	<p>City Council Study Session Muni Services SFA March 12, 2018 - 5:30 PM Council Chambers - City Hall AGENDA Watch the meeting LIVE!</p> <p>Watch the meeting video Meeting videos are not available until 72 hours after the meeting has concluded.</p>
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I. CALL TO ORDER

- A. Roll Call

II. ANNOUNCEMENTS, REPORTS, AND PRESENTATIONS

III. AGENDA ITEMS FOR COUNCIL DISCUSSION

- A. Ordinance No. 6671 (10 Minutes) (Gaub)

An Ordinance of the City Council of the City of Auburn Washington, vacating real property intended for right-of-way purposes located at 1412 3rd Street SE, within the City of Auburn, Washington

- B. Ordinance No. 6674 (5 Minutes) (Gaub)

An Ordinance of the City Council of the City of Auburn, Washington, granting a franchise agreement for a petroleum products pipeline to Olympic Pipe Line Company, LLC

- C. Lakehaven - Auburn Sewer Boundary Adjustment (5 Minutes) (Gaub)

- D. 4th Quarter 2017 Financial Report (20 Minutes) (Coleman)

IV. MUNICIPAL SERVICES DISCUSSION ITEMS

- A. Airport 2018-2022 CIP Discussion (10 Minutes) (Gaub)

V. OTHER DISCUSSION ITEMS

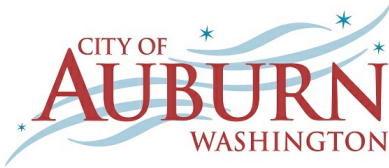
VI. NEW BUSINESS

VII. MATRIX

- A. Matrix

VIII. ADJOURNMENT

Agendas and minutes are available to the public at the City Clerk's Office, on the City website (<http://www.auburnwa.gov>), and via e-mail. Complete agenda packets are available for review at the City Clerk's Office.



AGENDA BILL APPROVAL FORM

Agenda Subject:

Ordinance No. 6671 (10 Minutes) (Gaub)

Department:

CD & PW

Attachments:

[Draft Ordinance No. 6671](#)

[Staff Report](#)

[Vicinity Map](#)

Date:

February 23, 2018

Budget Impact:

Current Budget: \$0

Proposed Revision: \$0

Revised Budget: \$0

Administrative Recommendation:

For discussion only.

Background Summary:

The City of Auburn has determined that a 50 foot by 60 foot piece of real estate quit claim deeded to the City in the vicinity of 1412 3rd Street SE was intended for right-of-way purposes but was never opened as a street or used as such by the City. The right-of-way quit claim deeded to the City on June 14, 1956. City staff and utility providers who have an interest in this right-of-way have reviewed the proposed right-of-way vacation. Through this review, City staff has determined that the right of way is no longer necessary to meet the needs of the City and could be vacated.

A Public Hearing to consider this application and hear public comment is scheduled before the City Council on March 19, 2018 in accordance with Auburn City Code Chapter 12.48.070. Ordinance No. 6671, if adopted by City Council would approve Vacation No. V1-17 and vacate the right-of-way.

Reviewed by Council Committees:**Councilmember:**

Meeting Date: March 12, 2018

Staff:

Gaub

Item Number:

ORDINANCE NO. 6 6 7 1

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AUBURN WASHINGTON, VACATING REAL PROPERTY INTENDED FOR RIGHT-OF-WAY PURPOSES LOCATED AT 1412 3RD STREET SE, WITHIN THE CITY OF AUBURN, WASHINGTON

WHEREAS, in 1956, the City of Auburn received, through a quit claim deed, a portion of property located within the corporate boundaries of the City at 1412 3rd Street SE, which property was intended to couple up with other adjacent portions of property to provide for an East-West roadway south of 3rd Street SE and north of the Burlington Northern Railroad railway between M Street SE and R Street SE, within the City of Auburn; and

WHEREAS, the right-of-way was never developed, necessary adjacent parcels were never acquired and King County did not segregate the portion of property the City acquired through the 1956 quit claim deed from the adjacent parcels; and

WHEREAS, the City Council of the City of Auburn, Washington ("City Council"), has, after a review of its needs for streets and rights-of-way in the vicinity of the 1412 3rd Street SE between M Street SE and R Street SE, within the City, determined that consideration should be given to the vacation of the same; and

WHEREAS, a public hearing was held in connection with the possible vacation, with notice having been provided pursuant to statute; and

WHEREAS, the City Council has considered all matters presented at the public hearing on the proposed vacation, held on the 19th day of March, 2018, at the Auburn City Council Chambers in Auburn, Washington.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN,
WASHINGTON DO ORDAIN as a non-codified ordinance as follows:

Section 1. Vacation. That the right-of-way located at 1412 3rd Street SE,
located within the City of Auburn, Washington, legally described as follows:

The south 50 feet of the north 331.07 feet of the west 60 feet of
Lot 33 East Auburn Acres addition to Auburn, according to the
plat thereof recorded in Volume 14 of Plats, Page 41, records
of King County, Washington.

A portion of King County tax parcel number 2149800305,
the same is hereby vacated and the property lying in said portion of right-of-way described
hereinabove, shall inure and belong to those persons entitled to receive the property in
accordance with RCW 35.79.040.

Section 2. Constitutionality or Invalidity. If any portion of this Ordinance or
its application to any person or circumstances is held invalid, the remainder of the Ordinance
or the application of the provisions to other persons or circumstances shall not be affected.

Section 3. Implementation. The Mayor is hereby authorized to implement
such administrative procedures as may be necessary to carry out the directives of this
location.

Section 4. Effective Date. This Ordinance shall take effect and be in force
five (5) days from and after passage, approval, and publication as provided by law.

Section 5. Recordation. The City Clerk is directed to record this Ordinance
with the office of the King County Auditor.

INTRODUCED: _____

PASSED: _____

APPROVED: _____

NANCY BACKUS, MAYOR

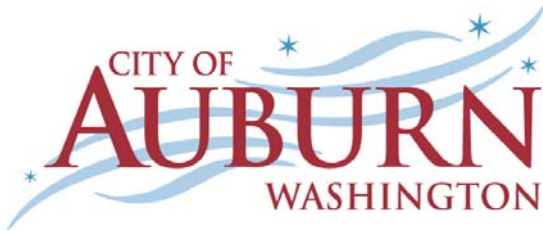
ATTEST:

Danielle E. Daskam, City Clerk

APPROVED AS TO FORM:

Daniel B. Heid, City Attorney

PUBLISHED: _____



RIGHT-OF-WAY VACATION STAFF REPORT

Right-of-Way (ROW) Vacation Number V1-17

Applicant: City Initiated

Property Location: Right-of-Way located in the vicinity of 1412 3rd Street SE. Specifically the south 50 feet of the north 331.07 feet of the west 60 feet of Lot 33 East Auburn Acres addition to Auburn.

Description of right-of-way:

This ROW proposed for vacation consists of a 50 foot by 60 foot portion of real property acquired for the intended purpose of right-of-way that was Quit Claim Deeded to the City in 1956 under Recording Number 4702460, Volume 3583, Page 617 of deeds records of King County on June 14, 1956. The City has determined that the intent of the City's acquisition was for right-of-way purposes based on the alignment with other similar pieces of right-of-way that were dedicated for street purposes. These similar pieces of right-of-way were subsequently vacated years later when City long range transportation plans determined that a road alignment extending 4th Street SE between M Street SE and R Street SE was not needed and that unopened and partial alignments should be considered for vacation back to adjacent property owners.

The ROW is located south of 3rd Street SE and north of the Burlington Northern Railroad and consists of a 50 foot by 60 foot area. The total area of ROW proposed for vacation is 3,000 (+/-) square feet. The ROW is adjacent to Parcel No. 2149800305 on the north side, Parcel No. 2149800302 on the south side, Parcel No. 2149800284 on the west side and Parcel No. 2149800306 on the east side.

See the attached map.

Proposal:

The City proposes to vacate the above described right-of-way as it is not needed for public road purposes.

Applicable Policies & Regulations:

- RCW's applicable to this situation - meets requirements of RCW 35.79.
- MUTCD standards - not affected by this proposal.
- City Code or Ordinances - meets requirements of ACC 12.48.
- Comprehensive Plan Policy - not affected.
- City Zoning Code - not affected.

Public Benefit:

- The street vacation decreases potential right-of-way maintenance obligation and liability of the City.
- The vacated area will be subject to property taxes.

Discussion:

The vacation application was circulated to Puget Sound Energy (PSE), Comcast, CenturyLink, and City staff.

1. Puget Sound Energy (PSE) – PSE received the City's request for comments regarding the proposed street right-of-way vacation. PSE was unable to determine if they have existing facilities in the proposed vacation area and stated that they would pursue their own easements if needed in the future.
2. Comcast – Comcast has no objection to the proposed vacation and does not require an easement.
3. CenturyLink – CenturyLink has not facilities on or in the area being requested for vacation and does not required an easement.
4. Water – The City does not require an easement be reserved for water facilities.

5. Sewer – The City does not require an easement be reserved for sewer facilities.
6. Storm – The City does not require an easement be reserved for storm facilities.
7. Transportation – No comments.
8. Planning – No comments.
9. Fire – The area proposed for vacation that is currently being used as a road and access to Parcel No. 2149800302 on the south side of the ROW will need to be maintained as such after vacation. The current access to this parcel does not meet current code for fire apparatus access turnaround requirements. As such the area currently being used as a road and access may not become any smaller than it currently is.
10. Police – No comments.
11. Streets – No comments.
12. Construction –No comments.

Assessed Value:

ACC 12.48 states “The City Council may require as a condition of the ordinance that the City be compensated for the vacated right-of-way in an amount which does not exceed one-half the value of the right-of-way so vacated, except in the event the subject property or portions thereof were acquired at public expense or have been part of a dedicated public right-of-way for 25 years or more, compensation may be required in an amount equal to the full value of the right-of-way being vacated. The City Engineer shall estimate the value of the right-of-way to be vacated based on the assessed values of comparable properties in the vicinity. If the value of the right-of-way is determined by the City Engineer to be greater than \$2,000, the applicant will be required to provide the City with an appraisal by an MAI appraiser approved by the city engineer, at the expense of the applicant. The City reserves the right to have a second appraisal performed at the city’s expense.”

The City Engineer has not required an appraisal for the value of this right-of-way since the right-of-way vacation is being initiated by the City. Additionally the right-of-way was dedicated to the City at no cost and the City has never maintained or opened the right-of-way for public use.

Recommendation:

Staff recommends that the street vacation be granted with no conditions.

ROW Vacation #V1-17 1412 3rd Street SE

Printed Date: 2/6/2018
Map Created by City of Auburn eGIS
Imagery Date: May 2015



192.3 0 96.2 192.3 Feet

NAD_1983_StatePlane_Washington_North_FIPS_4601_Feet

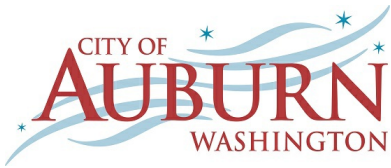
1 in = 96 ft

1:1,154

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Information shown is for general reference purposes only and does not necessarily represent exact geographic or cartographic data as mapped. The City of Auburn makes no warranty as to its accuracy.



AGENDA BILL APPROVAL FORM

Agenda Subject:

Ordinance No. 6674 (5 Minutes) (Gaub)

Department:

CD & PW

Attachments:

[Draft Ordinance No. 6674](#)

Date:

February 27, 2018

Budget Impact:

Current Budget: \$0

Proposed Revision: \$0

Revised Budget: \$0

Administrative Recommendation:

Discussion of Draft Ordinance No. 6674 for Olympic Pipe Line Company, LLC Franchise Agreement No. 17-22.

Background Summary:

Olympic Pipe Line Company LLC is currently operating under an agreement which has recently expired and has applied for a new Franchise Agreement to continue to operate within the City's rights of way an interstate pipeline for the transportation of petroleum products. Olympic has applied for a Franchise Agreement for a term of ten (10) years to continue to operate and maintain their facilities within the City's rights of way.

Olympic's existing facilities consist of a 14-inch diameter pipeline located on the West Hill and in North Auburn. Their facilities do not currently serve any customers in Auburn and they have no plans to do so. Any construction, maintenance, improvements or changes to Olympic's facilities are managed through the City's permitting processes that are a requirement of the Franchise Agreement. Safety of Olympic's facilities is regulated and inspected through the Washington Utilities and Transportation Commission.

A Public Hearing to consider this application and hear public comment is scheduled before the City Council on March 19, 2018 in accordance with Auburn City Code Chapter 20.06.030.

Reviewed by Council Committees:**Councilmember:**

Meeting Date: March 12, 2018

Staff:

Gaub

Item Number:

ORDINANCE NO. 6 6 7 4

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, GRANTING A FRANCHISE AGREEMENT FOR A PETROLEUM PRODUCTS PIPELINE TO OLYMPIC PIPE LINE COMPANY, LLC

WHEREAS, Olympic Pipe Line Company, LLC ("Grantee") has applied to the City of Auburn ("City") for a non-exclusive Franchise for the right of entry, use, and occupation of certain public right(s)-of-way within the City, expressly to install, construct, erect, operate, maintain, repair, relocate and remove its facilities in, on, over, under, along and/or across those right(s)-of-way; and

WHEREAS, following proper notice, the City Council held a public hearing on Grantee's request for a Franchise, at which time representatives of Grantee and interested citizens were heard in a full public proceeding affording opportunity for comment by any and all persons desiring to be heard; and

WHEREAS, from information presented at such public hearing, and from facts and circumstances developed or discovered through independent study and investigation, the City Council now deems it appropriate and in the best interest of the City and its inhabitants that the franchise be granted to Grantee.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN WASHINGTON, DO ORDAIN as follows:

Section 1. Grant of Right to Use Franchise Area

A. Subject to the terms and conditions stated herein, the City grants to the Grantee general permission to enter, use, and occupy the right(s)-of-way and/or other public property specified in Exhibit "A", attached hereto and incorporated by reference (the "Franchise Area").

B. The Grantee is authorized to install, remove, construct, erect, operate, maintain, relocate and repair, for provision of those services set forth in Exhibit "B" ("Grantee Services") pipeline or pipelines, and associated valves, fittings, location markers and signs, communication systems, utility lines, signage, protective apparatus, and all other appurtenances, equipment, and facilities,

Draft Ordinance No. 6674
Franchise No. 17-22
February 20, 2018
Page 1 of 27

whether above or below grade, useful or incidental to or for the operation or protection thereof (the “Grantee Facilities”), and conduct such other activities as may be convenient in connection therewith as determined by Grantee, for the transportation of oil, gases, liquids, solids, or any mixtures thereof, and any product, by-product, and derivatives thereof, on, over, under, across, and through the Franchise Area.

C. This Franchise does not authorize the use of the Franchise Area for any facilities or services other than Grantee Facilities and Grantee Services, and it extends no rights or privilege relative to any facilities or services of any type, including Grantee Facilities and Grantee Services, on public or private property elsewhere within the City. This Franchise is intended to convey only a limited right and interest and is not a warranty of title or interest in the City’s right-of ways. The Agreement does not convey any right to Grantee to install Grantee Facilities on or to otherwise impact, city-owned or leased properties, easements, or rights-of way outside the ones identified in Exhibit A.

D. This Franchise is non-exclusive and does not prohibit the City from entering into other agreements, including Franchises, impacting the Franchise Area, unless the City determines that entering into such agreements interferes with Grantee’s right set forth herein.

E. Except as explicitly set forth herein, this Franchise does not waive any rights that the City has or may hereafter acquire with respect to the Franchise Area or any other City roads, rights-of-way, property, or any portions thereof. This Franchise shall be subject to the power of eminent domain, and in any proceeding under eminent domain, the Grantee acknowledges its use of the Franchise Area shall have no value.

F. The City reserves the right to change, regrade, relocate, abandon, or vacate any right-of-way within the Franchise Area. If, at any time during the term of this Franchise, the City vacates any portion of the Franchise Area containing Grantee Facilities, the City shall reserve an easement for public utilities within that vacated portion, pursuant to RCW 35.79.030, within which the Grantee may continue to operate any existing Grantee Facilities under the terms of this Franchise for the remaining period set forth under Section 3.

G. The Grantee agrees that its use of Franchise Area shall at all times be subordinated to and subject to the City and the public’s need for municipal

infrastructure, travel, and access to the Franchise Area, except as may be otherwise required by law.

H. This Franchise is subject to the provisions of Auburn City Code ("ACC"), including specifically ACC Chapter 20.10, "CONDITIONS OF PUBLIC WAY AGREEMENTS, FRANCHISES, AND FACILITIES LEASES", and all applicable federal and state laws, codes and regulations as currently exist or as amended. However, if the provisions of city code, as amended or superseded, conflict with any terms and conditions of this agreement, the provisions of this agreement shall govern.

Section 2. Notice

A. Whenever this Franchise calls for notice to or notification by any party, the same (unless otherwise specifically provided) shall be in writing and directed by certified mail to the recipient at the address set forth in this Section. If the date for making any payment, notice, or performing any act is a legal holiday, payment or notice may be made or the act performed on the next succeeding business day which is not a legal holiday.

City: Engineering Aide,
Community Development and Public Works Department
City of Auburn
25 West Main Street
Auburn, WA 98001-4998
Telephone: (253) 931-3010; Fax: (253) 931-3048

with a copy to: City Clerk
City of Auburn
25 West Main Street
Auburn, WA 98001-4998

Grantee: Olympic Pipe Line Company, LLC.
Right of Way Agent
2319 Lind Ave SW
Renton, WA, 98057
Telephone: (425) 235-7736, Fax (425) 981-2525

B. Any changes to the above-stated Grantee information shall be sent to the City's Engineering Aide, Community Development and Public Works Department, with copies to the City Clerk, referencing the title of this agreement.

C. The above-stated Grantee voice and fax telephone numbers shall be staffed at least during normal business hours, Pacific time zone.

Section 3. Term of Agreement

A. This Franchise shall run for a period of 10 (ten) years, from the date of execution specified in Section 5.

B. Renewal Option of Term: The Grantee may renew this Franchise for an additional ten (10) year period upon submission and approval of the application specified under ACC 20.06.130, as it now exists or is amended, within the timeframe set forth therein (currently between 180 and 240 days prior to expiration of the then-current term). Any materials submitted by the Grantee for a previous application may be considered by the City in reviewing a current application, and the Grantee shall submit those materials that differ from the previous materials or as deemed necessary by the City to address changes in the Grantee Facilities or Grantee Services, or to reflect specific reporting periods mandated by the ACC.

C. Failure to Renew Franchise – Automatic Extension. If the Parties fail to formally renew this Franchise prior to the expiration of its term or any extension thereof, the Franchise automatically continues year to year until renewed or either party gives written notice at least one hundred and eighty (180) days in advance of intent not to renew the Franchise.

Section 4. Definitions

For the purpose of this agreement:

"ACC" means the Auburn City Code.

"Emergency" means a condition of imminent danger to the health, safety and welfare of persons or property located within the City including, without limitation, damage to persons or property from natural consequences, such as storms, earthquakes, riots, acts of terrorism or wars.

“Maintenance” or “Maintain” shall mean examining, testing, inspecting, repairing, maintaining and replacing the existing Grantee Facilities or any part thereof as required and necessary for safe operation.

“Relocation” means permanent movement of Grantee facilities required by the City, and not temporary or incidental movement of such facilities, or other revisions Grantee would accomplish and charge to third parties without regard to municipal request.

“Rights-of-Way” or “Right-of-Way” means the surface and the space above and below streets, roadways, highways, avenues, courts, lanes, alleys, sidewalks, easements, rights-of-ways and similar public properties and areas.

“Grantee Facilities” or “Facilities” means, collectively, any and all systems owned or operated by Grantee located in the City Rights-of-Way, including but not limited to pipelines, mains, laterals, fixtures, communication systems, and any and all other equipment appliances, attachments, appurtenances and other items necessary, convenient, or in any way appertaining to any and all of the foregoing for the purpose of transmission of petroleum products, whether the same be located over or under ground.

“Hazardous Substance” shall specifically include, but shall not be limited to, petroleum and petroleum products and their by-products, residue, and remainder in whatever form or state.

“Operate” or “Operations” shall mean the operation, use, and maintenance of Grantee Facilities, pursuant to the terms of this Agreement.

“Party” or “Parties” means collectively the City and Grantee, and individually either the City or Grantee.

“Public Works Project” means, any City capital improvement or the construction, relocation, expansion, repair, maintenance, or removal of any part of the Right-of-Way or City-owned facilities located on or in the Right-of-Way for: parks; streets; sidewalks; curbs; pedestrian and/or vehicle traffic; sewers, storm water drains; water facilities, and; City-owned fiber optic cable, conduit or network facilities.

“Third Party” means any person, party, or entity other than the City and Grantee.

“FERC” means the Federal Energy Regulatory Commission, or such other successor regulatory agency having jurisdiction over interstate pipeline companies.

Section 5. Acceptance of Franchise

A. This Franchise, and any rights granted hereunder, shall not become effective for any purpose unless and until Grantee files with the City Clerk (1) the Statement of Acceptance, attached hereto as Exhibit “C,” and incorporated by reference, (2) all verifications of insurance coverage specified under Section 17, (3) the financial guarantees specified in Section 18 and (4) payment of any outstanding application fees per the City fee schedule. These four items shall collectively be the “Franchise Acceptance”. The date that such Franchise Acceptance is filed with the City Clerk shall be the effective date of this Franchise.

B. Should the Grantee fail to file the Franchise Acceptance with the City Clerk within thirty (30) days after the effective date of the ordinance approving the Franchise Agreement, the City’s grant of the Franchise will be null and void.

Section 6. Construction and Maintenance

A. The Grantee shall apply for, obtain, and comply with the terms of all permits required under ACC Chapter 12.24 for any work done upon Grantee Facilities. Grantee shall comply with all applicable City, State, and Federal codes, rules, regulations, and orders, as they now exist or as may be hereafter amended or superseded, in undertaking such work, which shall be done in a thorough and proficient manner.

B. Grantee agrees to coordinate its activities with the City and all other utilities located within the Right-of-Way within which Grantee is under taking its activity. Such efforts shall include, at a minimum, reasonable and diligent efforts to keep the other party and other utilities within the Right-of-Way informed of its intent to undertake such construction work.

C. In addition to complying with ACC 20.10.80, as hereafter amended or superseded, Grantee Facilities shall be located and maintained within the Right-of-Way so as not to interfere with the reasonable ingress or egress to the properties abutting the Right-of-Ways as they existed or exist at the time of installation of the Grantee Facilities. The City expressly reserves the right to prescribe how and where Grantee Facilities shall be installed within the public right-of-way and may

from time to time, pursuant to the applicable sections of this Franchise, require, at no cost to the City, the removal, relocation and/or replacement thereof in the public interest and safety at the expense of the Grantee.

D. Grantee shall continuously be a member of the State of Washington One Number Locator service under RCW Chapter 19.122, or an approved equivalent as determined by the City, and shall comply with all such applicable rules and regulations. Before commencing any work within the Right-of-Way, the Grantee shall comply with the One Number Locator provisions of RCW Chapter 19.122 to identify existing utility infrastructure.

E. Tree Trimming. Upon prior written approval of the City and in accordance with City ordinances, Grantee shall have the authority to reasonably trim trees upon and overhanging streets, Right-of-Way, and such other places in the Franchise Area so as to prevent the branches of such trees from coming in physical contact with the Grantee Facilities. Grantee shall be responsible for debris removal from such activities. If such debris is not removed within twenty-four (24) hours of completion of the trimming, the City may, at its sole discretion, remove such debris and charge Grantee for the cost thereof. This section does not, in any instance, grant automatic authority to clear vegetation for purposes of providing a clear path for radio signals. Any such general vegetation clearing will require a land clearing permit.

H. Markers demarcating the pipeline's location shall be placed on the surface consistent with federal requirements to provide clear warning of the presence of the pipeline but in a manner that does not interfere with trails or other public uses in that area. Additionally, Grantee shall place continuous underground markers demarcating the pipeline's location each time Grantee digs to the pipeline for any reason.

Section 7. Repair and Emergency Work

In the event of an emergency, the Grantee may commence such repair and emergency response work as required under the circumstances, provided that the Grantee shall notify the City telephonically during normal business hours (at 253.931.3010 and during non-business hours at 253-876-1985 as promptly as possible before such repair or emergency work commences, and in writing as soon thereafter as possible. Such notification shall include the Grantee's emergency contact phone number for the corresponding response activity. For any emergency or after normal business hour issues involving the Grantee's facilities

which requires the Grantee's immediate response the City shall contact the Grantee at **888-271-8880** which is operated 24 hours a day, seven days a week. The City may act, at any time, without prior written notice in the case of emergency, but shall notify the Grantee in writing as promptly as possible under the circumstances of the nature of the emergency and the actions taken to address it.

Section 8. Damages to City and Third-Party Property

A. Grantee agrees that if any of its actions under this Franchise impairs or damages any City property, survey monument, or property owned by a third-party, Grantee will restore, at its own cost and expense, said property to a safe condition and then to the condition it was in immediately prior to being damaged. Such repair work shall be performed and completed to the satisfaction of the City Engineer.

B. If Grantee has failed to perform any work required to be performed in a timely manner under this Ordinance, or to correct an unsafe condition, the City may itself perform or have performed such work. Grantee shall pay all reasonable costs incurred by the City to perform such work upon demand of the City.

C. All survey monuments which are disturbed or displaced by Grantee in its performance of any work under this Agreement shall be referenced and restored by Grantee, as per WAC 332-120, as from time to time amended, and all applicable federal, state, and local standards and specifications.

Section 9. Location Preference

A. Any structure, equipment, appurtenance or tangible property of a utility, other than the Grantee's, which was installed, constructed, completed or in place prior in time to Grantee's application for a permit to construct or repair Grantee Facilities under this Franchise shall have preference as to positioning and location with respect to the Grantee Facilities. However, to the extent that the Grantee Facilities are completed and installed prior to another private utility's submittal of a permit for new or additional structures, equipment, appurtenances or tangible property, then the Grantee Facilities shall have priority. These rules governing preference shall continue in the event of the necessity of relocating or changing the grade of any City road or Right-of-Way. A relocating utility shall not necessitate the relocation of another utility that otherwise would not require relocation. This Section shall not apply to any City facilities or utilities that may in

the future require the relocation of Grantee Facilities. Such relocations shall be governed by Section 11.

B. When constructing new facilities, or replacing or reconstructing facilities, Grantee shall maintain a minimum underground horizontal separation of ten (10) feet from City water and five (5) feet from City sanitary sewer and storm sewer facilities; provided, that for development of new areas, the City, in consultation with Grantee and shall coordinate with other utility purveyors or authorized users of the Public Way, will develop and follow the City's determination of guidelines and procedures for determining specific utility locations, subject additionally to this agreement.

Section 10. Grantee Information

A. Grantee agrees to supply, at no cost to the City, any information reasonably requested by the City Engineer to coordinate municipal functions with Grantee's activities and fulfill any municipal obligations under state law. Said information shall include, at a minimum, as-built drawings of Grantee Facilities, installation inventory, and maps and plans showing the location of existing or planned facilities within the City. Said information may be requested either in hard copy or electronic format, compatible with the City's data base system, as now or hereinafter existing, including the City's geographic information Service (GIS) data base. Grantee shall keep the City Engineer informed of its long-range plans for coordination with the City's long-range plans.

B. Upon the City's reasonable request, in connection with the design of any Public Works Project, Grantee shall verify the location of Grantee Facilities at no expense to the City. In the event Grantee performs excavation, the City shall not require any restoration of the disturbed area in excess of restoration to the same condition as existed immediately prior to the excavation.

C. The parties understand that Washington law limits the ability of the City to shield from public disclosure any information given to the City. Grantee shall clearly mark any information that it provides to the City as "Proprietary" information if Grantee believes that disclosure of that information would be exempt under the trade secrets exemption in RCW 42.56.270. The City agrees that if it receives a request for Grantee's proprietary information, it will initially assert the exemption under 42.56.270, and will notify Grantee of the request.

The City shall not initiate legal action to prevent disclosure of Grantee's proprietary information. If a requestor files a lawsuit to compel disclosure, Grantee agrees to defend the action at Grantee's sole expense.

Grantee shall indemnify and hold harmless the City for any loss or liability for fines, penalties, and costs (including attorneys fees) imposed on the City because of non-disclosures requested by Grantee under Washington's open public records act, provided the City has notified Grantee of the pending request or Grantee is made aware of the request or claim.

Section 11. Relocation of Grantee Facilities

A. Except as otherwise so required by law, Grantee agrees to relocate, remove, or reroute its facilities within one hundred and eighty (180) days of being ordered by the City Engineer at no expense or liability to the City, except as may be required by RCW Chapter 35.99. Such alternate location for relocation of Grantee's facilities shall be determined and approved jointly by the City and Grantee at no cost to the City. Pursuant to the provisions of Section 16, Grantee agrees to protect and save harmless the City from any customer or third-party claims for service interruption or other losses in connection with any such change, relocation, abandonment, or vacation of the Public Way.

B. If a readjustment or relocation of the Grantee Facilities is necessitated by a request from a party other than the City (a "Third Party"), that party shall pay the Grantee the actual costs thereof. Any contractor doing work pursuant to contract with the City shall not be considered a Third Party for purposes of this section.

C. Any condition or requirement imposed by the City upon any Third Party (including, but not limited to, any condition or requirement imposed pursuant to any contract or in conjunction with approvals or permits obtained pursuant to any zoning, land use, construction or other development regulation) which requires the relocation of Grantee's Facilities within the Rights-of-Way shall be a condition or requirement causing relocation of Grantee's Facilities to occur subject to the provisions of Subsection B above; provided, however in the event the City reasonably determines and notifies Grantee that the primary purpose of imposing such condition or requirement upon such Third party is to cause or facilitate the construction of a Public Works Project to be undertaken within a segment of the Right-of-Ways on the City's behalf and consistent with the City's Capital Facility Plan or Transportation Improvement Program, then Grantee shall relocate its

Facilities within such segment of the Rights-of-Way in accordance with this Agreement.

D. As to any relocation of Grantee's Facilities whereby the cost and expense thereof is to be borne by Grantee in accordance with this Section 11, Grantee may, after receipt of written notice requesting such relocation, submit in writing to the City alternatives to relocation of its Facilities. Upon the City's receipt from Grantee of such written alternatives, the City shall evaluate such alternatives and shall advise Grantee in writing if one or more of such alternatives are suitable to accommodate the work which would otherwise necessitate relocation of Grantee's Facilities. In evaluating such alternatives, the City shall give each alternative proposed by Grantee full and fair consideration with due regard to all facts and circumstances which bear upon the practicality of relocation and alternatives to relocation. In the event the City determines that such alternatives are not appropriate, Grantee shall relocate its Facilities as otherwise provided in this Agreement.

E. Nothing in this Section 11 shall require Grantee to bear any cost or expense in connection with the relocation of any facilities under benefit of easement independent of this Agreement or other rights not arising under this Agreement, nor shall anything in this Section 11 require the City to bear any such cost or expense. Nothing in this Section 11 shall be construed to be a waiver of any right of either Grantee or the City to contest any claim or assertion by the other of responsibility to pay such cost or expense.

F. Subject to ACC 20.10.160, in the event of an emergency posing a threat to public safety or welfare requires the relocation of Grantee's Facilities within the Rights-of-Way, the City shall give Grantee notice of the emergency as soon as reasonably practicable. Upon receipt of such notice from the City (and subject to the issuance of any necessary order(s) of the Federal Energy Regulatory Commission), Grantee shall endeavor to respond as soon as reasonably practicable to relocate the affected Facilities.

Section 12. Abandonment and or Removal of Grantee Facilities

A. Within one hundred and eighty days (180) of Grantee's permanent cessation of use of the Grantee Facilities, or any portion thereof, the Grantee shall (subject to any necessary approval(s) and/or order(s) to be provided by FERC concerning abandonment), at the City's discretion, either abandon in place or remove the affected facilities. Abandonment or removal shall be at the sole cost

and expense of Grantee. Any Facilities left in place shall be made inert by disconnecting and sealing such Facilities, all in compliance with applicable regulations and industry standards. The City's consent shall not relieve Grantee of the obligation and/or costs to subsequently remove or alter such Facilities in the event the City reasonably determines that such removal or alteration is necessary or advisable for the health and safety of the public, in which case Grantee shall perform such work at no cost to the City. The obligations contained in this Section shall survive the expiration, revocation, or termination of this Agreement.

Section 13. Encroachment Management

Grantee shall manage and inspect encroachments as defined by federal and applicable state and local laws, rules, regulations and industry standards, as now enacted or hereinafter amended, and any other future laws or regulations that are applicable to Grantee, the Facilities, and business operations. Upon notification to Grantee of planned construction by another within ten (10) feet of Grantee's pipeline, Grantee shall flag the precise location of its Facilities before the construction commences, provide a representative to inspect the construction when it commences, and periodically inspect thereafter to ensure that Grantee's pipeline is not damaged by the construction.

Section 14. Emergency Management, Leaks, Ruptures, and Emergency Response.

A. Annually, upon the request of the City, Grantee shall meet with the Valley Regional Fire Authority, the Auburn Police Department, and the City's Emergency Management Office to coordinate emergency management operations and, at least once a year, at the request of the City, Grantee personnel shall actively participate with the Valley Regional Fire Authority and the City in emergency preparedness drills or planning sessions.

B. Grantee shall have in place, at all times during the term of this Agreement, a system for remotely monitoring pressures and flows across the Right-of-Way.

C. During the term of this Agreement, Grantee shall have a written emergency response plan and procedure for locating leaks and ruptures and for shutting down valves as rapidly as possible.

D. Upon acceptance of this Agreement, Grantee shall provide the City with a copy of its emergency response plans and procedures, including, but not limited to, emergency rupture response.

E. Grantee's emergency plans and procedures shall designate Grantee's responsible local emergency response officials and a direct twenty four (24) hour emergency contact number for the control center operator. grantee shall, after being notified of an emergency, cooperate with the City and make every effort to respond as soon as possible to protect the public's health, safety and welfare.

F. Grantee shall be solely responsible for all its necessary costs incurred in responding to any leak, rupture or other release of petroleum products from Grantee's Facilities, including, but not limited to, detection and removal of any contaminants from air, earth or water, and all remediation costs.

G. If requested by the City in writing, Grantee shall provide a written summary concerning any leak or rupture within thirty (30) days of the event, including, but not limited to, the leak or rupture's date, time, amount, location, response, remediation and other agencies Grantee has notified.

Section 15. Maintenance, Inspection, and Testing.

Grantee shall remain solely and separately liable for the function, testing, maintenance, replacement and/or repair of the Facilities or other activities permitted under this Agreement. Grantee shall operate, maintain, inspect, and test the Facilities in full compliance with all applicable federal, state, and local laws, rules, regulations, and industry standards, as now enacted or hereinafter amended, and any other future laws or regulations that are applicable to Grantee, the Facilities, and business operations.

Section 16. Indemnification and Hold Harmless

A. The Grantee shall defend, indemnify, and hold the harmless from any and all costs, claims, injuries, damages, losses, suits, or liabilities of any nature including attorneys' fees arising out of or in connection with the Grantee's performance under this Franchise, except to the extent such costs, claims, injuries, damages, losses, suits, or liabilities are caused by the sole negligence of the City.

B. The Grantee shall hold the City harmless from any liability arising out of or in connection with any damage or loss to the Grantee Facilities caused by

maintenance and/or construction work performed by, or on behalf of, the City within any other City road, Right-of-Way, or other property, except to the extent any such damage or loss is directly caused by the sole negligence of the City, or its agent performing such work.

C. The Grantee acknowledges that neither the City nor any other public agency with responsibility for firefighting, emergency rescue, public safety or similar duties within the City has the capability to provide trench, close trench or confined space rescue. The Grantee, and its agents, assigns, successors, or contractors, shall make such arrangements as Grantee deems fit for the provision of such services. The Grantee shall hold the City harmless from any liability arising out of or in connection with any damage or loss to the Grantee for the City's failure or inability to provide such services, and, pursuant to the terms of Section 14(A), the Grantee shall indemnify the City against any and all third-party costs, claims, injuries, damages, losses, suits, or liabilities based on the City's failure or inability to provide such services.

D. Acceptance or inspection by the City of any work performed by the Grantee shall not be grounds for avoidance of this section.

It is further specifically and expressly understood that the indemnification provided herein constitutes the Grantee's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

E. Grantee shall indemnify, defend and hold the City, its appointed and elective officials, agents, officers, employees, and volunteers harmless from and against any and all claims, demands, liability, loss, cost, damage or expense of any nature whatsoever including all costs and attorney's fees, made against the City on account of violation of any environmental laws applicable to the Grantee Facilities, or from any release of or hazardous substances on or from the Grantee Facilities. This indemnity includes, but is not limited to: (a) liability for a governmental agency's costs of removal or remedial action for hazardous substances; (b) damages to natural resources caused by hazardous substances, including the reasonable costs of assessing such damages; (c) liability for any other person's costs of responding to hazardous substances; and (d) liability for any costs of investigation, abatement, correction, cleanup, fines, penalties, or other damages arising under any environmental laws.

Section 17. Insurance

A. The Grantee shall procure and maintain, or cause its contractors to maintain (in the case of Professional Liability), for the duration of this Franchise, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Grantee, its agents, representatives, or employees in the amounts and types set forth below:

1. Automobile Liability insurance covering all owned, non-owned, hired, and leased vehicles with a minimum combined single limit for bodily injury and property damage of \$2,000,000.00 (two million dollars) per accident. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.

2. Commercial General Liability insurance with limits no less than \$100,000,000.00 (one hundred million dollars) each occurrence, \$100,000,000.00 (one hundred million dollars) general aggregate and a \$100,000,000.00 (one hundred million dollars) products-completed operations aggregate limit. Coverage shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors, products-completed operations, stop gap liability, and personal injury and advertising injury and liability assumed under an insured contract. There shall be no endorsement or modification of the Commercial General Liability insurance for liability arising from explosion, collapse, or underground property damage. To the extent of the liabilities assumed by Grantee, the City shall be named as an additional insured under the Grantee's Commercial General Liability insurance policy with respect to the work performed under this Franchise using ISO Additional Insured Endorsement CG 20 10 10 01 and Additional Insured-Completed Operations endorsement CG 20 37 10 01 or substitute endorsements providing equivalent coverage.

3. Professional Liability insurance with limits no less than \$1,000,000.00 per claim for all professional engineers or surveyors contracted by Grantee to perform services under this Franchise.

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

B. The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability, Professional Liability (if applicable), and Commercial General Liability insurance:

1. The Grantee's insurance coverage shall be primary insurance as respects the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be in excess of the Grantee's insurance and shall not contribute with it.

2. To the extent of the liabilities assumed by Grantee, the Grantee's insurance shall be endorsed to state that coverage shall not be cancelled by either party except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

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

D. Verification of Coverage. Grantee shall furnish the City with documentation of insurer's A.M. Best rating and with original certificates and a copy of amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements specified herein before commencement of the work.

E. Grantee shall have the right to self-insure any or all of the above-required insurance. Any such self-insurance is subject to approval by the City. Furthermore, Grantee may utilize a combination of primary and excess insurance policies to satisfy the requirements specified herein.

F. Grantee's maintenance of insurance as required by this Franchise shall not be construed to limit the liability of Grantee to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy to which the City is otherwise entitled at law or in equity.

G. Pollution Legal Liability, to be in effect throughout the term of this Franchise, with a limit not less than \$50,000,000 per occurrence and in the aggregate to the extent such coverage is reasonably available in the marketplace. If the Pollution Legal Liability coverage is purchased on a "claims made" basis, then the Grantee warrants continuation of coverage, either through policy renewals or the purchase of an extended discovery period, if such extended coverage is

available, for not less than three (3) years from the date of termination of this Franchise and/or conversion from a “claims made” form to an “occurrence” coverage form.

H. Any deductibles shall be the sole responsibility of the Grantee. The insurance certificate required by this section shall contain a clause stating that coverage shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the aggregate limits of the insurer’s liability.

I. The indemnity and insurance provisions herein under Sections 16 and 17 shall survive the termination of this Franchise and shall continue for as long as the Grantee’s Facilities shall remain in or on the Franchise Area or until the parties execute a new Franchise agreement that modifies or terminates these indemnity or insurance provisions.

Section 18. Performance Security

The Grantee shall provide the City with a financial guarantee in the amount of Fifty Thousand Dollars (\$50,000.00) running for, or which shall annually automatically renew over, the term of this Franchise, in a form and substance acceptable to the City. In the event Grantee shall fail to substantially comply with any one or more of the provisions of this Franchise, then there shall be recovered jointly and severally from the principal and any surety of such financial guarantee any damages suffered by City as a result thereof, including but not limited to staff time, material and equipment costs, compensation or indemnification of third parties, and the cost of removal or abandonment of facilities hereinabove described. Grantee specifically agrees that its failure to comply with the terms of Section 22 (Enforcement & Remedies) shall constitute damage to the City in the monetary amount set forth therein. Such a financial guarantee shall not be construed to limit the Grantee’s liability to the guarantee amount, or otherwise limit the City’s recourse to any remedy to which the City is otherwise entitled at law or in equity.

Section 19. Relationship of the Parties

A. Nothing in this Agreement shall be construed to create or confer any right or remedy upon any person(s) other than the City and Grantee. No action may be commenced or prosecuted against any Party by any Third Party claiming as a Third Party beneficiary of this Agreement. This Agreement shall not release or discharge any obligation or liability of any Third Party to either Party.

B. Nothing contained in this Agreement shall be construed to create an association, trust, partnership, agency relationship, or joint venture or to impose a trust, partnership, or agency duty, obligation or liability on or with regard to any party. Each party shall be individually and severally liable for its own duties, obligations, and liabilities under this Agreement.

C. Grantee accepts any privileges granted by the City in an "as is" condition. Grantee agrees that the City has never made any representations, implied or express warranties or guarantees as to the suitability, security or safety of Grantee's location of facilities or the facilities themselves in public property or rights of way or possible hazards or dangers arising from other uses of the public rights of way or other public property by the City or the general public. Grantee shall remain solely and separately liable for the function, testing, maintenance, replacement and repair of the pipeline or other activities permitted under this Agreement.

D. Except as specifically provided herein, this Agreement shall not create any duty of the City or any of its officials, employees or agents and no liability shall arise from any action or failure to act by the City or any of its officials, employees or agents in the exercise of powers reserved to the City. Further, this Agreement is not intended to acknowledge, create, imply or expand any duty or liability of the City with respect to any function in the exercise of its police power or for any other purpose. Any duty that may be deemed to be created in the City shall be deemed a duty to the general public and not to any specific party, group or entity.

Section 20. Successors and Assignees

A. All the provisions, conditions, regulations and requirements herein contained shall be binding upon the successors, assigns of, and independent contractors of the Grantee, and all rights and privileges, as well as all obligations and liabilities of the Grantee shall inure to its successors, assignees and contractors equally as if they were specifically mentioned herein wherever the Grantee is mentioned.

B. This Franchise shall not be leased, assigned or otherwise alienated without the express prior consent of the City by ordinance.

C. Grantee and any proposed assignee or transferee shall provide and certify the following to the City not less than sixty (60) days prior to the proposed date of transfer: (a) Complete information setting forth the nature, term and

conditions of the proposed assignment or transfer; (b) All information required by the City of an applicant for a Franchise with respect to the proposed assignee or transferee; and, (c) An application fee which shall be set by the City, plus any other costs actually and reasonably incurred by the City in processing, and investigating the proposed assignment or transfer.

D. Prior to the City's consideration of a request by Grantee to consent to a Franchise assignment or transfer, the proposed Assignee or Transferee shall file with the City a written promise to unconditionally accept all terms of the Franchise, effective upon such transfer or assignment of the Franchise. The City is under no obligation to undertake any investigation of the transferor's state of compliance and failure of the City to insist on full compliance prior to transfer does not waive any right to insist on full compliance thereafter.

Section 21. Dispute Resolution

A. In the event of a dispute between the City and the Grantee arising by reason of this Agreement, the dispute shall first be referred to the operational officers or representatives designated by Grantor and Grantee to have oversight over the administration of this Agreement. The officers or representatives shall meet within thirty (30) calendar days of either party's request for a meeting, whichever request is first, and the parties shall make a good faith effort to achieve a resolution of the dispute.

B. If the parties fail to achieve a resolution of the dispute in this manner, then the City and the Grantee hereby agree that the matter shall be referred to mediation. The City and the Grantee shall mutually agree upon a mediator to assist them in resolving their differences, and any expense incidental to mediation shall be borne equally by the parties.

C. If either the City or the Grantee are dissatisfied with the outcome of the mediation, that party may then pursue any available judicial remedies. This Franchise shall be governed by and construed in accordance with the laws of the State of Washington. In the event any suit, arbitration, or other proceeding is instituted to enforce any term of this Agreement, the parties specifically understand and agree that venue shall be exclusively in King County, Washington. The prevailing party in any such action shall be entitled to its attorneys' fees and costs of suit, which shall be fixed by the judge hearing the case, and such fees shall be included in the judgment.

D. Subject to state and federal regulation, the Grantee shall be permitted to continuously operate its Facilities during dispute resolution.

Section 22. Enforcement and Remedies

A. If the Grantee shall willfully violate, or materially breaches any of the provisions of this Franchise through willful or unreasonable negligence, or should it fail to heed or comply with any notice given to Grantee under the provisions of this agreement, the City may, at its discretion, provide Grantee with written notice to cure the breach within thirty (30) days of notification. If the breach cannot be cured within thirty days, the Parties shall agree upon a reasonable period of time for cure, and condition the extension of time on Grantee's submittal of a plan to cure the breach within the specified period, commencement of work within the original thirty day cure period, and diligent prosecution of the work to completion. If the breach is not cured within the specified time, or the Grantee does not comply with the specified conditions, the City may, at its discretion, either (1) revoke the Franchise with no further notification, or (2) claim damages as provided in ACC 20.10.340 per day against the financial guarantee set forth in Section 18 for every day after the expiration of the cure period that the breach is not cured.

B. Should the City determine that Grantee is acting beyond the scope of permission granted herein for Grantee Facilities and Grantee Services, the City shall initiate dispute resolution as set forth in Section 21, above. Should Grantee fail to participate in dispute resolution in accordance with Section 21, above, or should Grantee fail to comply with any order by a court addressing the dispute, the City reserves the right to cancel this Franchise upon thirty days (30) written notice to Grantee and require the Grantee to apply for, obtain, and comply with all applicable City permits, franchises, or other City permissions for such actions, and if the Grantee's actions are not allowed under applicable federal and state or City laws, to compel Grantee to cease such actions.

Section 23. Compliance with Laws and Regulations

A. In carrying out any authorized activities under the privileges granted herein, Grantee shall meet accepted industry standards and comply with all applicable laws, rules, and regulations, of any governmental entity with jurisdiction over the pipeline and its operation (specifically including, but not limited to, all applicable requirements, rules, regulations, and orders of FERC). This shall include all applicable laws, rules and regulations existing at the Effective Date of this Franchise or that may be subsequently enacted by any governmental entity

with jurisdiction over Grantee or the pipeline(s) and the Facilities. Furthermore, notwithstanding any other terms of this agreement appearing to the contrary, the Grantee shall be subject to the police power of the City to adopt and enforce general ordinances necessary to protect the safety and welfare of the general public in relation to the rights granted in the Franchise Area.

B. Unless pre-empted by or in conflict with the provisions of any Federal or State statute or regulation, the City reserves the right at any time to amend this Franchise to conform to any hereafter enacted, amended, or adopted federal or state statute or regulation relating to the public health, safety, and welfare, or relating to roadway regulation, or a City Ordinance enacted pursuant to such federal or state statute or regulation upon providing Grantee with thirty (30) days written notice of its action setting forth the full text of the amendment and identifying the statute, regulation, or ordinance requiring the amendment. Said amendment shall become automatically effective upon expiration of the notice period unless, before expiration of that period, the Grantee makes a written call for negotiations over the terms of the amendment. If the parties do not reach agreement as to the terms of the amendment within thirty (30) days of the call for negotiations, the City may enact the proposed amendment, by incorporating the Grantee's concerns to the maximum extent the City deems possible.

C. The City may terminate this Franchise upon thirty (30) days written notice to the Grantee, if the Grantee fails to comply with such amendment or modification.

Section 24. License, Tax and Other Charges

This Franchise shall not exempt the Grantee from any future license, tax, or charge which the City may hereinafter adopt pursuant to authority granted to it under state or federal law for revenue or as reimbursement for use and occupancy of the Franchise Area.

Section 25. Consequential Damages Limitation

Notwithstanding any other provision of this Agreement, in no event shall either party be liable for any special, incidental, indirect, punitive, reliance, consequential or similar damages.

Section 26. Force Majeure

In the event that either Party is prevented or delayed in the performance of any of its obligations under this Agreement by reason beyond its reasonable control (a "Force Majeure Event"), then that Party's performance shall be excused during the Force Majeure Event. Force Majeure Events shall include, without limitation, war; civil disturbance; flood, earthquake or other Act of God; laws, regulations, rules or orders of any governmental agency; sabotage; strikes or similar labor disputes involving personnel of a party, its contractors or a Third party; or any failure or delay in the performance by the other party, or a Third Party who is not an employee, agent or contractor of the Party claiming a Force Majeure Event, in connection with this Agreement. Upon removal or termination of the Force Majeure Event, the Party claiming a Force Majeure Event shall promptly perform the affected obligations in an orderly and expedited manner under this Agreement. The Parties shall use all commercially reasonable efforts to eliminate or minimize any delay caused by a Force Majeure Event. The occurrence of a Force Majeure Event shall not alter or impair any of the provisions concerning liability and/or insurance as provided in this Agreement.

Section 27. Severability & Survival

In the event that a court or agency of competent jurisdiction declares a material provision of this Franchise to be invalid, illegal or unenforceable, the parties shall negotiate in good faith and agree, to the maximum extent practicable in light of such determination, to such amendments or modifications as are appropriate actions so as to give effect to the intentions of the parties as reflected herein. If severance from this Franchise of the particular provision(s) determined to be invalid, illegal or unenforceable will fundamentally impair the value of this Franchise, either party may apply to a court of competent jurisdiction to reform or reconstitute the Franchise so as to recapture the original intent of said particular provision(s). All other provisions of the Franchise shall remain in effect at all times during which negotiations or a judicial action remains pending.

All provisions, conditions and requirements of this Franchise that may be reasonably construed to survive the termination or expiration of this Agreement shall survive the termination or expiration of the Agreement. The Parties' respective rights and interests under this Agreement shall inure to the benefit of their respective successors and assigns.

Section 28. Titles

The section titles used herein are for reference only and should not be used for the purpose of interpreting this Franchise.

Section 29. Implementation.

The parties each represent and warrant that they have full authority to enter into and to perform this Franchise, that they are not in default or violation of any permit, license, or similar requirement necessary to carry out the terms hereof, and that no further approval, permit, license, certification, or action by a governmental authority is required to execute and perform this Franchise, except such as may be routinely required and obtained in the ordinary course of business.

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

Section 30. Entire Agreement

This Franchise, as subject to the appropriate city, state, and federal laws, codes, and regulations, and the attachments hereto represent the entire understanding and agreement between the parties with respect to the subject matter and it supersedes all prior oral negotiations between the parties. All previous agreements between the parties pertaining to GRANTEE's operation of its pipeline(s) and/or Facilities are hereby superseded.

Section 31. Effective date.

This Ordinance shall take effect and be in force five days from and after its passage, approval and publication as provided by law.

INTRODUCED: _____

PASSED: _____

APPROVED: _____

NANCY BACKUS, MAYOR

ATTEST:

Danielle E. Daskam, City Clerk

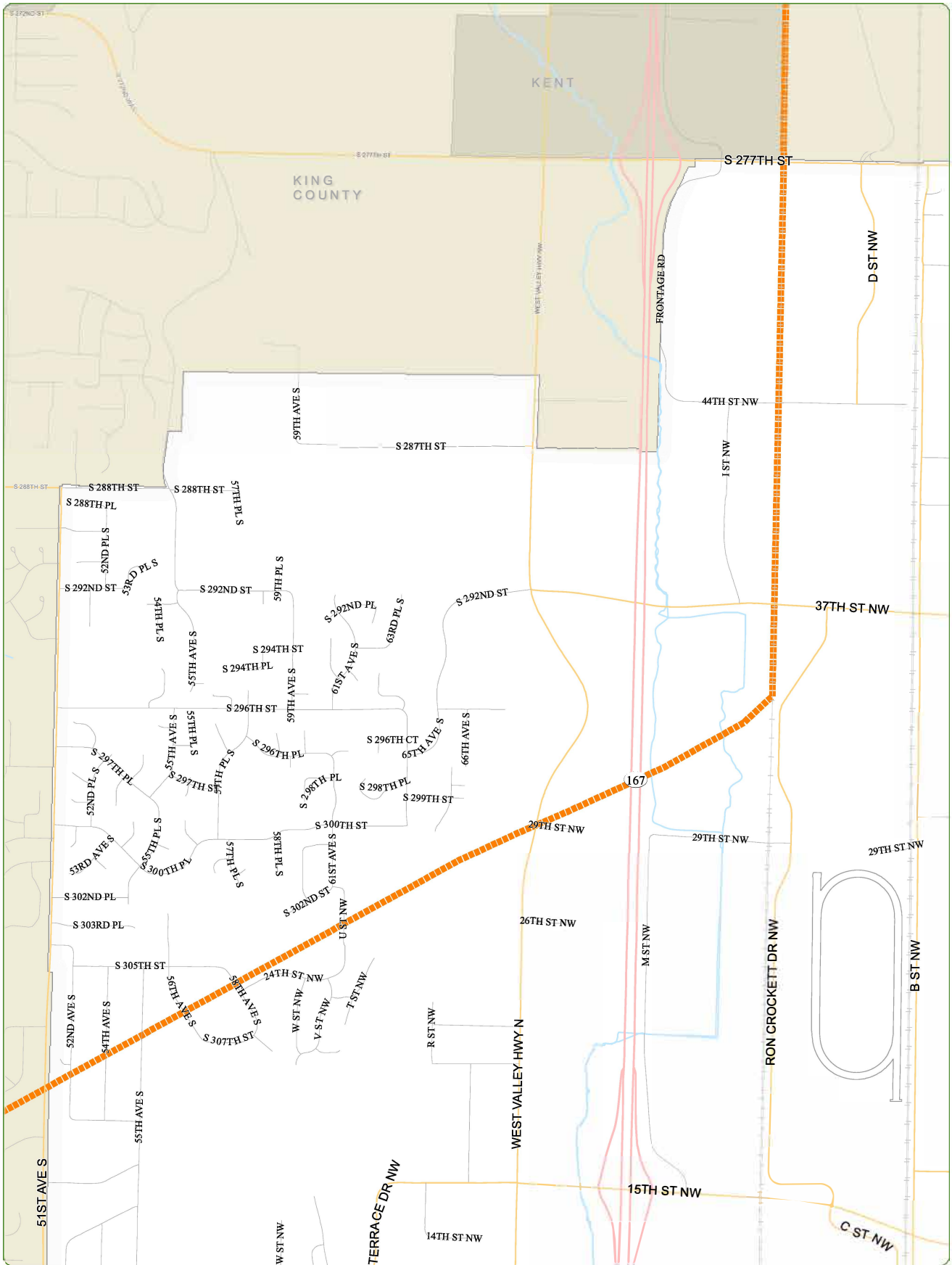
APPROVED AS TO FORM:

Daniel B. Heid, City Attorney

Published: _____

Draft Ordinance No. 6674
Franchise No. 17-22
February 20, 2018
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Olympic Pipe Line Company, LLC. Franchise Agreement #17-22



Printed On: 1/18/2018
Map ID: 5962



Exhibit A

Ordinance No. 6674
Franchise No. 17-22
January 17, 2018
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Information shown is for general reference purposes only and does not necessarily represent exact geographic or cartographic data as mapped. The City of Auburn makes no warranty as to its accuracy.

Exhibit "B"

Grantee Facilities and Grantee Services

A 14 inch diameter pipeline for the interstate transportation of petroleum products.

No local service is provided.

EXHIBIT "C"

STATEMENT OF ACCEPTANCE

_____, for itself, its successors and assigns, hereby accepts and agrees to be bound by all lawful terms, conditions and provisions of the Franchise attached hereto and incorporated herein by this reference.

[Grantee]

By: _____ Date: _____
Name:
Title:

STATE OF _____)
)ss.
COUNTY OF _____)

On this ____ day of _____, 2018, before me the undersigned, a Notary Public in and for the State of _____, duly commissioned and sworn, personally appeared, _____ of _____, the company that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said company, for the uses and purposes therein mentioned, and on oath stated that he/she is authorized to execute said instrument.

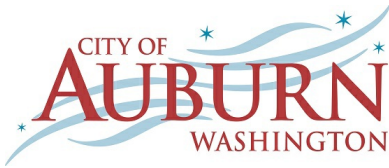
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on the date hereinabove set forth.

Signature

NOTARY PUBLIC in and for the State of _____, residing at _____

MY COMMISSION EXPIRES: _____

Draft Ordinance No. 6674
Franchise No. 17-22
February 20, 2018
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AGENDA BILL APPROVAL FORM

Agenda Subject:

Lakehaven - Auburn Sewer Boundary Adjustment (5 Minutes)
(Gaub)

Date:

March 5, 2018

Department:

CD & PW

Attachments:

[Area Map](#)

[Resolution No. 5353](#)

[Exhibit A \(Amendment #2\)](#)

Budget Impact:

Current Budget: \$0

Proposed Revision: \$0

Revised Budget: \$0

Administrative Recommendation:

For discussion only.

Background Summary:

The boundary between the City of Auburn (Auburn) and the Lakehaven Water and Sewer District (Lakehaven) was most recently modified in 2005 by Amendment #1 to their interlocal agreement which added parcels involved in the Jovita Heights development to Auburn's sewer service area (See the attached map). Sewer extensions that were built as part of that development within 56th Avenue Southeast are adjacent to and able to serve 19 additional parcels that, at the time, remained within Lakehaven's service area. Lakehaven staff does not foresee sewer service being available to those parcels in the near future and has agreed to modify their sewer service area boundary to allow those parcels to be connected to the existing Auburn public sewer main and to become City of Auburn sewer customers.

Resolution No. 5353 authorizes the Mayor to execute Amendment #2 to the interlocal agreement with the Lakehaven Water and Sewer District for the purpose of modifying the sewer service boundary between the City of Auburn and Lakehaven in order to encompass those parcels.

Reviewed by Council Committees:**Councilmember:****Staff:**

Gaub

Meeting Date: March 12, 2018

Item Number:

RESOLUTION NO. 5353

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, AUTHORIZING THE MAYOR TO EXECUTE AN AMENDMENT TO THE INTERLOCAL AGREEMENT WITH THE LAKEHAVEN WATER AND SEWER DISTRICT FOR THE PURPOSE OF MODIFYING THE SEWER DISTRICT'S SANITARY SEWER SERVICE AREA.

WHEREAS, pursuant to RCW 35.A.11.040, Auburn has the legal authority to exercise its powers and perform any of its functions as set forth in RCW 39.34; and

WHEREAS, in January 2004 the Commissioners of the Lakehaven Utility District adopted Resolution No. 2004-1006 authorizing the General Manager to execute an interlocal agreement with Auburn, which agreement was subsequently signed by the City of Auburn as authorized under Auburn Resolution No. 3651; and

WHEREAS, in March 2005 the Commissioners of the Lakehaven Utility District adopted Resolution No. 2005-1038 authorizing the General Manager to execute an amendment to the interlocal agreement with Auburn, which amendment subsequently signed by the City of Auburn as authorized under Auburn Resolution No. 3824; and

WHEREAS, the parties recognize the responsibility of public sanitary sewer utilities to provide efficient and reliable service to their customers at reasonable cost; and

WHEREAS, portions of the Auburn sanitary sewer system have been sized with sufficient wastewater conveyance capacity and are situated so as to be capable of affording sewer service to a number of properties that lie within the Lakehaven Sanitary Sewer Service Area and adjacent to Auburn's Sanitary Sewer Service Area; and

WHEREAS, Auburn has evaluated sanitary sewer service issues relative to the adjacent properties and determined that it is feasible for Auburn to provide sanitary sewer service to those properties; and

WHEREAS, Lakehaven has evaluated the request and determined that Lakehaven can transfer to Auburn that portion of its Sanitary Sewer Service Area adjacent to the City of Auburn's infrastructure so that Auburn can provide sanitary sewer service to those properties.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF AUBURN, WASHINGTON, RESOLVES as follows:

Section 1. The Mayor is hereby authorized to execute an amendment to the Interlocal Agreement with Lakehaven Utility District, in substantial conformity with the agreement attached hereto, marked as Exhibit A and incorporated herein by this reference.

Section 2. The Mayor is hereby authorized to implement such administrative procedures as may be necessary to carry out the directions of this legislation.

Section 3. This Resolution shall take effect and be in force upon passage and signatures thereon.

DATED and SIGNED on this ____ day of _____, 2018.

CITY OF AUBURN

NANCY BACKUS, MAYOR

ATTEST:

Danielle E. Daskam, City Clerk

APPROVED AS TO FORM:

Daniel B. Heid, City Attorney

EXHIBIT A TO RESOLUTION 5353

AMENDMENT NO. 2
TO THE LAKEHAVEN WATER AND SEWER DISTRICT AND CITY OF AUBURN
INTERLOCAL AGREEMENT ESTABLISHING
SANITARY SEWER SERVICE BOUNDARIES

AMENDMENT NO. 2
TO THE LAKEHAVEN WATER AND SEWER DISTRICT AND CITY OF AUBURN
INTERLOCAL AGREEMENT ESTABLISHING
SANITARY SEWER SERVICE BOUNDARIES

THIS AGREEMENT, made and entered into this _____ day of _____ 2017, by and between LAKEHAVEN WATER AND SEWER DISTRICT, a Washington municipal corporation (hereinafter referred to as "Lakehaven"), and the CITY OF AUBURN, a Washington municipal corporation, (hereinafter referred to as "Auburn"), both being duly organized and existing under and by virtue of the laws of the State of Washington, as an amendment to the Interlocal Agreement dated February 2, 2004, between the parties and executed on the 8th day of January, 2004, and the 20th day of January, 2004, respectively (hereinafter referred to as "Original Agreement") as amended by Amendment No. 1 to that agreement, dated February 22, 2005, between the parties and executed on the 10th day of March, and the 22nd day of February, 2005, respectively.

WITNESSETH:

WHEREAS, in January 2004 the Commissioners of the Lakehaven Water and Sewer District adopted Resolution No. 2004-1006 authorizing the General Manager to execute an interlocal agreement with Auburn, which agreement was subsequently signed by the City of Auburn as authorized under Auburn Resolution No. 3651; and

WHEREAS, in March 2005 the Commissioners of the Lakehaven Water and Sewer District adopted Resolution No. 2005-1038 authorizing the General Manager to execute an amendment to the interlocal agreement with Auburn, which amendment subsequently signed by the City of Auburn as authorized under Auburn Resolution No. 3824; and

WHEREAS, the parties recognize the responsibility of public sanitary sewer utilities to provide efficient and reliable service to their customers at reasonable cost; and

WHEREAS, portions of the Auburn sanitary sewer system have been sized with sufficient wastewater conveyance capacity and are situated so as to be capable of affording sewer service to a number of properties that lie within the Lakehaven Sanitary Sewer Service Area and adjacent to Auburn's Sanitary Sewer Service Area; and

WHEREAS, Auburn has evaluated sanitary sewer service issues relative to the adjacent properties and determined that it is feasible for Auburn to provide sanitary sewer service to those properties; and

WHEREAS, Lakehaven has evaluated the request and determined that Lakehaven can transfer to Auburn that portion of its Sanitary Sewer Service Area adjacent to the City of Auburn's infrastructure so that Auburn can provide sanitary sewer service to those properties.

NOW, THEREFORE in consideration of their mutual covenants, conditions, and promises, IT IS HEREBY AGREED by and between the parties hereto as follows:

ITEM ONE REVISION TO SERVICE AREA BOUNDARY

The parties have agreed to modify the mutual sewer service planning boundary as established in the Original Agreement and modified by Amendment No. 1. The properties depicted in Exhibit A and described in Exhibit B are hereby designated to be within the City of Auburn's sanitary sewer service area and no longer within the Lakehaven Water and Sewer District's sanitary sewer service area.

ITEM TWO REMAINING TERMS UNCHANGED:

That all other provisions of the Original Agreement as modified by Amendment No. 1 not herein amended shall remain in full force and effect.

IN WITNESS WHEREOF the parties hereto have executed this agreement as of the day and year first below written.

LAKEHAVEN WATER AND SEWER DISTRICT

Approved by Resolution No. _____ of the Lakehaven Water and Sewer District, Federal Way, Washington, at its regular meeting held on the _____ day of _____, 2017.

By:

Approved as to Form:

CITY OF AUBURN

Approved by Resolution No. _____ of the City of Auburn, Washington, at its regular meeting held on the _____ day of _____, 2017.

By:

Attest:

Approved as to form:

EXHIBIT 'A'

Legal Description for Lakehaven to Auburn Sewer Service Transfer Area

A portion of the southeast quarter of the southwest quarter of Section 14 and the northeast quarter of the northwest quarter of section 23, all in Township 21 North, Range 4 East, W.M., City of Auburn, King County, Washington, said portion described as follows:

Commencing at an angle point in the westerly boundary of the Interlocal Agreement described in City of Auburn Resolution 3824 dated February 22, 2005, said angle point being at the intersection of the north margin of State Highway No. 18 and the southerly projection of the centerline of 58th Avenue South;

Thence southerly along said westerly boundary and said southerly projection of 58th Avenue South to the south margin of the lands conveyed to the City of Auburn from the State of Washington in deed recorded under King County Recording No. 8709221482 and the point of beginning for this boundary description;

Thence continuing southerly along said westerly boundary and said southerly projection of 58th Avenue South to the north margin of South 336th Street;

Thence westerly along said westerly boundary and the north margin of South 336th Street to the west margin of 56th Avenue South;

Thence southerly along said westerly boundary and the west margin of 56th Avenue South to the north margin of South 340th Street;

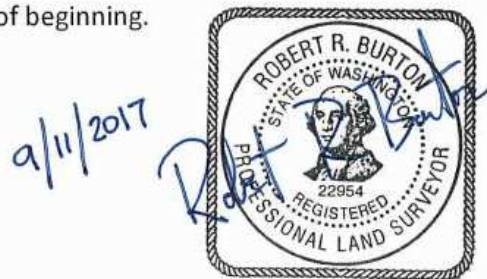
Thence westerly along said westerly boundary and said north margin of South 340th Street to the east margin of 55th Avenue South;

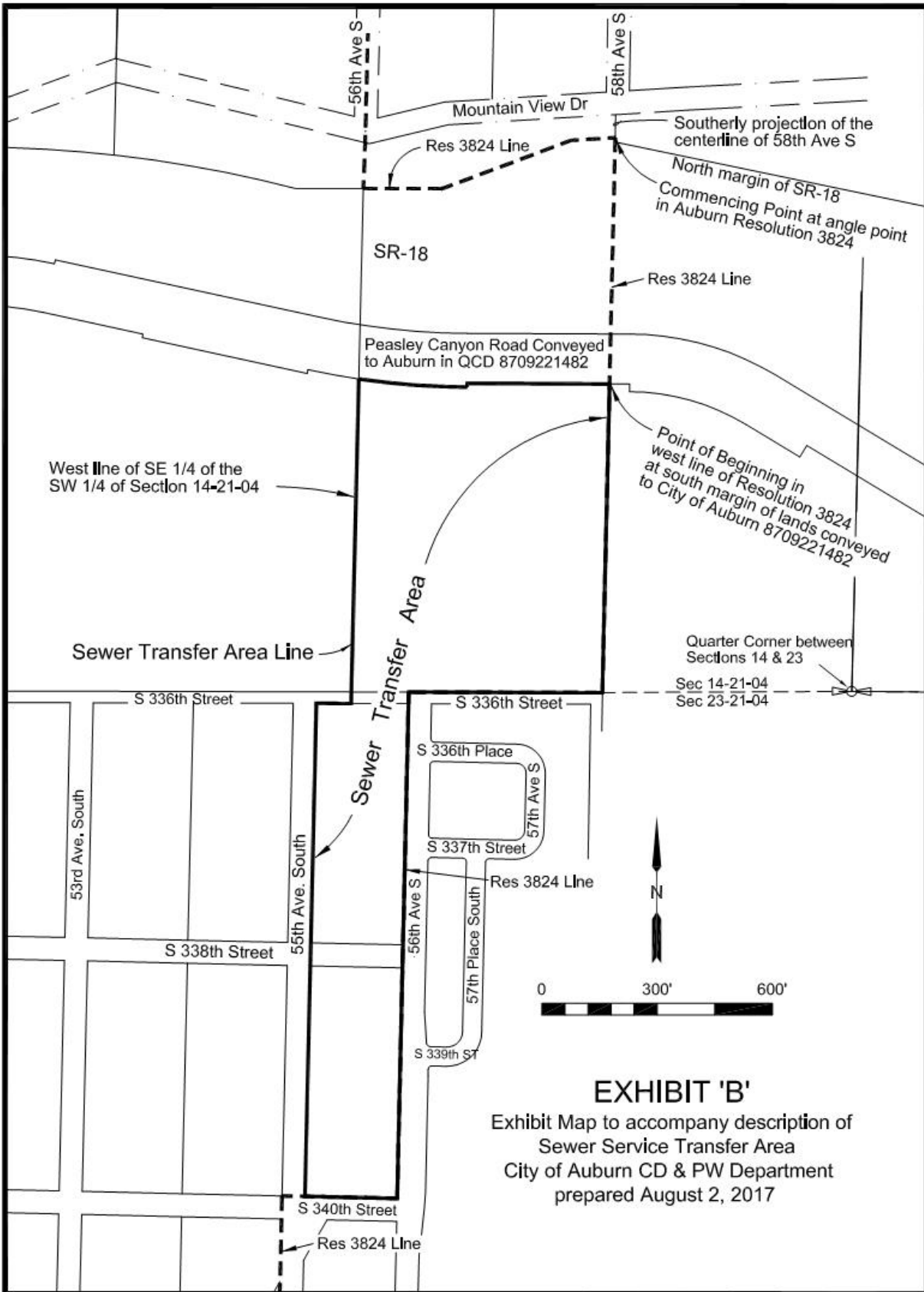
Thence leaving said westerly boundary of City of Auburn Resolution 3824, northerly along said east margin of 55th Avenue South to the south margin of South 336th Street;

Thence easterly along said south margin of South 336th Street to the southerly projection of the west line of the southeast quarter of the southwest quarter of said Section 14;

Thence northerly along said west line to said south margin of the lands conveyed to the City of Auburn in deed recorded under King County Recording No. 8709221482;

Thence easterly along said south margin to the point of beginning.







AGENDA BILL APPROVAL FORM

Agenda Subject:

4th Quarter 2017 Financial Report (20 Minutes) (Coleman)

Date:

March 5, 2018

Department:

Finance

Attachments:

[Q4 2017 Financial Report](#)

Budget Impact:**Administrative Recommendation:**

For discussion only.

Background Summary:

The quarterly financial report summarizes the general state of Citywide financial affairs and highlights significant items or trends that the City Council should be aware of. The attachment provides the year to date through December 2017 status report based on financial data available as of February 5, 2018 for the period ending December 31, 2017 and sales tax information representing business activity that occurred through October 2017.

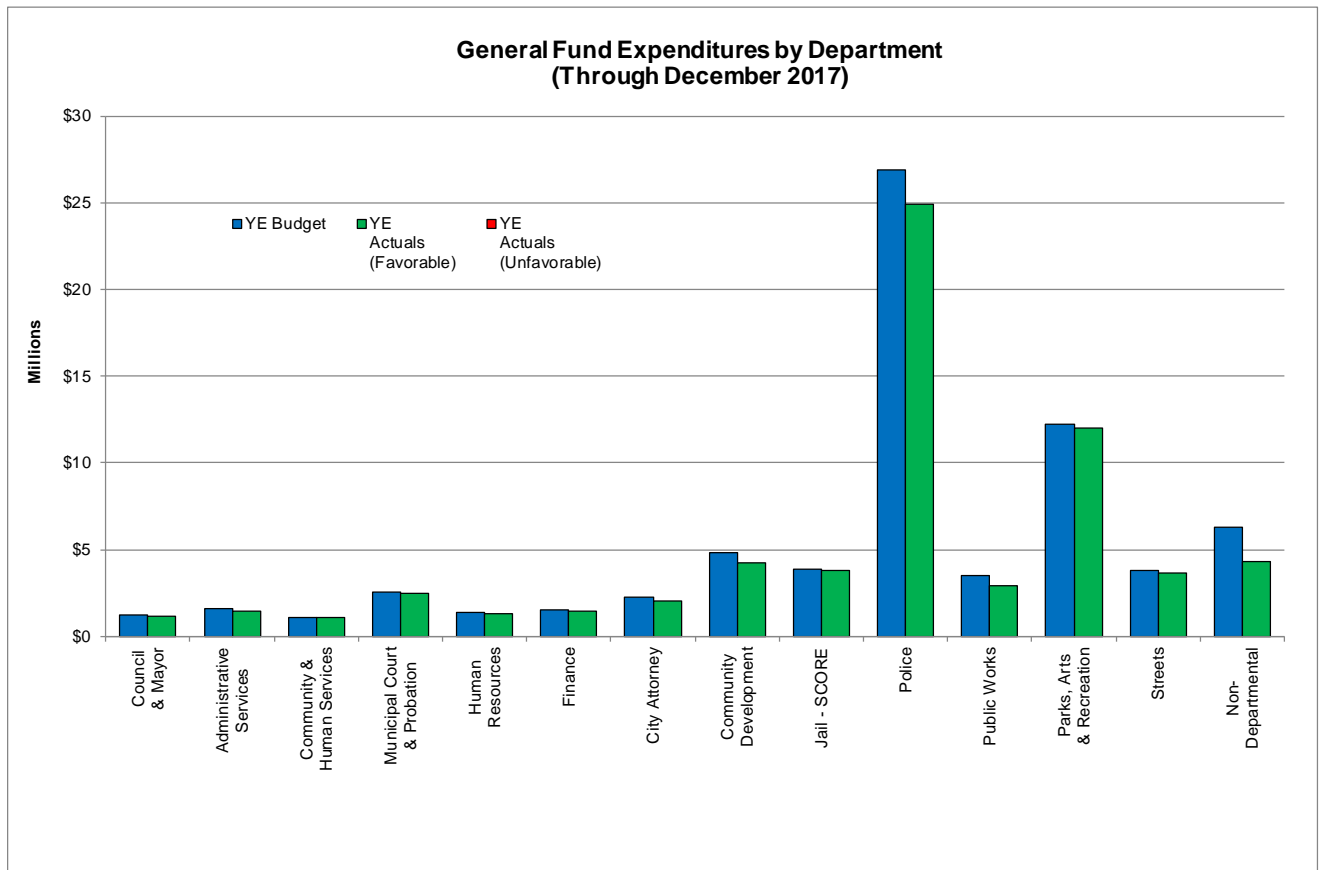
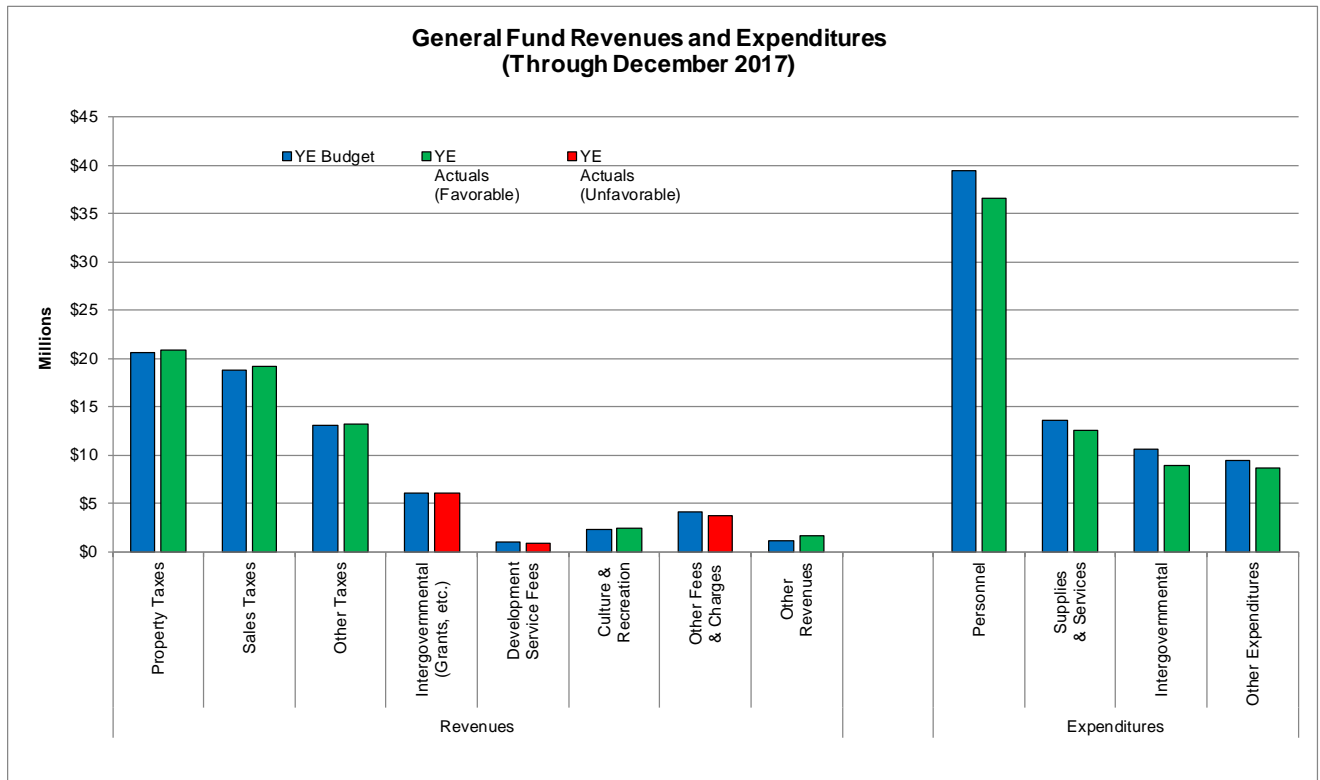
Reviewed by Council Committees:**Councilmember:****Staff:**

Coleman

Meeting Date: March 12, 2018

Item Number:

General Fund Summary



General Fund Summary of Sources and Uses	Page Ref	2017			2016	2017 YE Budget vs. Actual	
		Annual Budget	YE Budget	YE Actual	YE Actual	Favorable (Unfavorable) Amount	Percentage
Operating Revenues							
Property Tax	6	\$ 20,652,000	\$ 20,652,000	\$ 20,837,874	\$ 17,932,830	185,874	0.9 %
Sales Tax	7-8	14,746,000	14,746,000	14,949,407	14,628,045	203,407	1.4 %
Sales Tax - Pierce County Parks		75,000	75,000	95,750	89,495	20,750	27.7 %
Sales Tax - Annexation Credit		2,032,100	2,032,100	2,085,949	2,006,028	53,849	2.6 %
Criminal Justice Sales Tax		1,889,400	1,889,400	2,038,296	1,968,679	148,896	7.9 %
Brokered Natural Gas Tax		351,800	351,800	176,067	223,900	(175,733)	(50.0) %
City Utilities Tax	9-10	3,936,300	3,936,300	3,890,304	3,959,131	(45,996)	(1.2) %
Admissions Tax		317,000	317,000	422,280	378,760	105,280	33.2 %
Electric Tax	9-10	3,560,000	3,560,000	3,694,954	3,525,357	134,954	3.8 %
Natural Gas Tax	9-10	1,001,200	1,001,200	1,072,751	946,959	71,551	7.1 %
Cable Franchise Fee	11	971,500	971,500	1,009,432	977,736	37,932	3.9 %
Cable Utility Tax - New 2017	12	1,000,000	1,000,000	801,150	-	(198,850)	(19.9) %
Cable Franchise Fee - Capital		66,200	66,200	66,428	66,315	228	0.3 %
Telephone Tax	9-10	1,451,800	1,451,800	1,379,949	1,494,354	(71,851)	(4.9) %
Garbage Tax (external)	9-10	120,000	120,000	129,831	124,007	9,831	8.2 %
Leasehold Excise Tax		40,000	40,000	203,034	204,446	163,034	407.6 %
Gambling Excise Tax		300,300	300,300	324,309	494,472	24,009	8.0 %
Taxes sub-total		\$ 52,510,600	\$ 52,510,600	\$ 53,177,765	\$ 49,020,516	\$ 667,165	1.3 %
Business License Fees	12-13	\$ 222,100	\$ 222,100	\$ 163,347	\$ 224,876	(58,753)	(26.5) %
Building Permits	14	1,575,000	1,575,000	1,191,974	2,008,970	(383,026)	(24.3) %
Other Licenses & Permits		541,600	541,600	551,475	750,580	9,875	1.8 %
Intergovernmental (Grants, etc.)	15	6,129,110	6,129,110	6,104,610	5,737,079	(24,500)	(0.4) %
Charges for Services:	16-18						
General Government Services	16	60,700	60,700	72,710	76,218	12,010	19.8 %
Public Safety	16	875,700	875,700	887,535	638,440	11,835	1.4 %
Development Services Fees	17	1,007,600	1,007,600	906,687	1,046,249	(100,913)	(10.0) %
Culture and Recreation	18	2,319,680	2,319,680	2,375,807	2,316,824	56,127	2.4 %
Fines and Penalties	19-20	876,100	876,100	882,255	905,921	6,155	0.7 %
Fees/Charges/Fines sub-total		\$ 13,607,590	\$ 13,607,590	\$ 13,136,398	\$ 13,705,158	\$ (471,192)	(3.5) %
Interest and Investment Earnings	20-21	\$ 69,000	\$ 69,000	\$ 237,532	\$ 110,800	168,532	244.2 %
Rents and Leases	20-21	715,300	715,300	879,059	783,930	163,759	22.9 %
Contributions and Donations	20-21	35,000	35,000	47,926	32,435	12,926	36.9 %
Other Miscellaneous	20-21	232,500	232,500	308,578	286,520	76,078	32.7 %
Transfers In		79,000	79,000	79,000	217,482	0	0.0 %
Insurance Recoveries - Capital & Operating		25,000	25,000	134,103	83,737	109,103	436.4 %
Other Revenues sub-total		\$ 1,155,800	\$ 1,155,800	\$ 1,686,198	\$ 1,514,904	\$ 530,398	45.9 %
Total Operating Revenues		\$ 67,273,990	\$ 67,273,990	\$ 68,000,361	\$ 64,240,577	\$ 726,371	1.1 %
Operating Expenditures							
Council & Mayor		\$ 1,240,618	\$ 1,240,618	\$ 1,136,527	\$ 1,065,395	\$ 104,091	8.4 %
Administration		1,640,533	1,640,533	1,434,930	1,197,355	205,603	12.5 %
Community & Human Services		1,103,040	1,103,040	1,076,539	872,023	26,501	2.4 %
Municipal Court & Probation		2,577,954	2,577,954	2,465,944	2,242,473	112,010	4.3 %
Human Resources		1,409,871	1,409,871	1,279,436	1,283,702	130,435	9.3 %
Finance		1,500,893	1,500,893	1,433,788	1,169,633	67,105	4.5 %
City Attorney		2,279,653	2,279,653	2,038,930	1,883,009	240,723	10.6 %
Community Development		4,803,783	4,803,783	4,225,865	4,109,092	577,918	12.0 %
Jail - SCORE		3,878,150	3,878,150	3,794,872	4,019,473	83,278	2.1 %
Police		26,897,517	26,897,517	24,947,225	23,430,625	1,950,292	7.3 %
Public Works		3,547,418	3,547,418	2,957,741	2,945,815	589,677	16.6 %
Parks, Arts & Recreation		12,240,387	12,240,387	12,030,393	11,322,293	209,994	1.7 %
Streets		3,798,094	3,798,094	3,677,312	3,209,370	120,782	3.2 %
Non-Departmental		6,264,415	6,264,415	4,327,753	3,934,038	1,936,662	30.9 %
Total Operating Expenditures		\$ 73,182,326	\$ 73,182,326	\$ 66,827,255	\$ 62,684,298	\$ 6,355,071	8.7 %

Executive Summary

This Executive Summary provides an overview of the City's overall financial position for the fiscal period ending December 31, 2017, reflecting financial data available as of February 5, 2018.

General Fund:

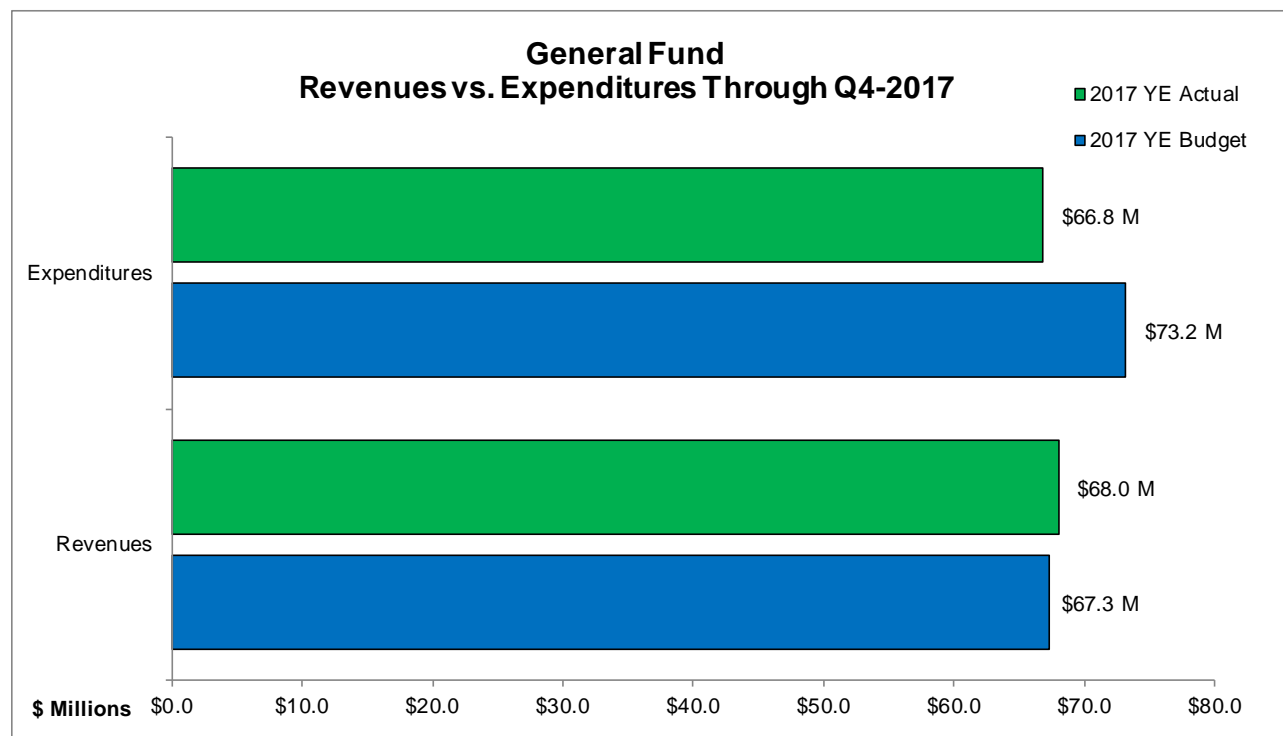
In 2017, General Fund revenues totaled \$68.0 million compared to a budget of \$67.3 million, and were \$3.8 million higher than revenues collected during 2016. Some notable variances to budget this year include:

- Property tax collections in 2017 totaled \$20.8 million, which was 0.9% or \$186,000 above budget expectations and exceeded 2016 collections by \$2.9 million, or 16.2%. This year-over-year increase in property tax collections was attributable to an increase in new construction and the use of banked capacity. **[page 6]**
- General Fund retail sales tax revenues totaled \$14.9 million, and exceeded budget by 1.4% or \$203,000, and exceeded 2016 collections by \$321,000 or 2.2%. The primary area of significant increase in sales activity compared to 2016 collections was seen in the automotive category. **[pages 7-8]**
- The other taxes category performed favorably to budget in 2017, with revenues totaling \$13.2 million compared to a budget of \$13.1 million. Electric tax and admission tax revenues collected in 2017 exceeded budget by \$135,000 and \$105,000, respectively. In addition, leasehold excise taxes collected were \$163,000 higher than budget. These revenues were somewhat offset by unfavorable variances in brokered natural gas tax revenues and telephone tax revenues of \$176,000 and \$72,000, respectively. Cable utility tax revenues were \$199,000 below budget through the fourth quarter, although this is just a timing issue whereby Q4-2017 cable tax revenues in the amount of \$267,000 were not received until January 2018. **[pages 9-12]**
- Building permit revenue collected in 2017 totaled \$1.2 million, compared to a budget of \$1.6 million. The volume of building permits issued in 2017 was 680, which represents a 20.0% decline over the number of permits issued in 2016. In addition, there was a 40.4% decline in the average valuation of the projects for which permits have been issued compared to valuations in 2016. **[page 14]**
- Development services revenues collected in 2017 were \$101,000, or 10.0%, unfavorable to budget. This variance was predominately due to plan check revenues not meeting budget expectations. **[page 17]**

Ending 2017 fund balances will not be finalized until approximately June 2017 pending final year-end adjustments and certification by the State Auditor's Office. Once the final ending 2017 fund balances are available, budgeted beginning 2018 fund balances will be reconciled and adjusted accordingly.

General Fund expenditures in 2017 totaled \$66.8 million compared to a budget of \$73.2 million, representing an 8.7% favorable variance to budget. All departments operated within their allocated budget in 2017.

General Fund expenditures in 2017 were \$4.1 million, or 6.6% higher than in 2016. Salary and benefit costs increased by \$2.5 million, or 7.2%, compared to 2016. This year-over-year increase was due primarily to an increase in Council approved FTEs (Full Time Equivalents) and increased costs associated with healthcare and pension benefits. In addition, interfund charges for services increased \$850,000, or 11.0%, compared to 2016. These increases were mostly seen in equipment repair and replacement expenditures for fleet vehicles.



Street Funds:

The City's three street funds are special revenue funds wherein the revenue sources and expenditures are legally restricted. These funds are used for street capital construction projects, local street repair, and arterial street repair and preservation projects. In 2017, **Arterial Street Fund** revenues totaled \$8.4 million as compared to collections of \$4.2 million in 2016, while expenditures totaled \$9.7 million as compared to expenditures of \$6.8 million last year. [pages 24–25]

Local Street Fund revenues of \$2.8 million exceeded budget expectations through year-end by \$905,000 or 47.4%, due to higher than anticipated sales tax revenues from local construction projects; last year's collections through year-end totaled \$2.5 million. Expenditures were \$2.2 million as compared with \$2.1 million in 2016. [pages 26–27]

Lastly, the **Arterial Street Preservation Fund** revenues totaled \$3.9 million in 2017 as compared to \$2.1 million in 2016, while expenditures totaled \$5.0 million versus \$1.1 million in 2016. Historically, the majority of expenditures in all three street funds occur during the second half of the year when weather conditions are optimal for pavement construction. [pages 28–29]

Enterprise Funds:

The City's seven enterprise funds account for operations with revenues primarily provided from user fees, charges or contracts for services.

In 2017, the **Water Fund** experienced operating income before depreciation of \$5.7 million compared to \$4.7 million in 2016. This increase is largely due to lower expenditures in 2017 compared to 2016, during which the City purchased water from the City of Tacoma. The **Sewer Fund** ended the year with operating income before depreciation of \$2.3 million versus \$2.1 million in 2016. The **Sewer-Metro Fund** operating revenues exceeded expenditures by \$421,000 as compared to \$297,000 in 2016. The **Stormwater Fund** ended the year with operating income before depreciation of \$2.6 million compared to \$2.7 million in 2016. The **Solid Waste Fund** ended 2017 with operating income of \$612,000, compared to \$889,000 in 2016. [pages 31–34]

Internal Service Funds:

Internal service funds provide services to other City departments and include functions such as Insurance, Worker's Compensation, Facilities, Innovation and Technology, and Equipment Rental. All funds had sufficient revenues to cover year-end expenditures. [page 35]

Investment Portfolio:

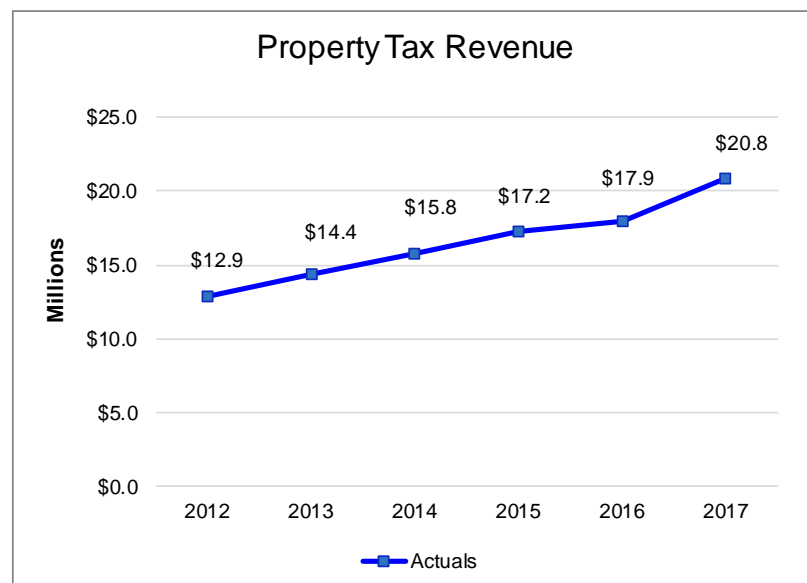
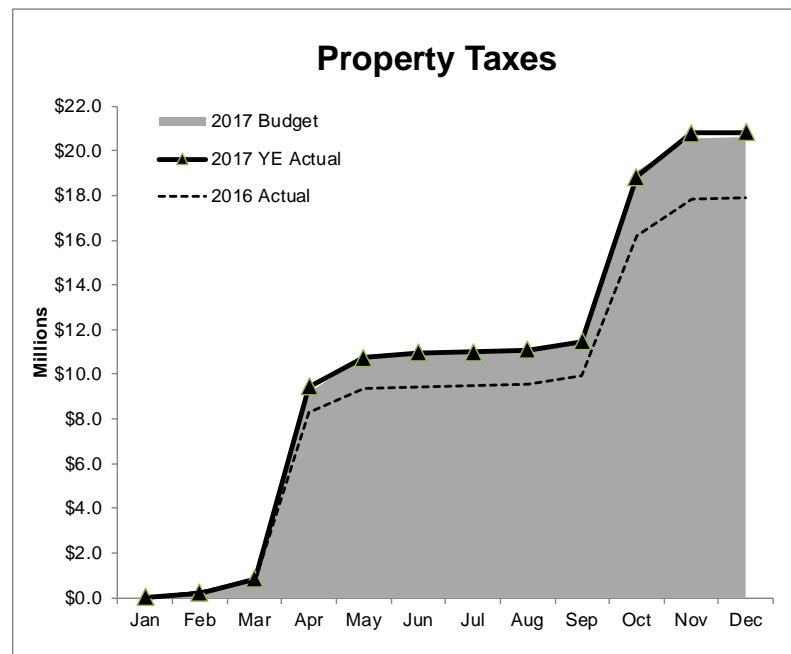
The City's total cash and investments at the end of 2017 totaled \$133.8 million, and compares to \$128.0 million at the end of 2016. [attachment]

General Fund

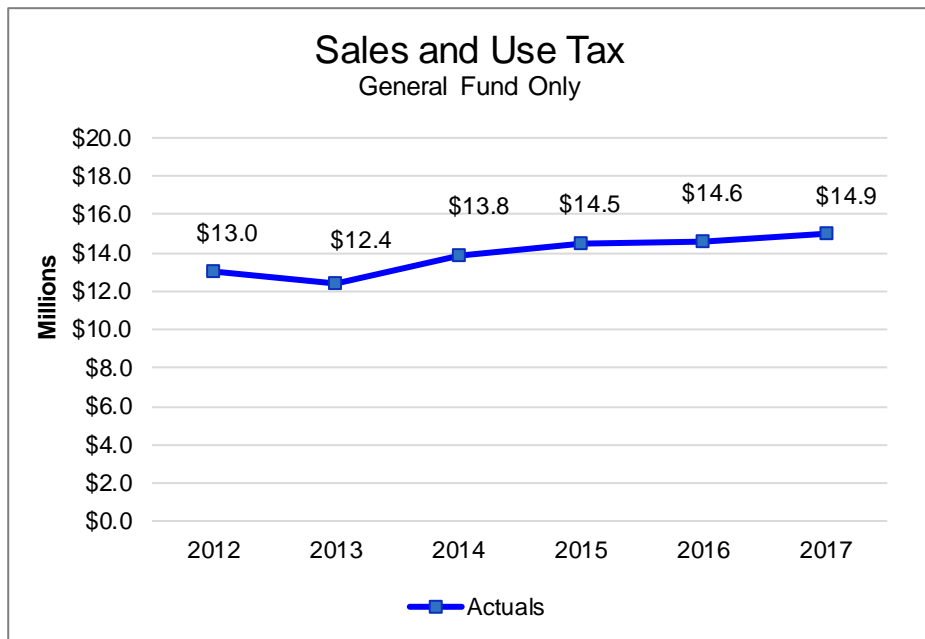
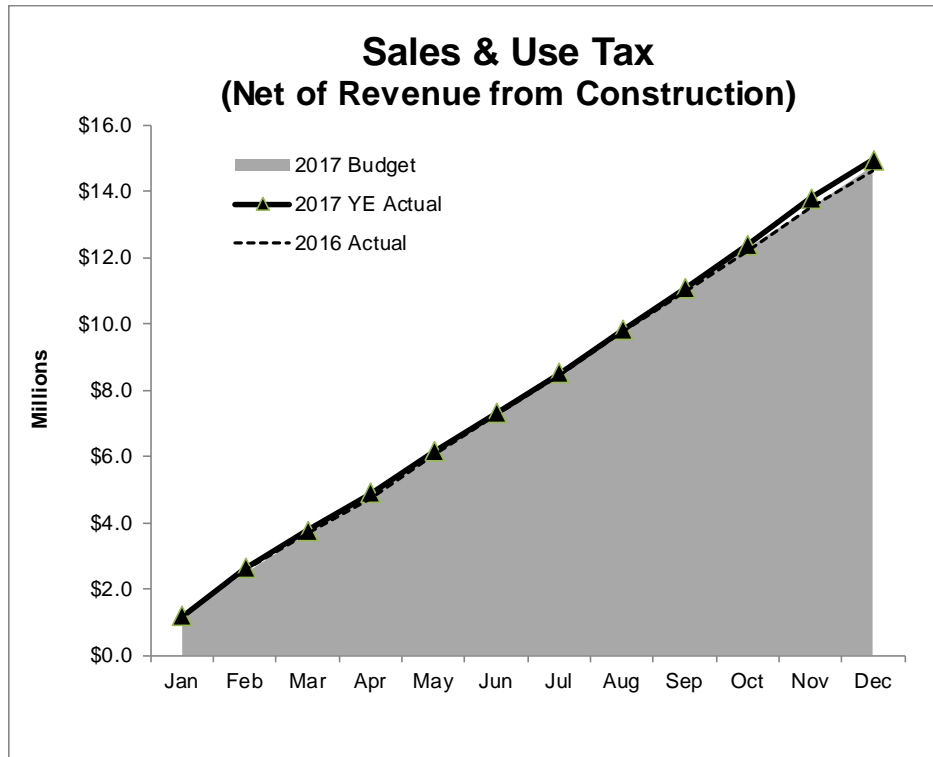
Revenues

The combined total of property, sales/use, utility, gambling, and admissions taxes provides approximately 80% of all resources supporting general governmental activities. The following section provides additional information on these sources.

Property Tax collections in 2017 totaled \$20.8 and were \$186,000, or 0.9%, above budget expectations. Property tax revenue collected in 2017 exceeded collections in 2016 by \$2.9 million, or 16.2%. This year-over-year increase in property tax collections is attributable to an increase in new construction and the use of banked capacity. The majority of property taxes are collected during the months of April and October, coinciding with the due dates for the County property tax billings.



Sales tax collections in 2017 totaled \$17.6 million, of which \$14.9 million was distributed to the General Fund and \$2.6 million was distributed to the Local Street Fund (SOS) program as per financial policy. Total sales tax revenue distributions to the General Fund in 2017 exceeded budget expectations by \$203,000, or 1.4%.

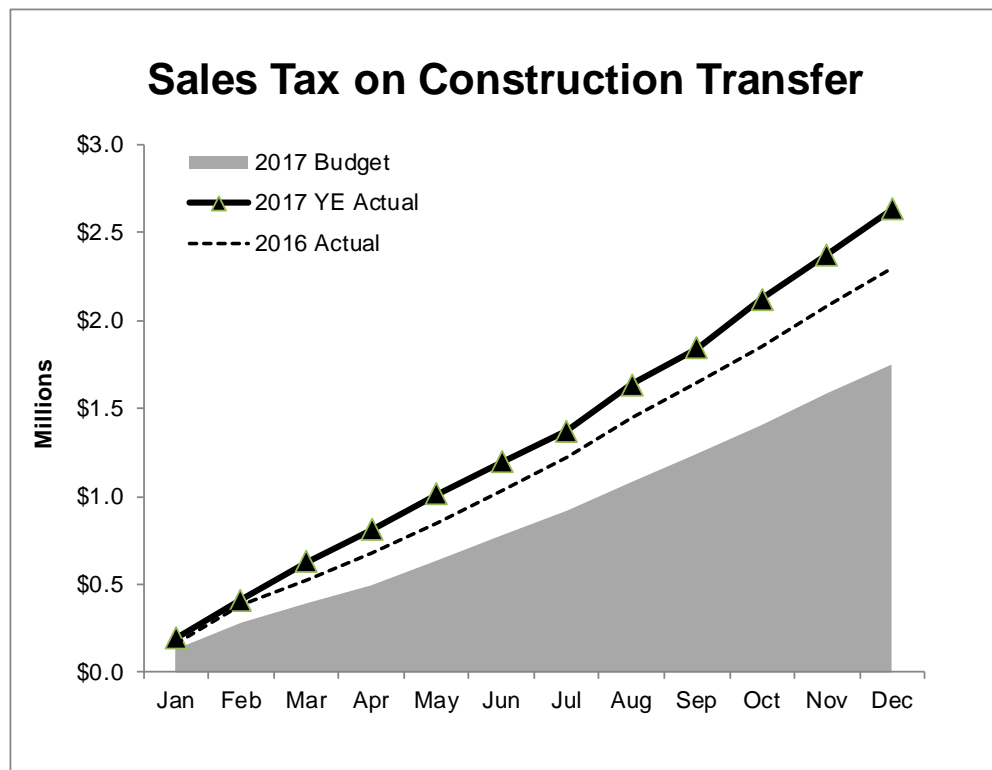


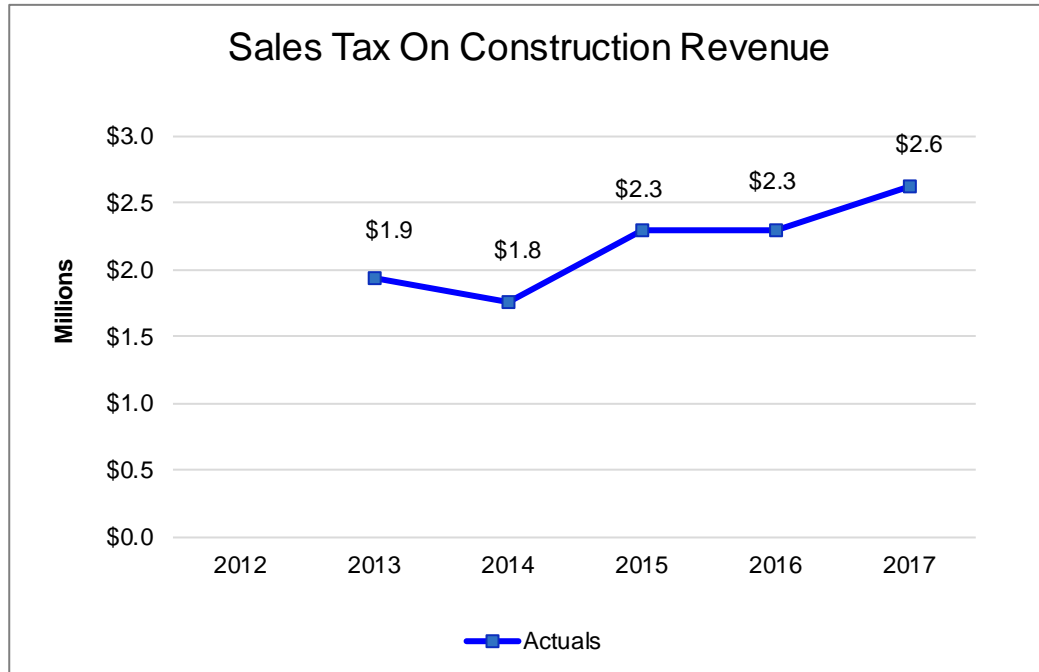
The following table breaks out the City's base sales taxes, excluding Pierce County Parks Sales Tax, Criminal Justice Sales Tax, and Annexation Credit Sales Tax, by major business sector.

Comparison of Sales Tax Collections by SIC Group Through December				
Component Group	2016 Actual	2017 Actual	Change from 2016	
			Amount	Percentage
Construction	\$ 2,292,280	\$ 2,632,107	\$ 339,827	14.8 %
Manufacturing	761,091	677,596	(83,495)	(11.0) %
Transportation & Warehousing	99,439	88,502	(10,937)	(11.0) %
Wholesale Trade	1,264,976	1,363,083	98,107	7.8 %
Automotive	3,659,497	3,971,531	312,034	8.5 %
Retail Trade	4,852,592	4,871,580	18,988	0.4 %
Services	3,926,336	3,911,740	(14,596)	(0.4) %
Miscellaneous	64,114	65,374	1,260	2.0 %
YE Total	\$ 16,920,325	\$ 17,581,514	\$ 661,189	3.9 %

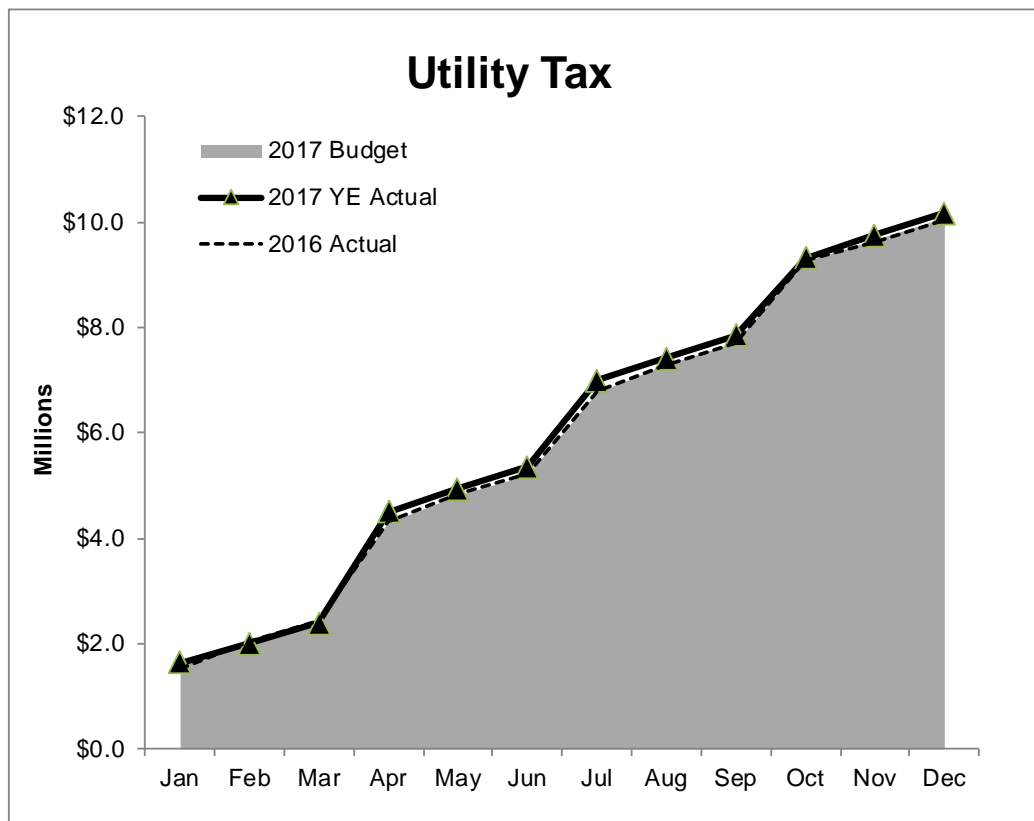
Total sales tax revenue collected in 2017 totaled \$17.6 million and exceeded prior year collections by \$661,000, or 3.9%. The business sectors showing the largest increase in revenues compared to last year were the construction, automotive, and wholesale trade categories.

Sales tax revenue on construction is transferred to the Local Street Fund (Fund 103) for local street repair and maintenance. In 2017, this totaled \$2.6 million, which was \$340,000 more than what was collected last year, and exceeds the 2017 budget by \$882,000.



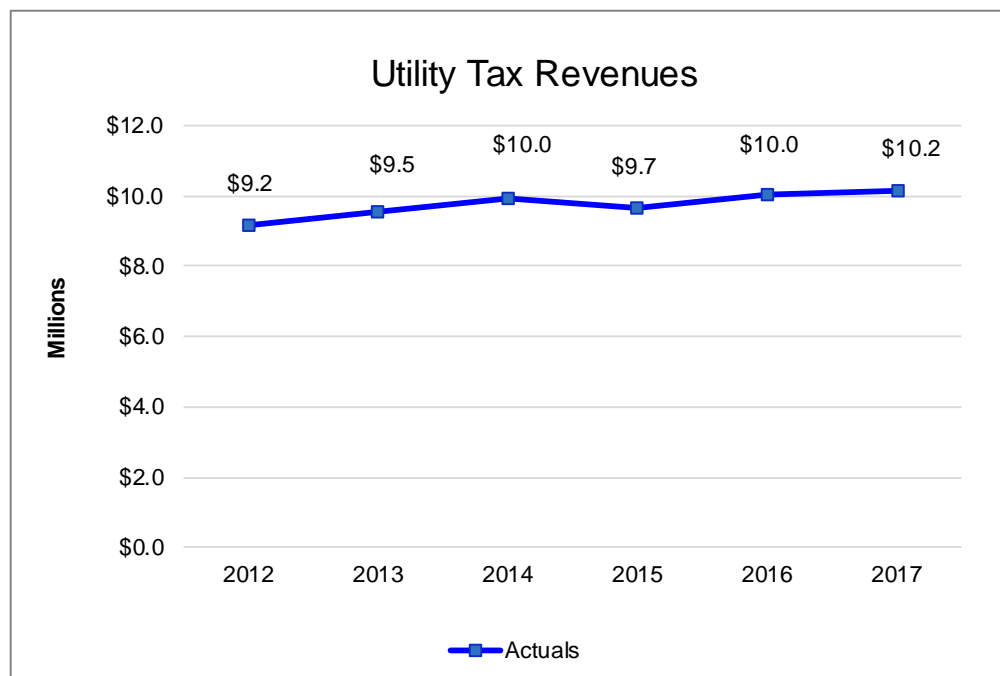


Utility Taxes consist of interfund taxes on City utilities (Water, Sewer, Storm and Solid Waste) and taxes on external utilities (Electric, Natural Gas, Telephone and Solid Waste). Utility taxes collected in 2017 totaled \$10.2 million and exceeded budget expectations by \$98,000, or 1.0%.

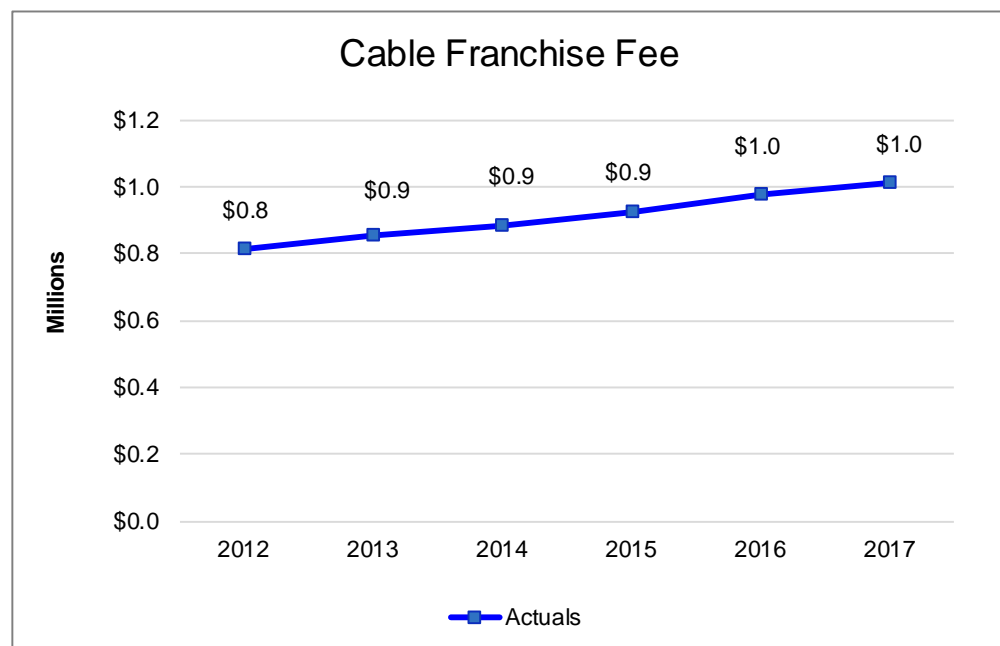
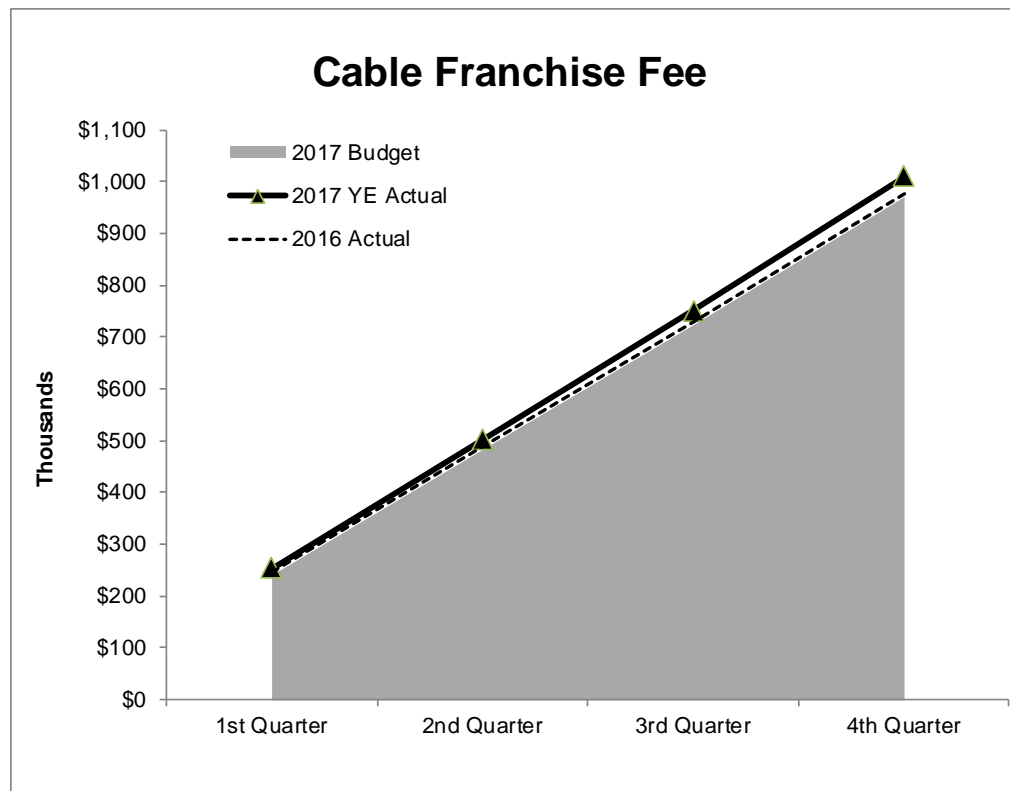


Favorable variances in electric and natural gas revenues offset lower collections in telephone utility taxes and City utility taxes.

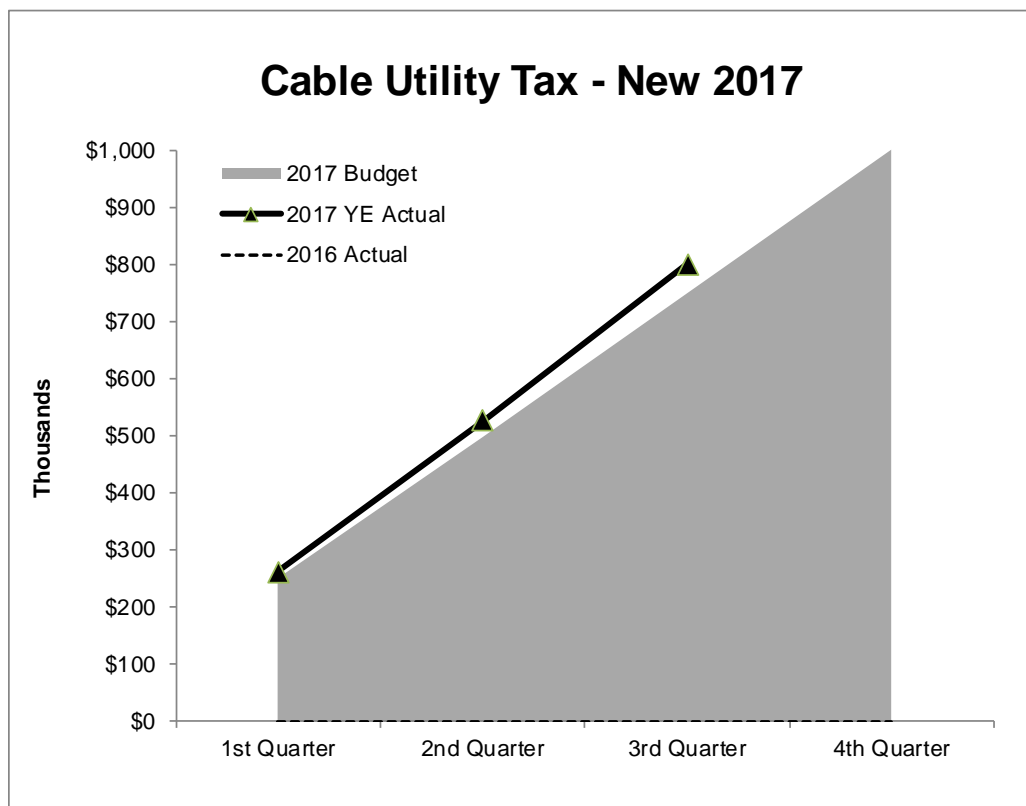
Utility Tax by Type Through December 2017							
Utility Tax Type	2016 YE Actual	2017 YE Budget	2017 YE Actual	2017 vs. 2016 Actual		2017 vs. Budget	
				Amount	Percentage	Amount	Percentage
City Interfund Utility Taxes	\$ 3,959,131	\$ 3,936,300	\$ 3,890,304	\$ (68,827)	(1.7) %	\$ (45,996)	(1.2) %
Electric	3,525,357	3,560,000	3,694,954	169,596	4.8 %	134,954	3.8 %
Natural Gas	946,959	1,001,200	1,072,751	125,791	13.3 %	71,551	7.1 %
Telephone	1,494,354	1,451,800	1,379,949	(114,405)	(7.7) %	(71,851)	(4.9) %
Solid Waste (external)	124,007	120,000	129,831	5,824	4.7 %	9,831	8.2 %
YE Total	\$ 10,049,809	\$ 10,069,300	\$ 10,167,789	\$ 117,980	1.2 %	\$ 98,489	1.0 %



Cable Franchise Fees, which are collected quarterly, totaled \$1.0 million and exceeded budget by \$38,000, or 3.9%.

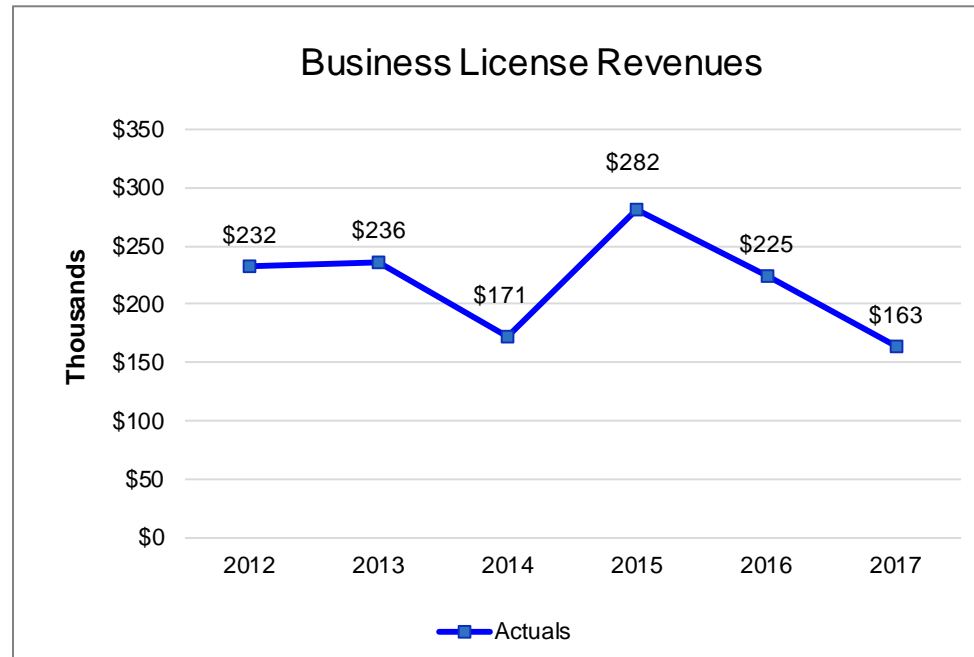
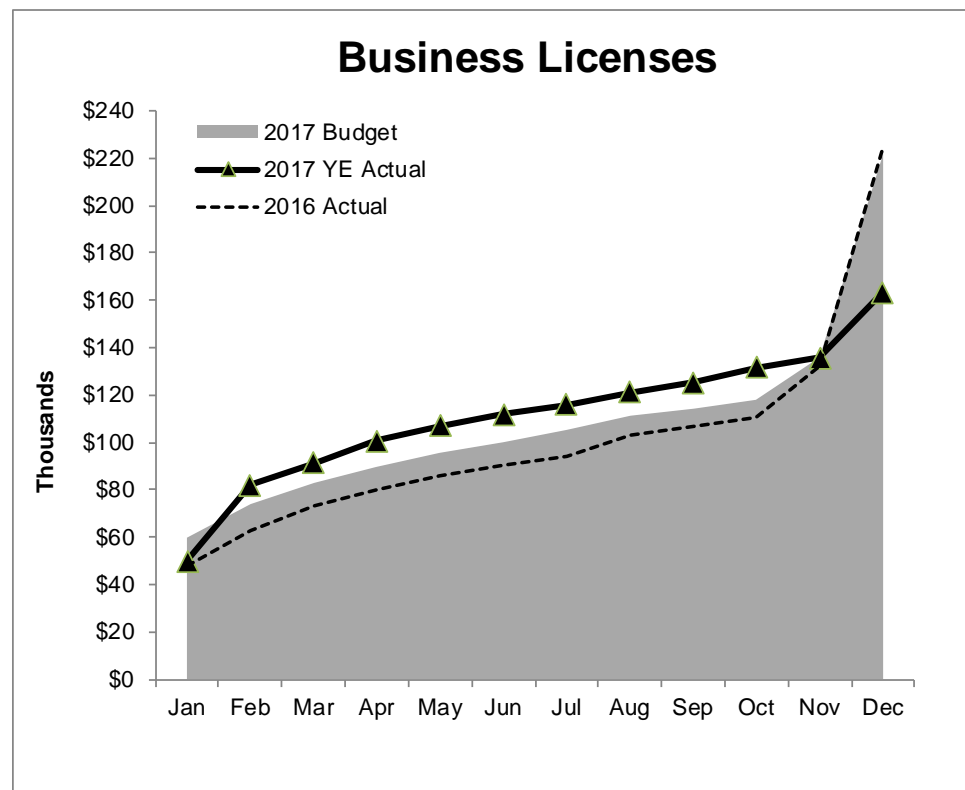


Cable Utility Tax (New in 2017). In September 2016, City Council approved Ordinance No. 6620, which increased the Cable Utility Tax from 1.0% to 6.0%, with the entirety of the new tax amount benefitting the General Fund. This tax became effective on January 1, 2017 and is collected quarterly. Although this revenue stream appears to be unfavorable to budget through the end of 2017, this is just a timing issue whereas the revenues generated for October through December 2017 in the amount of \$267,000 was collected in January 2018. Including the payment received in January 2018, the distributions totaled \$1,068,000 and exceeded the budget expectation of \$1,000,000 by 6.8%.



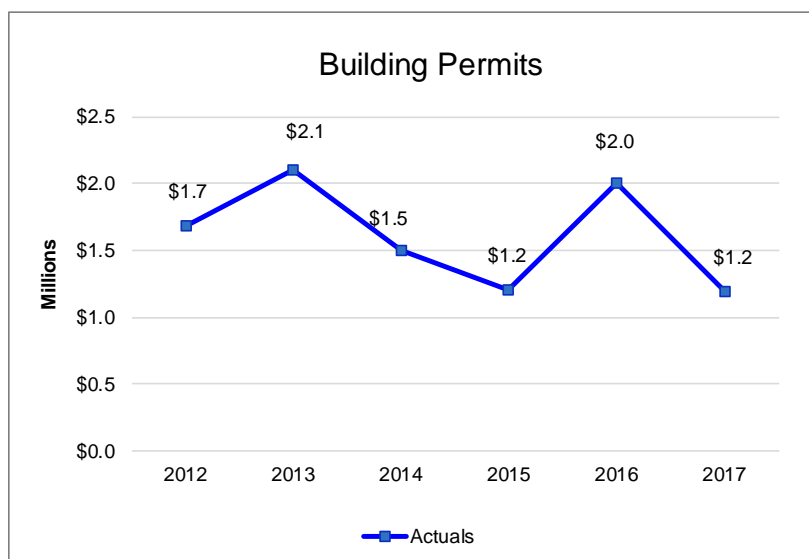
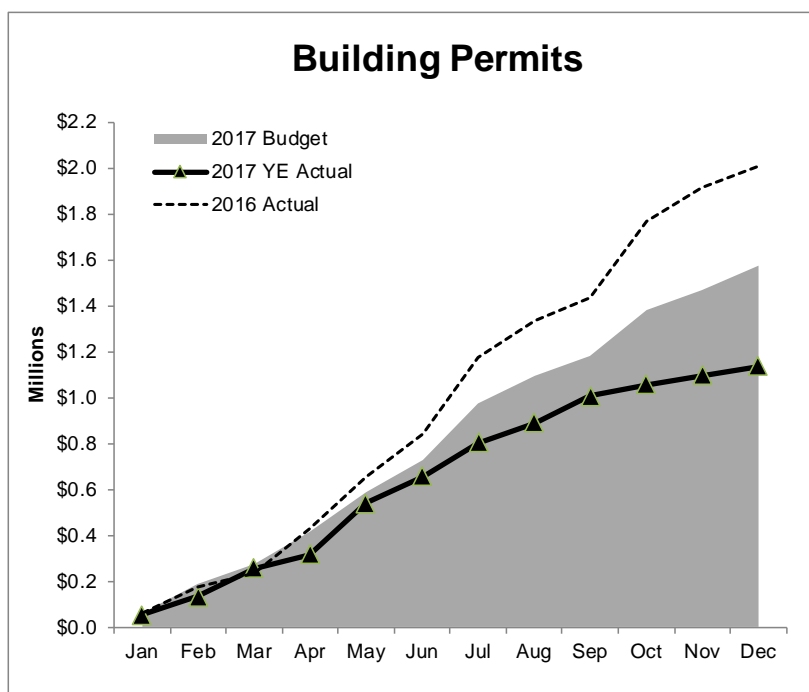
Licenses and Permits include business licenses, building permits, plumbing, electric and other licenses and permit fees. Building permit fees and business licenses make up about 70% of the annual budgeted revenue in this category.

Business license revenues collected in 2017 totaled \$163,000, compared to a budget of \$222,000. While this appears to be an unfavorable variance to budget, it is actually a timing issue where the majority of business owners paid their 2018 business license fees in January 2018.



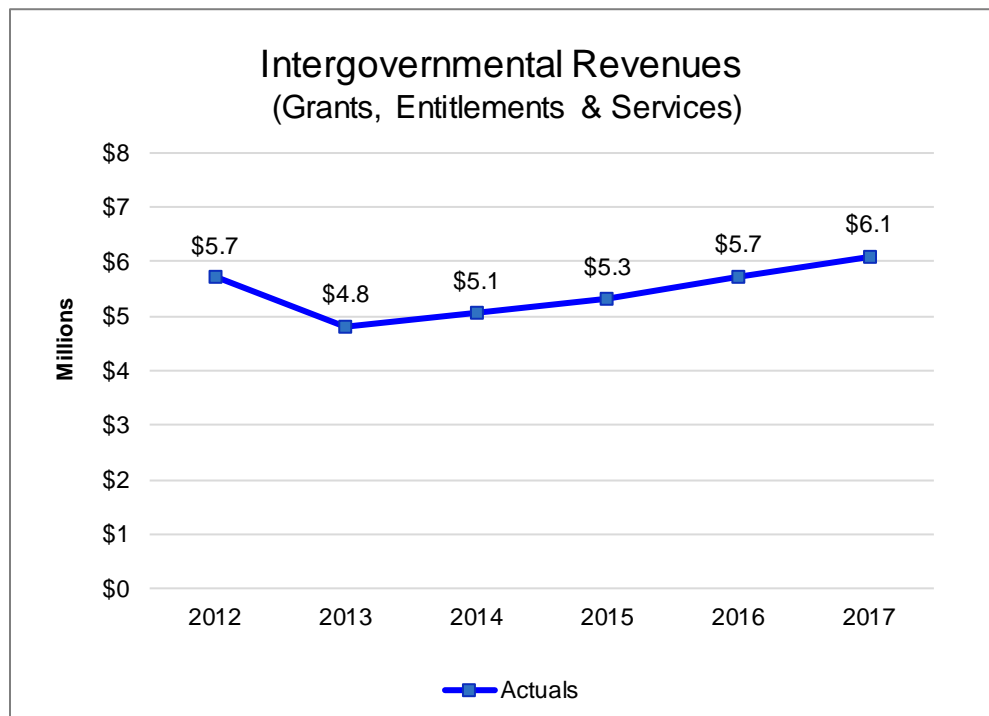
Building permit revenues collected in 2017 totaled \$1.2 million compared to 2016 collections of \$2.0 million. This year-over-year decline in building permit revenues is due to the combination of a lower number of building permits issued and a decrease in the average valuation of each project. Total permits sold in 2017 was 680 as compared with 850 sold in 2016, representing a 20.0% reduction. In addition, the average construction value per permit issued declined by 40.4%, which indicates that there weren't as many large projects permitted in 2017. Of the permit revenues collected in 2017, 39% was attributable to commercial projects and the remaining 61% was predominately single family housing permits.

Major projects contributing to permit revenues in 2017 include Boeing, North Auburn Logistics, the Holiday Inn Express, LA Fitness, and Dave & Buster's as well as numerous single family housing permits – most notably in Canyon Creek and Calla Crest.



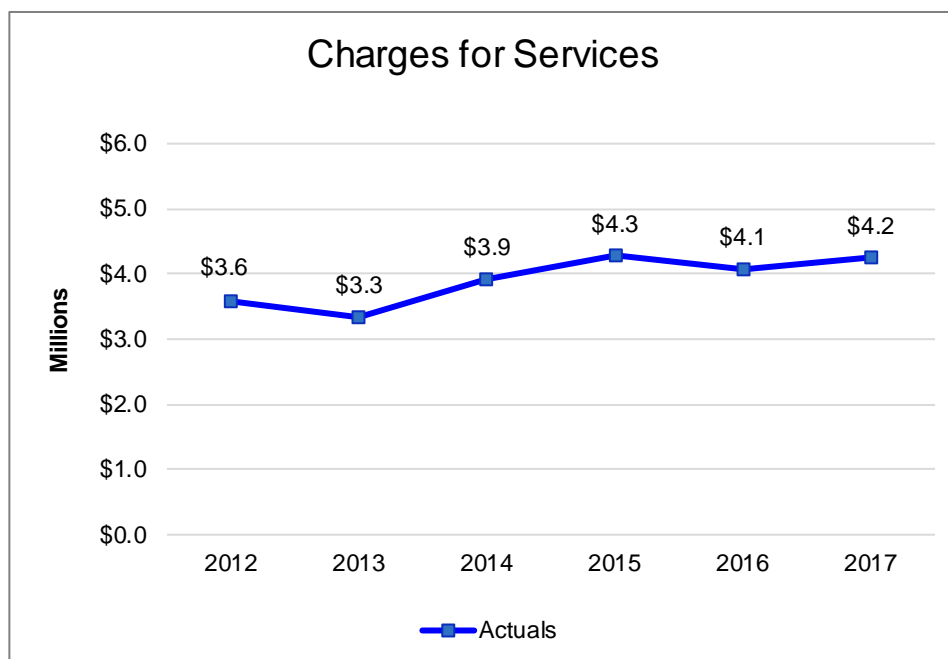
Intergovernmental revenues include grants (direct and indirect Federal, state and local), compact revenue from the Muckleshoot Indian Tribe (MIT), intergovernmental service revenues, and state shared revenues. Collections in 2017 totaled \$6.1 million and ended the year \$25,000, or 0.4%, under budget. Favorable variances in revenues collected from the Muckleshoot Casino services reimbursement and Criminal Justice High Crime revenues were somewhat offset by reduced revenues collected in Federal grants. Federal grant reimbursements in 2017 were significantly lower than budget expectations primarily due to the delayed hiring of the police officers who are to be partially funded by the Federal COPS (Community Oriented Policing Services) grant.

Intergovernmental Revenues (Grants, Entitlements & Services)							
Through December 2017							
Revenue	2016	2017	2017	2017 vs. 2016 Actual		2017 vs. Budget	
	YE Actual	YE Budget	YE Actual	Amount	% Change	Amount	% Change
Federal Grants	\$ 294,006	\$ 630,715	\$ 241,952	\$ (52,055)	(17.7) %	\$ (388,763)	(61.6) %
State Grants	162,692	184,295	189,238	26,546	16.3 %	4,943	2.7 %
Interlocal Grants	45,973	107,000	96,322	50,349	0.0 %	(10,678)	(10.0) %
Muckleshoot Casino Services	668,629	650,000	855,302	186,673	27.9 %	205,302	31.6 %
Intergovernmental Service	17,304	0	0	(17,304)	(100.0) %	0	N/A %
State Shared Revenues:							
Streamlined Sales Tax	1,924,487	1,907,700	1,908,971	(15,515)	(0.8) %	1,271	0.1 %
Motor Vehicle Fuel Tax	1,121,112	1,221,400	1,153,061	31,949	2.8 %	(68,339)	(5.6) %
Criminal Justice - High Crime	285,202	192,000	391,027	105,825	37.1 %	199,027	103.7 %
Criminal Justice - Population	20,807	24,000	21,787	979	4.7 %	(2,213)	(9.2) %
Criminal Justice - Special Prog.	75,865	80,000	79,077	3,212	4.2 %	(923)	(1.2) %
Marijuana Revenues	29,420	34,000	56,069	26,648	90.6 %	22,069	64.9 %
State DUI	11,779	12,000	11,678	(100)	(0.9) %	(322)	(2.7) %
Fire Insurance Tax	76,569	75,000	78,078	1,509	2.0 %	3,078	4.1 %
Liquor Excise	352,467	360,000	371,440	18,973	5.4 %	11,440	3.2 %
Liquor Profit	650,766	651,000	650,607	(159)	(0.0) %	(393)	(0.1) %
Total State Shared:	4,548,474	4,557,100	4,721,796	173,321	3.8 %	164,696	3.6 %
YE Total	\$ 5,737,079	\$ 6,129,110	\$ 6,104,610	\$ 367,530	6.4 %	\$ (24,500)	(0.4) %



Charges for Services consist of general governmental service charges, public safety charges, development service fees, and cultural & recreation fees. Overall, charges for services collected in 2017 totaled \$4.2 million, which was \$165,000 higher than revenues collected in 2016, and \$21,000, or 0.5%, unfavorable to budget in 2017.

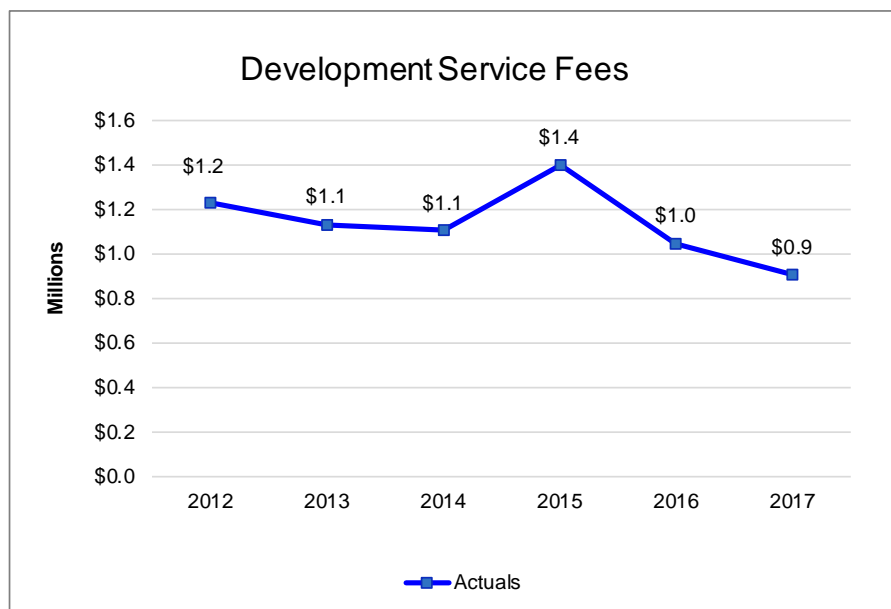
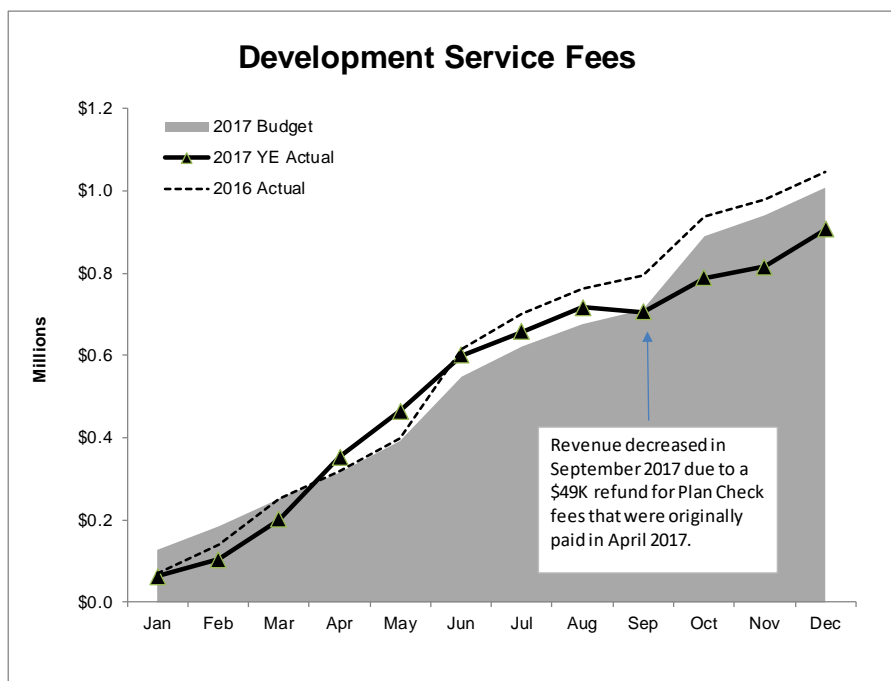
Charges for Services by Type Through December 2017							
Revenue	2016 YE Actual	2017 YE Budget	2017 YE Actual	2017 vs. 2016 Actual		2017 vs. Budget	
				Amount	Percentage	Amount	Percentage
General Government	\$ 76,218	\$ 60,700	\$ 72,710	\$ (3,508)	(4.6) %	\$ 12,010	19.8 %
Public Safety	638,440	875,700	887,535	249,094	39.0 %	11,835	1.4 %
Development Services	1,046,249	1,007,600	906,687	(139,563)	(13.3) %	(100,913)	(10.0) %
Culture & Recreation	2,316,824	2,319,680	2,375,807	58,983	2.5 %	56,127	2.4 %
YE Total	\$ 4,077,733	\$ 4,263,680	\$ 4,242,738	\$ 165,005	4.0 %	\$ (20,942)	(0.5) %



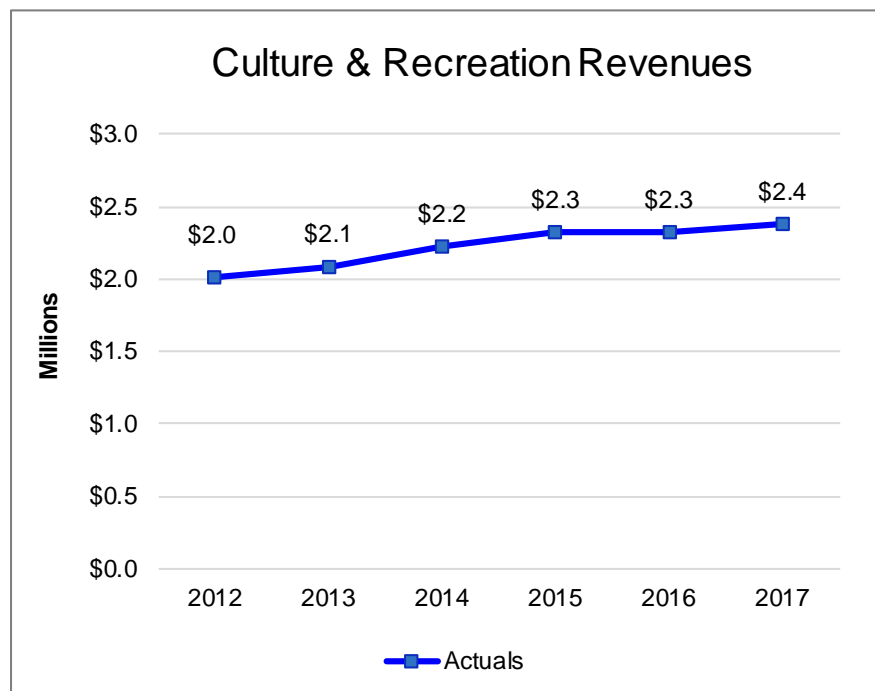
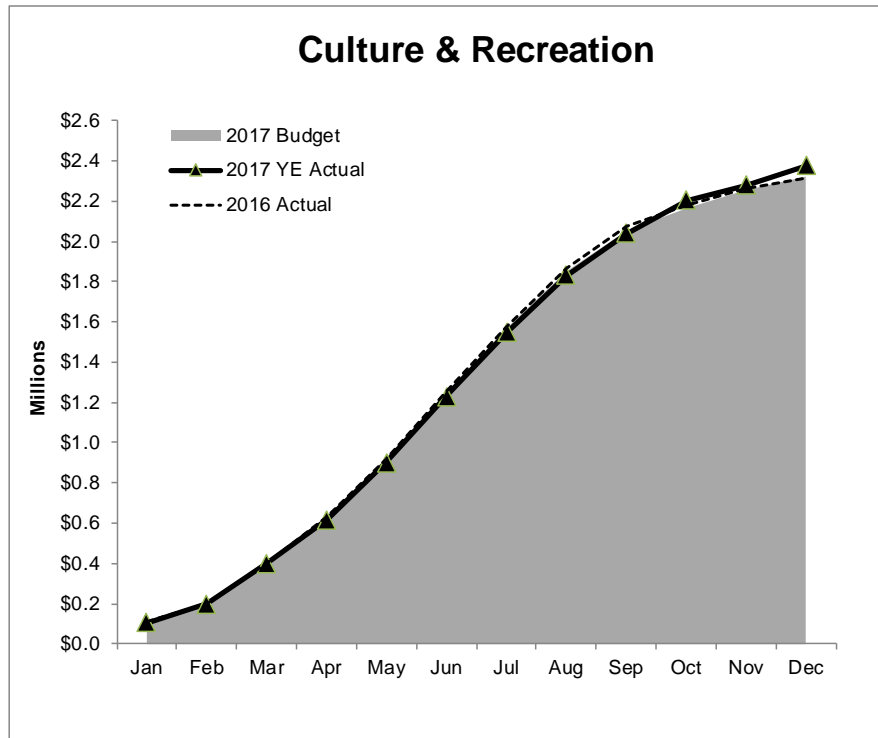
General governmental charges for service collected in 2017 totaled \$73,000 compared to a budget of \$61,000. The favorability to budget was mostly seen in passport services.

Public safety revenues consist of revenues generated for police officer extra duty security services – where officers are contracted for and reimbursement is made by the hiring contractor – as well as revenues generated for reimbursement from the Muckleshoot Indian Tribe (MIT) for a full-time dedicated police officer and associated expenditures. These revenues also include monies collected from the Auburn School District and the Criminal Justice Training Commission (CJTC) for services rendered. Public safety revenues collected in 2017 totaled \$888,000 compared to a budget of \$876,000. Revenues collected in 2017 were \$249,000 or 39.0% higher than the revenues collected in 2016, predominately due to the reimbursement for services from the CJTC for a full time police officer who is on loan from the City, as well as increased revenues collected for extra duty security services due to a 27% increase in billable hours.

Development services fee collections, which primarily consist of plan check fees, totaled \$907,000 and ended the year \$101,000, or 10.0%, lower than budget expectations. Total plan check fees collected in 2017 totaled \$664,000, compared to a budget of \$800,000 and compares with \$759,000 collected in 2016. Plan check revenues collected in 2017 were from numerous commercial and residential projects, including the Hudson Distribution Center, the Auburn School District, Boeing, the Tru by Hilton hotel, as well as numerous housing plans including Calla Crest and Hazelview. Of the \$664,000 in plan check revenues collected in 2017, 55% was attributable to commercial projects in the City and the remaining 45% was predominately single family housing projects.

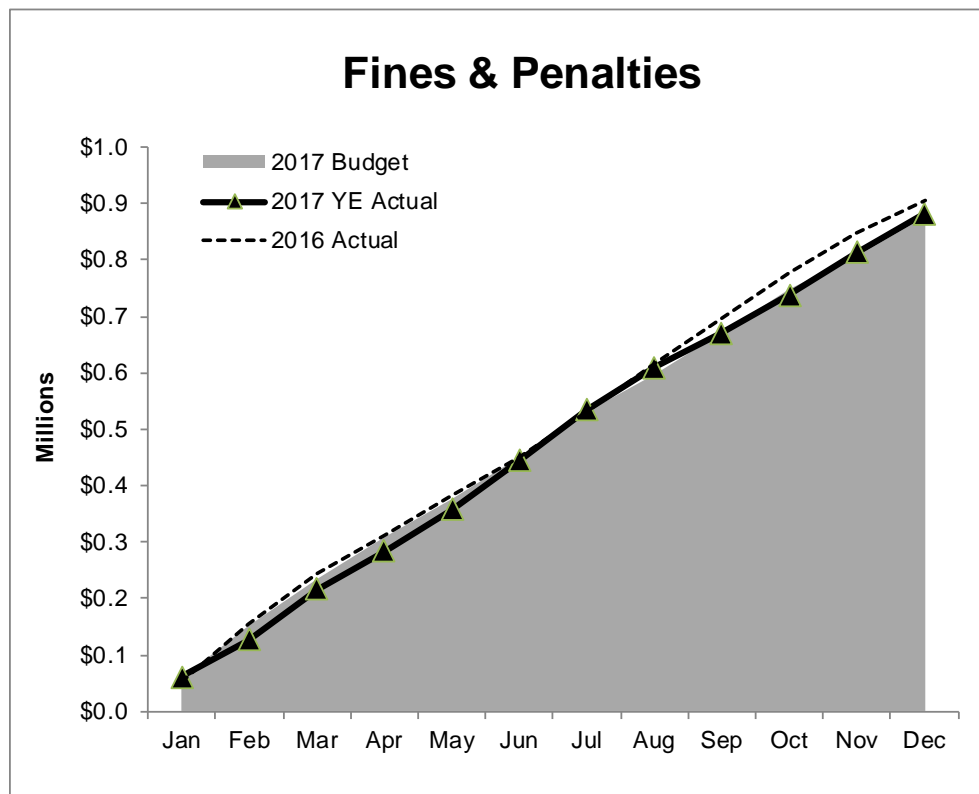


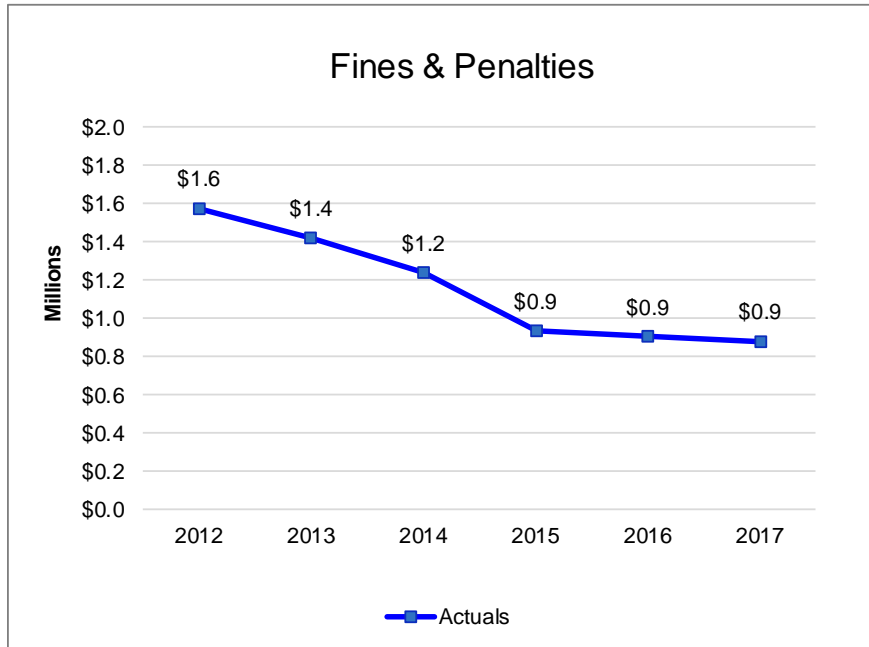
Culture and recreation revenues collected in 2017 totaled \$2.4 million, and exceeded budget by \$56,000, or 2.4%. Collections in 2017 increased by \$59,000, or 2.5%, compared to collections in 2016 primarily due to an increase in revenues collected for theater tickets sales and increased revenues collected for recreational classes. The majority of the culture and recreation revenues are derived from greens fees and pro shop sales at the Auburn Golf Course, recreational classes, athletic league fees, and special events.



Fines & Penalties include traffic and parking infraction penalties, criminal fines (including criminal traffic, criminal non-traffic and other criminal offenses) as well as non-court fines such as false alarm fines. Total revenues collected in 2017 totaled \$882,000, compared to a budget of \$876,000. Revenues collected in 2017 were slightly lower than 2016 primarily due to reduced collections in civil infraction penalties, criminal non-traffic fines, and non-court fines and penalties.

Fines & Penalties by Type Through December 2017							
Month	2016 YE Actual	2017 YE Budget	2017 YE Actual	2017 vs. 2016 Actual		2017 vs. Budget	
				Amount	Percentage	Amount	Percentage
Civil Penalties	\$ 23,763	\$ 12,000	\$ 28,346	\$ 4,583	19.3 %	\$ 16,346	136.2 %
Civil Infraction Penalties	470,118	467,900	457,818	(12,300)	(2.6) %	(10,082)	(2.2) %
Redflex Photo Enforcement	15,433	0	10,773	(4,660)	(30.2) %	10,773	N/A %
Parking Infractions	130,567	145,300	148,260	17,693	13.6 %	2,960	2.0 %
Criminal Traffic Misdemeanor	58,885	51,000	73,578	14,692	25.0 %	22,578	44.3 %
Criminal Non-Traffic Fines	47,125	43,500	31,077	(16,048)	(34.1) %	(12,423)	(28.6) %
Criminal Costs	60,366	42,000	46,394	(13,972)	(23.1) %	4,394	10.5 %
Non-Court Fines & Penalties	99,662	114,400	86,009	(13,653)	(13.7) %	(28,391)	(24.8) %
YE Total	\$ 905,921	\$ 876,100	\$ 882,255	\$ (23,667)	(2.6) %	\$ 6,155	0.7 %





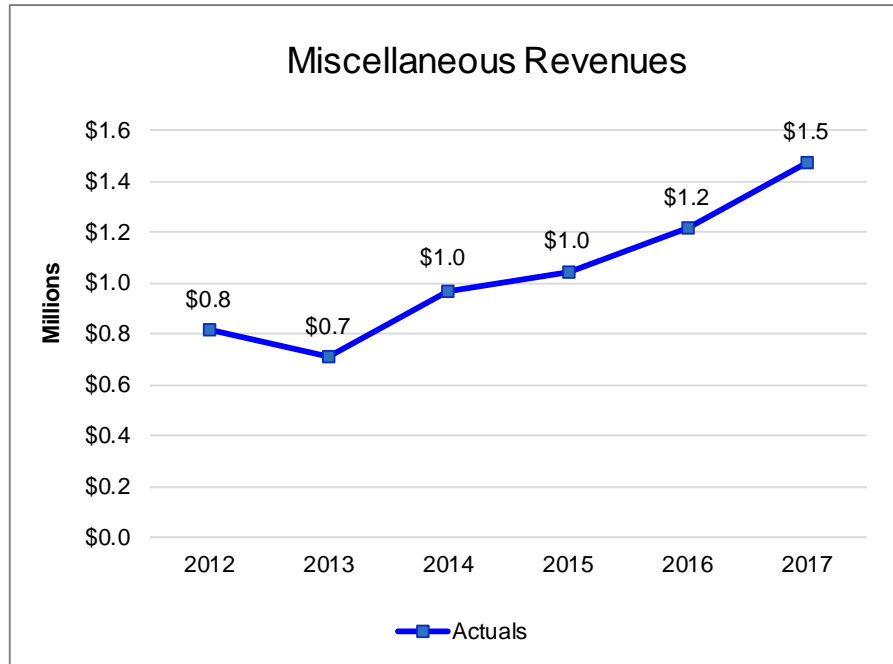
Miscellaneous revenues consist of investment earnings, income from facility rentals, contributions & donations, and other income including the quarterly purchasing card (P-card) rebate monies. Revenues collected in this category in 2017 totaled \$1.5 million and exceeded budget by \$421,000, or 40.1%, largely due to higher interest earnings and rents and leases.

Miscellaneous Revenues by Type Through December 2017							
Month	2016 YE Actual	2017 YE Budget	2017 YE Actual	2017 vs. 2016		2017 vs. Budget	
				Amount	Percentage	Amount	Percentage
Interest & Investments	\$ 110,800	\$ 69,000	\$ 237,532	\$ 126,732	114.4 %	\$ 168,532	244.2 %
Rents & Leases	783,930	715,300	879,059	95,129	12.1 %	163,759	22.9 %
Contributions & Donations	32,435	35,000	47,926	15,491	47.8 %	12,926	36.9 %
Other Miscellaneous Revenue	286,520	232,500	308,578	22,058	7.7 %	76,078	32.7 %
YE Total	\$ 1,213,685	\$ 1,051,800	\$ 1,473,095	\$ 259,410	21.4 %	\$ 421,295	40.1 %

Interest and investments revenues collected in 2017 were \$169,000 higher than budget expectations primarily due to the fact that the State Investment Pool interest rate was substantially higher in 2017 than 2016.

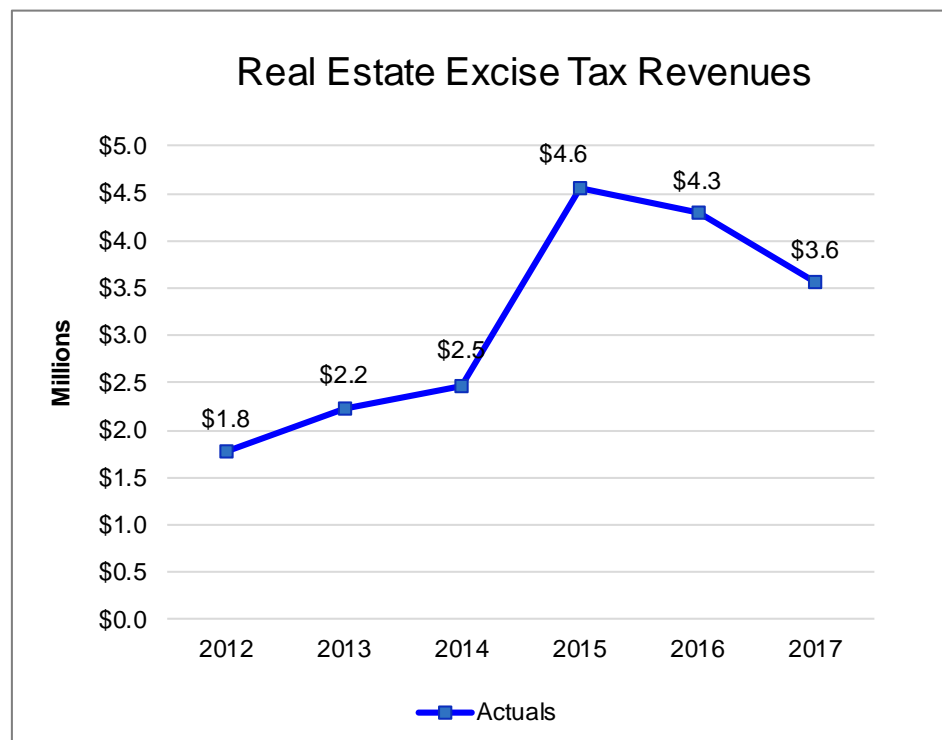
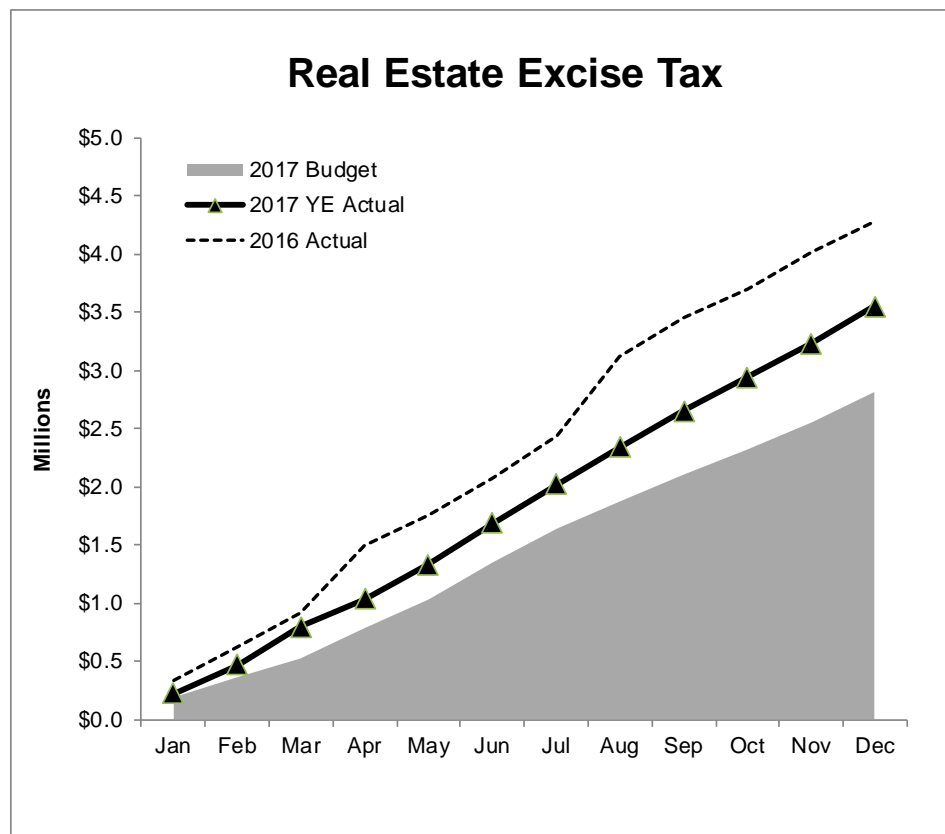
Rents and leases revenues in 2017 exceeded budget expectations by \$164,000 primarily due to higher than anticipated revenues from facilities rentals and parking space rentals. Facility rental revenue realized a \$42,000 year-over-year increase due primarily to the opening of the new Community and Events Center in mid-2016, therefore only generating a half-year's revenue in 2016 versus a full year in 2017. In 2017, additional inventory of parking spaces were added; therefore, parking permit revenues collected in 2017 were \$22,000 higher than collections in 2016.

Lastly, other miscellaneous revenues exceeded budget expectations by \$76,000 predominately due to unbudgeted code violation revenues collected, which amounted to \$57,000 in 2017.



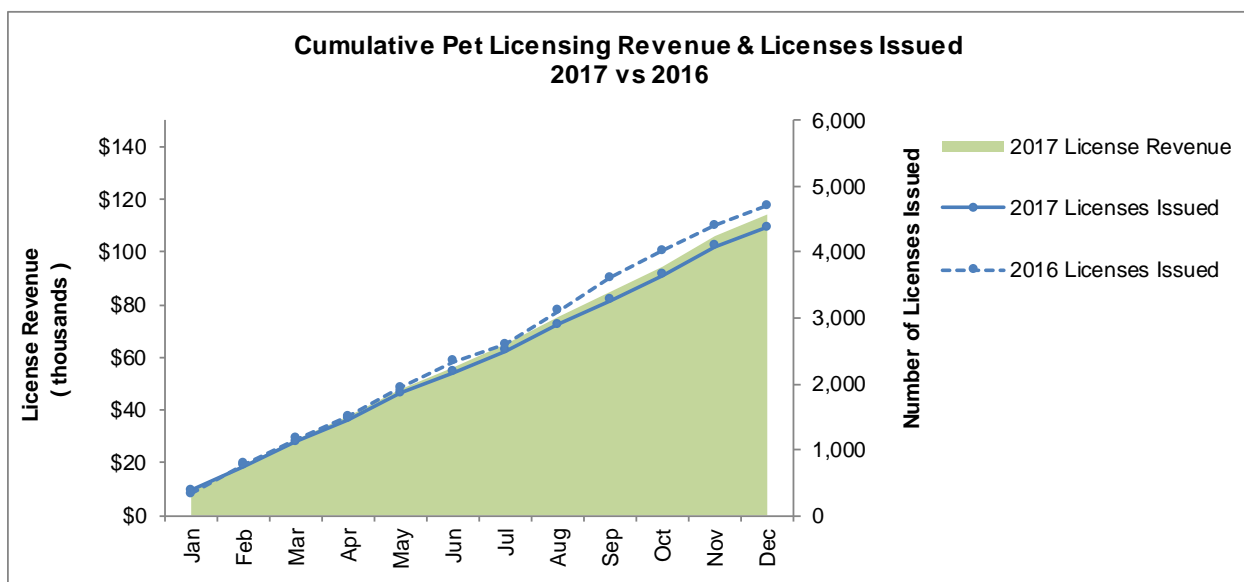
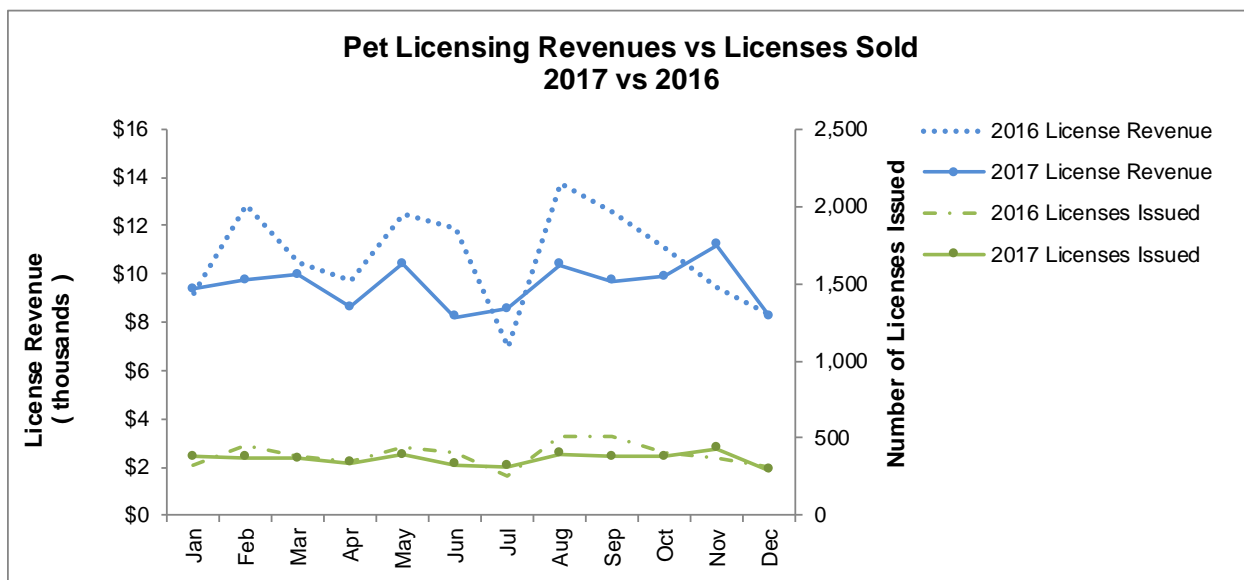
Real Estate Excise Tax (REET) revenue is receipted into the Capital Improvement Projects Fund and is used for governmental capital projects. REET revenues collected in 2017 totaled \$3.6 million and exceeded budget expectations by \$744,000, or 26.5%. Real estate sales include the sale of both commercial properties and numerous single family residences. Commercial sales in 2017 included the sale of multiple hotels, two auto dealerships, several apartment complexes as well as several retail, industrial and warehouse properties. Real estate excise tax receipts were down for a second consecutive year from a high in 2015 that included the sale of several very large businesses including the Outlet Collection and the Lakeland Town Center.

Real Estate Excise Tax Revenues							
December 2017							
Month	2016 Actual	2017 Budget	2017 Actual	2017 vs. 2016		2017 vs. Budget	
				Amount	Percentage	Amount	Percentage
Jan	\$ 339,594	\$ 192,600	\$ 224,044	\$ (115,550)	(34.0) %	\$ 31,444	16.3 %
Feb	286,943	166,800	249,683	(37,261)	(13.0) %	82,883	49.7 %
Mar	293,361	170,800	326,044	32,683	11.1 %	155,244	90.9 %
Apr	574,925	254,200	234,480	(340,445)	(59.2) %	(19,720)	(7.8) %
May	255,078	249,000	299,251	44,173	17.3 %	50,251	20.2 %
Jun	329,081	317,200	353,807	24,727	7.5 %	36,607	11.5 %
Jul	360,857	294,200	330,707	(30,150)	(8.4) %	36,507	12.4 %
Aug	673,012	221,000	325,936	(347,076)	(51.6) %	104,936	47.5 %
Sep	338,340	234,800	309,422	(28,918)	(8.5) %	74,622	31.8 %
Oct	249,714	226,300	286,675	36,961	14.8 %	60,375	26.7 %
Nov	321,895	230,200	289,045	(32,850)	(10.2) %	58,845	25.6 %
Dec	262,543	252,900	325,309	62,766	23.9 %	72,409	28.6 %
YE Total	\$ 4,285,344	\$ 2,810,000	\$ 3,554,404	\$ (730,940)	(17.1) %	\$ 744,404	26.5 %



Pet Licensing

In 2017, 4,378 pet licenses were sold, resulting in \$114,265 in revenue. In 2016, 4,706 licenses were sold, resulting in \$128,680 in revenue.



Street Funds

This section provides a financial overview of the City's three street funds for the year ending December 31, 2017. The City's three street funds include the Arterial Street Fund (Fund 102), the Local Street Fund (Fund 103), and the Arterial Street Preservation Fund (Fund 105).

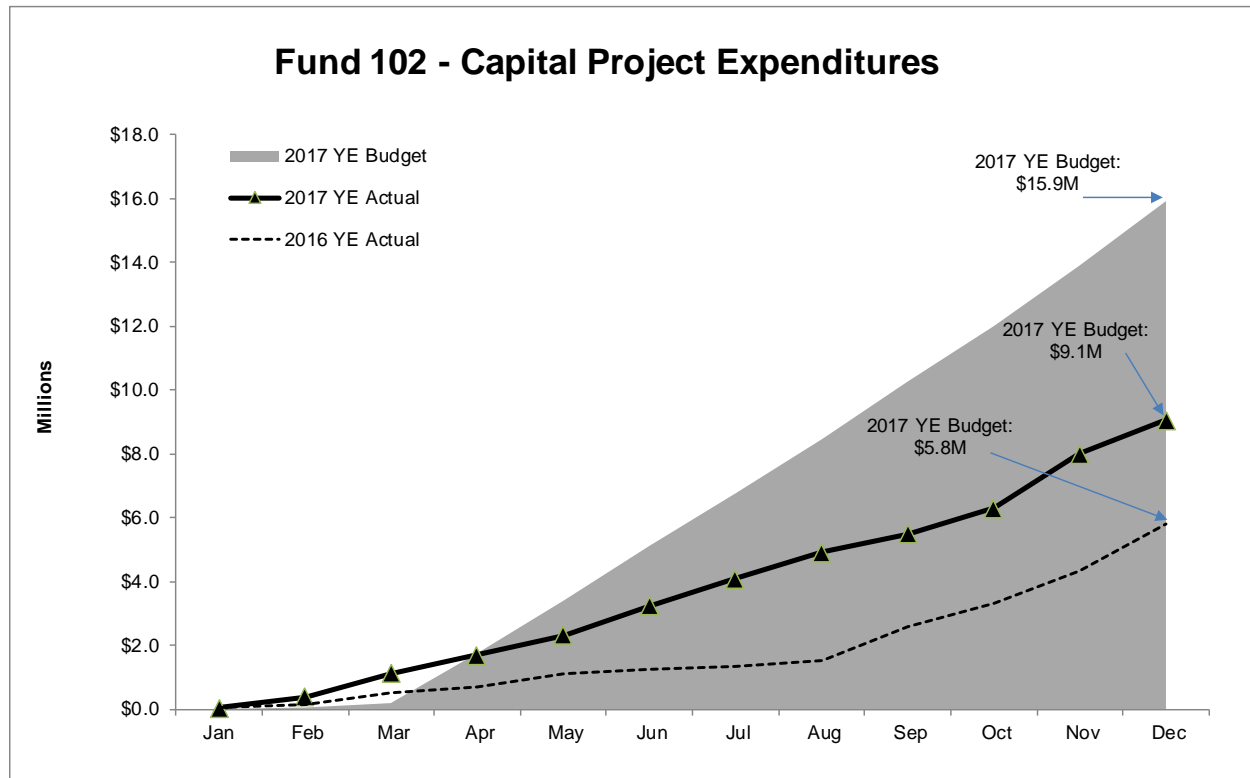
Fund 102 – Arterial Street Fund

The Arterial Street Fund is a special revenue fund that is funded by transportation grants, traffic impact fees, a portion of the City's gas tax receipts, Public Works Trust Fund loans, developer contributions, and other sources. As of December 31, 2017 there were 28 separate street projects budgeted in this fund.

During 2017, revenues collected totaled \$8.4 million as compared with collections of \$4.2 million in 2016. This variance is largely due to the timing of capital expenditures and their subsequent reimbursement via federal grants. Total expenditures in 2017 were \$9.7 million and compare to \$6.3 million spent in 2016. The increase from 2016 to 2017 is based on increased construction activity as budgeted multi-year projects move from the design phase to the construction phase, where most expenditures occur.

Fund 102 - Arterial Street Summary of Sources and Uses Report Period: December 2017	2017			2016	2017 YE Budget vs. Actual	
	Annual Budget	YE Budget	YE Actual	YE Actual	Favorable (Unfavorable)	
					Amount	Percentage
Revenues						
Federal Grants	\$ 7,054,082	\$ 7,054,082	\$ 2,991,037	\$ 580,492	\$ (4,063,045)	(57.6) %
State Grants	2,995,210	2,995,210	2,339,312	1,193,710	(655,898)	(21.9) %
Motor Vehicle Fuel and Multimodal Taxes	583,000	583,000	590,141	580,220	7,141	1.2 %
Developer Contributions	809,221	809,221	369,382	510,383	(439,839)	(54.4) %
Miscellaneous Revenue	466,191	466,191	-	64,862	(466,191)	(100.0) %
Other Governmental Agencies	-	-	-	-	-	
Public Works Trust Fund Loans	-	-	-	-	-	
Operating Transfer In	3,420,622	3,420,622	2,092,291	1,295,215	(1,328,331)	(38.8) %
Investment Income	2,600	2,600	11,173	6,484	8,573	329.7 %
Total Revenues	\$ 15,330,926	\$ 15,330,926	\$ 8,393,335	\$ 4,231,365	\$ (6,937,591)	(45.3) %
Expenditures						
Salary and Benefits	\$ 285,000	\$ 285,000	\$ 618,410	\$ 490,836	\$ (333,410)	(117.0) %
Capital Outlay	15,658,112	15,658,112	8,452,526	5,302,678	7,205,586	46.0 %
Subtotal - Capital Project Expenditures	15,943,112	15,943,112	9,070,936	5,793,514	6,872,176	43.1 %
Services and Charges	285,000	285,000	329,980	224,507	(44,980)	(15.8) %
Interfund Payments for Services	76,681	76,681	76,680	74,556	1	0.0 %
Debt Service Principal and Interest	209,511	209,511	209,511	210,205	0	0.0 %
Operating Transfer Out	15,046	15,046	7,015	-	8,031	53.4 %
Total Expenditures	\$ 16,529,350	\$ 16,529,350	\$ 9,694,122	\$ 6,302,783	\$ 6,835,228	41.4 %
Net Change in Fund Balance	\$ (1,198,424)	\$ (1,198,424)	\$ (1,300,786)	\$ (2,071,418)	\$ (102,362)	8.5 %

Beg. Fund Balance, January 2017	\$ 2,655,913
Net Change in Fund Balance, December 2017	(1,300,786)
Ending Fund Balance, December 2017	\$ 1,355,127
2017 Budgeted Ending Fund Balance	\$ 1,457,489



This table presents the status of the projects with the most significant impacts on this fund:

Fund 102 - Arterial Street			
Capital Projects Status *			
Name	Annual Budget	YE Actual	Remaining
W. Main St Multimodal Corridor & ITS Imp	\$1.6M	\$1.3M	\$0.2M
S. 277th St Corridor Improvements	\$4.3M	\$3.9M	\$0.5M
AWS Corridor Safety Imp. -- Muckleshoot Pl.	\$3.3M	\$2.6M	\$0.7M
All Other Projects (25 Others Budgeted)	\$6.8M	\$1.3M	\$5.5M
Total	\$15.9M	\$9.1M	\$6.9M

*Components may not sum to total due to rounding.

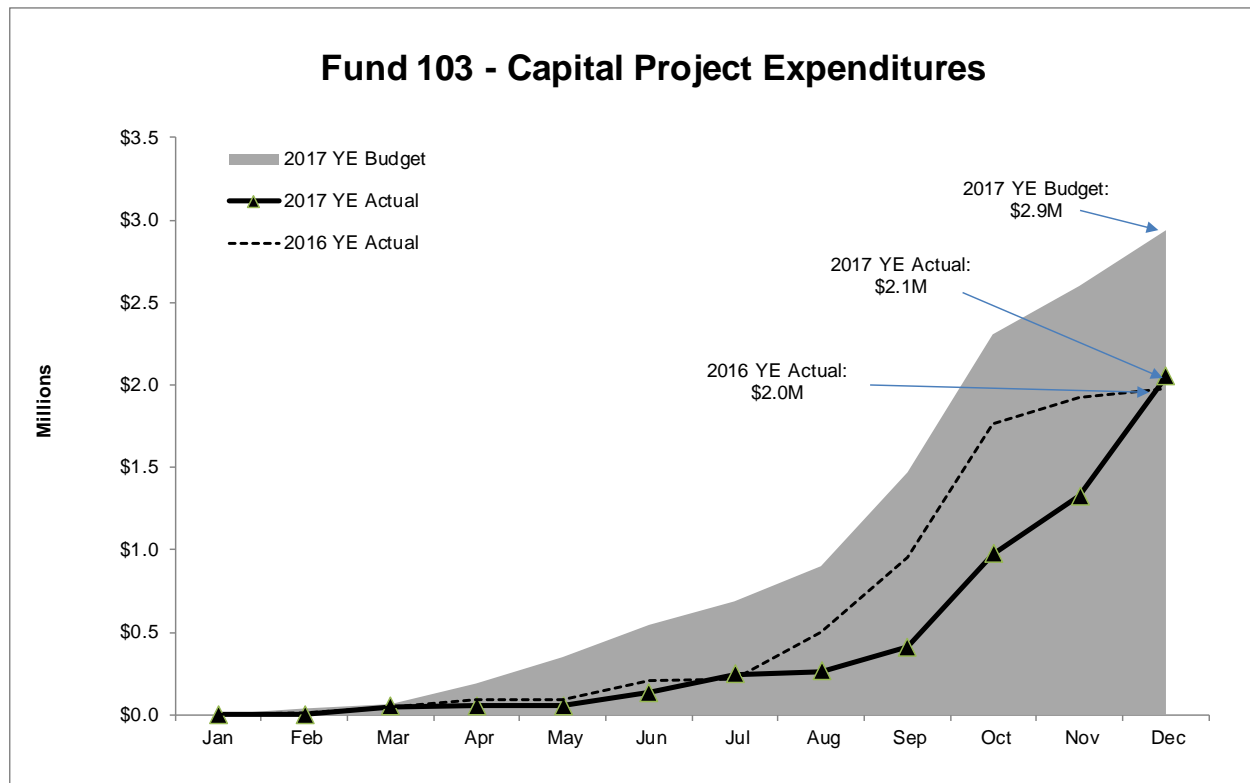
Notes:

- W. Main St. Multimodal Corridor & ITS Improvements is complete.
- S 277th Street Corridor Improvements is nearing completion but will continue into 2018.
- AWS Corridor Safety Improvements is nearing completion but will continue into 2018.
- Of the remaining projects in this fund: nine are in construction, two are partnership projects with other entities that were delayed until 2018 due to the construction schedule of the other agencies, and one is a grant-funded project that was delayed by Puget Sound Regional Council until 2019. These represent approximately \$4.9M of the remaining projects.

Fund 103 – Local Street Fund

The Local Street Fund is a special revenue fund where the revenues from sales taxes on construction are used for local street repair. During 2017 the revenues in this fund totaled \$2.8 million, exceeding budget expectations by \$905,000 due to higher than anticipated sales tax revenues from local construction projects. This also compares to collections of \$2.5 million in 2016. Total expenditures in 2017 were \$2.2 million and compare to expenditures of \$2.1 million in 2016. Historically, well over half of this fund's annual expenditures occur in the final four months of each year due to the weather sensitivity of pavement construction (this work needs to be done primarily in the summer and early fall). Highlighted in the table below and shown in the following graph are the fund's total expenditures related to capital projects.

Fund 103 - Local Street Fund Summary of Sources and Uses Report Period: December 2017	2017			2016	2017 YE Budget vs. Actual	
	Annual Budget	YE Budget	YE Actual	YE Actual	Favorable (Unfavorable)	
					Amount	Percentage
Revenues						
Sales Tax on Construction	\$ 1,750,000	\$ 1,750,000	\$ 2,632,107	\$ 2,292,280	\$ 882,107	50.4 %
Operating Transfer In	150,000	150,000	150,000	150,000	-	0.0 %
Interest Earnings	9,100	9,100	32,475	11,532	23,375	256.9 %
Total Revenues	\$ 1,909,100	\$ 1,909,100	\$ 2,814,582	\$ 2,453,812	\$ 905,482	47.4 %
Expenditures						
Salary and Benefits	\$ 148,568	\$ 148,568	\$ 124,325	\$ 122,298	\$ 24,243	16.3 %
Capital Project Expenditures	2,933,969	2,933,969	2,050,006	1,974,528	883,963	30.1 %
Services and Charges	25,680	25,680	23,703	708	1,977	7.7 %
Interfund Payments for Services	11,925	11,925	11,916	12,240	9	0.1 %
Operating Transfer Out	11,051	11,051	5,825	-	5,226	47.3 %
Total Expenditures	\$ 3,131,193	\$ 3,131,193	\$ 2,215,775	\$ 2,109,775	\$ 915,418	29.2 %
Net Change in Fund Balance	\$ (1,222,093)	\$ (1,222,093)	\$ 598,807	\$ 344,037	\$ 1,820,900	(149.0) %
Beg. Fund Balance, January 2017	\$ 2,424,727					
Net Change in Fund Balance, December 2017	598,807					
Ending Fund Balance, December 2017	<u>\$ 3,023,534</u>					
2017 Budgeted Ending Fund Balance	\$ 1,202,634					



This table presents the status of the projects with the most significant impacts on this fund:

Fund 103 - Local Street			
Capital Projects Status*			
Name	Annual Budget	YE Actual	Remaining
2018 Local Street Pavement Reconstruction	\$0.1M	\$0.03M	\$0.07M
2017 Local St. Reconst. & Preservation	\$2.77M	\$1.95M	\$0.82M
All Other Projects (1 Other Budgeted)	\$0.07M	\$0.07M	\$0.0M
Total	\$2.9M	\$2.1M	\$0.9M

*Components may not sum to total due to rounding.

Notes:

- 2016 Local Street Reconstruction Project received Final Acceptance by the City Council on April 17, 2017 and is complete.
- 2017 Local Street Reconstruction Project was awarded for construction by the City Council on July 3, 2017 and is under construction but will continue into 2018 due to weather limitations.

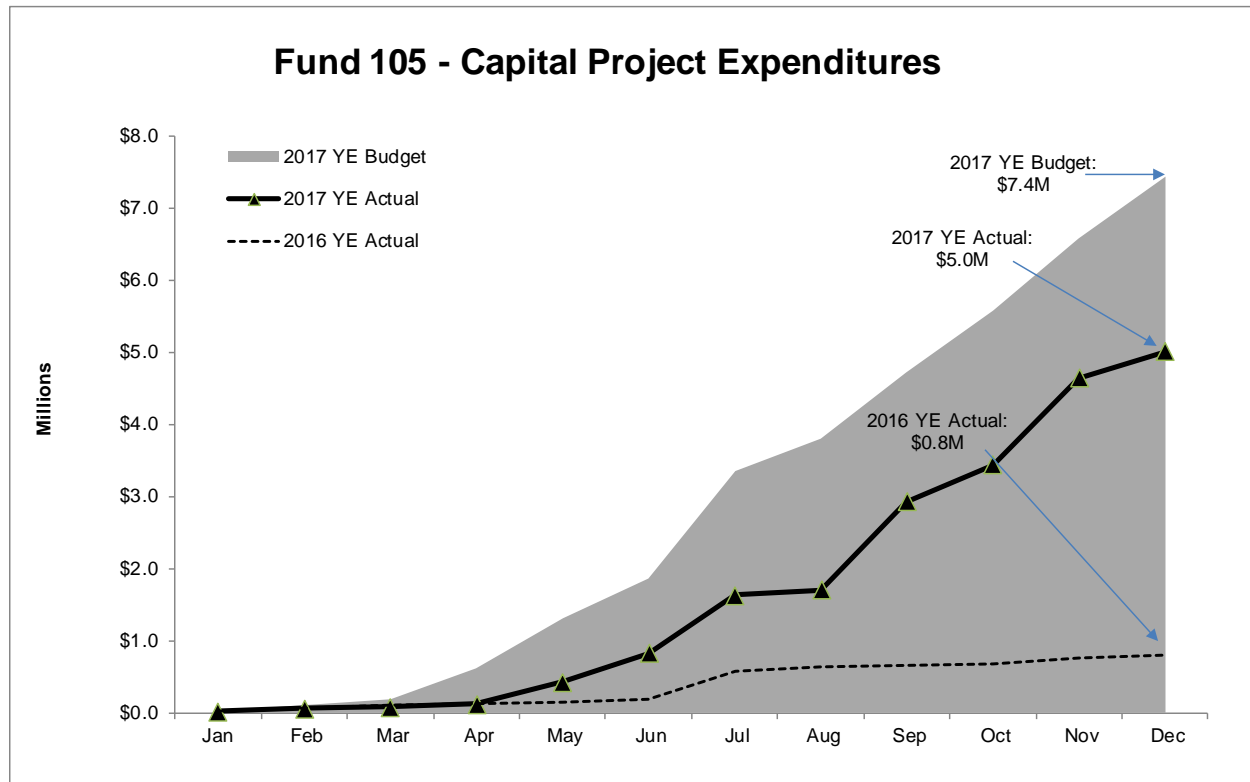
Fund 105 – Arterial Street Preservation Fund

The Arterial Street Preservation Fund is a special revenue fund which is primarily funded by a 1.0% utility tax that was adopted by Council in 2008; these utility tax revenues are restricted for arterial street repair and preservation projects. Major projects budgeted within the Arterial Street Preservation Fund in 2017 include 15th Street NE/NW Preservation, Auburn Way North Preservation, and the B Street NW Reconstruction project. During 2017, revenues totaled \$3.9 million and compare to collections of \$2.1 million in 2016.

Total 2017 expenditures were \$5.0 million, which compares to expenditures of \$1.1 million in 2016. This increase is due to projects carried forward from the prior year that were under construction in 2017. Historically, the majority of this fund's expenditures occur in the second half of each year due to the weather sensitivity of pavement construction (this work needs to be done primarily in the summer and early fall). Highlighted in the table below and shown in the following graph are the fund's total expenditures related to capital projects.

Fund 105 - Arterial Street Preservation Summary of Sources and Uses Report Period: December 2017	2017			2016	2017 YE Budget vs. Actual	
	Annual Budget	YE Budget	YE Actual	YE Actual	Favorable (Unfavorable)	
					Amount	Percentage
Revenues						
City Utility Tax	\$ 632,300	\$ 632,300	\$ 648,384	\$ 659,855	\$ 16,084	2.5 %
Electric Utility Tax	712,000	712,000	738,991	705,071	26,991	3.8 %
Natural Gas Utility Tax	200,200	200,200	214,550	189,392	14,350	7.2 %
Cable TV Tax	194,300	194,300	211,438	197,497	17,138	8.8 %
Telephone Utility Tax	290,400	290,400	275,990	298,871	(14,410)	(5.0) %
Garbage Utility Tax (External Haulers)	19,400	19,400	21,639	20,668	2,239	11.5 %
Grants	2,354,398	2,354,398	1,550,008	37,979	(804,390)	(34.2) %
Developer Mitigation Fees	-	-	-	-	-	-
Operating Transfer In	431,750	431,750	194,915	18,250	(236,835)	(54.9) %
Interest Earnings	4,900	4,900	25,483	9,858	20,583	420.1 %
Total Revenues	\$ 4,839,648	\$ 4,839,648	\$ 3,881,397	\$ 2,137,442	\$ (958,251)	(19.8) %
Expenditures						
Salary and Benefits	\$ 368,000	\$ 368,000	\$ 391,456	\$ 286,880	\$ (23,456)	(6.4) %
Capital Outlay	7,071,019	7,071,019	4,617,054	508,281	2,453,965	34.7 %
Subtotal - Capital Project Expenditures	7,439,019	7,439,019	5,008,510	795,161	2,430,509	32.7 %
Supplies	-	-	-	-	-	-
Services and Charges	-	-	-	62,500	-	-
Operating Transfer Out	56,535	56,535	14,389	195,636	42,146	74.5 %
Total Expenditures	\$ 7,495,554	\$ 7,495,554	\$ 5,022,898	\$ 1,053,297	\$ 2,472,656	33.0 %
Net Change in Fund Balance	\$ (2,655,906)	\$ (2,655,906)	\$ (1,141,501)	\$ 1,084,145	\$ 1,514,405	(57.0) %

Beg. Fund Balance, January 2017	\$ 3,269,631
Net Change in Fund Balance, December 2017	(1,141,501)
Ending Fund Balance, December 2017	\$ 2,128,130
2017 Budgeted Ending Fund Balance	\$ 613,725



This table presents the status of the projects with the most significant impacts on the fund:

Fund 105 - Arterial Street Preservation			
Capital Projects Status*			
Name	Annual Budget	YE Actual	Remaining
15th St NE/NW Preservation	\$1.5M	\$0.09M	\$1.5M
Auburn Way North Preservation	\$1.7M	\$1.7M	\$0.0M
B Street NW Reconstruction	\$2.7M	\$1.9M	\$0.8M
All Other Projects (4 Others Budgeted)	\$1.4M	\$1.3M	\$0.1M
Total	\$7.4M	\$5.0M	\$2.4M

*Components may not sum to total due to rounding.

Notes:

- Auburn Way North Preservation is complete.
- B Street NW Reconstruction was awarded for construction by the City Council on June 19, 2017 and is nearing completion with minor work continuing into 2018.
- 15th Street NE/NW Preservation project construction was delayed until 2018 due to the Puget Sound Regional Council's (PSRC's) modification of the Grant's obligation year to FY 2018. This revision was part of a region wide effort to address federal grant funding restrictions for FY 2017, 2018, 2019 and 2020, and means that funds cannot be expended until 2018.

Fund 124 – Mitigation Fees

The Mitigation Fees Fund is a special revenue fund funded from revenues from new development, which are assessed at the time applications are received for development activity. These funds are used to mitigate costs associated with City growth. In 2017, revenues were above budget expectations, at 37.0% above the annual budgeted amount. Projects contributing substantially to these revenues include North Auburn Logistics and Holiday Inn Express. Expenditures were below budget due to the timing of capital projects funded by these revenues.

Fund 124 - Mitigation Fees						
Summary of Sources and Uses				BUDGET		
Report Period Through:						
December 2017						
	YE Actuals		Ending			Ending
	Revenues	Expenditures	Fund Balance	Revenues	Expenditures	Fund Balance
Transportation Impact Fees	\$ 1,757,765	\$ 1,882,222	\$ 5,029,838	\$ 800,000	\$ 3,145,526	\$ 2,808,769
Transportation Mitigation Fees	67,877	101,307	230,848	-	148,946	115,331
Fire Impact Fees	181,528	400,000	81,339	170,000	400,000	69,811
Fire Mitigation Fees	-	-	81	-	-	81
Parks Impact Fees	598,576	116,036	5,288,973	600,000	612,000	4,794,434
Parks Mitigation Fees	-	-	331,327	-	-	331,327
School Impact Admin Fees	8,396	-	55,316	12,000	-	58,920
Wetland Mitigation Fees	-	-	68,835	-	31,570	37,265
Interest and Investment Income	112,605	-	112,605	8,200	-	8,200
Fees in Lieu of Improvements	-	-	122,525	-	-	122,525
Operating Transfers	-	-	-	400,000	-	400,000
Total	\$ 2,726,746	\$ 2,499,564	\$ 11,321,687	\$ 1,990,200	\$ 4,338,042	\$ 8,746,663

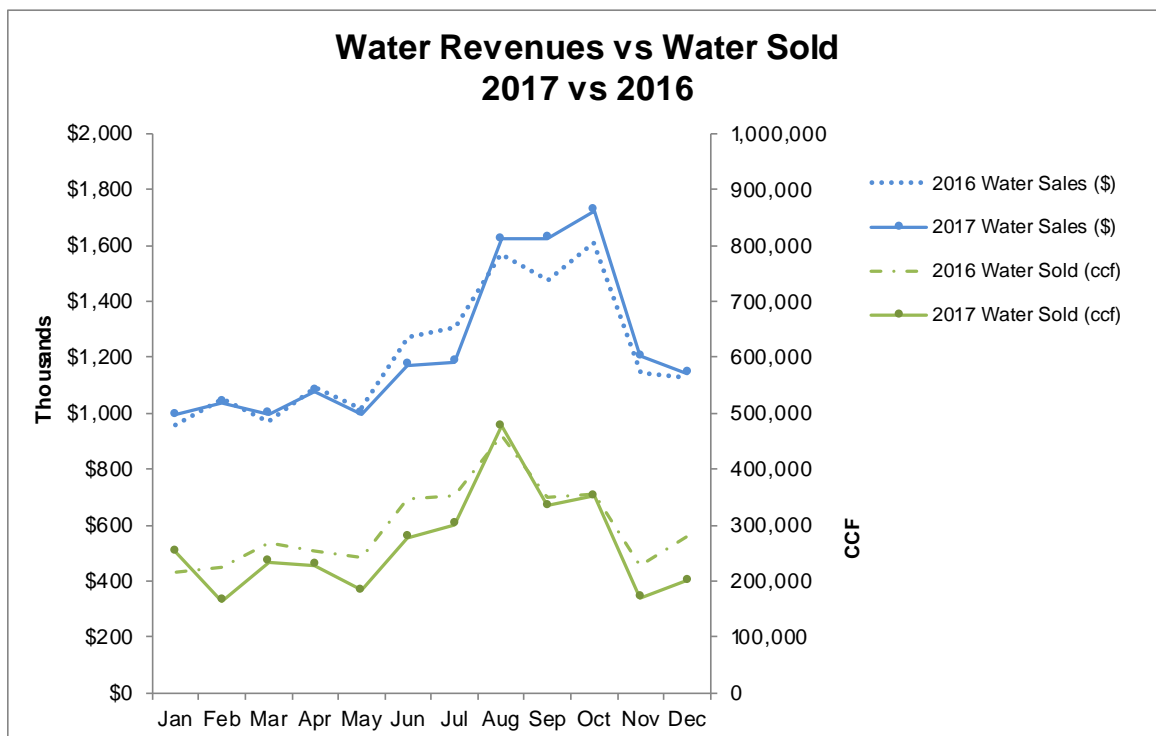
Beginning Fund Balance, January 2017	\$ 11,094,505
Net Change in Fund Balance, December 2017	227,182
Ending Fund Balance, December 2017	\$ 11,321,687
2017 Budgeted Ending Fund Balance	\$ 8,746,663

Enterprise Funds

Detailed income and expense statements for Enterprise and Internal Service funds can be found in the appendices at the end of this report. The appendices provide operating and, as applicable, capital fund reports for these funds showing budget, actuals, and variances. Operating funds house all the operating costs along with debt service and financing obligations. Capital funds show costs associated with capital acquisition and construction. Both the operating and capital funds have a working capital balance. This approach isolates those funds available for capital and cash flow needs for daily operations, and project managers will know exactly how much working capital is available for current and planned projects.

In 2017, the **Water Utility** had operating income before depreciation of \$5.7 million as compared with \$4.7 million in 2016. Revenues ended the year slightly ahead of budget expectations. The increase in operating income is largely due to lower expenditures in 2017 compared to 2016, during which the City purchased regional water from the City of Tacoma while four of the City's six major production wells were being rehabilitated. Regional water purchases in 2017 were minimal.

Water sales by volume during 2017 totaled 3.2 million hundred cubic feet (ccf), compared to 3.6 million ccf in 2016, representing a 14.9% decrease due to lower water consumption. This is part of a general trend of decreased year-over-year water consumption per account due largely to conservation efforts and appliance efficiency improvements. Additionally, the City has not provided water to Water District #111 since its contract was renegotiated; last year, sales to Water District #111 represented 11.3% of total water sales by volume.



The **Sewer Utility** finished 2017 with operating income before depreciation of \$2.3 million as compared to operating income of \$2.1 million in 2016 due primarily to higher service revenues in 2017.

The **Sewer-Metro Utility** ended 2017 with operating income before depreciation of \$421,000, as compared with \$297,000 in 2016. Variances in this fund are largely due to King County's internal billing process, by which King County bills the City a flat rate each quarter based on the number of customers and consumption volume averaged over prior quarters. Therefore, the Sewer-Metro Utility generally experiences a loss early in the year when revenues trend low, and income later in the year when revenues trend higher. This increase is due to higher revenues from service charges.

The **Stormwater Utility** ended 2017 with operating income before depreciation of \$2.6 million, compared with \$2.7 million in 2016.

Through December 2017, the **Solid Waste Utility** Fund had \$15.1 million in operating revenues, compared to \$14.5 million in operating expenditures, resulting in an increase in Working Capital of \$0.6 million.

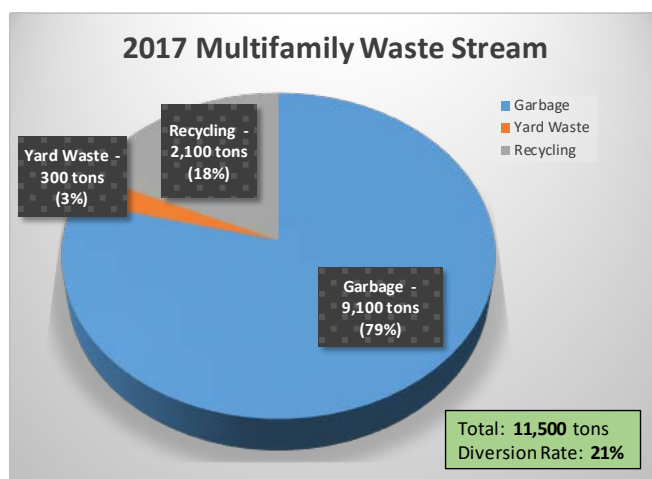
The City of Auburn's Solid Waste services are outsourced to Waste Management and to Republic Services, who manages the contract for the annexed areas. As of December 2017, Waste Management serviced 15,551 customers (80% of customers) and Republic Services serviced 4,009 customers (20% of customers).

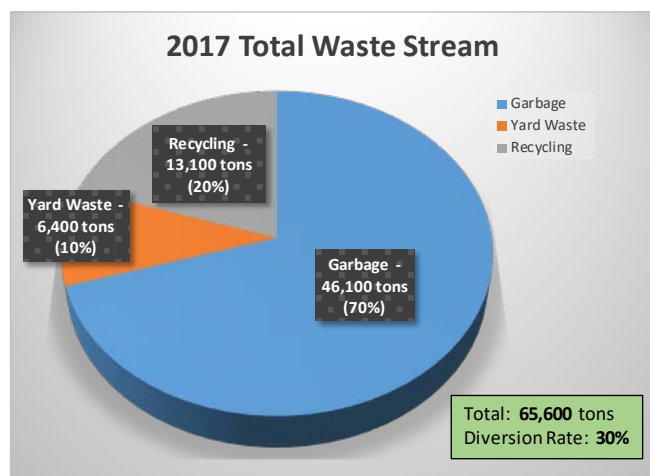
The current mix of customer account types is:

- 89% Residential
- 8% Commercial
- 3% Multifamily

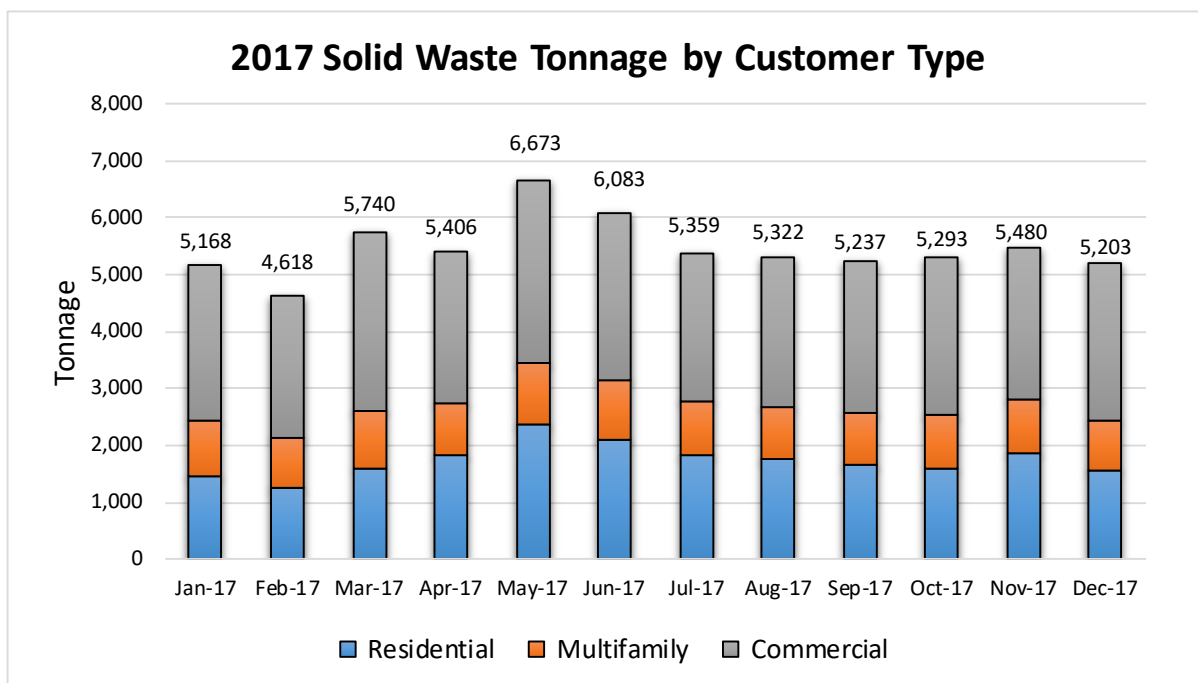
The "diversion rate" is a measure of how much generated waste is not sent to the landfill; i.e., waste that is either recycled or collected yard waste. In 2017, the total diversion rate was 30%, which represents a total of 19,500 tons of waste that was diverted from landfills.

2017 Solid Waste Diversion Rates:

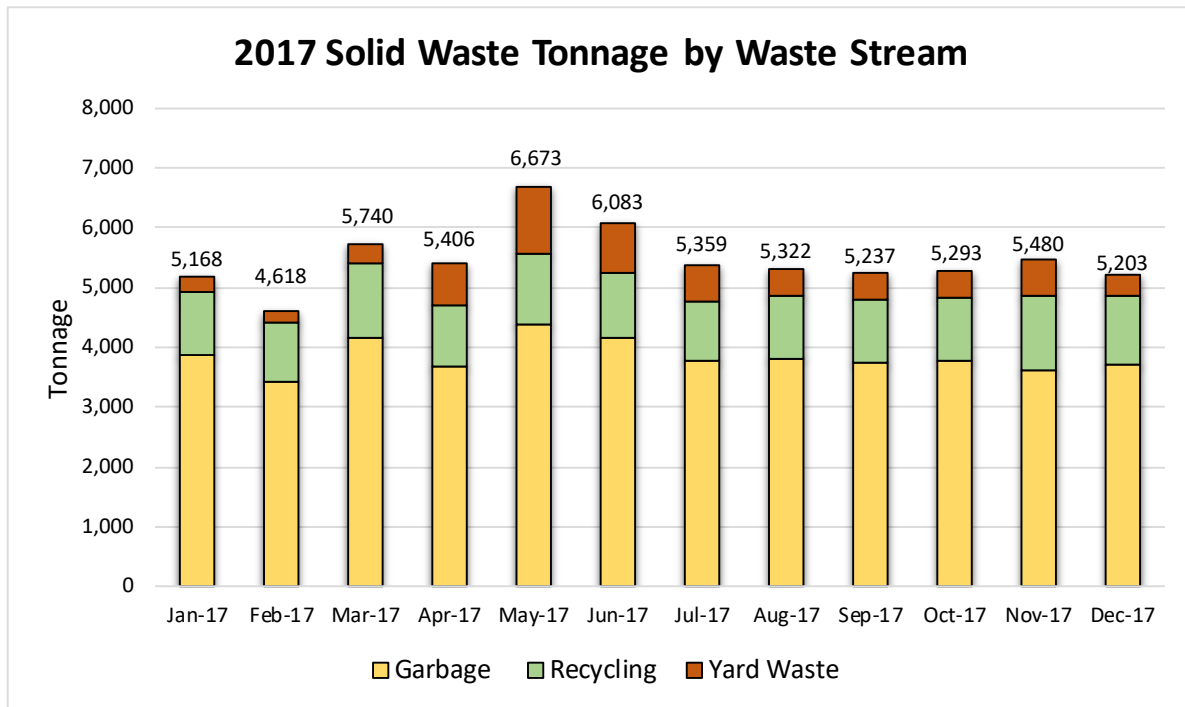




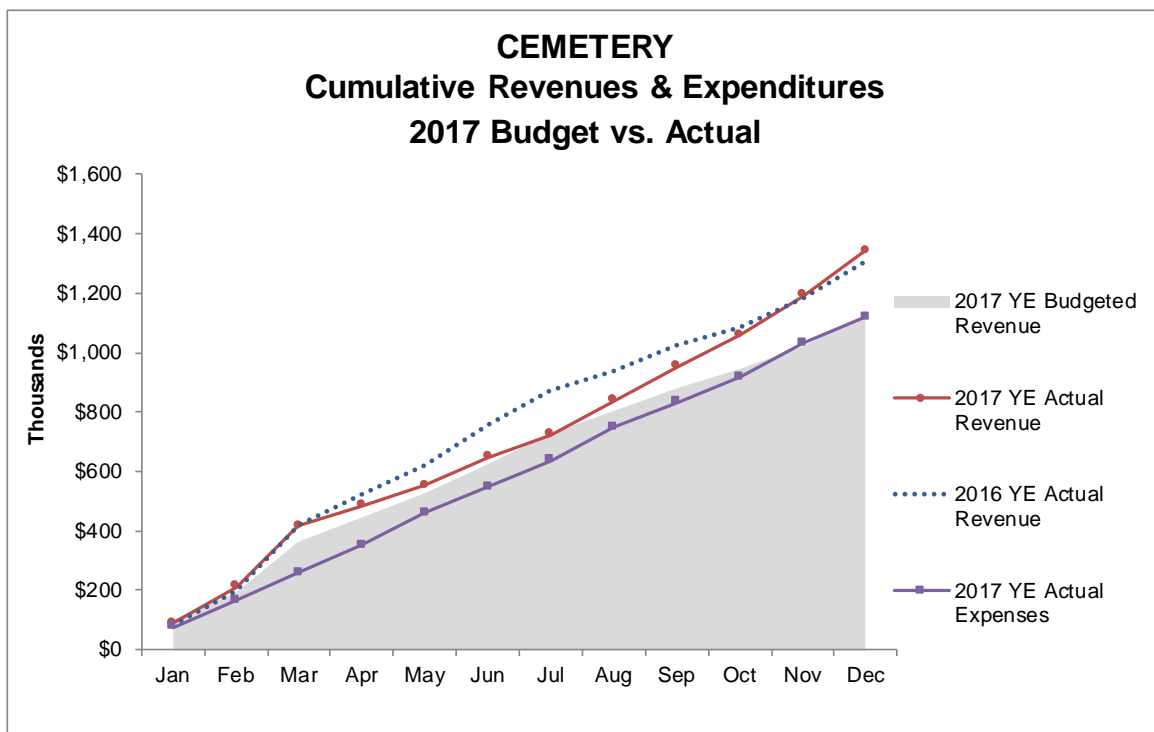
Of the total tonnage collected in 2017, 51% was collected from commercial customers, 32% was collected from residential customers, and 18% was collected from multifamily customers, as shown in the following graph.



Of the total tonnage collected in 2017, 70% was garbage, 20% was recyclables, and 10% was yard waste, as shown in the following graph.



The **Cemetery Fund** ended 2017 with an operating income of \$223,000 as compared with an operating income of \$188,000 in 2016. This variance is mainly due to slightly increased sales revenue and slightly lower expenditures for supplies.



Internal Service Funds

No significant variances are reported in the **Insurance, Worker's Compensation, Facilities, Innovation & Technology**, or **Equipment Rental** funds.

Contact Information

This report is prepared by the Finance Department. Additional financial information can also be viewed at our website: <http://www.auburnwa.gov/>. For any questions about this report please contact Shelley Coleman at scoleman@auburnwa.gov.

**City of Auburn
Investment Portfolio Summary
December 31, 2017**

Investment Type	Purchase Date	Purchase Price	Maturity Date	Yield to Maturity
State Investment Pool	Various	\$ 116,427,623	Various	1.28%
KeyBank Money Market	Various	6,332,600	Various	0.02%
OpusBank Public Interest Acct	Various	10,020,030	Various	1.36%
FNMA	3/11/2016	998,844	2/22/2019	1.20%
Total Cash & Investments		\$ 133,779,097		1.223%

Investment Mix	% of Total	Summary	
State Investment Pool	87.0%	Current 6-month treasury rate	1.50%
KeyBank Money Market	4.7%	Current State Pool rate	1.28%
OpusBank Public Interest Acct	7.5%	KeyBank Money Market	0.02%
FNMA	0.7%	OpusBank Public Interest Acct	1.36%
	100.0%	Blended Auburn rate	1.22%

SALES TAX SUMMARY

DECEMBER 2017 SALES TAX DISTRIBUTIONS (FOR OCTOBER 2017 RETAIL ACTIVITY)

NAICS	CONSTRUCTION	2016 Annual Total (Nov '15-Oct '16)	2016 YE (Nov '15-Oct '16)	2017 YE (Nov '16-Oct '17)	YE % Diff
236	Construction of Buildings	1,139,466	1,139,466	1,503,231	31.9%
237	Heavy and Civil Construction	309,344	309,344	209,928	-32.1%
238	Specialty Trade Contractors	843,470	843,470	918,947	8.9%
TOTAL CONSTRUCTION		\$ 2,292,280	\$ 2,292,280	\$ 2,632,107	14.8%
Overall Change from Previous Year				\$ 339,827	

NAICS	MANUFACTURING	2016 Annual Total (Nov '15-Oct '16)	2016 YE (Nov '15-Oct '16)	2017 YE (Nov '16-Oct '17)	YE % Diff
311	Food Manufacturing	3,278	3,278	4,642	41.6%
312	Beverage and Tobacco Products	9,601	9,601	7,842	-18.3%
313	Textile Mills	415	415	264	-36.5%
314	Textile Product Mills	3,554	3,554	1,501	-57.8%
315	Apparel Manufacturing	155	155	227	46.6%
316	Leather and Allied Products	38	38	46	20.6%
321	Wood Product Manufacturing	58,391	58,391	16,528	-71.7%
322	Paper Manufacturing	8,047	8,047	15,254	89.6%
323	Printing and Related Support	52,610	52,610	54,391	3.4%
324	Petroleum and Coal Products	2,145	2,145	1,040	-51.5%
325	Chemical Manufacturing	10,183	10,183	15,982	56.9%
326	Plastics and Rubber Products	8,168	8,168	8,856	8.4%
327	Nonmetallic Mineral Products	17,429	17,429	17,749	1.8%
331	Primary Metal Manufacturing	442	442	818	85.1%
332	Fabricated Metal Product Manuf	29,409	29,409	28,618	-2.7%
333	Machinery Manufacturing	16,461	16,461	18,216	10.7%
334	Computer and Electronic Product	10,780	10,780	32,957	205.7%
335	Electric Equipment, Appliances	445	445	1,103	147.9%
336	Transportation Equipment Man	471,441	471,441	385,842	-18.2%
337	Furniture and Related Products	18,661	18,661	34,157	83.0%
339	Miscellaneous Manufacturing	39,437	39,437	31,567	-20.0%
TOTAL MANUFACTURING		\$ 761,091	\$ 761,091	\$ 677,596	-11.0%
Overall Change from Previous Year				\$ (83,495)	

NAICS	TRANSPORTATION AND WAREHOUSING	2016 Annual Total (Nov '15-Oct '16)	2016 YE (Nov '15-Oct '16)	2017 YE (Nov '16-Oct '17)	YE % Diff
481	Air Transportation	1	1	2	61.8%
482	Rail Transportation	24,331	24,331	20,972	-13.8%
484	Truck Transportation	7,067	7,067	4,014	-43.2%
485	Transit and Ground Passengers	114	114	-3,390	-3076.1%
488	Transportation Support	52,828	52,828	51,246	-3.0%
491	Postal Service	274	274	274	0.0%
492	Couriers and Messengers	301	301	1,859	518.5%
493	Warehousing and Storage	14,523	14,523	13,526	-6.9%
TOTAL TRANSPORTATION		\$ 99,439	\$ 99,439	\$ 88,502	-11.0%
Overall Change from Previous Year				\$ (10,937)	

NAICS	WHOLESALE TRADE	2016 Annual Total (Nov '15-Oct '16)	2016 YE (Nov '15-Oct '16)	2017 YE (Nov '16-Oct '17)	YE % Diff
423	Wholesale Trade, Durable Goods	981,820	981,820	1,080,558	10.1%
424	Wholesale Trade, Nondurable	281,166	281,166	278,097	-1.1%
425	Wholesale Electronic Markets	1,991	1,991	4,428	122.4%
TOTAL WHOLESALE		\$ 1,264,976	\$ 1,264,976	\$ 1,363,083	7.8%
Overall Change from Previous Year				\$ 98,107	

Includes Adjustments in excess of +/- \$10,000.

- a. WA State Dept of Revenue audit adjustment to sales tax returns for period of November 2015 (adjustment: \$10,572).
b. WA State Dept of Revenue audit adjustment to sales tax returns for period of April 2016 (adjustment: - \$52,898).
c. WA State Dept of Revenue audit adjustment to sales tax returns for period of May 2016 (adjustment: - \$16,496).
d. WA State Dept of Revenue audit adjustment to sales tax returns for period of April 2017 (adjustment: - \$29,746).
e. WA State Dept of Revenue audit adjustment to sales tax returns for period of October 2017 (adjustment: \$36,668).

NAICS	AUTOMOTIVE	2016 Annual Total (Nov '15-Oct '16)	2016 YE (Nov '15-Oct '16)	2017 YE (Nov '16-Oct '17)	YE % Diff
441	Motor Vehicle and Parts Dealer	3,409,019	3,409,019	3,703,385	e 8.6%
447	Gasoline Stations	250,478	250,478	268,146	7.1%
TOTAL AUTOMOTIVE		\$ 3,659,497	\$ 3,659,497	\$ 3,971,531	8.5%
Overall Change from Previous Year				\$ 312,034	

NAICS	RETAIL TRADE	2016 Annual Total (Nov '15-Oct '16)	2016 YE (Nov '15-Oct '16)	2017 YE (Nov '16-Oct '17)	YE % Diff
442	Furniture and Home Furnishings	185,234	185,234	197,226	c 6.5%
443	Electronics and Appliances	220,553	220,553	211,036	-4.3%
444	Building Material and Garden	579,076	579,076	580,347	0.2%
445	Food and Beverage Stores	397,177	397,177	368,971	a -7.1%
446	Health and Personal Care Store	284,191	284,191	368,699	29.7%
448	Clothing and Accessories	1,136,431	1,136,431	1,118,980	d -1.5%
451	Sporting Goods, Hobby, Books	237,555	237,555	199,717	-15.9%
452	General Merchandise Stores	1,017,905	1,017,905	992,858	-2.5%
453	Miscellaneous Store Retailers	473,398	473,398	463,719	-2.0%
454	Nonstore Retailers	321,071	321,071	370,027	15.2%
TOTAL RETAIL TRADE		\$ 4,852,592	\$ 4,852,592	\$ 4,871,580	0.4%
Overall Change from Previous Year				\$ 18,988	

NAICS	SERVICES	2016 Annual Total (Nov '15-Oct '16)	2016 YE (Nov '15-Oct '16)	2017 YE (Nov '16-Oct '17)	YE % Diff
51*	Information	630,158	630,158	662,460	5.1%
52*	Finance and Insurance	110,728	110,728	122,200	10.4%
53*	Real Estate, Rental, Leasing	358,628	358,628	367,828	2.6%
541	Professional, Scientific, Tech	237,656	237,656	238,617	0.4%
551	Company Management	330	330	13	-96.1%
56*	Admin. Supp., Remed Svcs	328,453	328,453	276,380	-15.9%
611	Educational Services	50,026	50,026	55,506	11.0%
62*	Health Care Social Assistance	91,643	91,643	74,678	-18.5%
71*	Arts and Entertainment	156,301	156,301	109,577	-29.9%
72*	Accommodation and Food Svcs	1,217,734	1,217,734	1,276,310	4.8%
81*	Other Services	646,579	646,579	546,059	-15.5%
92*	Public Administration	141,806	141,806	182,112	28.4%
TOTAL SERVICES		\$ 3,970,042	\$ 3,970,042	\$ 3,911,740	-1.5%
Overall Change from Previous Year				\$ (58,302)	

NAICS	MISCELLANEOUS	2016 Annual Total (Nov '15-Oct '16)	2016 YE (Nov '15-Oct '16)	2017 YE (Nov '16-Oct '17)	YE % Diff
000	Unknown	0	0	0	N/A
111-115	Agriculture, Forestry, Fishing	5,534	5,534	6,486	17.2%
211-221	Mining & Utilities	29,410	29,410	26,023	-11.5%
999	Unclassifiable Establishments	32,161	32,161	32,865	b 2.2%
TOTAL SERVICES		\$ 67,105	\$ 67,105	\$ 65,374	-2.6%
Overall Change from Previous Year				\$ (1,731)	

GRAND TOTAL	\$ 16,967,023	\$ 16,967,023	\$ 17,581,514	
Overall Change from Previous Year			\$ 614,491	3.6%

Total December 2017 Sales Tax Distributions	\$ 1,428,780
Dollar Increase from December 2016	\$ 76,553
Percent Increase from December 2016	5.7%
Comparisons:	
December 2016	\$ 1,352,227
December 2015	\$ 1,377,398

OPERATING & CAPITAL FUNDS				ENTERPRISE FUNDS											
Cash Basis through December 2017	WATER			SEWER			SEWER METRO			STORM					
	YE			YE			YE			YE					
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance			
OPERATING FUND:															
OPERATING REVENUES															
Charges For Service	14,730,511	14,781,300	50,789	8,102,441	8,667,587	565,146	17,237,490	17,703,367	465,877	9,242,676	9,766,428	523,752			
Grants			-			-			-			-			
Interest Earnings	10,000	82,223	72,223	20,000	33,522	13,522	1,000	10,721	9,721	15,000	26,219	11,219			
Rents, Leases, Concessions, & Other	212,939	246,896	33,957	72,849	73,739	890	-	-	-	60,951	78,397	17,446			
TOTAL OPERATING REVENUES	14,953,450	15,110,419	156,969	8,195,290	8,774,849	579,559	17,238,490	17,714,088	475,598	9,318,627	9,871,044	552,417			
OPERATING EXPENSES															
Salaries & Wages	2,688,501	2,622,309	66,192	1,742,176	1,713,165	29,011	-	-	-	2,500,996	2,549,112	(48,116)			
Benefits	1,314,301	1,232,638	81,663	842,110	799,993	42,117	-	-	-	1,233,452	1,208,249	25,203			
Supplies	334,444	289,182	45,262	116,750	80,398	36,352	-	-	-	94,750	59,412	35,338			
Other Service Charges	5,096,580	2,986,248	2,110,332	2,951,890	2,584,553	367,337	-	147	(147)	1,778,290	1,547,734	230,556			
Intergovernmental Services (Less Transfers Out)				9,500	3,663	5,837				83,000	62,848	20,152			
Waste Management Payments															
Sewer Metro Services							17,359,700	17,292,837	66,863						
Debt Service Interest	1,345,282	856,805	488,477	276,483	276,483	0	-	-	-	361,418	361,417	1			
Interfund Loan Repayment			-			-						-			
Net Change Restricted Assets															
Interfund Operating Rentals & Supplies	1,422,716	1,422,819	(103)	1,039,865	1,041,678	(1,813)	-	-	-	1,441,066	1,442,839	(1,773)			
TOTAL OPERATING EXPENSES	12,201,824	9,410,000	2,791,824	6,978,774	6,499,935	478,839	17,359,700	17,292,983	66,717	7,492,972	7,231,612	261,360			
OPERATING REVENUES LESS EXPENSES BEFORE DEPRECIATION	2,751,626	5,700,419	2,948,793	1,216,516	2,274,914	1,058,398	(121,210)	421,105	542,315	1,825,655	2,639,432	813,777			
NON-OPERATING REVENUES															
Operating Transfers-in															
NON-OPERATING EXPENSES															
Transfer to Capital Subfund	2,500,000	2,500,000	-	1,000,000	800,000	200,000				1,400,000	300,000	1,100,000			
Other Operating Transfers-out	336,966	143,862	193,104	399,632	112,839	286,793				506,112	216,047	290,065			
Debt Service Principal	1,799,827	1,468,080	331,747	541,127	541,127	0				413,162	413,162	-			
Net Change in Restricted Net Assets	-	5,691,021	5,691,021	-	518,591	518,591				-	1,586,244	1,586,244			
Interfund Loan Repayment															
BEGINNING WORKING CAPITAL - January 1, 2017	7,977,666	7,977,666	-	2,810,410	2,810,410	-	2,672,022	2,672,022	-	2,005,792	2,005,792	-			
ENDING WORKING CAPITAL - December 31, 2017	6,092,499	3,875,122	(2,217,377)	2,086,167	3,112,766	1,026,599	2,550,812	3,093,127	542,315	1,512,173	2,129,770	617,598			
NET CHANGE IN WORKING CAPITAL (see Note)	(1,885,167)	(4,102,544)	(2,217,377)	(724,243)	302,356	1,026,599	(121,210)	421,105	542,315	(493,619)	123,979	617,598			
CAPITAL FUND:															
CAPITAL REVENUES															
Interest Revenue	-	22,342	22,342	-	120,323	120,323				-	125,514	125,514			
Grants	175,000	5,400	(169,600)							-	-	-			
Contributions			-	-	-	-				-	-	-			
Other Non-Operating Revenue	-	4,072,557	4,072,557	-	-	-				-	800,501	800,501			
Gain (Loss) On Sale Of Fixed Assets	-	-	-	-	-	-				-	-	-			
Increase In Contributions - System Development	1,000,000	597,556	(402,444)	500,000	458,574	(41,426)				500,000	817,846	317,846			
Interfund Revenues	-	-	-	-	-	-				-	-	-			
Increase In Contributions - FAA	-	-	-	-	-	-				-	-	-			
Proceeds of Debt Activity	5,402,159	70,798	(5,331,361)	-	-	-				-	-	-			
Transfers In from Operating Sub-Fund	2,500,000	2,500,000	-	1,000,000	800,000	(200,000)				1,400,000	300,000	(1,100,000)			
Transfer In from Other Funds	200,000	-	(200,000)	-	-	-				-	-	-			
Other Sources	-	-	-	-	22,500	22,500				-	-	-			
TOTAL CAPITAL REVENUES	9,277,159	7,268,652	(2,008,507)	1,500,000	1,401,397	(98,603)				1,900,000	2,043,861	143,861			
CAPITAL EXPENSES															
Other Non-Operating Expense	-	-	-	-	-	-				-	-	-			
Increase In Fixed Assets - Salaries	382,143	167,840	214,303	86,429	50,500	35,929				152,143	164,788	(12,645)			
Increase In Fixed Assets - Benefits	152,857	76,798	76,059	34,571	23,739	10,832				60,857	74,002	(13,145)			
Increase In Fixed Assets - Services	-	8,357	(8,357)	-	8,005	(8,005)				-	13,918	(13,918)			
Increase In Fixed Assets - Site Improvements	-	54,768	(54,768)	-	-	-				-	-	-			
Increase In Fixed Assets - Equipment	20,000	19,955	45	40,000	19,955	20,045				20,000	19,955	45			
Increase In Fixed Assets - Construction	10,524,977	7,136,458	3,388,519	2,647,218	1,478,761	1,168,457				4,229,504	1,767,092	2,462,412			
Operating Transfers Out	50,000	50,000	-	50,000	50,000	-				156,000	156,000	-			
TOTAL CAPITAL EXPENSES	11,129,977	7,514,177	3,615,800	2,858,218	1,630,960	1,227,258				4,618,504	2,195,757	2,422,747			
BEGINNING WORKING CAPITAL - January 1, 2017	1,936,373	1,936,373	-	12,710,295	12,710,295	-				13,379,700	13,379,700	-			
ENDING WORKING CAPITAL - December 31, 2017	83,555	1,690,848	1,607,293	11,352,077	12,480,733	1,128,655				10,661,196	13,227,804	2,566,608			
NET CHANGE IN WORKING CAPITAL (see Note)	(1,852,818)	(245,525)	1,607,293	(1,358,218)	(229,563)	1,128,655				(2,718,504)	(151,896)	2,566,608			
Total Change in Working Capital	(3,737,985)	(4,348,069)	(610,084)	(2,082,461)	72,793	2,155,254	(121,210)	421,105	542,315	(3,212,123)	(27,917)	3,184,206			
(*) Depreciation	3,140,000	3,269,581		2,315,000	2,199,711		-	-		2,080,000	1,885,931				
Working Capital = Current Assets minus Current Liabilities															

OPERATING & CAPITAL FUNDS	ENTERPRISE FUNDS						INTERNAL SERVICE FUNDS		
Cash Basis through December 2017	SOLID WASTE			AIRPORT			CEMETERY		
	YE			YE			YE		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
OPERATING FUND:									
OPERATING REVENUES									
Charges For Service	15,316,200	15,067,667	(248,533)	826,800	874,790	47,990	927,500	1,336,570	409,070
Grants	87,300	25,120	(62,180)	-	-	-	-	-	-
Interest Earnings	9,000	41,712	32,712	2,500	6,451	3,951	800	4,323	3,523
Rents, Leases, Concessions, & Other	-	441	441	3,000	9,932	6,932	-	-	-
TOTAL OPERATING REVENUES	15,412,500	15,134,940	(277,560)	832,300	891,173	58,873	928,300	1,340,894	412,594
OPERATING EXPENSES									
Salaries & Wages	325,910	326,131	(221)	-	-	-	475,628	470,184	5,444
Benefits	147,414	146,021	1,393	-	-	-	258,734	250,268	8,466
Supplies	27,542	5,520	22,022	2,500	435	2,066	221,700	209,208	12,492
Other Service Charges	1,645,565	1,519,615	125,950	484,950	482,003	2,947	156,750	140,684	16,066
Intergovernmental Services (Less Transfers Out)	363,600	366,065	(2,465)	-	-	-	-	-	-
Waste Management Payments	12,475,500	12,048,375	427,125						
Sewer Metro Services									
Debt Service Interest	-	-	-	24,357	9,841	14,516	(0)	-	(0)
Interfund Loan Repayment				-	-	-			-
Net Change Restricted Assets									
Interfund Operating Rentals & Supplies	111,587	111,588	(1)	1,400	1,404	(4)	47,833	47,832	1
TOTAL OPERATING EXPENSES	15,097,118	14,523,314	573,804	513,207	493,682	19,525	1,160,645	1,118,176	42,469
OPERATING REVENUES LESS EXPENSES BEFORE DEPRECIATION	315,382	611,626	296,244	319,093	397,490	78,397	(232,345)	222,717	455,062
NON-OPERATING REVENUES									
Operating Transfers-in							200,000	-	(200,000)
NON-OPERATING EXPENSES									
Transfer to Capital Subfund									
Other Operating Transfers-out	-	-	-	-	-	-	1,332	397	935
Debt Service Principal				165,000	171,023	(6,023)	-	-	-
Net Change in Restricted Net Assets				-	(169,681)	(169,681)	-	-	-
Interfund Loan Repayment				39,942	39,900	42			
BEGINNING WORKING CAPITAL - January 1, 2017	4,411,853	4,411,853	-	236,649	236,649	-	293,829	293,829	-
ENDING WORKING CAPITAL - December 31, 2017	4,727,235	5,023,479	296,244	350,800	592,898	242,098	260,152	516,149	255,997
NET CHANGE IN WORKING CAPITAL (see Note)	315,382	611,626	296,244	114,151	356,249	242,098	(33,677)	222,320	255,997
CAPITAL FUND:									
CAPITAL REVENUES									
Interest Revenue				-	3,378	3,378	-	2,404	2,404
Grants									
Contributions				17,167	529	(16,638)	-	-	-
Other Non-Operating Revenue				-	-	-	-	-	-
Gain (Loss) On Sale Of Fixed Assets				-	-	-	-	-	-
Increase In Contributions - System Development				-	-	-	-	-	-
Interfund Revenues				-	-	-	-	-	-
Increase In Contributions - FAA				310,900	5,642	(305,258)	-	-	-
Proceeds of Debt Activity				-	-	-	-	-	-
Transfers In from Operating Sub-Fund				-	-	-	-	-	-
Transfer In from Other Funds				275,000	274,937	(63)	-	-	-
Other Sources				-	-	-	-	-	-
TOTAL CAPITAL REVENUES				603,067	284,486	(318,581)	-	2,404	2,404
CAPITAL EXPENSES									
Other Non-Operating Expense				-	-	-	-	-	-
Increase In Fixed Assets - Salaries				21,429	14	21,415	-	-	-
Increase In Fixed Assets - Benefits				8,571	7	8,564	-	-	-
Increase In Fixed Assets - Services				-	46	(46)	-	-	-
Increase In Fixed Assets - Site Improvements							-	-	-
Increase In Fixed Assets - Equipment							-	-	-
Increase In Fixed Assets - Construction				729,034	348,776	380,258	-	-	-
Operating Transfers Out				-	-	-	-	-	-
TOTAL CAPITAL EXPENSES				759,034	348,843	410,191	-	-	-
BEGINNING WORKING CAPITAL - January 1, 2017				360,602	360,602	-	256,633	256,633	-
ENDING WORKING CAPITAL - December 31, 2017				204,635	296,245	91,610	256,633	259,037	2,404
NET CHANGE IN WORKING CAPITAL (see Note)				(155,967)	(64,357)	91,610	-	2,404	2,404
Total Change in Working Capital	315,382	611,626		(41,816)	291,892	333,708	(33,677)	224,724	258,401
(*) Depreciation	19,000	18,819		468,000	462,843		50,500	47,383	-
Working Capital = Current Assets minus Current Liabilities									-

OPERATING & CAPITAL FUNDS				INTERNAL SERVICE FUNDS											
Cash Basis through December 2017				WORKER'S COMPENSATION			FACILITIES			INNOVATION & TECHNOLOGY			EQUIPMENT RENTAL		
				Budget	YE Actual	Variance	Budget	YE Actual	Variance	Budget	YE Actual	Variance	Budget	YE Actual	Variance
OPERATING FUND:															
OPERATING REVENUES															
Charges For Service				961,300	935,127	(26,173)	3,453,700	3,485,034	31,334	6,038,376	6,065,744	27,368	2,263,102	2,281,867	18,765
Grants				-	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings				2,600	13,175	10,575	8,800	19,817	11,017	5,000	14,170	9,170	-	27,787	27,787
Rents, Leases, Concessions, & Other				93,000	6,522	(86,478)	-	57,928	57,928	-	-	-	-	100,621	100,621
TOTAL OPERATING REVENUES				1,056,900	954,823	(102,077)	3,462,500	3,562,779	100,279	6,043,376	6,079,914	36,538	2,263,102	2,410,275	147,173
OPERATING EXPENSES															
Salaries & Wages				76,324	73,291	3,033	655,000	624,384	30,616	1,822,981	1,817,194	5,787	681,943	581,087	100,856
Benefits				362,638	122,180	240,458	358,001	338,027	19,974	817,418	780,508	36,910	349,650	295,408	54,242
Supplies				-	-	-	150,220	132,230	17,990	508,250	506,972	1,278	1,074,000	752,592	321,408
Other Service Charges				494,915	231,601	263,314	1,818,387	1,484,323	334,064	2,882,325	2,324,104	558,221	427,580	417,524	10,056
Intergovernmental Services (Less Transfers Out)				-	-	-	-	-	-	-	-	-	-	-	-
Waste Management Payments				-	-	-	-	-	-	-	-	-	-	-	-
Sewer Metro Services				-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Interest				-	-	-	-	-	-	-	-	-	3,843	3,581	262
Interfund Loan Repayment				-	-	-	-	-	-	-	-	-	-	-	-
Net Change Restricted Assets				-	-	-	-	-	-	-	-	-	-	-	-
Interfund Operating Rentals & Supplies				-	-	-	140,784	140,784	-	191,031	191,016	15	231,152	231,447	(295)
TOTAL OPERATING EXPENSES				933,877	427,071	506,806	3,122,392	2,719,748	402,644	6,222,005	5,619,794	602,211	2,768,168	2,281,638	486,530
OPERATING REVENUES LESS EXPENSES BEFORE DEPRECIATION				123,023	527,752	404,729	340,108	843,031	502,923	(178,629)	460,120	638,749	(505,066)	128,637	633,703
NON-OPERATING REVENUES															
Operating Transfers-in				-	-	-	-	-	-	662,611	279,724	(382,887)	100,000	100,000	-
NON-OPERATING EXPENSES															
Transfer to Capital Subfund				-	-	-	-	-	-	-	-	-	-	-	-
Other Operating Transfers-out				-	-	-	961,452	888,503	72,949	400	400	-	-	-	-
Debt Service Principal				-	-	-	-	-	-	-	-	-	-	-	-
Net Change in Restricted Net Assets				-	-	-	-	-	-	-	-	-	(173,155)	(173,155)	-
Interfund Loan Repayment				-	-	-	-	-	-	-	-	-	-	-	-
BEGINNING WORKING CAPITAL - January 1, 2017				1,097,368	1,097,368	-	1,853,016	1,853,016	-	1,064,713	1,064,713	-	2,749,240	2,749,240	-
ENDING WORKING CAPITAL - December 31, 2017				1,220,391	1,625,120	404,729	1,231,672	1,807,545	575,873	1,548,295	1,804,157	255,862	2,344,174	3,151,032	806,858
NET CHANGE IN WORKING CAPITAL (see Note)				123,023	527,752	404,729	(621,344)	(45,471)	575,873	483,582	739,444	255,862	(405,066)	401,792	806,858
CAPITAL FUND:															
CAPITAL REVENUES															
Interest Revenue				-	-	-	-	-	-	-	18,996	18,996	-	30,156	30,156
Grants				-	-	-	-	-	-	-	-	-	-	-	-
Contributions				-	-	-	-	-	-	-	-	-	-	-	-
Other Non-Operating Revenue				-	-	-	-	-	-	-	-	-	-	-	-
Gain (Loss) On Sale Of Fixed Assets				-	-	-	-	-	-	-	-	-	-	-	-
Increase In Contributions - System Development				-	-	-	-	-	-	-	-	-	-	-	-
Interfund Revenues				-	-	-	-	-	-	-	-	-	1,703,631	1,703,628	(3)
Increase In Contributions - FAA				-	-	-	-	-	-	-	-	-	-	-	-
Proceeds of Debt Activity				-	-	-	-	-	-	-	-	-	-	-	-
Transfers In from Operating Sub-Fund				-	-	-	-	-	-	-	-	-	-	-	-
Transfer In from Other Funds				-	-	-	-	-	-	96,537	88,570	(7,967)	1,010,927	372,032	(638,895)
Other Sources				-	-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL REVENUES				-	-	-	-	-	-	96,537	107,566	11,029	2,714,558	2,105,816	(608,742)
CAPITAL EXPENSES															
Other Non-Operating Expense				-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Salaries				-	-	-	-	1,983	(1,983)	-	-	-	-	-	-
Increase In Fixed Assets - Benefits				-	-	-	-	728	(728)	-	-	-	-	-	-
Increase In Fixed Assets - Services				-	-	-	-	263	(263)	-	-	-	413	(413)	-
Increase In Fixed Assets - Site Improvements				-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Equipment				-	-	-	-	-	-	779,437	469,273	310,164	1,961,665	1,662,097	299,568
Increase In Fixed Assets - Construction				-	-	-	-	-	-	163,000	61,710	101,290	710,000	9,900	700,100
Operating Transfers Out				-	-	-	-	-	-	55,900	55,900	-	-	-	-
TOTAL CAPITAL EXPENSES				-	-	-	-	-	-	998,337	589,857	408,480	2,671,665	1,672,410	999,255
BEGINNING WORKING CAPITAL - January 1, 2017				-	-	-	-	-	-	2,319,577	2,319,577	-	3,020,402	3,020,402	-
ENDING WORKING CAPITAL - December 31, 2017				-	-	-	-	-	-	1,417,777	1,837,285	419,509	3,063,295	3,453,808	390,513
NET CHANGE IN WORKING CAPITAL (see Note)				-	-	-	-	-	-	(901,800)	(482,291)	419,509	42,893	433,406	390,513
Total Change in Working Capital				123,023	527,752	404,729	(621,344)	(45,471)	575,873	(418,218)	257,153	675,371	(362,173)	835,198	1,197,371
(*) Depreciation				-	-	-	-	-	-	701,000	680,431	-	985,000	1,182,134	-
Working Capital = Current Assets minus Current Liabilities				-	-	-	-	-	-	-	-	-	-	-	-

The following table provides an analysis of each of the City's Enterprise and Internal Service funds - showing 2017 revenues and expenditures by fund through December and includes the Fund Balance in the associated Capital Sub-Fund.

FUND BALANCE		ENTERPRISE FUNDS							INTERNAL SERVICE FUNDS				
	WATER	SEWER	SEWER METRO	STORM	SOLID WASTE	AIRPORT	CEMETERY	INSURANCE	WORKER'S COMPENSATION	FACILITIES	INNOVATION & TECHNOLOGY	EQUIPMENT RENTAL	
OPERATING REVENUES													
Charges For Services	\$ 14,781,300	\$ 8,667,587	\$ -	\$ 9,766,428	\$ 15,067,667	\$ 70,750	\$ 1,336,570	\$ -	\$ -	\$ -	\$ -	\$ -	
Interfund Charges For Services	-	-	-	-	-	-	-	-	941,648	3,374,196	5,973,720	3,985,495	
Sewer Metro Services Revenue	-	-	17,703,367	-	-	-	-	-	-	-	-	-	
Rents, Leases, Concessions & Other	-	-	-	-	-	804,040	-	-	-	110,838	92,023	-	
TOTAL OPERATING REVENUES	\$ 14,781,300	\$ 8,667,587	\$ 17,703,367	\$ 9,766,428	\$ 15,067,667	\$ 874,790	\$ 1,336,570	\$ -	\$ 941,648	\$ 3,485,034	\$ 6,065,744	\$ 3,985,495	
OPERATING EXPENSES													
Administration & Other	\$ 4,803,489	\$ 4,535,047	\$ 147	\$ 3,517,353	\$ 1,773,467	\$ 71,307	\$ 329,242	\$ 52,546	\$ -	\$ -	\$ 263	\$ 839,667	
Operations & Maintenance	3,750,012	1,696,409	17,292,837	3,366,760	12,749,847	412,580	788,934	-	427,071	2,719,748	5,619,794	1,438,804	
Depreciation & Amortization	3,269,581	2,199,711	-	1,885,931	18,819	462,843	47,383	-	-	-	680,431	1,182,134	
TOTAL OPERATING EXPENSES	\$ 11,823,082	\$ 8,431,167	\$ 17,292,983	\$ 8,770,044	\$ 14,542,133	\$ 946,731	\$ 1,165,559	\$ 52,546	\$ 427,071	\$ 2,719,748	\$ 6,300,488	\$ 3,460,605	
OPERATING INCOME (LOSS)	\$ 2,958,219	\$ 236,420	\$ 410,384	\$ 996,384	\$ 525,533	\$ (71,941)	\$ 171,012	\$ (52,546)	\$ 514,577	\$ 765,286	\$ (234,745)	\$ 524,890	
NON-OPERATING REVENUES & EXPENSES													
Interest Revenue	\$ 104,565	\$ 153,845	\$ 10,721	\$ 151,733	\$ 41,712	\$ 9,829	\$ 6,727	\$ 11,646	\$ 13,175	\$ 19,817	\$ 33,166	\$ 57,943	
Other Non-Operating Revenue	252,296	73,739	-	78,397	25,561	16,102	-	-	-	57,928	-	84,109	
Gain (Loss) On Sale Of Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	16,512	
Other Non-Operating Expense*	(856,805)	(276,483)	-	(361,417)	-	(9,841)	-	-	-	-	-	(3,581)	
TOTAL NON-OPERATING REVENUES & EXPENSES	\$ (499,945)	\$ (48,899)	\$ 10,721	\$ (131,287)	\$ 67,274	\$ 16,090	\$ 6,727	\$ 11,646	\$ 13,175	\$ 77,745	\$ 33,166	\$ 154,984	
INCOME (LOSS) BEFORE CONTRIBUTIONS & TRANSFERS	\$ 2,458,274	\$ 187,521	\$ 421,105	\$ 865,097	\$ 592,807	\$ (55,851)	\$ 177,739	\$ (40,899)	\$ 527,752	\$ 843,031	\$ (201,579)	\$ 679,874	
Contributions	\$ 597,556	\$ 458,574	\$ -	\$ 817,846	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfers In	2,500,000	800,000	-	300,000	-	274,937	-	670,715	-	-	368,294	472,032	
Transfers Out	(2,693,862)	(962,839)	-	(672,047)	-	-	(397)	-	-	(888,503)	(56,300)	-	
TOTAL CONTRIBUTIONS & TRANSFERS	\$ 403,694	\$ 295,735	\$ -	\$ 445,799	\$ -	\$ 274,937	\$ (397)	\$ 670,715	\$ -	\$ (888,503)	\$ 311,994	\$ 472,032	
CHANGE IN FUND BALANCE	\$ 2,861,967	\$ 483,256	\$ 421,105	\$ 1,310,896	\$ 592,807	\$ 219,087	\$ 177,342	\$ 629,816	\$ 527,752	\$ (45,471)	\$ 110,415	\$ 1,151,906	
BEGINNING FUND BALANCE - January 1, 2017	\$ 75,751,705	\$ 81,919,221	\$ 2,672,022	\$ 64,010,652	\$ 4,245,695	\$ 9,514,116	\$ 1,374,410	\$ 1,385,685	\$ 1,064,528	\$ 1,530,324	\$ 4,291,351	\$ 10,920,413	
ENDING FUND BALANCE - December 31, 2017	\$ 78,613,672	\$ 82,402,477	\$ 3,093,127	\$ 65,321,548	\$ 4,838,503	\$ 9,733,202	\$ 1,551,752	\$ 2,015,500	\$ 1,592,280	\$ 1,484,853	\$ 4,401,766	\$ 12,072,319	

*Note: This report includes actuals through December 2017, with the exception of Water, Sewer, and Storm which includes the Debt Service Interest Payments that will be made in Period 13.



AGENDA BILL APPROVAL FORM

Agenda Subject:

Airport 2018-2022 CIP Discussion (10 Minutes) (Gaub)

Department:

CD & PW

Attachments:

[Airport CFP](#)

Date:

March 5, 2018

Budget Impact:

Current Budget: \$0

Proposed Revision: \$0

Revised Budget: \$0

Administrative Recommendation:

For discussion only.

Background Summary:

Previously, Council asked for a review of the Capital Improvement Program for the Auburn Airport. Please find attached a copy of the current Capital Facilities Plan for discussion at the Study Session on March 12, 2018.

Reviewed by Council Committees:**Councilmember:****Staff:**

Gaub

Meeting Date: March 12, 2018

Item Number:

City of Auburn Capital Facilities Plan

AIRPORT

Current Facilities

The City of Auburn operates the Auburn Municipal Airport, providing hangar and tie-down facilities/leasing space for aircraft-related businesses. As of 2016, there were approximately 142,000 take-offs and landings (aircraft operations) at the airport annually. Table A-1 “Facilities Inventory” lists the facilities with current capacity and location. The Airport Master Plan was completed in May 2015 for the period 2012 through 2032.

Level of Service (LOS)

The Auburn Municipal Airport Master Plan provides a maximum runway capacity (LOS standard) of 231,000 aircraft operations annually; one take-off or landing equals one aircraft operation. This LOS is recognized by the Federal Aviation Administration (FAA). The FAA requires the airport to have the capital facilities capacity (i.e., runways, taxiways, holding areas, terminal, hangars, water/sewer system, etc.) necessary to accommodate 100% of aircraft operations during any one year. By 2022, the Airport Master Plan forecasts the number of operations to be 198,623 – well below the capacity of the airport runway.

Capital Facilities Projects and Financing

The City’s Airport facilities include nine non-capacity capital projects at a cost of \$ 7,533,187. These projects include the Runway Enhancements project, Jet A Fueling facility, Automated Weather Observation System, seal coating and land acquisition for future approaches. Table A-2 shows the proposed financing plan followed by individual worksheets showing the project detail.

Impact on Future Operating Budgets

As Table A-3 shows, operating budget impacts of \$16,000 are forecasted for Airport facilities during the six years 2019 – 2024.

TABLE A-1

Facilities Inventory Airport

		CAPACITY	
FACILITY	# of Aircraft	# of Feet	LOCATION
Existing Inventory:			
Hangars (Public)	145		2301 E Street NE
Hangars (Private)	103		2301 E Street NE
Tiedowns	153		2301 E Street NE
Air Strip		3,400	2301 E Street NE
Total Existing Inventory	401	3,400	
Proposed Capacity Projects:			
2020 Land Acquisition	30		2301 E Street NE
2018 Runway Extension	-	718	2301 E Street NE
Total Proposed Capacity Projects	30	718	
2022 Projected Inventory Total	431	4,118	

City of Auburn Capital Facilities Plan

TABLE A-2

**CAPITAL FACILITIES PLAN PROJECTS AND FINANCING
AIRPORT**

	2018	2019	2020	2021	2022	2023	Total
Capacity Projects:							
None							-
Non-Capacity Projects:							
1 Runway Enhancements							
Capital Costs	1,833,334	-	-	-	-	-	1,833,334
Funding Sources:							
Airport Fund	91,667	-	-	-	-	-	91,667
Grants	1,741,667	-	-	-	-	-	1,741,667
2 Jet A Fueling Facility							
Capital Costs	-	-	50,000	350,000	-	-	400,000
Funding Sources:							
Airport Fund	-	-	50,000	-	-	-	50,000
Other	-	-	-	350,000	-	-	350,000
Grants	-	-	-	-	-	-	-
3 Annual Repair and Replacement of Airport Facilities							
Capital Costs	20,000	20,000	20,000	20,000	20,000	20,000	120,000
Funding Sources:							
Airport Fund	20,000	20,000	20,000	20,000	20,000	20,000	120,000
Grants	-	-	-	-	-	-	-
4 Automated Weather Observation System							
Capital Costs	-	-	-	-	-	166,666	166,666
Funding Sources:							
Airport Fund	-	-	-	-	-	8,333	8,333
Grants	-	-	-	-	-	158,333	158,333
5 Airport Security Camera & Gate Access Upgrades							
Capital Costs	-	70,000	-	-	-	-	70,000
Funding Sources:							
Airport Fund	-	70,000	-	-	-	-	70,000
Grant	-	-	-	-	-	-	-
6 Precision Approach Path Indicator (PAPI) for Runway							
Capital Costs	-	-	-	-	168,000	-	168,000
Funding Sources:							
Airport Fund	-	-	-	-	168,000	-	168,000
Grants	-	-	-	-	-	-	-
7 Land Acquisition for Future Approaches							
Capital Costs	555,600	-	-	3,666,667	-	-	4,222,267
Funding Sources:							
Airport Fund	27,800	-	-	183,333	-	-	211,133
Grants	527,800	-	-	3,483,334	-	-	4,011,134
8 Runway RSA Improvements							
Capital Costs	-	500,000	-	-	-	-	500,000
Funding Sources:							
Airport Fund	-	25,000	-	-	-	-	25,000
Grants	-	475,000	-	-	-	-	475,000
9 West Side Fencing							
Capital Costs	-	-	-	-	-	52,920	52,920
Funding Sources:							
Airport Fund	-	-	-	-	-	2,646	2,646
Grants	-	-	-	-	-	50,274	50,274

City of Auburn Capital Facilities Plan

TABLE A-2 (continued)

	2018	2019	2020	2021	2022	2023	Total
SUMMARY:							
CAPITAL COSTS							
Capacity Projects	-	-	-	-	-	-	-
Non-Capacity Projects	2,408,934	590,000	70,000	4,036,667	188,000	239,586	7,533,187
Total Costs	2,408,934	590,000	70,000	4,036,667	188,000	239,586	7,533,187
FUNDING SOURCES:							
Airport Fund	139,467	115,000	70,000	203,333	188,000	30,979	746,779
Other	-	-	-	350,000	-	-	350,000
Grants (Fed,State,Local)	2,269,467	475,000	-	3,483,334	-	208,607	6,436,408
Total Funding	2,408,934	590,000	70,000	4,036,667	188,000	239,586	7,533,187

City of Auburn Capital Facilities Plan

AIRPORT FUND (465)

Capital Facilities Plan

Six Year Capital Facilities Plan, 2018-2023

Enterprise Funds

Project Title: **Runway Enhancements**
 Project No: **cp1516**
 Project Type: **Non-Capacity**
 Project Manager: **Seth Wickstrom**

Description:

Enhance Runway 16/34 per Airport Layout Plan & Master Plan Update for increased safety and utilization. This also includes the As-built AGIS Survey that is required following the runway construction.

Progress Summary:

Environmental Assessment is complete. Design planned for Federal FY 2017 and construction is anticipated to begin in Federal FY 2018. Budget has been adjusted to account for the anticipated funding plan identified by FAA for design and construction of the project per their letter of April 17, 2017.

Future Impact on Operating Budget:

Activity:

Funding Sources:	Prior to 2017	2017 YE Estimate	2018 Budget	2019 Budget	2018 Year End Project Total
<i>Unrestricted Airport Revenue</i>	11,633	16,666	91,667	-	119,966
<i>Federal - Non-Primary Entitlement</i>	-	300,000	150,000	-	450,000
<i>Federal Grant -Secured</i>	209,384	-	-	-	209,384
<i>Federal Grant -Unsecured</i>	-	-	1,500,000	-	1,500,000
<i>State Grant -Secured</i>	11,632	-	-	-	11,632
<i>State Grant -Unsecured</i>	-	16,667	91,667	-	108,334
Total Funding Sources:	232,649	333,333	1,833,334	-	2,399,316
Capital Expenditures:					
<i>Design</i>	-	317,674	-	-	317,674
<i>Environmental Assessment</i>	232,649	15,659	-	-	248,308
<i>Construction</i>	-	-	1,833,334	-	1,833,334
Total Expenditures:	232,649	333,333	1,833,334	-	2,399,316

Forecasted Project Cost:

Funding Sources:	2020	2021	2022	2023	Total 2018-2023
<i>Unrestricted Airport Revenue</i>	-	-	-	-	91,667
<i>Federal - Non-Primary Entitlement</i>	-	-	-	-	150,000
<i>Federal Grant -Unsecured</i>	-	-	-	-	1,500,000
<i>State Grant -Unsecured</i>	-	-	-	-	91,667
Total Funding Sources:	-	-	-	-	1,833,334
Capital Expenditures:					
<i>Design</i>	-	-	-	-	-
<i>Environmental Assessment</i>	-	-	-	-	-
<i>Construction</i>	-	-	-	-	1,833,334
Total Expenditures:	-	-	-	-	1,833,334

Grants / Other Sources: Federal Aviation Administration and Washington State Department of Transportation

City of Auburn Capital Facilities Plan

AIRPORT FUND (465)

Capital Facilities Plan

Six Year Capital Facilities Plan, 2018-2023

Enterprise Funds

Project Title: **Jet A Fueling Facility**
 Project No: **apbd04**
 Project Type: **Non-Capacity**
 Project Manager: **Kevin Snyder**

Description:

Construct any necessary site improvements to accommodate a temporary 2,200 gallon fueling truck for Jet A fuel on site in 2017. Design and construct a permanent 12,000 gallon fuel tank for Jet A service at the airport in 2020 and 2021 after the runway extension is complete and demand for Jet A fuel is established.

Progress Summary:

Future Impact on Operating Budget:

On-going operational costs will be minimal as the estimated \$5,000/month expenses will be offset by fuel sale revenues.

Activity:

	Prior to 2017	2017 YE Estimate	2018 Budget	2019 Budget	2018 Year End Project Total
Funding Sources:					
Unrestricted Airport Revenue	-	10,000	-	-	-
Other -Unsecured	-	-	-	-	-
State Grant -Unsecured	-	-	-	-	-
Total Funding Sources:	-	10,000	-	-	-
Capital Expenditures:					
Design	-	-	-	-	-
Right of Way	-	-	-	-	-
Construction	-	10,000	-	-	10,000
Total Expenditures:	-	10,000	-	-	10,000

Forecasted Project Cost:

	2020	2021	2022	2023	Total 2018-2023
Funding Sources:					
Unrestricted Airport Revenue	50,000	-	-	-	50,000
Other -Unsecured	-	350,000	-	-	350,000
State Grant -Unsecured	-	-	-	-	-
Total Funding Sources:	50,000	350,000	-	-	400,000
Capital Expenditures:					
Design	50,000	-	-	-	50,000
Right of Way	-	-	-	-	-
Construction	-	350,000	-	-	350,000
Total Expenditures:	50,000	350,000	-	-	400,000

City of Auburn Capital Facilities Plan

AIRPORT FUND (465)

Capital Facilities Plan

Six Year Capital Facilities Plan, 2018-2023

Enterprise Funds

Project Title: **Annual Repair and Replacement of Airport Facilities**
 Project No: **apbd05**
 Project Type: **Non-Capacity**
 Project Manager: **Kevin Snyder**

Description:

This is an annual repair and replacement program for the purpose of completing repairs to site fencing, hanger doors, fueling facilities, roof repairs, etc.

Progress Summary:

Future Impact on Operating Budget:

None

Activity:

	Prior to 2017	2017 YE Estimate	2018 Budget	2019 Budget	2018 Year End Project Total
Funding Sources:					
Unrestricted Airport Revenue	-	20,000	20,000	20,000	40,000
Grants (Fed, State, Local)	-	-	-	-	-
Other	-	-	-	-	-
Total Funding Sources:	-	20,000	20,000	20,000	40,000
Capital Expenditures:					
Design	-	-	-	-	-
Right of Way	-	-	-	-	-
Construction	-	20,000	20,000	20,000	40,000
Total Expenditures:	-	20,000	20,000	20,000	40,000

Forecasted Project Cost:

	2020	2021	2022	2023	Total 2018-2023
Funding Sources:					
Unrestricted Airport Revenue	20,000	20,000	20,000	20,000	120,000
Grants (Fed, State, Local)	-	-	-	-	-
Other	-	-	-	-	-
Total Funding Sources:	20,000	20,000	20,000	20,000	120,000
Capital Expenditures:					
Design	-	-	-	-	-
Right of Way	-	-	-	-	-
Construction	20,000	20,000	20,000	20,000	120,000
Total Expenditures:	20,000	20,000	20,000	20,000	120,000

City of Auburn Capital Facilities Plan

AIRPORT FUND (465)

Capital Facilities Plan

Six Year Capital Facilities Plan, 2018-2023

Enterprise Funds

Project Title: **Automated Weather Observation System**

Project No: **cpxxxx**

Project Type: **Non-Capacity**

Project Manager: **Kevin Snyder**

Description:

Install weather reporting equipment for instrument approach.

Progress Summary:

This project is dependent on grant funding which has been delayed from 2019 to 2022 in order to complete the Runway Enhancement project per FAA requirements.

Future Impact on Operating Budget:

\$2,000 annually for on-going maintenance and repair

Activity:

	Prior to 2017	2017 YE Estimate	2018 Budget	2019 Budget	2018 Year End Project Total
Funding Sources:					
Unrestricted Airport Revenue	-	-	-	-	-
Federal - Non-Primary Entitlements	-	-	-	-	-
State Grant -Unsecured	-	-	-	-	-
Total Funding Sources:	-	-	-	-	-
Capital Expenditures:					
Design	-	-	-	-	-
Right of Way	-	-	-	-	-
Construction	-	-	-	-	-
Total Expenditures:	-	-	-	-	-

Forecasted Project Cost:

	2020	2021	2022	2023	Total 2018-2023
Funding Sources:					
Unrestricted Airport Revenue	-	-	-	8,333	8,333
Federal - Non-Primary Entitlements	-	-	-	150,000	150,000
State Grant -Unsecured	-	-	-	8,333	8,333
Total Funding Sources:	-	-	-	166,666	166,666
Capital Expenditures:					
Design	-	-	-	111,112	111,112
Right of Way	-	-	-	-	-
Construction	-	-	-	55,554	55,554
Total Expenditures:	-	-	-	166,666	166,666

Grants / Other Sources: Federal Aviation Administration and Washington State Department of Transportation

City of Auburn Capital Facilities Plan

AIRPORT FUND (465)

Six Year Capital Facilities Plan, 2018-2023

Capital Facilities Plan

Enterprise Funds

Project Title: **Airport Security Camera & Gate Access Upgrades**
 Project No: **cpxxxx**
 Project Type: **Non-Capacity**
 Project Manager: **Kevin Snyder**

Description:

Increased security identified by the Federal Aviation Administration and the Transportation Security Administration for Airport control access gates (both vehicle and personnel). This project will install security cameras and replace the obsolete gate operator access control units. The proposed system will include cards and keypad operation with both inbound and outbound tracking of the authorized tenant/guest. Personnel gates will also have the same system.

Progress Summary:

Future Impact on Operating Budget:

Estimated to be \$2,000 annually to conduct maintenance and repair activities as needed.

Activity:

	Prior to 2017	2017 YE Estimate	2018 Budget	2019 Budget	2018 Year End Project Total
Funding Sources:					
Unrestricted Airport Revenue	-	-	-	70,000	-
Federal Grant -Unsecured	-	-	-	-	-
State Grant -Unsecured	-	-	-	-	-
Total Funding Sources:	-	-	-	70,000	-
Capital Expenditures:					
Design	-	-	-	10,500	-
Right of Way	-	-	-	-	-
Construction	-	-	-	59,500	-
Total Expenditures:	-	-	-	70,000	-

Forecasted Project Cost:

	2020	2021	2022	2023	Total 2018-2023
Funding Sources:					
Unrestricted Airport Revenue	-	-	-	-	70,000
Federal Grant -Unsecured	-	-	-	-	-
State Grant -Unsecured	-	-	-	-	-
Total Funding Sources:	-	-	-	-	70,000
Capital Expenditures:					
Design	-	-	-	-	10,500
Right of Way	-	-	-	-	-
Construction	-	-	-	-	59,500
Total Expenditures:	-	-	-	-	70,000

Grant / Other Sources: Project is not AIP Eligible

City of Auburn Capital Facilities Plan

AIRPORT FUND (465)

Capital Facilities Plan

Six Year Capital Facilities Plan, 2018-2023

Enterprise Funds

Project Title: **Precision Approach Path Indicator (PAPI) for Runway**
 Project No: **cpxxxx**
 Project Type: **Non-Capacity**
 Project Manager: **Kevin Snyder**

Description:

Install Precision Approach Path Indicator (PAPI) for Runway to replace aging Visual Approach Slope Indicator (VASI) system.

Progress Summary:

Future Impact on Operating Budget:

\$2,000 annually for on-going maintenance and repair

Activity:

	Prior to 2017	2017 YE Estimate	2018 Budget	2019 Budget	2018 Year End Project Total
Funding Sources:					
Unrestricted Airport Revenue	-	-	-	-	-
Federal Grant -Unsecured	-	-	-	-	-
State Grant -Unsecured	-	-	-	-	-
Total Funding Sources:	-	-	-	-	-
Capital Expenditures:					
Design	-	-	-	-	-
Right of Way	-	-	-	-	-
Construction	-	-	-	-	-
Total Expenditures:	-	-	-	-	-

Forecasted Project Cost:

	2020	2021	2022	2023	Total 2018-2023
Funding Sources:					
Unrestricted Airport Revenue	-	-	168,000	-	168,000
Federal - Non-Primary Entitlement	-	-	-	-	-
Federal Grant -Unsecured	-	-	-	-	-
State Grant -Unsecured	-	-	-	-	-
Total Funding Sources:	-	-	168,000	-	168,000
Capital Expenditures:					
Design	-	-	33,600	-	33,600
Right of Way	-	-	-	-	-
Construction	-	-	134,400	-	134,400
Total Expenditures:	-	-	168,000	-	168,000

City of Auburn Capital Facilities Plan

AIRPORT FUND (465)

Capital Facilities Plan

Six Year Capital Facilities Plan, 2018-2023

Enterprise Funds

Project Title: **Land Acquisition for Future Approaches**
 Project No: **cpxxxx**
 Project Type: **Non-Capacity**
 Project Manager: **Kevin Snyder**

Description:

Acquire a portion of land at the current Park and Ride for addressing the Runway Safety Area (RSA) and acquire the remainder of the Park and Ride for addressing the Runway Protection Zone (RPZ).

Progress Summary:

Per discussions with the FAA, the acquisition for the RSA was moved from 2021 to 2018 and the acquisition for the RPZ area was added to 2021. Budget has been adjusted to account for the anticipated funding plan identified by the FAA for design and construction of the project per their letter of April 17, 2017.

Future Impact on Operating Budget:

None

Activity:

	Prior to 2017	2017 YE Estimate	2018 Budget	2019 Budget	2018 Year End Project Total
Funding Sources:					
Unrestricted Airport Revenue	-	-	27,800	-	27,800
Federal - Non-Primary Entitlement	-	-	-	-	-
Federal Grant -Unsecured	-	-	500,000	-	500,000
State Grant -Unsecured	-	-	27,800	-	27,800
Total Funding Sources:	-	-	555,600	-	555,600
Capital Expenditures:					
Design	-	-	-	-	-
Acquisition	-	-	555,600	-	555,600
Construction	-	-	-	-	-
Total Expenditures:	-	-	555,600	-	555,600

Forecasted Project Cost:

	2020	2021	2022	2023	Total 2018-2023
Funding Sources:					
Unrestricted Airport Revenue	-	183,333	-	-	211,133
Federal - Non-Primary Entitlement	-	300,000	-	-	800,000
Federal Grant -Unsecured	-	3,000,000	-	-	3,500,000
State Grant -Unsecured	-	183,334	-	-	211,134
Total Funding Sources:	-	3,666,667	-	-	4,722,267
Capital Expenditures:					
Design	-	-	-	-	-
Acquisition	-	3,666,667	-	-	4,222,267
Construction	-	-	-	-	-
Total Expenditures:	-	3,666,667	-	-	4,222,267

Grants / Other Sources: Federal Aviation Administration and Washington State Department of Transportation

City of Auburn Capital Facilities Plan

AIRPORT FUND (465)

Six Year Capital Facilities Plan, 2018-2023

Capital Facilities Plan

Enterprise Funds

Project Title: **Runway RSA Improvements**

Project No: **cpxxxx**

Project Type: **Non-Capacity**

Project Manager: **Kevin Snyder**

Description:

This project will complete necessary improvements to the property purchased from the Park and Ride to be in compliance with the FAA requirements for the Runway Safety Area.

Progress Summary:

Future Impact on Operating Budget:

Activity:

	Prior to 2017	2017 YE Estimate	2018 Budget	2019 Budget	2018 Year End Project Total
Funding Sources:					
Unrestricted Airport Revenue	-	-	-	25,000	-
Federal - Non-Primary Entitlement	-	-	-	150,000	-
Federal Grant -Unsecured	-	-	-	300,000	-
State Grant -Unsecured	-	-	-	25,000	-
Total Funding Sources:	-	-	-	500,000	-
Capital Expenditures:					
Design	-	-	-	125,000	-
Right of Way	-	-	-	-	-
Construction	-	-	-	375,000	-
Total Expenditures:	-	-	-	500,000	-

Forecasted Project Cost:

	2020	2021	2022	2023	Total 2018-2023
Funding Sources:					
Unrestricted Airport Revenue	-	-	-	-	25,000
Federal - Non-Primary Entitlement	-	-	-	-	150,000
Federal Grant -Unsecured	-	-	-	-	300,000
State Grant -Unsecured	-	-	-	-	25,000
Total Funding Sources:	-	-	-	-	500,000
Capital Expenditures:					
Design	-	-	-	-	125,000
Right of Way	-	-	-	-	-
Construction	-	-	-	-	375,000
Total Expenditures:	-	-	-	-	500,000

City of Auburn Capital Facilities Plan

AIRPORT FUND (465)

Capital Facilities Plan

Six Year Capital Facilities Plan, 2018-2023

Enterprise Funds

Project Title: **West Side Fencing**
 Project No: **cpxxxx**
 Project Type: **Non-Capacity**
 Project Manager: **Kevin Snyder**

Description:

Install fence on west side of property to complete perimeter security fencing and help control wildlife on the airport.

Progress Summary:

Future Impact on Operating Budget:

Activity:

	Prior to 2017	2017 YE Estimate	2018 Budget	2019 Budget	2018 Year End Project Total
Funding Sources:					
Unrestricted Airport Revenue	-	-	-	-	-
Federal Grant -Unsecured	-	-	-	-	-
State Grant -Unsecured	-	-	-	-	-
Total Funding Sources:	-	-	-	-	-
Capital Expenditures:					
Design	-	-	-	-	-
Right of Way	-	-	-	-	-
Construction	-	-	-	-	-
Total Expenditures:	-	-	-	-	-

Forecasted Project Cost:

	2020	2021	2022	2023	Total 2018-2023
Funding Sources:					
Unrestricted Airport Revenue	-	-	-	2,646	2,646
Federal Grant -Unsecured	-	-	-	47,628	47,628
State Grant -Unsecured	-	-	-	2,646	2,646
Total Funding Sources:	-	-	-	52,920	52,920
Capital Expenditures:					
Design	-	-	-	5,292	5,292
Right of Way	-	-	-	-	-
Construction	-	-	-	47,628	47,628
Total Expenditures:	-	-	-	52,920	52,920

Grants / Other Sources: Federal Aviation Administration and Washington State Department of Transportation

City of Auburn Capital Facilities Plan

TABLE A-3

**Impact on Future Operating Budgets
AIRPORT**

Project:	2019	2020	2021	2022	2023	2024	Total
1 Airport Security Camera & Gate Access Upgrades	\$ -	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 10,000
2 Precision Approach Path Indicator (PAPI) for Runway	-	-	-	2,000	2,000	2,000	6,000
Total	\$ -	\$ 2,000	\$ 2,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 16,000



AGENDA BILL APPROVAL FORM

Agenda Subject:

Matrix

Date:

March 6, 2018

Department:

City Council

Attachments:

[Special Focus Areas Key](#)

[Matrix](#)

Budget Impact:

Current Budget: \$0

Proposed Revision: \$0

Revised Budget: \$0

Administrative Recommendation:**Background Summary:****Reviewed by Council Committees:****Councilmember:**

Meeting Date: March 12, 2018

Staff:

Item Number:

SPECIAL FOCUS AREAS

HEALTH & HUMAN SERVICES	FINANCE & ECONOMIC DEVELOPMENT	PUBLIC WORKS & COMMUNITY DEVELOPMENT	MUNICIPAL SERVICES
HUMAN SERVICES FUNDING PUBLIC WELLNESS DOMESTIC VIOLENCE SERVICES HOMELESSNESS SERVICES AFFORDABLE HOUSING COMMUNITY SERVICES HUMAN RESOURCES MEDICAL COMMUNITY RELATIONS	CITY BUDGET & AMENDMENTS RISK MANAGEMENT EQUIPMENT RENTAL FACILITIES CITY REAL PROPERTY LEGAL DEVELOPMENT INCENTIVES BUSINESS DEVELOPMENT ECONOMIC DEVELOPMENT STRATEGIES	UTILITIES ZONING, CODES & PERMITS INNOVATION & TECHNOLOGY TRANSPORTATION STREETS ENGINEERING CAPITAL PROJECTS SUSTAINABILITY ENVIRONMENTAL PROTECTION CULTURAL ARTS & PUBLIC ARTS PLANNING	POLICE SCORE JAIL DISTRICT COURT PARKS & RECREATION ANIMAL CONTROL SOLID WASTE EMERGENCY PLANNING AIRPORT AIRPORT BUSINESSES SISTER CITIES MULTIMEDIA
Councilmember Trout-Manuel, Chair Councilmember Wales, Vice Chair	Councilmember Holman, Chair Councilmember Brown, Vice Chair	Councilmember DaCorsi, Chair Deputy Mayor Baggett, Vice Chair	Councilmember Brown, Chair Councilmember Pelozo, Vice Chair
2018 MEETING DATES January 22, 2018 March 26, 2018 May 29, 2018 July 23, 2018 September 24, 2018 November 26, 2018	2018 MEETING DATES February 12, 2018 April 9, 2018 June 11, 2018 August 13, 2018 October 8, 2018 December 10, 2018	2018 MEETING DATES February 26, 2018 April 23, 2018 June 25, 2018 August 27, 2018 October 22, 2018 December 24, 2018	2018 MEETING DATES January 8, 2018 March 12, 2018 May 14, 2018 July 9, 2018 September 10, 2018 November 13, 2018

COUNCIL MATRIX

NO.	TOPIC	Chair	STAFF LEAD(S)	STUDY SESSION REVIEW DATE(S)	COUNCIL DISCUSSION SUMMARY	ACTION DATE
1	Capital Projects Update and Featured Capital Project Discussion	Chair DaCorsi Vice Chair Deputy Mayor Baggett	Asst. Director Gaub	TBD		
2	Community Sustainability Series: Economic and Statutory Considerations for Municipalities	Chair DaCorsi Vice Chair Deputy Mayor Baggett	Asst. Director Tate	4/23/2018		
4	Sign Requerments	Chair DaCorsi Vice Chair Deputy Mayor Baggett	Asst. Director Tate	TBD		
5	Airport Facilities Assessment Report	Chair Brown Vice Chair Pelozo	Asst. Director Gaub	TBD		
6	Airport Capital Needs Update	Chair Brown Vice Chair Pelozo	Asst. Director Gaub	3/12/2018		
7	Service Line Presentation	Chair Brown Vice Chair Pelozo	Asst. Director Gaub	3/26/2018		
8	Court Fees	Chair Brown Vice Chair Pelozo	City Attorney Heid	TBD		
9	Homelessness Update	Chair Trout-Manuel Vice Chair Wales	Director Hinman	3/26/2018		
10	Update on Court-DV Filings/Hearings and DV Model Firearms Program	Chair Trout-Manuel Vice Chair Wales	City Attorney Heid	TBD		
11	R.E.A.D.Y. Program Update	Chair Trout-Manuel Vice Chair Wales	Pat Bailey and City Attorney Heid	3/26/2018		
12	Cost of Service Study - Planning and Development Fees	Chair Holman Vice Chair Brown	Finance Director Coleman	TBD		
13	Livable Cities Update	Chair Holman Vice Chair Brown	Asst. Director Tate	TBD		