's regulations, after the Grantor or any franchisee, licensee or permittee of the Grantor notifies Grantee of a proposed Right-of-Way excavation, Grantee shall, at Grantee's expense:

- (A) Mark on the surface all of its located underground facilities within the area of the proposed excavation;
- (B) Notify the excavator of any unlocated underground facilities in the area of the proposed excavation; or
- (C) Notify the excavator that Grantee does not have any underground facilities in the vicinity of the proposed excavation.

10.4 Restoration of Rights-of-Way/Grantor Owned Property

- (A) Whenever Grantee disturbs the surface of any Rights-of-Way or Grantor owned property for any purpose, Grantee shall promptly restore the Rights-of-Way or Grantor owned property to a condition as good as or better than its prior condition in Grantor's sole determination. When any opening is made by Grantee in a hard surface pavement in any Rights-of-Way or Grantor owned property, Grantee shall promptly refill the opening and restore the surface to a condition satisfactory to Grantor.
- (B) If Grantee excavates the surface of any Rights-of-Way or Grantor owned property, Grantee shall be responsible for restoration in accordance with

applicable regulations of the Rights-of-Way and its surface within the area affected by the excavation. Grantor may, after providing notice to Grantee, refill or repave any opening made by Grantee in the Rights-of-Way or on Grantor owned property, and the expense thereof shall be paid by Grantee. Grantor may, after providing notice to Grantee, remove and repair any work done by Grantee which, in the determination of Grantor, does not conform to applicable code. The cost thereof, including the costs of inspection and supervision shall be paid by Grantee. All excavations made by Grantee in Rights-of-Way or on Grantor owned property shall be properly safeguarded for the prevention of accidents. All of Grantee's work under this Franchise, and this Section in particular, shall be done in strict compliance with all rules, regulations and ordinances of Grantor.

10.5 Maintenance and Workmanship

- (A) Grantee's System shall be constructed and maintained in such manner as not to interfere with sewers, water pipes or any other property of Grantor, or with any other pipes, wires, conduits, pedestals, structures or other facilities that may have been laid in Rights-of-Way by, or under, Grantor's authority.
- (B) Grantee shall provide and use any equipment and appliances necessary to control and carry Grantee's signals so as to prevent injury to Grantor's property or property belonging to any Person. Grantee, at its own expense, shall repair, renew, change and improve its facilities to keep them in good repair and safe and presentable condition.
- (C) The Grantee's transmission and distribution system, wires and appurtenances shall be located, erected and maintained so as not to endanger or interfere with the lives of Persons, or to unnecessarily hinder or obstruct the free use of Rights-of-Way, alleys, bridges or other public property.

10.6 Acquisition of Facilities

Upon Grantee's acquisition of facilities in any Grantor Rights-of-Way, or upon the addition or annexation to the Grantor of any area in which Grantee owns or operates any facility, Grantee shall, at Grantor's request, submit to Grantor a statement describing all facilities involved, whether authorized by franchise, permit, license or other prior right, and specifying the location of all such facilities to the extent Grantee has possession of such information. Such facilities shall immediately be subject to the terms of this Franchise.

10.7 Discontinuing Use of Facilities

Whenever Grantee intends to discontinue using any facility within the Rights-of-Way, Grantee shall submit for Grantor's approval a complete description of the

facility and the date on which Grantee intends to discontinue using the facility. Grantee may remove the facility or request that Grantor allow it to remain in place. Notwithstanding Grantee's request that any such facility remain in place, Grantor may require Grantee to remove the facility from the Rights of Way or modify the facility to protect the public health, welfare, safety and convenience, or otherwise serve the public interest. Grantor may require Grantee to perform a combination of modification and removal of the facility. Grantee shall complete such removal or modification in accordance with a schedule set by Grantor. Until such time as Grantee removes or modifies the facility as directed by Grantor, or until the rights to and responsibility for the facility are accepted by another Person having authority to construct and maintain such facility, Grantee shall be responsible for all necessary repairs and relocations of the facility, as well as maintenance of the Rights-of-Way, in the same manner and degree as if the facility were in active use, and Grantee shall retain all liability for such facility. If Grantee abandons its facilities, Grantor may choose to use such facilities for any purpose whatsoever including, but not limited to, Access Channel purposes.

10.8 Hazardous Substances

- (A) Grantee shall comply with all applicable State and federal laws, statutes, regulations and orders concerning hazardous substances relating to Grantee's System in Rights-of-Way.
- (B) Grantee shall maintain and inspect its System located in Rights-of-Way. Upon reasonable notice to Grantee, Grantor may inspect Grantee's facilities in Rights-of-Way to determine if any release of hazardous substances has occurred, or may occur, from or related to Grantee's System. In removing or modifying Grantee's facilities as provided in this Franchise, Grantee shall also remove all residues of hazardous substances related thereto.

10.9 Undergrounding of Cable

- (A) Where electric and telephone utility wiring is installed underground at the time of System construction, or when such wiring is subsequently placed underground, all System lines, wiring and equipment shall also be placed underground with other wire line service at no expense to the Grantor. Related System equipment, such as pedestals, must be placed in accordance with applicable code requirements and rules as interpreted by the Grantor's Director of Public Works. In areas where either electric or telephone utility wiring are aerial, the Grantee may install aerial cable, except when a property owner or resident requests underground installation and agrees to bear the additional cost in excess of aerial installation.

- (B) The Grantee shall utilize existing poles and conduit wherever possible.
- (C) This Franchise does not grant, give or convey to the Grantee the right or privilege to install its facilities in any manner on specific utility poles or equipment of the Grantor or any other Person.
- (D) The Grantee and the Grantor recognize that situations may occur in the future where the Grantor may desire to place its own cable or conduit for fiber optic cable in trenches or bores opened by the Grantee. If the Grantee upgrades in the future, the Grantee shall submit these plans to the Grantor in accordance with the Grantor's permitting process so that such opportunities may be explored. However, nothing set forth herein shall obligate the Grantee to slow the progress of the upgrade of the System to accommodate the Grantor. In addition, the Grantee agrees to cooperate with the Grantor in any other construction by the Grantee that involves trenching or boring. If sufficient space is reasonably available, the Grantee shall allow the Grantor to lay its cable, conduit and fiber optic cable in the Grantee's trenches and bores, provided the Grantor shares in the cost of the trenching and boring on the same terms and conditions as the Grantee at that time shares the total cost of trenches and bores. The Grantor shall be responsible for maintaining its respective cable, conduit and fiber optic cable buried in the Grantee's trenches and bores under this paragraph.
- (E) The Grantor shall not be required to obtain easements for the Grantee.
- (F) The Grantee shall participate with other providers in joint trench projects to relocate its overhead facilities underground and remove its overhead facilities in areas where all utilities are being converted to underground facilities.

10.10 Construction Codes

Grantee shall strictly adhere to all building and zoning codes currently or hereafter in effect. Grantee shall arrange its lines, cables and other appurtenances, on both public and private property, in such a manner as to cause no unreasonable interference with the use of said public or private property by any Person. In the event of such interference, Grantor may require the removal or relocation of Grantee's lines, cables and other appurtenances from the property in question.

10.11 Construction and Use of Poles

Whenever feasible, Grantee shall use existing poles when the installation of facilities above-ground is permitted. In the event Grantee cannot obtain the necessary poles and related facilities pursuant to a pole attachment agreement, and only in such event, then it shall be lawful for Grantee to make all needed excavations in the Streets for the purpose of placing, erecting, laying,

maintaining, repairing and removing poles, conduits, supports for wires and conductors, and any other facility needed for the maintenance or extension of Grantee's System. All poles of Grantee shall be erected between the curb and the sidewalk unless otherwise designated by the proper authorities of Grantor, and each pole shall be set whenever practicable at an extension lot line. Grantor shall have the right to require Grantee to change the location of any pole, conduit, structure or other facility within Rights-of-Way when, in the opinion of Grantor, the public convenience requires such change, and the expense thereof shall be paid by Grantee.

10.12 Tree Trimming

Upon obtaining a written permit from Grantor, if such a permit is required, Grantee may prune or cause to be pruned, using proper pruning practices in accordance with such permit, any tree in the Rights-of-Way which interferes with the System.

10.13 Standards

- (A) All work authorized and required hereunder shall be done in a safe, thorough and worker-like manner. The Grantee must comply with all federal, State and Grantor safety requirements, rules, regulations, laws and practices, and employ all necessary devices as required by applicable law during construction, operation and repair of its System. By way of illustration and not limitation, the Grantee must comply with the National Electric Code, National Electrical Safety Code and Occupational Safety and Health Administration (OSHA) Standards.
- (B) Grantee shall ensure that all cable drops are properly bonded to the electrical power ground at the home, consistent with applicable code requirements. All non-conforming or non-performing cable drops shall be replaced by Grantee as necessary.
- (C) All installations of equipment shall be permanent in nature, durable and installed in accordance with good engineering practices and of sufficient height to comply with all existing Grantor regulations, ordinances and State laws so as not to interfere in any manner with the right of the public or individual property owner, and shall not interfere with the travel and use of public places by the public during the construction, repair, operation or removal thereof, and shall not obstruct or impede traffic.
- (D) In the maintenance and operation of its System in Rights-of-Way, alleys and other public places, and in the course of any new construction or addition to its facilities, the Grantee shall proceed so as to cause the least possible inconvenience to the general public; any opening or obstruction in the Rights-of-Way or other public places made by the Grantee in the course of its operations shall be guarded and protected at all times by the placement of adequate barriers, fences or boarding, the bounds of which,

during periods of dusk and darkness, shall be clearly designated by warning lights.

- (E) In the event the Grantor shall relocate a Rights-of-Way, raise or lower a bridge, or make any other changes requiring the removal of utility installations, the Grantee shall remove or relocate its installations at said locations at no cost to the Grantor.

10.14 Stop Work

On notice from Grantor that any work is being conducted contrary to the provisions of this Franchise, or in an unsafe or dangerous manner as determined by Grantor, or in violation of the terms of any applicable permit, laws, regulations, ordinances or standards, the work may immediately be stopped by Grantor. The stop work order shall:

- (A) Be in writing;
- (B) Be given to the individual doing the work, or posted on the work site;
- (C) Be sent to Grantee by mail at the address given herein;
- (D) Indicate the nature of the alleged violation or unsafe condition; and
- (E) Establish conditions under which work may be resumed.

10.15 Work of Contractors and Subcontractors

Grantee's contractors and subcontractors shall be licensed and bonded in accordance with Grantor's ordinances, regulations and requirements. Work by contractors and subcontractors is subject to the same restrictions, limitations and conditions as if the work were performed by Grantee. Grantee shall be responsible for all work performed by its contractors and subcontractors and others performing work on its behalf as if the work were performed by it, and shall ensure that all such work is performed in compliance with this Franchise and other applicable law, and shall be jointly and severally liable for all damages and correcting all damage caused by them. It is Grantee's responsibility to ensure that contractors, subcontractors or other persons performing work on Grantee's behalf are familiar with the requirements of this Franchise and other applicable laws governing the work performed by them.

SECTION 11. CABLE SYSTEM DESIGN AND CAPACITY.

11.1 Equal and Uniform Service

The Grantee shall provide access to equal and uniform Cable Service offerings throughout the Franchise Area along public rights-of-way, provided that nothing shall prohibit the Grantee from activating additional Cable Services to Subscribers on a node by node basis during an upgrade of its Cable System.

11.2 Cable System Upgrade

The Grantee currently operates a hybrid fiber coaxial (HFC) fiber-to-the node system architecture, with Fiber Optic cable deployed from its Headend to nodes and tying into a coaxial system serving Subscribers. The Cable System is capable of delivering high quality signals that meet or exceed FCC technical quality standards regardless of any particular manner in which the signal is transmitted. Grantee agrees to maintain the Cable System in a manner consistent with, or in excess of these specifications throughout the term of the Franchise.

11.3 Technical Performance

The technical performance of the Cable System shall meet or exceed all applicable federal (including, but not limited to, the FCC), State and local technical standards, as they may be amended from time to time, regardless of the transmission technology utilized. Grantor shall have the full authority permitted by applicable law to enforce compliance with these technical standards.

11.4 Cable System Performance Testing

- (A) Grantee shall, at its expense, perform all tests on its Cable System required by the FCC (including FCC required test points located within the City) and shall maintain written records of its test results. Upon request, all FCC required technical performance tests may be witnessed by representatives of the Grantor. Copies of such test results will be provided to the Grantor upon request.
- (B) All required technical performance or other Cable System tests shall be at the expense of Grantee and may be witnessed by representatives of the Grantor. Upon request, Grantee will notify the Grantor before any required technical proof-of-performance or other testing occurs.
- (C) Grantee shall promptly take such measures as are necessary and diligently continue the same until completion in order to correct any performance deficiencies fully and to prevent their recurrence. Grantee’s failure to correct deficiencies identified through this testing process shall be a violation of this Franchise. Sites shall be re-tested within five (5) days following correction until correction has been confirmed and satisfactory results are obtained.

11.5 Additional Tests

Where there exists other evidence that in the judgment of Grantor casts doubt upon the reliability or technical quality of Cable Service, the Grantor shall have the right and authority to require Grantee to test, analyze and report on the performance of the Cable System. Grantee shall fully cooperate with the Grantor in performing such testing and shall prepare the results and a report, if

requested, within thirty (30) days after testing. Such report shall include the following information:

- (A) The nature of the complaint or problem which precipitated the special tests;
- (B) The Cable System component tested;
- (C) The equipment used and procedures employed in testing;
- (D) The method, if any, in which such complaint or problem was resolved; and
- (E) Any other information pertinent to said tests and analysis which may be required.

SECTION 12. SERVICE EXTENSION.

12.1 Service Availability

- (A) In general, except as otherwise provided herein, Grantee shall provide Service within seven (7) days of a request by any Person within its Franchise Area. For purposes of this Section, a request shall be deemed made on the date of signing a service agreement, receipt of funds by Grantee, receipt of a written request by Grantee or receipt by Grantee of a verified verbal request. Grantee shall provide such service:
 - (1) At a non-discriminatory installation charge for a standard installation, consisting of a one hundred twenty-five (125) foot drop connecting to an inside wall, with additional charges for non-standard installations computed according to a non-discriminatory method for such installations, adopted by Grantee and provided in writing to Grantor.
 - (2) At non-discriminatory monthly rates for all Subscribers, excepting commercial customers, MDU Bulk customers and other lawful exceptions to uniform pricing.

SECTION 13. STANDBY POWER AND EAS.

13.1 Standby Power

Grantee shall provide standby power generating capacity at the System Headend capable of providing at least twelve (12) hours of emergency operation. Grantee

shall maintain standby power system supplies, rated for at least two (2) hours duration, throughout the trunk and distribution networks. In addition, throughout the term of this Franchise, Grantee shall have a plan in place, along with all resources necessary for implementing such plan, for dealing with outages of more than two (2) hours.

13.2 Emergency Alert Capability

- (A) In accordance with, and at the time required by, the provisions of FCC Regulations, as such provisions may from time to time be amended, EAS activation will be accomplished in compliance with the FCC approved Washington State EAS plan and the Local Area EAS plan that applies to City of Oak Harbor, which has already been submitted for approval to the Washington State Emergency Communications Committee (WSECC).
- (B) Grantee shall ensure that the EAS system is functioning properly at all times. It will test the EAS system periodically, in accordance with FCC regulations.

SECTION 14. FRANCHISE BREACHES; TERMINATION OF FRANCHISE.

14.1 Informal Dispute Resolution

Prior to proceeding with the formal Procedure for Remediating of Franchise Violations process as set forth below (in subsection 14.2), Grantor agrees to provide Grantee informal verbal or electronic mail notice of any alleged material violation of this Franchise and allow Grantee a reasonable opportunity to cure the violation. If the alleged violation is investigated by Grantee and determined to be valid, Grantee agrees to exert good faith efforts to immediately resolve the matter. However, if the alleged violation is determined by Grantee to be invalid, or outside of Grantee's legal responsibilities, the Grantee promptly shall so advise Grantor. Grantee agrees to exert good faith efforts to expedite its investigation, determination and communications to Grantor so that the informal resolution process proceeds on an expedited basis. If Grantor believes that Grantee is unreasonably delaying the informal resolution process, it may commence the formal dispute resolution process.

14.2 Procedure for Remediating Franchise Violations

- (A) If Grantor believes that Grantee has failed to perform any material obligation under this Franchise, or has failed to perform in a timely manner, Grantor shall notify Grantee in writing, stating with reasonable specificity the nature of the alleged default. Grantee shall have thirty (30) days from the receipt of such notice to:

- (1) Respond to Grantor, contesting Grantor's assertion that a default has occurred, and requesting a hearing in accordance with subsection (B), below;
 - (2) Cure the default; or
 - (3) Notify Grantor that Grantee cannot cure the default within the thirty (30) days, because of the nature of the default. In the event the default cannot be cured within thirty (30) days, Grantee shall promptly take all reasonable steps to cure the default and notify Grantor in writing and in detail as to the exact steps that will be taken and the projected completion date. In such case, Grantor may set a hearing in accordance with subsection (B) below to determine whether additional time beyond the thirty (30) days specified above is indeed needed, and whether Grantee's proposed completion schedule and steps are reasonable. Upon five (5) business days' prior written notice, either Grantor or Grantee may call an informal meeting to discuss the alleged default.
- (B) If Grantee does not cure the alleged default within the cure period stated above, or by the projected completion date under subsection (A)(3), or denies the default and requests a hearing in accordance with subsection (A)(1), or Grantor orders a hearing in accordance with subsection (A)(3), Grantor shall set a public hearing to investigate said issues or the existence of the alleged default. Grantor shall notify Grantee of the hearing in writing and such hearing shall take place no less than seven (7) days after Grantee's receipt of notice of the hearing. At the hearing, Grantee shall be provided an opportunity to be heard, to present and question witnesses, and to present evidence in its defense. At any such hearing, Grantor shall not unreasonably limit Grantee's opportunity to make a record which may be reviewed should any final decision of Grantor be appealed to a court of competent jurisdiction. The determination as to whether a default or a material breach of this Franchise has occurred shall be within Grantor's sole discretion, but any such determination shall be subject to appeal to a court of competent jurisdiction.
- (C) If, after the public hearing, Grantor determines that a default still exists; Grantor shall order Grantee to correct or remedy the default or breach within fourteen (14) days or within such other reasonable time frame as Grantor shall determine. In the event Grantee does not cure within such time to Grantor's reasonable satisfaction, Grantor may:
- (1) Assess and collect monetary damages in accordance with this Franchise;

- (2) Commence procedures to terminate this Franchise; or
 - (3) Pursue any other legal or equitable remedy available under this Franchise or applicable law.
- (D) The determination as to whether a violation of this Franchise has occurred pursuant to this Section herein shall be within the sole discretion of the Grantor or its designee. Any such determination by Grantor shall be accompanied by a record, to which Grantee's contribution shall not be unreasonably limited by Grantor. Any such final determination shall be subject to appeal to a court of competent jurisdiction.

14.3 Alternative Remedies

- (A) No provision of this Franchise shall be deemed to bar the right of either party to seek or obtain judicial relief from a violation of any provision of the Franchise or any rule, regulation, requirement or directive promulgated hereunder. Neither the existence of other remedies identified in this Franchise nor the exercise thereof shall be deemed to bar or otherwise limit the right of either party to recover monetary damages, as allowed under applicable law, or to seek and obtain judicial enforcement of obligations by means of specific performance, injunctive relief or mandate, or any other remedy at law or in equity.
- (B) The Grantor specifically does not, by any provision of this Franchise, waive any right, immunity, limitation or protection (including complete damage immunity) otherwise available to the Grantor, its officers, officials, Councils, boards, commissions, authorized agents, or employees under federal, state, or local law including by example Section 635A of the Cable Act. The Grantee shall not have any monetary recourse against the Grantor, or its officers, officials, Council, Boards, commissions, agents or employees for any loss, costs, expenses or damages arising out of any provision, requirement of this Franchise or the enforcement thereof.

14.4 Assessment of Monetary Damages

- (A) Upon completion of the procedures set forth above, and from the date of said violation pursuant to the procedures specified in this Franchise, Grantor may assess against and collect from Grantee monetary damages in amounts of up to two hundred fifty dollars (\$250.00) per day for any material breaches. Grantor may collect the assessment as specified in this Franchise.
- (B) Any assessment hereunder shall not constitute a waiver by Grantor of any other right or remedy it may have under this Franchise or applicable law, including its right to recover from Grantee any additional rights or claims

Grantor might have to damages, losses, costs and expenses, after the period for collecting liquidated damages referenced in subsection (C) below has expired.

- (C) The Grantor and the Grantee recognize the delays, expense and unique difficulties involved in proving in a legal proceeding the actual loss suffered by the Grantor as a result of the Grantee's breach of this Franchise. Accordingly, instead of requiring such proof, the Grantor and the Grantee agree that the Grantee shall pay to the Grantor the sums set forth above for each day that the Grantee shall be in breach of the specific provisions of this Franchise, for a maximum of ninety (90) days. Such amounts are agreed by both parties to be a reasonable estimate of the actual damages the Grantor would suffer in the event of the Grantee's breach of such provisions of this Franchise, and are not intended as a penalty.
- (D) The Grantee's maintenance of the Security required herein or by applicable code shall not be construed to excuse unfaithful performance by the Grantee of this Franchise; to limit the liability of the Grantee to the amount of the Security; or to otherwise limit the Grantor's recourse to any other remedy available at law or equity.

14.5 Revocation

- (A) This Franchise may be revoked and all rights and privileges rescinded if a material breach of the Franchise is not cured pursuant to Section 14.2, or in the event that:
 - (1) Grantee fails to perform any material obligation under this Franchise;
 - (2) Grantee attempts to evade any material provision of this Franchise or to practice any fraud or deceit upon the Grantor or Subscribers;
 - (3) Grantee makes a material misrepresentation of fact in the negotiation of this Franchise;
 - (4) Grantee or an Affiliate challenges the legality or enforceability of this Franchise in a judicial or administrative (for example, FCC) proceeding;
 - (5) Grantee fails to maintain required business offices as provided above;
 - (6) Grantee abandons the System, or terminates the System's operations;
 - (7) Grantee fails to restore service to the System after three consecutive days of an outage or interruption in service; except when approval of such outage or interruption is obtained from the Grantor, it being the intent that there shall be continuous operation of the System; or

- (8) Grantee becomes insolvent, unable or unwilling to pay its debts, or is adjudged bankrupt, there is an assignment for the benefit of Grantee's creditors, or all or part of the Grantee's System is sold under an instrument to secure a debt and is not redeemed by Grantee within thirty (30) days from said sale.
- (B) Additionally, this Franchise may be revoked one hundred twenty (120) days after the appointment of a receiver or trustee to take over and conduct the business of the Grantee (at the option of the Grantor and subject to applicable law) whether in a receivership, reorganization, bankruptcy or other action or proceeding, unless:
- (1) The receivership or trusteeship is vacated within one hundred twenty (120) days of appointment; or
 - (2) The receivers or trustees have, within one hundred twenty (120) days after their election or appointment, fully complied with all the material terms and provisions of this Franchise, and has remedied all material defaults under the Franchise. Additionally, the receivers or trustees shall have executed an agreement duly approved by the court having jurisdiction, by which the receivers or trustees assume and agree to be bound by each and every term and provision of this Franchise.
- (C) If there is a foreclosure or other involuntary sale of the whole or any part of the plant, property and equipment of Grantee, Grantor may serve notice of revocation on Grantee and to the purchaser at the sale, and the rights and privileges of Grantee under this Franchise shall be revoked thirty (30) days after service of such notice, unless:
- (1) Grantor has approved the transfer of the Franchise, in accordance with the procedures set forth in this Franchise and as provided by law; and
 - (2) The purchaser has covenanted and agreed with Grantor to assume and be bound by all of the terms and provisions of this Franchise.
- (D) Grantor shall provide Grantee written notice of its intent to consider revocation and hold a hearing in accordance with the provisions of this Franchise. Grantee shall submit any objection to revocation in writing to Grantor, stating with specificity its objections. Grantor shall hear any Persons interested in the revocation, and shall allow Grantee an opportunity to be heard, to cross-examine witnesses, to present evidence, and to make all reasonable additions to the hearing record.
- (E) Grantor shall determine whether the Franchise shall be revoked. The Grantee may appeal such determination to a court of competent jurisdiction. Such appeal to the appropriate court shall be taken within

thirty (30) days of the issuance of the determination of the Grantor. Grantor shall receive notice of any appeal concurrent with any filing to a court of competent jurisdiction.

14.6 Removal

- (A) In the event of termination, expiration or revocation of this Franchise, and after all appeals from any judicial determination are exhausted and final, Grantor may order the removal of the System facilities from the Franchise Area at Grantee's sole expense within a reasonable period of time as determined by Grantor. In removing its plant, structures and equipment, Grantee shall refill, at its own expense, any excavation that is made by it and shall leave all Rights-of-Way, public places and private property in as good a condition as that prevailing prior to Grantee's removal of its equipment.
- (B) If Grantee fails to complete any required removal to the satisfaction of Grantor, Grantor may cause the work to be done, and Grantee shall reimburse Grantor for the reasonable costs incurred within thirty (30) days after receipt of an itemized list of Grantor's expenses and costs, or Grantor may recover its expenses and costs from the Security, or pursue any other judicial remedies for the collection thereof. Any expenses incurred in the collection by Grantor of such obligation shall be included in the monies due Grantor from Grantee, including reasonable attorney fees, court expenses and attributed expenses for work conducted by Grantor's staff or agents.

SECTION 15. ABANDONMENT.

15.1 Effect of Abandonment

If the Grantee abandons its System during the Franchise term, or fails to operate its System in accordance with its duty to provide continuous service, the Grantor, at its option, may operate the System or; designate another entity to operate the System temporarily until the Grantee restores service under conditions acceptable to the Grantor, or until the Franchise is revoked and a new franchisee is selected by the Grantor. If the Grantor designates another entity to operate the System, the Grantee shall reimburse the Grantor for all reasonable costs, expenses and damages incurred, including reasonable attorney fees, court expenses and attributed expenses for work conducted by Grantor's staff or agents.

SECTION 16. FRANCHISE TRANSFER.

16.1 Transfer of Ownership or Control

- (A) The Cable System and this Franchise shall not be sold, assigned, transferred, leased or disposed of, either in whole or in part, either by involuntary sale or by voluntary sale, merger or consolidation; nor shall title thereto, either legal or equitable, or any right, interest or property therein pass to or vest in any Person or entity without the prior written consent of the Grantor, which consent shall be by the Grantor's Council, acting by ordinance or resolution.
- (B) The Grantee shall promptly notify the Grantor of any actual or proposed change in, or transfer of, or acquisition by any other party of control of the Grantee. The word "control" as used herein is not limited to majority stockholders but includes actual working control in whatever manner exercised. Every change, transfer or acquisition of control of the Grantee shall make this Franchise subject to cancellation unless and until the Grantor shall have consented in writing thereto.
- (C) The parties to the sale or transfer shall make a written request to the Grantor for its approval of a sale or transfer and furnish all information required by law and the Grantor.
- (D) In seeking the Grantor's consent to any change in ownership or control, the proposed transferee shall indicate whether it:
 - (1) Has ever been convicted or held liable for acts involving deceit including any violation of federal, State or local law or regulations, or is currently under an indictment, investigation or complaint charging such acts;
 - (2) Has ever had a judgment in an action for fraud, deceit, or misrepresentation entered against the proposed transferee by any court of competent jurisdiction;
 - (3) Has pending any material legal claim, lawsuit, or administrative proceeding arising out of or involving a cable system;
 - (4) Is financially solvent, by submitting financial data including financial statements that are audited by a certified public accountant who may also be an officer of the transferee, along with any other data that the Grantor may reasonably require; and
 - (5) Has the financial, legal and technical capability to enable it to maintain and operate the Cable System for the remaining term of the Franchise.

- (E) The Grantor shall act by ordinance or resolution on the request within one hundred twenty (120) days of the request, provided it has received all requested information. Subject to the foregoing, if the Grantor fails to render a final decision on the request within one hundred twenty (120) days, such request shall be deemed granted unless the requesting party and the Grantor agree to an extension of time.
- (F) Within thirty (30) days of any transfer or sale, if approved or deemed granted by the Grantor, Grantee shall file with the Grantor a copy of the deed, agreement, lease or other written instrument evidencing such sale or transfer of ownership or control, certified and sworn to as correct by Grantee and the transferee, and the transferee shall file its written acceptance agreeing to be bound by all of the provisions of this Franchise, subject to applicable law. In the event of a change in control, in which the Grantee is not replaced by another entity, the Grantee will continue to be bound by all of the provisions of the Franchise, subject to applicable law, and will not be required to file an additional written acceptance. By agreeing to any transfer of ownership, Grantor does not waive any rights in this Franchise.
- (G) In reviewing a request for sale or transfer, the Grantor may inquire into the legal, technical and financial qualifications of the prospective controlling party or transferee, and Grantee shall assist the Grantor in so inquiring. The Grantor may condition said sale or transfer upon such terms and conditions as it deems reasonably appropriate, provided, however, any such terms and conditions so attached shall be related to the legal, technical and financial qualifications of the prospective controlling party or transferee and to the resolution of outstanding and unresolved issues of noncompliance with the terms and conditions of this Franchise by Grantee.
- (H) Notwithstanding anything to the contrary in this subsection, the prior approval of the Grantor shall not be required for any sale, assignment or transfer of the Franchise or Cable System to an entity controlling, controlled by or under the same common control as Grantee, provided that the proposed assignee or transferee must show financial responsibility as may be determined necessary by the Grantor and must agree in writing to comply with all of the provisions of the Franchise. Further, Grantee may pledge the assets of the Cable System for the purpose of financing without the consent of the Grantor; provided that such pledge of assets shall not impair or mitigate Grantee's responsibilities and capabilities to meet all of its obligations under the provisions of this Franchise.

SECTION 17. MISCELLANEOUS PROVISIONS.

17.1 Preferential or Discriminatory Practices Prohibited

Grantee shall not discriminate in hiring, employment or promotion on the basis of race, color, ethnic or national origin, religion, age, sex, sexual orientation, or physical or mental disability. Throughout the term of this Franchise, Grantee shall fully comply with all equal employment or non-discrimination provisions and requirements of federal, State and local laws, and rules and regulations relating thereto.

17.2 Notices

Throughout the term of this Franchise, each party shall maintain and file with the other a local address for the service of notices by mail. All notices shall be sent to such respective address, and such notices shall be effective upon the date of mailing. At the effective date of this Franchise:

Grantee's address shall be:

Government Affairs
Comcast Cable Communications, LLC
900 132nd Street SW
Everett, WA 98204

Grantor's address shall be:

Mayor Robert Severns
City of Oak Harbor
865 SE Barrington Drive
Oak Harbor, WA 98277

17.3 Costs to be Borne by Grantee

Grantee shall pay for all costs of publication of this Franchise, and any and all notices prior to not more than two (2) public meetings provided for pursuant to this Franchise.

17.4 Binding Effect

This Franchise shall be binding upon the parties hereto, their permitted successors and assigns.

17.5 Authority to Amend

No provision of this Franchise Agreement Shall be amended or otherwise modified, in whole or in part, except by an instrument, in writing, duly executed by the Grantor and the Grantee, which amendment shall be authorized on behalf of the Grantor through the adoption of an appropriate resolution or order by the Grantor, as required by applicable law.

- 17.6 Venue
The Venue for any dispute related to this Franchise shall be with the United States District Court for the Western District of Washington or the Island County Superior Court, Coupeville, Washington.
- 17.7 Governing Law
This Franchise shall be governed in all respects by the laws of the State of Washington.
- 17.8 Captions
The captions and headings of this Franchise are for convenience and reference purposes only and shall not affect in any way the meaning or interpretation of any provisions of this Franchise.
- 17.9 Construction of Franchise
The provisions of this Franchise shall be liberally construed to promote the public interest.
- 17.10 No Joint Venture
Nothing herein shall be deemed to create a joint venture or principal-agent relationship between the parties and neither party is authorized to, nor shall either party act toward third persons or the public in any manner that would indicate any such relationship with the other.
- 17.11 Waiver
The failure of either party at any time to require performance by the other of any provision hereof shall in no way affect the right of the other party hereafter to enforce the same. Nor shall the waiver by either party of any breach of any provision hereof be taken or held to be a waiver of any succeeding breach of such provision, or as a waiver of the provision itself or any other provision.
- 17.12 Severability
If any Section, subsection, paragraph, term or provision of this Franchise is determined to be illegal, invalid or unconstitutional by any court or agency of competent jurisdiction, such determination shall have no effect on the validity of any other Section, subsection, paragraph, term or provision of this Franchise, all of which will remain in full force and effect for the term of the Franchise.
- 17.13 Entire Agreement
This Franchise and all Exhibits represent the entire understanding and agreement between the parties hereto with respect to the subject matter hereof and supersede all prior oral negotiations and written agreements between the parties.

- 17.14 Compliance with Federal, State, and Local Laws
The Grantee shall comply with applicable federal, state and local laws, rules and regulations.

- 17.15 Customer Service Standards
The Grantee shall comply with any applicable customer service standards that are lawfully adopted by Grantor and are consistent with applicable Federal law.

- 17.16 Force Majeure
The Grantee shall not be held in default under, or in noncompliance with, the provisions of this Franchise, nor suffer any enforcement or penalty relating to noncompliance or default, where such noncompliance or alleged defaults occurred or were caused by circumstances reasonably beyond the ability of the Grantee to anticipate and control, including war or riots, civil disturbances, floods or other natural catastrophes, pandemics, labor stoppages, slow-downs, or power outages exceeding back-up power supplies, work delays caused by waiting for utility providers to service or monitor their utility poles to which the Grantee’s Cable System is attached as well as unavailability of materials irrespective of cost.

ACCEPTED this 3rd day of June, 2023, subject to applicable federal state and local law.

COMCAST CABLE COMMUNICATIONS, LLC

DocuSigned by:
Steven Holmes
81376AE1171F408...

By: (Authorized Representative Signature)

CONTINUATION OF PUBLIC HEARING

ORDINANCE NO. 1979: FRANCHISE AGREEMENT WITH COMCAST CABLE COMMUNICATIONS, LLC



CITY OF
Oak Harbor
WHIDBEY ISLAND, WASHINGTON

City Council
Regular Meeting

9/5/2023

BACKGROUND

- The 2004 franchise agreement between City and Comcast expired in 2014.
- The City Attorney's office has negotiated a new 10-year, non-exclusive franchise agreement with a 5-year extension option.
- The public hearing for this item was continued from July 11, 2023 to August 2, 2023, and then to September 5, 2023.
- City is limited on additional changes.

RECOMMENDED ACTION

- Hold the public hearing on Ordinance No. 1979.
- Motion: I move to adopt Ordinance No. 1979 approving the Franchise Agreement with Comcast Cable Communications, LLC.

City of Oak Harbor
City Council Agenda Bill

Bill No. 9.a.
Date: September 5, 2023
Subject: Police Department: Opioid
Settlement Allocation of Funds

FROM: Police Department

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:

- ⊙ Bob Severns, Mayor
- ⊙ Blaine Oborn, City Administrator
- ⊙ David Goldman, Finance Director
- ⊙ Hillary J. Evans, City Attorney, as to form

RECOMMENDED ACTION

"Approval of the allocation of Opioid Settlement Funds through 2030, as outline in the three-strategy approach as presented."

BACKGROUND / SUMMARY INFORMATION

In 2022, The WA AG resolved a lawsuit with several companies regarding the opioid epidemic. The City of Oak Harbor joined most other communities and the AG's office in a "One Washington MOU" regarding the settlement. In 2022, City Council signed an Allocation agreement with the state, for funds to be distributed to the City and signed an MOU in 2023, becoming part of the North Sound Regional Opioid Abatement Council. The City will receive funds directly from the settlement, for a period of 17-years. OHPD is presenting a request for allocation of those funds through the end of 2030 (funds after 2030 will be revisited in the future).

Summary of 3-Strategy approach for allocation of funds:

1. Partial funding for new Police Officer position, who will be partially dedicated to related duties (PEETT = Prevention, Education, Enforcement, Treatment, Training)
2. One time allocation, spread out over 3-years, to the Skagit County Inter-local Drug Enforcement Unit (SCIDEU) drug task for (Interdiction)
3. Allocated Funding Accounts
 - a. 10% reserved each year if requested by Opioid Abatement Council (OAC) reserve
 - b. One time amount into Cities Administrative cost account (Admin account)
 - c. Initial amount into "Future Opioid Strategy" (FOS) allocation, for distribution by City Council
 - i. Unused OAC reserve would be moved into this account (FOS) each year, as appropriate

LEGAL AUTHORITY

The settlement agreement, previously approved by Council, refers to the state, the OAC, local jurisdictions and the authorized uses of the funds. OHPD has met with city partners, including finance, legal and Admin and are confident the requests meet the legal requirements. The City has the authority to allocate the funds as desired, within the parameters of authorized uses based on the Opioid Funds document.

FISCAL IMPACT

Using Opioid funds as outlined will not have a negative impact on city budgets, but will instead provide some revenue. Combining part of the Opioid funds with an already allocated, but unfilled position within the Police Department will impact the City budget, but since we will be eliminating the unfilled (CSO) position (and using those funds, along with Opioid funds for an additional police officer), it will not have a negative impact on the city budget.

PREVIOUS COUNCIL / BOARD / CITIZEN INPUT

A structure for the allocation of Opioid funds was presented to City Council at a workshop on 08-23-23.

ATTACHMENTS

1. [Allocation of Funds](#)

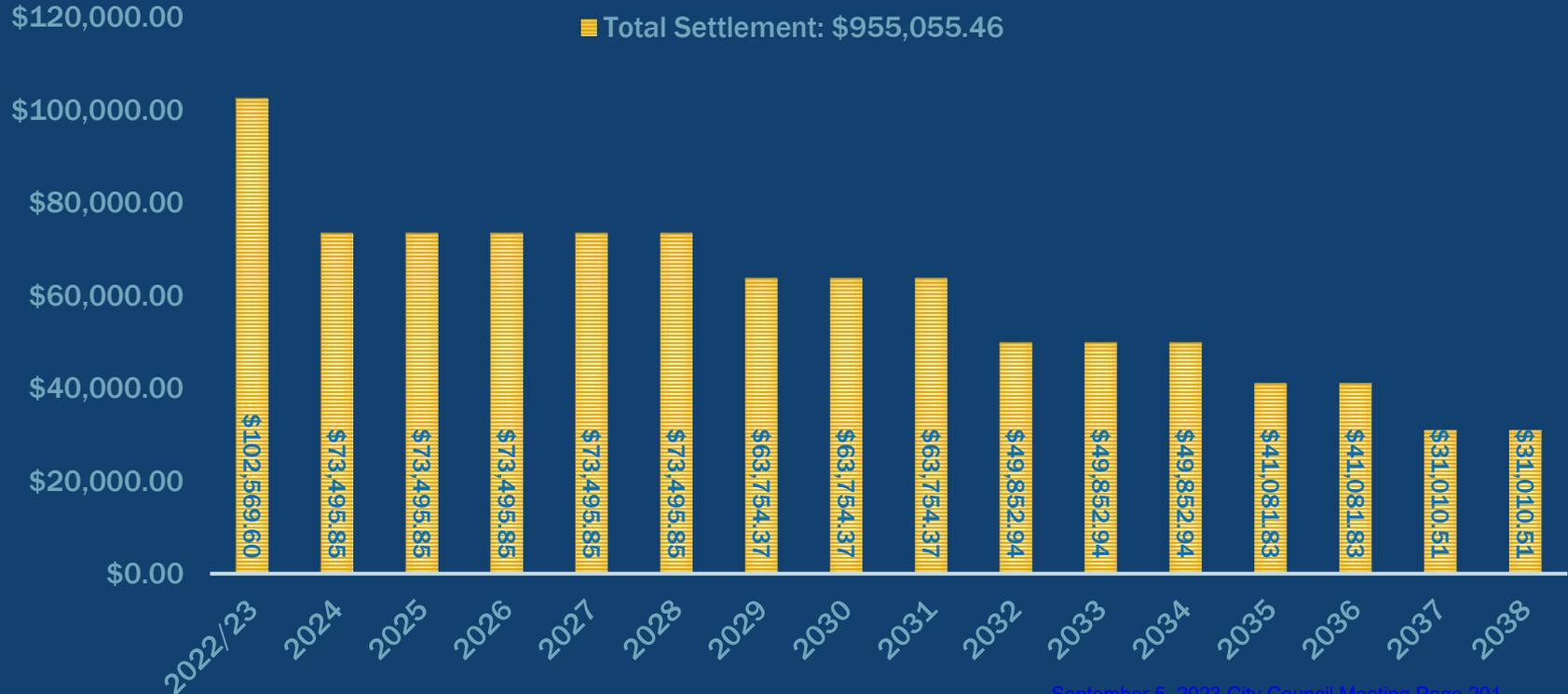
OPIOID ALLOCATION

City Council Meeting

SETTLEMENT AGREEMENT BACKGROUND

- *2022, WA Attorney General's Office resolved lawsuit with companies found to have played a key role in fueling the opioid epidemic.*
- *April 2022, the City Council authorized signing the One Washington MOU regarding opioid settlement.*
- *September 2022, the City Council authorized signing the Allocation Agreement for Opioid Funds*
- *January 2023, the City of Oak Harbor signed the MOU forming the North Sound Region Opioid Abatement Council*
- *August 2023, the City Council was presented with the method to distribute funds*

SETTLEMENT FUND



SETTLEMENT FUND ALLOCATION

Three Strategy Approach

1. Continuation & Expansion of Law Enforcement Services.
2. Support Regional Drug Task Force Operations
3. Allocate Funding Accounts:
 1. Administration of the Opioid Settlement Fund
 2. City of Oak Harbor administrative costs.
 3. Fund to support future action as it relates to the opioid crisis.



STRATEGY 1

CONTINUATION & EXPANSION OF LE SERVICES

Situation

- OHPD officers are dedicated to the safety and service in our community.
- Due to increased calls for service & increased time spent on patrol response there is less available time for patrol officers to support intervention and outreach programs.
- Over a two-year period, there has been a significant increase in non-criminal calls dealing with mental health, substance abuse, and intervention services.
- More police officers are needed to expand support to the vulnerable and addicted population impacted by the opioid crisis.

STRATEGY 1

CONTINUATION & EXPANSION OF LE SERVICES

Action

- Create a new Commissioned Police Officer Position (29th position)
- Allocation of \$70k annually for 7 years (2024 - 2030) = Total Cost \$490,000
- The police department will combine the allocated opioid settlement funds, which will cover about 45% of the cost of a police officer, with funds already allocated to the department for a budgeted, but unfilled, Police Support Officer position. The existing funds within the department budget will amount to 55% of the cost for an officer. Combined, these two sources will provide funding to create a new fully funded a 29th Police Officer position (The percentages will change over the course of the 7-years – see later chart)*



STRATEGY 1

CONTINUATION & EXPANSION OF LE SERVICES

Chief

Captain

Captain

Sgt

Sgt

Sgt

Sgt

Sgt

Sgt

Records

PSO

Ofc

Officer

Officer

Officer

Detective

SRO

Records

PSO

Officer

Officer

Officer

Officer

Detective

SSD

Records

PSO

Officer

Officer

Officer

Officer

SSD

Evidence

Unfilled

SSD

SSD

Current Dept Staffing



STRATEGY 1

CONTINUATION & EXPANSION OF LE SERVICES

Chief

Captain

Captain

Sgt

Sgt

Sgt

Sgt

Sgt

Sgt

Records

PSO

Ofc

Officer

Officer

Officer

Detective

SRO

Records

PSO

Officer

Officer

Officer

Officer

Detective

SSD

Records

PSO

Officer

Officer

Officer

Officer

SSD

Evidence

45%
Opioid
Funds

SSD-(OF)

SSD

SSD

New Dept Staffing
with 29th Officer

STRATEGY 1

CONTINUATION & EXPANSION OF LE SERVICES

New Officer: Special Services Division (PEETT)

- Prevention: Community Outreach, Vulnerable Population Outreach, Behavioral Health Referrals, Connect to Care.
- Education: Education and Safety Initiatives for Community, businesses and schools (kids).
- Enforcement: Support pre-arrest, post-arrest, diversion strategies, & task force support.
- Treatment: Liaison w/ Co-responder, Opioid Outreach, DCR, RNP, referral services.
- Training: Annual first responder training on opioid strategies, safety, trends.

*Note: 45% of the new position will be dedicated to PEETT strategies, tied to funding**



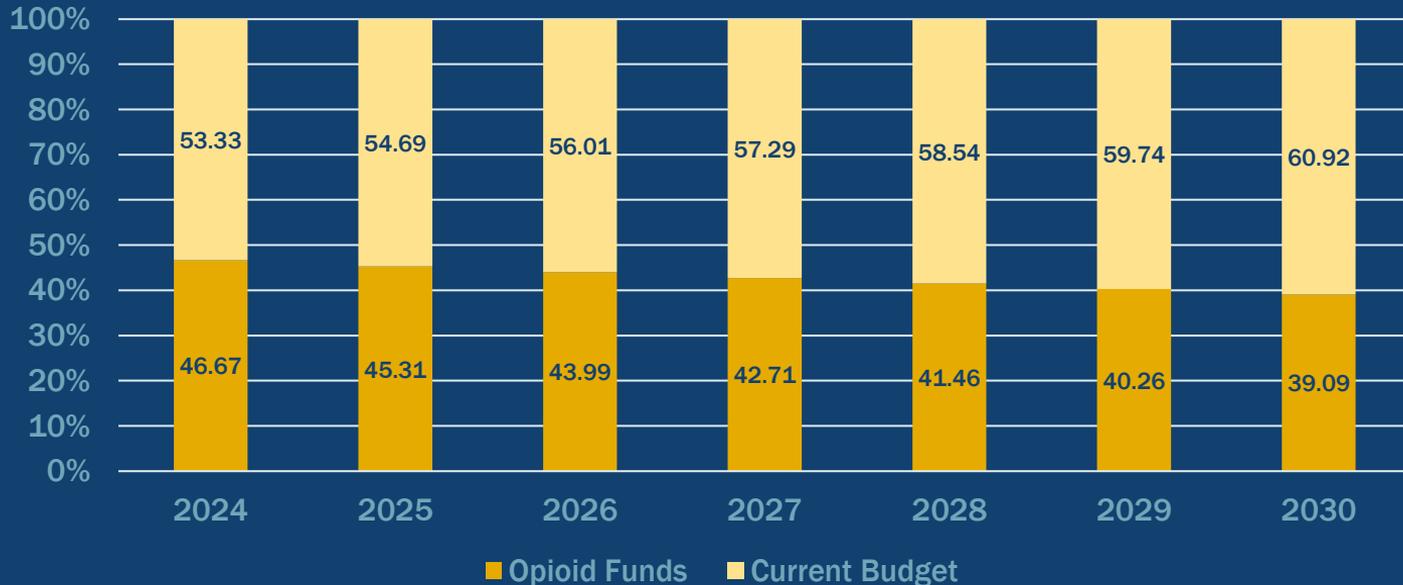
STRATEGY 1

COST BREAKDOWN – ALLOCATION TO OFFICER POSITION

Year	Police Ofc. Cost: Salary, Benefits, Overtime - Including future est. CBA costs	29 th Officer Allocation (see column to right for 2022/3 allocation)	2022/2023 Opioid fund allocated over 7-years to Officer position (\$44,510.96)	Total Opioid Fund Allocation to Officer position	Available Funds in Budget from PSO position - Including future est. CBA costs	Percentage of Funding for position
2022& 2023		\$44,510.84	(2022/3 will be spread out over next 7-years)			
2024	\$150,000.00	\$66,146.26	\$3,853.74	\$70,000	\$80,000.00	100%
2025	\$154,500.00	\$66,146.26	\$3,853.74	\$70,000	\$84,500.00	100%
2026	\$159,135.00	\$66,146.26	\$3,853.74	\$70,000	\$89,135.00	100%
2027	\$163,909.05	\$66,146.26	\$3,853.74	\$70,000	\$93,909.05	100%
2028	\$168,826.32	\$66,146.26	\$3,853.74	\$70,000	\$98,826.32	100%
2029	\$173,891.11	\$57,378.93	\$12,621.07	\$70,000	\$103,891.11	100%
2030	\$179,107.84	\$57,378.93	\$12,621.07	\$70,000	\$109,107.84	100%

STRATEGY 1 FUNDING GRAPH

Percentages from Opioid funds
for New Officer position



Strategy 2

STRATEGY 2

REGIONAL DRUG TASK FORCE

Situation

- Since 2014 the OHPD has not had a Narcotics Detective.
- A high number of counterfeit prescription pills are laced with Fentanyl and distributed in Island, Skagit, Snohomish, and Whatcom counties.
- Frequently officers and people in our community encounter opioid laced pills, which can be deadly in a single dose to the user.
- Narcotics Trafficking and Distribution has no jurisdictional boundaries.
- Narcotics Investigations require a specialized, regional team which is not supported by the departments current staffing.
- FDA, CPB, & DOJ identify improved enforcement & interdiction strategies as a method to counter the opioid crisis.

STRATEGY 2

REGIONAL DRUG TASK FORCE

Action

- Recommend allocation funds to support the Skagit County Inter-local Drug Enforcement Unit (SCIDEU).
- Allocation of a one time \$21k for SCIDEU operations. The amount shall be broken into three equal amounts of \$7k each and distributed over a 3-year period (2023 – 2025).

STRATEGY 2

REGIONAL DRUG TASK FORCE

Results

- Support current and future law enforcement efforts to impact the opioid epidemic.
- Prevent overdose deaths and other harms through interdiction strategies.
- Annual education to law enforcement and other first responders on current opioid trends and opioid impact to community.
- Invest in collaborative efforts with the purpose of preventing overprescribing, opioid misuse, or opioid overdoses.

Strategy 3

STRATEGY 3

ALLOCATED FUNDING ACCOUNTS

Situation

- One Washington MOU requires 10% of allocated opioid funds each year be reserved for OAC administrative related costs.
- The City of Oak Harbor will incur administrative costs related to the distribution of funds.
- The city recognizes the need to support future opioid strategies impacting the Oak Harbor community.

STRATEGY 3

ALLOCATED FUNDING ACCOUNTS

Action

1. Annually allocate 10% of settlement funds received each year for the administrative costs related to the Opioid Abatement Council. Money not used at the end of the calendar year shall be reallocated into the future opioid strategies fund.
2. Allocation of a one time \$5k into a fund for the cities administrative costs related to the opioid settlement.
3. Establish a one-time allotment of \$21,801.68 into a fund for the future opioid strategies related to the opioid crisis. Allocation of money from this fund shall be brought to City Council for all funding decisions.



SUMMARY OF DISTRIBUTION FOR OPIOID SETTLEMENT ALLOCATION FUNDS

Year	Settlement Annual Balance	OAC Admin Allocation (10%)	29 th Officer Allocation	City Admin Settlement Allocation	SCIDEU Allocation	Future Opioid Strategies Allocation	End of year Balance
2023	\$102,569.60	\$10,256.96	\$44,510.84	\$5,000.00	\$21,000	\$21,801.68	\$0.00
2024	\$73,495.85	\$7,349.59	\$66,146.26	--	--	--	\$0.00
2025	\$73,495.85	\$7,349.59	\$66,146.26	--	--	--	\$0.00
2026	\$73,495.85	\$7,349.59	\$66,146.26	--	--	--	\$0.00
2027	\$73,495.85	\$7,349.59	\$66,146.26	--	--	--	\$0.00
2028	\$73,495.85	\$7,349.59	\$66,146.26	--	--	--	\$0.00
2029	\$63,754.37	\$6,375.44	\$57,378.93	--	--	--	\$0.00
2030	\$63,754.37	\$6,375.44	\$57,378.93	--	--	--	\$0.00

RECOMMENDED ACTION

- Motion to approve the allocation of Opioid Settlement Funds as recommended by the three-strategy approach presented.

THANK YOU!

**City of Oak Harbor
City Council Agenda Bill**

Bill No. 10.a.
Date: September 5, 2023
Subject: Multi-Family Tax Exemption
Update

FROM: David Kuhl, Development Services Director

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:

- Bob Severns, Mayor
- Blaine Oborn, City Administrator
- David Goldman, Finance Director
- Hillary J. Evans, City Attorney, as to form

RECOMMENDED ACTION

BACKGROUND / SUMMARY INFORMATION

Staff have continued to work with our consultants to further develop the multi-family tax exemption program (MFTE). An overview of the MFTE was presented at the May 24, 2023, City Council Workshop. A key “next” step is the establishment of the residential targeted areas (RTA). The point of departure was the area identified as part of the Downtown and Marina Revitalization and Redevelopment Plan (presented to Council June 28, 2023 and here as Option 1).

Based on a variety of factors, staff has further identified other potential areas which could benefit from the inclusion in a RTA. Option 2 includes other areas contiguous to, but not within Option 1.

Staff further identified several outlying areas, which, in the long-term scope, could be developed/redeveloped utilizing the MFTE tool. While we are limited to MFTE creation to lands only in the City’s corporate limits, it is valuable to identify potential MFTE RTA’s.

Our consultant team of Anthony Hemstad and Cheryl Swab will be joining staff and providing additional information for this presentation.

LEGAL AUTHORITY

FISCAL IMPACT

PREVIOUS COUNCIL / BOARD / CITIZEN INPUT

ATTACHMENTS

1. [MFTE Presentation](#)



Multi-Family Tax Exemption Program Introduction

Oak Harbor City Council

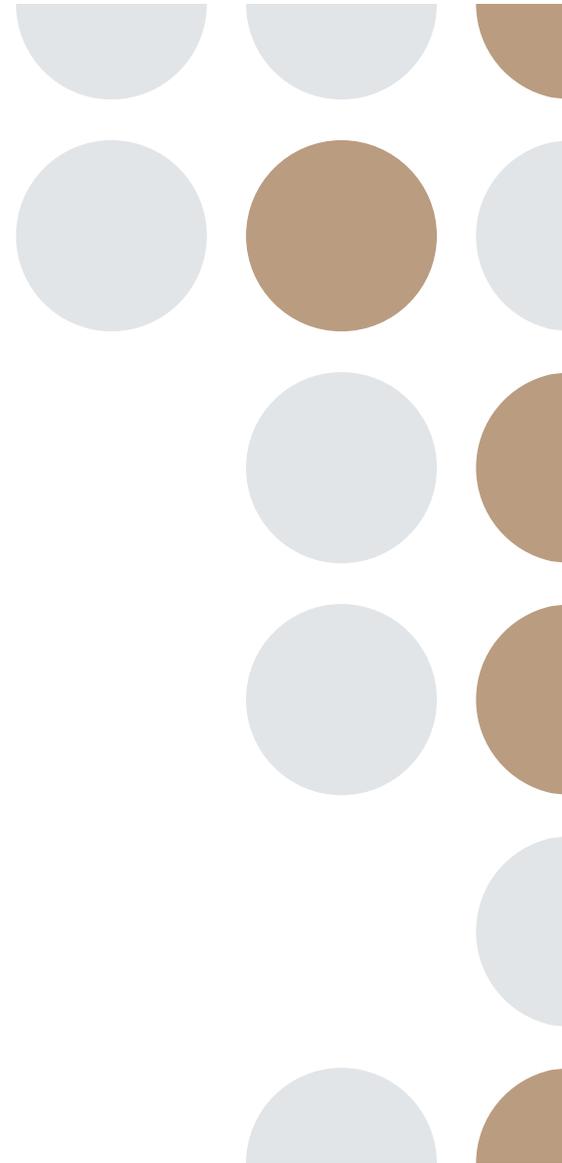
September 5, 2023

Hemstad Consulting

Presenters: Anthony Hemstad & Cheryl Swab

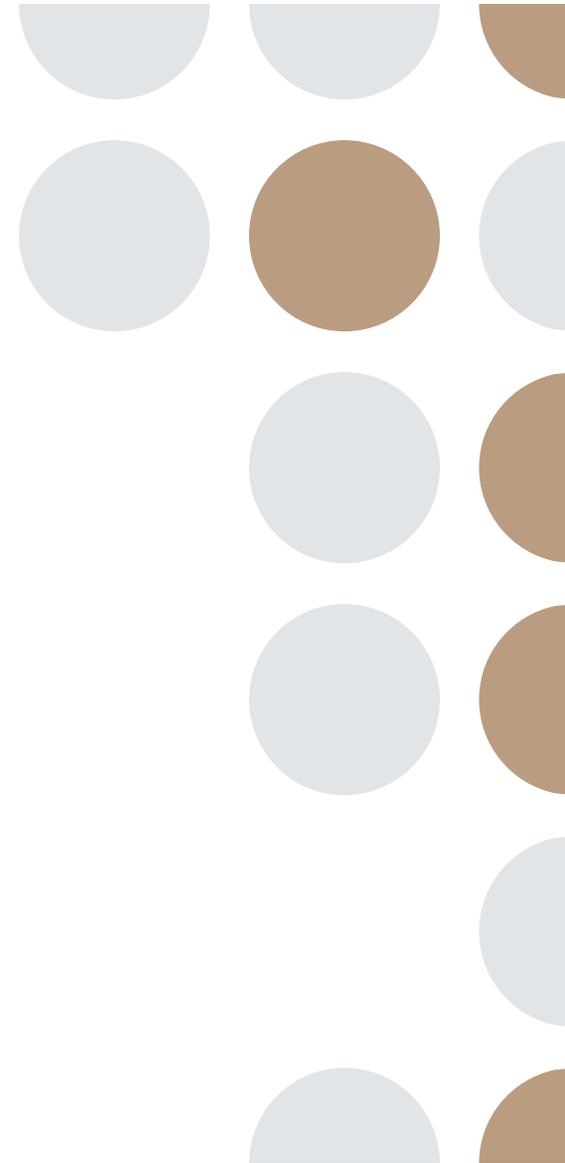
Introduction – Housing Challenge

- Washington is 49th in housing per capita
 - Projected need to build one million more units
 - Acute shortage in below-market rate units
 - Key factors for private investment:
 - Land-availability
 - Interest rates
 - Construction costs
 - Utility and impact fees
 - Oak Harbor Housing Action Plan recommended MFTE as part of local housing solution
-



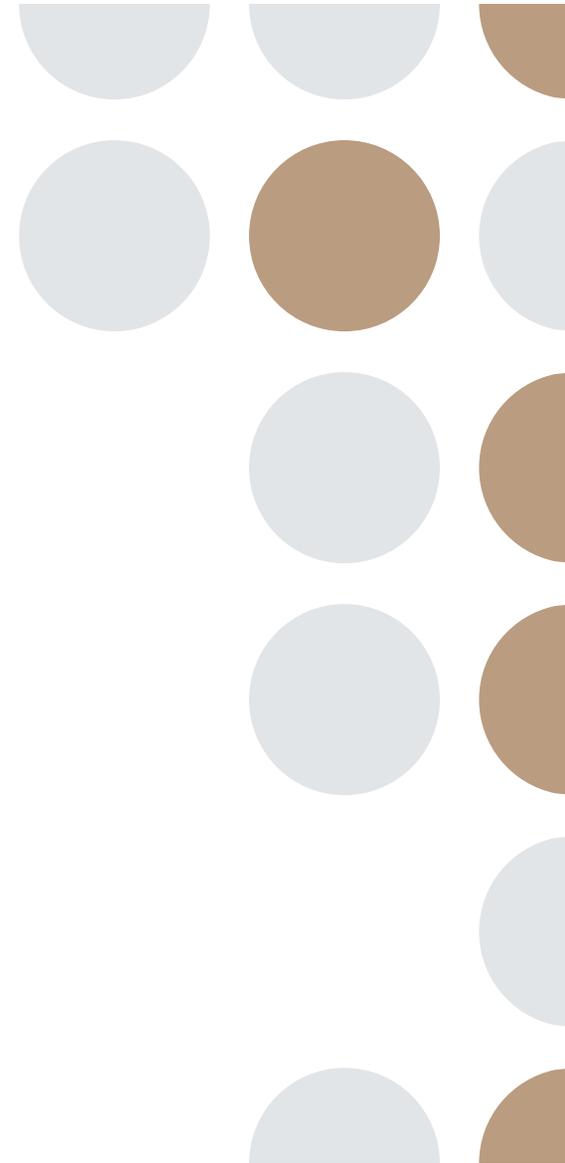
What is MFTE?

- Public Private Partnership encouraging private sector investment to build more multifamily units and generating more affordable housing
 - Property tax waiver programs enacted by cities and counties to support local housing goals
 - Under Chapter 84.14 RCW, local governments can give exemptions for new construction, conversion, and rehabilitation of multifamily residential properties with at least four units
 - Established in 1995, targeting infill development in largest cities. Expanded and made more flexible in recent years. Now most communities – including Oak Harbor – can use MFTE
-



How MFTE Works

- Exempts owners from **ad valorem** property taxes for a set number of years for qualifying housing developments
 - Does not exempt property tax based on the underlying value of the land or any non-multifamily construction/improvements
 - Only permitted for development within designated “residential targeted area”
 - Can be new construction or rehabilitating existing structures
 - Impact fees and other taxes and mitigations remain
-



Advantages

- Financial incentives
 - Meeting housing goals without direct funding
 - Tailor program to meet policies
 - Cities can design their programs to require certain on-site improvements, building requirements, or mandates for services
 - Commonly used
 - MFTE's are successfully used by developers across Washington
-



Oak Harbor Housing Strategies

- MFTE is part of three of the strategies recommended in City's Housing Needs Assessment
 - Incentivize new rental housing
 - Bring down cost of development
 - Provide a wider variety of housing types

Source: Housing Needs Assessment Oak Harbor 2021



Who Uses MFTE?

- As of 2022
 - 55 communities in Washington State have MFTE programs
 - 19 issued final certificates in 2021
- Results
 - 67 new rental properties and 97 owner-occupied housing units
 - 7,759 new housing units, including 1,058 rent-restricted units for low-income households

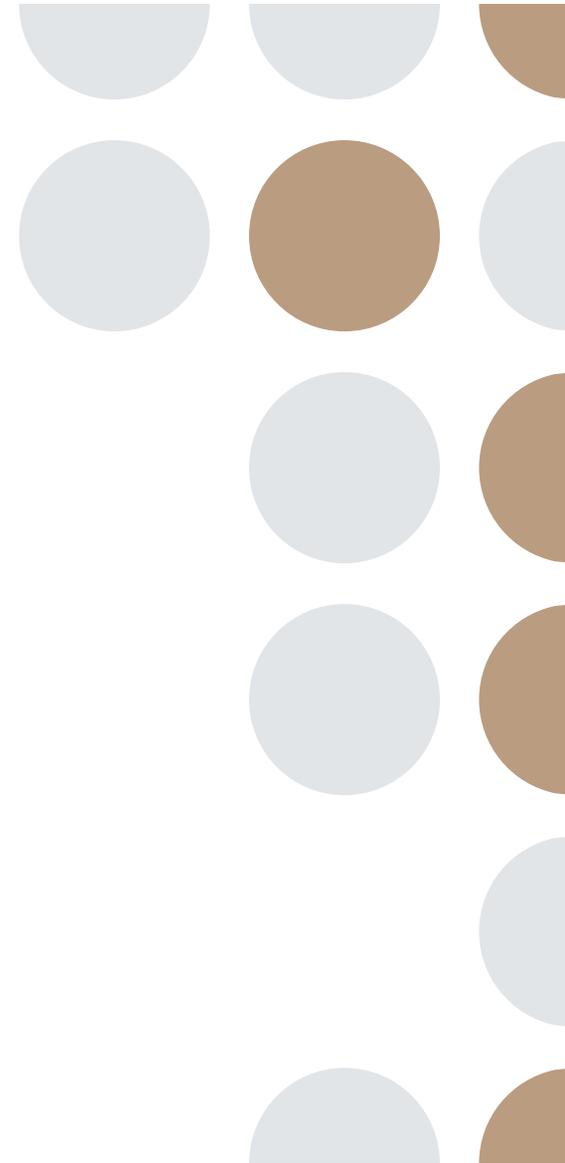
Source: Washington State Department of Commerce

- MFTE has been highly utilized in some communities – while not used at all in other communities that have had MFTE for years. Market and additional local requirements are major determinates on MFTE effectiveness



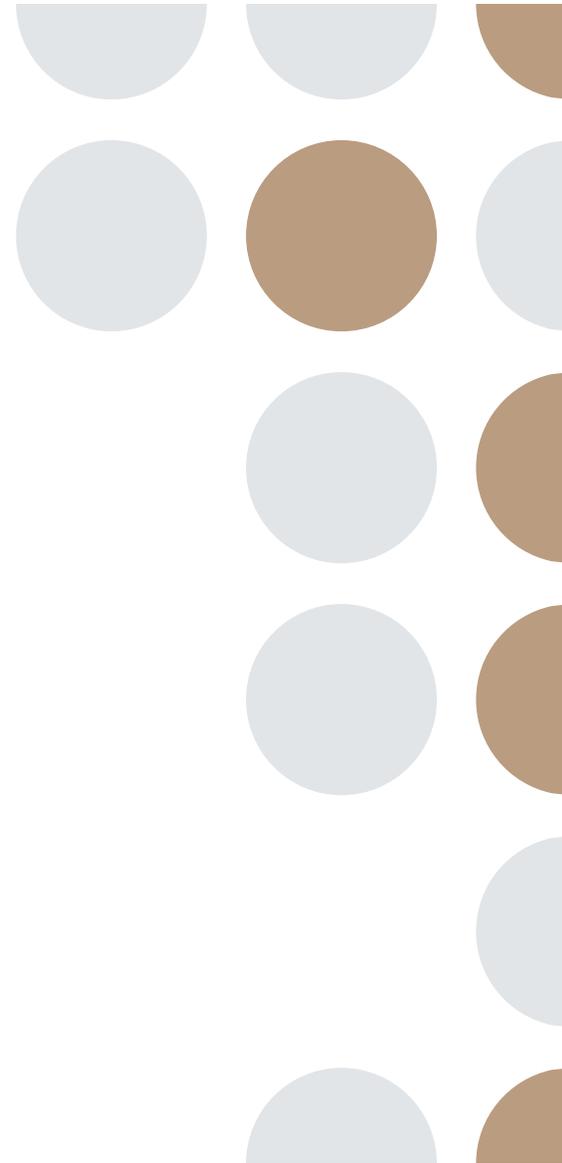
Localizing MFTE for Oak Harbor

- Cities can tailor their local MFTE program and set requirements beyond the State minimums
 - May choose any combination of 8, 12 or 20-year programs.
 - Some cities have added requirements for: prevailing wage, payroll records, apprenticeship programs, inclusionary contracting practices
 - May include community qualifications: e.g., affordability requirements for 8-year programs, public benefit improvements
 - May allow for 12-year extensions: affordability and relocation conditions required
-



Types of MFTE Eight-Year Program

- 8-year program
 - No requirements for affordable housing
 - Intended to encourage market-rate housing development in neighborhoods that lack sufficient housing to meet growth needs
 - More supply of multifamily housing should make market more competitive than it would be without this new supply
-



Types of MFTE 12-Year Program

- 12-year program
 - Must set aside at least 20% of housing units for low- and moderate-income households (based on Area Median Income) with households at 80% of low income and 115% at moderate income
 - Intended to encourage affordable rental housing options, including choices in market-rate private housing developments
-

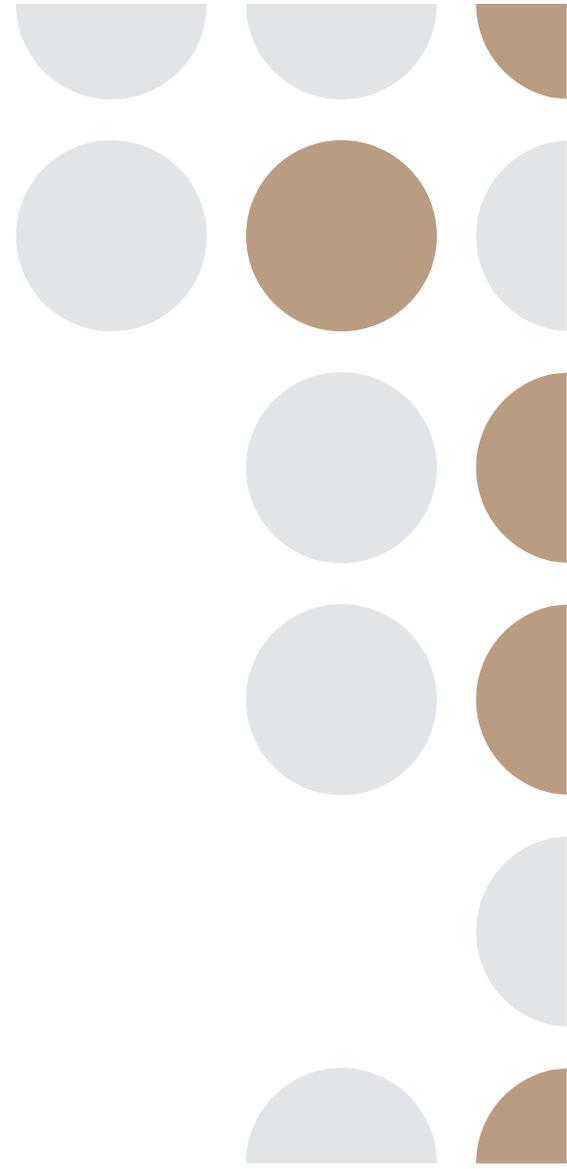


Types of MFTE 20-Year Program

- 20-Year Program
 - Requires 25% of units be sold as permanent affordable housing for households at 80% of AMI or below, with a nonprofit or government agency sponsoring the sale and with restrictions in place for resale ensuring long-term affordability
 - New in 2021, this is intended to be used to encourage affordable homeownership
-



Area Median Income Island County



Household Characteristics – HUD Income Limits

The US Department of Housing and Urban Development (HUD) publishes Consolidated Planning/CHAS data, which group households by income level relative to MFI. These data include adjustments to account for differences in household size relative to living expenses. The 2020 Income Limits published for Island County, shown below, calculate eligibility for housing assistance like Section 8 vouchers. To read this table, a family of four making \$26,200 or less per year would be considered extremely low income and may qualify for Section 8 housing vouchers. An extremely low-income two-person household, meanwhile, makes no more than \$18,250 per year in Island County.

Exhibit XII. Housing and Urban Development Income Limits

FY 2020 Income Limit Area	Median Family Income	FY 2020 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Island County, WA	\$76,000	Very Low (50%) Income Limits (\$)	26,600	30,400	34,200	38,000	41,050	44,100	47,150	50,200
		Extremely Low Income Limits*	16,000	18,250	21,720	26,200	30,680	36,160	39,640	44,120
		Low (80%) Income Limits (\$)	42,600	48,650	54,750	60,800	65,700	70,550	75,400	80,300

* Extremely low income was defined in the 2014 Consolidated Appropriations Act as the greater of 60 percent of the Section 8 very low-income limit or the poverty guideline established by HHS, provided it does not exceed the 50 percent very low-income limit. In Island County's case, the HUD income limits are greater for one- and two-person households, while the HHS poverty limits are greater for three-person households and larger.

Source: Housing Needs Assessment Oak Harbor 2021

Considerations

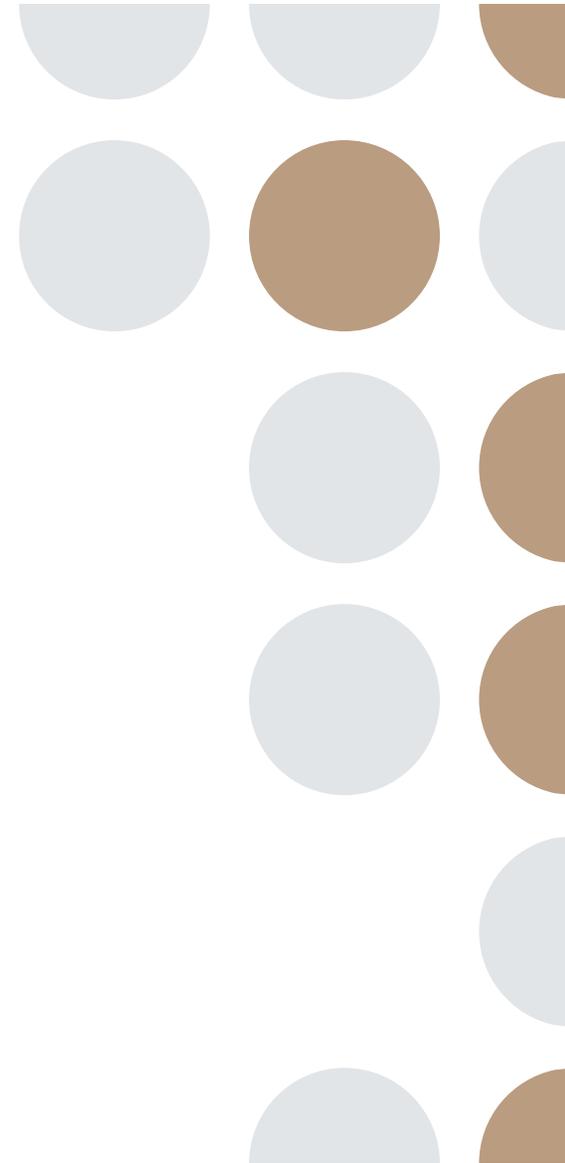
- Revenue implications
- MFTE requires staff time to conduct regular monitoring, oversight, and reporting
- Regular updates can be necessary to make sure the program provides sufficient incentive to maximize public benefits

Source: Washington State Department of Commerce



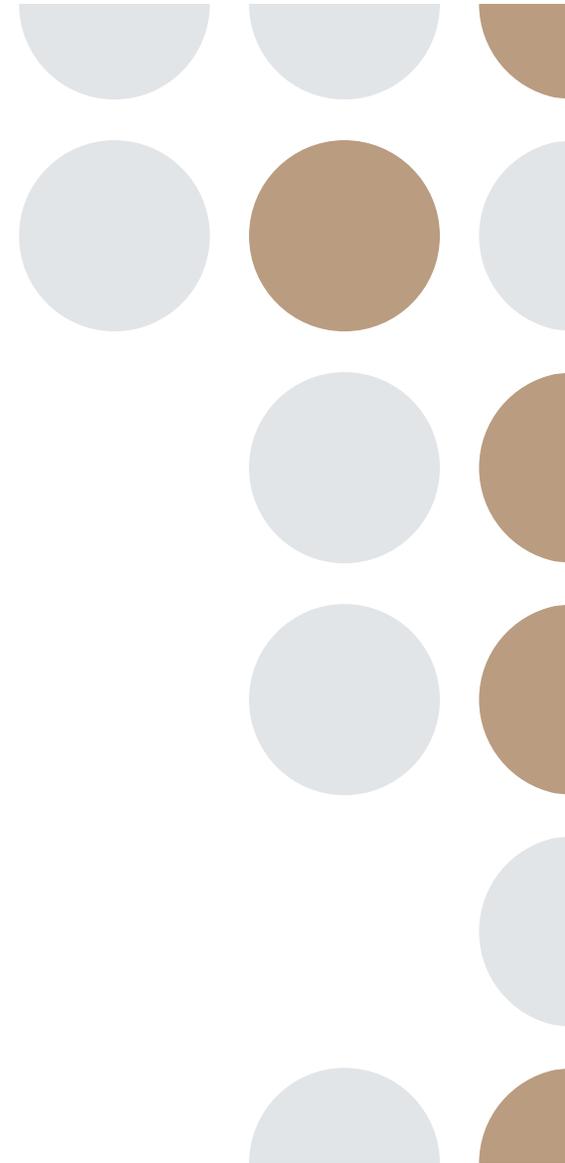
MFTE Revenue Implications

- Underlying tax on unimproved land continues to be collected
 - All other taxes/fees collected + stimulus from new residents
 - Tax shift – Island County Assessor intends to follow what other counties in the area and implement tax shift. This minimizes financial impact to local governments as property tax from MFTE properties is shifted on a pro-rated basis to other properties in City. In other jurisdictions has been a minimal amount per residential property taxpayer.
-



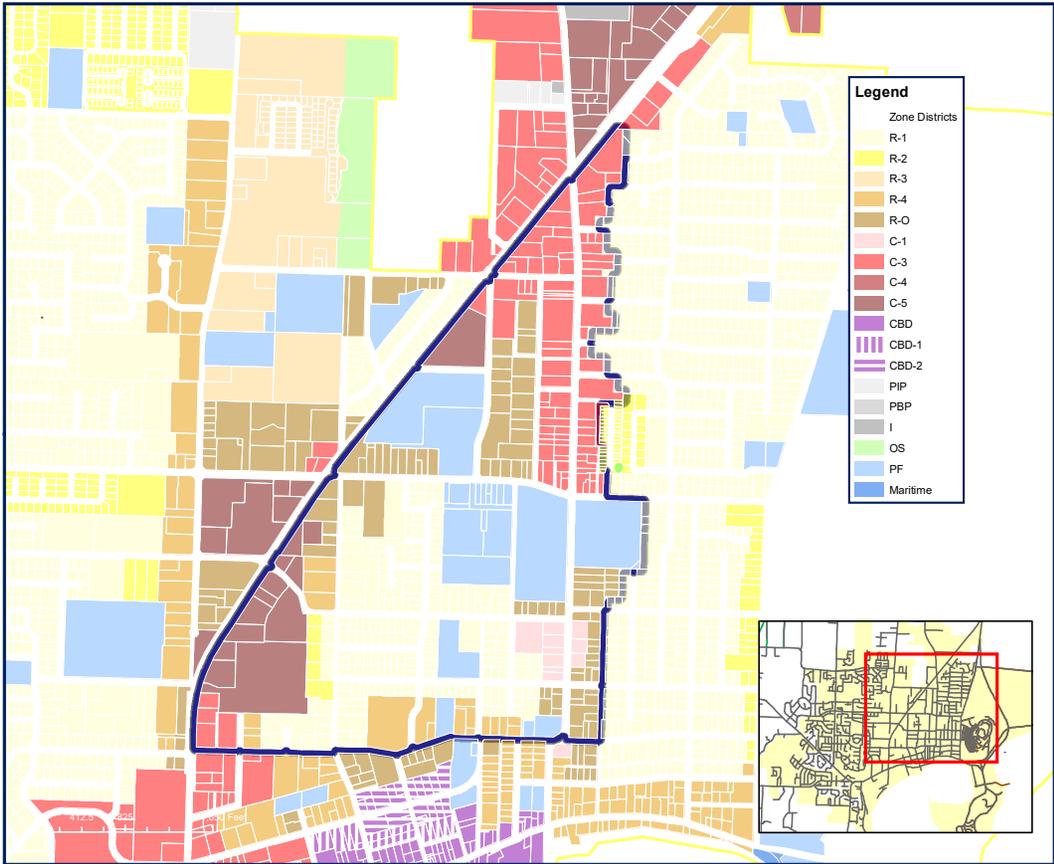
Residential Targeted Area

- Buildable land within the City where qualifying housing developments may apply for an MFTE
 - Must be within an urban center as defined in RCW 84.14.010(17) and so designated by the Council
 - Must currently lack sufficient, desirable, convenient housing to meet the needs of public growth, as determined by the Council
-



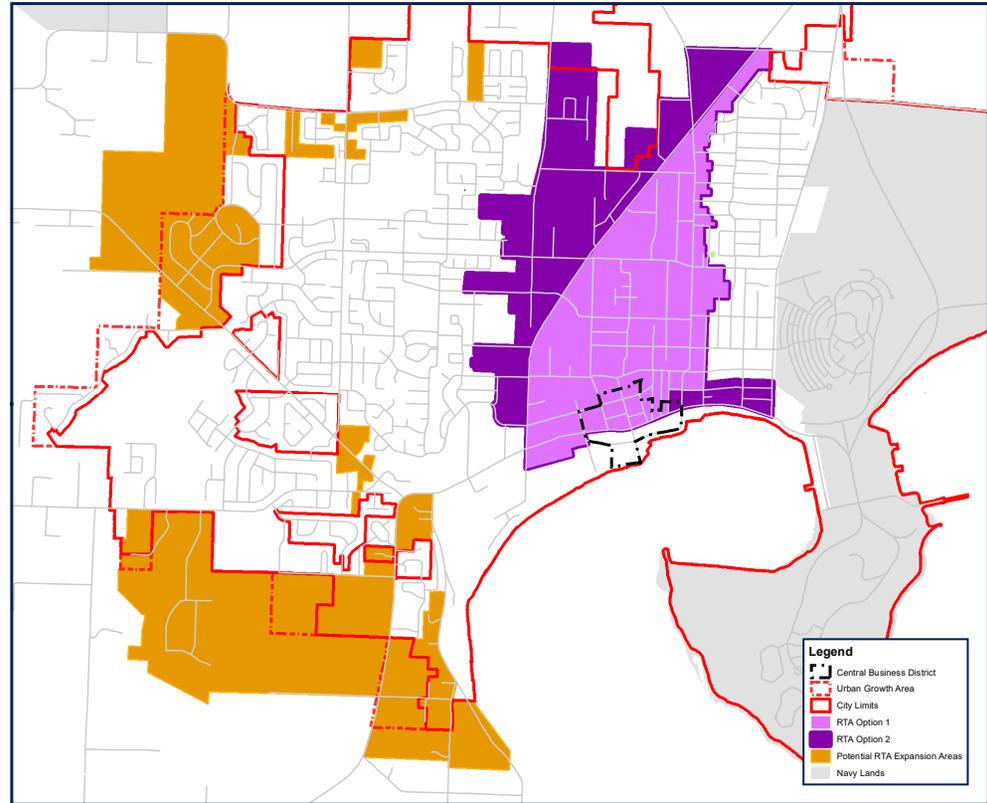
Oak Harbor RTA Recommendation

- City of Oak Harbor has put forward one RTA and is expected to recommend between one and two additional RTAs
 - Maps on next two slides
-



Proposed RTA Map 1

Proposed RTA Map 2



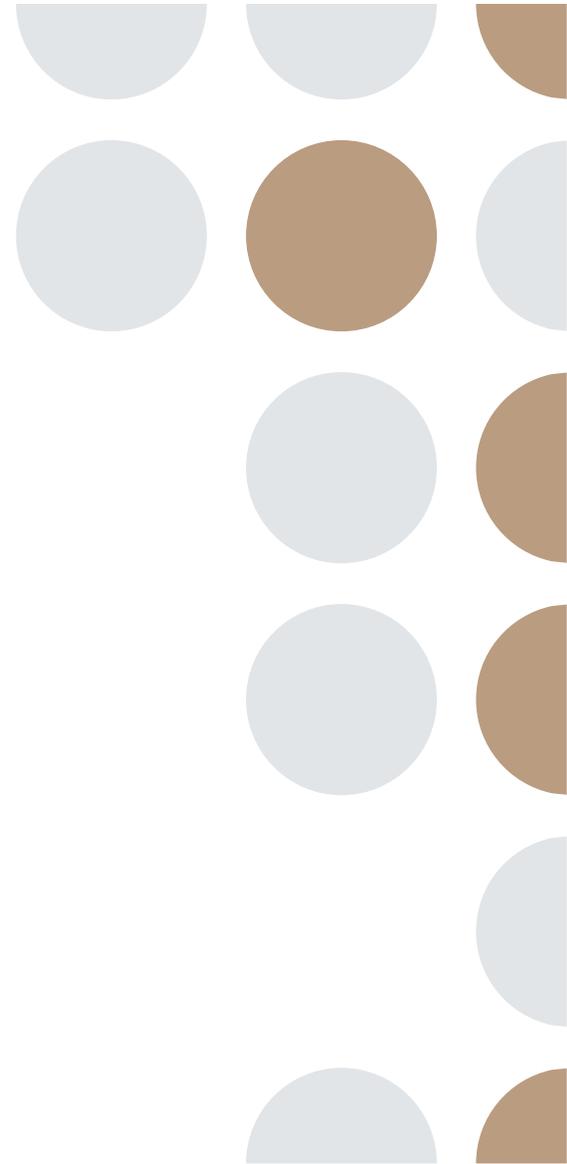
Residential Target Area (RTA)



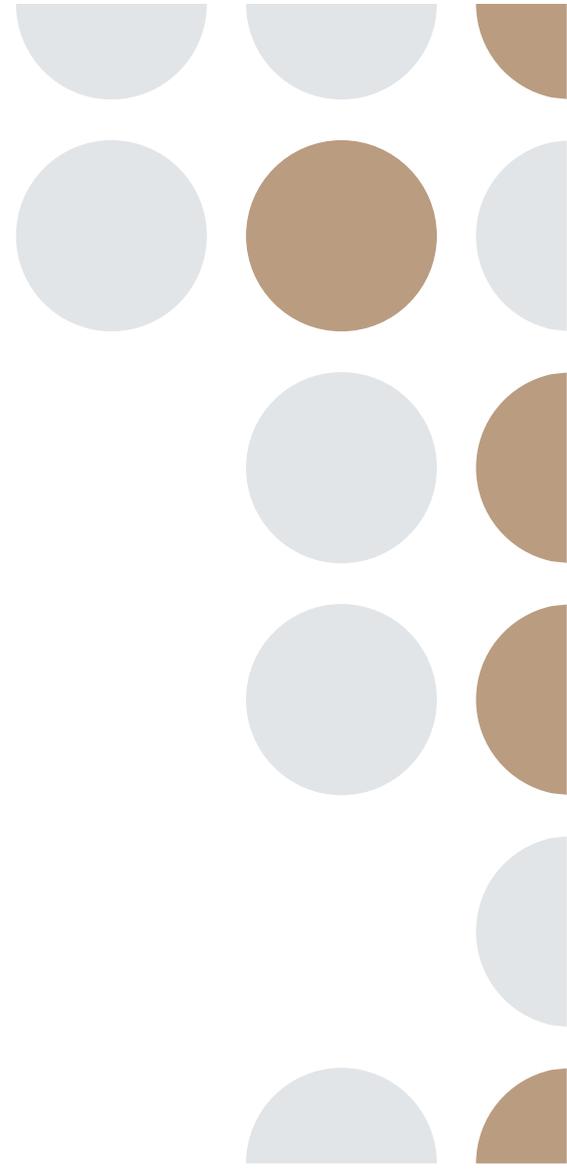
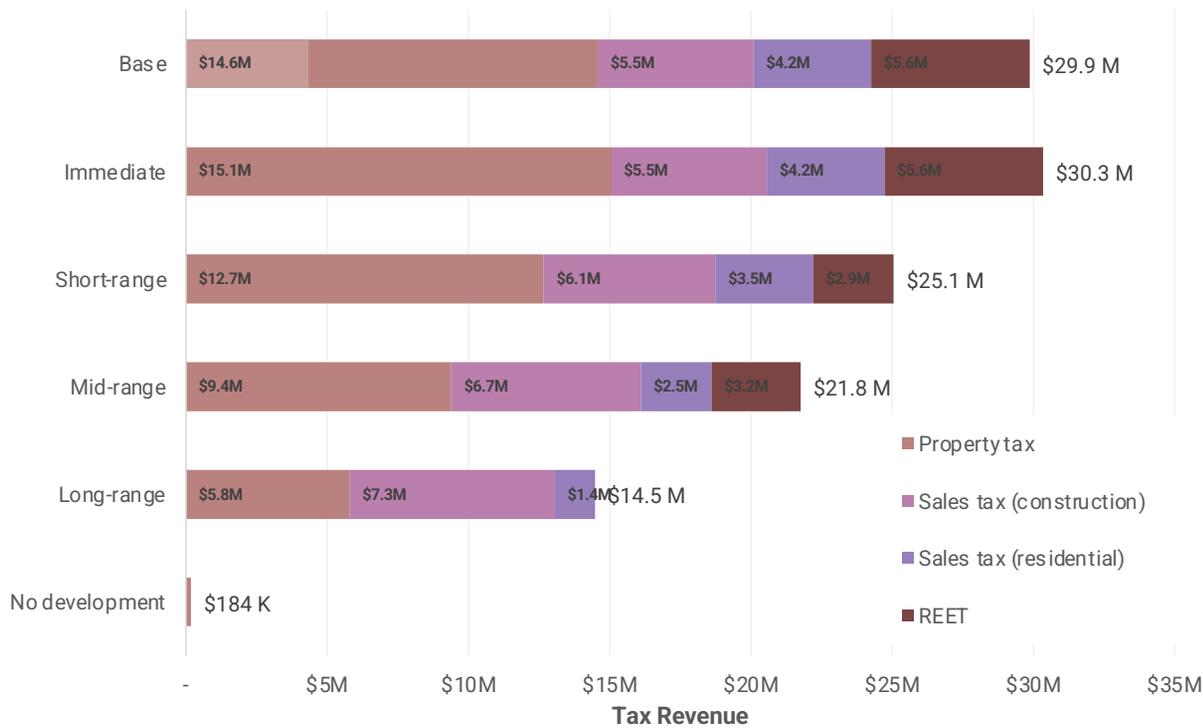
MFTE Recommendation – Oak Harbor

- Our goal is for Oak Harbor’s MFTE program to be used
- We recommend that the initial program not go beyond the State requirements for 8, 12, and 20 year programs
- We also recommend that the program be reviewed in two years to see if additional tweaks can/should be made to Oak Harbor’s MFTE program

Questions & Comments



MFTE Revenue Implications



City of Oak Harbor
City Council Agenda Bill

Bill No. 11.a.
Date: September 5, 2023
Subject: Executive Session: Per RCW
42.30.110 (1) (i) To discuss
with legal counsel, litigation or
potential litigation

FROM: Administration

INITIALED AS APPROVED FOR SUBMITTAL TO THE COUNCIL BY:

- Bob Severns, Mayor
- Blaine Oborn, City Administrator
- David Goldman, Finance Director
- Hillary J. Evans, City Attorney, as to form

RECOMMENDED ACTION

BACKGROUND / SUMMARY INFORMATION

Executive Session : Per RCW 42.30.110 (1)(i) To discuss with legal counsel litigation or potential litigation.

LEGAL AUTHORITY

FISCAL IMPACT

PREVIOUS COUNCIL / BOARD / CITIZEN INPUT

ATTACHMENTS