



CITY OF KIRKLAND CITY COUNCIL

Joan McBride, Mayor • Penny Sweet, Deputy Mayor • Dave Asher • Jessica Greenway
Doreen Marchione • Bob Sternoff • Amy Walen • David Ramsay, City Manager

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AGENDA KIRKLAND CITY COUNCIL MEETING City Council Chamber Tuesday, January 19, 2010 6:00 p.m. – Study Session – Peter Kirk Room 7:30 p.m. – Regular Meeting

COUNCIL AGENDA materials are available on the City of Kirkland website www.ci.kirkland.wa.us, at the Public Resource Area at City Hall or at the Kirkland Library on the Friday afternoon prior to the City Council meeting. Information regarding specific agenda topics may also be obtained from the City Clerk's Office on the Friday preceding the Council meeting. You are encouraged to call the City Clerk's Office (587-3190) or the City Manager's Office (587-3001) if you have any questions concerning City Council meetings, City services, or other municipal matters. The City of Kirkland strives to accommodate people with disabilities. Please contact the City Clerk's Office at 587-3190, or for TTY service call 587-3111 (by noon on Monday) if we can be of assistance. If you should experience difficulty hearing the proceedings, please bring this to the attention of the Council by raising your hand.

1. *CALL TO ORDER*
2. *ROLL CALL*
3. *STUDY SESSION, Peter Kirk Room*
 - a. *Annexation Update*
4. *EXECUTIVE SESSION*
 - a. *To Discuss Pending Litigation*
5. *HONORS AND PROCLAMATIONS*
6. *COMMUNICATIONS*
 - a. *Items from the Audience*
 - b. *Petitions*
7. *SPECIAL PRESENTATIONS*
8. *CONSENT CALENDAR*
 - a. *Approval of Minutes:* January 5, 2010
 - b. *Audit of Accounts:*

<i>Payroll</i>	<i>\$</i>
<i>Bills</i>	<i>\$</i>
 - c. *General Correspondence*

EXECUTIVE SESSIONS may be held by the City Council to discuss matters where confidentiality is required for the public interest, including buying and selling property, certain personnel issues, and lawsuits. An executive session is the only type of Council meeting permitted by law to be closed to the public and news media

ITEMS FROM THE AUDIENCE provides an opportunity for members of the public to address the Council on any subject which is not of a quasi-judicial nature or scheduled for a public hearing. (Items which may not be addressed under Items from the Audience are indicated by an asterisk*.) The Council will receive comments on other issues, whether the matter is otherwise on the agenda for the same meeting or not. Speaker's remarks will be limited to three minutes apiece. No more than three speakers may address the Council on any one subject. However, if both proponents and opponents wish to speak, then up to three proponents and up to three opponents of the matter may address the Council.

P - denotes a presentation from staff or consultant

GENERAL CORRESPONDENCE

Letters of a general nature (complaints, requests for service, etc.) are submitted to the Council with a staff recommendation. Letters relating to quasi-judicial matters (including land use public hearings) are also listed on the agenda. Copies of the letters are placed in the hearing file and then presented to the Council at the time the matter is officially brought to the Council for a decision.

ORDINANCES are legislative acts or local laws. They are the most permanent and binding form of Council action, and may be changed or repealed only by a subsequent ordinance. Ordinances normally become effective five days after the ordinance is published in the City's official newspaper.

RESOLUTIONS are adopted to express the policy of the Council, or to direct certain types of administrative action. A resolution may be changed by adoption of a subsequent resolution.

PUBLIC HEARINGS are held to receive public comment on important matters before the Council. You are welcome to offer your comments after being recognized by the Mayor. After all persons have spoken, the hearing is closed to public comment and the Council proceeds with its deliberation and decision making.

NEW BUSINESS consists of items which have not previously been reviewed by the Council, and which may require discussion and policy direction from the Council.

d. Claims

- (1) Terry Higbee
- (2) Emmanuel Ramos

e. Award of Bids

- (1) 116th Avenue NE Sidewalk (Highlands) Project, Kamins Construction, Bothell, Washington

f. Acceptance of Public Improvements and Establishing Lien Period

- (1) 2009 Emergency Sewer Program, Universal Land Construction Company, Woodinville, Washington

g. Approval of Agreements

h. Other Items of Business

- (1) Resolution R-4798, Designating Penny Sweet as Representative to Serve on the Cascade Water Alliance (Cascade) Board and Doreen Marchione as Alternate to Serve on the Cascade Board
- (2) Boards and Commissions Resignation

9. PUBLIC HEARINGS

10. UNFINISHED BUSINESS

a. Budget Update

11. NEW BUSINESS

- a. Draft 2009 Comprehensive Solid Waste Management Plan Update*
- b. Resolution R-4799, Establishing Policies and Procedures for the Naming of Public Parks and Facilities*
- c. Naming of Cotton Hill Park*
- d. Resolution R-4800, Setting Forth the Current Rules of Procedure for the Conduct of Kirkland City Council Meetings*
- e. Providing Local Preference for City Purchasing*

12. REPORTS

a. City Council

- (1) Regional Issues
- (2) Eastside Business Association Membership

b. City Manager

- (1) 2010 Legislative Update 2
- (2) 2010 City Council Retreat Topics
- (3) Teen Center
- (4) Calendar Update

13. ANNOUNCEMENTS

14. ADJOURNMENT

**MEMORANDUM**

To: Dave Ramsay, City Manager

From: Marilynne Beard, Assistant City Manager

Date: January 7, 2010

Subject: ANNEXATION IMPLEMENTATION POLICY ISSUES AND TIMELINE

RECOMMENDATION:

City Council receives an overview of outstanding annexation policy issues for future Council consideration.

BACKGROUND DISCUSSION:

On December 15, 2009, the City Council approved Ordinance #4229 providing for the annexation of Finn Hill, North Juanita and Kingsgate effective June 1, 2011. Over the past several years, staff identified a variety of policy and operational issues related to annexation which were presented to Council in previous staff reports. The purpose of this memorandum is to identify and briefly describe outstanding policy issues that will require City Council discussion and action over the next 18 months. A summary matrix of the policy issues is included as Attachment A.

In addition to the policy issues noted in this memo, there are operational and transition plans that were developed by City departments that outline steps that staff will need to take to be able to begin service delivery within the larger city boundaries in 2011. Staff is in the process of updating the plans. A copy of the most recent work plans developed in 2009 is included for your information as Attachment B.

In past staff reports, annexation policy issues were presented in five general categories which will be used as a framework for this and future staff reports.

- Financial – One-time and ongoing resources needed to implement and provide ongoing services to a larger city.
- Annexation Process and Legal – Actions needed by the City Council and other agencies to finalize all elements of the annexation.
- Operational – Details and plans for providing services in the annexation area.
- Intergovernmental – Agreements and coordination needed with King County and multiple public agencies currently serving the annexation area.
- Communication and Public Involvement – Information to and involvement of citizens in existing Kirkland and the annexation area and internal City communications.

A summary narrative of policy issues is provided below as well as a summary matrix (see Attachment A). It should be noted that the complexity and impact of the policy issues varies considerably. The following narrative touches only briefly on the array of issues that will come before the Council in the next 18 months. Each policy issue will be presented at a future meeting with a more complete description, analysis and recommendations (where appropriate).

FINANCIAL

State Funding

The availability of the state sales tax credit revenue is key to the City's ability to fund annexation costs for the first ten years. When the legislation was first approved, the State Department of Revenue (DOR) indicated that the funding would be available to cities prior to the annexation effective date to assist with transition costs. More recently, DOR indicated that the City cannot begin to collect this revenue until after the effective date of annexation. The legislation adopting this revenue source does not specifically address this issue. Staff recommends that the City pursue a clarification of legislative intent during the current legislative session to confirm that funding can be accessed prior to the effective date of annexation. Staff will work with local legislators and the Association of Washington Cities on this issue and report back to Council regarding any direct involvement needed by Council to further this important legislative priority.

King County Funding

At one time, King County had reserved up to \$10 million in annexation assistance funding to encourage cities to pursue annexation of unincorporated islands. Although County representatives have informally indicated that funding assistance is still possible, more recent communications were less encouraging. Given the County's financial situation, it may not be realistic to expect the level of financial assistance that may have been available three years ago. However, the City should pursue whatever assistance may be possible including transfers of dedicated reserves (e.g. street funds, impact fee revenue) and/or other assets such as property that the City can use now or in the future to offset the cost of annexation (e.g. the Finn Hill fire station site).

Annexation Operating Budget

Staff is currently in the process of updating revenues and expenses associated with annexation. Economic conditions have worsened since the last estimates were prepared and the existing City's overall service system was reduced due to continued revenue shortfalls. The annexation budget needs to be recalibrated to the City's new service levels and updated to reflect more current revenue trends. Assuming that annexation revenue trends are similar to the City's trends, then it is likely that services to the annexation area will need to be phased in over a longer period of time.

Annexation Capital Budget and Facilities

The most significant and pressing capital need for annexation is the need for new or expanded facilities to house staff hired to serve the larger City. Plans to expand the City Hall facility, primarily for Police services, were placed on hold pending a decision on annexation. Now that the City is proceeding with annexation, staff will need to prepare plans for interim space (potentially leased space) and permanent space for new staff. Although the cost of new facilities was factored into the annexation budget, current economic realities may necessitate reduced size and functionality of new facilities despite the favorable bid climate. Since new facilities cannot reasonably be constructed prior to the annexation effective date, arrangements for interim facilities may need to be in place.

Another capital budget issue relates to the calculation of impact fees. Transportation and park impact fees are based on new growth-related capacity projects identified in the Capital Facilities Element of the Comprehensive Plan. Staff is exploring ways to implement impact fees as soon as possible by potentially adopting an interim capital plan based on King County's planned capital projects or possibly continuing to apply the County fee in the interim while the capital facilities element is developed.

ANNEXATION PROCESS AND LEGAL

Gambling

The City of Kirkland prohibits card rooms (casinos) from operating within the City limits. King County allows casinos and there is one licensed casino in the annexation area (Caribbean Casino in Kingsgate). In 2009, the State legislature passed legislation allowing cities to grandfather in casinos licensed by the Gambling Commission as of July 26, 2009 and prior to annexation without having to allow additional casinos in the City limits. In July 2009, the City Council passed a resolution indicating its intent to allow the grandfathering of the casino. The most recent annexation financial scenario assumed the City would receive revenue from the existing card room.

The resolution of intent is not binding as the City did not have jurisdiction to approve the grandfathering provision in advance of the annexation vote or the effective date. The City Council will need to approve an ordinance authorizing the casino to continue to operate. This ordinance would need to be acted and made effective coincident with the annexation effective date. Unless the City Council wants to indicate a change in its stated intent, no action is needed until 2011.

Wild Glen Condominiums

At least one outstanding boundary issue remains from the City's initial annexation process with the Boundary Review Board. At the time that the Resolution of Intent to Annex was prepared, staff discovered a discrepancy between the boundary shown in the County's maps compared to Kirkland's map. The subject of the discrepancy is one parcel developed with a condominium complex (Wild Glen Condominiums) located on the northern boundary of the annexation area. The City of Kirkland, the City of Bothell and King County staff made an initial agreement to exclude the parcel from Kirkland's annexation boundary description to be prepared for the

Boundary Review Board. The Boundary Review Board approved the City's annexation proposal as presented (which excluded that parcel). It was determined that, if the annexation was later approved, the area would then be contiguous to the City and Kirkland would pursue annexing the area.

Subsequent to the submittal of the City's annexation proposal to the Boundary Review Board, the City was advised by Fire District #41 that this one parcel would be the only remaining parcel in the district if the annexation were approved. The fire district's interest is to dissolve; however, the district would need to continue to exist unless the parcel was annexed to a City or another fire district. Staff is exploring options for expediting the process of annexing the Wild Glen condominium parcel concurrent with the effective date of the larger annexation, so that the fire district can conclude its dissolution as quickly as possible.

Early Adoption of Selected Zoning Regulations

There has been some discussion about asking King County to adopt selected land use regulations prior to the effective date of annexation. Two examples of policies that the City could ask King County to adopt relate to billboards and cell towers – two areas where Kirkland's regulations are more stringent than King County's. Early adoption of zoning regulations is at the discretion of King County and the City will need to be selective in its requests so that the burden placed on King County's development staff is manageable (since they would need to be reviewing developments against two different zoning codes). Staff will discuss this issue further with King County staff to determine their willingness to consider early adoption of selected regulations and will return to Council with a report and recommendation.

Neighborhood Boundaries

Although the annexation area is generally thought of as three distinct "neighborhoods" – Finn Hill, North Juanita and Kingsgate – those areas may not be logical boundaries for purposes of planning and neighborhood association formation. Typically, Planning staff works with the residents and existing community groups to help identify those boundaries. The City could use the existing (three-area) boundaries for working purposes at this point or could begin defining neighborhood boundaries prior to the effective date. Staff resources needed to support neighborhood association formation and development of neighborhood plans would need to be added before the effective date if the City wants to begin these community processes early. Staff will need to identify the pros and cons of neighborhood boundary designations and return to Council with a recommendation.

OPERATIONAL

Park Properties

The City will need to reach agreement with King County and the Finn Hill Park and Recreation District regarding ownership and maintenance responsibilities for parks and open space properties in the annexation area. There are a total of 10 parks and numerous open space parcels in the annexation area, most of which are owned and maintained by King County. O.O. Denny Park is the one exception, as it is owned by the City of Seattle and maintained by the Finn Hill Park and Recreation District through an annual levy. To date, King County Parks staff indicated that the County plans on transferring all of its parks properties in the annexation area

to the City of Kirkland upon annexation with the exception of Big Finn Hill Park which would remain a regional facility. However, King County may be open to discussing the transfer of Big Finn Hill Park and has also inquired as to whether Kirkland is interested in acquiring the entire East Norway Hill Park site, even though only a small portion of the site is within the annexation area boundaries. Significant maintenance costs are associated with Big Finn Hill and East Norway Hill Park which are not factored into the annexation budget. If King County is interested in transferring the larger parks to Kirkland, the City Council will need to consider the financial implications and the City's capacity to maintain the facilities.

Solid Waste Services

The annexation area is currently served by Allied Waste Services (formerly Rabanco) for solid waste disposal and recycling services under a certificate issued by the Washington Utilities and Trade Commission. State law provides for transfer of solid waste services following an annexation. Under state law solid waste services remain with the existing contractor for seven years, after which customers are transferred to the annexing City's contractor as a means to compensate the existing contractor.

In Kirkland's case, the state law is superseded by a "four-way agreement" that was entered into in 1991 by the cities of Kirkland and Bellevue and their two solid waste contractors, Waste Management and Rabanco (now "Allied Waste"). Under the four way agreement, the annexation area customers transfer to the City's contractor on July 1 or January 1 following the effective date of annexation (whichever is sooner). Given the June 1, 2011 effective date, services would be transferred on July 1, 2011. Waste Management would also be obligated to compensate Allied Waste for the transferred service area. Any deviation from the four-way agreement must be agreed to by all four parties.

Waste Management has expressed concern about the financial feasibility of complying with the four-way agreement. The City of Kirkland's current contract for solid waste services with Waste Management is due to expire on September 30, 2012. The contract is subject to one additional two-year extension under the original terms and conditions at the City's discretion that could extend the contract expiration date to September 30, 2014. The current contract is advantageous to Kirkland customers, with residential rates held comparatively low. If the City reopens the contract to accommodate annexation (other than what is provided in the four-way agreement), the remainder of the contract (and customer rates) are also subject to negotiation. Staff is meeting Waste Management and Allied Waste representatives and will develop a report with options and recommendations for Council consideration.

An additional policy issue related to solid waste collection services is self-hauling. Residents in the annexation area are currently allowed to opt out of curbside waste collection and self-haul waste to a local transfer station. City of Kirkland residential properties are required to subscribe to curbside waste disposal and recycling services. The requirement to subscribe to curbside service supports high recycling diversion rates and prevents residents from stockpiling large amounts of refuse on their properties. Staff will need to develop a communication and implementation plan for implementing this policy in the annexation area.

Fire and Emergency Services

The annexation area is currently served by three fire districts – King County Fire District #41, Woodinville Fire and Life Safety and King County Fire District #34. District #41 and Woodinville Fire and Life Safety each have unique circumstances and issues related to transition.

Fire District #41's boundaries are largely contiguous with the annexation area boundaries (with the one exception noted above for the Wild Glen Condominiums). The City of Kirkland provides fire and emergency medical services to Fire District #41 through a contract. District #41 owns the fire stations and apparatus that serve their area. Several years ago, the District agreed that consolidation of two of the stations (currently Holmes Point and North Finn Hill stations) would be a more cost efficient way to serve the area. The District would build a new station adjacent to Finn Hill Junior High (on Lake Washington School District property). It was later determined that the location did not have adequate sight distance for vehicles exiting the employee parking lot and an alternative location was proposed by King County representatives which is currently part of the Big Finn Hill Park property. The conditions under which the property could be conveyed to the District (and ultimately to the City of Kirkland after annexation) have yet to be determined, including any cost implications for the project which was to be financed and constructed prior to the effective date of annexation. Representatives from Fire District #41 and the City are meeting with King County representatives regarding the property and conditions under which it can be made available and accommodate a fire station. Although this issue is largely one to be resolved between King County and the Fire District, the City of Kirkland will be the ultimate owner and operator of the station and so is participating in the discussions.

A portion of the Woodinville Fire and Life Safety District (WFLSD) is located in the annexation area (approximately ten percent of their total assessed valuation and service area). WFLSD has a station located in Kingsgate which will be within Kirkland's city limits and outside the District boundaries after annexation. After the effective date of annexation, the City of Kirkland will be responsible for providing fire and emergency medical services to the area. State law provides the mechanisms and rules for the transfer of services to take place, however, it also allows considerable latitude to negotiate how and when the transfer is to take place. Earlier annexation financial models assumed that WFLSD would continue to staff the Kingsgate fire station because the station serves a larger area than the portion that would be annexed. In fact, earlier conversations with WFLSD indicated that they had plans to relocate the station in any event, but that it would take approximately five years to do so. As a result, Kirkland's annexation model did not include the cost of providing service to the area by the City for the first five years. Since that time, the District's financial and service needs have changed (largely due to economic conditions that indefinitely stalled the construction of a large development located east of the Kingsgate station). City representatives have been engaged in a mediation process with WFLSD over the past six months to work through a transition plan that meets the requirements of the law, the service needs of the area and the financial capacity of the City and the District. The timing and financing plan for transition of fire and emergency medical services have not been determined at this time. There is strong agreement that assuring continuity of current levels of emergency services to the area is the most important objective.

At the December 15, 2009 City Council meeting, a Councilmember requested that previously provided information related to the transition of fire and emergency medical services resulting from annexation be provided to the Council again. Specifically, the Councilmember asked about a comment under "Items from the Audience" concerning the need to maintain existing emergency services response times. This information is included as Attachment C to this staff report (September 1, 2009 City Council agenda report). Information specific to this issue begins on page 2 of the agenda report.

Cable Services

The annexation area is served by Comcast for cable television and high speed internet services but Verizon does not have a franchise to provide television service in the annexation area. After the effective date of annexation, the City's franchise agreement with Verizon and Comcast will automatically extend to the new area. At that point, residents and businesses in the annexation area will be able to choose between those providers for services, including access to the City's television station broadcasts (KGOV and KLIFE). Interest has been expressed in trying to extend Verizon's services to the annexation area prior to the effective date. More research is needed to understand the legal and technical ramifications of allowing early transition of services.

INTERGOVERNMENTAL

The annexation area is served by King County and nine special purpose districts. There are two utility districts, two school districts, three fire districts, a parks district and a library district. The City of Kirkland has existing relationships and operating agreements with some of the districts, but others are new.

Interlocal Agreements

A series of interlocal agreements will need to be reviewed and approved by the City Council in order to provide for the transition of services and resources. A master interlocal agreement with King County will provide for the transition of services currently provided by the County such as police, surface water, parks, permitting and street maintenance. The interlocal will specify the terms and timelines under which the services will be transferred and any financial considerations that may be agreed to. At an operational level, transfers of equipment, other assets, records and data will be negotiated through staff.

Utility Districts

The annexation area is served by the Northshore Utility District (NUD) and the Woodinville Water District. The City of Kirkland has a franchise agreement in place with NUD for the area of incorporated Kirkland currently served by NUD. The NUD franchise agreement includes a franchise fee paid to the City's General Fund to compensate the City for the use of its right-of-way. The City does not have a franchise agreement with the Woodinville Water District and, consequently, could not initially collect franchise fees. Cities in Washington cannot impose utility taxes on areas served by utility districts. Franchise fees, which are passed along to customers through a district's utility rates, can generate a similar stream of revenue. The City will need to renegotiate the franchise agreement with NUD to reflect the larger service area and will need to

approach the Woodinville Water District to negotiate a franchise agreement in order to collect franchise fees from the area.

A recent court decision regarding compensation to water utilities for fire hydrants also has implications following annexation. Within the City government, utility tax rates can be increased to offset the cost of paying the water utility for the hydrants (with a commensurate reduction in water utility rates). This offset is not as easily accomplished between the City and utility districts, especially when there is no franchise fee in place.

School Districts

The annexation area is currently served by the Lake Washington School District and the Northshore School District. Both districts currently receive school impact fee revenue collected by King County on all new residential development. The City of Kirkland does not impose school impact fees and, unless school impact fees are adopted, both districts stand to lose that revenue source.

Conversely, King County does not impose surface water charges on school districts. The City of Kirkland does impose surface water charges on all public agencies (including itself). The imposition of surface water fees on public agencies will create a new (significant) expense for the districts at the same time a revenue source (vis-a-vis school impact fees) are eliminated. Any change in this policy on the City's part will have implications for the existing surface water utility budget.

COMMUNICATION AND PUBLIC INVOLVEMENT

Communication Plan Update

The City's communication efforts to date have focused on informing the annexation area and Kirkland residents about the impacts of the potential annexation. Now that the City Council has approved the annexation, communication efforts will need to focus on implementation issues, some of which were mentioned earlier in this memo. For some issues, the focus will be on keeping residents and businesses informed about upcoming changes and the status of any unresolved policy issues. In other cases, the focus will be on involving stakeholders in helping to make decisions and to implement services in the area. Staff will prepare a multi-faceted communications plan that will include all of the existing avenues of communication (e.g. annexation list serv and the annexation web page) as well as proposals for new tools and methods to inform and involve annexation area residents and businesses in becoming part of the Kirkland community.

Appointments to Boards and Commissions

One of the communication avenues used in a previous annexation was the temporary expansion of the Planning Commission to include appointees from the annexation area. Annexation area residents currently serve on the Transportation Commission and the Design Review Board. Staff will return with a recommendation regarding the timing and scope of pre-annexation board and commission appointments.

CONCLUSION

The narratives provided above are only intended to briefly identify the policy issues that will come back to the Council over the next 18 months. For each issue, a full staff report including background and recommendations will be prepared. Many of these issues are interrelated and almost all have some sort of financial implication. Staff is in the process of determining the appropriate sequencing and timing of these issues and a schedule will be presented to Council within the next month. The City Manager's Office will continue to provide general oversight for the annexation implementation.

Policy Issue	Status	Lead
Financial		
State Funding —Ability to access state sales tax credit prior to the effective date of annexation.	Exploring potential for statement of legislative intent.	CMO
King County Funding —Availability of transition assistance funding from King County.	Pursuing meeting with King County Executive.	CMO
Annexation Operating Budget —Update of revenue and expenditure projections to reflect current City budget and economic conditions.	Staff currently in process of updating projections.	Finance
Annexation Capital Budget and Facilities —Need to develop interim and long term facility expansions to accommodate new staff and services; development of impact fees.	Staff will develop options based on revised financial projections.	Public Works
Annexation Process and Legal		
Gambling —Approval of ordinance grandfathering existing casino.	Resolution of intent approved in 2009; final action needed upon effective date.	City Attorney
Wild Glen Condominiums —Annexation of parcel needed to allow for dissolution of Fire District #41.	Researching potential for interlocal agreement method of annexation and appropriate timing.	Planning
Early Adoption of Selected Zoning Regulations —Potential for King County adoption of selected Kirkland zoning regulations prior to effective date of annexation.	Need to determine King County’s willingness to pursue.	Planning
Neighborhood Boundaries —Identification of boundaries for future neighborhoods.	Existing boundaries exist; need further staff work and public involvement to identify natural boundaries.	Planning
Operational		
Park Properties —Final determination regarding disposition of park and open space properties to be transferred to City upon annexation.	Preliminary discussions have occurred. Final agreement needed.	Parks and CMO
Solid Waste Services —Transition of waste hauling and recycling services to City vendor; implementation of mandatory garbage.	Discussions beginning now concurrent with consideration of upcoming contract extension.	Public Works

Policy Issue	Status	Lead
Fire and Emergency Medical Services —Acquisition of property for station consolidation within Fire District #41 and transfer of services and assets from Woodinville Fire and Life Safety to Kirkland.	Meetings currently taking place on both issues.	Fire and CMO
Cable Services —Potential for early provision of Verizon cable services and broadcast of City channels in annexation area prior to effective date.	Researching legal and technical feasibility.	Information Technology
Intergovernmental		
Interlocal Agreements —Development of agreements to provide for transfer of services between jurisdictions including timing and financial considerations.	Master interlocal with King County received with Kirkland details to be developed based on agreements.	City Attorney and CMO
Utility Districts —Development/update of franchise agreements including compensation for hydrants.	Preliminary discussions have taken place with both utilities.	Public Works
School Districts —Potential adoption of school impact fees and imposition of surface water management fees.	School impact fees on hold; analysis of financial implications of surface water fees needed.	Planning and Public Works
Communication and Public Involvement		
Communication Plan Update —Update plan to inform and involve annexation area residents and businesses during transition.	Preliminary plan developed; needs update.	CMO
Appointments to Boards and Commissions —Consideration of temporary expansion of boards and commissions to allow for participation of annexation area residents.	Staff recommendation needed.	CMO

ANNEXATION MASTER WORK PLAN

TASK #	TASK	DEPT	DIV	LEAD	OTHER DEPT	PRE-ELECTION	PRE-EFFECTIVE	POST-EFFECTIVE	EST. START	EST. COMPLETE	POLICY APPROVAL	ILA	STATUS	COMMENTS
1	COMMUNICATION	CMO		Marie										
1.2	Develop External Outreach Plan	CMO		Marie		x			4/7/2009	5/11/2009	Steering Team		Done	
1.2.1	Key Messages	CMO		Marie		x			4/7/2009	5/11/2009	Steering Team		Done	included in Outreach Plan
1.2.2	Identify Speakers Bureau	CMO		Marie		x			4/7/2009	5/5/2009			Done	included in Outreach Plan
1.2.3	Coordinate Community Meetings in PAA	CMO		Jeannie		x			4/7/2009	5/29/2009			Done	Venues selected
1.2.3.1	Identify Dates	CMO		Jeannie		x			4/7/2009	5/11/2009			Done	6/16, 6/23 & 6/29
1.2.3.2	Secure Locations	CMO		Jeannie		x			4/7/2009	5/11/2009			Done	Venues confirmed
1.2.3.3	Advertise Meeting Times/Places	CMO		Marie		x			5/11/2009	6/10/2009			Done	ongoing until 6/29
1.2.3.4	Postcard mailer	CMO		Jeannie		x			5/15/2009	6/10/2009			Done	Awaiting proof
1.2.3.5	Listserv Notice	CMO		Jeannie		x			5/15/2009	6/29/2009			Ongoing	
1.2.3.6	KGOV & KLIFE TV channels	CMO		Marie		x			5/15/2009	6/29/2009			Ongoing	public meeting info posted
1.2.3.7	Community Meeting #1 (6/18)	CMO		Marie		x			6/18/2009	6/18/2009			Done	
1.2.3.8	Community Meeting #2 (6/23)	CMO		Marie		x			6/23/2009	6/23/2009			Done	
1.2.3.9	Community Meeting #3 (6/29)	CMO		Marie		x			6/29/2009	6/29/2009			Done	
1.2.4	Website Updates (Annexation/News Room)	CMO		Jeannie		x			4/7/2009	5/15/2009			Ongoing	
1.2.4.1	Update Maps	CMO		GIS/Plng		x			4/7/2009	5/15/2009			Done	
1.2.4.2	Update Landing Page	CMO		Jeannie		x			4/7/2009	4/20/2009			Done	Updates as needed
1.2.4.3	Create new links	CMO		Marie		x			4/7/2009	4/20/2009			In Progress	Navigation button to be added to Dept. pages
1.2.4.4	Update FAQ's	CMO		Marie/ Jeannie		x			4/7/2009	5/15/2009	Steering Team		In Progress	Public Safety, Process, Community Involvement, Zoning/Building done by 6/2
1.2.5	Develop Updated Print Material	CMO		Marie		x			4/7/2009	5/15/2009	Steering Team		Ongoing	
1.2.5.1	Print Material Reviewed by PDC	CMO		Robin		x			4/7/2009	5/19/2009	Steering Team		Done	
1.2.5.2	Print Material Production and Mailing	CMO		Jeannie		x			4/7/2009	TBD	Steering Team			
1.2.6	City Update Articles	CMO		Marie		x			4/7/2009	6/30/2009	Steering Team			City Update publication: 6/30, 9/30, 12/31 2009
1.2.7	Response to Citizen Correspondence	CMO		Jeannie	All	x			4/7/2009				Ongoing	
1.2.8	News Releases	CMO		Marie		x			4/7/2009				As needed	
1.3	Develop Internal Communications Plan	CMO		Marie		x			4/7/2009	4/13/2009			Done	
1.3.1	Form Annexation Steering Team	CMO		Marilynne		x			4/7/2009	4/13/2009			Done	meets weekly
1.3.2	Form A-Team and Subcommittees	CMO		Marilynne	All	x			4/7/2009	4/13/2009			Done	meet regularly as needed
1.3.2.1	Communications Subcommittee	CMO		Marie	IT/Fin	x			4/7/2009	5/5/2009			Done	
1.3.2.2	Update Kirknet Annexation Site	CMO		Jeannie	IT	x			4/7/2009				Ongoing	
1.3.2.3	Develop File Storage and Retention Strategy	CMO		Marie	Fin/IT	x			4/7/2009	5/15/2009			Done	TRIM

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2	FINANCIAL ANALYSIS	Finance		Tracey						ongoing				
2.1	Develop Cash Flow Forecast	Finance	Fin Plan	Sri		x			6/1/2009	7/7/2009				
2.1.2	Revenue forecast	Finance	Fin Plan	Sri		x			6/1/2009	7/7/2009				
2.1.2.2	Identify property tax and road tax receipts timeline	Finance	Fin Plan	Sri		x			4/23/2009	5/22/2009			Done	preliminary determination of dates
2.1.2.3	Evaluate fire district property tax timeline	Finance	Fin Plan	Sri		x			4/23/2009	5/22/2009			Done	preliminary determination of dates
2.1.2.4	Identify key dates for state shared revenue	Finance	Fin Plan	Sri		x			4/23/2009	5/22/2009			Done	preliminary determination of dates
2.1.2.5	Meet with State Auditor on sales tax credit rules	Finance	Fin Plan	Sri		x			4/23/2009	5/21/2009			ongoing	initial meeting on 5/21/09; additional meetings to be scheduled
2.1.2.6	Meet with other cities on cash flow	Finance	Fin Plan	Sri		x			4/23/2009	5/22/2009			ongoing	in contact with Auburn & Renton
2.1.2.7	Develop implementation timeline for sales tax credit	Finance	Fin Plan	Sri		x			4/23/2009	6/1/2009			ongoing	additional discussions needed
2.1.2.8	Evaluate franchise fees and gambling tax potential	Finance	Fin Plan	Sri		x			4/23/2009	5/22/2009			ongoing	initial gambling tax estimate in 6/16/09 Council packet
2.1.3	Expenditure forecast	Finance	Fin Plan	Sri	All	x			6/1/2009	7/7/2009				
2.1.3.1	Update staffing plans and phased positions	Finance	Fin Plan	Sri	All	x			6/1/2009	7/7/2009				
2.1.3.2	Incorporate one-time start-up costs	Finance	Fin Plan	Sri		x			6/1/2009	TBD				Roll-up in to Mid-Bi process?
2.1.3.3	Expand facilities financing plan	Finance	Fin Plan	Tracey	PW -Fac/CMO	x			6/1/2009	8/31/2009				
2.1.4	Analyze all impacts of fire district transfers	Finance	Fin Plan	Tracey	Fire/CMO	x			6/1/2009	7/7/2009				
2.2	Develop budget process for pre-annexation needs	Finance	Fin Plan	Sri		x			7/7/2009	9/1/2009				Prior to Mid-Bi Budget call
2.3	Coordinate State Shared Revenues	Finance		Sri	CMO				TBD	TBD				establish early contact with State agencies
2.3.1	Contact OFM	Finance		Sri	CMO/Planning	x			TBD	TBD				need to determine when we're ready to contact State agencies
2.3.2	Contact Department of Revenue (DOR)	Finance		Sri	CMO/Planning	x			TBD	TBD				need to determine when we're ready to contact State agencies
2.3.4	County Distributed Revenues -- Property Tax & Road Tax	Finance		Sri	CMO	x			TBD	TBD				will depend on annexation effective date
2.3.5	County Assessor's Office	Finance		Sri	CMO		x		TBD	TBD				will depend on annexation effective date
2.3.6	County Treasurer	Finance		Sri	CMO		x		TBD	TBD				will depend on annexation effective date

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3	LEGAL AND ELECTION	City Attorney												
3.1	Prepare for election	City Attorney		Robin	City Clk	x								
3.1.2	Schedule public hearing	City Clerk		City Clerk	CAO	x			4/7/2009	9/1/2009			Done	
3.1.3	Develop legislative actions	City Attorney		Robin	City Clk	x			4/8/2009	7/9/2009			Done	
3.1.4	Contingent Resolution calling for annexation election	City Attorney		Robin	City Clk	x			4/9/2009	7/7/2009	Council		Done	
3.1.5	Final Resolution with ballot title and summary	City Attorney		Robin	City Clk	x				7/21/2009	Council		Done	
3.1.6	File with County Records and Elections	City Clerk		City Clerk	CAO	x				8/14/2009			Done	
3.1.7	Appoint pro and con committees	City Attorney		Robin	City Clk	x				7/7/2009	Council		Done	
3.1.8	Develop explanation for voters' pamphlet Ordinance accepting annexation/effective date	City Attorney		Robin	City Clk	x				8/19/2009	Committees		Done	
3.2		City Attorney		Robin	City Clk		x			12/1/2009	Council		Done	

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TASK #	TASK	DEPT	DIV	LEAD	OTHER DEPT	PRE-ELECTION	PRE-EFFECTIVE	POST-EFFECTIVE	EST. START	EST. COMPLETE	POLICY APPROVAL	ILA	STATUS	COMMENTS
4	ANNEXATION PROCESS													
4.1	Complete Boundary Review Board Process	PCD		Eric S		x			5/8/2009	8/1/2009			Done	
4.1.1	Approve Resolution of Intent	PCD		Robin	CAO	x			4/7/2009	4/7/2009	Council		Done	
4.1.2	File Notice of Intention	PCD		Eric S		x			4/8/2009	4/8/2009			Done	
4.1.3	Notice to special purpose districts/secure letters of support	CMO		Marilynne		x			4/8/2009	6/8/2009			Done	
4.1.4	Prepare BRB presentation and send to BRE	PCD		Eric S	F/B; Police/CMO	x			5/20/2009	5/20/2009			Done	
4.1.5	BRB Public Hearing	PCD		Eric S	F/B; Police/CMO	x			6/8/2009	6/8/2009	BRB		Done	
4.1.6	BRB oral decision	PCD		Eric S		x			6/8/2009	6/10/2009	BRB		Done	
4.1.7	BRB written decision	PCD		Eric S		x			7/9/2009	7/9/2009	BRB		Done	
4.2	Conduct census of PAA	PCD		Eric S				x		TBD				

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TASK #	TASK	DEPT	DIV	LEAD	OTHER DEPT	PRE-ELECTION	PRE-EFFECTIVE	POST-EFFECTIVE	EST. START	EST. COMPLETE	POLICY APPROVAL	ILA	STATUS	COMMENTS
5	INTERGOVERNMENTAL													
5.1	Coordinate with King County	CMO		Erin	All	x						x		
5.1.2	Identify coordinating staff at KC	CMO		Erin		x			5/1/2009	5/21/2009			Done	
5.1.3	Determine funding availability	CMO		Erin	Finance CMO/CAO/HR/ Fin	x			11/4/2009	TBD				
5.2	Woodinville Fire and Life Safety	Fire		Kevin	Fin							x		
5.2.1	Operational Planning	Fire		Kevin	CMO	x			5/1/2009	10/31/2009				
5.2.2	Employee Relations	HR		Bill K.	Fire/CMO	x			5/2/2009	11/1/2009				
5.2.3	Financial Analysis	Finance		Tracey	CMO/Fire	x			5/3/2009	11/2/2009				
5.2.4	Development Preliminary Interlocal Agreement	CAO		Bill E.	Fire/CMO/Fin/ HR	x			5/4/2009	11/3/2009				
5.2.5	Conduct asset valuation	Finance		Tracey		x				TBD				
5.3	Fire District #41	Fire		Kevin	Finance							x		
5.3.1	Conduct asset valuation	Finance		Tracey	Fire		x			TBD				
5.3.2	Continue to assist with station consolidation	Fire		Jack		x				Ongoing				
5.3.3	Develop interlocal agreement	Fire		Kevin	CAO		x							
5.3.4	Employee Relations (potential transfer of employee)	Fire		Kevin	HR			x		TBD				
5.4	Fire District #34											x		
5.4.2	Operational Planning					x								
5.4.3	Develop interlocal agreement						x							
5.5	Northshore Utility District (NUD)	PW		Rob J.	CAO							x		
5.5.1	Review franchise agreement						x							
5.5.2	Update franchise agreement if necessary						x							
5.6	Woodinville Water District	PW		Rob J.	CAO/Finance							x		
5.6.1	Discuss potential for franchise agreement						x							
5.6.2	Develop interim interlocal agreement						x							
5.7	Lake Washington School District	CMO			All							x		
5.7.1	Discuss school resource officer deployment	Police			CMO		x							
5.7.2	Discuss surface water utility charges	PW			CMO		x							
5.7.3	Discuss school impact fee charges	PIng			CMO		x							
5.7.4	Discuss facility use policy	Parks			CMO		x							
5.8	Northshore School District											x		
5.8.1	Discuss surface water utility charges	PW		Rob J.			x							
5.8.2	Discuss school impact fee charges	PCD		Eric S			x							
5.9	Finn Hill Park District	Parks		Jenny	CMO	x						x		
5.9.1	Meet with district regarding OO Denny maintenance	Parks		Jenny	CMO	x			6/1/2009					
5.9.2	Meet with DCNA regarding Juanita Woodlands	Parks		Jenny	CMO	x								

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6	OPERATIONAL PLANNING													
6.1	Parks and Community Services	Parks	Admin	Jenny										
6.1.1	Meet with King County Parks Director on transfer of Parks	Parks	Admin	Jenny		x			5/1/2009	TBD				
6.1.1.1	Develop Interlocal Agreement for transfer of parks	Parks	Admin	Jenny	CAO		x					x		
6.1.2	Park Operations	Parks	Park Ops	Jason										
6.1.2.1	Begin new employee recruitment process	Parks	Park Ops	Jason	HR		x							
6.1.2.2	Begin interview process	Parks	Park Ops	Jason	HR		x							
6.1.2.3	Hire/Train	Parks	Park Ops	Jason	HR		x							
6.1.3.	Order Fleet /Mowers/Equipment	Parks	Park Ops	Jason	Fleet		x							
6.1.4.	Walk sites to inventory/document site conditions	Parks	Park Ops	Jason		x			6/1/2009	6/1/2009				
6.1.4.1	Develop Park Maintenance Plans	Parks	Park Ops	Jason			x							
6.1.4.2	Meet with King County staff to transfer infrastructure data	Parks	Park Ops	Jason			x							
6.1.4.3	Obtain claim history over last 3-5 years	Parks	Park Ops	Jason	HR		x							
6.1.5	Recreation Services	Parks	Rec	Carrie										
6.1.5.1	Begin new employee recruitment process	Parks	Rec	Carrie	HR		x							
6.1.5.2	Begin interview process	Parks	Rec	Carrie	HR		x							
6.1.5.3	Hire/Train	Parks	Rec	Carrie	HR		x							
6.1.5.4	Expand distribution of Recreation Brochure into PAA	Parks	Rec	Carrie			x	x						
6.1.5.5	Outreach	Parks	Rec	Carrie				x						
6.1.6.	Human Services	Parks	Rec	Carrie				x						
6.1.6.1	Increase hours for Human Services Coordinator	Parks	HS	Carrie				x						
6.1.6.2	Outreach	Parks	HS	Carrie				x						
6.1.7.	Park Planning	Parks	Planning	Michael										
6.1.7.1	Revise Park Impact Fee	Parks	Planning	Michael	Finance		x							
6.1.7.2	Conduct asset evaluation	Parks	Planning	Michael	Finance		x	x						
6.1.7.2	Develop CIP list for use internally for preparation for budget	Parks	Planning	Michael	Finance			x						
6.1.7.3	Revise Parks Open Space Comprehensive Plan	Parks	Planning	Michael	Multimedia			x						
6.1.7.4	Interlocal agreement regarding active projects/grants	Parks	Planning	Michael	Finance		x							
6.1.8.	Facility Needs	Parks												
6.1.8.1	Add work stations @ 505 for new staff	Parks	Rec	Carrie	Facilities/IT		x							
6.1.8.2	Add space for new staff at Park Maint Offices	Parks	Park Ops	Jason	Facilities/IT		x							

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6.2	Police													
6.2.1	Coordinate with King County Sherriff	Police		Markle	CAO/CMO/Fin	x			6/1/2009					
6.2.1.1	Identify primary contact	Police		Markle		x			6/1/2009					
6.2.1.2	Identify KCS capacity to serve PAA during transition	Police/CMO		Markle	Finance	x			6/15/2009					
6.2.1.3	Identify hiring requirements of KCS employees	Police/CAO		Markle/Kenny	CMO/HR	x			6/15/2009					
6.2.1.4	Complete officer hiring process for KCS	Police/HR		Markle			x		TBD					
6.2.2	Begin new employee recruitment process	Police/HR		Markle/Krebs		x			11/1/2009					
6.2.2.1	Begin interview process	Police/HR		Markle/Krebs		x			9/1/2009					
6.2.2.2	Complete background checks	Police		Krebs			x		2/1/2010					
6.2.2.3	Identify and hire laterals	Police/HR		Markle/Krebs			x		4/1/2010					
6.2.2.4	Negotiate with testing contractor	Police		Markle/Krebs		x			7/1/2009					
6.2.2.5	Train PTO's	Police		Krebs/Saloum			x		2/1/2010					
6.2.2.6	Complete Support Staff hire	Police/HR		Markle/Krebs			x		11/1/2010					
6.2.2.7	Complete academy	Police		Krebs/Howell			x							
6.2.2.8	Complete field training	Police		Krebs/Howell			x		12/1/2011					
6.2.3	Space Needs	Police/CMO		Markle	Bldg	x								
6.2.3.1	Property Room Storage	Police/CMO		Markle	Bldg		x							
6.2.4	Order Police Vehicles	Police/Fleet		Markle/Tim L.										
6.2.5	Labor Issues	Police/HR		Markle/Kenny		x			6/1/2009					
6.2.6	School District Issues	Police/CMO		Markle			x		12/1/2009					
6.2.7	NORCOM (Calls for Service increase costs)	Police/Finance		Markle			x		7/1/2010					
6.2.7.1	NORCOM (IT issues & Mapping)	Police/IT		Markle/Cooper			x		1/1/2010					

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6.3	Development Services													
6.3.1	Public Information - counter/phones	Bldg/PCD/PW				x			5/1/2009	1/1/2011			underway	
6.3.2	Develop interlocal agreement for permit transition	Bldg/PCD/PW		Tom/Nancy/Rob		x			7/1/2009		Council	x		
6.3.3	Process KC permits early	Bldg/PCD/PW					x		11/2/2009	1/1/2011				Depending on interlocal
6.3.4	Agreement with State L&I Electrical	Bldg		Clell			x		7/1/2011			x		
6.3.5	Agreement with King County Health - Plumbing permits	Bldg		Tom P.		x			7/1/2011			x		
6.3.6	Process building and land use permits	Bldg/PCD/PW						x	1/1/2011					
6.3.7	Transfer code enforcement cases	Bldg/PCD/PW		Tom/Nancy			x		7/1/2011			x		
6.3.8	Register RV's in PAA	PCD		Nancy			x		11/2/2009					Depends on annexation zoning
6.3.9	Process code enforcement cases	Bldg/PCD/PW						x	1/1/2011					
6.3.10	Update parcel database	Bldg/PCD/PW		Lorrie			x		7/1/2010	11/1/2010		x		
6.3.11	Get old King County permit history	Bldg/PCD/PW		Lorrie			x		7/1/2010			x		
6.3.12	Provide for staff vehicles	Bldg/PCD/PW			Fleet		x		7/1/2010	1/1/2011				
6.3.13	Space needs and configuration	Bldg/PCD/PW			Facilities			x	1/1/2011					

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6.4	Fire and Emergency Services													
6.4.1	Labor Negotiations	Fire		Kevin N.	HR									
6.4.1.1	Woodinville Fire & Life Safety	Fire		Kevin N.	HR/CMO	x			In progress			x		
6.4.1.2	KCFD #34 (Redmond Fire Dept.)	Fire		Kevin N.	HR/CMO	x						x		
6.4.2	Vehicle needs assessment	Fire		Jack H.	Fleet/Finance	x			7/1/2009	12/30/2009				
6.4.2.1	Purchase vehicles	Fire		Jack & Tim Helen/ Grace	Fleet/Finance		x		7/1/2010	12/30/2010				
6.4.3	Facilities needs	Fire		Jack H.	Facilities		x							
6.4.3.1	Housing of Firefighters & Equipment	Fire		Jack H.	CMO/HR/Fin		x		6/1/2009	12/30/2010		x		
6.4.4	Obtain Firefighter Equipment (SCBA, Turnouts, etc.)	Fire		Jack H.	Finance		x		1/1/2010	12/30/2010				
6.4.5	Begin new employee recruitment process	Fire		Jack H.	HR									
6.4.5.1	Begin interview process	Fire		Jack H.	HR									
6.4.5.2	Complete background checks	Fire		Jack H.	HR									
6.4.5.3	Identify and hire laterals	Fire		Jack H.	HR									
6.4.5.4	Negotiate with testing contractor	Fire		Jack H.	HR									
6.4.5.5	Train Fire Inspectors	Fire		Helen/ Grace	HR/Training									
6.4.5.6	Conduct testing	Fire		Helen/ Grace	HR/Training									
6.4.5.7	Complete hire	Fire		Jack H.	HR		x		8/1/2010	8/30/2010				
6.4.5.8	Complete academy	Fire		Jack H.	HR/Training									
6.4.5.9	Complete field training	Fire		Jack H.	HR/Training		x		9/1/2010	12/30/2010				

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6.5	Public Works	PW	PW	Daryl										
6.5.1	PW - Streets	PW	Streets	Hoppy										
6.5.1.1	Inventory Maps	PW	Streets	Hoppy	GIS		X		6/1/2010	1/1/2011	O			Data is necessary in order to Develop Level of Service
6.5.1.1.2	A) Mowing Map	PW	Streets	Hoppy	GIS		X		6/1/2010	1/1/2011	O			
6.5.1.1.3	B) Street / bridges	PW	Streets	Hoppy	GIS		X		6/1/2010	1/1/2011	O			
6.5.1.1.4	C) Trees	PW	Streets	Hoppy	GIS		X		6/1/2010	1/1/2011	O, P			
6.5.1.1.5	D) Sidewalks	PW	Streets	Hoppy	GIS		X		6/1/2010	1/1/2011	O			
6.5.1.1.6	E) Paths / Trails	PW	Streets	Hoppy	GIS		X		6/1/2010	1/1/2011	O			
6.5.1.1.7	F) Street lights	PW	Streets	Hoppy	GIS		X		6/1/2010	1/1/2011	O			
6.5.1.1.8	G) Signals & Special Others	PW	Streets	Hoppy	GIS		X		6/1/2010	1/1/2011	O			
6.5.1.1.9	H) Parking Facilities	PW	Streets	Hoppy	GIS		X		6/1/2010	1/1/2011	O			
6.5.1.1.10	I) Snow Routes	PW	Streets	Hoppy	GIS		X		6/1/2010	1/1/2011	O			
6.5.1.1.11	J) R.O.W. Maps / Greenbelts	PW	Streets	Hoppy	GIS		X		6/1/2010	1/1/2011	O			
6.5.1.1.12	K) Medians, Gateways, Roundabouts etc...	PW	Streets	Hoppy	GIS		X		6/1/2010	1/1/2011	O			
6.5.1.1.13	L) Public Owned Anything	PW	Streets	Hoppy	GIS		X		6/1/2010	1/1/2011	O			
6.5.1.1.14	M) Irrigation	PW	Streets	Hoppy	GIS		X		6/1/2010	1/1/2011	O			
6.5.1.1.15	N) Signs / Striping / Markings	PW	Streets	Hoppy	GIS		X		6/1/2010	1/1/2011	O			
6.5.1.2	Condition Ratings	PW	Streets	Hoppy	GIS		X		6/1/2010	1/1/2011	O			
6.5.1.2.1	Ongoing Programs that differ from C.O.K.	PW	Streets	Hoppy	GIS		X		6/1/2010	1/1/2011	O, P			
6.5.2	PW - Facilities	PW	Facilities	Donna										
6.5.2.1	Update Space Needs Assessment	PW	Facilities	Donna	All City Depts	X			4/1/2009	6/30/2010	O		Ongoing	City Hall, Annex, 505, Public Works and Parks Maintenance, Maintenance Yard, Court. Working on current square footage info by department to compare to space needs assessment update based on depts' projected needs. Pending updates on projected staffing levels.
6.5.2.2	Identify current inventory of space	PW	Facilities	Donna			X		Ongoing	6/30/2010	O		Ongoing	
6.5.2.3	Identify need for leased space	PW	Facilities	Donna			X		Ongoing	9/30/2010	O		Ongoing	
6.5.2.4	Assist with Fire Station 25 Design & Construction	PW	Facilities	Donna	FD 41, Fire & Building	X			Ongoing	TBD	O		Ongoing	Need timing for start of construction. Will we assume the responsibility to construct the fire station with annexation?
6.5.2.5	Reallocate space in existing and acquire additional facility space as needed	PW	Facilities	Donna			X		1/1/2010	5/14/2011	O			
6.5.2.6	Hire new Facilities Staff	PW	Facilities	Donna	HR		X		6/30/2010	9/30/2011	O			
6.5.2.7	Meetings with King County Counterpart	PW	Facilities	Donna			X		Ongoing	?	O		Ongoing	Determine if any KC owned building facilities/rental property in PAA to be transferred to COK. No known building

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6.5.3	PW - Fleet	PW	Fleet	Donna										
6.5.3.1	Price out all new vehicles as of annexation date.	PW	Fleet	Donna	User Depts	X			1/1/2010	4/1/2010				
6.5.3.2	Determine needed delivery dates of new vehicles.	PW	Fleet	Donna	User Depts		X		1/1/2010	4/1/2010				
6.5.3.3	Determine source and timing of vehicle ordering.	PW	Fleet	Donna	Fleet		X		1/1/2009	4/1/2010				
6.5.3.4	Hire new Fleet Staff	PW	Fleet	Donna	HR		X		6/1/2010	1/1/2011				
6.5.4	PW - Engineering	PW	Dev Eng	Rob J.										
6.5.4.1	Prepare legal description	PW	Dev Eng	Rob J.										
6.5.4.2	Woodinville Water Franchise Agreement	PW	Dev Eng	Rob J.	IT		X		5/1/2009			X	Ongoing	Met with WWD on 5/11/09. 1900 water connections in PAA. No letter of support at this time. E-mailed NUD franchise agreement to them to review as boilerplate
6.5.4.3	NUD Water Franchise Agreement	PW	Dev Eng	Rob J.			X		5/1/2009					Met w/ NUD on 5/6/09. No major issues to resolve. They will draft letter of support for annexation and send to Erin.
6.5.4.4	Millennium Digital Media Cable Franchise Agreement	PW	Dev Eng	Rob J.	IT		X							Need to find out more about this Franchise from Janice Perry
6.5.4.5	Hire Development Engineering Staff	PW	Dev Eng	Rob J.	HR		X	X	1/1/2010	12/31/2011	O			
6.5.4.6	Review all Co. Development projects in Maint. Period	PW	Dev Eng	Rob J.			X		1/1/2010		O			
6.5.4.7	Assist Planning and Building with Interlocal - re: permit review	PW	Dev Eng	Rob J.	Plng/Building	X			7/1/2009			X		
6.5.4.8	Assist Building Dept and IT with Permit Software upgraded/changes	PW	Dev Eng	Rob J.	Bldg/IT		X							
6.5.4.9	Respond to phone/counter inquires from PAA citizens	PW	Dev Eng	Rob J.		X			5/1/2009				ongoing	

ANNEXATION MASTER WORK PLAN

TASK #	TASK	DEPT	DIV	LEAD	OTHER DEPT	PRE-ELECTION	PRE-EFFECTIVE	POST-EFFECTIVE	EST. START	EST. COMPLETE	POLICY APPROVAL	ILA	STATUS	COMMENTS
6.5.5	PW - Water	PW	Water	Greg										
6.5.5.1	Redmond Water Transfer	PW	Water	Greg	GIS	X			8/1/2009		I	X	ongoing	Need Map of Area Including: Mains, Hydrants, Zone Etc..
6.5.5.1.1	A) Inventory Analysis	PW	Water	Greg	UB		X		1/1/2010		O			Meter Sizes & Addresses - Manufacturer & Serial numbers
6.5.5.1.2	B) Meter Read/Utility Billing	PW	Water	Greg	UB / GIS		X		1/1/2010		O			First read of Meters
6.5.5.1.3	C) Water Capital Plan	PW	Water	Greg	UB/ GIS		X		1/1/2010		O			Gather & Upload info to Springbrook / Hansen
6.5.5.1.4	D) Water transfer subcommittee	PW	Water	Greg	UB/CIP/GIS		X		9/1/2009		O			
6.5.6	PW - Solid Waste	PW	Solid Waste	Rob J.										
6.5.6.1	Service Provider/Customer Transfer	PW	Solid Waste	Rob J.			X	X	TBD	TBD			Ongoing	determine effective date of customer transfer. Per 4-Way Agreement, customer transfer from Allied Waste to Waste Management schedule to occur on July 1, 2011. City is currently exploring possibility of modifying the 4-Way Agreement to which would move the customer transfer date forward to Oct 1, 2014 which is the the end of our current contract with Waste Management. City staff is meeting with Allied Waste and Waste Management to discuss their willingness to renegotiate/modify the 4-Way Agreement.
6.5.6.2	2011-12 Solid Waste Rates	PW	Solid Waste	Rob J.	Finance		X		1/15/2010	3/1/2010				Met on 1/6/10 to discuss needs for 2011-2012 solid waste rate scenarios from consultant that will conduct solid waste rate study. Staff is working on a PSA and scope with consultant to provide rate scenarios.
6.5.6.3	Determine Billing Service Provider	PW	Solid Waste	Rob J.	Finance		X		Ongoing	?			Ongoing	Will meet with Finance to discuss options/will to transfer billing to Waste Management. On hold. City will continue to bill for solid waste for the foreseen future.
6.5.6.4	Long Term Contract Renegotiation	PW	Solid Waste	Rob J.	CAO/Fin			X		9/30/2014			Ongoing	Discuss interest in renegotiating long-term contract to be effective after expiration of second contract extension in Sept 2014.
6.5.6.5	Mandatory Garbage Service/Service Comparison	PW	Solid Waste	Rob J.		X			5/1/2009	6/15/2009			Ongoing	Requested customer data from Allied Waste on 5/1/09. Researching past annexation practice. Approx 1200 self haulers
6.5.6.6	Solid Waste Subcommittee	PW	Solid Waste	Rob J.	Finance	X			6/1/2009	Ongoing			Ongoing	Solid Waste/Annexation Committee reformed and met on 1/6/10.
6.5.7.1	PW - Surface Water - O&M	PW	Surface Water	Bobbi										

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6.5.7.1.1	Check to see if there's a list of "hot spots" that crews check during storms	PW	Surface Water	Bobbi			x			12/1/2010	O		ongoing	Pulled map from KC Stormwater website of all stormwater complaints from past 5 years. Map shows "hot spots" but will request a list of inspection points during storms.
6.5.7.1.2	Clean all catch-basins/swales & ponds by end of NPDES permit term (2011 – need to check whether the "clock starts over" for annexation areas)	PW	Surface Water	Bobbi	Planning, Engineering, DOE, Police support for occasional traffic control.			x		12/1/2010	P, O		ongoing	There may be compensation given to "catch up" on neglected cleaning & rehab services. Should include swales and ponds. System is in poor condition, cleanings will not be normal labor hours due to sediment in majority of catch Basins inspected for mapping; project display large amounts of hardened build up that will need to be chipped out by hand and removed. Ponds are in poor condition with vegetation control. Many have serious invasive weeds throughout ponds and swales. Clean up will take multi-year effort to get system up to Kirkland standard.
6.5.7.1.3	Gather, review and inspect data on public systems that have been inspected annually per NPDES by County	PW	Surface Water	Bobbi	Engineering, DOE		x			10/1/2010	P, O		ongoing	Need records of cleaning for documentation and base line status
6.5.7.1.4	Conduct further TV inspection and condition rating of system	PW	Surface Water	Bobbi				x			O		ongoing	Completed initial study for spot checking system but will continue to inspect "hot spots"
6.5.7.1.5	Meetings w/ King County Counterpart	PW	Surface Water	Bobbi						12/1/2009			ongoing	Scheduled in next two weeks - however most likely will be a series of meetings - note must gather as-built for our system's data collection.
6.5.7.1.6	Assessment/Condition of system	PW	Surface Water	Bobbi	Engineering		X			10/1/2010				Field mapping is 80% complete. Will begin reviewing data with engineering staff.
6.5.7.1.7	Spec. Equipment and Hire new staff	PW	Surface Water	Bobbi				X		12/1/2011				Review applications, interview, test and reference check candidates (multiple days). Depending on application numbers of qualified candidates.

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TASK #	TASK	DEPT	DIV	LEAD	OTHER DEPT	PRE-ELECTION	PRE-EFFECTIVE	POST-EFFECTIVE	EST. START	EST. COMPLETE	POLICY APPROVAL	ILA	STATUS	COMMENTS
6.5.7.2	PW - Surface Water - Engineering	PW	Surface Water	Rob J.										
6.5.7.2.1	Review County Owned Parcels	PW	Surface Water	Rob J.		X					I		ongoing	
6.5.7.2.2	Surface Water Fee Collection	PW	Surface Water	Rob J.		X					I		ongoing	
6.5.7.2.3	Obtain and review historical and existing water quality and drainage complaint files to determine if there are ongoing problems	PW	Surface Water	Rob J.			x				O		ongoing	
6.5.7.2.4	Develop CIP list for use in initial budgeting (i.e. until surface water master plan can be done)	PW	Surface Water	Rob J.	CIP			x			O		ongoing	
6.5.7.2.5	Walk streams to inventory and screen outfalls (NPDES requirement)	PW	Surface Water	Rob J.			x				P, O		ongoing	
6.5.7.2.6	Obtain private system maintenance inspection files from County	PW	Surface Water	Rob J.							O, I		ongoing	
6.5.7.2.7	Look at switching to 2009 King County Surface Water Design Manual to ease transition for those developing in PAA?	PW	Surface Water	Rob J.			x				P		ongoing	
6.5.7.2.8	Develop surface water master plan that looks at needs and recommends programs accordingly	PW	Surface Water	Rob J.				x			P		ongoing	
6.5.7.2.9	Hire New Surface Water Staff	PW	Surface Water	Rob J.	HR		X	X	1/1/2010	12/31/2011			ongoing	
6.5.7.2.10	Juanita Creek Basin Retrofitting Analysis Project	PW	Surface Water	Rob J.							O		ongoing	
6.5.7.2.11	Coordinate Tree Work Plan with Planning	PW	Surface Water	Rob J.	Plng, Streets						O		ongoing	

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TASK #	TASK	DEPT	DIV	LEAD	OTHER DEPT	PRE-ELECTION	PRE-EFFECTIVE	POST-EFFECTIVE	EST. START	EST. COMPLETE	POLICY APPROVAL	ILA	STATUS	COMMENTS
6.5.8	PW - Transportation	PW	Transportation	Godfrey										
6.5.8.1	Review County Road Classifications	PW	Transportation	Godfrey			X		7/1/2009	11/1/2009	P		Ongoing	
6.5.8.2	Revise Traffic Impact fees	PW	Transportation	Godfrey	Planning/Fin		X		7/1/2009	12/1/2010	P		Ongoing	
6.5.8.3	Meetings w/ King County counterpart (transportation Capital)	PW	Transportation	Godfrey			X						Ongoing	
6.5.8.4	Meetings w/ King County counterpart (transportation Maintenance)	PW	Transportation	Godfrey			X						Ongoing	
6.5.8.5	Develop PAA Active Transportation Plan	PW	Transportation	Godfrey			X						Ongoing	
6.5.8.6	Revise Concurrency/Vehicular LOS to incorporate annexation area	PW	Transportation	Godfrey	Planning				1/31/2010	5/15/2011	P			
6.5.9	PW - GIS/Mapping	PW	GIS/Mapping	Ray										
6.5.9.1	School walk routes	PW	GIS/Mapping	Ray				X	9/30/2011	12/30/2011	O		ongoing	
6.5.9.2	Surface water inventory	PW	GIS/Mapping	Ray	SW o&m			X			O		ongoing	
6.5.9.3	Pavement, sidewalk, surface features mapped	PW	GIS/Mapping	Ray	Consultant			X			O		ongoing	
6.5.9.4	Support as identified by other divisions	PW	GIS/Mapping	Ray				X						
6.5.9.5	obtain and scan/inventory record drawings	PW	GIS/Mapping	Ray	Consultant			X	6/30/2011	12/30/2011				Need storage containers and area
6.5.9.6	Obtain and scan/inventory plat maps	PW	GIS/Mapping	Ray	Consultant			X	6/30/2011	12/30/2011				Need storage containers and area
6.5.10	PW - Capital Improvement Division	PW	CIP	Ray										
6.5.10.1	Interlocal with King County regarding active projects/grants	PW	CIP	Ray	CAO, CMO		X		1/1/2010	12/1/2010	I	X	ongoing	
6.5.10.2	Meet with KC CIP project managers re: active projects	PW	CIP	Ray			X		1/1/2010	6/30/2010	O		ongoing	
6.5.10.3	Collect project information for TNR/CFP projects that are unfunded	PW	CIP	Ray			X		3/1/2011	6/30/2011	O		ongoing	
6.5.10.4	Integrate County PMIS with Kirkland PMIS	PW	CIP	Ray	IT			X	9/30/2011	12/30/2011	O		ongoing	
6.5.10.5	Sidewalk defect inventory assembled	PW	CIP	Ray				X			O		ongoing	
6.5.10.6	Pavement Marking basemaps and inventory for bidding	PW	CIP	Ray				X	9/30/2011	12/30/2011	O		ongoing	
6.5.10.7	Coordinate with Surface Water engineering on SW project development	PW	CIP	Ray	SW Eng		X		3/1/2011	6/30/2011	O		ongoing	
6.5.10.8	Coordinate with utilities/agencies on Capital Planning/Projects	PW	CIP	Ray	Devel. Svcs			X	1/1/2012		O		ongoing	
6.5.10.9	Meet with LWSD re: Elementary School Walk Route mapping/designations	PW	CIP	Ray				X	9/30/2011	12/30/2011	O		ongoing	
6.5.10.10	Assess impact fee collection status and timeframes to obligate	PW	CIP	Ray	Finance			X	6/30/2011	9/30/2011	O		ongoing	
6.5.10.11	Attend/formulate community contacts	PW	CIP	Ray				X	9/30/2011	12/30/2011	O		ongoing	
6.5.10.12	Develop a street CIP	PW	CIP	Ray			X						ongoing	
6.5.10.12.1	Determine PAA transportation CIP Revenue (Gas Tax, REET etc.)	PW	CIP	Ray	Finance Traffic		X							
6.5.10.13	Develop a traffic CIP	PW	CIP	Ray	Engineering		X						ongoing	

ANNEXATION MASTER WORK PLAN

TASK #	TASK	DEPT	DIV	LEAD	OTHER DEPT	PRE-ELECTION	PRE-EFFECTIVE	POST-EFFECTIVE	EST. START	EST. COMPLETE	POLICY APPROVAL	ILA	STATUS	COMMENTS
6.5.10.14	Develop a Surface Water CIP	PW	CIP	Ray	Surface Water Engineering		X						ongoing	
6.5.10.15	Incorporate AA into 2011-2016 CIP/TIP	PW	CIP	Ray				X						

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TASK #	TASK	DEPT	DIV	LEAD	OTHER DEPT	PRE-ELECTION	PRE-EFFECTIVE	POST-EFFECTIVE	EST. START	EST. COMPLETE	POLICY APPROVAL	ILA	STATUS	COMMENTS
6.6	Information Technology													
6.6.1	Develop GIS data and maps	IT	GIS	Xiaoning Jiang	All	x	x	x	1/1/2009	12/30/2011				
6.6.2	Provide communications support for TV, multimedia, web	IT	MMS	Janice Perry	All	x	x	x	1/1/2009	12/30/2011				
6.6.3	Implement application functionality and flow	IT	Apps	Brenda Cooper	All	x	x	x	1/1/2009	12/30/2011				
6.6.4	Support reporting requirements for annexation	IT	Apps	Brenda Cooper	All	x	x	x	1/1/2009	12/30/2011				
6.6.4.1	Update software costs for new annexation staffing levels	IT	ALL	Brenda Cooper			X		1/1/2010	3/31/2010				
6.6.4.2	Hiring	IT												
6.6.4.4	Support for on-boarding new staff	IT	Net Ops	Donna Gaw	HR	x	x	x						
6.6.5	Manage cable franchises	IT	MMS	Janice Perry	Legal		X		1/1/2010					
6.6.6	Identify leases of private telecommunications facilities	IT	MMS	Janice Perry	PW Legal		X		1/1/2010	12/30/2011				First task will be to get a list of existing leases from King County
6.6.7	Complete upgrade of IFAS	IT	Apps	Karen Friesen	Finance	C			started	12/1/2009				Ongoing project
6.6.8	Purchase and deploy new software licenses	IT	Apps & Net Ops	Brenda Cooper			X		1/1/2010	12/30/2011				

ANNEXATION MASTER WORK PLAN

TASK #	TASK	DEPT	DIV	LEAD	OTHER DEPT	PRE-ELECTION	PRE-EFFECTIVE	POST-EFFECTIVE	EST. START	EST. COMPLETE	POLICY APPROVAL	ILA	STATUS	COMMENTS
6.7	Human Resources													
6.7.1	Review department hiring plans	HR		Bill/HR Staff	All Depts.				TBD	TBD				
6.7.2	Work with departments on recruitment strategies	HR		Bill/HR Staff	All Depts.				TBD	TBD				
6.7.3	Develop new classifications or reclassifications	HR		HR Staff	As needed				TBD	TBD				
6.7.4	Develop public safety staffing transition plans	HR		Bill/Rod	Police/Fire				TBD	TBD				
6.7.4.1	KC Sheriff to KPD	HR		Bill	Police/CMO	x	x							
6.7.4.2	WFLS to Kirkland Fire	HR		Bill	Fire/CMO	x	x							
6.7.4.3	Coordinate Civil Service process	HR		Rod	Police/Fire		x							
6.7.5	Conduct impact bargaining with all unions	HR		Bill	All Depts.	x	x							
6.7.6	Coordinate with WCIA on risk management issues	HR		Kathy	As needed		x		TBD	TBD				

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TASK #	TASK	DEPT	DIV	LEAD	OTHER DEPT	PRE-ELECTION	PRE-EFFECTIVE	POST-EFFECTIVE	EST. START	EST. COMPLETE	POLICY APPROVAL	ILA	STATUS	COMMENTS
6.8	Planning													
6.8.1	Prepare code amendments	PCD	Long Range	Paul S										
6.8.1.1	Complete Annexation Area Zoning Process	PCD	Long Range	Jeremy		x			5/8/2009	7/21/2009				
6.8.1.1.1	Prepare draft comp plan map, zoning code & subd. Ord.	PCD	Long Range	Jeremy		x			5/8/2009	7/21/2009				Initial draft complete
6.8.1.1.2	Issue SEPA DNS	PCD	Long Range	Jeremy		x			5/8/2009	5/22/2009				Comment and appeal period
6.8.1.1.3	Notify CTED	PCD	Long Range	Jeremy		x			5/7/2009	7/6/2009				60 days = 7/6/09
6.8.1.1.4	Council review of Draft Zoning	PCD	Long Range	Jeremy		x			5/8/2009	5/19/2009				
6.8.1.1.5	Open House	PCD	Long Range	Jeremy		x			6/2/2009	6/2/2009				
6.8.1.1.6	Public Hearing #1	PCD	Long Range	Jeremy		x			6/2/2009	6/2/2009				
6.8.1.1.7	Public Hearing #2	PCD	Long Range	Jeremy		x			7/7/2009	7/7/2009				
6.8.1.1.8	Adopt Zoning	PCD	Long Range	Jeremy		x			7/21/2009	7/21/2009	Council			
6.8.1.2	Amend Critical Areas Ordinance	PCD	Long Range	Paul S			x		7/1/2010	12/31/2011				
6.8.1.3	Address School Impact Fees	PCD	Long Range	Eric S			x							Confirm that amendments are needed.
6.8.2	Update Comprehensive Plan (GMA req't)	PCD	Long Range	Paul S										
6.8.2.1	Amend Transportation & Capital Fac. Element	PCD	Long Range	Paul S	PW		x			12/31/2011				
6.8.2.2	Amend all maps to include PAA	PCD	Long Range	Paul S	IT/GIS		x			12/31/2011				
6.8.2.3	Prepare PAA neighborhood plans	PCD	Long Range	Paul S				x						
6.8.3	Amend shoreline master plan	PCD	Long Range	Paul S			x							
6.8.3.1	Identify Shoreline Designations	PCD	Long Range	Paul S			x							
6.8.4	Code enforcement in PAA	Dev. Serv.	Current	Nancy										See 6.3
6.8.5	Permitting	Dev. Serv.	Current	Nancy										See 6.3

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6.9	Finance and Administration	Finance		Tracey										
6.9.1	Determine garbage billing assumptions	Finance		Tracey		x			6/1/2009	7/7/2009				
6.9.2	Determine surface water billing assumptions	Finance		Tracey		x			6/1/2009	7/7/2009				
6.9.3	License businesses	Finance		Michael O				x						
6.9.3.1	Identify businesses	Finance		Michael O			x							
6.9.3.2	Conduct outreach	Finance		Michael O		x								
6.9.3.3	Process licenses	Finance		Michael O				x						
6.9.4	Conduct false alarm registrations	Finance		Michael O				x						
6.9.5	Develop new mail delivery route	Finance		Tracey			x							
6.9.6	Establish cost tracking system for annexation	Finance		Tracey		x								
6.9.7	Secure facilities financing (bonds)	Finance		Tracey			x		TBD	TBD				
6.9.8	Incorporate annexation budget into 2011-2012 budget	Finance		Tracey			x		4/1/2010	12/14/2010				
6.9.9	Support materials and equipment purchasing	Finance		Tracey	All		x		TBD	TBD				
6.9.10	Update Impact Fees	Finance		Tracey	Parks/PW		x		TBD	TBD				
6.9.11	Update Development Services Fees	Finance		Tracey	Plng/F&B/PW		x		TBD	TBD				
6.9.12	Update Parks Fees	Finance		Tracey	Parks		x		TBD	TBD				
6.9.13	Contact utility providers regarding rate changes	Finance		Michael O			x		TBD	TBD				
6.9.13.1	Create list of utility providers	Finance		Michael O			x		TBD	TBD				
6.9.13.2	Identify contacts for utility tax payments at service providers	Finance		Michael O	CMO		x		TBD	TBD				
6.9.13.3	Educate utility providers of need for revenue data	Finance		Michael O			x		TBD	TBD				
6.9.13.4	Develop process for gathering revenue data	Finance		Michael O			x		TBD	TBD				



CITY OF KIRKLAND
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MEMORANDUM

To: Dave Ramsay, City Manager
From: Marilynne Beard, Assistant City Manager
Date: August 25, 2009
Subject: POTENTIAL ANNEXATION UPDATE

RECOMMENDATION:

City Council receives an update on annexation work items and approves a letter to King County requesting transition funding.

BACKGROUND DISCUSSION:

The purpose of this memo is summarize activities that have taken place since the last update and to present additional information on four policy issues.

On July 9, 2009 the Boundary Review Board approved the City's annexation proposal. The time frame for filing an appeal to their decision in Superior Court ended on August 10, 2009 and no appeal was filed. At their July 21 meeting, the City Council approved a resolution requesting that the King County Council place a measure on the November 3 ballot regarding the question of annexation. At the July 21 meeting, the City Council also approved an ordinance establishing zoning for the annexation area which will be included as a component of the ballot measure in November. The City Council's request was approved by the King County Council at their July 27 meeting and so the measure will be placed on the November 3 ballot.

Committees were appointed to write pro and con statements for the annexation ballot measure which will appear in the voters' pamphlet. On August 4, Council reviewed the proposed explanatory statement for the voters' pamphlet. A number of annexation-related issues are being considered simultaneously to this process. Staff will be preparing an informational mailer for the annexation area residents providing information about the potential annexation. The mailer will be reviewed by legal staff and the Public Disclosure Commission before it is presented to the public.

The remainder of this memo will address four specific areas of study – fire and emergency medical service transition, provision of solid waste and recycling services in the PAA, further consideration of a possible effective date and a request to King County for transition funding.

Fire and Emergency Medical Transition

City staff is continuing to meet with the Woodinville Fire and Life Safety Fire District (WFLS) regarding a plan for service transition should the annexation be approved by voters. Two staff groups with representatives from the District and the City are meeting on a regular basis to identify service delivery options and related issues and to develop financial data that would be needed for an interlocal agreement. Staff from the City and WFLS jointly selected Berk and Associates to assist with development of financial information.

The District and the City are also engaged in a voluntary mediation process to facilitate discussion of the potential transition. Two mediation sessions were held, one on July 12 and another on August 17. In the interim, staff work continues on data development. Agreement was reached during mediation as to work products that would be completed before the next scheduled mediation session. The mediation services are being provided by the King County Dispute Resolution Center (DRC) under an existing interlocal agreement between the City and the DRC.

The City Council also requested information about the City's obligation under new legislation to maintain existing service levels in the PAA. The legislation cited is SSB 5808 which provides for an interlocal method of annexation, potential transfer of fire service employees from districts to the annexing city and provision for continuity of service levels during transition. The specific section related to maintenance of service levels in code cities is shown below:

NEW SECTION. Sec. 10. A new section is added to chapter 35A.14 RCW to read as follows:

(1) If any portion of a fire protection district is proposed for annexation to or incorporation into a code city, both the fire protection district and the code city shall jointly inform the employees of the fire protection district about hires, separations, terminations, and any other changes in employment that are a direct consequence of annexation or incorporation at the earliest reasonable opportunity.

(2) An eligible employee may transfer into the civil service system of the code city fire department by filing a written request with the code city civil service commission and by giving written notice of the request to the board of commissioners of the fire protection district. Upon receipt of the request by the civil service commission, the transfer of employment must be made. The needed employees shall be taken in order of seniority and the remaining employees who transfer as provided in this section and RCW 35.10.360 and 35.10.370 shall head the list for employment in the civil service system in order of their seniority, to the end that they shall be the first to be reemployed in the code city fire department when appropriate positions become available. Employees who are not immediately hired by the code city shall be placed on a reemployment list for a period not to exceed thirty-six months unless a longer period is authorized by an agreement reached between the collective bargaining representatives of the employees of the annexing and annexed fire agencies and the annexing and annexed fire agencies.

(3)(a) Upon transfer, an employee is entitled to the employee rights, benefits, and privileges to which he or she would have been entitled as an employee of the fire protection district, including rights to:

(i) Compensation at least equal to the level of compensation at the time of transfer, unless the employee's rank and duties have been reduced as a result of the transfer. If

the transferring employee is placed in a position with reduced rank and duties, the employee's compensation may be adjusted, but the adjustment may not result in a decrease of greater than fifty percent of the difference between the employee's compensation before the transfer and the compensation level for the position that the employee is transferred to;

(ii) Retirement, vacation, sick leave, and any other accrued benefit;

(iii) Promotion and service time accrual; and

(iv) The length or terms of probationary periods, including no requirement for an additional probationary period if one had been completed before the transfer date.

(b) (a) of this subsection does not apply if upon transfer an agreement for different terms of transfer is reached between the collective bargaining representatives of the transferring employees and the participating fire protection jurisdictions.

(4) If upon transfer, the transferring employee receives the rights, benefits, and privileges established under subsection

(3)(a)(i) through (iv) of this section, those rights, benefits, and privileges are subject to collective bargaining at the end of the current bargaining period for the jurisdiction to which the employee has transferred.

(5) Such bargaining must take into account the years of service the transferring employee accumulated before the transfer and must be treated as if those years of service occurred in the jurisdiction to which the employee has transferred.

NEW SECTION. Sec. 11. *A new section is added to chapter 35A.14 RCW to read as follows:*

Upon the written request of a fire protection district, code cities annexing territory under this chapter shall, prior to completing the annexation, issue a report regarding the likely effects that the annexation and any associated asset transfers may have upon the safety of residents within and outside the proposed annexation area. The report must address, but is not limited to, the provisions of fire protection and emergency medical services within and outside of the proposed annexation area. A fire protection district may only request a report under this section when at least five percent of the assessed valuation of the fire protection district will be annexed.

NEW SECTION. Sec. 12. *A new section is added to chapter 35A.92 RCW to read as follows:*

Code cities conducting annexations of all or part of fire protection districts shall, at least through the budget cycle, or the following budget cycle if the annexation occurs in the last half of the current budget cycle, in which the annexation occurs, maintain existing fire protection and emergency services response times in the newly annexed areas consistent with response times recorded prior to the annexation as defined in the previous annual report for the fire protection district and as reported in RCW 52.33.040. If the code city is unable to maintain these service levels in the newly annexed area, the transfer of firefighters from the annexed fire protection district as a direct result of the annexation must occur as outlined in section 10 of this act.

The legislation requires the City to continue to meet existing response times provided by the existing fire district through the term of the City's budget cycle or provide for a transfer of district employees. Practically speaking, the City has already agreed in principle to hiring any Woodinville firefighters that may be laid off as a result of the annexation. The number of new firefighters budgeted in the annexation model (9 FTE) is more than the number of firefighters

estimated by Woodinville to be impacted by the annexation (6-8 FTE). The City also plans to maintain or improve response times and several service delivery models are being explored with Woodinville to assure response times are met. Further interpretation has been requested from the Municipal Research and Services Center regarding the requirements of this new law.

The City has made every effort to maintain open lines of communications with the district to develop a workable and financially sustainable service transition recommendation. Woodinville district staff has been most helpful in these discussions and we anticipate continued productive planning efforts.

Solid Waste and Recycling Services

A staff subcommittee is working with the City's solid waste contractor regarding transition of solid waste disposal and recycling services. Transition of solid waste services is governed in part by State law as well as contractual provisions in agreements between the City and its waste hauler. There are a number of complex legal, operational and policy issues related to solid waste services.

- One of the policy issues relates to the prohibition against self-hauling garbage within the city limits (also called "mandatory garbage" because the prohibition effectively requires all residents and businesses to pay for solid waste and recycling services). Under King County, PAA residents are not required to subscribe to curbside pick-up but may self-haul to transfer stations. Approximately 10% of PAA residents currently self-haul.
- Another issue is the transition from the current hauler for the area (Allied Waste) and the City's exclusive waste hauler (Waste Management). There will be a need for the City's hauler to "ramp up" to provide service to the PAA including acquisition of new equipment, hiring new personnel and establishing new accounts.
- Finally, there is an issue regarding customer billing services and a decision as to whether the City wants to continue to bill for solid waste and recycling services on the bimonthly utility bill or have the solid waste contractor provide billing services for all City residents (both for the existing city customers and new PAA customers).

Prior to bringing a discussion and recommendation to the City Council, the staff needs to fully explore the legal and service ramifications of the City's policy choices with regard to solid waste service transition and better understand Waste Management's concerns about assuming responsibility for the area.

Effective Date of Annexation

At the June 16 Council study session, staff presented a discussion regarding possible effective dates for annexation. The two driving factors considered in the staff analysis were financial/cash flow impacts and the time frame needed to hire and train police officers to serve the area. If PAA residents vote to annex, the City Council is required to establish an effective date for annexation following the certification of the election results in late November or early December.

An additional factor raised by a resident of the PAA (Toby Nixon) relates to the impact on the eligibility of PAA residents to file for the City Council election. The June 16 study session focused on two possible effective dates – April 1 and July 1, 2011. Because the July 1 effective date creates a slightly better financial outcome, the Council indicated a preference for that date. Mr. Nixon asked for clarification with regard to the relationship between the effective date and the candidate filing period since 2011 will be a City Council election year. The filing period will be in early June. If the effective date is not until July 1, PAA residents will not be eligible to file for election. For this reason, Mr. Nixon asked City Council to reconsider its preferred effective date – changing it to April 1 – in order to allow PAA residents to be eligible to file for the 2011 City Council election.

Funding Request from King County

Several years ago, the City requested funding assistance from King County to help defray the transition costs of annexation. The County offered the City a total of \$1.5 million in County General Fund incentive funding, \$500,000 in street drainage funds and \$500,000 in Real Estate Excise Tax for parks capital needs. The annexation incentive fund of \$10 million has since been dispersed and any remaining amount was reappropriated for other purposes. Nonetheless, the City Council may still want to request assistance from King County to assist with transition services, projects or costs. Although the County's financial situation is dire, there may be uncommitted cash resources, particularly from special purpose (i.e. capital) funding sources that may be available. The attached draft letter includes a request for funding of pre-annexation costs as well as a request to complete all planned and funded capital projects in the PAA. After Council review, the letter (as edited) can be forwarded to King County. Any funding assistance would be secured through an interlocal agreement between the City and King County.

September 2, 2009

D R A F T

The Honorable Kurt Triplett
King County Executive
701 Fifth Avenue Ste 3210
Seattle, WA 98104

Dear Executive Triplett:

As you are aware, the Kirkland City Council has been actively pursuing the potential annexation of the three neighborhoods to our north. The City's potential annexation area (PAA) represents a major increase in population and land area and will require a significant investment of resources.

At their April 7, 2009 meeting, the City Council voted to proceed with filing an annexation proposal with the Boundary Review Board declaring our intent to annex Kirkland's PAA and on July 9, 2009 the Boundary Review Board approved the City's annexation proposal. At their July 21 meeting, the City Council approved a resolution requesting that the King County Council place a measure on the November 3 ballot regarding the question of annexation and the King County Council approved Kirkland's request.

With the decision to proceed with annexation vote, the City of Kirkland would like to request a financial offer letter outlining the County's commitment to provide assistance to Kirkland's annexation efforts. We cannot emphasize enough the importance of a partnership approach to the annexation issue. Kirkland's PAA is one of the largest remaining unincorporated urban areas in King County. The size and scope of Kirkland's PAA presents significant start-up and transition challenges. The City is undertaking a thorough operational planning effort to ensure a smooth transition, and we appreciate the continued assistance that your staff has provided during this planning phase. We will need the County as a strong financial partner if citizens in the PAA vote to proceed with annexation.

The City is aware of the County's financial challenges. Kirkland faces similar challenges. We understand that annexation of large unincorporated urban areas is one of the solutions to the County's budget problem. The City is looking for any kind of financial or in-kind assistance that can be provided during the transition phase of the annexation.

Infrastructure Funding Needs

Previously, the City identified over \$17.8 million in unfunded capital projects in the PAA that were of concern including road and surface water projects. Recognizing the County's current financial difficulties, the City understands that funding for all of these projects is unrealistic. We do believe that it is the County's responsibility to complete projects that are currently funded in the County's Capital Improvement Program. In light of the County's current plans to address some of these needs, we request confirmation of the County's commitment to complete its

currently funded transportation and surface water projects in the annexation area. The City requests assurance that these projects will be complete before the potential annexation date.

The City also requests consideration of providing capital funding from dedicated sources as a means to address future capital needs. Special purpose reserves such as impact fees, real estate excise tax, road funds and surface water reserves could be transferred to the City to the extent that those revenues were raised from the annexation area.

Transition Funding

In order to provide a smooth transition to service delivery in the annexation area, the City will need to begin hiring new staff prior to the effective date of annexation and prior to receiving revenue from the area. Some services will be phased in as resources become available to the City. However, public safety services are essential, and the City will be staffing up to be prepared to provide police service on the effective date of annexation. State annexation funding will be accessed to defray some of these costs; however, in order to maximize the availability of state funding, the City will need to be cautious about accessing the funds too quickly. Our 2010 funding need for Public Safety alone is \$1.33 million. We are requesting any assistance possible from King County to assist in the transition process including General Fund contributions and/or transfer of assets such as surplus properties that do not have operational.

As you know, the City Council carefully scrutinized this annexation because of the magnitude of the issues and its significance to the future of our community. The State of Washington is a critical partner in the annexation effort and the State's 10-year annexation financial assistance will help with essential transition funding if we move forward with annexation. We are hopeful that the County will be a financial partner in this mutual effort as well. Thank you for your consideration.

Sincerely,
Kirkland City Council

by James Lauinger, Mayor

cc: Metropolitan King County Councilmembers
ATTN: Thomas Bristow, Interim Chief of Staff
Saroja Reddy, Policy Staff Director
Anne Noris, Clerk of the Council
Frank Abe, Communications Director
Beth Goldberg, Deputy Director, Office of Management and Budget (OMB)
Elissa Benson, Deputy Director, Office of Strategic Planning and Performance
Management
Karen Freeman, Senior Policy Analyst
Dave Ramsay, City Manager
Marilynne Beard, Assistant City Manager



KIRKLAND CITY COUNCIL REGULAR MEETING MINUTES
January 05, 2010

1. CALL TO ORDER
2. ROLL CALL

Following the Study Session, Councilmember Sternoff was called away for a family emergency and his absence was excused.

ROLL CALL:

Members Present: Councilmember Dave Asher, Councilmember Jessica Greenway, Councilmember Doreen Marchione, Councilmember Joan McBride, Councilmember Penny Sweet, and Councilmember Amy Walen.

Members Absent: None.

3. STUDY SESSION

- a. Information Technology

Joining Councilmembers for this discussion in addition to City Manager Dave Ramsay were Chief Information Officer Brenda Cooper, Network and Operations Manager Donna Gaw, MultiMedia Communications Manager Janice Perry and City of Kirkland Webmaster Rob Mullin.

4. EXECUTIVE SESSION

- a. To Discuss Labor Negotiations

5. OATH OF OFFICE

City Clerk Kathi Anderson administered the Oath of Office to newly elected City Councilmembers.

- a. Councilmember Doreen Marchione
- b. Councilmember Joan McBride
- c. Councilmember Penny Sweet
- d. Councilmember Amy Walen

6. ELECTION OF MAYOR AND DEPUTY MAYOR

Motion to elect Councilmember Joan McBride as Mayor.

Moved by Councilmember Dave Asher, seconded by Councilmember Amy Walen

Vote: Motion carried 6-0

Yes: Councilmember Dave Asher, Councilmember Jessica Greenway, Councilmember Doreen Marchione, Councilmember Joan McBride, Councilmember Penny Sweet, and Councilmember Amy Walen.

Motion to elect Councilmember Penny Sweet as Deputy Mayor.

Moved by Councilmember Doreen Marchione, seconded by Councilmember Amy Walen

Vote: Motion carried 6-0

Yes: Councilmember Dave Asher, Councilmember Jessica Greenway, Councilmember Doreen Marchione, Councilmember Joan McBride, Councilmember Penny Sweet, and Councilmember Amy Walen.

Council adjourned for a short break.

7. HONORS AND PROCLAMATIONS

None.

8. COMMUNICATIONS

a. Announcements

Assistant City Manager Marilynne Beard announced an upcoming January 26 public forum to receive community input on the City Manager recruitment.

b. Items from the Audience

John Gilday
G.G. Getz
Toby Nixon
Johanna Palmer
Jay Arnold
Curtis Thompson
Lynda Haneman

c. Petitions

None.

9. SPECIAL PRESENTATIONS

a. Transportation Policy Document

Transportation Commission Member Jon Pascal provided an overview of the

draft "Transportation Conversations" document.

b. SR 520 Eastside Transit and HOV Project Update

Washington State Department of Transportation 520 Bridge Replacement & HOV program Engineering Manager Daniel Babuca provided a briefing for Council's information.

10. CONSENT CALENDAR

a. Approval of Minutes:

(1) December 15, 2009 Special Meeting

(2) December 15, 2009

b. Audit of Accounts:

Payroll \$1,983,258.50

Bills \$2,454,351.88

run # 876 check #'s 513729 - 513737

run # 877 check #'s 513738 - 513922

run # 878 check #'s 513923 - 513966

run # 879 check #'s 513992 - 514203

run # 880 check #'s 514205 - 514250

run # 881 check #'s 514252 - 514294

c. General Correspondence

None.

d. Claims

(1) Cliff Binstock

(2) Joey Lodson

(3) Debra J. Seier

(4) Danielle Schlepp

(5) The Plaza at Yarrow Bay, Inc.

e. Award of Bids

(1) The contract for the Juanita Beach Park Phase 1 Improvements project was awarded to DMSL Construction, Inc., of Arlington, WA in the amount of \$1,180,390.57.

- f. Acceptance of Public Improvements and Establishing Lien Period
 - (1) Kirkland Avenue/3rd Street Traffic Signal Improvements
- g. Approval of Agreements

None.
- h. Other Items of Business
 - (1) Board and Commission Resignations

Motion to Approve the Consent Calendar.

Moved by Councilmember Dave Asher, seconded by Councilmember Jessica Greenway

Vote: Motion carried 6-0

Yes: Councilmember Dave Asher, Councilmember Jessica Greenway, Councilmember Doreen Marchione, Councilmember Joan McBride, Councilmember Penny Sweet, and Councilmember Amy Walen.

11. PUBLIC HEARINGS

- a. Ordinance No. 4232 and its Summary, Relating to Residential Targeted Areas and Amending Section 5.88.030 of the Kirkland Municipal Code

Mayor McBride opened the public hearing. Planning Supervisor Dawn Nelson reviewed the designation process and issues. No further testimony was offered and following Council questions and comment the Mayor closed the hearing.

Motion to Approve Ordinance No. 4232 and its Summary, entitled "AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO RESIDENTIAL TARGETED AREAS AND AMENDING SECTION 5.88.030 OF THE KIRKLAND MUNICIPAL CODE."

Moved by Councilmember Jessica Greenway, seconded by Councilmember Dave Asher

Vote: Motion carried 6-0

Yes: Councilmember Dave Asher, Councilmember Jessica Greenway, Councilmember Doreen Marchione, Councilmember Joan McBride, Councilmember Penny Sweet, and Councilmember Amy Walen.

- b. Lake Washington School District No. 414 Ballot Measures:

Mayor McBride opened the public hearing. Lake Washington School District Superintendent Chip Kimball reviewed the proposed ballot measures and responded to Council questions and comment. Further testimony was

provided by Johanna Palmer, Wendy DeLong and Todd Woosley. No further testimony was offered and the Mayor closed the hearing.

(1) Lake Washington School District No. 414 Proposition No. 1 Replacement of Existing Educational Programs and Operations Levy. The Board of Directors approved Resolution No. 2044 concerning educational funding. This proposition authorizes the District to levy the following excess taxes, to replace an expiring levy, on all taxable property within the District, to support the District's educational programs and operations:

Collection Years	Approximate Levy Rate/\$1,000 Assessed Value	Levy Amount
2011	\$1.34	\$49,100,000
2012	\$1.38	\$52,500,000
2013	\$1.42	\$56,200,000
2014	\$1.46	\$60,100,000

As provided in the Resoluituon. Should this proposition be approved?

YES []

NO []

- a. Resolution R-4794, Stating the City Council's Support for Lake Washington School District No. 414's Proposition No. 1 Replacement of Existing Educational Programs and Operations Levy

Motion to Approve Resolution R-4794, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND STATING THE CITY COUNCIL'S SUPPORT FOR LAKE WASHINGTON SCHOOL DISTRICT NO. 414'S PROPOSITION NO. 1 REPLACEMENT OF EXISTING EDUCATIONAL PROGRAMS AND OPERATIONS LEVY."

Moved by Councilmember Dave Asher, seconded by Councilmember Doreen Marchione

Vote: Motion carried 6-0

Yes: Councilmember Dave Asher, Councilmember Jessica Greenway, Councilmember Doreen Marchione, Councilmember Joan McBride, Councilmember Penny Sweet, and Councilmember Amy Walen.

(2) Lake Washington School District No. 414 Proposition No. 2 Replacement of Existing Capital Projects Levies. The Board of Directors approved Resolution No. 2045 for educational facilities and technology levies. This proposition authorizes the improvement and upgrade of District facilities; including educational technology, software and training; building and site improvements; and authorizes the following excess levies for such purposes on all taxable property

within the District:

Collection Years	Approximate Levy Rate/\$1,000 Assessed Value	Levy Amount
2011	\$0.49	\$18,000,000
2012	\$0.52	\$19,600,000
2013	\$0.55	\$21,700,000
2014	\$0.58	\$23,700,000

all as provided in the Resolution, Should this proposition be approved?

YES []

NO []

- a. Resolution R-4795, Stating the City Council’s Support for Lake Washington School District No. 414’s Proposition No. 2 Replacement of Existing Capital Projects Levy

Motion to Approve Resolution R-4795, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND STATING THE CITY COUNCIL'S SUPPORT FOR LAKE WASHINGTON SCHOOL DISTRICT NO. 414'S PROPOSITION NO. 2 REPLACEMENT OF EXISTING CAPITAL PROJECTS LEVIES."

Moved by Councilmember Doreen Marchione, seconded by Councilmember Dave Asher

Vote: Motion carried 6-0

Yes: Councilmember Dave Asher, Councilmember Jessica Greenway, Councilmember Doreen Marchione, Councilmember Joan McBride, Councilmember Penny Sweet, and Councilmember Amy Walen.

(3) Lake Washington School District No. 414 Proposition No. 3 General Obligation Bonds - \$234,000,000. The Board of Directors approved Resolution No. 2046 concerning this proposition for bonds. This proposition authorizes the District to modernize Juanita High School, make additions to Redmond High School and Eastlake High School, construct and equip two new elementary schools and a Environmental and Adventure School, and make other capital improvements; to issue \$234,000,000 of general obligation bonds maturing within a maximum term of 20 years; and to levy excess property taxes annually to repay bonds, as described in Resolution No. 2046.

Should this proposition be:

APPROVED? []

REJECTED? []

- a. Resolution R-4796, Stating the City Council’s Support for Lake Washington School District No. 414’s Proposition No. 3 General Obligation Bonds - \$234,000,000

Motion to Approve Resolution R-4796, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND STATING THE CITY COUNCIL'S SUPPORT FOR LAKE WASHINGTON SCHOOL DISTRICT NO. 414'S PROPOSITION NO. 3 GENERAL OBLIGATION BONDS - \$234,000,000."

Moved by Councilmember Dave Asher, seconded by Councilmember Penny Sweet

Vote: Motion carried 6-0

Yes: Councilmember Dave Asher, Councilmember Jessica Greenway, Councilmember Doreen Marchione, Councilmember Joan McBride, Councilmember Penny Sweet, and Councilmember Amy Walen.

Council recessed for a short break.

12. UNFINISHED BUSINESS

- a. Authorizing Correspondence Regarding SR 520 Eastside Transit and HOV Project Environmental Assessment

Public Works Director Daryl Grigsby and WSDOT Engineering Manager Daniel Babuca responded to Council questions and comment.

Motion to Approve Correspondence Regarding SR 520 Eastside Transit and HOV Project Environmental Assessment.

Moved by Councilmember Dave Asher, seconded by Councilmember Penny Sweet

Vote: Motion carried 6-0

Yes: Councilmember Dave Asher, Councilmember Jessica Greenway, Councilmember Doreen Marchione, Councilmember Joan McBride, Councilmember Penny Sweet, and Councilmember Amy Walen.

13. NEW BUSINESS

- a. Resolution R-4797, Adopting a Revised Policy for Investment of City Funds

Motion to Approve Resolution R-4797, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND ADOPTING A REVISED POLICY FOR INVESTMENT OF CITY FUNDS."

Moved by Councilmember Dave Asher, seconded by Councilmember Jessica Greenway

Vote: Motion carried 6-0

Yes: Councilmember Dave Asher, Councilmember Jessica Greenway, Councilmember Doreen Marchione, Councilmember Joan McBride, Councilmember Penny Sweet, and Councilmember Amy Walen.

14. REPORTS

a. City Council

(1) City Council Committee Appointments

(2) Regional Issues

Councilmembers shared information regarding the Suburban Cities Association caucus orientation; appreciation for public safety employees; the Kirkland "unofficial" Polar Plunge; and the recent deaths of Kirkland residents Ray Hansen and Jodi Bardinelli.

b. City Manager

(1) 2010 Legislative Update 1

(2) City Manager Recruitment Process

(3) Calendar Update

15. ANNOUNCEMENTS

This item was moved to item 8.a.

16. ADJOURNMENT

The Kirkland City Council regular meeting of January 5, 2010 was adjourned at 10:08 p.m. in remembrance and honor of Kirkland residents Jodi Bardinelli and Ray Hansen.

City Clerk

Mayor



CITY OF KIRKLAND
Department of Finance and Administration
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100
www.ci.kirkland.wa.us

MEMORANDUM

To: David Ramsay, City Manager
From: Kathi Anderson, City Clerk
Date: January 7, 2010
Subject: CLAIM(S) FOR DAMAGES

RECOMMENDATION

It is recommended that the City Council acknowledge receipt of the following Claim(s) for Damages and refer each claim to the proper department (risk management section) for disposition.

POLICY IMPLICATIONS

This is consistent with City policy and procedure and is in accordance with the requirements of state law (RCW 35.31.(040)).

BACKGROUND DISCUSSION

The City has received the following Claim(s) for Damages from:

- (1) Terry Higbee
23022 61st Avenue S.E.
Woodinville, WA 98072

Amount: Unspecified amount

Nature of Claim: Claimant states damage to vehicle resulted from being struck by a City vehicle.

- (2) Emmanuel Ramos
34021 SE Strouf Street
Snoqualmie, WA 98065

Amount: \$6,321.80

Nature of Claim: Claimant states injury resulted from City vehicle striking residence.

**CITY OF KIRKLAND**

Department of Public Works

123 Fifth Avenue, Kirkland, WA 98033 425.587.3800

www.ci.kirkland.wa.us

MEMORANDUM

To: David Ramsay, City Manager

From: Daryl Grigsby, Public Works Director
Ray Steiger, P.E., Capital Projects Manager

Date: January 7, 2010

Subject: 116TH AVENUE NE SIDEWALK (HIGHLANDS) - AWARD CONTRACT

RECOMMENDATION:

It is recommended that City Council award the construction contract for the 116th Avenue NE Sidewalk (Highlands) Project to Kamins Construction of Bothell, WA, in the amount of \$424,139.58.

BACKGROUND DISCUSSION:

The 116th Avenue NE Sidewalk (Highlands) Project provides approximately 1,900 feet of new concrete curb, gutter, sidewalk and planter strip along 116th Avenue NE in the Highlands Neighborhood (Attachment A). The Project also includes new ADA compliant wheelchair ramps at all crossing locations within the Project limits.

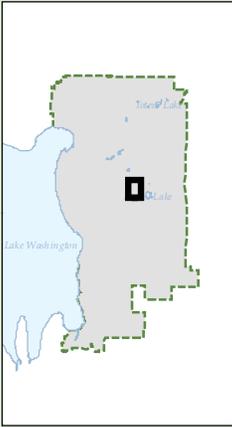
With an engineer's estimate for construction at \$ 613,175.75, staff advertised for contractor bids using Builders Exchange and The Daily Journal of Commerce. The Project was first posted on December 2nd and on December 16, 2009; twenty-four (24) contractor bids were received, indicating we are still in a very competitive construction bid environment (Attachment B).

This project will complete a critically needed section of pedestrian walk route identified in the City of Kirkland Comprehensive Plan for the Highlands Neighborhood, and is also a designated school walk route to Peter Kirk Elementary School. The northern terminus of the project will connect to the NE 100th St Overpass and Spinney Homestead Park, along with providing pedestrian connections to the North Rose Hill Neighborhood. The southern terminus will link to previously existing asphalt path and sections of sidewalk installed with redevelopment that extend to the southern neighborhood boundary on 116th Ave NE.

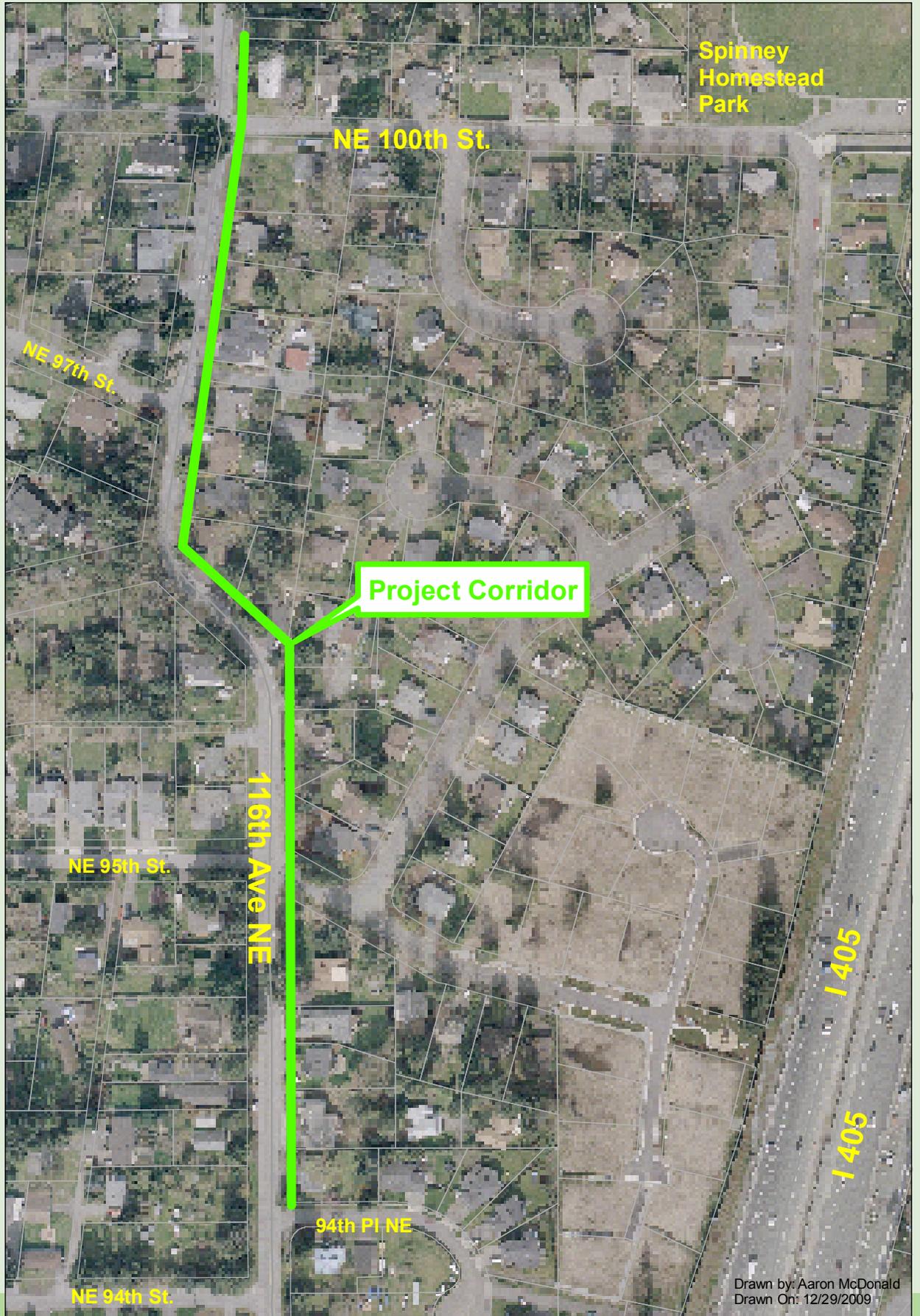
With award of the contract by Council at their January 19th meeting, construction is expected to start in February with physical completion in July 2010. In advance of the work, Public Works will notify adjacent properties through contact with the Highlands Neighborhood Association and with a construction informational mailer describing the timelines and contact information. Staff will also ensure that the contractor maintains safe travel routes for pedestrians throughout the work area while the work is in progress.

Attachments: A – Vicinity Map
B – Bid Price List
C – Project Budget Report
D – Historic Cost Comparison

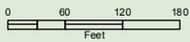
Attachment A: 116th Avenue NE (Highlands) Sidewalk Project



Vicinity Map



Project Corridor



Produced by the City of Kirkland.
© 2009, the City of Kirkland. All rights reserved.
No warranties of any sort, including but not limited to accuracy,
fitness or merchantability, accompany this product.

Drawn by: Aaron McDonald
Drawn On: 12/29/2009

ATTACHMENT B

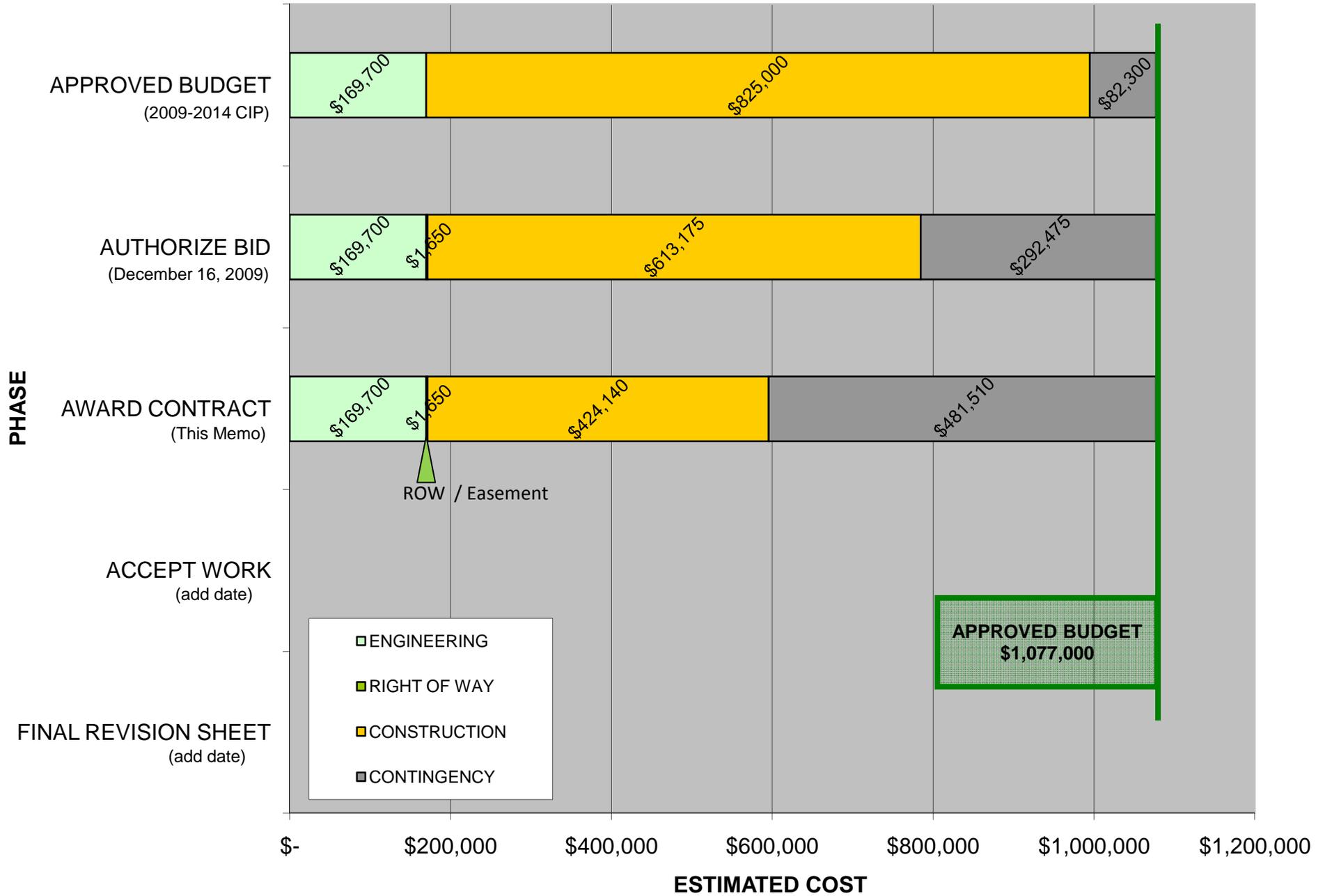
BID PRICE COMPARISON: 116TH AVE NE SIDEWALK - HIGHLANDS

BID DATE: 12/16/2009

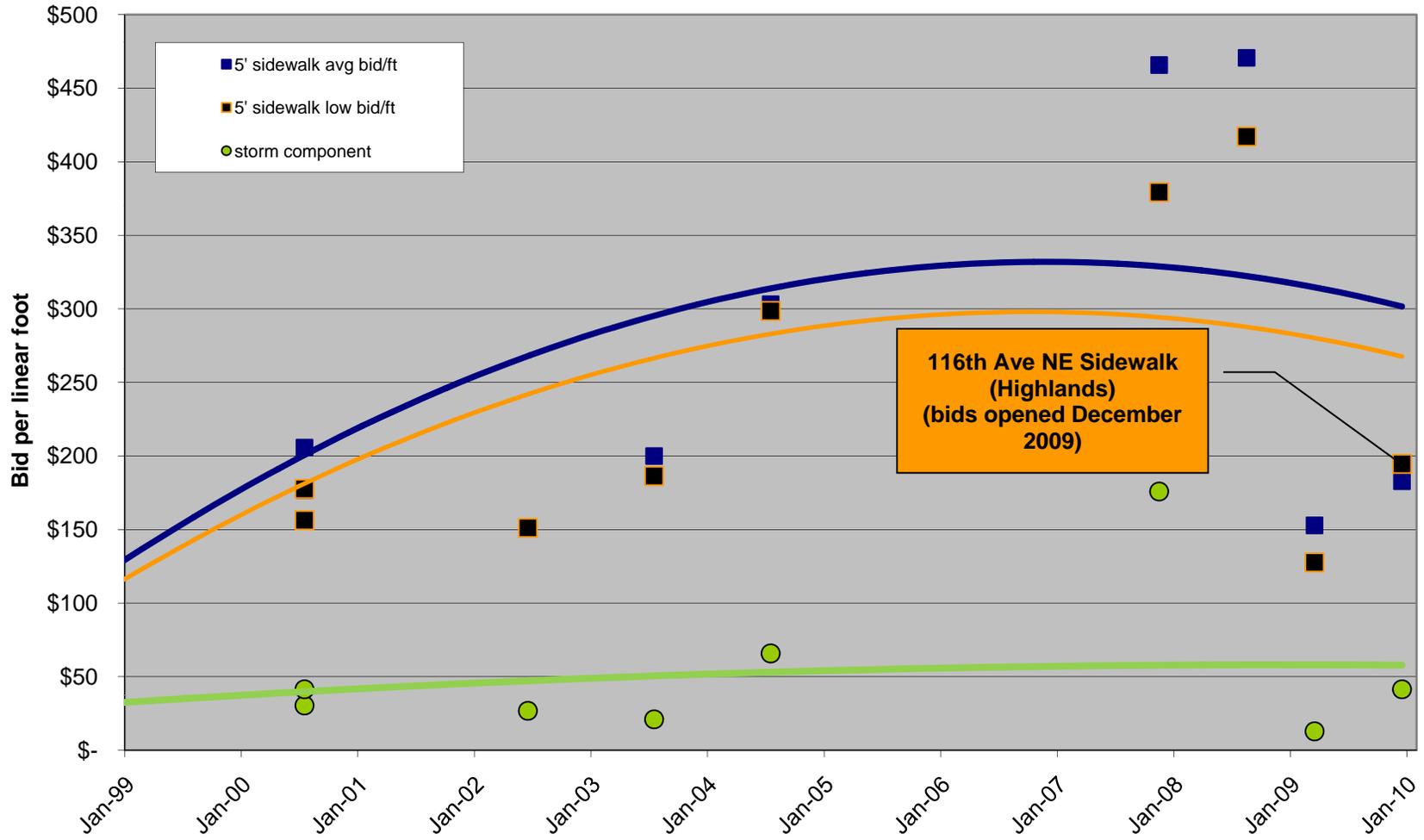
BIDDER #	CONTRACTOR	BID Amount
1	Kamins	\$424,139.58
2	Titan Earthworks	\$425,053.85
3	Mosbrucker Excavating	\$426,947.50
4	Universal	\$427,776.37
5	Construction International	\$432,462.50
6	Santana	\$436,373.15
7	Plats Plus	\$453,774.00
8	Fardig	\$459,961.30
9	Dennis R. Craig	\$469,885.00
10	TE Briggs	\$478,718.20
11	Archer	\$481,123.75
12	Precision	\$483,300.00
13	JR Sons	\$487,339.85
14	Taylor's Excavators	\$495,697.65
15	Colacurcio Brothers	\$500,976.00
16	Freeman Bell	\$503,628.85
17	Gary Merlino	\$506,465.00
18	Construct	\$512,246.00
19	End General	\$518,829.33
20	Green River	\$539,682.90
21	Merlino Brothers	\$540,206.50
22	Iversen & Sons	\$548,584.00
23	West Water	\$552,172.00
24	Lakeridge	\$603,796.00
	Engineers Estimate	\$613,175.75

CNM 0044 - 116th Ave NE Sidewalk (Highlands)

PROJECT BUDGET REPORT



Historical Comparison of Sidewalk Bids



Attachment D

**CITY OF KIRKLAND****Department of Public Works**

123 Fifth Avenue, Kirkland, WA 98033 425.587.3800

www.ci.kirkland.wa.us

MEMORANDUM

To: David Ramsay, City Manager

From: Daryl Grigsby, Public Works Director
Ray Steiger, P.E., Capital Projects Manager

Date: January 7, 2010

Subject: 2009 EMERGENCY SEWER CONSTRUCTION PROGRAM - ACCEPT WORK

RECOMMENDATION:

It is recommended that the City Council accept the construction of the 2009 Emergency Sewer Program (ESP), as constructed by Universal Land Construction Company of Woodinville, Washington, and establish the statutory 45 day lien period.

BACKGROUND DISCUSSION:

The ESP helps safeguard the environment from poorly maintained or failed septic systems and a program to extend sewer main lines to those areas of Kirkland with older and/or failing systems was first developed in 1998. Currently, there are still an estimated 1,100 Kirkland properties with active septic systems. Under the authority of the Program, benefiting property owners are assessed a proportionate share of all Program costs. At the completion of the improvements, property owners are given the option of: 1) making a full payment of the assessment at the time it is generated, 2) entering into a low interest (currently 3.31 %) loan agreement with the City to pay back their share of the construction cost over a ten year period, or 3) waiting 10-years before doing anything. In any scenario, total payment of each assessment is due within 20-years.

The scope of the 2009 ESP project included the installation of sanitary sewer main in the following Kirkland neighborhoods (Attachment A):

North Rose Hill

1. NE 88th Street between 132nd Avenue NE and 130th Avenue NE.
2. NE 87th Street/131 Avenue NE between 130th Avenue NE and NE 85th Street.
3. 132nd Avenue NE between NE 88th Street and NE 85th Street.
4. NE 107th Street, west of 124th Ave NE.
5. 124th Avenue NE between NE 107th Place and NE 107th Street.
6. 123rd Avenue NE south from NE 108th Street (connecting to Slater Avenue to the west).

South Rose Hill

1. NE 75th St, between 124th Ave Ne and 126th Ave NE.

January 7, 2010

Page 2 of 2

The 2009 ESP was included within the 2009-2014 Capital Improvement program (CIP) with an original construction budget of \$1,055,000. At their regular meeting of February 3, 2009, Council approved the 2009 ESP Scope of Work and authorized the advertisement for contractor bids. On July 2nd the City received 10 contractor bids and at their meeting of July 21, 2009, Council awarded the contract to Universal Land Construction Company in the amount of \$741,322.83. The total amount paid to the contractor for the work was \$652,998.99, including one change order totaling \$8,678.36; efficiencies in the construction process and commensurate reductions in materials led to an overall contract savings of \$88,323.84 (Attachment B).

The Project included the installation of 2,350 lineal feet of sewer main and provided 49 sewer connections for 46 properties that are currently served by septic systems (some sub-dividable properties will receive multiple assessments) -- individual assessments are currently estimated at \$18,000. Actual assessment amounts will be calculated after street restoration work is completed in summer, 2010 by the Annual Street Preservation Program, which will be reimbursed by the ESP for these additional costs. To date, four properties, of the benefitting 46, have hooked up to the new sewer main and 12 property owners have already signed agreements to repay their as-yet-to-be-determined assessments.

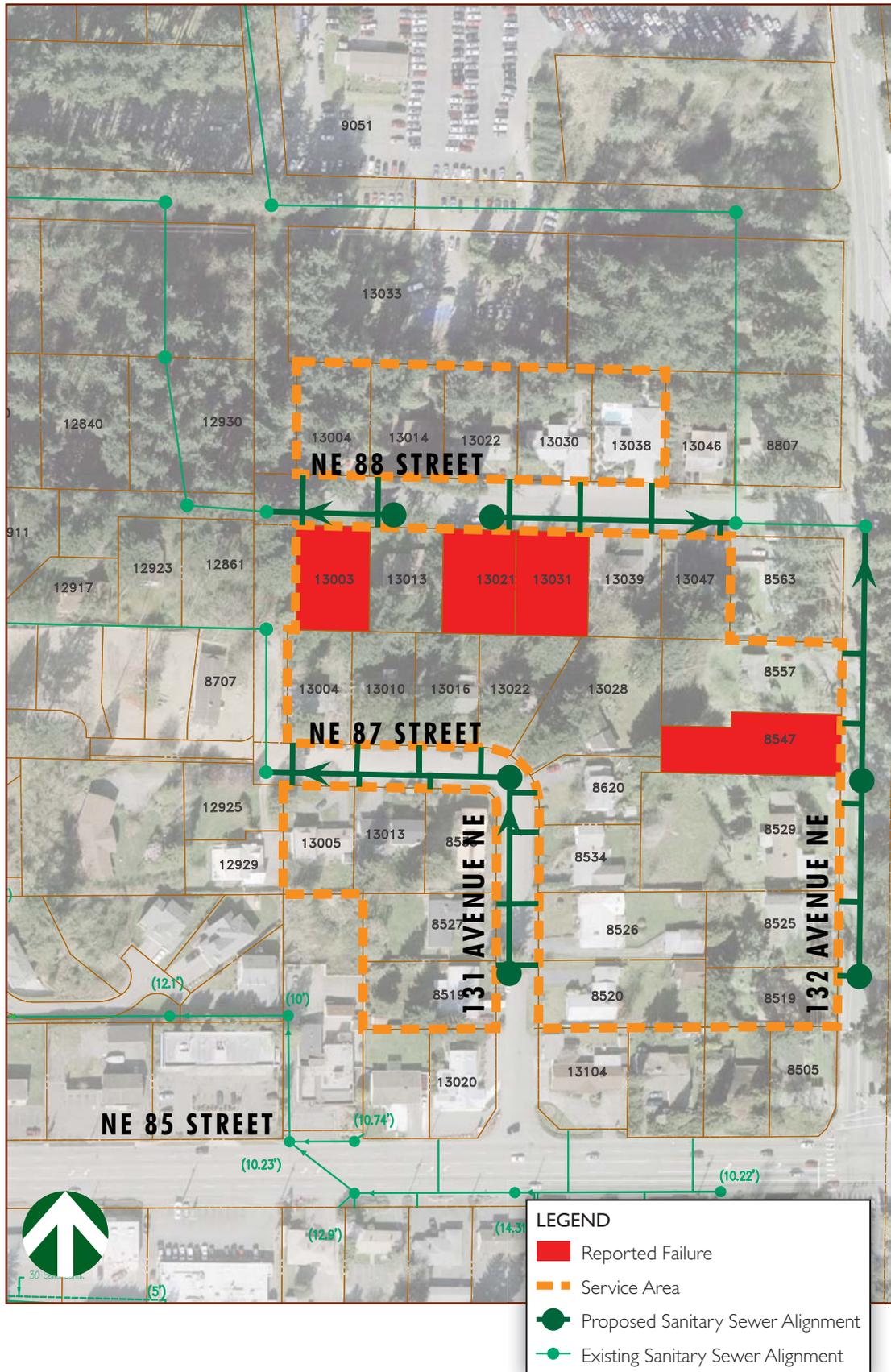
An existing 8-inch asbestos cement (AC) water main that was scheduled for replacement in a future CIP project was also included within the 2009 ESP project. The replacement of the AC watermain within NE 75th St, between 124th and 126th Avenues NE, was a planned for a few years out but the street is scheduled for a complete asphalt surface overlay in 2010 so the replacement of this aging water main was included in order to minimize impacts to the residents of the street, to eliminate future impacts to the new asphalt and to take advantage of favorable contractor pricing. This work was funded using a combination of the remaining 2007 ESP Watermain Replacement Program Funding (\$48,965), the 2009 ESP Watermain Replacement Funding (\$50,000), and additional water utility funding (\$41,640) to cover the total cost of \$140,605 (Attachment B); this water utility element is tracked separately and is not included within individual ESP beneficiaries assessments.

From the Program's inception in 1998 through the 2009 Program year, over 24,400 lineal feet of new sewer main has been built. For that 4.6 miles of new main line, a total to 458 side sewer connections have been made available with 231 property owners paying their assessments in-full, 105 entering into payment contracts with only 117 property owners choosing to wait the full 10-year grace period. Of the 458 side sewer made available, 193 properties have connected to the City's sewer system (Attachment C).

Attachments: A - Vicinity Map
B - Project Budget Report
C - ESP Current Overview

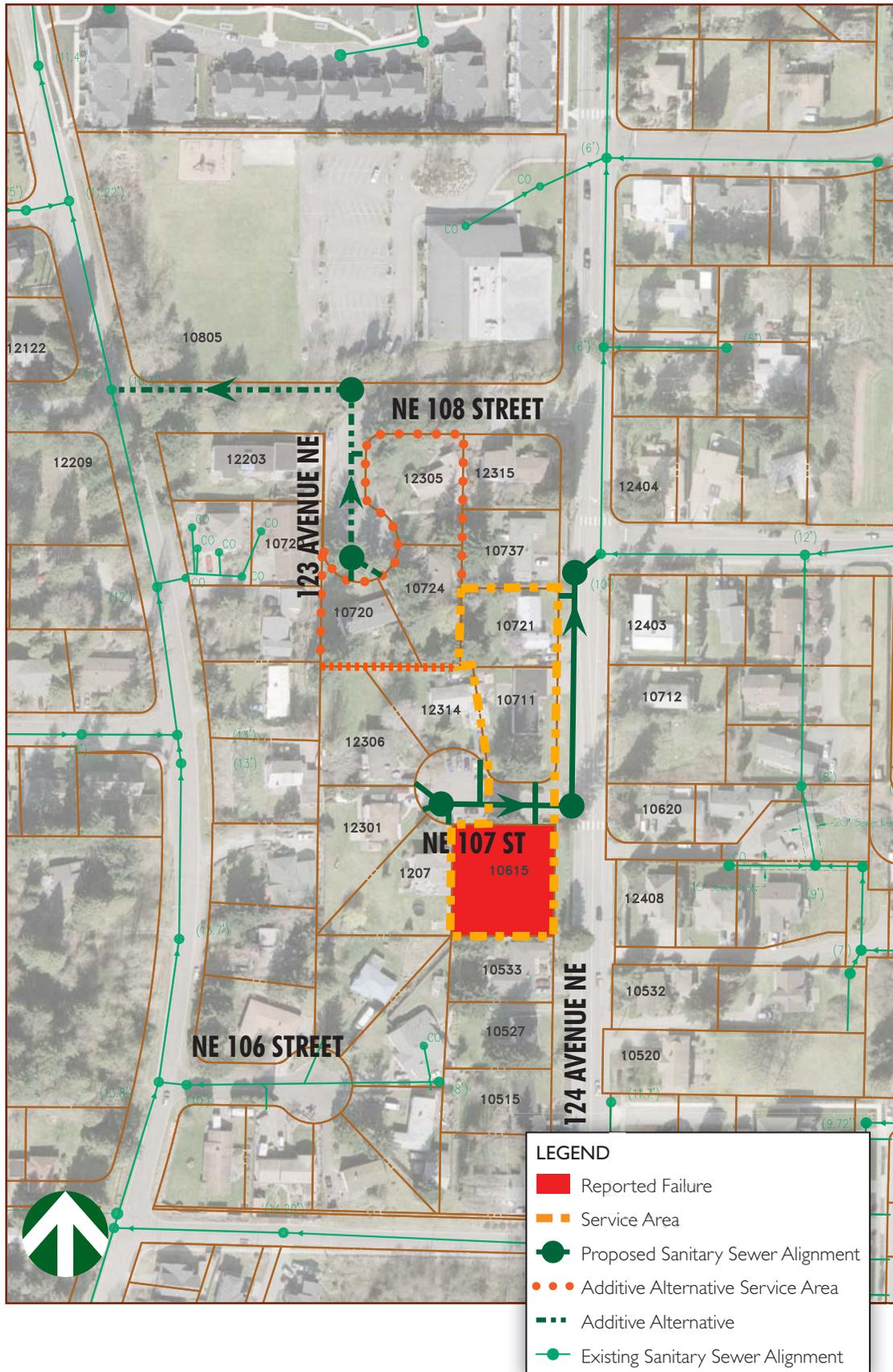


Attachment A (Detail of Area 1)



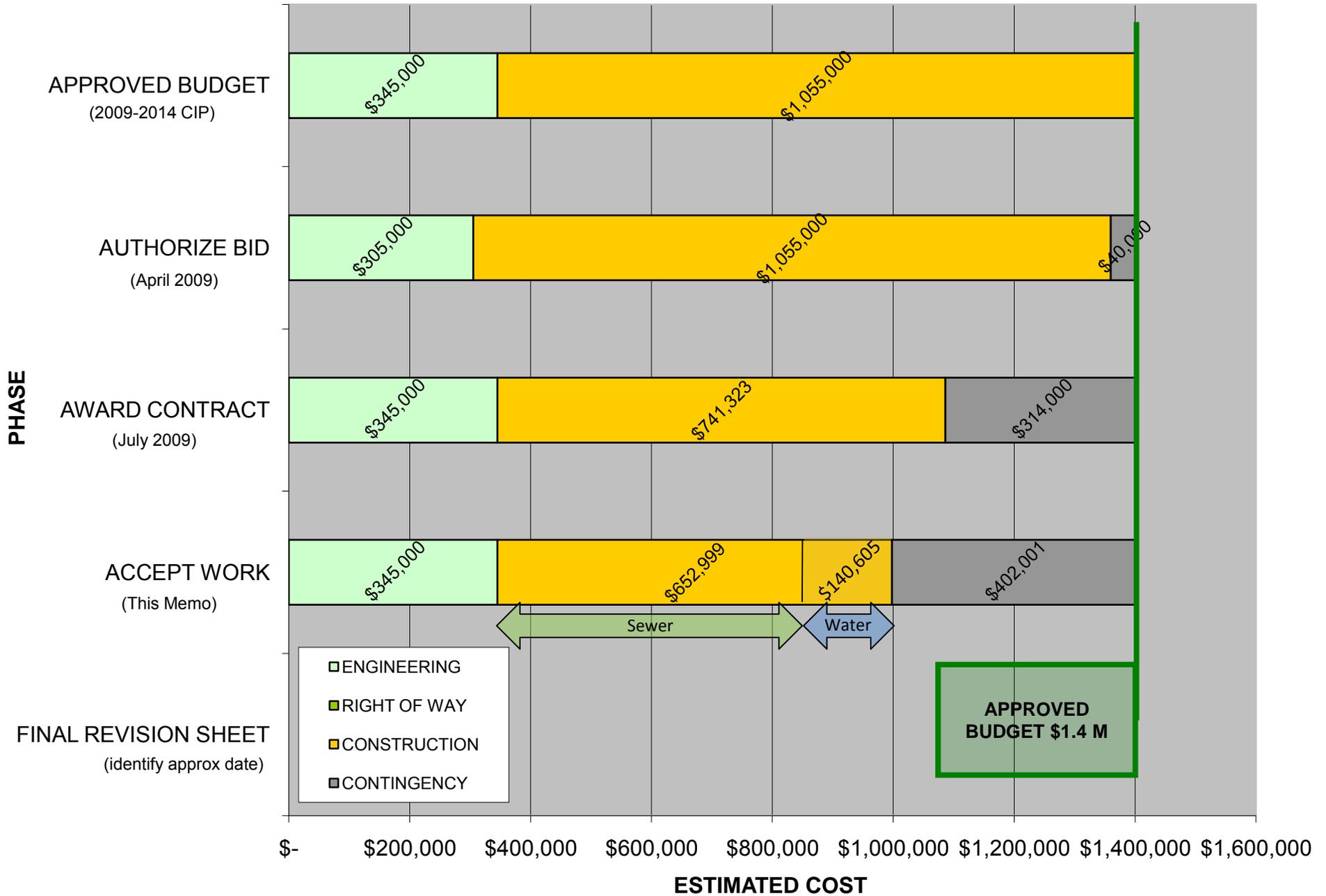


Attachment A (Detail of Area 2)



CSS-0056 2009 Emergency Sewer Program

PROJECT BUDGET REPORT



EMERGENCY SEWER PROGRAM OVERVIEW

EMERGENCY SEWER PROGRAM OVERVIEW AS OF December 31, 2009

ATTACHMENT C

Program	Year	Length (lineal feet)	# Connections Provided*	Connected To Date	Final Project Cost	Cost Per Assessment	Reimbursed through 12/31/09	% Reimbursed	Principal Due
1	1999	2,900	54	36	\$576,028	\$8,025	\$519,156	90%	\$56,872
2	2001	4,756	74	47	\$725,995	\$9,726	\$658,054	91%	\$67,941
3	2003	5,700	114	55	\$1,435,668	\$11,857	\$1,089,706	76%	\$345,962
4	2005	4,150	83	38	\$1,325,925	\$15,975	\$695,110	52%	\$630,815
5	2007	4,583	84	13	\$1,668,576	\$19,864	\$414,178	25%	\$1,254,398
6	2009	2,350	49	4	\$891,589*	\$18,000*			
TOTAL		24,439	458	193	\$6,623,773*		\$ 3,376,204	59%	\$2,355,988

*estimated

42% Percent Connected

Program	Year	Connections	Paid in Full	Payment Refinance	Payment Sale	Payment Other	ACTIVE Contracts	Delinquent Contracts	Inactive
1	1999	54	49	14	23	12	3	1	1
2	2001	74	61	22	15	24	8	1	4
3	2003	114	70	21	19	30	28	2	14
4	2005	83	38	5	11	20	14	1	30
5	2007	84	13	9	2	2	40	0	31
6	2009	49					12		37
TOTAL		458	231	71	70	88	105	5	117

**CITY OF KIRKLAND**

City Manager's Office

123 Fifth Avenue, Kirkland, WA 98033 425.587.3001

www.ci.kirkland.wa.us

MEMORANDUM

To: David Ramsay, City Manager

From: Erin Leonhart, Intergovernmental Relations Manager

Date: January 6, 2010

Subject: CASCADE WATER ALLIANCE – CITY OF KIRKLAND REPRESENTATIVE AND ALTERNATE

RECOMMENDATION:

It is recommended that the City Council pass the attached resolution appointing Penny Sweet as the representative from the Council to the Cascade Water Alliance (Cascade) and Doreen Marchione as the alternate from the City of Kirkland City Council to Cascade.

BACKGROUND DISCUSSION:

The City Council passed Resolution R-4181 on April 6, 1999 accepting the offer of membership to the Cascade Water Alliance. Upon passing this resolution and signing the Cascade Water Alliance Interlocal Agreement, Kirkland became a full member of Cascade.

Currently, Cascade consists of the following agencies:

- City of Bellevue
- Covington Water District
- City of Issaquah
- City of Kirkland
- City of Redmond
- Sammamish Plateau Water & Sewer District
- Skyway Water & Sewer District
- City of Tukwila

The Cascade Board must be comprised of elected officials from member agencies. Those Cascade Board members must be officially designated by the legislative bodies of member agencies (City Councils or district Boards of Commissioners). On January 5, 2010 the City Council appointed Deputy Mayor Penny Sweet as the primary representative to the Cascade Board and Councilmember Doreen Marchione as the alternate. The attached resolution formalizes the appointments.

RESOLUTION R-4798

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND, DESIGNATING PENNY SWEET AS REPRESENTATIVE TO SERVE ON THE CASCADE WATER ALLIANCE (CASCADE) BOARD AND DOREEN MARCHIONE AS ALTERNATE TO SERVE ON THE CASCADE BOARD.

WHEREAS, the City of Kirkland has participated in activities promoting wise, cooperative use of water and development of new regional water supplies culminating in the creation of the Cascade Water Alliance, an intergovernmental body that will further the interests of its members while working cooperatively with other water supply entities in the region; and

WHEREAS, City of Kirkland Resolution R-4181 authorized the City of Kirkland's participation as a member of the Cascade Water Alliance; and

WHEREAS, the City Council finds it to be in the interest of the City of Kirkland to be represented on the Cascade Water Alliance Board and to have an alternate to so represent the City in the event the designated representative is unavailable;

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. Penny Sweet is hereby designated as the representative of the City of Kirkland to the Cascade Water Alliance Board.

Section 2. Doreen Marchione is hereby designated as the alternate of the City of Kirkland to the Cascade Water Alliance Board.

Section 3. A confirmed copy of this resolution shall be forwarded to the Cascade Water Alliance in care of Chuck Clarke, 11400 SE 8th Street, Suite 440; Bellevue, WA 98004.

Passed by majority vote of the Kirkland City Council in open meeting this _____ day of _____, 2010.

Signed in authentication thereof this _____ day of _____, 2010.

MAYOR

Attest:

City Clerk

CITY OF KIRKLAND

123 FIFTH AVENUE • KIRKLAND, WASHINGTON 98033-6189 • (425) 587-3000

**DEPARTMENT OF FINANCE AND ADMINISTRATION
MEMORANDUM**

To: David Ramsay, City Manager

From: Kathi Anderson, City Clerk
Tracey Dunlap, Director, Finance and Administration

Date: January 12, 2010

Subject: Human Services Advisory Committee Youth Resignation

RECOMMENDATION:

That Council acknowledge the receipt of the resignation from Human Services Advisory Committee youth member Nicholas Peder and authorize the attached correspondence thanking him for his service.

BACKGROUND DISCUSSION:

Mr. Peder cited school demands which prevent him from continuing to serve on the Human Services Advisory Committee. Council's annual recruitment for Boards and Commissions is slated to begin in late January, and staff will recruit to fill this unexpired term at that time.

Sent: Thursday, January 07, 2010 3:09 PM
Subject: Nicholas Peder's Resignation

Kirkland City Council Members,

I regret to inform you that as of January 1, 2010, I can no longer be a Council Member on the Human Resources Committee. I did not realize that my Senior Year would be as busy as it has been and that I would have very little free time. I am sorry to have to resign but it doesn't seem that I have any other choice. My school work is very important to me. I want to thank you for voting me in as a member; for your confidence in me and I am really sorry that I can not fulfill my duties.

Sincerely,
Nicholas Peder

January 19, 2010

D R A F T

Mr. Nicholas Peder
6402 106th Avenue N.E.
Kirkland, WA 98033

Dear Mr. Peder:

We have regretfully received your letter of resignation from the Human Services Advisory Committee.

The City Council appreciates your contributions to the Committee, and we thank you for volunteering your time and talent to serve our community.

Sincerely,
KIRKLAND CITY COUNCIL

Joan McBride
Mayor



CITY OF KIRKLAND
Department of Finance & Administration
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100
www.ci.kirkland.wa.us

MEMORANDUM

To: David Ramsay, City Manager
From: Tracey Dunlap, Director of Finance and Administration
Date: January 7, 2010
Subject: Budget Update

RECOMMENDATION:

City Council receive information on the budget status and upcoming processes.

DISCUSSION:

Since the mid-biennial budget adjustments were adopted at the December 15 City Council meeting, the Financial Planning staff has been updating the line item budgets to reflect the detailed adjustments to provide City departments with revised information to manage from in 2010. Given the broad scope of the changes adopted, this process is expected to be complete by January 15. In addition, the activities associated with year-end closing are taking place throughout the Finance Department, in advance of the preparation of the Comprehensive Annual Financial Statement and the arrival of the State Auditor's Office in early March. As in all government organizations, the December 2009 books will not be "closed" for several weeks, at which time we will have the final 2009 financial results.

We are providing the November 2009 Dashboard Report (Attachment A) and the November Investment Summary report (Attachment B), which would ordinarily be reviewed at the Council Finance Committee meeting; however, the Committee did not meet in December. As you will see, results are continuing in the same pattern as we have seen throughout 2009. We have received the December sales tax results (for October retail sales), which are also attached (Attachment C). Overall, December sales tax revenue is down 13.3 percent compared to December 2008 and year-to-date revenue is down 18.5 percent compared to last year. Actual 2009 revenue is behind 2008 by almost \$2.8 million. Final year-end 2009 results will not be available until after the January 19 meeting and we will be preparing the 4th Quarter Financial Management Report (FMR) in February for inclusion in the City Council Retreat packet for early March.

As we look forward into 2010, we will be undertaking a variety of budget activities simultaneously throughout the year, including:

- Updating the expenditure service packages for 2011-2012 associated with annexation and developing a month-by-month cash flow analysis to support the decision-making process.

- Preparing the financial condition and strategies discussion for the March City Council Retreat, which will include a policy analysis of sustainable budgeting practices.
- Developing the 2011-2016 Capital Improvement Program, which will include an initial assessment of immediate annexation projects.
- Implementing a major upgrade to the financial system, which is expected to provide additional tools for budget reporting.
- Updating the rates for all City utilities and development fees (in conjunction with Public Works and the Development Services Team).
- Restructuring the City's fund structure to recognize changes in Government Accounting Standards Board requirements and in preparation for the 2011-2012 budget process.
- Developing the 2011-2012 budget, both for the existing City and for the implementation of the annexation. It will be necessary to identify the annexation-related costs separately in this initial budget development to support the use of the State Sales Tax credit funds.

The 2011-2012 budget will be unique in that comparisons of the budget to prior years will not be particularly meaningful, both due to the changes in the fund structure and the additional of annexation revenues and expenditures. In the next several weeks, Financial Planning will be developing a detailed schedule for these events, including identifying needed Council action dates and periodic check-ins.

We anticipate that a budget adjustment will be brought forward in late February or early March to reflect the final results of the 3.4% compensation reduction negotiations (furloughs or other position reductions). Given the economy and the challenges facing the City as we look ahead to 2011-2012, frequent and complex discussions of the budget will continue throughout 2010, as they dominated the agenda for 2009.

November 2009 Financial Dashboard Highlights

December 23, 2009

- The dashboard report reflects the budget adjustments adopted by the City Council in July. The statistics are calculated off the amended budget; the original budget is shown for reference. The actual revenues and expenditures summarized in the dashboard represent eleven months of data, which is 91.67% of the year complete.
- Total General Fund revenues are below expectations due to the following:
 - November sales tax revenue is down 16 percent compared to November 2008. This decline is higher than that posted in October, reflecting the end of the “cash for clunkers” impacts. However, the local automotive/gas retail sector was down only 7.9 percent for the month compared to November 2008, which is much better than the national trend of about 30 percent decline. Year-to-date revenue is down 19 percent compared to the same period last year. Actual 2009 revenue is behind the same period in 2008 by over \$2.6 million. Sales tax revenue received this month is for activity in September. To provide additional context, year-to-date sales tax revenue is down almost \$4 million compared to the same period in 2007.
 - The decline in business license revenues continues, with November monthly revenues falling short of projections by over \$47,000; year-to-date, we have collected 72.1% of the budgeted amount. The shortfall is driven by the decline in employment due to the overall economic downturn, including relocation of a couple of businesses with over 100 employees each, and increased accuracy in FTE reporting.
 - Utility tax receipts continue to lag budget, at 84% year-to-date in 2009 versus 91% last year.
 - Development revenues continue to be down, especially in Building, but expenditure reductions have been implemented to help offset the shortfall. Further discussion of November development activity follows the dashboard.
- Total General Fund expenditures are within expectations.
 - Overall, General Fund expenditures are trailing the budget, reflecting actions that have been taken to date to slow spending.
 - Fire Suppression overtime in November was \$60,422, with the year-to-date actual exceeding the annual budget by \$98,188. It appears that this line item may be over-budget by less than the Department’s estimate of \$272,000.
 - Jail Contract Costs have exceeded the budget, but under-expenditures by the Police Department in other categories are expected to help offset the overage. For 2010, the department is expecting jail costs to return closer to the budgeted level.
 - Fuel costs are still substantially below budgeted levels, but prices have risen over the past several months.

Attachments: November Dashboard
Development Services Highlights

Annual Budget Status as of 11/30/2009 (Note 1)
Percent of Year Complete 91.67%

	2009 Original Budget	2009 Amended Budget	Year-to-Date Actual	% Received/ % Expended	Status		Notes
					Current Month	Last Month	
General Fund							
		(Note 2)					
Total Revenues	59,821,768	58,393,326	52,370,900	89.7%			
Total Expenditures	61,552,551	60,349,757	53,181,778	88.1%			

Key Indicators (All Funds)

Revenues							
Sales Tax	14,700,801	12,020,059	11,280,790	93.8%			Prior YTD = \$13,919,334 Jan-Nov 2008 was 92.6% of budget
Utility Taxes	11,586,963	11,586,963	9,768,570	84.3%			
Business License Fees	3,077,720	3,077,720	2,219,513	72.1%			Significant decline from estimates
Development Fees	3,373,273	2,775,891	2,393,106	86.2%			
Gas Tax	1,133,278	1,133,278	962,036	84.9%			
Expenditures							
GF Salaries/Benefits	42,645,103	41,943,803	37,603,703	89.7%			Excludes Fire Suppression Overtime
Fire Suppression Overtime	719,190	719,190	817,378	113.7%			May be over-budget by less than estimated by Fire Dept (\$272K)
Contract Jail Costs	899,680	899,680	951,046	105.7%			Underexpending in other categories to offset
Fuel Costs	558,310	367,242	310,209	84.5%			Cost/gallon will be below budgeted rate but rising

Status Key

Revenue is higher than expected or expenditure is lower than expected

Revenue/expenditure is within expected range

WATCH - Revenue/expenditure outside expected range



Note 1 - Report shows annual values during the first year of the biennium (2009).

2 - 2009 Budget was amended through mid-yr adjustments as of July 2009

Development Services Report – November 2009

A review of the November 2009 permit data allows us to offer the following:

- The November 2009 statistics continue to follow the trend that we witnessed in the second half of 2008. New single family residential permit applications showed some improvement in November (11 applications received compared to 1 in November of last year). In the past, when we have seen a downturn in new development permits, we have seen an increase in commercial tenant improvement permits and single-family remodel permits but that is not the case so far this year (271 applications year to date compared to 338 last year).
- The monthly average for 2009 (188) is lower than the monthly average for 2008 (222), although the total number of permits received in November 2009 (161) is only slightly lower than November 2008 (166).
- Building Department revenue for November 2009 was \$115,440, which is below our revised projected monthly revenue average of \$181,125 for 2009. Year to date total revenue projected for the first 11 months falls short by \$252,480. We have been making on-going expenditure reductions to help offset this shortfall in revenue.
- Public Works Department development revenue for November 2009 was \$19,374, which is below our monthly projected revenue average of \$43,285. This revenue brings the year-to-date revenue for Public Works to \$525,688 which is \$6,270 short of the \$519,418 budgeted revenue estimate.
- Planning Department revenue for November 2009 was \$16,565, which is above our projected adjusted monthly revenue average of \$15,950 for 2009. Year to date total revenue is 133% of budget.
- The redesigned McLeod project received DRB approval in November. We have entered into an agreement to be paid in advance for providing code compliance review services during the design process prior to receiving their building permit application. We expect them to apply for their permit in January.
- Touchstone is continuing the design review process for the redevelopment of Park Place. To date, the DRB has held 9 project review meetings and has tentatively approved Building A at the gateway corner. Buildings B and C along 6th Street will undergo review in December and the remaining 4 buildings in early 2010 with a Project Decision anticipated in late winter/early spring. Permits for buildings will be phased, probably beginning in 2010. Meanwhile Development Review Services is in preliminary discussions with the Park Place design team to provide review services during the design process. As with the McLeod Project, this approach has the potential of generating substantial fees prior to the actual submittal of their permit applications and a shorter review period once they submit.



**City of Kirkland
Portfolio Management
Portfolio Summary
November 30, 2009**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
State Investment Pool	41,450,727.25	41,450,727.25	41,450,727.25	42.70	1	1	0.328	0.333
Passbook/Checking Accounts	6,394,043.51	6,394,043.51	6,394,043.51	6.59	1	1	0.296	0.300
Federal Agency Issues - Coupon	43,000,000.00	43,790,072.50	42,944,897.33	44.24	1,267	718	3.586	3.636
Miscellaneous Securities - Coupon	6,180,000.00	6,530,409.70	6,278,559.55	6.47	1,359	988	4.015	4.070
	97,024,770.76	98,165,252.96	97,068,227.64	100.00%	649	382	2.006	2.034

Investments	November 30 Month Ending	Fiscal Year To Date
Total Earnings		
Current Year	176,213.54	2,620,694.19
Average Daily Balance	97,540,737.19	97,759,537.21
Effective Rate of Return	2.20%	2.93%

Michael Olson
 Michael Olson, Deputy Director, Finance & Admin.

12-17-09

State of Washington
Date: 11/30/2009 5:14 pm

Local Government Investment Pool

Treasury Management System
ReportID: LgipStatement

Statement of Account for No: 01090

November 2009

Primary Account

TRACEY DUNLAP
CITY OF KIRKLAND
123 5TH AVE
KIRKLAND, WA 98033-6189

Date	Description	Deposits	Withdrawals	Balance
10/31/2009	Ending Balance			34,150,225.72
11/3/2009	Deposit	6,000,000.00	0.00	40,150,225.72
11/30/2009	Direct Deposit	1,289,618.75	0.00	41,439,844.47
11/30/2009	Earnings	10,882.78	0.00	41,450,727.25

Account Summary

Previous Month's Balance:	34,150,225.72	Gross Earnings:	12,027.52
Deposits:	7,289,618.75	Administrative Fee:	1,144.74
Withdrawals:	0.00	Net Earnings:	10,882.78
Ending Balance:	41,439,844.47	Net Ending Balance:	41,450,727.25
Administrative Fee Rate:	0.0350 %	Average Daily Balance:	39,793,213.01
Gross Earnings Rate:	0.3677 %		
Net Earnings Rate:	0.3327 %		



Account Name: CITY OF KIRKLAND
 Account Number: 777224149

SUMMARY - USD

For period 11/01/2009 - 11/30/2009

ACTIVITY - Settled/Cleared Cash Activity

<u>Transaction Type</u>	<u>Amount</u>
Purchases	0.00
Purchase Reversals	0.00
Sales	0.00
Sale Reversals	0.00
Withdrawals	0.00
Receipts	0.00
Deliveries	0.00
Principal Reversals	0.00
Interest	288,400.00
Interest Reversals	0.00
Interest Adjustments	0.00
Maturities	0.00
Calls	5,975,000.00
Puts	0.00
Paydowns	0.00
Paydown Adjustments	0.00
Payups	0.00
Payup Adjustments	0.00
Cash Dividends	0.00
Balance Changes	0.00
Stock Dividends	0.00
Closeouts	0.00
Net Activity	6,263,400.00

Your Sales Representative is: CRAIG J. OLIVER
 (888) 827-4381

Statement Contents

- *Summary
- *Activity - Settled/Cleared Cash Activity
- *Activity - Projected Activity for Next Statement Period
- *Holdings
- *Cash Flow Projections

HOLDINGS - Custody

<u>Category</u>	<u>Par/Shares</u>	<u>Original Face</u>	<u>Principal Cost</u>	<u>Market Value</u>
US Government Agency Securities	43,000,000.00	43,000,000.00	42,944,897.33	43,752,289.00
Municipal Securities	6,180,000.00	6,180,000.00	6,278,559.55	6,555,183.05
Total Custody Holdings	49,180,000.00	49,180,000.00	49,223,456.88	50,307,472.05



IF YOU HAVE QUESTIONS ABOUT YOUR ACCOUNT, CALL YOUR COMMERCIAL ACCOUNTS SERVICE CENTER REPRESENTATIVE TOLL FREE AT 1.800.426.1411. TTY/TDD USERS MAY CALL 1.800.232.6299 TOLL FREE.

CITY OF KIRKLAND
GENERAL ACCOUNT
ATTN TREASURY MANAGER
123 5TH AVE
KIRKLAND WA 98033-6121

ACCOUNT NUMBER 16754004
STATEMENT PERIOD 11-01-2009 TO 11-30-2009
C OSK O



CHECKING

Table with 2 columns: Description and Amount. Includes rows for CORPORATE CHECKING, BEGINNING BALANCE, TOTAL CREDITS, TOTAL MISC DEBITS, TOTAL CHECKS, SERVICE CHARGES/FEES, ENDING BALANCE, and counts for CREDITS, MISC DEBITS, and CHECKS.

ACTIVITY DETAIL

Main activity detail table with columns: POSTED, TRANSACTION DESCRIPTION/SERIAL NUMBER, DEBIT AMOUNT, CREDIT AMOUNT, and REFERENCE #. Lists various transactions from 11-02 to 11-09.

CONTINUED





ACCOUNT STATEMENT

PUBLIC SECTOR BKG-WA/ID
800 FIFTH AVENUE
SEATTLE WA 98104



IF YOU HAVE QUESTIONS ABOUT YOUR ACCOUNT, CALL YOUR
COMMERCIAL ACCOUNTS SERVICE CENTER REPRESENTATIVE
TOLL FREE AT 1.800.426.1411.
TTY/TDD USERS MAY CALL 1.800.232.6299 TOLL FREE.

HD 0030 00 000 361 030668 #001 AV 0.335

CITY OF KIRKLAND
SWEEP ACCOUNT
ATTN TREASURY MANAGER
123 5TH AVE
KIRKLAND WA 98033-6121

ACCOUNT NUMBER
78960911
STATEMENT PERIOD
11-01-2009 TO 11-30-2009
C 1SK 0



IMPORTANT INFORMATION ABOUT YOUR ACCOUNT

We recently made changes to our \$35 Overdraft Item Fee. Effective as of 10/19/09, when we determine your account is overdrawn by a total amount less than \$10 for a day, we do not charge overdraft item fees on the account that day. We also lowered the combined number of overdraft & returned item fees that we may charge an account to no more than 4 per day. Please note other fees may still apply, such as the Extended Overdrawn Balance Charge. For more info, visit www.bankofamerica.com/factsaboutfees

SUMMARY OF YOUR ACCOUNTS

Table with 2 main columns: CHECKING and SAVINGS. Includes sub-headers for FIRSTCHOICE BUS. INT. and FIRSTCHOICE BUSINESS. Lists various account metrics like beginning/ending balance, deposits, withdrawals, and interest earned.

FIRSTCHOICE BUS. INTEREST CHECKING ACTIVITY

Table with 4 columns: POSTED, TRANSACTION DESCRIPTION/SERIAL NUMBER, DEBIT AMOUNT, CREDIT AMOUNT, and REFERENCE #. Lists transaction details for interest checking activity from 11-02 to 11-16.

CONTINUED

City of Kirkland
Investment Portfolio Analysis
As of November 30, 2009

Month	Kirkland Portfolio				Monthly Interest Earned				Year to Date Interest Earned**			
	2006	2007	2008	2009	2006	2007	2008	2009	2006	2007	2008	2009
January	84,055,869.85	96,909,155.99	103,988,286.94	103,541,786.98	272,737.24	280,819.31	444,988.46	274,939.49	272,737.24	280,819.00	444,988.46	274,939.49
February	82,830,671.86	96,085,321.27	103,679,277.19	102,716,691.52	262,077.02	381,883.77	382,743.31	275,472.76	519,581.45	658,819.21	818,477.50	540,907.48
March	82,863,554.44	95,346,025.83	103,711,918.61	97,432,252.91	171,177.34	358,862.64	366,551.37	299,032.12	792,366.65	1,017,501.85	1,171,103.08	830,395.66
April	86,728,062.30	101,516,820.60	105,547,783.40	99,585,851.15	277,517.31	466,647.89	349,945.00	263,979.46	1,073,064.10	1,484,149.74	1,496,414.93	1,094,381.35
May	90,880,252.42	104,582,719.89	109,507,596.54	101,219,267.24	313,201.61	414,428.13	360,747.55	249,214.19	1,408,977.23	1,898,577.87	1,852,065.76	1,346,424.04
June	89,488,838.61	102,630,107.80	105,653,810.36	94,275,179.32	316,637.53	408,752.06	425,863.14	249,387.78	1,707,794.36	2,282,025.48	2,270,026.87	1,596,396.75
July	91,050,653.83	101,847,425.12	103,951,542.45	93,934,600.51	332,358.09	411,511.68	390,061.86	242,559.23	2,047,486.59	2,681,060.12	2,666,274.18	1,844,066.13
August	92,595,514.28	102,297,705.53	102,258,867.53	92,304,934.02	268,890.72	414,903.75	339,485.75	213,486.32	2,325,925.07	3,112,489.03	3,009,290.87	2,056,672.45
September	91,116,452.56	101,786,112.17	101,335,890.13	90,782,010.62	336,470.75	409,907.94	318,008.60	201,104.11	2,667,986.50	3,511,311.19	3,340,875.93	2,256,492.05
October	96,386,548.59	107,127,775.67	105,524,775.93	92,910,515.99	340,479.21	420,305.41	321,953.37	188,460.58	3,010,942.45	3,920,032.46	3,663,564.22	2,444,762.05
November	98,841,841.83	109,802,765.61	107,919,426.21	97,068,227.64	363,376.96	449,864.28	328,826.66	176,213.54	3,403,956.58	4,401,098.09	3,983,178.44	2,620,694.19
December	97,907,593.59	105,897,534.48	105,638,449.55		367,519.79	438,092.68	307,183.45		3,773,836.94	4,841,504.74	4,267,304.67	
Average	90,378,821.18	102,152,455.83	104,893,135.40	96,886,301.63	301,870.30	404,664.86	361,363.21	239,440.87	n/a	n/a	n/a	n/a

**Will not foot to Monthly Interest Earned due to calls

Month	Kirkland Yield to Maturity				State Pool Yield				2 Yr T-Bill				YTD Interest**		% of Budget	
	City 2006	City 2007	City 2008	City 2009	State2006	State2007	State2008	State2009	Tbill 2006	Tbill 2007	Tbill 2008	Tbill 2009	2009	Budget 2009	Actual	Budget
January	3.89%	4.55%	4.80%	3.24%	4.23%	5.21%	4.36%	1.27%	4.54%	4.94%	2.17%	0.94%	188,640.59	75,300.00	6%	3%
February	3.94%	4.58%	4.55%	3.37%	4.42%	5.28%	3.79%	1.07%	4.69%	4.65%	1.65%	1.00%	213,933.64	130,300.00	7%	4%
March	3.97%	4.56%	4.27%	3.30%	4.50%	5.24%	3.14%	1.03%	4.82%	4.58%	1.62%	0.81%	482,288.56	352,820.50	16%	12%
April	4.09%	4.69%	4.16%	3.05%	4.66%	5.23%	2.70%	0.89%	4.87%	4.60%	2.29%	0.91%	782,192.03	806,670.50	27%	27%
May	4.14%	4.75%	4.01%	2.95%	4.85%	5.19%	2.43%	0.67%	5.04%	4.92%	2.66%	0.92%	1,076,698.52	1,116,320.50	37%	38%
June	4.32%	4.79%	3.98%	2.84%	4.99%	5.21%	2.29%	0.74%	5.16%	4.87%	2.63%	1.11%	1,652,439.95	1,559,820.50	56%	53%
July	4.36%	4.82%	3.94%	2.75%	5.16%	5.21%	2.28%	0.62%	4.97%	4.56%	2.52%	1.13%	1,760,642.24	1,628,870.50	60%	55%
August	4.42%	4.87%	3.95%	2.65%	5.19%	5.23%	2.33%	0.57%	4.79%	4.15%	2.36%	0.97%	1,986,880.16	1,677,620.50	68%	57%
September	4.41%	4.99%	3.76%	2.65%	5.20%	5.12%	2.39%	0.47%	4.71%	3.97%	2.00%	0.95%	2,019,624.00	1,851,370.50	69%	63%
October	4.45%	4.77%	3.80%	2.43%	5.19%	4.91%	2.47%	0.42%	4.71%	3.94%	1.56%	0.90%	2,203,389.91	2,266,470.50	75%	77%
November	4.48%	4.90%	3.61%	2.03%	5.22%	4.70%	2.19%	0.33%	4.62%	3.04%	1.00%	0.67%	2,492,253.45	2,569,870.50	85%	87%
December	4.51%	4.89%	3.57%		5.21%	4.56%	1.82%		4.82%	3.05%	0.76%			2,937,370.50	0%	100%
Average	4.25%	4.75%	4.03%	2.84%	4.90%	5.09%	2.68%	0.73%	4.81%	4.27%	1.94%	0.94%	n/a	2,937,370.50	n/a	n/a

City of Kirkland
Investment Portfolio
Average Life
As of 11/30/2009

	Actual	Target	2 Yr T-Note
Avg Days to Maturity	382	274 - 365	0.67%
Avg Years to Maturity	1.05	.75 - 1.00	

City of Kirkland
Investment Portfolio
Maturity Structure
As of 11/30/2009

Days to Maturity	Latest Maturity Dates	Amount	% of the Total	Target %
Overnight	11/1/2009	47,844,770.76	49.3%	
2 days to 6 mo	4/20/2010	4,858,061.33	5.0%	
6 mo to 1 yr	11/15/2010	2,105,436.00	2.2%	
1 yr to 2 yrs	11/23/2011	9,988,350.00	10.3%	
2 yrs and less subtotal		64,796,618.09	66.8%	> 65.0%
2 yrs to 3 yrs	6/25/2012	22,053,325.00	22.7%	
3 yrs to 4 yrs	2/25/2013	10,218,284.55	10.5%	
4 yrs to 5 yrs		0.00	0.0%	
Greater than 2 yrs		32,271,609.55	33.2%	< 35.0%
<i>Total</i>		97,068,227.64	100.0%	

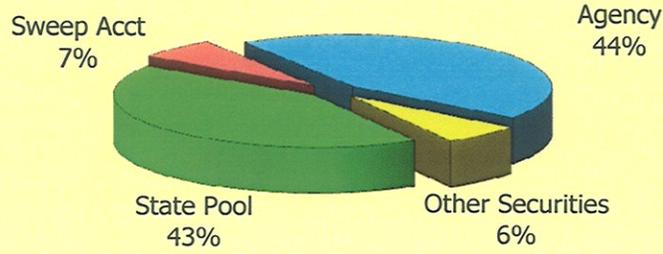
City of Kirkland
Investment Portfolio
Diversification Structure
As of 11/30/2009

Type of Security	Amount	Type %	Type Max %	Class Max %
Local Government Investment Pool	41,450,727.25	43%		100%
Bank Sweep Account	6,394,043.51	7%		
Federal Farm Credit Bank	19,981,400.00	21%	50%	
Federal Home Loan Bank	18,105,436.00	18%	50%	
Federal Home Loan Mtg Corp	947,903.25	1%	50%	
Federal Nat't Mtg Assn	3,910,158.08	4%	50%	
Federal Agency Total	42,944,897.33	44%		100%
Other Securities	6,278,559.55	6%	50.0%	
Total Portfolio	97,068,227.64	100%	n/a	n/a

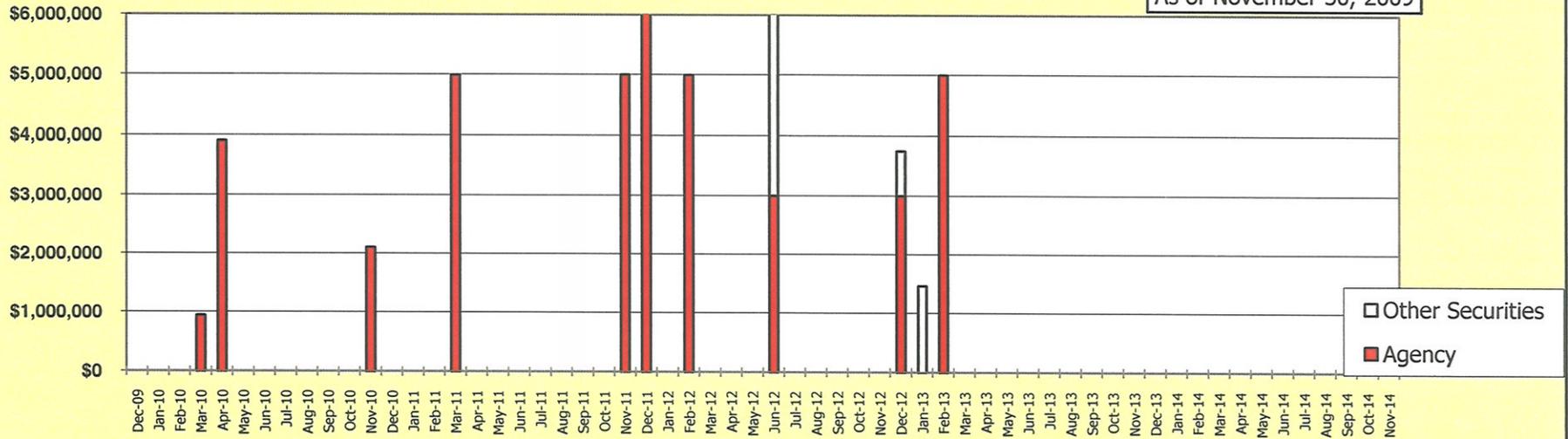
Investments by Category

State Investment Pool
\$41,450,727.25

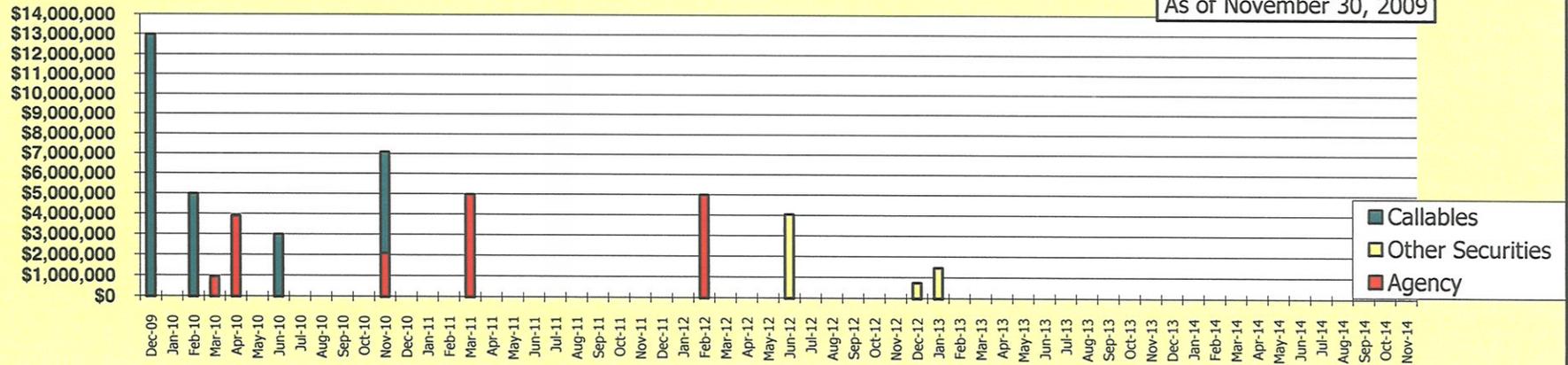
Total Portfolio
\$97,068,227.64

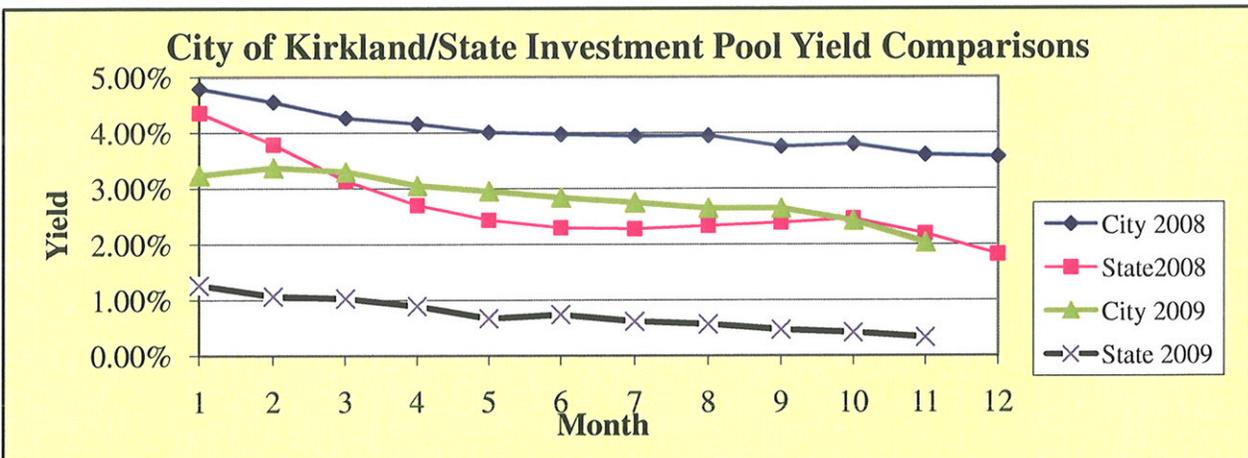
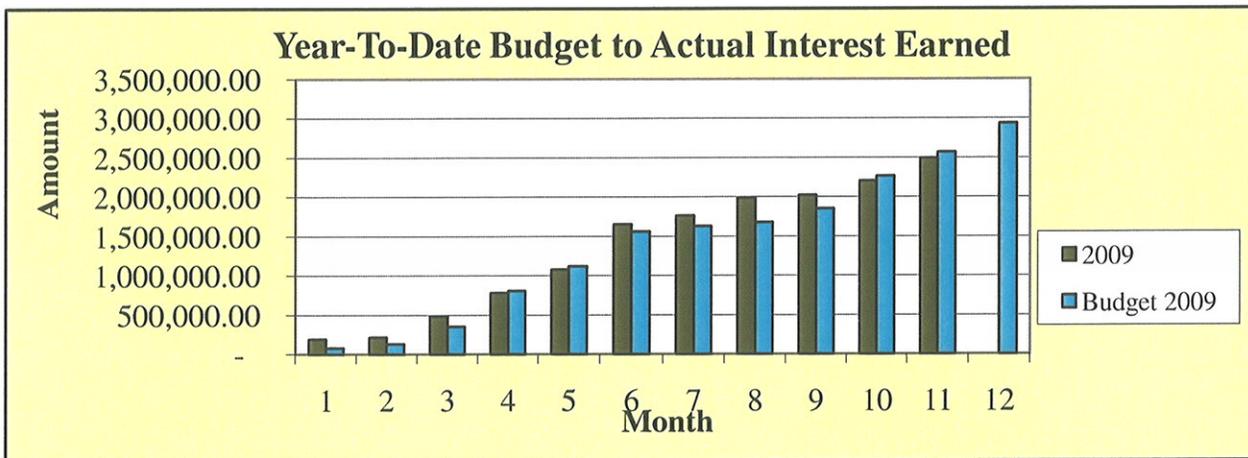
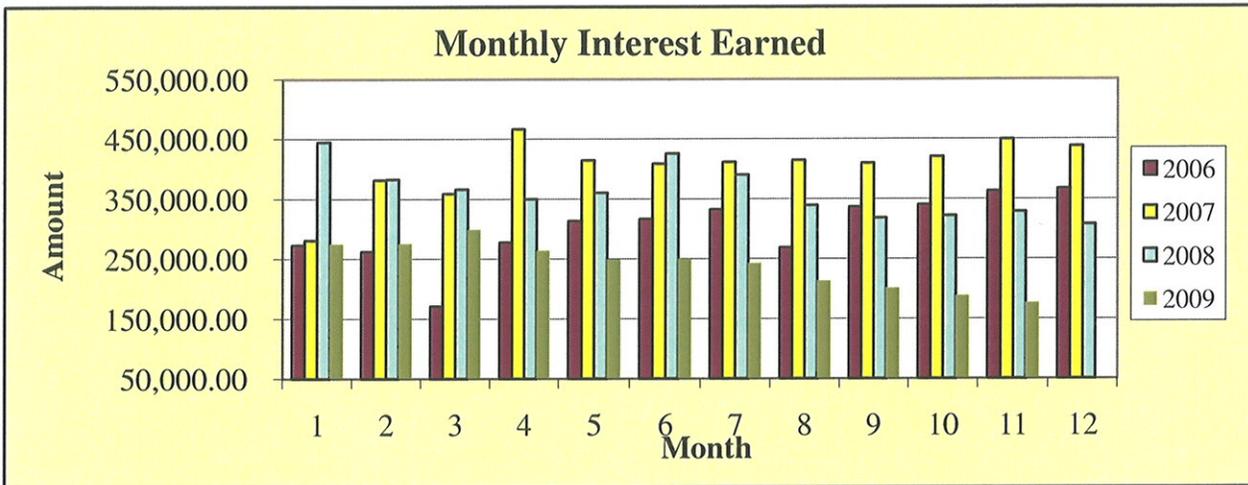
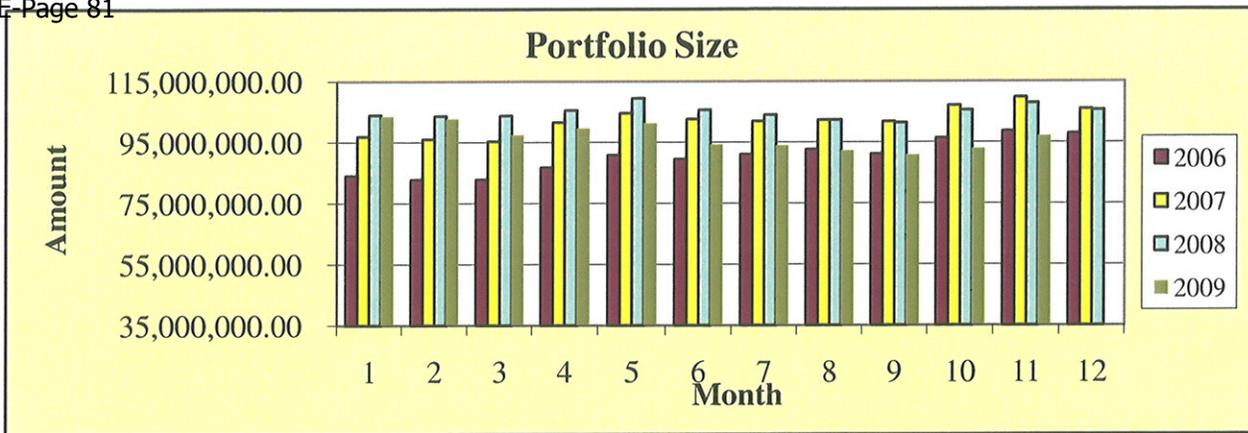


Portfolio Maturities
As of November 30, 2009



Maturities and Calls
As of November 30, 2009





**City of Kirkland
Portfolio Management
Portfolio Details - Investments
November 30, 2009**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity	Maturity Date
State Investment Pool												
SYS1	1	State Investment Pool			41,450,727.25	41,450,727.25	41,450,727.25	0.333		0.333	1	
Subtotal and Average			39,793,575.77		41,450,727.25	41,450,727.25	41,450,727.25			0.333	1	
Passbook/Checking Accounts												
SYS488	488	Bank of America Sweep Account			6,394,043.51	6,394,043.51	6,394,043.51	0.300		0.300	1	
Subtotal and Average			5,527,037.87		6,394,043.51	6,394,043.51	6,394,043.51			0.300	1	
Federal Agency Issues - Coupon												
3128X0P60	499	Federal Home Loan Mtge Corp.		06/28/2006	1,000,000.00	1,013,510.00	947,903.25	4.000		5.568	106	03/17/2010
3136F6W54	495	Federal National Mtg Assn.		05/19/2006	2,000,000.00	2,037,500.00	1,966,400.00	4.810		5.293	125	04/05/2010
31359MA94	498	Federal National Mtg Assn.		06/28/2006	2,000,000.00	2,040,000.00	1,943,758.08	4.750		5.577	140	04/20/2010
3133MCLA1	491	Federal Home Loan Banks		05/19/2006	2,000,000.00	2,125,625.00	2,105,436.00	6.625		5.290	349	11/15/2010
31331YWG1	533	Federal Farm Credit Bank		11/21/2008	5,000,000.00	5,154,687.50	4,988,350.00	3.000		3.105	457	03/03/2011
3133XSN95	532	Federal Home Loan Banks		11/24/2008	5,000,000.00	5,140,625.00	5,000,000.00	3.150		3.150	722	11/23/2011
31331GGQ6	534	Federal Farm Credit Bank		12/15/2008	5,000,000.00	5,012,500.00	5,000,000.00	3.000		3.000	744	12/15/2011
3133XSQH4	537	Federal Home Loan Banks		12/29/2008	5,000,000.00	5,017,187.50	5,000,000.00	3.000		3.000	758	12/29/2011
31331GND7	542	Federal Farm Credit Bank		03/13/2009	5,000,000.00	5,093,750.00	4,993,050.00	2.250		2.299	808	02/17/2012
3133XLGK3	511	Federal Home Loan Banks		06/25/2007	3,000,000.00	3,102,187.50	3,000,000.00	5.750		5.750	937	06/25/2012
3133XNPD5	521	Federal Home Loan Banks		12/14/2007	3,000,000.00	3,015,000.00	3,000,000.00	4.500		4.500	1,109	12/14/2012
31331NGO	541	Federal Farm Credit Bank		02/25/2009	5,000,000.00	5,037,500.00	5,000,000.00	3.000		3.000	1,182	02/25/2013
Subtotal and Average			45,941,564.00		43,000,000.00	43,790,072.50	42,944,897.33			3.636	718	
Miscellaneous Securities - Coupon												
68607LXL6	531	Oregon State Taxable Pension B		11/19/2008	2,700,000.00	2,861,271.00	2,788,965.00	4.755		3.750	913	06/01/2012
250343FR6	536	Deschutes School District		12/23/2008	1,240,000.00	1,319,099.60	1,271,310.00	3.750		2.985	927	06/15/2012
735524JB7	535	Port of Vancouver, WA		12/18/2008	755,000.00	783,289.85	754,713.10	4.300		4.310	1,096	12/01/2012
387883KH	530	Grant County PUD #2		10/31/2008	1,485,000.00	1,566,749.25	1,463,571.45	5.110		5.500	1,127	01/01/2013
Subtotal and Average			6,278,559.55		6,180,000.00	6,530,409.70	6,278,559.55			4.070	988	
Total and Average			97,540,737.19		97,024,770.76	98,165,252.96	97,068,227.64			2.034	382	



CITY OF KIRKLAND

Department of Finance & Administration

123 Fifth Avenue, Kirkland, WA 98033 425.587.3100

www.ci.kirkland.wa.us

MEMORANDUM

To: Dave Ramsay, City Manager

From: Tracey Dunlap, Director of Finance & Administration
Neil Kruse, Budget Analyst

Date: November 23, 2009

Subject: November Sales Tax Revenue Analysis – READING FILE

November sales tax revenue is **down 16 percent** compared to November 2008. The local automotive/gas retail sector was down only 7.9 percent for the month compared to November 2008, which is much better than the national trend of about 30 percent decline. **Year-to-date** revenue is **down 19 percent** compared to the same period last year. Actual 2009 revenue is behind the same period in 2008 by over \$2.6 million. Sales tax revenue received this month is for activity in September.

The primary sectors keeping November 2009 overall performance negative compared to November 2008 are: contracting (down 35.3 percent or about \$92,000), general merchandise/miscellaneous retail (down 19 percent or about \$33,000), wholesale (down 32.3 percent or about \$18,000), services (down 9.4 percent or about \$15,000) and retail eating/drinking (down 12.8 percent or about \$14,000).

The table below compares not only 2008 to 2009 by month, but also 2007 to 2008 and 2007 to 2009. The impact of the severe economic downturn that started last fall is reflected in December 2008 compared to December 2007 (reflecting October activity). This was the beginning of double-digit comparative monthly declines that occurred throughout 2009 (except last month). Next month should be an initial indicator whether our local economy has actually bottomed out. Year-to-date sales tax revenue is down almost \$4 million compared to the same period in 2007.

City of Kirkland Actual Monthly Sales Tax Receipts 2007-2009*

Month	Sales Tax Receipts			Percent Change 07 to 08	Percent Change 08 to 09*	Percent Change 07 to 09*
	2007	2008	2009*			
January	1,267,021	1,227,855	994,146	-3.1%	-19.0%	-21.5%
February	1,525,665	1,586,493	1,224,935	4.0%	-22.8%	-19.7%
March	1,154,890	1,112,704	954,492	-3.7%	-14.2%	-17.4%
April	1,604,395	1,085,739	867,726	-32.3%	-20.1%	-45.9%
May	1,496,755	1,367,777	1,007,790	-8.6%	-26.3%	-32.7%
June	1,422,662	1,073,094	900,631	-24.6%	-16.1%	-36.7%
July	1,428,250	1,253,751	945,876	-12.2%	-24.6%	-33.8%
August	1,253,921	1,388,993	1,091,599	10.8%	-21.4%	-12.9%
September	1,445,966	1,335,699	1,107,187	-7.6%	-17.1%	-23.4%
October	1,299,258	1,205,125	1,109,410	-7.2%	-7.9%	-14.6%
November	1,348,896	1,281,997	1,076,995	-5.0%	-16.0%	-20.2%
December	1,278,789	1,111,864		-13.1%	n/a	n/a
Total	16,526,468	15,031,091	11,280,787	-9.0%	-19.0%	-24.0%

*YTD through November

Business sector review:

- The **contracting** sector performance remains consistent, **down 35.8 percent** compared to the same period last year. This sector's contribution to 2009 sales tax revenue has shrunk 3.6 percent from last year (14 percent compared to 17.6 percent in 2008). The only significant activity this month is the Lake Washington High School replacement. The Bank of America redevelopment project is still just finishing the demolition phase and the Lake Washington College Allied Health Building and Downtown Transit Center broke ground in the last two months. Unfortunately, there are few large new projects currently in the pipeline, which could cause further revenue decline in 2010.
- Retail sectors sales tax revenue collectively are **down 13.1 percent** (just over \$1 million) compared to the same period in 2008.
 - Despite the positive performance last month and smaller decline this month, the **auto/gas retail** sector is **down 12.7 percent** year to date. This is over one third of the retail sector decline in sales tax revenue. As mentioned previously, the local dealerships seem to have experienced less of a negative impact from the end of the "cash for clunkers" program than the national trend. National sales improved somewhat in October; the results for local dealerships will be reflected in next month's receipts. This largest retail sector greatly impacts total sales tax receipts.
 - The **general merchandise/miscellaneous retail** sector is **down 13.3 percent** compared to the same period last year due to disappointing performance by key retailers. This sector is impacted by the streamlined sales tax sourcing rule change.
 - **Other retail is down 13.3 percent** largely due to generally negative performance in most retail sectors included in this group, especially building materials and electronic equipment as well as the closure of a major retailer. Some positive monthly improvement occurred in sectors that are impacted by the streamlined sales tax sourcing rule change. However, this is a mixed blessing, as other sectors have been negatively impacted by the sourcing rule change.
 - The **retail eating/drinking** sector is **down 13.3 percent** compared to the same period last year due to negative performance experienced by most major businesses, as well as the closure of four restaurants this year.
- **Wholesale** is **down 39.6 percent** compared to the same period last year, primarily due to the difference in development-related purchases compared to last year and changes in sourcing rules from streamlined sales tax.
- The **miscellaneous** sector is **down 14.4 percent** compared to the same period last year, primarily due to the slumping finance/insurance and real estate sectors.
- The **services** sector is **down 14.2 percent** compared to the same period last year, largely due to declines in software, car/equipment leasing and accommodations. The accommodations sector continued negative performance for the eleventh month in a row, down about 15.6 percent compared to the same period last year after normalizing for a one-time event in 2008.
- The **communications** sector is **down 14.2 percent** compared to the same period last year due to changes in development activity as well as declining revenue from telecommunications companies. Last month, monthly revenue improved compared to the same month last year (up 6.5 percent). Apparently a positive trend has not been established as this month is down 15.6 percent compared to November 2008.

City of Kirkland Actual Sales Tax Receipts

Business Sector Group	January-November		Dollar Change	Percent Change	Percent of Total	
	2008	2009			2008	2009
Services	1,586,057	1,360,410	(225,647)	-14.2%	11.4%	12.1%
Contracting	2,456,020	1,576,063	(879,957)	-35.8%	17.6%	14.0%
Communications	514,147	441,095	(73,052)	-14.2%	3.7%	3.9%
Auto/Gas Retail	2,791,790	2,437,020	(354,770)	-12.7%	20.1%	21.6%
Gen Merch/Misc Retail	2,072,236	1,796,166	(276,070)	-13.3%	14.9%	15.9%
Retail Eating/Drinking	1,201,626	1,037,427	(164,199)	-13.7%	8.6%	9.2%
Other Retail	1,620,236	1,405,459	(214,777)	-13.3%	11.6%	12.5%
Wholesale	826,479	499,156	(327,323)	-39.6%	5.9%	4.4%
Miscellaneous	850,635	727,991	(122,644)	-14.4%	6.1%	6.5%
Total	13,919,226	11,280,787	(2,638,439)	-19.0%	100.0%	100.0%

Conclusion

November revenue performance is similar to previous months in 2009 except for October, which experienced the spike from the "cash for clunkers" program. The positive news for November is the potential significant decline in the automotive sector resulting from the end of the incentive program did not occur. However, development activity is remaining consistently at least 35 percent below the same period last year and retail sectors continue to struggle. As mentioned earlier, next month will be a key indication whether the local economy has reached bottom, since last December was the start of double-digit monthly declines. Development-related activity is not expected to improve until the overall economy has stabilized or major projects such as Totem Lake Mall or Park Place proceed.

Volatility in the economic situation is illustrated by the contrast in consumer confidence and consumer spending. U.S. consumer confidence unexpectedly increased in November to 49.5 from 48.7 in October despite continuing concerns about employment. In comparison, this index averaged 58 in 2008 and 103.4 in 2007.

Consumer spending trailed forecasts, which raises concerns about the strength of the recovery. The U.S. Commerce Department reported the third quarter gross domestic product grew at 2.8 percent (annual basis) compared to the prior estimate of 3.5 percent. Consumer spending grew at 2.9 percent annual pace compared to the 3.2 percent forecasted by economists and the 0.9 percent decline in the previous quarter.

Personal income in Washington State is improving, indicating economic recovery. However, consumers still aren't spending, instead putting money into savings and paying off debts according to Washington State Chief Economist Arun Raha recently. The slower-to-recover economy will generate \$760 million less in state revenue than he predicted just two months ago.

Nationally, holiday sales are expected to be anywhere from down 1 percent to up 3 percent compared to last year. A survey by the Consumer Federation of America indicates that consumers plan to spend more during this holiday season than during the depth of the recession last year and the National Retail Federation predicts an average of \$683 per person shopping budget. However, the Conference Board (responsible for the consumer confidence index) is projecting only \$390 in holiday shopping per household. Considering that the first dollar figure is per person and the second is per household, there is a significant variability in these projections. Based on past performance, the actual results will probably fall somewhere in the middle.

Local retailers are changing strategies this year, including carrying less high-priced merchandise and offering free gift wrapping according to a recent article in the Seattle Times. In addition to the recession last year, severe weather also significantly impacted last year's retail sales, which hopefully won't be repeated this year. So, once again, a lower base in 2008 may help improve the comparison to 2009. Revenue from November activity will be received in January.

**CITY OF KIRKLAND****Department of Public Works****123 Fifth Avenue, Kirkland, WA 98033 425.587.3800****www.ci.kirkland.wa.us**

MEMORANDUM

To: David Ramsay, City Manager

From: John MacGillivray, Solid Waste Coordinator
Daryl Grigsby, Public Works Director

Date: January 7, 2010

Subject: Draft 2009 Comprehensive Solid Waste Management Plan Update

The purpose of this memorandum is to provide the City Council with an advance, high-level summary of King County's solid waste management system as it pertains to King County's solid waste comprehensive plan update. An electronic copy of the 2009 Draft Comprehensive Solid Waste Management Plan ("the Comp Plan") is available at <http://your.kingcounty.gov/solidwaste/about/planning/comp-plan.asp>

RECOMMENDATION

It is recommended that Council receive a briefing on the 2009 Comp Plan update. Kevin Kiernan, Director of the King County Solid Waste Division (KCSWD) will be on hand to brief the Council on the details of the Comp Plan and Kirkland Solid Waste Division staff will present a "report card" of Kirkland's performance relative to some of the key goals, targets, and recommendations proposed in the Comp Plan.

BACKGROUND

The structure of the solid waste management system in King County is somewhat complicated and, for the purposes of this memo, much of the detailed information not pertinent to the discussion of the Comp Plan update has been left out for the sake of brevity and clarity. A more expansive summary of the solid waste system's evolution can be found in Chapters 1 and 2 of the Comp Plan.

The Solid Waste Interlocal Agreements

Effective July 1, 1988, the City of Kirkland, along with 36 other King County cities, entered into a Solid Waste Interlocal Agreement (SWILA) with King County. The 40-year Agreement will expire in 2028. The King County solid waste system utilizes the economies of scale concept and effectively diffuses and reduces the costs of collection, processing, and disposal. Cities signatory to the ILA may participate in the King County-managed solid waste system and reap the economic benefits of the cooperative system.

The ILA designates specific solid waste management responsibilities to the KCSWD and to local jurisdictions. The ILA establishes King County as the solid waste system management and planning authority. Some of King County's more important responsibilities include:

- A requirement to own and operate solid waste transfer, processing, and disposal facilities such as transfers stations and landfills;
- Authorization to set disposal rates for use of the solid waste system;

- A requirement to provide waste reduction and recycling support to cities; and
- A requirement to prepare the solid waste management comprehensive plan in cooperation with cities.

In return, each city signatory to the ILA agrees to provide or contract for its own local solid waste collection services and is required to direct all of its solid waste into the King County-managed solid waste system.

A second concurrent ILA, the Forum Interlocal Agreement, formally created an advisory committee to the King County Council, Executive, and Solid Waste Division. The original 12-member Solid Waste Interlocal Forum (SWIF), made up of representatives from cities and King County, was tasked with providing formal advice, review, and comment on all aspects of King County's solid waste management system, including assisting in the development of comprehensive plans. In 1996, an addendum was made to the ILAs that installed the King County Regional Policy Committee (RPC) as the SWIF.

Advisory Committees

In addition to the RPC, two other advisory committees exist to directly advise the King County Solid Waste Division. The Solid Waste Advisory Committee consists of city representatives, solid waste industry stakeholders and haulers, and private citizens. The Metropolitan Solid Waste Management Advisory Committee (MSWMAC) is made up of only City elected officials and their City support staff. Kirkland is represented by MSWMAC Vice-Chair and Kirkland Councilmember Greenway. Both committees meet monthly and provide input to the KCSWD on solid waste system management and planning issues.

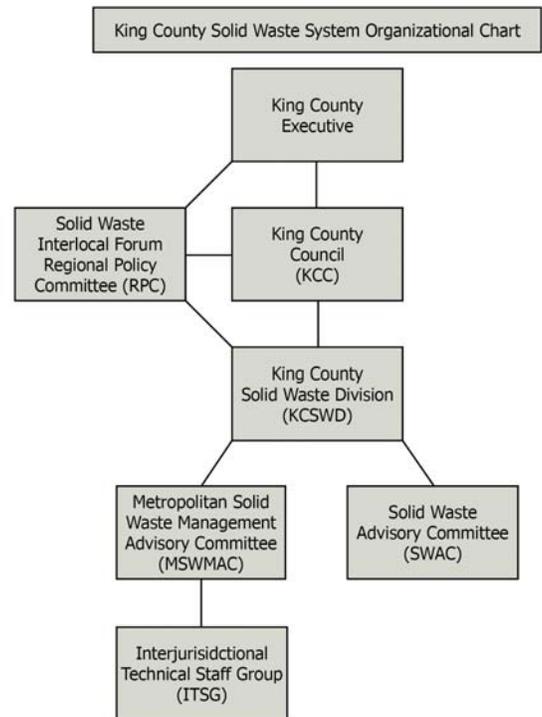
THE 2009 COMPREHENSIVE PLAN UPDATE

The most recent version of the Comp Plan was adopted by the Kirkland City Council by ordinance on February 19th, 2002. Over the past several months, cities and other stakeholders sitting on SWAC and MSWMAC participated in an exhaustive chapter-by-chapter comment and review process to assist the KCSWD in drafting and updating the 2001 Comp Plan.

The Draft 2009 Solid Waste Comprehensive Management Plan presents an array of solid waste system policies, recommendations, goals, and targets in solid waste system planning, waste prevention and recycling, collection and processing, the transfer system, solid waste disposal and landfill management, and system financing.

Plan Highlights

The Comp Plan proposes a number of goals, targets, and recommendations that adopting cities agree to try to achieve or surpass over the course of the six-year period covered by the plan (and beyond). Some of the key goals and targets are presented below.



Key Proposed 2009 Comprehensive Solid Waste Management Plan Goals					
Goal Type	Sector	Plan Goal	Unit	By Date	Kirkland 2009
Waste Prevention	Combined Single/multifamily	20.4 lbs/wk	per capita	2020	21.4 lbs/wk
Waste Prevention	Commercial	58 lbs/wk	per employee	2020	17.8 lbs/wk ¹
Waste Disposal	Combined Single/multifamily	14.2 lbs/wk	per capita	2020	10.9 lbs/wk
Waste Disposal	Commercial	22.9 lbs/wk	per employee	2020	14.4 lbs/wk
Recycling Diversion	All	55%	N/A	2015	38.2% ¹
		70%	N/A	2020	
Recycling Diversion	Single Family	45%	N/A	2015	45.2%

¹Commercial recycling tonnage from independent haulers is not reported to cities so the actual pounds per week and the combined recycling diversion rate is substantially higher but currently incalculable.

Additionally, the Comp Plan recommends fundamental single family and multifamily garbage and recycling collection standards to assist cities in achieving the aforementioned waste prevention, disposal, and diversion goals and targets. The Comp Plan also proposes multifamily recycling program components to assist cities in increasing multifamily waste reduction and recycling diversion. Kirkland's exceptional performance in meeting or exceeding these proposed standards will be presented by Kirkland Solid Waste staff at the January 19 City Council meeting.

COUNCIL ACTION

No formal City Council action to adopt the Comp Plan is required at this time although comments are welcome until the end of the public comment period on February 4th, 2010. The KCSWD will forward a revised Comp Plan incorporating received comments to the Department of Ecology for their review. Subsequently, the Final 2009 Comprehensive Solid Waste Management Plan will be released in mid-2010 when a 120 day city adoption period will commence. Staff will return to the Council during the adoption period and present an ordinance to formally consider and adopt the Final Comp Plan. In order for the Comp Plan to be approved, cities representing three-quarters of the population of the incorporated population of jurisdictions party to the Forum Interlocal Agreement must take action to approve the Comp Plan.

Any follow-up questions or comments may be directed to John MacGillivray, Solid Waste Coordinator.



CITY OF KIRKLAND
Department of Parks & Community Services
505 Market Street, Suite A, Kirkland, WA 98033 425.587.3300
www.ci.kirkland.wa.us

MEMORANDUM

To: Dave Ramsay, City Manager
From: Jennifer Schroder, Director
Date: December 10, 2009
Subject: Naming of Public Parks and Facilities

RECOMMENDATION:

That the City Council review and consider, the Park Boards recommendation to adopt a new Park Naming Policy.

BACKGROUND DISCUSSION:

The Park Naming Policy R-3215 was adopted on August 19, 1985 for the purpose of setting policy considerations and procedures to follow in naming a park or a recreation facility. The Park Board requested staff to research and present samples of how other agencies have addressed criteria to re-name a park or facility, naming an element within a park, naming a park after an individual, business or group and other considerations.

After careful review and thoughtful discussion on how to improve the current naming policy, on December 9th, the Park Board passed a motion to recommend to the City Council approval of a new park naming policy. (Attached)

The proposed policy includes all the criteria of the current policy and (1) includes procedures for naming a park or facility after a civic group or organization; (2) provides that a numeric designation will be used for new parks and facilities until a permanent name is selected: and (3) clarifies that the naming of a park or facility should be considered permanent under ordinary circumstances.

RESOLUTION R-4799

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND ESTABLISHING POLICIES AND PROCEDURES FOR THE NAMING OF PUBLIC PARKS AND FACILITIES.

WHEREAS, the City Council adopted Resolution R-3215, establishing policies and procedures relating to the naming of public park property and facilities on August 19, 1985; and

WHEREAS, the Park and Recreation Board recommends updating the park naming policy to: (1) include procedures for naming a park or facility after a civic group or organization; (2) provide that a numeric designation will be used for new parks and facilities until a permanent name is selected; and (3) clarify that the naming of a park or facility should be considered permanent under ordinary circumstances; and

WHEREAS, the City Council wishes to set forth the policies and procedures for naming public parks and facilities by resolution;

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. It is the general policy of the City of Kirkland to choose a name for a public park or facility based upon the relationship of the land or facility to one of several criteria:

1. Neighborhood or geographical identification (e.g. Houghton, Bridle Trails, Rose Hill, etc.);
2. A natural or geological feature (e.g. Forbes Creek);
3. Historical or cultural significance;
4. An individual (living or deceased) who has given outstanding civic service to the Kirkland park system, or has donated substantial funds or land to the Kirkland park system, or has been otherwise instrumental in the acquisition or development of critical park acreage (e.g. Marsh Park). Parks or facilities shall not ordinarily be named for a living person, unless that person has made a significant and outstanding contribution of land, money, or civic service. A waiting period of at least one year should expire before naming a park or facility under the policy of this subparagraph;

- 5. A civic group or corporation whose mission statement is compatible with City goals and objectives and that has made a significant contribution of land, money or civic service to the Kirkland park system;
- 6. The wishes or preference of residents of the neighborhood surrounding the public park or facility should in all cases be considered.

Section 2. In establishing or designating the name of a public park or facility, the final authority on name selection is the responsibility of the City Council. In making such selection the City Council will normally consider suggestions for names received from organizations, individuals or neighborhoods, and may request the Parks Department or the Park Board to solicit such suggestions. The City Council will not make its final selection until after it has received the recommendation of the Kirkland Park Board.

Section 3. Until a park or facility name is selected for a new park or facility, a numeric designation shall be used to identify the park or facility.

Section 4. Under ordinary circumstances, the naming of a park or facility should be considered permanent. Any proposal to change the name of a park or facility shall be subject to the procedures set forth in this Resolution.

Section 5. Upon selection of a park or facility name by the City Council, the Parks Department shall identify the park or facility with appropriate signage specifying the established name.

Passed by majority vote of the Kirkland City Council in open meeting this ____ day of _____, 2010.

Signed in authentication thereof this ____ day of _____, 2010.

MAYOR

Attest:

City Clerk



CITY OF KIRKLAND
Department of Parks & Community Services
505 Market Street, Suite A, Kirkland, WA 98033 425.587.3300
www.ci.kirkland.wa.us

MEMORANDUM

To: Dave Ramsay, City Manager
From: Jennifer Schroder, Director
Date: December 16, 2009
Subject: Cotton Hill Park

RECOMMENDATION:

That the City Council consider the Park Board recommendation to officially name the park site at N.E. 100th & 110 Avenue N.E. as Cotton Hill Park.

BACKGROUND DISCUSSION:

On November 18th, Karen Story, Cotton Hill Park Steward and resident of the Highland Neighborhood emailed to the Park Board requesting to adopt the name Cotton Hill Park for the park site at NE 100th & 110th Avenue NE.

The park site at NE 100th & 110th Avenue NE has been referred to as Cotton Hill Park for several years, however, there is no known documentation of when and why, this park site was most commonly referred to as Cotton Hill Park, or that the city had officially adopted the name.

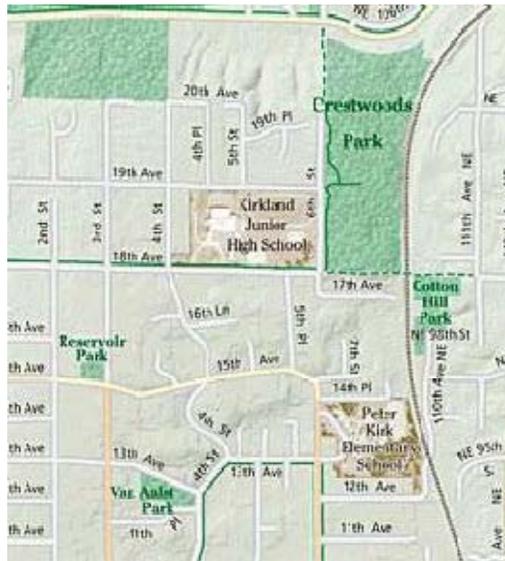
The park site is an open space that over the last 3 years has been in restoration thanks to the Green Kirkland program and the support from the Highland Neighborhood Association, volunteers and the University of Washington REN program. The majority of the parks 2.16 acres were first acquired in 1967 and a second acquisition was completed in 2008. The park has been identified in the cities park facility maps and the Park, Open Space and Recreation Plan as Cotton Hill Park since 2001.

Generally, the selection of a name for a park site is based upon the relationship of a site to one of the following criteria:

1. Neighborhood or geographical identification (i.e. Houghton, Bridle Trails, Rose Hill, etc.);
2. A natural or geological feature (i.e. Forbes Creek);
3. Historical or cultural significance;
4. An individual (living or deceased) who has given outstanding civic service to the Kirkland park system, or has donated substantial funds or land to the Kirkland park system, or has been otherwise instrumental in the acquisition or development of critical park acreage (i.e. Marsh Park). Parks or facilities shall not ordinarily be named for a living person, unless that person has made a significant and outstanding contribution of land, money, or civic service. A waiting period of at least one year should expire before naming a park or facility under the policy of this subparagraph;

5. The wishes or preference of residents of the neighborhood surrounding the public park or facility should in all cases be considered.

Given this park site has been known as Cotton Hill Park for a minimum of 8 years, and is recorded on public maps, as well as internet sites, the Park Board at its December meeting, passed a motion to recommend the City Council officially name the park site at N.E. 100th & 110 Avenue N.E. as Cotton Hill Park.



(Kirkland Park facility Map 2005)

Attachments: Email from Karen Story (November 18, 2009)

From: karen@tinyisland.com
Sent: Wednesday, November 18, 2009 1:29 PM
To: ParkBoard@ci.kirkland.wa.us; citycouncil@ci.kirkland.wa.us
Cc: Michael Cogle; Jason Filan; Kari Page
Subject: Request to officially name Cotton Hill Park

Dear Parks Board, Parks Staff, and Council Members,

It has come to my attention that Cotton Hill Park may not be officially named. Now that the park is being actively restored and used, I think it needs an official name. In addition, without an official name, we can't install a sign at the entrance to the park. An identifying sign is important because of the increased use of the park.

I am writing to ask that the name Cotton Hill Park be officially adopted.

Adopting a different name would be disruptive. A Google search on "cotton hill park kirkland" yields 35,600 hits. The name Cotton Hill Park is used by the city on their website and in official documents (such as the recent Shelton land purchase), the Green Kirkland Partnership (including EarthCorps and Cascade Land Conservancy), the UW Restoration Ecology program, United Way's MLK Day of Service, local news media, neighborhood correspondence, and other organizations. All of these entities would have to be notified if the name changed, and a name change would create confusion and discontinuity for anyone researching the history of park activities.

For all of these reasons, I urge the Parks Board to officially adopt the name Cotton Hill Park.

Please let me know if I can provide additional information.

Sincerely,
Karen Story
Cotton Hill Park Steward



CITY OF KIRKLAND

City Attorney's Office

123 Fifth Avenue, Kirkland, WA 98033 425.587.3030

www.ci.kirkland.wa.us

MEMORANDUM

To: David Ramsay, City Manager

From: Robin S. Jenkinson, City Attorney

Date: January 7, 2010

Subject: Council Rules of Procedure

RECOMMENDATION:

It is recommended that Council consider the attached resolution amending the Rules of Procedure for the Conduct of Kirkland City Council Meetings. The resolution would change the order of business by moving "Announcements," which is currently at the end of the agenda, to occur immediately after "Honors and Proclamations."

BACKGROUND DISCUSSION:

In November 2009, the City Council amended its Rules of Procedure to move Council Reports toward the end of the order of business for City Council Meetings. Since Council Members frequently used their reports to announce upcoming community events and meetings, the Mayor suggested moving Announcements to provide an earlier opportunity, in the Council Meeting, to let the community know about upcoming events, meetings, and other matters of interest.

RESOLUTION R-4800

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND SETTING FORTH THE CURRENT RULES OF PROCEDURE FOR THE CONDUCT OF KIRKLAND CITY COUNCIL MEETINGS.

Whereas, a predetermined order of business and the adoption of rules of procedure for City Council meetings will be the most expedient means of conducting Council Meetings; and

Whereas, such order of business and rules of procedure will avoid confusion and aid in the expeditious handling of business; now, therefore,

Be it resolved by the City Council of the City of Kirkland as follows:

Section 1. The order of procedure herein contained shall govern deliberations and meetings of the Council of the City of Kirkland, Washington.

Section 2. Regular meetings of the Council shall be held as provided for by ordinance.

Section 3. At all meetings of the Council, a majority of the Councilmembers shall constitute a quorum for the transaction of business, but a less number may adjourn from time to time to secure the attendance of absent members.

Section 4. The order of business shall be as follows:

1. Call to order
2. Roll call
3. Study session
4. Executive session
5. Honors and Proclamations
6. Communications
 - a. Announcements
 - b. Items from the audience (3 minute limitation.
See Section 5)
 - c. Petitions
7. Special presentations
8. Consent calendar
 - a. Approval of minutes
 - b. Audit of accounts and payment of bills and payroll

- c. General Correspondence
 - i. Routine
 - ii. Written correspondence relating to quasi-judicial, including land use public hearing matters and placed in the appropriate hearing file.
- d. Claims
- e. Award of bids
- f. Acceptance of public improvements and establishing lien periods
- g. Approval of agreements
- h. Other items of business

Any matter, which because of its routine nature, would qualify for placement on the Consent calendar pursuant to this section, may be included on the Consent Calendar, notwithstanding action on the matter may, by law or otherwise, require adoption of a Resolution or Ordinance.

Any item may be removed from the consent calendar upon the request of any Councilmember. All items remaining on the consent calendar shall be approved by a single motion. Whenever an Ordinance is included on the Consent Calendar, approval of the calendar shall be by roll call vote.

- 9. Public hearings
- 10. Unfinished business
- 11. New business
- 12. Reports
 - a. Council Reports
 - b. City Manager Reports
- 13. Adjournment

Section 5. The Council believes that the following procedure for public comment during regular City Council meetings will best accommodate the desires and concerns of the Council:

- 1. During the time for "Items from the audience", speakers may not comment on matters which are scheduled for a public hearing, or quasi-judicial matters. The Council will receive comments on other issues, whether the matter is otherwise on the agenda for the same meeting or not. When possible, items on the agenda will be marked with an asterisk when the Council cannot receive comments on such matters during the time for "Items from the audience".

2. During the time for "Items from the audience", speakers will be limited to 3 minutes apiece. No more than 3 speakers may address the Council on any one subject. However, if both proponents and opponents wish to speak, then up to 3 proponents and up to 3 opponents of the matter may address the Council.

Section 6. Items of business to be considered at any Council meeting shall be submitted to the City Manager no later than the Wednesday morning prior to a scheduled Council meeting. A written agenda and informational material is to be prepared and sent the Friday preceding each meeting to each Councilmember. Emergency items arising after the regular agenda has been prepared shall be referred to the City Manager for inclusion, as an Addendum to the agenda.

Section 7. Written Correspondence: Access to the City Council by written correspondence is a significant right of all members of the general public, including in particular, citizens of the City. The City Council desires to encourage the exercise of this access right by the general public to bring to the attention of the Council, matters of concern to Kirkland residents. In order to do this most effectively, some orderly procedure for the handling of written correspondence is essential. One concern of the City Council is application of the appearance of fairness doctrine to correspondence addressed to the Council, concerning matters which will be coming before the City Council in a quasi-judicial or land use hearing context. Special care in the way the content of those letters is brought to the attention of the individual members of the Council is essential in order that an unintended violation of the appearance of fairness doctrine does not result.

The Council believes that the following procedure for handling of written correspondence addressed to the Council will best accommodate the desires and concerns of the Council as set forth in this section:

1. Correspondence of an Information Only Nature - Correspondence which is purely of an informational nature and which does not require a response or action should not be placed on the Council Meeting Agenda by the City Clerk, but rather transmitted to the Councilmembers in their weekly informational packet.

2. Routine Requests - Items of a routine nature (minor complaints, routine requests, referrals, etc.) shall be placed by the Clerk on the agenda under the Written Correspondence - Routine Section of the consent calendar. A brief staff memorandum should accompany each letter explaining the request and recommending a course of action.

3. Significant Correspondence - Written correspondence which obviously requires some Council discussion, is of a policy nature or for which a non-routine official action or response is required, shall be placed by the Clerk on the regular Council agenda, either under New Business or if appropriate, under Unfinished Business, and shall be accompanied by staff report as are all other agenda items.

4. Correspondence Directly Relating to Quasi-Judicial Hearing Matters - All such correspondence when so identified by the City Clerk shall be listed by name and reference to hearing matter on the consent agenda under the item Written Correspondence Relating to Quasi-Judicial Matters. Copies of such correspondence shall not then be included within the agenda materials, but shall be placed in a City Council communication holding file, or directly into the appropriate hearing file, so that they will be circulated to City Councilmembers at the time that the matter comes before the City Council for its quasi-judicial consideration, and as a part of the hearing record for that matter. The City Clerk shall also advise the sender of each such letter, that the letter will be coming to the attention of the City Council at the time that the subject matter of the letter comes before the Council in ordinary hearing course.

Section 8. ROBERTS RULES OF ORDER, NEWLY REVISED, shall govern the deliberations of the Council except when in conflict with any of the rules set forth in this resolution.

Section 9. It shall be the duty of the presiding officer of the Council to:

1. Call the meeting to order.
2. Keep the meeting to its order of business.
3. State each motion and to require a second to that motion before permitting discussion.
4. Handle discussion in an orderly way:
 - a. Give every Councilmember who wishes an opportunity to speak.
 - b. Permit audience participation at appropriate times.
 - c. Keep all speakers to the rules and to the question.
 - d. Give pro and con speakers equal opportunity to speak.
5. Put motions to a vote and announce the outcome.
6. Suggest but not make motions for adjournment.

7. Appoint committees when authorized to do so.

Section 10. No member shall speak more than twice on the same subject without permission of the presiding officer.

Section 11. No person, not a member of the Council, shall be allowed to address the Council while it is in session without the permission of the presiding officer.

Section 12. All questions on order shall be decided by the presiding officer of the Council with the right of appeal to the Council of any member.

Section 13. Motions shall be reduced to writing when required by the presiding officer of the Council or any member of the Council. All resolutions and ordinances shall be in writing.

Section 14. Each member present shall vote on all questions put to the Council. The duty to vote shall be excused when a council member has a financial interest in the question or, in quasi-judicial matters, where a council member has an appearance of fairness problem. When voting on any matter before the Council, a majority of the entire membership of the Council is required for passage of any ordinance, resolution or motion, provided that a simple majority of the members present shall be sufficient with respect to the following motions:

To adjourn, to table or continue a matter,

To go into or out of executive session,

To schedule a special meeting of the City Council,

To add or remove items on a Council meeting agenda,

To approve or authorize the sending of a letter or other communication so long as the letter or communication sets forth a policy or position previously agreed to by a majority of the entire Council membership,

To establish the date for a public hearing, unless such hearing is required to be set by Ordinance or Resolution,

To authorize call for bids or requests for proposals, and

To approve a consent calendar, provided that any ordinance, any grant or revocation of franchise or license, or any resolution for payment of money included on said consent calendar, has first been removed therefrom.

Section 15. A tie vote, on a matter requiring four affirmative votes for passage, shall not be dispositive of the matter voted upon, but shall be deemed to have tabled the matter until the next succeeding regular meeting at which all seven Councilmembers are present. At that meeting, any member may move to take the matter off the table.

Section 16. A non-tie vote which fails for a lack of four affirmative votes, as to a matter which requires four affirmative votes for passage, shall be deemed to defeat the matter voted upon. Any Councilmember may move to reconsider the matter at the next succeeding regular meeting at which all seven Council-members are present.

Section 17. Except as provided in Sections 14 and 15, motions to reconsider must be made by a member who votes with the majority, and at the same or next succeeding meeting of the Council.

Section 18. Motions to lay any matter on the table shall be first in order; and on all questions, the last amendment, the most distant day, and the largest sum shall be put first.

Section 19. A motion for adjournment shall always be in order.

Section 20. The presiding officer of the Council may, at his discretion, call any member to take the Chair, to allow the presiding officer to address the Council, make a motion, or discuss any other matter at issue.

Section 21. The rules of the Council may be altered, amended or temporarily suspended by a vote of two-thirds of the members present; PROVIDED that at least four (4) affirmative votes be cast.

Section 22. The chairman of each respective committee, or the Councilmember acting for him/her in his/her place, shall submit or make all reports to the Council when so requested by the presiding officer or any member of the Council.

Section 23. The City Manager, Attorney, City Clerk, and such other officers and/or employees of the city of Kirkland shall, when requested, attend all meetings of the Council and shall remain in the Council chamber for such length of time as the Council may direct.

Section 24. The City Clerk shall keep correct minutes of all proceedings. The votes of each Councilmember on any ordinance shall be recorded in the minutes. At the request of any member, the ayes and nays shall be taken on any other question and entered in the minutes. Copies of the minutes shall be sent to the members of the Council prior to their next regular meeting.

Section 25. The City Council shall consider a Process IIA appeal under KZC Chapter 150 at one meeting, and shall vote on the appeal at the next or a subsequent meeting, in order for the Council to gather more information from the record and consider the appeal; provided, that the Council, by a vote of at least five members, may suspend this rule and consider and vote on the appeal at the first meeting. The Council's vote (to affirm, modify or reverse the decision of the Hearing Examiner, or direct the Hearing Examiner to hold a rehearing) shall occur within 60 calendar days of the date on which the letter of appeal was filed, pursuant to KZC150.125.

Section 26. The City Council shall consider a Process IIB application under KZC Chapter 152 at one meeting, and shall vote on the application at the next or a subsequent meeting; provided, that the Council, by a vote of at least five members, may suspend this rule and consider and vote on the application at the first meeting. The Council shall first consider the application at a meeting held within 45 calendar days of the date of issuance of the Hearing Examiner's recommendations, pursuant to KZC 152.90.

Passed by majority vote of the Kirkland City Council in open meeting this ____ day of _____, 2010.

Signed in authentication thereof this ____ day of _____, 2010.

MAYOR

Attest:

City Clerk



CITY OF KIRKLAND
Department of Finance and Administration
123 Fifth Avenue, Kirkland, WA 98033 425.587.3000
www.ci.kirkland.wa.us

MEMORANDUM

To: David Ramsay, City Manager

From: Tracey Dunlap, Director of Finance & Administration
Barry Scott, Purchasing Agent

Date: January 6, 2010

Subject: PROVIDING LOCAL PREFERENCE FOR CITY PURCHASING

RECOMMENDATION:

It is recommended that the City continue to encourage local businesses to actively compete for the City's business, but that the City not adopt a policy providing preference to local businesses when purchasing goods and services.

BACKGROUND AND DISCUSSION:

What we have been doing:

The question of providing a preference to local businesses was last raised at the time the purchasing ordinance (KMC 3.85) was revised in 2007. At that time, it was determined that we should actively work to encourage local suppliers, contractors and consultants to compete for the City's business. Toward that end, we have done the following:

1. Updated the City's Purchasing webpages to better inform suppliers, contractors and consultants as to how the City does business and how they can sign up to be on City rosters (Sample Attachment A).
2. Updated City business license forms to include information on how to register on Shared Procurement Portal rosters used by the City.
3. Mailed cards to local City business license holders that encouraged them to register on appropriate City rosters and offering them the opportunity to attend a City workshop. (Note that we solicited quotes to print the cards, and the successful quote was submitted by Minuteman Press of Kirkland.)
4. Conducted two workshops on "Doing Business with the City."

Recently, a contract was awarded for the services of a Business Retention Consultant. The scope of work for this consultant includes conducting workshops for new and existing Kirkland businesses. We have requested that these workshops include information on how to pursue business opportunities with the City.

The use of City Visa Purchasing Cards has made it easier for City employees to do business with local merchants that would not normally accept purchase orders. In 2009, there were 933 City Visa card transactions with Kirkland merchants that totaled \$43,478.

January 12, 2010

Page 2

Adopting a Local Preference Purchasing Policy:

The City Attorney's Office has previously looked into the legality of the City providing a preference to local businesses when purchasing goods and services. Assistant City Attorney Bill Evans researched the issue and responded with a recommendation (Attachment B) against pursuing such a policy due to the direction given by the State Auditor's Office that:

"State law does not recognize, and implicitly prohibits, granting of preferences to local vendors in purchases of goods, supplies and services by local governments. (If an entity can justify imposing a requirement of local availability of a product, the requirement should be made a part of the bid specifications rather than being a factor in choosing bidders.)"

For the preparation of this report, the City Attorney's Office has reviewed this issue again, and has determined that nothing has changed.

The Municipal Research and Services Center of Washington (MRSC) has also researched the subject and reached the same conclusion (Attachment C). However, the MRSC did note one exception found in RCW 39.30.040. This RCW allows for a city to consider sales and B&O tax revenues when evaluating bids for supplies, materials or equipment to determine the low bidder, which would in essence serve as a tie-breaker. The RCW does not apply to public works contracting.

The bids have to be very close for the tax revenues provided by a local business to make a difference in determining the low bidder given, that Kirkland's share of the sales tax is only 0.85% of the 9.5% sales tax and we do not impose a B&O tax. The City has tried to apply this option on several occasions when considering close bids, but the consideration of local sales tax revenue has not been enough to change the outcome in determining the low bidder.

Beyond the issue of legality, there are other reasons to recommend against adopting a policy to provide preference to local businesses when awarding contracts. For example, federal regulations prohibit the granting of some federal funds to entities that have adopted a local preference policy as part of their bidding procedures. The National Institute of Governmental Purchasing (NIGP) has taken a position opposing the adoption of local preference purchasing policies for additional reasons (Attachment D).

If the City were to further pursue adopting a local preference purchasing policy within these constraints, the matter of defining a "local" business would have to be given careful consideration. Attachment E lists a number of the questions to be considered in defining a local business.

To provide some context for this discussion, the following information on the 2009 City expenditures through Accounts Payable is provided. The table below summarizes the City's total expenditures for goods and services. Those expenditures for Public Works projects are identified separately, as they are subject to bid laws which would not permit a local preference.

Total Expenditures through Accounts Payable	\$49,022,371
Less Expenditures made for Public Work Projects	(\$17,060,588)
Total Expenditures for other Goods & Services	\$31,961,783

January 12, 2010

Page 3

The only basis readily available to determine current purchases in Kirkland is payments made to Kirkland zip codes. These expenditures are summarized below:

Total Expenditures through Accounts Payable to Kirkland zip codes	\$13,424,875
Less Expenditures paid to City of Kirkland for internal transactions, utility bills, etc.	(\$2,411,448)
Less Expenditures to Waste Management for Solid Waste Management Contract	(\$7,447,776)
Net Expenditures to Kirkland zip codes	\$3,565,651

The expenditures to the City of Kirkland and to Waste Management for the garbage contract are identified separately because they do not represent retail transactions. The net amount, \$3.6 million, approximates the City's local purchases in 2009.

SUMMARY:

A recent inquiry sent to the members of the Pacific Northwest Public Purchasing Association revealed that Spokane County, Pierce County the City of Yakima and the City of Everett have all considered implementing a local preference purchasing policy. For all of the reasons stated above, they have decided against adopting such a policy.

Based on all of these considerations, staff recommends against pursuing a formal policy but will continue outreach to the local business community to encourage participation in the City's purchasing processes. The Council might also consider pursuing legislative options to change the current statutory environment to provide more latitude in applying local preferences.



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FAQs

> [Home Page](#) > [Departments](#) > [Finance and Administration](#) > [Purchasing Services](#) > [FAQs](#)

How does a supplier, contractor or consultant register for an opportunity to do business with City?

The City of Kirkland participates in the [Shared Procurement Portal](#) administered by the [eCity Gov Alliance](#). The Shared Procurement Portal website provides the opportunity for suppliers, contractors and consultants to register on rosters used by the City of Kirkland and other agencies to locate and notify businesses of upcoming opportunities.

You can go to the Shared Procurement Portal's [Roster Information](#) webpage to determine the roster most appropriate for your business.

Suppliers, Contractors and Consultants are always welcome to visit the City's [Doing Business with the City](#) webpage where solicitations for bids, proposals and consultants' qualifications are posted.

Finally, companies interested in doing business with the City can contact Purchasing Services to request additional information on any upcoming opportunities:

Phone: 425-587-3120
E-mail: purchasing@ci.kirkland.wa.us

Does the City have a preference for doing business with Kirkland based companies?

While the City cannot legally adopt a program that provides a preference for Kirkland based companies, we do enjoy doing business with local companies and encourage them to compete for the City's business.

Kirkland companies that wish to do business with the City of Kirkland should register on the appropriate roster as described in the previous question and monitor the [Doing Business with the City](#) webpage for new business opportunities.

What kind of goods and services are used by the City?

In order to provide the many services that it does to residents and visitors alike, the City purchases a wide variety of goods and services.

Goods and services are broken down into the following general categories:

- *Consumable supplies:* Products that have a one-time life cycle. Typical examples are paper products, miscellaneous office supplies, cleaning supplies and fuel.

CITY OF KIRKLAND

123 FIFTH AVENUE

KIRKLAND, WASHINGTON 98033-6189

425.587.3030

CONFIDENTIAL AND PRIVILEGED

CITY ATTORNEY'S OFFICE

MEMORANDUM

To: Gwen Chapman, Financial Operations Manager
Barry Scott, Purchasing Agent

From: Wm. R. Evans, Assistant City Attorney

Date: September 29, 2006

Subject: Local Purchasing Preference

ISSUE

May a municipality adopt a provision in its purchasing code that provides a preference to local businesses when considering or awarding contracts for public purchases?

DISCUSSION

The Washington case law I have reviewed does not provide a clear answer to this question. The issue is further complicated by the Commerce Clause to the U.S Constitution if the non-local vendor also happens to be out of state. However, the Washington State Auditor's Office has reached a conclusion in this regard under Washington law, which it addresses as follows:

State law does not recognize, and implicitly prohibits, granting of preferences to local vendors in purchases of goods, supplies and services by local governments. (If an entity can justify imposing a requirement of local availability of a product, the requirement should be made a part of the bid specifications rather than being a factor in choosing bidders.)"

Washington State Auditor's Office, *Competitive Bid laws*, 2005, pg. 12.

Based on the foregoing Auditor's position and the lack of any clear direction to the contrary, I would recommend the City not adopt any kind of local preference provision in its purchasing code.

Attachment C

From the Municipal Research and Services Center:

1. Local Preference - May a county or city grant a preference for bids submitted by local vendors or contractors?

A county or city may not grant a local preference for bidders unless there is specific authorization in state law for granting the preference. There is only one preference authorized in state law in relation to the bid law. [RCW 39.30.040](#) was enacted in 1985 and provides that whenever a city or county is required to make purchases from the lowest responsible bidder, it can take into consideration tax revenue it would receive from purchasing the supplies from a source located within the jurisdiction. Tax revenues that may be considered include sales taxes and business and occupation taxes. This preference only applies to purchases of supplies, materials, and equipment, not public works contracts.

Attachment D

National Institute of Governmental Purchasers (NIGP): An excerpt from NIGP Basic Purchasing Manual states the following:

"Local preference takes several forms; the most prevalent form is the percentage preference. Eleven states still have local-preference laws. Percentage preferences of 1.5% to 10% are given to those eleven states in bid-price competition with out-of-state firms. But what if we were required to give percentage preferences to minority firms? To union shops? To small businesses? To other special-interest groups? The effect is the same: When a percentage preference is given to local businesses, it is given at the added expense of all taxpayers.

The advantages of having local-preference policies are limited and are far outweighed by the disadvantages. Vendors like to say that a local-preference policy will attract many new businesses into a community and thereby will increase the tax base. This idea is a fallacy.

Here are a few of the disadvantages of having local-preference policies:

1. The cost of goods or services are (sic) increased for all taxpayers when a percentage differential is allowed. This practice discourages outside firms that would normally compete and keep the local fellows "honest."

2. Local-preference laws and policies are a barrier to interstate commerce. When these laws have been tested in courts of Illinois, California, New York, and Georgia, they have been held to be unconstitutional.

3. Local-preference laws invite reciprocity. In at least one state, the purchasing authority is prohibited from doing business with any firm located in a state that has local-preference laws or policies.

Those business people who wish to push for local-preference laws should be made aware that they could face the possibility of retribution from other jurisdictions.

Also, preferences given to local businesses by purchasers could easily be looked upon as a subsidy to a firm that is too weak in its own operations to compete on an even, equitable basis."

The NIGP also indicates:

"Although some people assert that buy-local preferences will protect existing jobs, create new jobs, and strengthen the economy, the sad reality is that the practice of favoring vendors within a defined geographical area only encourages inflated prices which are paid by the taxpayers of the jurisdiction who administer them. By causing prices to rise, preference results in a direct subsidy to a few taxpayers at the expense of the general taxpaying public. When an agency has a preference, [ed., then] potential, reliable and sound vendors consider it futile to bid in such a climate. When they do not bid, competition becomes less keen and prices rise."

COMPLEXITIES IN DEFINING A “LOCAL VENDOR”

1. The definition and application of “local” is subject to legal challenge.
2. Would a “Local Vendor” be one which is located anywhere within the City boundaries?
3. Would a “Local Vendor” be a taxpayer living within the City but who owns a business located outside of the City boundaries?
4. Must the business own property within the City’s boundaries?
5. How long must a business be established within the City to qualify? What if a vendor from outside the City’s boundaries “set up shop” just to submit a bid?
6. Does the home of a sales representative within the City boundaries qualify as a local vendor?
7. Does making payments to a company’s remit-to address which is outside of the City boundaries disqualify them as a “Local Vendor?”
8. If a business is owned from outside of the City boundaries will they be allowed to bid? Should the ownership of a business be “Local” to qualify?
9. Should the business have paid local City property taxes or other taxes to qualify?
10. Should a warehouse, distribution center or a small branch office qualify a firm as local?



CITY OF KIRKLAND
City Manager's Office
123 Fifth Avenue, Kirkland, WA 98033 425.587.3001
www.ci.kirkland.wa.us

MEMORANDUM

To: David Ramsay, City Manager
From: Erin Leonhart, Intergovernmental Relations Manager
Date: January 7, 2010
Subject: 2010 LEGISLATIVE UPDATE 2

The 2010 State Legislative session is scheduled to begin on January 11th. Due to the timing of this memo, little information is available about the new session. The amended 2010 Legislative Agenda including items added after the January 5th Council meeting is attached. An updated matrix tracking Kirkland's legislative agenda will be provided at the January 19th Council meeting.

Attachment

CITY OF KIRKLAND 2010 LEGISLATIVE AGENDA – ADOPTED & AMENDED

--- CITY COUNCIL GOALS ---

NEIGHBORHOODS

Goal: Achieve active neighborhood participation and a high degree of satisfaction with neighborhood character, services and infrastructure.

Legislative Issues – none

PUBLIC SAFETY

Goal: Provide for public safety through a community-based approach that focuses on prevention of problems and a timely response.

Legislative Issues

- Kirkland supports legislation that provides additional funding options for public safety purposes, including public safety facilities
- Kirkland supports cities' ability to form municipal courts and is working to preserve all options for providing municipal court services in the future.
- Kirkland supports coordination of criminal justice services provided by the state, counties and municipalities to achieve the greatest efficiencies possible.
- Kirkland opposes any further shifting of criminal justice services to municipalities from the state or county.
- Kirkland supports the 2010 Legislative priorities from the Association of Washington Cities' Subcommittee on Community Safety & Justice Funding for Gang Intervention and Prevention Activities:
 - Support local tools and innovation for gang prevention and intervention; seek sustainable, ongoing funding for gang prevention and intervention, graffiti removal programs, and law enforcement suppression activities.
 - Support the creation of new offenses for criminal gang intimidation and school criminal gang intimidation and sentence enhancements for gang-related offenses.
- Kirkland supports the 2010 Legislative Agenda from the Washington Association of Sheriffs & Police Chiefs (WASPC):
 - Obtain funding for WASPC's critical incident mapping program to finish mapping community colleges (approx. \$600,000) and K-12 new and major remodeled buildings (approx. \$400,000).
 - Maintain funding for the WASPC sex offender address verification program at the current level of \$5 million/year. Amend the sex offender registration laws in response to State v. Ramos (2009) which rendered the law requiring Level II and III registered sex offenders to check in every 90 days inoperable, by repealing the 90-day check-in requirement and codifying the new address verification program.
 - Amend WASPC's recently codified Sex Offender Notification and Registration Program (RCW 36.28A.040(6)) to protect the personal information of community members utilizing the notification services of the program.
 - Amend the Public Disclosure Act (RCW 42.56) to protect lists of burglar alarm customers, addresses and other records for false alarm programs retained by law enforcement agencies.

- Kirkland supports the following items from the 2010 Legislative Goals of the Washington Fire Chiefs:
 - Simple majority election (50% plus 1) for Emergency Medical Services Levies (via SB 5432)
 - Work toward mandatory residential sprinkler systems in new construction (HB 2224)
 - Fire Inspection/Investigation Issues:
 - Ability to obtain administrative search warrants for fire inspections in RCW 19.27
 - Presumptive illness provisions for PERS employees doing fire investigations akin to LEOFF covered employees
 - Ability for Fire Districts and Regional Fire Authorities to take over inspection/investigation from the County they reside within
 - Expand LEOFF eligibility to County or State Fire Marshalls
 - Increase the fee for E-911 in preparation for next generation systems (HB 2029 or HB 2351)

HUMAN SERVICES

Goal: To support a coordinated system of human services designed to meet the special needs of our community and remove barriers to opportunity.

Legislative Issues

- Kirkland supports legislative action aimed at preventing homelessness and moving the homeless to stable, supported housing as quickly as possible. To accomplish these goals, the City supports the appropriation of funding for temporary rental assistance and supportive services, increased resources for mental health and substance abuse treatment services, supportive services to those transitioning out of the corrections system and young people who age out of the foster care system.
- Kirkland supports the following legislative recommendations from the Eastside Human Services Forum for the 2010 Legislative Session:
 - Preventing and Ending Homelessness
 - Restore the Housing Trust Fund to the \$200 million level
 - Stabilize Washington Families Fund
 - Early Childhood and School Readiness
 - Preserve and restore Home Visiting funds to 2009 levels for a continuum of programs such as Parents as Teachers and the Parent Child Home Program
 - Support training for child care professionals
 - Change policies regarding state child care subsidy rates such as amount of co-pays, or frequency of eligibility reauthorization
 - Access to Basic Needs
 - Increase access to public benefits, such as Food Stamps and the Earned Income Tax Credit
 - Washington Information Network 2-1-1: Maintain current level of funding, improve quality and accessibility of services
 - Older Adults
 - Restore funding for Adult Day Health including transportation
 - Continue current funding for the Senior Citizens Services Act (SCSA is a primary source of funding for the critical Senior Information and Assistance programs operated through Area Agencies on Aging.)

BALANCED TRANSPORTATION

Goal: To reduce reliance on single occupancy vehicles.

Legislative Issues

- Kirkland urges the state to ensure that complete pedestrian/bicycle facilities are included for the entire length of the SR-520 corridor. Specifically, we request that funding be identified in the SR 520 Bridge Replacement and HOV Program to complete the missing link between 108th NE and 124th NE.
- Kirkland supports non-motorized transportation and issues raised by the Bicycle Alliance of Washington, specifically:
 - Compliance with Manual of Uniform Traffic Code in Construction Zones: Support compliance with national standards that that bicycles and pedestrians be considered when planning for access through construction zones, particularly when detours are necessary.
 - School Transportation Funding: Support and encourage programs that educate, engineer, encourage and evaluate walking and biking programs and facilities for schools.
 - Global Warming: Support policies that recognize bicycles as an earth-friendly transportation option.
 - 3-Foot Passing: Support specifying that motorists allow a minimum of three feet of distance when passing bicyclists.

PARKS, OPEN SPACES AND RECREATIONAL SERVICES

Goal: To provide and maintain natural areas and recreational facilities and opportunities that enhance the health and well being of the community.

Legislative Issues

- Kirkland supports the WRPA (Washington Recreation & Park Association) legislative agenda, which is based on the following principles:
 - Parks are about helping build and sustain Healthy Communities, especially important at a time when health care costs and obesity rates continue to rise.
 - Parks are about open spaces and recreation inside of growing communities, especially important with increasing population densities, and state policy goals associated with achieving Climate Change, cleanup and restoration of the Puget Sound, and livable and walkable communities.
 - Parks are about connecting communities through trails and greenways, especially important at a time where population growth puts more pressure on our natural resources, and scarce transportation dollars and ever-rising gas prices are inducing more people to walk and bike as an alternative to the automobile.
 - Parks are inducers of and incentivizers to economic development, urban plazas, waterfront parks, greenways, and trail connections and the like are central to tourism.

DIVERSE HOUSING

Goal: To ensure the construction and preservation of housing stock that meet a diverse range of incomes and needs.

Legislative Issues

- Kirkland supports protection of and new state contributions to the Housing Trust Fund levels established in 2008 to support statewide public-private investment in low-income housing.
- Kirkland also supports tax incentives and targeted investments in workforce housing.

- Kirkland supports legislation amending RCW 82.02.060 to eliminate the requirement that impact fees waived for affordable housing be paid from public funds other than impact fee accounts.

FINANCIAL STABILITY

Goal: Provide a sustainable level of core services that are funded from predictable revenue.

Legislative Issues

- Kirkland seeks legislative clarification that the City can impose the annexation sales tax credit provided for in RCW 82.14.415 on the City's revenues beginning in 2010 to pay the cost incurred preparing for the effective date, using the logic that the City "annexed" when the City Council approved Ordinance 4229, formally accepting the annexation area to the City of Kirkland.
- Kirkland supports legislation to reverse the court decision (Lane vs. Seattle) that allocates hydrant/fire suppression costs to the general fund
- Kirkland supports the City Flexibility Package proposed by the Association of Washington Cities:
 - Public safety sales tax (0.3% county-wide local option) – 2SSB 5433, which passed in 2009, allowed for partial supplanting of the public safety sales and use tax until 2015. Pursue full removal of non-supplant language and no expiration date.
 - Real estate excise tax – Currently cities that collect the 2nd 0.25% REET must spend those funds on a shorter list of projects than the 1st 0.25% REET. Allow the list of projects for the 2nd 0.25% locally collected real estate excise tax to match the list of projects for the 1st 0.25% real estate excise tax.
 - Gambling tax – Currently this tax can be used for local gambling enforcement programs. Expand uses to general public safety purposes.
 - Lodging tax – Currently the lodging tax is restricted to specific uses that are tourism-related. Expand uses for any purpose that maintains or enhances tourism, including public safety.
 - Growth Management Act (GMA) impact fees – Currently cities can charge for fire, parks, roads and schools if provided by the city. Add police/public safety and emergency response facilities, as well as fire, if provided by a district. Broaden definition of allowable transportation expenditures to include "multimodal" (trails, transit and others). Extend period of time when impact fees can be spent.
 - GMA & shoreline update – Skip next round of GMA updates in smaller/slow growth cities and counties. Alter GMA and Shoreline planning update schedule (i.e. provide more time).
 - Grant-matching requirements – Reduce matching requirements for State grants.
 - Transportation Benefit District – Amend statute to extend voter approved sales tax beyond current 10 year provision. This would allow bonding of this revenue stream.
- Kirkland supports legislation that would improve cost recovery for public disclosure requests.
- Kirkland supports legislation to implement a more equitable distribution of the state gas tax, with an increased share allocated to cities. Since 1991, the per capita gas tax distribution has declined significantly because the tax is not distributed equitably to growing municipal areas.

ENVIRONMENT

Goal: To protect our natural environment for current residents and future generations.

Legislative Issues

- Kirkland supports the Secure Medicine Return Bill – HB 1165/SB 5279
- Kirkland supports Mercury Lighting Recycling – HB 1469/SB 5543

- Kirkland supports legislation that builds on the land use and transportation planning that is already required of state and local governments to help accomplish the State's adopted greenhouse gas emissions reduction goals. This approach should be targeted at the more populous cities, counties and regions. Kirkland supports legislation related to climate change and believes that funding for this legislation should not be fully borne by cities.
- Kirkland supports legislation that implements the Governor's Climate Advisory Team recommendations and that provides monetary incentives for reducing vehicle miles traveled and increasing fuel efficiency through annual motor vehicle license fees.
- Kirkland supports incentives for including transit-oriented development with transit investment.
- Kirkland supports legislation that encourages alternative modes of transportation including capital and regulatory support to encourage biking and walking.

ECONOMIC DEVELOPMENT

Goal: To attract, retain and grow a diverse and stable economic base that supports city revenues, needed goods and services and jobs for residents.

Legislative Issues

- Kirkland supports revisions to Local Revitalization Funding criteria to allow communities to compete that may not have large developments planned. Or, simply, to make funding available for needed infrastructure without the requirement of a known developer.
- Kirkland supports community facilities districts legislation
- Kirkland supports development of a source of funding for small brownfield projects such as gas station and dry cleaner sites
- Kirkland supports reconsideration/strengthening of role of Associate Development Agencies (ADOs) such as enterpriseSeattle particularly in the area of business recruitment

DEPENDABLE INFRASTRUCTURE

Goal: To maintain levels of service commensurate with growing community requirements at optimum life-cycle costs.

Legislative Issues

- Kirkland supports legislation to eliminate RCW 47.17.855, transferring jurisdiction of SR 908 (NE 85th Street from I-405 to SR-202 in Redmond) from the Washington State Department of Transportation to the Cities of Redmond and Kirkland. Kirkland also supports the transfer of pavement overlay funds budgeted specifically for SR 908.
- Kirkland supports legislation that would allow for strategies such as Tax Increment Financing that would assist with the formation and funding of public/private partnerships in support of infrastructure and affordable housing. This funding must have safeguards to mitigate/minimize risks.
- Kirkland supports Municipal Stormwater Funding – a long-term state funding mechanism is needed to support "Phase I" and "Phase II" NPDES stormwater requirements, as well as Puget Sound cleanup efforts, that impacts 137 cities. AWC will aggressively pursue ESHB 1614 (from 2009) which would establish a fee on a barrel of unrefined oil (approximately \$120M/year in revenue); however, we will remain open to alternative legislation that provides equivalent funding.
- Kirkland supports Street Utility – declared unconstitutional in 1995, a new authority would enable cities to charge a fee based on trip generation.

- Kirkland urges the state to take the following actions to ensure completion of the six-lane State Route 520 Bridge and Corridor Project by 2016:
 - Make a decision on the design plan for the west side that is achievable within the constraints of the current project budget to keep the project on schedule; and
 - Provide funding for design and construction of the east side corridor project to allow completion of the project by 2014.
- Kirkland supports implementation of express toll lanes on Interstate 405.
- Kirkland supports revisions to grant eligibility that would reward cities for accepting density in accordance with the Growth Management Act and additional grant funding to assist cities with implementation of new stormwater regulations.
- Kirkland generally supports roadway pricing as an effective tool for managing the regional transportation system and generating additional revenue to leverage against existing revenue sources. Revenues from pricing may be used for a variety of purposes, including transit service on tolled or adjacent facilities, but there must be a reasonable nexus between collection and spending. Pricing for management must have clear objectives and pricing efforts must include careful consideration of potential negative impacts, particularly considering the needs of low income users of priced facilities.

--- OTHERS ---

TELECOMMUNICATIONS

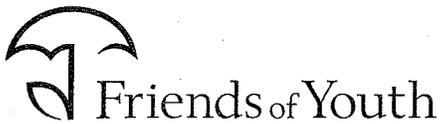
- Kirkland supports maintaining local franchising and opposes any legislation that would create a statewide franchise. Kirkland recognizes the importance and need for local governments to manage their rights-of-ways and ability to deliver local programming.
- Kirkland supports telecommunications legislation that is balanced and addresses the concerns and interests of local government, consumers and telecommunication/ broadband providers.

PUBLIC RECORDS ACT

- Kirkland supports legislation proposed by the AWC and the Sunshine Committee addressing the Public Records Act (PRA), in particular:
 - Adding a "meet and confer" requirement to the PRA. This would say requesters should meet and confer (like CR 26(i)) before filing suit. It will not be mandatory, but if requesters do not meet and confer, the trial court will have the authority to reduce and/or eliminate attorney fees and penalties if the court determines that a meeting would have avoided a lawsuit.
 - Allowing agencies to fulfill PRA requests by giving links to documents posted on line.
 - Removing the legislative exemption to the PRA
 - Requiring that all new PRA exemptions expressly cite to 42.56 and be referenced in 42.56
- Kirkland supports legislation that would exempt the names of code enforcement complainants from disclosure under the Public Records Act.

LEGISLATIVE DISTRICTS

Kirkland supports legislation that would preserve jurisdictions in the same legislative district.



Family Resource Center
16225 NE 87th St.
Suite A6
Redmond, WA 98052

TELEPHONE
425.869.6490

FACSIMILE
425.869.6666

WEB
friendsofyouth.org

January 5, 2010

David Ramsey
City Manager
123 5th Avenue
Kirkland, WA 98033

Dear Dave,

Friends of Youth made the strategic decision over two years ago to transition out of providing youth development programs. These programs do not fit easily into our core counseling and residential services, and we do not have the economies of scale to sustain them as we would like. It is with a heavy heart that I am giving formal written notice that Friends of Youth will be terminating its agreement with the City of Kirkland to operate the Kirkland Teen Center June 30, 2010. This notice was given verbally to Jennifer Schroder and Carrie Hite first in May of 2009 when we agreed to continue services for a year while the City found another provider or considered operating the center itself.

Friends of Youth is enormously proud of the KTUB program and will do whatever it can to transition smoothly to another provider in order to retain the model. We believe that the KTUB has had inspired leadership and has grown better and stronger every year. If the staff is retained, I am confident that the KTUB will continue to thrive.

Friends of Youth is committed to providing youth outreach services on the KTUB site to ensure continued collaboration with Youth Eastside Services and the KTUB management. We have valued our work at the KTUB beyond measure. It is only the reality of the times that has caused us to move away from a program in which we have so much invested.

Friends of Youth appreciates its many partnerships with the City of Kirkland. I want to assure you that we will continue to do all we can to make sure that the youth of Kirkland continue to receive seamless services at the KTUB.

Sincerely,

Joan Campbell
President/CEO

Cc: Jennifer Schroder; Carrie Hite

