CITY OF SUMNER WASHINGTON

CITY COUNCIL MEETING AGENDA
City Hall – 1104 Maple Street
February 18, 2025 6:00 PM

The city is conducting this public meeting using a hybrid model. The public is welcome to attend tonight's meeting in-person at City Hall (Council Chambers), or virtually by using the meeting access link below:

https://sumnerwa-gov.zoom.us/j/85250724550

Phone one-tap:+12532050468,,85250724550#, +12532158782,,85250724550# US (Tacoma)
Join via audio: +1 253 205 0468, +1 253 215 8782 US (Tacoma)
Webinar ID: 852 5072 4550

CALL TO ORDER

Pledge of Allegiance

Invocation

Roll Call: Bitetto, Bowman, Clerget, Cole, Elfers, Kenna and Reinke

The following items are distributed to Councilmembers in advance for study and review, and the recommended actions will be accepted in a single motion. Any item may be removed for further discussion if requested by a Councilmember.

CONSENT AGENDA

1. PSE Up and Go - Electric Vehicle Chargers at the Waterwater Treatment Facility
2. Maple Street Pedestrian Signal and Citywide Backplates - Construction Contract Award
3. WasteWater Treatment Facility Intrusion and Access Control - Contract Award
4. Approval of the meeting minutes from the February 3, 2025, regular council meeting and the study session from February 10, 2025.
5. Approval of checks and electronic payments in the amount of $3,652,657.07.

PUBLIC HEARING

REGULAR BUSINESS

1. **Unfinished Business**
   a. Resolution No. 1713 - 2026-2031 Six-Year Transportation Improvement Program Annual Update
2. **Public Comment (Limit 3 minutes)**
   Members of the community who wish to give public comment are strongly encouraged to join the meeting via the ZOOM link or by telephone. If you are unable to join the meeting, please submit your public comment in writing via email to the City Clerk at Michellec@sumnerwa.gov no later than 4:00pm on the day of the meeting. Any written comments received will be provided to the City Council and attached to the meeting minutes. Please contact the City Clerk at 253-299-5590 with any questions.
3. **New Business**
   a. Ordinance No. 2920 - 2025/2026 Budget Amendment
   b. Ordinance No. 2918 - Delegation Authority 2025 Revenue Bonds (Public Works Operations Facility)

c. Ordinance No. 2919 - Amending Sumner Municipal Code 12.30.040 Truck Routes Established

4. **Reports**

   a. Council

   b. City Administrator

   c. Mayor

5. **Executive Session**

6. **Adjournment**

This meeting is accessible to persons with disabilities. For individuals who may require special accommodations, please contact the City Clerk at (253) 299-5590, 24 hours in advance.

CITY OF SUMNER WASHINGTON

CITY COUNCIL MEETING
DATE: February 18, 2025
AGENDA BILL: 25-36

SUBJECT: PSE Up and Go - Electric Vehicle Chargers at the Waterwater Treatment Facility

CATEGORY: Consent

BUDGET IMPACT:

Expenditure Required: None

Within Budget Allocation: N/A

ATTACHMENTS:

1. PSE Up and Go Contract

STAFF CONTACT: Drew McCarty, Assistant Engineering Manager

SUMMARY BACKGROUND:

As part of efforts to fully fund the installation of ev chargers for workplace use, the City applied for the PSE Up and Go Program. The city's application was evaluated and accepted to move forward in the program. PSE’s Up & Go Electric for Workplace program covers up to 100 percent of the cost up to $12,000 per Level 2 charging port for 10 years for qualifying customers to install and maintain Level 2 charging for employees.
With this program, the wastewater treatment facility qualifies for the installation of four (4) level 2 EV charging stations with no up front cost to the City.

The project is expected to be completed in 2025.

COUNCIL COMMITTEE/STUDY SESSION: **Public Works Committee**
MEETING/STUDY SESSION DATE: 2/4/2025
COMMITTEE RECOMMENDATION: Do Pass

STAFF RECOMMENDATIONS/MOTION:

A motion authorizing the Mayor to enter into an Electric Vehicle Non-Residential Charging Products and Services Agreement with Puget Sound Energy for the Wastewater Facility Treatment EV Charger Project, substantially in a form approved by the City Attorney.

SCHEDULE 551
ELECTRIC VEHICLE NON-RESIDENTIAL CHARGING PRODUCTS AND SERVICES

Attachment "A" - Non-Residential Service Agreement (Company-Owned)

This Service Agreement (this "Agreement") is made and entered into as of [January 16], 2025 ("Effective Date"), by and between Puget Sound Energy, Inc. ("Company") and the individual or entity identified in the signature block of this Agreement ("Host"). Company and Host may be referred to each as a "Party" and together as the "Parties" in this Agreement. Except as otherwise expressly defined herein, terms defined in Schedule 583 of Company's Electric Tariff G will have the same meaning when used in this Agreement.

A. Company intends to make available, as part of its Electric Service, certain electric vehicle ("EV") charging products and services to Host pursuant to Schedule 551 of Company's Electric Tariff G (the "Schedule") and this Agreement. All equipment related to such EV charging products and services made available to Host pursuant to the Schedule and this Agreement and installed by Company is, or upon installation will be, owned and operated by Company for purposes of delivering electric energy for the charging of electric vehicles by Host and other EV charging participants.

B. Host desires to acquire, as part of Company's products and services provided to Host under the Schedule, certain EV charging products and services from Company, and Company desires to provide to Host certain EV charging products and services, subject to the terms and conditions of this Agreement.

C. This Agreement forms part of the Schedule.

The Parties therefore agree as follows:

1. Term. Unless earlier terminated as provided herein, this Agreement will have a term of at least ten (10) years, commencing on [1/16/2025] and ending on [1/16/2035].

2. Equipment. The equipment related to the EV charging products and services made available to Host by Company pursuant to the Schedule and this Agreement is listed in Exhibit A to this Agreement, which is incorporated into this Agreement by this reference (collectively, the "EV Equipment"). Company will provide and install the EV Equipment at Host's property located at the address specified in Exhibit A to this Agreement ("Premises"). The EV Equipment will remain electrically connected (subject to planned and unplanned outages) at the Premises during the term of this Agreement. As a result of this Agreement and the EV Equipment installed at the Premises, Host will be entitled to use and to allow other EV charging participants to use the EV Equipment solely for purposes of charging electric vehicles for their own personal use.

3. Ownership; Taxes; Limited Scope. Host represents that Host is the owner of the Premises where the EV Equipment will be installed or holds a valid leasehold interest in such Premises and has the authority to enter into this Agreement and allow for the installation and use of the EV Equipment pursuant to the Schedule and this Agreement at the Premises. If Host holds a valid leasehold interest, Host will obtain the consent of the owner of the Premises prior to executing this Agreement and will provide Company with evidence of the same. Host acknowledges that, during the term of this Agreement, the EV Equipment, together with any replacements, upgrades and other modifications of the foregoing, will remain the personal property of Company at all times. Company will be responsible for payment, on a pro-rata basis, of any personal property or other taxes on the EV Equipment to the extent such taxes are not otherwise included in the payments pursuant to this Agreement or recovered under the applicable rate schedule(s) of Company's tariffs accepted or approved by the Washington Utilities and Transportation Commission

("WUTC"). This Agreement does not grant or confer to Host any rights of occupancy. Except as specifically set forth herein, no rights or entitlements will be granted to Host under this Agreement. Host acknowledges that Company may, in its sole discretion, file a fixture filing in the real estate records of the county where the EV Equipment is installed to protect its ownership interest in the EV Equipment. Host will promptly provide to Company, upon request, any information required in order for Company to make such filing. In addition, if this Agreement is determined to be a security agreement and to protect Company's rights in the EV Equipment, Host hereby grants Company a security interest in the EV Equipment and all proceeds and products thereof, and authorizes Company to cause this Agreement, or any statement or other instrument related to this Agreement showing the interest of Company in the EV Equipment (including a Uniform Commercial Code financing statement), to be filed or recorded to protect Company's interest in the EV Equipment.

4. Charges. As between Company and Host, Company is responsible for providing, installing, maintaining, replacing and upgrading the EV Equipment during the term of this Agreement. Host will pay for the electricity supplied to the EV Equipment and to electric vehicles that are charged using the EV Equipment, all as specified in the Schedule. Host also will pay to Company all costs and expenses (including, without limitation, reasonable attorneys' fees) in connection with the maintenance, repair or replacement of, or value lost by any failure or impairment of the efficient operating condition of the EV Equipment caused by the negligence or misconduct of Host or any of Host's personnel, representatives, guests or invitees to or on the Premises (including individuals who reside at the Premises) or by the breach of any of Host's obligations under the Schedule, this Agreement or Schedule 80 of Company's Electric Tariff G ("Schedule 80").

5. Host Responsibilities. Host will use, and will permit the use of, the EV Equipment only for its ordinary intended purposes and only for Hosts' and other EV charging participants' own personal use, in accordance with applicable laws, rules and regulations. Host will not, and will not permit any other person to, tamper with, adjust, repair, modify, move or relocate the EV Equipment without prior written consent from Company. Consistent with the Schedule and in addition to the other obligations of Host under this Agreement, Host will, during the term of this Agreement and at its expense: (a) maintain a dedicated clearance space around the EV Equipment of at least the minimum clearance space specified in the EV Equipment manufacturer's installation and operation specifications or the minimum clearance space specified by applicable laws, rules and regulations, whichever is greater; (b) provide dedicated parking stall(s) for charging electric vehicles using the EV Equipment; (c) promote the availability of EV charging at the Premises to personnel of Host and other potential EV charging participants; (d) mount signage in accordance with applicable laws, rules, and regulations; (e) survey EV charging participants and potential EV charging participants who are using or eligible to use the EV Equipment at the Premises annually or as otherwise requested by Company about charging preferences and actual charging patterns and about other transportation electrification related topics and provide all survey results to Company; and (f) upon Company's request, allow Company or its service providers to use Host's Internet service for purposes of transmitting data to Company from the EV Equipment.

6. Collection and Use of Data. Host agrees that Company may collect information associated with the EV Equipment and its use pursuant to the Schedule and this Agreement, incentives offered by Company, and survey responses and other information provided by Host to Company. Host agrees that Company may use this information to: (a) deliver, maintain and improve Company's products and services; (b) communicate with Host about products, services, surveys, incentives, rebates and promotions offered by Company; (c) monitor and analyze usage, trends, and activities associated with the EV Equipment and its use for Company's business purposes; and (d) respond to questions, comments, and requests from Host, its personnel, and other individuals and entities. Host agrees that Company may disclose information collected by Company: (i) with vendors, consultants, and other service providers who need access to such information to carry out work or to perform services on Company's behalf; (ii) in response to a request for information if Company believes disclosure is in accordance with or required by any applicable laws, rules, regulations or legal process; (iii) if Company believes Host's actions are inconsistent with this Agreement, or to protect the rights, property and safety of Company or others; (iv) in connection with, or during negotiations of, any merger, sale of assets, financing or acquisition of all or a portion of Company's business; and (v) with Host's consent or at Host's direction.

7. Maintenance. During the term of this Agreement, Company will be responsible for maintaining the EV Equipment. The costs and expenses associated with any such maintenance of the EV Equipment will be paid by Company or Host, as applicable, pursuant to Section 4.

8. Equipment Failure; Repair and Restoration. Should any of the EV Equipment cease to function properly, Host must promptly provide written notice to Company, which notice must describe how the EV Equipment is not functioning properly. Following receipt of such written notice, Company will repair and restore such equipment in accordance with the applicable regulations of the WUTC. The costs and expenses associated with any such repair and restoration of the EV Equipment will be paid by Company or Host, as applicable, pursuant to Section 4. Company will notify Host about the repair and restoration within seven (7) business days after Company's receipt of Host's written notice to Company pursuant to this Section 8.

9. Limitation of Damages and Liability. THE OBLIGATIONS EXPRESSLY ASSUMED BY COMPANY IN SECTIONS 7 AND 8 ARE IN LIEU OF ALL REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, SUITABILITY, DURABILITY, CONDITION, QUALITY OF THE EV EQUIPMENT AND FITNESS FOR A PARTICULAR PURPOSE. HOST SPECIFICALLY WAIVES ALL RIGHT TO MAKE A CLAIM AGAINST COMPANY FOR BREACH OF ANY WARRANTY OF THE EV EQUIPMENT. COMPANY FURTHER DISCLAIMS ALL LIABILITY FOR LOSS, DAMAGE OR INJURY TO HOST, HOST'S PERSONNEL, REPRESENTATIVES, GUESTS OR INVITEES TO OR ON THE PREMISES (INCLUDING INDIVIDUALS WHO RESIDE AT THE PREMISES), THE PREMISES, ANY PERSONAL PROPERTY AT THE PREMISES, OR ANY THIRD PARTY AS A RESULT OF ANY DEFECTS, LATENT OR OTHERWISE, IN THE EV EQUIPMENT. HOST WILL ACCEPT THE EV EQUIPMENT IN AN "AS IS" CONDITION, BASED ON COMPANY'S ASSUMPTION OF THE CONTINUING OBLIGATIONS SPECIFIED IN SECTIONS 7 AND 8. EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, NEITHER COMPANY NOR HOST WILL IN ANY EVENT BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL, EXEMPLARY, PUNITIVE, OR CONSEQUENTIAL DAMAGES ARISING IN CONNECTION WITH THE EV EQUIPMENT OR THIS AGREEMENT.

Nothing in this Section 9 is intended to limit or otherwise affect any of the provisions of Schedule 80 or the rules or regulations of the WUTC applicable to Company.

10. Billing and Payment. All amounts payable by Host under the Schedule and this Agreement will be paid by Host as specified in Schedule 80.

11. Termination; Effect of Termination. Upon any breach or default by a Party of its obligations under this Agreement that remains uncured after thirty (30) days from such Party's receipt of written notice from the other Party, the Party that is not in breach or default under this Agreement may terminate this Agreement by providing written notice of such termination to the other Party. Following any termination of this Agreement, Company will, at its option and in its sole discretion, either remove the EV Equipment from the Premises or transfer of ownership of the EV Equipment at the Premises to Host.

12. Expiration; Effect of Expiration. At least one hundred twenty (120) days prior to the expiration of this Agreement, Company will provide notice to Host of the upcoming expiration of this Agreement and Host's options related to the EV Equipment at the Premises following such expiration, which will include: (a) replacement of the EV Equipment by Company in accordance with any applicable tariff schedules in effect at the time of such replacement; (b) removal of the EV Equipment from the Premises by Company; or (c) transfer of ownership of the EV Equipment at the Premises from Company to Host. If Host wishes to elect one of the foregoing three options upon the expiration of this Agreement, Host must notify Company in writing at least sixty (60) days prior to the expiration of this Agreement of the option that Host selects. If Host does not notify Company in writing of the option that Host selects, Company will transfer ownership of the EV Equipment at the Premise to Host, unless otherwise agreed by the Parties in writing.

13. Access. Host will provide Company, and Company will have the right of, such access to the EV Equipment as Company may reasonably require, by personnel and for equipment. In addition, Host will provide EV charging participants and potential EV charging participants using or wishing to use the EV Equipment, and such EV charging participants and potential EV charging participants will have the right of, such access to the EV Equipment as such EV charging participants and potential EV charging participants may reasonable require to use the EV Equipment for the purpose of charging electric vehicles for their own personal use. Host may make such access subject to the observance by Company of such reasonable security and safety protocols and procedures of Host that (a) Host has provided to Company in writing prior to access and (b) does not cause Company to incur any unreasonable costs or expenses. Host hereby grants to Company and such EV charging participants and potential EV charging participants all licenses, rights-of-way and easements necessary for the access described in this Section 13. Host must prohibit unrestricted public use of EV Equipment, and must take steps to restrict such use. Host will execute, acknowledge and deliver to Company additional documentation as Company may reasonably request to effectuate, evidence, vest, record or give notice of such licenses, rights-of-way and easements.

14. Insurance. During the term of this Agreement, Host will maintain, at its expense, adequate insurance coverage to (a) protect the Premises from and against any and all claims, costs, liabilities, damages and expenses that may result from the performance or nonperformance of the EV Equipment under this Agreement; and (b) protect Company from any and all costs and expenses related to the loss, theft, vandalism, tampering, or other damage to the EV Equipment at the Premises resulting from any failure by Host to secure or protect the EV Equipment or from the negligence or misconduct of Host or any of Host's personnel, representatives, guests or invitees to or on the Premises (including individuals who reside at the Premises). Upon Company's request, Host will provide Company with evidence of such insurance (such as a Certificate of Insurance) and other supporting materials that Company may reasonably request to verify Host's compliance with this Section 14. Host will ensure that the performance of Host's and Company's obligations under this Agreement will not void or adversely affect any insurance policy covering Host or the Premises.

15. Indemnification. Company will indemnify and hold harmless Host for any losses Host incurs as a result of damage to Host's property or injury to persons caused by the installation, maintenance or use of the EV Equipment at the Premises during the term of this Agreement; provided, however, that Company's indemnification obligations under this Section 15 will not apply to any losses that result from the negligent acts or omissions or misconduct of Host or any of Host's personnel, representatives, guests or invitees to or on the Premises (including individuals who reside at the Premises) or from the breach of any of Host's obligations under this Agreement and will be reduced on a dollar-for-dollar basis for any insurance or other third-party payment that Host receives to cover any losses for which Company indemnifies Host under this Section 15. Host will indemnify and hold harmless Company for any damages to the EV Equipment at the Premises or any losses Company incurs that result from the negligent acts or omissions or misconduct of Host or any of Host's EV charging participants to or on the Premises or from the breach of any of Host's obligations under this Agreement.

16. Jurisdiction. This Agreement will at all times be subject to changes or modifications as the WUTC may from time to time authorize or direct. Company's obligations under this Agreement are subject to Schedule 80 and, upon its issuance, the Schedule, as such schedules may be revised from time to time with the acceptance or approval of the WUTC. In the event of any conflict between the terms of this

Agreement and the terms of Schedule 80 or the Schedule, the terms of Schedule 80 or the Schedule, as applicable, will govern.

17. Notices. All notices under this Agreement must be in writing and will be deemed given upon (a) personal delivery to the addressee; (b) three (3) days after deposit in the United States mail, with postage pre-paid and a certified mail return receipt requested; (c) faxed with electronic confirmation of receipt; (d) one (1) day after delivery to the United States Postal Service Express Mail or similar overnight delivery service; or (e) solely for notices sent by Host to Company, delivered by email with confirmation of receipt by the Party being notified. The notice address for each Party is set forth below and may be changed by a Party by providing the other Party with notice pursuant to this Section 17:

Company:	Puget Sound Energy, Inc. For deliveries by overnight delivery: 10885 N.E. Fourth Street Bellevue, WA 98004 For deliveries by mail: P.O. Box 97034 Bellevue, WA 98009 Fax: [N/A] Attn: [Electric Vehicle Programs] Email: [EVPrograms@pse.com]
Host:	[City of Sumner] [13114 63rd St E, Sumner WA 98390] Fax: [N/A] Attn: [Kathy Hayden]

18. Assignment. This Agreement may not be assigned or transferred by Host without the prior written consent of Company, which must be requested by Host at least thirty (30) days in advance of any proposed assignment or transfer. Any purported assignment in violation of this Section 18 will be void. Subject to the foregoing, this Agreement will be fully binding upon, inure to the benefit of and be enforceable by the Parties and their respective successors and assigns.

19. Survival. Sections 3, 4, 6, 9, 12, 15, 16, 17, 18, 19 and 20, and all other provisions of this Agreement that may reasonably be expected to survive expiration or termination of this Agreement, will survive the expiration or termination of this Agreement.

20. Miscellaneous. This Agreement will be governed by the laws of the State of Washington, without reference to its choice of law principles to the contrary. This Agreement may be modified or amended only in a writing signed by both Parties. Section headings used in this Agreement are for convenience of reference only and will not affect the interpretation or construction of any provision of this Agreement. This Agreement, together with all attached exhibits, sets forth the entire agreement, and supersedes any and all prior agreements, between the Parties regarding the subject matter hereof. All remedies of a Party under this Agreement are cumulative and may, to the extent permitted by law, be exercised concurrently or separately, and the exercise of any one remedy will not preclude the exercise of any other remedy. Any failure or delay in the exercise of any right or remedy available to a Party under this Agreement will not be construed as a waiver or relinquishment of such right or remedy.

*****

IN WITNESS WHEREOF, the Parties, by their duly authorized representatives, have executed this Agreement as of the Effective Date.

COMPANY:
PUGET SOUND ENERGY, INC.

By: Heather Mulligan

Name:

Heather Mulligan

Title:

Manager, Customer Clean Energy Solutions

HOST:
[City of Sumner]

By:

Name:

Kathy Hayden

Title:

Mayor

Exhibit A to
Attachment “A” - Non-Residential Service Agreement (Company-Owned)

1. Host's Premises: [Address 13114 63rd St E, Sumner WA 98390]

2. EV Equipment List:
   See attached Cost Estimate Proposal form for complete list of installed EV Equipment

Up & Go Electric for Workplace Customer Cost Responsibility

CUSTOMER INFORMATION	
Property Name:	City of Sumner
Property Address:	13114 63rd St E, Sumner WA 98390
Property Management Name:	
Contact Name and Title:	,
Contact Phone:	

PROJECT SCOPE

EVSE Item	Qty.	Sub-total Cost
Installation and Materials	1	
Single Port Level 2 EVSE (40A)	4	
EVSE Networking	4	*Included*
EVSE Maintenance Plan	4	*Included*
	SUB-TOTAL	$0
	PSE INCENTIVE	-$0
	TOTAL CUSTOMER COST	**$0**

CUSTOMER ACKNOWLEDGEMENT

I have been informed of the project scope including requirements and optional items through the Service Agreement, Cost Estimate Proposal, and site plans.

Customer Printed Name: Kathy Hayden

Customer Signature:

Date: 1/16/2025

Qmerit

evconnect | PSE PUGET SOUND ENERGY

Standard Service

Estimate

Confidential

Presented by:
MB Electric
Ryan Messer

Presented to:
PSE WPEV-00192 | City of Sumner -
13114 63rd St. E, Sumner, WA 98390

Quote created: 1/1/20245 | Quote expires: 2/11/2025 | Quote created by: Jonathan Mitchell

Scope of Work

LOCATION

PSE WPEV-00192 | City of Sumner - 13114 63rd St. E, Sumner, WA 98390

DETAILS

1. This proposal is for the electrical work related to installation of (4)Power Sharing Level 2 EV Charger Stations.
2. The chargers are to be installed on the 4 columns at the front of the building.
3. Cut concrete and install bollards in front of each charger.
4. Provide install (2) DCC 12 units and setup power sharing for (4) EV Chargers. (2) chargers per DCC 12 to turn off power if the total load reaches 80% of the maximum amperage.
5. Termination, energize and commission
6. Acquire permits and inspection from AHJ
7. Cellular DBM signal (-51)

EXCLUSIONS

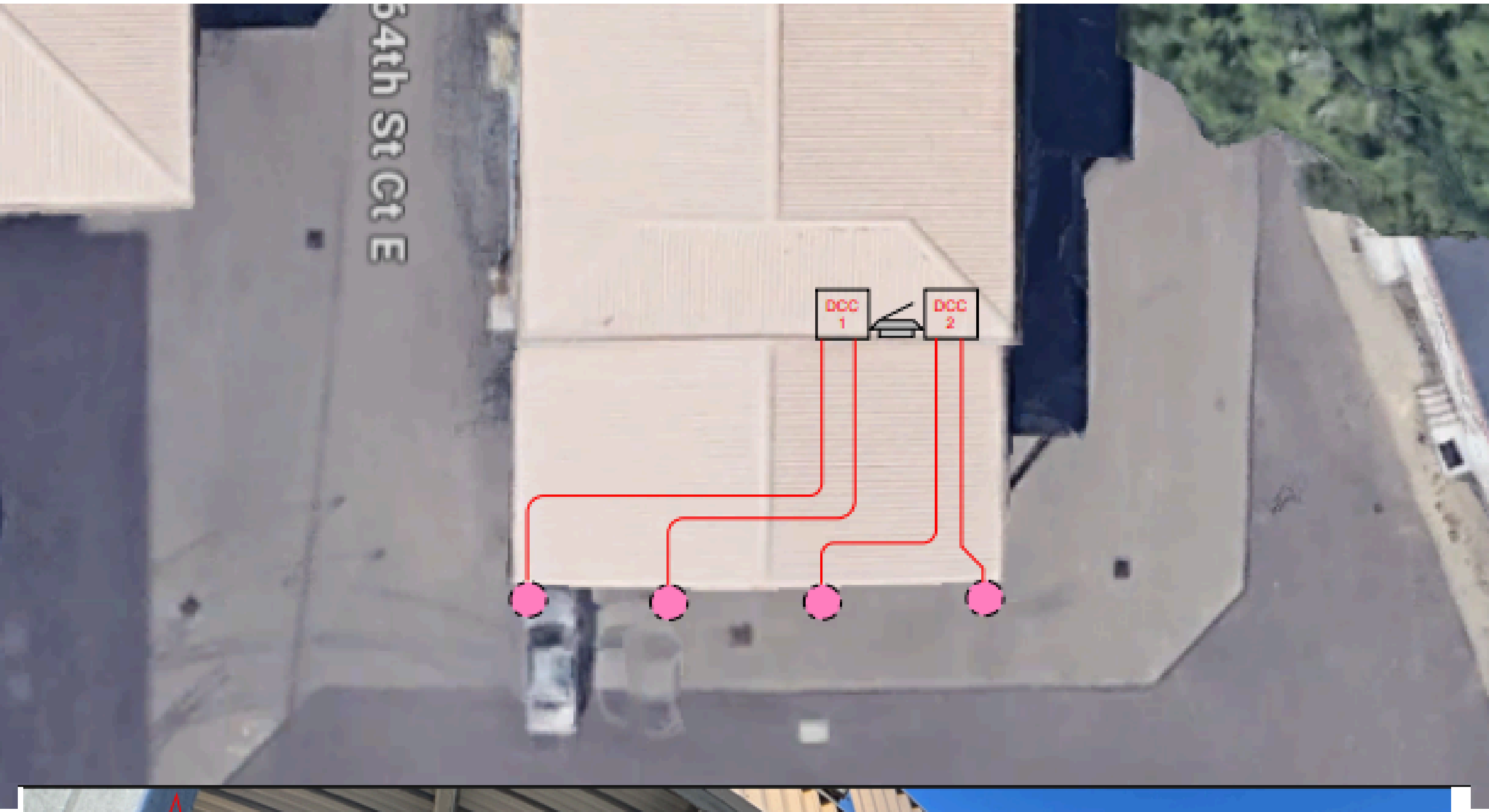
1. EV Connect provides charger and pedestal
2. Striping, stenciling, or signage
3. Cutting, patching, or painting ceilings and walls
4. At time of estimate no engineering required, if needed by AHJ change order is necessary

PURCHASE TERMS

On behalf of Qmerit's contracting network, thank you for the opportunity to earn your business. The proposal includes all labor and materials unless otherwise specified in this quote.

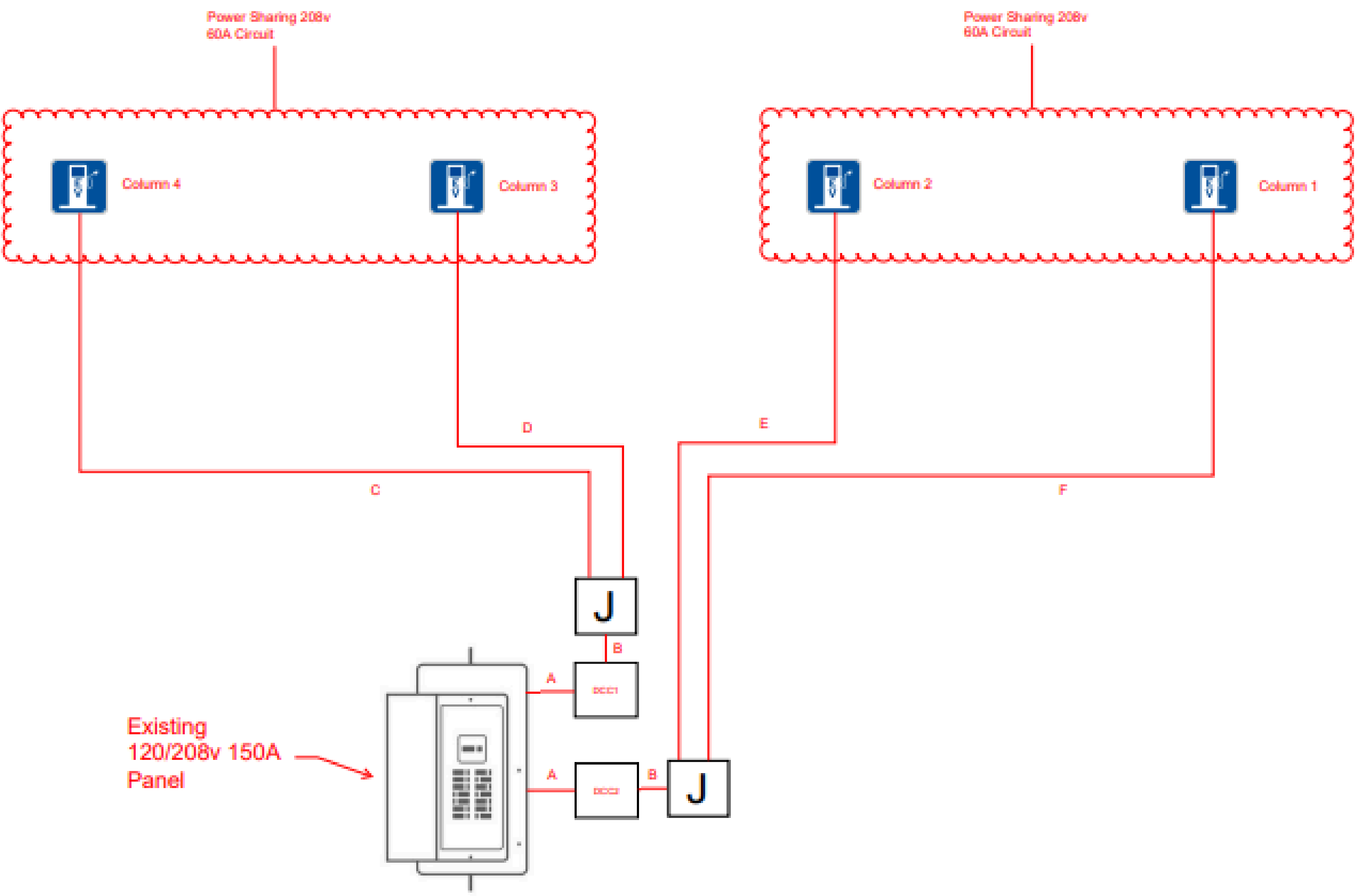
Qmerit Electrification, LLC ("Qmerit") will dispatch a licensed electrical contractor ("Contractor") to perform the services specified in the Work Order ("Services") for the customer named therein ("Customer") based on the terms and conditions in Agreement JA10129469.

Site Photos



Site Photos

Site Photos



Label	Conduit	Wire	Aprox Length
A	3/4" EMT	(2) 6awg (1) 8awg THHN	12"
B	3/4" EMT	(2) 6awg (1) 8awg THHN	12"
C	3/4" EMT	(2) 6awg (1) 8awg THHN	75'
D	3/4" EMT	(2) 6awg (1) 8awg THHN	100'
E	3/4" EMT	(2) 6awg (1) 8awg THHN	125'
F	3/4" EMT	(2) 6awg (1) 8awg THHN	150'

Site Photos

DCC-12 Electric Vehicle Energy Management System

ENGLISH

Breaker	Main power supply							
EV charger	60A	70A	80A	90A	100A	125A	150A	200A
30A	✓	✓	✓	✓	✓	✓	✓	✓
40A	■	■	✓	✓	✓	✓	✓	✓
50A	■	■	■	■	✓	✓	✓	✓
60A	■	■	■	■	■	✓	✓	✓

Voltage and wiring	240/208V AC single phase. L1, L2, Neutral, Ground.
Frequency	50 à 60 Hz
Operation temperature	-22°F à 113°F (-30°C à 45°C)
Rated	NEMA 3R
Wire Gauge Size	up to 250 kcmil (MCM)
Dimensions*	11" x 8" x 5"
Total weight*	8 lb (3,63 kg)

*Approximative and can change without notice.

DCC-12 is an energy management system specifically designed to allow the connection of an EV charger to a panel that is at full capacity and would otherwise need a service upgrade.

OPERATION

- Real-time reading of the total power consumption of the home's electrical panel;
- Detects when total power consumption exceeds 80% of main circuit breaker capacity and temporarily de-energizes the EV charger;
- Automatically re-energize the EV charger when the total power consumption of the electrical panel is less than 80% of its capacity for more than 15 minutes.
- Requires one double pole breaker slot available in a panel.

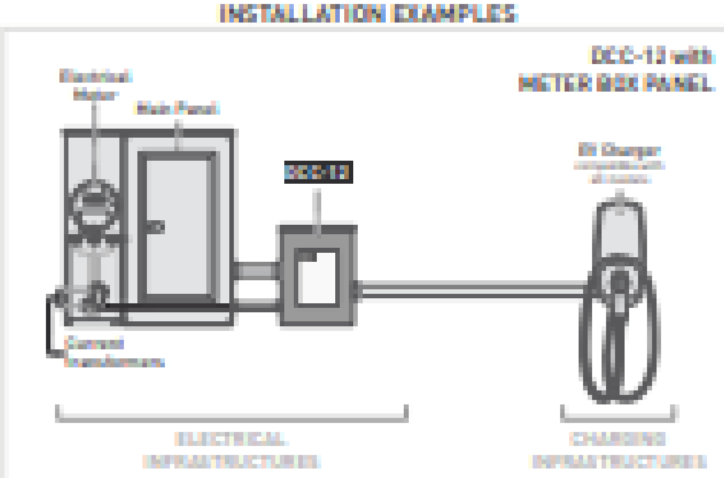
FEATURES

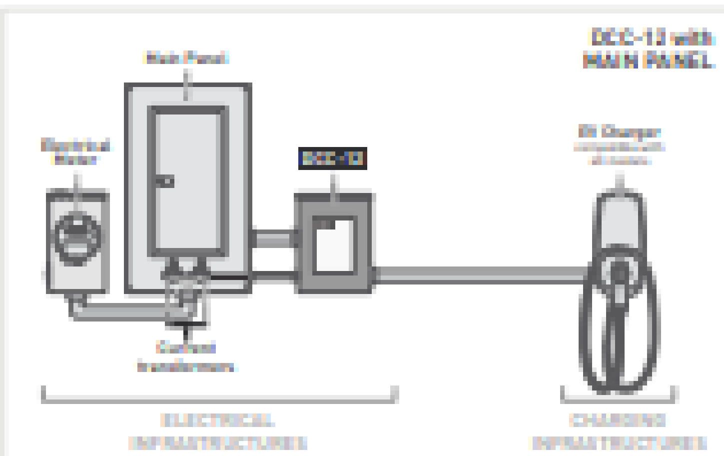
- Does not affect load calculation of a panel.
- Automatic billing of electricity by the utility.
- Can be wall or ceiling mounted.
- NEMA 3R enclosure for outdoor and indoor installation.

INCLUDED

- Electric Vehicle Energy Management System
- Power Relay (Max 60A)
- 2 Split Core Current Transformers (CT)

INSTALLATION EXAMPLES





Site Photos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FIRE ALARM
FIRE ALARM

SUBJECT: Maple Street Pedestrian Signal and Citywide Backplates - Construction Contract Award

CATEGORY: Consent

BUDGET IMPACT:

Expenditure Required: $841,240.40

Within Budget Allocation: Yes

ATTACHMENTS:

1. Construction Contract Award

STAFF CONTACT: Courtney Littrell, Assistant Engineering Manager

SUMMARY BACKGROUND:

This project will replace an existing rectangular rapid flashing beacon pedestrian sign with a pedestrian signal across Traffic Avenue at Maple Street and install retroreflective signal backplates throughout the City at City-owned traffic signals where they are not currently installed.

Ten (10) bids were received on January 21, 2025 for this project. The lowest responsible bidder with a complete bid submittal was submitted by Active Construction, Inc., with a bid amount of $764,764.00. With a 5% construction contingency, the low bid is $841,240.40. The engineer's estimate for this project was $731,315.00.

The Contractor will have fifty (50) days to complete the project.

COUNCIL COMMITTEE/STUDY SESSION: **Public Works Committee**
MEETING/STUDY SESSION DATE: 2/4/2025
COMMITTEE RECOMMENDATION: Do Pass

STAFF RECOMMENDATIONS/MOTION:

A motion authorizing the Mayor and City Administrator to execute all necessary contract documents with Active Construction, Inc., in an amount not-to-exceed $841,240.40 for the Maple St Pedestrian Signal and Citywide Backplates (CIP 21-11), substantially in a form approved by the City Attorney.

PUBLIC WORKS CONTRACT
between City of Sumner and

Active Construction, Inc.

THIS AGREEMENT, made and entered into this day ____________________________, between the City of Sumner under and by virtue of Title 35 RCW (Cities and towns) as amended and Active Construction, Inc., hereinafter called the Contractor.

WITNESSETH:

That in consideration of the terms and conditions contained herein and attached and made a part of this agreement, the parties hereto covenant and agree as follows:

I. The Contractor shall do all work and furnish all tools, materials and equipment for

Maple Street Pedestrian Signals & Citywide Backplates (CIP 21-11)

in accordance with and as described in the (a) attached plans and specifications, (b) the standard specifications of the Washington State Department of Transportation, and (c) all other documents, specifications, provisions and required regulations contained in the Bid Document package provided at bid opening, all of which are considered the "Contract Documents" and are incorporated herein by this reference and made part hereof as if fully set forth in this contract, and, shall perform any changes in the work in accord with the Contract Documents.

The Contractor shall provide and bear the expense of all equipment, work and labor, of any sort whatsoever that may be required for the transfer of materials and for constructing and completing the work provided for in these Contract Documents except those items mentioned therein to be furnished by the City of Sumner.

II. The City of Sumner hereby promises and agrees with the Contractor to employ, and does employ the Contractor to provide the materials and to do and cause to be done the above described work and to complete and finish the same in accord with the attached plans and specifications and the terms and conditions herein contained and hereby contracts to pay for the same according to the attached specifications and the schedule of unit or itemized prices at the time and in the manner upon the conditions provided for in this contract. The Contractor for himself/herself, and for his/her heirs, executors, administrators, successors, and kin, does hereby agree to the full performance of all the covenants herein contained upon the part of the Contractor.

III. **<u>Insurance and Indemnity.</u>** The following insurance and indemnification provisions shall apply to all of the above described work.

The Contractor shall defend, indemnify and hold the Public Entity, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or in connection with the performance of this Agreement, except for injuries and damages caused by the sole negligence of the Public Entity.

Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Contractor and the Public Entity, its officers, officials, employees, and volunteers, the Contractor's liability hereunder shall be only to the extent of the Contractor's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Contractor's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

A. Insurance Term

The Contractor shall procure and maintain insurance, as required in this Section, without interruption from commencement of the Contractor's work through the term of the contract and for thirty (30) days after the Physical Completion date, unless otherwise indicated herein.

B. No Limitation

The Contractor's maintenance of insurance, its scope of coverage and limits as required herein shall not be construed to limit the liability of the Contractor to the coverage provided by such insurance, or otherwise limit the Public Entity's recourse to any remedy available at law or in equity.

C. Minimum Scope of Insurance

The Contractor's required insurance shall be of the types and coverage as stated below:

1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be at least as broad as Insurance Services Office (ISO) form CA 00 01.

2. Commercial General Liability insurance shall be at least as broad as ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, stop gap liability, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under an insured contract. The Commercial General Liability insurance shall be endorsed to provide a per project general aggregate limit, using ISO form CG 25 03 05 09 or an equivalent endorsement. There shall be no exclusion for liability arising from explosion, collapse or underground property damage. The Public Entity shall be named as an additional insured under the Contractor's Commercial General Liability insurance policy with respect to the work performed for the Public Entity using ISO Additional Insured endorsement CG 20 10 10 01 and Additional Insured-Completed

Operations endorsement CG 20 37 10 01 or substitute endorsements providing at least as broad coverage.

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

4. Builders Risk insurance covering interests of the Public Entity, the Contractor, Subcontractors, and Sub-subcontractors in the work. Builders Risk insurance shall be on a special perils policy form and shall insure against the perils of fire and extended coverage and physical loss or damage including flood, earthquake, theft, vandalism, malicious mischief, and collapse. The Builders Risk insurance shall include coverage for temporary buildings, debris removal, and damage to materials in transit or stored off-site. This Builders Risk insurance covering the work will have a deductible of $5,000 for each occurrence, which will be the responsibility of the Contractor. Higher deductibles for flood and earthquake perils may be accepted by the Public Entity upon written request by the Contractor and written acceptance by the Public Entity. Any increased deductibles accepted by the Public Entity will remain the responsibility of the Contractor. The Builders Risk insurance shall be maintained until the Public Entity has granted substantial completion of the project. An installation floater may be acceptable in lieu of Builders Risk for renovation projects only if approved in writing by the Public Entity.

D. Minimum Amounts of Insurance

The Contractor shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of $2,000,000 per accident.

2. Commercial General Liability insurance shall be written with limits no less than $1,000,000 each occurrence, $2,000,000 general aggregate and a $2,000,000 products-completed operations aggregate limit.

3. Builders Risk insurance shall be written in the amount of the completed value of the project with no coinsurance provisions.

E. Public Entity Full Availability of Contractor Limits

If the Contractor maintains higher insurance limits than the minimums shown above, the Public Entity shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Contractor, irrespective of whether such limits maintained by the Contractor are greater than those required by this contract or whether any certificate of insurance furnished to the Public Entity evidences limits of liability lower than those maintained by the Contractor.

F. Other Insurance Provision

The Contractor's Automobile Liability, Commercial General Liability and Builders Risk insurance policies are to contain, or be endorsed to contain that they shall be primary insurance as respect the Public Entity. Any insurance, self-insurance, or self-insured pool coverage maintained by the Public Entity shall be excess of the Contractor's insurance and shall not contribute with it.

G. Contractor's Insurance for Other Losses

The Contractor shall assume full responsibility for all loss or damage from any cause whatsoever to any tools, Contractor's employee owned tools, machinery, equipment, or motor vehicles owned or rented by the Contractor, or the Contractor's agents, suppliers, contractors or subcontractors as well as to any temporary structures, scaffolding and protective fences.

H. Waiver of Subrogation

The Contractor and the Public Entity waive all rights against each other, any of their Subcontractors, Sub-subcontractors, agents and employees, each of the other, for damages caused by fire or other perils to the extent covered by Builders Risk insurance or other property insurance obtained pursuant to the Insurance Requirements Section of this Contract or other property insurance applicable to the work. The policies shall provide such waivers by endorsement or otherwise.

I. Acceptability of Insurers

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

J. Verification of Coverage

The Contractor shall furnish the Public Entity with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsements, evidencing the Automobile Liability and Commercial General Liability insurance of the Contractor before commencement of the work. Before any exposure to loss may occur, the Contractor shall file with the Public Entity a copy of the Builders Risk insurance policy that includes all applicable conditions, exclusions, definitions, terms and endorsements related to this project. Upon request by the Public Entity, the Contractor shall furnish certified copies of all required insurance policies, including endorsements, required in this contract and evidence of all subcontractors' coverage.

K. Subcontractors

The Contractor shall cause each and every Subcontractor to provide insurance coverage that complies with all applicable requirements of the Contractor-provided insurance as set forth herein, except the Contractor shall have sole responsibility for determining the limits of coverage required to be obtained by Subcontractors. The Contractor shall ensure that the Public Entity is an additional insured on each and every Subcontractor's Commercial General liability insurance policy using an endorsement as least as broad as ISO CG 20 10 10 01 for ongoing operations and CG 20 37 10 01 for completed operations.

L. Notice of Cancellation

The Contractor shall provide the Public Entity and all Additional Insureds for this work with written notice of any policy cancellation within two business days of their receipt of such notice.

M. Failure to Maintain Insurance

Failure on the part of the Contractor to maintain the insurance as required shall constitute a material breach of contract, upon which the Public Entity may, after giving five business days' notice to the Contractor to correct the breach, immediately terminate the contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the Public Entity on demand, or at the sole discretion of the Public Entity, offset against funds due the Contractor from the Public Entity.

N. Additional Insurance

All insurance policies, with the exception of Workers Compensation, and of Professional Liability and Builder's Risk (if required by this Contract) shall name the following listed entities as additional insured(s) using the forms or endorsements required herein:

- the Contracting Agency and its officers, elected officials, employees, agents, and volunteers

The above-listed entities shall be additional insured(s) for the full available limits of liability maintained by the Contractor, irrespective of whether such limits maintained by the Contractor are greater than those required by this Contract, and irrespective of whether the Certificate of Insurance provided by the Contractor pursuant to describes limits lower than those maintained by the Contractor.

For Commercial General Liability insurance coverage, the required additional insured endorsements shall be at least as broad as ISO forms CG 20 10 10 01 for ongoing operations and CG 20 37 10 01 for completed operations.

IV. Contractor's Employees – Employment Eligibility Requirements (E-Verify).

The Contractor and any subcontractors shall comply with E-Verify as set forth in Sumner Municipal Code Chapter 3.30. E-Verify is an Internet-based system operated by United States Citizenship and Immigration Services in partnership with the Social Security Administration. E-Verify is free to employers and is available in all 50 states. E-Verify provides an automated link to federal databases to help employers determine employment eligibility of new hires and the validity of their Social Security numbers. The Contractor shall enroll in, participate in and document use of E-Verify as a condition of the award of this contract. The Contractor shall continue participation in E-Verify throughout the course of the Contractor's contractual relationship with the City. If the Contractor uses or employs any subcontractor in the performance of work under this contract, or any subsequent renewals, modifications or extension of this contract, the subcontractor shall register in and participate in E-Verify and certify such participation to the Contractor. Upon execution of this Contract, the Contractor shall provide proof of compliance with this section by filling out and signing the attached Certification of Compliance with Sumner's Municipal Code 3.30 "E-Verify" attached hereto as Exhibit B.

V. It is further provided that no liability shall attach to the City of Sumner by reason of entering into this contract except as provided herein.

VI. Debarment. The Contractor must certify that it, and its subcontractors, have not been and are not currently on the Federal or the Washington State Debarment List and if the Contractor or its subcontractors become listed on the Federal or State Debarment List, the City will be notified immediately.

VII. Application of Uniform Guidance. If this contract involves the use, in whole or in part, of federal award(s), provisions (A)-(J) in Appendix II to Part 200 of the Uniform Guidance (2 CFR Ch. 11 (1-1-14 edition) are hereby incorporated, as applicable, as if fully set forth herein. *See* attached Exhibit C.

IN WITNESS WHEREOF, the Contractor has executed this instrument, on the day and year first below written and the Local Agency Approving Authority has caused this instrument to be executed by and in the name of said City of Sumner the day and year first above written.

CONTRACTOR: By:______________________________ *(signature)* Print Name:________________________ Its______________________________ *(Title)* DATE:____________________________	**CITY OF SUMNER:** By:______________________________ *(signature)* Print Name: Kathy Hayden Its Mayor *(Title)* DATE:____________________________ By:______________________________ *(signature)* Print Name: Jason Wilson Its City Administrator *(Title)* DATE:____________________________ Attest: Approved as to form: _________________ _________________ City Clerk City Attorney DATE:___________ DATE:___________
NOTICES TO BE SENT TO: **CONTRACTOR:** David Petersen Active Construction, Inc. PO Box 430 Puyallup, WA 98371 253-248-1091 davidp@activeconstruction.com	**NOTICES TO BE SENT TO:** **CITY OF SUMNER:** Courtney Littrell, Assistant Engineering Manager City of Sumner 1104 Maple Street Sumner, WA 98390 253-299-5710 courtneyl@sumnerwa.gov

PROPOSAL

To: City of Sumner

1. Pursuant to and in compliance with your Advertisement for Bids and the other documents relating thereto, the undersigned Bidder, having familiarized himself with the terms of the project related to those items herein bid, being aware of the local conditions affecting the performance of a Contract covering the items bid, having knowledge of the cost of the work at the place where the work is to be done and having familiarized himself with the Contract Documents, hereby proposes and agrees to perform the work and/or to furnish the equipment, any or all of the labor, materials, tools, expendable equipment and all utility and transportation services necessary to perform a Contract covering any or all of those items herein bid and to complete in a workmanlike manner all work covered by said Contract in connection with the Owner's **MAPLE STREET & TRAFFIC AVENUE PEDESTRIAN SIGNAL AND CITYWIDE TRAFFIC SIGNAL BACKPLATES PROJECT, CIP 21-11**, for the amounts stated below.

A. BID ITEMS (See Special Provisions and Standard Specifications for description of bid items)

MAPLE STREET & TRAFFIC AVENUE PEDESTRIAN SIGNAL AND CITYWIDE TRAFFIC SIGNAL BACKPLATES PROJECT

ITEM NO.	ESTIMATED QUANTITY	UNIT	DESCRIPTION OF ITEM	SECTION	UNIT PRICE	AMOUNT
1.	FA	EST.	Minor Change	1-04.4 SP	$10,000	$10,000.00
2.	1	L.S.	ADA Features Surveying	1-05.4 SP	$7500.00	$7500.00
3.	1	L.S	Record Drawings (Min. Bid $5,000)	1-05.18 SP	$5000.00	$5000.00
4.	1	L.S	SPCC Plan	1-07.15	$150.00	$150.00
5.	FA	EST.	Property Restoration	1-07.16 SP	$5,000	$5000.00
6.	1	L.S	Mobilization	1-09.7	$75,000.00	$75,000.00
7.	1	L.S.	Project Temporary Traffic Control (Min Bid $10,000)	1-10.5 SP	$37,001.00	$37,001.00
8.	FA	EST.	Work Zone Safety Contingency	1-10.5 SP	$10,000	$10,000.00
9.	41	S.F.	Construction Signs Class A	1-10.5	$20.00	$820.00

MAPLE STREET & TRAFFIC AVENUE PEDESTRIAN SIGNAL AND CITYWIDE TRAFFIC SIGNAL BACKPLATES PROJECT

ITEM No.	ESTIMATED QUANTITY	UNIT	DESCRIPTION OF ITEM	SECTION	UNIT PRICE	AMOUNT
10.	1	L.S.	Clearing and Grubbing	2-01.5	$5000.00	$5000.00
11.	FA	EST.	Roadside Cleanup	2-01.5	$5,000	$5000.00
12.	1	L.S.	Removal of Structures and Obstructions	2-02.5 SP	$10,000.00	$10,000.00
13.	145	S.Y.	Removing Asphalt Conc. Pavement	2-02.5 SP	$85.00	$12,325.00
14.	70	S.Y.	Removing Cement Conc. Sidewalk	2-02.5 SP	$21.00	$1470.00
15.	55	L.F.	Removing Cement Conc. Curb and Gutter	2-02.5 SP	$10.00	$550.00
16.	40	C.Y.	Roadway Excavation, Incl. Haul	2-03.5 SP	$52.00	$2080.00
17.	4	EA	Potholing	2-05.5 SP	$600.00	$2400.00
18.	70	TON	Crushed Surfacing Top Course	4-04.5	$53.00	$3710.00
19.	70	TON	HMA CL. 1/2 In. PG 64-22	5-04.5	$291.00	$20,370.00
20.	1	L.S.	Erosion Control and Water Pollution Prevention	8-01.5	$5700.00	$5700.00
21.	55	L.F.	Cement Conc. Traffic Curb and Gutter	8-04.5	$73.00	$4015.00
22.	21	L.F.	Cement Conc. Pedestrian Curb	8-04.5	$73.00	$1533.00
23.	50	S.Y.	Cement Conc. Sidewalk	8-14.5	$106.00	$5300.00
24.	1	EA.	Cement Conc. Ramp Type Parallel A	8-14.5	$3600.00	$3600.00

MAPLE STREET & TRAFFIC AVENUE PEDESTRIAN SIGNAL AND CITYWIDE TRAFFIC SIGNAL BACKPLATES PROJECT						
ITEM No.	ESTIMATED QUANTITY	UNIT	DESCRIPTION OF ITEM	SECTION	UNIT PRICE	AMOUNT
25.	1	EA.	Cement Conc. Ramp Type Perpendicular A	8-14.5	$ 3500.00	$ 3500.00
26.	60	S.F.	Detectable Warning Surface	8-14.5	$ 53.00	$ 3180.00
27.	1	L.S.	Maple Street & Traffic Avenue Traffic Signal System, Complete	8-20.5 SP	$ 427,000.00	$ 427,000.00
28.	1	L.S.	Citywide Traffic Signal System Modifications, Complete	8-20.5 SP	$ 87,000.00	$ 87,000.00
29.	1	L.S.	Permanent Signing	8-21.5 SP	$ 5000.00	$ 5000.00
30.	70	L.F.	Plastic Stop Line	8-22.5	$ 20.00	$ 1400.00
31.	320	S.F.	Plastic Crosswalk Line	8-22.5	$ 13.00	$ 4160.00

Bid Total $ 764,764.00

EXHIBIT B

CITY OF SUMNER

CERTIFICATION OF COMPLIANCE WITH SUMNER MUNICIPAL CODE CHAPTER 3.30
"E-VERIFY"

As the person duly authorized to enter into such commitment for

____,
Active Construction, Inc.

I hereby certify that the Company or Organization named herein will

(check one box below)

☐ Be in compliance with all of the requirements of City of Sumner Municipal Code Chapter 3.30 for the duration of the contract entered into between the City of Sumner and the Company or Organization.

OR

☐ Hire no employees for the term of the contract between the City and the Company or Organization.

____
NAME

____
TITLE

____
DATE

EXHIBIT C

APPENDIX II TO PART 200---CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the City of Sumner under federal award(s) are subject to the following provisions, as applicable.

(A) Contracts for more than the simplified acquisition threshold currently set at $150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

(B) All contracts in excess of $10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.

(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of " federally assisted construction con tract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-l.4(b), in accordance with Executive Order 11246, " Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964- 1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S .C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, the following language is hereby incorporated into the contract as if fully set forth therein:

Application of Uniform Guidance. If this contract involves the use, in whole or in part, of federal award(s), the following provisions (29 CFR, Subtitle A Part 5, Subpart A, § 5.5, subsections (a)(1) – (a)(10)) shall apply:

(1) Minimum wages.

(i) All laborers and mechanics employed or working upon the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in § 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph (a)(1)(ii) of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

(ii)

(A) The contracting officer shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and
(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, U.S. Department of Labor, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii) (B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

(2) Withholding. The City of Sumner shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), all or part of the wages required by the contract, the (Agency) may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(3) Payrolls and basic records.

(i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work (or under the United States Housing Act of 1937, or under the Housing Act of 1949, in the construction or development of the project). Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(ii) (A) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the City if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant, sponsor, or owner, as the case may be, for transmission to the City. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at http://www.dol.gov/esa/whd/forms/wh347instr.htm or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the City if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit them to the applicant, sponsor, or owner, as the case may be, for transmission to the City, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the sponsoring government agency (or the applicant, sponsor, or owner).

(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under § 5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under § 5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (a)(3)(ii)(B) of this section.

(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of the City or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the Federal agency may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

(4) Apprentices and trainees.

(i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.

(5) Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

(6) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the City may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

(7) Contract termination: debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

(8) Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

(9) Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7.. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

(10) Certification of eligibility.

(i) By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or sub recipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of par ties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or sub recipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

(G) Clean Air Act (42 U.S .C. 7401-767lq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended- Contracts and sub grants of amounts in excess of $150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-767lq) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

(H) Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S .C. 6201).

(I) Debarment and Suspension (Executive Orders 12549 and 12689)-A contract award (see 2 CFR 180.220) must not be made to par ties listed on the government wide Excluded Parties List System in the System for Award Management (SAM), in accordance with the 0MB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR Part 1986 Comp., p. 189) and 12689 (3 CFR Part 1989 Comp., p. 235), " Debarment and Suspension." The Excluded Parties List System in SAM contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

(J) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)-Contractors that apply or bid for an award of $100,000 or more must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or at tempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C . 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

CITY OF SUMNER WASHINGTON

CITY COUNCIL MEETING
DATE: February 18, 2025
AGENDA BILL: 25-65

SUBJECT: WasteWater Treatment Facility Intrusion and Access Control - Contract Award

CATEGORY: Consent

BUDGET IMPACT:

Expenditure Required: $164,491.72

Within Budget Allocation: Yes

ATTACHMENTS:

1. Contract Award

STAFF CONTACT: Jeff Steffens, Deputy City Administrator

SUMMARY BACKGROUND:

The City has been working on upgrading our security infrastructure at all of our critical facilities. In 2024 we added an enterprise level camera system to the exterior of our buildings at the Wastewater Treatment Plant and we have a similar interior camera project in the 2025 budget. The remaining components to upgrade are the facility's Intrusion System (alarms) and Access Controls (Locks). These projects were included in a 4th Quarter Budget Amendment in 2024 as we had originally hoped to get started last year.

The contract award is for Security Solutions in the amount of $164,491.72

COUNCIL COMMITTEE/STUDY SESSION: **Public Works Committee**
MEETING/STUDY SESSION DATE: 2/4/2025
COMMITTEE RECOMMENDATION: Do Pass

STAFF RECOMMENDATIONS/MOTION:

A motion authorizing the Mayor and City Administrator to execute all necessary contract documents with Security Solutions, in an amount not-to-exceed $164,491.72 for WWTF Intrusion and Access Control, substantially in a form approved by the City Attorney.

PUBLIC WORKS CONTRACT
between City of Sumner and

Security Solutions Northwest, LLC

THIS CONTRACT is made and entered into this day of ________________, by and between the City of Sumner, a Washington municipal corporation (hereinafter the "City"), and Security Solutions Northwest, LLC organized under the laws of the State of Washington located and doing business at 1619 N State St, Bellingham, WA 98225 (hereinafter the "Contractor").

<u>CONTRACT</u>

The parties agree as follows:

I. DESCRIPTION OF WORK.

Contractor shall perform the services for the City as specifically described in Exhibit "A" Scope and Schedule of Work, attached hereto and incorporated herein by reference.

> The contractor will upgrade the City of Sumner Wastewater Treatment Facility (WWTF) security systems. This includes replacing the access control system with Salto Access integrated with Avigilon Unity Access 7, installing wireless locks and padlocks, and implementing a Bosch intrusion detection system with wireless door contacts and motion sensors. The work also involves system commissioning, testing, and training for City personnel, while adhering to regulatory standards and providing necessary documentation.

a. Contractor represents that the services furnished under this Contract will be performed in accordance with generally accepted professional practices within the Puget Sound region in effect at the time such services are performed.

b. The Contractor shall provide and furnish any and all labor, materials, tools, equipment and utility and transportation services along with all miscellaneous items necessary to perform this Contract except for the following items which will be furnished by the City:

<u>N/A</u>

c. All work shall be accomplished in a workmanlike manner in strict conformity with the attached plans and specifications including any and all Addenda issued by the City, City Regulations and Standards, other Contract Documents hereinafter enumerated. In addition, the work shall be in conformance with the following documents which are by reference incorporated herein and made part hereof:

(i) the Standard Specifications of the Washington State Department of Transportation (WSDOT) (current edition);

(ii) the American Public Works Association (APWA) (current edition);

(iii) the Manual on Uniform Traffic Control Devices (MUTCD) for Streets and Highways (current edition);

(iv) the Standard Plans for Road, Bridge and Municipal Construction (as prepared by the WSDOT/APWA current edition);

(v) the American Water Works Association Standard (AWWA) (current edition), and;

(vi) shall perform any changes in the work in accord with the Contract Documents.

d. Any inconsistency in the parts of the Contract and the documents referenced in section I c above shall be resolved by following this order of precedence (e.g., 1 presiding over 2, 2 over 3, 3 over 4, and so forth):

1. Terms and provisions of the Contract
2. Addenda,
3. Proposal Form,
4. Special Provisions, including APWA General Special Provisions, if they are included,
5. Contract Plans,
6. Amendments to the Standard Specifications,
7. WSDOT Standard Specifications for Road, Bridge and Municipal Construction,
8. Contracting Agency's Standard Plans (if any), and
9. WSDOT Standard Plans for Road, Bridge, and Municipal Construction.

II. TIME OF COMPLETION. The parties agree that work on the tasks described in Section I above and more specifically detailed in Exhibit A attached hereto will begin immediately upon execution of this Contract. Upon the effective date of this Contract, the Contractor shall complete the work described in Section I withing 6 month. If said work is not completed within the time specified, the Contractor agrees to pay the City the sum specified in Section VI - Liquidated Damages of this contract.

III. COMPENSATION. The City shall pay the Contractor a total amount not to exceed $165,000, for the work and services contemplated in this Contract. If the work and services to be performed as specified in Exhibit A "Scope and Schedule of Work" is for street, place, road, highway, etc. as defined in WAC 458-20-171, then the applicable Washington State Retail Sales Tax on this contract shall be governed by WAC 458-20-171 and its related rules for the work contemplated in this Contract. The Contractor shall invoice the City monthly. The City shall pay to the Contractor, as full consideration for the performance of the Contract, an amount equal to the unit and lump sum prices set forth in the bid. The Contractor will submit requests for Progress payments on a monthly basis and the City will make progress payment within 45 days after receipt of the Contractor's request until the work is complete and accepted by the City. Any payment by the City shall not constitute a waiver of the City's right to final inspection and acceptance of the project.

A. Retainage**.** The City shall hold back a retainage in the amount of five percent (5%) of any and all payments made to contractor for a period of sixty (60) days after the date of final acceptance, or until receipt of all necessary releases from the State Department of Revenue and the State Department of Labor and Industries and until settlement of any liens filed under Chapter 60.28 RCW. If Contractor plans to submit a bond in lieu of the retainage specified above, the bond must be in a form acceptable to the City and submitted within 30 days upon entering into this Contract, through a bonding company meeting standards established by the City.

B. Defective or Unauthorized Work. The City reserves its right to withhold payment from Contractor for any defective or unauthorized work. Defective or unauthorized work includes, without limitation: work and materials that do not conform to the requirements of this Contract; and extra work and materials furnished without the City's written approval. If Contractor is unable, for any reason, to satisfactorily complete any portion of the work, the City may complete the work by contract or otherwise, and Contractor shall be liable to the City for any additional costs incurred by the City. "Additional costs" shall mean all reasonable costs, including legal costs and attorney fees, incurred by the City beyond the maximum Contract price specified above. The City further reserves its right to deduct the cost to complete the Contract work, including any Additional Costs, from any and all amounts due or to become due the Contractor. Notwithstanding the terms of this section, the City's payment to contractor for work performed shall not be a waiver of any claims the City may have against Contractor for defective or unauthorized work.

C. Final Payment: Waiver of Claims. THE CONTRACTOR'S ACCEPTANCE OF FINAL PAYMENT (EXCLUDING WITHHELD RETAINAGE) SHALL CONSTITUTE A WAIVER OF CONTRACTOR'S CLAIMS, EXCEPT THOSE PREVIOUSLY, TIMELY AND PROPERLY MADE AND IDENTIFIED BY CONTRACTOR AS UNSETTLED AT THE TIME FINAL PAYMENT IS MADE AND ACCEPTED.

IV. INDEPENDENT CONTRACTOR. The parties understand and agree that Contractor is a firm skilled in matters pertaining to construction and will perform independent functions and responsibilities in the area of its particular field of expertise. Contractor and its personnel, subcontractors, agents and assigns, shall act as independent contractors and not employees of the City. As such, they have no authority to bind the City or control employees of the City, contractors, or other entities. The City's Public Works Director or his or her designated representative shall have authority to ensure that the terms of the Contract are performed in the appropriate manner.

The Contractor acknowledges that all mandatory deductions, charges and taxes imposed by any and all federal, state, and local laws and regulations shall be the sole responsibility of the Contractor. The Contractor represents and warrants that all such deductions, charges and taxes imposed by law and/or regulations upon the Contractor are, and will remain, current. If the City is assessed, liable or responsible in any manner for those deductions, charges or taxes, the Contractor agrees to indemnify and hold the City harmless from those costs, including attorney's fees.

V. TERMINATION. The City may terminate this Contract for good cause. "Good cause" shall include, without limitation, any one or more of the following events:

A. The Contractor's refusal or failure to supply a sufficient number of properly skilled workers or proper materials for completion of the Contract work.

B. The Contractor's failure to complete the work within the time specified in this Contract.

C. The Contractor's failure to make full and prompt payment to subcontractors or for material or labor.

D. The Contractor's persistent disregard of federal, state or local laws, rules or regulations.

E. The Contractor's filing for bankruptcy or becoming adjudged bankrupt.

F. The Contractor's breach of any portion of this Contract.

If the City terminates this Contract for good cause, the Contractor shall not receive any further money due under this Contract except those amounts authorized and satisfactorily completed prior to the termination date. After termination, the City may take possession of all records and data within the Contractor's possession pertaining to this project which may be used by the City without restriction.

VI. LIQUIDATED DAMAGES. This section of the Contract shall apply only in the event of a delay in the completion of the work within the timeframe specified in the Contract. This being a Public Works project performed for the benefit of the public, and there being a need for the completion of the project in the time specified in the Contract, City and Contractor agree that damages for delay in the performance or completion of the work are extremely difficult to ascertain. However, City and Contractor agree that due to the expenditure of public funds for the work specified in this Contract, and the need to provide the work for the benefit of the health, safety and welfare of the public, the failure to complete the work within the time specified in the Contract will result in loss and damage to City. City and Contractor agree that a delay will result in, but not be limited to, expense to the City in the form of salaries to City employees, the extended use of City equipment, delays in other portions of the project on which

Contractor is working, increased cost to the City for the project, delays in other projects planned by City, and loss of use and inconvenience to the public.

Although difficult to quantify and ascertain, City and Contractor agree that the sum listed as liquidated damages represents a fair and reasonable forecast of the actual damage caused by a delay in the performance or completion of the work specified in the Contract. In addition, City and Contractor agree that the liquidated damages set forth below are intended to compensate the City for its loss and damage caused by delay. The liquidated damages are not intended to induce the performance of Contractor.

Contractor declares that it is familiar with liquidated damages provisions, and understands their intent and purpose. By signing this Contract, Contractor further declares that it understands the liquidated damages provision of this contract, that it is a product of negotiation, and that it is a fair estimation of the damage and loss that City will suffer in the event of delay.

City and Contractor further agree that the contractor shall not be charged with liquidated damages because of any delays in the completion of the work due to unforeseeable causes beyond the control and without the fault or negligence of the contractor, including, but not restricted to, acts of God, or of the public enemy, acts of the Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather or delays of subcontractors due to such causes.

City and Contractor agree that for each day beyond the completion date specified in the Contract that the project is not completed, the sum of **$100** shall be deducted from the amount to be paid Contractor and shall be retained by City as damages.

In the event that the Contract is terminated by City for cause pursuant to the general conditions of the contract, this liquidated damages section shall apply, but only to the extent that the contract is delayed. In addition to liquidated damages, City shall be permitted to recover from Contractor the cost of completion of the work if the cost of completion exceeds the original sum of money agreed upon.

VII. PREVAILING WAGES. Contractor shall file a "Statement of Intent to Pay Prevailing Wages," with the State of Washington Department of Labor & Industries prior to commencing the Contract work. The Statement of Intent to Pay Prevailing Wages," shall include Contractor's registration certificate number and the prevailing rate of wage for each classification of workers entitled to prevailing wages under RCW 39.12.020, and the estimated number of workers in each classification.

For small public works projects under $2,500 inclusive of tax, the City may permit the Contractor to submit a combined Intent to Pay and Affidavit of Wages Paid form (the "Combined Form"). The Combined Form does not have a corresponding form/filing fee. Before commencing work on the Contract, the Contractor is required to request the use of the Combined Form. If the City authorizes the Contractor to utilize the Combined Form process, the Contractor shall obtain the pre-approved L&I Combined Form directly from the City. Contractor shall complete and submit the Combined Form to the City together with its final invoice at the completion of the Contract work. Upon receipt, the City will review and approve the form before causing it to be filed with L&I within thirty (30) days of receipt from the Contractor.

Irrespective of the above process, Contractor shall pay prevailing wages in effect on the date the bid is accepted or executed by Contractor, and comply with Chapter 39.12 of the Revised Code of Washington, as well as any other applicable prevailing wage rate provisions. The latest prevailing wage rate revision issued by the Department of Labor and Industries must be submitted to the City by Contractor. It shall be the responsibility of Contractor to require all subcontractors to comply with Chapter 39.12 RCW and this section of the Contract.

VIII. HOURS OF LABOR. Contractor shall comply with the "hours of labor" requirements and limitations as set forth in Chapter 49.28 RCW. It shall be the responsibility of Contractor to require all subcontractors to comply with the provisions of Chapter 49.28 RCW and this section of the Contract. The Contractor shall pay all reasonable costs (such as over-time of crews) incurred by the City as a result of work beyond eight (8) hours per day or forty (40) hours per week. Additional hours beyond a forty (40)-hour workweek will be pro-rated against contractual workdays.

IX. COMPLIANCE WITH WAGE, HOUR, SAFETY, AND HEALTH LAWS. The Contractor shall comply with the rules and regulations of the Fair Labor Standards Act, 294 U.S.C. 201 et seq, the Occupational Safety and Health Act of 1970, 29 U.S.C. 651, et seq, the Washington Industrial Safety and Health Act, Chapter 49.17 RCW, and any other state or federal laws applicable to wage, hours, safety, or health standards.

X. DAYS AND TIME OF WORK. The working hours for this project will be limited to Monday through Friday from 7:00 a.m. to 6:00 p.m. unless otherwise approved by the City.

XI. WORKER'S COMPENSATION. The Contractor shall maintain Workmen's Compensation insurance in the amount and type required by law for all employees employed under this Contract who may come within the protection of Workmen's Compensation Laws. In jurisdictions not providing complete Workmen's Compensation protection, the Contractor shall maintain Employer's Liability Insurance in the amount, form and company satisfactory to the City for the benefit of all employees not protected by Workmen's Compensation Laws.

The Contractor shall make all payments arising from the performance of this Contract due to the State of Washington pursuant to Titles 50 and 51 of the Revised Code of Washington.

Whenever any work by the Contractor under the authority of this Contract is on or about navigable waters of the United States, Workers' Compensation coverage shall be extended to include United States Longshoreman and harbor worker coverage. The Contractor shall provide the City with a copy of the necessary documentation prior to the start of any activity.

XII. CHANGES. The City may issue a written change order for any change in the Contract work during the performance of this Contract. If the Contractor determines, for any reason, that a change order is necessary, Contractor must submit a written change order request to the person listed in the notice provision section of this Contract, section XV(D), within fourteen (14) calendar days of the date Contractor knew or should have known of the facts and events giving rise to the requested change. If the City determines that the change increases or decreases the Contractor's costs or time for performance, the City will make an equitable adjustment. The City will attempt, in good faith, to reach agreement with the Contractor on all equitable adjustments. However, if the parties are unable to agree, the City will determine the equitable adjustment as it deems appropriate. The Contractor shall proceed with the change order work upon receiving either a written change order from the City or an oral order from the City before actually receiving the written change order. If the Contractor fails to require a change order within the time specified in this paragraph, the Contractor waives its right to make any claim or submit subsequent change order requests for that portion of the contract work. If the Contractor disagrees with the equitable adjustment, the Contractor must complete the change order work; however, the Contractor may elect to protest the adjustment as provided in subsections A through E of Section VIII, Claims, below.

The Contractor accepts all requirements of a change order by: (1) endorsing it, (2) writing a separate acceptance, or (3) not protesting in the way this section provides. A change order that is accepted by Contractor as provided in this section shall constitute full payment and final settlement of all claims for contract time and for direct, indirect and consequential costs, including costs of delays related to any work, either covered or affected by the change.

VIII. CLAIMS. If the Contractor disagrees with anything required by a change order, another written order, or an oral order from the City, including any direction, instruction, interpretation, or determination by the City, the Contractor may file a claim as provided in this section. The Contractor shall give written notice to the City of all claims within fourteen (14) calendar days of the occurrence of the events giving rise to the claims, or within fourteen (14) calendar days of the date the Contractor knew or should have known of the facts or events giving rise to the claim, whichever occurs first . Any claim for damages, additional payment for any reason, or extension of time, whether under this Contract or otherwise, shall be conclusively deemed to have been waived by the Contractor unless a timely written claim is made in strict accordance with the applicable provisions of this Contract.

At a minimum, a Contractor's written claim shall include the information set forth in subsections A, items 1 through 5 below.

FAILURE TO PROVIDE A COMPLETE, WRITTEN NOTIFICATION OF CLAIM WITHIN THE TIME ALLOWED SHALL BE AN ABSOLUTE WAIVER OF ANY CLAIMS ARISING IN ANY WAY FROM THE FACTS OR EVENTS SURROUNDING THAT CLAIM OR CAUSED BY THAT DELAY.

A. Notice of Claim. Provide a signed written notice of claim that provides the following information:

1. The date of the Contractor's claim;
2. The nature and circumstances that caused the claim;
3. The provisions in this Contract that support the claim;
4. The estimated dollar cost, if any, of the claimed work and how that estimate was determined; and
5. An analysis of the progress schedule showing the schedule change or disruption if the Contractor is asserting a schedule change or disruption.

B. Records. The Contractor shall keep complete records of extra costs and time incurred as a result of the asserted events giving rise to the claim. The City shall have access to any of the Contractor's records needed for evaluating the protest.

The City will evaluate all claims, provided the procedures in this section are followed. If the City determines that a claim is valid, the City will adjust payment for work or time by an equitable adjustment. No adjustment will be made for an invalid protest.

C. Contractor's Duty to Complete Protested Work. In spite of any claim, the Contractor shall proceed promptly to provide the goods, materials and services required by the City under this Contract.

D. Failure to Protest Constitutes Waiver. By not protesting as this section provides, the Contractor also waives any additional entitlement and accepts from the City any written or oral order (including directions, instructions, interpretations, and determination).

E. Failure to Follow Procedures Constitutes Waiver. By failing to follow the procedures of this section, the Contractor completely waives any claims for protested work and accepts from the City any written or oral order (including directions, instructions, interpretations, and determination).

IX. LIMITATION OF ACTIONS. CONTRACTOR MUST, IN ANY EVENT, FILE ANY LAWSUIT ARISING FROM OR CONNECTED WITH THIS CONTRACT WITHIN 120 CALENDAR DAYS FROM THE DATE THE CONTRACT WORK IS COMPLETE OR CONTRACTOR'S ABILITY TO FILE THAT CLAIM OR SUIT SHALL BE FOREVER BARRED. THIS SECTION FURTHER LIMITS ANY APPLICABLE STATUTORY LIMITATIONS PERIOD.

X. WARRANTY. Upon acceptance of the contract work, Contractor must provide the City a two-year warranty bond in the amount of 20% of the total consideration paid to the Contractor under this Contract and in a form acceptable to the City. The Contractor shall correct all defects in workmanship and materials within two (2) years from the date of the City's acceptance of the Contract work. In the event any parts are repaired or replaced, only original replacement parts shall be used—rebuilt or used parts will not be acceptable. When defects are corrected, the warranty for that portion of the work shall extend for one (1) year from the date such correction is completed and accepted by the City. The Contractor shall begin to correct any defects within seven (7) calendar days of its receipt of notice from the City of the defect. If the Contractor does not initiate or complete the corrective work within a reasonable time in the sole discretion of the City, the City may elect to complete the identified defect(s) and pass through any and all costs of correction to the Contractor. By signature hereon, Contractor agrees to be responsible for any and all costs expended by the City to correct identified defects in Contractor's work within the above warranty periods.

XI. DISCRIMINATION. In the hiring of employees for the performance of work under this Contract or any sub-contract, the Contractor, its sub-contractors, or any person acting on behalf of the Contractor or sub-contractor shall not, by reason of race, religion, color, sex, age, sexual orientation, national origin, or the presence of any sensory, mental, or physical disability, discriminate against any person who is qualified and available to perform the work to which the employment relates.

XII. INDEMNIFICATION. Contractor shall defend, indemnify and hold the City, its officers, officials, employees, agents and volunteers harmless from any and all claims, injuries, damages, losses or suits, including attorney fees, arising out of or in connection with the Contractor's performance of this Contract, except for injuries and damages caused by the sole negligence of the City.

Should a court of competent jurisdiction determine that this Contract is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Contractor and the City, its officers, officials, employees, and volunteers, the Contractor's liability hereunder shall be only to the extent of the Contractor's negligence.

IT IS FURTHER SPECIFICALLY AND EXPRESSLY UNDERSTOOD THAT THE INDEMNIFICATION PROVIDED HEREIN CONSTITUTES THE CONTRACTOR'S WAIVER OF IMMUNITY UNDER INDUSTRIAL INSURANCE, TITLE 51 RCW, SOLELY FOR THE PURPOSES OF THIS INDEMNIFICATION. THIS WAIVER HAS BEEN MUTUALLY NEGOTIATED BY THE PARTIES.

The provisions of this section shall survive the expiration or termination of this Contract.

The City's inspection or acceptance of any of Contractor's work when completed shall not be grounds to avoid any of these covenants of indemnification.

XIII. INSURANCE. The Contractor shall, at least ten (10) days prior to the commencement of work, obtain and keep in force during the term of the Contract, insurance against claims for property damage or personal injury which may arise from or in connection with the performance of the contract work by the Contractor, their agents, representatives, employees, or subcontractors as follows:

No Limitation. Contractor's maintenance of insurance as required by the agreement shall not be construed to limit the liability of the Contractor to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

A. Minimum Scope of Insurance

Contractor shall obtain insurance of the types described below:

1. Automobile Liability insurance covering all owned non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.

2. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors, products-completed operations, stop gap liability, personal injury and advertising injury, and liability assumed under an insured contract. The Commercial General Liability insurance shall be endorsed to provide the Aggregate Per Project Endorsement ISO form CG 25 03 11 85. There shall be no endorsement or modification of the Commercial General Liability insurance for liability arising from explosion, collapse or underground property damage. The City shall be named as an insured under the Contractor's Commercial General Liability insurance policy with respect to the work performed for the

City using ISO Additional Insured endorsement CG 20 10 10 01 and Additional Insured-Completed Operations endorsement CG 20 37 10 01 or substitute endorsements providing equivalent coverage.

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

B. Minimum Amounts of Insurance

Contractor shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of $1,000,000 per accident.

2. Commercial General Liability insurance shall be written with limits no less than $2,000,000 each occurrence, $2,000,000 general aggregate and a $2,000,000 products-completed operations aggregate limit.

C. Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability and Commercial General Liability insurance:

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

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

D. Contractor's Insurance for Other Losses

The Contractor shall assume full responsibility for all loss or damage from any cause whatsoever to any tools, Contractor's employee owned tools, machinery, equipment, or motor vehicles owned or rented by the Contractor, or the Contractor's agents, suppliers or contractors as well as to any temporary structures, scaffolding and protective fences.

E. Waiver of Subrogation

The Contractor and the City waive all rights against each other any of their Subcontractors, Sub-subcontractors, agents and employees, each of the other, for damages caused by fire or other perils to the extend covered by other property insurance obtained pursuant to the Insurance Requirements Section of this Contract or other property insurance applicable to the work. The policies shall provide such waivers by endorsement or otherwise.

F. Acceptability of Insurers

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

Verification of Coverage

Contractor shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the Automobile Liability and Commercial General Liability insurance of the Contractor before commencement of the work.

G. **Subcontractors**

Contractor shall ensure that each subcontractor of every tier obtain at a minimum the same insurance coverage and limits as stated herein for the Contractor. Upon request by the City, the Contractor shall provide evidence of such insurance.

XIV. WORK PERFORMED AT CONTRACTOR'S RISK. Contractor shall take all necessary precautions and shall be responsible for the safety of its employees, agents, and subcontractors in the performance of the contract work and shall utilize all protection necessary for that purpose. All work shall be done at Contractor's own risk, and Contractor shall be responsible for any loss of or damage to materials, tools, or other articles used or held for use in connection with the work.

XV. BOND. Pursuant to Chapter 39.08 RCW, the Contractor shall, prior to the execution of the Contract, furnish a performance and payment bond to the City in the full amount of the bid with a surety company as surety, ensuring that the Contractor shall faithfully perform all the provisions of this Contract and pay all laborers, mechanics, and subcontractors and materialmen, and all persons who supply such Contractor or subcontractors with provisions and supplies for the carrying on of such work. Such bond shall provide that any person or persons performing such services or furnishing material to any subcontractor shall have the same right under the provisions of such bond as if such work, services or material was furnished to the original Contractor. In addition, the surety company providing such bond shall agree to be bound to the laws of the state of Washington, and subjected to the jurisdiction of the state of Washington and the Pierce County Superior Court in any proceeding to enforce the bond. This Contract shall not become effective until said bond is supplied and approved by the Engineer and filed with the City Clerk.

In the event that the Compensation called for in Section III of this Contract is less than $150,000.00, which sum shall be determined after the addition of applicable Washington State sales tax, the Contractor may, prior to the execution to this contract and in lieu of the above mentioned bond, elect to have the City retain 10% of the contract amount for a period of either thirty (30) days after final acceptance, or until receipt of all necessary releases from the department of revenue and the department of labor and industries and settlement of any liens filed under Chapter 60.28 RCW, whichever is later.

XVI. DEBARMENT. The Contractor must certify that it, and its subcontractors, have not been and are not currently on the Federal or the Washington State Debarment List and if the Contractor or its subcontractors become listed on the Federal or State Debarment List, the City will be notified immediately.

XVII. MISCELLANEOUS PROVISIONS.

A. Non-Waiver of Breach. The failure of the City to insist upon strict performance of any of the covenants and agreements contained in this Contract, or to exercise any option conferred by this Contract in one or more instances shall not be construed to be a waiver or relinquishment of those covenants, agreements or options, and the same shall be and remain in full force and effect.

B. Resolution of Disputes and Governing Law.

1. Alternative Dispute Resolution. If a dispute arises from or relates to this Contract or the breach thereof and if the dispute cannot be resolved through direct discussions, the parties agree to endeavor first to settle the dispute in an amicable manner by mediation administered by a mediator under JAMS Alternative Dispute Resolution service rules or policies before resorting to arbitration. The mediator may be selected by agreement of the parties or through JAMS. Following mediation, or upon written Contract of the parties to waive mediation, any unresolved controversy or claim arising from or relating to this Contract or breach thereof shall be settled through arbitration which shall be conducted under JAMS rules or policies. The arbitrator may be selected by agreement of the parties or through JAMS. All fees and expenses for mediation or arbitration shall be borne by

the parties equally. However, each party shall bear the expense of its own counsel, experts, witnesses, and preparation and presentation of evidence.

2. Applicable Law and Jurisdiction. This Contract shall be governed by the laws of the State of Washington. Although the agreed to and designated primary dispute resolution method as set forth above, in the event any claim, dispute or action arising from or relating to this Contract cannot be submitted to arbitration, then it shall be commenced exclusively in the Pierce County Superior Court or the United States District Court, Western District of Washington as appropriate. In any claim or lawsuit for damages arising from the parties' performance of this Agreement, each party shall pay all its legal costs and attorney's fees incurred in defending or bringing such claim or lawsuit, in addition to any other recovery or award provided by law; provided, however, nothing in this paragraph shall be construed to limit the City's right to indemnification under Section VII of this Contract.

C. Written Notice. All communications regarding this Contract shall be sent to the parties at the addresses listed on the signature page of the Contract, unless notified to the contrary. Any written notice hereunder shall become effective three (3) business days after the date of mailing by registered or certified mail, and shall be deemed sufficiently given if sent to the addressee at the address stated in this Contract or such other address as may be hereafter specified in writing.

D. Assignment. Any assignment of this Contract by either party without the written consent of the non-assigning party shall be void. If the non-assigning party gives its consent to any assignment, the terms of this Contract shall continue in full force and effect and no further assignment shall be made without additional written consent.

E. Modification. No waiver, alteration, or modification of any of the provisions of this Contract shall be binding unless in writing and signed by a duly authorized representative of the City and Contractor.

F. Compliance with Laws. The Contractor agrees to comply with all federal, state, and municipal laws, rules, and regulations that are now effective or in the future become applicable to Contractor's business, equipment, and personnel engaged in operations covered by this Contract or accruing out of the performance of those operations.

G. Counterparts. This Contract may be executed in any number of counterparts, each of which shall constitute an original, and all of which will together constitute this one Contract.

H. Business License. Contractor shall comply with the provisions of Title 5 Chapter 5.04 of the Sumner Municipal.

I. Contractor's Employees – Employment Eligibility Requirements (E-Verify).

For contracts of $35,000 or more the Contractor and any subcontractors shall comply with E-Verify as set forth in Sumner Municipal Code Chapter 3.30. E-Verify is an Internet-based system operated by United States Citizenship and Immigration Services in partnership with the Social Security Administration. E-Verify is free to employers and is available in all 50 states. E-Verify provides an automated link to federal databases to help employers determine employment eligibility of new hires and the validity of their Social Security numbers. The Contractor shall enroll in, participate in and document use of E-Verify as a condition of the award of this contract. The Contractor shall continue participation in E-Verify throughout the course of the Contractor's contractual relationship with the City. If the Contractor uses or employs any subcontractor in the performance of work under this contract, or any subsequent renewals, modifications or extension of this contract, the subcontractor shall register in and participate in E-Verify and certify such participation to the Contractor. Upon execution of this Contract, the Contractor shall provide proof of compliance with this section by filling out and signing the attached Certification of Compliance with Sumner's Municipal Code 3.30 "E-Verify" attached hereto as Exhibit B.

J. Entire Contract**.** The written provisions and terms of this Contract, together with any Exhibits attached hereto, shall supersede all prior verbal statements of any officer or other representative of the City, and such statements shall not be effective or be construed as entering into or forming a part of or altering in any manner this Contract. All of the above documents are hereby made a part of this Contract. However, should any language in any of the Exhibits to this Contract conflict with any language contained in this Contract, then the order of precedence shall be in accordance with Section I c of this Contract.

K. Severability. If any one or more sections, sub-sections, or sentences of this Contract are held to be unconstitutional or invalid, that decision shall not affect the validity of the remaining portion of this Contract and the remainder shall remain in full force and effect.

L. Application of Uniform Guidance. If this contract involves the use, in whole or in part, of federal award(s), provisions (A)-(J) in Appendix II to Part 200 of the Uniform Guidance (2 CFR Ch. 11 (1-1-14 edition) are hereby incorporated, as applicable, as if fully set forth herein. See attached Exhibit C.

IN WITNESS, the parties below execute this Contract, which shall become effective on the last date entered below.

CONTRACTOR:	**CITY OF SUMNER:**
By:________________________ *(signature)* Print Name:____________ Its____________________ *(Title)* DATE:________________	By:________________________ *(signature)* Print Name: Kathy Hayden Its Mayor *(Title)* DATE:____________________ By:________________________ *(signature)* Print Name: Jason Wilson Its City Administrator *(Title)* DATE:____________________ Attest: Approved as to form: ____________ ____________ City Clerk City Attorney DATE:________ DATE:________

NOTICES TO BE SENT TO:	**NOTICES TO BE SENT TO:**
CONTRACTOR:	**CITY OF SUMNER:**
Tom McKellar Security Solution Northwest, LLC 1619 N State St Bellingham, WA 98225	Patrick Skelly City of Sumner 1104 Maple Street Sumner, WA 98390
206-513-3405 (telephone) TomM@ssnw.co(email)	253-299-5604 (telephone) patricks@sumnerwa.gov (Email)

EXHIBIT A

System Proposal

Scope of Work

Thank you for the opportunity to quote the WWTF Security Upgrade project. This proposal provides Turnkey pricing for devices shown on the provided "WWTF.PLANS.Devices NO BLDG I.JAN 2025"

ACCESS CONTROL - We propose a Salto access with Avigilon Unity Integration

- Access Control System replacement to Salto with Unity Access 7
- Online and offline wireless locks throughout facility
- Pin unlock on interior restroom facilities
- Intrusion System with Bosch and Innovonics wireless
- Replace interior locksets with passage sets (Excludes locksets at Bldg I)
- 10 Salto padlocks provided

This quote is based on the following assumptions:

- Quantites as shown on the provided drawings and site walk review
- Existing wiring is functional
- Pathway from Control Room to gate is available
- Excludes replace interior locksets in Bldg I
- Excludes UHF Readers x 3 - Poles mounted to existing fence
- Excludes Bldg I access
- Excludes Vehicle Readers (6)
- Excludes bringing wireless locks online

INTRUSION - We propose a Bosch Intrusion system with Inovonics hardware:

- All door contacts and motions are wireless
- Cover all perimeter doors and comes general interior areas

NOTE: SEE THE INCLUSIONS/EXCLUSIONS TABLE IN THIS PROPOSAL FOR ADDITIONAL INCLUSIONS AND EXCLUSIONS, ALONG WITH THE PRODUCT-SPECIFIC ONES LISTED ABOVE

We have been accepted as a provider under WSIPC. www.wsipc.org - SSNW RFP # 22-05

INTRUSION SYSTEM COMPONENTS:

Qty	Description
1	BOSCH INTRUSION PANEL
2	KEYPAD
58	WIRELESS DOOR CONTACT
6	WIRELESS WALL MOTION
9	WIRELESS CEILING MOTION
8	INOVONICS REPEATER WITH TRANSFORMER
1	INOVONICS HUB
1	TRAINING LABOR
1	LABOR FOR INSTALLATION, TRIM, COMMISSIONING, AND TESTING
1	PERMIT FEES

INTRUSION SYSTEM SUBTOTAL: $31,364.00

+ sales tax

ACCESS SYSTEM COMPONENTS:

Qty	Description
6	UA7-SW-LIC-10DOORS
2	SALTO CARD READERS
19	SALTO CYLINDRICAL LOCKSET WITH READER BUILT IN
14	SALTO EXIT DEVICE WITH READER BUILT IN
2	SALTO MORTISE LOCKSET WITH READER BUILT IN
10	SALTO NEOXX PADLOCK G4 w/ CHAIN
25	BEST PASSAGE LEVER
1	WIRING AND INSTALLATION MATERIAL
1	LOCKSMITH LABOR
1	TRAINING LABOR
1	LABOR FOR INSTALLATION, TRIM, COMMISSIONING, AND TESTING
1	PERMIT FEES

ACCESS SYSTEM SUBTOTAL: $114,860.00

+ sales tax

COMBINED ACCESS & INTRUSION TOTAL:	**$146,224.00**
	+ sales tax
Payment & Performance Bond	**$3,996.75**
	+ sales tax
Sales tax @ 9.5%	**$14,270.97**
COMBINED ACCESS & INTRUSION TOTAL:	**$164,491.72**

THESE ITEMS ARE EXCLUDED UNLESS MARKED YES:

Included in Scope:	Yes:	Included in Scope:	Yes:	Included in Scope:	Yes:
Shop Drawings		Panel	X	Fire Permit	
As-Built Drawings		Panel Install	X	Electrical Permit	X
REVIT LOD Design		Panel Program /Test	X	WA Prevailing Wages	X
Data Submittals	X	Fire Stopping		Davis Bacon Wages	
Wire Supply	X	Door Lock Hardware	X	P & P Bond	X
Wire Installation	X	Door Lock Hardware Install	X	Programming	X
Conduit & Installation	MINIMAL	120v Power Material & Install		Fire System Testing	
Coring		Provide Lift(s)		Training - On-site 1 hr	X
Devices	X	POE Switches		Training - Remote 1 hr	
Devices Install	X	Magnetic Door Holders		Training - Remote 4 hr	X
Devices Program/ Test	X				

TERMS AND CONDITIONS:

- Proposal is valid for 30 days from the date on this proposal
- An authorized purchase order and/or contract will be required to commence work
- A system with monitoring or cloud hosting will require a contract to activate
- Additional work requested beyond the scope of this proposal will be billed at a time & material rate
- Customer to provide robust & reliable Wifi connection if needed; parts needed to connect a cellular communicator with a weak cellular signal will be billed as an additional cost
- Proposal is based on plans noted above. If plans are found to be incorrect or incomplete during the design process, we will bill for the additional time.
- Existing wiring or equipment integrated into this scope of work is assumed to be in working order and supported by the manufacturer,any work and parts needed to upgrade or fix will be billed at a time and material rate
- All work to be performed during SSNW's business hours Monday - Friday 8:00 - 4:30 excluding holidays
- All parts and labor are warranted for one year
- Work will be billed each month in increments proportionate to progress toward completion of the project
- Balance to be billed at the completion of installation, payments are due at net 30 days from invoice date
- Pay Portal Fees are not included and will be billed to customer with a 10% markup

Presented by: ______________________________

Tom McKellar - 206.513.3405

Acceptance: ______________________________ ______________

(please sign here) *Date*

EXHIBIT B
CITY OF SUMNER

CERTIFICATION OF COMPLIANCE WITH SUMNER MUNICIPAL CODE CHAPTER 3.30
"E-VERIFY"

As the person duly authorized to enter into such commitment for

____,
Security Solutions Northwest, LLC

I hereby certify that the Company or Organization named herein will

(check one box below)

☐ Be in compliance with all of the requirements of City of Sumner Municipal Code Chapter 3.30 for the duration of the contract entered into between the City of Sumner and the Company or Organization.

OR

☐ Hire no employees for the term of the contract between the City and the Company or Organization.

____
NAME

____
TITLE

____
DATE

EXHIBIT C

APPENDIX II TO PART 200---CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the City of Sumner under federal award(s) are subject to the following provisions, as applicable.

(A) Contracts for more than the simplified acquisition threshold currently set at $150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

(B) All contracts in excess of $10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.

(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of " federally assisted construction con tract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-l.4(b), in accordance with Executive Order 11246, " Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964- 1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S .C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, the following language is hereby incorporated into the contract as if fully set forth therein:

Application of Uniform Guidance. If this contract involves the use, in whole or in part, of federal award(s), the following provisions (29 CFR, Subtitle A Part 5, Subpart A, § 5.5, subsections (a)(1) – (a)(10)) shall apply:

(1) Minimum wages.

(i) All laborers and mechanics employed or working upon the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in § 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph (a)(1)(ii) of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

(ii)

(A) The contracting officer shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, U.S. Department of Labor, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii) (B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

(2) Withholding. The City of Sumner shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the

accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), all or part of the wages required by the contract, the (Agency) may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(3) Payrolls and basic records.

(i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work (or under the United States Housing Act of 1937, or under the Housing Act of 1949, in the construction or development of the project). Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(ii) (A) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the City if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant, sponsor, or owner, as the case may be, for transmission to the City. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at http://www.dol.gov/esa/whd/forms/wh347instr.htm or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the City if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit them to the applicant, sponsor, or owner, as the case may be, for transmission to the City, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the sponsoring government agency (or the applicant, sponsor, or owner).

(B) Each payroll submitted shall be accompanied by a “Statement of Compliance,” signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under § 5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under § 5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the “Statement of Compliance” required by paragraph (a)(3)(ii)(B) of this section.

(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of the City or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the Federal agency may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

(4) Apprentices and trainees.

(i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.

(5) Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

(6) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the City may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

(7) Contract termination: debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

(8) Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

(9) Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7.. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

(10) Certification of eligibility.

(i) By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or sub recipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of par ties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or sub recipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

(G) Clean Air Act (42 U.S .C. 7401-767lq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended-Contracts and sub grants of amounts in excess of $150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-767lq) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

(H) Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S .C. 6201).

(I) Debarment and Suspension (Executive Orders 12549 and 12689)-A contract award (see 2 CFR 180.220) must not be made to par ties listed on the government wide Excluded Parties List System in the System for Award Management (SAM), in accordance with the 0MB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR Part 1986 Comp., p. 189) and 12689 (3 CFR Part 1989 Comp., p. 235), " Debarment and Suspension." The Excluded Parties List System in SAM contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

(J) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)-Contractors that apply or bid for an award of $100,000 or more must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or at tempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C . 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

CITY OF SUMNER WASHINGTON

CITY COUNCIL MEETING
DATE: February 18, 2025
AGENDA BILL: 25-104

SUBJECT: Approval of the meeting minutes from the February 3, 2025, regular council meeting and the study session from February 10, 2025.

CATEGORY: Consent

BUDGET IMPACT:

Expenditure Required: None

Within Budget Allocation: N/A

ATTACHMENTS:

1. Minutes - February 3, 2025
2. Minutes - February 10, 2025

STAFF CONTACT: Michelle Converse, City Clerk

SUMMARY BACKGROUND:

Meeting minutes from the previous two council meetings

COUNCIL COMMITTEE/STUDY SESSION:
MEETING/STUDY SESSION DATE:
COMMITTEE RECOMMENDATION:

STAFF RECOMMENDATIONS/MOTION:

Approve as presented.

CITY COUNCIL MEETING AGENDA
City Hall – 1104 Maple Street
February 3, 2025 6:00 PM

The city conducted this public meeting using a hybrid model, in-person and on the Zoom platform.

Staff present: Marquez, Steffens, Beagle, Windish, Kosa, Moericke, Palmer, Littrell and Converse

THE REGULAR MEETING OF THE SUMNER CITY COUNCIL WAS CALLED TO ORDER BY MAYOR HAYDEN AT 6:00PM.

CALL TO ORDER
Pledge of Allegiance
Invocation- Pastor David Barnes
Roll Call: Bitetto, Bowman, Clerget, Cole, Elfers, Kenna and Reinke

DEPUTY MAYOR BOWMAN WAS ABSENT. PER COUNCIL RULES, THE MAYOR WAS NOTIFIED. MOVED BY ELFERS SECONDED BY KENNA TO EXCUSE DEPUTY MAYOR BOWMAN FROM TONIGHT'S MEETING. PASSED BY VOICE VOTE.

COUNCILMEMBER COLE WAS ABSENT. PER COUNCIL RULES, THE MAYOR WAS NOTIFIED. MOVED BY BITETTO SECONDED BY ELFERS TO EXCUSE COUNCILMEMBER COLE FROM TONIGHT'S MEETING. PASSED BY VOICE VOTE.

CONSENT AGENDA

MOVED BY ELFERS SECONDED BY CLERGET TO APPROVE THE CONSENT AGENDA CONSISTING OF:

1. Resolution No. 1710 – Interlocal Agreement Renewal with Sunnyside for Jail Services
2. Approval of the meeting minutes from January 21, 2025 regular council meeting, and the 27th of January 2025 study session.

PASSED BY VOICE VOTE.

PUBLIC HEARING

1. Resolution No. 1713 – 2026/2031 Six-Year Transportation Improvement Program Annual Update

MAYOR HAYDEN OPENED THE PUBLIC HEARING AT 6:03PM AND INTRODUCED ASSISTANT ENGINEERING MANAGER COURTNEY LITTRELL TO SPEAK TO THE TOPIC.

Members of the public spoke to the item:
Randall Adams, 15013 63rd Street Court East, Sumner.
Nick Biermann, 5802 Parker Road East, Sumner
Kasey Henderson, 5908 162nd Avenue East, Sumner

With no other comments from the public, MAYOR HAYDEN CLOSED THE PUBLIC HEARING AT 6:11PM.

REGULAR BUSINESS

1. **Unfinished Business**

2. **Public Comment**

Randall Adams, Sumner, spoke about the Ryan House

Susan Kobes, 21118 Kelly Lake Road East, Bonney Lake. Ms. Kobes spoke about fees relating to a small school that she wishes to open.

3. **New Business**

   a. **<u>Ordinance No. 2917 – Endangerment with a Controlled Substance</u>**

MOVED BY BITETTO SECONDED BY ELFERS TO APPROVE ORDINANCE NO. 2917 – ENDANGERMENT WITH A CONTROLLED SUBSTANCE.

City Attorney Andrea Marquez spoke to the topic.

Spoke to the item:

Randall Adams, Sumner

Kasey Henderson, Sumner

Councilmember Kenna

Councilmember Bitetto

PASSED BY ROLL CALL VOTE.

   b. **<u>Resolution No. 1712 – Murrey's Disposal 2025 Rate Increase</u>**

MOVED BY REINKE SECONDED BY KENNA TO APPROVE RESOLUTION NO. 1712 – MURREY'S DISPOSAL 2025 RATE INCREASE

Deputy City Administrator Jeff Steffens addressed the Council.

PASSED BY ROLL CALL VOTE.

4. **Reports**

   a. **<u>Council</u>**

Councilmembers Reinke, Kenna, Clerget and Bitetto had no reporat tonight.

Councilmember Elfers appreciates that Murrey's is also including the Carbon Tax, he appreciates the transparency especially when things are getting so expensive. He also mentioned that he attended the Pierce County Economic Development Board program, it looks like Pierce County will be flat the next year economically.

b. **<u>City Administrator</u>**

Deputy City Administrator Jeff Steffens shared the following:

Upcoming Policy Issues:

- February 10, 2025 – Study Session
  - Public Works Operations Facility Funding Discussion
  - Public Works Operations Facility Bond Delegation Ordinance

- February 18, 2025 (Tuesday) – Regular Council Meeting
  - Security Solutions Northwest Contract Approval
  - Valley Ave Overlay - Design Consultant Contract
  - PSE Up and Go - WWTF EV Chargers
  - Elm Street Sidewalks - Construction Change Order
  - Maple Street Pedestrian Signal - Construction Contract Award
  - Transportation Improvement Plan
  - Ordinance - Updating SMC 12.30.040 Truck Routes Established
  - Ordinance - Operations Facility Bond Delegation
  - Ordinance – Budget Amendment for PW Operations Facility

Policy Follow-Up was presented by Communications Director Carmen Palmer. She focused on the upcoming Legislative Agenda, including:

- **HB1380 – Allowing regulation of the utilization of public property.**
  - Signed Regional Letter of opposition
  - Not only loss of control but intentional vagueness to encourage litigation
- **HB 5107- Concerning underinsured motorist coverage for local government employees.**
  - Increases risk/cost liability to City
  - Mayor registered as opposed
- **HB 1491—Promoting transit-oriented housing development.**
  - Ryan testified against & suggested an amendment
  - Parking restrictions also in SB 5184/HB 1299
- **SB 5148—Housing elements of a Comp Plan would go to State**
  - City registered as oppose, Ryan watching
  - Eliminates/undercuts all community engagement in their own plan
- **HB 1195—requires cities to allow permanent supportive housing, transitional housing, indoor emergency housing, or indoor emergency shelter in any residential zone.**
  - Earlier bill backed off to where hotels are allowed.
  - This brings back any residential zone.
  - Watching
- **SB 5061—regarding prevailing wage requirements**
  - Changes from wages at time of contract to requiring pay wage at time of work.
- **SB 5288 offers a 1/10% sales tax for public safety, credit against the state**
  - No increase to the buyer

        - Can be used only for ADDITIONAL officers until reach 2.3 per 1,000
    - **SB 5060--$100 million for law enforcement hires**
        - Right direction, but have concerns over long term funding viability
        - Only covers 75% of cost for up to 3 years
        - Capped at $125,000, which is about 2 years of funding
        - Doesn't count costs for vehicle, other tools – est $100,000 additional
        - Adds requirements on department/WASPC
    - **SB 5052—updates police speaking with juveniles not suspected of a crime**
        - Right direction
        - Law enforcement is providing some technical suggestions
    - **HB 1252-accountability for judges with pretrial release**
        - Deputy Chief testifying this week in favor.
        - Requires the court, in such circumstances, to specify in a written order the rationale for releasing an adult or juvenile on personal recognizance, declining to order electronic monitoring, or setting bail or a probation bond that is less than what the prosecutor recommended.
        - For example, the shooting at our Winco parking lot.
    - Joint letter for transpo budget asking legislators to include 405/167 corridor including the SR 167 implementation plan
    - Request through Rep Penner for funding for 166th interchange.
    - Request through Local Capital Projects and Rep Stokesbary for $408,130 funding for Stewart Road Bridge.

<u>Mayor</u>

Mayor Hayden shared that even though we haven't had much snow in Sumner, we are not relaxing, and our Public Works Department has re-applied de-icer to the roads today. Depending on the road tonight, the crew may be sanding the roads tomorrow. She ended her comments by thanking the Public Works Shops and the Police department for keeping us safe through the night.

5. Executive Session

There was no Executive Session this evening.

6. Adjournment

With no additional business before the council, Mayor Hayden adjourned the meeting at 6:30pm. Councilmembers concurred.

ATTEST:

____

Kathy Hayden, Mayor

____

Michelle Converse, CMC, City Clerk

February 3, 2025

Michelle Converse,

Please forward the following thoughts to the city council for tonight's City Council meeting.

Thank you kindly,

Randall Adams   15013 63rd St Ct E, Sumner WA 98390

With the City now saying that the 2nd deed regarding the Ryan House is invalid, where do we all stand. Is this the reason that the city offered twice in the last 16 months to walk away from the Ryan House because you have not complied with the 1st deed over the last 45 years by not having a library there or to simply save money? Remember, the first deed states a library and a park, not or as was stated in the 2nd deed. Maybe now is the time to save the city the 360K you have allocated to demolish it and give it back to the Ryan heirs?

I have spoken with well-known local contractors who embrace the idea of the city releasing the property so that we do not have to deal with the prevailing wages and bid processes that you do. Instead, being able to work with known subcontractors donating their time and suppliers who either donate completely or substantially discount the costs of their goods to help this come together. Also, a private banker for contractors, who has been personally active in building nonprofit homes for people in need @ an average expense of 52% of normal costs has expressed his willingness to help. Lastly, there have been serious conversations with a reputable well-known non-profit for assistance in the operation &/or guidance of a rebuilt Ryan House.

Yes, all of these extremely reputable folks are also interested in what the vision is for the Ryan House's future to ensure its ability to sustain itself. Those ideas are being worked out, yet I can tell you that under no circumstances will it be under the auspices of the Historical Society as had been done previously. Hopefully there will be pieces that celebrate Sumner's history inside to be shown off, though they can only be a part of the home's future.

Gregorio Esparza was a defender in the Alamo, his brother Francisco was a reserve in the Mexican Army. After the fall of the Alamo, Francisco found his brother and asked permission to bury him. His request was accepted and Gregorio was the only defender of the Alamo who was given a Christian burial. At ceremonies at the Alamo, the Esparza descendants are often included & celebrated as honored guests. I tell you this because I have an amazing sister-in-law who is an Esparza descendant & the family has gatherings of over 200 that get together to celebrate their unique & important part in Texas history.

My reason for telling you this is to ask: Why don't we include & celebrate the heirs of the Kincaid, Woolery, Ryan families & more in Sumner Celebrations downtown! Those annual celebrations could be in conjunction with other events, starting at the Ryan House and having the people who come to Sumner visit both the Ryan House with its historic information, shop Main Street and finalize their day with a concert in Knoblach Heritage Park. That would also be a great way to educate our new families on how we became this wonderful oasis that we all love & to celebrate WE ARE SUMNER! We can do this!

Remember, William Kincaid & Ezra Meeker both voted to acquit Chief Leschi at his first trial. Thus, we also have a special connection with the local Tribes that should also be celebrated and the Kincaid portion of the Ryan House is a part of that connection.

Thank you, Council Members for your time to read these thoughts.

Randall Adams

STUDY SESSION MINUTES
City Hall – 1104 Maple Street
February 10, 2025 6:00pm

Staff present: Wilson, Marquez, Windish, Kosa, Beagle, O'Haver-Ayala, Steffens, and Raymond

Councilmembers present: Bitetto, Bowman, Clerget, Elfers, Kenna and Reinke

THE MEETING WAS CALLED TO ORDER AT 6:00PM BY MAYOR HAYDEN.

COUNCILMEMBER COLE WAS ABSENT. MOVED BY BITETTO SECONDED BY BOWMAN TO EXCUSE THE COUNCILMEMBER. PASSED BY VOICE VOTE 6-0.

STUDY SESSION BUSINESS

1. Discussion: Funding Package Public Works Operations Facility
   City Administrator Jason Wilson and Chief Financial Officer Kassandra Raymond
2. Ordinance No. 2918 – Delegation Authority 2025 Revenue Bonds (Public Works Operations Facility)
   Chief Financial Officer Kassandra Raymond and Senior VP, Public Finance Dave Trageser of D.A. Davidson Company

ADJOURNMENT

With no additional items for discussion, Mayor Hayden adjourned the meeting at 6:47pm.

Attest:

____
Kathy Hayden, Mayor

____
Michelle Converse, City Clerk

CITY COUNCIL MEETING
DATE: February 18, 2025
AGENDA BILL: 25-106

SUBJECT: Approval of checks and electronic payments in the amount of $3,652,657.07.

CATEGORY: Consent

BUDGET IMPACT:

Expenditure Required: None

Within Budget Allocation: N/A

ATTACHMENTS:

1. Approval Page

STAFF CONTACT:

SUMMARY BACKGROUND:

Checks and electronic payments.

COUNCIL COMMITTEE/STUDY SESSION:
MEETING/STUDY SESSION DATE:
COMMITTEE RECOMMENDATION:

STAFF RECOMMENDATIONS/MOTION:

Approve as presented.

CITY OF SUMNER WASHINGTON

CLAIMS VOUCHER APPROVAL
City of Sumner
Finance Department

The following check/electronic payments are approved for payment:

Accounts Payable Check #:	From:	35441	To:	35595	$1,378,136.66
Use Tax (paid to WA State Department of Revenue)		1/1/2025	To:	1/16/2025	$18.06
Voided Check(s)		-	And:	-	-
Voided EFT(s)		-	To:	-	-
Voided Wire(s)		-		-	-
AP Electronic (EFTs) Payments:	From:	886	To:	896	$1,565,421.72
AP Wire(s):	From:	15409	To:	115413	$3,079.59
Payroll & Benefits Electronic Payments	From:	1/10/2025	To:	1/23/2025	$706,001.04
Payroll & Benefits Checks	From:	-	To:	-	-
				TOTAL	$3,652,657.07

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the service rendered, or the labor performed as described herein, and that the claim is a just, due, and unpaid obligation against the City of Sumner and I am authorized to authenticate and certify to said claim.

DocuSigned by:
Kassandra Raymond
9A5D5E5EBAE04A5...

Chief Financial Officer — 1/30/2025 | 10:29 AM PST
Date

We, the undersigned Finance and Personnel Committee of the City of Sumner City Council, do hereby certify that the check numbers and electronic payments listed above are approved for payment in the amount of: $3,652,657.07

Chair — Date

Signed by:
Barbara Bitetto
745E2FC625DD845C...

Committee Member — Date 1/30/2025 | 8:54 AM PST

Signed by:
Carla D Bow
E6088B65DAAB400...

Committee Member — Date 1/30/2025 | 9:24 AM PST

CITY OF SUMNER WASHINGTON

CITY COUNCIL MEETING
DATE: February 18, 2025
AGENDA BILL: 25-42

SUBJECT: Resolution No. 1713 - 2026-2031 Six-Year Transportation Improvement Program Annual Update

CATEGORY: Resolution

BUDGET IMPACT:

Expenditure Required: None

Within Budget Allocation: N/A

ATTACHMENTS:

1. Resolution No. 1713 - Six Year TIP 2026-2031

STAFF CONTACT: Courtney Littrell, Assistant Engineering Manager

SUMMARY BACKGROUND:

RCW 35.77.010 and RCW 36.81.121 require that each city and county update its Transportation Improvement Plan (TIP) annually and file a copy of the adopted program with the State Department of Transportation. The Six-Year TIP established and prioritizes the City's streets, sidewalk and trail projects for the next six years. Below are some proposed TIP projects of interest:

The Stewart Road Bridge Project will begin construction this spring.

The Washington Street Reconstruction Project will be designed and constructed this year.

Hops Alley will be constructed this year.

A public hearing on the Six-Year Transportation Improvement Plan was held at the February 3rd regular council meeting.

COUNCIL COMMITTEE/STUDY SESSION: Study Session
MEETING/STUDY SESSION DATE: 1/27/2025
COMMITTEE RECOMMENDATION: Information/Discussion Only

STAFF RECOMMENDATIONS/MOTION:

A motion to adopt Resolution No. 1713 - 2026/2031 Six-Year Transportation Program Annual Update

RESOLUTION NO. 1713
CITY OF SUMNER, WASHINGTON

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUMNER, WASHINGTON, ADOPTING THE SIX-YEAR TRANSPORTATION IMPROVEMENT PROGRAM.

WHEREAS, the governing body of each municipal corporation of the State of Washington is required to adopt a Six-Year Transportation Improvement Program; and

WHEREAS, the City officials caused to be prepared a certain plan as a Six-Year Transportation Improvement Program; and

WHEREAS, it is now the opinion of the City Council that said plan should be adopted.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUMNER, WASHINGTON

Section 1. That the plan designated as the Six-Year Transportation Improvement Program 2026-2031, a copy of which is attached hereto and made a part hereof, is hereby adopted.

Section 2. Corrections by City Clerk or Code Reviser. Upon approval of the city attorney, the city clerk and the code reviser are authorized to make necessary corrections to this resolution, including but not limited to the correction of clerical errors; or references to other local, state, or federal laws, codes, rules, or regulations.

Section 3. Effective Date. This resolution shall take effect and be in full force immediately upon passage by the City Council.

APPROVED AND ADOPTED this 17th day of February, 2025.

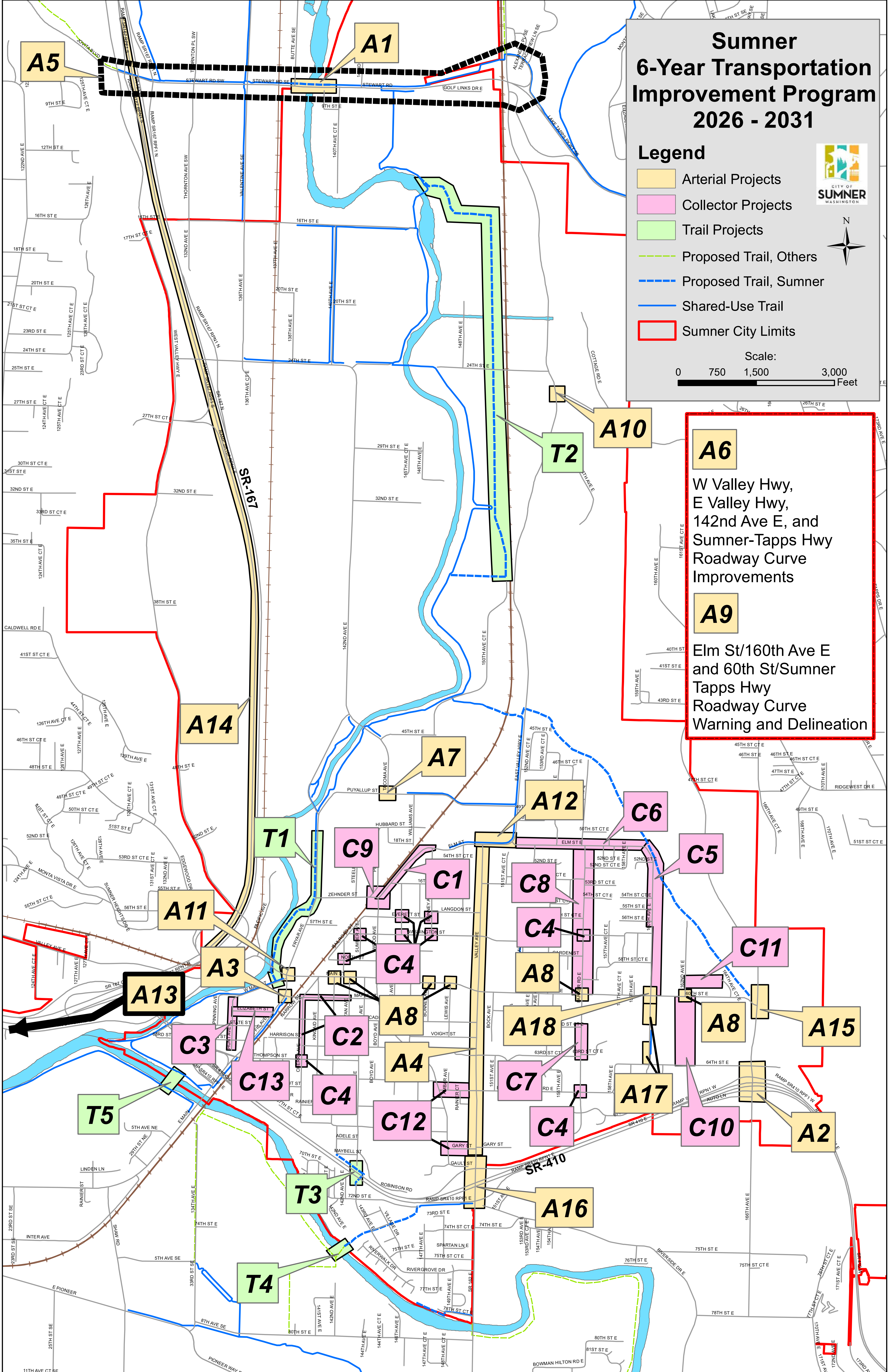
____
Mayor Kathy Hayden

ATTEST:

____
City Clerk Michelle Converse

APPROVED AS TO FORM:

____
City Attorney Andrea Marquez



Sumner
6-Year Transportation Improvement Program
2026 - 2031
Legend
Arterial Projects
Collector Projects
Trail Projects
Proposed Trail, Others
Proposed Trail, Sumner
Shared-Use Trail
Sumner City Limits
Scale:
0 750 1,500 3,000
Feet
N
CITY OF SUMNER WASHINGTON
A6
W Valley Hwy, E Valley Hwy, 142nd Ave E, and Sumner-Tapps Hwy Roadway Curve Improvements
A9
Elm St/160th Ave E and 60th St/Sumner Tapps Hwy Roadway Curve Warning and Delineation
A1
A2
A3
A4
A5
A7
A8
A10
A11
A12
A13
A14
A15
A16
A17
A18
C1
C2
C3
C4
C5
C6
C7
C8
C9
C10
C11
C12
C13
T1
T2
T3
T4
T5
SR-167
SR-410

Six Year Transportation Improvement Program 2026-2031
City of Sumner

Projects Listed in Priority Order
Italics identify unfunded milestones

ARTERIAL STREET PROGRAM

ID	PROJECT	LOCATION	DESCRIPTION	TOTAL COSTS	FUNDED?	YEAR				REMARKS
						PLANNING	DESIGN	ROW/PERMIT	CONSTRUCTION	
A1	Stewart Rd (8th St.) White River Bridge	Stewart Road at White River	Replace existing 2-lane bridge with new bridge with two unequal length spans. New structure will accommodate 4 vehicle lanes, a sidewalk, and a trail crossing.	$35,000,000	Yes	Complete	Complete	Complete	2025-2028	Project funded by Federal STP Grant, FMSIB Grant, Pierce County, Port of Tacoma, TIB, Congressional Allocation, NHFP and City of Auburn.
A2	166th Ave E Widening	SR 410 WB Ramp Terminals to just north of 64th St. E.	Widen 166th Ave E to 4-5 lanes through the identified corridor and improve lane configuration and dual roundabouts at the two existing intersections.	$18,000,000	Partial	Complete	2027	2027	*2028-2030*	Design is City funded, received a Port of Tacoma Grant and a federal STP grant. Received a federal STP grant for the ROW phase.
A3	Maple Street Pedestrian Signal and Citywide Signal Backplates	Traffic Avenue and Maple Street Ped Signal, Backplates Various Locations Citywide	Replace existing pedestrian-activated rectangular rapid flashing beacons with signal (expected to be a High Intensity Activated Crosswalk (HAWK) signal), add retroreflective backplates to upgrade signal heads citywide.	$431,000	Yes	Complete	Complete	Complete	2025-2026	Over 90% funded by a Highway Safety Improvement Program grant.
A4	Valley Avenue	From SR 410 to Elm St.	Overlay existing roadway surface, complete required ADA upgrades.	$4,000,000	Partial	Complete	Completing in 2025	N/A	2026	Received STP grant funding for the section between SR 410 and Meade McCumber.
A5	Stewart Road Corridor ITS Improvements	Stewart Road from SR 167 toward Lakeland Hills	Connect traffic signals and the railroad crossing to coordinate signal timing to increase vehicular traffic flow and reduce peak-hour delay.	$3,500,000	Partial	Complete	Completing in 2025	*2026*	*2027*	Received STP grant funding for design in 2025.
A6	Systemic Horizontal Curve and Roadway Departure Safety Improvements	East Valley Highway, West Valley Highway, 142nd Ave. E, and Sumner-Tapps Highway	Install curve waring signs, speed feedback signs, rumble strips, profiled striping, reflective markers, guardrail, street lighting and shouldering to improve safety conditions on north-south roadways that have a history of vehicle departures.	$903,000	Yes	Complete	2025	2025	2026	Received HSIP funding to complete the project, reimbursing 100% of project costs.
A7	Puyallup St and Tacoma Ave Intersection Improvements	Intersection of Puyallup Street and Tacoma Avenue	Upgrade intersection to a roundabout and provide sidewalks/ADA improvements.	$2,600,000	No	Complete	2026	2026	*2027*	Received STP grant funding for design. Seeking grant funding for the construction phase of the project.
A8	Main Street Crossings	Intersections of Alder Ave & Main St, Ryan Ave & Main St, Bonney Ave & Main St, Lewis Ave & Main St, Parker Rd & Main St, and 60th St E & 162nd Ave E	Upgrading intersections along Main St with curb bulb outs, flashing beacons, and refreshed crosswalk markings.	$979,740	Yes	Complete	Completing in 2025	N/A	2026	Received TIB grant funding for design and construction. Grant will cover 76% of project costs.
A9	Roadway Curve Warning & Delineation	Corner of 160th St E and Elm St E, and corner of 60th St E and Sumner-Tapps Highway E	Install signing and striping improvements, raised median, and speed feedback signs.	$457,000	Yes	Complete	2026	N/A	2027	Received HSIP funding to complete the project, reimbursing 100% of project costs.
A10	East Valley Hwy and Forest Canyon Rd E Intersection improvements	Intersection of East Valley Highway and Forest Canyon Road	Upgrade the intersection to improve function.	$3,000,000	No	*2026*	*2027*	*2028*	*2030*	This is a future project that will be evaluated in the coming years. Potential for partial funding through TIF.
A11	Traffic Avenue and Main Street Intersection Improvements	Intersection of Traffic Ave and Main Street	Upgrade the signalized intersection to improve function.	$15,000,000	No	*2026*	*2028*	*2029*	*2031*	This is a future project that will be evaluated in the coming years. Potential for partial funding through TIF.

Six Year Transportation Improvement Program 2026-2031

City of Sumner

Projects Listed in Priority Order

Italics identify unfunded milestones

A12	East Valley Hwy/Elm St./Valley Ave Intersection Improvements	Intersection of East Valley Highway and Elm Street and the intersection of Valley Avenue and Elm Street	Upgrade the intersections to improve function.	$3,000,000	No	*2026*	*2028*	*2029*	*2031*	This is a future project that will be evaluated in the coming years. Potential for partial funding through TIF.
A13	SR 167 / I-5 Connection Project	Puyallup to Fife	WSDOT Gateway Program Project - The SR 167 Completion project will build the remaining four miles of SR 167 between Meridian and I-5, completing a long-planned connection to I-5. The project also includes a two mile connection from I-5 to the Port of Tacoma.	*$1,000,000,000	Yes	Complete	2017-2025	2017-2025	2019-2030	WSDOT-led regional project. Sumner committed $500,000 to the project in 2023.
A14	SR 167	From SR 410 Interchange to 15th St SW (Auburn)	Add southbound HOT lane.	$350,000,000	No	Complete	*Unknown*	N/A	*Unknown*	This is a WSDOT-led project on a state highway. Sumner has not taken an active role in WSDOT's project and has not committed any funds to the project to date.
A15	Sumner Tapps Highway/60th St E Intersection Improvements	Sumner Tapps Highway and 60th St E Intersection	Rebuild existing intersection to improve roadway geometrics and add a traffic signal to increase allowable movements.	$3,400,000	No	*2026*	*2027*	*2028*	*2029*	Potential for partial funding through TIF.
A16	SR 410 / SR 162 Interchange Improvements	Interchange ramps as SR 410	Construct a one-lane roundabout configuration at each of the interchange ramps.	*$6,650,000	Yes	Complete	2026	2028	2030	WSDOT-led project that will improve traffic flow at the existing interchange. Sumner has not taken an active role in WSDOT's project and has not committed any funds to the project to date.
A17	160th Ave. E	Main St. to 64th St. E	Improve and widen streets to minor arterial standards with bike paths and sidewalks.	$500,000	No	Complete	*2027*	*2028*	*2030*	Installing sidewalk on west side of 160th. Project is unfunded. Sidewalks on east side of 160th were completed in 2022.
A18	Main Street and 160th Intersection Improvements	Main St. and 160th Ave E Intersection	Evaluate intersection for an upgrade to a signal and provide sidewalks/ADA improvements.	$2,000,000	No	*2026*	*2027*	*2028*	*2029*	This is a future project that will be evaluated in the coming years.

* Denotes that project is largely funded by WSDOT, and City has either committed a small percentage contribution or no contribution to date.

Six Year Transportation Improvement Program 2026-2031
City of Sumner

Projects Listed in Priority Order
Italics identify unfunded milestones

COLLECTOR STREET PROGRAM

ID	PROJECT	LOCATION	DESCRIPTION	TOTAL COSTS	FUNDED?	YEAR				REMARKS
						PLANNING	DESIGN	ROW/PERMIT	CONSTRUCTION	
C1	Elm St. & Wood Ave Sidewalks	Bonney Ave to Zehnder St	Extend the sidewalk on the north side of Elm Street and the West side of Wood Avenue.	$4,000,000	Partial	Complete	2028	N/A	*2030*	Received CMAQ grant funding for the design. Construction phase is still unfunded.
C2	TC: Cherry & Maple Utilities	Cherry Ave, Maple St.	Replacement of aging utilities in support of the Town Center Plan redevelopment.	$3,000,000	Yes	Complete	Completing in 2025	N/A	2026	Budget includes roadway restoration.
C3	Hunt Avenue	W Main Street to dead end past Harrison Street	Improve Hunt Avenue to residential street standards with roadway improvements, curb, gutter and sidewalks on each side. Portions have been completed by developer projects.	$3,000,000	No	Complete	Completing in 2025	*2031*	*2032*	Construction is currently unfunded.L46
C4	Neighborhood Traffic Calming and Intersection Data Collection	Intersections of Parker Rd E and Meade McCumber Rd E, Parker Rd E and Washington St, Cherry Ave and Thompson Ave, North St and Ryan Ave, Washington St and Sumner Ave, McMillan Ave and Washington St/Everett St, and Bonney Ave and Washington St/Everett St	Conduct an intersection and traffic calming study including data collection.	$150,000	Yes	Complete	2026	N/A	2027	Received HSIP funding to complete the project, reimbursing 100% of project costs.
C5	160th Ave. E	Elm St. to Main St.	Improve 160th Ave. E. to Collector St. standards with curb, gutter and sidewalks on each side. Portions may be completed as parts of development prior to this time.	$2,700,000	partial by developers	Complete	*2027*	*2028*	*2029*	Project partially completed by developers.
C6	Elm St. E	E. Valley Highway to 160th Ave. E.	Improve Elm St. to collector street standards with curb, gutter and sidewalks on each side. Work will include storm drainage facilities and utility replacement.	$2,400,000	partial by developers	Complete	*2027*	*2028*	*2029*	Project partially completed by developers.
C7	Parker Rd. E	62nd St. to 63rd St.	Construct curb, gutter and sidewalk on east side of the street.	$250,000	Partial	Complete	*2027*	*2028*	*2029*	Funding will likely come from a combination of developer-built improvements, Street and Storm funds.
C8	Parker Rd. E	From Main St. to Elm St.	Reconstruct Parker Road to Collector St. standards with curbs, gutters, sidewalks, and drainage utilities. Portions have been completed by developer projects and sidewalk grants.	$1,300,000	Partial	Complete	*2027*	*2028*	*2029*	Funding will likely come from a combination of developer-built improvements, Street and Storm funds.
C9	Zehnder St.	From Pease Ave. to Wood Ave.	Railroad Crossing Improvements to at-grade BNSF rail crossing.	$1,000,000	No	*2027*	*2028*	*2029*	*2030*	Identified Road-Rail conflict point where upgrades could be beneficial.
C10	162nd Ave. E Segment Extension	64th St. E to 60th St. E	Construct new 2-lane roadway section with sidewalks.	$3,000,000	No	*2027*	*2028*	*2029*	*2030*	Element of East Sumner Neighborhood Plan, likely completed by development or LID.
C11	164th Ave. Ct. E Segment Extension	162nd Ave. E to 164th Ave. Ct. E	Construct new 2-lane roadway section with sidewalks.	$2,000,000	No	*2027*	*2028*	*2029*	*2030*	Element of East Sumner Neighborhood Plan, likely completed by development or LID.
C12	Meade McCumber & Gary Street Sidewalk Improvements	Wood Ave. to Valley Ave.	Complete the sidewalk gaps at these two locations.	$650,000	No	Complete	*2027*	*2028*	*2029*	This is a future project that will be evaluated in the coming years.

Six Year Transportation Improvement Program 2026-2031

City of Sumner

Projects Listed in Priority Order

Italics identify unfunded milestones

C13	Elizabeth Street	Hunt Ave. to Traffic Ave.	Improve Elizabeth Street to residential street standards with roadway improvements curb, gutter and sidewalks on each side. Portions have been completed with sidewalk grants and programs.	$3,000,000	No	*2029*	*2030*	*2031*	*2032*	This is a future project that will be evaluated in the coming years.

Six Year Transportation Improvement Program 2026-2031

City of Sumner

Projects Listed in Priority Order

Italics identify unfunded milestones

TRAIL PROGRAM

ID	PROJECT	LOCATION	DESCRIPTION	TOTAL COSTS	FUNDED?	YEAR				REMARKS
						PLANNING	DESIGN	ROW/PERMIT	CONSTRUCTION	
T1	Fryar Ave. Trail	West Main St. to Puyallup St.	Complete trail connection through town.	$7,200,000	Yes	Complete	Completing in 2025	Completing in 2025.	2026	Design and ROW partially funded by federal grant. Construction funded by WSDOT Bike & Pedestrian Grant.
T2	White River Restoration Trail	#9 Ditch to area north of 16th St.	Construct 8,000 LF trail in conjunction with restoration project.	$3,000,000	Yes	Complete	2027	N/A	2027	Fully funded by restoration project.
T3	Rivergrove Pedestrian Bridge	Trail overpass connecting the vicinity of Alder Ave. to 143rd Ave. E	Construct trail bridge to provide a new trail connection between Sumner Town Center and the Rivergrove neighborhood over SR 410.	$12,200,000	Partial	Complete	2027	N/A	*2028*	Design funding provided by ST3 and CMAQ grants. Received partial construction funding from PSRC STBG grant.
T4	Puyallup River Trail Bridge	Trail overpass connecting 144th Ave. E to 143rd Ave. E	Construct a trail bridge and trail connections to provide a connection to the Foothills Trail per the Sumner Parks and Trails Plan.	$6,000,000	No	*2029*	*2030*	*2031*	*2032*	Identified in Draft Parks and Trails Plan. No funding source secured.
T5	Puyallup River Crossing	Sumner WWTP to Puyallup trail	Provides improved connection with the Puyallup and Foothills trail system.	$4,000,000	No	*2029*	*2030*	*2031*	*2032*	Potential joint project with Puyallup. Eligible for federal CMAQ funding.

ANNUAL STREET MAINTENANCE PROGRAMS

ID	PROJECT	DESCRIPTION	ANNUAL COSTS	FUNDED?	REMARKS
R1	Street Overlay Program	Overlay and rebuild existing streets throughout the City.	$167,500	No	Street Operating General Fund Budget
R2	Roadway Paint Line Application	Repaint lane lines throughout the City.	$41,000	Yes	Street Operating General Fund Budget
R3	Pavement Repairs	Repair spot surface and subgrade failures through dig-outs throughout the City.	$69,460	Yes	Street Operating General Fund Budget
R4	Roadway Plastic Marking Application	Replace crosswalk, stop bar, and arrow markings throughout the City.	$58,905	Yes	Street Operating General Fund Budget
R5	Chip Seal Application	Apply a chip seal treatment to asphalt roads throughout the City.	$250,000	Yes	Street Operating General Fund Budget
R6	Crack Seal Application	Maintain roads with crack seal throughout the City.	$80,720	Yes	Street Operating General Fund Budget
R7	Neighborhood Traffic Control Program	Modify residential streets to enhance pedestrian safety, slow speeding vehicles, and minimize cut-through traffic on collector and local roadways.	$25,000	Yes	Street Operating General Fund Budget
R8	ADA Transition Plan	Address the projects identified in the ADA Transition Plan.	$40,000	Yes	Sidewalks Construction Capital Fund Budget
R9	Sidewalk Maintenance Program	Replace/rebuild existing failing sidewalks due to damage caused by street trees.	$250,000	Yes	Sidewalks Construction Capital Fund Budget
R10	Helping Homeowners Sidewalk Program	Replace existing failing sidewalks as part of a 50/50 cost share with homeowners.	$50,000	Yes	Sidewalks Construction Capital Fund Budget

TRANSPORTATION PROJECTS COMPLETING IN 2025

PROJECT	LOCATION	DESCRIPTION	COSTS	REMARKS
Main St. and Wood Ave. Intersection Improvements	Main St. and Wood Ave. intersection	Construct pedestrian improvements and upgrade signal to current standards.	$3,580,000	Project to be completed in 2025. Project was partially funded by PSRC grant funding.

Six Year Transportation Improvement Program 2026-2031
City of Sumner

Projects Listed in Priority Order

Italics identify unfunded milestones

Washington St Preservation	Washington St between Wood Ave and McMillan Ave	Re-construct Washington St with ADA complaint sidewalks, planter strips, curb bulbs, upgraded ADA curb ramps, paved street surface, and the replacement of underground utilities within the corridor.	$2,818,000	Project to be completed in 2025. Project was funded with City Council Reserves.
Hops Alley	Between Kincaid Ave and Alder Ave	Re-construct Hops Alley with pedestrian and parking improvements.	$2,874,047	Project to be completed in 2025, funded by Pierce County LTAC Grant.

CITY OF SUMNER WASHINGTON

CITY COUNCIL MEETING
DATE: February 18, 2025
AGENDA BILL: 25-78

SUBJECT: Ordinance No. 2920 - 2025/2026 Budget Amendment **CATEGORY:** Ordinance

BUDGET IMPACT:
Expenditure Required: Per Exhibit Within Budget Allocation: Yes, as amended.

ATTACHMENTS:
1. Ordinance No. 2920 - 2025/2026 Budget Amendment

STAFF CONTACT: Kassandra Raymond, Chief Financial Officer

SUMMARY BACKGROUND: The City began feasibility studies for a new Public Works Operations Facility in 2017. The current facility, constructed in 2000 on 1.6 acres, is undersized and does not meet current operational needs. The City began design and property acquisition in 2018, acquiring five (5) parcels for a total of 7.19 acres. Construction is divided into three distinct phases: Phase I completed the pre-load/earthwork for the facility, Phase II constructed a decant station on the north parcel, and Phase III will construct the main facility/buildings.

The total cost of the project is estimated at approximately $65.9M, allocated 49% to the General Fund and 51% to the utility funds (Water, Sewer, and Stormwater). Approximately $7.7M of General, Water, Sewer, and Stormwater funds were used for design and property acquisition. The City issued a bond anticipation note ($4.3M) in 2023 for Phase I, and received a Public Works Trust Fund Loan ($3.1M) for the decant facility.

In February 2021, the City Council passed Resolution No. 1573, confirming its intent to support funding of the Public Works Operations Facility from the proceeds of the sale of the Sumner Meadows Golf Course. Resolution No. 1573 originally anticipated funding $10 Million of the project; continued design and cost estimates have increased the funding need to offset the governmental portion of the project cost (revenue debt will be issued for the utility portion of the project cost).

Staff has presented to Council on multiple occasions, including December 9, 2024 and February 10, 2025, funding the governmental portion of the Public Works Operations Facility from the proceeds of the Sumner Meadows Golf Course. The proposed budget amendment:

Fund 004 Capital Reserves Fund

- Transfers $2,107,162 to Fund 200 Debt Service for the governmental portion of the bond anticipation note debt service;
- Transfers $25,306,886 to Fund 325 Capital Facilities Fund for the construction of the Public Works Operations Facility

Fund 200 Debt Service Fund

- Recognizes $2,107,162 transfer in from Fund 004;
- Recognizes $2,193,168 revenue debt proceeds for BAN debt service;
- Recognizes $4,438,232 bond anticipation note debt service

Fund 325 Capital Facilities Fund

- Recognizes $25,306,886 transfer in from Fund 004;
- Recognizes $25,569,000 revenue debt issue for capital construction;
- Programs $50,875,886 anticipated construction costs.

	BA 02/18/2025	
	Revenues	*Expenditures*
General Fund	$ -	-

Reserve Funds	-	27,414,048
Special Revenue Funds	-	-
Debt Service Funds	4,300,330	4,438,232
Capital Funds	50,875,886	50,875,886
Utility Funds	-	-
Other Enterprise Funds	-	-
Internal Service Funds	-	-
Fiduciary Funds	-	-
	$ 55,176,216	$ 82,728,166

COUNCIL COMMITTEE/STUDY SESSION: **City Council Study Session**
MEETING/STUDY SESSION DATE: 2/10/2025
COMMITTEE RECOMMENDATION: Do Pass

STAFF RECOMMENDATIONS/MOTION:
Approve Ordinance No. 2920 amending the 2025/2026 Biennial Budget.

ORDINANCE NO. 2920
CITY OF SUMNER, WASHINGTON

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUMNER, WASHINGTON, AMENDING THE 2025/2026 BIENNIAL BUDGET AS ORIGINALLY ADOPTED IN ORDINANCE NO. 2905, APPROVED DECEMBER 9, 2024.

WHEREAS, The Sumner City Council approved Ordinance No. 2905 which adopted a biennial budget for fiscal years 2025-2026; and

WHEREAS, RCW 35A.34 provides procedures for adopting, managing, and amending a biennial budget; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SUMNER, WASHINGTON DO ORDAIN AS FOLLOWS:

Section 1. **Amendment.** The biennial budget for the City of Sumner for the period January 1, 2025 through December 31, 2026 as contained in the adopted 2025-2026 Biennial Budget for total revenue/sources and expenditures/uses as approved by the City Council, is hereby amended by Total Revenue and Expenditures for each fund as shown on the attached Exhibit A.

Section 2. **Corrections by City Clerk or Code Reviser**. Upon approval of the city attorney, the city clerk and the code reviser are authorized to make necessary corrections to this ordinance, including the correction of clerical errors; ordinance, section, or subsection numbering; or references to other local, state, or federal laws, codes, rules, or regulations.

Section 3. **Severability.** The provisions of this ordinance are declared separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this ordinance or the invalidity of the application thereof to any person or circumstance shall not affect the validity of the remainder of the ordinance or the validity of its application to other person's circumstances.

Section 4. **Effective Date.** This Ordinance shall become effective five (5) days from and after its passage, approval, and publication as provided by law.

Passed by the City Council and approved by the Mayor of the City of Sumner, Washington, at a regular meeting thereof this 18th day of February 2025.

____
Mayor Kathy Hayden

ATTEST: **APPROVED AS TO FORM:**

____
City Clerk Michelle Converse, CMC

____
City Attorney Andrea Marquez

Funds	Beginning Fund Balance *Adopted*	Revenues *Adopted*	Revenues *Previous*	Revenues *02/18/25*	Expenditures *Adopted*	Expenditures *Previous*	Expenditures *02/18/25*	Ending Fund Balance *Revised*
001 General	15,063,770	$ 45,331,653	$ -	$ -	$ 46,636,320	$ -	$ -	$ 13,759,103
002 General Fund Reserves	980,824	-	-	-	-	-	-	980,824
003 Building Reserves	345,756	200,000	-	-	340,000	-	-	205,756
004 Capital Fund Reserves	46,792,851	600,000	-	-	-	-	27,414,048	19,978,803
103 Complete Streets	-	-	-	-	-	-	-	-
105 Drug Enforcement	67,062	-	-	-	5,000	-	-	62,062
106 Hotel/Motel	337,632	320,000	-	-	11,000	-	-	646,632
115 ARPA Funding	258,293	-	-	-	50,000	-	-	208,293
200 Debt Service	2,050,121	1,576,840	-	4,300,330	1,618,400	-	4,438,232	1,870,659
221 LID Guarantee	691,569	-	-	-	-	-	-	691,569
302 Sidewalk	779,515	1,383,682	-	-	1,843,682	-	-	319,515
305 Real Estate Excise Tax	1,933,007	1,600,000	-	-	-	-	-	3,533,007
310 Parks & Trails Capital Fund	1,772,306	7,458,910	-	-	7,949,410	-	-	1,281,806
320 Street Capital Fund	10,609,786	24,308,166	-	-	25,808,846	-	-	9,109,106
325 Facilities Capital Fund	589,173	1,353,000	-	50,875,886	1,020,000	-	50,875,886	922,173
401 Water	19,482,216	12,782,361	-	-	26,281,363	-	-	5,983,214
402 Wastewater	16,680,743	37,096,804	-	-	45,031,513	-	-	8,746,034
403 Utility Bond Reserves	1,731,342	-	-	-	-	-	-	1,731,342
408 Stormwater	27,371,780	39,997,724	-	-	56,185,434	-	-	11,184,071
410 Cemetery Operations	72,310	1,603,200	-	-	1,664,149	-	-	11,361
415 Cemetery Development	693,091	-	-	-	490,000	-	-	203,091
440 Animal Control	12,783	2,492,544	-	-	2,401,161	-	-	104,166
501 Unemployment Insurance	7,326	-	-	-	-	-	-	7,326
550 Fleet Management	71,035	1,624,162	-	-	1,669,886	-	-	25,311
551 Information Technology	384,808	3,827,680	-	-	4,141,430	-	-	71,058
555 Equipment Reserve	1,106,983	1,902,440	-	-	615,000	-	-	2,394,423
601 Cemetery Endowment	1,590,876	37,000	-	-	-	-	-	1,627,876
605 Development Impact Fees	6,522,175	500,000	-	-	440,302	-	-	6,581,873
611 Firemen's Pension	32,855	173,000	-	-	180,000	-	-	25,855
Total All Funds	$ 158,031,988	$ 186,169,166	$ -	$ 55,176,216	$ 224,382,896	$ -	$ 82,728,166	$ 92,266,309

SUBJECT: Ordinance No. 2918 - Delegation Authority 2025 Revenue Bonds (Public Works Operations Facility)

CATEGORY: Ordinance

BUDGET IMPACT:

Expenditure Required: None

Within Budget Allocation: N/A

ATTACHMENTS:

1. Ordinance No. 2918 - Delegation Authority 2025 Revenue Bonds (Public Works Operations Facility)

STAFF CONTACT: Kassandra Raymond, Chief Financial Officer

SUMMARY BACKGROUND:

The City began feasibility studies for a new Public Works Operations Facility in 2017. The current facility, constructed in 2000 on 1.6 acres, is undersized and does not meet current operational needs. The City began design and property acquisition in 2018, acquiring five (5) parcels for a total of 7.19 acres. Construction divided into three distinct phases: Phase I completed the pre-load/earthwork for the facility, Phase II constructed a decant station on the north parcel, and Phase III will construct the main facility/buildings.

The total cost of the project is estimated at approximately $65.9M, split 49% to the General Fund and 51% to the utility funds (Water, Sewer, and Stormwater). Approximately $7.7M of General, Water, Sewer, and Stormwater funds were used for design and property acquisition. The City issued a bond anticipation note ($4.3M) in 2023 for Phase I, and received a Public Works Trust Fund Loan ($3.1M) for the decant facility.

Staff has presented to Council on multiple occasions, most recently on December 9, 2024 and February 10, 2025, the funding plan for the new facility, which includes issuance of long-term debt for the utility portion of the project costs. Ordinance No. 2918 delegates authority for a City representative; specifically, the Mayor, City Administrator, Deputy City Administrator, and Chief Financial Officer, to execute a bond purchase contract and approve the structure of the bonds. The City representative is authorized to approve the final interest rates, aggregate principal amount, principal maturities and redemption rights for the Bonds in the manner provided hereafter so long as (i) the aggregate principal amount of the Bonds issued pursuant to this ordinance does not exceed $29,000,000; (ii) the aggregate true interest cost for the Bonds does not exceed 6.00%; and (iii) the final maturity of the Bonds is no later than 30 years from the date of issuance. This delegation remains effective for one year from the Ordinance date.

COUNCIL COMMITTEE/STUDY SESSION: Study Session
MEETING/STUDY SESSION DATE: 2/10/2025
COMMITTEE RECOMMENDATION: Do Pass

STAFF RECOMMENDATIONS/MOTION:

Approve Ordinance No. 2918 - delegating authority to issue 2025 Revenue Bonds for the Public Works Operations Facility.

CITY OF SUMNER, WASHINGTON
WATER AND SEWER REVENUE BONDS, 2025

ORDINANCE NO. 2918

AN ORDINANCE OF THE CITY OF SUMNER, WASHINGTON AUTHORIZING THE ISSUANCE OF WATER AND SEWER REVENUE BONDS OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED $29,000,000 TO PROVIDE FUNDS TO CONSTRUCT AND EQUIP A PORTION OF PHASE 3 OF THE NEW PUBLIC WORKS OPERATIONS FACILITY AND PAY OFF THE UTILITY PORTION OF THE 2023 BOND ANTICIPATION NOTE OF THE CITY; DELEGATING AUTHORITY TO APPROVE THE FINAL TERMS OF SAID BONDS; AND RESERVING THE RIGHT TO ISSUE REVENUE BONDS ON A PARITY WITH THE BONDS UPON COMPLIANCE WITH CERTAIN CONDITIONS.

APPROVED: FEBRUARY 18, 2025

Prepared by:

K&L GATES LLP
Seattle, Washington

CITY OF SUMNER
ORDINANCE NO. 2918

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* This Table of Contents and the cover page are provided for convenience only and are not a part of this ordinance.

ORDINANCE NO. 2918

AN ORDINANCE OF THE CITY OF SUMNER, WASHINGTON AUTHORIZING THE ISSUANCE OF WATER AND SEWER REVENUE BONDS OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED $29,000,000 TO PROVIDE FUNDS TO CONSTRUCT AND EQUIP A PORTION OF PHASE 3 OF THE NEW PUBLIC WORKS OPERATIONS FACILITY AND PAY OFF THE UTILITY PORTION OF THE 2023 BOND ANTICIPATION NOTE OF THE CITY; DELEGATING AUTHORITY TO APPROVE THE FINAL TERMS OF SAID BONDS; AND RESERVING THE RIGHT TO ISSUE REVENUE BONDS ON A PARITY WITH THE BONDS UPON COMPLIANCE WITH CERTAIN CONDITIONS.

WHEREAS, the City of Sumner, Washington (the "City") by Ordinance No. 537 provided for the construction of a sewerage system and combined that system, together with all additions and improvements thereto, with the waterworks utility of the City, and the sewerage system at all times since has been considered a part of and belonging to the waterworks utility of the City, and the words "System" hereinafter shall mean the combined sewerage system and water system of the City, including the stormwater system and together with all additions thereto and betterments and extensions thereof heretofore or hereafter made; and

WHEREAS, the City is authorized to issue revenue bonds for the purpose of paying the cost of additions, improvements and betterments to the System; and

WHEREAS, the City has outstanding its Limited Tax General Obligation Bond Anticipation Note, 2023 in the principal amount of $4,334,000 (the "2023 Note") issued to provide interim financing for the new Public Works Operations Facility; and

WHEREAS, the City Council (the "Council") deems it to be in the best interest and welfare of the City and its inhabitants that the City now issue its water and sewer revenue bonds (the "Bonds") in order to provide financing for the costs and expenses of the construction and equipping of a portion of Phase 3 of the new Public Works Operations Facility, to pay off the utility portion of the 2023 Note; and pay costs of issuance of the Bonds; and

WHEREAS, the City now has outstanding its Water and Sewer Revenue Bond, 2013 (ULID No. 2007-01), issued pursuant to Ordinance No. 2465 adopted on December 2, 2013 and currently outstanding in the aggregate principal amount of $356,384.36 (the "2013 Bond"); and

WHEREAS, the owner and holder of the 2013 Bond has agreed to consent to the terms of this ordinance and confirmed that the Bonds herein authorized shall be Bonds having a parity of lien with the owner and holder of the 2013 Bond; and

WHEREAS, the Bonds shall be sold to D.A. Davidson & Co. (the "Underwriter") and the Council has determined to delegate authority to the City Representative, as hereinafter defined, for a limited time, to execute a bond purchase contract ("Bond Purchase Contract") with the Underwriter and in the Bond Purchase Contract approve the structure of the Bonds, including the interest rates, maturity dates and principal maturities under such terms and conditions as are approved by this ordinance;

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

Section 1. Definitions. As used in this ordinance the following definitions shall apply unless a different meaning clearly appears from the context:

Accreted Value means (1) with respect to any Capital Appreciation Bonds, as of any date of calculation, the sum of the amount set forth in the ordinance authorizing their issuance as the amount representing the initial principal amount of such Capital Appreciation Bonds plus the interest accumulated, compounded and unpaid thereon as of the most recent compounding date, or (2) with respect to Original Issue Discount Bonds, as of the date of calculation, the amount representing the initial public offering price of such Original Issue Discount Bonds plus the amount of discounted principal which has accreted since the date of issue. In each case the Accreted Value shall be determined in accordance with the provisions of the ordinance authorizing the issuance of such Balloon Maturity Bonds.

Acquired Obligations mean the Government Obligations acquired by the City under the terms of this ordinance and the escrow agreement, if any, to effect the redemption of a portion of the 2023 Note.

Annual Debt Service means the total amount of Debt Service for any Parity Bond or series of Parity Bonds or other evidences of indebtedness payable from Revenue of the System in any fiscal year or Base Period.

Average Annual Debt Service means the sum of the Annual Debt Service for the remaining years to the last scheduled maturity of the applicable issue or issues of bonds divided by the number of those years. For purposes of computing the Reserve Requirement, the estimated amount of bonds to be redeemed prior to maturity may be taken into account if required under federal arbitrage regulations.

Balloon Maturity Bonds means any evidences of indebtedness of the City payable from Revenue of the System which are so designated in the ordinance pursuant to which such indebtedness is incurred.

Base Period means any consecutive 12-month period selected by the City out of the 30-month period next preceding the date of issuance of an additional series of Future Parity Bonds.

Beneficial Owner means the beneficial owner of all or a portion of a Bond while such Bond is in fully immobilized form.

Bond Account means the special fund or account maintained by the City pursuant to Section 6 of this ordinance.

Bond Purchase Contract means the purchase contract between the City and the Underwriter.

Bond Register means the books or records maintained by the Bond Registrar containing the name and mailing address of the owner of each Bond or nominee of such owner and the principal amount and number of Bonds held by each owner or nominee.

Bond Registrar means the fiscal agent of the State of Washington for the purposes of registering and authenticating the Bonds, maintaining the Bond Register, effecting transfer of ownership of the Bonds, and paying the principal of, premium, if any, and interest on the Bonds.

Bonds means the not to exceed $29,000,000 aggregate par value of City of Sumner, Washington, Water and Sewer Revenue Bonds, 2025 authorized to be issued pursuant to this ordinance.

Bond Year means each one-year period that ends on the date selected by the City. The first and last Bond Years may be short periods. If no day is selected by the City before the earlier of the final maturity date of the Bonds or the date that is five years after the date of issuance of the Bonds, Bond Years shall end on each anniversary of the date of issue and on the final maturity date of the Bonds.

Capital Appreciation Bonds means any Future Parity Bonds all or a portion of the interest on which is compounded, accumulated and payable only upon redemption or on the maturity date of such Capital Appreciation Bonds. If so provided in the ordinance authorizing their issuance, Future Parity Bonds may be deemed to be Capital Appreciation Bonds for only a portion of their term. On the date on which Future Parity Bonds no longer are Capital Appreciation Bonds, they shall be deemed outstanding in a principal amount equal to their Accreted Value.

City means the City of Sumner, a municipal corporation of the State of Washington.

City Representative means the Mayor, the City Administrator, the Deputy City Administrator or the Chief Financial Officer of the City.

Code means the Internal Revenue Code of 1986, as amended, and shall include all applicable regulations and rulings relating thereto.

Consultant means at any time an independent licensed professional engineer appointed by the City to perform the duties of the Consultant as required by this ordinance. For the purposes of delivering any certificate required by Section 10 hereof and making the calculation required by Section 10 hereof, the term Consultant shall also include any independent national public accounting firm appointed by the City to make such calculation or to provide such certificate.

Costs of Maintenance and Operation means all reasonable expenses incurred by the City in causing the System of the City to be operated and maintained in good repair, working order and condition, but shall not include any depreciation or taxes levied or imposed by the City or payments to the City in lieu of taxes, or capital additions or capital replacements to the System.

Council means the City Council as the general legislative authority of the City as the same shall be duly and regularly constituted from time to time.

Coverage Requirement in any year means an amount of Net Revenue of the System equal to at least 1.20 times an amount equal to the Annual Debt Service that year on all bonds payable from the Bond Account less the ULID Assessments due in that year and not delinquent.

Covered Bonds means those Future Parity Bonds designated in the ordinance(s) authorizing their issuance as Covered Bonds secured by a Reserve Account.

Debt Service means, for any period of time,

(1) with respect to any outstanding Parity Bonds, the amounts required to be deposited during that period in the bond funds (excluding reserve funds) established by the ordinances authorizing their issuance;

(2) with respect to any outstanding Original Issue Discount Bonds or Capital Appreciation Bonds which are not designated as Balloon Maturity Bonds in the ordinance authorizing their issuance, the principal amount thereof shall be equal to the Accreted Value thereof maturing or scheduled for redemption in such period, and the interest payable during such period;

(3) with respect to any outstanding Fixed Rate Bonds, an amount equal to (A) the principal amount of such Fixed Rate Bonds due or subject to mandatory redemption during such period and for which no sinking fund installments have been established, (B) the amount of any payments required to be made during such period into any sinking fund established for the payment of any such Fixed Rate Bonds, plus (C) all interest payable during such period on any such outstanding Fixed Rate Bonds and with respect to Fixed Rate Bonds with mandatory sinking fund requirements, calculated on the assumption that mandatory sinking fund installments will be applied to the redemption or retirement of such Fixed Rate Bonds on the date specified in the ordinance authorizing such Fixed Rate Bonds; and

(4) with respect to all other series of Parity Bonds, other than Fixed Rate Bonds, Original Issue Discount Bonds or Capital Appreciation Bonds, specifically including but not limited to Balloon Maturity Bonds and Parity Bonds bearing variable rates of interest, an amount for any period equal to the amount which would have been payable for principal and interest on such Parity Bonds during such period computed on the assumption that the amount of Parity Bonds as of the date of such computation would be amortized (i) in accordance with the mandatory redemption provisions, if any, set forth in the ordinance authorizing the issuance of such Parity Bonds, or if mandatory redemption provisions are not provided, during a period commencing on the date of computation and ending on the date 30 years after the date of issuance (ii) at an interest rate equal to the yield to maturity set forth in the 40-Bond Index published in the edition of *The Bond Buyer* (or comparable publication or such other similar index selected by the City) selected by the City and published within ten days prior to the date of calculation or, if such calculation is being made in connection with the certificate required by Section 10 hereof, then within ten days

of such certificate, (iii) to provide for essentially level annual debt service of principal and interest over such period. Debt Service shall be net of any interest funded out of Bond proceeds. Debt Service shall include reimbursement obligations to providers of Credit Facilities to the extent authorized by ordinance.

DTC means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, as depository for the Bonds pursuant to Section 3 hereof.

Fixed Rate Bonds means those Parity Bonds other than Capital Appreciation Bonds, Original Issue Discount Bonds or Balloon Maturity Bonds issued under an ordinance in which the rate of interest on such Parity Bonds is fixed and determinable through their final maturity or for a specified period of time. If so provided in the ordinance authorizing their issuance, Parity Bonds may be deemed to be Fixed Rate Bonds for only a portion of their term.

Future Parity Bonds means any and all water and sewer revenue bonds of the City issued after the date of the issuance of the Bonds, the payment of the principal of and interest on which constitutes a charge or lien on the Revenue of the System and ULID Assessments equal in rank with the charge and lien upon such revenue and assessments required to be paid into the Bond Account to pay and secure the payment of the principal of and interest on the 2013 Bond and the Bonds.

Government Obligations has the meaning given such term in RCW Ch. 39.53, as such chapter may be hereafter amended or restated.

Insurance Policy means the financial guaranty insurance policy, if any, issued with respect to the Bonds by the Insurer guaranteeing the payment when due of principal of and interest on the Bonds as provided therein.

Insurer means such bond insurance company, if any, from which an Insurance Policy may be acquired for one or more maturities of the Bonds.

Letter of Representations means the Blanket Issuer Letter of Representations from the City to DTC.

Maximum Annual Debt Service means the highest dollar amount of Annual Debt Service in any fiscal year or Base Period for all outstanding Parity Bonds and the Bonds and/or for all subordinate lien evidences of indebtedness secured by Revenue of the System, as the context requires.

Maximum Interest Rate means, with respect to any Variable Interest Rate Bond, a numerical rate of interest, set forth in the ordinance authorizing Future Parity Bonds, that is the maximum rate of interest such Future Parity Bonds may bear at any time.

MSRB means the Municipal Securities Rulemaking Board.

Net Proceeds, when used with reference to the Bonds, means the principal amount of the Bonds, plus accrued interest and original issue premium, if any, and less original issue discount and proceeds, if any, deposited in the Reserve Account.

Net Revenue of the System or ***Net Revenue*** means the Revenue less Costs of Maintenance and Operation.

Original Issue Discount Bonds means Parity Bonds which are sold at an initial public offering price of less than 95% of their face value and which are specifically designated as Original Issue Discount Bonds in the ordinance authorizing their issuance.

Parity Bonds means the 2013 Bond, the Bonds and any Future Parity Bonds.

Parity Requirement means Net Revenues equal to or greater than 125% of Maximum Annual Debt Service for all Parity Bonds and 100% of Maximum Annual Debt Service for all subordinate lien evidences of indebtedness secured by Revenue of the System.

Private Person means any natural person engaged in a trade or business or any trust, estate, partnership, association, company or corporation.

Private Person Use means the use of property in a trade or business by a Private Person if such use is other than as a member of the general public. Private Person Use includes ownership of the property by the Private Person as well as other arrangements that transfer to the Private Person the actual or beneficial use of the property (such as a lease, management or incentive payment contract or other special arrangement) in such a manner as to set the Private Person apart from the general public. Use of property as a member of the general public includes attendance by the Private Person at municipal meetings or business rental of property to the Private Person on a day-to-day basis if the rental paid by such Private Person is the same as the rental paid by any Private Person who desires to rent the property. Use of property by nonprofit community groups or community recreational groups is not treated as Private Person Use if such use is incidental to the governmental uses of property, the property is made available for such use by all such community groups on an equal basis and such community groups are charged only a *de minimis* fee to cover custodial expenses.

Project means the construction and equipping of a portion of Phase 3 of the new Public Works Operations Facility as described in Section 2 of this ordinance.

Rate Covenant means Net Revenues in each fiscal year at least equal to the greater of (i) 125% of the amounts required in such fiscal year to be paid as scheduled debt service (principal and interest) on all Parity Bonds, or (ii) amounts required to be deposited during such fiscal year from Net Revenues into the Bond Account and the Reserve Account established for Parity Bonds but excluding from each of the foregoing, payments made from refunding debt and capitalized debt service.

Record Date means the close of business on the 15th day of the month prior to each date on which a payment of interest on the Bonds is due and payable.

Registered Owner means the person named as the registered owner of a Bond in the Bond Register. For so long as the Bonds are held in book-entry only form, DTC shall be deemed to be the sole Registered Owner.

Reserve Account has the meaning given such term in Section 6(b) of this ordinance.

Revenue of the System or ***Revenue*** means all of the earnings and revenues received by the City from the maintenance and operation of the System and all earnings from the investment of money in the Bond Account which earnings are deposited in the Principal and Interest Account, and connection and capital improvement charges collected for the purpose of defraying the cost of capital facilities of the System, including ULID Assessments, but excluding government grants, proceeds from the sale of System property, City taxes collected by or through the System, principal proceeds of bonds and earnings or proceeds from any investments in a trust, defeasance or escrow fund created to defease or refund System obligations (until commingled with other earnings and revenues of the System) or held in a special account for the purpose of paying a rebate to the United States Government under the Code.

Revenue Fund means, collectively, the Water Fund, Sewer Fund, and Stormwater Fund.

Rule means the SEC's Rule 15c2-12 under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SEC means the Securities and Exchange Commission

Sewer Fund means the fund created and maintained in the office of the Chief Financial Officer for deposit and retention of Revenue of the System, ULID Assessments and connection charges related to the Sewer System.

Stormwater Fund means the fund created and maintained in the office of the Chief Financial Officer for deposit and retention of Revenue of the Stormwater System, ULID Assessments and connection charges related to the Stormwater System.

Stormwater System means the Stormwater and surface water system of the City described as a Stormwater utility in Ordinance Nos. 1374, 1375 and 1574 of the City, which is a part of and belonging to the System and which is now known as the Stormwater System.

System of the City means by the sewerage system of the City, originally provided for by Ordinance No. 537 together with all additions and improvements thereto, together with the waterworks utility of the City as a combined sewerage system and water system of the City. The term "System" also shall include the storm or surface water sewers constructed and installed pursuant to Ordinance No. 733 and the trunk storm or surface water sewers constructed and installed pursuant to Ordinance No. 742 (Stormwater System) as a part of the System, together with all additions thereto and betterments and extensions thereof heretofore or hereafter made and including any other utility that may in the future be combined with the System.

2013 Bond means the City's Water and Sewer Revenue Bond, 2013 (ULID No. 2007-01), issued on December 12, 2013, pursuant to the 2013 Bond Ordinance and currently outstanding in the principal amount of $356,834.36.

2013 Bond Ordinance means Ordinance No. 2465, adopted on December 2, 2013.

Tax Certificate means the certificate with respect to federal tax matters relating to the Bonds to be executed by a City Representative on the date of issuance of the Bonds.

Term Bonds means those Parity Bonds designated as such in the bond purchase contract authorizing the issuance and sale of those bonds.

Treasurer means the Chief Financial Officer of the City.

ULID means any utility local improvement district of the City within which the ULID Assessments are pledged to be paid into the Bond Account to secure Parity Bonds.

ULID Assessments means all assessments levied and collected in any ULID of the City created for the acquisition or construction of additions to and extensions and betterments of the System if such assessments are pledged to be paid into the Bond Account (less any prepaid assessments permitted by law to be paid into a construction fund or account). ULID Assessments shall include installments thereof and any interest or penalties that may be due thereon.

Underwriter means D.A. Davidson & Co., Seattle, Washington.

Variable Interest Rate means a variable interest rate or rates to be borne by a series of Future Parity Bonds or any one or more maturities within a series of Future Parity Bonds. The method of computing such a variable interest rate shall be specified in the ordinance authorizing such Future Parity Bonds, which ordinance also shall specify either (a) the particular period or periods of time or manner of determining such period or periods of time for which each value of such variable interest rate shall remain in effect or (b) the time or times upon which any change in such variable interest rate shall become effective.

Variable Interest Rate Bonds means, for any period of time, Future Parity Bonds which bear a Variable Interest Rate during that period, except that Future Parity Bonds the interest rate or rates on which shall have been fixed for the remainder of the term thereof no longer shall be deemed to be Variable Interest Rate Bonds.

Water Fund means the fund maintained in the office of the Chief Financial Officer for deposit and retention of Revenue of the System, ULID Assessments and connection charges related to the System.

2023 Note means the Limited Tax General Obligation Bond Anticipation Note, 2023 issued in the principal amount of $4,334,000 on November 14, 2023, pursuant to Ordinance No. 2870.

Rules of Interpretation. In this ordinance, unless the context otherwise requires:

(a) The terms "hereby," "hereof," "hereto," "herein, "hereunder" and any similar terms, as used in this ordinance, refer to this ordinance as a whole and not to any particular article, section, subdivision or clause hereof, and the term "hereafter" shall mean after, and the term "heretofore" shall mean before, the date of this ordinance;

(b) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa;

(c) Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(d) Any headings preceding the text of the several sections of this ordinance, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this ordinance, nor shall they affect its meaning, construction or effect;

(e) All references herein to "articles," "sections" and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and

(f) Words importing the singular number include the plural number and vice versa.

Section 2. Authorization of the Project and the Bonds.

(a) *Project*. A portion of the Bonds are being issued to provide funds for a portion of Phase 3 of the new Public Works Operations Facility (the "Project"). A portion of the Bonds will be used to pay off the utility portion of the 2023 Note that provided for interim financing for a portion of the costs of the demolition and site preparation/pre-load for the Public Works Operations Facility.

(b) *Bonds*. The City shall now issue and sell a single series of water and sewer revenue bonds for the purpose of providing the funds to undertake the Project, pay off a portion of the 2023 Note, and paying the costs of issuance of the Bonds in the aggregate principal amount of not to exceed $29,000,000 (the "Bonds"). The Bonds shall be designated "City of Sumner, Washington, Water and Sewer Revenue Bonds, 2025;" shall be dated as of the date of delivery of the Bonds, shall be fully registered as to both principal and interest, shall be in the denomination of $5,000 each or any integral multiple thereof, provided that no Bond shall represent more than one maturity, shall be numbered separately in such manner and with any additional designation as the Bond Registrar deems necessary for purposes of identification and control, shall bear interest at the per annum rates, payable on the dates and maturing in principal amounts set forth in the Bond Purchase Contract, pursuant to Section 15. The Bonds of any of the maturities may be combined and issued as term bonds ("Term Bonds"), subject to mandatory redemption as provided in the Bond Purchase Contract.

The Bonds shall be obligations only of the Bond Account and shall be payable and secured as provided herein. The Bonds shall not be general obligations of the City.

Section 3. Registration and Payments.

(a) *Bond Registrar/Bond Register*. The City hereby specifies and adopts the system of registration and transfer for the Bonds approved by the Washington State Finance Committee from time to time through the appointment of state fiscal agents. The City shall cause a bond register to be maintained by the Bond Registrar. So long as any Bonds remain outstanding, the Bond Registrar shall make all necessary provisions to permit the exchange or registration of transfer of Bonds at its principal corporate trust office. The Bond Registrar may be removed at any time at the option of the City Representative upon prior notice to the Bond Registrar and a successor Bond Registrar appointed by the City Representative. No resignation or removal of the Bond Registrar shall be effective until a successor shall have been appointed and until the successor Bond Registrar shall have accepted the duties of the Bond Registrar hereunder. The Bond Registrar is authorized, on behalf of the City, to authenticate and deliver Bonds transferred or exchanged in accordance with the provisions of such Bonds and this ordinance and to carry out all of the Bond Registrar's powers and duties under this ordinance. The Bond Registrar shall be responsible for its representations contained in the Certificate of Authentication of the Bonds.

(b) *Registered Ownership*. The City and the Bond Registrar, each in its discretion, may deem and treat the Registered Owner of each Bond as the absolute owner thereof for all purposes (except as provided in Section 16 of this ordinance), and neither the City nor the Bond Registrar shall be affected by any notice to the contrary. Payment of any such Bond shall be made only as described in Section 3(h) hereof, but such Bond may be transferred as herein provided. All such payments made as described in Section 3(h) shall be valid and shall satisfy and discharge the liability of the City upon such Bond to the extent of the amount or amounts so paid.

(c) *DTC Acceptance/Letter of Representations*. The Bonds shall initially be held in fully immobilized form by DTC acting as depository. To induce DTC to accept the Bonds as eligible for deposit at DTC, the City has executed and delivered to DTC a Letter of Representations. Neither the City nor the Bond Registrar will have any responsibility or obligation to DTC participants or the persons for whom they act as nominees (or any successor depository) with respect to the Bonds in respect of the accuracy of any records maintained by DTC (or any successor depository) or any DTC participant, the payment by DTC (or any successor depository) or any DTC participant of any amount in respect of the principal of or interest on Bonds, any notice which is permitted or required to be given to Registered Owners under this ordinance (except such notices as shall be required to be given by the City to the Bond Registrar or to DTC (or any successor depository), or any consent given or other action taken by DTC (or any successor depository) as the Registered Owner. For so long as any Bonds are held in fully-immobilized form hereunder, DTC or its successor depository shall be deemed to be the Registered Owner for all purposes hereunder, and all references herein to the Registered Owners shall mean DTC (or any successor depository) or its nominee and shall not mean the owners of any beneficial interest in such Bonds.

If any Bond shall be duly presented for payment and funds have not been duly provided by the City on such applicable date, then interest shall continue to accrue thereafter on the unpaid principal thereof at the rate stated on such Bond until such Bond is paid. The Bonds shall not be subject to acceleration.

(d) *Use of Depository*.

(1) The Bonds shall be registered initially in the name of "Cede & Co.," as nominee of DTC, with one Bond maturing on each of the maturity dates for the Bonds in a denomination corresponding to the total principal therein designated to mature on such date, and the following provisions of this subsection (d) and subsection (e) shall be applicable. Registered ownership of such immobilized Bonds, or any portions thereof, may not thereafter be transferred except (A) to any successor of DTC or its nominee, provided that any such successor shall be qualified under any applicable laws to provide the service proposed to be provided by it; (B) to any substitute depository appointed by the City Representative pursuant to subsection (ii) below or such substitute depository's successor; or (C) to any person as provided in subsection (iv) below.

(2) Upon the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository or a determination by the City Representative to discontinue the system of book entry transfers through DTC or its successor (or any substitute depository or its successor), the City Representative may hereafter appoint a substitute depository. Any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it.

(3) In the case of any transfer pursuant to clause (A) or (B) of subsection (1) above, the Bond Registrar shall, upon receipt of all outstanding Bonds, together with a written request on behalf of the City Representative, issue a single new Bond for each maturity then outstanding, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the City Representative.

(4) In the event that (A) DTC or its successor (or substitute depository or its successor) resigns from its functions as depository, and no substitute depository can be obtained, or (B) the City Representative determines that it is in the best interest of the beneficial owners of the Bonds that such owners be able to obtain such bonds in the form of Bond certificates, the ownership of such Bonds may then be transferred to any person or entity as herein provided, and shall no longer be held in fully-immobilized form. The City Representative shall deliver a written request to the Bond Registrar, together with a supply of definitive Bonds, to issue Bonds as herein provided in any authorized denomination. Upon receipt by the Bond Registrar of all then outstanding Bonds together with a written request on behalf of the City Representative to the Bond Registrar, new Bonds shall be issued in the appropriate denominations and registered in the names of such persons as are requested in such written request.

(e) *Registration of Transfer of Ownership or Exchange; Change in Denominations*. The transfer of any Bond may be registered and Bonds may be exchanged, but no transfer of any such Bond shall be valid unless such Bond is surrendered to the Bond Registrar with the assignment form appearing on such Bond duly executed by the Registered Owner or such Registered Owner's duly authorized agent in a manner satisfactory to the Bond Registrar. Upon such surrender, the Bond Registrar shall cancel the surrendered Bond and shall authenticate and deliver, without charge to the Registered Owner or transferee therefor, a new Bond (or Bonds at the option of the new Registered Owner) of the same date, maturity and interest rate and for the same aggregate principal amount in any authorized denomination, naming as Registered Owner the person or persons listed as the assignee on the assignment form appearing on the surrendered Bond, in exchange for such surrendered and cancelled Bond. Any Bond may be surrendered to the Bond Registrar and exchanged, without charge, for an equal aggregate principal amount of Bonds of the same date, maturity and interest rate, in any authorized denomination. The Bond Registrar shall not be obligated to register the transfer or to exchange any Bond during the 15 days preceding the date any such Bond is to be redeemed.

(f) *Bond Registrar's Ownership of Bonds*. The Bond Registrar may become the Registered Owner of any Bond with the same rights it would have if it were not the Bond Registrar, and to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as member of, or in any other capacity with respect to, any committee formed to protect the right of the Registered Owners of Bonds.

(g) *Registration Covenant*. The City covenants that, until all Bonds have been surrendered and cancelled, it will maintain a system for recording the ownership of each Bond that complies with the provisions of Section 149 of the Code.

(h) *Place and Medium of Payment.* The principal of and interest on the Bonds shall be payable in lawful money of the United States of America. Interest on the Bonds shall be calculated on the basis of a 360-day year and twelve 30-day months. For so long as all Bonds are in fully-immobilized form, such payments of principal and interest thereon shall be made as provided in the operational arrangements of DTC as referred to in the Letter of Representations. If the Bonds have been underwritten and are no longer in fully immobilized form, interest on the Bonds shall be paid by check, ACH or draft (or otherwise as approved by the City Representative) mailed or delivered to the Registered Owners at the addresses for such Registered Owners appearing on the Bond Register as of the Record Date, or upon the written request of a Registered Owner of more than $1,000,000 of Bonds (received by the Bond Registrar at least 15 days prior to the applicable payment date), such payment shall be made by the Bond Registrar by ACH or wire transfer to the account within the continental United States designated by the Registered Owner. Principal of the Bonds shall be payable upon presentation and surrender of such Bonds by the Registered Owners at the principal office of the Bond Registrar.

<u>Section 4</u>. <u>Redemption and Purchase of the Bonds</u>.

(a) *Optional and Mandatory Redemption*. The Bonds may be subject to redemption as set forth in the Bond Purchase Contract approved by the City Representative pursuant to Section 15.

(b) *Purchase of Bonds*. The City reserves the right to use at any time any surplus Revenue of the System available after providing for the payments required by paragraphs <u>First</u>, Second, Third and Fourth of Section 5 of this ordinance, or other available funds, to purchase any of the Bonds at any price deemed reasonable by the City to purchase for retirement any of the Bonds offered to the City at any price deemed reasonable to the City.

(c) *Selection of Bonds for Redemption*. For as long as the Bonds are held in book entry only form, the selection of particular Bonds within a maturity to be redeemed shall be made in accordance with the operational arrangements then in effect at DTC. If the Bonds are no longer held in uncertificated form, the selection of such Bonds to be redeemed and the surrender and reissuance thereof, as applicable, shall be made as provided in the following provisions of this subsection (c). If the City redeems at any one time fewer than all of the Bonds having the same maturity date, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot (or in such manner determined by the Bond Registrar) in increments of $5,000. In the case of a Bond of a denomination greater than $5,000, the City and the Bond Registrar shall treat each Bond as representing such number of separate Bonds each of the denomination of $5,000 as is obtained by dividing the actual principal amount of such Bond by $5,000. In the event that only a portion of the principal sum of a Bond is redeemed, upon surrender of such Bond at the principal office of the Bond Registrar there shall be issued to the Registered Owner, without charge therefor, for the then unredeemed balance of the principal sum thereof, at the option of the Registered Owner, a Bond or Bonds, maturity and interest rate in any of the denominations herein authorized.

(d) *Notice of Redemption*.

(1) Official Notice. For so long as the Bonds are held in uncertificated form, notice of redemption (which notice may be conditional or may be rescinded) shall be given in accordance with the operational arrangements of DTC as then in effect, and neither the City nor the Bond Registrar will provide any notice of redemption to any Beneficial Owners. Thereafter (if the Bonds are no longer held in uncertificated form), notice of redemption shall be given in the manner hereinafter provided. Unless waived by any owner of Bonds to be redeemed or unless a notice of redemption has been rescinded, official notice of any such redemption (which redemption shall be conditioned by the Bond Registrar on the receipt of sufficient funds for redemption) shall be given by the Bond Registrar on behalf of the City by mailing a copy of an official redemption notice by first class mail at least 20 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Bond Registrar.

All official notices of redemption for Bonds shall be dated and shall state:

(A) the redemption date,

(B) the redemption price,

(C) if fewer than all outstanding Bonds are to be redeemed, the identification by maturity (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,

(D) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and

(E) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Bond Registrar.

On or prior to any redemption date, unless the redemption was conditional and the conditions for the redemption have not been satisfied or the notice has been rescinded, the City shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

(2) <u>Effect of Notice; Bonds Due</u>. If an unconditional notice of redemption has been given as aforesaid, unless the redemption was conditional and the conditions for the redemption have not been satisfied or the notice has been rescinded, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. All Bonds which have been redeemed shall be canceled and destroyed by the Bond Registrar and shall not be reissued.

(3) <u>Additional Notice</u>. In addition to the foregoing notice, further notice shall be given by the City as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed. Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (A) the CUSIP numbers of all Bonds being redeemed; (B) the date of issue of the Bonds as originally issued; (C) the rate of interest borne by each Bond being redeemed; (D) the maturity date of each Bond being redeemed; and (E) any other descriptive information needed to identify accurately the Bonds being redeemed. Each further notice of redemption may be sent at least 20 days before the redemption date to each party entitled to receive notice pursuant to Section 16, and to such persons (including securities repositories who customarily at the time receive notices of redemption in accordance with rules promulgated by the Commission) and with such additional information as the City shall deem appropriate, but such mailings shall not be a condition precedent to the redemption of such Bonds.

(4) <u>Amendment of Notice Provisions</u>. The foregoing notice provisions of this Section 4, including but not limited to the information to be included in redemption notices and the persons designated to receive notices, may be amended by additions, deletions and changes in order to maintain compliance with duly promulgated regulations and recommendations regarding notices of redemption of municipal securities.

Section 5. Revenue Fund and Priority of Application of Revenue. There has heretofore been created by the City a special fund of the City known as the "Revenue Fund," which includes a number of funds and accounts described in Section 1 of this ordinance, into which shall be deposited the Revenue of the System as collected. The Revenue Fund shall be held separate and apart from all other funds and accounts of the City and the Revenue of the System deposited in such Revenue Fund shall be used only for the following purposes and in the following order of priority:

First, to pay the Costs of Maintenance and Operation;

Second, to make any payments required to be made into the Bond Account to pay the principal of an interest on Parity Bonds as they come due or as the principal is required to be paid and to make all payments required to be made into any mandatory redemption or sinking fund account created to provide for the payment of the principal of Term Bonds;

Third, to make all payments required to be made into a Reserve Account, including reimbursements to the issuer of a letter of credit or insurance if the letter of credit or insurance has been issued to fund the Reserve Requirement and/or the reserve requirement(s) for any Future Parity Bonds and the ordinance authorizing such Parity Bonds provides for such reimbursement;

Fourth, to make all payments required to be made into any revenue bond redemption fund, note, warrant or other revenue obligation redemption fund, debt service account or reserve account created to pay and secure the payment of the principal of and interest on any revenue bonds or warrants or other obligations of the City having a lien upon the Revenue of the System junior or inferior to the lien thereon for the payment of the principal of and interest on the Parity Bonds; and

Fifth, to retire by redemption or purchase any outstanding revenue bonds or other revenue obligations of the System, to make necessary additions, betterments, improvements and repairs to or extensions of and replacements of the System, or for any other lawful System purposes.

The City may transfer any money from any funds or accounts of the System legally available therefor, except bond redemption funds, refunding escrow funds or defeasance funds, to meet the required payments to be made into the Bond Account.

Section 6. Bond Account; Reserve Account. The Chief Financial Officer shall maintain one or more funds or accounts for the purpose of paying debt service on Parity Bonds. (which funds or accounts shall herein be referred to as the "Bond Account" regardless of its accounting designation(s)) The Bond Account shall be at all times completely segregated and set apart from all other funds and accounts of the City and shall be a trust fund for the security and payment of the principal of and interest on the Bonds and all Parity Bonds as the same shall become due.

(a) *Payments Into Bond Account.* Immediately after the delivery of the Bonds there shall be paid into the Bond Account all accrued interest, if any, received with respect to the Bonds.

The Chief Financial Officer is hereby authorized and directed and the City hereby obligates and binds itself to set aside and pay into the Bond Account all ULID Assessments as the same are collected.

As long as any Parity Bond remains outstanding, the City hereby irrevocably obligates and binds itself to set aside and pay from the Revenue Fund into the Bond Account those amounts necessary, together with such other funds as are on hand and available in the Bond Account, to pay the interest or principal and interest next coming due on outstanding Parity Bonds. Such payments from the Revenue Fund shall be made in a fixed amount without regard to any fixed proportion (and may be made and recognized for accounting purposes) on or prior to the due date for such installment of principal and interest.

(b) *Reserve Account*. The City maintains a reserve account for the benefit of the owners and holders of the 2013 Bond and may establish a reserve account for any series of Future Parity Bonds or a common reserve account for the benefit of one or more series of Future Parity Bonds (collectively referred to herein as the "Reserve Account"). The Reserve Account for the 2013 Bond shall be held and maintained as provided in the 2013 Bond Ordinance, and so long as the 2013 Bond is outstanding, the funds in said Reserve Account shall be used solely for debt service on the 2013 Bond. The Bonds shall not be secured by a Reserve Account. The ordinance that creates a Reserve Account, if any, for Future Parity Bonds, shall establish the terms for establishment and maintenance of that Reserve Account, including, but not limited to the required size of the reserve account maintenance requirement. A Reserve Account may be maintained as a subaccount of the Bond Account.

(c) *Priority of Lien of Payments into Bond Account and any Reserve Account established in the Future*. The amounts so pledged to be paid into the Bond Account and a Reserve Account from the Revenue Fund and from ULID Assessments are hereby declared to be a prior lien and charge upon the Revenue of the System and ULID Assessments superior to all other charges of any kind or nature whatsoever except the Costs of Maintenance and Operation of the System, and except that the amounts so pledged are of equal lien to the charges upon such Revenue and ULID Assessments for the payment of the principal of and interest on the Bonds and any Future Parity Bonds and the priority of payment from a Reserve account shall be limited to the amounts in the applicable Reserve Account.

(d) *Application and Investment of Moneys in the Bond Account and Reserve Account*. Money in the Bond Account and any Reserve Account may be kept in cash or invested as permitted by law. Investments in the Bond Account shall mature prior to the date on which such money shall be needed for required interest or principal payments (for investments in the Bond Account) or having a guaranteed redemption price prior to maturity. All interest earned and income derived by virtue of such investments shall remain in the Bond Account or a Reserve Account, as specified by the Chief Financial Officer, and be used to meet the required deposits therein.

(e) *Sufficiency of Revenues*. The City Council hereby finds that in fixing the amounts to be paid into the Bond Account out of the Revenue of the System, it has exercised due regard for the Costs of Maintenance and Operation and has not obligated the City to set aside and pay into the Bond Account a greater amount of such Revenue than in its judgment will be available over and above the Costs of Maintenance and Operation and the payments heretofore required to be deposited in the Bond Account for all outstanding Parity Bonds.

Section 7. Specific Covenants.

(a) *Rate Covenant*. The City will establish, maintain and collect such rates and charges for service of its System for so long as any Bonds are outstanding as will maintain the Rate Covenant.

(b) *System Maintenance*. The City will at all times maintain and keep the System in good repair, working order and condition, and also will at all times operate such utility and the business in connection therewith in an efficient manner and at a reasonable cost.

(c) *Disposal of Properties*. The City will not mortgage, sell, lease, or in any manner encumber or dispose of all or substantially all the property of the System (voluntarily or involuntarily), unless provision is made for payment into the Bond Account of a sum sufficient to pay the principal of, premium, if any, and interest on all outstanding bonds payable therefrom, nor will it mortgage, sell, lease, or in any manner encumber or dispose of (including but not limited to a disposition by transfer to another public or private organization) voluntarily or involuntarily any part of the System that is used, useful and material to the operation of the System unless

(1) the City certifies, based upon reasonable expectations, that the remaining assets of the System shall be sufficient to continue regular operations of the City on a financially sound basis for a period of at least five years; and

(2) provision is made for replacement thereof or for payment into the Bond Account of the total amount of revenue received which shall not be less than an amount which shall bear the same ratio to the amount of outstanding Parity Bonds as the greater of:

(A) the Net Revenue available for Debt Service for such outstanding Parity Bonds for the 12 months preceding such sale, lease, encumbrance or disposal from the portion of the System sold, leased, encumbered or disposed of bears to the Net Revenue available for Debt Service for such Parity Bonds from the entire system for the same period;

(B) the Revenue of the System for the 12 months preceding such sale, lease, encumbrance or disposal from the portion of the System sold, leased, encumbered or disposed of bears to the Revenue of the System for the same period;

(C) the proportion of assets (on a depreciated basis) allocable to the assets being sold, leased, encumbered or disposed of bears to the total assets of the System; or

(D) the proportion of customers of the City allocable to the assets being sold, leased, encumbered or disposed of bears to the total number of customers of the System, *provided, however*, that the City may dispose of any portion of the facilities of the System up to an aggregate of five percent of the book value of the total assets of the System without the requirement for any deposit to the Bond Account as hereinabove provided.

Any such moneys so paid into the Bond Account shall be used to retire such outstanding Parity Bonds at the earliest possible date. Any money received by the City as condemnation awards, insurance proceeds or the proceeds of sale, if not deposited to the Bond Account, shall be used for the replacement of facilities of the System.

(d) *Books and Records*. The City will, while any of the Bonds remains outstanding, keep proper and separate accounts and records in which complete and separate entries shall be made of all transactions relating to the System.

(e) *No Free Service*. The City will not furnish water or sanitary sewerage disposal service to any customer whatsoever free of charge (except to aid the poor or infirm, to provide for resource conservation or to provide for the proper handling of hazardous materials) and will promptly take legal action to enforce collection of all delinquent accounts.

(f) *Property Insurance*. The City will at all times carry fire and extended coverage and such other forms of insurance on the buildings, equipment, facilities and properties of the System, if such insurance is obtainable at reasonable rates and upon reasonable conditions, against such risks, in such amounts, and with such deductibles as the Council shall deem necessary for the protection of the System and the owners of all outstanding Bonds and Parity Bonds.

(g) *ULID Assessments*. The City will promptly collect all ULID Assessments and pay the same into the Bond Account. Such ULID Assessments may be used to pay the principal of and interest on any bonds payable out of such Account without said ULID Assessments being particularly allocated to the payment of the principal of and interest on any particular issue or series of such bonds.

(h) *Liability Insurance*. The City will at all times keep and arrange to keep in full force and effect policies of public liability and property damage insurance which will protect the City against anyone claiming damages of any kind or nature arising out of the operation of the System, if such insurance is obtainable at reasonable rates and upon reasonable conditions, in such amounts and with such deductibles as the Council shall deem necessary for the protection of the City and the owners of the outstanding Bonds and Parity Bonds.

(i) *Delinquencies of Accounts*. The City will, on or before January 1 of each calendar year, determine all accounts that are delinquent and will take all necessary action to enforce payment of any such delinquencies.

(j) *Delinquencies of Assessments*. The City will, on or before January 1 of each calendar year, determine all ULID Assessments or installments thereof that have become delinquent during the preceding calendar year, and by March 1 of each such calendar year will bring the necessary actions of foreclosure upon the property against which ULID Assessments were levied. If any ULID Assessments shall become due and payable because of a change in classification of land pursuant to RCW 84.34.330 (or successor statute), the City shall proceed to collect such ULID Assessments and interest thereon for deposit into the Bond Account.

Section 8. Application of Bond Proceeds.

(a) *Project Account*. A portion of the proceeds of the Bonds (exclusive of the Underwriter's discount) shall be deposited into a capital project account and used to pay costs of issuance and, together with other available moneys, to pay costs of the Project.

The Chief Financial Officer shall invest the net proceeds of the Bonds in such obligations as may now or hereafter be permitted to cities of the State of Washington by law and that will mature prior to the date on which such money shall be needed. Earnings on such investments, except as may be required to pay rebatable arbitrage pursuant to the Tax Certificate, if any, may be used for City purposes or transferred to the Bond Account for the uses and purposes therein provided.

The City shall maintain books and records regarding the use and investment of proceeds of Bonds in order to maintain compliance with its obligations under its Tax Certificate.

(b) *2023 Note*. A portion of the proceeds of sale of the Bonds, together with other funds, if any, provided by the City, upon the determination of the City Representative, may be remitted to the bond registrar for the 2023 Note or, upon the election of the City Representative, remitted to an escrow agent and shall be used for the purpose of paying off a portion of the 2023 Note. If the proceeds of sale are remitted directly to the bond registrar for the portion of the 2023 Note, the proceeds shall be held uninvested and used promptly to redeem the portion of the 2023 Note on the date of closing. If the proceeds of sale are remitted to an escrow agent, money received by such escrow agent from Bond proceeds and other money provided by the City, if any, shall be used immediately upon receipt thereof in accordance with the terms of an escrow agreement, if any, to defease the portion of the 2023 Note as authorized by Ordinance No. 2870. The escrow agent, if any, shall hold such funds as cash or purchase certain Government Obligations (which obligations so purchased, are herein called "Acquired Obligations"), bearing such interest and maturing as to principal and interest in such amounts and at such times which, together with any necessary beginning cash balance, will provide for the payment of:

(1) Interest on the portion of the 2023 Note redeemed as such becomes due on and prior to the date of pay off; and

(2) The redemption price (100% of the portion of the principal amount redeemed) of the 2023 Note to be payable on the date of pay off.

Such Acquired Obligations shall be purchased at a yield not greater than the yield permitted by the Code and regulations relating to acquired obligations in connection with refunding bond issues.

The City Representative is hereby authorized to appoint an escrow agent, if necessary.

Section 9. Tax Covenants. The City covenants that it will not take or permit to be taken on its behalf any action that would adversely affect the exemption from federal income taxation of the interest on the Bonds and will take or require to be taken such acts as may reasonably be within its ability and as may from time to time be required under applicable law to continue the exemption from federal income taxation of the interest on the Bonds.

(a) *Arbitrage Covenant.* Without limiting the generality of the foregoing, the City covenants that it will not take any action or fail to take any action with respect to the proceeds of sale of the Bonds or any other funds of the City which may be deemed to be proceeds of the Bonds pursuant to Section 148 of the Code and the regulations promulgated thereunder which, if such use had been reasonably expected on the dates of delivery of the Bonds to the initial purchasers thereof, would have caused the Bonds as "arbitrage bonds" within the meaning of such term as used in Section 148 of the Code.

The City represents that it has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that it is an issuer whose arbitrage certifications may not be relied upon. The City will comply with the requirements of Section 148 of the Code and the applicable regulations thereunder throughout the term of the Bonds.

(b) *Private Person Use Limitation for Bonds.* The City covenants that for as long as the Bonds are outstanding, it will not permit:

(1) More than 10% of the Net Proceeds of the Bonds to be used for any Private Person Use; and

(2) More than 10% of the principal or interest payments on the Bonds in a Bond Year to be directly or indirectly: (A) secured by any interest in property used or to be used for any Private Person Use or secured by payments in respect of property used or to be used for any Private Person Use, or (B) derived from payments (whether or not made to the City) in respect of property, or borrowed money, used or to be used for any Private Person Use.

The City further covenants that, if:

(3) More than five percent of the Net Proceeds of the Bonds are to be used for any Private Person Use; and

(4) More than five percent of the principal or interest payments on the Bonds in a Bond Year are (under the terms of this ordinance or any underlying arrangement) directly or indirectly:

(A) secured by any interest in property used or to be used for any Private Person Use or secured by payments in respect of property used or to be used for any Private Person Use, or

(B) derived from payments (whether or not made to the City) in respect of property, or borrowed money, used or to be used for any Private Person Use, then, (i) any Private

Person Use of the projects described in subsection (3) hereof or Private Person Use payments described in subsection (4) hereof that is in excess of the five percent limitations described in such subsections (3) or (4) will be for a Private Person Use that is related to the state or local governmental use of the Project, and (ii) any Private Person Use will not exceed the amount of Net Proceeds of the Bonds used for the state or local governmental use portion of the project to which the Private Person Use of such portion of the Project relates. The City further covenants that it will comply with any limitations on the use of the projects by other than state and local governmental users that are necessary, in the opinion of its bond counsel, to preserve the tax exemption of the interest on the Bonds. The covenants of this section are specified solely to assure the continued exemption from regular income taxation of the interest on the Bonds.

(c) *No Designation under Section 265(b).* The Bonds are not "qualified tax exempt obligations" for investment by financial institutions under Section 265(b) of the Code

(d) *Modification of Tax Covenants*. The covenants of this section are specified solely to assure the continued exemption from regular income taxation of the interest on the Bonds. To that end, the provisions of this section may be modified or eliminated without any requirement for formal amendment thereof upon receipt of an opinion of the City's bond counsel that such modification or elimination will not adversely affect the tax exemption of interest on any Bonds.

Section 10. Issuance of Parity Bonds.

(a) *Future Parity Bonds*. The City hereby further covenants and agrees that it will not issue any Future Parity Bonds except that the City hereby reserves the right to issue additional water and sewer revenue bonds, which shall constitute a charge and lien upon the Revenue of the System equal to the lien thereon of the Bonds. Except as provided in subsection (2) below, the City shall not issue any series of Future Parity Bonds or incur any additional indebtedness with a parity lien or charge on Net Revenues (*i.e.*, on a parity of lien with Parity Bonds at the time outstanding) unless each of the following conditions shall be met.

(1) The City shall not have been in default of its Rate Covenant for the immediately preceding fiscal year.

(2) There shall have been filed a certificate (prepared as described in subsection (c) or (d) below) demonstrating fulfillment of the Parity Requirement, commencing with the first full fiscal year following the date on which any portion of interest on the series of Future Parity Bonds then being issued no longer will be paid from the proceeds of such series of Future Parity Bonds.

(3) Each such ordinance providing for the issuance of such Future Parity Bonds shall require that any and all ULID Assessments will be paid directly into the Bond Account.

(4) At the time of the issuance of Future Parity Bonds there shall not be any deficiency in the Bond Account or any Reserve Account.

(b) *No Certificate Required.* The certificate described in the foregoing subsection (a)(2) shall not be required as a condition to the issuance of Future Parity Bonds:

(1) if the Future Parity Bonds being issued are for the purpose of refunding outstanding Parity Bonds; or

(2) if the Future Parity Bonds are being issued to pay costs of construction of facilities of the System for which Future Parity Bonds have been issued previously and the principal amount of such Future Parity Bonds being issued for completion purposes does not exceed an amount equal to an aggregate of 15% of the principal amount of Future Parity Bonds theretofore issued for such facilities and reasonably allocable to the facilities to be completed as shown in a written certificate of the City Representative, and there is delivered a Consultant's certificate stating that the nature and purpose of such facilities has not materially changed.

(c) *Certificate of the City Without A Consultant.* If required pursuant to the foregoing subsection (a)(2), a certificate may be delivered by the City (executed by the City Representative) without a Consultant if Net Revenues for the Base Period (confirmed by an independent auditor, e.g. the Division of Municipal Corporations of the Office of the State Auditor) conclusively demonstrate that the Parity Requirement will be fulfilled commencing with the first full fiscal year following the date on which any portion of interest on the series of Future Parity Bonds then being issued will not be paid from the proceeds of such series of Future Parity Bonds.

(d) *Certificate of a Consultant.* Unless compliance with the requirements of subsection (a)(2) have been otherwise satisfied (as provided in (b) or (c) above), compliance with the Parity Requirement shall be demonstrated conclusively by a certificate of a Consultant.

In making the computations of Net Revenues for the purpose of certifying compliance with the Parity Requirement, the Consultant shall use as a basis the Net Revenues for the Base Period. Such Net Revenues shall be determined by adding the following:

(1) The historical net revenue of the City for any 12 consecutive months out of the 30 months immediately preceding the month of delivery of the Future Parity Bonds being issued as determined by a Consultant.

(2) The net revenue derived from those customers of the City that have become customers during such 12-month period or thereafter and prior to the date of such certificate, adjusted to reflect a full year's net revenue from each such customer to the extent such net revenue was not included in (1) above.

(3) The estimated annual net revenue to be derived from any person, firm, association, private or municipal corporation under any executed contract for service, which net revenue was not included in any of the sources of net revenue described in this subsection (d).

(4) The estimated annual net revenue to be derived from the operation of any additions or improvements to or extensions of the City under construction but not completed at the time of such certificate and not being paid for out of the proceeds of sale of such Future Parity

Bonds being issued, and which net revenue is not otherwise included in any of the sources of net revenue described in this subsection (d).

(5) The estimated annual net revenue to be derived from the operation of any additions and improvements to or extensions of the City being paid for out of the proceeds of sale of such Future Parity Bonds being issued.

(6) ULID Assessments to be collected. The words "ULID Assessments to be collected" as used in the first paragraph of this subsection (6) shall mean 90% of the Consultant's estimates of the amount of ULID Assessments theretofore levied and to be collected in each subsequent year.

In the event the City will not derive any revenue as a result of the construction of the additions, improvements or extensions being made or to be made to the System within the provisions of subparagraphs (3) and (5) immediately above, the estimated normal Costs of Maintenance and Operation (excluding any transfer of money to other funds of the City and license fees, taxes and payments in lieu of taxes payable to the City) of such additions, improvements and extensions shall be deducted from estimated annual net revenue.

The words "historical net revenue" or "net revenue" as used in this subsection (d) shall mean the Revenue or any part or parts thereof less the normal expenses of maintenance and operation of the System or any part or parts thereof, but before depreciation.

Such "historical net revenue" or "net revenue" shall be adjusted to reflect the rates and charges effective on the date of such certificate if there has been any change in such rates and charges during or after such 12-consecutive-month period.

(e) *Subordinate Lien Obligations*. Nothing herein contained shall prevent the City from issuing revenue bonds or other obligations which are a charge upon the Revenue of the System junior or inferior to the payments required by this ordinance to be made out of such Revenue to pay and secure the payment of any outstanding Parity Bonds.

Section 11. Form of Bonds. The Bonds shall be in substantially this form:

[STATEMENT OF INSURANCE, if any]

UNITED STATES OF AMERICA

No. _____ $___________

STATE OF WASHINGTON
CITY OF SUMNER
WATER AND SEWER REVENUE BOND, 2025

INTEREST RATE: MATURITY DATE: CUSIP NO.:
REGISTERED OWNER: CEDE & Co.

PRINCIPAL AMOUNT:

The City of Sumner, Washington, a municipal corporation organized and existing under and by virtue of the laws of the State of Washington (herein called the "City") hereby acknowledges itself to owe and for value received promises to pay, but only from the sources and as hereinafter provided, to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, the Principal Amount indicated above and to pay interest thereon from ____________, 2025, or the most recent date to which interest has been paid or duly provided for, at the Interest Rate set forth above, payable on ______ 1, 20__, and semiannually thereafter on the first days of each ________ and ________ until such principal sum is paid or payment has been duly provided for.

Both principal of and interest on this bond are payable in lawful money of the United States of America. Interest shall be paid as provided in the Blanket Issuer Letter of Representations (the "Letter of Representations") by the City to The Depository Trust Company ("DTC"). Principal shall be paid as provided in the Letter of Representations to the Registered Owner or assigns upon presentation and surrender of this bond at the principal office of the fiscal agency of the State of Washington (the "Registrar"). Capitalized terms used in this bond which are not specifically defined have the meanings given such terms in Ordinance No. 2918 of the City (the "Bond Ordinance").

The bonds of this issue are subject to redemption prior to their stated maturities as set forth in the Bond Purchase Contract.

This bond is one of an authorized issue of bonds of the City of like date and tenor except as to number, amount, rate of interest and date of maturity in the aggregate principal amount of $__________. This issue of bonds is authorized by the Bond Ordinance for the purpose of providing money to fund a portion of the construction and equipping of Phase 3 of the new Public Works Operations Facility, pay off a portion of the 2023 Note and pay costs of issuance, all in conformity with the laws of the State of Washington and ordinances of the City.

This bond and the bonds of this issue are payable solely from the special fund of the City known as the "Water and Sewer Revenue Refunding Bond Account, 1992" (the "Bond Account") created by Ordinance No. 1536 with in the Revenue Fund in the office of the Treasurer of the City. The City has irrevocably obligated and bound itself to pay into the Bond Account out of the revenue of the System (as defined in the Bond Ordinance) or from such other moneys as may be provided therefor certain amounts necessary to pay and secure the payment of the principal and interest on such bonds.

The bonds of this issue are not general obligations of the City.

The bonds of this issue are not "qualified tax-exempt obligations" for purposes of Section 265(b) of the Internal Revenue Code of 1986.

The bonds of this issue are issued under and in accordance with the provisions of the Constitution and applicable statutes of the State of Washington and duly adopted ordinances of the

City. The City hereby covenants and agrees with the owner of this bond that it will keep and perform all the covenants of this bond and of the Bond Ordinance to be by it kept and performed, and reference is hereby made to the Bond Ordinance for a complete statement of such covenants.

The City does hereby pledge and bind itself to set aside from the Revenue Fund out of the revenue of the System and to pay into the Bond Account the various amounts required by the Bond Ordinance to be paid into and maintained in such Fund and account, all within the times provided by the Bond Ordinance.

To the extent more particularly provided by the Bond Ordinance, the amounts so pledged to be paid from the Revenue Fund out of the revenue of the System into the Bond Account shall be a lien and charge thereon equal in rank to the lien and charge upon said revenue of the amounts required to pay and secure the payment of any revenue bonds of the City hereafter issued on a parity with the bonds of this issue and superior to all other liens and charges of any kind or nature except the Costs of Maintenance and Operation of the System.

The City has further bound itself to maintain the System in good repair, working order and condition, to operate the same in an efficient manner and at a reasonable cost, and to establish, maintain and collect rates and charges for as long as any of the bonds of this issue are outstanding that will make available, for the payment of the principal thereof and interest thereon as the same shall become due, net revenue in an amount which, together with ULID Assessments (as defined in the Bond Ordinance) will be at least equal to the Coverage Requirement (as defined in the Bond Ordinance).

The pledge of revenue of the System and other obligations of the City under the Bond Ordinance may be discharged at or prior to the maturity or redemption of the bonds of this issue upon the making of provision for the payment thereof on the terms and conditions set forth in the Bond Ordinance.

The capitalized terms used herein have the meanings set forth in the Bond Ordinance. Reference is made to the Bond Ordinance and any and all modifications and amendments thereto for a description of the nature and extent of the security for the bonds of this issue, the funds or revenues pledged, and the terms and conditions upon which such bonds are issued.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Ordinance (as hereinafter defined) until the Certificate of Authentication hereon shall have been manually signed by the Bond Registrar.

It is hereby certified that all acts, conditions, and things required by the Constitution and statutes of the State of Washington to exist, to have happened, been done, and performed precedent to and in the issuance of this bond have happened, been done, and performed.

IN WITNESS WHEREOF, the City has caused this bond to be signed with the facsimile or manual signature of the Mayor, to be attested by the facsimile or manual signature of the City Clerk, and the corporate seal of the City to be imprinted or impressed hereon, all as of this ___ day of _________, 2025.

CITY OF SUMNER, WASHINGTON

By ___/s/ facsimile or manual____________

Mayor

(SEAL)
ATTEST:

______/s/ facsimile or manual____________

City Clerk

CERTIFICATE OF AUTHENTICATION

Date of Authentication: ___________, 2025

This bond is one of the bonds described in the within-mentioned Bond Ordinance and is one of the Water and Sewer Revenue Bonds, 2025, of the City of Sumner, Washington, dated ______________ __, 2025.

WASHINGTON STATE FISCAL AGENT,
Bond Registrar

By ___________________________________

Authorized Officer

Section 12. Execution of Bonds. The Bonds shall be executed on behalf of the City with the manual or facsimile signature of the Mayor, shall be attested by the manual or facsimile signature of the City Clerk and shall have the seal of the City impressed or imprinted thereon.

Only such Bonds as shall bear thereon a Certificate of Authentication in the form hereinbefore recited, manually executed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this ordinance. Such Certificate of Authentication shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated, and delivered hereunder and are entitled to the benefits of this ordinance.

In case either of the officers who shall have executed the Bonds shall cease to be an officer or officers of the City before the Bonds so signed shall have been authenticated or delivered by the Bond Registrar, or issued by the City, such Bonds shall be valid nevertheless and may be issued by the City with the same effect as though the persons who had executed such Bonds had not ceased to be such officers.

Section 13. Defeasance. In the event that the City, in order to effect the payment, retirement or redemption of any Bond, sets aside in the Bond Account or in another special account, cash or noncallable Government Obligations, or any combination of cash and/or noncallable Government Obligations, in amounts and maturities which, together with the known earned income therefrom, are sufficient to redeem or pay and retire such Bond in accordance with its terms and to pay when due the interest and redemption premium, if any, thereon, and such cash and/or noncallable Government Obligations are irrevocably set aside and pledged for such purpose, then no further payments need be made into the Bond Account for the payment of the principal of and interest on such Bond. The owner of a Bond so provided for shall cease to be entitled to any lien, benefit or security of this ordinance except the right to receive payment of principal, premium, if any, and interest from such special account, and such Bond shall be deemed to be not outstanding under this ordinance.

The Bond Registrar shall provide notice of defeasance of Bonds to Registered Owners and to each party entitled to receive notice in accordance with Section 16 of this ordinance.

Section 14. Lost or Destroyed Bonds. In case any Bonds shall be lost, stolen or destroyed, the Bond Registrar may authenticate and deliver a new Bond or Bonds of like amount, date and tenor to the owner thereof upon the owner's paying the expenses and charges of the Bond Registrar and the City in connection therewith and upon his filing with the Bond Registrar and the City evidence satisfactory to both that such Bond or Bonds were actually lost, stolen or destroyed and of his ownership thereof, and upon furnishing the City and the Bond Registrar with indemnity satisfactory to both.

Section 15. Sale of Bonds. The Council has determined that it is in the best interest of the City to delegate to the City Representative the authority to enter into a Bond Purchase Contract with the Underwriter, and within the Bond Purchase Contract, to approve the final interest rates, maturity dates, aggregate principal amount, principal amounts of each maturity, redemption rights and other terms and conditions of the Bonds. The Council has been advised that market conditions are fluctuating and, as a result, the most favorable market conditions may occur on a day other than a regular meeting date of the Council. The Council has determined that it would be in the best interest of the City to delegate to the City Representative for a limited time the authority to approve the final interest rates, aggregate principal amount and principal amounts of each maturity of the Bonds and determine the redemption rights for the Bonds. The City Representative is hereby authorized to approve the final interest rates, aggregate principal amount, principal maturities and redemption rights for the Bonds in the manner provided hereafter so long as (i) the aggregate principal amount of the Bonds issued pursuant to this ordinance does not exceed $29,000,000; (ii) the aggregate true interest cost for the Bonds does not exceed 6.00%; and (iii) the final maturity of the Bonds is no later than 30 years from the date of issuance.

In determining the final interest rates, aggregate principal amounts, principal maturities, and redemption rights for the Bonds, the City Representative, in consultation with City staff, shall take into account those factors that, in his/her judgment, will result in the most favorable overall interest cost on the Bonds to their maturity, including, but not limited to current financial market conditions and current interest rates for obligations comparable in tenor and quality to the Bonds. The authority granted to the City Representative by this Section 15 shall expire on February 1, 2026. If a Bond Purchase Contract for Bonds has not been executed by February 1, 2026, the authorization for the issuance of such Bonds shall be rescinded, and Bonds shall not be issued nor their sale approved unless such Bonds shall have been re-authorized by ordinance of the Council.

The ordinance re-authorizing the issuance and sale of such Bonds may be in the form of a new ordinance repealing this ordinance in whole or in part or may be in the form of an amendatory ordinance approving a bond purchase contract or establishing terms and conditions for the authority delegated under this Section 15.

The Bonds shall be sold by negotiated sale to the Underwriter, and the City Representative shall negotiate the terms of sale for the Bonds, including the terms described in this section, in a contract of sale with the Underwriter (the "Bond Purchase Contract").

Subject to the terms and conditions set forth in this Section 15, the City Representative is hereby authorized to execute the final form of a Bond Purchase Contract upon his or her approval of the final interest rates, maturity dates, aggregate principal amount, principal maturities and redemption rights set forth therein. Following the sale of the Bonds, the City Representative shall provide a report to the Council, describing the final terms of the Bonds approved pursuant to the authority delegated in this section.

Upon the passage and approval of this ordinance, the proper officials of the City including the City Representative, are authorized and directed to undertake all action necessary for the prompt execution and delivery of the Bonds to the Underwriter and further to execute all closing certificates and documents required to effect the closing and delivery of the Bonds in accordance with the terms of the Bond Purchase Contract. The Bonds shall not be issued unless or until the City has received the consent from the owner and holder of the 2013 Bond to the issuance of the Bonds as Parity Bonds subject to the terms of this ordinance. In furtherance of the foregoing, the City Representative is authorized to approve and enter into agreements for the payment of costs of issuance, including Underwriter's discount, the fees and expenses specified in the Bond Purchase Contract, including fees and expenses of Underwriter and other retained services, including bond counsel, rating agencies, fiscal agent, and other expenses customarily incurred in connection with issuance and sale of bonds.

The City Representative is authorized to ratify and to approve for purposes of the Rule, on behalf of the City, the Official Statement (and any preliminary official statement) relating to the issuance and sale of the Bonds and the distribution of the Official Statement pursuant thereto with such changes, if any, as may be deemed by him/her to be appropriate.

The City Representative is hereby authorized to deem final one or more preliminary Official Statements relating to the Bonds for the purposes of the Rule.

Section 16. Undertaking to Provide Ongoing Disclosure.

(a) *Contract/Undertaking*. This section constitutes the City's written undertaking for the benefit of the owners of the Bonds as required by Section (b)(5) of the Rule.

(b) *Financial Statements/Operating Data*. The City agrees to provide or cause to be provided to the Municipal Securities Rulemaking Board ("MSRB"), the following annual financial information and operating data for the prior fiscal year (commencing in the first fiscal year following the date of issuance of the Bonds):

1. Annual financial statements, which statements may or may not be audited, showing ending fund balances for the System prepared in accordance with the Budget Accounting and Reporting System prescribed by the Washington State Auditor pursuant to RCW 43.09.200 (or any successor statute);

2. The principal amount of Parity Bonds;

3. Debt service coverage for Parity Bonds;

4. Rates for the System; and

5. Number of customers of the System.

Items 2-5 shall be required only to the extent that such information is not included in the annual financial statements.

The information and data described above shall be provided on or before the end of nine months after the end of the City's fiscal year, commencing with the fiscal year ending on December 31, 2025. The City's current fiscal year ends December 31. The City may adjust such fiscal year by providing written notice of the change of fiscal year to the MSRB. In lieu of providing such annual financial information and operating data, the City may cross refer to other documents available to the public on the MSRB's internet website or filed with the Commission.

If not provided as part of the annual financial information discussed above, the City shall provide the City's audited annual financial statement prepared in accordance with the Budgeting Accounting and Reporting System prescribed by the Washington State Auditor pursuant to RCW 43.09.200 (or any successor statute) when and if available to the MSRB.

(c) *Listed Events*. The City agrees to provide or cause to be provided, in a timely manner to the MSRB notice of the occurrence of any of the following events with respect to the Bonds not in excess of ten business days after the occurrence of the event:

(1) Principal and interest payment delinquencies;

(2) Non payment related defaults, if material;

(3) Unscheduled draws on debt service reserves reflecting financial difficulties;

(4) Unscheduled draws on credit enhancements reflecting financial difficulties;

(5) Substitution of credit or liquidity providers, or their failure to perform;

(6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB)

or other material notices or determinations with respect to the tax status of the Bonds, or other material or events affecting the tax status of the Bonds;

(7) Modifications to the rights of Bond holders, if material;

(8) Bond calls, if material, and tender offers;

(9) Defeasances;

(10) Release, substitution or sale of property securing the repayment of the Bonds, if material;

(11) Rating changes;

(12) Bankruptcy, insolvency, receivership or similar event of the City;

(13) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) Appointment of a successor or additional trustee or the change of name of the trustee, if material;

(15) Incurrence of a financial obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect security holders, if material; and

(16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties.

The term "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "financial obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

Solely for purposes of information, but without intending to modify this undertaking, with respect to the notice regarding property securing the repayment of the Bonds, the City will state in its preliminary and final Official Statements that there is no property securing the repayment of the Bonds. The City shall promptly determine whether the events described above are material.

(d) *Notification Upon Failure to Provide Financial Data*. The City agrees to provide or cause to be provided, in a timely manner, to the MSRB notice of its failure to provide the annual financial information described in Subsection (b) above on or prior to the date set forth in Subsection (b) above.

(e) *EMMA; Format for Filings with the MSRB*. Until otherwise designated by the MSRB or the Commission, any information or notices submitted to the MSRB in compliance with the Rule are to be submitted through the MSRB's Electronic Municipal Market Access system ("EMMA"), currently located at www.emma.msrb.org. All notices, financial information and operating data required by this undertaking to be provided to the MSRB must be in an electronic format as prescribed by the MSRB. All documents provided to the MSRB pursuant to this undertaking must be accompanied by identifying information as prescribed by the MSRB.

(f) *Termination/Modification*. The City's obligations to provide annual financial information and notices of listed events shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. Any provision of this section shall be null and void if the City (1) obtains an opinion of nationally recognized bond counsel to the effect that the portion of the Rule that requires that provision is invalid, has been repealed retroactively or otherwise does not apply to the Bonds and (2) notifies the MSRB of such opinion and the cancellation of this section.

The City may amend this section with respect to the Bonds with an opinion of nationally recognized bond counsel in accordance with the Rule. In the event of any amendment of this section, the City shall describe such amendment in the next annual report, and shall include, a narrative explanation of the reason for the amendment and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the City. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (A) notice of such change shall be given in the same manner as for a listed event under Subsection (c), and (B) the annual report for the year in which the change is made shall present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

(g) *Bond Owner's Remedies Under This Section*. The right of any bondowner or beneficial owner of Bonds to enforce the provisions of this section shall be limited to a right to obtain specific enforcement of the City's obligations under this section, and any failure by the City to comply with the provisions of this undertaking shall not be an event of default with respect to the Bonds. For purposes of this section, "beneficial owner" means any person who has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds, including persons holding Bonds through nominees or depositories.

<u>Section 17</u>. <u>Bond Insurance</u>. The City Representative is hereby also authorized to consider proposals from bond insurers and determine whether the use of bond insurance for the Bonds is economically advantageous to the City. If the City Representative determines to obtain bond insurance, the City Representative is authorized to execute a commitment for insurance.

Section 18. Ordinance and Laws a Contract with the Registered Owner and Holder. This ordinance is adopted under the authority of and in full compliance with the Constitution and laws of the State of Washington. In consideration of the Registered Owners and holders of the Bond or Bonds, the provisions of this ordinance and of said laws shall constitute a contract with the Registered Owners and holders, and the obligations of the City and its Council under said laws and under this ordinance shall be enforceable by any court of competent jurisdiction; and the covenants and agreements herein and in the Bonds set forth shall be for the equal benefit of the Registered Owners and holders.

Section 19. Severability. If any one or more of the covenants or agreements provided in this ordinance to be performed on the part of the City shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements of this ordinance and shall in no way affect the validity of the other provisions of this ordinance or of the Bonds.

Section 20. Effective Date. This ordinance shall be effective five days from its passage and publication as required by law.

PASSED by the City Council of the City of Sumner, Washington, and approved by its Mayor at a regular meeting of said Council held this 18th day of February, 2025.

CITY OF SUMNER, WASHINGTON

____

Kathy Hayden, Mayor

ATTEST:

____

Michelle Converse, City Clerk

APPROVED AS TO FORM:

____

Andrea Marquez, City Attorney

First Reading: ***February 10, 2025***
Date Approved: ***February 18, 2025***
Date of Publication: ***February __, 2025***
Effective Date: ***February __, 2025***

EXHIBIT A

CONSENT

Key Government Finance, Inc. (the "2013 Bond Owner") (such term and other capitalized terms used in this Consent are defined in Ordinance No. 2918 (the "Bond Ordinance") to which this Consent is annexed), hereby certifies as follows:

1. The 2013 Bond Owner is the owner and holder of the City of Sumner, Washington's outstanding its Water and Sewer Revenue Bond, 2013 (ULID No. 2007-01), issued pursuant to Ordinance No. 2465 adopted on December 2, 2013 (the "2013 Bond Ordinance"), and currently outstanding in the aggregate principal amount of $356,384.36 (the "2013 Bond").

2. By the execution of this Consent, the 2013 Bond Owner waives the requirement for a funding of a Reserve Account, as provided in Section 6(b) of the 2013 Bond Ordinance for the owners of the Bonds and any Future Parity Bonds, as a condition precedent to the issuance of the Bonds and Future Parity Bonds as Parity Bonds; and

3. As provided in Section 6(c) of the 2013 Bond Ordinance, the amounts so pledged to be paid into the Bond Account and a Reserve Account from the Revenue Fund and from ULID Assessments are hereby declared to be a prior lien and charge upon the Revenue of the System and ULID Assessments superior to all other charges of any kind or nature whatsoever except the Costs of Maintenance and Operation of the System, and except that the amounts so pledged are of equal lien to the charges upon such Revenue and ULID Assessments for the payment of the principal of and interest on the Bonds and any Future Parity Bonds and the priority of payment from a Reserve account shall be limited to the amounts in the applicable Reserve Account.

DATED as of this ____ day of ______, 2025.

KEY GOVERNMENT FINANCE, INC.

By ________________________________
Name: _____________
Title: _____________

CITY OF SUMNER, WASHINGTON
WATER AND SEWER REVENUE BONDS, 2025

Summary of Ordinance No. 2918, adopted on February 18, 2025

AN ORDINANCE OF THE CITY OF SUMNER, WASHINGTON AUTHORIZING THE ISSUANCE OF WATER AND SEWER REVENUE BONDS OF THE CITY IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED $29,000,000 TO PROVIDE FUNDS TO CONSTRUCT AND EQUIP A PORTION OF PHASE 3 OF THE NEW PUBLIC WORKS OPERATIONS FACILITY AND PAY OFF THE UTILITY PORTION OF THE 2023 BOND ANTICIPATION NOTE OF THE CITY; DELEGATING AUTHORITY TO APPROVE THE FINAL TERMS OF SAID BONDS; AND RESERVING THE RIGHT TO ISSUE REVENUE BONDS ON A PARITY WITH THE BONDS UPON COMPLIANCE WITH CERTAIN CONDITIONS.

Approved this 18th day of February, 2025.

CITY OF SUMNER, WASHINGTON

____
Clerk

CERTIFICATE OF CLERK

I DO HEREBY CERTIFY that I am the duly chosen, qualified and acting Clerk of the City of Sumner, Washington (the “City”), and keeper of the records of the City Council (the “Council”); and I HEREBY CERTIFY:

1. That the attached ordinance is a true and correct copy of Ordinance No. 2918 of the City (the “Ordinance”), as finally passed at a regular meeting of the Council held on the 18th day of February, 2025, and duly recorded in my office.

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

IN WITNESS WHEREOF, I have hereunto set my hand this 18th day of February, 2025.

____
Michelle Converse, City Clerk

CITY OF SUMNER WASHINGTON

CITY COUNCIL MEETING
DATE: February 18, 2025
AGENDA BILL: 25-68

SUBJECT: Ordinance No. 2919 - Amending Sumner Municipal Code 12.30.040 Truck Routes Established

CATEGORY: Ordinance

BUDGET IMPACT:

Expenditure Required: None

Within Budget Allocation: N/A

ATTACHMENTS:

1. Ordinance No. 2919 - Amending Sumner Municipal Code 12.30.040 Truck Routes Established

STAFF CONTACT: Courtney Littrell, Assistant Engineering Manager

SUMMARY BACKGROUND:

Truck routes in the City of Sumner have been established and are indicated in the Sumner Municipal Code Chapter 12.30, Truck Routes. Recently, street names have been updated, which has made some of the code language inaccurate.

This code update is to update the street names that have since changed, and to add a new truck route segment.

COUNCIL COMMITTEE/STUDY SESSION: **Public Works Committee**
MEETING/STUDY SESSION DATE: 2/4/2025
COMMITTEE RECOMMENDATION: Do Pass

STAFF RECOMMENDATIONS/MOTION:

A motion to adopt Ordinance No. 2919, revising sections of Chapter 12.30 Truck Routes, substantially in the form as approved by the City Attorney.

ORDINANCE NO. 2919
CITY OF SUMNER, WASHINGTON

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUMNER, WASHINGTON, AMENDING SECTION 12.30.040 OF SUMNER MUNICIPAL CODE ENTITLED TRUCK ROUTES ESTABLISHED.

WHEREAS, the names of certain truck routes previously established have changed, requiring tis section of City code to be updated: and

WHEREAS, the City find it necessary and appropriate to add an additional roadway segment to the established truck routes.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SUMNER, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. The City of Sumner Municipal Code Chapter 12.30 entitled Truck Routes shall be revised as detailed in the attached Exhibit A.

Section 2. **Severability.** If a section, subsection, paragraph, sentence, clause, or phrase of this ordinance is declared unconstitutional or invalid for any reason by any court of competent jurisdiction, such decision shall not affect the validity off the remaining portions of this ordinance. If the provisions of this ordinance are found to be inconsistent with other provisions of the Sumner Municipal Code, this ordinance is deemed to control.

Section 3. **Effective Date.** This ordinance shall be effective five (5) days from and after its passage approval and publication as provided by law.

Section 4. **Corrections by City Clerk or Code Reviser.** Upon approval of the city attorney, the city clerk and the code reviser are authorized to make necessary corrections to this ordinance, including the correction of clerical errors; ordinance, section, or subsection number; or references to other local, state, or federal laws, codes, rules, or regulations.

Passed by the City Council and approved by the Mayor the of the City of Sumner, Washington, at a regular meeting thereof this 18th day of February, 2025.

____
Mayor Kathy Hayden

ATTEST:	**APPROVED AS TO FORM:**
______________________________	____________________________________
City Clerk Michelle Converse, CMC	Andrea Marquez, City Attorney

Date Adopted:	***xx/xx/xx***
Date of Publication:	***xx/xx/xx***
Effective Date:	***xx/xx/xx***

EXHIBIT A

12.30.040 Truck routes established.

There are established within the city the following truck routes:

A. Washington State Route 167 within the Sumner corporate limits.

B. Washington State Route 410 within the Sumner corporate limits.

C. East Valley Highway from Puyallup Street to the Sumner corporate limits.

D. Washington State Route 162 within the Sumner corporate limits.

E. Traffic Avenue.

F. Fryar Avenue.

G. 142nd Avenue East from its intersection with Tacoma Avenue to 24th Street East.

H. Puyallup Street.

I. 24th Street East from 142nd Avenue East to the West Valley Highway.

J. 136th Avenue East from 24th Street East to 16th Street East.

K. Tacoma Avenue.

L. ~~Valley Avenue East from Bridge Street to the Sumner corporate limits.~~ Cannery Way from Sumner Heights Drive to Valley Avenue East.

M. 140th Avenue East between 24th Street East and 16th Street East.

N. West Valley Highway from the north city limits at 16th Street East southerly to its intersection of Sumner Heights Drive.

O. Sumner Heights Drive between West Valley Highway and ~~Valley Avenue East~~ Cannery Way.

P. Valley Avenue East from Cannery Way to Sumner corporate limits. (Ord. 2264 § 1, 2008: Ord. 2123 § 1, 2005: Ord. 2060 § 1, 2003: Ord. 1978 § 1, 2001: Ord. 1872 § 1, 1999: Ord. 1822 § 1 (part), 1998)