



CITY OF KIRKLAND CITY COUNCIL

Joan McBride, Mayor • Doreen Marchione, Deputy Mayor • Dave Asher • Toby Nixon
Bob Sternoff • Penny Sweet • Amy Walen • 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.*

123 Fifth Avenue • Kirkland, Washington 98033-6189 • 425.587.3000 • www.kirklandwa.gov

AGENDA KIRKLAND CITY COUNCIL MEETING City Council Chamber Tuesday, July 3, 2012 6:00 p.m. – Study Session – Peter Kirk Room 7:30 p.m. – Regular Meeting

COUNCIL AGENDA materials are available on the City of Kirkland website www.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.

1. *CALL TO ORDER*
2. *ROLL CALL*
3. *STUDY SESSION, Peter Kirk Room*
 - a. Proposed Roads and Parks Ballot Measures
4. *EXECUTIVE SESSION*
 - a. To Discuss Labor Negotiations
5. *HONORS AND PROCLAMATIONS*
 - a. Park and Recreation Month Proclamation
6. *COMMUNICATIONS*
 - a. *Announcements*
 - b. *Items from the Audience*
 - c. *Petitions*
7. *SPECIAL PRESENTATIONS*
8. *CONSENT CALENDAR*
 - a. *Approval of Minutes:* June 19, 2012

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.

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.

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.

b. Audit of Accounts:

Payroll \$
Bills \$

c. General Correspondence

d. Claims

e. Award of Bids

f. Acceptance of Public Improvements and Establishing Lien Period

- (1) Kirkland Transit Center Bus Layover Sidewalk Project, AGR Contracting, Monroe, WA

g. Approval of Agreements

h. Other Items of Business

- (1) Ordinance O-4363 and its Summary, Relating to the Sale and Disposal of Surplus Personal Property
- (2) Resolution R-4927, Adopting a Revised Policy for Investment of City Funds
- (3) Event Pay Parking at SummerFest
- (4) Downtown Parking Pay Station Pilot Program
- (5) Report on Procurement Activities

9. *PUBLIC HEARINGS*

a. Resolution R-4928, Stating the City Council’s Support for King County Proposition No. 1, the Children and Family Services Center Capital Levy

(1) Proposition No. 1

Children and Family Services Center Capital Levy

The King County council passed Ordinance No. 17304 concerning a replacement facility for juvenile justice and family law services. This proposition would authorize King County to levy an additional property tax for nine years to fund capital costs to replace the Children and Family Justice Center, which serves the justice needs of children and families. It would authorize King County to levy an additional regular property tax of \$0.07 per \$1,000 of assessed valuation for collection in 2013. Increases in the following eight years would be subject to the limitations in chapter 84.55 RCW, all as provided in Ordinance No. 17304. Should this proposition be:

- Approved
- Rejected

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.

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.

- b.* Resolution R-4929, Authorizing Application for Grant Funding Assistance for a Firearms and Archery Range Recreation (FARR) Program Project to the Recreation and Conservation Office as Provided in RCW 79A.25.210-230; Title 286 WAC and Subsequent Legislative Action

10. UNFINISHED BUSINESS

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.

11. NEW BUSINESS

- a.* Ballot Measure Pro and Con Committees

12. REPORTS

- a. City Council*

- (1) Regional Issues

- b. City Manager*

- (1) Calendar Update

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.

13. ITEMS FROM THE AUDIENCE

14. ADJOURNMENT



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

MEMORANDUM

To: Kurt Triplett, City Manager
From: Marilynne Beard, Assistant City Manager
Date: June 21, 2012
Subject: PROPOSED ROADS AND PARKS BALLOT MEASURES

RECOMMENDATION:

City Council provides direction to staff regarding specific provisions to include in the proposed parks and roads levy ordinances to be presented for Council action at the July 17, 2012 meeting.

BACKGROUND DISCUSSION:

In previous meetings, the City Council directed staff to prepare materials for two ballot measures that will be presented to Kirkland voters at the November 2012 election. The City Council must approve the appropriate ordinances at the July 17 City Council meeting in order for the measures to qualify for the November election. The purpose of this memo and attachments is to provide additional information on the proposed roads levy and to outline the direction needed by staff for both measures in order to prepare the ordinances for Council action. Materials are attached as follows:

1. Roads levy background (Attachment A)
2. Parks levy background (Attachment B)
3. Fact sheet samples (Attachments C through G)
4. Draft Ordinances (Attachments H and I)

Roads

The roads levy is recommended by staff at an initial amount of \$3 million (\$.20 per \$1,000 AV) with the proceeds used to complete street repair and restoration, safe school walk routes and pedestrian and traffic safety improvements. The initial levy is then limited by the 1% growth limitation for following years. A memo from Public Works with attachments is included providing a more detailed discussion of how the levy proceeds would be applied (Attachment A). Staff is recommending that 90% of the proceeds be dedicated to street preservation with arterials as the highest priority. Safe walk routes around elementary schools would receive 5% of the levy and pedestrian/neighborhood traffic safety improvements would also receive 5%. Further direction is needed from Council regarding whether the proposed allocation is

appropriate, whether the amount of the proposed levy is appropriate and whether a time limit should be set on the levy. A draft roads levy ordinance is included as Attachment G to this memo.

Parks

At the June 19 meeting, the City Council received an updated recommendation of the Parks Funding Exploratory Committee (PFEC). The PFEC discussed three potential levy packages and recommended a combined parks maintenance and capital "pay as you go" levy. The PFEC further recommended that the maintenance levy be set at \$1.095 million per year and the capital levy be set at \$1.25 million per year and that the combined levy be requested as a permanent increase (i.e. no expiration). The City Council agreed to the combined levy option of \$2,345,000 or \$.16 per \$1,000 of assessed valuation. Discussion regarding limiting the time period of the levy was not concluded and would be taken up at the next (July 3) City Council study session. A memo from Parks included as Attachment B describes the outcomes of the June 19 meeting. Based on the preliminary direction from Council, a draft ordinance was prepared and is included as Attachment H. Finalization of the ordinance is pending direction from the City Council regarding a possible expiration date.

Public Information – Draft Fact Sheets

Two fact sheets will be prepared for each ballot measure that will present information about the upcoming levies. The fact sheets will include information about the needs, the proposed services and projects that would be funded and the financial impact of the levy on taxpayers. The City is prohibited from advocating for ballot measures. To ensure that the informational materials are well within the bounds "providing factual information," staff will ask the Public Disclosure Commission to review draft materials before they are distributed to the public. A mock-up of the fact sheets that reflect final direction received will be presented to Council at the July 17 meeting. Attachments C and D contain a sample of the type of information that will be included in the fact sheets. Sample fact sheets from other cities are provided as attachments E, F and G to show the type of layout and graphics that would be included in a fact sheet.

Average and Median Home Values

One of the details discussed at the June 19 meeting was the property valuation that should be used to describe the annual impact to property tax payers. To date, a value of \$480,000 was used as the value to calculate the annual cost to a home owner. This figure represents the pre-annexation average single family residential value in Kirkland. Updated assessed value information has since been developed by King County that reflects the new City boundaries. The average single family value decreased after annexation due to an overall decline in valuations and the lower property values in some of the new neighborhoods annexed in 2011. The current average single family value for the new Kirkland is \$430,000.

A different approach is to use the average median value (rather than the average). The median value is the amount that is the mid-point for single family homes – 50% of homes have higher valuations and 50% have lower valuations. The current median valuation is \$349,000 which results in a lower annual impact to the "typical" residential property taxpayer.

Kirkland Assessed Value Statistics

Category	2012 Pre-Annexation Boundaries	2012 Total Kirkland
Single Family Median	\$413,000	\$349,000
Single Family Average	\$484,219	\$430,426

At issue is whether to use the "median" single family property value or the "average" single family property value. If the reader interprets "median residential value" to mean "average single family home value" there may be confusion among the public as to whether that number is too low, especially since the value used in all previous materials was the average (previously \$480,000).

Another approach would be a table showing the impact on a range of home values as presented in the Parks memo.

Roads Levy Impact at 20.4 cents per \$1,000 of assessed value

Home Value	Annual Levy Cost:	Monthly Levy Cost:
\$ 300,000	\$ 61.20	\$5.10
\$ 349,000 ⁽¹⁾	\$ 71.20	\$5.93
\$ 430,000 ⁽²⁾	\$ 87.72	\$7.31
\$ 750,000	\$153.00	\$12.75

Parks Levy Impact at 16 cents per \$1,000 of assessed value

Home Value	Annual Levy Cost:	Monthly Levy Cost:
\$ 300,000	\$ 48.00	\$4.00
\$ 349,000 ⁽¹⁾	\$ 55.84	\$4.65
\$ 430,000 ⁽²⁾	\$ 68.88	\$5.73
\$ 750,000	\$120.00	\$10.00

Combined Roads and Parks Levy Impact at 36 cents per \$1,000 of assessed value

Home Value	Annual Levy Cost:	Monthly Levy Cost:
\$ 300,000	\$ 109.20	\$ 9.10
\$ 349,000 ⁽¹⁾	\$ 127.04	\$10.59
\$ 430,000 ⁽²⁾	\$ 156.52	\$13.04
\$ 750,000	\$ 273.00	\$22.75

- (1) 2012 Kirkland Median Single Family Value
(2) 2012 Kirkland Average Single Family Value

Staff recommends using the \$430,000 average single family value for consistency with previous presentations which used the average. However it is updated to reflect the 2012 King County Assessor numbers and is therefore more accurate than the \$480,000 previously used. Staff further recommends to present a range when space is available on fact sheets and other literature.

Ordinances

Two draft ordinances were prepared for Council review. Both ordinances will need to be updated to reflect policy direction received at the July 3 meeting (Attachments H and I). The form and content of the ordinances are guided by relevant state law and were drafted by the City's bond counsel in cooperation with the City Attorney. The ballot title has certain provisions it must contain and is limited to a maximum of 75 words for the description portion of the proposal as highlighted in the draft ballot titles below.

Roads Permanent Levy

The Kirkland City Council adopted Ordinance No. ____ concerning a proposition for a road levy rate increase. To fund road maintenance and safety improvements for neighborhood streets and arterials, including resurfacing, pothole repair, pedestrian safety improvements, school walk routes, sidewalks and crosswalks, the City's regular property tax levy shall be increased by \$.204 per \$1,000 of assessed value, on a permanent basis, for collection beginning in 2013 and such amount shall be used for the purpose of computing the limitations for subsequent levies provided under RCW ch.84.55. Should this proposition be:

The ballot title is critical because it may be the only information that voters see unless they have read the voters pamphlet or have followed local news and City announcements. The levy ordinance contains more detailed information about the intent of the Council to plan for and use the levy proceeds.

Four draft ballot titles for Council consideration are shown on the following page – two each for roads and parks. Both are presented as permanent and time-limited options. The draft ordinances presented in Attachments H and I have not yet been prepared for all four options pending Council direction and are still being refined.

Roads Permanent Levy

The Kirkland City Council adopted Ordinance No. ____ concerning a proposition for a road levy rate increase. To fund road maintenance and safety improvements for neighborhood streets and arterials, including resurfacing, pothole repair, pedestrian safety improvements, school walk routes, sidewalks and crosswalks, the City's regular property tax levy shall be increased by \$.204 per \$1,000 of assessed value, on a permanent basis, for collection beginning in 2013 and such amount shall be used for the purpose of computing the limitations for subsequent levies provided under RCW ch.84.55. Should this proposition be:

Roads Time-Limited Levy

The Kirkland City Council adopted Ordinance No. ____ concerning a proposition for a road levy rate increase. To fund road maintenance and safety improvements for neighborhood streets and arterials, including resurfacing, pothole repair, pedestrian safety improvements, school walk routes, sidewalks and crosswalks, the City's regular property tax levy shall be increased by \$.204 per \$1,000 of assessed value for a term of ____ years for collection in years 2013 through _____. Should this proposition be:

Parks Permanent Levy:

The Kirkland City Council adopted Ordinance No. ____ concerning a proposition for a park levy rate increase. To fund maintenance, operation and preservation of parks and natural areas, beach lifeguards, dock restoration, trail and playfield improvements and the acquisition of parkland and open space, the City's regular property tax levy base shall be increased by \$.16 per \$1,000 of assessed value, on a permanent basis, for collection beginning in 2013 and such amount shall be used for the purpose of computing the limitations for subsequent levies provided under RCW ch.84.55. Should this proposition be:

Parks Time-Limited Levy:

The Kirkland City Council adopted Ordinance No. ____ concerning a proposition for a park levy rate increase. To fund maintenance, operation and preservation of parks and natural areas, beach lifeguards, dock restoration, trail and playfield improvements and the acquisition of parkland and open space, the City's regular property tax levy base shall be increased by \$.16 per \$1,000 of assessed value for a term of ____ years, for collection in years 2013 through _____. Should this proposition be:

Actions Needed by the City Council

In addition to approval of the authorizing ordinances, the City Council will need to request citizen volunteers to serve on the committees that will write the pro and con statements for the voters' pamphlet (see New Business on the July 3 Regular Meeting Agenda). An explanatory statement for the voters' pamphlet will also be prepared by the City Attorney for City Council review. The sequence of events and deadlines for these activities are shown below:

July 3 Direct the City Clerk to solicit citizen committees for pro and con statements – The City Council directs staff to call for citizen volunteers for the pro and con committees. The City Clerk will publish a notice requesting volunteers. Staff will also issue a media release and send out the request through the neighborhood news listserv and post the announcement on the City's web page. Because of the short turnaround time between the approval of the ordinances (July 17) and the due date for the pro and con statements (August 15), staff is recommending that the committee appointment process be set in motion on July 3.

July 17 Hold a Public Hearing – While a public hearing is not required prior to authorizing the ordinances, staff recommends holding two hearings (one for each ballot measure) prior to adoption of the authorizing ordinances. This important step is one way to demonstrate transparency in the process.

Approve ordinances authorizing levies to be placed on the November 6 ballot – This is the final regular meeting during which ordinances can be approved.

Appoint Pro/Con Committees – The City Council will consider a resolution appointing committee members that will write pro and con statements for the roads and parks levies.

August 7 File approved Ordinances with the King County Clerk – Staff will file the appropriate documents with the Clerk of the King County Council on or before August 7.

August 10 Explanatory statements submitted to King County Elections – An explanatory statement will be prepared by the City Attorney for the Voters' Pamphlet. The explanatory statements are due to the King County elections office by August 10 in order to be included in the voters' pamphlet.

August 15 Pro and con statements submitted to King County Elections – Pro and con statements are prepared by the appointed committees and submitted to King County Elections by August 15 in order to be included in the voters' pamphlet. Rebuttal statements are due by August 17.

Summary and Direction Needed

Staff is requesting confirmation of and/or a decision regarding the following items relative to the ballot measures:

Roads

1. The roads levy will be set at \$0.20 per \$1,000 of assessed valuation which, in the first year, is estimated to produce \$3,000,000. The levy is subject to the 1% annual limit plus an allowance for new construction.
2. The roads levy will be allocated in the annual Capital Improvement Program as follows:
 - a. 90% for street preservation (\$2.7 million)
 - b. 5% for safe walk routes around elementary schools (\$150,000)
 - c. 5% for pedestrian/neighborhood traffic safety improvements (\$150,000)
3. Should the levy be time-limited? If yes, when should the levy expire?

Parks

1. The parks measure will combine a maintenance and operations levy with a "pay as you go" capital levy.
2. The total parks levy will set at \$0.16 per \$1,000 of assessed valuation which, in the first year, is estimated to generate \$1,095,000 for maintenance and operations and \$1,250,000 for capital. The levy is subject to the 1% annual limit plus an allowance for new construction.
3. Should the levy be time-limited? If yes, when should be levy expire?

Fact Sheet

1. What residential valuation should City information materials use when calculating the impact of the levies for the average residential property taxpayers?
2. Do the fact sheets contain the right information?

Ordinances

1. Does the draft road levy ballot title and ordinance language (as amended by Council direction received on July 3) reflect the intent of the Council?
2. Does the draft ballot title and ordinance language (as amended by Council direction received on July 3) reflect the Council's direction regarding the nature of the levy and proposed uses as recommended by the PFEC?

July 17 is the last regular City Council meeting for taking action on ballot measures for the November 6, 2012 election. Clear direction is needed on outstanding policy issues on July 3 in order to be prepared for the July 17 meeting. If further changes are needed to the ordinances after the July 17 meeting, a special Council meeting would be needed to meet the County's election deadlines.



CITY OF KIRKLAND
Department of Public Works
 123 Fifth Avenue, Kirkland, WA 98033 425.587.3800
 www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Ray Steiger, P.E., Public Works Director

Date: June 21, 2012

Subject: ROAD MAINTENANCE AND PEDESTRIAN SAFETY LEVY PROPOSAL

RECOMMENDATION:

It is recommended that the City Council review a proposal for the Kirkland 2012 road maintenance and pedestrian safety levy.

BACKGROUND DISCUSSION:

At their May 15, 2012, study session, City Council was presented with results of a community survey that was conducted to ascertain the public's sentiment regarding additional funding for City infrastructure. Park maintenance, park capital investments, and roadway maintenance were the primary focus of the survey. The results of the survey indicated varying levels of support for funding individual measures (Figure 1), and City Council directed staff to work with the Park Funding Exploratory Committee (PFEC) on elements regarding the park components of the survey and to further examine the elements that might be accomplished through a road maintenance levy of \$3,000,000 (Attachment A-1).

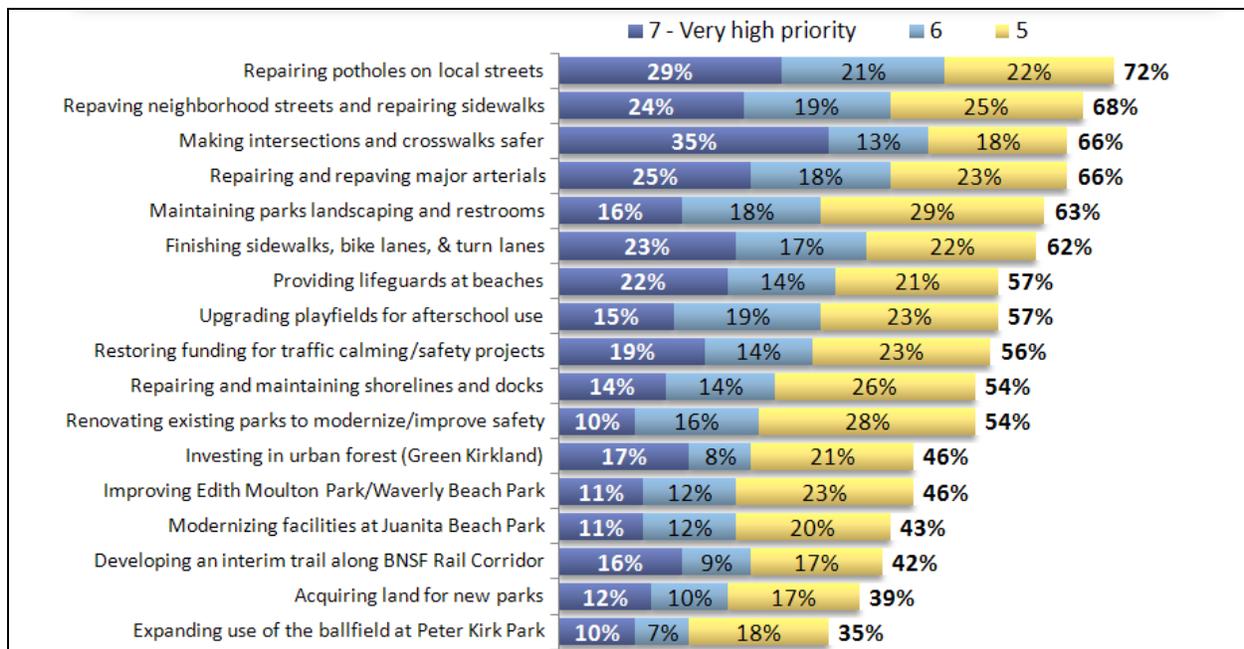


Figure 1. EMC Spring 2012 community survey

Current Street Funding Shortfall

The current street maintenance funding shortfall has been well documented in numerous presentations and memos to the City Council since 2010, including Attachment A-1 and so won't be repeated in detail in this memo. However a high level summary is appropriate. The City of Kirkland currently has a city-wide average Pavement Condition Index (PCI) of 66. The City's adopted goal is a PCI of 70 for arterials and 65 for collectors and neighborhood streets. The "optimal" PCI for a street network is 80-85. Kirkland also has a deferred road maintenance backlog of \$39 million (M). Over the next 20 years, if no additional funding is received, the deferred maintenance backlog will grow to \$148 M and the City's PCI will drop significantly to 56 and many roads would have to be rebuilt at over 3.5 times the cost of maintaining and repairing them today.

Pedestrian Safety Improvement Needs

The City of Kirkland is well known for its walkability and innovative pedestrian safety initiatives such as pedestrian flags and in pavement flashing crosswalks, and was the first in Washington to adopt a complete street ordinance. However the 2009 Active Transportation Plan identifies that nearly 25 percent of Kirkland's roadway network had no sidewalks and lists nearly \$120 M worth of sidewalk improvements including nearly \$2 M in remaining safe route to school sidewalks. The new annexation neighborhoods have added more unmet sidewalk needs that are currently being assessed. In addition, past budget cuts have eliminated City staff dedicated to working with neighborhoods on vital traffic calming and safety issues and the City's neighborhood traffic program has been almost completely eliminated.

Impact of the Road Levy on the Shortfall and Pedestrian Safety

This memo provides a staff recommendation for elements that could be considered in the road maintenance and pedestrian safety levy and a potential outcome of the funding. In the outcome described, a 20 year timeframe was used; however were Council to modify the period of the levy, the outcomes would be modified proportionately (up or down).

Staff has broken the potential \$3,000,000 annual road investment into three primary focuses based on Council direction and feedback from the community. Those focuses are:

1. Arterial paving and neighborhood street preservation (90% of the funding)
2. Safe walk routes around elementary and middle schools (5%)
3. Pedestrian/neighborhood traffic safety improvements (5%)

This breakdown would provide an additional \$2.7 million of new revenue to the existing \$2.6 average annual investment in the City's street preservation program, bringing the overall street preservation program to \$5.3 million annually. It would allow for the repaving, restoration, or reconstruction of an additional 90 lane-miles of City arterials (out of approximately 150 arterial lane miles) over the 20-year period. It would also enable the City to keep intact its current \$700,000 investment in preventative maintenance such as slurry seal, crack sealing, and patching on local and neighborhood streets.

Slurry seal and preventive maintenance are critical components to the City's street preservation strategy as they provide low cost options on certain roadways. Preventive maintenance is significantly lower in cost than street reconstruction (Attachment A-2). Passage of the levy, combined with current funding, would enable nearly every single neighborhood street to receive some kind of preservation treatment over the 20-year period. The available funding would eliminate \$81 M of the projected 2032 \$148 M of deferred maintenance \$148 M. The PCI of the

City network would remain near its current level of 66 compared to a drop to 56 without the added funding and the PCI of the principal arterials (currently 47 PCI) and minor arterials (currently 66 PCI) would be significantly increased.

The increased street preservation program would allow for repair of such significant streets as:

- NE 132nd Street
- Totem Lake Boulevard
- NE 124th Street
- NE 116th Street
- Simonds Road
- 124th Ave NE
- 132nd Ave NE
- Lake Washington Boulevard
- 108th Ave NE
- Kirkland Ave
- 6th Street South
- 100th Ave NE
- 116th Ave NE

Specific limits and other candidate projects are represented in Attachment A-3.

Closing the Remaining Gap

There are several other potential revenue streams that when combined with this levy would completely eliminate the deferred maintenance gap and result in a city-wide PCI average of 77. These include state and federal grants that are routinely secured by the city, as well as additional revenue from the levy from increased assessed valuation over the 20 years of the levy. Finally, the state legislature is considering a transportation funding package that would bring an additional \$2-\$3 M annually to the City. Because these revenues are likely, but not yet certain, they are not included in the analysis. But together with the levy they solve the backlog.

Pedestrian Safety Solutions

In addition to street preservation along the arterial system, all of the associated crosswalks, wheelchair ramps, striping, and adjacent broken sidewalk and curbing would be repaired and brought to current standards with the expanded preservation program. This will not only benefit motorists and transit, but also bicyclists and pedestrians using the facilities. In all nearly 500 new ADA compliant wheelchair ramps would be installed, 250 new thermoplastic crosswalks would be installed, and bike lanes/facilities would be provided consistent with the overall active transportation plan as a result of the streets being repaired.

The second focus of the levy will be additional opportunities for advancing the City's safe routes to school program. To date, Kirkland's investment in school walk routes combined with receipt of numerous State and Federal grants has allowed the City to progress toward its goals of a walk route on at least one side of the highest priority school walk route segments of all arterials and collectors by 2016 (Attachment A-4) and completion of sidewalks on one side of all school walk routes along arterials and collectors by 2019. The addition of five new elementary schools with annexation has increased the required network, and they will be well served by the added funds (Attachment A-5). In all, nearly all of the 12 elementary schools will be served by the added annual investment of \$150,000 in the City's efforts to complete the walk routes; based on the average cost for sidewalk, this would amount to nearly 25 blocks of new walk route over the 20-year period. Since 2001, the City has invested \$5.5 M on completing school walk routes.

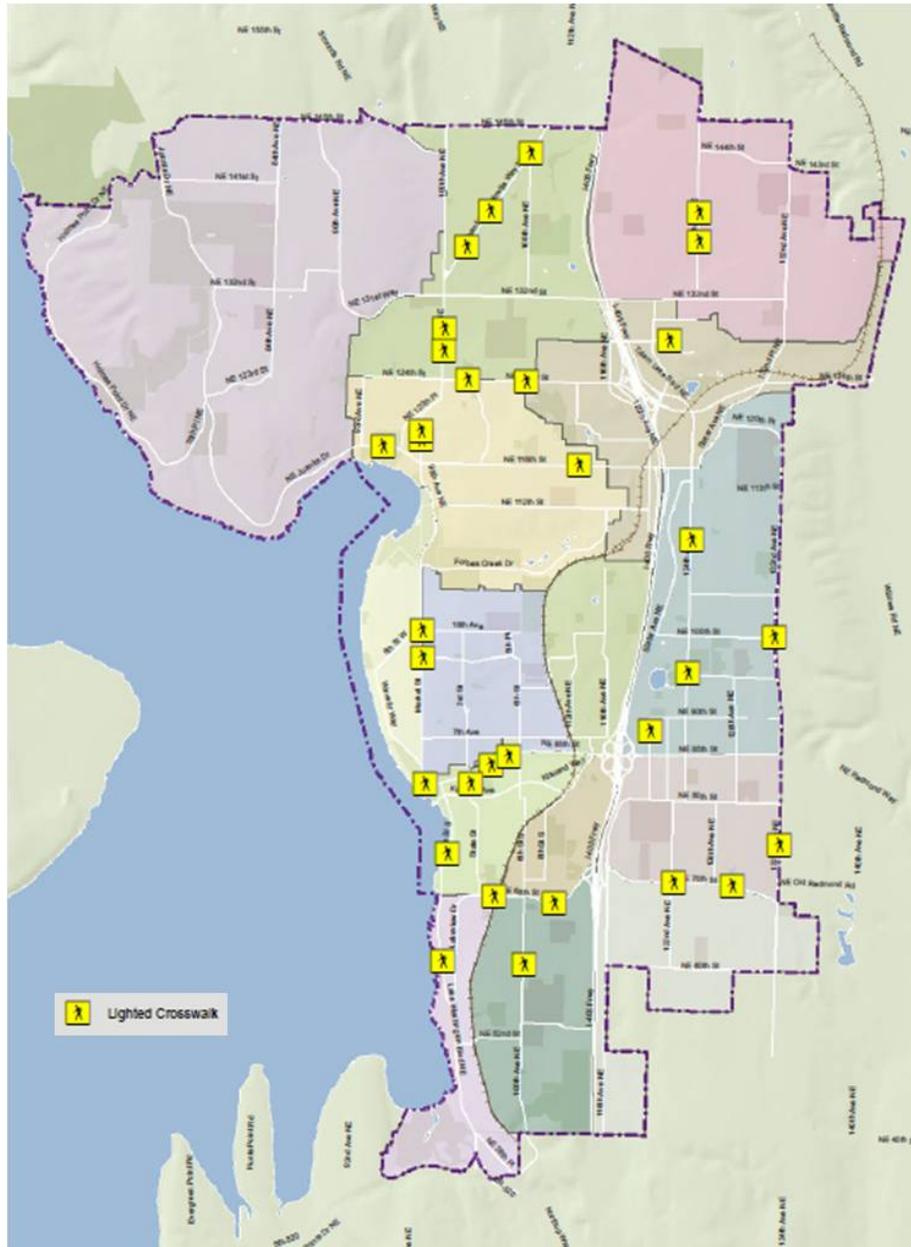


Figure 2. City-wide lighted crosswalks to be upgraded. 18 more locations to be identified.

Finally, levy funding of \$150,000 per year is recommended to be applied toward the enhancement of City crosswalks that are currently served by failing or failed in-pavement flashing crosswalks. It will allow for the complete replacement of the existing 32 city-wide systems with new, energy efficient, highly visible, and more easily maintained Rectangular Rapid Flashing Beacons (RRFB) and complete standardization of these devices City-wide (Figure 2); sufficient funding would be available to supplement the existing Crosswalk Upgrade program such that another 18 could be added City-wide.

In order to communicate the anticipated outcomes of the levy, staff will prepare an informational fact sheet that will be made available to the Public online and at multiple locations. Draft language for the informational sheet is included as **Attachment C**.

Council Direction Needed

- Should the roads levy be set at \$0.20 per \$1,000 of assessed valuation which, in the first year, is estimated to produce \$3,000,000? The levy is subject to the 1% annual limit plus an allowance for new construction.

- Should the roads levy be allocated in the annual Capital Improvement Program as follows: 90% for street preservation (\$2.7 million), 5% for safe walk routes around elementary schools (\$150,000) and 5% for pedestrian/neighborhood traffic safety improvements (\$150,000)?
- Should the levy be time-limited? If yes, when should the levy expire?

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

123 Fifth Avenue, Kirkland, WA 98033 425.587.3800

www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager
From: Ray Steiger, P.E., Public Works Director
Date: May 9, 2012
Subject: Potential Revenue for Street Preservation Program

RECOMMENDATION:

It is recommended that City Council review the following new scenarios and accompanying information regarding a proposed property tax measure to provide funding for street preservation.

BACKGROUND DISCUSSION:

At the City Council retreat in March of this year, Council requested that staff evaluate potential roads maintenance ballot measures for 2012. The Council asked for proposals that "solved the problem" of our street maintenance backlog and raised the Pavement Condition Index (PCI) for Kirkland's streets back to the "optimum" PCI of 80-85. The Council also requested that a potential street ballot measure be included in a public survey along with potential park measures to see whether Kirkland residents might be interested in some or all of the potential measures. Based on this feedback from the Council at the retreat, staff examined additional funding scenarios beyond the Transportation Benefit District (TBD) work that had been done to date, and the impacts of these scenarios on the City's street preservation system. In the examination, key questions were posed:

- Over a longer period, 18-20 year time frame vs. 10 years used in previous scenarios, what annual level of investment would be required to optimize the Kirkland roadway system. If money "were no object", what consistent investment would eventually eliminate the backlog of roadway repairs?
- When would this optimum level be achieved, and what total revenue would be needed to achieve the optimum result?
- Assuming current funding level remains intact over this period, what is the additional revenue amount from a TBD needed to attain the optimum result?
- What would be the comparable annual property tax amount that equates to the "optimum" car tab?

A brief reminder of key elements of the City's pavement preservation:

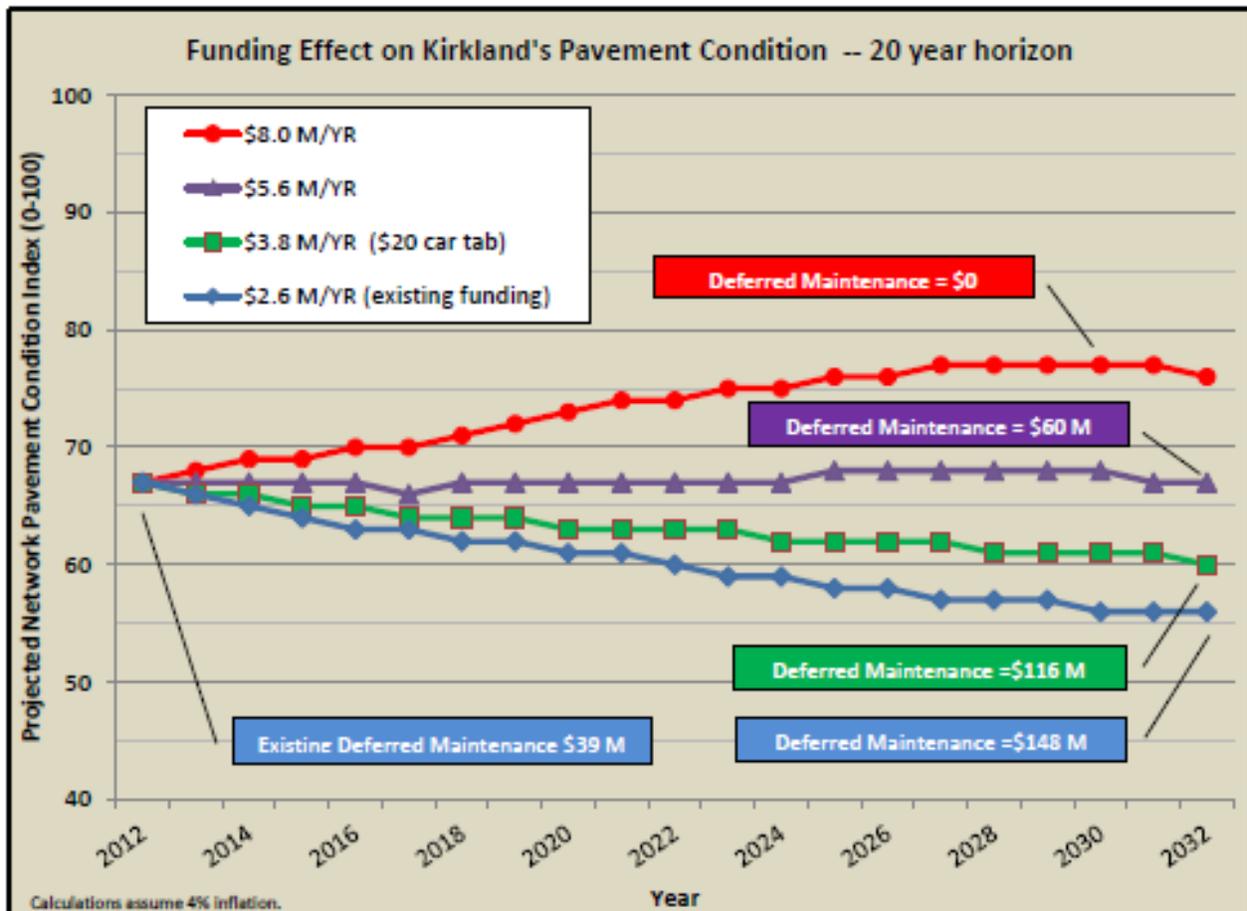
- Kirkland's current overall Pavement Condition Index (PCI) is approximately 66; deferred maintenance (our "backlog") is approximately \$39 Million;

- The City's current annual street preservation funding level is:
 - \$1,750,000 (current revenue identified in the 2013-2018 CIP)
 - \$ 400,000 (current revenue identified in 117 street operating fund)
 - \$ 450,000 (average grants and other external sources)
 - \$2,600,000** (total of all sources used in street preservation)

- The City has a goal of PCI of 70 for arterials and 65 for collectors and below
- The City has not established a goal for the deferred maintenance of the system, but the "optimum" level is to reduce the backlog to zero.

Using these questions and key elements to reanalyze the City's street system, staff presents the following:

Current funding levels will provide a 20-year investment of \$52 million (M). However this level of effort does not keep up with the need and would result in a \$148 M backlog of repairs at the end of the 20 years. The system PCI would also fall to approximately 56. Under the "optimum" scenario, the City could completely eliminate the backlog by approximately 2030 with an annual investment of \$8 M (\$5.4 M annually above existing funding levels). At the end of this period, deferred maintenance would be zero, and the system PCI would be approximately 77. These scenarios are depicted graphically below.



Once attained, maintaining the system at zero deferred maintenance would require a continued level of investment at or near \$8 M annually, however considering that a 4% inflation rate has been included in all of the scenarios, this would equate to approximately \$3.7 M (in 2012 dollars); in other words, \$8 M will purchase a lot less street preservation in 2030.

In order to generate an additional \$5.4 M annually, thus allowing the \$8 M annual investment, using current estimates for Kirkland car ownership and population, a \$90 car tab would be required. \$90 represents for the City of Kirkland street system the "optimum" car tab value. Recall that this car tab amount is above the current "council-manic" approval level of a \$20 car tab (shown in green on the preceding graph) and would require a community vote. For comparison, if a property tax were utilized to generate the \$5.4 M, using a home with an assessed value of \$480,000, approximately \$180/year/household would be required. This too would provide sufficient funding to reduce the deferred maintenance backlog to zero by approximately 2030.

In recognition of the current competing interests for local citizen funding and the current economic downturn, staff concluded that asking the public for the full \$180/year was too much. Therefore staff considered several different levels of funding that would make major progress towards removing the backlog and increasing the PCI while still being considered "affordable" to the public. After modeling several different options, staff concluded that a recommendation for \$3 M of additional annual revenue strikes the best balance between effectiveness and affordability.

\$3 M of additional annual revenue equates to a \$50/year car tab, or a property tax level of \$98 per year on a \$480,000 house, and would bring the total annual street preservation revenue to \$5.6 M. This amount accomplishes much by itself, but also complements potential future transportation funding tools that may come from the State legislature. In the 2012 Special Session, the legislature nearly authorized a \$40 local option car tab as well as a voter approved Motor Vehicle Excise Tax (MVET) for King County. While neither tool was passed in 2012, there are strong indications that the tools will be taken up again in 2013 and have a realistic chance of passage. As an example, if a future Council chose to implement a \$40 car tab, it would generate approximately \$2.4 M per year would bring the total street funding up to the "optimum" investment of \$8 M annually.

Neighborhood Street and Arterial Improvements

In the \$5.6 M scenario, between 2012 and 2032 nearly 2/3 of Kirkland streets would be either resurfaced with overlay or reconstruction, or preserved with treatment, and all neighborhoods would significantly benefit. In addition to overlays and reconstruction, slurry seal & micro-surfacing would be utilized on the City's residential & collector streets, and increased crack sealing will be utilized throughout the City. Due to the importance of the arterial system, however, overlay from this new revenue would still be focused initially on all major and minor arterials as they serve the greatest number of businesses and residents. During the community outreach process last fall and winter, this "arterials first" theme was consistently raised -- focus on those streets that serve commerce, transit, and the greatest number of users first (see map Attachment D). During 2012, staff is also performing a pavement condition survey of the JFK neighborhoods for prioritization of improvements in the new neighborhoods.

Neighborhood Traffic Control and Pedestrian Safety

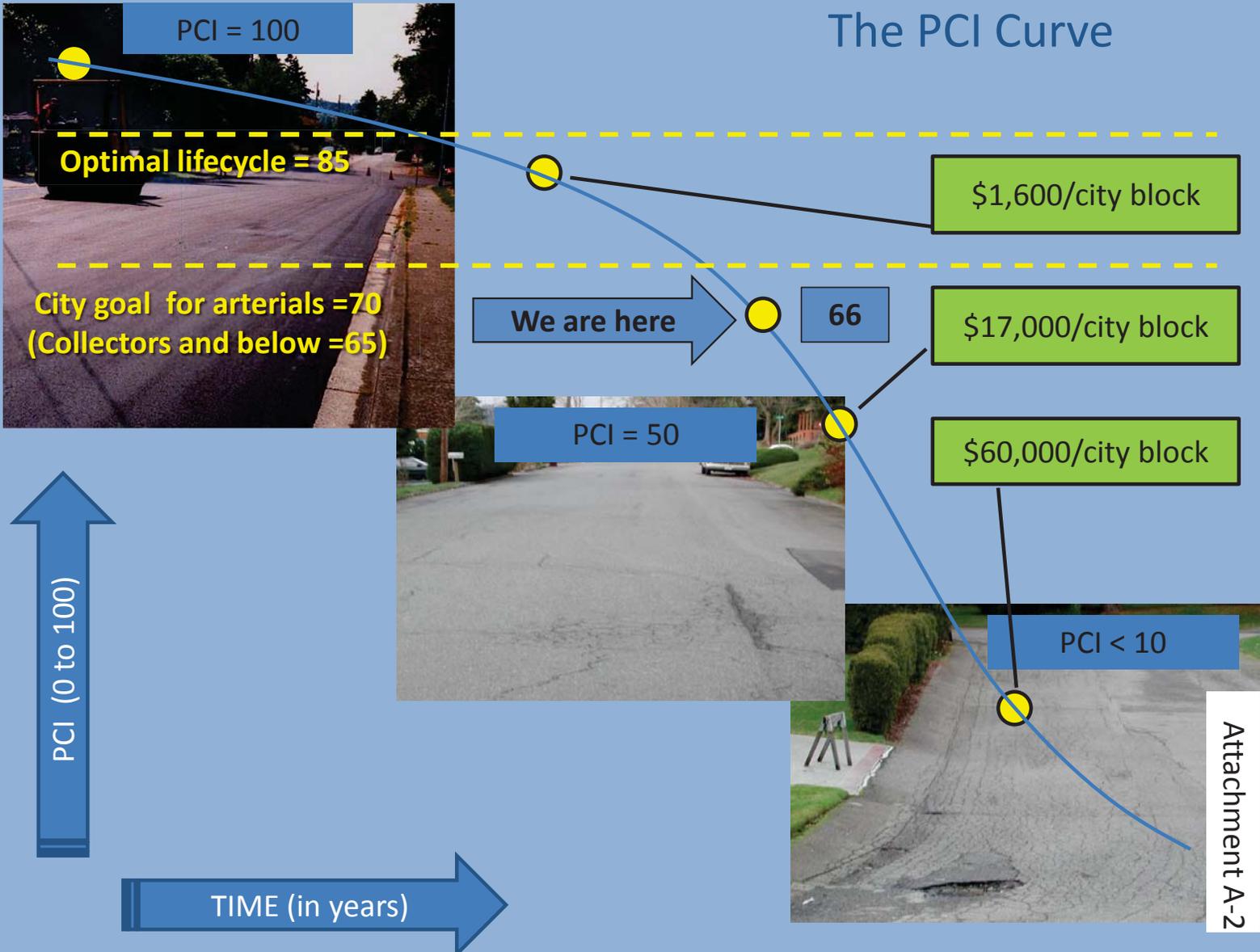
Staff is also recommending that 5% of the new revenue, \$150,000 annually, be dedicated to pedestrian safety and neighborhood traffic control components. Coordination with the street preservation program will afford the best value, however, the funds will be designated in the CIP as a unique element and projects that can be prioritized during the Council's normal budget and CIP processes. This restoration of neighborhood projects and pedestrian safety was also strongly supported by the Community during the fall/winter street funding public outreach efforts.

TBD or Property Tax?

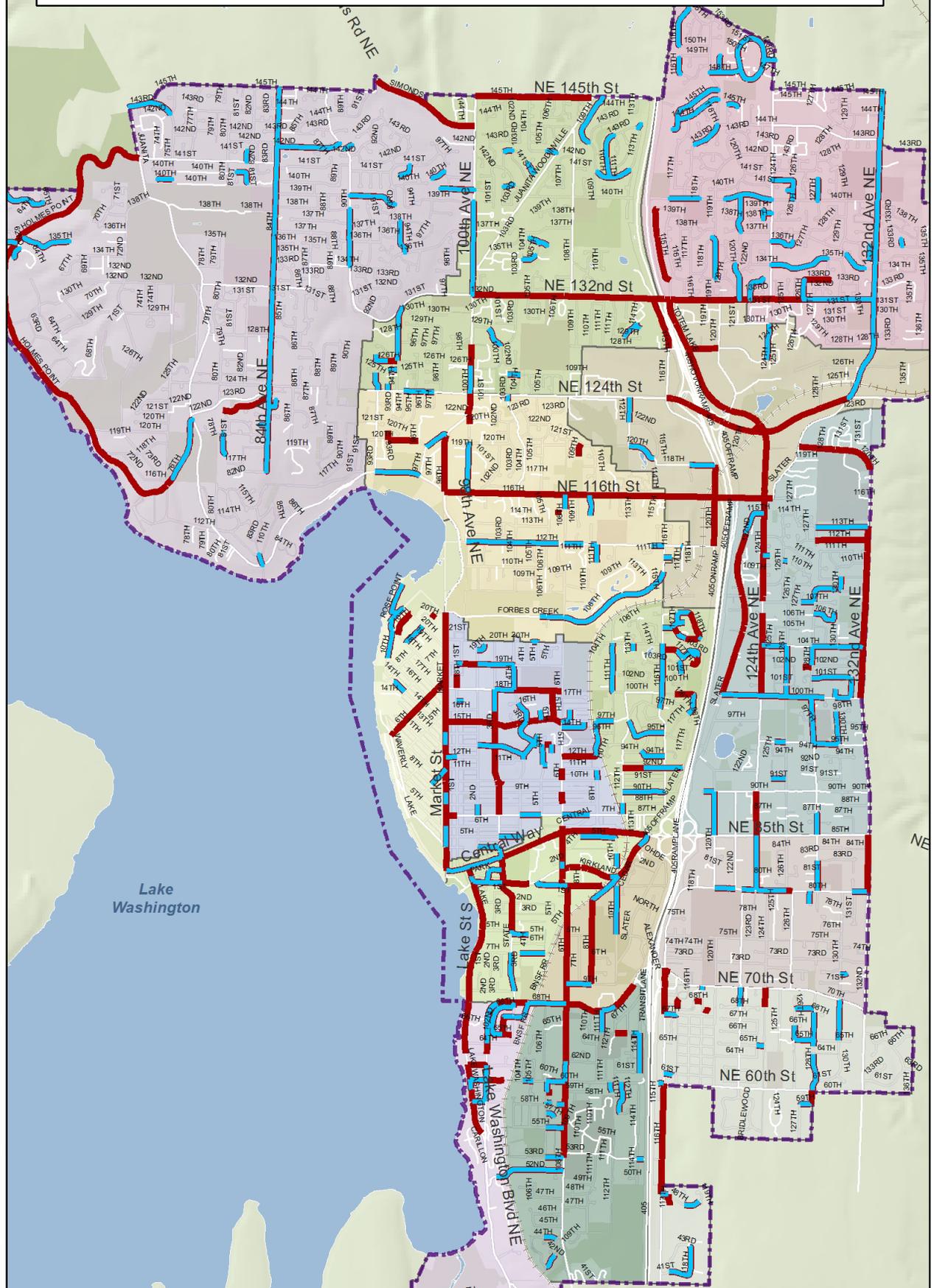
Finally, staff evaluated the type of ballot measure to be included in the recent telephone survey. The \$3 M of additional revenue can be generated by either a \$98/year property tax or a \$50/year car tab authorized by the voters. Given the constraints of both time and resources for the survey, as well as staff understanding of PDC regulations, staff concluded that including only one roads ballot measure was most appropriate. Staff made the decision to include the roads measure as a property tax as this was most similar to the parks ballot measures and would give the best opportunity for the public to compare the road and parks measures together.

After all of these evaluations, staff included questions about a \$3 M per year roads maintenance and neighborhood safety property tax measure in the survey. Results of that survey will be presented to the Council at the May 15th Study Session.

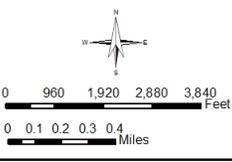
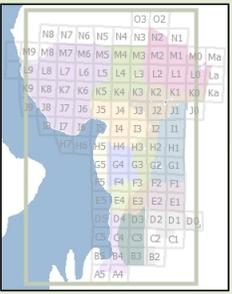
The PCI Curve



Comparison of Street Preservation Program Funding Existing vs. 20-Year Maintenance Levy



- Streets Paved with Existing Funding
- Additional Streets Paved with Levy
- TRN_Street
- RP_row
- Parks
- Schools
- Railroads
- Major Streets
- City Limits
- Lakes



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Author:
 Name: Levy Scenario
 Date Saved: 6/25/2012 2:47:30 PM

Map shows an example of possible streets selected for overlay & reconstruction based on existing and proposed budgets. Slurry seal, crack seal and other types of surface treatments are not shown on this map.

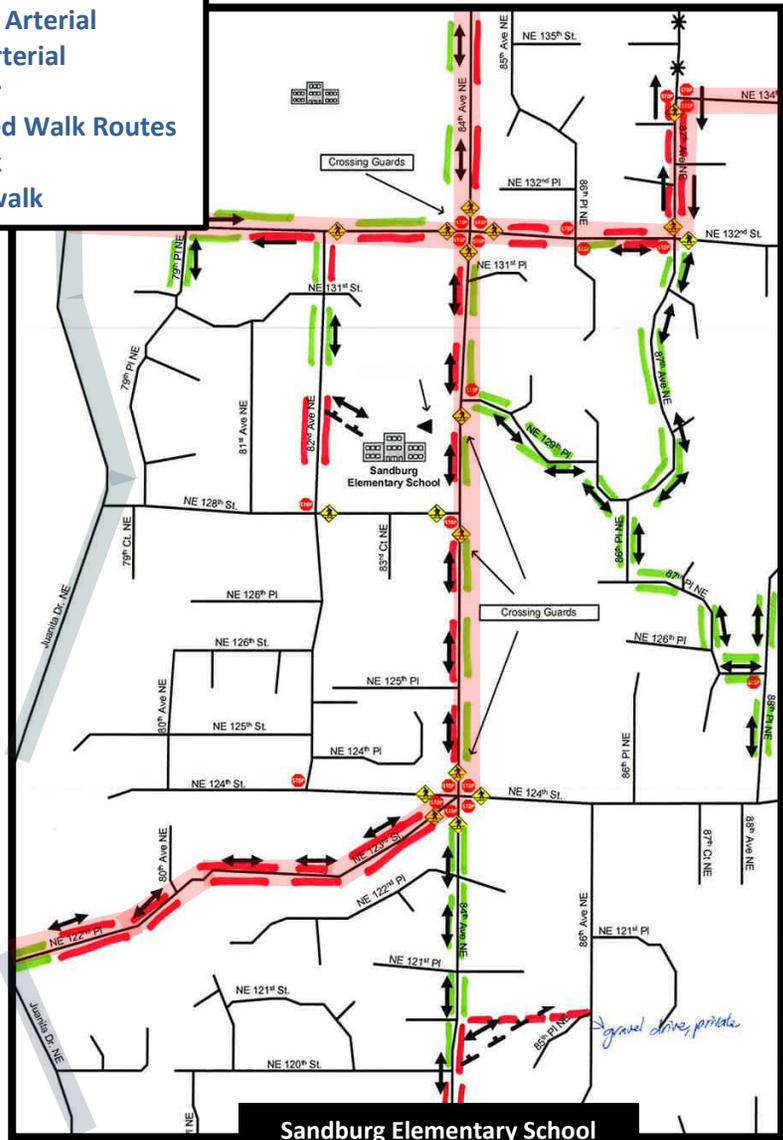
Original School Walk Route Committee Projects (2001)

ID	DESCRIPTION	COMMENTS	TOTAL ESTIMATED COST (2001)	OTHERS ADDED OR GRANTS SCORED	TOTAL EXPENDITURES	Completed	Year Completed (or anticipated)	CIP Project
J1	Approximately 900 feet of pathway along the south side of NE 128th St between 94th Ave NE and approximately 98th Ave NE; pathway could be constructed by narrowing current roadway with new or extruded curbing, filling the created area and paving with asphalt.	2002 overlay project; will look at adding extruded curbing to contract as a fall back	\$ 99,000		\$ 953,000	✓	2002 (all schedules)	CNM-0039
J2	Approximately 900 feet of raised or separated pathway along the east side of 94th Ave NE from approximately NE 124th Street to NE 128th St. NE	need add'l r-o-w?	\$ 226,200				unfunded	TBD
J3a	Refurbish 124th St crossings	Crosswalks are in exc. Condition; will revisit and do with annual striping program	\$ 1,000			✓	2002	2002 striping
J3b	No school signs	Will review during inventory of schools	\$ -				NA	NA
	Sidewalk on the west side of 97th PL NE, from NE 128th St to NE 129th PL	2010-2011 SRTS grant program		\$ 111,553	\$ 1,198,000	✓	2011 (all schedules)	CNM-0067
AGB1	Pathway/sidewalk along south side of NE 112th Street between 112th Ave NE and approximately 115th Ave NE adjacent to the school.	funded CIP 2001-2 project \$1,062,000	\$ 350,000			✓	2002	CNM-0039
AGB2	Sidewalk/pathway along 108th Ave NE from NE 116th St to NE 112th St (request from LWSK 4/12/00)	west side (some exist slw & xwalk @ 116th)	\$ 266,900				unfunded	TBD
	Sidewalk on east side of 110th Ave NE from NE 116th St south to the end of the cul-de-sac which is the back entrance to A.G. Bell.	2010-2011 SRTS grant program		\$ 106,576		✓	2011	CNM-0067
MT1	Improve facilities along 132nd Ave between NE 95th St and NE 104th St. (improvements could include: signage, speed bumps, traffic calming, lighting at crosswalk)	exist. ACP path w/ extruded curb	\$ 50,000				unfunded	CST-0056
MT2	Sidewalk improvements along NE 95th Street between 124th Ave NE and 130th Ave NE (These improvements are currently funded in the 2001 CIP and are in process).	funded CIP 2001-2 project \$461,000	\$ 314,000		\$ 503,000	✓	2003	CNM-0003
MT3	Pathway/improvements along the south side of 104th Street between 132nd Ave NE and existing improvements; remove existing vegetation that blocks walking on shoulder	Ultimately concrete, but use asphalt for now	\$ 92,500				unfunded	CNM-0061
MT4	Sidewalk improvements along west side of 130th Ave NE from NE 100th Street to NE 95th Street (currently funded in the CIP)	2010-2011 SRTS grant program	\$ -	\$ 104,404		✓	2011	CNM-0067
MT5	Intersection improvements at 128th Ave NE and NE 107th Place	assume 50' of concrete curb, gutter, and "bump-out landings" at each corner	\$ 58,000			✓	2002	CNM-0039
MT6	Sidewalk on 126th Ave NE from NE 85th St to NE 95th St (approximately 2500' request from LWSK 4/12/00)		\$ 571,300				unfunded	TBD
PK1	Sidewalk improvements along 110th Ave NE between existing improvements at 97th Ave NE and the back entrance to the School at the BNSFRR crossing (area includes concomitant agreement properties)	concomitant needs to be pursued; remaining issues with BNSFRR xing	\$ 25,000		\$ 25,000	✓	2002	concomitant
PK2	Sidewalk along west side of 6th Street between 8th Ave and 12th Ave		\$ 195,000			✓	2002	CNM-0039
PK3	95th/97th /112th Ave Intersection improvements (traffic calming, circle, sight distance, 5-way stop??)	assume 50' of concrete curb, gutter, and "bump-out landings" at each corner	\$ 43,500		\$ 15,000	✓	~2003	neighborhood traffic calming
PK4	Sidewalk along south side of 13th Ave from Van Aalst Park to the school entrance (currently funded in the CIP)		\$ 144,000		\$ 191,000	✓	2005	CNM-0040
PK5	Sidewalk along south side of 12th Ave between 6th St and back entrance to the School at the BNSFRR crossing (this is not currently a LWSK identified walk route)		\$ 275,500		\$ 472,000	✓	2011	CNM-0066
PK6	Sidewalk along NE 100th Street between 116th Ave NE and 112th Ave NE	receipt of 2012 TIB grant pending; design is complete, construction in 2012	\$ 188,500		\$ 540,000		2012	CNM-0034
PK7	Improvements to gravel pathway along 116th Ave from approximately NE 95th Street to NE 97th Street by addition of curbing or protection from vehicles		\$ 4,500		\$ 4,500	✓	2010	CNM-0044
PK8	Sidewalk along south side of NE 95th St from 116th Ave NE to 112th Ave NE		\$ 353,800				unfunded	CNM-0045
PK9	Sidewalk along 116th Ave from approximately NE 87th Street to NE 100th Street		\$ 812,000		\$ 837,000	✓	2010	CNM-0044
PK10	Sidewalk along 13th Ave from 3rd St to 4th St at Van Aalst Park (this is not currently a LWSK identified walk route)		\$ 118,500		\$ 118,500	✓	2005??	CNM-0040
PK11	Sidewalk along 111th Ave from NE 104th St to NE 100th St (this is not currently a LWSK identified walk route)		\$ 284,200				unfunded	TBD
	Sidewalk on west side of 6th St, between 13th Ave and 15th Ave	2010-2011 SRTS grant program		\$ 99,948		✓	2011	CNM-0067
RH1	Install concrete sidewalk along east side of 126th Ave NE from NE 80th St to existing sidewalk at Mormon Church (some existing area is subject to concomitant agreement)		\$ 72,500			✓	2002	CNM-0039
RH1	Install "modified" sidewalk along west side of 130th Ave NE from NE 80th St to NE 78th St/Flashing crosswalks 75th St/132nd Ave	modified eliminates planter strip...minimal cost impact	\$ 182,700			✓	2002	CNM-0039
RH1	Install gravel path/shoulder between Mormon Church improvements on 126th Ave to NE 73rd St.	assumes no extruded curbing associated	\$ 26,250			✓	2002	CNM-0039

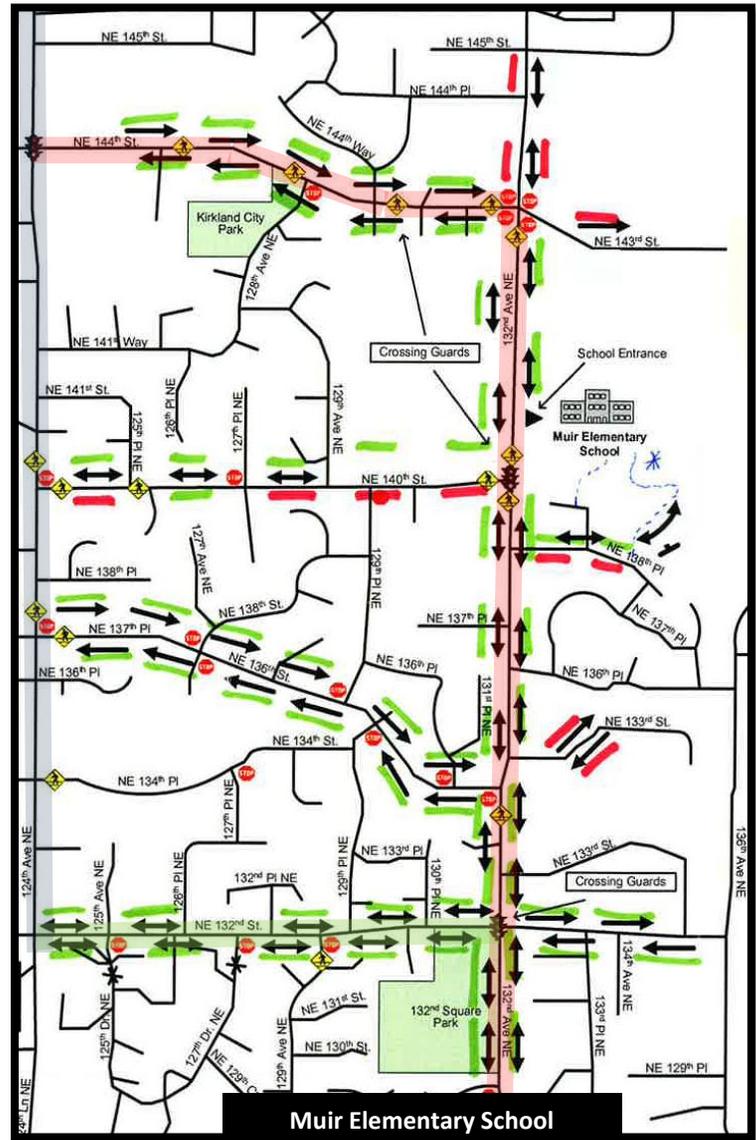
ID	DESCRIPTION	COMMENTS	TOTAL ESTIMATED COST (2001)	OTHERS ADDED OR GRANTS SCORED	TOTAL EXPENDITURES	Completed	Year Completed (or anticipated)	CIP Project
RH2	Install concrete sidewalk along south side of NE 80th St between 125th Lane NE to 130th Ave NE (include bikelane along this section); design would include raised or striped brick crosswalk at 128th, bump outs at 128th, add textured rumble strips.	2010-2011 SRTS grant program	\$ 406,000	\$ 172,049		√	2011	CNM-0067
RH3a	Pathway/Sidewalk along north side of NE 73rd St from 132nd Ave NE to 130th Ave NE	explore three options	\$ 233,100		\$ 588,000	√	2009	CNM-0052
RH3b	Flashing crosswalk at intersection of NE 75th St and 132nd Ave NE	on current list of proposed flashing crosswalks	\$ 30,000		\$ 35,000	√	2011	2011 Crosswalk
RH3c	Covered bus stops at 120th Ave (Metro Transit)/ NE 80th St		\$ 5,000				unfunded	KC Metro
LV1	Install sidewalk along north side of NE 64th Street between 103rd and Lakeview drive (if gravel or asphalt used, install curbing to prevent parking).	Include improvements to steps	\$ 37,500			√	2002	CNM-0039
LV1	6400 - 6500 Lakeview Drive - install sidewalks on east side of Lakeview including the corner of NE 64th St/Lakeview Drive.	replacing broken sections and landings with 2001 overlay project	\$ -		\$ -	√	2001	2001 overlay
LV2a	Repair and complete sections of sidewalk on both sides of 103rd Ave NE EAST	significant (special) trees would be affected by repair; need to have buy-off with neighborhood association	\$ 37,500		\$ 5,000	√	2005	rubber sidewalk
LV2b	(Above) WEST	significant (special) trees would be affected by repair; need to have buy-off with neighborhood association	\$ 18,750		\$ 5,000	√	2005	rubber sidewalk
LV3a	Look at sight distance for crosswalks at 106th/NE 68th	maybe VERIFY; however sight dist appears much more than adequate	\$ -					NA
LV3b	a speed hump with a crosswalk painted on top at 7th Ave S crossing at 4th S (similar to that on 6th Street in front of Peter Kirk School	this location needs markings; will add in 2001; overlay scheduled for 2002	\$ -					
LV3c	Add crosswalks at NE 60th and 106th to guide walkers to the sidewalks	2001 PM? check with Godfrey; this request was also submitted by Houghton Community Council	\$ 500					
LV3d	Paint crosswalk on 108th Ave at NE 61st as indicated on walk route map	1) there is no "61st St" on 108th; 2) exist flashing xwalk at 60th; 3) exist xwalk in 6200 block	\$ 500					
LV3e	Trim vegetation from the sidewalk along Lakeview Drive along curve between 64th and State	street dept request?	\$ -					property owner
LV3f	Improve signal timing at 108th and 68th to favor school children/pedestrians	being incorporated to current 108th and 68th Signal improvements	\$ -		\$ -		2012	CTR-0085
LV3g	Install "No free right turns in school zones" signs at signalized intersections	concurrent with right turn lane at NE 68th St/State St	\$ -		\$ 500	√	2003	CTR-0061
LV3h	More effective school crossing sign on BNSFR at NE 68th St (request from LWSD 4/12/00)	more effective than big yellow sign with flashing lights?	\$ -		\$ 15,000	√	~2008	completed
	Sidewalk on east side of 103rd Ave NE @ NE 65th St, which will eliminate the gap between NE 64th st and NE 67th St.	2010-2011 SRTS grant program		\$ 66,972		√	2011	CNM-0067
BF1	Eliminate parking at entrance to 60th in front of school to improve sight/distance issue	will require school sign-off and parent notification	\$ 500		\$ 500	√	2002	CNM-0039
BF2	Provide wider parking to serve GTE vaults @ 60th /122nd to keep repair vehicles off gravel pathway	will require keystone wall	\$ 4,500		\$ 4,500	√	2002	CNM-0039
BF3	Curbing and landings at corner of 122nd/NE 60th	will expand 122nd overlay project to include extruded asphalt curb and landings	\$ -		\$ 12,000	√	2002	CNM-0039
BF4a	Sidewalks both sides of NE 60th St between 116th Ave NE and 132nd Ave NE (NORTH) request from LWSD on 4/12/00	equestrian issues with concrete; need Bridle Trails buy-off	\$ 1,450,000			√	2011	Central Park Tennis Club
BF4b	(Above) SOUTH request from LWSD on 4/12/00	equestrian issues with concrete; need Bridle Trails buy-off	\$ 1,392,000				will not be done per Bridle Trails	NA
BF5a	Where is the "school zone"?	inventory	\$ -					NA
BF5b	Post "double fines" in school zone	inventory	\$ -					NA
BF5c	Explore obtaining easements through NE 61st @ 124th Ave		\$ 46,000				NA	NA
	Sidewalk on the east side of 125th Ave from approximately 100' south of NE 65th Ct to southerly property line of 6547 125th, and from southerly property line of 6916 125th Ave north to NE 70th St. Includes new crosswalk locations and markings on 122nd Ave NE @ NE 61st St & NE 62nd St.	2010-2011 SRTS grant program		\$ 72,981		√	2011	CNM-0067
Sub-Total improvements (identified by SWRC)			\$ 8,416,700					
less NE 60th Street (equestrian routes and community feedback)			\$ 5,574,700	\$ 734,483				
Total				\$ 6,309,183	\$ 5,522,500		88%	

Safe Routes to School

- Principal Arterial
- Minor Arterial
- Collector
- Suggested Walk Routes
- Sidewalk
- No Sidewalk



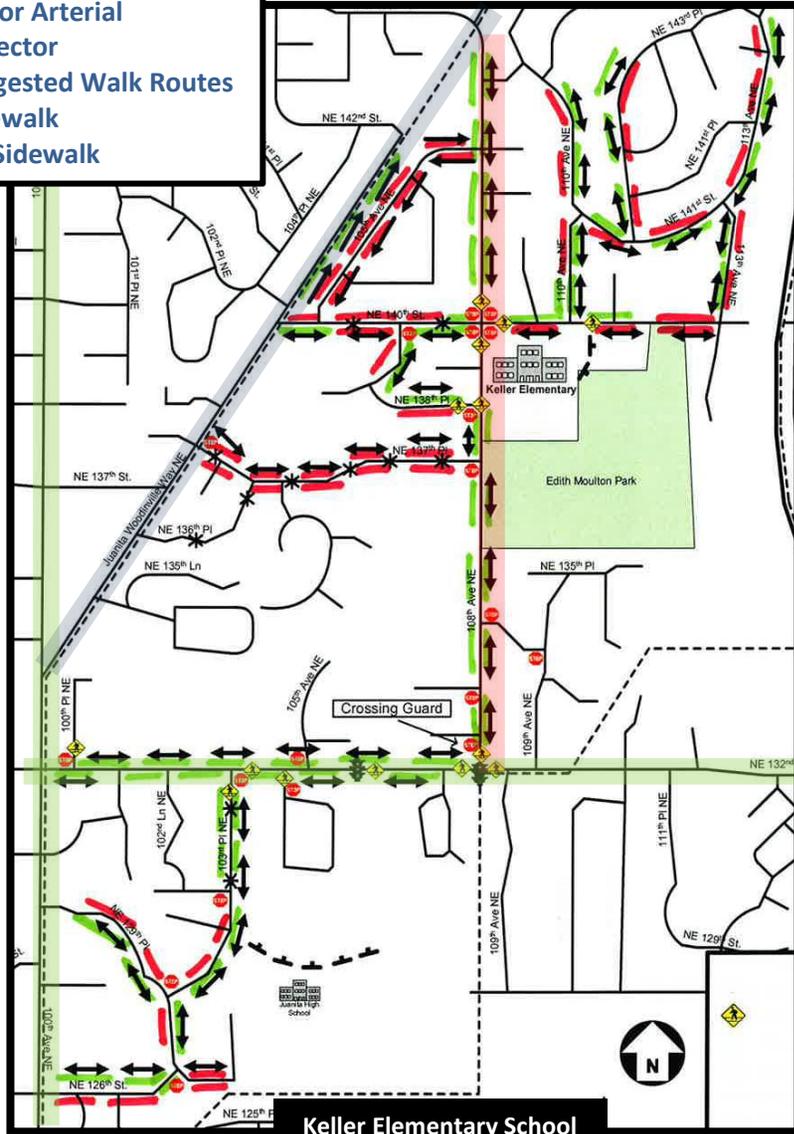
**Sandburg Elementary School
Suggested Walk Routes**



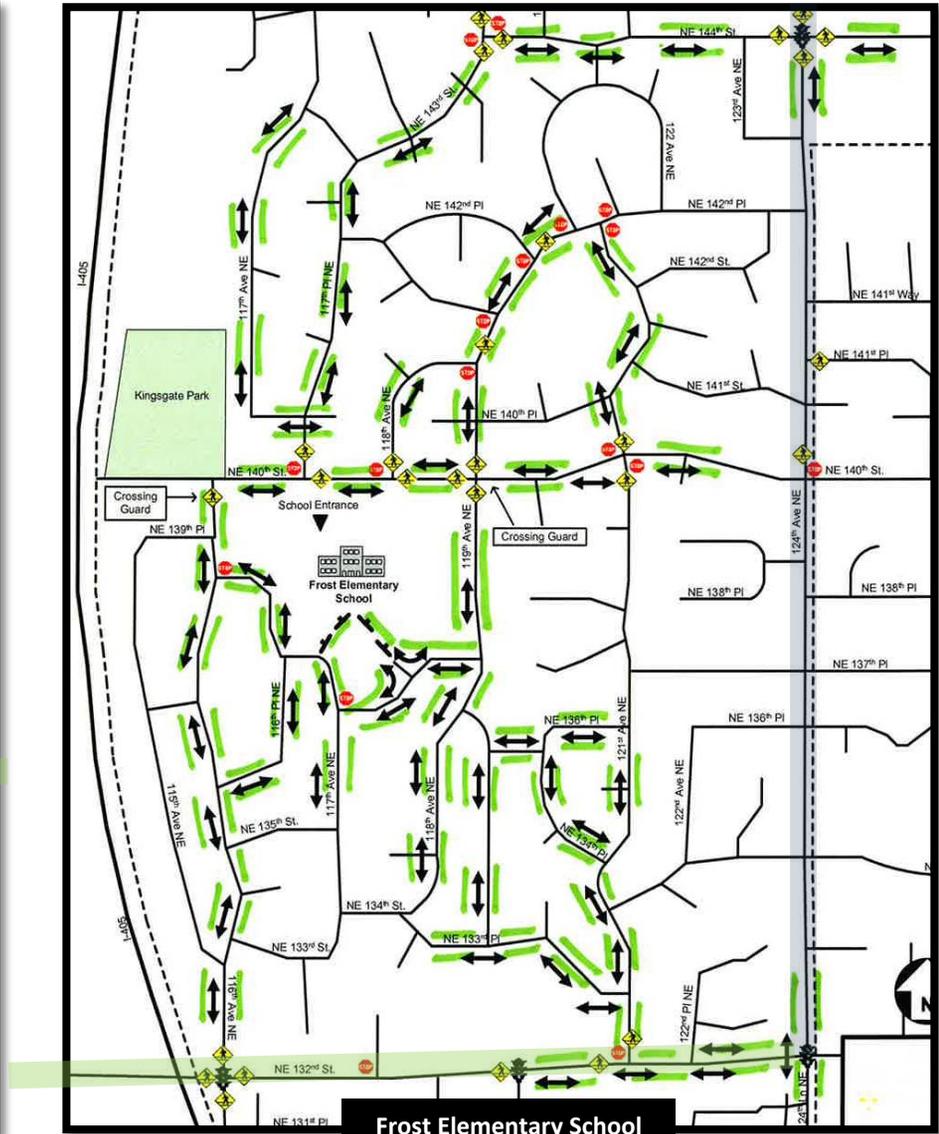
**Muir Elementary School
Suggested Walk Routes**

Safe Routes to School

- Principal Arterial
- Minor Arterial
- Collector
- Suggested Walk Routes
- Sidewalk
- No Sidewalk

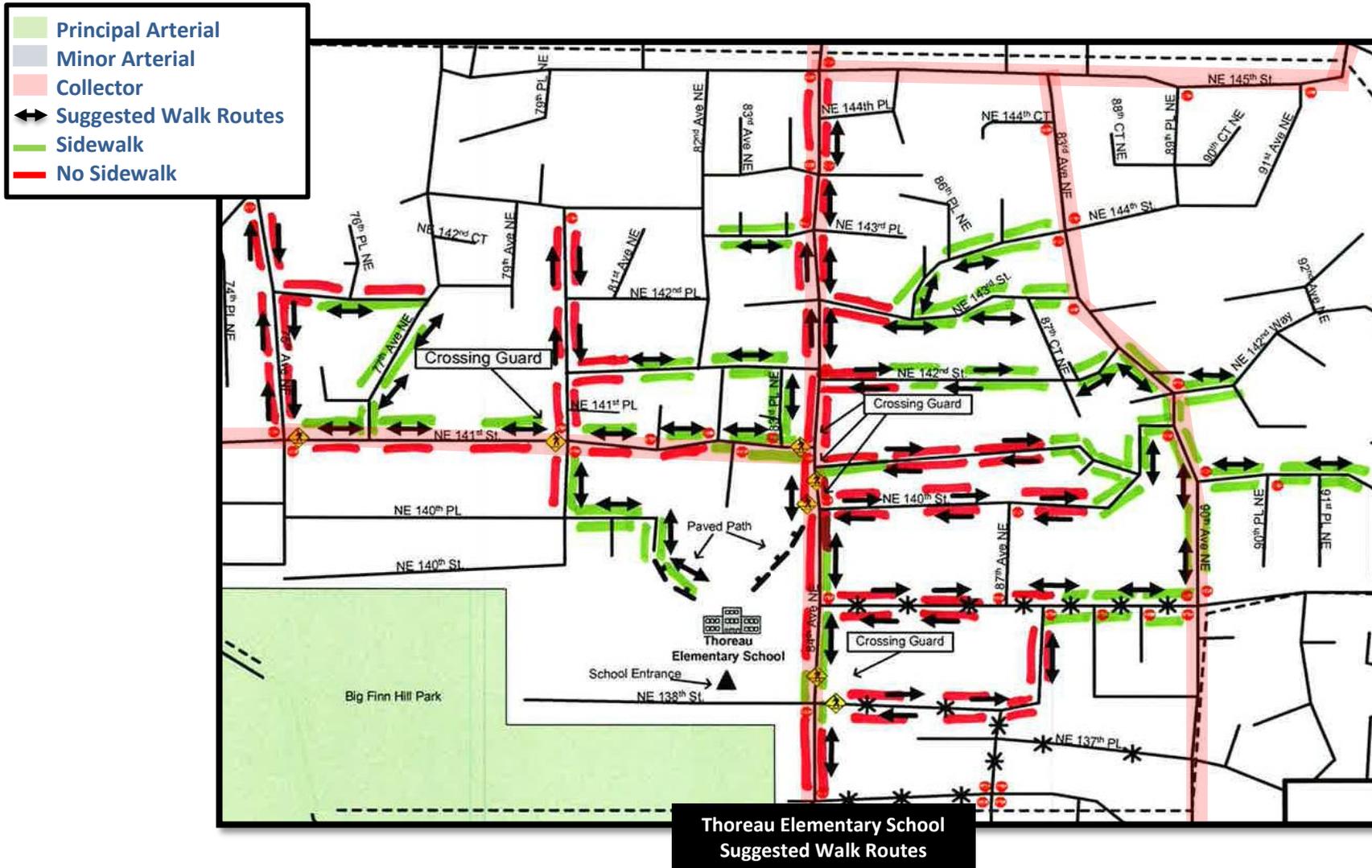


**Keller Elementary School
Suggested Walk Routes**



**Frost Elementary School
Suggested Walk Routes**

Safe Routes to School





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

MEMORANDUM

To: Kurt Triplett, City Manager

From: Jennifer Schroder, Director of Parks and Community Services

Date: June 21, 2012

Subject: Proposed 2012 Kirkland Parks Maintenance, Renovation and Enhancement Levy

RECOMMENDATION:

That the City Council provides final direction on the proposed Kirkland Parks Maintenance, Renovation and Enhancement Levy and for the November 6, 2012 general election, including whether the levy should be permanent or time-limited.

BACKGROUND DISCUSSION:

At their meeting of June 19, 2012 the City Council received a report (**Attachment A**) detailing options for a potential 2012 parks ballot measure, including a new recommendation from the Council-appointed Park Funding Exploratory Committee (PFEC) for a single levy which would provide funding for both parks maintenance and capital improvements. A table outlining the PFEC funding recommendation is shown below:

Table 1. Proposed 2012 Parks Maintenance, Renovation and Enhancement Levy

Funding Purpose	Annual Levy Funding Allocation	Rate per \$1,000 AV
Restore M & O (include Lifeguards)	600,000	0.041
O.O. Denny Park Maintenance	137,500	0.009
Forest/Habitat Restoration	192,500	0.013
Maintain Cross Kirkland Corridor Trail	110,000	0.008
Edith Moulton Park Maintenance	27,500	0.002
City-School Projects Maintenance	<u>27,500</u>	<u>0.002</u>
Subtotal: Annual M & O Allocation:	1,095,000	0.075
Annual Park Capital Improvements	<u>1,250,000</u>	<u>0.085</u>
Total Levy:	\$ 2,345,000	\$ 0.160

For Kirkland homeowners, the impact of the proposed levy would be about \$16.00 for every \$100,000 of home value, with examples shown in the chart below:

Home Value	Annual Levy Cost:
\$ 300,000	\$ 48.00
\$ 349,000 ⁽¹⁾	\$ 55.84
\$ 430,000 ⁽²⁾	\$ 68.88
\$ 500,000	\$ 80.00
\$ 750,000	\$120.00

⁽¹⁾ 2012 Kirkland Median Home Value

⁽¹⁾ 2012 Kirkland Average Home Value

The Council expressed general support for the PFEC recommendation as proposed, but decided to reconsider during their July 3 study session whether the parks levy should be permanent or should be time-limited. The PFEC considered the relative merits of placing a time limit on the levy (such as 9 or 20 years), but ultimately concluded that the need to provide permanent, on-going funding for park maintenance was critical and that a permanent levy was preferred.

At their June 19, 2012 meeting the Council also expressed interest in reviewing the accomplishments of the 2002 Kirkland Park Bond. This \$8.4 million ballot measure was approved by voters (64% yes) and resulted in the completion of several improvements and additions to the community's parks and open space system. A companion permanent Park Maintenance Levy was also approved (65% yes) in 2002. This levy provided on-going funding for maintenance of bond-funded park improvements as well as for Juanita Beach Park, allowing the City to assume ownership from King County. The 20-year park bond and permanent maintenance levy were approved at the combined annual rate of \$0.207 per \$1,000 AV. The debt for the Park Bond will be retired at the end of 2022.

A flyer (**Attachment B**) describing the accomplishments of the 2002 Park Bond was prepared in 2007 and distributed to Kirkland households as an insert in the City's Recreation Brochure. In addition, displays were prepared for City Hall and Parks Department offices, and were used during the 2007 dedication ceremony for Carillon Woods.

Attachments



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

MEMORANDUM

To: Kurt Triplett, City Manager

From: Jennifer Schroder, Director of Parks and Community Services
Michael Cogle, Deputy Director of Parks and Community Services

Date: June 7, 2012

Subject: Potential Park Ballot Measure(s) Update

RECOMMENDATION:

That the City Council receives an update on planning for a potential parks ballot measure(s), including a revised recommendation from the Park Funding Exploratory Committee and provides direction to staff regarding final ballot elements to consider at the July 3 study session.

BACKGROUND DISCUSSION:

On March 6 the City Council received a report from the Council-appointed Park Funding Exploratory Committee (PFEC) providing recommendations for potential park ballot measures in November of 2012. In addition, the Council discussed potential ballot measures for parks and roads at its retreat on March 23.

On May 15 the City Council received a report from EMC Research detailing results and key findings of a statistically-valid survey of Kirkland citizens conducted earlier that month. The survey identified that the top priorities of residents for new revenue centered on infrastructure maintenance and safety. The survey also indicated strong support for three potential ballot measures that the City is considering for this November: a roads maintenance measure, a park maintenance & operations measure, and a park capital measure. While all three measures had majority support, some survey results indicated that the park capital measure was not as much of a priority for residents as the other two. This resulted in a discussion about whether all three measures should be moved forward to the November 2012 election.

While no final decisions were made, the Council expressed interest in moving forward with November roads maintenance and parks maintenance ballot measures. With respect to parks, the Council requested that the PFEC reconvene to reconsider its original recommendations in light of the survey results.

The PFEC met once again on May 31. After a brief discussion on the results of the recent survey, the group was asked to consider three options for park funding:

- Option A:** One Ballot Measure: Parks Maintenance & Operations Levy Only (no capital)
- Option B:** Two Ballot Measures: Parks Maintenance & Operations Levy and 9-Year Capital Levy (Original PFEC Recommendation to Council)
- Option C:** One Ballot Measure: Combined Parks Maintenance & Operations and Capital Levy (the “pay as you go” capital option)

A summary of the relative advantages and disadvantages of the options was prepared for the PFEC meeting by staff and is shown as **Attachment A** to this report. The following is a brief summary of the options considered by PFEC.

❖ **Option A: Parks Maintenance & Operations Levy (No Capital)**

This option would provide on-going funding to:

- Restore maintenance levels throughout the City’s park system to Kirkland standards;
- Improve safety at City beaches (Houghton, Waverly, and Juanita Beaches) through stable funding for summer lifeguards;
- Assume responsibilities for maintenance and operation of O.O. Denny Park from the Finn Hill Park and Recreation District;
- Protect and enhance the City’s investment in forest restoration via the Green Kirkland Partnership Program;
- Maintain the Cross Kirkland Corridor for use as a public recreation trail.

Table 1. Option A Funding Summary

Funding Purpose	Annual Levy Funding Allocation	Annual Cost to Average Homeowner	Rate per \$1,000 AV
Restore M & O (including Lifeguards)	600,000	19.68	0.041
O.O. Denny Park Maintenance	137,500	4.51	0.009
Forest/Habitat Restoration	192,500	6.31	0.013
Maintain Cross Kirkland Corridor Trail	110,000	3.61	0.008
Total Levy:	1,040,000	34.11	0.071

Note: Annual cost to average home based on \$480,000 assessed valuation.

Note: The original PFEC recommendation included additional M&O funding to support capital improvements to Edith Moulton Park and City-School Playfield Partnerships; however, they are not shown in this scenario since this scenario assumes no capital levy.

PFEC Considerations for Option A:

While this option has the advantage of being the least costly option and would meet current needs for maintenance improvements now, the fact that it does not provide funding for capital improvements was seen as a significant disadvantage by the PFEC. As such, this option was not supported by PFEC at their May 31 meeting.

❖ Option B: Two Ballot Measures: Parks Maintenance & Operations Levy and 9-Year Capital Levy (Original PFEC Recommendation to Council)

This option reflects the original recommendation of the PFEC provided to the Council on March 6. An on-going M&O Levy would provide funding for all of the purposes identified in Option A, with the addition of M&O funding to support proposed capital improvements to Edith Moulton Park and various City-School District playfield partnership sites.

The 9-Year Capital Levy as originally recommended would provide \$10,000,000 to renovate, enhance, and expand Kirkland's park and trails system. Priority Capital Projects would include:

- Cross Kirkland Corridor Trail. Provides funding to create an interim hiking trail within the 5.75 mile Cross Kirkland Corridor.
- Land Acquisition Opportunity Fund. Provides funding to acquire land for future neighborhood parks in areas of the City where new parks are needed.
- Edith Moulton Park Renovation. Provides funding to complete renovations to community park transferred from King County as part of the 2011 annexation.
- City-School District Playfields Partnership. Provides funding to continue partnership with LWSD to upgrade school playfields for neighborhood and community use.
- Juanita Beach Bathhouse Replacement. Provides funding for replacement facility for park restrooms, maintenance storage, and canoe/kayak boating concession.
- Dock and Shoreline Renovations. Provides funding for major repairs and improvements to public docks and park shorelines for safety and property protection.
- Waverly Beach Park Renovation. Provides funding to provide needed improvements to this popular community waterfront park.

A summary of the estimated costs associated with this option is shown in Table 2 below:

Table 2. Option B Funding Summary (Original PFEC Recommendation)

Funding Purpose	Capital Funding Allocation	9-Year Annual Cost to Average Home	Annual MO Funding Allocation	Annual Cost to Average Home	Total Annual Cost to Average Home	Rate per \$1,000 AV
Restore M & O	None		600,000	19.68	19.68	0.041
O.O. Denny Park	None		137,500	4.51	4.51	0.009
Forest Restoration	None		192,500	6.31	6.31	0.013
Waverly Beach Renovation	500,000	2.05	None		2.05	0.004
Dock and Shoreline Renovations	800,000	3.28	None		3.28	0.007
Edith Moulton Park Renovation	1,000,000	4.10	27,500	0.90	5.00	0.010
City-School Partnership Projects	1,000,000	4.10	27,500	0.90	5.00	0.010
Land Acquisition Opportunity Fund	2,500,000	10.25	None		10.25	0.021
Develop/Maintain Cross Kirkland Corridor Trail	3,000,000*	12.30	110,000	3.61	15.91	0.033
Juanita Beach Bathhouse Replacement	1,200,000	4.92	None		4.92	0.010
Total:	10,000,000	41.00	1,095,000	35.92	76.92	0.160

Note: Annual cost to average home based on \$480,000 assessed valuation.

** Original amount recommended to be allocated for the Cross Kirkland Corridor Trail. Subsequently, some funding has been secured from the State of Washington for this project, with funding from additional outside sources also possible. As a result, this amount may be reduced accordingly.*

PFEC Considerations for Option B:

The PFEC reconsidered this option at their meeting of May 31. The relative advantages of this option were discussed: the two ballot measures provide funding for both M&O and high priority capital improvements; it provides all capital funding "up-front" to expedite projects and property acquisitions; it allows the City to take advantage of low interest rates (for issuing debt) and comparatively low property values (for land acquisition). It also provides voters with a choice to approve one, both, or neither of the measures. Finally, the recent survey results indicate majority support for both potential ballot measures.

However, overriding these perceived advantages was the concern that two park ballot measures and a road ballot measure on the same November ballot might jeopardize one or more of the funding propositions put forth by the City. While there continued to be some

support among some PFEC members for this option, the majority preferred a single park ballot proposition providing funding for both maintenance and capital, as described in Option C below.

❖ **Option C: Combined Parks Maintenance & Operations and Capital Levy
 (New PFEC Recommendation)**

This option would provide on-going funding for maintenance activities (as described in Options A & B) as well as on-going funding for capital improvements. Rather than capital funding derived "up-front" through the issuance of bonds (Option B), the levy would provide an annual revenue stream from which a portion would be allocated to fund capital improvements on a "pay-as-you-go" basis (levy funds in this option could not be used to pay off debt incurred from issuing bonds). In essence, the portion of the levy funds not used for M & O would supplement existing annual revenue sources for the Parks CIP. (For an examination of recent funding levels for the Parks CIP see **Attachment B.**)

Capital funding initially would be prioritized to fund the important Priority Capital Projects identified by PFEC (and as shown in Option B); thereafter, levy-funded projects would be determined through the City's typical CIP budgeting process to address the extensive number of unfunded projects currently identified in the City's Park, Recreation, and Open Space (PROS) Plan.

The original PFEC recommendation (Option B) would cost the owner of an average Kirkland home approximately \$77 per year for the first nine years (and approximately \$36 thereafter as the capital levy would expire). Since the "pay-as-you-go" options do not involve the use of debt (eliminating interest costs), all annual levy proceeds would be available for the CIP. Using the total annual impact of \$77 as a threshold, the annual amount available for capital is \$1,250,000 as shown below:

Table 3. Option C Funding Summary (New PFEC Recommendation)

Funding Purpose	Annual Levy Funding Allocation	Annual Cost to Average Homeowner	Rate per \$1,000 AV
Restore M & O (include Lifeguards)	600,000	19.68	0.041
O.O. Denny Park Maintenance	137,500	4.51	0.009
Forest/Habitat Restoration	192,500	6.31	0.013
Maintain Cross Kirkland Corridor Trail	110,000	3.61	0.008
Edith Moulton Park Maintenance	27,500	0.90	0.002
City-School Projects Maintenance	27,500	0.90	0.002
Subtotal: Annual M & O Allocation:	1,095,000	35.92	0.075
Annual Park Capital Improvements	1,250,000	41.00	0.085
Total Levy:	2,345,000	76.92	0.160

Note: Annual cost to average home based on \$480,000 assessed valuation.

If the City Council wanted to maintain the same capital funding as raised under the debt scenario (i.e. \$10,000,000), then the levy rate and annual impact to the taxpayer for the capital portion of the levy could be reduced to \$.068 and \$32.64 respectively assuming a 10 year measure. Alternatively, the City Council could choose a higher or lower capital levy amount and this decision should be considered in the context of whether the ballot measure would be permanent or time limited.

One advantage of the "combined" option is that the City would have the flexibility, if desired, to adjust the proportion of levy funds annually distributed towards maintenance and capital. For example, while the City fully ramps up maintenance staffing levels in the initial year or two, a portion of levy funds not needed for the operating budget could be redirected towards capital projects. Likewise, as the City experiences inflationary costs to the maintenance budget over time, an increasing proportion of levy proceeds could be directed towards the operating budget while decreasing funding available for capital improvements.

How soon could PFEC's recommended Priority Capital Projects get completed with Option C?

From Option B, the following are the Priority Capital Projects recommended by PFEC for funding, adjusting the Cross Kirkland Corridor to acknowledge receipt of the state grant.

\$ 500,000	Waverly Beach Renovation
\$ 800,000	Dock and Shoreline Renovations
\$1,000,000	Edith Moulton Park Renovation
\$1,000,000	City-School District Playfields Partnership
\$2,500,000	Land Acquisition Opportunity Fund
\$1,600,000*	Cross Kirkland Corridor Interim Trail
<u>\$1,200,000</u>	Juanita Beach Bathhouse Replacement
\$8,600,000	Total

** Note that this net amount needed for CKC Trail is less than originally estimated by PFEC. It reflects both a revised overall project cost (from \$3,000,000 to \$3,600,000) and acknowledges that the City will receive \$2 million from State of Washington for the project, leaving a net shortfall of \$1,600,000.*

Depending upon the amount of the capital levy rate imposed, the projects would take more or less time to accomplish based on the availability of funds. The following table shows three timetable scenarios for generating the funds necessary to complete the priority projects listed above, including a \$1,250,000 annual amount recommended by PFEC, a \$1,000,000 amount consistent with first capital funding level using debt and a \$750,000 amount as a means of demonstrating the impact of reducing the levy. The order of project implementation and completion would be determined in part by considering both project readiness and the availability of sufficient funds. Levy proceeds can be carried over from year-to-year.

Table 4. Option C Timeline Scenarios for Funding Priority Capital Projects

Year-by-Year Accumulation	Levy proceeds of \$1,250,000 per year for capital	Levy proceeds of \$1,000,000 per year for capital	Levy proceeds of \$750,000 per year for capital	
2013	1,250,000	1,000,000	750,000	
2014	2,500,000	2,000,000	1,500,000	
2015	3,750,000	3,000,000	2,250,000	
2016	5,000,000	4,000,000	3,000,000	
2017	6,250,000	5,000,000	3,750,000	
2018	7,500,000	6,000,000	4,500,000	
2019	8,750,000	7,000,000	5,250,000	
2020	Additional \$1.25 million per year toward future CIP projects	8,000,000	6,000,000	
2021		9,000,000	6,750,000	
2022		Additional \$1 million per year toward future CIP projects	7,500,000	7,500,000
2023			8,250,000	8,250,000
2024 etc.			9,000,000	9,000,000
			Additional \$750,000 per year toward future CIP projects	

Under the \$1.250 million scenario, all of the identified capital projects could be completed within seven years while the \$1 million scenario would require nine years, and \$750,000 would require twelve years.

The table below shows the relative annual impact of each capital funding option:

Annual Amount Raised for Capital	\$1,250,000	\$1,000,000	\$750,000
Tax Rate per \$1,000 AV**	\$.085	\$.068	\$.051
Annual Impact on \$480,000 Home for Capital**	\$40.80	\$32.64	\$24.48

** Each \$250,000 is \$.017 per \$1000 and approximately \$8.16 annually on the average home

PFEC Considerations for Option C:

Amount

The majority of PFEC members at the May 31 meeting supported Option C with the \$1.25 million annual capital amount. The PFEC felt it had the advantage of providing funding for both on-going maintenance needs and on-going capital needs within a single measure. Once Priority Capital Projects are funded and completed, it would provide additional on-going capital funding for the City to address a significant backlog of unfunded park renovation, park development, and indoor recreation needs. Coupled with a roads maintenance measure, it would mean that the City would be asking voters to consider potentially two funding measures rather than three.

PFEC members did express concern about how such a ballot measure would be understood by citizens, and emphasized that clear wording of the ballot measure and information materials would be critical. PFEC also felt it would be important to identify and describe which projects would be completed within the first five or six years.

Permanent or Time limited

It was noted that City of Bellevue voters approved a similarly-structured parks levy in 2008, although it was limited to 20 years duration. The PFEC considered the relative merits of placing a time limit on the levy (such as 9 or 20 years), but ultimately concluded that the need to provide permanent, on-going funding for park maintenance was critical and that a permanent levy was preferred.

While securing funding for maintenance remains the PFEC's top priority, the PFEC as a group also believed that funding for capital improvements is important at this time and that the recent citizen survey indicated support from citizens for both purposes.

Cross Kirkland Corridor Funding

The original PFEC recommendation included \$3 million dollars for interim trail development of the Cross Kirkland Corridor (CKC). Since then that estimate has been revised up to \$3.6 million and a state grant for \$2 million for the CKC has been received. At the May 31st PFEC meeting the PFEC recommended adjusting the CKC amount and the total levy down to reflect the remaining \$1.6 million. After the PFEC meeting staff has learned that it likely that Kirkland will secure a \$1 million PSRC grant for the CKC. If so, the Council could choose to revise the CKC number down even further to \$600K and reduce the overall levy amount, leave \$1.6 million in the measure for the CKC or reallocate the \$1 million in savings to other projects.

Next Steps and Council Direction Requested

As a reminder of the pertinent deadlines associated with placing a measure on the November 2012 ballot, the following summarizes the planned activities and associated dates:

July 3:

- Council Study Session to consider potential ballot propositions
- Review of draft ballot titles and explanatory statements
- Council directs City Clerk to solicit citizens interested in serving on committees to prepare Pro and Con Statements for voter's pamphlet

July 17:

- Council to consider ordinances formally placing propositions on November 6 general election ballot;
- Council may schedule public hearings if desired (not required)
- Council appoints citizen committees to prepare Pro and Con Statements

August 7:

- Deadline for City to file ordinances with King County to place ballot propositions on ballot

August 15:

- Deadline for Pro/Con Committees to submit statements to King County

November 6:

- General Election

Staff is requesting direction from the City Council so that appropriate ballot titles can be prepared for consideration on July 3. There are three dimensions that need consideration.

1. Which ballot measure option does the City Council prefer:
 - a. Option A: Maintenance only
 - b. Option B: Separate maintenance and capital levies
 - c. Option C: One Maintenance and "Pay-as-you-Go" capital levy
2. Based on the option chosen, how much operating and capital funding should be requested? Specifically, if Option C is the preferred option, should the ballot measure request a rate that generates annual capital funding of \$1,250,000, \$1,000,000, \$750,000 or some other amount? As part of this decision, what assumptions should be made about CKC funding in the levy.
3. Should the maintenance and/or capital levy be permanent or time-limited (e.g. requires reauthorization by the voters after 10 years, 20 years or some other time period)?

NOTE: The issue of a time limit for the ballot measure will also need to be answered for the potential Roads maintenance levy. Should it be a 10 year, 20 year or permanent levy? Staff will be looking for similar direction on the Roads ballot measure at the July 3rd Council meeting.

Attachments

cc: Park Funding Exploratory Committee
Park Board
Marilynne Beard, Assistant City Manager
Tracey Dunlap, Director of Finance and Administration

Park Funding Options

OPTION A		OPTION B		OPTION C	
MO LEVY ONLY (\$34)		MO LEVY (\$36) + CAPITAL LEVY (\$41) (original PFEC recommendation)		COMBINED MO/CAPITAL LEVY (\$77) (current PFEC recommendation)	
Advantages	Disadvantages	Advantages	Disadvantages	Advantages	Disadvantages
Least expensive of the three ballot options	Does not provide funding for capital	Provides funding for both maintenance and capital needs	Requires two separate ballot measures	Provides permanent, on-going funding for both maintenance <u>and</u> capital needs	Does not allow voter to choose MO vs. capital (“all or nothing”)
Has higher chance of passage	May make it more difficult to put forward a capital levy in the near future	Allows voter to choose one, both (or neither)	Capital funding capped at \$10 million (as proposed by PFEC)	Over time, would generate the most funding for capital projects as compared to other options	Entire levy is permanent as opposed to 9-year capital levy (greatest long-term impact to property taxes)
Meets current needs now		Provides funding for acquisition at a time of decreased property values in Kirkland	Potential voter fatigue with competing voted tax measures (Kirkland and other agencies)	Opportunity to adjust amount of total funding distributed to MO and capital (both during initial ramp-up and long-term)	“Pay-as-you-go” may limit ability to fund or timing of larger capital projects or purchases
Provides single focus for campaign – maintaining what we have		Provides capacity to assume debt while interest rates are very low	Survey results indicate funding for capital has comparatively less support	Allows for lower total levy request while including selected capital projects that have broad-based support	Capital projects completed at a slower pace
Allows PROS Plan to be completed so that priorities can be confirmed/ revised		Provides all capital funding “up front” to allow City to expedite projects/acquisitions	May put MO Levy at risk		
		Capital levy debt is retired after 9 years			

2002-2011 PARKS ANNUAL CIP FUNDING

Year	REET 1	Impact Fees	Park Bond¹	Open Space KC Levy	General Fund Rev²	Grants/ External³	Total Funding
2002	570,000	80,000	-	-	-	-	650,000
2003	847,500	40,000	45,468	-	-	200,000	1,132,968
2004	716,109	-	3,577,963	-	-	10,000	4,304,072
2005	749,100	-	3,031,655	-	22,000	12,221	3,814,976
2006	1,020,000	40,000	571,762	-	-	-	1,631,762
2007	1,325,394	155,000	547,476	-	144,594	77,315	2,249,779
2008	805,726	449,074	240,656	118,097	-	106,097	1,719,650
2009	479,004	-	283,518	122,232	-	352,737	1,237,491
2010	1,340,808	-	323,781	126,491	-	372,848	2,163,928
2011	1,082,525	-	314,323	128,692	750,000	224,487	2,500,027
Total	8,936,166	764,074	8,936,601	495,512	916,594	1,355,705	21,404,652
Average⁴	894,000	76,000	894,000	124,000	92,000	136,000	2,216,000

Annual Average Excluding Park Bond Funding: 1,322,000

- 1) Includes interest earnings on unspent balances
- 2) Primarily state grants, along with McAuliffe Park insurance recovery, and small private contributions
- 3) General Fund contributions include use of Capital Contingency
- 4) Average for Open Space King County Levy since 2008

Kirkland Parks: For Healthy Lifestyles

In November 2002 Kirkland voters approved an \$8.4 million park bond as well as a companion maintenance levy, investing substantial resources into Kirkland's park system. Here is a summary of the projects completed with this funding.



As a result of the 2002 Park Bond, the City of Kirkland assumed ownership of Juanita Beach Park from King County. Funding was used to make immediate aesthetic and safety-related improvements to the property, and the Parks and Community Services Department initiated a master planning process for Juanita Beach, engaging the community in the creation of a fresh vision for this remarkable asset. The Juanita Beach Park Master Plan was adopted by the City Council in 2006, and will guide restoration and redevelopment

JUANITA BEACH

A Premier Resource for Kirkland and the Region

2002 Park Bond Funding: \$200,000 for park improvements and park planning.

efforts for years to come. The community has envisioned a number of goals for the redevelopment of Juanita Beach Park:

- Create multi-use recreational facilities
- Enhance Juanita Creek to create a healthy stream environment.
- Create a wildlife-friendly shoreline
- Improve shoreline water quality for people and wildlife
- Use low impact development and sustainability design principals
- Create community gathering areas
- Maintain and restore the historic Forbes House

For more information on the park master plan, visit us at www.ci.kirkland.wa.us.

What happens next at Juanita Beach?

A portion of Juanita Creek within the park will be restored (funded by a \$500,000 State grant) in 2007. The project will improve fish and wildlife habitat and stabilize stream banks to reduce erosion. In 2009, the first phase of major park renovation is scheduled to occur, featuring continued creek restoration, shoreline improvements, new trails and sidewalks, and new landscaping.



CARILLON WOODS

Preserving Neighborhood Open Space and Restoring our Urban Forests

2002 Park Bond Funding: \$4.45 million for land acquisition and park development:

The City of Kirkland has a wealth of parklands and open spaces. These parks and greenbelts strengthen local neighborhoods, improve property values, and make communities attractive places to live.

The City of Kirkland purchased the former King County Water District #1



property in Central Houghton in 2004. Located on 106th Ave NE between NE 53rd St and NE 55th St, Carillon Woods encompasses nearly 9 acres of woodlands. The property also features steep slopes, wetlands, emerging springs, and serves as the headwaters for Carillon Creek. Park improvements were completed in 2007 featuring trails, new native landscaping, and a forest-themed playground.

Carillon Woods has also benefited from the Green Kirkland Partnership, a community effort to tackle the growing problem of invasive plant species in our urban forests. To date several acres at Carillon Woods have been rid of English Ivy and other undesirable plants, thanks to the amazing and dedicated efforts of many community volunteers.



What happens next at Carillon Woods?

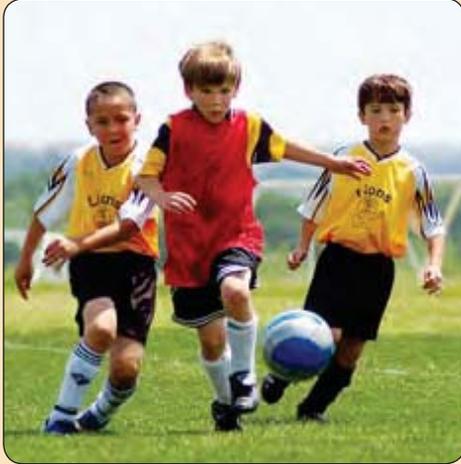
Join us on Saturday, September 22, at 11:00 a.m. for the official Carillon Woods park dedication. Enjoy refreshments, visit information booths and displays, and explore one of Kirkland's great new parks!

and a Livable Community

RECREATION IMPROVEMENTS AT PUBLIC SCHOOLS

A great partnership benefiting neighborhoods, sports groups, and students

2002 Park Bond Funding: \$1.85 million for school recreation facility improvements



Kirkland's partnership with the Lake Washington School District has truly been a win-win relationship for the community. By investing in playfields and other recreation improvements at several Kirkland schools, the City has been able to provide safer, higher quality recreation opportunities for after-school and weekend community use.

The following schools received funding from Kirkland's 2002 park bond for facility upgrades:

- Kirkland Junior High School
- Juanita Elementary School
- Rose Hill Elementary School
- Franklin Elementary School

At Franklin Elementary, additional improvements have been made to make the school campus more attractive and usable by the neighborhood. Park bond funding was used to add additional playground equipment, a picnic shelter, outdoor classroom/group gathering areas, and trails.



NORTH ROSE HILL WOODLANDS PARK

A park designed, built, and loved by the neighborhood

2002 Park Bond Funding: \$900,000 for park and trail development



North Rose Hill Woodlands Park (located off of 124th Ave NE) has undergone quite the expansion, courtesy of both the 2002 voter-approved park bond and the many volunteers associated with Friends of Woodlands Park. In 2005 the park was improved to include a new picnic shelter, new wetland boardwalk trails, asphalt pathways, new native landscaping, and wetland enhancements. The following year, volunteers raised the funds necessary to build one of Kirkland's biggest (and no-doubt best!) playgrounds. Truly a special place!



OPEN SPACE ACQUISITION

Preserving habitat and green space for future generations

2002 Park Bond Funding: \$1.0 million for land acquisition

The City is continually looking for opportunities to preserve critical urban wildlife habitat and unique natural resources. Funding from the 2002 Kirkland park bond helped fund acquisition of nearly 8 acres of land near the Heronfield Wetlands in South Juanita, as well as nearly 2 acres of open space adjacent to the Yarrow Bay Wetlands. All told, over 70% of Kirkland's 500-acre park system is comprised of natural areas such as forests and wetlands.



Kirkland Road Maintenance and Pedestrian Safety Levy

November 6, 2012 Voter Initiative Fact Sheet

Background

Kirkland residents have consistently ranked road maintenance as a high priority among all services delivered by the City. Paving conditions have trailed behind public expectations and established City standards. Over the years, reduced Federal and State revenues combined with ever increasing traffic has had a detrimental impact on Kirkland's roads. Funding for roadway repair, maintenance, and safety improvements is in need of a reliable revenue source. When recently surveyed*, 73% of Kirkland residents who responded supported increasing local taxes for the purpose of maintaining and improving Kirkland roads. In the fall of 2011, the City reached out to Neighborhoods and Business Associations with information about the City's road preservation program and to further gauge the public's interest in creating a long term solution to the escalating gap between resources and meeting both community and City road maintenance standards. This levy is in direct response to community input and survey results about Kirkland's roads.

*2012 City of Kirkland Telephone Survey about Citizen Opinions & Priorities

The Road Maintenance and Pedestrian Safety Levy

This measure includes funding to repair potholes, repave and enhance arterials and neighborhood roads, provide safe walking and biking routes to school, and improve pedestrian and driver safety on neighborhood roads. If approved, the measure would accomplish the following:

- Reduce the significant backlog of road repairs;
- Repair potholes and lower long term maintenance costs for roads;
- Build safe routes to schools;
- Proactively improve the overall safety of Kirkland's road, pedestrian and bike network;
- Provide accountability and transparency of citizen's road maintenance and safety investment.

Details of the proposal include:

Road Maintenance and Repair (\$2.7 million/year or 90% of total)

Provides dedicated funding to resurface, restore, or replace approximately 90 lane-miles of arterial streets. Provides funding for preventive maintenance on 650 lane-miles of local and neighborhood streets. Funding more than doubles the current amount of money for resurfacing and restoring Kirkland's roads. Proactive road maintenance reduces costly repairs from road failure and saves taxpayer money.

Examples include resurfacing NE 132nd Street, Totem Lake Boulevard, NE 124th Street, NE 116th Street, Simonds Road.

Safe routes to schools (\$150,000/year or 5% of total)

Provides funding to leverage state and federal grants to build safe routes to school near 12 Kirkland elementary schools. Funding doubles current funding and could leverage \$2 million of additional state and federal grants over 10 years. Providing safe routes to school will increase the number of children who use active transportation which provides health benefits to children and relieves traffic congestion near schools.

Examples include new sidewalks on 84th Avenue NE near Thoreau and Carl Sandburg Elementary Schools, 132nd Avenue NE near Mark Twain Elementary School (??).

Pedestrian and bicycle safety (\$150,000/year or 5% of total)

Provides funding to upgrade 50 crosswalks with new highly visible and energy efficient warning devices, install approximately 500 new Americans with Disabilities Act wheelchair ramps to meet Federal requirements, restripe 230 crosswalks, address neighborhood identified safety improvements, and enhance transit and safety improvements on 8 key transit corridors. The funding will expand a system of pedestrian and bicycle routes that form interconnected networks to safely access commercial areas, schools, transit routes, parks and other destinations. In response to citizen requests, and with the support of neighbors, traffic control devices such as speed cushions, chokers and small traffic circles will be built to address safety hazards within Kirkland Neighborhoods.

Examples include crosswalk upgrades along Juanita-Woodinville Way, Juanita Drive, 124th Avenue NE, NE 108th Street and NE 68th Street.

Cost and accountability

If approved by voters, this proposal would cost the typical homeowner approximately \$__ per year, or 20 cents per \$1,000 of assessed value. The estimated revenue from the total levy is approximately \$3 million per year. The City will produce an annual accountability report documenting actions and program status. Reporting and accountability includes full compliance with non-discrimination policies and Title VI of the Civil Rights Act of 1964.

Additional information

If you have questions about the Road Maintenance and Safety Levy please call the Kirkland Public Works Department at (425) 587-3800. Persons with disabilities may request materials in alternative formats please contact Kari Page, Neighborhood Outreach Coordinator at (425) 587-3011 or email at KPage@kirklandwa.gov.

Kirkland Parks Maintenance, Renovation and Enhancement Levy

Background

In 2011 the City of Kirkland formed a Park Funding Exploratory Committee, an ad-hoc group of nearly 50 citizens representing a wide array of the community's neighborhood, business, education, sports, and civic organizations. The committee was asked to assess and make recommendations on the short and long-term maintenance and capital needs of Kirkland's acclaimed parks and open space system.

In March of 2012 the committee presented its findings and conclusions to the Kirkland City Council. Based on the recommendations of the citizen committee and significant public input, voters are being asked to consider a new funding measure to help maintain and provide additional investments in Kirkland's parks and open spaces.

The Kirkland Parks Maintenance, Renovation and Enhancement Levy

This measure includes funding to preserve, maintain, and enhance Kirkland's parks and natural areas and accomplishes the following:

- Maintains neighborhood, community, and waterfront parks consistent with Kirkland's standards;
- Protects and restores Kirkland's vital urban forests and habitat areas;
- Ensures lifeguards at City swimming beaches;
- Ensures O.O. Denny Park continues to be maintained and operated as a public park;
- Invests in playfields at public schools for neighborhood and community use;
- Completes major repairs and improvements to city waterfront park docks and shorelines for safety and property protection;
- Creates a community recreation trail along the Cross Kirkland Corridor;
- Enhances existing parks such as Waverly Beach Park, Edith Moulton Park, and Juanita Beach Park;
- Preserves open spaces and acquires land for neighborhoods with park needs.

Cost

If approved by voters, this proposal would cost the typical homeowner approximately ___ per year, or 16 cents per \$1,000 of assessed value.

If you have questions about the Kirkland Parks and Natural Areas Levy please call the Kirkland Parks and Community Services Department at (425) 587-3330.

Details of the proposal include:

Parks Maintenance & Operations Funding (\$1.1 million annually)

- ✓ Provides dedicated funding to ensure Kirkland parks are maintained consistent with Kirkland's standards.
- ✓ Provides dedicated funding for lifeguards at Houghton, Waverly, and Juanita beaches to help ensure safety.
- ✓ Provides dedicated funding for the community's Green Kirkland Partnership which restores and provides healthy forests and habitat areas.
- ✓ Provides dedicated funding to maintain O.O. Denny Park, a community waterfront park (current funding for this park is derived from a special tax assessment by the Finn Hill Park and Recreation District on Finn Hill properties which expires in 2014).

Parks Capital Improvements Funding (\$1.25 million annually)

The levy would provide funding to support important renovation and enhancement projects for Kirkland's parks and trails system. High priority projects funded by this proposal would include:

- ✓ Cross Kirkland Corridor Trail. Provides funding to create an interim hiking and biking trail within the 5.75 mile Cross Kirkland Corridor.
- ✓ Edith Moulton Park Improvements. Provides funding to implement renovations to this community park transferred from King County as part of the 2011 annexation.
- ✓ City-School District Playfields Partnership. Provides funding to continue partnership with Lake Washington School District to upgrade school playfields for neighborhood and community use.
- ✓ Dock and Shoreline Renovations. Provides funding for major repairs and improvements to public docks and park shorelines for safety and property protection.
- ✓ Waverly Beach Park Renovation. Provides funding to provide needed improvements to this popular community waterfront park.
- ✓ Open Space and Park Land Acquisition. Provides funding to preserve natural areas and opens spaces and to acquire land for future neighborhood parks in areas of the city where new parks are needed.
- ✓ Juanita Beach Bathhouse Replacement. Provides funding for a new replacement facility for park restrooms, park maintenance and canoe/kayak boating concession.

Proposition 1

City of Bellevue

Parks & Natural Areas Levy

November 4, 2008 Voter Initiative



Background

With the city's existing parks levy expiring this year, voters are being asked to consider a new funding measure to provide additional investments in Bellevue's nationally accredited park system. The measure would replace the purchasing power of the expiring bonds. Following significant public input, Bellevue City Council approved the measure for the November 4 ballot.

The Parks & Natural Areas Levy

This measure includes funding to enhance and maintain the Bellevue Parks & Open Space System. If approved, the package would accomplish the following:

- Protect water quality in Bellevue's lakes and streams and preserve natural areas throughout the city;
- Enhance existing parks such as Bellevue Downtown Park, Surrey Downs, Crossroads Community Park and Bellevue Botanical Garden;
- Invest in sportsfields, trails, community parks, and neighborhood parks; and
- Maintain improvements consistent with Bellevue Parks' standards.

Specific project funding details are further described below:

Acquisition Opportunity Funding (\$10M)

Dedicate resources to obtain land that complements the existing parks system to increase public access to lake shores, preserve open space, protect water quality, increase trail connectivity and create opportunities for new neighborhood parks.

Eastgate Area Community Park (\$6M)

This 27-acre undeveloped site will be improved following a community-based plan to preserve natural areas and add new recreational amenities.

Neighborhood Park Development (\$5M)

Smaller-scale parks will be developed with amenities such as play equipment, open space, and trail connections. Proposed sites are along Lake Sammamish and in the Bridle Trails neighborhoods.

Downtown Park (\$5M)

Complete additional phase of the Downtown Park master plan, including completion of the circle around the waterfall and reflecting pond.

Surrey Downs Community Park (\$3.5M)

Transferred to the City from county ownership in 2005, this park will be improved to offer new sport and recreational amenities for the neighborhood and broader community.

Sports Field Improvements (\$3M)

Building on the expanded capacity of Robinswood Sports Fields, additional synthetic fields will be installed to improve safety and play at Wilburton Hill and Newport Hills parks.

Bellevue Botanical Garden (\$2M)

Planned improvements will expand opportunities for visitors to experience botanical displays and educational programs.

Expansion of Crossroads Community Center to Support Youth Performing Arts (\$2M)

A larger, improved facility will help meet the facility needs of the City's youth performing arts programs.

Lewis Creek Park Phase II (\$2M)

Group picnic areas and more trail connections will complete the planned improvements to this community park.

Trail and Natural Area Improvements (\$2M)

Investments within the City's 1,800-acre open space system will improve forest conditions and stabilize slopes to reduce erosion in the Coal Creek Natural Area, and create hiking and walking trails throughout the City.

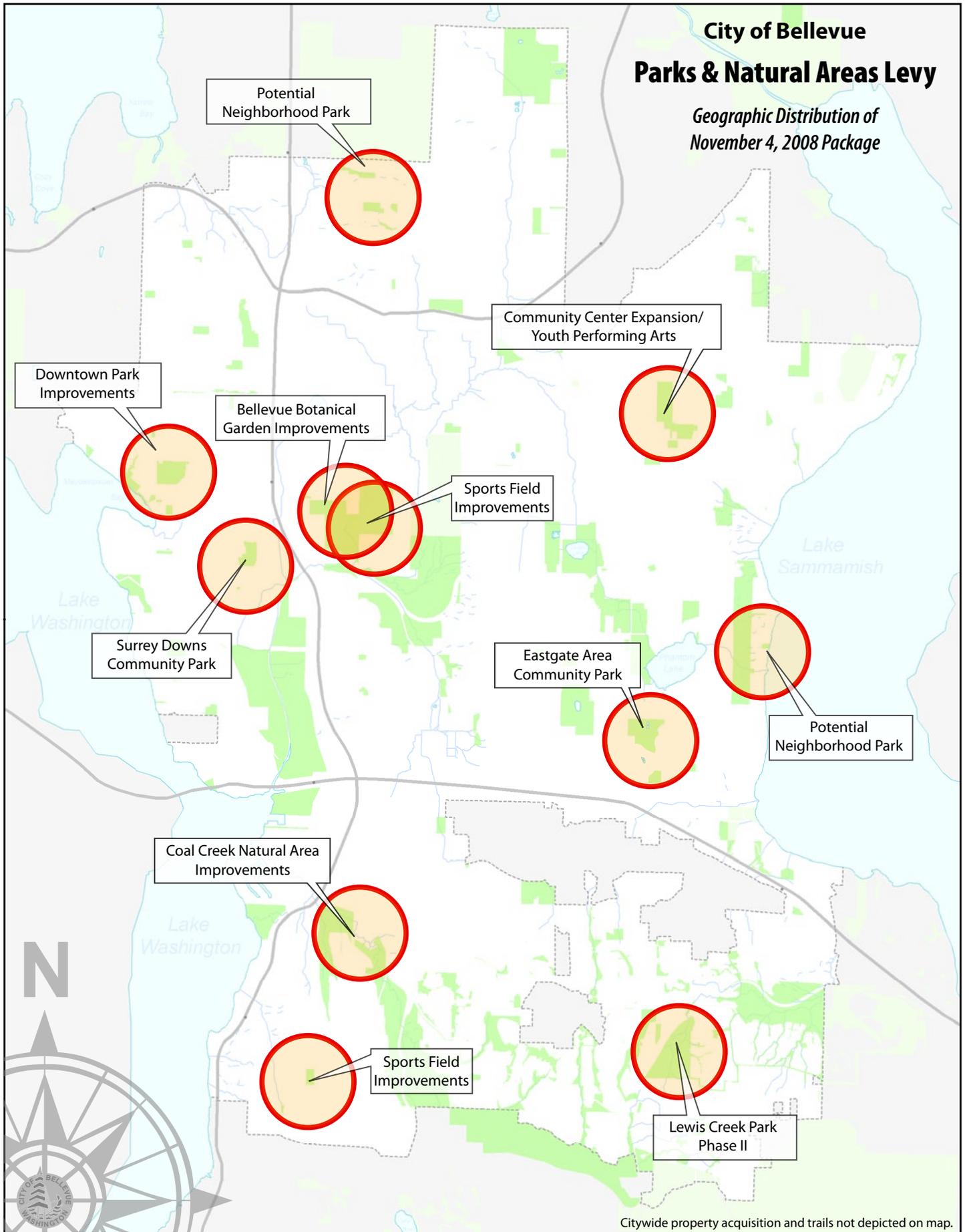
Cost

If approved, this measure would cost a typical homeowner about \$71 per year for the next 20 years, or 12 cents per \$1,000 of assessed value. This measure was set to replace the expiring 1988 Bellevue Park Bond which had an average property tax rate of 17 cents per \$1,000 of assessed value.

Additional Information

If you have questions about the Bellevue Parks & Natural Areas Levy, please call the Bellevue Parks & Community Services Department at 425-452-2805.

Geographic Distribution of Levy Package





PROPOSITION 1

Basic Public Safety, Parks and Recreation, and Community Services Maintenance and Operation Levy



Preserving Shoreline's Quality of Life

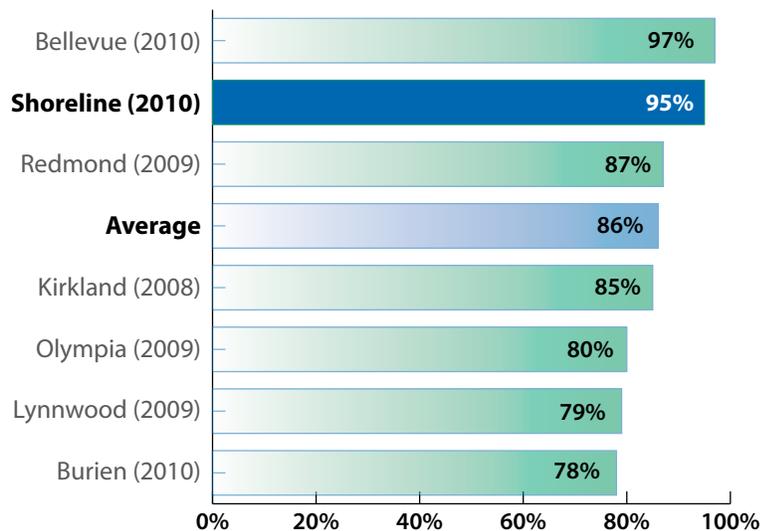
Fifteen years ago, residents incorporated Shoreline as a City so they could receive better, even exceptional, services for their tax dollar. The City of Shoreline has worked hard to implement the vision created by residents and 15 years after incorporation Shoreline families, neighborhoods and businesses have much of which to be proud.

The City's budget aims to provide the quality services that Shoreline families, neighborhoods and businesses want and deserve. Unfortunately, the City's ability to fund these services is facing serious challenges.

Shoreline Proposition 1

If approved by voters on the November 2 ballot, Proposition 1 would set the City's regular property tax rate below the legal limit of \$1.60 at \$1.48 per \$1,000 assessed valuation in 2011. This proposition would maintain current police and emergency protection including neighborhood patrols and crime prevention; preserve safe parks, trails, playgrounds, playfields and the Shoreline pool; and maintain community services including senior center and youth programs.

Percent of Residents Rating City as Excellent or Good Place to Live



Preserve and maintain basic public safety, parks and recreation, and community services



How We Got Here

In 2001 Washington voters approved an initiative measure (I-747) that limited most jurisdictions to an increase in property tax revenue of 1% percent per year, unless a higher rate is authorized by a vote of the people. Although Shoreline voters rejected the measure, it passed statewide and now presents serious challenges to Shoreline's ability to continue providing essential community services.

Since 2000, inflation has increased by 27% while the City's property tax levy, excluding new construction, has increased by just over 9%. As a result, funding has not kept pace for basic City services.

Realizing that the City was facing long term structural issues financially, the City Council appointed an 18 person Citizens Advisory Committee in 2008.

This Committee spent nearly fourteen months studying the City budget and financial challenges. They held twenty public meetings and three community forums before formulating their final recommendations.

The Committee concluded that while the City should continue to seek savings and efficiencies, they recommended that a levy measure be put before the voters to preserve basic services.

The current recession has had an impact on just about everyone including the City, but that is not the cause of the City's long-term financial challenges. The recession resulted in a sharp drop of sales tax and development revenues. The City addressed these revenue losses with a combination of cutting costs and using the City's "Rainy Day" reserves. The Rainy Day fund cannot bridge the long-term financial challenges.

Why Now?

The City has not asked for a voter approved increase in its regular property tax levy since incorporation in 1995.

Over the past several years Shoreline has taken aggressive steps to postpone this inevitable outcome through increased efficiencies, budget cuts, hiring freezes, savings and new revenues.

Current resources are not adequate to sustain current services. Using a six-year projection, starting in 2011 through 2016, the City's cumulative budget shortfall is estimated to be nearly \$15 million.

Where Will the Money Go?

The proposed levy will maintain current levels of service for basic public safety programs; fund safe, well maintained parks and facilities; and maintain community services. The levy will not fund any new services, programs or facilities.

Maintain Public Safety Programs

- Neighborhood Police Patrols
- Crime Prevention Programs
- School Resource Officer
- Police Neighborhood Centers

Keep Vital Community Services

- Youth programs
- Shoreline-Lake Forest Park Senior Center
- Human Services
- Arts and Shoreline Historical Museum

Preserve Parks & Recreation

- Safe, well-maintained and accessible parks and trails
- Playgrounds and playfields that meet safety standards
- Shoreline pool recreation programs for youth, families and seniors

What Happens if the Proposition Doesn't Pass?

The City is asking voters for an increase of \$.28 per \$1,000 to fund basic public safety, parks and recreation and community services. If the measure does not pass, the City will be required to make significant additional cuts to balance the budget.



City Cost Reductions

The City of Shoreline has taken aggressive steps to reduce costs and ensure efficiency, including staff reductions and more than one million dollars in budget cuts since 2005. No cost of living raises (COLA) were paid to City employees in 2010 and none are proposed for 2011.

The City also needed to find more cost-effective ways of doing business. Implemented strategies include:

- Modified employee health benefit policy in 2003 – saving nearly \$1 million.
- Multi-city agreement for jail alternatives resulting in lower annual costs – saving nearly \$300,000 in 2008 alone.
- Brought street sweeping services in-house to increase frequency - saving \$58,000 annually.
- Police canine unit now used on an as-needed basis - saving \$100,000 annually.
- Switched from an analog to an internet based telephone system for City Hall - saving \$100,000 annually.
- Cut 20% of City training budget - saving \$60,500 annually.

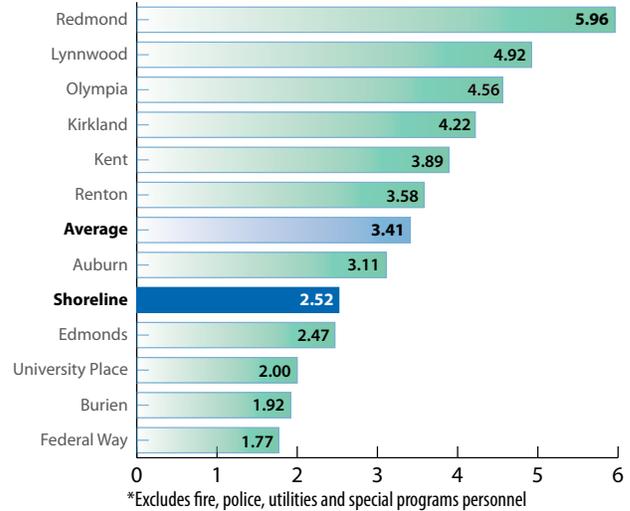
Another way to look at how efficient we are is to compare the number of employees we have per 1,000 population to other cities. As you can see on the graph to the right Shoreline has far fewer staff than comparable cities. Our 2.5 staff per 1,000 population compared with the average 3.4 staff results in 48 fewer employees and an annual savings of over \$3.7 million. The City's compensation policy is to set staff salaries at the median of comparable cities in the Puget Sound Region.

Comparing Our Costs

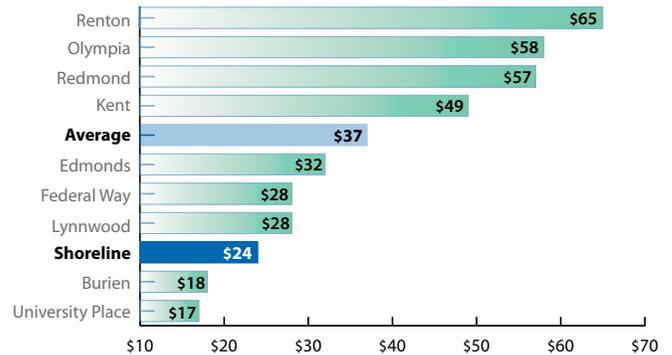
The City continually reviews how we compare with other neighboring cities, especially with spending. As the chart on the right shows, Shoreline is well below the annual average of parks maintenance costs at \$24 per resident.

Another area where we compare costs is public safety. The chart on the right illustrates that our police costs per resident are low compared to other cities in the region. While public safety costs continue to rise, contracting for this service continues to provide a good value for Shoreline residents. Compared to the average, our police costs result in savings of over \$4 million.

Employees per 1,000 population



Comparative Park Maintenance Costs



Comparative Police Costs





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PROPOSITION 1 FAQs

If approved by voters, what would be the cost of Proposition 1 for the average Shoreline homeowner?

The average Shoreline homeowner, with an assessed home value of approximately \$325,000 would pay \$7.60 more per month in 2011 to maintain current levels of police and emergency protection, parks and recreation and community services. If approved, any increase in the annual levy would not exceed inflation (Seattle region Consumer Price Index [CPI-U]) for 2012-16. Economists project inflation to average 2.4% over this time. The typical homeowner would pay an additional average of \$9.25 per month over the next six years.

How would Proposition 1 affect City property tax rates?

Over the last decade, the City of Shoreline's tax rate declined by 25%. Since assessed values increased faster than the 1% limit mandated by I-747, property tax rates were reduced to comply with state law.

Proposition 1 would set the City's regular property tax rate below the legal limit of \$1.60 at \$1.48 per \$1,000 assessed valuation in 2011.

What about seniors on a fixed income?

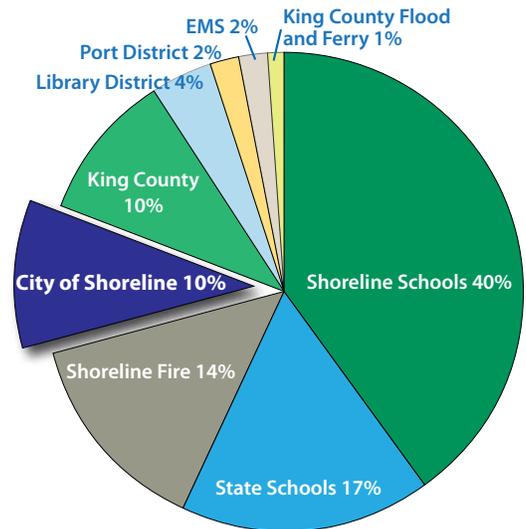
Senior citizens or disabled persons may qualify for tax exemptions or tax deferrals. Contact the King County Assessor's Office at (206) 296-3920 for information.

More information:

Visit the City's website at shorelinewa.gov or contact Management Analyst Eric Bratton at (206) 801-2217 or erbratton@shorelinewa.gov.

Resident Property Tax Allocations

In 2010 a typical homeowner will pay about 10% of their total property tax bill to the City of Shoreline, which is approximately \$392 for City services.



Election Day - Tuesday, Nov. 2



LEVY LID LIFT #2: Parks Proposal

(All numbers quoted are on an annual basis.)

Proposed Levy Lid Lift: \$0.03 increase submitted to voters in summer 2007

How much money does it generate? \$365,000 in 2008

Will this revenue keep pace with inflation or the cost of the proposed Parks programs?

No. Council may approve up to a 1% increase in property taxes. Cost of Parks programs growing at nearly 6% per year.

What is proposed to be funded with this levy lid lift?

- 1 Teen Center Program Assistant (\$58,000/year)
- Unfunded maintenance & operations associated with parks and road right-of-way capital projects completed prior to 2007 (\$307,000/year). Maintenance funding is requested for parks, open space and road right-of-way projects such as New City Hall & Parking Garage landscaping, Southeast Redmond Park, Juel Park interim use, Edge Skate Park Phase II, West Lake Sammamish Parkway Phase II, Idylwood Stream landscaping, Bridle Crest Trail, Bel-Red Road, 140th Ave NE and Union Hill Road landscaping, and new street trees.

What is NOT funded with this levy lid lift and the implications?

- NO money to pay for maintenance of new parks and road right-of-ways coming on line in 2007 and thereafter including any other projects which may be associated with a future parks bond. It is important to note the Parks Board supports a higher levy, in the range of \$.07 to \$.10, to address the cost of maintaining the existing and new parks system including programming.

IMPLICATION: Lack of maintenance and operation funding for new parks and road right-of-way projects will affect the look and feel of the City and lead to faster deterioration of capital improvements as there will be no money for upkeep. Examples of projects which will be affected include trail development, Dudley Carter site, Redmond Fall City Highway, Bear Creek Parkway, Old Redmond Road, Microsoft Overpass, NW Neighborhood Park, East Redmond Park Corridor, NE Neighborhood Park, Splash Parks, Senior Center Improvements, Perrigo Park Phase II, Bear Evans Creek Trail and Greenway, and any projects associated with a citywide parks bond.

New Rate*:

$$\begin{array}{c} \text{2007} \\ \text{Levy Rate} \\ \mathbf{\$1.18} \end{array} + \begin{array}{c} \text{Levy Lid Lift \#2} \\ \mathbf{\$0.03} \end{array} = \begin{array}{c} \text{Estimate 2008} \\ \text{Levy Rate} \\ \mathbf{\$1.21} \end{array} \text{ OR } \begin{array}{c} \mathbf{3\%} \\ \text{Increase} \end{array}$$

Impact of Levy Lid Lift #2 by Neighborhood*:

Neighborhood	2007 Assessed Valuation	2007 Redmond's Property Tax Bill	Estimated Redmond's 2008 Property Tax Bill (incl. \$0.03 Lid Lift)*	Incremental Increase	% Increase in Redmond's Property Tax Bill
View Ridge East	\$409,000	\$483	\$495	\$12	3%
Rose Hill	\$347,000	\$409	\$420	\$10	3%
Education Hill	\$309,000	\$365	\$374	\$9	3%
Marymoor Hill	\$616,000	\$727	\$745	\$18	3%
Abbey Road	\$556,000	\$656	\$673	\$17	3%
Sheffield Green	\$450,000	\$531	\$545	\$14	3%
North Redmond	\$650,000	\$767	\$787	\$20	3%

*Based on selective sampling of 2007 Assessed Valuation and property tax bills. Actuals for 2008 will vary.

ORDINANCE NO. _____

AN ORDINANCE providing for the submission to the qualified electors of the City of Kirkland at an election to be held on November 6, 2012, of a proposition authorizing an increase the City's regular property tax levy and the City's property tax levy base by \$.204 per \$1,000 of assessed valuation [for a ___-year period] in order to pay costs of maintenance and operations and fund the improvement and development of roads and pedestrian safety projects.

APPROVED ON JULY 17, 2012

PREPARED BY:

K&L GATES LLP
Seattle, Washington

ORDINANCE NO. ____

AN ORDINANCE providing for the submission to the qualified electors of the City of Kirkland at an election to be held on November 6, 2012, of a proposition authorizing an increase the City's regular property tax levy and the City's property tax levy base by \$.204 per \$1,000 of assessed valuation [for a __-year period] in order to pay costs of maintenance and operations and fund the improvement and development of roads and pedestrian safety projects.

WHEREAS, the City Council of the City of Kirkland, Washington (the "City") has previously approves a Transportation Plan (the "Plan") as part of the Kirkland Comprehensive Plan, which calls for the City to provide safe and accessible roads and transportation that supports the City's land use plan, create a transportation system which allows the mobility of people and goods, maintain existing adopted levels of service for important public facilities, plan for a fair share of regional growth, and solve regional problems that affect the City through regional coordination and partnerships; and

WHEREAS, in order to implement the transportation capital goals under the Plan, and to maintain and operate City roads to City standards in the future, the City is in need of additional funding to supplement City funds to be applied to these purposes; and

WHEREAS, RCW 84.55.050 authorizes the voters of a City to permit the levy of taxes in excess of the levy limitations established in RCW 84.55.010 pursuant to a "levy lid lift"; and

WHEREAS, the City Council has determined to fund the Plan on an ongoing basis and in the future with the proceeds of a [permanent] levy lid lift [for a period of __ years] to be placed before the voters of the City pursuant to this ordinance; and

WHEREAS, to fund all or a portion of the cost of capital improvements for road maintenance and safety consistent with the Plan on an ongoing and future basis and identified in Section 1 hereof (the "Road Improvements"), the City Council proposes to present a ballot proposition to the City's voters to increase the City's regular property tax levy in an amount of \$.204 per \$1,000 for collection in [the years] 2013 [through ____][and to provide that the dollar amount of such levy be used for the purpose of computing the limitations for subsequent levies provided for in RCW ch.84.55];

NOW, THEREFORE, the City Council of the City of Kirkland does ordain as follows:

Section 1. In order to provide safe and accessible roads and transportation that supports the City's land use plan, to create a transportation system which allows the mobility of people and goods, to maintain existing adopted levels of service for important public facilities, to plan for a fair share of regional growth, and to solve regional problems that affect the City through regional coordination and partnerships, the City Council approves a Transportation Plan (the "Plan") from time to time as a part of the Kirkland Comprehensive Plan. The Plan includes but is not limited to the following road maintenance and safety improvements for

neighborhood streets and arterials, including resurfacing, pothole repair, pedestrian safety improvements, sidewalks and crosswalks:

- Resurface, restore or replace approximately 90 lane-miles of arterial streets;
- Provide preventive maintenance on 650 lane-miles of local and neighborhood streets,
- Create safe routes to school near 12 elementary schools,
- Upgrade 50 crosswalks with new highly visible and energy efficient warning devices,
- Install approximately 500 new Americans with Disabilities Act wheelchair ramps to meet federal requirements,
- Restripe 450 crosswalks,
- Address neighborhood-identified safety improvements,
- Enhance transit and safety improvements on eight key transit corridors, and
- Produce an annual accountability report documenting actions and program status.

(collectively, "Road Improvements").

The cost of all necessary appraisals, negotiation, closing, architectural, engineering, financial, legal and other consulting services, inspection and testing, administrative and relocation expenses and other costs incurred in connection with the foregoing Road Improvements shall be deemed a part of the costs of such Road Improvements.

The City Council shall determine the exact specifications for the Road Improvements as well as the timing, order and manner of completing the Road Improvements. By ordinance of the City, the Council may alter, make substitutions to and amend the description of any Road Improvement as it determines is in the best interests of the City and consistent with the general descriptions provided herein. By ordinance, the City Council shall determine the application of moneys available for the Road Improvements set forth above so as to accomplish, as nearly as may be, all of the Road Improvements described.

If the City Council, by ordinance, shall determine that it has become impractical to acquire, construct or equip all or any portion of the Road Improvements by reason of changed conditions, incompatible development, costs substantially in excess of the amount of tax levies and other City funds estimated to be available, or acquisition by a superior governmental authority, the City shall not be required to acquire, construct or equip such portions. If all of the Road Improvements have been constructed or acquired or duly provided for, or found to be impractical, the City may apply the levy proceeds (including earnings thereon) or any portion

thereof to other transportation purposes as the Council, by ordinance and in its discretion, shall determine.

Section 2. It is hereby found that the best interests of the inhabitants of the City require the submission to the qualified electors of the City of a proposition whether the City shall levy regular property taxes above the limitations established in RCW 84.55.010 for approval or rejection at the general election to be held on November 6, 2012, a proposition to increase the City's regular property tax levy by \$.204 per \$1,000 of assessed valuation for [a period of ____ years, with the first]collection beginning in 2013 (with an estimated total [annual] collection amount [in 2013] of \$3,000,000 based on current estimates of assessed valuation) for the road purposes described herein. [The dollar amount of such increased levy shall be used for the purpose of computing the limitations for subsequent levies provided for in RCW ch.84.55.] King County Elections, as *ex officio* supervisor of elections in King County, Washington, is hereby requested to assume jurisdiction of and to submit to the qualified electors of the City the proposition hereinafter set forth.

The City Clerk is hereby authorized and directed, not less than 84 days prior to such election date, to certify the proposition to King County Elections in the following form:

CITY OF KIRKLAND
PROPOSITION NO. ____

LEVY FOR CITY ROAD MAINTENANCE AND SAFETY

The Kirkland City Council adopted Ordinance No. ____ concerning a proposition for a road levy rate increase. To fund road maintenance and safety improvements for neighborhood streets and arterials, including resurfacing, pothole repair, pedestrian safety improvements, school walk routes, sidewalks and crosswalks, the City's regular property tax levy shall be increased by \$.204 per \$1,000 of assessed value, [on a permanent basis], for [a period of ____ years for] collection [beginning] in [years]2013 [through ____][and such amount shall be used for the purpose of computing the limitations for subsequent levies provided under RCW ch.84.55]. Should this proposition be:

APPROVED?

REJECTED?

Certification of such proposition by the City Clerk to King County Elections, in accordance with law, prior to the date of such election, and any other acts consistent with the authority, and prior to the effective date, of this ordinance, are hereby ratified.

Section 3. If a section, subsection, paragraph, sentence, clause, or phrase of this ordinance is declared unconstitutional or invalid for any reason by any court of competent

jurisdiction; such decision shall not affect the validity of the remaining portions of this ordinance.

Section 4. This ordinance shall be in force and effect five days from and after its passage by the Kirkland City Council and publication.

Passed by a majority vote of the Kirkland City Council in regular, open meeting this 17th day of July, 2012 and approved by the City Council as required by law.

Signed in authentication thereof this 17th day of July, 2012.

MAYOR

ATTEST:

City Clerk

Approved as to Form:

CERTIFICATE

I, the undersigned, City Clerk of the City of Kirkland, Washington (the "City"), and keeper of the records of the City Council (the "Council"), DO HEREBY CERTIFY:

1. That the attached ordinance is a true and correct copy of Ordinance No. ____ of the Council (the "Ordinance"), duly passed at a regular meeting thereof held on the 17th day of July, 2012.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Council voted in the proper manner for the adoption of said Ordinance; that all other requirements and proceedings incident to the proper adoption of said Ordinance have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

Dated this ____ day of _____, 2012.

City Clerk

CITY OF KIRKLAND

OFFICIAL BALLOT

LEVY FOR CITY ROAD MAINTENANCE AND PEDESTRIAN SAFETY

November 6, 2012

INSTRUCTION TO VOTERS: To vote in favor of the following proposition, place a cross (X) in the square opposite the word "APPROVED?"; to vote against the following proposition, place a cross (X) in the square opposite the word "REJECTED?."

CITY OF KIRKLAND

PROPOSITION NO. ____

CITY OF KIRKLAND

LEVY FOR CITY ROAD MAINTENANCE AND PEDESTRIAN SAFETY

The Kirkland City Council adopted Ordinance No. ____ concerning a proposition for a road levy rate increase. To fund road maintenance and safety improvements for neighborhood streets and arterials, including resurfacing, pothole repair, pedestrian safety improvements, school walk routes, sidewalks and crosswalks, the City's regular property tax levy shall be increased by \$.204 per \$1,000 of assessed value, on a permanent basis, for collection beginning in 2013 and such amount shall be used for the purpose of computing the limitations for subsequent levies provided under RCW ch.84.55. Should this proposition be:

OR

The Kirkland City Council adopted Ordinance No. ____ concerning a proposition for a road levy rate increase. To fund road maintenance and safety improvements for neighborhood streets and arterials, including resurfacing, pothole repair, pedestrian safety improvements, school walk routes, sidewalks and crosswalks, the City's regular property tax levy shall be increased by \$.204 per \$1,000 of assessed value for a term of ____ years for collection in years 2013 through _____. Should this proposition be:

APPROVED?

REJECTED?

ORDINANCE NO. _____

AN ORDINANCE providing for the submission to the qualified electors of the City of Kirkland at an election to be held on November 6, 2012, of a proposition authorizing an increase the City's regular property tax levy and the City's property tax levy base by \$.16 per \$1,000 of assessed valuation [for a ____ -year period] in order to pay costs of maintenance and operations and to fund the acquisition, improvement, and development of open space and park facilities and.

APPROVED ON JULY 17, 2012

PREPARED BY:

K&L GATES LLP
Seattle, Washington

ORDINANCE NO. ____

AN ORDINANCE providing for the submission to the qualified electors of the City of Kirkland at an election to be held on November 6, 2012, of a proposition authorizing an increase the City's regular property tax levy and the City's property tax levy base by \$.16 per \$1,000 of assessed valuation [for a ____-year period] in order to fund the acquisition, improvement, and development of open space and park facilities and to pay costs of maintenance and operations.

WHEREAS, the City of Kirkland, Washington (the "City") natural system of parks and wetlands that provide residents with important natural open space and critical urban wildlife habitat as part of a balanced park system, which help define the City and make it unique; and

WHEREAS, in order to maintain and operate parks and recreation areas to City standards, the City is in need of additional funds to supplement City funds; and

WHEREAS, the City Council has previously approved a Parks, Recreation & Open Space Plan ("PROS") as part of the Kirkland Comprehensive Plan;

WHEREAS, PROS calls for the acquisition of open space and parks that add to the City's existing holdings to expand and enhance the range and quality of facilities, preserve natural areas, provide trail corridors and open space buffers, and additional community and neighborhood parks, and which calls for the acquisition, improvement and development of various City parks and recreation facilities; and

WHEREAS, in order to implement the parks, recreation, and open space capital goals under PROS, the City also need of additional funding to supplement City funds; and

WHEREAS, RCW 84.55.050 authorizes the voters of a City to permit the levy of taxes in excess of the levy limitations established in RCW 84.55.010 pursuant to a "levy lid lift"; and

WHEREAS, the City Council has determined to fund PROS on an ongoing basis and in the future with the proceeds of a [permanent] levy lid lift [for a period of ____ years] to be placed before the voters of the City pursuant to this ordinance; and

WHEREAS, to fund all or a portion of the cost of park and open space maintenance and capital improvements under PROS, the City Council proposes to present a ballot proposition to the City's voters to increase the City's regular property tax levy in an amount of \$.16 per \$1,000 for collection in [the years] 2013 [through ____][and to provide that the dollar amount of such levy be used for the purpose of computing the limitations for subsequent levies provided for in RCW ch.84.55];

NOW, THEREFORE, the City Council of the City of Kirkland does ordain as follows:

Section 1. The City Council hereby finds that the best interests of the inhabitants of the City require the City to operate and maintain its parks and recreation areas to City standards and further to acquire, expand and enhance its park, recreation area and open space in accordance with PROS ("Park Improvements").

Initially, the identified operation and maintenance expenditures are anticipated to be \$1,095,000 and include:

- a. Restoration of Maintenance and Operations, including Beach Lifeguards;
- b. Assumption of O.O. Denny Park Maintenance from the Finn Hill Park and Recreation District; and
- c. Forest and Habitat Restoration;

Initially, the capital improvement expenditures are estimated to be \$1,250,000 and include:

- i. Waverly Beach Park Renovation (improvements to community waterfront park);
- ii. Juanita Beach Bathhouse Replacement (replacement facility for park restrooms, maintenance storage and canoe/kayak boating concession);
- iii. Dock and Shoreline Renovations (major repairs and improvements to public docks and park shorelines for safety and property protection);
- iv. City-School Playfield Partnerships (continuation of partnership with Lake Washington School District to upgrade school playfields for neighborhood and community use);
- v. Neighborhood Park Land Acquisition (funding to acquire land for future neighborhood parks);
- vi. Edith Moulton Park Renovation (completion of renovations to community park transferred from King County as part of the 2011 annexation); and
- vii. Cross Kirkland Corridor Trail (an interim hiking trail within the 5.75 mile Cross Kirkland Corridor).

Future Park Improvements, including operation and maintenance priorities, will be identified and undertaken in accordance with PROS and the Capital Improvement Program as prioritized by the Park Board and City Council.

The cost of all necessary appraisals, negotiation, closing, architectural, engineering, financial, legal and other consulting services, inspection and testing, administrative and relocation expenses and other costs incurred in connection with the foregoing Park Improvements shall be deemed a part of the costs of such Park Improvements.

The City Council shall determine the exact specifications for the Park Improvements as well as the timing, order and manner of completing the Park Improvements. By ordinance of the City, the Council may alter, make substitutions to and amend the description of any Park Improvement as it determines is in the best interests of the City and consistent with the general descriptions provided herein. By ordinance, the City Council shall determine the application of moneys available for the Park Improvements set forth above so as to accomplish, as nearly as may be, all of the Park Improvements described.

If the City Council, by ordinance, shall determine that it has become impractical to acquire, construct or equip all or any portion of the Park Improvements by reason of changed conditions, incompatible development, costs substantially in excess of the amount of tax levies and other City funds estimated to be available, or acquisition by a superior governmental authority, the City shall not be required to acquire, construct or equip such portions. If all of the Park Improvements have been constructed or acquired or duly provided for, or found to be impractical, the City may apply the levy proceeds (including earnings thereon) or any portion thereof to other open space, park and recreation purposes as the Council, by ordinance and in its discretion, shall determine.

Section 2. It is hereby found that the best interests of the inhabitants of the City require the submission to the qualified electors of the City of a proposition whether the City shall levy regular property taxes above the limitations established in RCW 84.55.010 for approval or rejection at the general election to be held on November 6, 2012, a proposition to increase the City's regular property tax levy by \$.16 per \$1,000 of assessed valuation for [a period of ____ years, with the first]collection beginning in 2013 (with an estimated total [annual] collection amount [in 2013] of \$2,345,000 based on current estimates of assessed valuation) for the park purposes described herein. [The dollar amount of such increased levy shall be used for the purpose of computing the limitations for subsequent levies provided for in RCW ch.84.55.] King County Elections, as *ex officio* supervisor of elections in King County, Washington, is hereby requested to assume jurisdiction of and to submit to the qualified electors of the City the proposition hereinafter set forth.

The City Clerk is hereby authorized and directed, not less than 84 days prior to such election date, to certify the proposition to King County Elections in the following form:

CITY OF KIRKLAND
PROPOSITION NO. ____

LEVY FOR CITY PARKS MAINTENANCE, RESTORATION AND
ENHANCEMENT

The Kirkland City Council adopted Ordinance No. ____ concerning a proposition for a park levy rate increase. To fund maintenance, operation and preservation of parks and natural areas, beach lifeguards, dock restoration, trail and playfield improvements and the acquisition of parkland and open space, the City's regular property tax levy base shall be increased by \$.16 per \$1,000 of assessed value for [a term of ____ years, for]collection [beginning] in [years]2013 [through ____][and such amount shall be used for the purpose of computing the limitations for subsequent levies provided under RCW ch.84.55]. Should this proposition be:

APPROVED?

REJECTED?

Certification of such proposition by the City Clerk to King County Elections, in accordance with law, prior to the date of such election, and any other acts consistent with the authority, and prior to the effective date, of this ordinance, are hereby ratified.

Section 3. If a section, subsection, paragraph, sentence, clause, or phrase of this ordinance is declared unconstitutional or invalid for any reason by any court of competent jurisdiction; such decision shall not affect the validity of the remaining portions of this ordinance.

Section 4. This ordinance shall be in force and effect five days from and after its passage by the Kirkland City Council and publication.

Passed by a majority vote of the Kirkland City Council in regular, open meeting this 17th day of July, 2012 and approved by the City Council as required by law.

Signed in authentication thereof this 17th day of July, 2012.

MAYOR

ATTEST:

City Clerk

Approved as to Form:

CERTIFICATE

I, the undersigned, City Clerk of the City of Kirkland, Washington (the "City"), and keeper of the records of the City Council (the "Council"), DO HEREBY CERTIFY:

1. That the attached ordinance is a true and correct copy of Ordinance No. ____ of the Council (the "Ordinance"), duly passed at a regular meeting thereof held on the 17th day of July, 2012.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Council voted in the proper manner for the adoption of said Ordinance; that all other requirements and proceedings incident to the proper adoption of said Ordinance have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

Dated this ____ day of _____, 2012.

City Clerk

CITY OF KIRKLAND

OFFICIAL BALLOT

LEVY FOR CITY PARKS MAINTENANCE, RESTORATION AND
ENHANCEMENT

November 6, 2012

INSTRUCTION TO VOTERS: To vote in favor of the following proposition, place a cross (X) in the square opposite the word "APPROVED?"; to vote against the following proposition, place a cross (X) in the square opposite the word "REJECTED?."

CITY OF KIRKLAND

PROPOSITION NO. ____
CITY OF KIRKLAND

LEVY FOR CITY PARKS MAINTENANCE, RESTORATION AND
ENHANCEMENT

The Kirkland City Council adopted Ordinance No. ____ concerning a proposition for a park levy rate increase. To fund maintenance, operation and preservation of parks and natural areas, beach lifeguards, dock restoration, trail and playfield improvements and the acquisition of parkland and open space, the City's regular property tax levy base shall be increased by \$.16 per \$1,000 of assessed value, on a permanent basis, for collection beginning in 2013 and such amount shall be used for the purpose of computing the limitations for subsequent levies provided under RCW ch.84.55. Should this proposition be:

OR

The Kirkland City Council adopted Ordinance No. ____ concerning a proposition for a park levy rate increase. To fund maintenance, operation and preservation of parks and natural areas, beach lifeguards, dock restoration, trail and playfield improvements and the acquisition of parkland and open space, the City's regular property tax levy base shall be increased by \$.16 per \$1,000 of assessed value for a term of ____ years, for collection in years 2013 through _____. Should this proposition be:

APPROVED?

REJECTED?



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

MEMORANDUM

To: Kurt Triplet, City Manager
From: Jennifer Schroder, CPRP, Director of Parks and Community Services
Date: June 22, 2012
Subject: Park and Recreation Month Proclamation

RECOMMENDATION:

It is recommended that the City Council proclaims the month of July "Park and Recreation Month."

BACKGROUND DISCUSSION:

Since 1985, the National Recreation and Park Association has designated the month of July as "Park and Recreation Month." Recreation facilities and parks across the country annually use July to celebrate the kick-off of summer programming as well as a time to pull their communities together to volunteer, get involved in outdoor physical activities and advocate for parks and recreation.

As part of this month's celebration, Kirkland Parks and Community Services has tied in the national campaign and promoted July as national "Parks and Recreation Month in the Spring/Summer Recreation guide that was mailed out to all Kirkland residents in March. The department also has planned many activities to keep the community active and involved including the Kirkland Steppers, Friday Night Market events, learn-to-swim classes, fitness opportunities, a variety of youth day camps, sports leagues and many more programs and classes!

Sue Keller, Chair of the Kirkland Park Board, will accept the proclamation.



A PROCLAMATION OF THE CITY OF KIRKLAND

Designating July, 2012 as "Park and Recreation Month" in the City of Kirkland, Washington

WHEREAS, the City of Kirkland's parks, natural areas, playgrounds, playfields, recreation programs and community and cultural centers make Kirkland, Washington an attractive and desirable place to live, work, play, and visit while contributing to its ongoing economic vitality; and

WHEREAS, the City of Kirkland Parks and Community Services Department's programs touch the lives of individuals, families, and groups which positively impacts the social, economic, health, and environmental quality of the community; and

WHEREAS, parks, recreation activities, and leisure experiences provide opportunities for young people to live, grow and develop into contributing members of society and creates lifelines and continued life experiences for older members of our community; and

WHEREAS, recreation programs provide safe and enjoyable activities promoting and developing healthy lifestyles, strong minds, and fit bodies; and

WHEREAS, parks, greenways, natural areas, and open spaces provide a welcome respite from our fast-paced, high-tech lifestyles while protecting and preserving our natural environment; and

WHEREAS, since 1985, the National Recreation & Park Association has designated the month of July as "Park and Recreation Month;" and

WHEREAS, the Kirkland City Council recognizes the vital contributions of the City of Kirkland's dedicated parks and recreation employees and volunteers;

NOW THEREFORE, I, Joan McBride, Mayor of Kirkland, do hereby proclaim July as "Park and Recreation Month" and encourage all citizens to celebrate by participating in their choice of recreation and leisure activities with family, friends and neighbors.

Signed this 3rd day of July, 2012

Joan McBride, Mayor



KIRKLAND CITY COUNCIL REGULAR MEETING MINUTES
June 19, 2012

1. CALL TO ORDER

2. ROLL CALL

ROLL CALL:

Members Present: Councilmember Dave Asher, Deputy Mayor Doreen Marchione, Mayor Joan McBride, Councilmember Toby Nixon, Councilmember Bob Sternoff, Councilmember Penny Sweet, and Councilmember Amy Walen.

Members Absent: None.

3. STUDY SESSION

a. King County Emergency Medical Services (EMS) Levy and Strategic Plan

Joining Councilmembers for this discussion were City Manager Kurt Triplett, Director of Fire and Building Fire Chief Kevin Nalder, and Fire Captain Mark Jung. Also in attendance was Jim Fogarty, Director, King County Emergency Medical Services Division.

4. EXECUTIVE SESSION

a. To Discuss Potential Litigation

At the conclusion of Council's study session, Mayor McBride announced at 6:45 p.m. that Council would enter into executive session, returning at 7:30 p.m. for their regular meeting. City Attorney Robin Jenkinson was also in attendance.

5. HONORS AND PROCLAMATIONS

None.

6. COMMUNICATIONS

a. Announcements

b. Items from the Audience

Margaret Carnegie
Alan Wallace
Linda Aldrich
Jay Arnold

Todd Woosley
Phil Megenhardt
Chris Worsley
TJ Woosley

c. Petitions

7. SPECIAL PRESENTATIONS

8. CONSENT CALENDAR

a. Approval of Minutes: June 5, 2012

- b. Audit of Accounts:
Payroll \$2,521,280.93
Bills \$3,286,599.41
run #1102 checks #535140 - 535179
run #1103 checks #535204 - 535375
run #1104 checks #535376 - 535419
run #1105 checks #535420 - 535480

c. General Correspondence

(1) A draft letter to King County Executive Dow Constantine regarding the Emergency Medical Services Levy was approved.

d. Claims

e. Award of Bids

f. Acceptance of Public Improvements and Establishing Lien Period

g. Approval of Agreements

(1) Resolution R-4925, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND AUTHORIZING THE CITY MANAGER TO ENTER INTO AN ANIMAL SERVICES INTERLOCAL AGREEMENT WITH KING COUNTY."

h. Other Items of Business

(1) Tourism Development Committee Resignation and Appointment

The resignation of hotelier member Ryan Noel was accepted and hotelier Maxim Khoklov was appointed to the remainder of the term.

(2) Surplus Vehicles for Sale

<u>Fleet #</u>	<u>Year</u>	<u>Make</u>	<u>VIN/Serial Number</u>	<u>License #</u>	<u>Mileage</u>
BG-6	2006	J. Deere 1200A Field Rake	TC1200A150625	N/A	745 Hrs.
C-5	1999	Ford Taurus LX	1FAFP52U0XG247027	26140D	45,233
PU-13	2003	Chevrolet 1500 Pickup	1GCEC14V73Z240171	36185D	51,716
PU-35	2002	Ford F450 SD Pickup	1FDXX47F32EC81787	34413D	47,628
PU-37	2003	Chevrolet 1500 Pickup	1GCEC14V63Z285392	36366D	43,532
P09-05	2009	Ford Crown Victoria	2FAHP71V49X121703	49173D	83,018
P09-07	2009	Ford Crown Victoria	2FAHP71V69X121704	49176D	86,135
P09-09	2009	Ford Crown Victoria	2FAHP71V19X103921	49167D	104,282
P09-10	2009	Ford Crown Victoria	2FAHP71V09X135758	49782D	86,553
P10-03	2010	Ford Crown Victoria	2B3CA4CT3AH147712	50356D	84,102
T04-01	2004	Ford Crown Victoria	2FAHP71W94X158120	36164D	81,847

(3) Report on Procurement Activities

Motion to Approve the Consent Calendar.

Moved by Councilmember Dave Asher, seconded by Councilmember Bob Sternoff

Vote: Motion carried 7-0

Yes: Councilmember Dave Asher, Deputy Mayor Doreen Marchione, Mayor Joan McBride, Councilmember Toby Nixon, Councilmember Bob Sternoff, Councilmember Penny Sweet, and Councilmember Amy Walen.

9. PUBLIC HEARINGS

- a. Ordinance O-4358, Extending a Moratorium on the Establishment of Medical Marijuana Collective Gardens, Defining "Medical Marijuana Collective Gardens;" Providing for a Public Hearing; Establishing an Effective Date, and Providing that the Moratorium, Unless Extended, Will Sunset Within Six (6) Months of the Date of Adoption.

Mayor McBride explained the parameters and opened the public hearing. Planning and Community Development Director Eric Shields gave a short presentation. No one from the public came forward to provide testimony and the Mayor closed the hearing.

Motion to Approve Ordinance O-4358, entitled "AN ORDINANCE OF THE CITY OF KIRKLAND EXTENDING A MORATORIUM ON THE ESTABLISHMENT OF MEDICAL MARIJUANA COLLECTIVE GARDENS, DEFINING "MEDICAL MARIJUANA COLLECTIVE GARDENS"; PROVIDING FOR A PUBLIC HEARING; ESTABLISHING AN EFFECTIVE DATE, AND PROVIDING THAT THE MORATORIUM, UNLESS EXTENDED, WILL SUNSET WITHIN SIX (6) MONTHS OF THE DATE OF ADOPTION."

Moved by Councilmember Penny Sweet, seconded by Councilmember Amy Walen

Vote: Motion carried 6-1

Yes: Councilmember Dave Asher, Deputy Mayor Doreen Marchione, Mayor Joan

McBride, Councilmember Bob Sternoff, Councilmember Penny Sweet, and Councilmember Amy Walen.
No: Councilmember Toby Nixon.

10. UNFINISHED BUSINESS

a. Parks Funding Exploratory Committee Recommendation

Parks and Community Services Deputy Director Michael Cogle provided an update on the activities of the Parks Funding Exploratory Committee (PFEC).

b. Events Funding Requests

Councilmember Sweet recused herself for the appearance of fairness.

City Manager Kurt Triplett provided background to the Council about the funding requests.

Motion to Confirm an allocation of \$7,000 from the City Council Special Project Reserve for the SummerFest event.

Moved by Deputy Mayor Doreen Marchione, seconded by Councilmember Amy Walen

Vote: Motion carried 4-2

Yes: Deputy Mayor Doreen Marchione, Mayor Joan McBride, Councilmember Bob Sternoff, and Councilmember Amy Walen.

No: Councilmember Dave Asher, and Councilmember Toby Nixon.

Motion to Approve an allocation of \$7,000 from the City Council Special Project Reserve for the Celebrate Kirkland fourth of July fireworks event.

Moved by Councilmember Bob Sternoff, seconded by Deputy Mayor Doreen Marchione

Vote: Motion carried 4-2

Yes: Deputy Mayor Doreen Marchione, Mayor Joan McBride, Councilmember Bob Sternoff, and Councilmember Amy Walen.

No: Councilmember Dave Asher, and Councilmember Toby Nixon.

11. NEW BUSINESS

a. Plaza at Yarrow Bay Proposed Settlement Agreement

Motion to Approve authorizing the City Manager to execute a proposed settlement agreement resolving the flooding claims of Kilroy Realty L.P. against the City.

Moved by Councilmember Amy Walen, seconded by Councilmember Dave Asher

Vote: Motion carried 7-0

Yes: Councilmember Dave Asher, Deputy Mayor Doreen Marchione, Mayor Joan McBride, Councilmember Toby Nixon, Councilmember Bob Sternoff, Councilmember Penny Sweet, and Councilmember Amy Walen.

- b. Ordinance O-4357 and its Summary, Relating to Zoning, Planning, and Land Use, Revising the City's Zoning Regulations in the Totem Lake Neighborhood, Amending Ordinance 3719 as Amended, the Kirkland Zoning Code and Approving a Summary Ordinance for Publication, File No. ZON11-00034.

Planning Commissioner Jay Arnold and Senior Planner Dorian Collins provided background on the proposed amendments to the Kirkland Zoning Code.

Motion to Approve Ordinance O-4357 and its Summary, entitled "AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO ZONING, PLANNING, AND LAND USE, REVISING THE CITY'S ZONING REGULATIONS IN THE TOTEM LAKE NEIGHBORHOOD, AMENDING ORDINANCE 3719 AS AMENDED, THE KIRKLAND ZONING CODE AND APPROVING A SUMMARY ORDINANCE FOR PUBLICATION, FILE NO. ZON11-00034."

Moved by Councilmember Bob Sternoff, seconded by Councilmember Toby Nixon
Vote: Motion carried 7-0

Yes: Councilmember Dave Asher, Deputy Mayor Doreen Marchione, Mayor Joan McBride, Councilmember Toby Nixon, Councilmember Bob Sternoff, Councilmember Penny Sweet, and Councilmember Amy Walen.

Council recessed for a short break

- c. Ordinance O-4359 and its Summary, Relating to Approval of a Preliminary and Final PUD, as Applied for by Camwest Development, LLC in Department of Planning and Community Development File No. ZON11-00026 and Setting Forth Conditions of Said Approval.

Councilmember Asher disclosed North Rose Hill Neighborhood Association members spoke to him in advance of his knowledge of the quasi-judicial nature of the issue. Councilmember Nixon disclosed that he and Councilmember Asher were at the May 16 Evergreen Hill Neighborhood Association meeting when a discussion occurred around this issue; they both excused themselves from the discussion. Councilmember Nixon also received an email on Dana Hall on June 18 calling attention to the information in the packet. Councilmembers Asher and Nixon assured the Council this would not affect their consideration of this matter.

Senior Planner Jon Regala provided an overview of the project and responded to Council questions.

Motion to suspend Council's rules of procedure so that Council may vote on the ordinance this evening.

Moved by Councilmember Bob Sternoff, seconded by Deputy Mayor Doreen Marchione

Vote: Motion carried 7-0

Yes: Councilmember Dave Asher, Deputy Mayor Doreen Marchione, Mayor Joan McBride, Councilmember Toby Nixon, Councilmember Bob Sternoff, Councilmember Penny Sweet, and Councilmember Amy Walen.

Motion to Approve Ordinance O-4359 and its Summary, entitled "AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO APPROVAL OF A PRELIMINARY AND FINAL PUD AS APPLIED FOR BY CAMWEST DEVELOPMENT, LLC IN DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT FILE NO. ZON11-00026 AND SETTING FORTH CONDITIONS OF SAID APPROVAL."

Moved by Councilmember Amy Walen, seconded by Councilmember Penny Sweet
Vote: Motion carried 7-0

Yes: Councilmember Dave Asher, Deputy Mayor Doreen Marchione, Mayor Joan McBride, Councilmember Toby Nixon, Councilmember Bob Sternoff, Councilmember Penny Sweet, and Councilmember Amy Walen.

d. 2012 Mid-Year Budget Adjustments

(1) Ordinance O-4360, Amending the Biennial Budget for 2011-2012

Motion to Approve Ordinance O-4360, entitled "AN ORDINANCE OF THE CITY OF KIRKLAND AMENDING THE BIENNIAL BUDGET FOR 2011-2012."

Moved by Councilmember Penny Sweet, seconded by Deputy Mayor Doreen Marchione

Vote: Motion carried 7-0

Yes: Councilmember Dave Asher, Deputy Mayor Doreen Marchione, Mayor Joan McBride, Councilmember Toby Nixon, Councilmember Bob Sternoff, Councilmember Penny Sweet, and Councilmember Amy Walen.

(2) Resolution R-4926, Adopting the Fiscal Policies for the City of Kirkland

Motion to Approve Resolution R-4926, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND ADOPTING THE FISCAL POLICIES FOR THE CITY OF KIRKLAND."

Moved by Councilmember Bob Sternoff, seconded by Councilmember Amy Walen

Vote: Motion carried 6-1

Yes: Deputy Mayor Doreen Marchione, Mayor Joan McBride, Councilmember Toby Nixon, Councilmember Bob Sternoff, Councilmember Penny Sweet, and Councilmember Amy Walen.

No: Councilmember Dave Asher.

e. Ordinance O-4361, Relating to SEPA Procedures and Amending Section 24.02.065 of the Kirkland Municipal Code, File No. PLN12-00493.

Motion to Approve Ordinance O-4361, entitled "AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO SEPA PROCEDURES AND AMENDING SECTION 24.02.065 OF THE KIRKLAND MUNICIPAL CODE, FILE NO. PLN12-00493."

Moved by Councilmember Dave Asher, seconded by Councilmember Penny Sweet
Vote: Motion carried 7-0

Yes: Councilmember Dave Asher, Deputy Mayor Doreen Marchione, Mayor Joan McBride, Councilmember Toby Nixon, Councilmember Bob Sternoff, Councilmember Penny Sweet, and Councilmember Amy Walen.

f. Ordinance O-4362, Relating to Refuse and Garbage

Solid Waste Programs Lead John MacGillivray provided an overview of the proposed changes to Kirkland Municipal Code Title 16 and responded to Council questions and comments.

Vote to Approve Ordinance O-4362, entitled "AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO REFUSE AND GARBAGE."

Vote: Motion carried 7-0

Yes: Councilmember Dave Asher, Deputy Mayor Doreen Marchione, Mayor Joan McBride, Councilmember Toby Nixon, Councilmember Bob Sternoff, Councilmember Penny Sweet, and Councilmember Amy Walen.

12. REPORTS

a. City Council

(1) Regional Issues

Councilmembers shared information regarding a recent Puget Sound Regional Council meeting that was a joint meeting with the Growth Management Policy Board and the Transportation Policy Board; Kaizen Institute training with Masaaki Imai at King County; Eastside Transportation Partnership; Greater Kirkland Chamber of Commerce panel discussion on the Totem Lake Business District; Relay for Life event; National Guard tour; Cascade Water Alliance; Emergency Management Advisory Committee meeting; Tourism Development Committee meeting; Tourism networking meeting; Eastside Human Services Forum; Alliance of Eastside Agencies Award Program; request to look into funding for the Kingsgate Library remodel; Councilmember Nixon's visit to AG Bell Elementary second/third grade class as part of their Classroom City program; students from AG Bell Elementary visit to City Hall; Economic Development Roundtable Marketing Committee meeting; King County Conservation District; Bloomberg Philanthropies Mayors Challenge which Council agreed to enter.

b. City Manager

(1) Calendar Update

Property transfer of 3.2 acres of park land from King County to the City of Kirkland that was supposed to be part of the Rose Hill Annexation in 1989.

Councilmember Walen proposed putting together a pedestrian safety summit with area stakeholders and received Council support.

13. ITEMS FROM THE AUDIENCE

None.

14. ADJOURNMENT

The Kirkland City Council regular meeting of June 19, 2012 was adjourned at 10:17 p.m.

City Clerk

Mayor



CITY OF KIRKLAND
Department of Public Works
123 Fifth Avenue, Kirkland, WA 98033 425.587.3800
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: David Snider, P.E., Capital Projects Manager
Ray Steiger, P.E., Public Works Director

Date: June 21, 2012

Subject: KIRKLAND TRANSIT CENTER BUS LAYOVER SIDEWALK PROJECT
ACCEPT WORK

RECOMMENDATION:

It is recommended that City Council accept the work on the Kirkland Transit Center Bus Layover Sidewalk Project, as completed by AGR Contracting, Monroe, WA, and establish the statutory 45-day lien period.

BACKGROUND DISCUSSION:

The Kirkland Transit Center Bus Layover Sidewalk Project is a component of Sound Transit improvements associated with the Downtown Kirkland Transit Center (KTC); the ability of Transit to permanently utilize Central Avenue for bus layover allowed for construction of a smaller KTC footprint along 3rd Street. The subject Project completed a missing section of sidewalk along Central Avenue, between 6th Street and 7th Avenue, where transit buses stage prior to arrival at the KTC (Attachment A). The Project provided for the construction of 230 feet of new sidewalk, curb and gutter, minor storm drainage improvements, and the installation of two new street lights.



Looking west Central Ave -- Before



Looking west Central Ave -- After

At their regular meeting of February 21, 2012, City Council awarded the construction contract to AGR Contracting in the amount of \$58,672.84. During the construction, substantial

amounts of unsuitable materials (i.e., poor soils) were encountered. There was also an undocumented private yard drain discovered during the construction activities that required additional material to properly connect it to the City's storm drainage system. This additional work led to an increase of approximately \$9,000 in labor and material costs that were paid for under unit contract prices; the total amount paid to the contractor was \$67,619.80. The Project's two new streetlights were installed by IntoLight /Puget Sound Energy. With lighting costs included, the total construction amount was \$69,554.80; including design and inspection, the total of all Project costs is approximately \$110,000 (Attachment B); the remaining contingency will be available for other elements of Sound Transit's commitment to the City under the terms of their 2009 agreement.

Funding for the sidewalk improvements is from Sound Transit, as per the *Kirkland Transit Center Agreement* dated July, 2009. Within that agreement, Sound Transit will reimburse the City for 100% of all expenditures for various mitigation projects related to the Downtown Transit Center (Table 1). Specifics projects identified in the *Agreement* include: intersection improvements at 3rd Street S & Kirkland Way (signal work has been completed), intersection improvements at 3rd Street and Central Way (signal work has been completed), NE 68th Street and 108th Avenue NE (currently nearing completion), and intersection improvements at 6th Street and Central Way (which include the sidewalk related to this memorandum).

Intersection	% Complete	Original Estimated Costs	Billed to-date	Est. to be Invoiced	Anticipated Actual Costs
3 rd Street S & Kirkland Way	95	\$650,000	\$420,000	\$165,000	\$585,000
3 rd Street S & Central Way	100	\$155,000	\$18,000	\$137,000	\$155,000
NE 68 th Street & 108 th Avenue NE	95	\$353,000	\$0	\$453,000	\$453,000
6 th Street S & Central Way	100	\$180,000	\$0	\$145,000	\$145,000
Total Proposed		\$1,338,000			\$1,338,000
				Agreement Amount	\$1,338,000

Table 1 - Sound Transit contributions to Kirkland Improvements

Attachments: (2)

PROJECT COMPONENTS:

- 230 feet of new 5 foot wide sidewalk
- curb, gutter, and drainage improvements
- grass landscaping
- 2 new streetlights installed

6TH STREET

7TH AVENUE

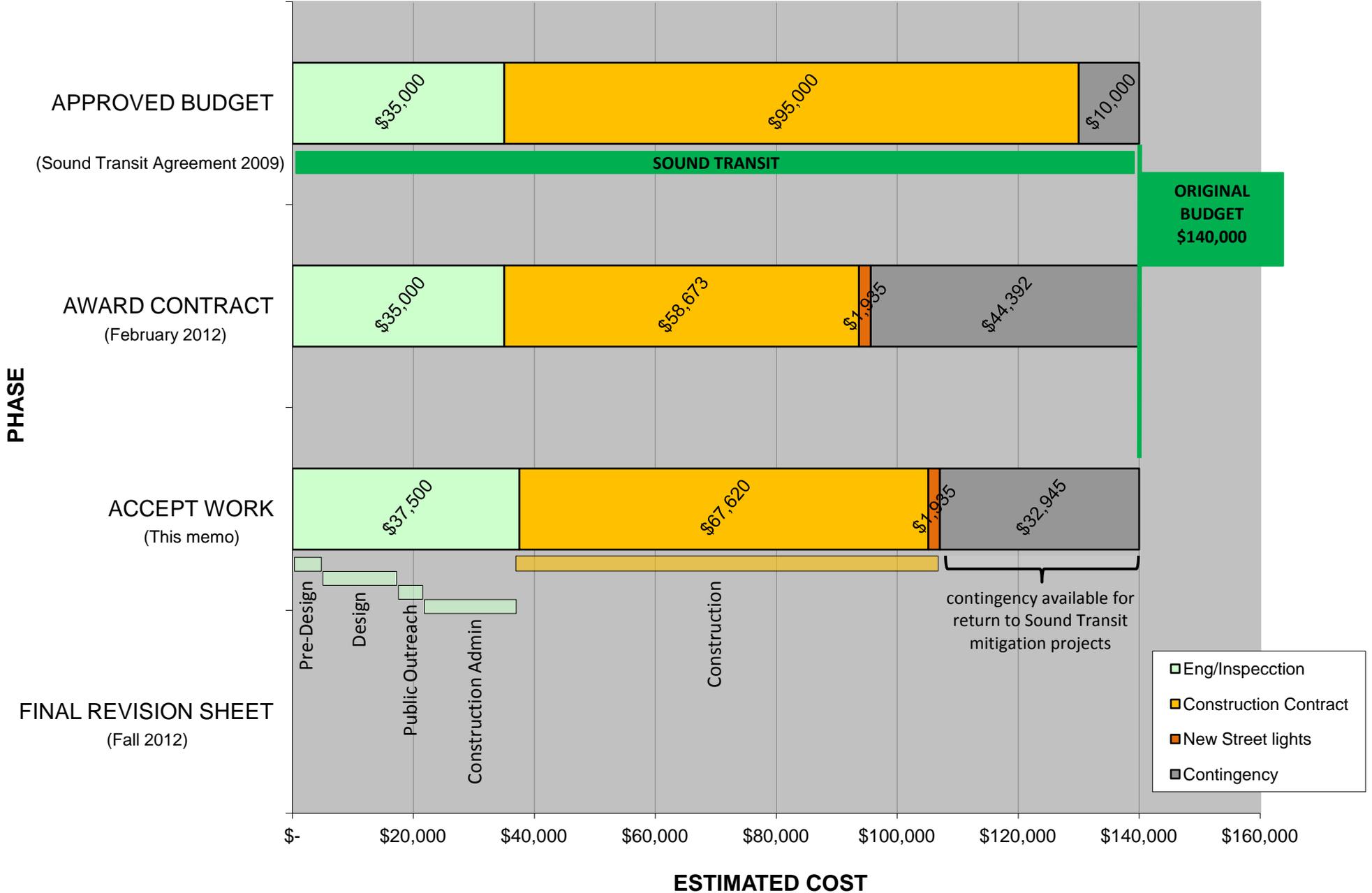
CENTRAL AVENUE

CENTRAL WAY



Kirkland Transit Center Bus Layover Sidewalk (CTR-004-001)

Project Budget Report





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: Tracey Dunlap, Director of Finance and Administration
Barry Scott, Purchasing Agent
Sheila Sigmond, Buyer

Date: June 14, 2012

Subject: Revisions to KMC 3.86 – Sale and Disposal of Personal Property

RECOMMENDATION:

Council approve ordinance revising KMC 3.86 – Sale and Disposal of Personal Property.

BACKGROUND DISCUSSION:

Chapter 3.86 – Sale and Disposal of Personal Property was added to the Kirkland Municipal Code (KMC) in 1977. This chapter addresses the sale or disposition of surplus personal property valued at less than \$1,000 by using an informal process, and it requires the sale of surplus personal property valued at more than \$1,000 using a formal sealed bid process requiring Council action. The chapter also requires the involvement of the City Manager in each process. KMC 3.86 has been updated twice since 1977. In 1980, a provision was added to sell surplus property to another government agency. In 1986, the dollar threshold for requiring a sealed bid process was increased from \$300 to the current \$1,000.

Given the significant amount of growth that the City has experienced since the last revision and the many other options available to us for selling (e.g. online auction websites) and disposing of surplus property, we believe that KMC 3.86 needs to be revised. In preparing the draft of the revised KMC 3.86, we have reviewed applicable RCW's, sample policies provided by other government entities and information found on the MRSC website. From this, we have determined that we do have a number of options available to us for the sale or disposition of surplus personal property and our current dollar threshold of \$1,000 is considerably lower than the threshold used by other public entities to require Council action.

The draft of the revised KMC 3.86 has been reviewed by the Council Finance Committee, the Department Directors and other City staff and their questions and concerns have been addressed in the proposed revision. The current chapter (Attachment A) would be replaced in its entirety by the proposed language reflected in the attached ordinance.

Summary of significant changes:

1. Purchasing Services and Department Director will determine method of disposition for surplus property less than \$5,000.
2. City Manager will approve method of disposition for surplus property valued at \$5,000 to \$20,000.
3. City Council will approve method of disposition for surplus property over \$20,000.
4. Revised code identifies additional methods available for sale and disposition of surplus property.
5. Fleet Management is specified for sale or disposition of vehicles. Council approval for sale or disposition of vehicles is still required.
6. Other items, in addition to computer equipment, may now be donated to City funded non-profit agencies. The Human Services section of the Parks & Community Services Department is responsible for coordinating these types of donations.
7. Clarifies that City employees shall not directly or indirectly use, take, or dispose of City personal property other than in their official duties. No City owned item shall be turned over to an employee or any other individual for his/her personal use other than items purchased by employee clothing allowances.
8. Clarifies that Councilmembers and City employees involved in declaring an item of City personal property surplus may not purchase that item directly from the City, or receive preferential treatment in the disposal or sale of City surplus personal property, regardless of the value of the item. These restrictions apply to immediate family members as well.

It should be noted that KMC 3.88 provides for the sale or disposal of Unclaimed Property held by the Police Department. The Police Department is currently using an online auction service for the sale of much of this property. Weapons that come into the possession of the Police Department from the public and cannot be returned to their lawful owners are destroyed. Weapons issued to officers for use in their duties are traded in for new weapons when it is necessary to replace weapons.

Chapter 3.86
SALE AND DISPOSAL OF PERSONAL PROPERTY

(Note: Current language - to be replaced in its entirety by the proposed ordinance.)

3.86.010 Sale of unneeded property owned by the city.

The city manager may authorize department directors to sell property owned by the city and which is in the custody of their departments when they have certified in writing to the city manager or to the purchasing agent that said properties are no longer of public use to the city, or that the sale thereof would be in the best interests of the city. (Ord. 2934 § 1 (part), 1986: Ord. 2339 § 1 (part), 1977)

3.86.020 Sale of personal property one thousand dollars in value or less or to another governmental entity.

Approval of the council is not required for the sale or disposition of any personal property:

- (1) With an estimated value of one thousand dollars or less; or
- (2) To another governmental entity to be used by that entity; when such property has been certified for disposition by the city manager; such sale or disposition to be made by the purchasing agent in accordance with informal procedures and in the best interest of the city. (Ord. 2934 § 1 (part), 1986: Ord. 2534 § 1, 1980: Ord. 2339 § 1 (part), 1977)

3.86.030 Sale of personal property over one thousand dollars in value.

The purchasing agent, upon receipt of written instruction from the city manager or his authorized agent to sell personal property owned by the city valued at more than one thousand dollars, shall call for sealed bids and shall contain a description of the property to be sold, the location thereof, the name and address of the person with whom the bid is to be filed, the last date for filing bids, and other pertinent information. Such call shall be published at least once in a newspaper of general circulation in the city not less than five days before the last date for filing of bids. (Ord. 2934 § 1 (part), 1986: Ord. 2339 § 1 (part), 1977)

3.86.040 Bid deposit for the sale of personal property over one thousand dollars in value.

Each bid shall be accompanied by a deposit in the form of a certified check in an amount equal to not less than ten percent of the amount of the bid. All such deposits so made shall be returned to the unsuccessful bidders depositing the same after award of contract has been made. The deposit of the successful bidder shall be applied upon the price, or upon failure of such bidder to consummate the purchase, such deposit shall be forfeited as liquidated damages and such deposit so forfeited shall be credited to the appropriate account. (Ord. 2934 § 1 (part), 1986: Ord. 2339 § 1 (part), 1977)

3.86.050 Bid opening in the sale of personal property over one thousand dollars in value.

Sealed bids shall be opened in public by the purchasing agent or his authorized agent at the time and place specified in the call for bids. The purchasing agent shall make a tabulation of all bids received and forward the bids to the city manager. (Ord. 2934 § 1 (part), 1986: Ord. 2339 § 1 (part), 1977)

3.86.060 Award or rejection of bids in the sale of personal property over one thousand dollars in value.

The city manager shall present all bids, together with recommendations, to the city council at a regularly scheduled meeting for approval or rejection by the council. (Ord. 2934 § 1 (part), 1986: Ord. 2339 § 1 (part), 1977)

3.86.065 When bids rejected or no bids received.

In the event no bids are received or all bids received are rejected by the city council then the council may either ask for new sealed bids or direct the sale or disposition of such surplus property under the procedures adopted pursuant to Section 3.86.020. (Ord. 2934 § 1 (part), 1986: Ord. 2339 § 1 (part), 1977)

ORDINANCE O-4363

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO THE SALE AND DISPOSAL OF SURPLUS PERSONAL PROPERTY.

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

Section 1. Kirkland Municipal Code Chapter 3.86 is hereby repealed.

Section 2. A new Chapter 3.86 of the Kirkland Municipal Code is hereby created to read as follows:

3.86.010 Surplus Personal Property defined.

(a) For the purpose of this chapter, the terms "Surplus personal property" or "surplus property" each mean any tangible personal property owned by the city, which is not needed at present, or for the foreseeable future, or that is no longer of value or use to the city. Items included are those purchased, received as gifts, or found items.

(b) This chapter does not apply to real property nor does it apply to certain personal property acquired under federal grants and contracts if in conflict with special title provisions in such grants and contracts.

3.86.020 Administrative responsibilities.

(a) The Purchasing Services section of the Finance & Administration Department is responsible for overseeing the disposition of surplus City personal property, other than vehicles. Purchasing Services is also responsible for the issuance and recovery of asset tags.

(b) The Fleet Management section of the Public Works Department is responsible for coordinating the sale or disposal of City vehicles.

(c) The Human Services section of the Parks & Community Services Department is responsible for coordinating the donation of surplus computer equipment or other items to City funded non-profit agencies.

(d) The Department Director or designee is responsible for declaring department personal property as surplus. The Department Director or designee will consult with Purchasing Services to determine the best method of disposition for department surplus personal property and will ensure that the appropriate documentation is provided to Purchasing Services.

(e) The City Manager is responsible for approving the method of disposition for surplus personal property with an estimated value of more than \$5,000 and less than \$20,000.

(f) The City Council is responsible for approving the method of disposition for surplus personal property with an estimated value of \$20,000 or more.

3.86.030 Procedures.

(a) If a department has an item that is no longer needed, the department shall submit a City of Kirkland Asset Disposition Form, approved by the Department Director or designee, to Purchasing Services. The form shall list the item and state that the item is no longer needed. If the personal property is in usable condition, it will first be made available to all departments. If no departmental interest is shown, the item will be sold or disposed of in accordance with this chapter, with the following exceptions:

(1) Utility Property and Equipment. If the surplus personal property was originally purchased for utility purposes, the provisions of RCW 35.94.040 shall apply. Council approval is required and a public hearing must be held.

(2) Assets Valued over \$50,000. If the value of the asset is estimated to be more than \$50,000, and if the sale is to another governmental entity, the provisions of RCW 39.33.020 shall apply. Council approval is required and a public hearing must be held.

(3) Hazardous Materials. Hazardous materials are not accepted as surplus and should be disposed of following applicable laws and regulations.

(4) City Vehicles. Arrangements for declaring surplus and disposing of vehicles or equipment belonging to the City's Equipment Rental Fund shall be made with Fleet Management. If a vehicle or piece of equipment is not in the Equipment Rental Fund but has a vehicle title or certificate of ownership issued by the State of Washington, arrangements for declaring surplus or disposal shall also be made with Fleet Management. Council approval is required by Fleet Management prior to auctioning or otherwise disposing of City vehicles.

(b) City employees shall not directly or indirectly use, take, or dispose of City personal property other than in their official duties. No City owned item shall be turned over to an employee or any other individual for his/her personal use other than items purchased by employee clothing allowances.

3.86.040 Methods of Disposition.

Surplus personal property, regardless of value, shall be disposed of in an appropriate and legal manner. Purchasing Services and the appropriate Department Director shall determine one of the following methods of disposition that is most appropriate and in the best interests of the City. Preference is given to the sale of surplus personal property to the general public or another government entity. The appropriate approval for the method of disposition shall be obtained as determined by the value of the surplus personal property.

(a) Transfer to another department. Surplus personal property may be transferred between City departments. Departments wishing to transfer surplus personal property to or from another department

shall complete a City of Kirkland Asset Disposition Form and submit it to the Purchasing Services Department for review.

(b) Trade-In. Personal property declared as surplus may be offered as a trade-in for credit toward the acquisition of new personal property. All trade-in offers will be submitted for the review and approval of Purchasing Services. If surplus personal property is to be applied to a purchase order, the trade-in value shall be itemized on the purchase order.

(c) Return to Manufacturer. Surplus personal property may, when possible, be returned to the manufacturer for buy-back or credit toward the purchase of new personal property.

(d) Disposal. Surplus personal property may be offered for sale by the City. The moneys realized from the sale of any such property is to be paid into the fund from which such property was purchased if required by law or into the general fund. All surplus personal property is for sale "as is" and "where is," with no warranty, guarantee, or representation of any kind, expressed or implied, as to the condition, utility or usability of the personal property offered for sale. Appropriate methods of disposal are as follows:

(1) Public Auction. Surplus personal property may be sold at public auction. The City may use a professional auction service or an online auction site.

(2) Garage or Yard Sale. Purchasing Services, in coordination with participating departments, may hold a public sale of surplus personal property. The sale must be advertised in a newspaper of local circulation at least five days prior to the sale. Prices on all items will be fixed prior to the sale.

(3) Sealed Bids. Sealed bids may be solicited for the sale of surplus personal property. Surplus personal property disposed of in this manner shall be sold to the highest responsible bidder.

(4) Selling for Scrap. Surplus personal property may be sold as scrap if the City deems that the value of the raw material exceeds the value of the property as a whole.

(5) Negotiated Sale. If the City has been unable to find a buyer for surplus personal property after having used a competitive public process, the City may negotiate to sell the personal property outright if a potential buyer is subsequently found.

(6) Surplus items can be transferred, sold, leased or otherwise disposed of to another public agency. With the exception of weapons, surplus items may also be transferred, sold, leased or otherwise disposed of to a foreign entity (RCW 39.33.010).

(7) Transferred. Surplus personal property may be sold, transferred, or donated to qualified non-profit agencies.

(8) No Value Item. Where the City determines that specific supplies or equipment are surplus and of minimal value to the City due to spoilage, obsolescence or other cause, or where the City determines that the cost of disposal of such supplies or equipment would exceed the recovery value, the Purchasing Services shall dispose of the same

in such a manner as he or she deems appropriate and in the best interest of the City.

(9) Garbage Surplus Personal Property. Unusable, broken, and what would reasonably be considered garbage surplus personal property may be recycled. If this is not possible, placing such items in a dumpster or transporting them to a landfill is acceptable.

3.86.050 Sale of surplus personal property by sealed bid.

When it has been determined by Purchasing Services and the appropriate Director that surplus personal property valued at \$5,000 or greater is to be sold using the sealed bid process, the following procedures will apply:

(1) The City Manager must approve this method of sale for items with an estimated value of \$5,000 to \$20,000.

(2) The City Council must approve this method of sale for items with an estimated value of \$20,000 or more.

(3) Notice must be published at least once in a newspaper of general circulation not less than five days before the last date for filing of bids.

(4) Each bid shall be accompanied by a deposit in the form of a cashier's check or certified check in an amount equal to or not less than ten percent of the amount of the bid. All such deposits shall be returned to the unsuccessful bidders depositing the same after award of contract has been made. The deposit of the successful bidder shall be applied to the selling price. If the successful bidder fails to consummate the purchase, the deposit shall be forfeited as liquidated damages and the forfeited deposit shall be credited to the appropriate account.

(5) Sealed bids shall be opened in public by the Purchasing Services at the time and place specified in the call for bids. The Purchasing Agent shall make a tabulation of all bids received and forward the bids to the City Manager with recommendations.

(6) The City Manager will approve or reject the sale of items for bids less than \$20,000.

(7) The City Manager will forward all bids received for \$20,000 or more to the City Council with recommendations for approval or rejection by the Council.

(8) In the event the Council rejects bids, the City Manager will direct Purchasing Services and the Department Director to determine another approved method of sale or disposal.

3.86.060 Sale of surplus personal property to city employees.

Councilmembers and City employees involved in declaring an item of City personal property surplus may not purchase that item directly from the City, regardless of the value of the item. In order to prevent the appearance of a conflict of interest, no City employee or member of the employee's immediate family may directly acquire personal property from the City if the employee had any role in declaring an item surplus or establishing the value or price of the personal

property. Councilmembers or City employees may purchase City surplus personal property when such property is offered to the general public at an auction conducted by a private party. Councilmembers or City employees will not receive preferential treatment in the disposal or sale of City surplus personal property.

Section 3. This ordinance shall be in force and effect five days from and after its passage by the Kirkland City Council and publication pursuant to Section 1.08.017, Kirkland Municipal Code in the summary form attached to the original of this ordinance and by this reference approved by the City Council.

Passed by majority vote of the Kirkland City Council in open meeting this ____ day of _____, 2012.

Signed in authentication thereof this ____ day of _____, 2012.

MAYOR

Attest:

City Clerk

Approved as to Form:

City Attorney

PUBLICATION SUMMARY
OF ORDINANCE O-4363

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO THE SALE AND DISPOSAL OF SURPLUS PERSONAL PROPERTY.

SECTION 1. Repeals Kirkland Municipal Code Chapter 3.86 relating to the sale and disposal of surplus of personal property.

SECTION 2. Creates a new Kirkland Municipal Code Chapter 3.86 relating to the sale and disposal of surplus of personal property.

SECTION 3. 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 _____, 2012.

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

City Clerk



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: Tracey Dunlap, Director of Finance and Administration
Michael Olson, Deputy Director

Date: June 26, 2012

Subject: Investment Policy Update

RECOMMENDATION:

Council adopts the attached resolution revising the City of Kirkland Investment Policy to increase the maturity limit of Certificates of Deposit to five (5) years from the current limit of one (1) year.

BACKGROUND DISCUSSION:

The City's Fiscal Policies require that an external review of the investment policy and procedures be conducted every three years. The most recent review was completed in 2009 and the next external review will take place later this year. There may be additional proposed revisions at the completion of that review; however, this proposed revision is requested to allow the purchase of Certificates of Deposits with terms longer than one year. **Given the current interest rate environment, the rate of return on two and three year term Certificates of Deposits has been attractive. This revision would allow the City to participate in these opportunities to increase returns while maintaining strong security.**

This change makes the maturity limit for Certificates of Deposit consistent with Kirkland's current 5 year limit for US Treasury Obligations, US Agency Obligations, Callable Agency Securities and State or Political Subdivision Securities.

The Revised Code of Washington allows for longer term Certificates of Deposit. Additionally, these funds are protected as the City is limited to placing deposits in financial institutions which are authorized by the Public Deposit Protection Commission (PDPC).

The PDPC makes and enforces regulations and administers a program to ensure public funds deposited in banks and thrifts are protected if a financial institution becomes insolvent. The PDPC approves which banks and thrifts can hold state and local government deposits and monitors collateral pledged to secure uninsured public deposits. This secures public treasurers' deposits when they exceed the amount insured by the FDIC by requiring banks and thrifts to pledge securities as collateral. It also minimizes participating depositaries' liability for defaulting institutions. No public funds on deposit in public depositaries have been lost since the Public Deposit Protection Act was created in 1969.

RESOLUTION R-4927

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND ADOPTING A REVISED POLICY FOR INVESTMENT OF CITY FUNDS.

WHEREAS, the City Council of the City of Kirkland desires to have City funds invested in secure depositories and maximize returns on these investments; and

WHEREAS, the City Council of the City of Kirkland desires to develop an investment policy to guide the investment of City funds to meet these objectives; and

WHEREAS, the Kirkland City Treasurer (Deputy Director of Finance) has recommended revisions to the policy for investment of City funds; and

WHEREAS, the City of Kirkland investment policy has been written in accordance with the Washington Municipal Treasurers Model Investment Policy;

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

Section 1. The policy for investment of City funds set forth in the document entitled "City of Kirkland Investment Policy July 3, 2012" which is attached hereto as Attachment A and incorporated herein by this reference is adopted as the official policy for investment of City funds.

Section 2. That the document entitled City of Kirkland Investment Policy July 3, 2012, replaces all previous City of Kirkland Investment Policies.

Passed by majority vote of the Kirkland City Council in open meeting this ____ day of _____, 2012.

Signed in authentication thereof this ____ day of _____, 2012.

MAYOR

Attest:

City Clerk

***CITY OF KIRKLAND
INVESTMENT POLICY***

~~September 29, 2009~~
July 3, 2012 Adopted:

1.0 Policy Statement

It is the policy of the City of Kirkland, ("the City") to invest public funds in a manner which provides the highest investment return with maximum security while meeting the daily cash flow requirements and conforming to all state and local statutes governing the investment of public funds.

2.0 Scope

This investment policy applies to all financial assets for the City of Kirkland. These funds are accounted for in the City's annual financial report and include:

- General Fund
- Special Revenue Funds
- Capital Project Funds
- Enterprise Funds
- Trust and Agency Funds
- Debt Service Funds

Any new funds created by the Finance Director unless specifically exempted.

3.0 Objective

The primary objectives, in order of priority, for the City of Kirkland's investment activities are as follows:

- 3.1 **Legality:** The City's investments will be in compliance with all statutes governing the investment of public funds in the State of Washington.
- 3.2 **Liquidity:** The City's investments will remain sufficiently liquid to enable the city to meet all operating requirements which might be reasonably anticipated.
- 3.3 **Safety:** Investments of the City will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from other investments.
- 3.4 **Yield:** The City's investments will be designed with the objective of attaining a market rate return throughout budgetary and economic cycles, taking into account the City's investment risk constraints and cash flow characteristics.

Core investments are limited to relatively low-risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity with the following exceptions:

- a. A security with declining credit may be sold early to minimize loss of principal.
- b. A security swap that would improve the quality, yield or target duration in the portfolio.
- c. Liquidity needs of the portfolio require that the security be sold.

4.0 Delegation of Authority

In accordance with City of Kirkland Municipal code, Ordinance No.2455, an Investment Committee was created consisting of the City Manager and Finance Director. Authority is granted to these individuals to invest any portion of the monies in the City's inactive funds or other funds in excess of current needs. The Finance Director may designate a person to coordinate the day to day operations of the investment portfolio.

5.0 Prudence

Investments will be made with judgment and care, under circumstances then prevailing, which person of prudence, discretion and intelligence would use in the management of their own affairs, not for speculation, but for investment purposes (Prudent Person Standard).

The standard of prudence to be used by investment officials will be the "prudent person" and will be applied in the context of managing an overall portfolio. Investment officers meeting the "prudent person" standard will be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

6.0 Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that may conflict with the proper execution of the investment program, or may impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to Investment Committee any material financial interests in financial institutions that conduct business within this jurisdiction, and they shall further disclose any personal financial/investment positions that could be related to the performance of the City's portfolio.

7.0 Authorized Financial Dealers and Institutions

The Investment Committee will maintain a list of financial institutions as required by the Public Deposit Protection Commission (PDPC), authorized to provide investment services as outlined in R.C.W. 39.58.080. In addition, a list will also be maintained of approved security broker/dealers selected by credit worthiness. No public deposits will be made except in a qualified public depository in the State of Washington. These may include "primary" dealers or regional dealers that qualify under SEC Rule 15C3-1 (uniform net capital rule).

All brokers/dealers and financial institutions who desire to do business with the City must supply the Finance Director with the following: Annual audited financial statement, proof of Financial Industry Regulatory Authority (FINRA) Certification, certification of having read the City's investment policy and receipt of the City's Trading Authorization. The Investment Committee will conduct an annual review of the financial condition of authorized brokers/dealers and the safekeeping institution and an audit of the submitted documents on file.

8.0 Broker Allocation

Investment transactions will be based upon the financial institution or brokerage firm that offers the best price to the City on each particular transaction. The City will make its best effort to obtain three bids for purchase or sale of government agency securities other than new issues. If circumstances dictate fewer than three bids due to the volatility of the market place, lack of bids, etc. the Finance Director or the Deputy Director has the authority to waive this. Generally all brokers will not have the same inventory of agency securities available to sell, but should be able to offer comparable alternatives. Banker's acceptances and Certificates of Deposit (other than a compensating balance CD) also require the acquisition of at least three bids, and acceptance of the most attractive rate from among comparable alternatives. Where two or more institutions or brokers have offered the same low bid, allocation will go to the lowest bidder that has provided the best service to the City.

9.0 Authorized and Suitable Investments

The City is empowered to invest in the following types of securities:

Eligible investments are only those securities and deposits authorized by statute (RCW 39.58, 39.59, 43.250, and 43.84.080) Eligible investments include:

- Obligations of the U.S. government;
U.S. Treasury Notes, Bonds and Bills

- Obligations of U.S. government agencies, corporations wholly owned by the U.S. government or any Government Sponsored Enterprises (GSE's) with the exception of mortgage backed securities (MBS), which are prohibited.

Specific listing:

Federal Home Loan Bank - FHLB
Federal Farm Credit Bank - FFCB
Government National Mortgage Association - GNMA
Federal Home Loan Mortgage Corporation - FHLMC
Federal National Mortgage Association - FNMA
Federal Agricultural Mortgage Corporation - FAMC
Tennessee Valley Authority - TVA

* Other issuers may qualify if they meet the above criteria.

- Banker's acceptances purchased on the secondary market rated with the highest short-term credit rating of any two Nationally Recognized Statistical Rating Organizations (NRSROs), at the time of purchase. A-1+, A1+, or P-1. If the banker's acceptance is rated by more than two NRSROs., it must have the highest rating from all the organizations. Banker's Acceptances are considered illiquid as there is no active secondary market for these securities.
- Commercial Paper, provided that the Finance Director adheres with the policies and procedures of the State Investment Board regarding commercial paper (RCW 43.84.080(7)), including the following:
 - Must have the highest short-term credit rating of any two Nationally Recognized Statistical Rating Organizations (NRSROs), at the time of purchase. A-1+, A1+, or P-1.
 - Must be approved by the Investment Committee.
 - Purchases of commercial paper issued by a firm on negative credit watch is prohibited.
 - Procedures for steps to be taken should an issuer be placed on credit watch or downgraded are included in the Investment Procedures.
- Certificates of deposit with financial institutions qualified by the Washington Public Deposit Protection Commission;
- Local Government Investment Pool, for proceeds of bonds, liquidity funds or other debt obligations;

- Obligations of the State of Washington or its political sub-divisions with the following guidelines:
 - Limited to securities which have one of the two highest rating categories by two of the NRSROs. Requiring AA- or better from Fitch and Standard & Poors and a Aa3 by Moodys
 - Purchases of any security on negative credit watch is prohibited.
 - Procedures for steps to be taken should an issuer be placed on credit watch or downgraded are included in the Investment Procedures.

- Obligations of a state other than the State of Washington or its political sub-divisions, with the following guidelines:
 - Limited to securities which have one of the two highest rating categories by two of the NRSROs. Requiring AA- or better from Fitch and Standard & Poors and a Aa3 by Moodys
 - Purchases of any security on negative credit watch is prohibited.
 - Procedures for steps to be taken should an issuer be placed on credit watch or downgraded are included in the Investment Procedures.

- Repurchase Agreements. The City does not actively invest in repurchase agreements for short term investments. However, if a repurchase agreement is utilized collateralization is required. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be (102%) of market value of principal and accrued interest. Re-pricing of the collateral should occur daily.

The City chooses to limit the collateral to Treasury and GSE Agency securities only, with a maximum maturity of three years.

Collateral will always be held by an independent third party with whom the entity has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the entity and retained.

If the City chooses to invest in repurchase agreements, only primary dealers are to be used as counterparties to repurchase agreements, short term credit rating must be the highest credit rating, A-1 or the equivalent and a long term rating of A or the equivalent, the approved Bond Market Association's master repurchase agreement must be executed and on file prior to entering into these transactions and the maximum term for a repurchase agreement shall be limited to 30 days.

- The City is prohibited from purchasing securities that leverage the portfolio or are used for speculation on interest rates.

10.0 Investment Pools / Mutual Funds

The City is allowed to invest in the Washington State Local Government Investment Pool as authorized by City of Kirkland Resolution 3370. The City is restricted from investing in mutual funds by State Statute.

11.0 Safekeeping and Custody

All security transactions, including collateral for repurchase agreements, entered into by the City of Kirkland will be conducted on a delivery-versus-payment (DVP) basis. Securities will be held in safekeeping by a third party custodian designated by a member of the Investment Committee.

12.0 Diversification

The City will diversify its investments by security type and institution so that reliance on any one issuer or financial institution will not place an undue financial burden on the City. The City's policy is to assure that no single institution or security is invested to such an extent that a delay of liquidation at maturity is likely to cause a current cash flow emergency.

The following table provides maximum portfolio and issuer limit guidelines for the eligible securities which shall be complied with at the time of a security purchase, unless an exception waiver is approved by the Investment Committee. However, no sale of securities shall be required to meet revised limits due to a decrease in the total size of the portfolio.

Investment	Percent of Fund	Percent Per Issuer	Maturity
US Treasury Obligations	100	100	5 Years
US Agency Obligations	100	30	5 Years
Callable Agency Securities	50	30	5 Years
State or Political Subdivision Securities	20	5	5 Years
Certificates of Deposits	10	5	1 year 5 years
Bankers Acceptances	5	5	180 days
A-1/P-1 Commercial Paper	5	5	180 days

Special funds may have maturities in excess of stated guidelines due to specific fund objectives.

13.0 Maximum Maturities

To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, or estimated to cash flow needs, the City will not directly invest in securities maturing more than five (5) years from the date of settlement.

The maximum weighted average maturity (WAM) of the total portfolio shall not exceed 3 years. This maximum is established to limit the portfolio to excessive market exposure. The WAM refers to the final WAM not the effective WAM.

Reserve or Capital Improvement Project monies may be invested in securities exceeding five (5) years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

14.0 Internal Control

On an annual basis, the Investment Committee, in conjunction with the State Auditor's Office, will evaluate conformance with the Investment Policy and audit internal controls. The purpose of these examinations shall be to audit the accountability of the City's Investment Portfolio and to verify that Investment Officials have acted in accordance with the investment policies and procedures. Should the Investment Procedures be in conflict with the Investment Policy, the Investment Policy is the final authority.

15.0 External Control

The City will have an external review of the investment policy and procedures every three (3) years. The City may enter contracts with third-party investment advisory firms when their services are required.

16.0 Performance Standards

The portfolio shall be managed to obtain a fair rate of return, keeping in mind the primary objectives of protecting the City's capital and assuring adequate liquidity to meet cash flow needs.

For purposes of this policy, "fair rate of return" will be a band between the average yield of the ninety-day Treasury bill and the 2-year Treasury note for the period of time being evaluated. The goal is for the portfolio to generally perform within or above the band.

17.0 Reporting Requirements

17.1 The Finance Director shall prepare a quarterly and annual investment report summarizing the activity of the investment portfolio as to types of investments, yields, maturities and other related data.

17.2 Monthly reports will be submitted to the Investment Committee that report market value changes and investment income.

17.3 Additional reporting requirements are outlined in the Investment Procedures.

18.0 Investment Policy Adoption

The City's investment policy shall be adopted by City Council. The policy shall be reviewed annually by the Investment Committee. Any modifications shall be submitted and approved by City Council.

GLOSSARY

BANKERS' ACCEPTANCES (Bas) – Bankers Acceptances are a form of a loan used in import-export financing transactions which becomes negotiable when accepted by a bank. The issuing bank is liable for the payment at its maturity. Terms vary but normally they are under six months and are purchased on a discount basis.

BROKER – A middleman who brings buyers and sellers together and handles their orders generally charging a commission for their services.

CERTIFICATES OF DEPOSIT – Instruments issued by a bank specifying that a sum of money has been deposited, payable with interest to the bearer of the certificate on a certain date.

COMMERCIAL PAPER - A short – term promissory note issued by a bank holding company, for the purpose of financing current transactions. Issues are sold on a discount basis with maturities up to 270 days.

DELIVERY VS PAYMENT – Physical delivery of collateral securities or book entry control in exchange for the cash payment. Under this system funds are not transferred until the securities are delivered. If a third party acts as custodian, funds are released by the custodian only when delivery is accomplished.

DEPOSITORY – A bank or financial institution accepting cash deposits and investments.

DIVERSIFICATION – Dividing available funds among a variety of securities and institutions so as to minimize market risk.

DURATION - The number of years required to receive the present value of future payments, both of interest and principle, of a bond, often used as an indicator of a bond's price volatility resulting from changes in interest rates.

FEDERAL CREDIT AGENCIES - Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small business firms, students, farmers, farm cooperatives and exporters.

FEDERAL HOME LOAN BANKS (FHLB) - The 12 Federal Home Loan Banks are a system of regional banks from which local lending institutions everywhere in America borrow funds to finance housing, economic development, infrastructure and jobs. About 80 percent of U.S. lending institutions rely on the Federal Home Loan Banks. Because the Federal Home Loan Banks are cooperatives, their low costs are passed on to consumers and communities.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA, or Fannie Mae) -

FNMA, like GNMA, was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing & Urban Development, H.U.D. It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA OR GINNIE MAE)

- Securities guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by FHA, VA, or FMHM mortgages. The term passthroughs is often used to describe Ginnie Maes.

GOVERNMENT SPONSORED ENTERPRISES (GSE's) - A group of financial services corporations created by the United States Congress. Their function is to reduce interest rates for specific borrowing sectors of the economy, farmers, and homeowners. The mortgage borrowing segment is by far the largest of the borrowing segments that the GSE's operate in.

LIQUIDITY - The length of time required to convert any investment to cash.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP) – The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE – The market value of a security is the price at which the last sale of the same issue was sold.

MATURITY – The date upon which the principal or stated value of an investment becomes due.

PRINCIPAL – The cost of an instrument on which interest is earned.

REPURCHASE AGREEMENT – Range in maturity from overnight to fixed time to open end. Repo's involve a simultaneous sale of securities by a bank or government securities dealer to a city with an agreement for the bank to repurchase the securities at a fixed date at a specified rate of interest.

SAFEKEEPING – An arrangement under which an organization's securities are kept in a bank vault or in the case of book entry securities, are held and recorded in the customer's name. Evidence of this arrangement is a safekeeping receipt.

City of Kirkland Investment Policy
Page 11 of 11

SEC RULE 15c3-1 - An SEC rule that sets minimum net capital requirements for broker-dealers. Firms are expected to have liquid assets equal to or greater than a certain percentage of total liabilities. If the ratio falls below this minimum, the broker-dealer may face restrictions on soliciting new business or on keeping existing business. See UNIFORM NET CAPITAL RULE.

SECONDARY MARKET – A market where certain securities may be bought and sold at prevailing market prices after their initial distribution but before their state maturity date.

TREASURY BILLS – Short-term marketable securities issued by the U.S. Treasury and secured by the Federal Government and have maximum liquidity.

TREASURY NOTES AND BONDS – These are direct obligations of the U.S. Government with maturities from one to ten years on the notes and 10 to 30 years on the bonds.

UNIFORM NET CAPITAL RULE - Securities & Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities. Liquid capital includes cash and assets easily converted into cash.

WEIGHTED AVERAGE MATURITY - The average time it takes for securities in a portfolio to mature, weighted in proportion to the dollar amount that is invested in the portfolio. Weighted average maturity measures the sensitivity of fixed-income portfolios to interest rate changes. Portfolios with longer WAMs are more sensitive to changes in interest rates because the longer a bond is held, the greater the opportunity for interest rates to move up or down and affect the performance of the bonds in the portfolio.

EFFECTIVE WEIGHTED AVERAGE MATURITY - For a single bond, it is a measure of maturity that takes into account the possibility that a bond might be called back to the issuer.

For a portfolio of bonds, average effective maturity is the weighted average of the maturities of the underlying bonds. The measure is computed by weighing each bond's maturity by its market value with respect to the portfolio and the likelihood of any of the bonds being called.

YIELD – The rate of annual return on an investment expressed as a percentage.



CITY OF KIRKLAND
Department of Public Works
123 Fifth Avenue, Kirkland, WA 98033 425.587.3800
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Tami White, Parking Coordinator
Ray Steiger, P.E., Public Works Director

Date: June 21, 2012

Subject: Proposed Event Pay parking at the Library garage during SummerFest

RECOMMENDATION:

It is recommended that City Council approve event pay parking in the Library garage on Saturday, August 11th, during the Kirkland SummerFest event. Pay parking will help manage traffic flow and congestion which is expected to occur inside the library due to increased public parking demand associated with the event.

BACKGROUND DISCUSSION:

At their June meeting, the Parking Advisory Board (PAB) recommended instituting event pay parking during SummerFest. Details of this recommendation are described in this memo.

During the upcoming SummerFest event, both the Marina Park and Lake and Central parking lots and on-street parking will be occupied by participants in the event. As a result, a dramatically increased use of the library garage is anticipated. In July of 2010, City Council approved event pay parking similar to that being recommended at this time was successfully used to manage parking when both the Classic Car Show and Kirkland Uncorked took place on the same Sunday in Downtown.

Under the 2010 situation, parking was managed by an outside contractor. Parkers were charged a single flat \$5 fee for all day parking. Revenue of \$1,545 was collected; the total cost of the contractor was \$650 providing a net revenue of \$895. Attendants collected the money and managed flow so that the number of drivers searching for parking and circulating within the garage was minimized. Parking for downtown employees with permits was free within the garage. Not only was a small amount of net revenue generated, feedback from the event planners, the surrounding businesses, and the users of the parking facility all concluded that the approach was a success.

Because of its success, it is recommended that the 2010 parking plan be used as a model for this year's SummerFest event. The event organizers met with the PAB in June, and the organizers support this pay parking plan. The event will assist with providing information to the public via their outreach activities and in their planning for the event.

On Saturday, August 11th, SummerFest activities will begin at 11:00 AM and continue until 9:00 PM. The library parking operation is proposed to begin at 10:30 AM and end no earlier than 5:30 PM. The exact ending time will be based on demand, if there is no need for attendants after 5:30, they will be released and the garage returned to its normal operations. Cars parked prior to the contractor being on-site will not be subject to event pay parking or a parking violation. No vehicle will be subject to towing unless traffic is obstructed in some way.

Finally, in 2010, the 3rd Street access to the garage was closed due to construction of the Transit Center; this restriction worked in the favor of parking operations. For this event, in order to minimize confusion and additional manpower, the PAB recommends closing the 3rd Street entrance and permitting access from the Kirkland Ave driveway only (Figure 1).



Figure 1. Proposed library garage vehicular access during SummerFest

Attachment A defines the contractor's responsibilities. The responsibilities exclude parking enforcement citations. The contractor will collect all parking revenue. Their fee is assessed as a fixed hourly rate which will be paid from the parking fees collected, after which the remaining revenue will go into the City's parking fund. As in 2010, this proposed event parking is a tool to manage parking and turnover and not as a source of revenue. The details and final costs of a contract with a contractor are being negotiated, but contractor costs are expected to be on the order of \$900. These estimated costs are higher than the actual 2010 costs due to increased operating hours and increased costs for signing.

ATTACHMENT A (DRAFT)

EVENT PARKING, SATURDAY, AUGUST 11, 2012 At the Peter Kirk Municipal (Library) Garage

DRAFT

SCOPE OF WORK

- Contractor will provide signage 72-hour advanced, on August 8th, notifying public of Event pay parking. As done at the prior event, sign placement will be on street in the same locations, and staff will post notices in the library garage at least one week prior to the event.
- In order to better manage traffic, the Third Street (west) entrance/exit will be closed to traffic on the day of the event; Kirkland Ave will be the only vehicular access point to the garage.
- Contractor will provide:
 - 1) Attendant One (outside garage to direct traffic/customer service) from 10:30 AM – 5:30 PM
 - 2) Attendant Two (collection of parking fee at entrance) from 10:30 AM – 4:00 PM (or until needed)
 - 3) Attendant Three (in garage traffic control) from 10:30 AM – 5:30 PM
 - 4) Supervision for set up and for the event, to be defined
- Contractor is to charge \$5 cash (only), tax included, per vehicle and issuing a receipt/ticket to each vehicle from which payment is accepted. Parking rate is good for all-day.
- Contractor will not issue parking citations/violations for any such reasons as non-payment or overtime.
- Contractor will direct visitors to open parking spaces and manage traffic flow to reduce and prevent backups.
- Contractor is responsible to provide all supplies including safety vests, directional flags, parking tickets, and receipts.
- Contractor will provide the City a complete audit of all cash transactions including:
 - ✓ The beginning and ending ticket number as a record of receipts issued.
 - ✓ Reconciliation of total cash collected.
 - ✓ Vehicle inventory at the beginning of the event and end of event to include unpaid vehicles in the garage at the start of the day.

- ✓ Number of vehicles in the garage paid at the end of the day.
- Contractor will be responsible for all funds and will provide a report of parking revenue, less operator fees, payable to the City of Kirkland within 30 days of event. In the unlikely event the contracted operator costs exceed the income, the City of Kirkland will issue a check for the difference due 30 days from the final report.



CITY OF KIRKLAND
Department of Public Works
123 Fifth Avenue, Kirkland, WA 98033 425.587.3800
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Tami White, Parking Coordinator
Ray Steiger, P.E. Public Works Director

Date: June 21, 2012

Subject: Downtown Parking Pay Station Pilot Program

RECOMMENDATION:

It is recommended that the City Council approve a 120-day "pilot" program for two parking pay stations with bill acceptors. These stations will replace two existing stations; one at the Marina Park lot and one at the Lake and Central lot.

BACKGROUND:

At the April 17th Council meeting, Council asked the Parking Advisory Board (PAB) to look at ways to improve the parking pay station experience. At their June meeting, the PAB considered alternatives and made a number of recommendations of how to proceed. Their recommendations are described in this memo.

A central concern about the existing pay stations is the length of time needed to process credit card transactions. Other concerns include the lack of bill acceptors that would allow for cash transactions and the lack of shelter/lighting for patrons from inclement weather or darkness as they make their transactions.

Some of these concerns are related; for example, if credit card transaction times were shorter, waiting in the bad weather would be less problematic. Cash transactions are faster than credit transactions; having bill acceptors would likely increase the number of cash transactions leading to reduced transaction times for customers and reduced costs to the City in transaction and banking fees.

Replacement pay stations

Eight pay stations are currently in service at the three City operated lots where pay parking is in place (Park and Main, Marina Park, and Lake & Central). The two oldest and most frequently used pay stations, one at Lake & Central and one at Marina Park, have reached the end of their service life and need replacement. They require increasingly more frequent repairs, and spare part support is changing for these older machines which will increase the cost of future repairs.

These necessary replacements also present an opportunity to address the performance concerns that have been identified by the public.

In order to keep overall maintenance costs to a minimum and to standardize payment systems, staff has considered pay stations from two manufacturers: the current provider, Cale, and a brand that is currently also being used by the Parks & Community Services Department at the Marina Park boat dock for payment of boat moorage, VenTek. A comparison of the two meters is shown on Table 1.

Table 1. Comparison of pay stations

Brand	cash/coin transaction times	credit/debit transaction times*	Cost <u>without</u> bill acceptor	Cost <u>with</u> bill acceptor	Annual operational cost**	Quarterly Preventative maintenance agreement	Comments
Cale	7 – 8 sec	7 – 8 sec (w/ batch) 18 - 25 sec (w/o batch and existing pay station process)	\$8,400	\$10,150	\$540/meter	\$45/meter No loaner parts. City pays for parts, shipping and labor at \$125/hr	<ul style="list-style-type: none"> • Customers are familiar with meter • When meters fails to work, down times can be long
VenTek	2 – 3 sec	2 – 3 sec (w/ batch) 8 – 15 sec (w/o batch and Marina boat launch process)	\$9,899	\$10,999	\$664/meter	\$200/meter Free loaner parts. No additional cost for parts and labor.	<ul style="list-style-type: none"> • Faster wait times • May be easier to use • Vendor support is within 15 mins from Kirkland

* "w/ batch": transaction acknowledged immediately, card authorization occurs at a later time running a greater risk of accepting declined cards and thus no revenue; "w/o batch": cards are authorized in real time (wirelessly) resulting in very low declined card lost revenue to City. The w/batch (delayed) option is not preferred due to the potential financial risk to the City.

** Cost for online support, "back office", etc.

Bill acceptors

Bill acceptors were once problematic, but the technology has greatly improved. With the hourly parking cost of \$1, a bill acceptor option is likely to result in more cash transactions, offering the customer shorter wait times than when using a credit card. In addition, it reduces the City's cost of banking and transaction fees associated with credit cards. Bill acceptors are the recommended option regardless of which pay station manufacturer is selected.

Pay Station Pilot Program option

The City has secured the opportunity to pilot, rather than purchase, the VenTek pay stations over a 120-day trial period. During the pilot, staff would monitor the customer's experiences and observe the overall functionality of the machines. The new stations would be placed next to the existing stations which would be covered to indicate they are not in use. Upfront costs would include shipping and installation of approximately \$425/meter (total of \$850), and if the

decision is made not to keep the VenTek systems, an additional \$265/meter for the return shipping would be incurred. The costs of the pay stations are recommended to be paid from the Parking Fund which has a current balance of approximately \$112,000. In the event that customer feedback is positive, and overall functionality meets the City's expectations, staff will return to Council with a recommendation to purchase the replacement machines from the Parking fund. Such a purchase is in conformance with City purchasing practices because several different bids for the VenTek machines have been received and because it is acceptable to limit the number of different pay station manufacturers used city-wide.

Pay station shelters

Shelters to protect customers from inclement weather have also been explored. A number of the existing pay stations are located under trees or have protection from buildings and weather is not an issue. However, the pay station at Marina Park that is recommended for replacement earlier in this memo is located where there is little protection. It is proposed to utilize this location not only for a potential new model of pay station, but also a shelter system.

Considerations in selecting a shelter include: the ability to work with solar power (currently the machines don't have electrical power to them), graffiti resistance, serviceability, compatibility with surroundings, size, and cost. Shelters can range from \$2,000 to \$4,000, or higher, each, and would likely be similar to the adjacent photo. Staff is not recommending purchasing a shelter at this time. The PAB is currently exploring multiple design and cost options and will report back to Council at a future time; if City Council has input regarding the need for a shelter, this will be incorporated into the recommendation.



Timing

If Council approves the pilot program of two VenTek pay stations, the trial period could begin during the week of August 13th. The meters will be scheduled to be in place for 120-days, however observations and feedback will be assessed within the first 90-days of the pilot period. Based on feedback and a functional review, the PAB will be able to make a recommendation to City Council as to which pay station and/or shelter options to purchase within the pilot time frame.

Attachment A – Fiscal Note

FISCAL NOTE

CITY OF KIRKLAND

Source of Request							
Ray Steiger, Public Work Director							
Description of Request							
Request for funding of up to \$1,380 from the Off-Street Parking Reserve for a 120-day pilot program for replacing two downtown parking pay stations (shipping, installation and potentially return shipping). Pending the outcome of the pilot program, the Parking Advisory Board will present a recommendation for pay station replacements to the City Council at the completion of the pilot program. The reserve is also adequate to cover the additional cost of the pay stations and shelters as identified in the memorandum once the final recommendation is made by the Parking Advisory Board.							
Legality/City Policy Basis							
Fiscal Impact							
One-time use of \$1,380 of the Off-Street Parking Reserve. The reserve is able to fully fund this request.							
Recommended Funding Source(s)							
<i>Reserve</i>	Description	2012 Est End Balance	Prior Auth. 2011-12 Uses	Prior Auth. 2011-12 Additions	Amount This Request	Revised 2012 End Balance	2012 Target
	Off-Street Parking Reserve	112,096	0	0	1,380	110,716	N/A
<i>Revenue/Exp Savings</i>							
<i>Other Source</i>							
Other Information							

Prepared By	Neil Kruse, Senior Financial Analyst	Date	June 25, 2012
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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: June 15, 2012

Subject: REPORT ON PROCUREMENT ACTIVITIES FOR COUNCIL MEETING OF JULY 3, 2012

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 June 7, 2012, are as follows:

	Project	Process	Estimate/Price	Status
1.	Surface Water Master Plan	Request for Qualifications	\$200,000	Advertised on 6/13 with qualifications due on 6/26.

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



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

MEMORANDUM

To: Kurt Triplett, City Manager

From: Lorrie McKay, Intergovernmental Relations Manager

Date: June 18, 2012

Subject: KING COUNTY PROPOSITION 1: CHILDREN AND FAMILY SERVICES CENTER CAPITAL LEVY

RECOMMENDATION:

City Council holds a public hearing and considers adopting a resolution expressing support of King County Proposition No. 1, the Children and Family Services Center Capital Levy.

BACKGROUND:

On April 16, 2012 the King County Council unanimously approved Ordinance #17304 (**Attachment A**), authorizing a nine-year property tax levy lid lift proposal (Proposition No. 1) to go before the voters in an August 2012 Special Election to raise revenue for the construction of a new Youth Services Center (Juvenile Court). Under the proposal, the facility would be renamed the Children and Family Justice Center.

In 2010, King County placed a criminal justice sales tax measure on the November ballot that included money to rebuild this facility as well as funding other criminal justice programs. The Kirkland City Council voted to support that ballot measure by adopting Resolution R-4838 (**Attachment B**) on October 5, 2010. The 2010 ballot measure was not passed by the voters. King County's new measure is focused only on the replacement of the Youth Services Center.

The Youth Services Center is the County's central facility which includes courtrooms, offices, classrooms and a detention center. This facility serves all of King County residents, including those in the City of Kirkland. The facility serves cases involving children from, such as juvenile offender cases, child abandonment, abuse and neglect cases, truancy, foster care transition and cases involving runaways. At the facility, court officers decide whether a child should be removed from their home or whether a minor should be detained for committing an offense. The Center provides support for families navigating the juvenile justice system. The current facility is overcrowded, rundown and suffers from increasing maintenance issues. Five judges and two commissioners at the juvenile court handle 3,700 cases a year in the facility. The annual average daily population in the facility is approximately 70 individuals. Levy revenue would not pay for operational costs.

King County's Proposition No. 1 will be placed on the August 7, 2012 primary ballot and asks voters to approve or reject a nine-year property tax levy lid lift of seven cents per \$1,000 of assessed value, which would raise approximately \$210 million for construction of the Children and Family Justice Center. The measure needs a simple majority to pass.

The levy would cost the owner of a home in King County, valued at \$350,000, about \$25 per year collected from this property tax beginning in 2013. Increases in the following eight years would be subject to the limitations in chapter 84.55 RCW. Based on the City's 2012 assessed valuation, Kirkland residents would contribute approximately \$1 million in property taxes in the first year of this levy.

If passed, the revenue would be used to replace the three buildings on site — the Alder Tower, Alder Wing, and Youth Detention Facility — and parking facilities located at 12th and Alder in Seattle's Central District. The County's plan includes selling three acres of the 9.5-acre campus to developers and using an estimated \$16 million in proceeds to offset construction costs. County officials hope for 425 residential units and a zoning change that would allow buildings up to 85 feet tall.

PROPOSITION 1, AUGUST 2012 SPECIAL ELECTION BALLOT LANGUAGE:

The ballot title is as follows:

The King County council passed Ordinance No. 17304 concerning a replacement facility for juvenile justice and family law services. This proposition would authorize King County to levy an additional property tax for nine years to fund capital costs to replace the Children and Family Justice Center, which serves the justice needs of children and families. It would authorize King County to levy an additional regular property tax of \$0.07 per \$1,000 of assessed valuation for collection in 2013. Increases in the following eight years would be subject to the limitations in chapter 84.55 RCW, all as provided in Ordinance No. 17304. Should this proposition be:

Approved

Rejected

COUNCIL ACTION:

Under RCW 42.17.130, the Council may vote on a resolution to support or oppose a ballot proposition "so long as (a) any required notice of the meeting includes the title and number of the ballot proposition, and (b) members of the legislative body or members of the public are afforded an approximately equal opportunity for the expression of any opposing view;..."

The Council requested that staff bring a resolution of support for the facility measure back to the Council for consideration (**Attachment C**). Therefore there is no draft resolution opposing the ballot measure. At the conclusion of the public hearing, the Council may choose to pass the resolution as it is, amend it and pass it, or take no action.

Attachment A – King County Ordinance #17304

Attachment B – Resolution R-4838

Attachment C – Resolution supporting King County's Proposition 1.



KING COUNTY
Signature Report

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104
ATTACHMENT A

April 16, 2012

Ordinance 17304

Proposed No. 2012-0094.2

**Sponsors Ferguson, Lambert, Gossett,
McDermott and Phillips**

1 AN ORDINANCE providing for the submission to the
2 qualified electors of King County at a special election to be
3 held in King County on August 7, 2012, of a proposition
4 authorizing a property tax levy in excess of the levy
5 limitation contained in chapter 84.55 RCW for a
6 consecutive nine year period at first year rate of not more
7 than \$0.07 per one thousand dollars of assessed valuation,
8 to fund capital costs of replacing the children and family
9 justice center located at 12th Avenue and East Alder Street
10 in Seattle.

11 **SECTION 1. Findings:**

- 12 A. Public safety is a fundamental purpose of government.
- 13 B. A strong criminal justice system is necessary to maintain safe and livable
14 communities.
- 15 C. Under Washington state law, counties provide many regional and local
16 criminal justice functions, including police protection, the incarceration of offenders,
17 court services, and the prosecution and defense services of defendants.

18 D. The children and family justice center ("CFJC") facility at 12th Avenue and
19 East Alder Street in downtown Seattle serves the justice needs of King County youth and
20 families.

21 E. The CFJC is in a state of disrepair and has reached the end of its useful life.
22 The costs of maintaining the buildings have become untenable with over twenty million
23 dollars in needed maintenance costs alone. The facility is in need of replacement to
24 ensure the continuing justice services for King County children and families and to meet
25 the demands of population growth in future years.

26 F. The superior court has undertaken long range planning efforts for the provision
27 of juvenile and family justice services and has completed both a Targeted Operational
28 Master Plan ("TOMP") and a Targeted Facilities Master Plan ("TFMP") which
29 recommended replacement of the CFJC and improvements to the facilities to meet future
30 demand.

31 G. Planning efforts have also determined that replacement of the detention
32 facilities with a modern design will allow the county to optimize operations to reduce
33 operational costs and avoid necessary major maintenance expenses on the existing
34 facilities. Additionally, relocating the placement of detention facilities on the site will
35 maximize the residual value of the remaining land.

36 H. Current funding for criminal justice is limited and insufficient to provide King
37 County residents with the level of services needed to build and maintain safe and strong
38 communities and to all make the necessary updates to criminal justice capital facilities,
39 including the CFJC.

40 I. To counter this shortfall and a general lack of funding for county government,
41 King County has aggressively worked to reduce expenditures by consolidating
42 departments and functions, reducing labor costs and eliminating positions and programs.

43 J. To save taxpayer dollars and have the greatest possible impact on those in
44 need, King County makes substantial investments in prevention and intervention efforts
45 that reduce criminal justice involvement and costs, including job readiness, employment
46 services and ending homelessness, in conjunction with funding traditional criminal
47 justice services.

48 K. To contain costs and bring growth in revenues and expenditures into
49 equilibrium, King County has continued to find efficiencies and capitalize on
50 productivity gains through the better use of technology, better program management and
51 performance measurement.

52 L. King County has also worked to obtain additional revenue tools from the state
53 Legislature to offset the structural funding problem facing King and all other Washington
54 state counties. However, these changes have not been sufficient to solve the county's
55 projected revenue shortfalls.

56 M. The county's projected future deficits threaten important criminal justice and
57 other essential government functions.

58 N. The county council hereby finds that essential public health and safety
59 services provided by the CFJC are of general benefit to all of the residents of King
60 County. To maintain King County's ability to continue to provide services at a facility on
61 the current site of the CJFC, the county council finds that the best interests of all of the

62 residents of the county require the county to undertake a replacement project for the
63 facility.

64 O. The county council further finds that it is appropriate to ask the voters to fund
65 the replacement of this essential criminal justice facility through a nine-year \$0.07
66 property tax levy.

67 **SECTION 2. Definitions.** The definitions in this section apply throughout this
68 ordinance unless the context clearly require otherwise.

69 A. "Children and family justice center replacement project" means a capital
70 project or series of capital projects to design, remodel, construct and equip facilities for
71 juvenile justice and family law services, including but not limited to replacement of the
72 Alder wing, tower, detention facilities, and associated parking facilities located at the
73 children and family justice center necessary to replace and expand the existing county
74 facilities located at 12th and Alder in Seattle.

75 B. "Capital costs" includes the costs of architectural, engineering, legal and other
76 consulting services, inspection and testing, administrative and relocation expenses, site
77 improvement, demolition, on and off-site utilities, related improvements and other costs
78 incurred incident to the design, remodeling, construction and equipping of the children
79 and family justice center replacement project and its financing, including the incidental
80 costs and costs related to the sale, issuance and delivery of the bonds. However, "capital
81 costs" shall not include the costs of maintenance or operations.

82 **SECTION 3. Levy submittal.** To provide necessary funds for the capital costs
83 for design, remodeling, construction and equipping of the children and family justice
84 center replacement project, the county council shall submit to the qualified electors of the

85 county a proposition authorizing a regular property tax levy in excess of the levy
86 limitation contained in chapter 84.55 RCW for nine consecutive years, commencing in
87 2012, with collection beginning in 2013, at a rate in the first year not to \$0.07 per one
88 thousand dollars of assessed value. In accordance with RCW 84.55.050, this levy shall
89 be a regular property tax levy, subject to the statutory rate limit of RCW 84.52.043

90 **SECTION 4. Project description.**

91 A. The children and family justice center replacement project will replace and
92 expand of the Alder Tower, Alder Wing, detention facilities and associated parking
93 facilities of the existing facility located at 12th and Alder in Seattle. The exact project
94 specifications shall be determined by the county council.

95 B. The council estimates that the capital costs of design, remodeling, construction
96 and equipping of the children and family justice center replacement project will be in the
97 range of two hundred to two hundred ten million dollars.

98 **SECTION 5. Deposit of levy proceeds.** If approved by the voters, the levy
99 proceeds shall be deposited in a first tier fund that shall be established by the council
100 upon voter approval of the ballot measure. Proceeds from the fund shall be used solely
101 for any eligible purpose identified in section 6 of this ordinance.

102 **SECTION 6. Eligible expenditures.** If approved by the qualified electors of the
103 county, the levy proceeds shall be used only for capital costs for the children and family
104 justice center replacement project.

105 **SECTION 7. Call for special election.** In accordance with RCW 29A.04.321,
106 the King County council hereby calls for a special election to be held in conjunction with
107 the general election on August 7, 2012. The director of elections shall cause notice to be

108 given of this ordinance in accordance with the state constitution and general law and to
109 submit to the qualified electors of the county, at the said special county election, the
110 proposition hereinafter set forth. The clerk of the council shall certify that proposition to
111 the director of elections, in substantially the following form, with such additions,
112 deletions or modifications as may be required for the proposition listed below by the
113 prosecuting attorney:

114 PROPOSITION ___: The King County council has passed Ordinance
115 _____ concerning funding for a replacement facility for the Children
116 and Family Justice Center. This proposition would authorize King County
117 to levy an additional property tax to provide funding for capital costs to
118 replace the Children and Family Justice Center, which serves the justice
119 needs of children and families. It would authorize King County to levy an
120 additional regular property tax of \$0.07 per \$1,000 of assessed valuation
121 for collection in 2013. The 2013 levy amount would become the base
122 upon which levy increases would be computed for each of the eight
123 succeeding years, all as provided in Ordinance _____. Should this
124 proposition be:

125 Approved? _____

126 Rejected? _____

127 **SECTION 8. Energy efficiency.**

128 A. If the proposition in section 6 of this ordinance is approved by the voters,
129 then, before requesting construction funds, the executive will submit to the council a

130 report on alternatives for heating and cooling the new facility. The report shall contain,
131 at a minimum:

- 132 1. Options for heating and cooling the building;
- 133 2. A discussion of the operating, maintenance and equipment replacement costs
134 for the various options;
- 135 3. A discussion of the greenhouse gas contributions of the various options;
- 136 4. A discussion of how each option achieves the goals established by the Seattle
137 2030 district, of which king county is a participating member;
- 138 5. A discussion of any approved city of Seattle district energy project that might
139 encompass the children and family justice center.

140 B. The executive must transmit the report required to be submitted by this section
141 in the form of a paper original and an electronic copy with the clerk of the council, who
142 shall retain the original and provide an electronic copy to all councilmembers, the council
143 chief of staff and the lead staff for the budget and fiscal management committee or its
144 successor.

145 **SECTION 9. Severability.** If any one or more of the provisions of this ordinance
146 shall be declared unconstitutional or invalid for any reason, such decision shall not affect
147 the validity of the remaining provisions of this ordinance, the bonds or any short-term
148 obligations issued in anticipation thereof, and this ordinance, the bonds and any short-

149 term obligations issued in anticipation thereof shall be construed and enforced as if such
150 unconstitutional or invalid provisions had not been contained herein.
151

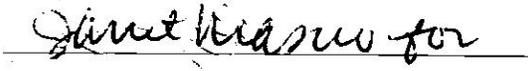
Ordinance 17304 was introduced on 3/5/2012 and passed by the Metropolitan King
County Council on 4/16/2012, by the following vote:

Yes: 8 - Mr. Phillips, Mr. von Reichbauer, Mr. Gossett, Ms. Hague,
Ms. Patterson, Mr. Ferguson, Mr. Dunn and Mr. McDermott
No: 0
Excused: 1 - Ms. Lambert

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON


Larry Gossett, Chair

ATTEST:


Anne Norris, Clerk of the Council

RECEIVED
2012 APR 26 PM 4:02
KING COUNTY COUNCIL
CLERK

APPROVED this 26 day of APRIL, 2012.


Dow Constantine, County Executive

Attachments: None

RESOLUTION R-4838

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND STATING THE CITY COUNCIL'S SUPPORT FOR PROPOSITION NO. 1, SALES AND USE TAX FOR CRIMINAL JUSTICE, FIRE PROTECTION, AND OTHER GOVERNMENT PURPOSES.

WHEREAS, on November 2, 2010, voters in King County will decide whether to approve a sales and use tax for criminal justice, fire protection, and other government services; and

WHEREAS, this proposition would authorize King County to impose an additional sales and use tax of 0.2%, split between the County (60%) and cities (40%); and

WHEREAS, at least one-third of all tax proceeds shall be used for criminal justice, fire protection purposes or both; and

WHEREAS, Proposition No. 1 is needed to preserve a strong County-wide criminal justice system; and

WHEREAS, the City of Kirkland would receive a share of the tax proceeds which could be used for criminal justice purposes, fire protection purpose, or other general City purposes; and

WHEREAS, a safe community is an important part of the quality of life enjoyed by Kirkland residents; and

WHEREAS pursuant to State law, RCW 42.17.130, the City Council of Kirkland desires to show its support for Proposition No. 1;

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

Section 1: The City Council supports Proposition No. 1, Sales and Use Tax for Criminal Justice, Fire Protection, and Other Government Purposes.

Section 2: The City Council urges Kirkland voters to vote yes on Proposition No. 1.

Passed by majority vote of the Kirkland City Council in open meeting this 5th day of October, 2010.

Signed in authentication thereof this 5th day of October, 2010.


MAYOR

Attest:


City Clerk

RESOLUTION R-4928

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND STATING THE CITY COUNCIL'S SUPPORT FOR KING COUNTY PROPOSITION NO. 1, THE CHILDREN AND FAMILY SERVICES CENTER CAPITAL LEVY.

WHEREAS, on August 7, 2012, voters in the City of Kirkland will decide, in a Special Election, whether to approve Proposition No. 1, the King County Children and Family Services Center Capital Levy; and

WHEREAS, King County provides many regional juvenile justice functions for Kirkland and all cities within the County, including the care and custody of youth who are detained in the juvenile detention facility, the provision of prosecution and indigent defense services for juvenile offenders, and court services for juvenile offender cases, as well as child abandonment, abuse and neglect cases, truancy, and cases involving runaways, and At Risk Youth; and

WHEREAS, the existing King County Youth Service Center in downtown Seattle is in a state of disrepair and is in need of replacement to ensure the provision of continuing balanced and restorative justice services for King County children and families including those in the City of Kirkland; and

WHEREAS, in order to provide funding for construction of a new Children and Family Justice Center the Metropolitan King County Council unanimously adopted Ordinance No. 17304, authorizing a nine-year property levy lid lift proposal of seven cents per \$1,000 of assessed value to raise approximately \$210 million for construction; and

WHEREAS, if approved, the property tax levy would raise approximately \$210 million for construction of the Children and Family Justice Center on the current site of the Youth Service Center; and

WHEREAS, the investment in a top-quality regional facility that provides support for families navigating the juvenile justice system is important to public safety services and the needs of all of the residents of King County, including the City of Kirkland; and

WHEREAS pursuant to State law, RCW 42.17.130, the City Council of Kirkland desires to show its support for King County Proposition No. 1, the Children and Family Services Center Capital Levy;

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

Section 1: The City Council hereby supports King County Proposition No. 1, the Children and Family Services Capital Levy.

Section 2: The City Council hereby urges Kirkland voters to support the Children and Family Services Center Capital Levy measure to ensure continued quality family and juvenile justice services to the benefit of the region and community.

Passed by majority vote of the Kirkland City Council in open meeting this ____ day of _____, 2012.

Signed in authentication thereof this ____ day of _____, 2012.

MAYOR

Attest:

City Clerk

**CITY OF KIRKLAND****Police Department**

123 Fifth Avenue, Kirkland, WA 98033 425.587.3400

www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Eric Olsen, Chief of Police
Michael Ursino, Captain

Date: June 25, 2012

Subject: Firearms Grant Resolution & Public Hearing for July 3, 2012 Council Meeting

RECOMMENDATION

It is recommended that the City Council conduct a public hearing and approve the attached resolution authorizing the City of Kirkland and the Kirkland Police Department (KPD) to apply for funding assistance through the Firearms and Archery Range Program (FARR). This grant will be in support of the firearms range that will be part of the new Public Safety Building (PSB) and is through the Washington State Recreation and Conservation Office. On February 1, 2011, the City of Kirkland and the Kirkland Police Department requested permission from the Council to apply for this grant and permission was granted. For the full February 01, 2011 memo packet go to: [February 1, 2011 Firearms Range Grant Resolution](#). The Kirkland Police Department withdrew the 2011 application given the uncertainty of the firing range project at that time and public access requirements of the grant. The range project has now been designed and will be a bid alternate project of the PSB and KPD has received much more detail about the public use requirements of the grant and can accommodate them. The 2012 application will satisfy all the requirements of the grant.

BACKGROUND DISCUSSION

The City of Kirkland and the Kirkland Police Department are in the process of applying for a grant through the Washington State Recreation and Conservation Office. This grant application is in support of the firearms range that will be part of the new Public Safety Building.

The firing range was initially included as part of the over-all cost for the Public Safety Building project. However, in an attempt to stay within the budget on July 5th, 2011 in a PSB project update memo, Chief Olsen recommended the range be included as a bid alternate to the project. At 50% schematic design, construction costs were estimated at \$833,000.

Understanding that there may be funding for projects, such as a range, there is a continuous effort to find alternate funding and/or regional partners for the construction of the range. If these efforts result in funding commitments and/or the bids are favorable, the full range could be constructed. Otherwise, completion of the firing range will be addressed in a future phase of the project and will be completed when funding is identified.

If the City is successful in receiving this grant, the Washington State Recreation and Conservation Office will award the City of Kirkland \$100,000 for the development of the firearms range. The grant requires a 100 percent match in the amount of \$100,000. The City of Kirkland will match this amount from bond proceeds or other funding sources for the Public Safety Building project. All funds will be paid on a reimbursement basis. The grant requires the project to be retained in use for a minimum of ten years commencing after the final reimbursement payment. The grant also carries with it potential renewable funds, meaning that every two years a funding request can be made for specific dollars attached to specific equipment for the overall range project. The potential of the grant with renewable funds is up to \$400,000. If awarded the grant, funds would need to be used within four years from the date of the contract being signed.

The timeline on the grant is as follows:

- Applications Due - July 2, 2012
- Technical Review - July, 2012
- Project Evaluation - September, 2012
- Board Meeting Grant Awards - June, 2013

As part of the application process, a public hearing must be conducted and a resolution from the City Council must be approved and attached to the final project application.

RESOLUTION R-4929

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND AUTHORIZING APPLICATION FOR GRANT FUNDING ASSISTANCE FOR A FIREARMS AND ARCHERY RANGE RECREATION (FARR) PROGRAM PROJECT TO THE RECREATION AND CONSERVATION OFFICE AS PROVIDED IN RCW 79A.25.210-230; TITLE 286 WAC AND SUBSEQUENT LEGISLATIVE ACTON.

WHEREAS, the City of Kirkland is a Washington municipal corporation, and has met all program eligibility requirements, and

WHEREAS, under the provisions of FARR, state grant assistance is requested to aid in financing the cost of firearm range facility development; and

WHEREAS, the City considers it in the best public interest to complete the firearm range facility development project described in the funding application;

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

1. The City Manager is hereby authorized and directed to make formal application to the Recreation and Conservation Office for grant assistance.

2. Any grant assistance received will be used for direct costs associated with implementation of the project referenced above.

3. The City hereby certifies that the City's matching share of project funding will be derived from bond proceeds and that it is responsible for supporting all non-cash commitments to this project should they not materialize.

4. The City acknowledges that the grant assistance, if approved, will be paid on a reimbursement basis, meaning the City will only request payment from the Recreation and Conservation Office after eligible and allowable costs have been incurred and payment remitted to its vendors, and that the Recreation and Conservation Office will hold retainage until the project is deemed complete.

5. The City acknowledges that any facility developed through grant assistance from the Recreation and Conservation Funding Board must be reasonably maintained and made available to the general public at reasonable hours and times of the year according to the type of area or facility unless other restrictions have been agreed to by the Recreation and Conservation Office Director or the Recreation and Conservation Funding Board.

6. The City acknowledges that any firearms range facility developed with grant assistance from the Recreation and Conservation

Funding Board must be dedicated for public outdoor recreation purposes, and be retained and maintained for such use for a minimum of ten (10) years from the date of final project reimbursement unless otherwise provided and agreed to by the City and the Recreation and Conservation Funding Board.

7. The City acknowledges that it is responsible for having liability coverage of at least one million dollars for a minimum of ten (10) years from the last date of reimbursement pursuant to Recreation and Conservation Funding Board policy.

8. This resolution becomes part of a formal application to the Recreation and Conservation Office for grant assistance; and

9. The City provided appropriate opportunity for public comment on this application.

Passed by majority vote of the Kirkland City Council in open meeting this ____ day of _____, 2012.

Signed in authentication thereof this ____ day of _____, 2012.

MAYOR

Attest:

City Clerk



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

MEMORANDUM

To: Kurt Triplett, City Manager
From: Marilynne Beard, Assistant City Manager
Date: June 21, 2012
Subject: APPOINTMENT OF PRO AND CON COMMITTEES FOR ROADS AND PARKS LEVIES

RECOMMENDATION:

The City Council directs the City Clerk to recruit citizen volunteers to serve on committees charged with writing pro and con statements for the roads and parks levies.

BACKGROUND DISCUSSION:

One of the tasks associated with the election is the selection of committees to write the pro/con statements to be included in the voters' pamphlet. For each measure placed on the ballot, the City Council must formally appoint pro and con committees to prepare arguments advocating voters' approval or rejection of the measure. Each committee shall have no more than three members. Members are to be appointed from persons known to favor or oppose the measure as appropriate. Members should not be drawn from the Council or from staff, in order to avoid the appearance of a conflict of interest.

The City Council is scheduled to approve two ordinances on July 17 requesting the King County Council to place two tax measures on the November 2012 ballot. Due to the time required to put the committees in place, it is recommended that advertisement for committee members begin prior to the approval of the ordinances. The City Clerk can begin to advertise for interested parties to serve on the committees so that Council may select those committee members on July 17. This will allow the committees to have sufficient time to craft their arguments before the King County Elections voter pamphlet deadline of August 15.