

**YOU MAY CALL IN AT 12:00 P.M. PRIOR TO THE
MEETING TO PROVIDE PUBLIC COMMENT AT THE
COUNCIL MEETING AT 1.425.616.3920,
CONFERENCE ID: 737 277 525#**

**YOU MAY CALL IN TO LISTEN TO THE COUNCIL
MEETING AT 1.425.616.3920,
CONFERENCE ID: 724 887 726#**

**EVERETT CITY COUNCIL
12:30 P.M., WEDNESDAY, MAY 27, 2020**

Roll Call

Approval of Minutes: May 20, 2020

Mayor's Comments:

Council Comments/Liaison Reports

Administration Update on prior business

City Attorney

Public Comment

CONSENT ITEMS:

(1) Adopt Resolution authorizing claims against the City of Everett in the amount of \$2,928,395.27 for the period of May 9, 2020 through May 15, 2020.

Documents:

[res-23.pdf](#)

(2) Adopt Resolution authorizing payroll claims against the City of Everett in the amount of \$4,127,796.72 for the period ending May 9, 2020.

Documents:

[payroll-12.pdf](#)

(3) Award and Authorize services with Dwayne Lanes Dodge using Washington State

Department Enterprise Services Contract #015916/EVT#2018-117 in an amount not to exceed \$150,000.

Documents:

[Dwayne Lane.pdf](#)

(4) Authorize the Mayor to sign an Energy Services Agreement with the Washington State Department of Enterprise Services and McKinstry for the Everett Municipal Building Elevator Modernization Project and the Police Headquarters Window Replacement Project in the amount of \$53,239.00.

Documents:

[McKinstry.pdf](#)

PUBLIC HEARING:

(5) Grant the petition for the proposed vacation of Larch and Fir Streets lying South of 14th Street and North of 15th Street in the plat of Baker Heights, and direct staff to prepare an ordinance vacating said streets subject to the conditions as contained in the attached staff report

Documents:

[Larch.pdf](#)

(6) Adopt Resolution authorizing the declaration of certain city owned properties as surplus and authorizing the sale and disposition of those properties. (Continued Public Hearing and Action on 6-3-20)

Documents:

[Prop surplus.pdf](#)

ACTION ITEMS:

(7) Authorize the Mayor to execute the amended and reinstated Subordination and Priority Agreement for Housing Hope, New Century Village.

Documents:

[Housing Hope.pdf](#)

(8) CB 2005-32 – 3rd and final Reading – Adopt the Proposed Ordinance creating a Special Construction Fund entitled, “Everett Municipal Building – Elevator Modernization Project” Fund 342, Program 030, to accumulate design and construction costs in the amount of \$30,000.

Documents:

[CB 2005-32.pdf](#)

(9) CB 2005-33 – 3rd and final Reading – Adopt the Proposed Ordinance creating a Special Construction Fund entitled, “Police Headquarters-Window Replacement Project” Fund 342, Program 031, to accumulate design and construction costs in the amount of \$40,000.

Documents:

[CB 2005-33.pdf](#)

(10) Authorize the Mayor to sign Change Order No. 2 to the construction contract with SRV Construction, Inc. for the Water Main Replacement "Q" Evergreen Rebid Project in the amount of \$226,188.00.

Documents:

[Replacement Q.pdf](#)

(11) Adopt Resolution commencing negotiations between the City of Everett and Snohomish County for an Interlocal Agreement concerning the Annexation of the Unincorporated Portion of Smith Island located within the City of Everett Municipal Urban Growth Area.

Documents:

[Smith Island.pdf](#)

COUNCIL BRIEFING AGENDA: (These items come before the City Council serving as a Council Committee of the Whole and are likely to be scheduled at a future meeting.)

(12) CB 2005-34 – 1st Reading – Adopt the Proposed Ordinance creating a Special Improvement Project entitled, "Sewer "O" Utility Upgrades" Fund 336, Program 013. (3rd and final reading on 6-10-20).

Documents:

[CB2005-34.pdf](#)

Executive Session

Adjourn

Everett City Council agendas can be found, in their entirety, on the City of Everett Web Page at www.everettwa.gov/citycouncil.

Everett City Council meetings are recorded for rebroadcast on the [Everett Channel](#), Comcast Channel 21 and Frontier Channel 29, at 12:00 p.m. on Monday and Tuesday; 2 p.m. and 7:00 p.m. Thursday; 7 p.m. Friday and Sunday; 10:00 a.m., Saturday.

The City of Everett does not discriminate on the basis of disability in the admission or access to, or treatment in, its programs or activities. Requests for assistance or accommodations can be arranged by contacting the Everett City Council Office at 425 257-8703.



RESOLUTION NO. _____

Be it resolved by the City Council of the City of Everett:

That the payroll of the employees of the City of Everett as of May 09, 2020, and checks issued May 15, 2020, having been audited, be and the same is hereby approved and the proper officers are hereby authorized and directed to charge checks on the Payroll Fund in payment thereof:

Fund	Department	Gross Payroll	Employer Contributions
001	Legislative	11,732.96	6,142.34
003	Legal	82,015.71	24,105.05
004	Administration	46,862.95	13,920.61
005	Municipal Court	51,799.92	20,030.50
007	Personnel	45,274.99	16,624.48
010	Finance	73,808.33	28,759.39
015	Information Technology	69,859.97	28,188.80
018	Communications and Marketing	8,714.14	4,445.70
021	Planning & Community Dev	64,712.28	23,127.39
024	Public Works	176,346.48	61,689.10
026	Animal Shelter	38,257.02	17,038.56
031	Police	975,839.99	286,324.37
032	Fire	595,387.98	152,951.64
038	Facilities/Maintenance	67,780.03	29,149.33
101	Parks & Recreation	95,285.62	50,322.11
110	Library	180,766.81	40,433.05
112	Community Theatre	8,100.00	3,109.30
120	Street	49,726.42	27,091.25
153	Emergency Medical Services	269,898.01	59,473.80
197	CHIP	8,714.94	3,395.55
198	Community Dev Block	7,320.72	2,644.41
401	Utilities	716,708.73	293,433.08
425	Transit	386,055.44	170,555.58
440	Golf	22,797.23	9,249.71
501	Equip Rental	63,392.35	27,556.39
507	Telecommunications	10,637.70	4,581.39
		<u>\$4,127,796.72</u>	<u>\$1,404,342.88</u>

Councilperson Introducing Resolution

Passed and approved this _____ day of _____, 2020.

Council President



Project title: Award and Authorize Approximately \$150,000 to be Spent with Dwayne Lanes Dodge from Washington State Department of Enterprise Services Contract #05916/EVT#2018-117

City Council Agenda Item Cover Sheet

Council Bill #

Consideration: Washington State Department of Enterprise Services Contract #05916/EVT#2018-117

Project: Various

Partner/Supplier : Dwayne Lanes Dodge

Location: N/A

Preceding action: None

Fund: Varies

Agenda dates requested:

May 27, 2020

Briefing

Proposed action

Consent

Action

Ordinance

Public hearing

Yes No

Budget amendment:

Yes No

PowerPoint presentation:

Yes No

Attachments:

Department(s) involved:

Purchasing/Motor Vehicles

Contact person:

Theresa Bauccio-Teschlog

Phone number:

(425) 257-8901

Email:

tbauccio@everettwa.gov

Initialed by:

Department head

Administration

Council President

Fiscal summary statement:

The City has either paid or committed \$96,311.44 of funds in 2020 to Dwayne Lanes Dodge of Everett. This purchase request is for an additional \$51,657.82. Combined these purchases are greater than \$100,000.

City Purchasing policy requires Council authorization of awards greater than \$100,000 annually.

Consideration summary statement:

The City has an immediate need to replace a Transit Service Pick-Up truck which services Bus Shelters. The existing truck was scheduled for replacement in 2021. The truck recently began leaking oil and requires an engine replacement which is estimated at \$30,000, including parts and labor.

Staff has found a replacement truck that can be purchased immediately from Dwayne Lanes Dodge of Everett off a Washington State Department of Enterprise Services contract.

Additional requests for spend with Dwayne Lanes Dodge will be brought forth as Council actions for the remainder of 2020.

The City has an Interlocal Agreement with Washington State Department of Enterprise Services that allows for purchases from its competitively awarded contracts in lieu of soliciting bids on our own.

Recommendation (exact action requested of Council):

Award and Authorize services with Dwayne Lanes Dodge using Washington State Department of Enterprise Services Contract #05916/EVT#2018-117 in the amount not to exceed \$150,000.



Energy Services Agreement with the Washington State Department of Enterprise Services and
Project title: McKinstry for the Everett Municipal Building Elevator Modernization Project and the Police
 Headquarters Window Replacement Project in the amount of \$53,239.00

City Council Agenda Item Cover Sheet

Council Bill # *interoffice use*

Agenda dates requested:
 May 27, 2020

Briefing
 Proposed action
 Consent
 Action
 Ordinance
 Public hearing
 Yes No

Budget amendment:
 Yes No

PowerPoint presentation:
 Yes No

Attachments:
 Energy Services Agreement

Department(s) involved:
 Facilities

Contact person:
 Chris Lark

Phone number:
 425-257-6294

Email:
 clark@everettwa.gov

Initialed by:

Department head

Administration

Council President

Consideration: Energy Services Agreement

Project: Everett Municipal Building – Elevator Modernization Project
 Police Headquarters – Window Replacement Project

Partner/Supplier : Department of Enterprise Services./McKinstry

Location: 2930 Wetmore Ave. & 3002 Wetmore Ave.

Preceding action: Funding Ordinances

Fund: Fund 342, Program 030 (CIP-1) & Fund 342, Program 031 (CIP-1)

Fiscal summary statement:

The funding source for the Energy Services Agreement is CIP-1. The Agreement is between McKinstry, (the Energy Services Company (ESCO)) and the City of Everett acting through the Department of Enterprise Services. McKinstry will provide engineering design services for the projects listed below.

A breakdown of the Agreement is as follows.

- Everett Municipal Building – Elevator Modernization \$21,296.00
- Police Headquarters – Window Replacements \$31,943.00
- TOTAL \$53,239.00

The cost for construction for each project will be determined at the completion of the Investment Grade Audit and the Energy Services Proposal.

Project summary statement:

McKinstry will conduct a detailed Investment Grade Audit for the Everett Municipal Building – Elevator Modernization Project and the Police Headquarters – Window Replacement Project.

The Investment Grade Audit will deliver a maximum allowable project cost, description of how the energy savings will be guaranteed and a schedule for project completion. The target completion for the Investment Grade Audit is 100 calendar days from the Notice to Proceed.

At the completion of the Investment Grade Audit, it will be the City’s option to proceed with construction based on the Energy Services Proposal.

Recommendation (exact action requested of Council)

Authorize the Mayor to sign an Energy Services Agreement with the Washington State Department of Enterprise Services and McKinstry for the Everett Municipal Building Elevator Modernization Project and the Police Headquarters Window Replacement Project in the amount of \$53,239.00.



STATE OF WASHINGTON
DEPARTMENT OF ENTERPRISE SERVICES

1500 Jefferson St. SE, Olympia, WA 98501
PO Box 41476, Olympia, WA 98504-1476

April 16, 2020

TO: Theresa Bauccio-Teschlog, City of Everett
FROM: Veronica Sharp, Contracts Specialist, (360) 407-8032
RE Agreement No. 2020-763 A (1)
Exterior and Elevator Upgrades
IAA No. K6348
McKinstry Essention, LLC

SUBJECT: Funding Approval

The Dept. of Enterprise Services (DES), Energy Program, requires funding approval for the above referenced contract documents. The amount required is as follows:

ESCO Audit	\$ 53,239.00
Total Funding	\$ 53,239.00

In accordance with the provisions of RCW 43.88, the signature affixed below certifies to the DES Energy Program that the above identified funds are appropriated, allotted or that funding will be obtained from other sources available to the using client/agency. The using/client agency bears the liability for any issues related to the funding for this project

By _____ Date _____
Name / Title

Please sign and return this form to E&AS. If you have any questions, please call me.

ENERGY SERVICES AUTHORIZATION NO. 2020-763 A (1)
Detailed Investment Grade Energy Audit & Energy Services Proposal Agreement
City of Everett
Exterior and Elevator Upgrades
April 16, 2020

MASTER ENERGY SERVICES AGREEMENT NO. 2019-179 H (8)

The Owner and the Energy Services Company (ESCO) named below do hereby enter into this Authorization under terms described in the following sections:

Authorization to Proceed
 Compensation for Energy Services

Project Conditions

I. AUTHORIZATION TO PROCEED:

Energy Services Company:

McKinstry Essention, LLC
 5005 3rd Avenue South / PO Box 24567
 Seattle, WA 98124
 Telephone No. (206) 762-3311
 Fax No. (206) 658-1769
 E-Mail wades@mckinstry.com

By 
 Name Robert Hail
 Title Operations Manager
 Date 4/16/20

Owner:

City of Everett
 acting through the
 Department of Enterprise Services
 Energy Program
 PO Box 41476
 Olympia, WA 98504

By _____
 Name Roger A. Wigfield, PE
 Title Energy Program Manager
 Date _____

State of Washington Contractor's License No. MCKINEL874CL
 State of Washington Revenue Registration No. 603 259 907
 Federal Tax Identification No. 46-1563231
 MWBE Certification No. _____

II. COMPENSATION FOR ENERGY SERVICES:

Basic Services	COMPENSATION
Energy Audit and Energy Services Proposal	\$ 53,239.00
Grand Total (plus WSST as applicable)	\$ 53,239.00

III. PROJECT CONDITIONS:

The Project Conditions contained in the Master Energy Services Agreement will be used unless specifically changed herein. The cost effectiveness criteria for this project are per the McKinstry Essention, LLC proposal dated April 8, 2020.

IV. SCOPE OF WORK:

Per the ESCO proposal dated April 8, 2020, conduct a Detailed Investment Grade Energy Audit of City of Everett, Exterior and Elevator Upgrades, to identify cost effective energy conservation measures and present a written Energy Services Proposal, including all energy audit documentation. The ESCO shall prepare the final Energy Services Proposal, detailing the actual energy services and ESCO equipment to be provided, energy savings and cost guarantees, measurement and verification plans, and commissioning plans for the proposed measures. Measures will include items that save energy, water and other resources. The Cost Effectiveness Criteria for this project shall be as established in the Master Energy Services Agreement or as modified in Section III above.

V. SCHEDULE FOR COMPLETION

Final completion of the Energy Audit and Energy Services Proposal within 100 calendar days after Authorization to Proceed.

2020763AagriGAvs



April 08, 2020

Mr. Chris Lark
City of Everett
Project Manager, Facilities
425-754-6363
2930 Wetmore Ave
Everett, WA 98201

SUBJECT: CITY OF EVERETT – ESCO ENERGY PROJECT

Dear Chris:

Following our site walk in October and subsequent correspondence McKinstry is pleased to present this proposal to complete Directed Energy Engineering, also known as an (IGA) investment grade audit with the City of Everett in conjunction with the Dept of Enterprise Services. The complete list of deliverables under this agreement are included in Attachment A.

The target facilities and initiatives to be included in the project scope are:

- ✓ Police HQ – Window Upgrades
- ✓ Municipal (Wall Street) Building – Elevator Upgrades (3)
- ✓ Identify and analyze performance-based contracting measures along with their associated savings, costs, and potential for **utility rebates and grants**.

MEASURE BACKGROUND / DESCRIPTION:

The following scope is proposed for each measure per our previous correspondence:

Police HQ: Windows Upgrades:

Replace existing standalone windows and window curtain wall systems with new per requirements of AHJ (Authority Having Jurisdiction) and Historical Board Stakeholders. Modify scope to match budget and prioritize as follows:

- South and West Facing standalone windows
- East and North Facing standalone windows
- Window curtain wall systems North & South
- Replacement of the Police HQ Stairwell Skylight

Everett Municipal (Wall Street) Building – Elevator Upgrades:

Modernize existing (3) elevators as follows:

- Modernize Cabin
- Modernize Controls
- Change out motors
- Replace cables
- Identify and develop code required machine room upgrades.



REQUESTED INFORMATION

For effective execution of this proposal we ask that the City of Everett will provide access to the following for each facility:

- ✓ Good Faith Survey for existing facilities
- ✓ Historical utility bills for the last 24 months.
- ✓ All mechanical, electrical, architectural, and structural drawings.
- ✓ All mechanical, electrical, architectural, and structural drawings from City of Everett Library Project (that included window upgrades)
- ✓ All operational and maintenance manuals, balancing records, & specifications.
- ✓ Operational records related to the cost of maintaining specific equipment.
- ✓ Information with regards to any on-going maintenance contracts.
- ✓ Access to individuals that have relevant information pertaining to the day-to-day operation of energy using systems on site.

CRITERIA FOR IMPLEMENTATION

It is the City of Everett's intent that McKinstry will implement all approved projects that meet the following criteria:

- ✓ Aggregate Lifecycle Cost (LCC) of the projects shall be equal to or less than the Lifecycle Cost (LCC) of the existing condition or "do nothing" scenario. Lifecycle Cost for the "do nothing" scenario will include any real costs associated with the replacement of failed items including district staff time at the appropriate pay rate.
- ✓ Prioritized energy saving facility improvement measures that work within budgeted scope and with any incentives and rebates applied that have an energy savings component.

INVESTMENT GRADE FEE

The City of Everett will reimburse McKinstry for a lump sum of **\$53,239** USD for this scope of work. All fees assessed under this proposal **will be included in the final project implementation costs**. The directed engineering will provide a maximum project cost and the accompanying **guaranteed energy savings** that result from the project. In the event that McKinstry is unable to recommend projects that meet the criteria above, the City of Everett has no financial obligation to McKinstry. However, if the recommendations meet or exceed the Criteria for Implementation and the City of Everett chooses not to enter into an agreement with McKinstry to install the projects, the City of will reimburse McKinstry for the Investment Grade Audit fee. All associated information, including deliverables, will become the property of the City of Everett upon final receipt of payment. Deliverables are listed in attachment (A).



TASKS AND MILESTONES

McKinstry is ready to begin work immediately upon notice to proceed. Formal progress review meetings will be conducted regularly throughout the engineering phase. During these review meetings, McKinstry will recommend measures based on preliminary analysis while the **City of Everett will provide final direction** regarding recommended measures. The goal of these review meetings is to focus on engineering efforts, budgeting, and savings assessment. McKinstry will target completion of the IGA within 100 calendar days of a notice to proceed.

We look forward to working with the City of Everett and DES on a successful project. Please call should you have any questions.

Sincerely,

Grant Haag
Energy Account Executive
206-247-6597

McKinstry
Consulting | Construction | Energy | Facility Services

www.mckinstry.com

CC: Joe Sullivan DES



**Attachment A:
Investment Grade
Audit Deliverables**

The Investment Grade Audit for the City of Everett will include the following elements:

1. *A DESCRIPTION OF THE SYSTEMS WHICH SHALL RECEIVE ESCO EQUIPMENT AND ESCO SERVICES;*
2. *THE COST-EFFECTIVE FACILITY IMPROVEMENT MEASURES (FIMS) TO BE INSTALLED OR CAUSED TO BE INSTALLED BY THE ESCO (McKinstry) AND A DESCRIPTION OF THE FIMS ANALYZED BUT DISQUALIFIED UNDER THE COST EFFECTIVENESS CRITERIA;*
3. *A DESCRIPTION OF THE SERVICES THAT THE ESCO WILL PERFORM OR CAUSE TO BE PERFORMED ON OR IN THE INFRASTRUCTURE, INCLUDING BUT NOT LIMITED TO ENGINEERING, CONSTRUCTION MANAGEMENT, THE OPERATIONS AND MAINTENANCE PROCEDURES FOR USE ON ESCO EQUIPMENT, TRAINING FOR PERSONNEL, WARRANTY SERVICE PROVIDED, AND EQUIPMENT MAINTENANCE PROVIDED;*
4. *THE **MAXIMUM ALLOWABLE PROJECT COST**;*
5. *RECOMMENDATIONS FOR REPLACEMENT OF EXISTING EQUIPMENT, ALONG WITH RECOMMENDATIONS FOR IMPROVEMENTS TO EXISTING EQUIPMENT AND OPERATING CONDITIONS;*
6. *THE SERVICE STANDARDS APPROPRIATE FOR THE INFRASTRUCTURE;*
7. *THE BASELINE ENERGY CONSUMPTION, INCLUDING THE DATA, METHODOLOGY AND VARIABLES USED TO COMPUTE THE BASELINE, AND THE BASELINE CALENDAR PERIOD WHICH SHALL NOT BE LESS THAN TWELVE (12) MONTHS;*
8. *THE ESTIMATED ENERGY SAVINGS AND ENERGY COST SAVINGS THAT ARE EXPECTED TO RESULT FROM THE INSTALLATION OF THE ESCO EQUIPMENT AND FROM THE ESCO SERVICE, AND AN EXPLANATION OF THE METHOD USED TO MAKE THE ESTIMATE;*
9. *THE METHOD BY WHICH ENERGY SAVINGS AND ENERGY COST SAVINGS WILL BE CALCULATED DURING THE TERM OF THE ENERGY SERVICES AGREEMENT;*
10. *A DESCRIPTION OF HOW PROJECT FINANCING (IF REQUIRED) WILL BE COMPLETED;*
11. *A DESCRIPTION OF HOW THE **ENERGY SAVINGS WILL BE GUARANTEED** BY THE ESCO;*
12. *A DESCRIPTION OF HOW THE ESCO PROPOSES TO BE COMPENSATED;*
13. *THE **SCHEDULE FOR PROJECT COMPLETION**;*
14. *THE NATURE AND EXTENT OF THE WORK AND EQUIPMENT THAT THE ESCO ANTICIPATES IT WILL RECEIVE FROM OTHER FIRMS UNDER SUBCONTRACT;*
15. *DETAILED MEASUREMENT AND VERIFICATION (M&V) PLAN*



Project title: Public Hearing to hear and determine the petition for the proposed vacation of Larch and Fir Streets lying south of 14th Street and north of 15th Street in the plat of Baker Heights.

City Council Agenda Item Cover Sheet

Council Bill # *interoffice use*

Agenda dates requested:

05/27/2020 Public Hearing

- Briefing
- Proposed action
- Consent
- Action
- Ordinance
- Public hearing
- Yes No

Budget amendment:
 Yes No

PowerPoint presentation:
 Yes No

- Attachments:**
1. Staff Report
 2. Petition
 3. Map Exhibit

Department(s) involved:
Real Property

Contact person:
Paul McKee

Phone number:
425-257-8938

Email:
pmckee@everettwa.gov

Initialed by:

Department head

Administration

Council President

Consideration: Public Hearing for street vacation

Project: Street Right-of-Way Vacation

Partner/Supplier : Housing Authority of the City of Everett, Petitioner

Location: 1400 block of Larch and Fir Streets.

Preceding action: 05/06/2020 Resolution setting Public Hearing for 05/27/2020

Fund: None

Fiscal summary statement:

None

Project summary statement:

A petition has been received from the Everett Housing Authority requesting vacation of the Larch and Fir Street rights-of-way lying south of 14th Street and north of 15th Street in the plat of Baker Heights.

The Everett Housing Authority as petitioner owns more than two-thirds of the property abutting the alley right-of-way proposed to be vacated, thus fulfilling the statutory requirements of RCW 35.79.010 that the petition must be signed by "the owners of more than two-thirds of the property abutting upon the part of the street or alley sought to be vacated."

The requested vacation is being sought to combine the parcels located on each side of the streets into a larger, consolidated site for future development purposes.

The requirements set forth by law have been met and notices of the public hearing have been timely posted as required by RCW 35.79 and no negative comments have been received to date.

Recommendation (exact action requested of Council):

Grant the petition for the proposed vacation of Larch and Fir Streets lying south of 14th Street and north of 15th Street in the plat of Baker Heights, and direct staff to prepare an ordinance vacating said streets subject to the conditions as contained in the attached staff report.

TO THE MEMBERS OF THE CITY COUNCIL
OF THE CITY OF EVERETT, WASHINGTON



Councilmembers: The undersigned respectfully petition and show.

I.

That they are the owners of more than two-thirds of the private property abutting upon that portion of the right-of-way hereinafter described.

II.

That your Petitioners desire to have vacated the following described property:

THAT PORTION OF LARCH STREET AND FIR STREET ACCORDING TO THE PLAT OF BAKER HEIGHTS, RECORDED IN VOLUME 14 OF PLATS, PAGE 111, RECORDS OF SNOHOMISH COUNTY, WASHINGTON, LYING SOUTHERLY OF 14TH STREET AND NORTHERLY OF 15TH STREET.

CONTAINING 31,497 SQFT MORE OR LESS

as shown on the attached exhibit map, titled Road Vacation Exhibit.

III.

That portion of the said right-of-way hereby petitioned to be vacated will not interfere with public or private utilities. Any existing utilities will be relocated at petitioner's expense, or an easement shall be provided in the ordinance.

WHEREFORE your petitioners pray that you will pass a resolution fixing a time not more than sixty (60) days and not less than twenty (20) days after the date of the passage of such resolution for the hearing upon this petition, and that after a full hearing upon said petition you will pass an ordinance vacating that portion of the right-of-way herein described and that the ordinance vacating said portion of the street shall provide that the strip so vacated shall vest to the abutting property owners in accordance with the laws of the State of Washington.

Respectfully submitted,

Housing Authority of the City of Everett



By: Ashley Lommers-Johnson

Its: Executive Director

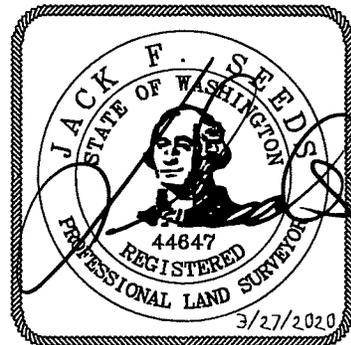
Apr 1, 2020

EXHIBIT "A"

RIGHT OF WAY VACATION AREA:

THAT PORTION OF LARCH STREET AND FIR STREET ACCORDING TO THE PLAT OF BAKER HEIGHTS, RECORDED IN VOLUME 14 OF PLATS, PAGE 111, RECORDS OF SNOHOMISH COUNTY, WASHINGTON, LYING SOUTHERLY OF 14TH STREET AND NORTHERLY OF 15TH STREET.

CONTAINING 31,497 SQFT MORE OR LESS



**STAFF REPORT TO CITY COUNCIL
ON THE PROPOSED VACATION OF**

Larch and Fir Street rights-of-way lying south of 14th Street and north of 15th Street in the plat
of Baker Heights.

May 20, 2020

The proposed vacation area is legally described as:

THAT PORTION OF LARCH STREET AND FIR STREET ACCORDING TO THE PLAT OF BAKER HEIGHTS, RECORDED IN VOLUME 14 OF PLATS, PAGE 111, RECORDS OF SNOHOMISH COUNTY, WASHINGTON, LYING SOUTHERLY OF 14TH STREET AND NORTHERLY OF 15TH STREET.

The proposed vacation area contains a total area of approximately 31,497 square feet that is zoned R-4. The proposed use is for the consolidation of adjacent properties to create an overall site of approximately 3.75 acres for future development by the Everett Housing Authority.

FINDINGS OF FACT AND CONCLUSIONS OF LAW:

FINDING: R.C.W. 35.79.010 allows property owners abutting a public right-of-way to petition for the vacation of said right of way, and if said petition represents more than two-thirds of the property abutting said right of way, the legislative authority shall fix a time and date for said petition to be heard.

CONCLUSION: A valid petition representing 100% of the abutting property owners was received, and 12:30 P.M. on May 27, 2020, was set as the time and date for said petition to be heard.

FINDING: R.C.W. 35.79.020 requires the City Clerk to give a minimum of twenty (20) days notice of the pendency of said hearing on the petition by written notice posted in three (3) of the most public places in the City, and a like notice to be posted in a conspicuous place on the right of way proposed to be vacated.

CONCLUSION: Said notices were posted as required.

FINDING: R.C.W. 35.79.030, in part, allows the City the right to retain an easement, or to exercise and grant easements in respect to the vacated land for the construction, repair, and maintenance of public utilities and services.

CONCLUSION: An easement will be retained for utility purposes within the right of way being vacated.

FINDING: R.C.W. 35.79.030, in part, also allows the City to be compensated up to the full current appraised value for vacated right of way if the right of way has been dedicated for at least twenty-five years. Resolution 3147, as amended by Resolution 5083, mandates that compensation of the full current appraised

value can be paid, or land of equal value and suitable alignment be exchanged, in accordance with R.C.W. 35.79.030 for applications received after August 1, 2001.

CONCLUSION: The application and fee was received after August 1, 2001. Payment of the full appraised value of the right of way is required.

RECOMMENDATION:

It is recommended that City Council approve the vacation requested and direct staff to prepare an ordinance providing for said vacation subject to the following:

- 1) Reservation of an easement for utility purposes within the vacated rights-of-way;
- 2) Payment of full appraised value.

No negative comments or opposition have been received to the date of this staff report.



Project title: A Resolution authorizing the declaration of certain City owned properties as surplus and authorizing the sale and disposition of those properties .

City Council Agenda Item Cover Sheet

Council Bill #

Project: Sale of City owned property identified as surplus to City needs.

Partner/Supplier : N/A

Agenda dates requested:

Location: Citywide

May 27, 2020

Preceding action: 03/11/2020 – Briefing for this round of surplus property sales

Fund: 145 – Real Property; 401 – Utilities

Briefing

Proposed action

Consent

Action X

Ordinance

Public hearing

Yes No

Budget amendment:

Yes No

PowerPoint presentation:

Yes No

Attachments:

1. Resolution
2. Hearing Notice
3. Site Map

Fiscal summary statement:

Positive with proceeds from property sales

Project summary statement:

The City proposes to surplus city owned properties which staff has identified as surplus to the City's needs as described in the attached Resolution Exhibit A and as generally depicted on the attached site map. This proposed selection of parcels is a follow-on to the initial round of properties identified in Resolution 7309 which was adopted by City Council in November 2018.

A call-in Public Hearing of the City Council for consideration of the surplus of the city owned real property is scheduled for:

12:30 P.M., May 27, 2020

If you wish to comment in the hearing, you may **call-in** at **12:00PM prior** to said hearing using the **phone number 425-616-3920** and the **access code 737 277 525#** to sign up to speak at the hearing..

Department(s) involved:
Parks/Cultural Arts

Recommendation (exact action requested of Council):

Adopt Resolution authorizing the declaration of certain city owned properties as surplus and authorizing the sale and disposition of those properties.

Contact person:

Paul McKee

Phone number:

425 257-8938

Email:

pmckee@everettwa.gov

Initialed by:

Department head

Administration

Council President



RESOLUTION NO. _____

A RESOLUTION authorizing the declaration of certain City owned properties as surplus and authorizing the sale and disposition of those properties.

WHEREAS,

- A. All City departments have completed a surplus review of the five properties described in the attached Exhibit A. The Mayor has approved this review and its determination that the Exhibit A properties are surplus.
- B. In accordance with RCW 35.94.040, the City of Everett held a public hearing on May 27, 2020, regarding the proposed surplus of the five Exhibit A properties, some of which were originally purchased for utility purposes.
- C. Three of the five Exhibit A properties were originally purchased for utility purposes. As further described in Exhibit A, these three include: the utility property at Shore Ave (00571700900400), with appraised fair market value of \$510,000; the utility property at Kenwood Drive (00612000002000), with appraised fair market value of \$170,000; and the utility property at Woods Creek Property at Valley View (28050800302400 & 28051700100300), with appraised fair market value of \$3,000,000.
- D. The remaining two Exhibit A properties were not originally purchased for utility purposes. Appraisals on these properties are pending. As further described in Exhibit A, these properties include: property at East Marine View Drive (29051700100600) and property at Colby Avenue (00439171700800).
- E. The Everett City Council finds and determines that all of the real property described in Exhibit A, is no longer required for City purposes and is, therefore, declared to be surplus. With respect the real property in Exhibit A originally acquired for utility purposes, the Everett City Council further finds and determines that such real property is surplus to the City's needs and is not required for providing continued public utility service.
- F. The Everett City Council finds that the City is acting in compliance with the City Charter and the requirements of Ordinance No. 2935-06 (Chapter 3.84 EMC).

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EVERETT:

Section 1: All of the real property described in Exhibit A is no longer required for City purposes, and is, therefore, declared to be surplus property. With respect to the real property in Exhibit A originally acquired for utility purposes, such real property is further resolved by City Council to be surplus to the City's needs and not required for providing continued public utility service.

Section 2: The City Council authorizes the sale of the real property described in Exhibit A as follows, which the City Council deems in the best public interest:

- a) Properties in Exhibit A originally acquired for utility purposes shall be sold for at least 100% of the appraised fair market values stated in the Recitals above and in Exhibit A. Other properties in Exhibit A shall be sold for at least 100% of the market value as established by written independent appraisal for the property or for such other reasonable and lawful terms and conditions the City Council determines to be in the best interests of the City; and
- b) The City may market and list some or all of the Exhibit A properties for sale with a licensed real estate broker so long as the listing or other agreement between the broker and the City is an agreement approved by City Council; and
- c) Some or all of the properties may be marketed and listed for sale by City staff; and
- d) The disposition of the real property described in Exhibit A is to be done in a commercially reasonable manner as determined by the City's real property manager; and
- e) The purchase and sale agreement for each Exhibit A property will be submitted to City Council for approval prior to closing of the sale of the property; and
- f) The City Council reserves the right to reject any proposed purchase and sale agreement for any Exhibit A property.

Councilperson Introducing Resolution

PASSED and APPROVED this ____ day of _____, 2020.

Council President

City of Everett
NOTICE OF PUBLIC HEARING
and intent to Surplus City of Everett Utilities Owned and other Real Property

NOTICE: That the City of Everett proposes to surplus utilities owned real property as described in Exhibit "A" herein and other city owned real property that appears to be surplus to the City's needs. The disposition of the property will be based upon a sales price of not less than 100% of the appraised market value of the property or upon such other terms and conditions for such disposition as the City Council deems to be in the best public interest.

A CALL-IN Public Hearing of the City Council for consideration of the surplus of the city owned real property is scheduled for:

12:30 P.M., MAY 27, 2020

If you wish to comment in the hearing, you may **CALL-IN** at **12:00PM PRIOR** to said hearing using the **PHONE NUMBER 425-616-3920** and the **ACCESS CODE 737 277 525#** to sign up to speak at the hearing. The specific terms of sale for the surplus of the real property will be set forth by City Council in a Resolution authorizing the surplus of the herein described property and other real property.

For more information or questions regarding this Notice, the property disposition process or the properties being considered for surplus, please contact the City's Real Property Manager, Paul McKee at pmckee@everettwa.gov.

Published: May 17, 2020 and May 24, 2020.

City of Everett
Real Property Department

Exhibit "A"
City of Everett Real Property - Surplus List
Utilities owned: Items 1-3; Other owned: Items 4-6

1. **TAX ACCOUNT NUMBER: 00571700900400**

Size: Appx. 0.50 Acre

3121 Shore Ave

Appraised Fair Market Value: \$510,000

Legal Description:

LOT 4, BLOCK 9, PLAT OF SHORE ACRES, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 8 OF PLATS, PAGE 32, RECORDS OF SNOHOMISH COUNTY, WASHINGTON; EXCEPT THE EAST 10 FEET THEREOF.

SUBJECT TO EASEMENTS AND RESERVATIONS OF RECORD, IF ANY.

2. **TAX ACCOUNT NUMBER: 00612000002000**

Size: Appx. 0.20 Acre

6331 Kenwood Drive

Appraised Fair Market Value: \$170,000

Legal Description:

LOT 20, PLAT OF WESTWOOD, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 12 OF PLATS, PAGE 65, RECORDS OF SNOHOMISH COUNTY, WASHINGTON.

SUBJECT TO EASEMENTS AND RESERVATIONS OF RECORD, IF ANY.

3. **TAX ACCOUNT NUMBERS: 28050800302400 & 28051700100300**

Size: Appx. 92.5 Acres

Wood Creek Property at Valley View

Appraised Fair Market Value: \$3,000,000

Legal Description 28050800302400:

THAT PORTION OF THE EAST HALF OF THE WEST HALF OF SECTION 8, TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M. IN SNOHOMISH COUNTY, WASHINGTON, LYING SOUTHEASTERLY OF PRIMARY STATE HIGHWAY NO. 1;

TOGETHER WITH THE FOLLOWING DESCRIBED TRACT:

THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER; LESS THE EAST THREE-QUARTERS OF THE NORTH HALF;

TOGETHER WITH THE FOLLOWING DESCRIBED TRACT:

THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 8, TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M. IN SNOHOMISH COUNTY, WASHINGTON.

Legal Description 28051700100300:

THE NW1/4 OF THE NW1/4 OF THE NE1/4 OF SECTION 17, TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M. IN SNOHOMISH COUNTY, WASHINGTON.

SUBJECT TO EASEMENTS AND RESERVATIONS OF RECORD, IF ANY.

4. TAX ACCOUNT NUMBER: 29051700100600

Size: Appx. 0.10 Acre

903 East Marine View Drive

Appraisal Pending

Legal Description:

THE EASTERLY 60 FEET OF THE FOLLOWING DESCRIBED TRACT:

BEGINNING AT THE INTERSECTION OF THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 17, TOWNSHIP 29 NORTH, RANGE 5 EAST, W.M. IN SNOHOMISH COUNTY, WASHINGTON, AND THE EAST LINE OF WALNUT STREET;
THENCE NORTHERLY ALONG THE EAST LINE OF WALNUT STREET A DISTANCE OF 476.06 FEET TO THE TRUEPOINT OF BEGINNING;
THENCE CONTINUE NORTHERLY ALONG THE EAST LINE OF WALNUT STREET A DISTANCE OF 75 FEET;
THENCE ANGLE TO THE RIGHT 89° 29' A DISTANCE OF 277 FEET, MORE OR LESS, TO AN INTERSECTION WITH THE WESTERLY RIGHT OF WAY LINE OF BURLINGTON NORTHERN RAILWAY;
THENCE SOUTHERLY ALONG SAID RIGHT OF WAY LINE A DISTANCE OF 75.27 FEET;
THENCE ANGLE TO THE RIGHT 94° 54' TO AN INTERSECTION WITH THE EAST LINE OF WALNUT STREET AND THE POINT OF BEGINNING;

SITUATE IN THE COUNTY OF SNOHOMISH, STATE OF WASHINGTON.

SUBJECT TO EASEMENTS AND RESERVATIONS OF RECORD, IF ANY.

5. TAX ACCOUNT NUMBER: 00439171700800

Size: Appx. 0.13 Acre

3015 Colby Avenue (Culmback Bldg)

Appraisal Pending

Legal Description:

LOTS 8 AND 9, BLOCK 717, PLAT OF EVERETT, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 3 OF PLATS, PAGE 32, RECORDS OF SNOHOMISH COUNTY, WASHINGTON.

SITUATE IN THE COUNTY OF SNOHOMISH, STATE OF WASHINGTON.

SUBJECT TO EASEMENTS AND RESERVATIONS OF RECORD, IF ANY.

City of Everett

Potential Surplus Property Sites

- Utility Owned
- General Fund Owned

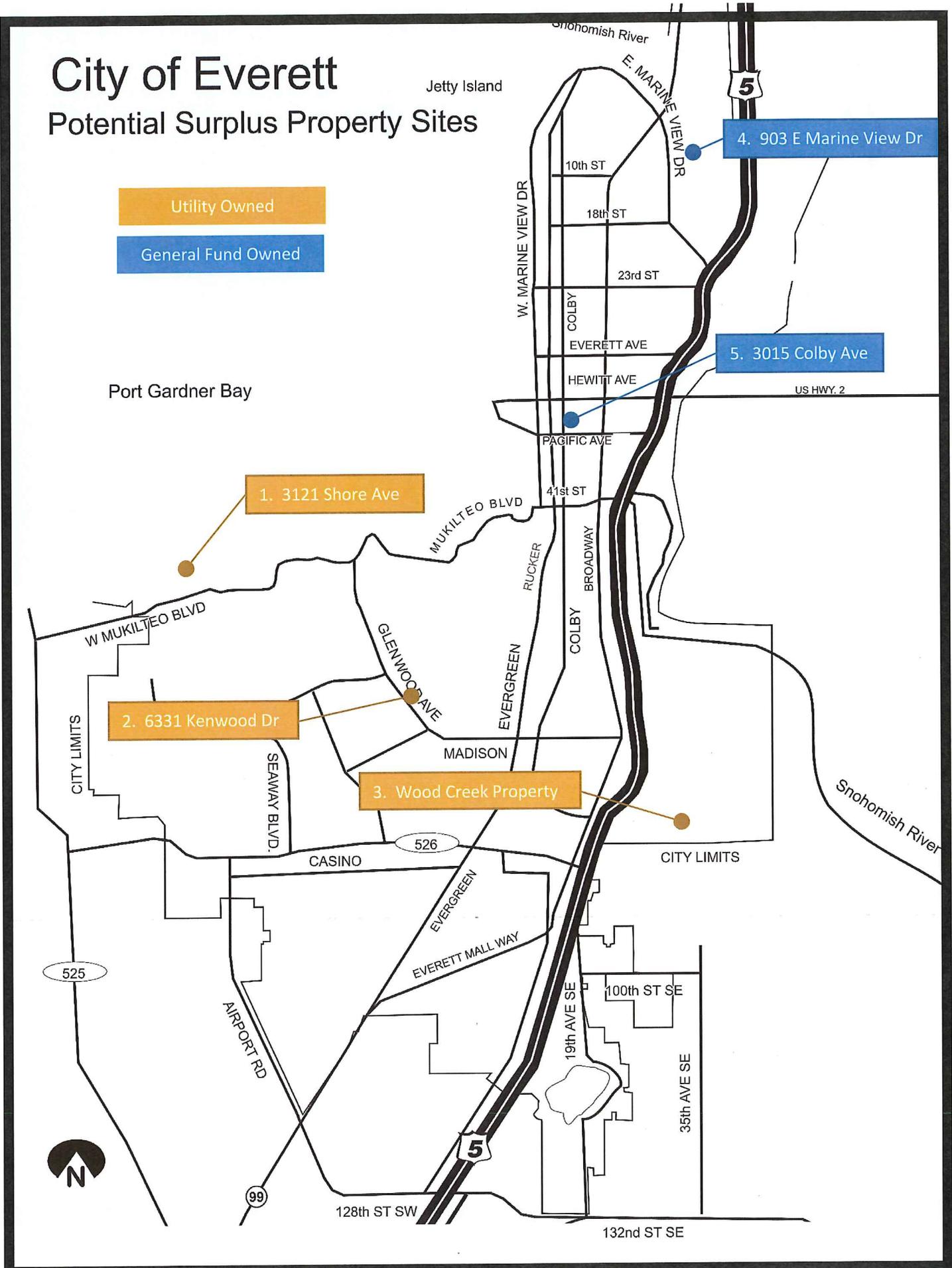
1. 3121 Shore Ave

2. 6331 Kenwood Dr

3. Wood Creek Property

4. 903 E Marine View Dr

5. 3015 Colby Ave



Project title: Housing Hope Subordination and Priority Agreement for New Century

City Council Agenda Item Cover Sheet

Council Bill # *interoffice use*

Agenda dates requested:

Briefing 5/20/2020

Proposed action

Consent

Action 5/27/2020

Ordinance

Public hearing

Yes No

Budget amendment:

Yes No

PowerPoint presentation:

Yes No

Attachments:

Subordination and Priority Agreement

Department(s) involved:

Community Development

Contact person:

Julie Willie

Becky McCrary

Phone number:

Email:

Initialed by:

Department head

Administration

Council President

Project: Subordination and Priority Agreement for Housing Hope, New Century

Partner/Supplier : Housing Hope

Location: *None*

Preceding action: *None*

Fund: *None*

Project summary statement:

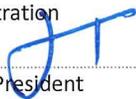
In 2001, the City of Everett provided a \$160,000 CDBG loan to Housing Hope's New Century Village, an affordable housing complex located at 2505 Howard Avenue, Everett, WA 98203. The loan is forgivable, with 25-year deferred payment terms, at 3% simple interest unless paid back for change of use conditions.

Housing Hope is securing a new loan with BECU to do rehabilitation work on New Century Village. BECU is requesting first lien position. Housing Hope has therefore requested the City of Everett, Snohomish County, the Department of Commerce execute a new Subordination and Priority Agreement. Department of Commerce and the County agree to the approach that liens should be listed by dollar amount, and therefore the City of Everett will be listed in last position on the new agreement.

Attached is the priority agreement, reviewed by legal, with staff recommendation to execute.

Recommendation (exact action requested of Council):

Authorize the Mayor to execute the amended and restated Subordination and Priority Agreement for Housing Hope, New Century Village.



AFTER RECORDING RETURN TO:

Boeing Employees' Credit Union
P O BOX 97050
M/S 1146-1
Seattle, WA 98124
Attn: Dawn Beagan

PRIORITY AND SUBORDINATION AGREEMENT

(New Century House Project)

Grantors:

1. HOUSING HOPE, a Washington nonprofit corporation
2. BOEING EMPLOYEES' CREDIT UNION, a Washington state-chartered credit union
3. CITY OF EVERETT, WASHINGTON, a municipal corporation
4. SNOHOMISH COUNTY, a political subdivision of the State of Washington
5. WASHINGTON STATE DEPARTMENT OF COMMERCE (formerly the Department of Community, Trade and Economic Development or "CTED")

Grantees:

1. BOEING EMPLOYEES' CREDIT UNION, a Washington state-chartered credit union
2. CITY OF EVERETT, a municipal corporation
3. SNOHOMISH COUNTY, a political subdivision of the State of Washington
4. WASHINGTON STATE DEPARTMENT OF COMMERCE (formerly the Department of Community, Trade and Economic Development or "CTED")

Abbreviated Legal Description:

UNIT 1, NEW CENTURY VILLAGE CONDOMINIUM,
REC. 200604275089, SNOHOMISH COUNTY

Assessor's Tax Parcel ID No.:

011467-000-001-00

Reference Numbers:

_____ ; 200109250370; 200110120962; 200112070152;
200112070151; 20012070153; 200203110832; 200112070154;
200406160782; 200605040194; 200605040195; 200605040196;
200609220270; 200609220272; 200609220273; 200703070330;
and 200703070331

PRIORITY AND SUBORDINATION AGREEMENT
(New Century House Project)

This Priority and Subordination Agreement (“Agreement”) is made as of the 30th day of April, 2020, by and among the CITY OF EVERETT, WASHINGTON, a municipal corporation (the “City of Everett”), SNOHOMISH COUNTY, a political subdivision of the State of Washington (“Snohomish County”); WASHINGTON STATE DEPARTMENT OF COMMERCE (the “State”); BOEING EMPLOYEES’ CREDIT UNION, a Washington state-chartered credit union (“BECU”); and HOUSING HOPE, a Washington nonprofit corporation (“Owner”). The City of Everett, Snohomish County, the State, and BECU are referred to collectively as “Lenders.” This Agreement is made with reference to the following facts:

RECITALS

A. **Owner’s Interest.** Owner owns the real property located at 2505 Howard Avenue, Everett, Washington 98203, more particularly described on Exhibit A attached hereto (the “Property”). Owner has acquired the Property to serve as housing for low-income persons. The term “Mortgaged Property” as used herein shall include the Property, all improvements on the Property and all personal property granted as security for any of the loans referred to below.

B. **BECU Loan Agreement; BECU’s Interest.** BECU is the holder of a loan (together with any extension, renewal or refinancing thereof, the “BECU Loan”) to Owner in the aggregate principal amount of \$1,055,000. The BECU Loan is made pursuant to a Loan Agreement of even date herewith (the “Loan Agreement”), and is evidenced by a Promissory Note of even date herewith (the “BECU Note”) from Owner in the principal amount of \$1,055,000. Repayment of the BECU Note is secured by, among other security documents, a Deed of Trust, Assignment of Leases and Rents, Security Agreement, and Fixture Filing of even date herewith encumbering the Property and naming BECU as Beneficiary, recorded under Snohomish County recording number _____ (the “BECU Deed of Trust”). All documents, instruments and agreements evidencing or securing the BECU Loan are referred to collectively in this Agreement as the “BECU Loan Documents.” The proceeds of the BECU Loan are being used, in part, to pay off an existing loan to Owner by Washington Mutual Bank (“WMB”) in the original principal amount of \$700,000 (the “WMB Loan”), which WMB Loan is more particularly described in that certain Priority and Subordination Agreement recorded March 11, 2002, under Snohomish County recording number 200203110832 (the “Original Priority Agreement”).

C. **The City of Everett’s Interest.** The City of Everett is the holder of a loan (together with any extension, renewal or refinancing thereof, the “City of Everett Loan”) to Owner in the maximum principal amount of \$160,000. The City of Everett Loan is evidenced by one or more promissory notes dated on or about September 7, 2001, in the aggregate amount of \$160,000, the repayment of which is secured by a deed of trust on the Property recorded under Snohomish County recording number 200109250370 (the “Everett Deed of Trust”). All documents identified in this Recital C, and any documents executed by Owner in connection therewith, are referred to collectively in this Agreement as the “Everett Loan Documents.”

D. **Snohomish County’s Interest.** Snohomish County is the holder of a loan (together with any extension, renewal or refinancing thereof, the “Snohomish County Loan”) to Owner in the

maximum principal amount of \$238,000. The Snohomish County Loan is evidenced by one or more promissory notes dated on or about November 28, 2001, in the aggregate amount of \$238,000, the repayment of which is secured by a Deed of Trust on the Property recorded under Snohomish County recording number 200112070152, as amended by that certain instrument recorded under Snohomish County recording numbers 200605040194 and 200609220272 (as amended, the “Snohomish County Deed of Trust”). In addition, Owner has entered into a Use Restriction Covenant Agreement recorded under Snohomish County recording number 200112070151, as amended by that certain instrument recorded under Snohomish County recording numbers 200605040195 and 200609220270 (as amended, the “Snohomish County Covenant”), for the benefit of Snohomish County, which Snohomish County Covenant restricts the use of the Property to low-income housing. All documents identified in this Recital D, and any documents executed by Owner in connection therewith, including the Snohomish County Home Loan Agreement recorded under Snohomish County recording number 200112070154, as amended by that certain instrument recorded under Snohomish County recording numbers 200605040196 and 200609220273, and the Loan Rider recorded under Snohomish County recording number 20012070153, are referred to collectively in this Agreement as the “Snohomish County Loan Documents[A1].”

E. **The State’s Interest.** The State is the holder of a loan (together with any extension, renewal or refinancing thereof, the “State Loan”) to Owner in the principal amount of \$225,000. Owner has executed and delivered to the State a promissory note dated on or about October 11, 2001, in the principal amount of \$225,000, the repayment of which is secured by a deed of trust on the Property recorded under Snohomish County recording number 200703070330 (the “State Deed of Trust”). In addition, Owner has entered into a Low Income Housing Covenant Agreement recorded under Snohomish County recording number 200110120962 (which instrument was amended and restated in its entirety by that certain Amended and Restated Low Income Housing Covenant Agreement recorded under Snohomish County recording number 200703070331) and a Low Income Housing Covenant Agreement recorded under Snohomish County recording number 200406160782 (individually and collectively, the “State Covenant”), with respect to the Property. All documents identified in this Recital E, and any documents executed by Owner in connection therewith, are referred to collectively in this Agreement as the “State Loan Documents.” The Washington State Legislature changed the name of the Department of Community, Trade and Economic Development to the Department of Commerce effective July 26, 2009, in Engrossed House Bill 2242, and, therefore, all references in the State Loan Documents to the Department of Community, Trade and Economic Development or State shall now be deemed references to the Department of Commerce.

F. **Purpose.** The parties wish to enter into this Agreement in order to establish their respective rights and priorities regarding the Mortgaged Property, all as more fully set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual agreements and undertakings herein contained, the parties agree as follows:

1. **Priorities and Subordination.** Regardless of the time each Lender’s various interests in the Mortgaged Property, or any part thereof, was or shall be created or recorded, such interests have and shall have the following priorities:

(a) First Priority; Regulatory Agreement and Covenants. The Snohomish County Covenant and the State Covenant shall each be senior and prior to the liens of BECU Deed of Trust, the Everett Deed of Trust, the Snohomish County Deed of Trust and the State Deed of Trust. [A2]All rights and interests of BECU, the City of Everett, Snohomish County and the State under the BECU Loan Documents, the Everett Loan Documents, the Snohomish County Loan Documents and the State Loan Documents, respectively, are hereby made subordinate and subject to the requirements of the Snohomish County Covenant and the State Covenant.

(b) Second Priority[A3]; BECU Deed of Trust and the BECU Loan Documents. The lien of BECU Deed of Trust and the requirements of the BECU Loan Documents shall be senior and prior to the liens of the Everett Deed of Trust, the Snohomish County Deed of Trust and the State Deed of Trust. All rights and interests of the City of Everett, Snohomish County and the State under the Everett Loan Documents, the Snohomish County Loan Documents and the State Loan Documents, respectively, are hereby made subordinate and subject to the lien of BECU Deed of Trust and the requirements of the BECU Loan Documents and all advances or charges made or accruing thereunder, including any and all extensions, modifications and renewals thereof, additional advances thereunder and capitalization of interest, costs and fees in connection therewith. By their signature hereto, the City of Everett, Snohomish County and the State each consent to the lien of the BECU Deed of Trust against the Property.

(c) Third Priority; Everett Deed of Trust and Everett Loan Documents[A4]. The lien of the Everett Deed of Trust and the requirements of the Everett Loan Documents shall be senior and prior to the lien of the Snohomish County Deed of Trust and the State Deed of Trust. All rights and interests of Snohomish County and the State under the Snohomish County Loan Documents and the State Loan Documents, respectively, are hereby made subordinate and subject to the lien of the Everett Deed of Trust and the requirements of the Everett Loan Documents and all advances or charges made or accruing thereunder, including any and all extensions, modifications and renewals thereof, additional advances thereunder and capitalization of interest, costs and fees in connection therewith.

(d) Fourth Priority; Snohomish County Deed of Trust and Snohomish County Loan Documents. The lien of the Snohomish County Deed of Trust and the requirements of the Snohomish County Loan Documents shall be senior and prior to the lien of the State Deed of Trust. All rights and interests of the State under the State Loan Documents are hereby made subordinate and subject to the lien of the Snohomish County Deed of Trust and the requirements of the Snohomish County Loan Documents and all advances or charges made or accruing thereunder, including any and all extensions, modifications and renewals thereof, additional advances thereunder and capitalization of interest, costs and fees in connection therewith.

(e) No Obligation to Lend. The parties agree that the Lenders do not have any obligation to one another to advance funds or to see to the application of their respective loan proceeds and that any application of such proceeds contrary to the terms of any loan documents shall not defeat the subordinations granted herein in whole or in part.

2. Insurance or Condemnation Proceeds. Notwithstanding any provision of any Lender's deed of trust or other loan document to the contrary, in the event of any damage to, destruction of, or taking or condemnation (including deed in lieu thereof) of the Property or any portion thereof, any insurance or condemnation proceeds shall be applied first as provided in

Section 6.5(d)(ii) of the BECU Deed of Trust and any amounts secured by any other Lender's deed of trust shall not be accelerated as a result of any casualty loss or condemnation, unless BECU determines that the conditions for permitting release of proceeds for repair, completion or restoration set forth in Section 6.5(d)(ii) of the BECU Deed of Trust have not been met and BECU elects not to make such proceeds available for such repair, completion or restoration. Any funds to be applied to repair, completion or restoration shall be held and administered by BECU in accordance with the BECU Loan Documents, and BECU shall be entitled to reasonable compensation for its services in connection with the administration of such funds as set forth in BECU Deed of Trust.

3. **Cross-Defaults.** Any default under the BECU Loan Documents, the Everett Loan Documents, the Snohomish County Loan Documents or the State Loan Documents that, after being declared by the Lender entitled to declare such default, is not cured or waived within any applicable cure period set forth therein, shall constitute an event of default under the other Lenders' loan documents.

4. **Reliance; Owner's Consent.** It is understood by the parties hereto that BECU, the City of Everett, Snohomish County and the State would not enter into their respective loan documents without this Agreement. Owner consents to all the terms of this Agreement.

5. **Certain Waivers.** Any Lender, the lien of whose deed of trust is senior to that of one or more other Lenders pursuant to this Agreement (each a "Senior Lender"), may freely enter into extensions, modifications and renewals of its loan documents with Owner without notice to or consent of any other Lender and no such extension, modification or renewal shall affect the subordination made herein in whole or in part. Any Senior Lender, without the consent of or notice to any other Lender may release any or all parties liable for any obligation secured by such Senior Lender's loan documents, and may release or fail to perfect, its lien on any security for the obligations secured thereby, all without affecting the subordination under this Agreement. Each Lender hereby waives any right to require marshaling of assets or to require any Senior Lender to proceed against or exhaust any specific security for the obligations secured by the Senior Lender's loan documents, and waives any defense arising out of the loss or impairment of any right of subrogation to the lien of the Senior Lender's loan documents.

6. **Rents.** The City of Everett, Snohomish County and the State acknowledge that, pursuant to the BECU Loan Documents, Owner has assigned to or for the benefit of BECU all leases, income, rents, and profits of the Mortgaged Property. The parties agree that upon an Event of Default under the BECU Loan Documents, BECU shall have the absolute right to collect all rents and profits from the Mortgaged Property as provided in the BECU Loan Documents.

7. **Tenant Rights.** The City of Everett, Snohomish County and the State agree that in any action taken to foreclose either such party's deed of trust, no residential tenant of any portion of the Property will be named as a party defendant, nor will any other action be taken that would terminate any residential tenancy of the Property without the prior written consent of BECU.

8. **Miscellaneous.**

(a) **Entire Agreement.** This Agreement is the entire agreement among the parties with respect to the priority of each Lender's interests in the Mortgaged Property, and all prior understandings and agreements on that subject are superseded by this Agreement.

(b) Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

(c) Successors; Assignment. This Agreement is for the benefit of BECU, the City of Everett, Snohomish County and the State and their respective successors and assigns, and any provision hereof may be waived or modified by agreement of BECU, the City of Everett, Snohomish County and the State (or by any two or more of them, if the other(s) are unaffected thereby) without the consent of Owner, and without affecting the priority of the liens and interests of BECU, the City of Everett, Snohomish County or the State. The successors-in-interest and assigns of the City of Everett, Snohomish County, Owner, the State and BECU shall be bound by this Agreement. This Agreement may be assigned by a party only as a part of an assignment of a party's loan secured by its interest in the Mortgaged Property.

(d) Notices. All notices to be given pursuant to this Agreement shall be in writing and shall be deemed given when hand-delivered within normal business hours, when actually received by facsimile transmission during normal business hours, or two business days after deposited in the U.S. mail, postage prepaid, to the parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate in writing.

(e) Amendment. This Agreement may be amended only by a writing signed by the parties hereto, except to the extent otherwise explicitly provided in paragraph (c) above.

(f) Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and whether or not all parties execute each counterpart.

(g) Completion of Recording Information. If this Agreement is signed without completion of certain recording information called for above, any party hereto or any title insurance company acting on the instructions of any party is hereby authorized to insert such information prior to recording this Agreement.

(h) Consent to Other Parties' Loan Documents. By executing this Agreement, each party hereby acknowledges and consents to the execution of, and where appropriate, the recording of, the BECU Loan Documents, the Everett Loan Documents, the Snohomish County Loan Documents and the State Loan Documents by Owner and the other parties thereto.

(i) Benefit of Agreement. This Agreement is entered into solely for the benefit of the Lenders and neither Owner nor any other person or entity other than Lenders shall have any rights under or by virtue of this Agreement.

(j) Prior Agreement Superseded. At the time this Agreement becomes effective, this Agreement shall supersede and replace the Original Priority Agreement.

[remainder of page intentionally left blank; signature pages follow]

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the day and year first above written.

CITY OF EVERETT, WASHINGTON,
a municipal corporation

By: _____

Print name: _____

Title: _____

Address: _____

STATE OF WASHINGTON

COUNTY OF _____

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that s/he signed this instrument, on oath stated that s/he was authorized to execute the instrument and acknowledged it as the _____ of the City of Everett, Washington to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____, 2020.

Notary Public for Washington

Name of Notary:

My appointment expires:

SNOHOMISH COUNTY,
a political subdivision of the State of Washington

By: _____
Print name: Mary Jane Brell-Vujovic
Title: Director, Human Services Dept.

Address: 3000 Rockefeller Avenue, M/S 305
Everett, Washington 98201

STATE OF WASHINGTON

COUNTY OF _____

I certify that I know or have satisfactory evidence that Mary Jane Brell-Vujovic is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as the Director, Human Services Dept. of Snohomish County to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____, 2020.

Notary Public for Washington

Name of Notary:

My appointment expires:

DEPARTMENT OF COMMERCE,
a department of the State of Washington

By: _____
Print name: Diane Klontz
Title: Assistant Director, Community Services
and Housing Division

Address: Department of Commerce
1011 Plum Street SE
P.O. Box 42525
Olympia, Washington 98504-2525
Attn: Assistant Director, Community
Services and Housing Division

STATE OF WASHINGTON

COUNTY OF THURSTON

I certify that I know or have satisfactory evidence that Diane Klontz is the person who appeared before me, and said person acknowledged that s/he signed this instrument, on oath stated that s/he was authorized to execute the instrument and acknowledged it as the Assistant Director, Community Services and Housing Division of State of Washington, acting by and through its Department of Community, Trade, and Economic Development, Office of Community Development, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____, 2020.

Notary Public for Washington

Name of Notary:

My appointment expires:

BOEING EMPLOYEES' CREDIT UNION,
a Washington state-chartered credit union

By: _____
Print name: _____
Title: _____

Address: P.O. Box 97050
M/S 1146-1
Seattle, Washington 98124
Attn: Dawn Beagan

STATE OF WASHINGTON

COUNTY OF _____

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that s/he signed this instrument, on oath stated that s/he was authorized to execute the instrument and acknowledged it as the _____ of Boeing Employees' Credit Union to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____, 2020.

Notary Public for Washington
Name of Notary:
My appointment expires:

HOUSING HOPE,
a Washington nonprofit corporation

By: _____
Print name: C. Fredrick Safstrom
Title: Chief Executive Officer

Address: 5830 Evergreen Way
Everett, Washington 98203

STATE OF WASHINGTON

COUNTY OF _____

I certify that I know or have satisfactory evidence that C. Fredrick Safstrom is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Chief Executive Officer of Housing Hope to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____, 2020.

Notary Public for Washington

Name of Notary:

My appointment expires:



EXHIBIT A

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF SNOHOMISH, STATE OF WA, AND IS DESCRIBED AS FOLLOWS:

UNIT 1, NEW CENTURY VILLAGE CONDOMINIUM, A CONDOMINIUM, ACCORDING TO DECLARATION THEREOF RECORDED UNDER SNOHOMISH COUNTY RECORDING NO. 200604270839, AND ANY AMENDMENTS THERETO; SAID UNIT IS LOCATED ON SURVEY MAP AND PLANS RECORDED UNDER RECORDING NO. 200604275089, AND ANY AMENDMENTS THERETO, RECORDS OF SNOHOMISH COUNTY, WASHINGTON.

011467-000-001-00

2505 Howard Ave
Everett, Washington 98203



Project title: An Ordinance creating a special construction fund entitled "Everett Municipal Building – Elevator Modernization Project" Fund 342, Program 030, to accumulate design and construction costs in the amount of \$30,000.

City Council Agenda Item Cover Sheet

Council Bill # *interoffice use*

CB 2006-32

Agenda dates requested:

- May 13, 2020
- May 20, 2020
- May 27, 2020

Briefing

Proposed action

Consent

Action

Ordinance **X**

Public hearing

Yes No **X**

Budget amendment:

Yes No **X**

PowerPoint presentation:

Yes No **X**

Attachments:

Funding Ordinance

Department(s) involved:

Facilities

Contact person:

Chris Lark

Phone number:

425-257-6294

Email:

clark@everettwa.gov

Initialed by:

Department head

Administration

Council President

Consideration: Funding Ordinance

Project: Everett Municipal Building – Elevator Modernization Project

Partner/Supplier : Department of Enterprise Services / McKinstry

Location: 2930 Wetmore Avenue

Preceding action: None

Fund: Fund 342, Program 030 (CIP-1)

Fiscal summary statement:

The proposed funding Ordinance will fund the elevator modernization for the Everett Municipal Building's three elevators.

- The source of funds is CIP-1
- The estimated cost for the engineering design work is \$30,000
- The cost for construction will be determined at the completion of the design.
- The funding Ordinance would be amended to add funds for the construction.

Project summary statement:

The Everett Municipal Building – Elevator Modernization Project is included in the 2020 - Facilities Budget and the CIP-1 finance model. The Everett Municipal Building elevators were also identified as an observed deficiency in the Facilities Condition Assessment. The 2020 project budget estimate is \$1,200,000, compared to the Facilities Condition Assessment cost estimate of \$1,779,206.

On March 4, 2020 Council authorized an Interagency Agreement with the Washington State Department of Enterprise Services (DES) for an Energy Savings Performance Contracting Program (ESPC). The ESPC will provide an efficient and effective delivery of energy related projects with DES providing project management services. The cost of these services is calculated based on the total project value. A preliminary energy savings audit for the Everett Municipal Building – Elevator Modernization Project was submitted to the Department of Enterprise Services and the City (Facilities) by McKinstry, a DES approved Energy Services Company. After reviewing the McKinstry proposal DES and Facilities recommend proceeding with the engineering design phase of the project.

The funding Ordinance will fund the engineering design (Investment Grade Audit) for the project. The Investment Grade Audit will deliver a maximum allowable project cost, description of how the energy savings will be guaranteed, and a schedule for project completion. The Investment Grade Audit's target completion is 100 calendar days from the notice to proceed. The authorization for the Mayor to sign the Energy Services Agreement will be at the third reading of the funding Ordinance. At the completion of the Investment Grade Audit it will be the City's option to proceed with construction.

Recommendation (exact action requested of Council)

Adopt an Ordinance creating a special construction fund entitled "Everett Municipal Building – Elevator Modernization Project" Fund 342, Program 030, to accumulate design and construction costs in the amount of \$30,000.



ORDINANCE NO. _____

An **ORDINANCE** creating the special construction fund entitled “Everett Municipal Building – Elevator Modernizations”, Fund 342, Program 030, to accumulate the design and construction costs for the project in the amount of \$30,000.

WHEREAS,

- A. The City Council has recognized the need to modernize the Everett Municipal Building elevators.

NOW, THEREFORE, THE CITY OF EVERETT DOES ORDAIN:

Section 1. A special construction fund is hereby entitled “Everett Municipal Building – Elevator Modernizations”, Fund 342, Program 030.

Section 2. Authorization is hereby granted to the Parks and Facilities Director under the administration of the Mayor, to assume full responsibility for conducting all tasks and performing all necessary steps to accomplish the actions authorized by this Ordinance.

Section 3. The estimated cost of the design is \$30,000.

Section 4: The sum of \$30,000 is hereby appropriated to Fund 342, Program 030, “Everett Municipal Building – Elevator Modernizations”.

A.	Use of Funds	
	Construction	<u>\$30,000</u>
	Total	\$30,000

B.	Source of Funds	
	CIP 1	<u>\$30,000</u>
	Total	\$30,000

- C. The appropriation shall not lapse, but shall be carried forward from year to year until fully expended or the purpose has been accomplished or abandoned without the necessity of re-appropriation.

Section 5. The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers, and any internal references.

Section 6. The City Council hereby declares that should any section, paragraph, sentence, clause or phrase of this ordinance be declared invalid for any reason, it is the intent of the City Council that it would have passed all portions of this ordinance independent of the elimination of any such portion as may be declared invalid.

Section 7. The enactment of this Ordinance shall not affect any case, proceeding, appeal or other matter currently pending in any court or in any way modify any right or liability, civil or criminal, which may be in existence on the effective date of this Ordinance.

Cassie Franklin, Mayor

ATTEST:

Sharon Fuller, City Clerk

PASSED: _____

VALID: _____

PUBLISHED: _____

EFFECTIVE DATE: _____





Project title: An Ordinance creating a special construction fund entitled "Police Headquarters – Window Replacement Project" Fund 342, Program 031, to accumulate design and construction costs in the amount of \$40,000.

City Council Agenda Item Cover Sheet

Council Bill # *interoffice use*

CB2005-33

Agenda dates requested:

- May 13, 2020
- May 20, 2020
- May 27, 2020

- Briefing
- Proposed action
- Consent
- Action
- Ordinance
- Public hearing
- Yes No

Budget amendment:
 Yes No

PowerPoint presentation:
 Yes No

Attachments:
 Funding Ordinance

Department(s) involved:
 Facilities

Contact person:
 Chris Lark

Phone number:
 425-257-6294

Email: clark@everettwa.gov
Initialed by:

Department head

Administration

Council President

Consideration: Funding Ordinance

Project: Police Headquarters – Window Replacement Project

Partner/Supplier : Department of Enterprise Services / McKinstry

Location: 3002 Wetmore Avenue

Preceding action: None

Fund: Fund 342, Program 031 (CIP-1)

Fiscal summary statement:

The proposed funding Ordinance will fund the window replacements for the Police Headquarters. The window replacements will include the historic wood cased windows, the skylight over the south stairwell, and the window walls at the north and south second floor additions.

- The source of funds is CIP-1
- The estimated cost for the engineering design work is \$40,000
- The cost for construction will be determined at the completion of the design.
- The funding ordinance would be amended to add funds for the construction.

Project summary statement:

The Police Headquarters – Window Replacement Project is an identified project in the City’s 2020 Budget and is in the CIP-1 finance model. The window replacements were also identified as an observed deficiency in the Facilities Condition Assessment. The 2020 project budget estimate of \$800,000 is in line with the Facilities Condition Assessment cost estimate of \$812,736.

On March 4, 2020 Council authorized an Interagency Agreement with the Washington State Department of Enterprise Services (DES) for an Energy Savings Performance Contracting Program (ESPC). The ESPC will provide an efficient and effective delivery of energy related projects with DES providing project management services. The cost of these services is calculated based on the total project value. A preliminary energy savings audit for the Police Headquarters – Window Replacement Project was submitted to the DES and the City (Facilities) by McKinstry, a DES approved Energy Services Company. After reviewing the McKinstry proposal DES and Facilities recommend proceeding with the engineering design phase of the project.

The funding Ordinance will fund the engineering design (Investment Grade Audit) for the project. The Investment Grade Audit will deliver a maximum allowable project cost, description of how the energy savings will be guaranteed, and a schedule for project completion. The Investment Grade Audit’s target completion is 100 calendar days from Notice to Proceed. The authorization for the Mayor to sign the Energy Services Agreement will follow the third reading of this project’s funding Ordinance. At completion, it will be the City’s option to proceed with construction.

Recommendation (exact action requested of Council)

Adopt an Ordinance creating a special construction fund entitled "Police Headquarters – Window Replacement Project" Fund 342, Program 031, to accumulate design and construction costs in the amount of \$40,000.



ORDINANCE NO. _____

An ORDINANCE creating the special construction fund entitled “Police Headquarters – Window Replacements”, Fund 342, Program 031, to accumulate the design and construction costs for the project in the amount of \$40,000.

WHEREAS,

- A. The City Council has recognized the need to replace the windows at Police Headquarters.

NOW, THEREFORE, THE CITY OF EVERETT DOES ORDAIN:

Section 1. A special design and construction fund is hereby entitled “Police Headquarters – Window Replacements”, Fund 342, Program 031

Section 2. Authorization is hereby granted to the Parks and Facilities Director under the administration of the Mayor, to assume full responsibility for conducting all tasks and performing all necessary steps to accomplish the actions authorized by this Ordinance.

Section 3. The estimated cost of the design is \$40,000.

Section 4: The sum of \$30,000 is hereby appropriated to Fund 342, Program 031, “Police Headquarters – Window Replacements”.

A.	Use of Funds	
	Design	<u>\$40,000</u>
	Total	\$40,000

B.	Source of Funds	
	CIP 1	<u>\$40,000</u>
	Total	\$40,000

- C. The appropriation shall not lapse, but shall be carried forward from year to year until fully expended or the purpose has been accomplished or abandoned without the necessity of re-appropriation.

Section 5. The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers, and any internal references.

Section 6. The City Council hereby declares that should any section, paragraph, sentence, clause or phrase of this ordinance be declared invalid for any reason, it is the intent of the City Council that it would have passed all portions of this ordinance independent of the elimination of any such portion as may be declared invalid.

Section 7. The enactment of this Ordinance shall not affect any case, proceeding, appeal or other matter currently pending in any court or in any way modify any right or liability, civil or criminal, which may be in existence on the effective date of this Ordinance.

Cassie Franklin, Mayor

ATTEST:

Sharon Fuller, City Clerk

PASSED: _____

VALID: _____

PUBLISHED: _____

EFFECTIVE DATE: _____





Project title: Water Main Replacement "Q" Evergreen Rebid: Change Order #2 to the construction Contract with SRV Construction, Inc. for Water Main Replacement "Q" in the amount of \$226,188.00.

City Council Agenda Item Cover Sheet

Council Bill #

Project: Water Main Replacement "Q" Evergreen Rebid -UP 3612

Partner/Supplier : SRV Construction, Inc.

Agenda dates requested:

May 20, 2020

Location: Evergreen Way – Holly Drive to Casino Road

Preceding action: Award: April 11, 2018

Fund: 336

Briefing

Proposed action

Consent

Action

Ordinance

Public hearing

Yes x No

Budget amendment:

Yes x No

PowerPoint presentation:

Yes x No

Attachments:

CO #2 – Two Copies

Department(s) involved:

Public Works, Legal

Contact person:

Mike Kangas

Phone number:

425-257-7731

Email:

mkangas@everettwa.gov

Fiscal summary statement:

Original Contract Amount	\$1,450,524.96	
Change Order Number 1	\$180,445.32	April 11, 2019
Change Order Number 2	\$226,188.00	
Current Contract Total	<u>\$1,857,158.28</u>	

Project summary statement:

Water Main Replacement "Q" Evergreen Rebid includes replacing approximately 2,500 lineal feet of 12" water main and all supporting work on the east side of Evergreen Way between Holly Drive and Casino Road.

This Change Order provides compensation to the contractor for direct costs associated with performing significant work at night, as directed by the City. The night work allowed extended work hours reducing the project duration and reducing associated impacts to adjacent businesses and traffic. This Change Order also compensates the contractor for direct costs due to unforeseen underground utility conflicts. This Change Order includes compensation to the contractor for Washington State Sales tax as required by WAC 458-20-170. The project is physically complete.

Initialed by:

Department head

Administration

Council President

Recommendation (exact action requested of Council):

Authorize the Mayor to sign this Change Order Number 2 to the construction Contract with SRV Construction, Inc. for the Water Main Replacement "Q" Evergreen Rebid project in the amount of \$226,188.00.

**CITY OF EVERETT
Change Order**

Project Title Water Main Replacement "Q" Evergreen Way Rebid
Department Public Works
Work Order No. UP 3612
Contractor: SRV Construction, Inc.
Contract Award Date: April 11, 2018
City Staff Contact: Mike Kangas
Change Order No. 2
Change Order Effective Date March 25, 2020

CONTRACT PRICE

exclusive of Wash. State Sales Tax)

inclusive of Wash. State Sales Tax)

(check one – if neither box checked, then this Change Order is deemed to be **inclusive** of Wash. State Sales Tax)

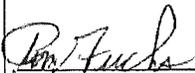
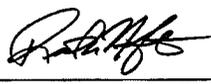
Original contract price	\$1,450,524.96
Cumulative Amount of prior change orders	\$180,445.32
Total Contract Price including prior change orders	\$ 1,630,970.28
Amount of this Change Order	\$226,188.00
Total Contract Price including this Change Order	\$1,857,158.28

CONTRACT TIME

Original Contract Duration	120	Working Days x Calendar Days <input type="checkbox"/>
Date of Notice to Proceed		11-26-18
Cumulative adjustment to duration by <i>prior</i> Change Orders		0
Adjustment to duration by <i>this</i> Change Order		0
New Contract Duration (<i>including</i> this Change Order)		120

Contractor and City agree as follows:

1. The scope of Work shall be changed to the extent described in Exhibit A.
2. The amount of the change order for the changes described in Exhibit A, represents complete compensation for the changes described in Exhibit A, including all direct and indirect costs and impacts. The contract price shall be adjusted as described in this Change Order. With respect to Washington State sales tax, the amount of the change order includes such tax unless the box for "exclusive of Wash. State Sales Tax" is checked on the preceding page.
3. Everett Municipal Code 3.80.050 sets forth the threshold amounts below which the Mayor or his designee is authorized to direct Contractor to perform additional work. In calculating such threshold amounts, Washington State sales tax, if applicable to the Work, has been considered.
4. The duration of the Contract shall be adjusted to the extent described in this Change Order.
5. Contractor waives and releases any and all claims arising out of, or related to, this Change Order, the work described in Exhibit A, and all work and actual or constructive changes that occurred or began prior to the date of this Change Order, including, but not limited to, claims for equitable adjustment of time and compensation, delay, impact, overhead, or inefficiencies. This provision does not apply to requests for equitable adjustment of time or price for which the Contractor timely and properly provided notice of a differing site condition, protest, dispute, claim or Contract Claim as required by the Contract Documents. If the Contract Documents establish a time period for notice of a differing site condition, protest, dispute, claim, or Contract Claim that ends after the date of this Change Order, but relates to work performed prior to the date of this Change Order, then this provision does not apply if the Contractor timely and properly submits such notice.
6. This Change Order only changes the contract between Contractor and City to the extent explicitly provided herein.

CITY			
_____ Mayor Date: _____	Attest: _____ City Clerk Date: _____	Approved As to Form: _____ City Attorney Date: _____	
Recommended By:			
Construction Manager (if applicable) 	Project Engineer (if applicable) 	Engineering Manager (if applicable) 	Department Director 

4-15-20

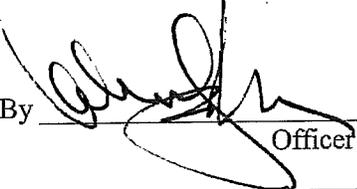
Date: _____	Date: _____	Date: _____	Date: _____
CONTRACTOR			
By  Corp. Secretary Date: <u>04/13/2020</u> Officer			

Exhibit A—Description of Changed Work

This Change Order # 2 modifies one (1) existing bid items and adds one (1) new item.

Revised Existing Bid Items

Bid Item #3-Force Account. Modify bid item 3 entitled “Force Account”, to increase contract value at unit price of \$1.00 per FA, by adding \$6,000.00, resulting in a \$6,000.00 increase to the contract.

Added Bid Items

New Item #104 – Night Work Direct Costs. Add new item # 104 entitled, “Night Work Direct Costs” at the agreed to lump sum price of \$200,000.00, resulting in a \$200,000.00 increase to the Contract price.

Washington State Sales Tax

An increase to the contract in the amount of \$20,188.00 is included for the estimated sales tax payment.

JUSTIFICATION

Bid Item #3 Force Account - This item over-ran the estimated plan quantity which requires addition funding.

New Item #104 Night Work Direct Costs. In order to minimize impacts to adjacent businesses and to mitigate traffic impacts night work was directed. This new item provides compensation for the direct costs associated with non-regular night work.

Washington State Sales Tax

All changed work represented in subject to WAC 458-20-170 which requires the contractor to collect sales tax.

Contract Duration – There are no changes in the contract duration due to these changes

Project - Water Main Replacement Q Evergreen Way Rebid
Change Order No. 002
Change Order Effective Date: March 25, 2020

Water Q Evergreen Way Rebid
Change Order 002 Cost Summary

BI	Qnty	Unit	Rate	Total	
Mod To Existing Bid Items					
3	Force Account	6000	\$\$	1.00	6,000.00
	Subtotal Existing Mod				<u>6,000.00</u>
New Bid Items					
104	Night Work Direct Costs	1	LS	200,000.00	200,000.00
	Subtotal New Bid Items				<u>200,000.00</u>
	Subtotal All Changes				206,000.00
	WSST Allocation			9.8%	20,188.00
	TOTAL Change Order 002				226,188.00



A Resolution Commencing Negotiations Between the City of Everett and Snohomish County for an Interlocal Agreement Concerning the Annexation of the Unincorporated Portion of Smith Island Located within the City of Everett Municipal Urban Growth Area

Project title:

City Council Agenda Item Cover Sheet

Council Bill # *interoffice use*

Project: Smith Island Annexation – Miller Shingle and Map 2

Partner/Supplier : N/A

Location: Northwest end of Smith Island, west of current city limits

Preceding action: None

Fund: N/A

Agenda dates requested:

Dates requested for council action

Briefing **May 20, 2020**

Proposed action

Consent

Action **May 27, 2020**

Ordinance

Public hearing

No

Budget amendment:

No

PowerPoint presentation:

No

Attachments:

Resolution, Letters of Support

Department(s) involved:

Legal, Planning

Contact person:

Allan Giffen

Phone number:

425 257-8725

Email:

agiffen@everettwa.gov

Fiscal summary statement: N/A

Project summary statement:

The City has received a request from owners of property on Smith Island, located outside the current city limits, to initiate the annexation of the area using the Interlocal Agreement (ILA) method of annexation provided by RCW 35.14.470. This option for annexation allows for the legislative bodies of the annexing city and county to execute and ILA to allow annexation when at least sixty percent of the annexation area is surrounded by the city limits (see exhibit map attached to resolution).

The statute requires the City to adopt a resolution to initiate the development of the ILA with the County. Staff have met with representatives of the County Executive and the County Councilperson representing Everett to advise them of the proposed annexation and to preliminarily determine if there are any objections to annexation.

The area is the last remaining unincorporated part of Smith Island that is located within Everett’s Municipal Urban Growth Area (MUGA), as designated in the Countywide Planning Policies. Properties within a city’s MUGA are expected to be annexed.

Recommendation (exact action requested of Council):

Adopt Resolution Commencing Negotiations Between the City of Everett and Snohomish County for an Interlocal Agreement Concerning the Annexation of the Unincorporated Portion of Smith Island Located within the City of Everett Municipal Urban Growth Area

Initialed by:

Department head

Administration

Council President

CITY OF EVERETT

RESOLUTION NO. _____

**A Resolution Commencing Negotiations Between the City of Everett and Snohomish County
for an Interlocal Agreement Concerning the Annexation of the Unincorporated Portion of
Smith Island Located within the City of Everett Municipal Urban Growth Area**

WHEREAS, the City of Everett municipal boundaries on Smith Island at the north end of the city include most of that portion of the island located west of Interstate 5 and within the Southwest Snohomish County Municipal Urban Growth Area (MUGA), as designated by the Countywide Planning Policies; and

WHEREAS, a portion of Smith Island within the MUGA is presently within unincorporated Snohomish County, but adjoins the Everett city limits; and

WHEREAS, there are no residents within the subject area and owners of the two property assemblages located in the remaining unincorporated portion of Smith Island that is within the MUGA have indicated their interest and desire to be annexed to the City of Everett; and

WHEREAS, the upland area is planned for industrial use in Everett's Comprehensive Plan; and

WHEREAS, the area is planned for "urban mixed use industrial," "aquatic conservancy" and "aquatic" shoreline uses in Everett's Shoreline Master Program; and

WHEREAS, the City of Everett already provides water to properties abutting the remaining unincorporated portion of Smith Island; and

WHEREAS, the area is not within the boundaries of any fire protection district, while the City already provides fire, police and other public safety services to incorporated areas north and east of the area; and

WHEREAS, the only street access to the area is through public streets and highways located within the Everett City limits;

WHEREAS, RCW 35.13.470 provides for annexation through the process of an Interlocal Agreement (ILA) between the annexing city and the county, and this process is applicable to the specific circumstances affecting the subject properties on Smith Island; and

WHEREAS, RCW 35.13.470 requires the legislative authority of the annexing city to adopt a Resolution commencing negotiations for an ILA between the city and county to begin the process of annexing the subject properties to the city; and

WHEREAS, the City Council finds that the subject property proposed for annexation is located within Everett's MUGA; and

WHEREAS, the City Council finds that at least sixty percent of the boundaries of the territory proposed for annexation is contiguous to Everett's current municipal boundaries; and

WHEREAS, the City has contacted the Snohomish County Executive's office concerning the potential annexation to initiate discussion about an annexation ILA in order to determine that the best interests of both the City and County will be served by the proposed annexation; and

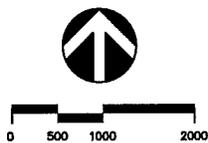
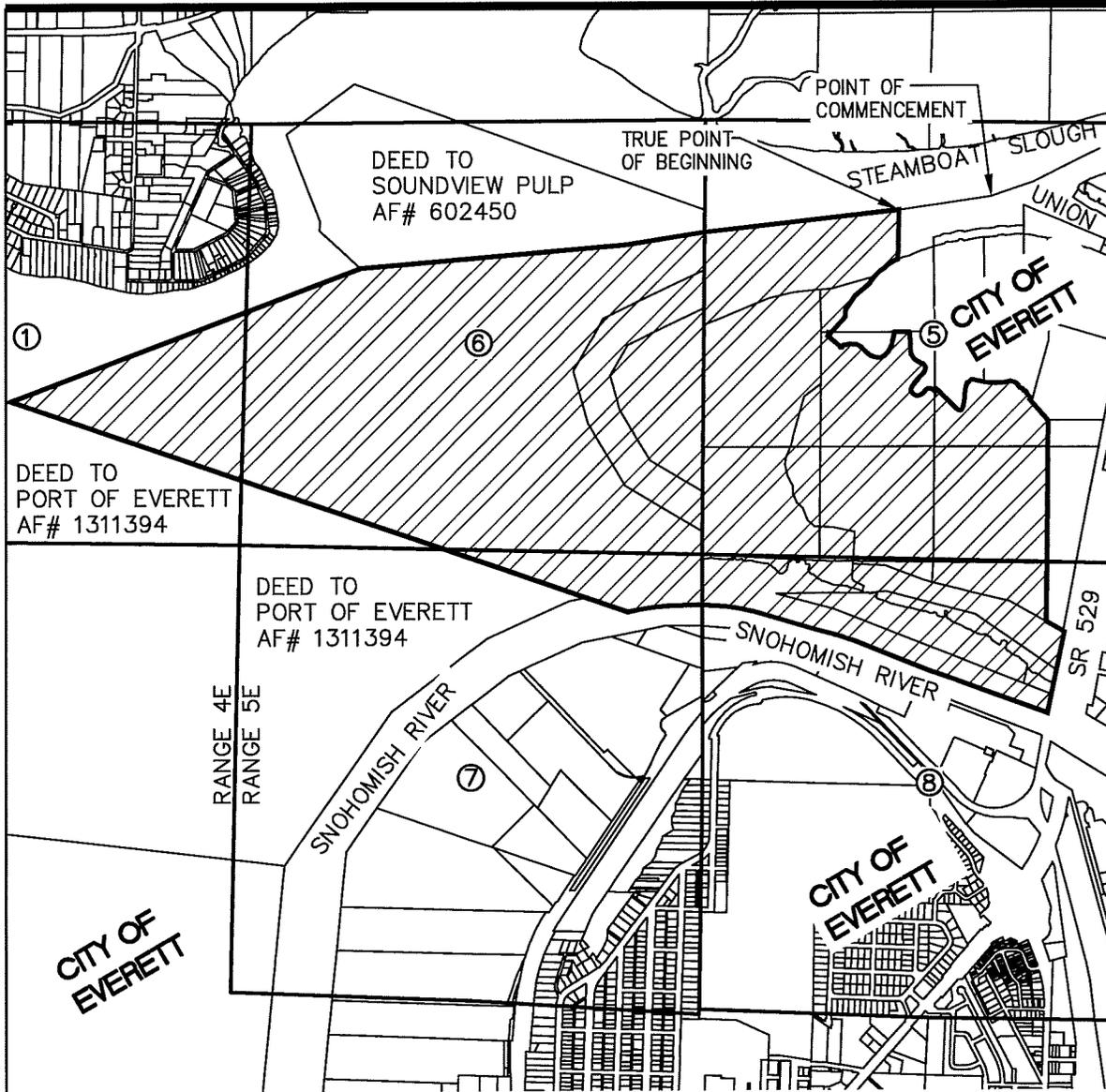
WHEREAS, Snohomish County has indicated its willingness to begin negotiations with the City to develop an ILA for annexation of the subject properties.

NOW, THEREFORE, the City of Everett does hereby resolve to initiate negotiations with Snohomish County for an Interlocal Agreement concerning the annexation of the properties located on Smith Island and within the Municipal Urban Growth Area, as depicted on the attached exhibit map.

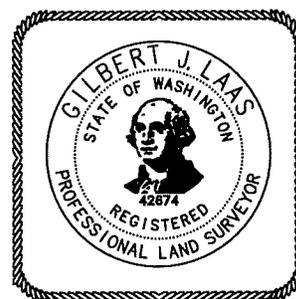
Councilmember Introducing Resolution

PASSED and APPROVED this ____ day of _____, 2020

City Council President



ANNEXATION AREA
(857.9 AC.)



G:\a 03/09/20 2:25pm - P:\M\MLSH00000001\0400CAD\SV\BASES\sv-em-02-mlsh0001.dwg

EXHIBIT A

DATE: 3-6-2020 DESIGN: G.J.A.
FILE: MLSH0001 / SV-EM-02 DRAWN: G.J.A.

DE
DAVID EVANS
AND ASSOCIATES INC.
1620 W. Marine View Drive, Suite 200
Everett Washington 98201
Phone: 425.259.4099

SMITH ISLAND
PROPOSED ANNEXATION
EXHIBIT MAP



MILLER SHINGLE COMPANY, INC.

March 18, 2020

Allan Giffen, Planning Director
Planning Div. Planning and Community Development Dep't
City of Everett
2930 Wetmore Ave. Suite 8A
Everett, WA 98201

RE: Annexation of West Smith Island

Dear Mr. Giffen:

As owners of properties in the unincorporated area of Smith Island within the City of Everett's designated Municipal Urban Growth Area (MUGA) we respectfully request the City initiate the process to enter into an Interlocal Agreement with Snohomish County under RCW 35.13.470 to annex the MUGA area on and adjacent to Smith Island into the City of Everett. The proposed annexation area (legal description attached) comprises roughly 857.9 acres. Of that area nearly 550 acres is owned by B&B-SI-1, LLC (a sister company of Miller Shingle with identical ownership).

Our properties have been utilized in water-dependent handling of forest products since the early 1890's. The County effectively provides no services to this area. As the economy evolves the City is much better suited to provide utilities and other services for this area. Much of the adjacent areas have been within the City since 1983. There are no good reasons for this area to remain outside of the City.

We have discussed this with you and other City staff in the past and over the last few months. We understand the owner of the bulk of the remaining property supports this move as well. We ask that the City initiate the process to complete this annexation now.

Thank you for your time and consideration. If you have questions please feel free to direct them to our consultant, Mark Wolken, and he will ensure they are addressed.

Sincerely,

Earl Leach, Chief Financial Officer, Miller Shingle Company, LLC

SMITH IS
RR project

WOLKEN

COPY

APRIL 22, 2020
~~March 20, 2020~~

**PACIFIC
TOPSOILS, INC.**

a service company

Since 1978

Allan Giffen, Planning Director

Planning Div. Planning and Community Development Dep't

City of Everett

2930 Wetmore Ave. Suite 8A

Everett, WA 98201

RE: Annexation of West Smith Island

Dear Mr. Giffen:

I have been informed by the owners of adjacent property (B&B-SI-1, LLC/Miller Shingle) that they have asked the City of Everett to initiate the process to enter into an Interlocal Agreement with Snohomish County under RCW 35.13.470 to annex the City of Everett's designated Municipal Urban Growth Area (MUGA) on Smith Island into the City of Everett. I am the owner of MAP 2 LLC which owns about 171.93 acres within this area (in addition to another 26.24 acres already within the City).

I understand that as a result of the annexation the City will adopt industrial zoning consistent with the City's Comprehensive Plan designation for this area. I further understand that the annexation will not change the legal status of the uses currently occurring on this area. With those understandings, I support the proposed annexation.

Please feel free to contact me with any questions.

Sincerely,

Sandra Forman

Sandra Forman



Project title: An Ordinance creating a special improvement project entitled "Sewer "O" Utility Upgrades"
Fund 336, Program 013.

City Council Agenda Item Cover Sheet

Council Bill #

CB2005-34

Agenda dates requested:

May 27, 2020

Briefing

Proposed action

Consent

Action

Ordinance

Public hearing

Yes No

Budget amendment:

Yes No

PowerPoint presentation:

Yes No

Attachments:

Proposed Ordinance, Map

Department(s) involved:

Public Works, Admin

Contact person:

Amie Roshak

Phone number:

425-257-7249

Email:

aroshak@everettwa.gov

Initialed by:

Department head

Administration

Council President

Consideration: Plans & Systems Ordinance

Project: Sewer "O" Utility Upgrades

Partner/Supplier:

Location: South of Pacific Avenue, North of 41st Street

Preceding action: Call for Bids 3/11/20

Fund: 336

Fiscal summary statement:

The budget for this project is \$6,000,000 and the source of funds will be Fund 401 – Water and Sewer Utility Fund.

Project summary statement:

Sewer "O" Utility Upgrades project will replace and upsize existing sewers to address pipe condition and capacity issues. The existing sewer mains are over 100 years old. Existing drainage structures in the right-of way will be replaced and reconnected to the new main. Cast iron water mains installed in 1958 are prone to breaks and will be replaced on Colby Ave between 37th and 40th. Street illumination direct bury wiring and telemetry conduit will be replaced. Restoration will include trench patch, half width street pavement overlay of the east side of Colby Ave., ADA curb ramp upgrades at intersections and replacement of sidewalk on both sides of the street. Alleys will be repaved full width after trenches are backfilled.

Recommendation (exact action requested of Council):

Adopt an Ordinance creating a special improvement project entitled "Sewer "O" Utility Upgrades" Fund 336, Program 013.



ORDINANCE NO. _____

An ORDINANCE creating a special improvement project entitled "Sewer "O" Utility Upgrades" Fund 336, Program 013, to accumulate all costs for the improvement.

WHEREAS,

- A. The City of Everett is committed to a planned sewer infrastructure replacement program.
- B. The City of Everett had identified the need and obtained funds to construct certain sewer system replacements.

NOW, THEREFORE, THE CITY OF EVERETT DOES ORDAIN:

Section 1. A special improvement project is hereby established as Fund 336, Program 013, entitled "Sewer "O" Utility Upgrades" to accumulate all costs for the improvement. Authorization is hereby given to accumulate costs and distribute payments for the improvement project.

Section 2. Authorization is hereby granted for the "Public Works Director" or "City Engineer" under the direction of the Mayor, to assume full and complete responsibility for conducting all tasks and doing all things to accomplish the actions authorized in this ordinance

Section 3. The sum of \$6,000,000 is hereby appropriated to Fund 336, Program 013, "Sewer "O" Utility Upgrades" as follows:

A. Estimated Project Costs	\$6,000,000
B. Source of Funds	
Fund 401 – Water/Sewer Utility Fund	\$6,000,000

Section 4. The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers, and any internal references.

Section 5. The City Council hereby declares that should any section, paragraph, sentence, clause or phrase of this ordinance be declared invalid for any reason, it is the intent of the City Council that it

would have passed all portions of this ordinance independent of the elimination of any such portion as may be declared invalid.

Section 6. The enactment of this Ordinance shall not affect any case, proceeding, appeal or other matter currently pending in any court or in any way modify any right or liability, civil or criminal, which may be in existence on the effective date of this Ordinance.

Section 7. It is expressly the purpose of this Ordinance to provide for and promote the health, safety and welfare of the general public and not to create or otherwise establish or designate any particular class or group of persons who will or should be especially protected or benefited by the terms of this Ordinance. It is the specific intent of this Ordinance that no provision or any term used in this Ordinance is intended to impose any duty whatsoever upon the City or any of its officers or employees. Nothing contained in this Ordinance is intended nor shall be construed to create or form the basis of any liability on the part of the City, or its officers, employees or agents, for any injury or damage resulting from any action or inaction on the part of the City related in any manner to the enforcement of this Ordinance by its officers, employees or agents.

Cassie Franklin, Mayor

ATTEST:

Sharon Fuller, City Clerk

PASSED: _____

VALID: _____

PUBLISHED: _____

EFFECTIVE DATE: _____

