



# CITY OF KIRKLAND CITY COUNCIL

Amy Walen, Mayor • Jay Arnold, Deputy Mayor • Dave Asher • Shelley Kloba  
Doreen Marchione • Toby Nixon • Penny Sweet • Kurt Triplett, City Manager

## *Vision Statement*

*Kirkland is an attractive, vibrant and inviting place to live, work and visit.  
Our lakefront community is a destination for residents, employees and visitors.  
Kirkland is a community with a small-town feel, retaining its sense of history,  
while adjusting gracefully to changes in the twenty-first century.*

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## AGENDA KIRKLAND CITY COUNCIL MEETING Peter Kirk Room Tuesday, March 15, 2016 6:00 p.m. – Study Session 7:30 p.m. – Regular Meeting

COUNCIL AGENDA materials are available on the City of Kirkland website [www.kirklandwa.gov](http://www.kirklandwa.gov). 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 (425-587-3190) or the City Manager's Office (425-587-3001) 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 425-587-3190. If you should experience difficulty hearing the proceedings, please bring this to the attention of the Council by raising your hand.

**EXECUTIVE SESSIONS** may be held by the City Council only for the purposes specified in RCW 42.30.110. These include buying and selling real property, certain personnel issues, and litigation. The Council is permitted by law to have a closed meeting to discuss labor negotiations, including strategy discussions.

**PLEASE CALL 48 HOURS IN ADVANCE** (425-587-3190) if you require this content in an alternate format or if you need a sign language interpreter in attendance at this meeting.

**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.

1. *CALL TO ORDER*
2. *ROLL CALL*
3. *STUDY SESSION*
  - a. Joint Meeting with the Youth Council
4. *EXECUTIVE SESSION*
  - a. To Discuss Potential Litigation
5. *HONORS AND PROCLAMATIONS*
  - a. 2016 Earth Hour Proclamation
6. *COMMUNICATIONS*
  - a. *Announcements*
  - b. *Items from the Audience*
  - c. *Petitions*
7. *SPECIAL PRESENTATIONS*
8. *CONSENT CALENDAR*

**QUASI-JUDICIAL MATTERS**

Public comments are not taken on quasi-judicial matters, where the Council acts in the role of judges. The Council is legally required to decide the issue based solely upon information contained in the public record and obtained at special public hearings before the Council. The public record for quasi-judicial matters is developed from testimony at earlier public hearings held before a Hearing Examiner, the Houghton Community Council, or a city board or commission, as well as from written correspondence submitted within certain legal time frames. There are special guidelines for these public hearings and written submittals.

**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.

- a. *Approval of Minutes:* March 1, 2016
- b. *Audit of Accounts:*
  - Payroll* \$
  - Bills* \$
- c. *General Correspondence*
- d. *Claims*
- e. *Award of Bids*
  - (1) NE 80<sup>th</sup> Street Sewer and Watermain Replacement - Phase 2, Shoreline Construction Company, Woodinville, WA
- f. *Acceptance of Public Improvements and Establishing Lien Period*
- g. *Approval of Agreements*
  - (1) Resolution R-5190, Approving Participation by the City in an Interlocal Cooperative Purchasing Agreement with the Port of Everett and Authorizing the City Manager to Execute Said Agreement on Behalf of the City of Kirkland.
- h. *Other Items of Business*
  - (1) School Impact Fee Report
  - (2) Report on Procurement Activities
- 9. *PUBLIC HEARINGS*
- 10. *UNFINISHED BUSINESS*
  - a. Sound Transit 3 Update
  - b. 2016 State Legislative Update #5
  - c. ITS Phase 2 Funding and Award of Bid, Totem Electric, Inc., Tacoma, WA
  - d. Resolution R-5189, Pertaining to the Adoption of the 2016 – 2018 Planning Work Program.
  - e. Board and Commission Recruitment – Interview Selection Committee Recommendation
- 11. *NEW BUSINESS*
  - a. Ordinance O-4513 and its Summary, Amending Chapter 3.82 of the Kirkland Municipal Code Entitled "Employee Code of Ethics," Amending Section

3.82.020, "Definitions;" Amending Section 3.82.030, "Conflict of Interest;" and Adding a New Section 3.82.050, "Violation – Penalty."

- b. Resolution R-5191, Authorizing an Additional One-Time Health Reimbursement Arrangement (HRA) Voluntary Employee Beneficiary Association (VEBA) Contribution to Eligible Employees Who Partnered With the City in Implementing the Healthy Kirkland Initiative.
- c. Discussion of the Transportation Commission Work Plan and Mission Statement
- d. Asphalt Milling Machine Purchase and Funding

*12. REPORTS*

*a. City Council Reports*

- (1) Finance and Administration Committee
- (2) Legislative Committee
- (3) Planning, and Economic Development Committee
- (4) Public Safety Committee
- (5) Public Works, Parks and Human Services Committee
- (6) Tourism Development Committee
- (7) Regional Issues

*b. City Manager Reports*

- (1) Calendar Update

*13. ITEMS FROM THE AUDIENCE*

*14. ADJOURNMENT*

**ITEMS FROM THE AUDIENCE**

Unless it is 10:00 p.m. or later, speakers may continue to address the Council during an additional Items from the Audience period; provided, that the total amount of time allotted for the additional Items from the Audience period shall not exceed 15 minutes. A speaker who addressed the Council during the earlier Items from the Audience period may speak again, and on the same subject, however, speakers who have not yet addressed the Council will be given priority. All other limitations as to time, number of speakers, quasi-judicial matters, and public hearings discussed above shall apply.



**CITY OF KIRKLAND**  
**Department of Parks & Community Services**  
**505 Market Street, Suite A, Kirkland, WA 98033 425.587.3300**  
**www.kirklandwa.gov**

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## **MEMORANDUM**

**To:** Kurt Triplett, City Manager

**From:** Regi Schubiger, Youth Services Coordinator  
Michael Cogle, Interim Director of Parks & Community Services

**Date:** March 4, 2016

**Subject:** Joint Meeting between City Council and Youth Council

## **RECOMMENDATION**

That the City Council receives updates from, and engages in discussion with, members of the Kirkland Youth Council Leadership.

## **BACKGROUND DISCUSSION**

Representatives of the Kirkland Youth Council (KYC) are pleased to have the opportunity to update the City Council on the many exciting programs and initiatives that they have been working on during the current school year. Topics for the upcoming joint meeting will include:

1. Members of the Kirkland Youth Council Leadership team will report on some key programs and events undertaken by KYC, including the production of "We've Got Issues" video about stereotypes, Teen Traffic Court, community service projects, and the Bluefish Festival.
2. In late 2014, the Kirkland Youth Council completed its We've Got Issues program on Teen Suicide. This award winning program will be screened for Council and then followed with discussion on teen suicide and depression.
3. Teen Depression will be one of four subjects covered at the 2016 Youth Summit on March 31<sup>st</sup>. Summit Lead Kyler Jobe will discuss the event and what the Youth Council is hoping to achieve.
4. The KYC Leadership would like to conclude the session with an open ended discussion on youth-related subject matters.



**CITY OF KIRKLAND**  
Department of Public Works  
123 Fifth Avenue, Kirkland, WA 98033 425.587.3800  
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**MEMORANDUM**

**To:** Kurt Triplett, City Manager

**From:** Van Sheth, Management Analyst  
Erin Devoto, Public Works Deputy Director  
Kathy Brown, Public Works Director  
James Lopez, Director of Human Resources & Performance Management

**Date:** March 9, 2016

**Subject:** EARTH HOUR PROCLAMATION - 2016

RECOMMENDATION:

It is recommended that the Mayor proclaim March 19, 2016, from 8:30 p.m. to 9:30 p.m., Earth Hour in Kirkland, Washington.

BACKGROUND DISCUSSION:

The City of Kirkland's annual proclamation of Earth Hour is consistent with the long-standing commitment to environmental stewardship. For over 20 years, the City has implemented various policies, regulations, and programs to protect its natural environment. An interdepartmental team, the Green Team, was formed to coordinate all of the City's actions for managing Kirkland's natural environment. As early as 2003, City Council adopted the Kirkland Natural Resource Management Plan, which comprehensively summarizes best resource management practices and principles, Kirkland's natural resource management objectives, and recommended implementation strategies.

In recent years, Kirkland's City Council has made the following policy decisions to support Kirkland's long-standing commitment to environmental stewardship:

- On December 8, 2015, City Council approved the 2035 Comprehensive Plan that included an updated Environmental Element with Goal E5 and policies addressing climate change.
- On November 17, 2015, City Council adopted The Transportation Master Plan. It recognized the role transportation plays in meeting the goals of the environmental elements outlined in the Comprehensive Plan.
- In 2014, City Council approved Resolution R-5077 authorized the Mayor to adopt and sign the King County-Cities Climate collaboration Joint Letter of Commitment; Climate Change Actions in King County.

Previous to these efforts, City Council made the following policy decisions:

- Adoption of the City's Climate Protection Action Plan via Resolution R-4760 in 2009 committing to the long-range goal of stabilizing atmospheric concentrations of greenhouse gases.
- Adoption of the greenhouse gases reduction targets via Resolution R-4659 in 2007.
- Authorized the City of Kirkland to sign the *U.S. Conference of Mayors Climate Protection Agreement*, committing to help reverse global warming by reducing greenhouse gas (GHG) emissions in 2005.

During Earth Hour, hundreds of millions of people, organizations, corporations and governments worldwide will come together to celebrate a worldwide commitment to ongoing change for the betterment of the one thing that unites us all – the planet. They will make a statement about their concern for climate change by doing something quite simple - turning off their lights for one hour. Earth Hour symbolizes that by working together, each of us can have a positive impact in the fight against climate change, protecting our future and that of future generations. Locally, Earth Hour will occur on March 19<sup>th</sup> at 8:30pm.

Please direct any questions to James Lopez at x3214.



## A PROCLAMATION OF THE CITY OF KIRKLAND

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### **Proclaiming "Earth Hour" on March 19, 2016, from 8:30 p.m. to 9:30 p.m. in Kirkland, Washington**

**WHEREAS**, this hour has been designated worldwide by World Wildlife Fund as "Earth Hour" in which millions of people around the world will come together to call for action on climate change by turning off their lights for one hour; and

**WHEREAS**, Earth Hour is a reminder that communities, including the City of Kirkland, can make a positive impact to alleviate climate change; and

**WHEREAS**, Kirkland is joining cities and states across the country to raise awareness and demonstrate our nation's commitment to fighting climate change by supporting "Earth Hour;" and

**WHEREAS**, local government actions taken to reduce greenhouse gas emissions and increase energy efficiency provide multiple local benefits by decreasing air pollution, creating jobs, reducing energy expenditures, and saving money for the local government, its businesses, and its residents; and

**WHEREAS**, in 2007, the Kirkland City Council adopted Greenhouse Gas Reduction Targets and a long term action plan was developed that will lead to the targeted reductions in greenhouse gas emissions for municipal operations and the community through capital investment, operational changes, program development and public outreach; and

**WHEREAS**, in 2009, the Kirkland City Council adopted the City's Climate Protection Action Plan committing to the long-range goal of stabilizing atmospheric concentrations of greenhouse gases; and

**WHEREAS**, Kirkland will continue to work toward solutions to climate change and seek adaptation strategies to prepare its future and that of future generations for the impacts of a warming planet;

**NOW, THEREFORE, I**, Amy Walen, the Mayor of Kirkland, do hereby proclaim March 19, 2016 from 8:30 – 9:30 p.m. as "Earth Hour" in Kirkland, Washington and call upon all residents and businesses to turn off their lights for one hour and join the City in pledging their support to climate protection.

Signed this 15<sup>th</sup> day of March, 2016

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Amy Walen, Mayor



KIRKLAND CITY COUNCIL REGULAR MEETING MINUTES  
March 01, 2016

1. CALL TO ORDER
2. ROLL CALL

ROLL CALL:

Members Present: Deputy Mayor Jay Arnold, Councilmember Dave Asher, Councilmember Shelley Kloba, Councilmember Toby Nixon, Councilmember Penny Sweet, and Mayor Amy Walen.

Members Absent: Councilmember Doreen Marchione.

Councilmember Marchione was absent/excused due to illness.

3. STUDY SESSION
  - a. Joint Meeting with the Planning Commission

Joining Kirkland City Councilmembers for this discussion were City Manager Kurt Triplett, Director of Planning and Building Eric Shields, Deputy Director of Planning and Building Paul Stewart, and Planning Commission members including Chair Eric Laliberte, Vice Chair Colleen Cullen, C. Ray Allshouse, Mike Miller, Jon Pascal, and Glenn Peterson.

4. EXECUTIVE SESSION
  - a. To Discuss Potential Property Acquisition

Mayor Walen announced that Council would recess into executive session to discuss a potential property acquisition and would return to regular meeting at 7:30 p.m., which they did. Also in attendance were City Attorneys Robin Jenkinson and Kevin Reynolds, City Manager Kurt Triplett, Deputy City Managers Marilynne Beard and Tracey Dunlap, Interim Parks and Community Services Director Michael Cogle, and Finance and Administration Director Michael Olson.

5. HONORS AND PROCLAMATIONS  
None.
6. COMMUNICATIONS
  - a. Announcements

b. Items from the Audience

Rick Butzberger  
David Kiesel  
Lisa McConnell  
Dick Hughes

c. Petitions

7. SPECIAL PRESENTATIONS

None.

8. CONSENT CALENDAR

a. Approval of Minutes

(1) February 16, 2016

(2) February 16, 2016

(3) February 24, 2016

b. Audit of Accounts:

Payroll \$2,794,001.13

Bills \$2,146,489.54

run #1493 check #568796

run #1494 checks #568825 - 568976

run #1495 checks #568977 - 568979

run #1496 check #600001

run #1497 checks #600002 - 600021

c. General Correspondence

d. Claims

Claims received from Mark and Peggy Adams, and Jessica Dreher, were acknowledged via approval of the Consent Calendar.

e. Award of Bids

f. Acceptance of Public Improvements and Establishing Lien Period

(1) Establish Lien Period for Annual Aging Infrastructure Replacement Project, Agostino Construction, Inc., Maple Valley, WA, and Approve Use of Remaining Aging Infrastructure Funds for Upcoming Aging/Failing Infrastructure Replacement Project

The work for the Annual Aging Infrastructure Replacement Project, as completed by Agostino Construction, Inc., of Maple Valley, WA, in the amount of \$185,389.23, was accepted, thereby establishing the statutory lien period, and the use of remaining Aging Infrastructure funds for the next upcoming Aging/Failing Infrastructure Replacement project was also authorized via approval of the Consent Calendar.

(2) Kirkland Median Improvements, Signature Landscape Services, Inc., Redmond, WA

The work performed by Signature Landscape Services, Inc. of Redmond, Washington on the landscaped medians along Central Way and Market Street was accepted and the statutory 45-day lien period was established via approval of the Consent Calendar.

g. Approval of Agreements

h. Other Items of Business

(1) Report on Procurement Activities

Motion to Approve the Consent Calendar.

Moved by Councilmember Dave Asher, seconded by Councilmember Toby Nixon

Vote: Motion carried 6-0

Yes: Deputy Mayor Jay Arnold, Councilmember Dave Asher, Councilmember Shelley Kloba, Councilmember Toby Nixon, Councilmember Penny Sweet, and Mayor Amy Walen.

9. PUBLIC HEARINGS

a. Resolution R-5188, Adopting the City of Kirkland Updated 2015-2020 Transportation Improvement Program.

Mayor Walen opened the Public Hearing. Public Works Capital Projects Manager Dave Snider reviewed the proposed program and responded to Council questions. No further testimony was offered and the Mayor closed the hearing.

Motion to Approve Resolution R-5188, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND ADOPTING THE CITY OF KIRKLAND UPDATED 2015-2020 TRANSPORTATION IMPROVEMENT PROGRAM."

Moved by Councilmember Penny Sweet, seconded by Councilmember Dave Asher  
Vote: Motion carried 6-0

Yes: Deputy Mayor Jay Arnold, Councilmember Dave Asher, Councilmember Shelley Kloba, Councilmember Toby Nixon, Councilmember Penny Sweet, and Mayor Amy Walen.

10. UNFINISHED BUSINESS

a. 2016 State Legislative Update #4

Intergovernmental Relations Manager Lorrie McKay provided an update on the current session.

11. NEW BUSINESS

None.

12. REPORTS

a. City Council Reports

(1) Finance and Administration Committee

Deputy Mayor Arnold reported on a presentation on changes to the Employee Code of Ethics; an overview of the street preservation program and the benefits of purchasing a milling machine; a review of the January financial dashboard report.

(2) Legislative Committee

Did not meet.

(3) Planning, and Economic Development Committee

Chair Arnold reported on the Puget Sound Energy Energize Eastside Environmental Impact Statement; a review of the Development Services Study/Zucker Report.

(4) Public Safety Committee

Did not meet.

(5) Public Works, Parks and Human Services Committee

Chair Kloba and Councilmember Nixon reported on the addition of tourism promotion in the parks to the topic list for this committee.

(6) Tourism Development Committee

Did not meet.

(7) Regional Issues

Councilmembers shared information regarding the King County Regional Law, Safety and Justice Committee meeting; the Watershed Resource Inventory Area (WRIA) 8 briefing; the celebration of the completion of the Northeast 85th Street Improvements; a King County Board of Health meeting; a Finn Hill Neighborhood Alliance meeting; the Rags to Riches Demonstration Against Racism at Kirkland City Hall; the Police Promotional Ceremony at the Kirkland Justice Center; a Greater Kirkland Chamber of Commerce Public Policy Meeting; the Economic Development Council of Seattle and King County Board meeting; a seminar on solid waste; the Sound Cities Association Networking Dinner; a tour of the Cross Kirkland Corridor with City of Kirkland and Sound Transit staff; a meeting between Mayor Walen, Deputy Mayor Arnold, and Councilmember Asher and several Sound Transit Board members; a reading event at John Muir Elementary School; a Kirkland Parks Foundation luncheon; a presentation of the State of the City address at the Kirkland Alliance of Neighborhoods meeting; a quarterly check-in meeting with the Mayor, the Deputy Mayor and the Kirkland Alliance of Neighborhoods; a Puget Sound Regional Council Executive Board meeting where the board certified the City of Kirkland's Comprehensive Plan; the upcoming Youth Eastside Services Invest in Youth Breakfast; and the upcoming National Alliance on Mental Illness walk in Kirkland in June.

b. City Manager Reports

City Manager Kurt Triplett recognized Amy Bolen for her work on the Rags to Riches Demonstration Against Racism event; thanked the directors for their time and effort in the recent round of interviews for the three director recruitments; recognized the new City Attorney Kevin Raymond; informed the Council that the field for Police Chief had been narrowed to three finalists; and mentioned that the interviews for the Parks and Community Services Director position were scheduled to begin. He also reminded the Council that the plastic bag reduction measure went in to effect on March 1 and called out the different educational outreach efforts for that event.

(1) Calendar Update

City Manager Kurt Triplett mentioned the March 15th council meeting joint study session with the Youth Council; March 17 has been suggested as a time for a special meeting where the Council can meet the candidates for Police Chief; and that March 21 is the North Rose Hill Neighborhood meeting.

Councilmember Nixon inquired when the Council would be reviewing the recommendation from the Council Committee on Board and Commission vacancies and was informed that would take place at the March 15th meeting. Councilmember Nixon referenced the minutes from the February 16th Council meeting which showed that the discussion of the General Fund contribution to the Kirkland Performance Center technology upgrades had been deferred to the Council Retreat where it was not discussed; Councilmember Nixon suggested that the Council wait to see how much the Kirkland Performance Center is able

to raise through fundraising and then decide if they wish to fund any balance remaining. Councilmember Nixon also offered to collect and collate the transcripts of brainstorming sessions from the past five years of Council retreats.

13. ITEMS FROM THE AUDIENCE

None.

14. ADJOURNMENT

The Kirkland City Council regular meeting of March 1, 2016 was adjourned at 8:42 p.m.

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City Clerk

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Mayor



**CITY OF KIRKLAND**  
Department of Finance and Administration  
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100  
[www.kirklandwa.gov](http://www.kirklandwa.gov)

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## **MEMORANDUM**

**To:** Kurt Triplett, City Manager  
**From:** Kathi Anderson, City Clerk  
**Date:** March 3, 2016  
**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) Dugar, Vishal  
18666 Redmond Way, TT1156  
Redmond, WA 98052

**Amount:** \$1,425.25

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

- (2) Michael Pinkney Lee  
12026 NE 99<sup>th</sup> Lane  
Kirkland, WA 98033

**Amount:** Unspecified Amount

**Nature of Claim:** Claimant states damage to property resulted from a street sign being placed on top of an underground electrical cable.

**Note:** Names of claimants are no longer listed on the Agenda since names are listed in the memo.



**CITY OF KIRKLAND**  
**Department of Public Works**  
123 Fifth Avenue, Kirkland, WA 98033 425.587.3800  
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## **MEMORANDUM**

**To:** Kurt Triplett, City Manager

**From:** Scott Gonsar, P.E., Project Engineer  
Dave Snider, P.E., Capital Projects Manager  
Kathy Brown, Public Works Director

**Date:** March 3, 2016

**Subject:** NE 80<sup>TH</sup> STREET SEWER & WATERMAIN REPLACEMENT - PHASE 2  
AWARD CONTRACT

## **RECOMMENDATION:**

Staff recommends that the City Council award the construction contract for the NE 80<sup>th</sup> Street Sewer & Watermain Replacement - Phase 2, to Shoreline Construction Company of Woodinville, WA, in the amount of \$2,874,603.86, and

By accepting this memo during approval of the consent calendar, City Council is authorizing the award of a construction contract for the NE 80<sup>TH</sup> Street Sewer and Watermain Replacement - Phase 2.

## **BACKGROUND DISCUSSION:**

The NE 80<sup>th</sup> Street Sewer and Watermain Replacement - Phase 2 Project is the second of a three-phase utility replacement project along NE 80<sup>th</sup> Street, between 116<sup>th</sup> and 132<sup>th</sup> Avenues NE, in the South Rose Hill neighborhood (Attachment A). Phase 1 was for water and sewer main replacement work completed along NE 80<sup>th</sup> Street, between 122<sup>nd</sup> and 124<sup>th</sup> Avenues NE, and was accepted by City Council in 2008. The final Phase 3 project will install a new watermain along 120<sup>th</sup> Avenue NE, between NE 80<sup>th</sup> Street and NE 85<sup>th</sup> Street. The Water Comprehensive Plan calls the completion of the Phase 3 improvements at a future date (beyond 2035) with that project currently listed as an unfunded one in the 2015-2020 Capital Improvement Program.

The NE 80<sup>th</sup> Street Sewer and Watermain Replacement, Phase 2 Project includes replacement of approximately 4,230 linear feet of 12-inch and 20-inch water main, and approximately 2,930 linear feet of 12-inch sewer main.

With an engineer's estimate of \$3,608,147 for construction, the first advertised-for-contractor bids appeared on January 26, 2016. On February 10, 2016, six contractors bids were received with the following results:

**Table 1: Bid Results**

<b>Contractor</b>	<b>Schedule A Water</b>	<b>Schedule B Sewer</b>	<b>Amount Total</b>
<b>Shoreline</b>	<b>\$1,549,900.23</b>	<b>\$1,324,703.63</b>	<b>\$2,874,603.86</b>
R.L. Alia	\$1,661,200.41	\$1,525,251.78	\$3,186,452.19
Rodarte Construction	\$1,784,261.99	\$1,433,428.91	\$3,217,690.90
Titan Earthwork	\$1,708,922.93	\$1,510,333.50	\$3,219,256.43
Johansen Excavating	\$1,790,951.56	\$1,587,408.91	\$3,378,360.47
<i>Engineer's Estimate</i>	<i>\$2,175,487.00</i>	<i>\$1,432,660.00</i>	<i>\$3,608,147.00</i>
SRV Construction	\$1,953,195.30	\$1,970,312.34	\$3,923,507.64

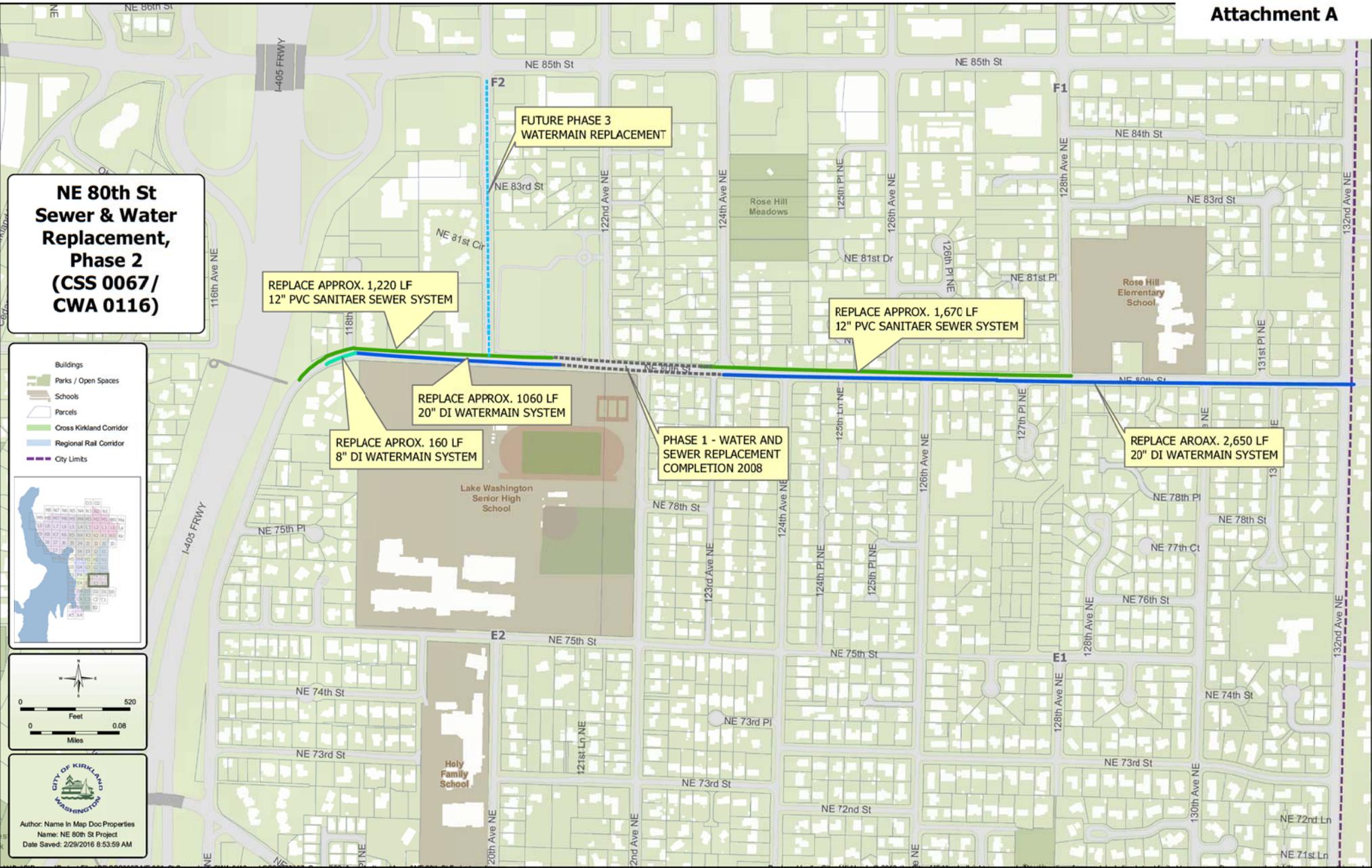
The Project is fully funded through a Public Works Trust Fund (PWTF) loan (\$4,038,000) combined with City sewer and water main utility funds (\$1,234,400) for a total approved budget of \$5,272,400 (Attachment B). The PWTF program is a low-interest (0.5%) loan program for local governments to finance public infrastructure construction and rehabilitation with an amortized repayment schedule of up to 20-years. To be eligible, projects must improve public health and safety, respond to environmental issues, promote economic development, and/or upgrade system performance. The NE 80<sup>th</sup> Street Water and Sewer Replacement Project scored well in satisfying all of the Program's eligibility requirements.

As a major underground utility replacement, the Project will impact a high percentage of the paved road surface. As a result, the Project is required to provide a new asphalt overlay for the limits of the Project. Since the utility work will be completed after the 2016 overlay paving season, and in order to realize the best economy-of-scale for the associated overlay cost impacts, the Project will contribute funds to the 2017 Street Overlay Project for resurfacing the street as part of the larger Annual Street Preservation Program (Attachment B).

The duration of utility construction work is estimated to be approximately 6-months. With a City Council award at the March 15 meeting, work will begin in April, 2016, with substantial completion expected for fall of 2016. In advance of construction, Public Works staff will continue with updating local residents and business owners, including Lake Washington High School officials, of the coming work. This will include a construction informational flyer with Project timelines and pertinent contact information. Staff will also keep all related project information up-to-date on the City's website located at the following link: [80th Street Water and Sewer Mains](#).

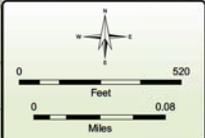
Attachment A – Project Vicinity Map

Attachment B – Project Budget Report



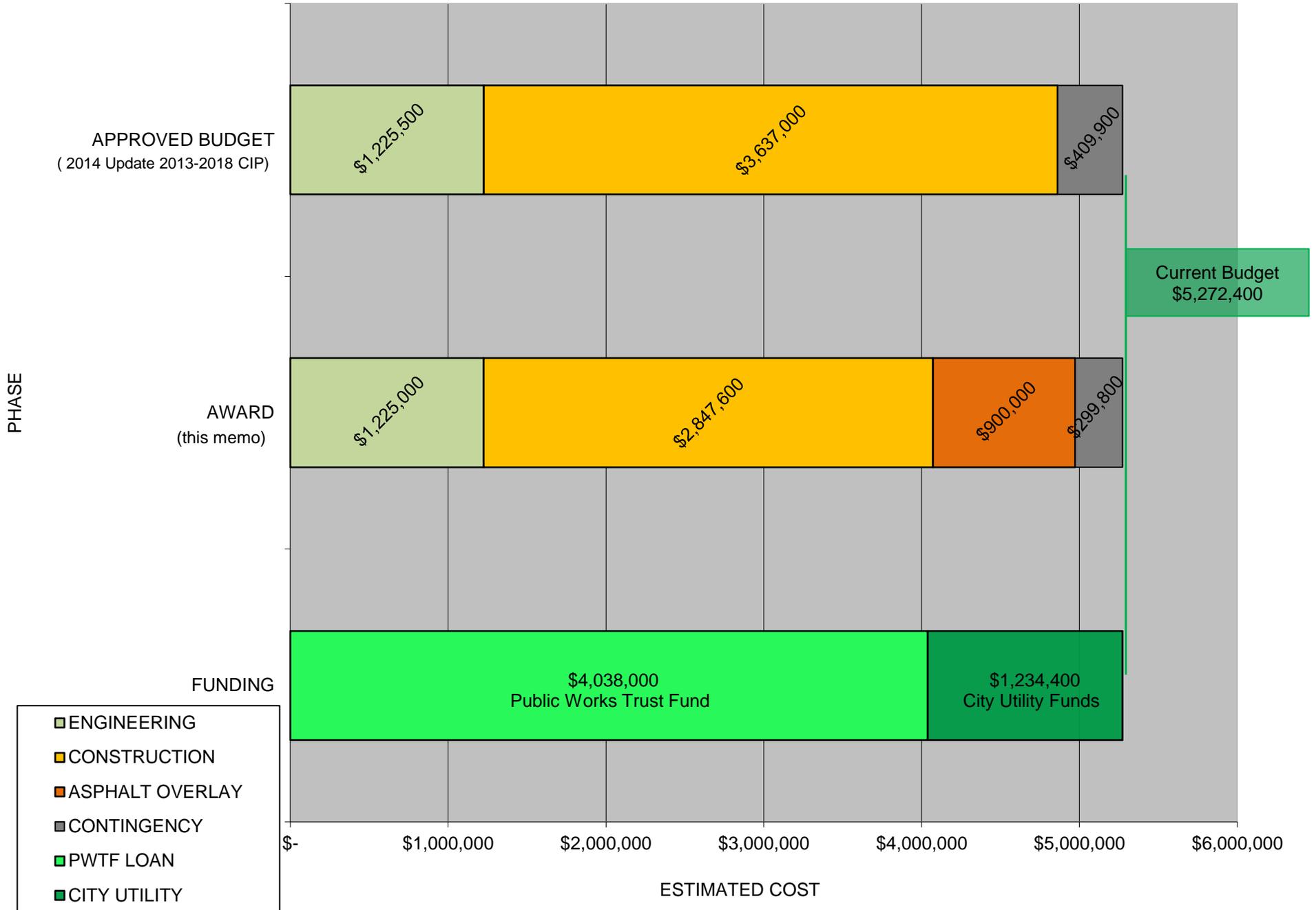
**NE 80th St  
Sewer & Water  
Replacement,  
Phase 2  
(CSS 0067/  
CWA 0116)**

- Buildings
- Parks / Open Spaces
- Schools
- Parcels
- Cross Kirkland Corridor
- Regional Rail Corridor
- City Limits



Author: Name In Map Doc Properties  
 Name: NE 80th St Project  
 Date Saved: 2/29/2016 8:53:59 AM

PROJECT BUDGET REPORT





**CITY OF KIRKLAND**  
**Department of Finance and Administration**  
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100  
[www.kirklandwa.gov](http://www.kirklandwa.gov)

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## **MEMORANDUM**

**To:** Kurt Triplett, City Manager

**From:** Michael Olson, Director of Finance & Administration  
Barry Scott, Purchasing Agent

**Date:** March 3, 2016

**Subject:** INTERLOCAL COOPERATIVE PURCHASING AGREEMENT WITH THE PORT OF EVERETT

### **RECOMMENDATION:**

It is recommended that the City Manager be authorized to execute an Interlocal Cooperative Purchasing Agreement with the Port of Everett.

### **BACKGROUND DISCUSSION:**

In May of 2014, the City conducted a Request for Proposals (RFP) process for the purpose of contracting for Investment Advisory Services. The RFP included language to allow other government entities to piggyback on the contract that was to be awarded by the City. As a result of the RFP process, the City awarded the contract for Investment Advisory Services to Government Portfolio Advisors (GPA) of Portland, OR.

The Port of Everett has expressed an interest in taking advantage of the pricing and terms provided by our contract with GPA. In order for them to utilize the City's contract with GPA, the Port of Everett must first have an interlocal cooperative purchasing agreement in place with the City.

This interlocal agreement complies with the intergovernmental cooperative purchasing requirements set forth in KMC 3.85.180 and RCW 39.34. By itself, this agreement places no financial obligation on the City of Kirkland. This agreement is reciprocal and will allow the City of Kirkland to purchase off of contracts competitively bid by the Port of Everett, if it is determined to be in the best interest of the City to do so.

RESOLUTION R-5190

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND APPROVING PARTICIPATION BY THE CITY IN AN INTERLOCAL COOPERATIVE PURCHASING AGREEMENT WITH THE PORT OF EVERETT AND AUTHORIZING THE CITY MANAGER TO EXECUTE SAID AGREEMENT ON BEHALF OF THE CITY OF KIRKLAND.

1 WHEREAS, the City of Kirkland and the Port of Everett seek to  
2 enter into an intergovernmental agreement enabling the Port of  
3 Everett to purchase goods and services through City of Kirkland  
4 purchase contracts and also enabling the City of Kirkland to purchase  
5 goods and services through Port of Everett purchase contracts to the  
6 extent permitted by law; and  
7

8 WHEREAS, the City Council has determined it to be in the best  
9 interest of the City of Kirkland to enter into such an interlocal  
10 cooperative purchasing agreement; and  
11

12 WHEREAS, Chapter 39.34 RCW authorizes the City of Kirkland  
13 and the Port of Everett to enter into an interlocal cooperation agreement  
14 to perform any governmental service, activity or undertaking which each  
15 contracting party is authorized by law to perform.  
16

17 NOW, THEREFORE, be it resolved by the City Council of the City  
18 of Kirkland as follows:  
19

20 Section 1. The City Manager is authorized and directed to  
21 execute on behalf of the City of Kirkland an Interlocal Agreement  
22 substantially similar to that attached as Exhibit "A", which is entitled  
23 "Interlocal Cooperative Purchasing Agreement."  
24

25 Passed by majority vote of the Kirkland City Council in open  
26 meeting this \_\_\_\_ day of \_\_\_\_\_, 2016.  
27

28 Signed in authentication thereof this \_\_\_\_ day of \_\_\_\_\_,  
29 2016.

\_\_\_\_\_  
MAYOR

Attest:

\_\_\_\_\_  
City Clerk

## INTERLOCAL COOPERATIVE PURCHASING AGREEMENT

THIS AGREEMENT is between the PORT OF EVERETT, a Washington State political subdivision, and the CITY of KIRKLAND, a municipal corporation of the State of Washington.

WITNESSETH:

WHEREAS, the Interlocal Cooperation Act, as amended, and codified in Chapter 39.34 of the Revised Code of Washington provides for interlocal cooperation between governmental agencies; and

WHEREAS, the parties desire to utilize each other's procurement agreements when it is in their mutual interest;

NOW, THEREFORE, the parties agree as follows:

1. PURPOSE: The purpose of this agreement is to acknowledge the parties' mutual interest to jointly bid the acquisition of goods and services where such mutual effort can be planned in advance and to authorize the acquisition of goods and services and the purchase or acquisition of goods and services under contract where a price is extended by either party's bidder to other governmental agencies.
2. ADMINISTRATION: No new or separate legal or administrative entity is created to administer the provisions of this agreement.
3. SCOPE: This agreement shall allow the following activities:
  - A. Purchase or acquisition of goods and services by each party acting as agent for either or both parties when agreed to in advance, in writing;
  - B. Purchase or acquisition of goods and services by each party where provision has been provided in contracts for other governmental agencies to avail themselves of goods and services offered under the contract.
4. PROPERTY AND SERVICES ACQUISITION AND DISPOSITION: Any property or services acquired by a party through this Agreement shall belong solely to that party. Disposition of property acquired pursuant to this Agreement shall be the sole responsibility of the party acquiring the property and shall be accomplished according to applicable legal requirements.
5. DURATION AGREEMENT – TERMINATION: This agreement shall remain in force until canceled by either party in writing.
6. RIGHT TO CONTRACT INDEPENDENT ACTION PRESERVED: Each party reserves the right to contract independently for the acquisition of goods or services or disposal of any property without notice to the other party and shall not bind or otherwise obligate the other party to participate in the activity.
7. COMPLIANCE WITH LEGAL REQUIREMENTS: Each party accepts responsibility for compliance with federal, state or local laws and regulations including, in particular, bidding requirements applicable to its acquisition of goods and services or disposal of property.

- 8. FINANCING: The method of financing of payment shall be through budgeted funds or other available funds of the party for whose use the property is actually acquired or disposed. Each party accepts no responsibility for the payment of the acquisition price of any goods or services intended for use by the other party.
- 9. FILING: Executed copies of this agreement shall be filed or posted on a website as required by Section 39.34.040 of the Revised Code of Washington prior to this agreement becoming effective.
- 9. INTERLOCAL COOPERATION DISCLOSURE: Each party may insert in its solicitations for goods a provision disclosing that other authorized governmental agencies may also wish to procure the goods being offered to the party and allowing the bidder the option of extending its bid to other agencies at the same bid price, terms and conditions.
- 10. NON-DELEGATION/NON-ASSIGNMENT. Neither party may delegate the performance of any contractual obligation, to a third party, unless mutually agreed in writing. Neither party may assign this agreement without the written consent of the other party.
- 11. HOLD-HARMLESS: Each party shall be liable and responsible for the consequence of any negligent or wrongful act or failure to act on the part of itself and its employees. Neither party assumes responsibility to the other party for the consequences of any act or omission of any person, firm or corporation not a party to this agreement.
- 12. SEVERABILITY: Any provision of this agreement, which is prohibited or unenforceable, shall be ineffective to the extent of such prohibition or enforceability, without involving the remaining provisions or affecting the validity or enforcement of such provisions.

PORT OF EVERETT

CITY OF KIRKLAND

By: \_\_\_\_\_

By: \_\_\_\_\_  
Kurt Triplett, City Manager

Approved as to form:

Approved as to form:

By: \_\_\_\_\_  
Port of Everett Legal Counsel

By: \_\_\_\_\_  
Kirkland City Attorney

ATTEST:

ATTEST:

City Clerk

\_\_\_\_\_

\_\_\_\_\_

DATE \_\_\_\_\_

DATE \_\_\_\_\_

**CITY OF KIRKLAND****Planning and Community Development Department**  
**123 Fifth Avenue, Kirkland, WA 98033**  
**425.587-3225 - [www.kirklandwa.gov](http://www.kirklandwa.gov)**

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**MEMORANDUM**

**To:** Kurt Triplett, City Manager

**From:** Eric Shields, Director of Planning & Community Development  
Tracey Dunlap, Deputy City Manager  
Kathy Brown, Director of Public Works

**Date:** 03/01/16

**Subject:** SCHOOL IMPACT FEES

**RECOMMENDATION**

Accept report on School impact fees as required by RCW 82.02.070

**BACKGROUND DISCUSSION**

In April 2011, the City of Kirkland and the Lake Washington School District (LWSD) entered into an interlocal agreement whereby the City began collecting school impact fees from new development upon the completion of the June 2011 annexation. The agreement provides that LWSD will "prepare an annual report in accordance with the requirements of RCW 82.02.070 showing the system improvements that were financed in whole or in part by impact fees, and the amount of funds expensed. The annual report shall be sent to the City on or before April 1<sup>st</sup> of each year for the preceding calendar year. Copies of the annual report shall also be submitted to the City Council." This action is consistent with the requirement of RCW 82.02.070 that "Annually, each county, city, or town imposing impact fees shall provide a report on each impact fee account showing the source and amount of all monies collected, earned, or received and system improvements there were financed in whole or in part by impact fees." This memorandum provides the required information for the period of January 1, 2015 through December 31, 2015.

There are three attachments to this memorandum:

- Attachment A – Letter from LWSD summarizing the system improvements financed and the total funds received and related interest for 2015.
- Attachment B – Monthly reports showing the source and amount of all monies collected by the City in 2015, which corresponds to the amounts reported by LWSD. The detailed data tracked by the Public Works Department reflects the month the City collected the impact fees, which are then remitted to LWSD the following month. The revenue figures in the LWSD letter reports the amounts in the month received by LWSD.
- Attachment C – Check Register Report



Support Service Center  
 15212 NE 95<sup>TH</sup> Street • Redmond, WA 98062  
 Office: (425) 936-1100 • Fax: (425) 936-1146  
[www.lwsd.org](http://www.lwsd.org)

January 29, 2016

Teri Woolley  
 Public Works Department  
 City of Kirkland  
 123 5<sup>th</sup> Avenue  
 Kirkland, WA 98033

RE: 2015 IMPACT FEE FINANCIAL REPORT

Dear Ms. Woolley:

The following is Lake Washington School District's annual impact fee report for 2015.

In fulfillment of the interlocal agreement between Lake Washington School District and the City of Kirkland regarding expenditure of impact fees (RCW 82.02.070), I hereby report that Lake Washington School District expended a total of \$2,490,798.11 for calendar year 2015.

Impact Fees collected by the City of Kirkland and transferred to Lake Washington School District totaled \$1,637,743.00 for calendar year 2015. Interest recorded was \$10,779.95 for calendar year 2015.

Calendar year 2015 summary of expenditures for source 6060 / City of Kirkland impact fees:

<u>Project Number / Name</u>	<u>Expenditures for the year</u>
8485 / Lake Washington High School Portables	\$2,490,798.11

If you have any questions, please feel free to contact me at (425) 936-1479; email: [jlove@lwsd.org](mailto:jlove@lwsd.org)

Sincerely,

John Love  
 Capital Fund Analyst

cc: Forrest Miller, Director of Support Services, LWSD

**2015 Summary of Monthly School Impact Fees Rece**  
**January 1, 2015 - December 31, 2015**

<b>MONTH</b>	<b>MONTHLY PAYMENT</b>	<b>CHECK NUMBER</b>	
December-14	145,649	<b>559297</b>	
January-15	95,949	559995	
February-15	81,926	560457	
March-15	66,755	561224	
April-15	102,009	561854	
May-15	191,159	562560	
June-15	173,237	563437	
July-15	160,269	564341	
August-15	129,570	565019	
September-15	183,987	565653	
October-15	220,626	566597	
November-15	86,607	567090	<b>1,637,743 Total remitted to Lake Washington School District in 2015</b>

**Check Register Report**  
**By Vendor Name**

					<b>Amounts</b>
<b>Check # AP 00559297 LAKE WA SCHOOL DISTRICT</b>	Vendor #: V00918	Check Date: 01/28/2015			Machine Written
Address Code: R8 ATTN ACCOUNTING					
PO BOX 97039					
REDMOND W 98073-9739					
Desc: SCHOOL IMPACT FEES DEC 2014	PO #:				145,649.00
Invoice Date: 01/13/2015 Invoice #: A13679					
Acct #: 6500000000 2291012 JL #: N/A..N/A					
<b>Check Total:</b>					<b>145,649.00</b>
<b>Check # AP 00559995 LAKE WA SCHOOL DISTRICT</b>	Vendor #: V00918	Check Date: 02/25/2015			Machine Written
Address Code: R1 ATTN ACCOUNTS RECEIVABLE					
PO BOX 97039					
REDMOND W 98073					
Desc: SCHOOL IMPACT FEES JANUARY	PO #:				95,949.00
Invoice Date: 02/03/2015 Invoice #: A14128					
Acct #: 6500000000 2291012 JL #: N/A..N/A					
<b>Check Total:</b>					<b>95,949.00</b>
<b>Check # AP 00560457 LAKE WA SCHOOL DISTRICT</b>	Vendor #: V00918	Check Date: 03/17/2015			Machine Written
Address Code: R8 ATTN ACCOUNTING					
PO BOX 97039					
REDMOND W 98073-9739					
Desc: SCHOOL IMPACT FEES FEBRUARY	PO #:				81,926.00
Invoice Date: 03/03/2015 Invoice #: A14426					
Acct #: 6500000000 2291012 JL #: N/A..N/A					
<b>Check Total:</b>					<b>81,926.00</b>
<b>Check # AP 00561224 LAKE WA SCHOOL DISTRICT</b>	Vendor #: V00918	Check Date: 04/15/2015			Machine Written
Address Code: R8 ATTN ACCOUNTING					
PO BOX 97039					
REDMOND W 98073-9739					
Desc: MARCH 2015 SCHOOL IMPACT FEES	PO #:				66,755.00
Invoice Date: 04/01/2015 Invoice #: A14986					
Acct #: 6500000000 2291012 JL #: N/A..N/A					
<b>Check Total:</b>					<b>66,755.00</b>
<b>Check # AP 00561854 LAKE WA SCHOOL DISTRICT</b>	Vendor #: V00918	Check Date: 05/13/2015			Machine Written
Address Code: R1 ATTN ACCOUNTS RECEIVABLE					
PO BOX 97039					
REDMOND W 98073					
Desc: SCHOOL IMPACT FEES APRIL	PO #:				102,009.00
Invoice Date: 05/04/2015 Invoice #: A15694					
Acct #: 6500000000 2291012 JL #: N/A..N/A					
<b>Check Total:</b>					<b>102,009.00</b>
<b>Check # AP 00562560 LAKE WA SCHOOL DISTRICT</b>	Vendor #: V00918	Check Date: 06/10/2015			Machine Written
Address Code: R1 ATTN ACCOUNTS RECEIVABLE					
PO BOX 97039					
REDMOND W 98073					
Desc: SCHOOL IMPACT FEES MAY	PO #:				191,159.00
Invoice Date: 06/02/2015 Invoice #: A16165					
Acct #: 6500000000 2291012 JL #: N/A..N/A					
<b>Check Total:</b>					<b>191,159.00</b>
<b>Check # AP 00563437 LAKE WA SCHOOL DISTRICT</b>	Vendor #: V00918	Check Date: 07/15/2015			Machine Written

Check Register Report  
By Vendor Name

Amounts

				Amounts
Address Code: R8	ATTN ACCOUNTING			
	PO BOX 97039			
	REDMOND	W	98073-9739	
Desc: SCHOOL IMPACT FEES JUNE		PO #:		
Invoice Date: 07/06/2015	Invoice #: A16634			173,237.00
Acct #: 6500000000	2291012	JL #: N/A..N/A		
			<b>Check Total:</b>	<b>173,237.00</b>
<b>Check # AP 00564341 LAKE WA SCHOOL DISTRICT</b>		Vendor #: V00918	Check Date: 08/19/2015	Machine Written
Address Code: R8	ATTN ACCOUNTING			
	PO BOX 97039			
	REDMOND	W	98073-9739	
Desc: SCHOOL IMPACT FEES JULY		PO #:		
Invoice Date: 08/04/2015	Invoice #: A17205			160,269.00
Acct #: 6500000000	2291012	JL #: N/A..N/A		
			<b>Check Total:</b>	<b>160,269.00</b>
<b>Check # AP 00565019 LAKE WA SCHOOL DISTRICT</b>		Vendor #: V00918	Check Date: 09/15/2015	Machine Written
Address Code: R1	ATTN ACCOUNTS RECEIVABLE			
	PO BOX 97039			
	REDMOND	W	98073	
Desc: SCHOOL IMPACT FEES AUGUST		PO #:		
Invoice Date: 09/02/2015	Invoice #: A17657			129,570.00
Acct #: 6500000000	2291012	JL #: N/A..N/A		
			<b>Check Total:</b>	<b>129,570.00</b>
<b>Check # AP 00565653 LAKE WA SCHOOL DISTRICT</b>		Vendor #: V00918	Check Date: 10/14/2015	Machine Written
Address Code: R8	ATTN ACCOUNTING			
	PO BOX 97039			
	REDMOND	W	98073-9739	
Desc: SCHOOL IMPACT FEES SEPTEMBER		PO #:		
Invoice Date: 10/05/2015	Invoice #: A18092			183,987.00
Acct #: 6500000000	2291012	JL #: N/A..N/A		
			<b>Check Total:</b>	<b>183,987.00</b>
<b>Check # AP 00566597 LAKE WA SCHOOL DISTRICT</b>		Vendor #: V00918	Check Date: 11/18/2015	Machine Written
Address Code: R1	ATTN ACCOUNTS RECEIVABLE			
	PO BOX 97039			
	REDMOND	W	98073	
Desc: SCHOOL IMPACT FEES OCTOBER		PO #:		
Invoice Date: 11/05/2015	Invoice #: A18696			220,626.00
Acct #: 6500000000	2291012	JL #: N/A..N/A		
			<b>Check Total:</b>	<b>220,626.00</b>
<b>Check # AP 00567090 LAKE WA SCHOOL DISTRICT</b>		Vendor #: V00918	Check Date: 12/08/2015	Machine Written
Address Code: R1	ATTN ACCOUNTS RECEIVABLE			
	PO BOX 97039			
	REDMOND	W	98073	
Desc: SCHOOL IMPACT FEES NOVEMBER		PO #:		
Invoice Date: 12/02/2015	Invoice #: A19065			86,607.00
Acct #: 6500000000	2291012	JL #: N/A..N/A		
			<b>Check Total:</b>	<b>86,607.00</b>
			<b>Grand Total:</b>	<b>1,637,743.00</b>



## CITY OF KIRKLAND

Department of Finance & Administration  
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100  
www.kirklandwa.gov

### MEMORANDUM

**To:** Kurt Triplett, City Manager

**From:** Barry Scott, Purchasing Agent

**Date:** March 3, 2016

**Subject:** REPORT ON PROCUREMENT ACTIVITIES FOR COUNCIL MEETING OF MARCH 15, 2016.

This report is provided to apprise the Council of recent and upcoming procurement activities where the cost is estimated or known to be in excess of \$50,000. The "Process" column on the table indicates the process being used to determine the award of the contract.

The City's major procurement activities initiated since the last report, dated February 18, 2016, are as follows:

	Project	Process	Estimate/Price	Status
1.	Engineering Consulting Services for 100 <sup>th</sup> Ave NE Corridor Study	A&E Roster Process	\$2,814,639.88	Contract awarded to HDR Engineering, Inc. of Bellevue based on qualifications per RCW 39.80.
2.	Design of Suspended Acoustic Ceiling for Kirkland Justice Center	A&E Roster Process	\$50,560	Contract awarded to Lambright Design Group of Seattle based on qualifications per RCW 39.80.
3.	Construction Inspection Services for NE 80 <sup>th</sup> Street Sewer & Watermain Replacement – Phase II	A7E Roster Process	\$248,772	Contract awarded to WHPacific, Inc. of Bothell based on qualifications per RCW 39.80.

Please contact me if you have any questions regarding this report.

**CITY OF KIRKLAND**

Department of Public Works

123 Fifth Avenue, Kirkland, WA 98033 425.587.3800

[www.kirklandwa.gov](http://www.kirklandwa.gov)

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**MEMORANDUM**

**To:** Kurt Triplett, City Manager

**From:** Kathy Brown, Public Works Director  
David Godfrey, Transportation Manager  
Jenny Gaus, Surface Water Engineering Supervisor

**Date:** March 9, 2016

**Subject:** ST3 Options and Environmental Considerations on the Cross Kirkland Corridor

**RECOMMENDATION:**

It is recommended that the City Council receive a briefing covering the following items related to ST3 Options on the Cross Kirkland Corridor (CKC) and then review and approve a final letter to the Sound Transit Board prior to Sound Transit's expected issuance of a draft system plan on March 24. This update includes:

- A brief history of High Capacity Transit (HCT) options considered on the CKC.
- An assessment of the quality of environmental resources along the CKC.
- Potential environmental permitting processes and requirements in relation to the Critical Areas (Chapter 90 of the Kirkland Zoning Code) update.
- Current status of ST3 and draft letter for review and approval by the City Council.

The information provided in this briefing is related to the ST3 2016 Ballot Measure and ST3 project options on the CKC.

**Review of the History of the CKC**

In 2008, a segment of the Burlington Northern/Santa Fe (BNSF) Railroad now known as the Eastside Rail Corridor (ERC) was purchased by the Port of Seattle. Shortly thereafter, the City of Kirkland Transportation Commission proposed, and the City Council adopted, an interest statement for how the corridor should be developed in Kirkland. Around the same time, also recognizing the importance of the ERC as a regional transportation corridor, Sound Transit purchased an easement on the ERC for high capacity transit (HCT).

Recognizing the critical need for improved north-south transportation within and through Kirkland, and the multimodal opportunities provided by the ERC, the City of Kirkland purchased a 5.7 mile segment of the ERC (with the Sound Transit easement in place) to ensure its speedy development as a pedestrian/bike corridor and to preserve opportunities for the best possible transit service in the future. Following extensive public outreach, City staff developed and City Council approved a Master Plan for the City's segment of the ERC, known as the Cross Kirkland Corridor (CKC). The CKC Master Plan sets forth policy and concept designs for development of a fully multimodal transportation corridor, which includes transit as an essential component.

With the CKC Master Plan in place, an interim trail was quickly designed and constructed by the City to put the corridor to immediate community use. The Interim Trail on the CKC is an amazing

new transportation corridor for pedestrians and bicyclists. It provides a healthy, non-motorized means of transportation to work, school, businesses, and parks. It also provides a place for people to recreate and for communities to come together. A large part of the CKC runs through residential neighborhoods. The Interim Trail passes through parks and by schools. Unlike many other parts of the Sound Transit system, the non-motorized pedestrian, bike, and community uses pre-exist on the CKC, and are well-loved by Kirkland's residents and businesses.

Transit on the CKC needs to be tailored to this environment. It needs to enhance – not diminish – the community connections that have been created with the Interim Trail.

### **ST3 Options**

The CKC Master Plan included transit on the Corridor, and the City initially thought the CKC Master Plan vision would likely include light rail. Staff's perspective has changed over time, based on extensive community engagement and technical analysis. Staff is now certain that Bus Rapid Transit is the HCT mode that will best meet the transit needs of our community. The analysis that led to this conclusion began in 2015, when staff and some City Council members were informed by Sound Transit that light rail on the CKC would not likely be part of the ST3 package and that the most likely outcome for Kirkland in ST3 would be a Record of Decision for future light rail, and perhaps some preliminary concept design work.

Kirkland has embraced the region's Growth Management policies. Our population and employment forecasts along the CKC predict substantial growth, adding to already congested streets. Our Comprehensive Plan, Transportation Master Plan, and our CKC Master Plan, all included transit on the CKC as a key strategy to deal with near-term future transportation issues. Current employment and housing along the CKC is significant; this area is also targeted for future growth. Given this situation, staff turned to the option of BRT as a lower cost, nearer-term concept that could be included in ST3 at a significantly lower cost than light rail.

The Public Works Department hired a team of consultants, including Transpo, BRT Planning International, and Perteet, to evaluate the concept of BRT on the Eastside Rail Corridor. BRT Planning International has been responsible for planning BRT systems all over the world. The consultants concluded that BRT would not only work as a transportation solution, it had several significant transportation advantages over light rail:

- **Flexibility.** Buses have the flexibility to exit the dedicated guideway to pick up passengers at key areas, including downtown Kirkland, the hospitals on 116th Avenue Northeast in Bellevue, and Evergreen Hospital in Kirkland.
- **Lower Cost.** This concept seems intuitive when one looks at the infrastructure required for each mode. The consultants produced rough, order-of-magnitude cost comparisons. Interestingly, the Sound Transit template estimates show higher BRT construction costs than anywhere in the country (perhaps the world), for a basic surface busway. Additionally, the cost estimates for BRT buses in the ST estimates are double what our consultants have seen elsewhere in the country, and are significantly higher than Metro's bus costs. But even Sound Transit's higher cost estimates for BRT on the CKC are 50% less than ST's estimates for light rail on the CKC.

- **A BRT guideway could be used by Sound Transit and Metro Transit.**
  - Using the dedicated BRT guideway, Metro buses could avoid the I-405 and 520 Interchange and other congested areas, saving significant time for each route.
  - Metro ridership should significantly increase with a dedicated BRT guideway. On the Rapid Ride bus lines, which do not have all the amenities that could be brought to a BRT system on the ERC, ridership has increased by over 50% since implementation of Rapid Ride.
- **A BRT guideway could be used by private transit services**, such as the Microsoft Connector or a Google transportation system.
- **BRT can get Kirkland riders directly where they need to go.** Recent analysis of census data shows that 90 percent of people who live in Kirkland work outside of Kirkland, while 92 percent who work in Kirkland live outside of Kirkland. Dealing with commuter traffic is critical to our city. According to the consultants' research, most Kirkland transit riders are traveling to Seattle. The ability to run buses along the CKC would provide buses access to the dedicated access ramp near the South Kirkland Park and Ride, avoiding both congested streets and the congested freeway interchange.
- **BRT capital investments are more adaptable toward future transportation technologies**, with greater flexibility than light rail capital investments.

Simultaneously with the technical work, staff launched an intensive community outreach effort, letting our community know that Sound Transit had received approval from the State legislature to move forward with an ST3 ballot measure that could include HCT on the CKC. The staff team worked hard within a very tight timeframe to get public input on potential ST3 options. As a result of over 30 stakeholder outreach meetings, staff learned that, above all, our community loves the CKC as a pedestrian and bike trail. There is a tremendous fear that transit on the corridor will obliterate the trail or ruin the trail experience.

**There was strong community support for a fundamental requirement that the CKC be built out to the vision of the CKC Master Plan, including the construction of pedestrian and bike trails, creation of community gathering places, and preserving/enhancing the natural environment.**

More specifically, here is what staff learned from the community engagement efforts:

- **The community wants accessibility and cross-ability.** After having neighborhoods divided for so many years by the BNSF rail system, the CKC Interim Trail has acted as a unifying force in our community. Neighborhoods, long divided by railway tracks, have become unified. Our citizens are enthusiastically volunteering to work with the City to build pathways, walkways, stairways, and bridges to connect neighborhoods to the trail. People want to access, use, and traverse the trail all along the corridor. A few limited crossings at intersections and stations would not be acceptable. The fences needed to protect light rail would once again bisect communities, and will not be tolerated by our residents. As there are no fences to protect pedestrians from buses on streets, fences are not necessary with a BRT system on the CKC and the ability to traverse the CKC can be preserved.

- **Safety for Trail users.** Although both light rail and BRT options can be constructed to provide safety, the safety requirements for light rail reduce accessibility and cross-ability.
- **Minimize impacts to trees, views, habitat.** Although BRT and light rail have similar footprints, BRT can have much shorter stations. Also, busways can be more easily built to wind around sensitive areas. The catenary poles for light rail have significant visual impact and the wide aerial swath required for overhead rail catenary systems would necessitate tree removal, potentially ruining the forested parts of the CKC, particularly in the Crestwoods and Cotton Hill Park areas.
- **Minimize noise, smell, and adverse impacts to air quality.** Electric buses would be much quieter than trains, and would have near-zero emissions. They would also be far less noisy and disruptive at crossings.
- **Minimize parking impacts.** Because buses can exit the corridor to pick up and drop off passengers at high-density residential and employment areas, there should be fewer parking issues along the CKC with BRT than there would be with light rail.
- **Greatest value for investment.** Kirkland businesses and residents want their taxpayer dollars to go toward investments that provide the greatest value to our city. Based on the consultants' analysis, BRT on the CKC is the mode that would provide the greatest ridership benefits at the lowest cost.

### *Where are We Today?*

The ST3 Ad Hoc Committee of the Kirkland City Council has met with the three Eastside members of the Sound Transit Board of Directors, as well as the Board Chair, Dow Constantine. It appears from these meetings that, in spite of the extensive community outreach and research we have done and presented to Sound Transit the ST Board members still believe that light rail is the best HCT mode for the CKC. Our compromise proposal to use "light rail with flexibility" language in the ballot measure, allowing for a final mode decision at a later date, has also been rejected.

It is our belief that the structural requirements of a light system and its appurtenances, noise from trains (particularly at crossings and stations), and the need for protected separation between pedestrians and tracks, will serve to ruin the character of the CKC, will divide the community and will forestall our ability to realize the vision of the CKC Master Plan.

### **The Kirkland Compromise**

In the most recent meeting with the Eastside Sound Transit Board members and Board Chair Constantine, the City of Kirkland offered one final compromise that could serve the interests of both the Board and the City. The concept would be for Sound Transit to fund, in ST3, the pre-development work necessary for any future HCT system on the CKC and construction of the regional trail. This approach would set aside 250 million dollars for the following:

- To secure and prepare the Eastside Rail Corridor for future HCT from the Totem Lake Urban Center to the Wilburton Station in Bellevue, and
- To provide design money for future HCT construction to achieve a Record of Decision, and
- To construct a Regional Trail connection necessary to preserve the Eastside Rail Corridor's railbanked status under the National Trails Systems Act (16.U.S.C. 1247(d)).

Phase 2 HCT construction would be funded in subsequent Sound Transit ballot measures. Draft language for this option is included below:

*From Totem Lake to the South Kirkland Park and Ride, the project would relocate and rebuild the existing Interim Trail as a permanent Regional Trail, consistent with the vision of the City of Kirkland's CKC Master Plan. A transit envelope of at least 30 feet would be reserved, primarily on the eastern portion of the Corridor, for the future HCT system. From the South Kirkland Park and Ride to Wilburton Station, the Regional Trail would be constructed in a manner consistent with King County's Eastside Rail Corridor Regional Trail Plan, while reserving sufficient space in the Eastside Rail Corridor for the future HCT system.*

*This project works is coupled with BRT on I-405, an inline station at NE 85th Street and transit service directly connecting Downtown Kirkland and Downtown Redmond along NE 85th Street.*

Below is a brief synopsis of the major benefits of this compromise strategy:

- Connects Kirkland and Redmond to I-405 BRT and to each other with transit service.
- Provides a significant and tangible investment for Kirkland residents and Council to support.
- Constructs the final regional trail according to Kirkland's vision and in the right place, creating certainty that the trail will always be there and that it will not be displaced or diminished by transit in the future.
- Preserves the railbanked status of both the CKC and the Eastside Rail Corridor.
- Dedicates space on the Cross Kirkland Corridor and the Eastside Rail Corridor for HCT, creating certainty about the location of future transit.
- Postpones the transit mode decision to the next ballot measure and allows time for Sound Transit and the Kirkland community to determine the best mode together.
- Provides funding to design the agreed-upon HCT mode and to achieve a Record of Decision to set the stage for construction in future ST ballot measures.
- Saves Sound Transit significant money in the ST3 ballot measure by avoiding the need to fund a 750 million dollar BRT line or a 1.5 billion dollar light rail line.

**Attached to this memo for City Council's review and approval is a draft letter from the City Council to the Sound Transit Board of Directors, suggesting the proposed compromise as a way to move forward collaboratively on ST3 (Attachment A). This letter was drafted by staff based on feedback from the Council retreat. The draft has**

**not yet been reviewed or approved by any Council member. Staff is seeking revisions and final approval of the letter by the full Council at the Council meeting.**  
**Environmental Concerns**

Although the City has heard from many stakeholders that they would like to see HCT on the CKC in the future, even transit supporters have raised concerns about holding Sound Transit and future HCT to the vision of the CKC Master Plan. This concern has, in at least one stakeholder group, Save Our Trail (SOT), focused on the natural environment along the Corridor. As evidenced in the CKC Master Plan, the City shares the goal preserving and enhancing the environment along the Corridor, and sees future development of the corridor as a means of achieving this goal. What follows is a high level overview. Much more work needs to be done and further updates will be provided to the Council as part of the Critical Areas Update process.

Staff have found, through technical analysis, that BRT would require less width in the Corridor than light rail. This is due, in large part, to the requirements of the catenary system needed to supply electricity to Corridor. Mode aside, there have been assertions made in public forums, that HCT cannot or should not be built along the CKC due to environmental concerns. The remainder of this memo focuses on this issue, providing information about the existing environmental conditions, potential habitat enhancement opportunities, and the environmental permitting requirements that would be required for ***any development*** work along the CKC, ***including construction of trails.***

*Geographic Scope of the CKC Master Plan and HCT Options*

The CKC Master Plan calls for redevelopment of the entire Corridor owned by Kirkland. The current HCT options under consideration would place HCT on the CKC between the City limits at 108<sup>th</sup> Ave in the south, and the vicinity of the intersection of NE 124<sup>th</sup> Street and 124<sup>th</sup> Avenue NE. This memo addresses environmental resources in that area. Although Totem Lake and streams and wetlands east of Totem Lake will be considered in the final buildout of the CKC Master Plan, they are not impacted by any of the HCT options and therefore are not discussed in this memo.

*Overview of Environmental Resources in the CKC*

The Cross Kirkland Corridor was created as a railroad corridor in the early 1900s. Construction of the railroad bed required extensive grading, placement of fill, and installation of culverts. The result of this work was an altered environment; streams were confined to ditches, culverts restricted flow, and water ponded along new embankments. In addition, clearing of the corridor provided a pathway through which invasive species could spread.

The Burlington Northern and Santa Fe Railroad, the previous owner of the CKC, managed the corridor primarily for train travel. The ecology of the corridor was managed only in relation to that function. Vegetation was aggressively cleared from the area around the tracks, and ditches were regularly scraped of vegetation to promote conveyance of runoff. Herbicides and pesticides were routinely applied. As BNSF use of the corridor waned, so did their maintenance. This neglect sped the incursion of invasive species and worsened surface water issues due to siltation of ditches and culverts.

Since the City purchased the CKC in 2012, the railroad tracks have been removed, and an interim trail has been constructed. The corridor is managed for transportation to the degree that City budgets allow. Herbicide and pesticide use is reduced, for example, but concerns over the spread

of invasive species persist. Many culverts are in need of repair, and City funding for those fixes is limited. The following sections summarize the current quality of major resources in the context of the City as a whole: wetlands, streams, and trees/vegetation. Finally, an overview is presented of the type and amount of environmental mitigation that is typically provided with transportation projects.

### *Wetlands*

There are 10 wetlands identified that are within or intersect the potential HCT portion of the CKC as noted in the Widener report (Widener & Associates, 2013). Total wetland area in the potential HCT portion of the CKC is 1.53 acres, with the largest measuring 0.54 acres, the smallest measuring 0.015 acres, and all but one being smaller than 0.14 acres. Some wetlands are associated with streams, while others are created by ponding associated with the Railroad.

### *Streams and Fish Usage*

The CKC traverses seven drainage basins. Streams that are in the vicinity of the CKC, with one exception discussed below, have the main ecological function of providing clean cool water to Lake Washington. Streams are discussed moving from south to north along the CKC.

South of NE 68<sup>th</sup> Street, the CKC traverses 4 small drainage basins. Streams are steep channels that, with the exception of Cochran Springs and Carillon Creeks have largely been piped near their confluences with Lake Washington. Some of these channels may have historically provided fish habitat in their lower reaches, but habitat was likely minimal in the vicinity of the CKC due to steep slopes and intermittent flows. Cochran Springs Creek and the associated Yarrow Bay wetlands provide good habitat up to NE 38<sup>th</sup> Street, but culverts at NE 38<sup>th</sup> Street and at the CKC prevent further passage upstream. Current City sensitive areas maps note fish usage in this creek near the CKC, but because of significant passage barriers, "It seems likely that the coho captured had been planted in the creek" (Watershed Company, 1998). Carillon Creek has been partially restored through the Carillon Point development, but Lake Washington Boulevard is a barrier to further upstream fish passage.

The Moss Bay basin encompasses a series of small streams between NE 68<sup>th</sup> Street and approximately NE 110<sup>th</sup> Street. Everest Creek, which runs through Everest Park and downtown Kirkland, is the largest of these channels. Many of these streams, particularly in the Highlands neighborhood, are diverted along the corridor for a portion of their length, some are split into two channels by the railroad bed, and all are piped adjacent to Lake Washington with most converging in a pipe that runs beneath Central Way in downtown Kirkland. Everest Creek has the potential to support a resident trout population, but is in need of significant restoration/stabilization in the vicinity of the CKC and upstream of Everest Park to slow erosion and to restore physical habitat features.

Forbes Creek is the only basin that supports fish usage in the vicinity of the CKC. Forbes is the second largest watershed in the city, covers 16% of the area of the City, and contains the largest area of wetlands of any watershed in the city. The large wetland complex in the valley adjacent to Lake Washington is under city ownership (Kirkland Surface Water Master Plan, 2014). The area near where Forbes Creek crosses beneath the CKC is in need of habitat restoration. The culverts beneath the CKC and an associated siding are a partial barrier and a hindrance to fish passage respectively. The channel has been re-routed from its historic path to accommodate construction of the Par Mac industrial park in 1978, and because of the presence of the railroad corridor.

Channel erosion and simplification due to increased stormwater flows has degraded habitat through this area (see discussion of stormwater below). In addition, a 344-foot long 48" pipe located about 340 feet upstream of the CKC constitutes a complete fish passage barrier. The Kirkland Zoning Code (KZC 55.89) requires that redevelopment of the property containing this pipe provide or leave space for stream restoration, but there are no current redevelopment plans. An effort to daylight and restore this section of stream as part of mitigation for I-405 was unsuccessful because of the current layout of buildings and the 72" Metro sewer line that runs through the property.

Juanita is the largest drainage basin in the City and has the largest fish habitat potential as measured by existing miles of open stream channel. The potential HCT portion of the CKC passes through a small portion of the Juanita basin from approximately NE 116<sup>th</sup> Street to NE 124<sup>th</sup> Street. This area of the basin does not contain any stream channels. Water that flows along the CKC in this area is likely largely stormwater runoff that is diverted into ditches on either side of the railroadbed.

As part of the *2014 Surface Water Master Plan*, stream culverts along the CKC, as well as publicly-owned culverts throughout the city, were surveyed for their fish passage status (see [Appendix E](#) of the Surface Water Master Plan). Culverts were prioritized for addressing fish passage barriers based on factors including whether the stream is known to be fish-bearing, the amount of available upstream habitat, and the cost of addressing the barrier.

Every one of the 21 culverts along the CKC is noted as being between a hindrance and a total barrier to fish passage, with 18 being either partial or full barriers (Attachment B)-. At the same time, projects to address these barriers are a low priority relative to other culverts in the City because they are largely on non-fish-bearing streams, and because there is lack of habitat upstream of the culverts. Of the CKC culverts, the one that takes Forbes Creek beneath a spur of the CKC is the highest priority (Culvert FO-7 in Appendix E of the 2014 Surface Water Master Plan), but this still only ranks as a 2 on a scale of 4 (1 being the highest priority) because it is a partial barrier, as opposed to a full barrier, and because of the presence the complete pipe barrier a short distance upstream.

Citywide, 65 publicly-owned culverts provided better conditions, with 15 being completely passable. Projects to address the 6 highest priority passage barriers are being incorporated into Kirkland's Capital Improvement Plan.

### *Trees and Vegetation*

An inventory of trees within the CKC has not yet been completed. In general, the area around the interim trail has historically been kept free of trees. Cottonwood, alder, and other short-lived species may dominate the area immediately adjacent to the tracks, while longer-lived trees are likely more prevalent near the edges of the corridor. Pruning and removal of trees for risk reduction is the main forest management activity in the CKC at this time.

As noted in an investigation and wetland delineation report conducted in 2013 (Widener & Associates, 2013), "As the project area is primarily located within railroad track right-of-way (ROW) the predominant vegetation is roadside grasses and shrubs including species such as creeping buttercup (*Ranunculus repens*), salmonberry (*Rubus spectabilis*), garden bir'd-foo-trefoil (*Lotus corniculatus*), common velvetgrass (*Holcus lanatus*), subarctic lay-ferm (*Athyrium filix-*

femina) and horsetail. Forested areas include black cottonwood (*Populus balsamifera*), red alder (*Alnus rubra*), Douglas-fir (*Pseudotsuga mensiesii*), and big-leaf maple (*Acer macrophyllum*).”

A wide range of invasive species have been mapped in the CKC (Attachment C). As noted previously, the CKC has for many years been kept clear of trees for the purposes of transit (trains or a bike/pedestrian trail), which has created a clear pathway for the spread of invasive species.

### *Stormwater Management*

Stormwater is one of the largest sources of pollution to Puget Sound. In addition, the altered flow patterns of stormwater runoff have degraded physical habitat in our streams. Kirkland has regulations requiring new development and redevelopment sites to provide flow control and water quality treatment of stormwater. However, the majority of stormwater runoff in the city comes from existing development, and receives little treatment or flow control before it enters local streams or Lake Washington. Retrofit of treatment and flow control to serve existing development is a priority in the 2014 Surface Water Master Plan. Because of topography, the CKC intercepts much of this runoff, which generally travels from east to west through the city. The corridor presents an opportunity to provide water quality treatment of this runoff. Treatment facilities to serve 3 locations along the CKC were designed as part of a recent Department of Ecology grant project.

HCT and/or permanent trail development would result in creation of impervious surface in the CKC. Treatment and flow control would need to be provided for runoff from these surfaces according to City standards in place at the time the corridor is developed.

### *Environmental Mitigation Associated with HCT and/or Trail Development*

The City is in the process of updating the critical areas regulations found in the Kirkland Zoning Code to comply with GMA requirements to use Best Available Science (BAS) to manage our natural resources. State guidance on BAS has evolved significantly since the City’s last update so the changes required are fairly significant. At this point, the Planning Commission has held two study sessions to provide guidance on wetland and stream classification systems and potential buffers from those critical areas. Staff anticipates the Planning Commission recommendation to Council sometime in the summer if the process goes smoothly.

While it is premature to speculate on all of the detailed rules that would apply to the buildout of the CKC Master Plan, the basic regulatory concepts for city, state, and federal jurisdictions are similar for any type of public or private development that impacts streams and wetlands. That concept is known as mitigation sequencing. In summary, mitigation sequencing consists of the following sequential steps as part of project planning and permitting:

1. **Avoid** – take appropriate and practicable steps to avoid impacts if possible
2. **Minimize** – to the extent that impacts cannot be avoided, limit the degree or magnitude of the impacts by using appropriate technology or taking steps to avoid or reduce impacts
3. **Restore** – after avoidance and minimization, if impacts remain, repair, rehabilitate, or restore the affected environment

4. **Compensate** – if restoration is not possible or incomplete, replace, enhance, or provide substitute resources

A couple examples of mitigation sequencing are illustrated in the following chart using questions and criteria that might be included in an agency's review.

	<b>I-405 Nickle Project</b>	<b>Single Family Home</b>
<b>Avoid</b>	Can impacts be avoided? <ul style="list-style-type: none"> <li>No – a project to add new lanes in will have impact. <i>Proceed to next steps.</i></li> </ul>	Can impacts be avoided? <ul style="list-style-type: none"> <li>No – site is severely encumbered by wetland and buffers. . <i>Proceed to next steps.</i></li> <li>Yes – site has space outside of wetland and buffer to locate reasonably size home. <i>No need to proceed to top here.</i></li> </ul>
<b>Minimize</b>	Are there way to configure lanes to minimize the footprint? Can a bridge or fish passable culvert be used?	Can the home be sited further from the wetland? Can the footprint change to reduce the impact?
<b>Restore</b>	Revegetate disturbed areas	Revegetate disturbed areas
<b>Compensate</b>	Rehabilitate degraded wetlands and/or create new wetlands on site or off site <sup>1</sup>	Rehabilitate degraded wetlands and/or create new wetlands on site or off site at prescribed ratio

Note the examples above presume there is an applicant proposing a specific project at a specific location. The decision to build is typically made prior to the permit application. For example, the decision to build lanes on I-405 was made by the WSDOT and voters, and mitigation sequencing was applied to that project. Similarly, an owner of a vacant lot has decided to build a home on that lot. Impact avoidance would not imply that an agency would tell WSDOT to build a freeway elsewhere or a property owner to develop a different lot.

This is an important point as community members have raised the issue of avoiding impacts to wetlands by moving the transit to I-405. The project to be evaluated is transit on the CKC. Avoiding impacts by shifting to a different right of way is the equivalent of telling WSDOT to build a freeway elsewhere or requiring the trail components of the CKC Master Plan to be placed on I-405. In addition, the City has always advocated for BRT transit on *both* the CKC and I-405. The two options serve different riders and both routes are necessary to serve both Kirkland and the region.

Due to over 100 years of development and transportation projects, high functioning streams, wetlands, and associated buffers are uncommon. As a result, even under current regulations, well designed restoration and compensation can often result in better conditions than existing, particularly for low quality wetlands. Under Department of Ecology guidance, compensation requirements for impacts can vary from a ratio of 1:1 up to 16:1 and at least five years of monitoring and maintenance is required to assure that the mitigation is successful.

<sup>1</sup> WSDOT purchased land around Forbes Lake to create and restore wetlands as one way of compensating for impacts

## **Environmental Summary**

Natural resources on the CKC are significant, but in good condition and are not necessarily the highest priorities in the City for stand-alone restoration. Environmental mitigation that would accompany buildout of the CKC Master Plan would improve the quality of these resources in a shorter timeframe than City resources alone would allow.

The exact mitigation requirements and process for buildout of the CKC Master Plan are not known at this point. Update of the city critical areas regulations in Chapter 90 of the Zoning Code may provide an evaluation process and options that would result in improved environmental conditions along the CKC.

## References

Brown and Caldwell/Altaterra, 2014. *Kirkland Surface Water Master Plan*. Prepared for the City of Kirkland Public Works Department. Adopted by City Council in November, 2014 and amended in November, 2015.

The Watershed Company, 1998. *Kirkland's Stream, Wetlands and Wildlife Study*. Prepared for Planning and Community Development, City of Kirkland.

Widener & Associates, 2013. *Wetland Investigation and Delineation Report for the Cross Kirkland Corridor Project Kirkland, King County, Washington*. Prepared for the City of Kirkland Public Works Department.

Cc: Eric Steward, Planning & Building Director  
Paul Stewart, Planning & Building Deputy Director  
Jeremy McMahan, Planning Manager – Development Services  
Rob Jammerman, Development and Environmental Services Manager

March 15, 2016

Sound Transit Board  
c/o Board Administrator  
401 S. Jackson Street  
Seattle, WA 98104-2826

Dear Sound Transit Board:

We are writing to you prior to the release of the draft system plan to emphasize the investments that need to be in the ST3 package to adequately serve Kirkland, the Eastside, and the region.

The City of Kirkland supports the intensive capital option of E-02, I-405 Bus Rapid Transit (BRT). This option must include an in line transit station on I-405 at NE 85<sup>th</sup> Street (E-02c1), as well as transit service along NE 85<sup>th</sup> Street (E-02c2) that links Downtown Kirkland to I-405 and to Downtown Redmond.

In addition, Kirkland supports candidate project E-06, BRT on Eastside Rail Corridor (ERC) from Kirkland to Bellevue. Kirkland's analysis shows that BRT on the Cross Kirkland Corridor (CKC) is significantly less expensive than light rail, provides much more flexible service, including the ability to directly serve Downtown Kirkland, and can be integrated with Metro Transit service to provide much higher ridership than light rail. Just as importantly, BRT on Kirkland's segment of the ERC, known as the Cross Kirkland Corridor is the only transit mode that can adequately address the impacts of transit raised by Kirkland residents through Kirkland's extensive public outreach process. These concerns include noise, emissions, visual and environmental impacts, safety of pedestrians and cyclists, retaining the ability to traverse the CKC east-west throughout its length, and preserving the neighborhood look and feel of the CKC. Electric BRT service can mitigate the concerns of our community; light rail cannot.

On March 1, three members of our City Council met with Sound Transit Board members John Marchione, Claudia Balducci, Fred Butler and with Board Chair Dow Constantine. During that discussion, the Sound Transit Board members communicated that the Board would not support BRT on the CKC and that Kirkland should accept light rail instead.

We are disappointed with this communication from the Eastside members of Sound Transit Board and the Board Chair. No analysis of why BRT is unacceptable, or why light rail is a more effective service, has been provided to Kirkland. Nor has any information been provided as to how community concerns could be addressed by light rail. Instead, the City is simply being told that light rail is the "vision" of the region and that light rail makes the ST3 measure more likely to be approved by voters.

Kirkland does believe light rail can be an effective transit mode for parts of the region, just not along the CKC. The CKC is unique as it is the only corridor being evaluated for light rail that is not along a major arterial or highway. The railbanked status of the CKC also requires that a trail exist on the corridor, which is not the case with any other potential light rail investment. The Sound Transit staff analysis shows that light rail on the CKC would cost nearly 1.5 billion dollars and deliver only 5,000 riders per day *by 2040*. This is fewer riders than Metro Route 255 *currently* carries each day through Kirkland. Light rail on the CKC would be one of the highest cost-per-rider investments in the entire system, would irreparably harm the CKC and would make it nearly impossible to realize the CKC Master Plan vision created by our residents and adopted by the City Council. For these reasons, Kirkland cannot accept light rail on the CKC.

**The wrong transit is worse than no transit on the CKC at this time. If light rail on the Cross Kirkland Corridor is included in the ST 3 package, Kirkland would have to oppose the ballot measure.**

#### *The Kirkland Compromise*

However, the City of Kirkland does want to support the ST3 measure and see ST3 be passed by the voters. It is critical to the economic viability of both Kirkland and the region that more transit solutions are made available throughout the three county area. Therefore the City of Kirkland would like to suggest a compromise to the full Board to resolve this impasse. This compromise was proposed to the four Sound Transit Board members in the March 1 meeting.

The concept, modeled after the [Atlanta BeltLine](#) development strategy that was presented at the East Side Rail Corridor Summit in January, would be for Sound Transit to fund in ST3 the pre-development work necessary for any future HCT system on the CKC and connecting to Bellevue. This approach would set aside 250 million dollars for "Phase 1" and accomplish the following:

- To construct a Regional Trail connection from Sound Transit's Totem Lake terminus to Sound Transit's Wilburton Station in Bellevue along the CKC and the Eastside Rail Corridor. This trail connection is necessary to preserve the Eastside Rail Corridor's railbanked status under the National Trails Systems Act (16.U.S.C. 1247(d)).
- To prepare the Eastside Rail Corridor for future HCT from the Totem Lake Urban Center to the Wilburton Station in Bellevue by clearly defining the future transit envelope along the CKC and the ERC.
- To provide design money for future HCT along the CKC and the ERC to achieve a Record of Decision.

Phase 2 HCT construction would be funded in subsequent Sound Transit ballot measures.

Suggested system plan language for the system plan to implement this compromise is as follows:

*"From Totem Lake to the South Kirkland Park and Ride, the project would relocate and rebuild the existing Interim Trail as a permanent Regional Trail, consistent with the vision of the City of Kirkland's CKC Master Plan. A transit envelope of at least 30 feet would be reserved, primarily on the eastern portion of the Corridor, for the future HCT system. From the South Kirkland Park and Ride to Wilburton Station, the Regional Trail would be constructed in a manner consistent with King County's Eastside Rail Corridor Regional Trail Plan, while reserving sufficient space in the Eastside Rail Corridor for the future HCT system.*

*This project works in concert with BRT on I-405, with an inline station at NE 85th Street and transit service directly connecting Downtown Kirkland and Downtown Redmond along NE 85th Street."*

Below is a brief synopsis of the major benefits of this compromise strategy, which also presumes the I-405 investments (E-02c1 and E-02c2):

- Connects Kirkland and Redmond to I-405 BRT and to each other with transit service.
- Provides a significant and tangible investment for Kirkland residents and Council to support.
- Constructs the final regional trail according to Kirkland's vision and in the right place, creating certainty that the trail will always be present and that it will not be displaced or diminished by transit in the future.
- Creates a true transit alternative for active transportation that can serve thousands of people while HCT investments are on the horizon.
- Preserves the railbanked status of both the CKC and the Eastside Rail Corridor.
- Dedicates space on the Cross Kirkland Corridor and the Eastside Rail Corridor for HCT, creating certainty about the location of future transit.
- Postpones the transit mode decision to the next ballot measure and allows time for Sound Transit and the Kirkland community to determine the best mode together.
- Provides funding to design the agreed-upon HCT mode and to achieve a Record of Decision to set the stage for construction in ST4.
- Saves Sound Transit significant money in the ST3 ballot measure by avoiding the need to fund a 750 million dollar BRT line or a 1.5 billion dollar light rail line.

While the City of Kirkland continues to believe that BRT along the CKC is the best and most cost effective transit mode for Kirkland and the region, we are willing to support the ST3 package if it includes the Kirkland Compromise.

We look forward to working collaboratively with the Sound Transit Board to find a solution that all sides can support.

Sincerely,  
Kirkland City Council

Amy Walen  
Mayor

DRAFT

# Figure 4-7 Culverts and Fish Passage



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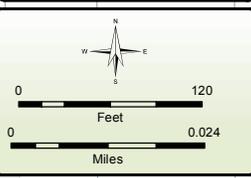
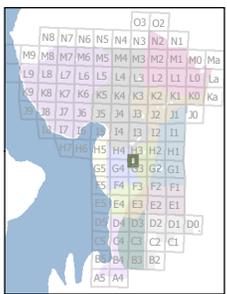
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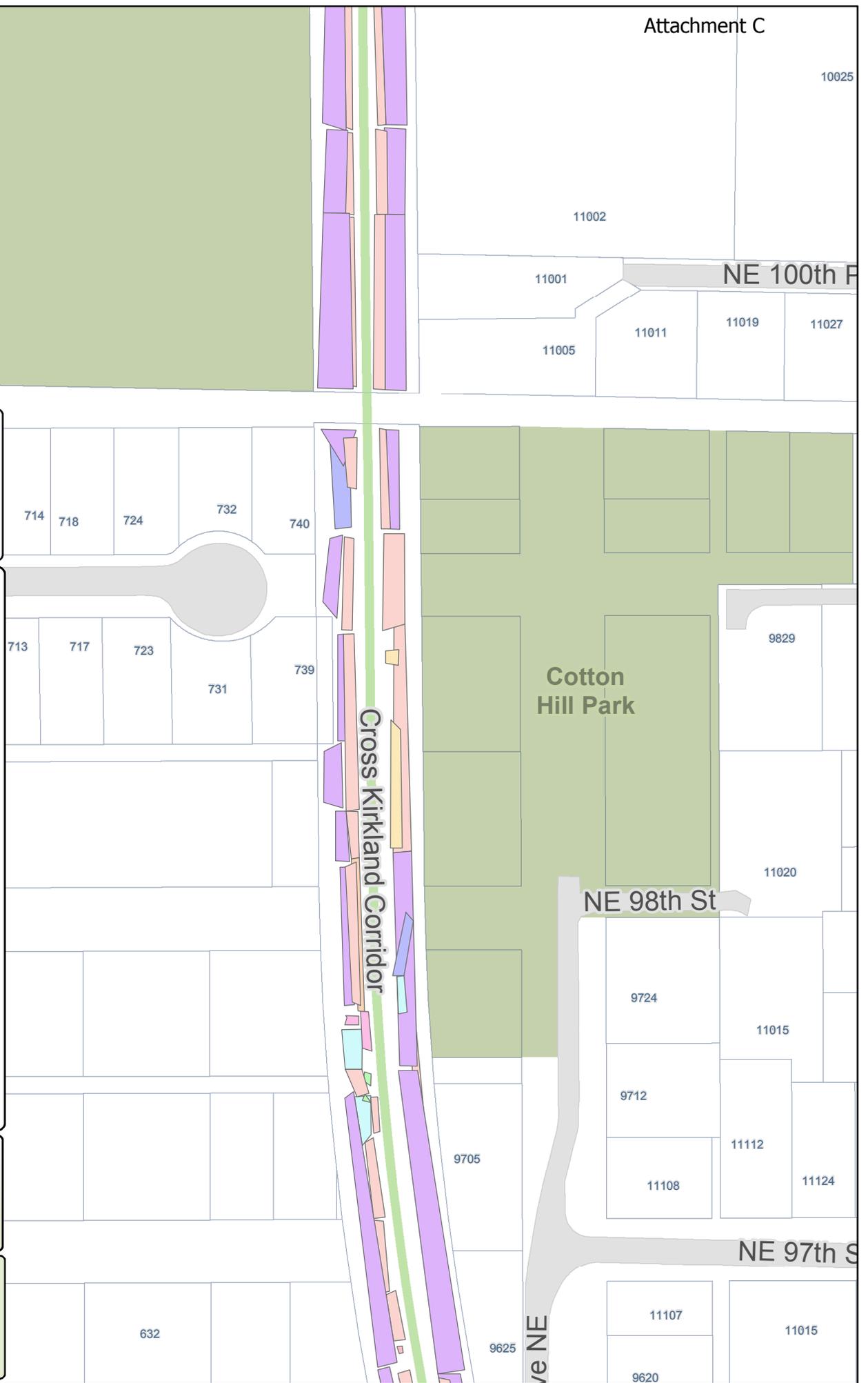
11027

# Invasive Species On The CKC

- <all other values>
- HABITAT\_TYPE, INVASIVE\_SPECIES**
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- <Null>, Canada Thistle
- <Null>, Creeping Buttercup
- <Null>, English Holly
- <Null>, English Ivy
- <Null>, Evergreen Blackberry
- <Null>, Fire Weed
- <Null>, Himalayan Blackberry
- <Null>, Horsetail
- <Null>, Knotweed
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- <Null>, Orange-Eye Butterfly-Bush
- <Null>, Poison Hemlock
- <Null>, Reed Canary Grass
- <Null>, Scotch Broom
- <Null>, St. John's-Wort
- <Null>, Tansy Ragwort



Author: Name In Map Doc Properties  
 Name: CKC Invsive Species  
 Date Saved: 3/3/2016 2:44:35 PM





**CITY OF KIRKLAND**  
**City Manager's Office**  
123 Fifth Avenue, Kirkland, WA 98033 425.587.3001  
www.kirklandwa.gov

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## MEMORANDUM

**To:** Kurt Triplett, City Manager  
**From:** Lorrie McKay, Intergovernmental Relations Manager  
**Date:** March 5, 2016  
**Subject:** 2016 STATE LEGISLATIVE UPDATE #5

### **RECOMMENDATION:**

Council should receive its fifth update on the 2016 state legislative session

### **BACKGROUND DISCUSSION:**

This memo reflects an update on the City's legislative interests as of March 5. At the writing of this memo, the legislature had concluded its eighth week of the nine week 2016 short Session. March 4 was the last day to consider (pass) opposite house bills. The last day allowed for the regular session is Thursday, March 10.

### **Council's Legislative Workgroup**

The Council's Legislative Workgroup (Mayor Walen, Councilmember Asher and Councilmember Marchione) is scheduled to meet weekly throughout the session on Friday's to discuss the status of the City's 2016 legislative priorities (Attachment A). Mayor Walen and Councilmember Asher met on March 4. The status of remaining bills, on which the City has taken a position, is also attached (Attachment B).

### **Status Summary of the City's 2016 legislative priorities**

- New policies and funding tools to address homelessness and create more affordable housing:

#### **([Senate Bill 6239](#)) Property tax exemption program for the preservation of housing**

The City of Seattle is the lead on this bill, which authorizes city governing authorities to adopt a property tax exemption program, and county governing authorities to adopt a property tax exemption program for unincorporated jurisdictions, to preserve affordable housing that meets health and quality standards for very low-income households at risk of displacement or that cannot afford market-rate housing. The bill appears to have stalled in House Rules.

#### **([House Bill 2086](#)) Prohibiting certain limitations on the hosting of the homeless by religious organizations**

While the House passed this bill, it did so mostly along party lines. Once referred to the Senate Human Services, Mental Health & Housing Committee, it never received a hearing and it died.

**([Senate Bill 6337](#)) Disposing tax foreclosed property to cities for affordable housing purposes**

This bill was championed by the City of Tacoma and it has been passed by both chambers and is on its way to the governor's desk. The final version of the bill calls for, prior to disposing of tax-foreclosed property, the county legislative authority gives notice to any city in which any tax foreclosed property is located within 60 days of acquiring the property. The notice must offer the city the opportunity to purchase the property for the original minimum bid under RCW 84.64.080 plus any direct costs incurred by the county in the sale, under the following conditions:

- the city must accept the offer within 30 days of receiving the notice, unless the county agrees to extend the offer;
- the city must provide that the property is suitable and will be used for affordable housing development; and
- the city must agree to transfer the property to a local housing authority or nonprofit entity eligible under chapter 43.185A RCW. The city must be reimbursed by the entity for the original minimum bid under RCW 84.64.080 plus any direct costs incurred by the city in the sale of the property to a local housing authority or eligible nonprofit.

**Women & Family Shelter – Capital Budget Request**

The City, in partnership with Catholic Community Services, The Sophia Way and ARCH (A Regional Coalition for Housing) submitted a request for capital budget funding for this project. The House proposed supplemental capital budget (HB 2380) included \$350,000 toward the design and construction of the Women's Shelter in Kirkland. Council's Legislative Workgroup and the City's lobbyist are working to have this funding included in the final capital budget

- Capital budget funding for a multimodal safety improvement project connecting the Cross Kirkland Corridor with the Redmond Central Connector:  
Funding for this priority was not included in either proposed supplemental capital budget.
- Allow both the state and local governments the option of replacing the property tax cap:  
There was no movement on this priority this session.
- Facilitate greater access to rooftop residential and community solar installations by extending the timeframe for state solar incentives in the Renewable Energy System Cost Recovery program:

**([House Bill 2346](#)) Promoting a sustainable, local renewable energy industry through modifying renewable energy system tax incentives and providing guidance for renewable energy system component recycling.**

The House passed HB 2346 on February 16. The bill was then referred to the Senate Energy committee where it was amended to only allow the incentive program, if no clean air rule is adopted by the Governor. This amendment, along with concerns that the state can't afford the incentives, appears to have stalled the bill in Ways & Means.

- Clarify records retention, disclosure, and use limitations of video and/or sound recordings made by law enforcement or corrections officers:

**([House Bill 2362](#)) Concerning video and/or sound recordings made by law enforcement or corrections officers.**

The Senate amended the body cam bill floor before passing it. The bill takes effect 90 days after adjournment of the session (June 9, 2016). Generally speaking, the final version of the bill:

- Establishes Public Records Act provisions governing requests for and disclosure of certain body worn camera recordings made by law enforcement and corrections officers while in the course of their official duties.
- Requires law enforcement and corrections agencies that deploy body worn cameras by the effective date of the act to adopt policies covering the use of body worn cameras within 120 days of the effective date of the act (October 7, 2016). An agency that deploys body worn cameras on or after the effective date of the act must establish the policies before deploying body worn cameras. The requirement that an agency adopt body worn camera policies expires July 1, 2019.
- Cities or towns that are not deploying body worn cameras on the effective date of the act are strongly encouraged to adopt an ordinance or resolution authorizing the use of body worn cameras before their use within the jurisdiction, and to identify a community involvement process for providing input into development of body worn camera policies.
- Establishes a task force to review and report on the use of body worn cameras by law enforcement and corrections agencies. The Task force report and recommendations are due by December 1, 2017.

The Association of Washington Cities (AWC) is OK with the final version of the bill that passed.

Importantly, the Washington Association of Sheriffs and Police Chiefs (WASPC) observes that the bill states that "public records relief to agencies that deploy body cams only applies to agencies that have deployed body cams before the effective date of the bill (June 9, 2016). Agencies that deploy body cameras on or after June 9, 2016 will not benefit from the provisions of HB 2362." According to the AWC, pilot programs count in this case. The City staff has evaluated whether it is worth it to try and get a pilot program going before June 9. The staff feel that the issue requires an extensive conversation with the community and is too important and too technically and financially complicated to rush into a pilot in the next three months. However staff wanted to highlight this pilot issue in case the Council wishes to make a different policy decision.

### **Supplemental Budget**

In the shadow of the state revenue forecast released February 17, lawmakers will endeavor to negotiate a final supplemental budget in the final week of the regular session. As reported in Council's previous update, the revenue forecast showed that the current two-year \$38 billion budget that ends in the middle of 2017, falls about \$78 million short of what was originally estimated. The forecast for the next two-year budget falls short by \$436 million. The projected overall state budget for 2017-19 is expected to be about \$41 billion. It is not certain that the legislature will complete its budget work by March 10.

#### Supplemental Transportation (ESHB 2524)

- Maintains the 2015 funding appropriation of \$75 million and the originally proposed phasing of funding for the ramps at NE 132nd and I-405: \$8M (2017-19), \$54M (2019-21) and \$13M (2021-23).
- Of the \$5.5 million in funding for Bike-Share expansion in Kirkland, Bellevue, Redmond and Issaquah \$5 million will likely be moved out to "future biennia."

#### Supplemental Capital (SB 6201)

- The House proposed supplemental capital budget included \$350,000 toward the design and construction of the Women's Shelter in Kirkland. Council's Legislative Workgroup and the City's lobbyist are working to have this funding included in the final capital budget

Supplemental Operating (SB 6246)

- On behalf of the City Council, Mayor Walen sent a letter (Attachment C) to the Chair of Ways & Means expressing the City's support for training funding for Basic Law Enforcement Academy (BLEA), maintaining the Fire Insurance Premium Tax and shared distributions with cities, and maintaining funding for the Municipal Research & Service Center (MRSC).
- Also, on behalf of the City Council, Mayor Walen sent a letter (Attachment D) to the Chair of Ways & Means expressing the City's support for the budget proviso, adopted by the House of Representatives, to appropriate funding to the William D. Ruckelshaus Center to conduct a study concerning public records requests of local agencies.

- Attachments:
- A. Status update of the City's 2016 legislative priorities (3/4/16)
  - B. Bill Tracker – Recommended Positions (3/4/16)
  - C. Operating Budget Letter Re: Funding BLEA, Fire Insurance Premium Tax and MRSC
  - D. Operating Budget Letter Re: Funding to Ruckelshaus Center to conduct a study concerning public records requests of local agencies.

<b>Legislative Priority</b>	<b>Bill #</b>	<b>Prime Sponsor</b>	<b>Status</b>
<p>New policies and funding tools to address homelessness and create more affordable housing.</p> <ul style="list-style-type: none"> <li>• Prop tax exemption for preservation of affordable housing</li> <li>• <del>Encampments</del></li> <li>• Disposing tax foreclosed property to cities for affordable hsg.</li> <li>• <del>Sale of manufactured/mobile home communities</del> <ul style="list-style-type: none"> <li>• Capital Budget Request for Women’s Shelter</li> </ul> </li> </ul>	SB 6239	Sen Fain	2/16 – <b>PASSED Senate 36 years, 13 nays</b> 2/29 – Referred to Rules 2 Review
	HB 2086	Rep. McBride	2/11 – <del>PASSED House 53 years, 43 nays, 1 excused</del> 2/15 – Referred Human Services, Mental Health & Housing
	SB 6337	Sen. Darnielle	2/16 – <b>PASSED Senate 36 years, 14 nays</b> 3/1 – <b>PASSED House 61 years, 36 nays, 1 excused</b>
	HB 2799	Rep. McBride	2/26 – House Rules “X” file
	HB 2380 SB 6201	Rep. Tharinger Sen. Honeyford	2/29 - Referred to Rules 2 Review (\$350K for Wmns Shelter) 2/26 – <b>PASSED Senate 39 years, 10 nays</b> (No \$ for Wmns Shelter) 2/29 – House Rules suspended, placed on second reading
<p><del>Capital budget funding for a multimodal safety improvement project connecting the Cross Kirkland Corridor with the Redmond Central Connector.</del></p>	HB 2380 SB 6201	Rep. Tharinger Sen. Honeyford	2/24 – Not included in House Supplemental Capital Budget 2/24 – Not included in Senate Supplemental Capital Budget
<p><del>Allow both the state and local governments the option of replacing the property tax cap, currently fixed at 1 percent, with a cap that is indexed to both population growth and inflation.</del></p>			
<p>Facilitate greater access to rooftop residential and community solar installations by extending the timeframe for state solar incentives in the Renewable Energy System Cost Recovery program.</p>	HB 2346	Rep. Morris	2/16 – <b>PASSED House 77 years, 20 nays, 1 excused</b> 2/26 – Referred to Ways & Means
<p>Clarify records retention, disclosure, and use limitations of video and/or sound recordings made by law enforcement or corrections officers.</p>	HB 2362	Rep. Hansen	2/22– <b>PASSED House 61 years, 36 nays, 1 excused</b> 3/4– <b>PASSED Senate 37 years, 9 nays, 3 excused</b>

\* No HIGHLIGHTS = No change in status from last update.

Bill	Title	Position	Sponsor	Status
<b>Support</b>				
<a href="#">HB 2346</a>	Promoting a sustainable, local renewable energy industry through modifying renewable energy system tax incentives and providing guidance for renewable energy system component recycling.	Support	Morris	2/16 - House PASSED: 77 yeas, 20 nays, 1 excsd 2/26 - Referred to Ways & Means
<a href="#">HB 2362</a>	Concerning video and/or sound recordings made by law enforcement or corrections officers.	Support	Hansen	2/22 - House PASSED: 61 yeas, 36 nays, 1 excsd 3/4 - Senate PASSED: 37 yeas, 9 nays, 3 excsd
<a href="#">HB 2519</a>	Allowing nuisance abatement cost recovery for cities.	Support	McCaslin	2/16 - House PASSED: 76 yeas, 21 nays 3/3 - Senate PASSED: 48 yeas, 1 excsd
<a href="#">HB 2576</a>	Concerning public records act requests to local agencies.	Support	McBride	2/26 - House Rules "X" file \$250,000 budget proviso in H Supp Operating
<a href="#">HB 2583</a>	Authorizing specified local governments to designate a portion of their territory as a creative district subject to certification by the Washington arts commission	Support	McBride	2/17 - House PASSED: 90 yeas, 8 nays 2/25 - Referred to Ways & Means
<a href="#">HB 2708</a>	Providing for fire protection district formation by the legislative authority of a city or town subject to voter approval	Support	Appleton	2/17 - House PASSED: 68 yeas, 30 nays 2/26 - Passed to Rules for second reading
<a href="#">HB 2741</a>	Addressing state and local government fiscal agents.	Support	Kuderer	2/17 - House PASSED: 95 yeas, 3 nays 3/3 - Senate PASSED 49 yeas
<b>Monitor</b>				
<a href="#">HB 2971</a>	Addressing real estate as it concerns the local gov authority in the use of real estate excise tax revenues and regulating real estate transactions.	Neutral	McBride	2/17 - House PASSED: 92 yeas, 2 nays 3/2 - Senate PASSED: 48 yeas, 1 excsd
<a href="#">HB 2984</a>	Relating to local government financing.		Senn	2/15 - Referred to Local Government
<b>Oppose</b>				
<a href="#">HB 2929</a>	Concerning temporary homeless housing by religious organizations	Oppose	Parker	2/11 - House PASSED 96 yeas, 1 excsd 3/4 - Senate PASSED 48 yeas, 1 excsd

<b>Bill</b>	<b>Title</b>	<b>Position</b>	<b>Sponsor</b>	<b>Status</b>
<b>Support</b>				
<a href="#">SB 6171</a>	Concerning civil penalties for knowing attendance by a member of a governing body at a meeting	Support	Roach	<b>2/16 - Senate PASSED: 49 yeas</b> <b>3/4 - House PASSED: 72 yeas, 25 nays, 1 excsd</b>
<a href="#">SB 6211</a>	Concerning the exemption of property taxes for nonprofit homeownership development.	Support (weak)	Bailey	<b>2/10 - Senate PASSED: 46 yeas, 3 nays</b> <b>3/3 - House PASSED: 83 yeas, 14 nays, 1 excsd</b>
<a href="#">SB 6239</a>	Authorizing local governments to adopt a property tax exemption program for the preservation of certain affordable housing	Support	Fain	<b>2/16 - Senate PASSED: 36 yeas, 13 nays</b> 2/29 - Placed on second reading by Rules
<a href="#">SB 6248</a>	Concerning risk mitigation plans to promote the transition of eligible coal units.	Support	Ericksen	<b>2/16 - Senate PASSED: 42 yeas, 7 nays</b> <b>3/4 - House PASSED: 92 yeas, 5 nays, 1 excsd</b>
<a href="#">SB 6337</a>	Disposing tax foreclosed property to cities for affordable housing purposes.	Support	Darneille	<b>2/16 - Senate PASSED: 34 yeas, 14 nays</b> <b>3/1 - House PASSED: 61 yeas, 36 nays, 1 excsd</b>
<b>Oppose</b>				



March 3, 2016

The Honorable Andy Hill, Chair  
Senate Ways & Means Committee  
P.O. Box 40466  
Olympia, WA 98504-0466

**Re: Proposed Supplemental Operating Budget**

On behalf of the City of Kirkland, I am writing to express support for programs or services that have received funding in the state's operating budget and urge your support as well.

**Basic Law Enforcement Academy Classes**

Kirkland's police force recently experienced the departure of a handful of police officers, most of which were largely unanticipated and all of whom were very experienced officers. The department has studied the status of officers who are eligible to retire over the next four years and has determined that we will lose 24 people by 2020, which is 24% of our police force. Our need for basic law enforcement training classes is critical.

**Fire Insurance Premium Tax**

We are very concerned about the proposal to cut the fire insurance premium tax, which helps to fund the City's continuing financial obligations related to LEOFF 1 retirees. For Kirkland that represents approximately \$100,000 per year. Losing this revenue would require the City to backfill this obligation with scarce General Fund resources. We hope you will not need to make this reduction and can keep that whole as you ended up doing last session.

**Municipal Research & Service Center**

We also hope that you fund the Municipal Research & Service Center. In Kirkland, staff in every city department access the MRSC's research services. For medium and small-sized cities and counties that cannot afford to contract for professional consultation, research and training services, MRSC is a lifeline. MRSC Rosters provides valuable roster services to public agencies statewide. Usage of MRSC Rosters by a large number of public agencies, allows contractors, consultants and suppliers to register on one website to gain access to many opportunities to compete for public sector business. This services ensures that Kirkland's Small Works Roster, Architectural & Engineering Roster and Vendor Roster needs are met. This is pooled money that otherwise would go to local governments and we think it is valuable to keep these services.

Kirkland urges funding for these programs and services. Thank you for your consideration.

Sincerely,  
KIRKLAND CITY COUNCIL

A handwritten signature in blue ink that reads "Amy Walen".

Amy Walen, Mayor  
City of Kirkland



March 3, 2016

The Honorable Andy Hill, Chair  
Senate Ways & Means Committee  
P.O. Box 40466  
Olympia, WA 98504-0466

**Re: Support for Budget Appropriation to Study Public Records Requests of Local Agencies**

On behalf of the City of Kirkland, I am writing to express our support for the budget proviso, adopted by the House of Representatives, to appropriate funding to the William D. Ruckelshaus Center to conduct a study concerning public records requests of local agencies.

The City of Kirkland fully supports the Public Records Act. Open and transparent government and the public's access to public information and processes is a right and an expectation that we share. However, overly broad and overly burdensome public records requests are an issue that must be addressed.

A funding appropriation to the William D. Ruckelshaus Center will allow it to facilitate an important stakeholder process to discuss reforms of the Public Records Act and come up with solutions to large public records request.

We encourage the Senate to keep this funding in the budget as it came over from the House.

Sincerely,  
KIRKLAND CITY COUNCIL

A handwritten signature in blue ink, which appears to read "Amy Walen". The signature is fluid and cursive, with a long horizontal stroke at the end.

Amy Walen, Mayor  
City of Kirkland

Cc: Kirkland's Senate and House Delegation Members  
Kirkland City Council

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

123 Fifth Avenue, Kirkland, WA 98033 425.587.3800

[www.kirklandwa.gov](http://www.kirklandwa.gov)

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**MEMORANDUM**

**To:** Kurt Triplett, City Manager

**From:** Laura Drake, P.E., Project Engineer  
David Snider, P.E., Capital Projects Manager  
Kathy Brown, Public Works Director

**Date:** March 3, 2016

**Subject:** KIRKLAND ITS IMPLEMENTATION PHASE II PROJECT  
AWARD CONTRACT

**RECOMMENDATION:**

Staff recommends that the City Council:

- Receive a project update on the Kirkland Intelligent Transportation System (ITS) Implementation Phase II Project (Project), including a discussion on multiple options for filling a projected budget shortfall; and
- Approve by motion staff's conclusion and recommendation for completing the Project, as originally envisioned, using REET 2 Reserves in the amount of \$360,000; and
- Award by motion the construction contract for the Project to Totem Electric, Inc., Tacoma, WA, in the amount of \$1,729,338.50.

**BACKGROUND DISCUSSION:**

The ITS Phase II Project will upgrade traffic signal equipment, interconnect traffic signals, and add data collection and field monitoring equipment at various locations throughout the 100<sup>th</sup> Ave NE, NE 124<sup>th</sup> St, and NE 132<sup>nd</sup> St corridors in the Juanita, Totem Lake, and Kingsgate Areas (Attachment A). Specific equipment elements for Phase II include new signal cabinet assemblies, signal controllers with accessible pedestrian signals (APS), central control hardware and software, and closed circuit television (CCTV) cameras for traffic monitoring and video detection.

The ITS Phase II Project is the second of three related ITS projects scheduled for completion by 2017. The Phase I of the overall project included construction of the Traffic Management Center (TMC) at City Hall, as well as signal improvements along Lake Washington Blvd., Market Street, 100<sup>th</sup> Avenue NE, Central Way, and NE 85<sup>th</sup> Street (Attachment B). The Phase I work was accepted by City Council at the February 16, 2016 meeting with a reported positive project balance of approximately \$7,000. The final ITS project for completion in 2017, the Citywide Safety Project, will install fourteen additional signal controllers and provide for full coordination and timing of all three Phases of ITS connected signals throughout the City. The Citywide Safety Project is scheduled to begin upon the completion of the ITS Phase II Project.

An engineer's estimate for the Phase II Project was prepared, totaling \$1,476,595.00. This estimate was an updated number, based on the average unit prices received during the Phase I bid results, including a reasonable inflationary adjustment for 2015. In spite of these precautionary cost estimate updates, all bids on the project have come in considerably higher than the engineer's estimate.

The Phase II Project was advertised for contractor bids in December, 2015. On January 27, 2016, three bids were received, with Totem Electric, Inc., being the lowest responsive and responsible bidder. The bid results are as follows:

**Table 1 – Bid Results**

<b>Contractor</b>	<b>Total Bid</b>
<i>Engineer's Estimate</i>	\$1,476,595.00
<b>Totem Electric</b>	<b>\$1,724,759.50</b>
Prime Electric, Inc.	\$ 1,775,375.00
Elcon Corporation	\$1,792,452.00

As shown, the lowest bid is \$248,264.50 over the engineer's estimate. This bid price, combined with other known and anticipated costs (including a 5% construction contingency), raises the total Project cost estimate from \$2,951,000 to \$3,311,000 (Attachment C).

#### *Increased Costs*

The design phase for the Project began in September, 2013, and was completed in December, 2015. Over the course of that Project Phase, certain changes associated with grant funding and existing site conditions led to anticipated cost increases; however, the full extent of those increases was not completely known until the bids were opened. Armed with the information received through the bid opening, staff analyzed the bids to more fully understand the causes for the disparity between the engineer's estimate and the three reasonably consistent bid prices received. The following is a summary of the two main reasons behind the higher-than-anticipated contractor bid prices:

- Traffic Control:** In June, 2015, with the ITS Phase II plans and specification at a 90% complete state, the Washington State Department of Transportation/Local Programs (WSDOT/LP) Office, as the grant administrator, implemented a new requirement for the production of project-specific traffic control plans for all federally funded projects. As a result, 53 new engineered and professionally stamped Traffic Control Plans and Details were developed by the consultant to be included in the final Project plans. These Project-specific traffic control plans eliminated the contractors' ability to choose their own appropriate means and methods for the implementation of traffic control. While the engineer's estimate allowed for an increase due to the changed traffic control requirements, all three contractors' bids came in much higher than expected. For all items associated with traffic control, the low bidder's price of \$211,220 represents 207% of the engineer's estimate of \$101,600 ( $\$211,220 - \$101,600 = \$109,620$ ).
- Mobilization:** In general, the majority of all individual bid prices were higher than estimated for all three bids. The bid item "Mobilization," which represents the contractors' prices for all preconstruction expenses and costs of preparatory work, was nearly double that of the engineer's estimate. Specifically for this bid item, the low bidder's price of \$158,690 representing 240% of the engineer's estimate of \$66,300 ( $\$158,690 - \$66,300 = \$92,390$ ).

As a result, for just these two bid items alone, the low bidder's price is over \$202,000 of the nearly \$248,164 increase above the engineer's estimate.

*Funding Approval Request:*

The Project is currently funded through \$2,201,141 in federal Congestion and Mitigation of Air Quality (CMAQ) grant funds with City matching funds of \$749,900; the currently approved total budget is \$2,951,000. Based on the bid results, plus updated numbers for known and anticipated costs for engineering, construction management and inspection, grant documentation and City pre-purchased ITS equipment (with grant funding), the revised overall total Project budget is \$3,311,000. The resultant additional funding needed to complete the Project is \$360,000 (Attachment C).

*Additional Funding Options*

In order to address the projected budget deficit, staff evaluated a number of options as possible offsets to the additional funds needed: 1) rejection of the bids with a recommended re-bid, 2) a reduction in the Project scope, 3) the reprioritizing of existing Transportation projects in the current CIP, and 4) the use of existing reserves or other revenue funds available for use on Transportation projects. On February 24, 2016, staff met with the Kirkland Transportation Commission (TC) to review the options and to receive Commissioners' input. Through that consultation with the TC, staff has developed the following list of options with "pros" and "con" for consideration:

- Option 1 – Seek City Council authorization to reject all bids.
  - Pro: Allows more time to identify and pursue additional funding.
  - Con: Typically, a re-bid does not result in lower bid prices and given the current state of the construction market, there is every indication that costs are increasing monthly and a delay will likely result in even more funding needed to complete the work. Also, the fact that all three bid prices were relatively close indicates that there was a consistent understanding of project scope and a consistent market approach to the bids.
- Option 2 - Reduction in the current Project scope.
  - Pro: A relatively simple process from a contracting perspective, complicated by the fact that the current project was advertised with the full scope and any change at this point would have to be made through a WSDOT/LP approved change order after a contract award is made.
  - Con: All traffic signal controller cabinets and equipment has been procured for the Project using grant funds -- the configuration and testing of the equipment has also begun. Due to federal grant requirements, not installing all cabinets and controllers during ITS Phase 2 would require Kirkland to return the federal funds spent on the unused cabinets. Returning cabinets to the manufacturer would require, at a minimum, un-configuring the cabinets and paying restocking fees with local funds. Alternatively, if the cabinets are not able to be returned, the procurement cost for the unused cabinets and equipment would come out of local funds. Additionally, delaying portions of the project would require redesign and would likely require additional equipment to meet more stringent future national standards. Finally, reduction in scope along the 100<sup>th</sup> Ave NE and NE 124<sup>th</sup> St corridors would prevent closing out the agreement with King

County. For an annual fee, the agreement allows Kirkland to use King County's fiber optic communication system to operate traffic signals along the corridors. (Attachment B).

- Option 3 – Delay/re-prioritize other funded projects in the adopted CIP
  - Pro: City Council has approved budgets for several current and future Transportation projects in the CIP. With City Council's authorization, it would be possible to deduct funds from selected projects. By delaying the start of these projects, staff would work towards re-balancing those project funds through the upcoming CIP process. Potential 2016 projects for consideration of deduct and future replacement of fund include:

**Table 2A – Existing CIP Project B Total**

Funding Source	CIP Project Funding Available
TR 0116 – Signal Maintenance Program	\$150,000
TR 0117 002 – Vision Zero Safety Imps	\$50,000
TR 0117-003 – Neighborhood Traffic Control	\$50,000
NM 0006-201 – Neighborhood Safety Program	\$200,000
<b>TOTAL</b>	<b>\$450,000</b>

**Table 2B – Existing CIP Project by Year**

Project Number	Project Title	2015	2016	2017	2018	2019	2020	2015-2020 Total
TR 0116	Annual Signal Maintenance Program		150,000	150,000	150,000	200,000	200,000	850,000
TR 0117 002	Vision Zero Safety Improvement		50,000	50,000	50,000	50,000	50,000	250,000
TR 0117 003	Neighborhood Traffic Control		50,000		50,000		50,000	150,000
NM 0006 201	Neighborhood Safety Program Imps	200,000	200,000	200,000	200,000	200,000	200,000	1,200,000

- Con: The three "TR" projects listed above represent maintenance projects that were fully developed and vetted during the Transportation Master Plan process, with the guidance and input of the Kirkland Transportation Commission, as well as through many Study Session meetings and updates with City Council. With additional input from the Transportation Commission at their February 24, 2016 meeting, the Commission members reiterated the importance of not deferring the Annual Signal Maintenance Program (TR 0116) until 2017 or sacrificing other big initiative projects such as Vision Zero Safety Improvements (TR 0117-002) or the Neighborhood Traffic Control Projects (TR 0117-003). The Transportation Commission members did, however, suggest the Neighborhood Safety Program (NM 006-201) as a more practical option as it represents "legacy" improvements as opposed to the deferring of maintenance and/or projects benefiting a larger segment of the general public. From a staff perspective, however, significant collaborative effort has occurred with the neighborhoods and a ramping-down would likely be extremely disappointing to community members who have participated in the process.
- Option 4 – Use of REET 2 revenue/REET 2 reserves
  - Pro: allows completion of projects currently identified in the TMP and funded in the CIP. REET revenues have been coming in above anticipated budget

because of recent strong economic activity. This additional revenue is well in excess of the \$360,000 and will be recognized later this year, replenishing the reserve. Additionally, current REET 2 reserve balances are already above target. This condition has been discussed in CIP and operating budget discussions with Council; it has also been a topic included in quarterly financial reports.

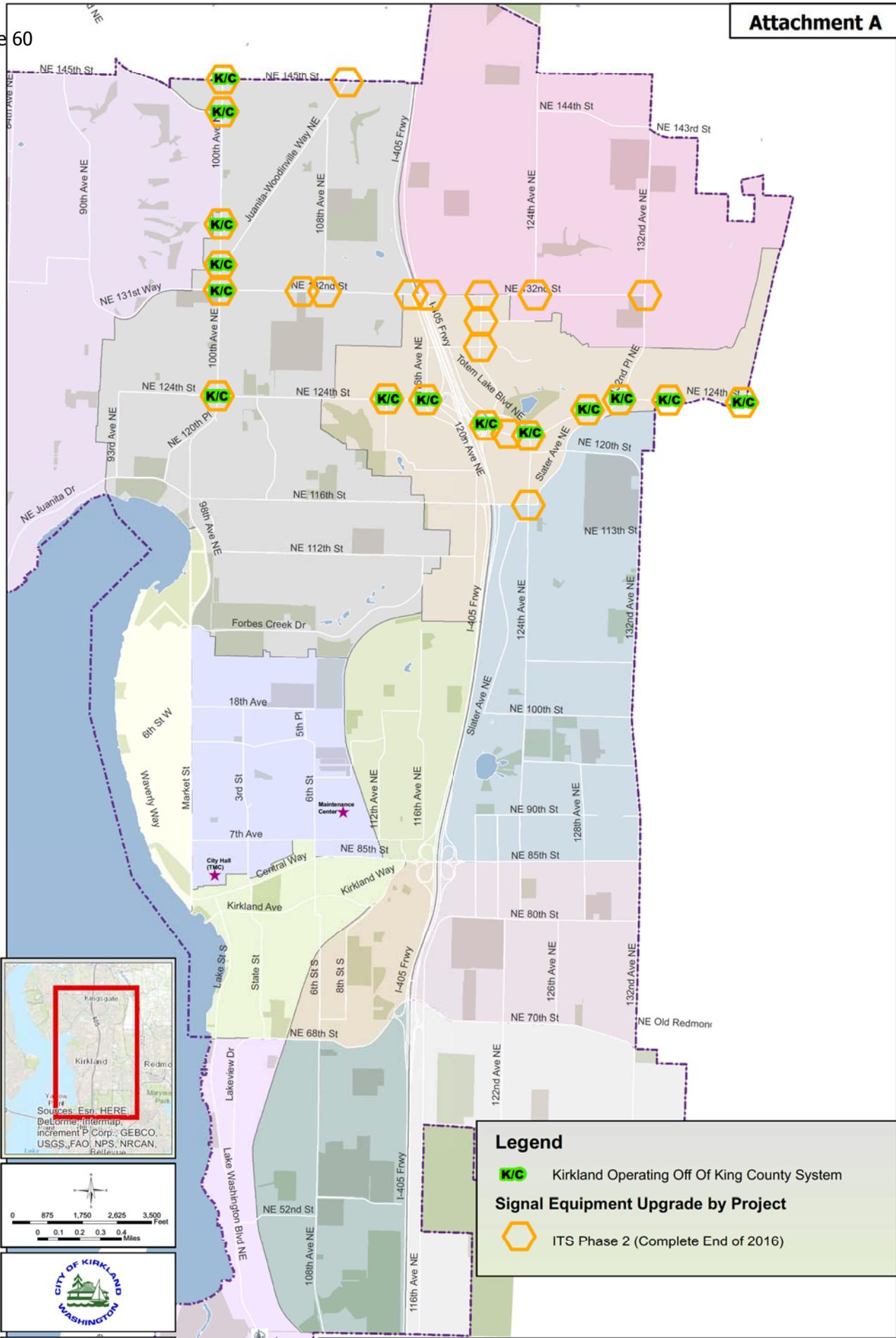
- Con: funds used here would not available to support other projects and/or be available for grant matching needs in the immediate future.

#### *Conclusion and Staff Recommendation*

Staff recommends Option 4, the use of existing REET 2 reserves for completing the project. The reserves will be replenished later in the year. The Project is currently funded at a ratio of 75% grant to 25% local match. An increase of \$360,000 will result in a ratio change to 62% grant to 38% local match.

If the Council concurs with the staff recommendation it would need to approve the funding and the award of the construction contract by motion. With a City Council award of the construction contract at the March 15, 2016, construction would begin in spring, 2016, with an expected substantial completion in late fall following a 120 working day schedule. In advance of the construction, staff will renew public outreach efforts by distributing regular Project updates through various means, including regular Project website updates on contractor work zones, construction schedules, and progress.

Attachment A: Vicinity Map  
Attachment B: ITS Projects Map  
Attachment C: Project Budget Report  
Attachment D: Fiscal Note



**Legend**

- K/C** Kirkland Operating Off Of King County System
- Signal Equipment Upgrade by Project**
- ITS Phase 2 (Complete End of 2016)

Sources: Esri, HERE, DeLorme, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, Baidu, Swatch, etc.

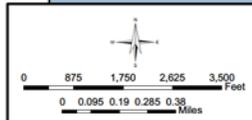
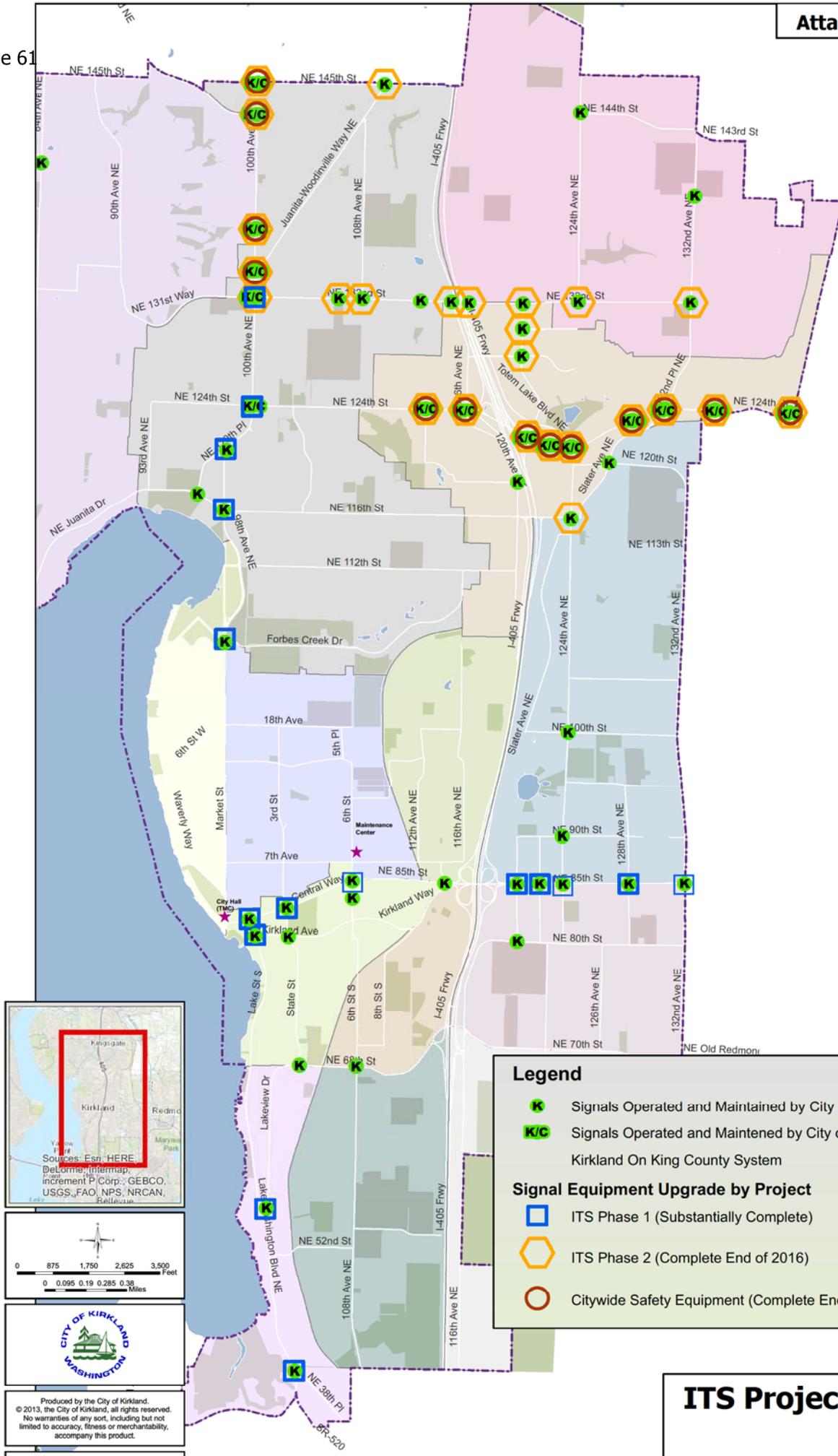
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**CITY OF KIRKLAND WASHINGTON**

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No warranties of any sort, including but not limited to accuracy, fitness or merchantability, accompany this product.

Author: Joe Plattner / Phil Larkin / Laura Drake  
Name: ITS-Phase-II\_Vicinity\_Map.v1  
Date Saved: 3/1/2016 1:18:11 PM

# Vicinity Map Kirkland ITS Implementation Phase II



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 No warranties of any sort, including but not limited to accuracy, fitness or merchantability, accompany this product.

Author: Joe Plattner / Phil Larkin / Laura Drake  
 Name: ITS-Phase-II ITS-Projects-Map.v1  
 Date Saved: 3/4/2016 12:33:51 PM

**Legend**

- Signals Operated and Maintained by City of Kirkland
- Signals Operated and Maintained by City of Kirkland On King County System

**Signal Equipment Upgrade by Project**

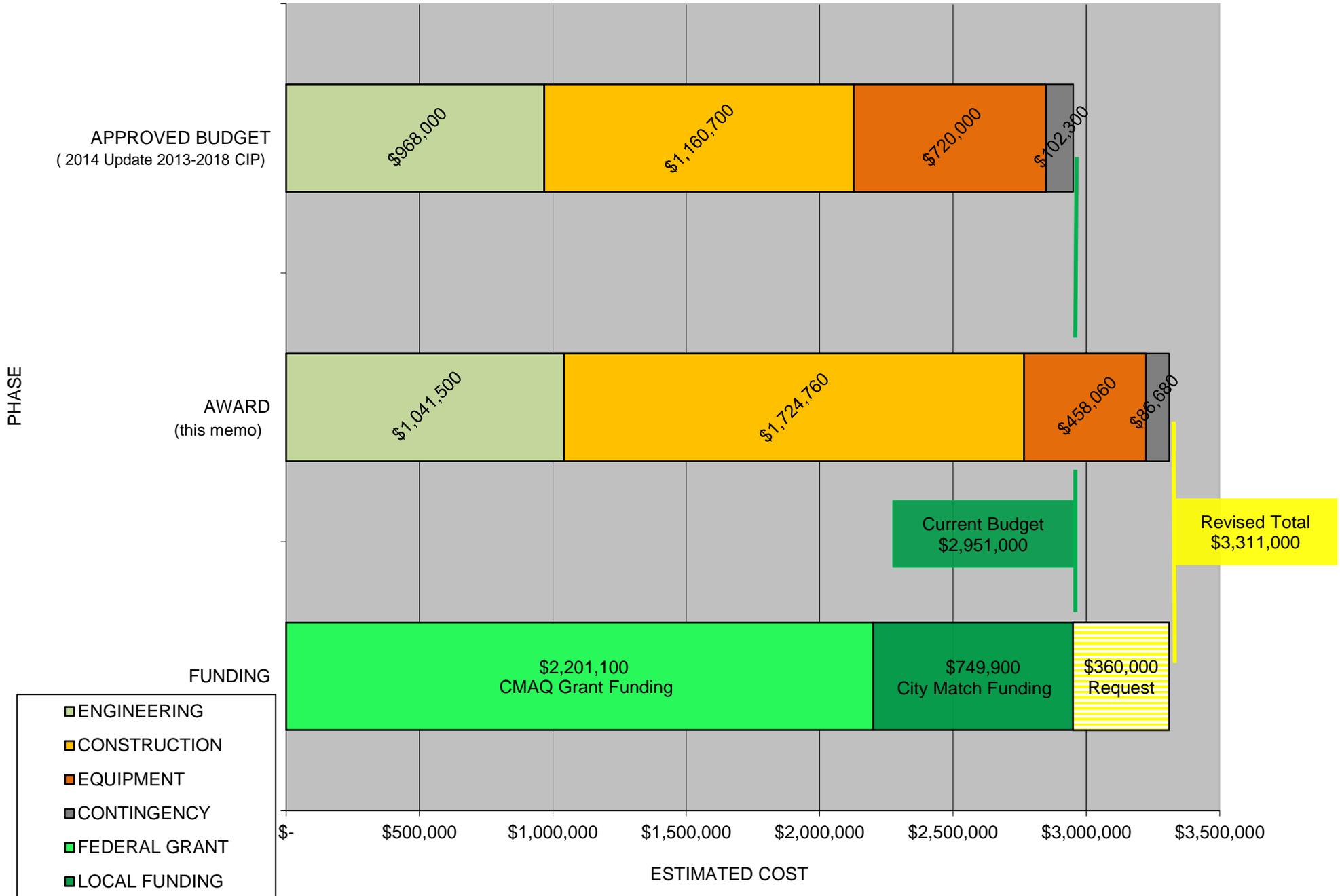
- ITS Phase 1 (Substantially Complete)
- ITS Phase 2 (Complete End of 2016)
- Citywide Safety Equipment (Complete End of 2016)

# ITS Projects Map 2016

Kirkland ITS Implementation Phase II (CTR-0111-003)

Attachment C

PROJECT BUDGET REPORT



**FISCAL NOTE**

*CITY OF KIRKLAND*

Source of Request							
Kathy Brown, Public Works Director							
Description of Request							
Funding for Kirkland ITS Implementation Phase 2 CTR 0111 003 as described in the attached memo. Request of \$360,000 from REET 2 reserves.							
Legality/City Policy Basis							
Fiscal Impact							
<b>One-time use of \$360,000 from 2015 REET 2 reserves.</b> This reserve is fully able to fund this request.							
Recommended Funding Source(s)							
<b>Reserve</b>	Description	2016 Est End Balance	Prior Auth. 2015-16 Uses	Prior Auth. 2015-16 Additions	Amount This Request	Revised 2016 End Balance	2016 Target
	REET 2 Reserve	6,360,344	0	0	360,000	6,000,344	2,436,255
	Prior use of \$270,000 for Juanita Quick Wins, which was returned in the 2015-2020 CIP Update. Balance above reflects adjustments to reserves incorporated in the 2015-2020 CIP Adoption for 2015-2016. Actual 2015 revenue exceeded budget by \$1,869,400. Reserves will be replenished when actual revenue above budget is recognized at the end of 2016.						
<b>Revenue/Exp Savings</b>							
<b>Other Source</b>							
Other Information							

Prepared By	Neil Kruse, Senior Financial Analyst	Date	March 8, 2016
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**CITY OF KIRKLAND**  
**PLANNING AND BUILDING DEPARTMENT**  
**123 FIFTH AVENUE, KIRKLAND, WA 98033**  
**425.587.3225 - [www.kirklandwa.gov](http://www.kirklandwa.gov)**

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## **MEMORANDUM**

**Date:** March 3, 2016

**To:** Kurt Triplett, City Manager

**From:** Paul Stewart AICP, Deputy Director  
Eric Shields AICP, Director

**Subject:** Adoption of the 2016-2018 Planning Work Program (File No. PLN16-00008)

## **RECOMMENDATION**

Staff recommends the City Council approve the attached Resolution R-5189 adopting the 2016-2018 Planning Work Program.

## **BACKGROUND**

The City Council met with the Planning Commission at a joint study session on March 3, 2016. At the meeting the Council reviewed the proposed 2016-2018 Planning Work Program. The Council and Commission focused on several key tasks as noted in the work program:

- Timing of the Everest/Houghton Neighborhood Center (Task 2.2) and 6<sup>th</sup> Street Corridor Transportation Study (Task 2.3).
- Neighborhood/Business District Plan Framework (Task 2.4)
- Revisions to the city's marijuana regulations (Task 3.7)
- Design Guidelines for properties in Totem Lake along the CKC (Task 3.9)
- Sign regulations (Task 3.6).

### **2016 – 2018 Planning Work Program**

Resolution R-5189 (attached) adopts the Planning Work Program. The work program reflects the discussion at the joint meeting and direction from the Council regarding the following tasks.

The Council agreed to move forward with work on the **Houghton/Everest Neighborhood Center and 6<sup>th</sup> Street Transportation Study** (Tasks 2.2 and 2.3). Staff has already met with representatives from the respective neighborhood associations and have begun to outline the public outreach approach and technical work scope. Staff will report back to the Planning Commission and Council with the scope and schedule.

The Council expressed interest in moving forward on revisions to the **Marijuana Regulations** (Task 3.7). This is reflected in the work program. The Council also indicated a preference for primarily focusing on revisions regarding the buffers from day care centers in order to keep the scope within a manageable time frame.

As a result of the timing on marijuana regulations, work on the **design guidelines** for properties along the Cross Kirkland Corridor would be slightly deferred (Task 3.9). Staff committed to begin this effort sooner if possible.

The other issue that was discussed at the joint meeting related to Task 3.6 – **sign regulations**. The draft work program included a targeted effort to focus on revisions to the regulations in order to comply with court decisions and direction from the Washington Cities Insurance Authority (WCIA) regarding content-neutral signs – primarily sandwich boards, real estate and off-site directional. WCIA has indicated that the City should update its regulations regarding content neutral signs by June 2016. At the joint meeting, Councilmembers expressed an interest looking at the sign code in general (Chapter 100 KZC). This is a more extensive and intensive effort.

Staff is suggesting a two-phased approach. Phase 1 would focus on the content-neutral signs in order to complete the revisions to comply with the WCIA requirements. This would begin in spring 2016. Phase 2 would look at the rest of the sign code and could begin in later summer or early fall. For Phase 2, prior to commencing work on any major revisions, staff would bring the current code to Council to obtain direction on the scope and issues to be addressed with update. This will enable staff to determine the extent of issues to be addressed and the timing and resources needed to accomplish the task.

The work program shows this task as two distinct efforts. Depending on the timing and staff availability, work on the sign regulations could affect the schedule for the Miscellaneous Code Amendments (Task 3.3).

If the Council is in agreement with the revised 2016-2018 Planning Work Program, staff would recommend adoption of the attached resolution.

RESOLUTION R-5189

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND  
PERTAINING TO THE ADOPTION OF THE 2016 – 2018 PLANNING  
WORK PROGRAM.

1       WHEREAS, the Kirkland City Council and the Kirkland Planning  
2 Commission met at a joint meeting on March 1, 2016 to discuss the  
3 proposed 2016-2018 Planning Work Program tasks and to set priorities;  
4 and

5  
6       WHEREAS, the Kirkland City Council reviewed a revised work  
7 program at the March 15, 2016 regular meeting

8  
9       NOW, THEREFORE, be it resolved by the City Council of the City of  
10 Kirkland as follows:

11  
12       Section 1. The adopted 2016-2018 Planning Work Program for the  
13 City of Kirkland shall be established as shown on Exhibit A to this  
14 resolution.

15  
16       Section 2. This adopted Planning Work Program shall be generally  
17 used by the City staff and Planning Commission in scheduling work tasks  
18 and meeting and hearing calendars.

19  
20       Section 3. A copy of this resolution and work program shall be  
21 distributed to the Planning Commission, Parks Board, Transportation  
22 Commission, Design Review Board, Neighborhood Associations, the  
23 Chamber of Commerce and Houghton Community Council.

24  
25       Passed by majority vote of the Kirkland City Council in open meeting  
26 this \_\_\_\_ day of \_\_\_\_\_, 2016.

27  
28       Signed in authentication thereof this \_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
MAYOR

Attest:

\_\_\_\_\_  
City Clerk

Planning Commission Tasks	
Other City Tasks	

**ADOPTED 2016 – 2018 PLANNING WORK PROGRAM: LONG RANGE TASKS MARCH 15, 2016**

TASK	PROJECT MANAGER	2016 FTE by Task	2016												2017				2018			
			J	F	M	A	M	J	J	A	S	O	N	D	1st	2nd	3rd	4th	1st	2nd	3rd	4th
<b>POLICIES, PLANS &amp; REGULATIONS</b>																						
<b>1.0</b>	<b>Comprehensive Plan</b>																					
1.1	• Consider Totem Lake Planned Action																					
1.2	• Private Amendment Requests																					
1.3	• Consider CBD as an Urban Center																					
<b>2.0</b>	<b>Neighborhood/Bus District Plans</b>																					
2.1	• Finn Hill Neighborhood Plan	Coogan	.6 FTE																			
2.2	• Everest/Central Houghton Ctr	Ruggeri	.5 FTE																			
2.3	• 6 <sup>th</sup> Street Corridor Transp Study	Public Works																				
2.4	• Neighborhood/Bus District Framework	Collins	.2 FTE																			
2.5	• Future Neighborhood Plan Updates																					
<b>3.0</b>	<b>Code Amendments</b>																					
3.1	• LID Code Revisions	Collins/Powers	.4 FTE																			
3.2	• Zoning Code Charts to Tables	Nelson	.2 FTE																			
3.3	• Misc. Code Amendments																					
3.4	• Wireless/Utilities (Chapter 117 KZC)	McMahan	.1 FTE																			
3.5	• Traffic Impact Standards	Public Works																				
3.6	• Sign Regs (Phase 1 and Phase 2)		.6 FTE																			
3.7	• Marijuana Regs Amendments	Collins	.2 FTE																			
3.8	• FAR Regs		.2 FTE																			
3.9	• Design Guidelines (Totem Lake CKC)	Collins	.3 FTE																			
<b>4.0</b>	<b>Critical Area or SMP</b>																					
4.1	• Wetlands and Streams Regs	Swan	.8 FTE																			
4.2	• Geo Hazards Analysis & Regs	Swan/McMahan	.5 FTE																			
4.3	• SMP Amendments	Swan	.4 FTE																			
<b>5.0</b>	<b>Housing</b>																					
5.1	• Update Housing Strategy Plan	Nelson/ARCH	.2 FTE																			
5.2	• Affordable Housing Strategies	Nelson/ARCH	.1 FTE																			
<b>6.0</b>	<b>Env Stewardship/Sustainability</b>																					
6.1	• GHC Report/Climate Action Plan	PW/Barnes	.1 FTE																			
6.2	• K4C Coordination/Implementation	Barnes/Guter	.1 FTE																			
6.3	• Sustainability Strategic Plan	Barnes/Powers																				
6.4	• Street Tree Inventory	Powers/GIS	.3 FTE																			
6.5	• Urban Forestry Mgmt Work Plan	Powers	.2 FTE																			
6.6	• CKC Green Certification	Powers																				
6.7	• Green Team	Barnes	.1 FTE																			
6.8	• Strategic Plan Actions/Implementation																					
<b>7.0</b>	<b>Database Management</b>	GIS/Planning	.1 FTE																			
<b>8.0</b>	<b>Regional Coordination</b>	Shields/Stewart	.1 FTE																			



**CITY OF KIRKLAND**  
**Department of Finance & Administration**  
**123 Fifth Avenue, Kirkland, WA 98033 425.587.3100**  
**www.kirklandwa.gov**

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## **MEMORANDUM**

**To:** Kirkland City Council

**From:** Deputy Mayor Jay Arnold  
Councilmember Dave Asher  
Councilmember Toby Nixon

**Date:** March 2, 2016

**Subject:** Board and Commission Interview Selection Committee Recommendation

### **RECOMMENDATION:**

That the City Council interviews applicants as proposed below for current board and commission terms ending March 31, 2016, including incumbents eligible for reappointment. The interviews are scheduled to be held as part of a special City Council meeting at 6 p.m. on Tuesday, March 29, 2016.

### **BACKGROUND DISCUSSION:**

The Interview Selection Committee (ISC) consisting of Deputy Mayor Jay Arnold and Councilmembers Dave Asher and Toby Nixon was selected at Council's January 19, 2016 regular meeting. The Committee held an initial meeting on January 22, 2016 for the purpose of reviewing incumbent candidates; the committee's first recommendation to include the incumbents in the interview process was approved by the full Council at their regular meeting on February 2, 2016. The ISC subsequently met on February 26, 2016 to consider all applicants for upcoming vacancies and for consideration as alternate appointees. The committee's recommendations follow:

- The committee did not consider the Tourism Development Committee annual review as part of the discussion and recommends that the full Council include the review of that membership without interviews at the March 29, 2016 special meeting.
- The City's appointment of the King County Landmarks and Heritage Committee Special Voting Member is made by the Mayor, with the confirmation of the Council. The ISC also recommends that the Mayor reappoint Lynette Friberg Weber without interview at the special meeting.
- The committee recommends that the following applicants be interviewed for reappointment, to fill vacancies, or to be selected as alternate appointees for Boards and Commissions indicated below:

**Design Review Board** (1 vacancy for a four year term ending 3/31/20)

Dave Russell (incumbent)  
Maura Roberts

**Human Services Advisory Committee**

(2 new temporary seats for two year terms ending 3/31/18)

Laura Pitarys  
Anne Radcliff  
Pat Swanson  
Kayle Walls

(1 youth vacancy for a two year term ending 3/31/18)

Jessica Wells

**Library Board** (3 vacancies for four year terms ending 3/31/20, 1 vacant unexpired term ending 3/31/17)

Dori Butler (incumbent)  
Sandy Cummings  
Doris Ford  
Randy Johnson  
Lily LaMotte  
Lorraine McReynolds  
Dave Wagar

**Park Board** (2 vacancies for four year terms ending 3/31/20)

Jason Chinchilla (incumbent)  
Richard Chung (incumbent)  
Sarah Oppler  
Jared Radtke  
Jeremy Richtmyre

**Planning Commission** (2 vacancies for four year terms ending 3/31/20)

Mathew Pruit  
Stephanie Reitz

**Salary Commission** (1 vacancy for a three year term ending 3/31/19)

Joe Chulick  
Sara Oppler

**Transportation Commission** (2 vacancies for four year terms ending 3/31/20)

John Perlic (incumbent)  
Travis Dougan  
Ken Dueker  
John Leisle

Council's current procedures provide that the *maximum* number of applicants to be interviewed per vacancy are three; there is no minimum.

Council may choose to make a motion to accept the committee's recommendations, to include additional applicants for any of the board vacancies, or to adjust any of the proposed recommendations.



**CITY OF KIRKLAND**  
123 Fifth Avenue, Kirkland, WA 98033 425.587.3800  
www.kirklandwa.gov

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## MEMORANDUM

**To:** Kurt Triplett, City Manager

**From:** Robin Jenkinson, City Attorney  
Tracey Dunlap, Deputy City Manager

**Date:** March 2, 2016

**Subject:** Employee Code of Ethics - Recommended Housekeeping Revisions

### **RECOMMENDATION:**

It is recommended that City Council approve the attached ordinance amending the Employee Code of Ethics, Kirkland Municipal Code Chapter 3.82. The proposed amendments delete an unneeded definition, modify the application of a section concerning conflict of interest, and add a new section about violation of the Chapter.

### **BACKGROUND DISCUSSION:**

KMC 3.82.020 is the definitional section of Chapter 3.82, the Employee Code of Ethics. The first term defined in the section is "employee." This is useful as it makes clear that "employee," for the purpose of Chapter 3.82, "means any person holding a regularly compensated position of employment with the City, but does not include members of the City Council and persons who serve without compensation on City boards and commission." (The City Council and members of boards and commissions are covered by the Code of Ethics in Chapter 3.14.)

The second definition in KMC 3.82.020 is a lengthy and broad definition of "interest" which does not appear to have any utility. Elsewhere in the chapter, the term "interest" is used, but often with some qualifier such as "conflict of interest," "pecuniary interest," "financial interest" or "personal interest." Nor is there prohibitory language later in the chapter that relies on term "interest" as defined in KMC 3.82.020(2).

In KMC 3.82.040, "Conflict of interest," an employee is deemed to have a conflict of interest if the employee:

\* \* \*

(3) Participates in his or her capacity as a city employee in the making of a contract in which he or she has a *private pecuniary interest, direct or indirect*, or performs in regard to such contract some function requiring the exercise of discretion on behalf of the city;

(4) Influences the city's selection of, or its conduct of business with, a corporation, person or firm having business with the city if the employee has a *financial interest* in or with the corporation, person or firm;

\* \* \*

(8) Has a *financial or personal interest* in any legislation coming before the city council, participates in discussion with or gives an official opinion to the city council, unless the employee discloses on the record of the council, the nature and extent of such interest.

None of these actions by an employees deemed to be a conflict of interest relate back to the definition of "interest" in KMC 3.82.020(2). Because definitions are not supposed to be regulatory and because the definition of "interest" in KMC 3.82.020(2) does not apply throughout Chapter 3.82, staff recommends it be deleted.

In addition, KMC 3.82.020(2)(A) of this definition provides that an employee shall have an interest in the affairs of:

(A) Any person of the employee's family or any person with whom the employee has a close or ongoing business or social relationship.

If taken literally, this section appears to preclude doing business with anyone the that employee has worked or socialized with, which is not practical nor desirable given that the City often works with businesses familiar with the City's needs on a recurring basis and City employees interact with Chamber of Commerce members, Board and Commission members and so on.

Deleting KMC 3.82.020(2) results in clarifying the intent of the remaining language in the chapter that an employee should not participate in a decision-making process where they can be deemed as having a conflict of interest.

On February 23, 2016, the Finance and Administration Committee reviewed the draft revisions and suggested that the word "pecuniary" be replaced with "financial" in KMC 3.82.040(3). Further, the Committee asked that KMC 3.82.040(9) be modified. KMC 3.82.040(9) currently provides that it is a conflict of interest for City employees exercising administrative discretion in the regulation of land use or development to own other than personal residential property in the City. The proposed amendment would make it a conflict of interest to exercise such administrative discretion with respect to any real property in which the employee has an interest, but would not purport to dictate what property City employees may own.

In addition, a new section has been added regarding violation of the Code as follows:

***3.82.050 Violation – Penalty.***

*Any city employee violating the provisions of this chapter shall be subject to discipline up to and including termination.*

The recommendations were reviewed by the Public Works, Parks, and Human Services Committee at their March 2 meeting. The Committee suggested that the revision of KMC 3.82.040(9) apply to real property in which the employee *or a relative* has an interest. This revision is incorporated in the proposed ordinance.

**Kirkland Municipal Code Chapter 3.82  
with Potential Change to 3.82.020**

**Chapter 3.82  
EMPLOYEE CODE OF ETHICS**

Sections:

- 3.82.010 Declaration of policy.
- 3.82.020 Definitions.
- 3.82.030 Use of public property.
- 3.82.040 Conflict of interest.
- 3.82.050 Violation – Penalty.

**3.82.010 Declaration of policy.**

This chapter is enacted to establish guidelines for ethical standards of conduct which shall govern the performance of city employees in the conduct of public project work and other city business, and to prevent potential conflicts of interest.

**3.82.020 Definitions.**

Definitions, as used in this chapter, unless additional meaning clearly appears from the content, shall have the meaning subscribed:

- (1) “Employee” means any person holding a regularly compensated position of employment with the city, but does not include members of the city council and persons who serve without compensation on city boards and commissions.
- (2) “Relative” means spouse or domestic partner, child, step-child, parent, step-parent, parent-in-law, grandparent, grandchild, sibling, aunt, uncle, niece, nephew, son- or daughter-in-law, brother- or sister-in-law.

**3.82.030 Use of public property.**

No city employee shall request or permit the use of city-owned vehicles, equipment, materials or property for personal convenience or profit. Use is to be restricted to such services as are available to the public generally or for the authorized conduct of official business, and for such purposes and under such conditions as directed by the city manager.

**3.82.040 Conflict of interest.**

No city employee shall engage in any act which is in conflict with, or creates an appearance of conflict with, the performance of official duties. An employee is deemed to have a conflict of interest if the employee:

- (1) Receives or has any financial interest in any sale to the city of any service or property when such financial interest was received with prior knowledge that the city intended to purchase such property or obtain such service;
- (2) Solicits, accepts or seeks anything of economic value as a gift, gratuity, or favor from any person, firm or corporation involved in a contract or transaction which is or may be the subject of official action of the city; provided, that the prohibition against gifts or favors shall not apply to:

**Kirkland Municipal Code Chapter 3.82  
with Potential Change to 3.82.020**

- (A) Attendance of an employee at a hosted meal when it is provided in conjunction with a meeting directly related to the conduct of city business or where official attendance by the employee as a staff representative is appropriate.
- (B) An award publicly presented in recognition of public service; or
- (C) Any gift which would have been offered or given to the employee if he or she were not a city employee;
- (3) Participates in his or her capacity as a city employee in the making of a contract in which he or she has a private financial interest, direct or indirect, or performs in regard to such a contract some function requiring the exercise of discretion on behalf of the city;
- (4) Influences the city's selection of, or its conduct of business with, a corporation, person or firm having business with the city if the employee has financial interest in or with the corporation, person or firm;
- (5) Engages in, accepts private employment from or renders services for private interest when such employment or service is incompatible with the proper discharge of official duties or would tend to impair independence of judgment or action in the performance of official duties;
- (6) Appears on behalf of a private person, other than his or herself or an immediate family member or except as a witness under subpoena, before any regulatory governmental agency or court of law in an action or proceeding to which the city or a city officer in an official capacity is a party, or accepts a retainer or compensation that is contingent upon a specific action by the city;
- (7) Discloses or uses, without legal authorization, confidential information concerning the property or affairs of the city to advance a private interest with respect to any contract or transaction which is or may be the subject of official action of the city;
- (8) Has a financial or personal interest in any legislation coming before the city council, participates in discussion with or gives an official opinion to the city council, unless the employee discloses on the record of the council, the nature and extent of such interest;
- (9) In the course of his or her official duties performs any function requiring the exercise of discretion and administrative authority on behalf of the city in regard to the regulation of land use or development of real property located within the city limits in which the employee or a relative has any financial interest.

**3.82.050 Violation – Penalty.**

---

Any city employee violating the provisions of this chapter shall be subject to discipline up to and including termination.

ORDINANCE O-4513

AN ORDINANCE OF THE CITY OF KIRKLAND AMENDING CHAPTER 3.82 OF THE KIRKLAND MUNICIPAL CODE ENTITLED "EMPLOYEE CODE OF ETHICS," AMENDING SECTION 3.82.020, "DEFINITIONS;" AMENDING SECTION 3.82.030, "CONFLICT OF INTEREST;" AND ADDING A NEW SECTION 3.82.050, "VIOLATION - PENALTY."

1           The City Council of the City of Kirkland do ordain as follows:  
2

3           Section 1. Kirkland Municipal Code Section 3.82.020 is  
4 amended as follows:  
5

6 **3.82.020 Definitions.**

7 Definitions, as used in this chapter, unless additional meaning clearly  
8 appears from the content, shall have the meaning subscribed:  
9

10 (1) "Employee" means any person holding a regularly  
11 compensated position of employment with the city, but does not include  
12 members of the city council and persons who serve without  
13 compensation on city boards and commissions.

14 (2) "Relative" means spouse or domestic partner, child, step-child,  
15 parent, step-parent, parent-in-law, grandparent, grandchild, sibling,  
16 aunt, uncle, niece, nephew, son- or daughter-in-law, brother- or sister-  
17 in-law.

18 ~~(2) "Interest" means any direct or indirect monetary or material~~  
19 ~~benefit accruing to a city employee as a result of a contract or~~  
20 ~~transaction which is or may be the subject of an official act or action by~~  
21 ~~or with the city, except for such contracts or transactions which confer~~  
22 ~~similar benefits to all other persons and/or to property similarly situated.~~  
23 ~~For the purpose of this chapter an employee shall have an interest in~~  
24 ~~the affairs of:~~

25 ~~(A) Any person of the employee's family or any person with whom~~  
26 ~~the employee has a close or ongoing business or social relationship;~~

27 ~~(B) Any business entity in which the city employee is an officer,~~  
28 ~~director or employee;~~

29 ~~(C) Any business entity in which the stock, or legal or beneficial~~  
30 ~~ownership, in excess of five percent of the total stock, legal or beneficial~~  
31 ~~ownership, is controlled or owned directly or indirectly by the employee;~~

32 ~~(D) Any person or business entity with whom a contractual~~  
33 ~~relationship exists with the employee, provided that a contractual~~  
34 ~~obligation of less than five hundred dollars, or a commercially~~  
35 ~~reasonable loan made in the ordinary course of business or a contract~~  
36 ~~for a commercial retail sale shall not create an interest in violation of~~  
37 ~~this chapter.~~

38  
39           Section 2. Kirkland Municipal Code Section 3.82.040 is amended  
40 as follows:  
41

42 **3.82.040 Conflict of interest.**

- 43 No city employee shall engage in any act which is in conflict with, or  
44 creates an appearance of conflict with, the performance of official  
45 duties. An employee is deemed to have a conflict of interest if the  
46 employee:
- 47 (1) Receives or has any financial interest in any sale to the city of any  
48 service or property when such financial interest was received with prior  
49 knowledge that the city intended to purchase such property or obtain  
50 such service;
  - 51 (2) Solicits, accepts or seeks anything of economic value as a gift,  
52 gratuity, or favor from any person, firm or corporation involved in a  
53 contract or transaction which is or may be the subject of official action  
54 of the city; provided, that the prohibition against gifts or favors shall not  
55 apply to:
    - 56 (A) Attendance of an employee at a hosted meal when it is provided  
57 in conjunction with a meeting directly related to the conduct of city  
58 business or where official attendance by the employee as a staff  
59 representative is appropriate.
    - 60 (B) An award publicly presented in recognition of public service; or
    - 61 (C) Any gift which would have been offered or given to the employee  
62 if he or she were not a city employee;
  - 63 (3) Participates in his or her capacity as a city employee in the making  
64 of a contract in which he or she has a private ~~pecuniary~~financial interest,  
65 direct or indirect, or performs in regard to such a contract some function  
66 requiring the exercise of discretion on behalf of the city;
  - 67 (4) Influences the city's selection of, or its conduct of business with,  
68 a corporation, person or firm having business with the city if the  
69 employee has financial interest in or with the corporation, person or  
70 firm;
  - 71 (5) Engages in, accepts private employment from or renders services  
72 for private interest when such employment or service is incompatible  
73 with the proper discharge of official duties or would tend to impair  
74 independence of judgment or action in the performance of official  
75 duties;
  - 76 (6) Appears on behalf of a private person, other than his or herself or  
77 an immediate family member or except as a witness under subpoena,  
78 before any regulatory governmental agency or court of law in an action  
79 or proceeding to which the city or a city officer in an official capacity is  
80 a party, or accepts a retainer or compensation that is contingent upon  
81 a specific action by the city;
  - 82 (7) Discloses or uses, without legal authorization, confidential  
83 information concerning the property or affairs of the city to advance a  
84 private interest with respect to any contract or transaction which is or  
85 may be the subject of official action of the city;
  - 86 (8) Has a financial or personal interest in any legislation coming  
87 before the city council, participates in discussion with or gives an official  
88 opinion to the city council, unless the employee discloses on the record  
89 of the council, the nature and extent of such interest;

90 ~~(9) Holds, directly or indirectly, for purposes of personal financial gain,~~  
 91 ~~investment or speculation, any interest in real property situated within~~  
 92 ~~the city, if such employee i~~In the course of his or her official duties  
 93 performs any function requiring the exercise of discretion and  
 94 administrative authority on behalf of the city in regard to the regulation  
 95 of land use or development; of real property located within the city limits  
 96 in which the employee or a relative has any financial interest ~~provided,~~  
 97 ~~that this prohibition shall not apply to:~~  
 98 (A) ~~Real property devoted to the personal use or residence of the~~  
 99 ~~employee or member of the employee's immediate family; or~~  
 100 (B) ~~Any other interest in real property held by the employee on the~~  
 101 ~~date of enactment of this chapter.~~

102  
 103 Section 3. A new section, Kirkland Municipal Code 3.82.050,  
 104 is added as follows:

105  
 106 **3.82.050 Violation – Penalty.**  
 107 Any city employee violating the provisions of this chapter shall be  
 108 subject to discipline up to and including termination.

109  
 110 Section 4. This ordinance shall be in force and effect five days from and  
 111 after its passage by the Kirkland City Council and publication pursuant  
 112 to Section 1.08.017, Kirkland Municipal Code in the summary form  
 113 attached to the original of this ordinance and by this reference approved  
 114 by the City Council.

115  
 116 Passed by majority vote of the Kirkland City Council in open  
 117 meeting this \_\_\_\_ day of \_\_\_\_\_, 2016.

118  
 119 Signed in authentication thereof this \_\_\_\_ day of  
 120 \_\_\_\_\_, 2016.

\_\_\_\_\_  
 MAYOR

Attest:

\_\_\_\_\_  
 City Clerk

Approved as to Form:

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

PUBLICATION SUMMARY  
OF ORDINANCE O-4513

AN ORDINANCE OF THE CITY OF KIRKLAND AMENDING CHAPTER 3.82 OF THE KIRKLAND MUNICIPAL CODE ENTITLED "EMPLOYEE CODE OF ETHICS," AMENDING SECTION 3.82.020, "DEFINITIONS;" AMENDING SECTION 3.82.030, "CONFLICT OF INTEREST;" AND ADDING A NEW SECTION 3.82.050, "VIOLATION - PENALTY."

SECTION 1. Amends Kirkland Municipal Code ("KMC") Section 3.82.020 deleting the definition of "Interest" and adding the definition of "Relative."

SECTION 2. Amends KMC Section 3.82.040 relating to conflict of interest.

SECTION 3. Adds a new KMC Section 3.82.050 setting forth the penalty for violating KMC Chapter 3.82.

SECTION 4. Authorizes publication of the ordinance by summary, which summary is approved by the City Council pursuant to Section 1.08.017 Kirkland Municipal Code and establishes the effective date as five days after publication of summary.

The full text of this Ordinance will be mailed without charge to any person upon request made to the City Clerk for the City of Kirkland. The Ordinance was passed by the Kirkland City Council at its meeting on the \_\_\_\_ day of \_\_\_\_\_, 2016.

I certify that the foregoing is a summary of Ordinance \_\_\_\_\_ approved by the Kirkland City Council for summary publication.

\_\_\_\_\_  
City Clerk



**CITY OF KIRKLAND**  
**Human Resources Department**  
**123 5<sup>th</sup> AVE, Kirkland, WA 98033 425.587-3210**  
[www.kirklandwa.gov](http://www.kirklandwa.gov)

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## **MEMORANDUM**

**To:** Kurt Triplett, City Manager

**From:** James Lopez, Director of Human Resources and Performance Management  
Kelly Maggio-Valenti, Human Resources Analyst  
Nicole Bruce, Sr. Human Resources Analyst

**Date:** March 4, 2016

**Subject:** Additional One-Time HRA VEBA Contribution for 2016

## **RECOMMENDATION**

Due to the success of the *Healthy Kirkland Initiative*, the City Council authorizes a one-time payment from the health benefit fund to allow the amount of \$500.00 to be deposited into the HRA VEBA Trust Accounts of all eligible employees in the following bargaining units and employee groups:

- a. The City and Public, Professional & Office-Clerical Employees and Drivers Local Union No. 763 ("Teamsters")
- b. The Washington State Council of County and City Employees Local #1837 of the American Federation of State, County and Municipal Employees ("AFSCME")
- c. Public Safety Employees Union #519, Kirkland Police Lieutenants Union ("PSEU")
- d. The Management and Confidential employee group ("MAC")
- e. Kirkland Police Guild – Commissioned Staff ("GUILD")

This authorization is provided by approval of the attached resolution and would be subject to the City Manager's discretion to negotiate the terms and conditions of the one-time payment with each of the recipient units. The City Manager would also be authorized to implement such administrative procedures as may be necessary to carry out the directions of this Resolution.

## **BACKGROUND**

Over the last several years, City of Kirkland staff has been researching implementing plans to put a comprehensive health care system in place that would improve employee health while mitigating the rising cost of health care. During this time there were several reports to Council

regarding the benefits challenges the City faced and recommendations were made to attempt to meet those challenges.

Specifically, since becoming self-insured in 2011, the City had experienced claims growth of over 15% annually. During this time period by prudently balancing reserve levels against expected liabilities, the City had managed to keep its premium equivalent increases closer to 8.8% annually on average. Despite keeping these rate increases at a somewhat reasonable level, this was an unsustainable trend, both as an ongoing budget concern, and to avoid paying a tax liability under the new federal health care law, the *Affordable Care Act*.

This potential liability, known as the "Cadillac Tax" was first introduced to Council during the October 15<sup>th</sup>, 2013 Council study session. In the study session it was discussed that this tax could cost the City upwards of \$1.5 million in 2018 if the City were to see premium increases of 12% per year. Staying under the tax would require that rate increases per year be limited to approximately 2.5%. Although the federal government has recently moved the effective date of the "Cadillac Tax" until 2020, significant future financial liability still exists should the City fail to effectively manage health care costs.

In May of 2014 in the face of these challenges, City leadership put established the goal of being able to provide City employees with a quality healthcare plan that would make them healthier, contain costs and be sustainable into the future. In order to achieve that goal, the City sought ideas from around the country that had shown success, and looked for ways to build upon those successes. The City also sought to avoid, if at all possible, strategies that emphasized traditional methods of cost shifting.

As a result, focusing on three guiding principles, 1) improving employee health, 2) bending the cost growth trend, and 3) avoiding liability under the coming "Cadillac Tax", the City designed a new approach to delivering high quality care. The new "full systems approach" called "*the Healthy Kirkland Initiative*," dramatically shifted 1) individual economic incentives to better empower individuals to make more informed medical decisions and improve the likelihood of health savings, 2) increased market transparency so employees could be more informed in those decisions, and 3) provided unlimited primary care services, free to employees and qualified dependents, to promote proactive healthy behavior, and ensure participants had ample opportunity to get the critical on-demand primary care necessary to help ensure healthier lives.

The *Healthy Kirkland Initiative* consists specifically of a high deductible health plan, a significant HRA VEBA contribution, an employee information assistance program, a heavily incentivized wellness incentive and a full service near site primary care health facility. The City partnered with the Vera Whole Health clinic (the "VERA" clinic) as the near site health facility providing primary care services to employees and their qualified dependents at no cost to the employee.

The City initiated the *Healthy Kirkland Initiative*, including opening the VERA clinic in April of 2015. What differentiated the City's new approach was not so much the implementation of any of these ideas separately as isolated efforts to improve care, rather the strategy was implementing each of these elements together, at the same time, as *interdependent* parts of a full health care delivery system. Although there are some nuances, generally, the wellness incentive is earned when the employee (and eligible partners) receives a biometric screening at the clinic, reviews the results with a provider at the clinic, has at least one consultation with the

clinic health coach, and enrolls in the Compass health care concierge service. Employees who achieve all of these steps receive a \$600 wellness contribution to their HRA VEBA.

In order to implement the new approach, the City moved forward with its MAC leadership group and signed a memorandum of understanding with each of the bargaining units listed below to transfer from the existing First Choice Prime Plan to the new First Choice High Deductible Health Plan and other plan elements, effectively putting in place the *Healthy Kirkland Initiative* on April 1, 2015. Those bargaining units included Teamsters, AFSCME and PSEU.

The City deeply appreciates this collaboration and collective act of leadership. The new benefits program is showing promising financial results as the City's 2016 contribution for health care was *decreased* by 4.5%. The 4.5% decrease actually represents a *negative growth* trend as the City budgeted a 0% increase in contributions for 2015 and 2016.

City employees have also been actively engaged in healthy behavior. Primary care utilization has actually *increased* during this past year. In the 3<sup>rd</sup> Quarter of 2015, City employees have the highest participation rates on record with the VERA near site clinic, and approximately 70% of eligible employees and their spouses have earned their Wellness Incentive.

On August 13, 2015, the City and the GUILD signed a collective bargaining agreement effective January 1, 2014 to December 31, 2016. As part of this agreement, the GUILD transitioned into the Healthy Kirkland Initiative plan effective January 1, 2016.

GUILD members, like PSEU members, are not required to earn the wellness incentive element of the new plan because the GUILD already bargained for a HRA VEBA contribution in previous collective bargaining. Thus, although the total amount of HRA VEBA contribution is the same for the GUILD and PSEU as it is for the other participating bargaining units, there is no requirement that the GUILD and PSEU members earn that portion of the HRA VEBA contribution allotted to the wellness incentive.

Even though the GUILD was not part of the first year implementation of the *Healthy Kirkland Initiative* that helped deliver the successful first year results outline above, they did approve switching to the new plan before the results of the plan were known. Therefore, in order to promote the continued success of the VERA clinic and the City's overall wellness program, the City proposes to also include this one-time benefit for qualified GUILD members, provided that the GUILD members earn the one-time benefit by satisfying the requirements of the City's existing wellness incentive program.

The significant savings in health care costs from the Healthy Kirkland Initiative would not have been possible without the leadership and risk taking of the employees in MAC and the bargaining units. The City Manager is proposing to provide a one time "health care dividend" of \$500 to each eligible employee's HRA VEBA to acknowledge the partnership between the City and participating employees that resulted in this success. These contributions total \$240,000 and would be funded through a one-time payment from the health benefits working capital as outlined in the attached fiscal note. Using working capital does not impact the \$2 million health care reserve required for being a self-insured plan or the additional \$1 million benefits rate stabilization reserve.

**FISCAL NOTE**

CITY OF KIRKLAND

Source of Request							
James Lopez, Director of Human Resource and Performance Management							
Description of Request							
One-time use of approximately \$240,000 from the Health Benefits Fund working capital to provide one-time contributions to employee health retirement or VEBA accounts as described in the attached memo.							
Legality/City Policy Basis							
Self-insurance employers are required to maintain minimum reserve balances based on average claims, which for the City of Kirkland is \$2,058,311 for 2015-16. Additionally, the City has set aside \$1,000,000 in a rate stabilization reserve. This request is from working capital (fund balance) and does not impact either of these reserves.							
Fiscal Impact							
<b>One-time use of \$240,000 from Health Benefits Working Capital.</b> The fund balance is able to fully fund this request.							
Recommended Funding Source(s)							
<i>Reserve</i>	Description	2016 Est End Balance	Prior Auth. 2015-16 Uses	Prior Auth. 2015-16 Additions	Amount This Request	Revised 2016 End Balance	2016 Target
	Health Benefits Working Capital	2,664,156	0	0	240,000	2,424,156	N/A
	Working capital used during the mid-biennial process to fund additional staffing in response to Affordable Health Care Act reporting requirements (\$163,753). The balance above reflects this use.						
<i>Revenue/Exp Savings</i>							
<i>Other Source</i>							
Other Information							

Prepared By	Neil Kruse, Senior Financial Analyst	Date	March 7, 2016
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## RESOLUTION R-5191

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND AUTHORIZING AN ADDITIONAL ONE-TIME HEALTH REIMBURSEMENT ARRANGEMENT (HRA) VOLUNTARY EMPLOYEE BENEFICIARY ASSOCIATION (VEBA) CONTRIBUTION TO ELIGIBLE EMPLOYEES WHO PARTNERED WITH THE CITY IN IMPLEMENTING THE HEALTHY KIRKLAND INITIATIVE.

1           WHEREAS, over the last several years, City staff has researched  
2 and implemented plans to put a comprehensive health care system in  
3 place to improve employee health while mitigating the rising cost of  
4 health care; and

5  
6           WHEREAS, the City opted for a "full systems approach" labeled  
7 the "Healthy Kirkland Initiative," that dramatically shifted 1) individual  
8 economic incentives to better empower individuals to make more  
9 informed medical decisions and improve the likelihood of health savings;  
10 2) increased market transparency so employees could be more informed  
11 in those decisions; and 3) provided unlimited primary care services, free  
12 to employees and qualified dependents, to promote proactive healthy  
13 behavior, and ensure that participants had ample opportunity to get the  
14 critical on-demand primary care necessary to help ensure healthier lives;  
15 and

16  
17           WHEREAS, the full systems approach consists of a high  
18 deductible health plan, a significant Health Reimbursement  
19 Arrangement (HRA) Voluntary Employee Beneficiary Association (VEBA)  
20 contribution, an employee information assistance program, a significant  
21 wellness incentive and a near-site primary care health facility; and

22  
23           WHEREAS, in order to implement the new approach, the City  
24 moved forward with its leadership group, the Management and  
25 Confidential (MAC) employees, and signed a memorandum of  
26 understanding with each of the bargaining units listed below to  
27 transfer from the existing First Choice Prime Plan to the new First  
28 Choice High Deductible Health Plan and other plan elements,  
29 effectively putting in place the Healthy Kirkland Initiative on April 1,  
30 2015. Those bargaining units include:

- 31  
32           a. The City and Public, Professional & Office-Clerical Employees  
33           and Drivers Local Union No. 763 (Teamsters);  
34  
35           b. The Washington State Council of County and City Employees  
36           Local #1837 of the American Federation of State, County and  
37           Municipal Employees (AFSCME); and

38 c. Public Safety Employees Union #519, Kirkland Police  
39 Lieutenants Union - Public Safety Employees Union (PSEU);  
40 and  
41

42 WHEREAS, the new benefits program is showing promising  
43 financial results as the City's 2016 health care contributions decreased  
44 by 4.5 percent. The 4.5 percent decrease represents a negative  
45 growth trend as the City budgeted a zero percent increase in  
46 contributions; and  
47

48 WHEREAS, City employees have been actively engaged in  
49 healthy behavior and primary care utilization has actually increased  
50 during this past year. In the 3<sup>rd</sup> Quarter of 2015, City employees have  
51 the highest participation rates on record with the VERA Whole Health  
52 near-site clinic, and approximately 70 percent of eligible employees  
53 and their spouses have earned their Wellness Incentive; and  
54

55 WHEREAS, on August 13, 2015, the City and the Kirkland  
56 Police Guild – Commissioned Staff (Guild) signed a collective  
57 bargaining agreement effective January 1, 2014 to December 31,  
58 2016; and  
59

60 WHEREAS, as part of this agreement, the Guild transitioned  
61 into the Healthy Kirkland Initiative plan effective January 1, 2016; and  
62

63 WHEREAS, the total amount of HRA VEBA contribution is the  
64 same for the Guild and PSEU as it is for the other participating  
65 bargaining units, but there is no requirement that the Guild and PSEU  
66 members earn that portion of the HRA VEBA contribution allotted to  
67 the wellness incentive because the units had already bargained for  
68 HRA VEBA contributions in previous collective bargaining; and  
69

70 WHEREAS, even though the Guild was not part of the first year  
71 implementation of the Healthy Kirkland Initiative that helped deliver  
72 the successful first year results outlined above, in order to promote the  
73 continued success of the free primary care services clinic and the City's  
74 overall wellness program, the City proposes to also include this one-  
75 time benefit for the Guild contingent upon successful completion of the  
76 wellness incentive program.  
77

78 NOW, THEREFORE, be it resolved by the City Council of the City  
79 of Kirkland as follows:  
80

81 Section 1. Due to the success of the City's Healthy Kirkland  
82 Initiative collaboration, the City Council authorizes the City Manager to  
83 make a one-time payment from the health benefit fund in the amount  
84 of \$500.00 to be deposited into the HRA VEBA Trust Accounts of all  
85 eligible employees in the bargaining units and employee groups listed  
86 below:

- 87 a. Teamsters
- 88 b. AFSCME
- 89 c. PSEU
- 90 d. Guild
- 91 e. MAC

92  
 93 Section 2. This authorization is subject to the City Manager's  
 94 discretion in negotiating the terms and conditions of the one-time  
 95 payment with each of the recipient units. The City Manager is also  
 96 authorized to implement such administrative procedures, as may be  
 97 necessary to carry out the directions of this Resolution.

98  
 99 Passed by majority vote of the Kirkland City Council in open  
 100 meeting this \_\_\_\_ day of \_\_\_\_\_, 2016.

101  
 102 Signed in authentication thereof this \_\_\_\_ day of \_\_\_\_\_,  
 103 2016.

\_\_\_\_\_  
 Mayor

Attest:

\_\_\_\_\_  
 City Clerk



**CITY OF KIRKLAND**  
**Department of Public Works**  
123 Fifth Avenue, Kirkland, WA 98033 425.587.3800  
[www.kirklandwa.gov](http://www.kirklandwa.gov)

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**MEMORANDUM**

**To:** Kurt Triplett, City Manager

**From:** David Godfrey, P.E., Transportation Engineering Manager  
Kathy Brown, Public Works Director

**Date:** March 3, 2016

**Subject:** TRANSPORTATION COMMISSION WORK PLAN AND KIRKLAND MUNICIPAL CODE (KMC) UPDATE

**RECOMMENDATION:**

It is recommended that City Council receive a briefing and review the proposed Work Plan for the Transportation Commission. It is also recommended that the City Council consider the new Mission Statement proposed by the Transportation Commission. Once Council has reviewed the Commission's draft Work Program and Mission Statement, and has provided direction to staff, a resolution adopting the new Work Program and Mission Statement will be brought back to the next Council meeting.

**BACKGROUND DISCUSSION:**

***Work Plan***

In October of 2015, the Transportation Commission held a half-day retreat to develop a Mission Statement and discuss the Work Plan content/structure for 2016. At the retreat, the Commission reviewed successful projects from the past and identified the common characteristics of those projects. Given this backdrop, particular Work Plan items were brainstormed and refined at subsequent Commission meetings. For 2016, the highest priority items on the proposed Work Plan are as follows:

- Concurrency
- CIP Process
- Transportation Master Plan process
- Intra-city transit system
- Transportation planning for major development projects
- Greenways
- Address Climate Change
- ST 3
- Metro Long Range Planning

The discussion at the retreat also suggested a new format for the work plan. This led to a restructuring of the Work Plan around five areas based on the level of Commission involvement as shown in the table below:

<b>Work Plan Area Title</b>	<b>Description of Commission Involvement</b>
<b>Own</b>	Commission "owns" these items and has the most responsibility and control of outcome.
<b>Influence</b>	Commission has a key role in shaping outcomes
<b>Advisory/Respond to</b>	Commission is advisory or asked for comment. This category also acknowledges that items may come up from time to time that are not on the original work plan but that need a response.
<b>Recurring</b>	Items needed to keep the Commission running and items of importance that need to be acted on annually.
<b>"Parking Lot"</b>	Items that are not scheduled for the current work plan but that need to be reviewed periodically for inclusion on the work plan.

Particular Work Plan items in each of the areas contain a description of the item and the current prioritization. The Work Plan also indicates the possible roles for the Commission across a spectrum of engagement and responsibility from "Monitoring" to "Decision/Recommendation." The Work Plan is designed to plan activities over several years, which is depicted by color coding based on the year planned of engagement.

On January 6<sup>th</sup>, 2016 Commission Chair, Tom Neir, presented the draft Commission Work Plan to the City Council's Public Works, Parks and Human Services Committee. The Committee suggested some formatting changes, but was generally supportive with the Plan as proposed and recommended that it be taken to the City Council for consideration.

Attachment A is the work plan as proposed by the Transportation Commission.

### ***Mission Statement***

City Council created the Transportation Commission as a pilot group in 2000. In 2002, Council approved making the Commission permanent and amended the KMC to describe the Powers and duties of the Commission. Section 3.45.040 of the KMC describes these Powers and duties:

#### **3.45.040 Powers and duties of commission.**

The commission shall advise the city council, city manager, and the public works department regarding those transportation issues referred to them by the city council. The commission shall have the power to advise regarding planning and development of those transportation issues given them by the city council. The commission shall submit to the city council through the city manager recommendations for other transportation issues of interest to the commission or associated with council-directed items as the commission feels is advisable. (Ord. 3846 § 1 (part), 2002)

After reviewing this language, the Commission felt that more active language would better describe the role the Commission should play. To this end, the Commission has developed the following proposed Mission Statement:

*The Transportation Commission is directed by the City Council to lead the City's efforts to create and maintain a transportation system that enhances the economic, social, and environmental quality-of-life in our city now and into the future. To fulfill its mission, the Commission will proactively explore, investigate, analyze, prioritize, develop, and recommend solutions and actions to the City Council.*

There are two significant policy shifts associated with the new language:

1. Rather than waiting for assigned topics from the City Council, the Commission will proactively identify and recommend work program items for Council approval.
2. The new Mission Statement removes the reference to the Public Works Department and City Manager.

As a practical matter, given the technical nature of the work, the duties of the Public Works Department to support the Commission, and the City Manager's authority and responsibility to recommend policy, the Commission would continue to work through the Public Works Department and City Manager's office. The partnership between the Public Works Department, the City Manager's Office, and the Transportation Commission has been highly successful in the past, and staff has every expectation that this successful partnership will continue. To make the importance of this relationship clear to future staff and Commissioners, Council might consider the following minor amendments to the suggested Mission Statement:

*The Transportation Commission is directed by the City Council to lead the City's efforts to create and maintain a transportation system that enhances the economic, social, and environmental quality-of-life in our city now and into the future. To fulfill its mission, the Commission will work with the Public Works Department to proactively explore, investigate, analyze, prioritize, develop, and recommend solutions and actions to the City Manager and City Council.*

Members of the Commission are planning to be at the March 15 Council meeting to present both the proposed Work Plan and proposed changes to the KMC. Staff will draft a proposed resolution for final council approval based on direction and suggested edits from Council members as a result of the March 15<sup>th</sup> briefing

TRANSPORTATION COMMISSION WORK PLAN

JAN - DEC, 2016

			engagement & responsibility			
			Low			High
			POSSIBLE TRANSPORTATION COMMISSION ROLES			
			MONITOR/ADVISE	DISCUSS/EXPLORE/INVESTIGATE	ANALYZE & EVALUATE OPTIONS	DECISION & RECOMMENDATION
TOPIC	DEFINITION	CURRENT PRIORITY	Monitor/Review/Advise/Comment/Suggest	Ideas/Questions/Education/Expertise/Detail/Data/Scope/Plan	Balance/Fit/Funding/Impact/Goals/Principles/Options	Take Action/Decide/Implement/Vote
<b>WE OWN THESE TOPICS:</b>						
CONCURRENCY	Design, recommend and request approval for a new multi-modal concurrency system.	1				Test/Review and recommend changes as necessary to perfect the process & system
CIP PROCESS	Complete the review and design of the CIP process and gain approval for the Transportation Commissions ongoing role in that process.	1			Review the current process and recommend changes to create a system in which the TC plays a decisive role.	Gain approval for the process and the Transportation Commissions role in that process.
TMP IMPLEMENTATION	Ensure that the TMP remains front of mind and is reasonably used as a reference and guide for investments and actions that impact our transportation system.	1	Review implementation progress annually and highlight status through a "report card".			
INTRA-CITY TRANSIT SYSTEM	Should the city explore options to provide intra-Kirkland transit service? If so, how would that best be done.	1		Discuss and determine the level of engagement and timing. Plan project and implement.	Agree on the viability and best options - decide if Intra-city system should be recommended or not.	Report and recommend solution(s) to council
TRANSPORTATION PLANNING FOR MAJOR DEVELOPMENT PROJECTS	Ensure that the review process for major developments includes a thoughtful transportation review and reflects our approved TMP.	1		Discuss and scope possible role(s) and the nature of our involvement. Clarify relationship between TC and PC/DRB and other city areas that deal with development and transportation. Determine possible methods of ensuring our involvement with transportation planning for new developments.	Select the best options for our involvement, if any, and prepare proposals for council.	Recommend to council
GREENWAYS	Given that Greenways are part of our TMP - perfect the network design and ensure its buildout within a reasonable time frame.	1		A basic greenway network is part of the TMP. Review this in detail and ensure it is the correct design. Make needed changes.	Review changes and best options to create a plan that can be recommended to council, approved and implemented.	Recommend network of greenways to council for approval and implementation.
ADDRESS CLIMATE CHANGE	Drive the city's efforts to actively reduce green house gas emissions generated by transportation.	1		Discuss and agree on the nature of our involvement, timing, role(s) and scope of project(s)		
LAKE WASHINGTON PROMENADE	Move forward with process to design and gain public comment on this project.	2		Discuss and agree on the nature of our involvement, timing, role(s) and scope of project(s)		
IMPLEMENT THE CKC MASTER PLAN	Take necessary step to ensure that the master plan/vision is implemented	3	Monitor and guide implementation			
CITY ORDINANCES AND POLICIES	Actively review and recommend ordinance and policy changes that improve how the transportation system functions, EG. Cars	3		Generate a list of ordinances/policies that may benefit from our review.	Establish a process by which the TC will, overtime, selected policies/ordinances - begin the process.	Recommend changes, as necessary, to council.
PARKING	As parking has a direct impact on our transportation system...be sure our parking system is leading-edge and enhances the overall function of our transportation system	4		Discuss and agree on the nature of our involvement, timing, role(s) and scope of project(s)		
<b>WE INFLUENCE THESE:</b>						
ST 3	Stay well informed about the process and provide meaningful and impactful inputs that further our mission	1			Review analysis and provide guidance to improve the plan and our overall probability of gaining ST3 investment in useful transit infrastructure.	As appropriate, recommend best options and take part in decision making on this topic.
METRO LONG-RANGE PLANNING	Represent the city's interests in regional, state and federal efforts to direct policy and actions that benefit our transportation system.	1			Review analysis and provide guidance to improve the plan and our overall probability of gaining Metro investment in useful transit infrastructure.	As appropriate, recommend best options and take part in decision making on this topic.
6TH STREET STUDY	???????	???		Discuss and agree on the nature of our involvement, timing, role(s) and scope of project.		
LEGISLATIVE ADVOCACY	Represent the city's interests in regional, state and federal efforts to direct policy and actions that benefit our transportation system.	3		Discuss and agree on the nature of our involvement, timing, role(s) and scope of project		
405 EXPRESS TOLL LANES	Monitor DOT's implementation of Express Lanes	1	Monitor for issues			
<b>WE RESPOND AND ADVISE ON THESE:</b>						
AS REQUESTED BY COUNCIL, CITY MGR, STAFF	As requested, advise on any subject brought to the commission.	5	Advise as requested			
IMPACT FEES	Review and recommend impact fees on a regular basis.	5	Advise as requested			
ADA TRANSITION PLAN	Review and recommend impact fees on a regular basis.	5	Advise as requested			
<b>RECURRING</b>						
MEASURE PROGRESS TOWARD GOALS	Annually report on our achievements vs our work plan goals.	5	Annually			
CONDUCT ANNUAL ELECTION	Lastest December of each year	5				Annually
<b>PARKING LOT TOPICS (To be reviewed periodically for inclusion on the work plan above)</b>						
NEIGHBORHOOD SAFETY PROGRAM	Actively participate in this program on a yearly basis			Discuss and agree on the nature of our involvement, role(s) and scope of project		
COK TRANSIT STUDY	Related to Intra-Kirkland transit service item above.			????		
TRANSPORT DEM MGMT	???			????		
VISION ZERO/SAFETY	Incorporate this concept into our thinking as we implement our work plan.			????		
DESIGN A KIRKLAND PEDESTRIAN HIGHWAY SYSTEM - KPHS.	Design and direct the buildout of the Kirkland pedestrian network.			????		
TRANSPORTATION VISION	Video Production - Vision for Kirklands Transportation System (Like Parks)			????		
MAINTAIN A VIBRANT AND INFORMATIVE WEB PRESENCE	Define and maintain technology and content that best represents the commission, its work and the city's transportation system			????		
ENHANCE TRANSIT RIDERSHIP	Explore ways to enhance transit ridership and, if significant options are found, recommend steps to implement			Discuss and agree on the nature of our involvement, timing, role(s) and scope of project		
ACTIVE TRANSPORTATION PLAN	Decide whether or not a new Active Transportation Plan is needed.			Discuss and agree on the nature of our involvement, timing, role(s) and scope of project		
GUIDE NEXT GENERATION OF ITS THROUGH DEVELOPMENT OF A LONG-RANGE PLAN.	Determine the best next steps and investments for the city in our ITS system. Including how grant money is spent.			Discuss and agree on the nature of our involvement, timing, role(s) and scope of project		
ONGOING MAINTENANCE	Review new maintenance management system and make recommendation for improvements			Discuss and agree on the nature of our involvement, timing, role(s) and scope of project		

Ongoing

WORK PLAN FOR 2016

WORK PLAN FOR 2017

WORK PLAN FOR 2018

WORK PLAN FOR 2019

**CITY OF KIRKLAND****123 Fifth Avenue, Kirkland, WA 98033 425.587.3800**  
**www.kirklandwa.gov****MEMORANDUM**

**To:** Kurt Triplett, City Manager

**From:** Kathy Brown, Public Works Director  
Julie Elsom, Sr. Operations and Financial Analyst  
George Minassian, Project Engineer  
Ray Steiger, P.E., Operations Manager

**Date:** March 3, 2016

**Subject:** ASPHALT MILLING MACHINE PURCHASE

**RECOMMENDATION:**

Staff recommends that the City Council authorize the purchase of an Asphalt Milling Machine in 2016 for an amount not to exceed \$600,000, including sales tax. Purchase of the Milling Machine will increase productivity, reduce cost, and allow better maintenance of arterials and neighborhoods streets, thereby increasing the City's overall Pavement Condition Index (PCI) sooner than the current rate of production.

**BACKGROUND DISCUSSION:**

The proposed purchase was presented to the City Council's Public Works, Parks and Human Services Committee on February 3<sup>rd</sup> and to the Finance Committee February 23<sup>rd</sup>. The Milling Machine's primary purpose is to aid in improving the City's overall roadway condition and will be used to supplement the City's Annual Asphalt Preservation Program.

*Components of Preservation Program*

The Preservation Program is broken down into three components:

1. Slurry Seal Program: The main purpose of the slurry seal program is to extend the life of low volume roadways. This is done by coating the roadway with a mixture of emulsified liquid asphalt, an oil-like substance mixed with tiny pieces of gravel. When it dries, it acts as a sealant and protects the roadway from weather-related damage.
2. (City) Crew Maintenance and Preservation: This includes all of the ongoing work the City maintenance crews do throughout the year to keep the roadway network in good condition. This component includes, but is not limited to: pothole repairs, structural repairs/patching, and minor roadway overlay projects.

3. **Overlay Program:** Overlay is a process in which the life of the street is extended by structurally repairing the roadway in select locations and then resurfacing the entire road with a new 2 to 3-inch thick asphalt surface. To prepare a street for an overlay, the old deteriorated areas of pavement must be removed, and the roadway is then repaired; this repair is often referred to as structural patching. Removal of deteriorated asphalt is customarily done by two methods:

- a. **Saw-cutting and excavation (or "dig-out"):** a labor-intensive process that requires saw cutting the defective pavement area and removal of all material down to a stable base. Broken material is loaded into dump trucks by a backhoe (see photo to right).
- b. **Milling/planing:** a milling machine uses a large rotating drum with "teeth" to grind up (plane) and remove a given thickness of defective pavement. The removed pavement is ground up into small particles (referred to as 'millings') which are directly loaded into a dump truck via an attached conveyor and then hauled away (see photo to right) to be recycled.



#### *Structural Patching: Saw Cutting & Excavation vs. Milling*

In advance of preservation (by slurry seal or overlay method), surface cracking and deteriorated asphalt areas are sampled at different locations using a coring machine to determine the depth and nature of the distresses. These distressed areas must be structurally repaired in advance of the preservation so that distresses do not continue to impact the new pavement. If the saw-cut/dig-out method is to be used for preparation, the entire depth of the asphalt must be removed, regardless of the extent of cracking or distress. If the milling method is used, the distressed pavement surface can be milled just to the extent of the cracks without the need for a full depth pavement replacement.

The saw-cut/dig-out method removes asphalt pavement in large chunks that often contain pieces of sub-surface soils. Because of this, excavated material using this method cannot be readily reused or recycled without further processing, and consequently the material is usually hauled away to a landfill for disposal.

#### *Benefits of Milling Machine*

The milling method is more environmentally sustainable and efficient; two factors highlight this:

- **Environmental:** Millings can be directly reused as a base material in alleys, paths, trails, parking lots, and other City projects. They can also be directly recycled and reused as aggregate in new pavement. This ability to recycle materials not only diverts waste from the landfill, but it also preserves energy and raw materials that go into creating aggregate which is needed to make asphalt. Overall, the ability to reuse millings reduces the impact that resurfacing Kirkland's roadway network has on the environment and may lower greenhouse gas emissions.

Regarding the recycling of materials and of note, in 2015, the Washington State Legislature passed legislation (HB 1695) requiring the use of recycled materials in all transportation projects for jurisdictions over 100,000 in population and encouraging other agencies to follow suit. In part, the bill outlines these requirements and the trend:

Beginning in the year 2016, all Washington roadway, street, highway, and transportation infrastructure projects undertaken by the DOT or a local government with more than 100,000 residents must use at least 25-percent construction aggregate and recycled concrete materials each year cumulatively across all projects if adequate amounts of materials are available. Each year after 2016, that percentage must be increased by at least 5 percent through the year 2020. During this time period, the DOT and its implementation partners must also report to the Legislature annually on the progress being made to reach the established recycling goals. Local governments with less than 100,000 residents must review their capacity for recycling and reusing construction materials, establish strategies for meeting that capacity, and begin implementing those strategies.

Also beginning in the year 2016, any local government with less than 100,000 residents, or any local government with jurisdiction over a public works transportation or infrastructure

House Bill Report

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HB 1695

Kirkland will be well suited to meet these objectives in advance if it becomes a requirement in the future for cities with populations of less than 100,000.

- **Efficiency:** When comparing various “in-house” projects from the last few years between when a rented milling machine was used and when the saw-cut and dig-out method was used, the City maintenance crew was approximately 40% more productive when a milling machine was used. The milling machine has the ability to remove the old deteriorated asphalt to a specified depth at a production rate greater than can be achieved utilizing the saw-cut/dig-out method. Use of a milling machine will result in an increase in production, allowing the crew to prepare more lane miles of roadway for the labor that is allocated to this annual activity.

#### *Current Preservation Program Funding*

Excluding project management, design, and inspection (soft costs), approximately \$4.3 Million is allocated annually for the City’s Preservation Program. Of this amount, approximately \$3.5 M is work that is contracted out and funded through the Capital Improvement Program (CIP). In addition, on average, the City maintenance crew spends approximately \$812,000 per year to keep the roadway in good working condition. These operating costs include \$200,000 per year for structural patching in support of the contracted slurry seal program. A funding breakdown is summarized as follows:

Expenses				Preservation Program Total
	Capital	Operating		
1. SLURRY SEAL	550,000	200,000		
2. CREW MAINT & PRESERVATION		612,000		
3. OVERLAY				
<i>CONSTRUCTION EXCLUDING STRUCTURAL REPAIR</i>	2,720,000			
<i>STRUCTURAL REPAIR</i>	252,000			
<b>Total Expenses:</b>	<b>\$ 3,522,000</b>	<b>\$ 812,000</b>		<b>\$ 4,334,000</b>

Based on 2014 Actuals, does not include soft costs

Table 1 – Preservation Program (current)

Street operating expenses in support of the preservation program can be further broken down into four main categories as follows:

	2014 Actual \$	% of total
Salaries/Wages	242,000	30%
Supplies & Other Charges	250,000	30%
Rock/Aggregate/Hot Mix Asphalt	282,000	35%
Hauling/Dumping	38,000	5%
<b>Total</b>	<b>\$812,000</b>	

Table 2 – Street Operating Expenses

### *Key Cost Assumptions*

The following assumptions were used in the financial analysis of the milling machine purchase recommendation:

- Reuse/Recycling: As outlined in Table 2, the Street operating fund spends approximately \$282,000 per year on rock, aggregate, sand, gravel, crushed rock, and hot mix asphalt for the Preservation Program. Of this amount, \$52,000 is for the purchase of crushed rock. Millings produced by the milling machine can be reused in place of crushed rock in many Public Works operations. It was estimated that nearly 88% of the crushed rock purchased annually by the Streets Division could be replaced by reused millings, however, to be conservative, only a 50% (\$26,000) reduction was used in the analysis.
- Hauling/Dumping: It was assumed that the \$38,000 per year for hauling and disposing of roadway materials would be reduced in proportion to the amount of millings being reused; this amounts to an expenditure reduction of \$15,000 per year. In addition to this direct cost savings, there are several local asphalt companies that will take the millings for reuse as an aggregate in their hot mix asphalt, and they do not charge for dumping of the material.
- Life expectancy: For analysis purposes, a conservatively short 12-year useful life was used for the milling machine in evaluation of the \$600,000 purchase price (based on

research with other agencies and a private contractor, it would be reasonable to expect a longer service life based on what they are experiencing with similar machines).

- **Structural Patching:** The annual overlay program consists of private contractors overlaying approximately 80,000 square yards of asphalt. Structural repairs are done by the contractor in advance of this overlay work and usually require up to 14 days of advanced work. For this recommendation, it was assumed that at least 15-20% of the necessary structural repairs will be completed by the City maintenance crew prior to the overlay contract. This will result in a shift in funding from capital to operating, a proposal will be brought forward in the 2017-2018 budget to address this change. With this approach, the private contractor can commence overlay work immediately upon award of the contract.
- **Staffing:** Finally, it is projected that an estimated 900 labor-hours will be required to complete the additional 15-20% structural patching under the staff recommendation. Efficiencies shown through past City project performance indicates up to a 40% increase in production when a milling machine is used (production increased from 1.0 tons to 1.4 tons of asphalt per labor-hour). This ability to work more efficiently will allow the crew to accomplish more repair work in the same amount of time; therefore, it was determined that no additional staffing is needed to accomplish this additional work.

#### *Summary of Financial Analysis*

Using the above assumptions and considering all other costs associated with owning, operating, and maintaining a milling machine, it is projected to take between 6-8 years for the purchase to pay for itself. This range is highly sensitive to the percentage of structural repair the City maintenance crew is able to complete in preparation of the capital component of the overlay program. The more structural repair work that the crew completes, the shorter the payback period. The analysis has been conservative where possible, and the payback period is dependent on actual reuse of materials and the percentage of structural repair necessary in a given year. Both of these factors will vary from year to year. The sensitivity of the analysis indicates that for every additional \$12,000 in savings (materials, labor, etc.), it will take one less year to pay off the purchase.

To demonstrate the variation of the potential annual savings, Table 4 compares the cost over 12 years using the current 'status quo' program with the cost if a milling machine is purchased. In all three scenarios, the cost is less utilizing a purchased milling machine. The highest savings are realized if the crew completes 20% of the structural repair work every year for twelve years.

<b>% of Structural Repair</b>	<b>Status Quo (\$ in Millions)</b>	<b>Milling Machine (\$ in Millions)</b>	<b>'Savings' (\$ in Millions)</b>
15%	2.9	2.6	.3
17.5%	3.4	2.8	.6
20%	3.9	3.0	.9

Table 4 – Projected 12-year savings based on City repair

### *Reinvesting Savings*

Projected cost savings realized from the proposed program changes will be reinvested into the capital Preservation Program. This will result in the ability to leverage funding in order to accomplish more preservation now. The ability to address the pavement while it is still in good condition will mitigate the need for costly rehabilitation and reconstruction of the roadway in the future.

### *Consider Renting*

The ability to rent a milling machine for short periods over the last several years has provided both the opportunity to provide staff training on this specialized equipment, and it has also allowed staff the opportunity to study the method for pavement repair. However, scheduling the machine for rental during the season that is most advantageous to street preservation work has become increasingly more challenging. In 2015, no rental equipment was available during the paving season. In the past, when the City has rented a milling machine, it cost on average \$7,200 per week, thus in order to retain the machine for the entire pavement repair season (in advance of the overlay program from May-July), it would cost nearly \$86,400 per year. After only seven years of renting, the City will have spent as much as it costs to purchase a milling machine.

### *Long Term*

For best results, paving operations require temperatures between 40-70 degrees with little to no rain; therefore there is a limited window for paving. Paving is best done in the summer through early fall when temperatures tend to be mild, and the weather is drier than during other seasons. The City maintenance crew, however, has the ability to complete structural patching throughout the year as weather permits. Thus, by completing structural patching in advance of the contracted (slurry seal and overlay) work, a longer 'construction season' will be realized. Given that these additional days can be dedicated to contractor paving, it is estimated that every seven years will allow the City to accomplish the equivalent of one full year of additional paving. This will result in an increase in Pavement Condition Index (PCI), a decrease in the deferred maintenance, and will help to stabilize and/or increase the overall pavement quality for less cost than the current programs.

### *Timeline*

A six month lead time is anticipated between the procurement (purchase) and the delivery of a milling machine. Thus, if the City were to wait for the upcoming 2017/2018 budget process to consider purchasing a milling machine, the equipment would not be available in time for the 2017 paving season. Staff is beginning to seek a rental unit in preparation of the 2016 paving season, however to be ready for the 2017 paving season, staff is requesting authorization to proceed with the procurement and purchase of a milling machine in 2016.

### *Funding*

Because of the limited number of paving days each year, the Street Preservation Program usually ends with a fund balances that are then carried over to the next year. (This is one of the problems the additional productivity of the Milling Machine is intended to address.) The City

programs these for more street preservation. For example, the Council authorized staff to use these balances from 2013 and 2014 to do additional overlay on the 85<sup>th</sup> Street project, which came in under the revised budget. Therefore the recommendation is for the \$600,000 purchase to be paid for using a combination of unspent 2015 fund balance and 2016 Street Preservation Program funding and the remaining balance of the Street Improvement reserve. The amounts are proposed to be allocated as follows:

- \$194,000 unspent fund balance from the 2015 Street Preservation Program.
- \$140,000 from the NE 85<sup>th</sup> Street Overlay Project, which came in below budget.
- \$170,042 from the 2016 Street Preservation Program. The overall 2016 Program would be reduced by this amount, but the \$170,000 would likely have been unspent fund balance anyway at the end of 2016 based on current rates of production.
- \$95,958 from utilizing the balance of the street improvement reserve. This reserve is made up mostly of unspent gas tax revenue allocated to previous transportation capital projects. Because funding is restricted and must be used for maintaining and improving streets, a separate reserve was set up for tracking purposes. The bulk of the reserve (\$900,000) has been allocated for the Arterial Street LED Conversion Project in 2016, and the recommended use is the remaining balance. The City has changed its practice and all gas tax revenue is now programmed in the CIP. Therefore the reserve is not needed for future transactions.

If Council concurs with the recommendation, staff is seeking a motion to authorize the funding and purchase of the Milling Machine.

**FISCAL NOTE**

CITY OF KIRKLAND

Source of Request							
Kathy Brown, Public Works Director							
Description of Request							
Funding totalling \$600,000 to purchase an asphalt milling machine. Funding sources include 1) \$194,000 from the 2015 Street Preservation project, 2) \$140,000 from the NE 85th Street Overlay project, 3) \$170,042 from the 2016 Street Preservation project and 4) \$95,958 from the Street Improvement Reserve.							
Legality/City Policy Basis							
Fiscal Impact							
<b>One-time use of project balances of \$194,000 from the 2015 Annual Street Preservation Program ST 1506 and \$140,000 from the NE 85th Street Overlay project ST 0006 002.</b> These projects are expected to have unspent balances available to fund this request. <b>One-time use of \$170,042 from the 2016 Annual Street Preservation Program ST 1606.</b> The upcoming 2016 program will be reduced by this amount. <b>One-time use of \$95,958 from the Street Improvement Reserve.</b> This reserve is fully able to fund this request; however this request will exhaust the remaining balance. It has been the intent to close this reserve as it doesn't have a current funding source or purpose.							
Recommended Funding Source(s)							
<i>Reserve</i>	Description	2016 Est End Balance	Prior Auth. 2015-16 Uses	Prior Auth. 2015-16 Additions	Amount This Request	Revised 2016 End Balance	2016 Target
	Street Improvement Reserve	95,958	0		95,958	0	N/A
	Funding of \$900,000 from the Street Improvement Reserve is allocated to the Arterial Streetlight LED Conversion ST 0088 in 2016.						
<i>Revenue/Exp Savings</i>							
<i>Other Source</i>							
Other Information							
Prepared By	Neil Kruse, Senior Financial Analyst				Date	March 2, 2016	