



City of Spokane
CONTRACT EXTENSION

Title: **City Banking Services**

This Contract Extension including additional compensation is made and entered into by and between the **City of Spokane** as ("City"), a Washington municipal corporation, and **U.S. BANK**, whose downtown Spokane location is 428 West Riverside Avenue, Spokane, Washington 99201 as ("**Bank**").

*WHEREAS, the parties entered into a Contract wherein the **Bank** agreed to provide for banking services to the City of Spokane; and*

WHEREAS, additional time is required for the City to commence with the processes of a new solicitation for banking services, and thus the Contract time needs to be formally extended by this written document.

-- NOW, THEREFORE, in consideration of these terms, the parties mutually agree as follows:

1. CONTRACT DOCUMENTS.

The Contract, dated June 29, 2011 and July 1, 2011, any previous amendments, addendums and / or extensions / renewals thereto, are incorporated by reference into this document as though written in full and shall remain in full force and effect except as provided herein.

2. EFFECTIVE DATE.

This Contract Extension shall become effective on August 1, 2016.

3. EXTENSION.

The contract documents are hereby extended and shall run through December 31, 2016.

IN WITNESS WHEREOF, in consideration of the terms, conditions and covenants contained, or attached and incorporated and made a part, the parties have executed this Contract Extension by having legally-binding representatives affix their signatures below.

U.S. BANK

By _____
Signature Date

Type or Print Name

Title

Attest:

City Clerk

CITY OF SPOKANE

By _____
Signature Date

Type or Print Name

Title

Approved as to form:

Assistant City Attorney

Attachments that are part of this Agreement:

BRIEFING PAPER
Finance Committee
Audit/Compliance position re: Park Bond
July 11, 2016

Subject Audit and compliance oversight of contracts and financial reporting for or for the capital facility facility renovations of Riverfront Park being funded by unlimited tax general obligation Bonds Project.

Purpose The volume and complexity of the contracts associated with the Riverfront Park Bond renovation pProjects are such that there is a present the need for additional resources to minimize risk to the City and ensure proper contract compliance and adherence to financial controls are in place.

Background In 2014 the voters approved \$64 million in unlimited tax general obligation bonds for the redevelopment renovation of Riverfront Park (City Ordinance C35207).

The UTGO funds are for the renovation of Riverfront Park buildings, facilities and infrastructure, enhancing security and safety facilities, -improving parking lighting, heating and cooling systems, and improving other capital facilities of Riverfront Park and the parks system.

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Recommendation Approve an Emergency Budget Ordinance creating a new Compliance Auditor position that will be funded ing with bond proceeds for the duration of the renovation project next several years from proceeds of the Park Bond. The position will also provide audit and compliance oversight for other projects such as integrated capital projects. Costs will be allocated based on time and effort documentation to ensure appropriate cost sharing.

BRIEFING PAPER
City of Spokane
Information Technology
July 11, 2016

Subject

Approval to purchase PC, Laptop and Mobile Data Hardware Equipment from Dell Marketing L.P. (Dell Financial Services, L.L.C.)Austin, TX.

January 1, 2016 through December 31, 2016 for \$ 360,000 plus tax.

Increase limit by \$120,000.00 for Fire IT purchase to a maximum of \$ 480,000 plus tax.

Background

Dell Marketing L.P. currently provides the City of Spokane with PC, Laptop and Mobile Data Hardware for purchase for various City Departments. The purpose of the new equipment is for efficiencies, improved service, high speed connectivity, future capacity, and aligns with The City's standard for PC, Laptop and Mobile Data equipment and deployment. The City of Spokane IT Department has utilized WA State Contract# 05815-003/MNWNC-108 for its selection of Dell Marketing L.P..

2015 - \$826,120.00 including tax

Impact

Without this yearly Approval to Purchase, the IT Department would be required to bring any purchase over The City Purchase Limit(\$48,400) to City Council for Approval for each piece of equipment purchased.

Action

City IT Staff recommends approval

Funding

Various Accounts

BRIEFING PAPER
City of Spokane
Information Technology

BRIEFING PAPER
Finance Committee
Contracting and Procurement Organizational and Process Assessment
July 11, 2016

Subject The Finance Division initiated a Request for Proposals (RFP) to solicit proposals from firms interested in participating on a project to provide assessment and consultation services related to the City's procurement and contracting processes.

Purpose The assessment and subsequent recommendations for improvement made by the consultant are meant to optimize the City's purchasing/contracting practices to:

- maximize spending power resulting in lower cost of goods/services
- mitigate risk related to use of public funds and/or eligibility of funding sources
- reduce discretionary spending and methods of spending that are not value add to the organization
- develop standards for purchasing that support the broader goals of the City – affordable (cost based rather than personal preference), accountable (maximizing tax payer dollars), and aligned (tying expenditures directly to service delivery)
- reduce administrative overhead related to the purchasing and contracting activity (i.e., create more administrative capacity)
- increase transparency all of our practices/processes
- Improve the procurement process so that operational departments will have the goods/services they need when they need, and in the form they need those purchased goods/services

Background Prior to 2005, there were ten (10) FTE assigned to a centralized Purchasing & Stores Department. In 2005 The City switched to a mostly decentralized purchasing model which relies heavily on support from non-purchasing staff in the various departments. Our current model has five (5) full-time purchasing staff. Four FTEs report to Accounting Services with two located in Central Purchasing and two located in specific Departments. The fifth FTE is located at SPD and reports to SPD. While there have been benefits to this change, the change was made without a thorough review of existing policies, practices, and procedures. In order to ensure that we continue to provide cost effective service delivery and make the best use of taxpayer dollars, we are recommending that the City undertake a review at this time.

Recommendation Approve an Emergency Budget Ordinance utilizing \$127,000 of Unappropriated General Fund dollars to contract with FCS Group for this study.

BRIEFING PAPER
City of Spokane
Information Technology
July 11, 2016

Subject

Interagency Agreement with Washington State Department of Transportation (WSDOT), Olympia, WA, to provide reciprocal services relating to network conduits, communication vaults, and fiber optic strands in multiple locations through the City of Spokane managed and used by the Street Department and Innovation Technology Service Department.

Commencement date based upon signature by both parties for 10 year term with the option for 3(three) additional 10 year terms.

Background

Washington State DOT and the City of Spokane recognize a regional need for dedicated fiber optic cable and communication conduit to provide the Region for dedicated multipurpose communication lines to ITS devices, computer networks, interagency communication, and intra-agency communication. The City of Spokane IT Department utilizes this opportunity whenever possible.

Impact

This agreement formalizes ongoing shared regional services between the City of Spokane and WSDOT that have been in place for more than ten (10) years (please see Exhibit A).

Action

City Staff (ITSD and Streets recommends approval)

Funding

N/A

Exception: Exhibit E - WSDOT has agreed to pay their portion of the Capital expenses relating to the installation of a fiber run into the US Bank building.

BRIEFING PAPER
City of Spokane
Information Technology



BRIEFING PAPER
Finance Committee
Auditing Officer
July 11, 2016

Subject
Auditing Officer.

Background

RCW 42.24.180 authorizes the issuance of warrants before approval of the vouchers by the City Council in order to expedite the payment of claims.

The RCW provides that all routine operating claims against the City of Spokane will be pre-audited and signed by the auditing officer. In the past, the Accounting Director has assumed this responsibility. We recommend that the Chief Accountant and/or the Accountant 2 be the primary auditing officer.

The primary and backup auditing officers will be bonded at \$50,000 as approved at the May 04, 2015 Finance Committee meeting.

Impact

The City should formally implement the resolution to comply with RCW 42.24.180.

Action

The Finance Committee should approve the resolution authorizing its approval of claims after issuance pursuant to RCW 42.24.180.

Funding

No funding impact.

BRIEFING PAPER
Finance Committee
Auditing Officer
July 11, 2016

RCW 42.24.180

*Taxing district — Issuance of warrants or checks before approval by legislative body — Conditions.

In order to expedite the payment of claims, the legislative body of any *taxing district, as defined in RCW [43.09.260](#), may authorize the issuance of warrants or checks in payment of claims after the provisions of this chapter have been met and after the officer designated by statute, or, in the absence of statute, an appropriate charter provision, ordinance, or resolution of the *taxing district, has signed the checks or warrants, but before the legislative body has acted to approve the claims. The legislative body may stipulate that certain kinds or amounts of claims shall not be paid before the board has reviewed the supporting documentation and approved the issue of checks or warrants in payment of those claims. However, all of the following conditions shall be met before the payment:

(1) The auditing officer and the officer designated to sign the checks or warrants shall each be required to furnish an official bond for the faithful discharge of his or her duties in an amount determined by the legislative body but not less than fifty thousand dollars;

(2) The legislative body shall adopt contracting, hiring, purchasing, and disbursing policies that implement effective internal control;

(3) The legislative body shall provide for its review of the documentation supporting claims paid and for its approval of all checks or warrants issued in payment of claims at its next regularly scheduled public meeting or, for cities and towns, at a regularly scheduled public meeting within one month of issuance; and

(4) The legislative body shall require that if, upon review, it disapproves some claims, the auditing officer and the officer designated to sign the checks or warrants shall jointly cause the disapproved claims to be recognized as receivables of the *taxing district and to pursue collection diligently until the amounts disapproved are collected or until the legislative body is satisfied and approves the claims.

[1994 c 273 § 18; 1984 c 128 § 11.]

Notes:

***Reviser's note:** "Taxing district" redesignated "local government" by 1995 c 301 § 15.

BRIEFING PAPER
Finance Committee
Banking Services Contract Extension
July 11, 2016

Subject

Banking Services Contract Extension.

Background

The City is in the process of issuing an RFP for banking services, and expects to evaluate responses and have a contract in place in Q4 2016. The current contract ends July 31, 2016. This extension is necessary to continue current operations with US Bank.

US Bank has been the provider of the City's banking services since July 01, 2011. The original contract was for a 3-year term with 2 optional one-year extensions. This extension would continue the contract until December 31, 2016.

Impact

Without an extension, the city will be operating without a banking contract. However, US Bank has assured us that they will continue to provide services until a successor bank, if applicable, is selected and the transition is fully completed.

Action

Approval of contract extension.

Funding

There are no additional, unanticipated impacts to the City.

BRIEFING PAPER
Asset Management Group
Friday, April 21, 2017

Subject:

Master Security Service Contract rfp results

Background:

For decades, the City of Spokane has utilized private security services to provide security at a wide variety of locations. These locations range from City Hall to the Intermodal Facility, City operated landfills, occasional special events and parks patrols. Historically these have been completed as individual contracts, typically signed by individual departments, and completely uncoordinated. On May 12th, 2016 the City of Spokane through the Purchasing Department published an RFP intended to consolidate these services under a master contract, providing one multiyear contract. These services would be accessed by each department utilizing a task assignment process and their own budget account number.

Impact:

This consolidation provides one point of contact for security services for the City of Spokane, eliminates a variety of contracts that need to be tracked and renewed on a wide range of schedules, simplifies the retaining of security services for short term security needs, and will provide a single uniform appearance and standard of service for all City security needs.

This master contract is intended to be for 3 years with (2) 1 year options for extension for a total of 5 years. It is anticipated that the total cost of the contract over the 5 year term will be set 'as a not to exceed' \$1,250,000. In the event that this limit is reached prior to the 5 year term expiring, council action would be required to add additional dollars to the contract.

Action:

Contract Approval

Exhibit A

Specifications and Special Provisions

Section 1 (Division Street, I-90 to Spokane River and connection to Spokane Regional Traffic Management Center (SRTMC) located at 221 W 1st Ave. Spokane WA 99210.

1. The WSDOT agrees to allow the CITY to access and use the equivalent of one four-inch conduit (or 4 innerduct) located on Division Street between I-90 and the South bank of the Spokane River, on Riverside Avenue between Division Street and Browne Street, on Browne Street between Riverside Avenue and Sprague Avenue, and on Sprague Avenue between Browne Street and SRTMC, as shown on Exhibit "C" Section one (1).
2. The CITY agrees to perform locate functions and maintenance of structures for this joint use trench that are within the CITY right of way.
3. The WSDOT agrees to perform locate functions and maintenance of structures for this joint use trench that are inside limited access.
4. The CITY agrees to allow the WSDOT access to 12 strands of fiber from COS Fire Station 1 located at 44 W. Riverside Spokane, WA. 99201~~the vault in the North East corner of Riverside and Browne,~~ for the WSDOT to access a connection to 610422 -W. Riverside, Spokane WA. 99201. See Exhibit E for WSDOT and COS agreed connection and cost break down.~~Vault shown on Exhibit "C" Section 1.~~

Comment [RB1]: Doug to verify address

Section 2 (Division Street, South Bank of the Spokane River, across the Spokane River Bridge to WSDOT at 2714 N Mayfair Street.)

1. The CITY agrees to allow the WSDOT to, access, and use the equivalent of two innerduct along Division Street from the South shore of the Spokane River (including crossing the Spokane River on the Spokane River Bridge) to North Foothills Drive, and on North Foothills Drive between Division Street and the WSDOT campus at 2714 North Mayfair, as shown on Exhibit 'C' Section 2.
2. The CITY agrees to perform locate functions and maintenance of structures for this joint use trench within the CITY right of way

Section 3 (Combined Communication Campus)

1. The WSDOT has installed the necessary equipment to transmit traffic video via fiber optic cable from the SRTMC to the Combined Communications Building and the Emergency Operations Center.

2. The CITY agrees to assume oversight and maintenance responsibilities for equipment installed in the Combined Communications Building and the Emergency Operations Center that delivers live traffic video from SRTMC.
3. WSDOT will retain ownership and maintenance responsibilities for EOC equipment installed at the SRTMC.

Section 4 (Third Avenue, Maple St. to Division)

1. The CITY agrees to allow the WSDOT access to one four-inch conduit with four innerduct for WSDOT on Third Avenue between Maple Street and Division Street, as shown on Exhibit "C" Section 4.
2. The CITY agrees to allow the WSDOT to access vaults that connect to the conduit run on Third Avenue between Maple Street and Division Street for the purpose of installing a communication strand.
3. The WSDOT agrees to allow the CITY to access and use of 12 single mode fiber optic strands of the Slate tube out of a 144-strand single mode fiber optic cable.
4. The CITY agrees to perform locate functions, maintenance of structures, and fiber optic strands for this joint use trench within the CITY right of way.

Section 5 (Jefferson Street I-90 to Third Avenue)

1. The CITY agrees to allow the WSDOT to access conduits, vaults, and fiber optic strands on Jefferson Street between I-90 and Third Avenue, as shown on Exhibit "C" Section 5
2. WSDOT agrees, to perform all utility locate functions and maintenance of vaults, fiber optic strands, and conduits carrying fiber optic strands covered in this agreement that are located on Jefferson Street between I-90 and Third Avenue.

Section 6 (Maple Street, I-90 to Third Avenue)

1. The WSDOT agrees to allow access to two four-inch conduit for the CITY on Maple Street between I-90 and Third Avenue, as shown on Exhibit "C" Section 6.
2. The City agrees, to perform all utility locate functions and maintenance of vaults, fiber optic strands, and conduits carrying fiber optic strands covered in this agreement that are located on Maple Street between Fourth and Third Avenue.

3. WSDOT agrees, to perform all utility locate functions and maintenance of vaults, fiber optic strands, and conduits carrying fiber optic strands covered in this agreement that are located on Maple Street between I-90 and Fourth Avenue.

Section 7 (US 2 North Foothills Dr. to Hawthorne)

1. The WSDOT agrees to allow access to one four-inch conduit and innerduct for the CITY on Division Street between Cleveland Avenue and Hawthorne Street, as shown on Exhibit "C" Section 7.

2. The CITY agrees to allow the WSDOT access to one four-inch conduit with innerduct for the WSDOT on Division St. between North Foothills Dr. and Cleveland Ave., as shown on Exhibit "C" Section 7.

3. The WSDOT agrees to allow the CITY to access vaults that connect to the conduit run on Division Street between Ruby Avenue and Hawthorne Avenue for the purpose of installing a communication strand.

4. The CITY agrees to perform all utility locate functions and maintenance of conduits carrying fiber optic strands, and structures, covered in this agreement that are located on US 2 between Foothills Dr. and Hawthorne Avenue.

Section 8 (I90 at Rosamond Avenue)

1. The vault comprising the System described in Exhibit 'C' which lies within the CITY right-of-way outside limited access shall be owned by the CITY as shown on Exhibit 'C' Section 8.

2. The CITY agrees to perform all utility locate functions and maintenance of structures, covered by the Agreement at this location.

3. The WSDOT agrees to allow the CITY to access and use 12 single mode fiber optic strands of the Slate tube out of a 144-strand single mode fiber optic cable.

Section 9 (I-90 at Geiger Boulevard)

1. The WSDOT agrees to allow the CITY access to conduits, vaults, and fiber optic strands on Geiger Boulevard between the vault in the South East corner of Geiger Blvd and Grove Rd. to Geiger Blvd and Rowand Rd. Refer to Exhibit "C" Section 9.

2. WSDOT agrees, to perform all utility locate functions and maintenance of vaults, fiber optic strands, and conduits carrying fiber optic strands covered in this agreement that are located on I-90 to the vault in the North Rowand Rd and WSP Facility.

3. The WSDOT agrees to allow the CITY to access and use 12 single mode fiber optic strands (from the Slate tube) of the mainline 144 strand fiber optic cable.

Section 10 (Sprague Av. from Division St to Hatch St.)

1. The WSDOT agrees to allow the CITY to access conduits, vaults, and fiber optic strands on Sprague Ave, between Hatch St. and Division St, as shown on Exhibit 'C' Section 10.

2. The WSDOT agrees to allow the CITY access to six innerduct installed from Sprague Ave and Division St. to Sprague Ave. and Hatch St. in two existing 4-inch diameter WSDOT conduits.

3. The WSDOT agrees to allow the CITY access to 24 single mode fiber optic strands out of a 96-strand single mode fiber optic cable installed in one WSDOT innerduct, as shown on Exhibit C.

4. The CITY agrees, to perform all utility locate functions and maintenance of structures and conduits carrying fiber optic strands covered in this agreement that are located on City right of way.

Section 11 (Sprague Av. from Hatch St. to Havana St.)

1. The CITY agrees to allow the WSDOT to access conduits, vaults, and fiber optic strands on Sprague Ave, between Hatch St. and Havana St, as shown on Exhibit 'C' Section 11.

2. The CITY agrees to allow the WSDOT access to two innerduct installed from Sprague Ave and Hatch St. to Sprague Ave. and Havana St. in one 4-inch diameter CITY conduit.

3. The WSDOT agrees to allow the CITY access to 24 single mode fiber optic strands out of a 96-strand single mode fiber optic cable installed in one WSDOT innerduct, as shown on Exhibit C.

4. The CITY agrees, to perform all utility locate functions and maintenance of structures and conduits carrying fiber optic strands covered in this agreement that are located on City right of way.

Section 12 (Sprague Ave. To 3Rd Ave. on Freya)

1. The WSDOT agrees to allow the CITY to access conduits, vaults, and fiber optic strands on Freya Ave, between Sprague Ave. and 3rd Ave., as shown on Exhibit 'C' Section 12.
2. The WSDOT agrees to allow the CITY access to four innerduct installed from Sprague Ave to 3rd Ave. on Freya Ave. in one 4-inch diameter WSDOT conduit.
3. The WSDOT agrees to allow the CITY access to 24 single mode fiber optic strands out of a 96-strand single mode fiber optic cable installed in one WSDOT innerduct, as shown on Exhibit C.
4. The CITY agrees, to perform all utility locate functions and maintenance of structures and conduits carrying fiber optic strands covered in this agreement that are located on City right of way.
5. WSDOT agrees, to perform all utility locate functions and maintenance of structures and conduits carrying fiber optic strands covered in this agreement that are located on the WSDOT right of way.

Section 13 (Sprague Ave. To I90 on Havana Rd.)

1. The CITY agrees to allow the WSDOT to access conduits, vaults, and fiber optic strands on Havana Rd., between Sprague Ave. and I90., as shown on Exhibit 'C' Section 13.
2. The CITY agrees to allow the WSDOT access to two innerduct installed from Sprague Ave to I90. on Havana Rd., in one of two 4-inch diameter CITY conduits.
3. The WSDOT agrees to allow the CITY access to 24 single mode fiber optic strands out of a 96-strand single mode fiber optic cable installed in one WSDOT innerduct.
4. The CITY agrees, to perform all utility locate functions and maintenance of structures and conduits carrying fiber optic strands covered in this agreement that are located on City right of way.
5. WSDOT agrees, to perform all utility locate functions and maintenance of structures and conduits carrying fiber optic strands covered in this agreement that are located on the WSDOT right of way.

Exhibit E

Initial Scope of work and Initial Cost Allocations

WSDOT Connection to City of Spokane Fiber network

The WSDOT has an interest in obtaining and using 12 strands of fiber optics from the City of Spokane (-COS) Fire station 1 located at 44 W. Riverside, Spokane, WA. 99201, to the US bank building at 422 W. Riverside Spokane, WA. 99201, to access and use for WSDOT purposes. The COS has installed and has agreed for the WSDOT to use 12 strands of the AQUA tube from a WSDOT installed Fiber Optic Patch Panel located in the Fire Station 1 and the COS Fiber Optic Patch Panel at US Bank building in Rack Labeled, "US Bank Two, (2), Fire One (1), and Four (4)". The WSDOT agrees to reimburse the COS and complete the following work in exchange for access and use of the above described 12 strands of fiber optic cable from thru the COS.

1: Scope of Work:

- A. WSDOT will install a three (3) cell Max-eCell in interduct between the Cable Vault located in the North East corner of Browne and Riverside in to Fire Station 1 Located at 44 W. Riverside, Spokane, WA. 99201, and utilize 1 cell for WSDOT.
- B. WSDOT will install a 1U patch panel with 12 terminated SC connectors inside the Equipment room located inside Fire Station 1.
- C. WSDOT will install a 12 Strand Fiber between Fire station 1 and the existing sShared WSDOT/COS Cable Vault located at the corner of Division and Riverside.
- D. WSDOT will splice into WSDOT's existing 72 strand at the corner of Division and Riverside to Fiber optic cable to complete a path to the SRTMC located at 221 W. 1st AVE. Suite 310.
- E. WSDOT to supply 12 Fiber Optic patch cords to the COS for the connection between the WSDOT patch panel and the COS patch panel located at the Fire Station 1.
- F. WSDOT to repair and test all locate wires in Section 1 of Exhibit B at WSDOT Expense.

Comment [RB1]: What is the location where the 12 strands will be spliced into the 72 strands?

2: Cost Allocations:

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- A. The COS has previously installed conduit and a 144 strand Fiber Optic Cable from Fire Station 1, Located at 44 W. Riverside, Spokane, WA. 99201 to the US Bank Building located at 422 W. Riverside Spokane, WA. 99201. The WSDOT has agreed to reimburse the COS for the initial cost for the construction and installation of the conduit and 12 strands of fiber optic cable. The following is the cost break down the COS invested for the conduit and fiber optic installation:

Initial construction cost for the COS to install 144 strands of Fiber optic line: \$123,563.00

Cost per strand, 144strands/\$123,563 = \$858.08 per strand of fiber optic.

WSDOT to reimburse COS for initial 12 strand cost, 12 x \$858.08 = \$10,296.92

\$10,296.92 x 1.087 (tax) = \$11,192.76

WSDOT total reimbursement cost: \$11,192.76

Exhibit E

- **Fiber path**
US Bank (NoaNet 5th floor suite) to Fire Station 1, 44 W. RIVERSIDE
- **Contact**
NoaNet, 422 W Riverside Ave Ste 424, Spokane, WA 99201 · (509) 747-0986
- **Rack number**
US Bank, 2
Fire 1, 4
- **Patch Panel number**
US Bank, patch panel A
Fire 1, patch panel L
- **Strands that are being used**, 12 strands of the Aqua tube
- **Cost per strand**
Cost per strand: $\$123,563/144 = \$858.08/\text{strand}$
12 strands @ $\$858.08/\text{strand} = \$10,296.92$
 $\$10,296.92 \times 1.087 \text{ (tax)} = \$11,192.76$



ORDINANCE NO. C-_____

An ordinance relating to special revenue funds, amending SMC sections 07.08.130 and adding a new section to be numbered 07.08.150.

The City of Spokane does ordain:

Section 1. That SMC section 07.08.130 is amended to read as follows:

07.08.130 Parking System Fund

- A. There is created and shall be maintained in the office of the City Treasurer a special revenue fund designated the “parking system fund.” All City parking revenue from on and off street meter systems, miscellaneous parking fees, permits, etc., along with other sums appropriated in the budget from the City general fund shall be deposited into the fund upon receipt. One hundred percent (100%) of the total amount of the parking infraction revenue collected, less the expenditures of the municipal court parking violations program from the prior calendar year, will be transferred from the general fund to the parking system fund.
- B. Money deposited into the fund shall be accumulated or expended to pay for operations and maintenance of the parking system, to include parking enforcement and collections, the parking violation system and to maintain, improve, and enhance the customer environment in those areas where parking revenue is generated within the City.
- C. City Council priorities for expenditures from the parking system fund are parking system investments, parking environment improvements, administration, and safety and security of the parking system. For purposes of this section, “parking environment” shall mean all infrastructure in the public right-of-way that contributes to the interface between the downtown resident, visitor or worker and the downtown built environment. This infrastructure includes, but is not limited to, parking stalls, payment systems, parking asset management, streetscapes (including landscaping and pedestrian lighting investments), street furniture, wayfinding systems, public safety, vehicle, bicycle, and pedestrian rights-of-way, public spaces, gateways and all other aspects of downtown common areas, which contribute to the overall experience of downtown.
- D. Parking Advisory Committee.
 1. A thirteen-member parking advisory committee will be created to advise the City on investments in the parking environment, policy, and rate-setting as informed by the downtown parking study. The committee shall be facilitated by Business Improvement District staff and shall be

composed of the following stakeholders to be appointed by the City Council: one (1) downtown property owner, one (1) owner of a large downtown business, one (1) owner of a downtown small business, one (1) resident of downtown, one (1) downtown worker, one (1) designee from Spokane Transit Authority, one (1) representative of the Arts community; three (3) members chosen at the discretion of the Business Improvement District; two (2) city council members in non-voting, *ex officio* roles; and the (1) Parking Services Manager in a non-voting, *ex officio* role. The committee members shall serve staggered terms of three (3) years. The committee chair shall be elected by a vote of the committee and shall serve a (1) year term, however, the Committee may vote to extend the chairperson's term by (1) additional year.

2. The Committee shall propose to the City Council, on an annual basis, a set of recommended projects to improve the downtown parking environment, guidance on parking rate-setting, and other public policy recommendations concerning the downtown parking system, as well as a description and analysis of the outcomes of the prior years' parking fund investments.
3. In forming its recommendations, the Parking Advisory Committee shall observe the following process:
 - a. City Council and the City administration, through their *ex-officio* Committee positions, shall provide the Committee with priorities for the Committee's consideration during their annual project planning process.
 - b. With consideration given to the input received in this process from City Council and the Administration, The Committee shall develop an annual recommended budget and capital project list for the parking system fund. This list will be presented to the City Council on or before November 1 of each year. The City Council shall then consider for approval the list of projects and recommended investments as part of the normal annual budget process. Projects will be placed in the six-year capital program as needed.
 - c. The (~~the~~) parking advisory committee, in collaboration with City Council and staff Committee designees, will develop a set of indicators that will track downtown vitality as a result of improvements made from parking system fund investments. These data will be available in the annual report.
 - d. Notwithstanding any other recommendations or policy suggestions, the committee shall include the following goals in its report and track their progress: (1) the establishment of a parking system fund

reserve of \$500,000, and (2) the set-aside of not less than ten percent (10%) of the parking system fund for the support of emergency projects in the downtown parking environment.

- E. Any available parking funds must first be used to cover the debt service on Series 2005B LTGO bonds (Bonds) or any subsequent refinancing of these bonds. In the event the Bonds are refinanced and result in a reduction of remaining debt service, said reductions may be utilized for economic development purposes in the City subject to City Council Resolution.

Section 2. That a new section be added to ch. 07.08 to be numbered SMC section 07.08.150 to read as follows:

07.08.150 Financial Partnership Portfolio Fund

- A. There is established a special revenue fund to be known as the “financial partnership portfolio fund” into which shall be deposited funds designated by the city council for economic development under the Projects of Citywide Significance program.
- B. Money in this fund is disbursed under approved agreements in accordance with the Projects of Citywide Significance program.

Passed by the City Council on _____.

Council President

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

Mayor

Date

Effective Date

**REVISED - FINANCE & TECHNOLOGY MEETING
MEETING AGENDA FOR
July 11, 2016
10:30 a.m. – COUNCIL BRIEFING CENTER**

The Spokane City Council's Finance & Technology Committee meeting will be held at **10:30 a.m. on July 11, 2016** in Council Briefing Center –Lower Level City Hall, 808 West Spokane Falls Boulevard, Spokane, Washington.

The meeting will be conducted in a standing committee format. Because a quorum of the City Council may be present, the standing committee meeting will be conducted as a committee of the whole council.

The meeting will be open to the public, with the possibility of moving or reconvening into executive session only with the members of the City Council and the appropriate staff. No legislative action will be taken. No public testimony will be taken and discussion will be limited to appropriate officials and staff.

AGENDA

I. Call to Order

II. Approval of Minutes from June 6, 2016 Meeting

III. Council Requests

IV. Staff Requests

- | | |
|--|--------------------------------------|
| 1. State Auditor Entrance for 2015 Audit | State Auditor's Office |
| 2. Grade Changes – Human Resources | Chris Cavanaugh |
| 3. Master Security Contract | Dave Steele |
| 4. City Wide Security Services | Ed Lukas |
| 5. Procurement and Contracting Organizational and Process Assessment | Sally Stopher |
| 6. Amend SMC 07.08.130 (Parking System Fund) and create new section of Citywide Significance | 07.08.150 re: Projects
Kim Bustos |
| 7. Extension of US Bank Contract (OPR 2011-0537) | Kim Bustos |
| 8. Audit Compliance Position – Park Bond | Tim Dunivant |
| 9. Purchasing Review | Tim Dunivant |
| 10. 6 Year Capital Program Status Update | Crystal Marchand |
| 11. Financial Update | Cooley/Dunivant |
| 12. IT Update | Eric Finch |
| • IT Organizational Development and Staffing Update | |
| • Open Data Update | |
| • Recommendations, Council Support requested, Q & A | |
| • IT Contracts | |

V. Executive Session:

VI. Adjournment:

Next Finance & Technology Committee meeting will be on Monday, August 1, 2016.

AMERICANS WITH DISABILITIES ACT (ADA) INFORMATION: *The City of Spokane is committed to providing equal access to its facilities, programs and services for persons with disabilities. The Council Chambers and the Council Briefing Center in the lower level of Spokane City Hall, 808 W. Spokane Falls Blvd., are both wheelchair accessible. The Council Briefing Center is equipped with an audio loop system for persons with hearing loss. The Council Chambers currently has an infrared system and headsets may be checked out by contacting the meeting organizer. Individuals requesting reasonable accommodations or further information may call, write, or email Chris Cavanaugh at (509) 625-6383, 808 W. Spokane Falls Blvd, Spokane, WA, 99201; or ccavanaugh@spokanecity.org. Persons who are deaf or hard of hearing may contact Ms. Lowe at (509) 625-6383 through the Washington Relay Service at 7-1-1. Please contact us forty-eight (48) hours before the meeting date.*

City Council: Finance & Technology Committee

Financial Update: 7-11-16



City of Spokane Permit Activity

▶ **Total Permit Activity up 28% (vs. 31% last month)**

- 10,765 permits were issued through June 2016 compared to 8,381 that were issued in the first six months of 2015. Permit volume is up 40% over 2014.
- The last 8 months have been the busiest November through June on record – we have issued over 2,800 more permits than the same period last year! In May, we issued 600 more permits than May of 2015.
- June has also been a record-breaking month. We issued over 2,000 permits in June of this year – that is the first time we've broken 2,000!

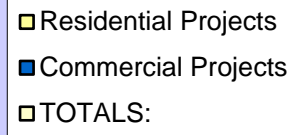
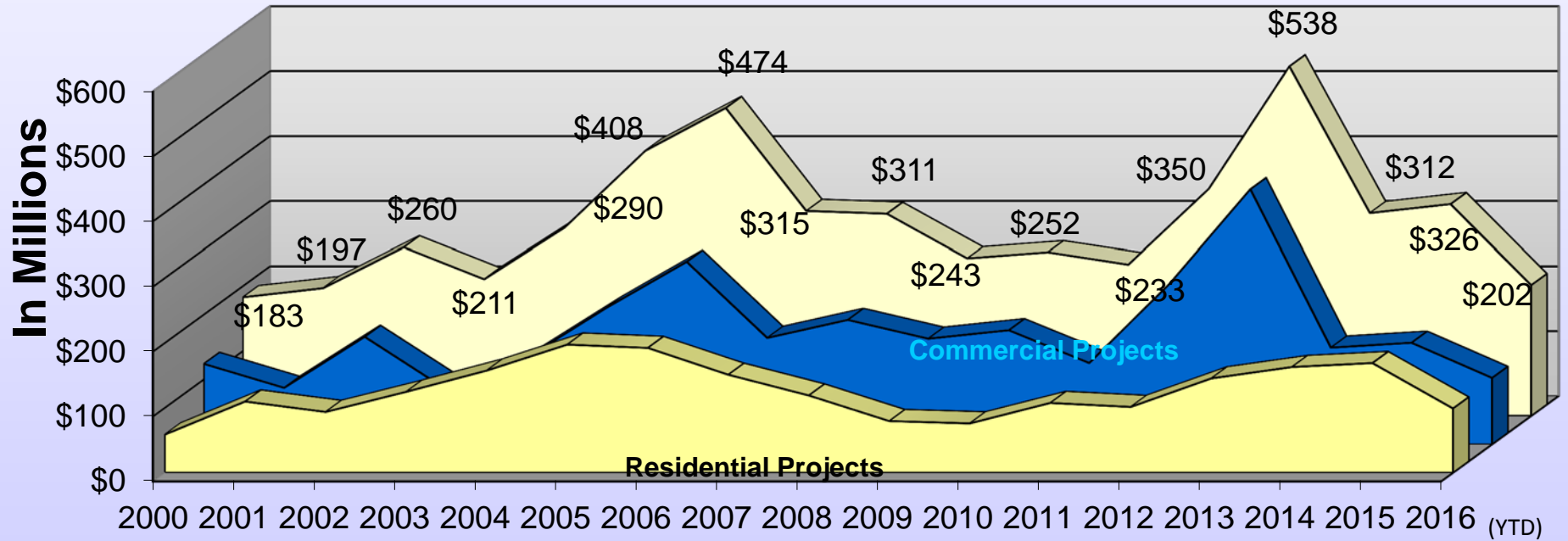
▶ **New Single Family Residences up 10% (vs. 24% last month)**

- There were 188 SFR permits issued so far 2016 and 171 permits issued in the first six months of 2015. SFR permits are up 88% over 2014 when 100 permits were issued through June.

▶ **Construction Valuation up 26% (vs. 66% last month)**

- The valuation of permits issued through June 2016 was \$202M, the valuation for permits issued in the first six months of 2015 was \$159M.
- Valuations are up 1% from 2014 and up 22% from 2013.

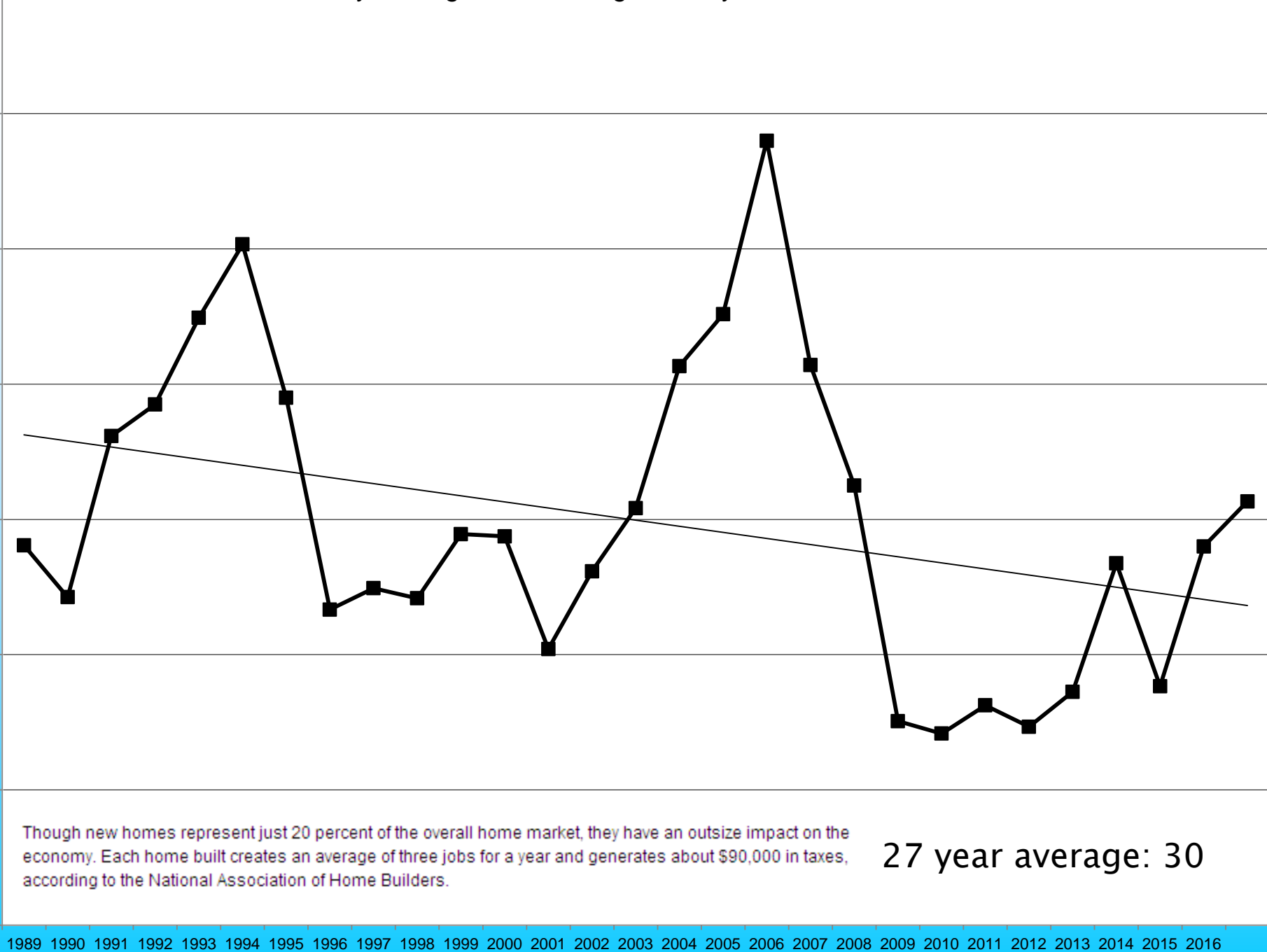
Yearly Construction Valuations



Construction Valuation Comparison of Publicly and Privately Funded Projects

		Private	Public	Total	Public %
In Millions of Dollars	2016	\$ 154	\$ 48	\$ 202	24%
	2015	\$ 291	\$ 35	\$ 326	11%
	2014	\$ 253	\$ 57	\$ 310	18%
	2013	\$ 440	\$ 98	\$ 538	18%
	2012	\$ 235	\$ 114	\$ 349	33%
	2011	\$ 182	\$ 51	\$ 233	22%
	2010	\$ 142	\$ 110	\$ 252	44%
	2009	\$ 150	\$ 93	\$ 243	38%
	2008	\$ 282	\$ 30	\$ 312	10%
	2007	\$ 242	\$ 73	\$ 315	23%
Averages:	\$ 237	\$ 71	\$ 308	23%	

Monthly Average of New Single Family Residence Permits



Though new homes represent just 20 percent of the overall home market, they have an outside impact on the economy. Each home built creates an average of three jobs for a year and generates about \$90,000 in taxes, according to the National Association of Home Builders.

27 year average: 30

Residential Permit Activity January – June 2016

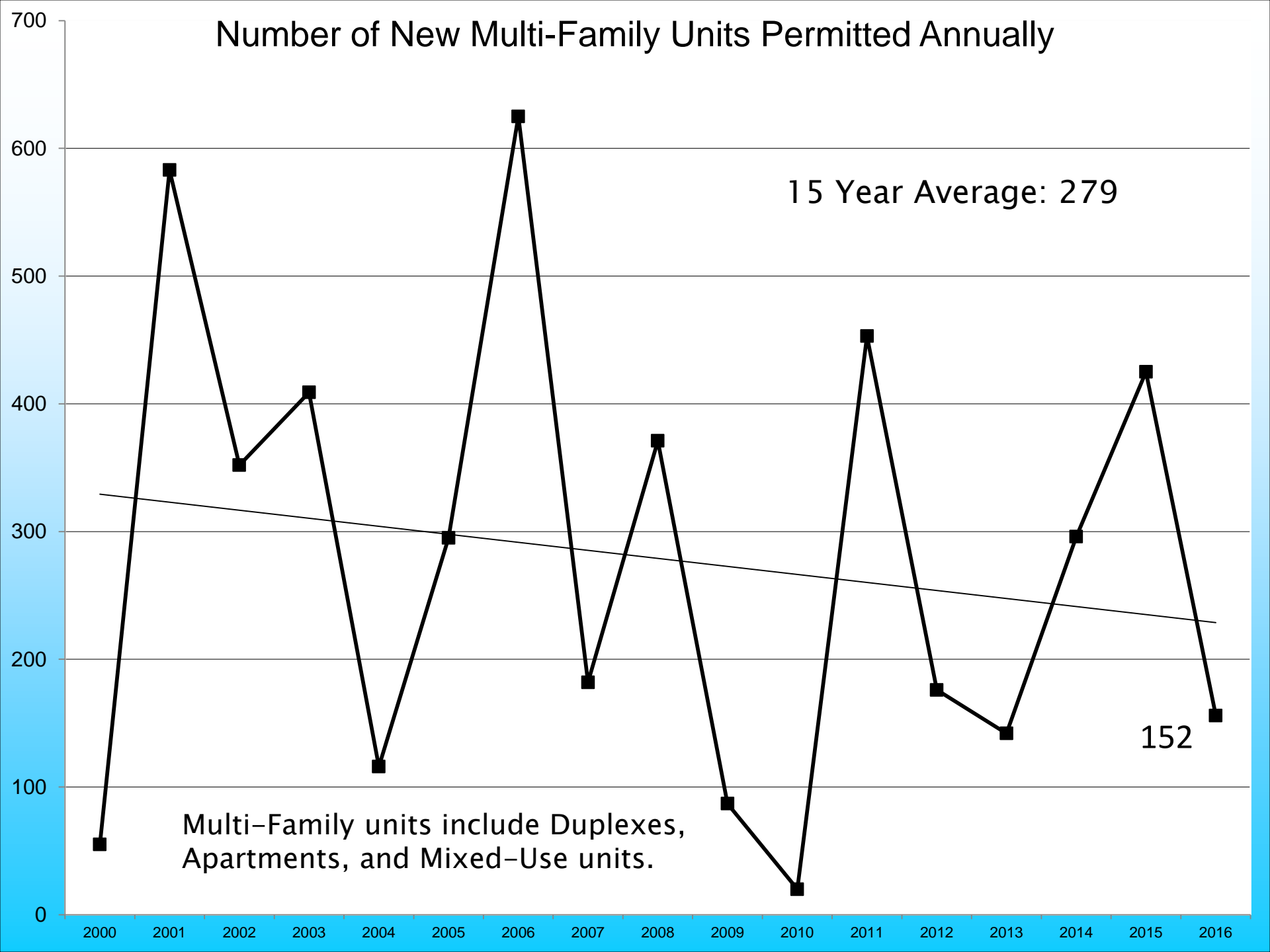
Row Labels	2015 YTD		2016 YTD	
	Count	Permit Value	Count	Permit Value
101 - One-family house Detached	145	\$ 37,845,310	195	\$ 49,739,120
434 - Residential Remodels/Alterations/Addtns	532	\$ 8,389,303	1649	\$ 23,342,498
434 - Dwelling	368	\$ 2,447,626	675	\$ 4,180,158
214 - New Residential Garage	51	\$ 1,373,703	70	\$ 1,946,289
103 - Apartment building 2 units (Duplex)	5	\$ 1,513,690	4	\$ 1,324,475
102 - One-family house Attached	26	\$ 4,606,856	6	\$ 1,014,040
329-1 - Fence	185	\$ 353,632	178	\$ 521,568
438 - Residential Garages & Carports	22	\$ 389,222	19	\$ 388,013
329-3 Swimming Pool	7	\$ 172,080	5	\$ 153,000
435 - Decrease # Housing Unit	1	\$ 32,831	1	\$ 150,000
Grand Total	1342	\$ 57,124,254	2802	\$ 82,759,160

Number of New Multi-Family Units Permitted Annually

15 Year Average: 279

Multi-Family units include Duplexes, Apartments, and Mixed-Use units.

152



Construction Valuation Comparisons

	City	Valley	County	Total	City %
2015	\$ 325,863,780	\$ 98,180,000	\$ 256,109,833	\$ 680,153,613	48%
2014	\$ 312,104,458	\$ 111,876,535	\$ 225,905,141	\$ 649,886,134	48%
2013	\$ 534,607,011	\$ 173,820,000	\$ 317,800,000	\$ 1,026,227,011	52%
2012	\$ 349,474,428	\$ 111,594,294	\$ 221,030,312	\$ 682,099,034	51%
2011	\$ 233,012,833	\$ 65,378,378	\$ 245,839,900	\$ 544,231,111	43%
2010	\$ 252,003,323	\$ 86,463,600	\$ 186,776,741	\$ 525,243,664	48%
2009	\$ 242,594,589	\$ 105,192,518	\$ 178,725,029	\$ 526,512,136	46%
2008	\$ 311,733,003	na	\$ 232,089,582	\$ 543,822,585	

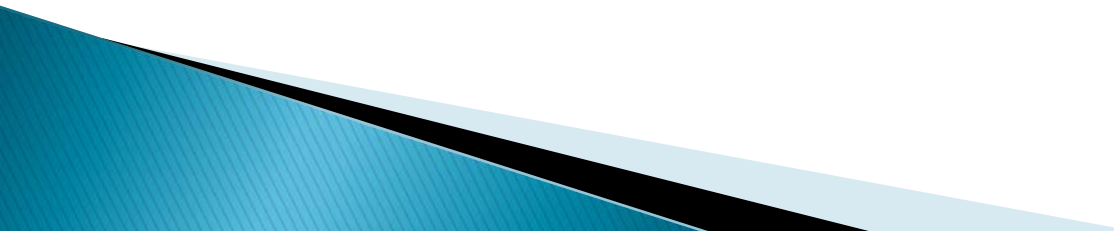
COMPARISON OF PROJECTS FROM 2016 & 2015

Largest Projects of 2016	Valuation		Valuation	Largest Projects of 2015
Salk Middle School Replacement	\$26,400,000	1	\$12,000,000	WSU Health Clinic
Palouse Trails Apartments	\$12,301,588	2	\$11,104,915	University Apartments
North Central High School Addn	\$11,499,999	3	\$11,024,503	Indian Trail Apartments
Kendall Yards Elm Street Apartments	\$5,167,307	4	\$10,830,723	Matilda Building
Kendall Yards Medical Office Building	\$4,500,000	5	\$6,100,000	NW Farm Credit Services Corp.
STA Plaza Upgrade - Phase 1	\$2,806,746	6	\$5,999,999	Larry H Miller Downtown Toyota
Spokane Occupation and Hand Therapy	\$2,000,000	7	\$5,606,454	Deaconess Emergency Department
TI- Red Lion at the Park Renovation	\$1,965,000	8	\$4,301,851	Playfair 4 Warehouse
SCC Counseling & Tutoring Center	\$1,907,000	9	\$4,030,000	Avista Const & GPSS Renovation
Hampton Inn & Suites F&F	\$1,800,000	10	\$3,736,571	Father Bach II
	\$70,347,641		\$74,735,016	

COMPARISON OF PROJECTS ISSUED with PROJECTS IN PLAN REVIEW

Largest Projects of 2016	Valuation		Valuation	Largest Projects in Review
Salk Middle School Replacement	\$26,400,000	1	\$28,898,683	Copper River Apartments
Palouse Trails Apartments	\$12,301,588	2	\$15,068,458	Highline Apartments
North Central High School Addn	\$11,499,999	3	\$14,054,204	Riverview Lofts
Kendall Yards Elm Street Apartments	\$5,167,307	4	\$11,751,170	Iron Bridge Shell
Kendall Yards Medical Office Building	\$4,500,000	5	\$11,482,949	Hampton Inn
	\$59,868,895		\$81,255,463	

New Building and Fire Codes go into effect July 1

- ▶ We have had an influx of commercial and residential projects in June to get vested under the current codes
 - ▶ There are 21 commercial projects in Plan Review now with valuations over \$1 million
 - ▶ There are 34 new Single Family Residences in Plan Review now
- 

Projects in Plan Review > \$1 M:

Copper River Apartments	2911 Fort George Wright	\$28,900,000
Highline Apartments	528 N. Cedar	\$15,100,000
Riverview Lofts	1601 E. Mission	\$14,100,000
Iron Bridge Shell	731 N. Iron Bridge Way	\$11,800,000
Hampton Inn	675 S. McClellan	\$11,500,000
Larry H Miller Honda	1208 W. 3rd	\$8,200,000
Gonzaga University Jesuit Residence Center	323 E. Boone	\$8,100,000
St. Joseph's Care Center	17 E. 8th	\$8,000,000
Riverfront Park Ice Rink and Skyride	610 W. Spokane Falls Blvd	\$5,600,000
One South Madelia	1 S. Madelia	\$4,900,000

Projects in Plan Review > \$1 M:

Father Bach III	24 W. 2nd	\$4,500,000
BNSF Auto Unloading Facility	4510 E. Wisconsin	\$4,400,000
Qualmed Parking Structure	603 S. Howard	\$4,100,000
Indiana Medical Clinic	123 E. Indiana	\$4,000,000
Chronicle Building Apartments	926 W. Sprague	\$2,900,000
West End Lofts	115 S. Jefferson	\$2,500,000
New Maverik Station	1019 E. Francis	\$2,300,000
Scott Street Apartments	712 S. Scott	\$1,600,000
Kendall Yards Comm. Building	1315 W. Summit Parkway	\$1,600,000
Mega Car Wash	1111 N. Maple	\$1,200,000
Sprague Ave Grow	4014 E. Sprague	\$1,000,000

Proposed Projects:

RPWRF NLT Project	2016 - 2020	\$126,000,000
Jensen Byrd Development	Fall 2016 (Demo)	\$45,000,000
1400 Riverside Tower	Fall 2016	\$20,000,000
Franklin Elementary School Modernization	TBD	\$19,000,000
Avista Downtown Network Ops Building	Spring 2017	\$5,700,000
Looff Carousel	Spring 2017	\$4,500,000
Four Seasons Assisted Living	Fall 2016	\$3,500,000
Moran South Estates	Summer 2016	\$3,000,000
Browne's 15	Fall 2016	\$1,800,000
2814 E. 31 st Apartments	Summer 2016	\$1,800,000

Largest Projects Issued in 2016

- ▶ **Salk Middle School** – 6411 N. Alberta – Replace existing Salk Middle School with addition to existing Phase 1 gymnasium and new parking lot and fields.
- ▶ **Palouse Trails Apartments** – 5000 S. Palouse Highway – New apartment complex with 114 units in 5 buildings, one community building with rental office and laundry, surface parking, carports, and play area
- ▶ **North Central High School** – 1600 N. Howard – Addition to North Central High School consisting of commons, kitchen, and classrooms connecting Phase 1 addition and the 1980's building.
- ▶ **Kendall Yards Elm Street Apartments** – 1907 W. Summit Parkway – New 3-story, 24 unit apartment building in Kendall Yards
- ▶ **Kendall Yards Medical Office Building** – 546 N. Jefferson Lane – New 38,000 sf, 3-story Medical Office Shell in Kendall Yards

Largest Projects Issued in 2016

- ▶ **STA Plaza Upgrade – Phase 1** – 701 W. Riverside – Phase 1 includes upgrades to the Customer Service Area, Main Floor Restrooms, Tenant Space D, Security Suite, Storage Area, and Waste Management Facilities.
- ▶ **Spokane Occupational and Hand Therapy** – 5905 N. Mayfair – N12,300 sf, two-story professional office building.
- ▶ **Red Lion at the Park Renovations** – 303 W. North River Drive – Remodel of Bar, Coffee Bar and Lounge, Lobby remodel, New 4th floor suite, exterior painting and lighting.
- ▶ **SCC Counseling and Tutoring Center** – 1810 N. Greene – A 12,300 sf interior remodel to Building #1 to include relocating existing offices, conferences rooms and tutoring spaces
- ▶ **Hampton Inn and Suites Footings and Foundations** – 675 S. McClellan – Footings, Foundations, and site grading for new Hampton Inn Suite hotel and parking garage.

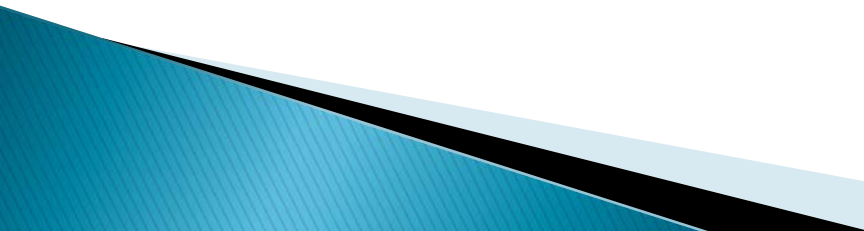
Largest Projects in Plan Review

- ▶ **Copper River Apartments** – 2911 Fort George Wright Dr. – New apartment project on Sisters of Holy Names property. 240 units in 10 buildings, a clubhouse, garages, carports, and associated buildings.
- ▶ **Highline Apartments** – 528 N. Cedar – New apartment project in Kendall Yards. 137 units in 7 buildings.
- ▶ **Riverview Lofts** – 1601 E. Mission – 80 Unit apartment project with 4 buildings, a clubhouse and garages.
- ▶ **Iron Bridge Building IV** – 731 N. Iron Bridge Way – New office building with 3 floors including a café with indoor and outdoor covered seating. Approximately 91,000 sf.
- ▶ **Hampton Inn** – 675 S. McClellan – New Hampton Inn and Suite hotel and parking garage

Proposed Projects Descriptions

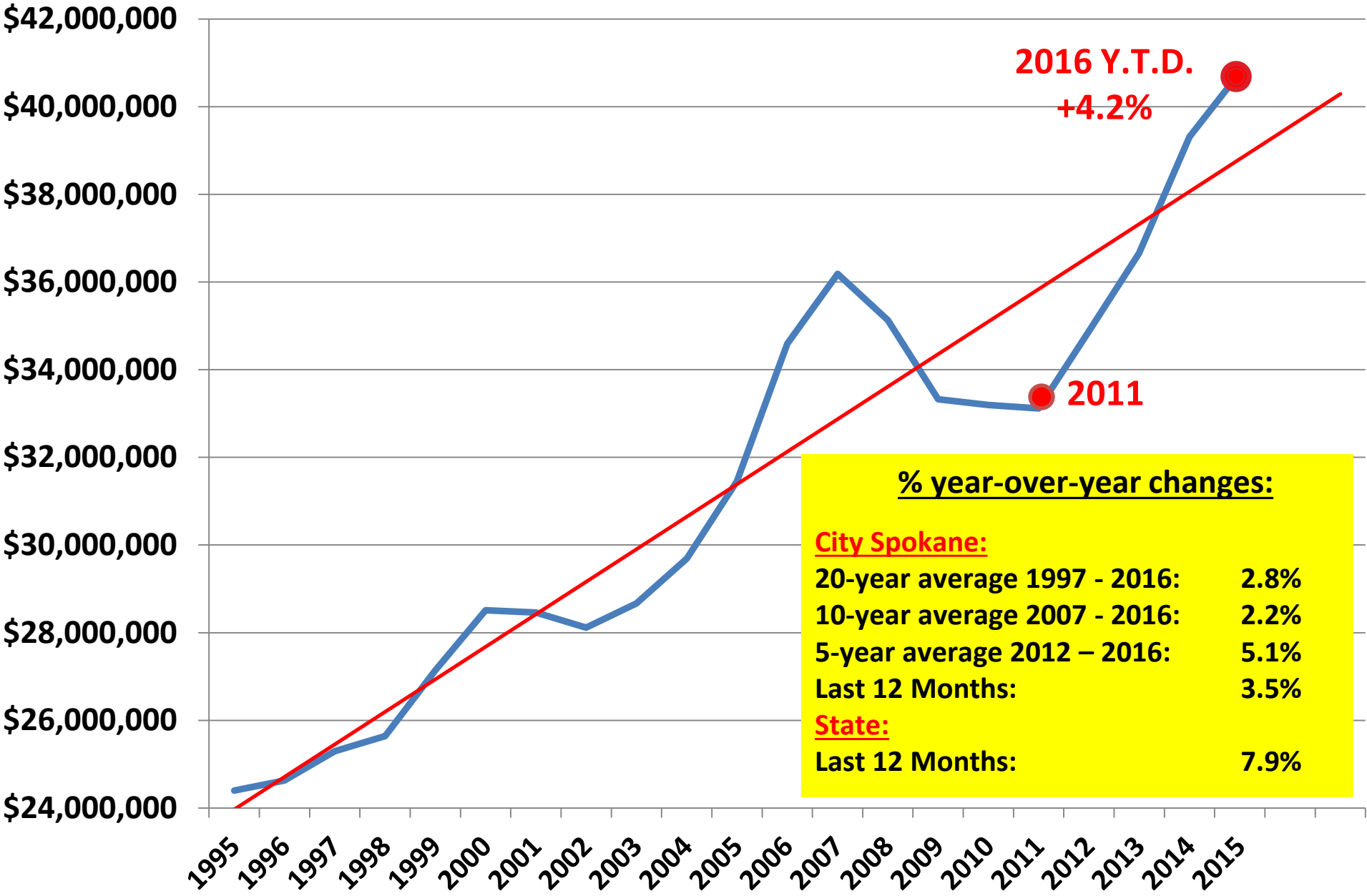
- ▶ **RPWRF Next Level of Treatment Project** – 4401 W. Aubrey L White Parkway – Phase construction that includes work in several existing buildings, new construction and development of the site to accommodate a process change at the facility.
- ▶ **Jensen Byrd Development** – 131 E Main – Mixed use development on WSU property including several buildings – mixed use, office, retail, fitness center, parking garage, and restaurant.
- ▶ **1400 Riverside Tower** – 1404 W. Riverside – New mixed use parking and condominium building with 17 floors. There will be approximately 50 units in 275,000 sf.
- ▶ **Franklin Elementary Modernization and Addition** – 2627 E. 17th Avenue – Remodel of 1909 Building, Demolition of 1951 building addition and portable building. Construction of a 46,000 sf addition and expanded parking lot.
- ▶ **Avista Downtown Network Operations Building** – 1804 W 5th – New 29,885 sf warehouse and office building and substation.

Proposed Projects Descriptions

- ▶ **Looff Carrousel Facility** – 610 W. Spokane Falls Blvd. – Renovate and enlarge the Looff Carrousel facility. The new building will include a gift center, party room, and concessions.
 - ▶ **Four Seasons Assisted Living** – 4515 S. Freya – Four to five assisted living buildings with occupant loads of 16 residents per building and development of the site.
 - ▶ **Moran South Estates** – 4510 S. Freya – Fourteen lot single family plat.
 - ▶ **Browne's 15** – 2029 W. 2nd Avenue – New apartment building with 3 floors and 15 units. Demolition of existing building.
 - ▶ **2814 E. 31st Apartments** – 2814 E. 31st – Two apartment buildings approximately 9,000 sf each with 18 units total.
- 

Sales Tax Report		2016													
		12-Month	←	2016	2015	→	Nov	Oct	Sep	Aug	Jul	Jun	May	Apr	
	Approx. Annual \$		Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sep	Aug	Jul	Jun	May	Apr
King Cnty	\$103m	10.2%	15.2%	13.8%	13.6%	4.8%	12.8%	9.9%	4.4%	8.4%	7.0%	13.7%	14.1%	4.3%	4.7%
Bellevue	\$60m	9.3%	20.6%	4.1%	3.6%	9.4%	6.0%	10.4%	3.1%	17.7%	-7.2%	22.8%	19.8%	6.6%	5.8%
Seattle	\$202m	9.7%	9.4%	10.9%	8.5%	4.5%	6.9%	7.9%	7.8%	7.4%	12.6%	12.6%	17.6%	10.1	9.8%
Pierce	\$45m	8.6%	8.9%	9.3%	13.4%	4.4%	10.5%	11.0%	9.0%	8.2%	6.8%	7.1%	11.3%	2.8%	5.4%
Tacoma	\$42m	8.4%	11.7%	11.7%	11.3%	-1.1%	4.4%	9.8%	7.3%	12.7%	5.7%	11.1%	11.8%	4.6%	3.3%
Snohomish	\$44m	7.5%	9.6%	9.8%	7.9%	8.9%	9.8%	11.5%	7.1%	5.1%	1.8%	5.7%	10.2%	3.4%	4.7%
Everett	\$26m	4.0%	-0.8%	9.2%	11.0%	-4.2%	-1.0%	3.9%	-3.2%	4.7%	10.9%	3.6%	13.7%	3.6%	12.2%
Clark Cnty	\$28m	11.3%	8.1%	7.3%	10.8%	7.8%	7.1%	21.8%	4.6%	12.8%	10.8%	16.8%	17.2%	13.4%	10.6%
Vancouver	\$32m	11.4%	8.5%	11.9%	-5.5%	1.8%	8.6%	10.9%	11.4%	11.3%	18.7%	24.6%	24.7%	12.1%	11.0%
Spokane City	\$41m	3.5%	7.1%	4.6%	2.7%	2.0%	4.0%	3.0%	-.3%	8.5%	1.2%	6.1%	8.4%	-6.5%	2.8%
Spok Cnty	\$23m	7.2%	9.7%	9.1%	10.0%	10.0%	9.6%	5.7%	4.9%	3.6%	2.9%	10.0%	8.9%	3.5%	8.7%
Spok Valley	\$18m	8.2%	14.0%	12.2%	11.6%	10.0%	7.6%	4.2%	4.3%	1.5%	.7%	7.0%	11.2%	15.8%	-1.9%
Benton Cnty	\$11m	13.6%	5.1%	-1.3%	16.7%	5.9%	-10.0%	4.2%	7.6%	-3.6%	-12.6%	11.6%	121.5%	33.4%	13.7%
Kennewick	\$17m	9.8%	8.8%	11.1%	6.5%	9.6%	5.7%	7.5%	8.2%	8.6%	5.6%	29.2%	10.5%	5.5%	7.7%
Wenatchee	\$7m	15.7%	14.3%	15.7%	15.0%	16.5%	23.0%	15.0%	18.3%	23.4%	15.2%	15.1%	13.7%	2.0%	3.1%
Walla Walla	\$5m	10.6%	17.2%	7.6%	13.6%	6.4%	8.6%	8.6%	11.0%	7.3%	22.7%	9.1%	11.7%	7.8%	3.8%
Yakima	\$16m	2.5%	7.5%	4.3%	7.3%	-1.1%	2.7%	-3.0%	-.8%	-5.7%	5.5%	3.5%	9.7%	.4%	-.7%
Statewide	\$1,446m	7.9%	10.7%	10.0%	9.6%	5.8%	8.9%	8.0%	5.0%	6.9%	4.7%	10.4%	14.1%	5.4%	6.1%

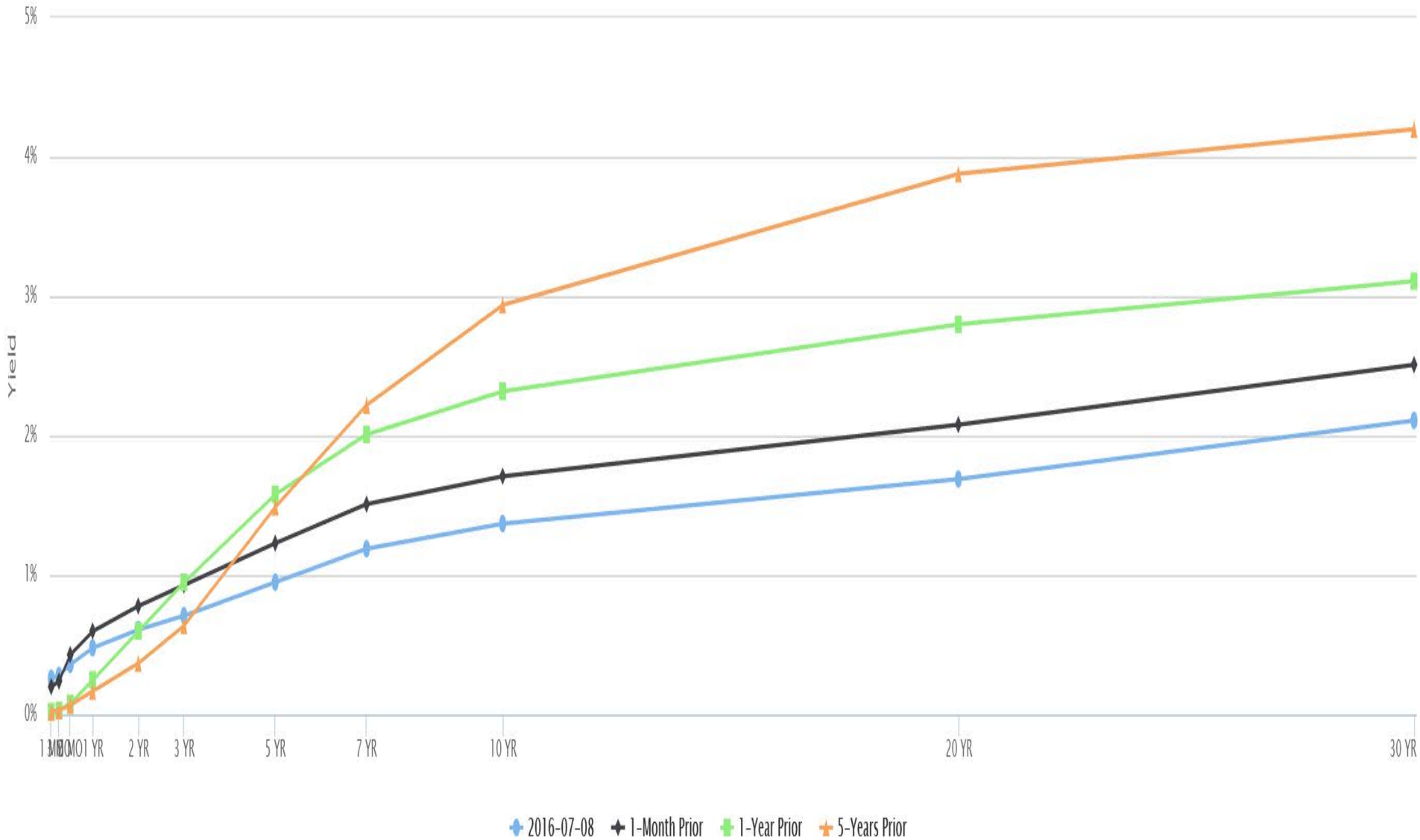
Sales Tax History: Year-Over-Year Collections



% year-over-year changes:

<u>City Spokane:</u>	
20-year average 1997 - 2016:	2.8%
10-year average 2007 - 2016:	2.2%
5-year average 2012 - 2016:	5.1%
Last 12 Months:	3.5%
<u>State:</u>	
Last 12 Months:	7.9%

Treasury Yield Curve for 2016-07-08



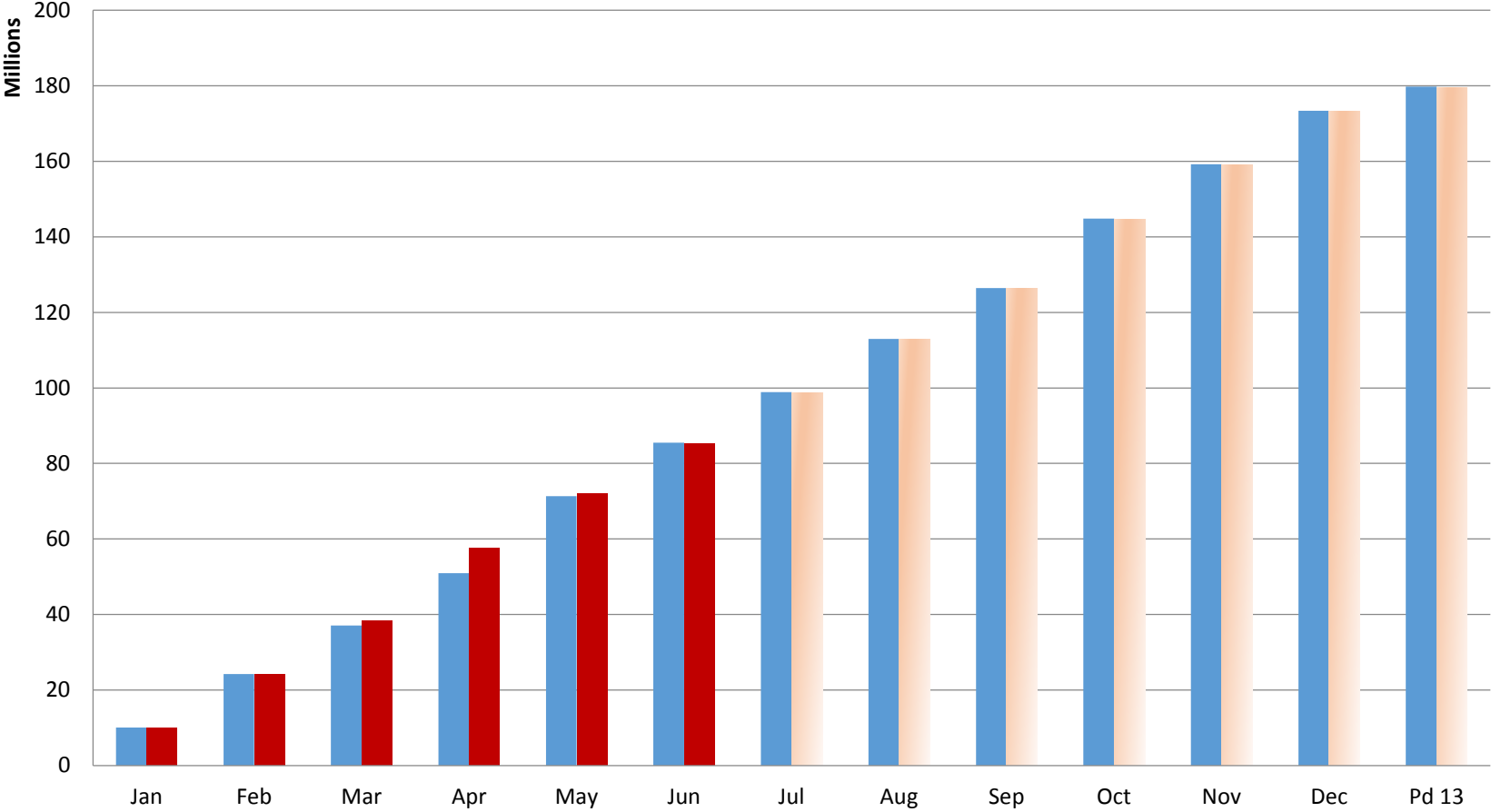
Through June, 2016					
<u>Revenues//</u>	<u>Year-to-date</u>	<u>Budgeted YTD</u>	<u>Over / Under Budget</u>	<u>Variance Prior Month</u>	<u>Increase / (decrease)</u>
Sales Tax - General Fund Only	11,796,947	11,494,499	302,448	241,561	60,887
Admissions Tax	337,342	270,505	66,837	59,122	7,715
Private Utility Tax/Franchise Fees	12,074,038	13,006,352	(932,314)	(1,120,421)	188,107
Utility Tax - Water	2,303,045	2,119,216	183,829	158,559	25,271
Utility Tax - Sewer	6,648,270	6,707,856	(59,586)	(49,652)	(9,934)
Utility Tax - Solid Waste (Interfund)	3,375,379	3,257,022	118,356	72,517	45,839
Utility Tax – Stormwater	593,860	590,934	2,926	2,675	251
Utility Tax - IF Electric	209,680	242,784	(33,104)	(26,360)	(6,745)
Other Bus License/Permit Revenue	1,640,722	1,650,241	(9,519)	83,905	(93,424)
Interest Revenue	2,582,430	2,650,000	(67,570)	(61,014)	(6,555)
Traffic & Parking Violations	728,949	1,356,100	(147,959)	(126,563)	(22,655)
-	-	-	-	-	-
	42,290,663	43,345,511	(575,656)	(765,671)	188,756

Gross Surplus / (Shortfall) Y.T.D.			(575,656)
<u>Adjustments to Year-End 2015:</u>			
Contra Account			(1,200,000)
YTD Vacancy Savings			940,000
Est. Vacancy Savings to Year-end			875,000
Projected Year-End Surplus / (Shortfall)			\$39,344

2016 General Fund Revenue

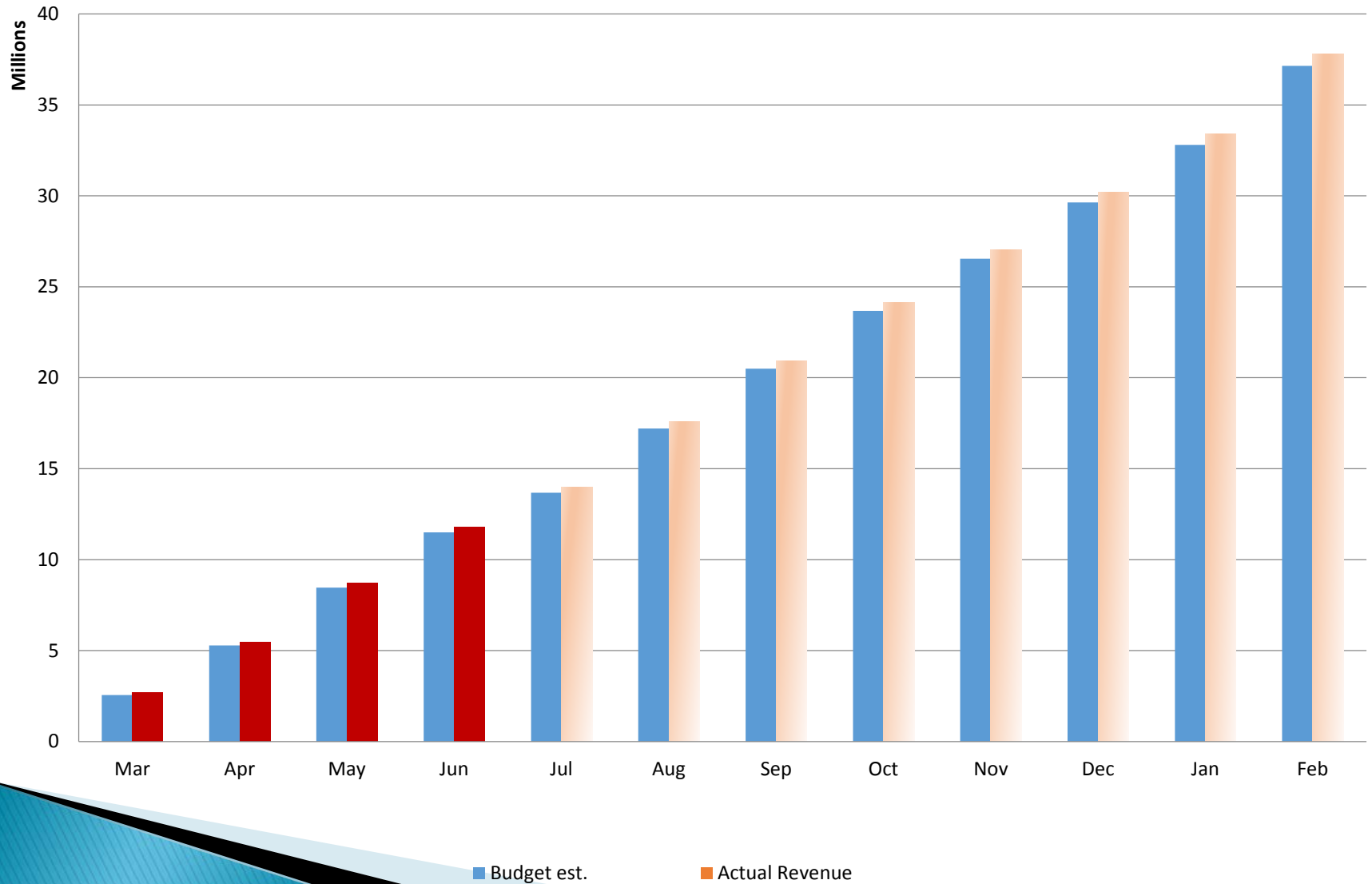


2016 General Fund Expenditures

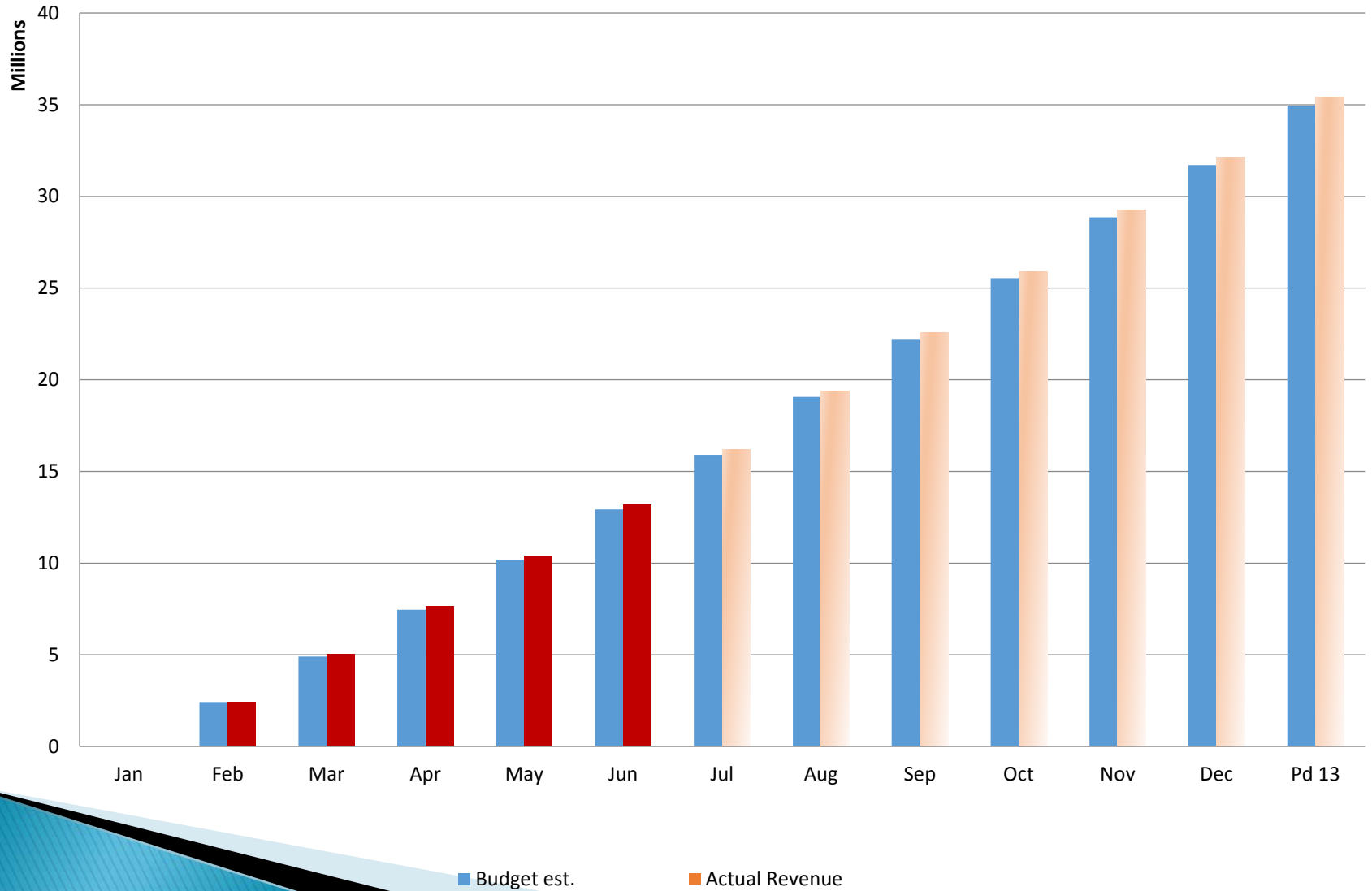


■ Budget est. ■ Actual Expense

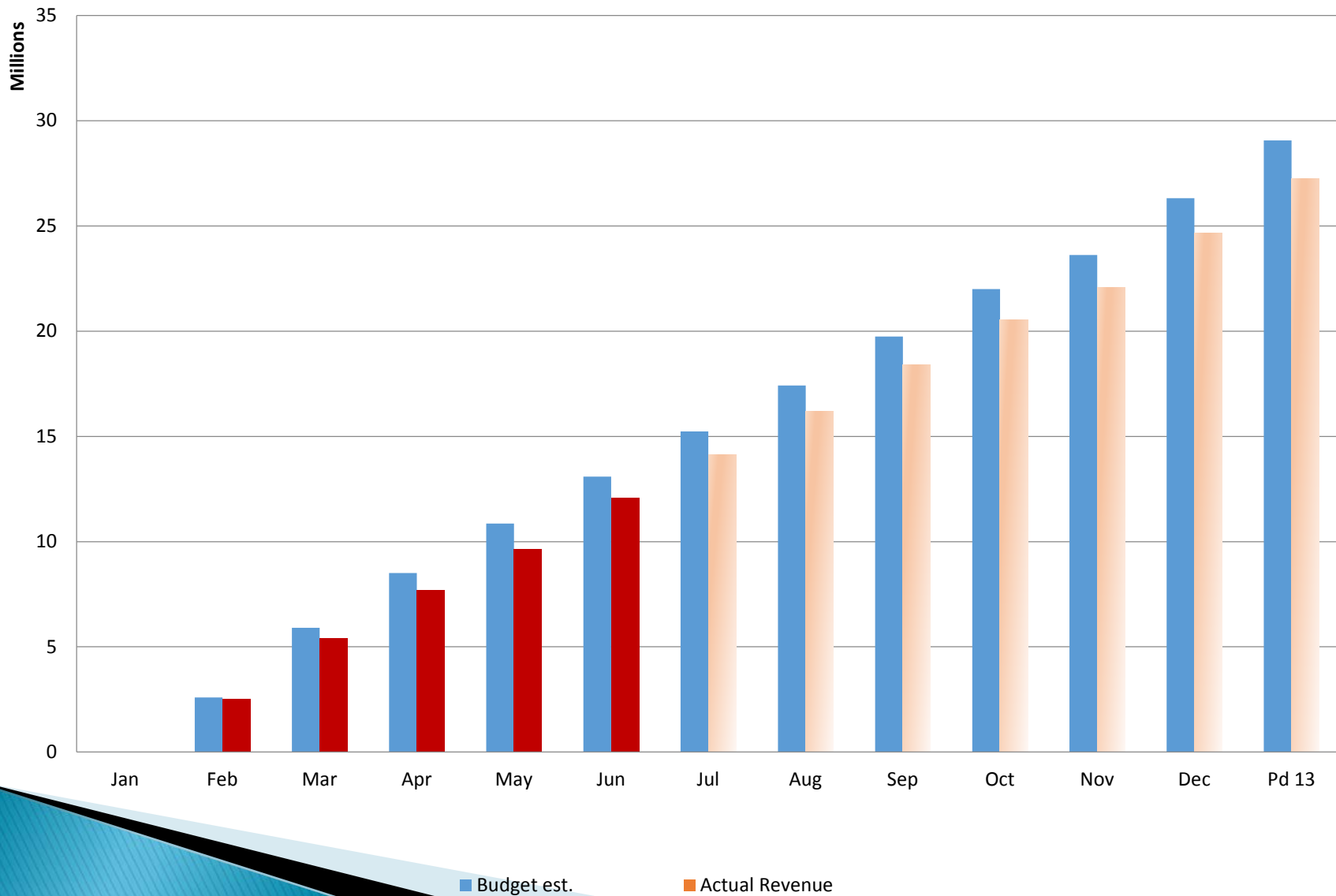
2016 GF Local Option Sales Tax Revenue



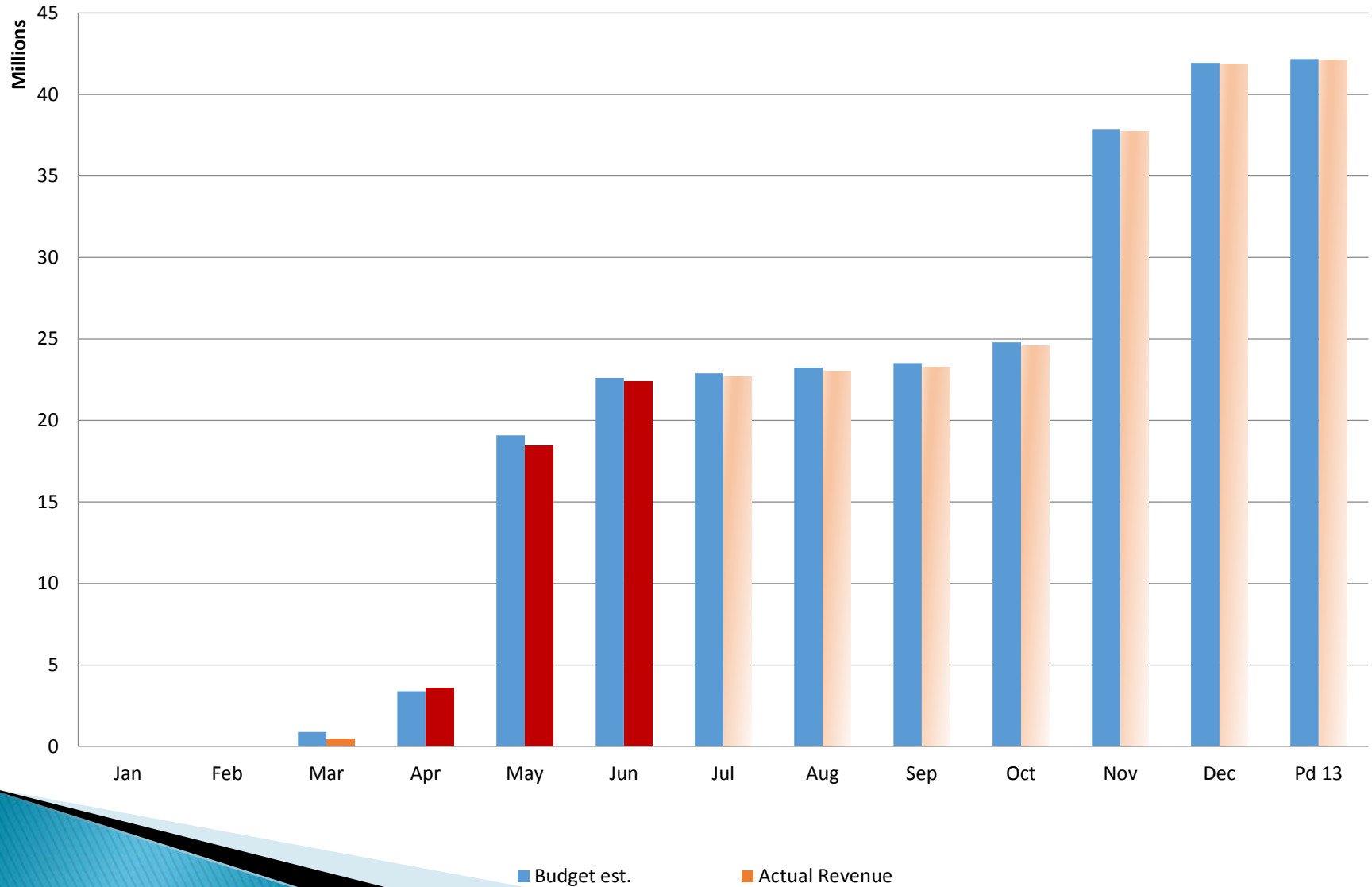
2016 GF Interfund Utility Tax Revenue



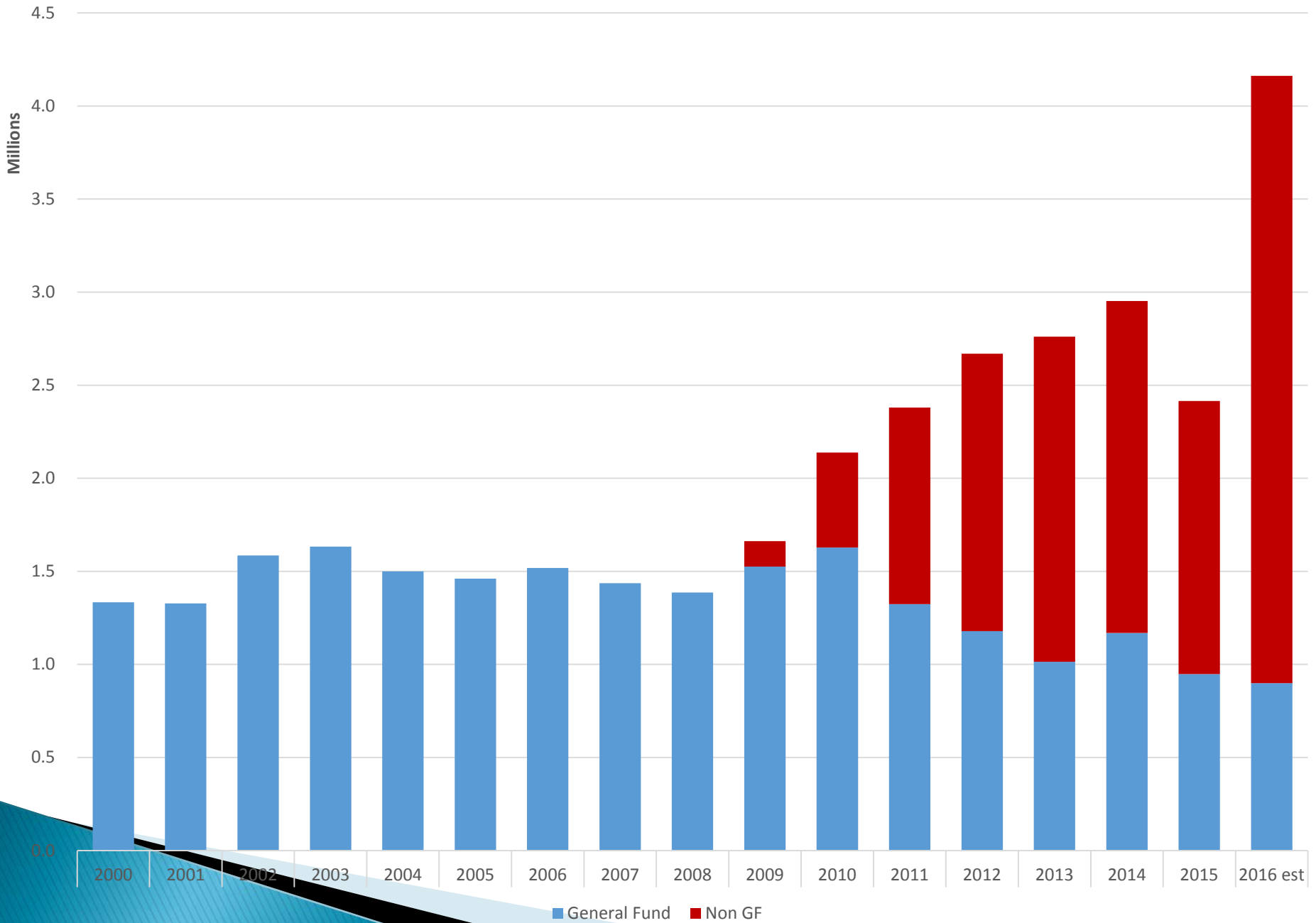
2016 GF Private Utility Tax/Franchise Fees



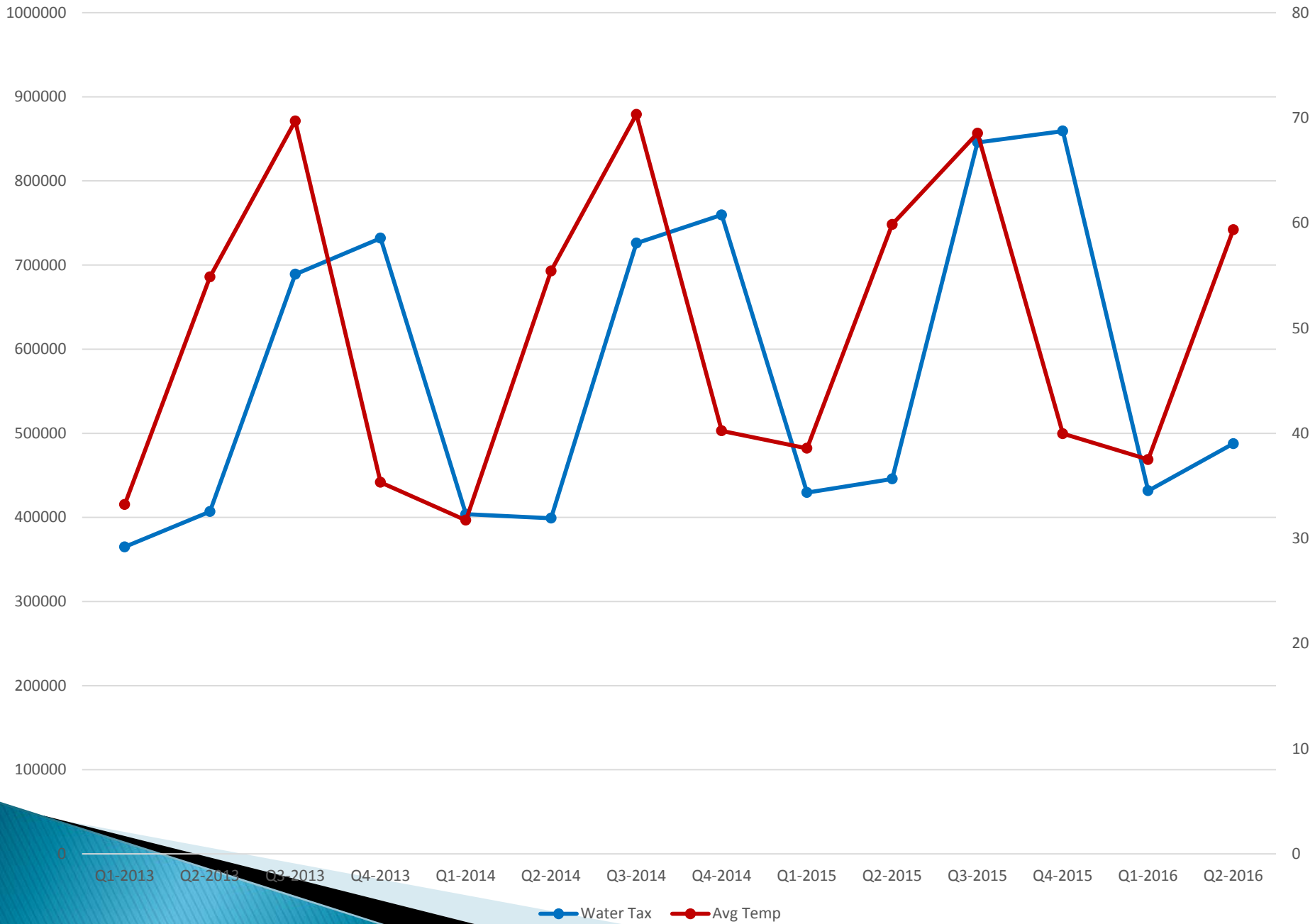
2016 GF Property Tax Revenue



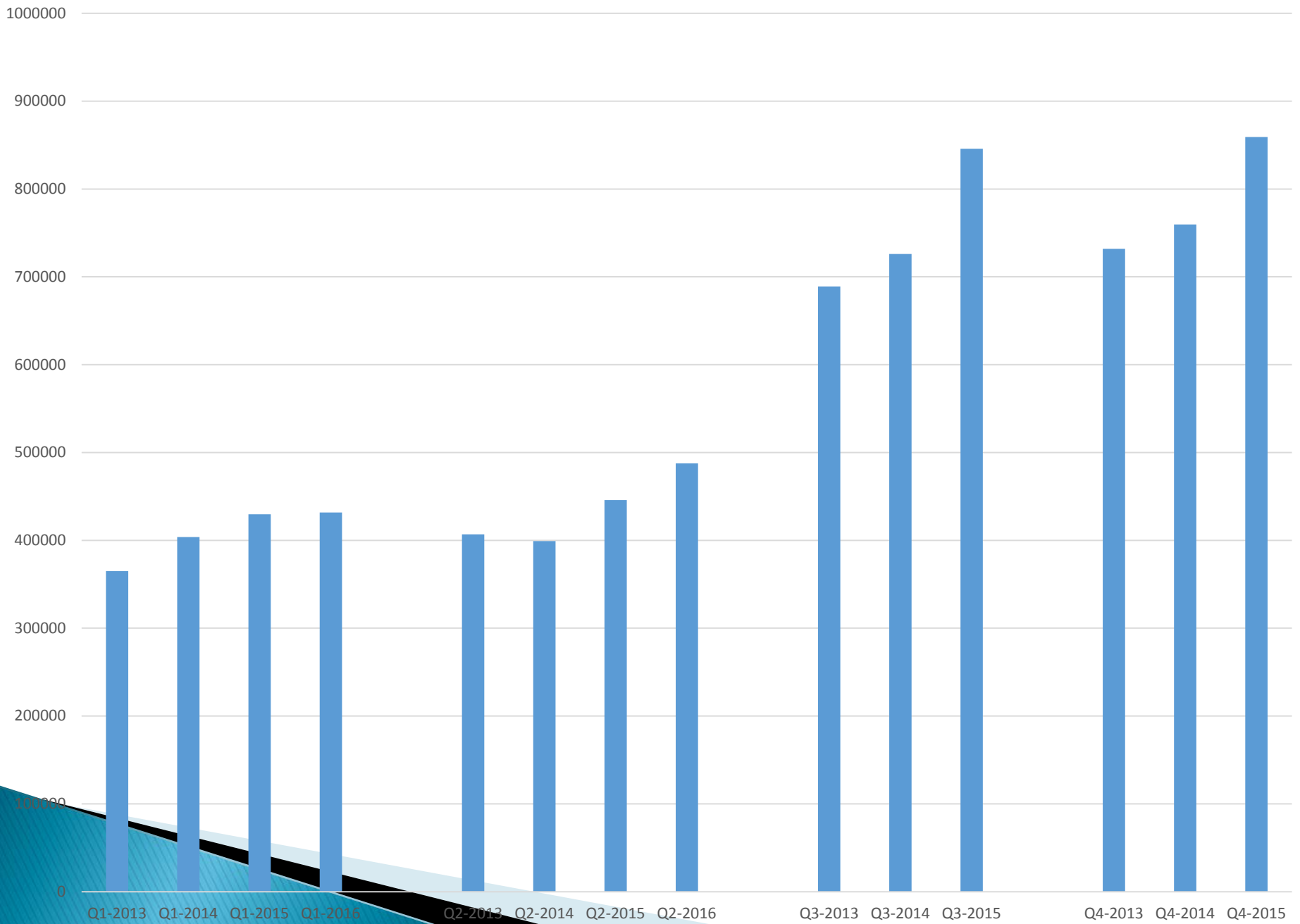
Traffic Infractions, Photo Red, School Speed Zone



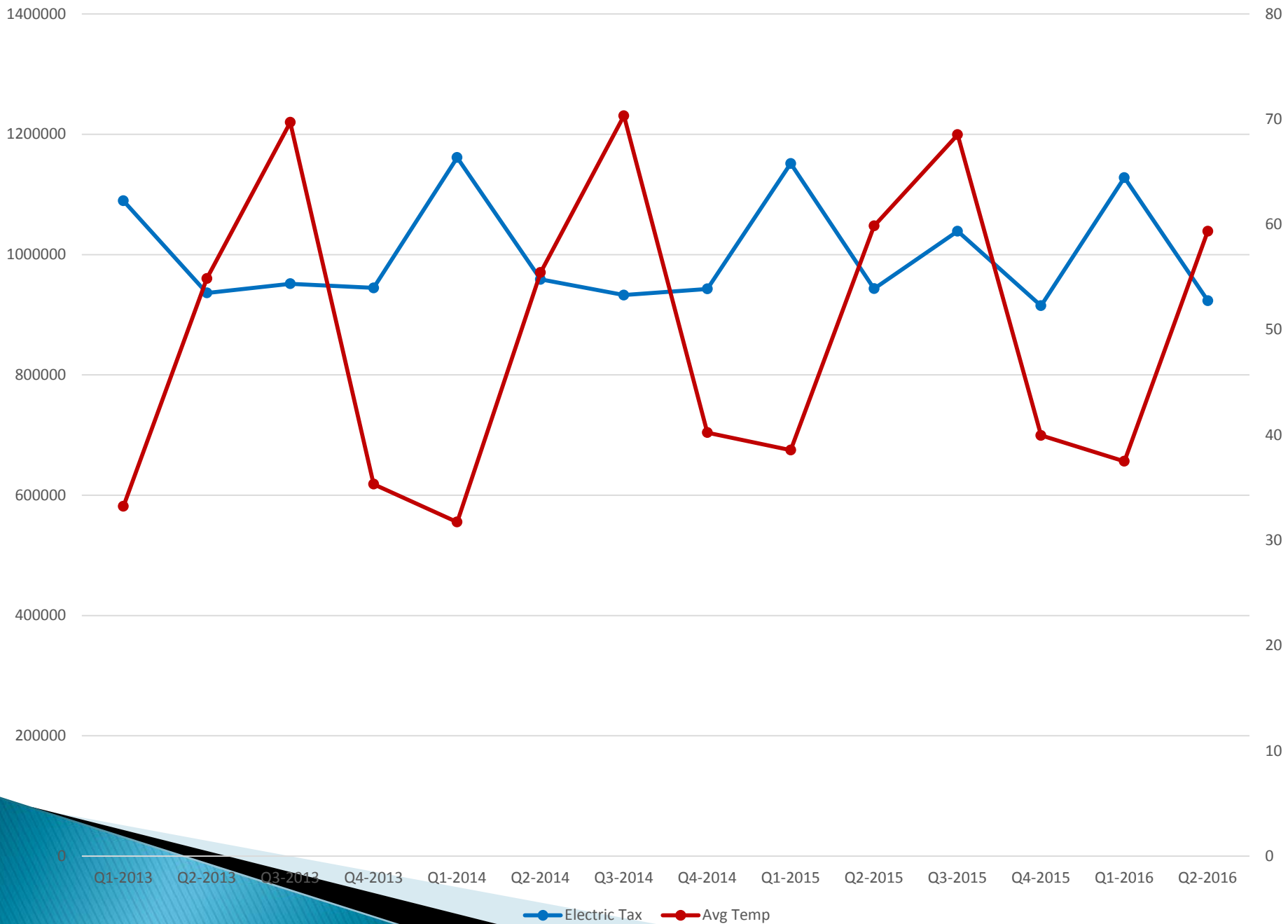
Temp v. Water Utility Tax



Water Tax



Temp v. Electric Utility Tax



Temp v. Natural Gas Tax



**City Council Finance &
Technology Committee**

Finance

Technology

END:

Questions / Comments?



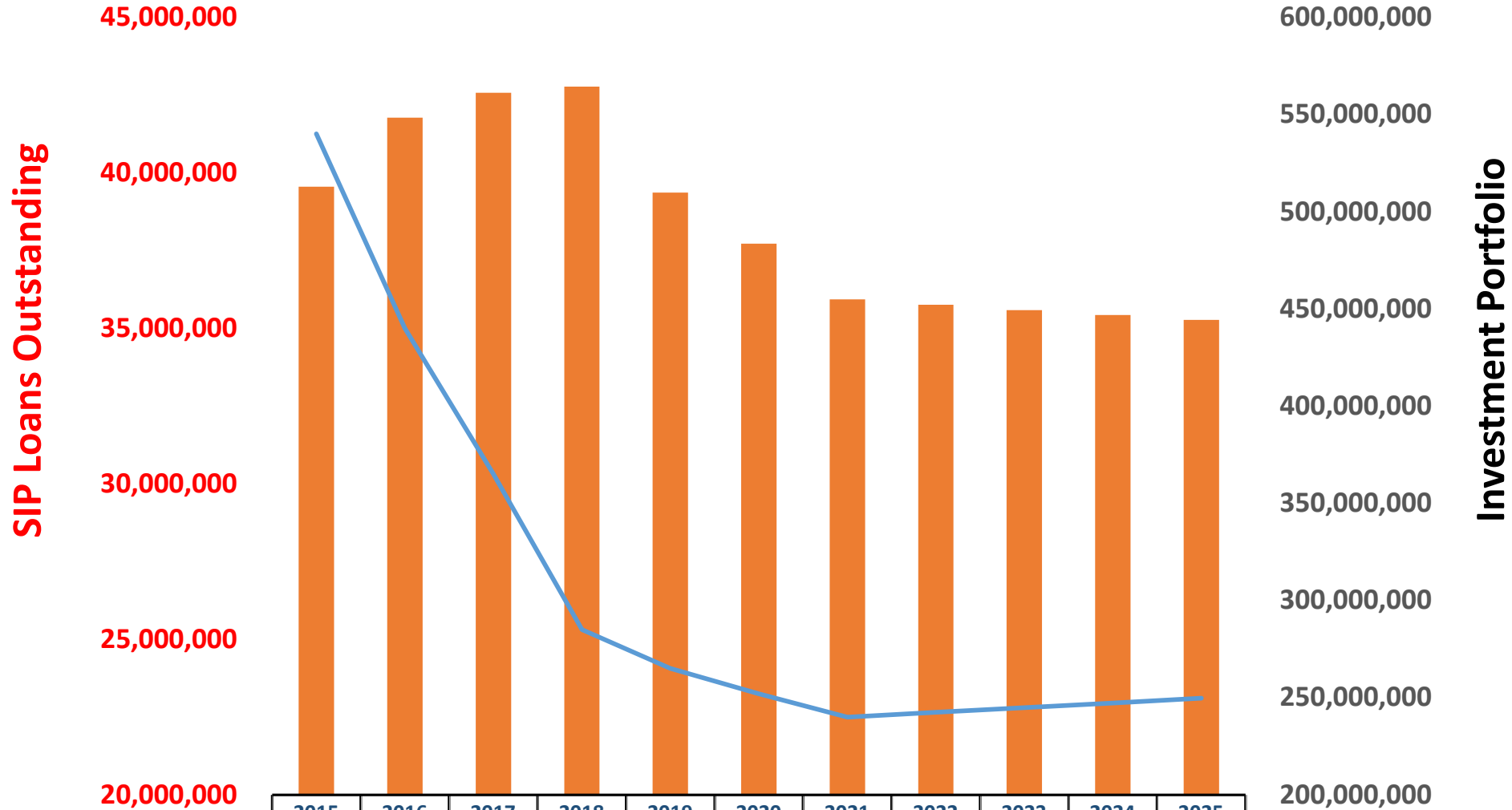
SIP: Schedule of Internal Lending

Description	Origination Date	Original Balance	Original Maturity	Approx Bal 12/31/15	Interest Rate	Resolution	Purpose	Source of Funding
Gardner	12/2/2013	1,544,397	12/31/16	1,413,296	1.54%	RES 2013-0086	PD Office Building	Savings from relocation of PD admin space from Monroe Court
Property Evidence/Alki Riverfront Conservation Area (YMCA)	12/2/2013	2,386,807	12/31/16	2,184,196	1.54%	RES 2013-0085	PD Property Evidence Bldg	Lease and related operational savings from relocation to new facility
	12/12/2012	2,567,489	12/31/17	1,902,536	1.78%	RES 2012-0110	Acquire YMCA property in Riverfront Park	Conservation Futures allocation
U District LRF	7/21/2011	3,977,000	06/30/16	3,463,147	3.17%	RES 2011-0036	Fund projects in U-District	State allocated 'LIFT' sales tax
West Plains Fire Station	10/24/2011	1,001,546	06/30/13	-	1.55%	RES 2011-0083	Fire station in annexed West Plains	Annexation allocated revenues
West Plains Fire Station Public Safety Equipment (2014)	12/2/2013	825,575	12/31/16	755,493	1.54%	RES 2013-0053	Fire station in annexed West Plains	Annexation allocated revenues
	7/14/2014	5,694,196	07/14/19	4,660,379	2.427%	RES 2014-0079	Public Safety capital funding	Allocations of annual 1% property tax coupled with General Fund match
Library RFID	1/16/2015	500,000	12/31/19	455,514	2.57%	RES 2014-0099	Acquire and install RFID equipment	Operational savings resulting from new RFID equipment
Division Street Gateway	12/15/2014	-	Pending	300,000	Pending	RES 2014-0119	Division street gateway improvements	Parking fund allocations
CLID 217	9/8/2008	989,088	09/15/20	259,294	5.31%	ORD C34300	Local Improvement District enhancements	LID area property-holder secured indebtedness
CLID 218	9/28/2009	304,507	10/1/2021	79,394	4.50%	ORD C34481	Local Improvement District enhancements	LID area property-holder secured indebtedness
CLID 219	9/13/2010	441,586	9/15/2022	237,832	3.74%	ORD C34642	Local Improvement District enhancements	LID area property-holder secured indebtedness
CLID 220	7/18/2011	392,851	08/01/23	133,706	3.72%	ORD C34754	Local Improvement District enhancements	LID area property-holder secured indebtedness
CLID 221	8/20/2012	252,930	08/15/24	180,842	2.29%	ORD C34899	Local Improvement District enhancements	LID area property-holder secured indebtedness
CLID 222	10/14/2013	1,353,218	10/15/25	980,869	4.65%	ORD C35044	Local Improvement District enhancements	LID area property-holder secured indebtedness
CLID 223	10/20/2014	600,142	11/01/26	558,213	3.15%	ORD C35166	Local Improvement District enhancements	LID area property-holder secured indebtedness
CLID 224	Pending 2015	110,000	Pending	110,000	Pending			
East Mission Trail	Pending	1,000,000	9/1/2020	1,000,000	2.23%	Pending	East Mission St Centennial Trail Bridge	Pending grant(s) / Photo Red revenues
Public Safety Bonds – Unissued 2015	Pending	10,152,902	Pending	10,152,902	Pending	Pending	Public Safety capital funding	Allocations of annual 1% property tax coupled with General Fund match
Public Safety Bonds – Unissued 2016	Pending	10,152,902	Pending	Pending	Pending	Pending	Public Safety capital funding	Allocations of annual 1% property tax coupled with General Fund match
Central Service Center Improvements '15	Pending	5,000,000	Pending	5,000,000	Pending	Pending	Central Service (Nelson) buildout for Fleet	Operational savings resulting from new efficiencies for Fleet operations
Parks/GF 2005A Bonds Refinance	Pending	5,720,000	Pending	5,720,000	Pending	Pending	Refinance 2030 maturity 5% bonds	5% to approx 2.4% = total payments much lower than current
Totals		32,930,131		39,547,615				

Spokane Internal Lending Program (SILP)

10-Year SIP Loan Projection

(% of Investment Portfolio)



	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total loans outstanding	39,547,	41,773,	42,572,	42,768,	39,358,	37,721,	35,932,	35,754,	35,585,	35,424,	35,273,
Portfolio	540,000	440,000	365,000	285,000	265,000	252,000	240,000	242,400	244,824	247,272	249,744
Percent of Portfolio	7.3%	9.5%	11.7%	15.0%	14.9%	15.0%	15.0%	14.8%	14.5%	14.3%	14.1%

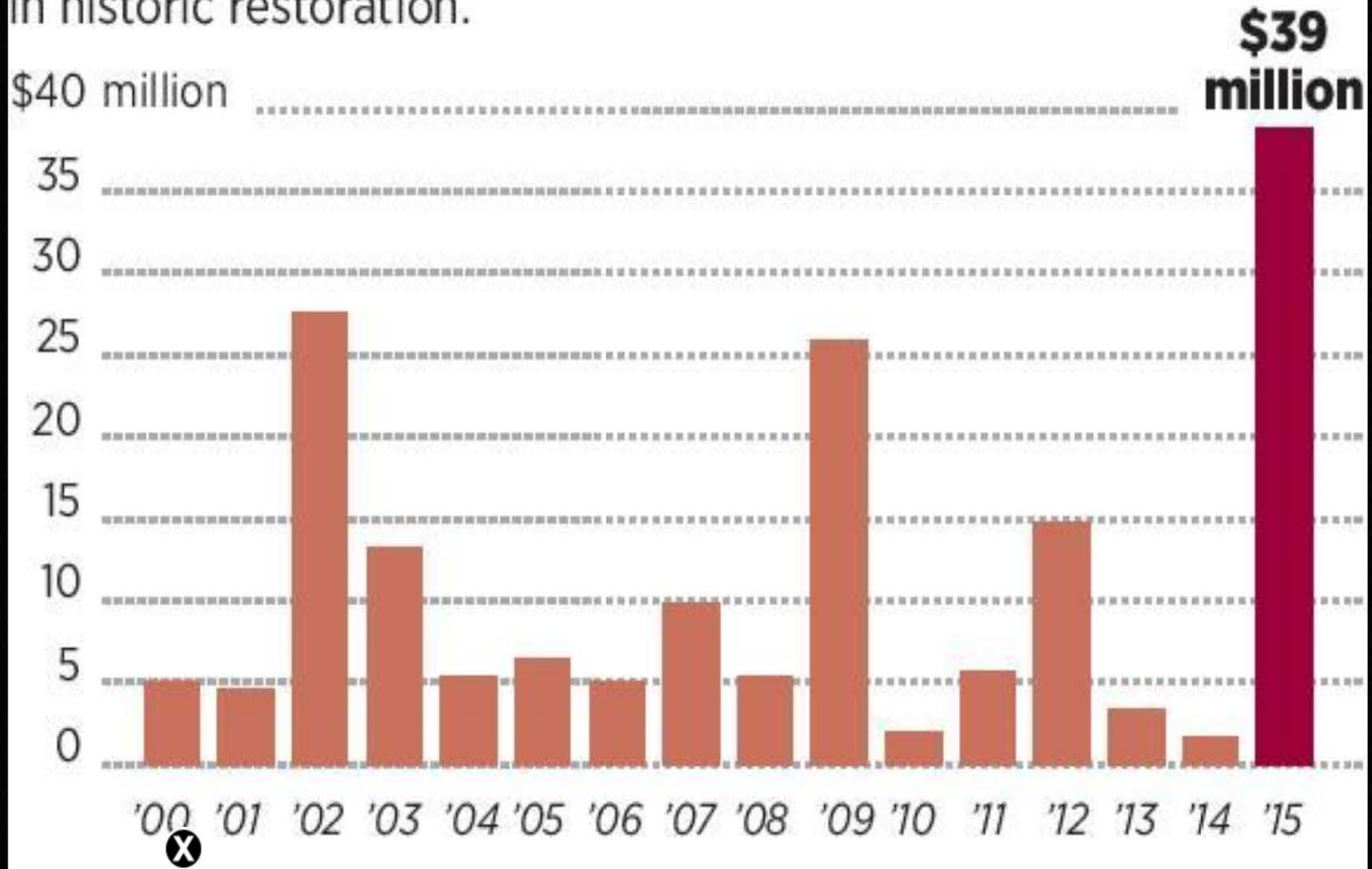
SIP Benchmarks

Portfolio:	Portfolio Yield	Portfolio Size – Book Value (\$m)	Average Maturity (years)	yield +/- SIP	Annualized Earnings differential **
Spokane Investment Pool (SIP)	1.51%	\$ 550	3.615	---	\$ 8,319,997
Spokane County Pool (SCIP)	0.610%	\$ 1,017	0.850	-0.90%	\$ (4,967,963)
King County, WA Pool	0.630%	\$ 5,591	.99 *	-0.88%	\$ (4,858,060)
WA State Pool	0.140%	\$ 10,205	0.099	-1.37%	\$ (7,550,678)
Orange County, CA Investment Pool (OCIP)	0.580%	\$ 3,215	1.227	-0.93%	\$ (5,132,817)
City of Portland, OR	0.680%	\$ 1,341	1.145	-0.83%	\$ (4,583,304)
City of Thousand Oaks, CA	1.043%	\$ 212	1.929	-0.47%	\$ (2,588,569)
City of Houston, TX	0.922%	\$ 3,405	1.240	-0.59%	\$ (3,253,480)
City of San Diego, CA	0.690%	\$ 1,990	1.408	-0.82%	\$ (4,528,352)
City of Los Angeles, CA	1.180%	\$ 7,980	2.400	-0.33%	\$ (1,835,735)
3 -Year Treasuries	0.900%	n/a	3.000	-0.61%	\$ (3,374,373)
* <i>Duration</i>					

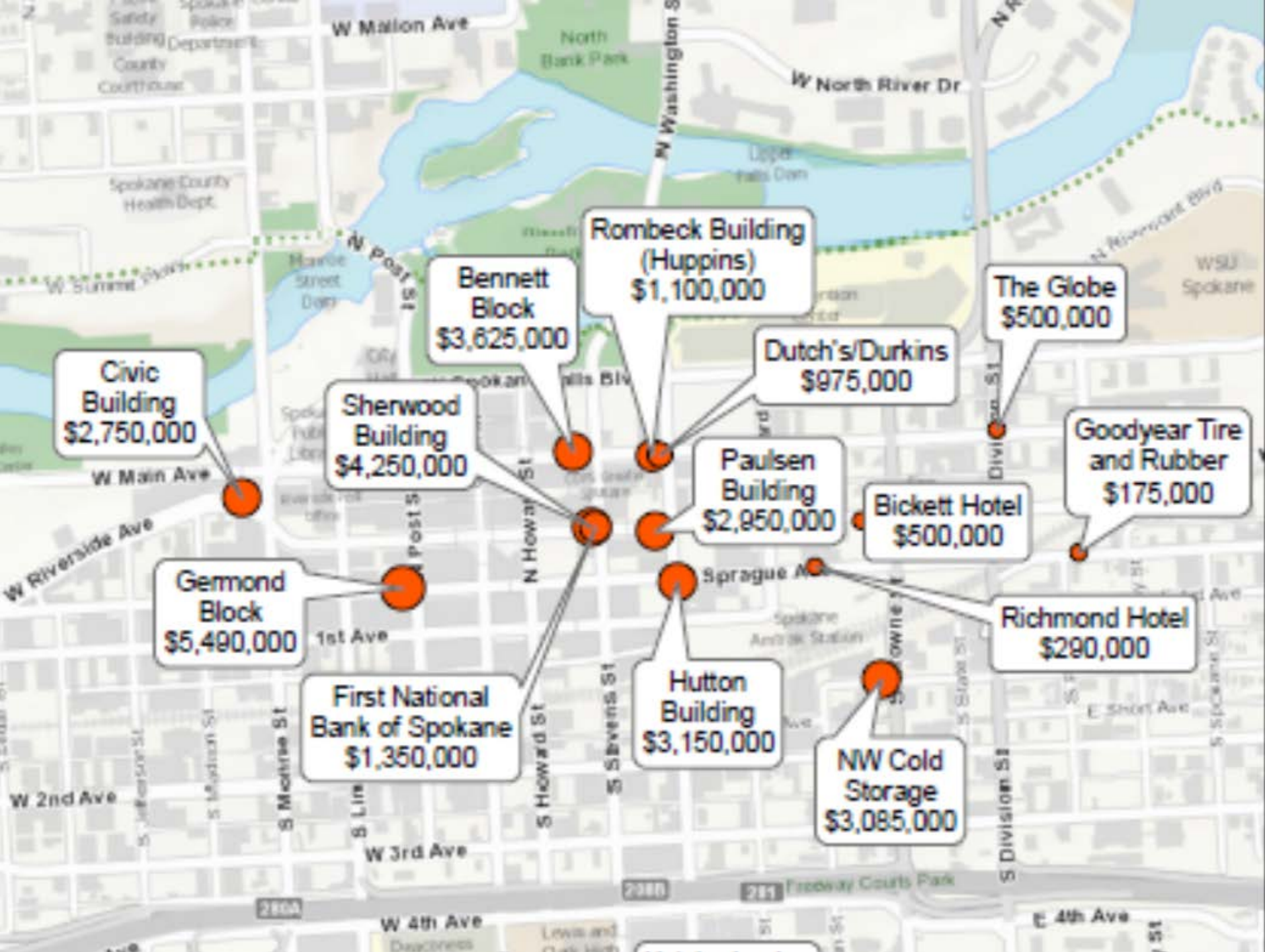
** *SIP shows estimated annualized earnings at current yield and portfolio size; benchmarks show estimated increase/(decrease) in annualized earnings based on applying such portfolio's yield to SIP portfolio*

Historic restoration

2015 is going to set a record for investment in historic restoration.



SOURCE: Spokane City-County Historic Preservation Office



City Council: Finance & Technology Committee

Financial Update: 7-11-16



City of Spokane Permit Activity

▶ **Total Permit Activity up 28% (vs. 31% last month)**

- 10,765 permits were issued through June 2016 compared to 8,381 that were issued in the first six months of 2015. Permit volume is up 40% over 2014.
- The last 8 months have been the busiest November through June on record – we have issued over 2,800 more permits than the same period last year! In May, we issued 600 more permits than May of 2015.
- June has also been a record-breaking month. We issued over 2,000 permits in June of this year – that is the first time we've broken 2,000!.

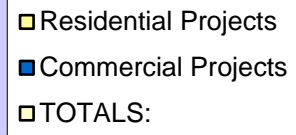
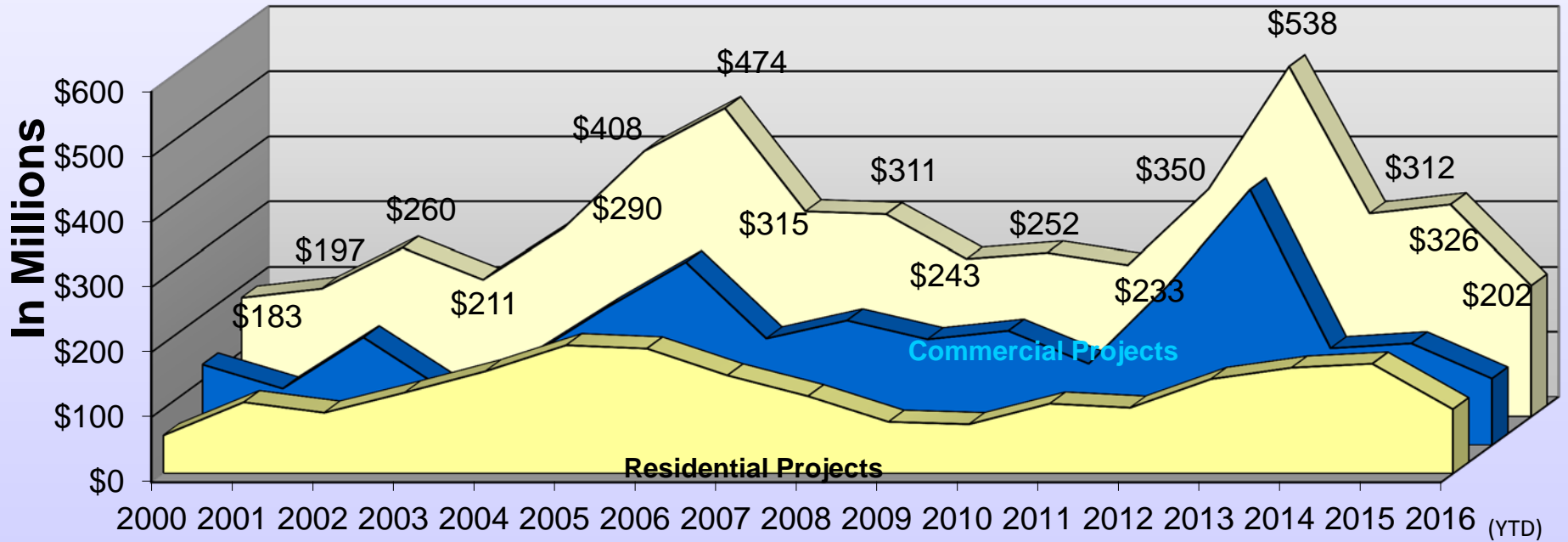
▶ **New Single Family Residences up 10% (vs. 24% last month)**

- There were 188 SFR permits issued so far 2016 and 171 permits issued in the first six months of 2015. SFR permits are up 88% over 2014 when 100 permits were issued through June.

▶ **Construction Valuation up 26% (vs. 66% last month)**

- The valuation of permits issued through June 2016 was \$202M, the valuation for permits issued in the first six months of 2015 was \$159M.
- Valuations are up 1% from 2014 and up 22% from 2013.

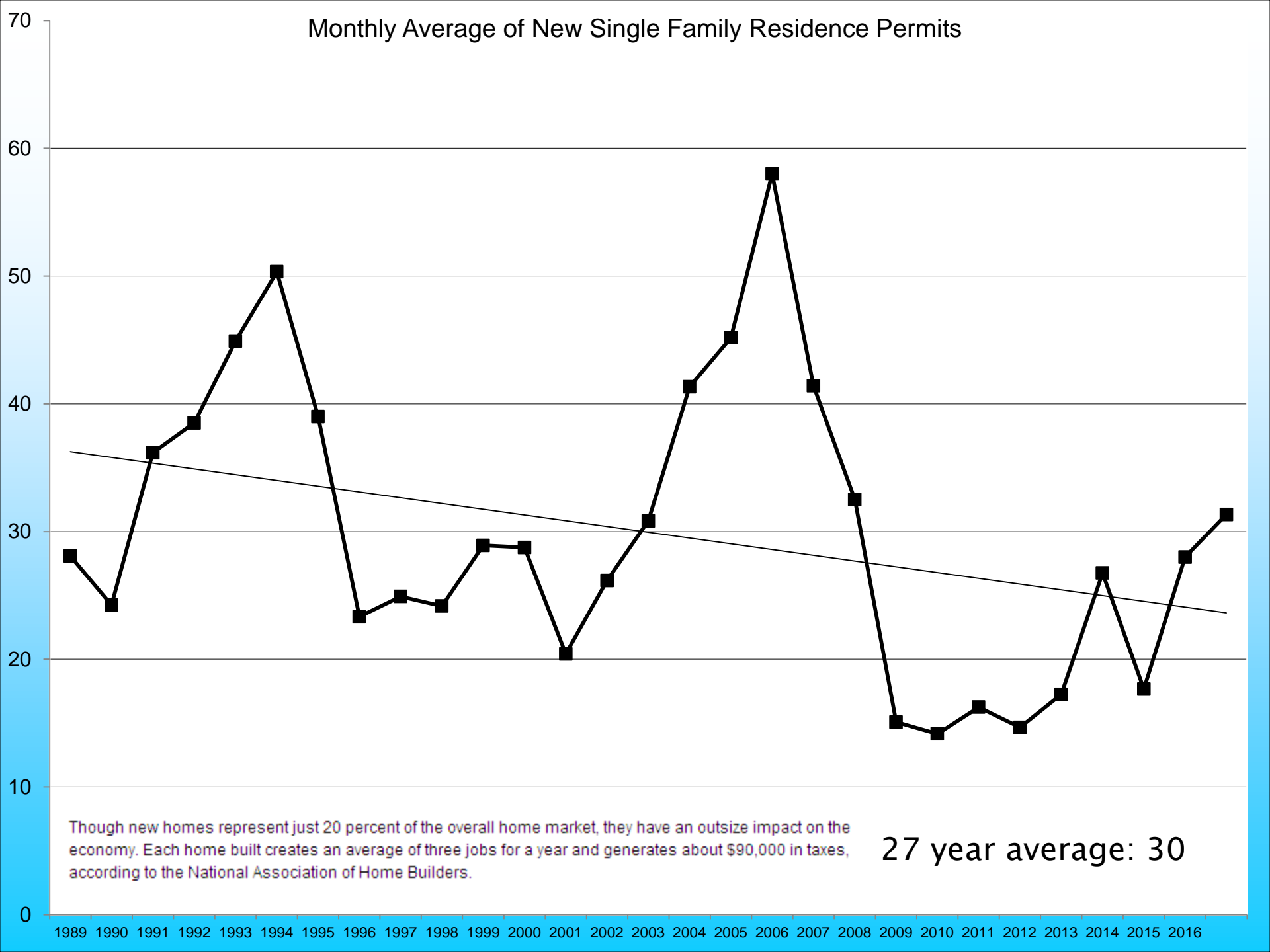
Yearly Construction Valuations



Construction Valuation Comparison of Publicly and Privately Funded Projects

		Private	Public	Total	Public %
In Millions of Dollars	2016	\$ 154	\$ 48	\$ 202	24%
	2015	\$ 291	\$ 35	\$ 326	11%
	2014	\$ 253	\$ 57	\$ 310	18%
	2013	\$ 440	\$ 98	\$ 538	18%
	2012	\$ 235	\$ 114	\$ 349	33%
	2011	\$ 182	\$ 51	\$ 233	22%
	2010	\$ 142	\$ 110	\$ 252	44%
	2009	\$ 150	\$ 93	\$ 243	38%
	2008	\$ 282	\$ 30	\$ 312	10%
	2007	\$ 242	\$ 73	\$ 315	23%
Averages:	\$ 237	\$ 71	\$ 308	23%	

Monthly Average of New Single Family Residence Permits



Residential Permit Activity January – June 2016

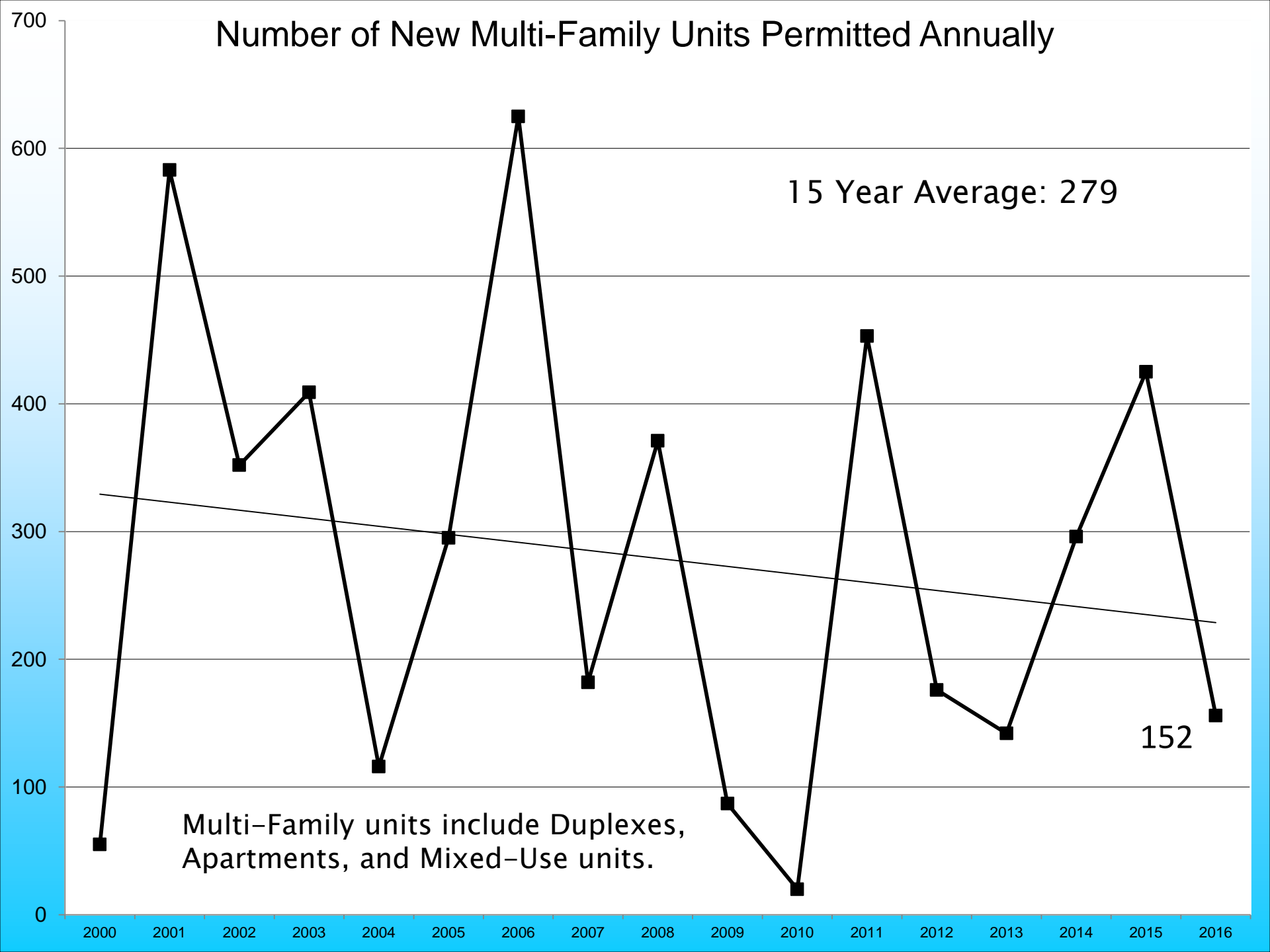
Row Labels	2015 YTD		2016 YTD	
	Count	Permit Value	Count	Permit Value
101 - One-family house Detached	145	\$ 37,845,310	195	\$ 49,739,120
434 - Residential Remodels/Alterations/Addtns	532	\$ 8,389,303	1649	\$ 23,342,498
434 - Dwelling	368	\$ 2,447,626	675	\$ 4,180,158
214 - New Residential Garage	51	\$ 1,373,703	70	\$ 1,946,289
103 - Apartment building 2 units (Duplex)	5	\$ 1,513,690	4	\$ 1,324,475
102 - One-family house Attached	26	\$ 4,606,856	6	\$ 1,014,040
329-1 - Fence	185	\$ 353,632	178	\$ 521,568
438 - Residential Garages & Carports	22	\$ 389,222	19	\$ 388,013
329-3 Swimming Pool	7	\$ 172,080	5	\$ 153,000
435 - Decrease # Housing Unit	1	\$ 32,831	1	\$ 150,000
Grand Total	1342	\$ 57,124,254	2802	\$ 82,759,160

Number of New Multi-Family Units Permitted Annually

15 Year Average: 279

Multi-Family units include Duplexes, Apartments, and Mixed-Use units.

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Construction Valuation Comparisons

	City	Valley	County	Total	City %
2015	\$ 325,863,780	\$ 98,180,000	\$ 256,109,833	\$ 680,153,613	48%
2014	\$ 312,104,458	\$ 111,876,535	\$ 225,905,141	\$ 649,886,134	48%
2013	\$ 534,607,011	\$ 173,820,000	\$ 317,800,000	\$ 1,026,227,011	52%
2012	\$ 349,474,428	\$ 111,594,294	\$ 221,030,312	\$ 682,099,034	51%
2011	\$ 233,012,833	\$ 65,378,378	\$ 245,839,900	\$ 544,231,111	43%
2010	\$ 252,003,323	\$ 86,463,600	\$ 186,776,741	\$ 525,243,664	48%
2009	\$ 242,594,589	\$ 105,192,518	\$ 178,725,029	\$ 526,512,136	46%
2008	\$ 311,733,003	na	\$ 232,089,582	\$ 543,822,585	

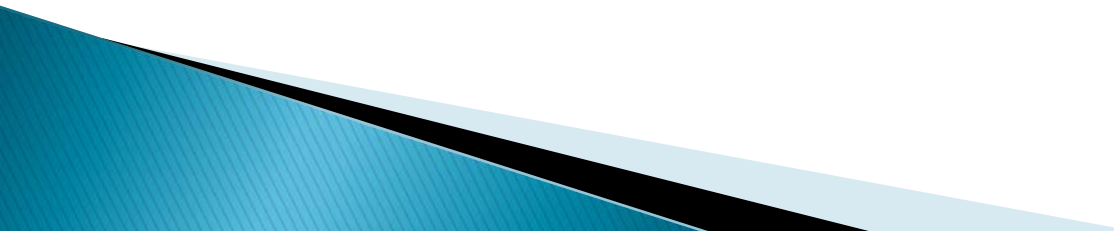
COMPARISON OF PROJECTS FROM 2016 & 2015

Largest Projects of 2016	Valuation		Valuation	Largest Projects of 2015
Salk Middle School Replacement	\$26,400,000	1	\$12,000,000	WSU Health Clinic
Palouse Trails Apartments	\$12,301,588	2	\$11,104,915	University Apartments
North Central High School Addn	\$11,499,999	3	\$11,024,503	Indian Trail Apartments
Kendall Yards Elm Street Apartments	\$5,167,307	4	\$10,830,723	Matilda Building
Kendall Yards Medical Office Building	\$4,500,000	5	\$6,100,000	NW Farm Credit Services Corp.
STA Plaza Upgrade - Phase 1	\$2,806,746	6	\$5,999,999	Larry H Miller Downtown Toyota
Spokane Occupation and Hand Therapy	\$2,000,000	7	\$5,606,454	Deaconess Emergency Department
TI- Red Lion at the Park Renovation	\$1,965,000	8	\$4,301,851	Playfair 4 Warehouse
SCC Counseling & Tutoring Center	\$1,907,000	9	\$4,030,000	Avista Const & GPSS Renovation
Hampton Inn & Suites F&F	\$1,800,000	10	\$3,736,571	Father Bach II
	\$70,347,641		\$74,735,016	

COMPARISON OF PROJECTS ISSUED with PROJECTS IN PLAN REVIEW

Largest Projects of 2016	Valuation		Valuation	Largest Projects in Review
Salk Middle School Replacement	\$26,400,000	1	\$28,898,683	Copper River Apartments
Palouse Trails Apartments	\$12,301,588	2	\$15,068,458	Highline Apartments
North Central High School Addn	\$11,499,999	3	\$14,054,204	Riverview Lofts
Kendall Yards Elm Street Apartments	\$5,167,307	4	\$11,751,170	Iron Bridge Shell
Kendall Yards Medical Office Building	\$4,500,000	5	\$11,482,949	Hampton Inn
	\$59,868,895		\$81,255,463	

New Building and Fire Codes go into effect July 1

- ▶ We have had an influx of commercial and residential projects in June to get vested under the current codes
 - ▶ There are 21 commercial projects in Plan Review now with valuations over \$1 million
 - ▶ There are 34 new Single Family Residences in Plan Review now
- 

Projects in Plan Review > \$1 M:

Copper River Apartments	2911 Fort George Wright	\$28,900,000
Highline Apartments	528 N. Cedar	\$15,100,000
Riverview Lofts	1601 E. Mission	\$14,100,000
Iron Bridge Shell	731 N. Iron Bridge Way	\$11,800,000
Hampton Inn	675 S. McClellan	\$11,500,000
Larry H Miller Honda	1208 W. 3rd	\$8,200,000
Gonzaga University Jesuit Residence Center	323 E. Boone	\$8,100,000
St. Joseph's Care Center	17 E. 8th	\$8,000,000
Riverfront Park Ice Rink and Skyride	610 W. Spokane Falls Blvd	\$5,600,000
One South Madelia	1 S. Madelia	\$4,900,000

Projects in Plan Review > \$1 M:

Father Bach III	24 W. 2nd	\$4,500,000
BNSF Auto Unloading Facility	4510 E. Wisconsin	\$4,400,000
Qualmed Parking Structure	603 S. Howard	\$4,100,000
Indiana Medical Clinic	123 E. Indiana	\$4,000,000
Chronicle Building Apartments	926 W. Sprague	\$2,900,000
West End Lofts	115 S. Jefferson	\$2,500,000
New Maverik Station	1019 E. Francis	\$2,300,000
Scott Street Apartments	712 S. Scott	\$1,600,000
Kendall Yards Comm. Building	1315 W. Summit Parkway	\$1,600,000
Mega Car Wash	1111 N. Maple	\$1,200,000
Sprague Ave Grow	4014 E. Sprague	\$1,000,000

Proposed Projects:

RPWRF NLT Project	2016 - 2020	\$126,000,000
Jensen Byrd Development	Fall 2016 (Demo)	\$45,000,000
1400 Riverside Tower	Fall 2016	\$20,000,000
Franklin Elementary School Modernization	TBD	\$19,000,000
Avista Downtown Network Ops Building	Spring 2017	\$5,700,000
Looff Carousel	Spring 2017	\$4,500,000
Four Seasons Assisted Living	Fall 2016	\$3,500,000
Moran South Estates	Summer 2016	\$3,000,000
Browne's 15	Fall 2016	\$1,800,000
2814 E. 31 st Apartments	Summer 2016	\$1,800,000

Largest Projects Issued in 2016

- ▶ **Salk Middle School** – 6411 N. Alberta – Replace existing Salk Middle School with addition to existing Phase 1 gymnasium and new parking lot and fields.
- ▶ **Palouse Trails Apartments** – 5000 S. Palouse Highway – New apartment complex with 114 units in 5 buildings, one community building with rental office and laundry, surface parking, carports, and play area
- ▶ **North Central High School** – 1600 N. Howard – Addition to North Central High School consisting of commons, kitchen, and classrooms connecting Phase 1 addition and the 1980's building.
- ▶ **Kendall Yards Elm Street Apartments** – 1907 W. Summit Parkway – New 3-story, 24 unit apartment building in Kendall Yards
- ▶ **Kendall Yards Medical Office Building** – 546 N. Jefferson Lane – New 38,000 sf, 3-story Medical Office Shell in Kendall Yards

Largest Projects Issued in 2016

- ▶ **STA Plaza Upgrade – Phase 1** – 701 W. Riverside – Phase 1 includes upgrades to the Customer Service Area, Main Floor Restrooms, Tenant Space D, Security Suite, Storage Area, and Waste Management Facilities.
- ▶ **Spokane Occupational and Hand Therapy** – 5905 N. Mayfair – N12,300 sf, two-story professional office building.
- ▶ **Red Lion at the Park Renovations** – 303 W. North River Drive – Remodel of Bar, Coffee Bar and Lounge, Lobby remodel, New 4th floor suite, exterior painting and lighting.
- ▶ **SCC Counseling and Tutoring Center** – 1810 N. Greene – A 12,300 sf interior remodel to Building #1 to include relocating existing offices, conferences rooms and tutoring spaces
- ▶ **Hampton Inn and Suites Footings and Foundations** – 675 S. McClellan – Footings, Foundations, and site grading for new Hampton Inn Suite hotel and parking garage.

Largest Projects in Plan Review

- ▶ **Copper River Apartments** – 2911 Fort George Wright Dr. – New apartment project on Sisters of Holy Names property. 240 units in 10 buildings, a clubhouse, garages, carports, and associated buildings.
- ▶ **Highline Apartments** – 528 N. Cedar – New apartment project in Kendall Yards. 137 units in 7 buildings.
- ▶ **Riverview Lofts** – 1601 E. Mission – 80 Unit apartment project with 4 buildings, a clubhouse and garages.
- ▶ **Iron Bridge Building IV** – 731 N. Iron Bridge Way – New office building with 3 floors including a café with indoor and outdoor covered seating. Approximately 91,000 sf.
- ▶ **Hampton Inn** – 675 S. McClellan – New Hampton Inn and Suite hotel and parking garage

Proposed Projects Descriptions

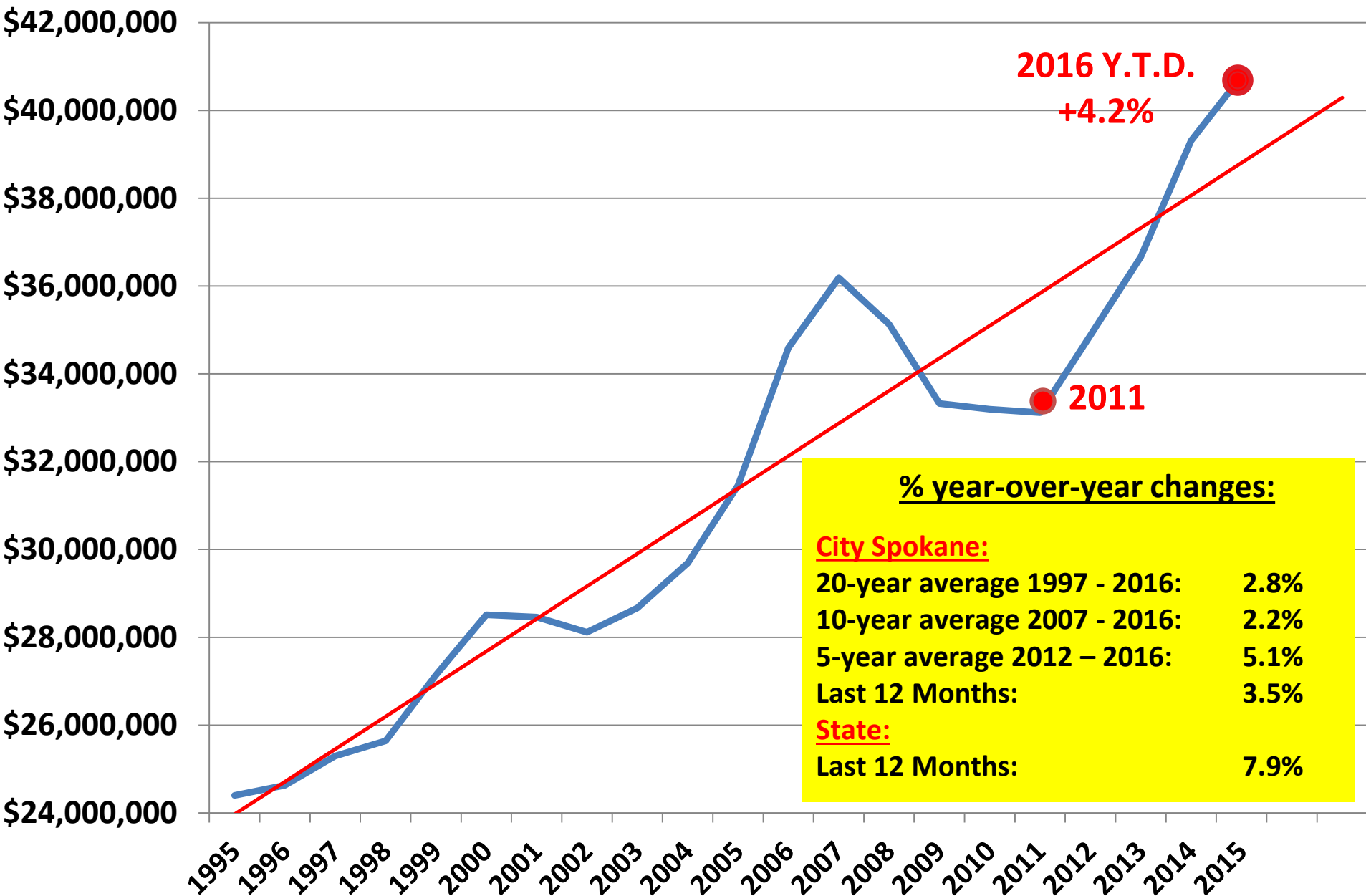
- ▶ **RPWRF Next Level of Treatment Project** – 4401 W. Aubrey L White Parkway – Phase construction that includes work in several existing buildings, new construction and development of the site to accommodate a process change at the facility.
- ▶ **Jensen Byrd Development** – 131 E Main – Mixed use development on WSU property including several buildings – mixed use, office, retail, fitness center, parking garage, and restaurant.
- ▶ **1400 Riverside Tower** – 1404 W. Riverside – New mixed use parking and condominium building with 17 floors. There will be approximately 50 units in 275,000 sf.
- ▶ **Franklin Elementary Modernization and Addition** – 2627 E. 17th Avenue – Remodel of 1909 Building, Demolition of 1951 building addition and portable building. Construction of a 46,000 sf addition and expanded parking lot.
- ▶ **Avista Downtown Network Operations Building** – 1804 W 5th – New 29,885 sf warehouse and office building and substation.

Proposed Projects Descriptions

- ▶ **Looff Carrousel Facility** – 610 W. Spokane Falls Blvd. – Renovate and enlarge the Looff Carrousel facility. The new building will include a gift center, party room, and concessions.
- ▶ **Four Seasons Assisted Living** – 4515 S. Freya – Four to five assisted living buildings with occupant loads of 16 residents per building and development of the site.
- ▶ **Moran South Estates** – 4510 S. Freya – Fourteen lot single family plat.
- ▶ **Browne's 15** – 2029 W. 2nd Avenue – New apartment building with 3 floors and 15 units. Demolition of existing building.
- ▶ **2814 E. 31st Apartments** – 2814 E. 31st – Two apartment buildings approximately 9,000 sf each with 18 units total.

Sales Tax Report		2016													
		12-Month	←	2016	2015	→	Nov	Oct	Sep	Aug	Jul	Jun	May	Apr	
	Approx. Annual \$		Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sep	Aug	Jul	Jun	May	Apr
King Cnty	\$103m	10.2%	15.2%	13.8%	13.6%	4.8%	12.8%	9.9%	4.4%	8.4%	7.0%	13.7%	14.1%	4.3%	4.7%
Bellevue	\$60m	9.3%	20.6%	4.1%	3.6%	9.4%	6.0%	10.4%	3.1%	17.7%	-7.2%	22.8%	19.8%	6.6%	5.8%
Seattle	\$202m	9.7%	9.4%	10.9%	8.5%	4.5%	6.9%	7.9%	7.8%	7.4%	12.6%	12.6%	17.6%	10.1	9.8%
Pierce	\$45m	8.6%	8.9%	9.3%	13.4%	4.4%	10.5%	11.0%	9.0%	8.2%	6.8%	7.1%	11.3%	2.8%	5.4%
Tacoma	\$42m	8.4%	11.7%	11.7%	11.3%	-1.1%	4.4%	9.8%	7.3%	12.7%	5.7%	11.1%	11.8%	4.6%	3.3%
Snohomish	\$44m	7.5%	9.6%	9.8%	7.9%	8.9%	9.8%	11.5%	7.1%	5.1%	1.8%	5.7%	10.2%	3.4%	4.7%
Everett	\$26m	4.0%	-0.8%	9.2%	11.0%	-4.2%	-1.0%	3.9%	-3.2%	4.7%	10.9%	3.6%	13.7%	3.6%	12.2%
Clark Cnty	\$28m	11.3%	8.1%	7.3%	10.8%	7.8%	7.1%	21.8%	4.6%	12.8%	10.8%	16.8%	17.2%	13.4%	10.6%
Vancouver	\$32m	11.4%	8.5%	11.9%	-5.5%	1.8%	8.6%	10.9%	11.4%	11.3%	18.7%	24.6%	24.7%	12.1%	11.0%
Spokane City	\$41m	3.5%	7.1%	4.6%	2.7%	2.0%	4.0%	3.0%	-.3%	8.5%	1.2%	6.1%	8.4%	-6.5%	2.8%
Spok Cnty	\$23m	7.2%	9.7%	9.1%	10.0%	10.0%	9.6%	5.7%	4.9%	3.6%	2.9%	10.0%	8.9%	3.5%	8.7%
Spok Valley	\$18m	8.2%	14.0%	12.2%	11.6%	10.0%	7.6%	4.2%	4.3%	1.5%	.7%	7.0%	11.2%	15.8%	-1.9%
Benton Cnty	\$11m	13.6%	5.1%	-1.3%	16.7%	5.9%	-10.0%	4.2%	7.6%	-3.6%	-12.6%	11.6%	121.5%	33.4%	13.7%
Kennewick	\$17m	9.8%	8.8%	11.1%	6.5%	9.6%	5.7%	7.5%	8.2%	8.6%	5.6%	29.2%	10.5%	5.5%	7.7%
Wenatchee	\$7m	15.7%	14.3%	15.7%	15.0%	16.5%	23.0%	15.0%	18.3%	23.4%	15.2%	15.1%	13.7%	2.0%	3.1%
Walla Walla	\$5m	10.6%	17.2%	7.6%	13.6%	6.4%	8.6%	8.6%	11.0%	7.3%	22.7%	9.1%	11.7%	7.8%	3.8%
Yakima	\$16m	2.5%	7.5%	4.3%	7.3%	-1.1%	2.7%	-3.0%	-.8%	-5.7%	5.5%	3.5%	9.7%	.4%	-.7%
Statewide	\$1,446m	7.9%	10.7%	10.0%	9.6%	5.8%	8.9%	8.0%	5.0%	6.9%	4.7%	10.4%	14.1%	5.4%	6.1%

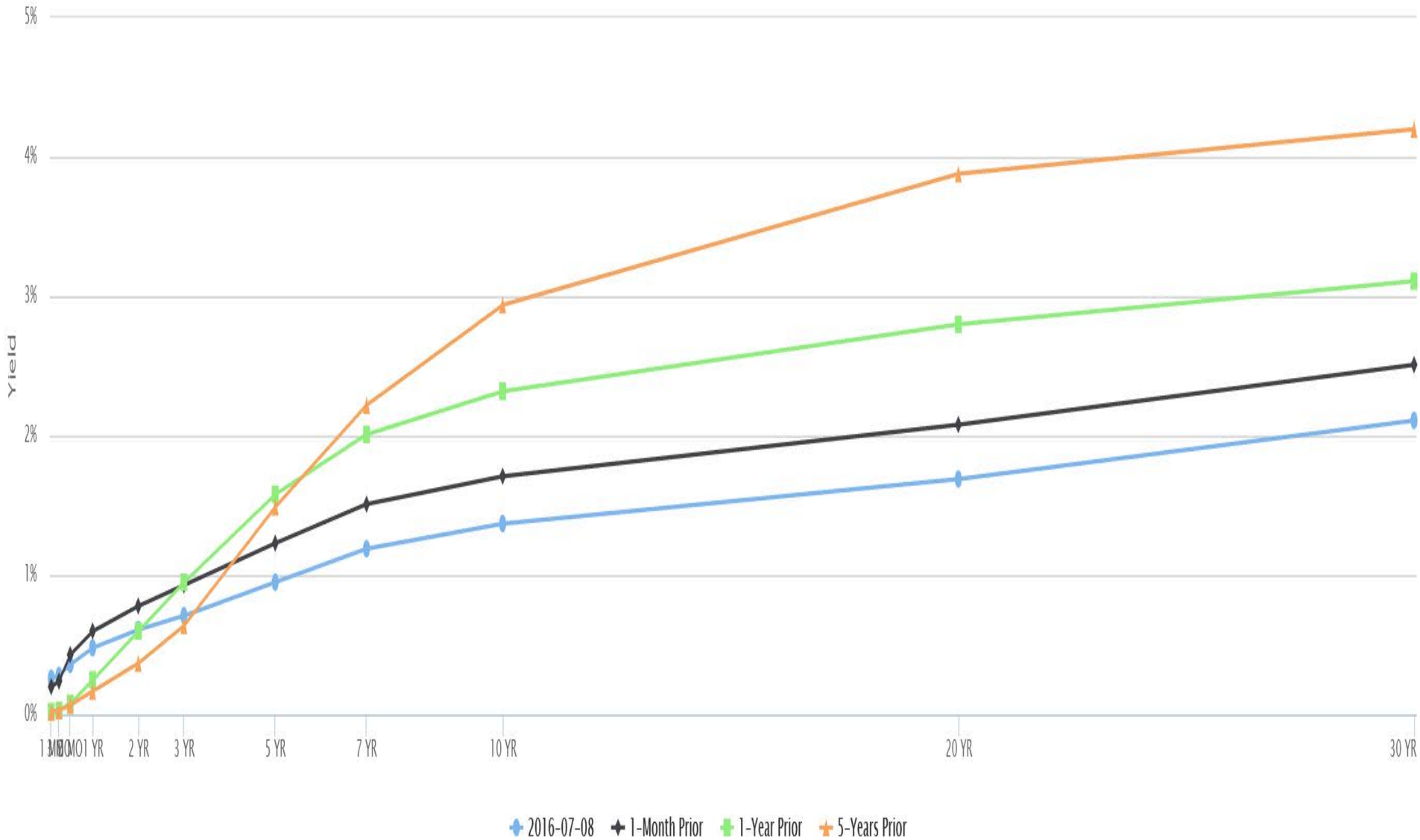
Sales Tax History: Year-Over-Year Collections



% year-over-year changes:

<u>City Spokane:</u>	
20-year average 1997 - 2016:	2.8%
10-year average 2007 - 2016:	2.2%
5-year average 2012 - 2016:	5.1%
Last 12 Months:	3.5%
<u>State:</u>	
Last 12 Months:	7.9%

Treasury Yield Curve for 2016-07-08



- ▶ **Yield**

- ▶ <http://sharepoint.spokanecity.org/sites/performancemeasures/SitePages/Yield%20Curves.aspx>

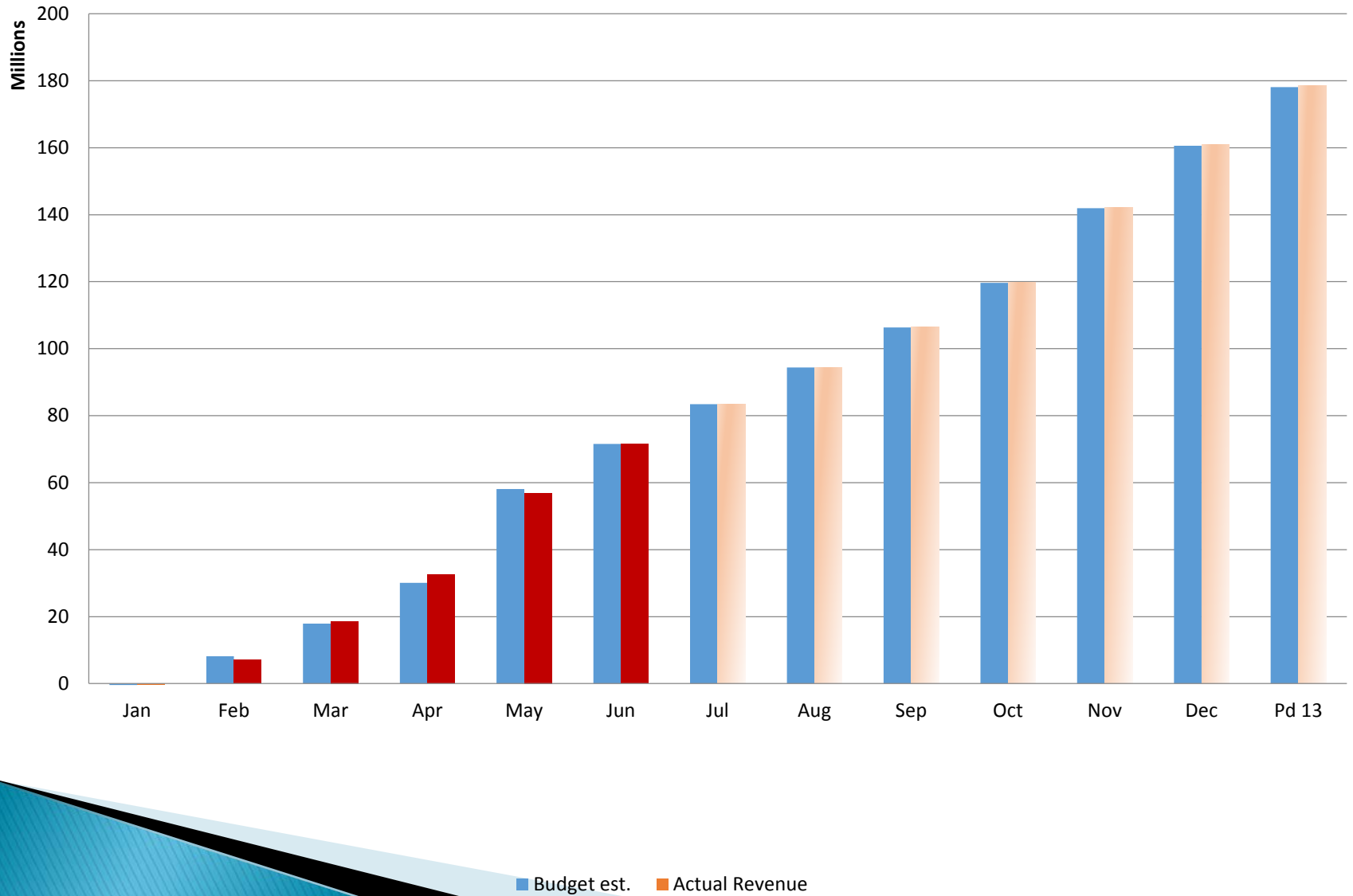
- ▶ **Economy**

- ▶ <http://sharepoint.spokanecity.org/sites/performancemeasures/SitePages/Economic%20Reporting.aspx>

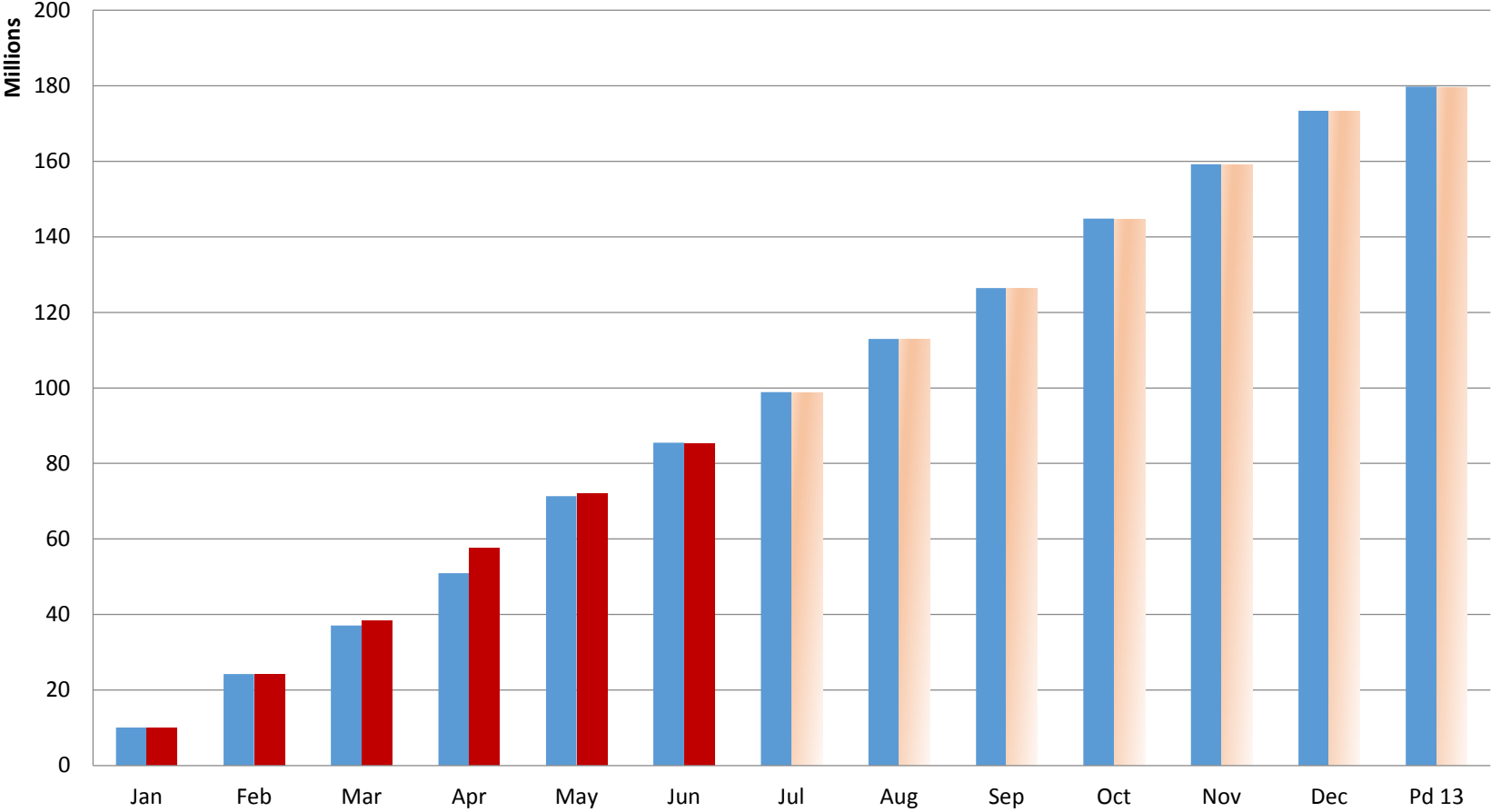
Through June, 2016					
<u>Revenues//</u>	<u>Year-to-date</u>	<u>Budgeted YTD</u>	<u>Over / Under Budget</u>	<u>Variance Prior Month</u>	<u>Increase / (decrease)</u>
Sales Tax - General Fund Only	11,796,947	11,494,499	302,448	241,561	60,887
Admissions Tax	337,342	270,505	66,837	59,122	7,715
Private Utility Tax/Franchise Fees	12,074,038	13,006,352	(932,314)	(1,120,421)	188,107
Utility Tax - Water	2,303,045	2,119,216	183,829	158,559	25,271
Utility Tax - Sewer	6,648,270	6,707,856	(59,586)	(49,652)	(9,934)
Utility Tax - Solid Waste (Interfund)	3,375,379	3,257,022	118,356	72,517	45,839
Utility Tax – Stormwater	593,860	590,934	2,926	2,675	251
Utility Tax - IF Electric	209,680	242,784	(33,104)	(26,360)	(6,745)
Other Bus License/Permit Revenue	1,640,722	1,650,241	(9,519)	83,905	(93,424)
Interest Revenue	2,582,430	2,650,000	(67,570)	(61,014)	(6,555)
Traffic & Parking Violations	728,949	1,356,100	(147,959)	(126,563)	(22,655)
-	-	-	-	-	-
	42,290,663	43,345,511	(575,656)	(765,671)	188,756

Gross Surplus / (Shortfall) Y.T.D.			(575,656)
<u>Adjustments to Year-End 2015:</u>			
Contra Account			(1,200,000)
YTD Vacancy Savings			940,000
Est. Vacancy Savings to Year-end			875,000
Projected Year-End Surplus / (Shortfall)			\$39,344

2016 General Fund Revenue

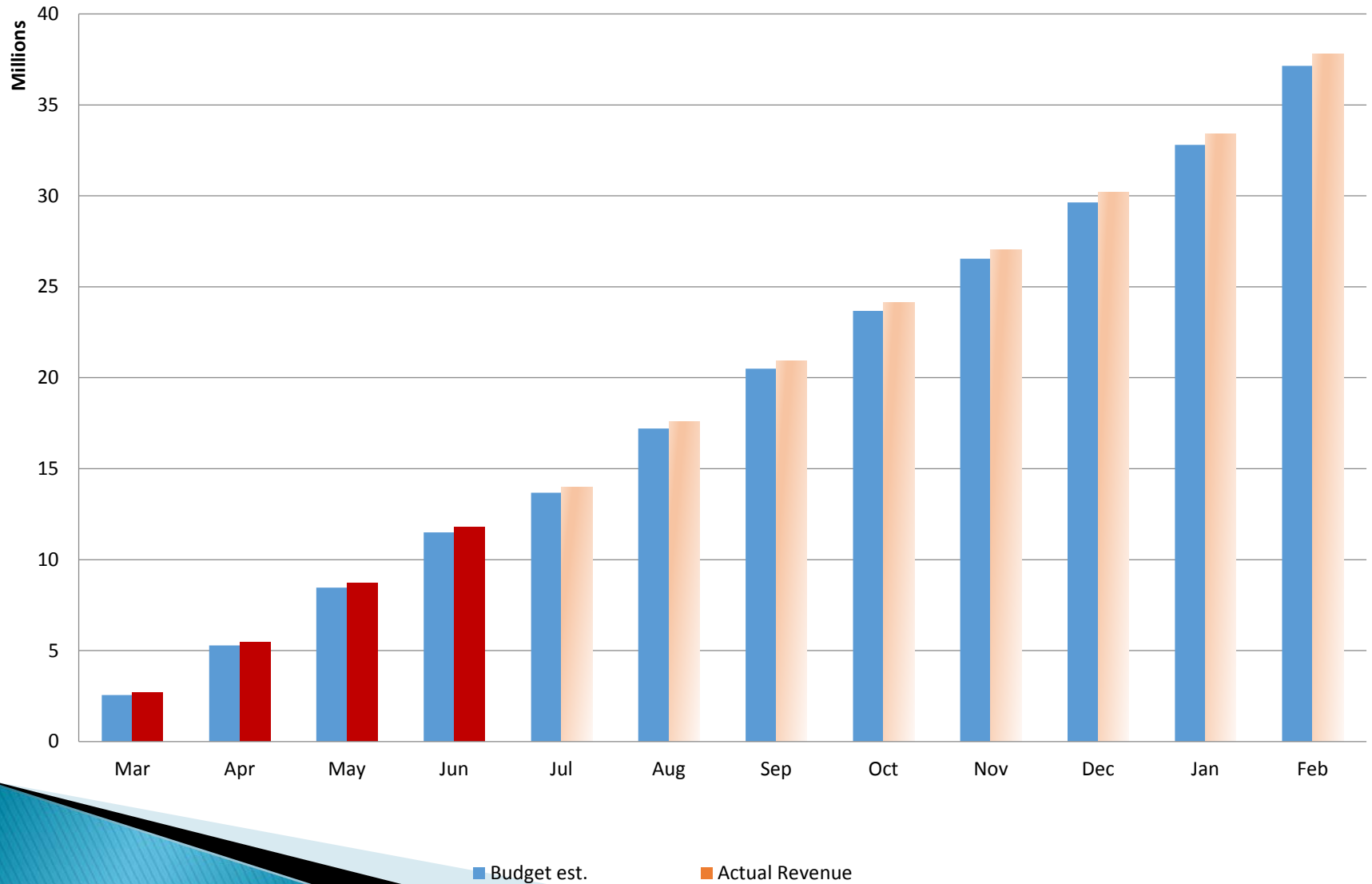


2016 General Fund Expenditures

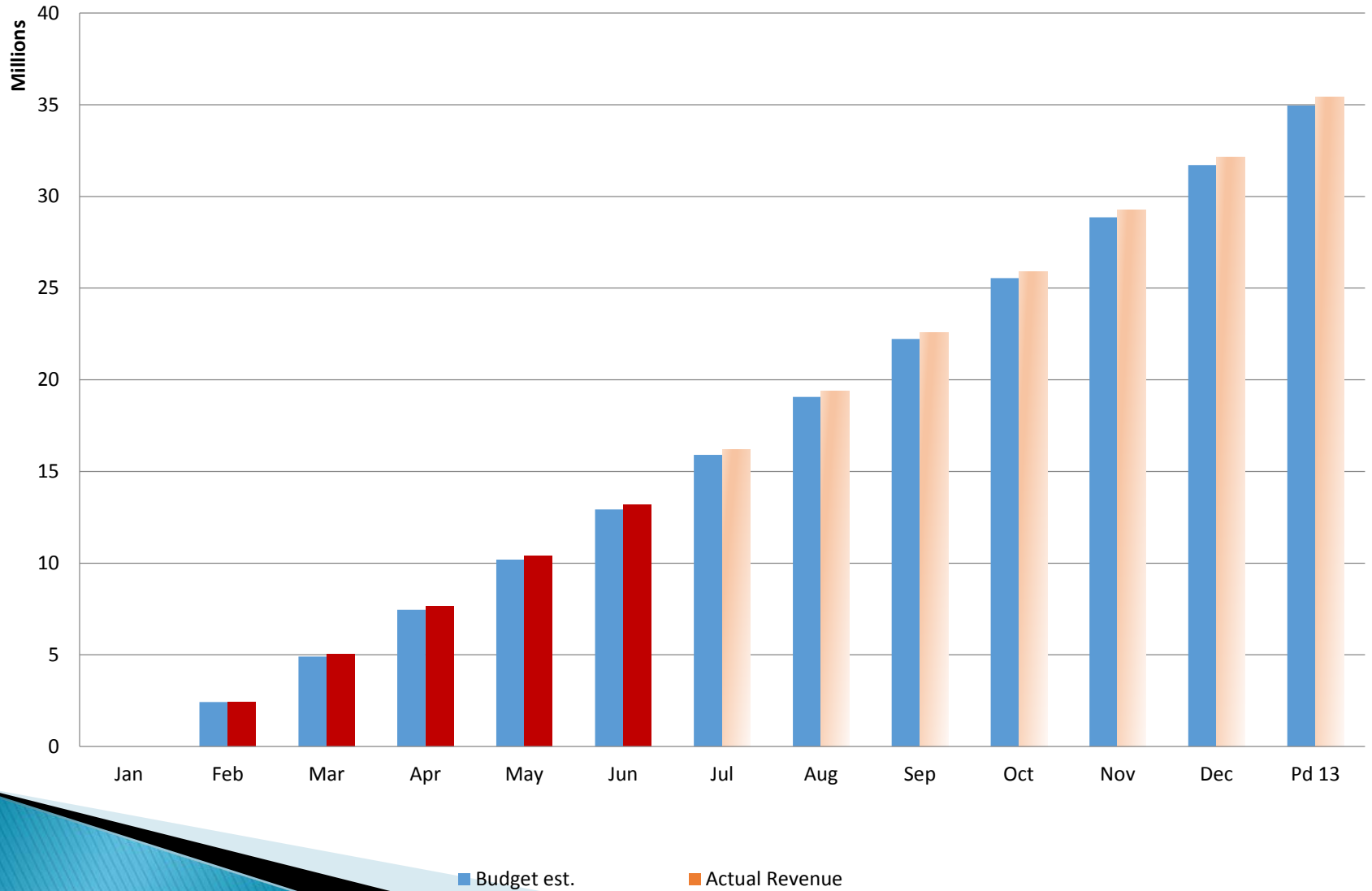


■ Budget est. ■ Actual Expense

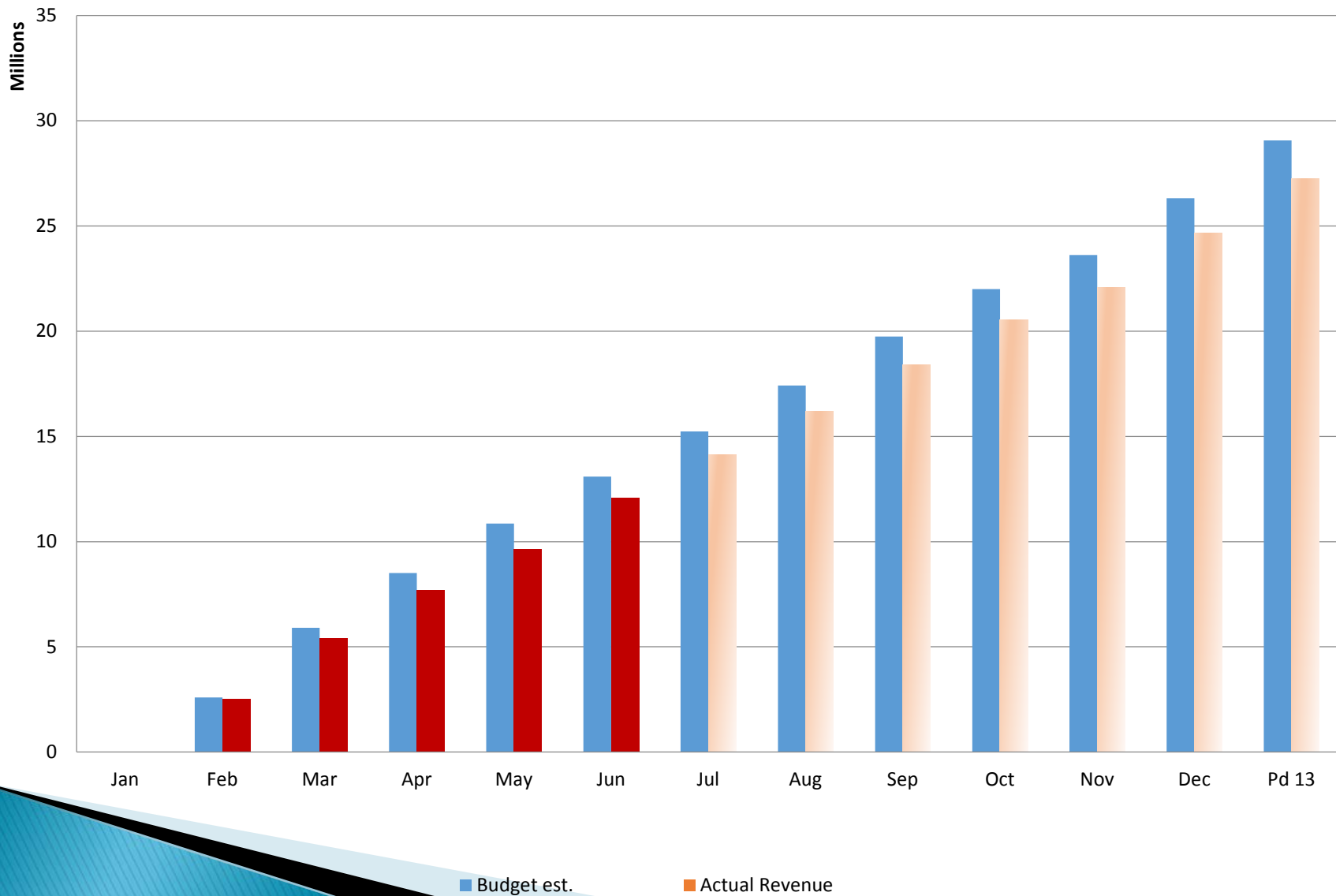
2016 GF Local Option Sales Tax Revenue



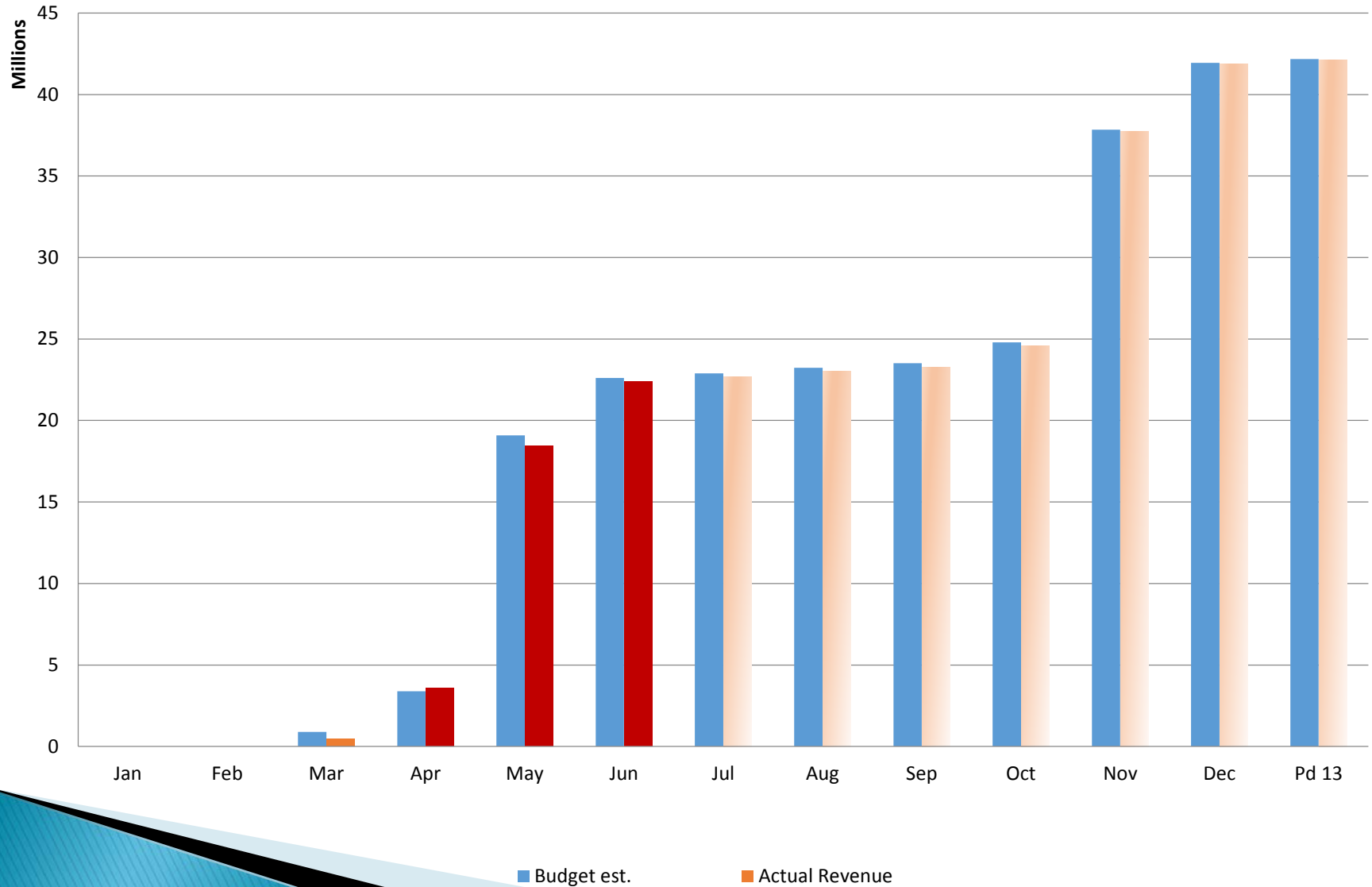
2016 GF Interfund Utility Tax Revenue



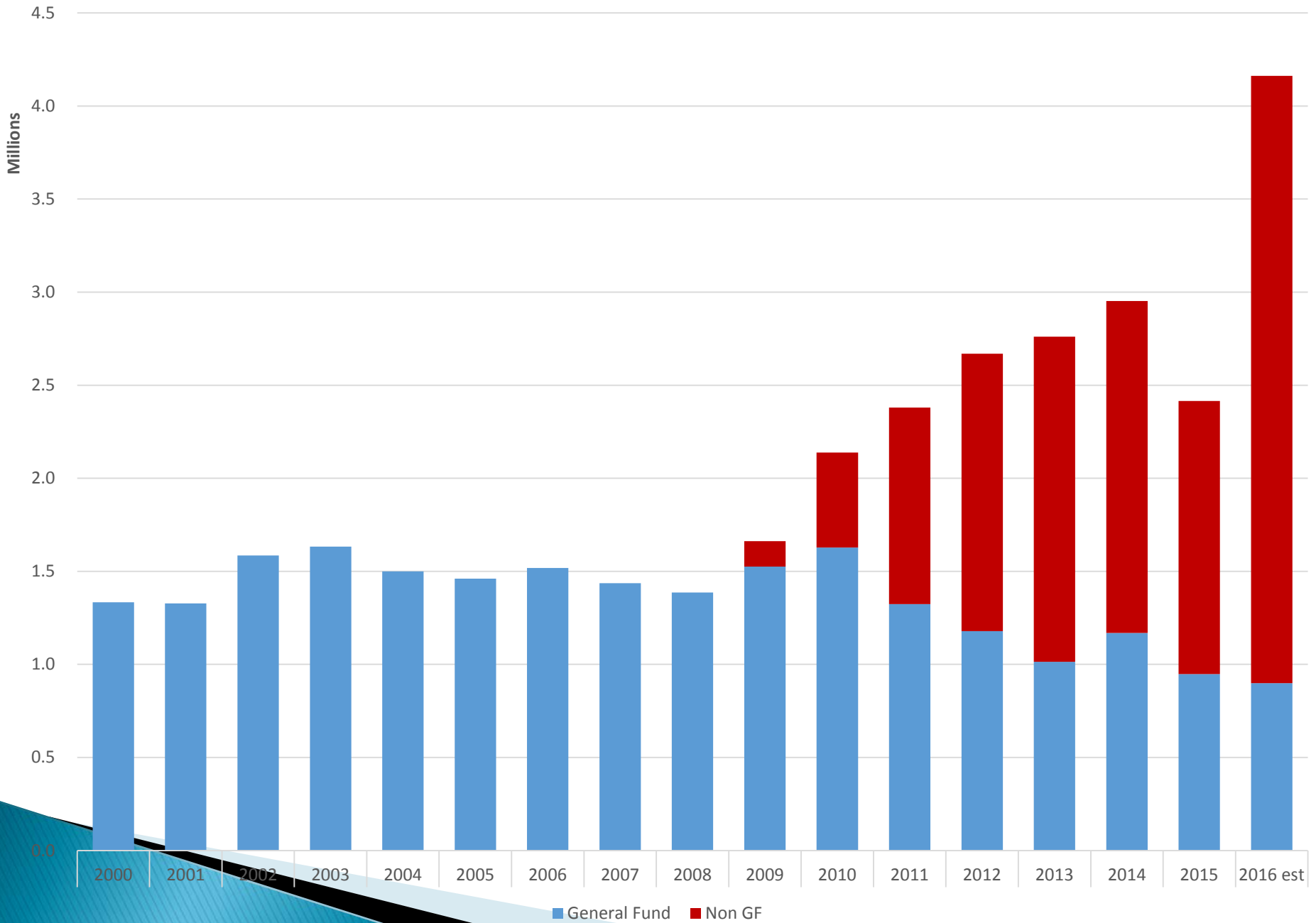
2016 GF Private Utility Tax/Franchise Fees



2016 GF Property Tax Revenue



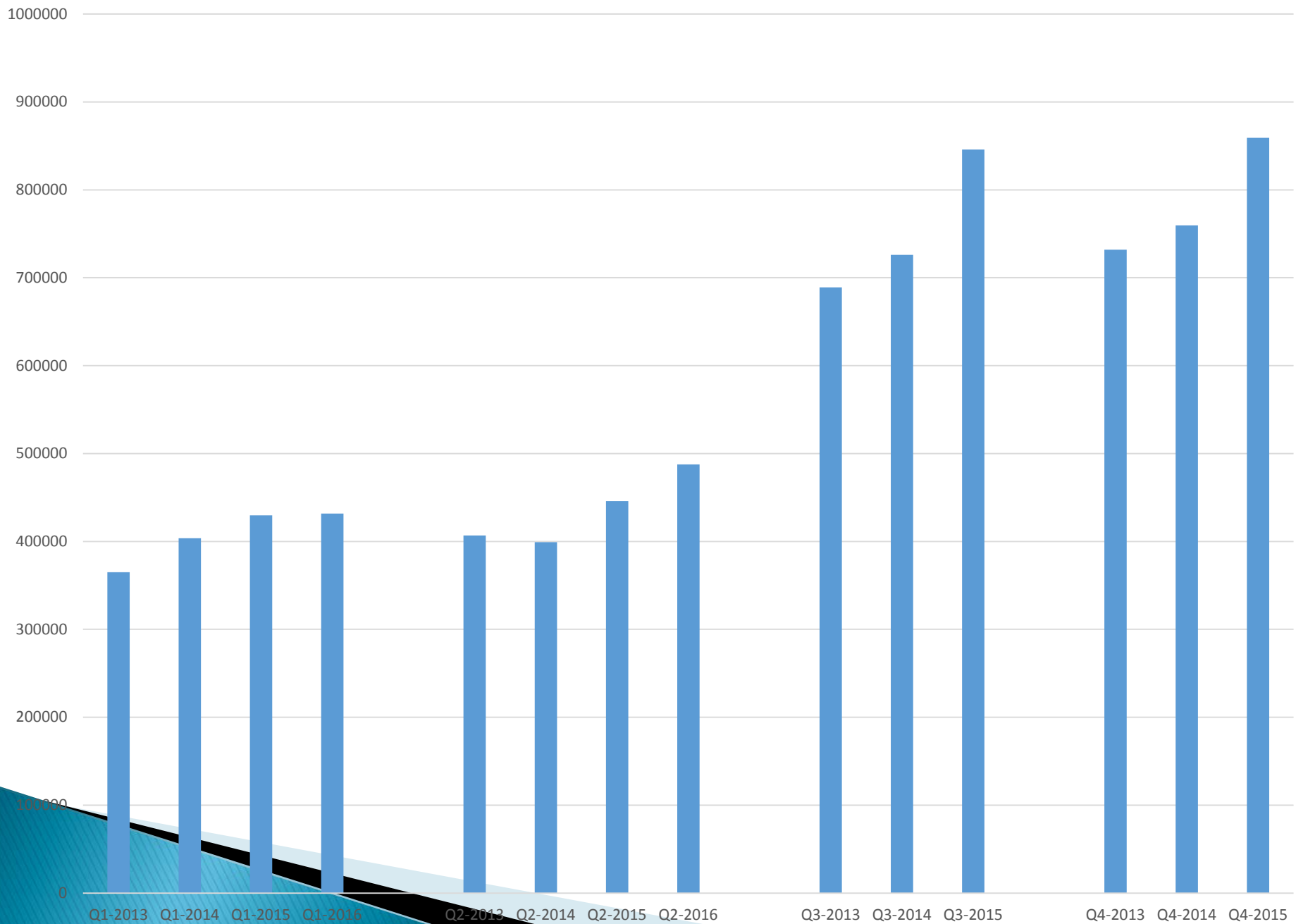
Traffic Infractions, Photo Red, School Speed Zone



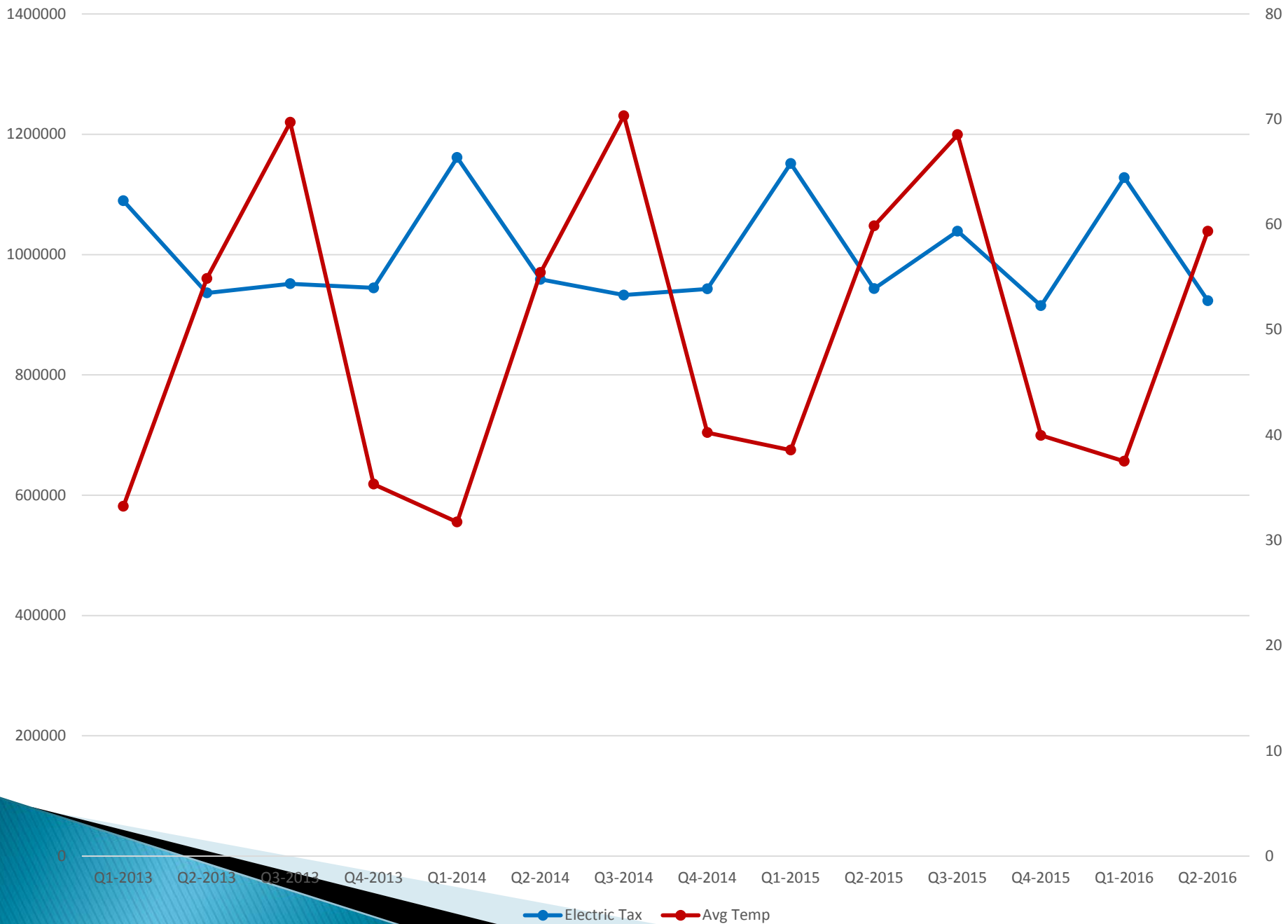
Temp v. Water Utility Tax



Water Tax



Temp v. Electric Utility Tax



Temp v. Natural Gas Tax



**City Council Finance &
Technology Committee**

Finance

Technology

END:

Questions / Comments?



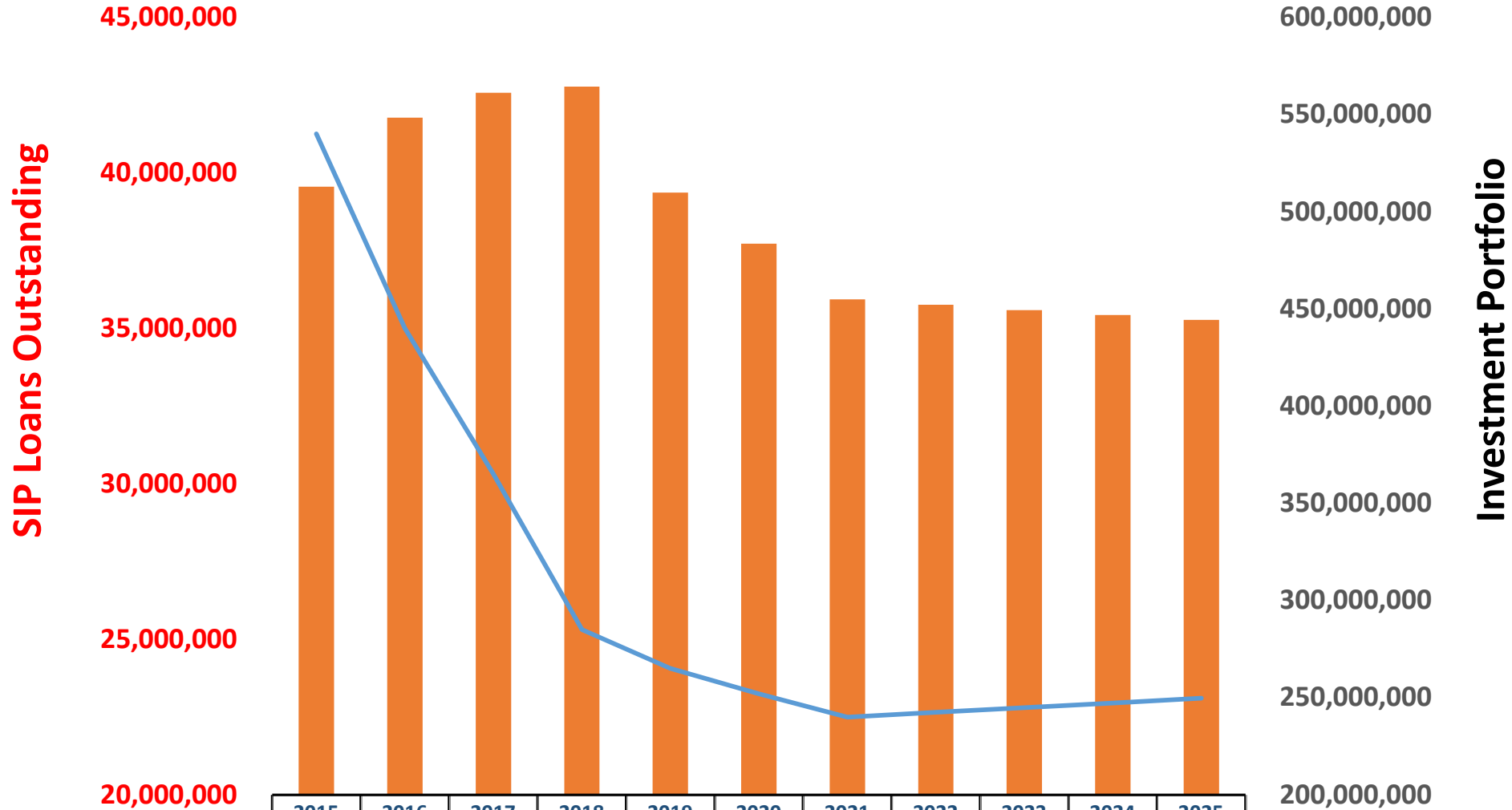
SIP: Schedule of Internal Lending

Description	Origination Date	Original Balance	Original Maturity	Approx Bal 12/31/15	Interest Rate	Resolution	Purpose	Source of Funding
Gardner	12/2/2013	1,544,397	12/31/16	1,413,296	1.54%	RES 2013-0086	PD Office Building	Savings from relocation of PD admin space from Monroe Court
Property Evidence/Alki Riverfront Conservation Area (YMCA)	12/2/2013	2,386,807	12/31/16	2,184,196	1.54%	RES 2013-0085	PD Property Evidence Bldg	Lease and related operational savings from relocation to new facility
	12/12/2012	2,567,489	12/31/17	1,902,536	1.78%	RES 2012-0110	Acquire YMCA property in Riverfront Park	Conservation Futures allocation
U District LRF	7/21/2011	3,977,000	06/30/16	3,463,147	3.17%	RES 2011-0036	Fund projects in U-District	State allocated 'LIFT' sales tax
West Plains Fire Station	10/24/2011	1,001,546	06/30/13	-	1.55%	RES 2011-0083	Fire station in annexed West Plains	Annexation allocated revenues
West Plains Fire Station Public Safety Equipment (2014)	12/2/2013	825,575	12/31/16	755,493	1.54%	RES 2013-0053	Fire station in annexed West Plains	Annexation allocated revenues
	7/14/2014	5,694,196	07/14/19	4,660,379	2.427%	RES 2014-0079	Public Safety capital funding	Allocations of annual 1% property tax coupled with General Fund match
Library RFID	1/16/2015	500,000	12/31/19	455,514	2.57%	RES 2014-0099	Acquire and install RFID equipment	Operational savings resulting from new RFID equipment
Division Street Gateway	12/15/2014	-	Pending	300,000	Pending	RES 2014-0119	Division street gateway improvements	Parking fund allocations
CLID 217	9/8/2008	989,088	09/15/20	259,294	5.31%	ORD C34300	Local Improvement District enhancements	LID area property-holder secured indebtedness
CLID 218	9/28/2009	304,507	10/1/2021	79,394	4.50%	ORD C34481	Local Improvement District enhancements	LID area property-holder secured indebtedness
CLID 219	9/13/2010	441,586	9/15/2022	237,832	3.74%	ORD C34642	Local Improvement District enhancements	LID area property-holder secured indebtedness
CLID 220	7/18/2011	392,851	08/01/23	133,706	3.72%	ORD C34754	Local Improvement District enhancements	LID area property-holder secured indebtedness
CLID 221	8/20/2012	252,930	08/15/24	180,842	2.29%	ORD C34899	Local Improvement District enhancements	LID area property-holder secured indebtedness
CLID 222	10/14/2013	1,353,218	10/15/25	980,869	4.65%	ORD C35044	Local Improvement District enhancements	LID area property-holder secured indebtedness
CLID 223	10/20/2014	600,142	11/01/26	558,213	3.15%	ORD C35166	Local Improvement District enhancements	LID area property-holder secured indebtedness
CLID 224	Pending 2015	110,000	Pending	110,000	Pending			
East Mission Trail	Pending	1,000,000	9/1/2020	1,000,000	2.23%	Pending	East Mission St Centennial Trail Bridge	Pending grant(s) / Photo Red revenues
Public Safety Bonds – Unissued 2015	Pending	10,152,902	Pending	10,152,902	Pending	Pending	Public Safety capital funding	Allocations of annual 1% property tax coupled with General Fund match
Public Safety Bonds – Unissued 2016	Pending	10,152,902	Pending	Pending	Pending	Pending	Public Safety capital funding	Allocations of annual 1% property tax coupled with General Fund match
Central Service Center Improvements '15	Pending	5,000,000	Pending	5,000,000	Pending	Pending	Central Service (Nelson) buildout for Fleet	Operational savings resulting from new efficiencies for Fleet operations
Parks/GF 2005A Bonds Refinance	Pending	5,720,000	Pending	5,720,000	Pending	Pending	Refinance 2030 maturity 5% bonds	5% to approx 2.4% = total payments much lower than current
Totals		32,930,131		39,547,615				

Spokane Internal Lending Program (SILP)

10-Year SIP Loan Projection

(% of Investment Portfolio)



	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total loans outstanding	39,547,	41,773,	42,572,	42,768,	39,358,	37,721,	35,932,	35,754,	35,585,	35,424,	35,273,
Portfolio	540,000	440,000	365,000	285,000	265,000	252,000	240,000	242,400	244,824	247,272	249,744
Percent of Portfolio	7.3%	9.5%	11.7%	15.0%	14.9%	15.0%	15.0%	14.8%	14.5%	14.3%	14.1%

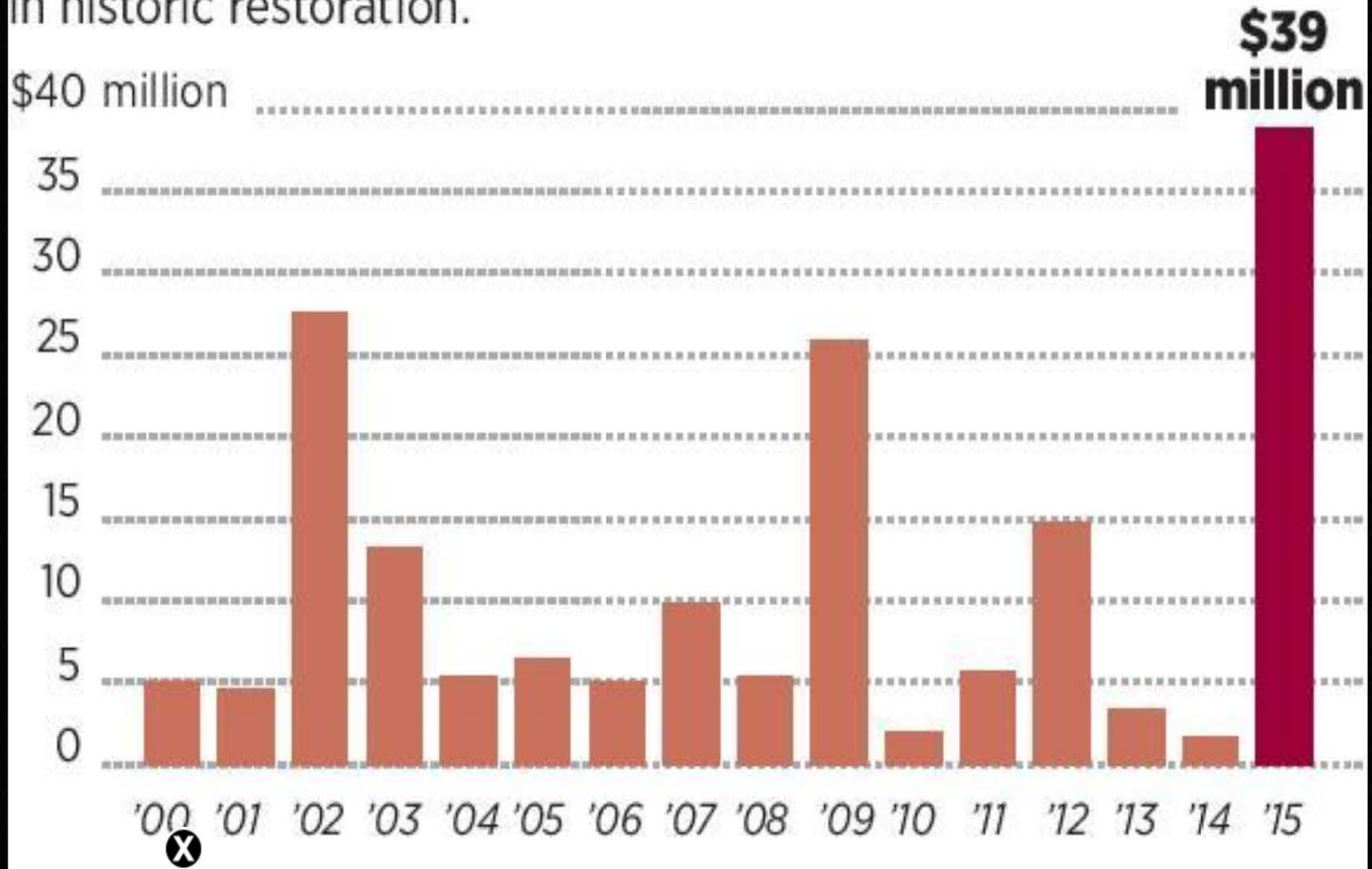
SIP Benchmarks

Portfolio:	Portfolio Yield	Portfolio Size – Book Value (\$m)	Average Maturity (years)	yield +/- SIP	Annualized Earnings differential **
Spokane Investment Pool (SIP)	1.51%	\$ 550	3.615	---	\$ 8,319,997
Spokane County Pool (SCIP)	0.610%	\$ 1,017	0.850	-0.90%	\$ (4,967,963)
King County, WA Pool	0.630%	\$ 5,591	.99 *	-0.88%	\$ (4,858,060)
WA State Pool	0.140%	\$ 10,205	0.099	-1.37%	\$ (7,550,678)
Orange County, CA Investment Pool (OCIP)	0.580%	\$ 3,215	1.227	-0.93%	\$ (5,132,817)
City of Portland, OR	0.680%	\$ 1,341	1.145	-0.83%	\$ (4,583,304)
City of Thousand Oaks, CA	1.043%	\$ 212	1.929	-0.47%	\$ (2,588,569)
City of Houston, TX	0.922%	\$ 3,405	1.240	-0.59%	\$ (3,253,480)
City of San Diego, CA	0.690%	\$ 1,990	1.408	-0.82%	\$ (4,528,352)
City of Los Angeles, CA	1.180%	\$ 7,980	2.400	-0.33%	\$ (1,835,735)
3 -Year Treasuries	0.900%	n/a	3.000	-0.61%	\$ (3,374,373)
* <i>Duration</i>					

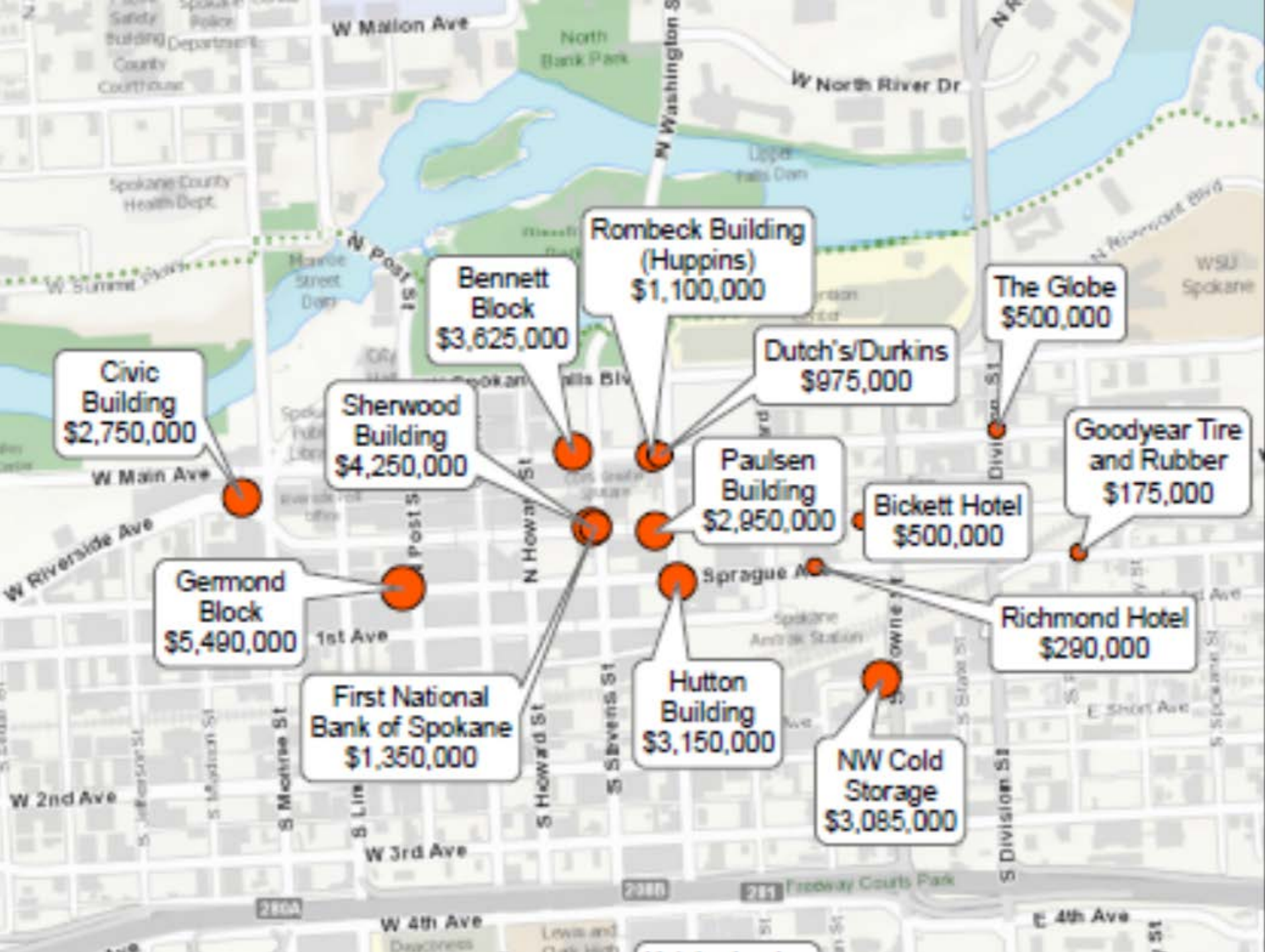
** *SIP shows estimated annualized earnings at current yield and portfolio size; benchmarks show estimated increase/(decrease) in annualized earnings based on applying such portfolio's yield to SIP portfolio*

Historic restoration

2015 is going to set a record for investment in historic restoration.



SOURCE: Spokane City-County Historic Preservation Office



Grant Activity Report June 2016

Community and Neighborhood/CHHS

Invest Health

- Dept.: Community and Neighborhood/CHHS
- Stage: Grant Awarded
- Awarded: 4/26/2016
- Award: \$60,000
- Project Lead: Rob Crow
- Match Required: No
- Info: This project intends to generate new strategies for increasing and leveraging private and public investments to accelerate improvements in neighborhoods facing the biggest barriers to better health, new, enduring partnerships across sectors; and new pipelines of projects shaped to positively impact health outcomes in Invest Health Cities. Grant provides funding for travel to attend national convening for Rob Crow and community partners Sara Clements-Sampson (Providence Health Care), Julie Honekamp (Spokane Neighborhood Action Partners), Pam Teitz (Spokane Housing Authority), and Nadine Van Stone (Catholic Charities).

Police

2016 COPS Hiring Grant

- Dept.: Police
- Stage: Application Submitted
- Pending: \$1,000,000
- Project Lead: Justin Lundgren
- Match Required: 25%
- Sustainability Requirement: Retention of each officer for at least one year (12 months) following the conclusion of three year grant agreement
- Info: The purpose of this program is to fund the number of officer positions equal to 5% of an agency's actual sworn force strength as reported on the date of application. Funding may be used to hire new officers or rehire officers who have been laid off, or were at the time of the application scheduled to be laid off on a specific future date, as a result of local budget cuts, on or after the official grant award date. The program provides 75% of the approved entry-level salaries and fringe benefits of each newly hired and/or rehired full-time officer.

OJJDP OVM FY2016 Comprehensive Anitgang Strategies and Programs Grant

- Dept.: Police
- Stage: Application Submitted
- Pending: \$300,000
- Project Lead: Justin Lundgren
- Match Required: No
- Info: This grant provides communities with funds to hire a multi-strategy anti-gang coordinator who will enhance the coordination of existing community-based anti-gang programs as well as institute a pilot anti-gang program in three middle schools. If awarded, the City will coordinate a MOU with Spokane Public Schools (SPS) as the anti-gang coordinator will be an employee of SPS.

Edward Byrne Memorial Justice Assistance Grant (JAG) Program

- Dept.: Police
- Stage: Application Submitted
- Pending: \$69,707
- Project Lead: Sarah Lynds – Traffic Patrol and Emphasis
- Match Required: No
- Info: the Spokane County Sheriff's Office in collaboration with the City of Spokane made the application for this award. The funding will be split City: \$69,707, County: \$85,196. The City would like to use the allocation for law enforcement programs for the purpose of equipping local criminal justice authorities with the necessary tools and support to ensure the safety of the Spokane community. The funding will include the purchase of equipment to support the Spokane Police Department's SWAT and TAC Teams.

Public Works and Utilities/Integrated Capital Mgt.

Safe Drinking Water State Revolving Fund Federal Grant Award

- Dept.: Public Works and Utilities/Integrated Capital Mgt.
- Stage: Grant Awarded
- Awarded: 5/20/16
- Award: \$9,000
- Project Lead: Mark Papich
- Match Required: No
- Info: The funding provided in this contract will be used to cover the water connection fees and to purchase materials needed to make the connection of Burger Royal to the City of Spokane such as pipe, miscellaneous fittings, and a water meter.

Municipal Court and Probation

US 8903 2016 Joint Adult Drug Court Solicitation

- Dept.: Municipal Court
- Stage: Application Submitted
- Pending: \$1,375,000
- Project Lead: Tim Sigler, Judge Logan
- Match Required: yes, see info
- Info: The Spokane Municipal Veterans' Court, in collaboration with the Spokane Mann-Grandstaff Veterans Affairs Medical Center and many other community partners is in the application applied for this award. The purpose of the funds is primarily to establish an additional city Probation Officer I position. The new position will be assigned on a full-time basis to identify and monitor veterans in the Spokane criminal justice system working in partnership with the Spokane County jail, prosecutor's office, public defender's office and Mann-Grandstaff VA Medical Center. The remaining funds will be used to directly support treatment, community resources, and training for the SMVC. The funding for this grant comes from both the Bureau of Justice Administration (BJA) and the Substance Abuse and Mental Health Services Administration (SAMHSA). The BJA portion requires a 25% match which will be met through in-kind City contribution of judicial time. The SAMHSA portion requires no match.

2016 Community Court Program

- Dept.: Municipal Court
- Stage: Grant Awarded
- Awarded: 5/23/16
- Award: \$200,000
- Project Lead: Tim Sigler
- Match Required: No but additional project costs expected to be \$1,329,133
- Info: foundation of the Community Court is a team of court, prosecution, police probation, public defense, academia and social service professionals dedicated to collaborating on cases to reach practical and targeted solutions. The court will focus on misdemeanors and ordinance violations – offenses such as criminal trespass, vehicle prowling, pedestrian interference, public urination, and disorderly conduct that in the aggregate diminish the quality of life in our community. The City of Spokane Community Court program is funded through existing budgets. The grant award will support and enhance the program with services including but not limited to: the training and supervision of its own staff, coordination functions for the development of the project, collaborative activities with project partners and participation in technical assistance activities with the Center for Court Innovation.



Quote 1024212811748.1

SPOKANE FIRE DEPT

Salesperson	Quote Details	Billing Details
Salesperson Name	Quote Date 06/07/2016	Company Name SPOKANE FIRE DEPT
Salesperson Email -	Quote Validity 07/07/2016	Customer Number 11011546
Salesperson Phone 18009993355	Solution ID -	Phone Number 1 (509) 6257073
Salesperson Extension -		Address 44 W RIVERSIDE AVE SPOKANE WA 99201-0114 US

Price Summary

Description	Quantity	Unit Price	Subtotal Price
Dell Intel X710 10 Gigabit SFP+ x 2 Network Adapter	5	\$519.99	\$2,599.95
Dell SFP+ Short Range Optical Transceiver	10	\$239.99	\$2,399.90
Dell 32GB Certified Memory Module - 2RX4 DDR4 RDIMM 2133MHz	24	\$414.99	\$9,959.76
Subtotal			\$14,959.61
Tax			\$1,301.49
Shipping and Handling			\$0.00
Environmental Fee			\$0.00
Total			\$16,261.10

Note: All tax quoted above is an estimate; final taxes will be listed on the invoice.

Dear Customer,

Your quote is detailed below; please review the quote for product and information accuracy. If you find errors or desire changes, please contact me as soon as possible.

Regards,

Order this quote easily online through your [Premier page](#), or if you do not have Premier, using [Quote to Order](#)

Product Details by Shipment

Shipping Group 1

Shipping Contact:		Subtotal	\$14,959.61
Shipping Phone No:	1 (509) 6256405	Tax	\$1,301.49
Shipping via:	Standard Ground	Shipping and Handling	\$0.00
Shipping Address:	44 W RIVERSIDE AVE	Environmental Fee	\$0.00
	SPOKANE FIRE DEPT	Total	\$16,261.10
	SPOKANE		
	WA 99201		
	US		

Description	Quantity	Unit Price	Subtotal Price
Dell Intel X710 10 Gigabit SFP+ x 2 Network Adapter	5	\$519.99	\$2,599.95

Estimated Delivery Date: 06/16/2016
 Contract Code: WN34AGW
 Customer Agreement No: 05815-003

540-BBIV	Dell Intel X710 10 Gigabit SFP+ x 2 Network Adapter	5	-	-
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Description	Quantity	Unit Price	Subtotal Price
Dell SFP+ Short Range Optical Transceiver	10	\$239.99	\$2,399.90

Estimated Delivery Date: 06/17/2016
 Contract Code: WN34AGW
 Customer Agreement No: 05815-003

407-BBOK	Dell SFP+ Short Range Optical Transceiver	10	-	-
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Description	Quantity	Unit Price	Subtotal Price
Dell 32GB Certified Memory Module - 2RX4 DDR4 RDIMM 2133MHz	24	\$414.99	\$9,959.76
<hr/>			
Estimated Delivery Date:	06/15/2016		
Contract Code:	WN34AGW		
Customer Agreement No:	05815-003		
<hr/>			
A8217683 Dell 32GB Certified Memory Module - 2RX4 DDR4 RDIMM 2133MHz	24	-	-

Important Notes

Terms of Sale

This quote is valid for 30 days unless otherwise stated. Unless you have a separate written agreement that specifically applies to this order, your order will be subject to and governed by the following agreements, each of which are incorporated herein by reference and available in hard copy from Dell at your request:

If this purchase is for your internal use only: Dell's Commercial Terms of Sale (www.dell.com/CTS), which incorporate Dell's U.S Return Policy(www.dell.com/returnpolicy) and Warranty (www.dell.com/warrantyterms).

If this purchase is intended for resale: Dell's Reseller Terms of Sale (www.dell.com/resellerterms).

If this purchase includes services: in addition to the foregoing applicable terms, Dell's service contracts and related service terms (www.dell.com/servicecontracts/global).

If this purchase includes software: in addition to the foregoing applicable terms, your use of the software is subject to the license terms accompanying the software, and in the absence of such terms, then use of the Dell-branded application software is subject to the Dell End User License Agreement - A Version. (www.dell.com/AEULA) and use of the Dell-branded system software is subject to the Dell End User License Agreement - S Version (www.dell.com/SEULA) (the "End User License Agreements").

You acknowledge having read and agree to be bound by the foregoing applicable terms in their entirety. Any terms and conditions set forth in your purchase order or any other correspondence that are in addition to, inconsistent or in conflict with, the foregoing applicable online terms will be of no force or effect unless specifically agreed to in a writing signed by Dell that expressly references such terms.

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If you are a department, agency, division, or office of any district, state, county or municipal government within the United States ("Public Customer"), the following terms ("Public Customer Terms") apply in addition to the foregoing terms:

A. If any portion of the foregoing terms and conditions (or any terms referenced therein) is prohibited by law, such portion shall not apply to you. Notwithstanding anything to the contrary, the End User License Agreements shall take precedence in all conflicts relevant to your use of any software.

B. By placing your order, you confirm that (1) you are a contracting officer or other authorized representative of Public Customer with authority to bind the Public Customer to these terms and conditions, and (2) you have read and agree to be bound by these terms and conditions.

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All product, pricing, and other information is valid for U.S. customers and U.S. addresses only, and is based on the latest information available and may be subject to change. Dell reserves the right to cancel quotes and orders arising from pricing or other errors. Please indicate any tax-exempt status on your PO, and fax your exemption certificate, including your Customer Number, to the Dell Tax Department at 800-433-9023. Please ensure that your tax-exemption certificate reflects the correct Dell entity name: **Dell Marketing L.P.** Note: All tax quoted above is an estimate; final taxes will be listed on the invoice. If you have any questions regarding tax please send an e-mail to Tax_Department@dell.com.

For certain products shipped to end-users in California, a State Environmental Fee will be applied to your invoice. Dell encourages customers to dispose of electronic equipment properly.



QUOTATION

Quote #: 729865714
Customer #: 11011546
Contract #: WN34AGW
Customer Agreement #: 05815-003
Quote Date: 06/07/2016
Customer Name: CITY OF SPOKANE

Date: 6/7/2016

Thanks for choosing Dell! Your quote is detailed below; please review the quote for product and informational accuracy. If you find errors or desire certain changes please contact your sales professional as soon as possible.

Sales Professional Information

SALES REP:	OMAR OSORIO	PHONE:	1800 - 4563355
Email Address:	Omar_Osorio@DELL.com	Phone Ext:	5131875

GROUP: 1 QUANTITY: 4 SYSTEM PRICE: \$7,029.40 GROUP TOTAL: \$28,117.60

Description	Quantity
Dell Networking N4032F, 24x 10GbE SFP+ Ports, 1x Modular bay, 2x AC PSU, IO to PSU Airflow (210-ABVT)	4
Thank you for choosing Dell ProSupport Plus. For tech support, visit http://www.dell.com/contactdell (951-2015)	4
Dell Hardware Limited Warranty Initial Year (966-6411)	4
Dell Hardware Limited Warranty Extended Year(s) (966-6413)	4
Lifetime Limited Hardware Warranty with Basic Hardware Service Next Business Day Parts Only on Your Network Switch (966-6417)	4
Software Support,NW,90 Day (966-6423)	4
ProSupport Plus: Next Business Day Onsite Service After Problem Diagnosis, Initial Year (966-6574)	4
ProSupport Plus: Next Business Day Onsite Service After Problem Diagnosis, 6 Year Extended (966-6586)	4
ProSupport Plus: 7x24 HW/SW Tech Support and Assistance, 7 Year (966-6604)	4
US Order (332-1286)	4
On-Site Installation Declined (900-9997)	4
Documentation Kit, N4000 Series Switch (340-AGNR)	4
Power Cord, 125V, 15A, 10 Feet, NEMA 5-15/C13 (450-AAFH)	4
Power Cord, 125V, 15A, 10 Feet, NEMA 5-15/C13 (450-AAFH)	4
QSFP+ 40GbE Module, 2-Port, Hot Swap, used for 40GbE Uplink, Stacking, or 8x 10GbE Breakout (409-BBCP)	4
Dell Networking,Cable,40GbE (QSFP+) to 4 x 10GbE SFP+ Passive Copper Breakout Cable, 0.5 m (470-AAGC)	4

SOFTWARE & ACCESSORIES

GROUP TOTAL: \$0.00

Product	Quantity	Unit Price	Total
Dell Education Services - Dell Campus Networking - No Training Selected (975-2188)	4	\$0.00	\$0.00

*Total Purchase Price:	\$30,563.84
Product Subtotal:	\$28,117.60
Tax:	\$2,446.24
Shipping & Handling:	\$0.00
State Environmental Fee:	\$0.00
Shipping Method:	LTL 5 DAY OR LESS

(* Amount denoted in \$)

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Dell may make changes to this proposal including changes or updates to the products and services described, including pricing, without notice or obligation.

Terms of Sale

This quote is valid for 30 days unless otherwise stated. Unless you have a separate written agreement that specifically applies to this order, your order will be subject to and governed by the following agreements, each of which are incorporated herein by reference and available in hardcopy from Dell at your request:

If this purchase is for your internal use only: Dell's Commercial Terms of Sale (www.dell.com/CTS), which incorporate Dell's U.S. Return Policy (www.dell.com/returnpolicy) and Warranty (www.dell.com/warrantyterms).

If this purchase is intended for resale: Dell's Reseller Terms of Sale (www.dell.com/resellerterms).

If this purchase includes services: in addition to the foregoing applicable terms, Dell's Service Terms (www.dell.com/servicecontracts/global).

If this purchase includes software: in addition to the foregoing applicable terms, your use of the software is subject to the license terms accompanying the software, and in the absence of such terms, then use of the Dell-branded application software is subject to the Dell End User License Agreement - Type A (www.dell.com/AEULA) and use of the Dell-branded system software is subject to the Dell End User License Agreement - Type S (www.dell.com/SEULA).

You acknowledge having read and agree to be bound by the foregoing applicable terms in their entirety. Any terms and conditions set forth in your purchase order or any other correspondence that are in addition to, inconsistent or in conflict with, the foregoing applicable online terms will be of no force or effect unless specifically agreed to in a writing signed by Dell that expressly references such terms.

Additional Terms for Public Customers

If you are a department, agency, division, or office of any district, state, county or municipal government within the United States ("Public Customer"), the following terms ("Public Customer Terms") apply in addition to the foregoing terms: A. If any portion of the foregoing terms and conditions (or any terms referenced therein) is prohibited by law, such portion shall not apply to you. Notwithstanding anything to the contrary, the End User License Agreements shall take precedence in all conflicts relevant to your use of any software. B. By placing your order, you confirm that (1) you are a contracting officer or other authorized representative of Public Customer with authority to bind the Public Customer to these terms and conditions, and (2) you have read and agree to be bound by these terms and conditions.

Pricing, Taxes, and Additional Information

All product, pricing, and other information is valid for U.S. customers and U.S. addresses only, and is based on the latest information available and may be subject to change. Dell reserves the right to cancel quotes and orders arising from pricing or other errors. Sales tax on products shipped is based on your "Ship To" address, and for software downloads is based on your "Bill To" address. Please indicate any tax-exempt status on your PO, and fax your exemption certificate, including your Customer Number, to the Dell Tax Department at 800-433-9023. Please ensure that your tax-

exemption certificate reflects the correct Dell entity name: Dell Marketing L.P. Note: All tax quoted above is an estimate; final taxes will be listed on the invoice. If you have any questions regarding tax please send an e-mail to Tax_Department@dell.com.

For certain products shipped to end-users in California, a State Environmental Fee will be applied to your invoice. Dell encourages customers to dispose of electronic equipment properly.

All information supplied to CITY OF SPOKANE for the purpose of this proposal is to be considered confidential information belonging to Dell.

About Dell

Dell Inc. listens to customers and delivers innovative technology and services they trust and value. Uniquely enabled by its direct business model, Dell is a leading global systems and services company and No. 34 on the Fortune 500. For more information, visit www.dell.com.

Privacy Policy

Dell respects your privacy. Across our business, around the world, Dell will collect, store, and use customer information only to support and enhance our relationship with your organization, for example, to process your purchase, provide service and support, and share product, service, and company news and offerings with you. Dell does not sell your personal information. For a complete statement of our Global Privacy Policy, please visit dell.com/privacy.

Rough Order of Magnitude (ROM) Configuration for SPOKANE, WASHINGTON

Dell Marketing, L.P.
P.O. Box 149257
Austin, TX 78714

ROM Configuration #: DLA116798B

Prepared By: Tyler B. Watkins

SFDC Deal Id: 12357096

Type: System

Bill To:

SPOKANE, WASHINGTON
808 W Spokane Falls Blvd
Spokane, WA 99201

Description	Model Number	Dell SKU	Quantity	List Price	Subtotal
Hardware & Drives					
SC4020 10Gb iSCSI - 4ports (Single drives)	CT-SC4020-BASE-ISCSI		1		
Dell 480GB, SAS 12Gb, SSD, Mainstream RL, 2.5	DS-SAS-25-480SSDRI-M-Y		10		
Dell 600GB, SAS, 6Gb, 2.5", 10K, HDD	DS-SAS6-25-600X10K2-Y		14		
C13-C14, PDU, 12AMP, 6.5 FT (2m), Power cord, Qty2	PA-PC-2M-Y		1		
Software					
SW, Storage Center OS Core Base License	SW-CORE-BASE48		1		
SW, Storage Optimization Bundle Base License	SW-PERF-BASE48		1		
SW, Remote Data Protection w/ Live Volume Bundle Base License	SW-RDPLV-BASE48		1		
Professional Services					
ProDeploy Add-On: Replication Services for Dell Storage (Requires ProDeploy)	PS-PDADDRP		1		
ProDeploy Dell Storage SC Series 4XXX SAN	PS-SC4XXX-PD		1		
Totals					
		Discount Comments			
Power (Watts): 500	5 year support term includes a 25% discount			Hardware Total	\$55,213.00
Heat (BTUs): 1,707.00				Software Total	\$0.00
Rack Units: 2				VA Software Total	\$12,987.00
Weight (Lbs): 48				Copilot Support Total	\$7,958.77
SSD (Raw TB): 4.8				VA Software Support Total	\$15,988.50
SAS (Raw TB): 8.4				Professional Services Total	\$4,598.00
Total (Raw TB): 13.2				Subtotal	\$96,745.27
				Discount	(\$67,721.00)
				Freight	\$262.00
				*Grand Total	\$29,286.27

24x7 Support Center w/ Priority On-Site (4 hour)

*Plus applicable taxes

***Copilot Support Term: 5 year (60 months)

****The pricing is displayed in the US Dollar currency.

The PRICING provided herein is Rough Order Magnitude (ROM) pricing only and not intended to reference any Dell contract that you may wish to utilize for purchase. Once your final configuration is determined, your Dell Sales Representative will provide you with a quote that reflects the appropriate Contract Pricing and Terms and Conditions.

Dell's global customer pricing rates (GCP rates) are Dell's trade secrets and constitute confidential and proprietary information. This information is made available to customers on a confidential basis and may not be disclosed to any other party other than the party to which it is disclosed. Further, this information may not be disclosed to any person who does not require such information to carry out the specific purpose of this disclosure.

GCP rates may be used by Dell to convert U.S. Dollar prices to local currency prices but do not necessarily represent an offer to make an exchange. Due to the dynamic nature of foreign exchange markets, Dell may at any time change the instruments, currencies or process for the rates. In particular emerging market currencies, such as the Mexican Peso and South African Rand, are more likely to be adjusted due to their inherent volatile nature.

Rough Order of Magnitude (ROM) Configuration for SPOKANE, WASHINGTON

Dell Marketing, L.P.
P.O. Box 149257
Austin, TX 78714

ROM Configuration #: DLA116794B

Prepared By: Tyler B. Watkins

SFDC Deal Id: 12357067

Type: System

Bill To:

SPOKANE, WASHINGTON
808 W Spokane Falls Blvd
Spokane, WA 99201

Description	Model Number	Dell SKU	Quantity	List Price	Subtotal
Hardware & Drives					
SC4020 10Gb iSCSI - 4ports (Single drives)	CT-SC4020-BASE-ISCSI		1		
Dell 480GB, SAS 12Gb, SSD, Mainstream RL, 2.5	DS-SAS-25-480SSDRI-M-Y		10		
Dell 600GB, SAS, 6Gb, 2.5", 10K, HDD	DS-SAS6-25-600X10K2-Y		14		
C13-C14, PDU, 12AMP, 6.5 FT (2m), Power cord, Qty2	PA-PC-2M-Y		1		
Software					
SW, Storage Center OS Core Base License	SW-CORE-BASE48		1		
SW, Storage Optimization Bundle Base License	SW-PERF-BASE48		1		
SW, Remote Data Protection w/ Live Volume Bundle Base License	SW-RDPLV-BASE48		1		
Professional Services					
ProDeploy Add-On: Replication Services for Dell Storage (Requires ProDeploy)	PS-PDADDRP		1		
ProDeploy Dell Storage SC Series 4XXX SAN	PS-SC4XXX-PD		1		
Totals					
	Discount Comments				
Power (Watts): 500	5 year support term includes a 25% discount			Hardware Total	\$55,213.00
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SAS (Raw TB): 8.4				Professional Services Total	\$4,598.00
Total (Raw TB): 13.2				Subtotal	\$96,745.27
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				*Grand Total	\$29,286.27

24x7 Support Center w/ Priority On-Site (4 hour)

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The PRICING provided herein is Rough Order Magnitude (ROM) pricing only and not intended to reference any Dell contract that you may wish to utilize for purchase. Once your final configuration is determined, your Dell Sales Representative will provide you with a quote that reflects the appropriate Contract Pricing and Terms and Conditions.

.....
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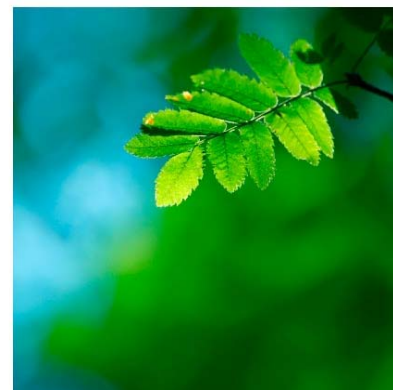
.....
GCP rates may be used by Dell to convert U.S. Dollar prices to local currency prices but do not necessarily represent an offer to make an exchange. Due to the dynamic nature of foreign exchange markets, Dell may at any time change the instruments, currencies or process for the rates. In particular emerging market currencies, such as the Mexican Peso and South African Rand, are more likely to be adjusted due to their inherent volatile nature.

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Statement Of Work for Spokane Fire Department

Hyper V Design & Best Practices



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1 INTRODUCTION

This Statement of Work (“SOW”) sets forth the Services (as defined herein) to be performed by Dell Marketing LP (“Dell”) to Spokane Fire Department (“Customer”). The Services performed, provided under this SOW, are governed by and subject to the terms and conditions specified in: Customer’s separately signed master agreement to the extent that agreement expressly authorizes Customer to purchase the Services described herein; or in the absence of such master agreement, the Professional Services Agreement (“PSA”), which is available at www.dell.com/PSATerms and in hardcopy from Dell upon request, and, if applicable, is incorporated by reference in its entirety herein, and the parties acknowledge having read and agree to be bound by such terms (the master agreement or PSA, as applicable, the “Agreement”).

The following appendices are attached hereto and incorporated by reference:

- Appendix A- Supported Sites

2 TERM

The term of this SOW shall begin on the date of the last signature (“Effective Date”) as set forth in the Signature Section of this SOW and unless terminated in accordance with this SOW or the Agreement, shall expire on the date that Dell completes the provision of Services in accordance with this SOW provided, however, in the event the Customer has not engaged Dell to perform such Services and three (3) months have passed since the later of the Effective Date and Dell’s completion of the last requested Service-related deliverable, Dell may terminate this SOW by providing thirty (30) days prior written notice. Further, in the event the term of this SOW extends beyond one (1) year, Dell reserves the right to revisit the pricing on each anniversary of the Effective Date.

3 SUMMARY OF SERVICE

Dell will provide the services as specifically described herein (the “Services”), which include the following:

- Assist in designing and ensuring best practices in a Hyper V MSFT environment for Spokane FD

4 SCOPE OF SERVICE

4.1 Introduction

The objective of the Services is to assist with design and or remediation. Best practices will be observed and implemented while onsite.



4.2 Detailed Description

- Provider will oversee and implement best practices in the environment to ensure a stable operating environment.
- The onsite engineer will direct and implement the activities lined out in the scope of work.

4.3 Customer Responsibilities

Customer agrees generally to cooperate with Dell in its delivery of the Services. Customer agrees to the following responsibilities:

- 1) During the term of this SOW, Customer is responsible for promptly notifying Dell in writing of a) any changes Customer makes to its information technology environment that may impact Dell's delivery of the Services; and b) if Customer becomes aware that any of the Assumptions set forth herein are incorrect.
- 2) Customer will maintain a backup of all data and programs on affected systems prior to Dell performing the Services and during the term of the SOW. Dell will have no liability for loss or recovery of data, programs or loss of use of system(s) arising out of or in connection with the Services provided under this SOW.
- 3) Prior to the start of this SOW, Customer will indicate to Dell in writing a person to be the single point of contact, according to project plan, to ensure that all tasks can be completed within the specified time period. All Services communications will be addressed to such point of contact (the "Customer Contact"). Failure to do so might result in an increase in project hours and/or length in schedule.
- 4) Customer agrees to make available suitable resources, space, personnel, documentation, and systems.
- 5) Customer will provide technical points-of-contact, who have a working knowledge of the enterprise components to be considered during the Services ("Technical Contacts"). Dell may request that meetings be scheduled with Technical Contacts.
- 6) Customer Contact will have the authority to act for Customer in all aspects of the Service including bringing issues to the attention of the appropriate persons within Customer's organization and resolving conflicting requirements.
- 7) Customer Contact will ensure that any communication between Customer and Dell, including any scope-related questions or requests, are made through the appropriate Dell Project Manager.
- 8) Customer Contact will provide timely access to technical and business points of contact and required data/information for matters related to the scope of Service.
- 9) Customer Contact will ensure attendance by key Customer contacts at Customer meetings and deliverable presentations.
- 10) Customer Contact will obtain and provide project requirements, information, data, decisions and approvals within one working day of the request, unless both parties agree to a different response time.
- 11) Customer may be responsible for developing or providing documentation, materials and assistance to Dell and agrees to do so in a timely manner. Dell shall not be responsible for any delays in completing its assigned tasks to the extent that they result from Customer's failure to provide such timely documentation, materials and assistance.
- 12) Customer Contact will ensure the Services personnel have reasonable and safe access to the Project site, a safe working environment, an adequate office space, and parking as required.



- 13) Customer will inform Dell of all access issues and security measures, and provide access to all necessary hardware and facilities.
- 14) Customer is responsible for providing all hardware, software, internet access, and facilities for the successful completion of the Services. Facilities and power must meet Dell's requirements for the products and Services purchased.
- 15) Customer is responsible for any and all software licensing requirements. Unless otherwise directed by Customer in writing, during the installation process, Technician will "accept" on Customer's behalf any and all electronic agreements provided with the installed hardware and/or software, including without limitation licenses, terms of sale, and other terms and conditions. Customer agrees that its purchase, license, and/or use of any hardware or software installed by Technician under this SOW shall be subject to and governed by such electronic agreements to the same degree as if Customer had itself accepted the electronic agreements.

4.4 Assumptions

Dell has made the following specific assumptions while specifying the Services detailed in this SOW:

- 1) The provision of the Services does not include the development of any intellectual property created solely and specifically for the Customer under this SOW.

4.5 Out of Scope

For the avoidance of doubt, the parties acknowledge that the following activities are not included in the scope of this SOW.

- 1) Any services, tasks or activities other than those specifically noted in this SOW.
- 2) Any Dell training or certification services not specifically described in this SOW.
- 3) Except as set forth herein, Dell is not responsible (including financial responsibility) for any Customer and/or third party personnel, hardware, software, equipment or other assets currently utilized in the Customer's operating environment.

Upon request by Customer, Dell will provide a proposal for such out of scope services pursuant to the Change Management Process as defined in Section 6.



4.6 Schedule / Timeline / Milestones

Dell anticipates the Services will span an estimated period of 1 contiguous business week.

Once this Service has been scheduled, any changes to the schedule must occur at least 8 business days prior to the scheduled date. If Customer reschedules this service within 7 business days of the scheduled date, this may necessitate invoking the Change Control Process to determine the impact, if any, and any related price adjustments.

Phase	Estimated Duration	Onsite/Offsite
Plan & Design session	16	either
Validation of design, testing, KT best practices	24	either

4.7 Service Hours

Dell intends to provide the Services during the scheduled hours stated below (the “Service Hours”).

This Service will be performed during normal business hours typically 8:00 a.m. to 5:00 p.m., Monday through Friday, Customer local time and will include travel time to and from the Customer location and excludes local holidays, unless other arrangements have been made in writing between Dell and Customer.

5 PRICING

This section describes the methodology for determining invoice amounts (the “Charges”) for the Services provided under this SOW. Customer hereby agrees to pay the Charges in accordance with the Invoicing and Payment terms of the Agreement and as further supplemented within this SOW.

Charges shall be as follows:

5.1 Purchase Order Amount

Except as otherwise provided below, the Total amount to be noted on the Purchase Order provided to Dell for this SOW is: USD \$9,625 If this SOW includes estimates, invoices will be based on actuals usage or expenses incurred.

5.1.1 One-Time Charge Following Customer Signature

Dell will invoice Customer upon Customer signature of the SOW the following One-Time Charge:

One-Time Charge: USD \$8,625

5.1.2 Expenses

Customer will be responsible for Service related travel expenses including actual, reasonable and necessary travel and living expenses Dell reasonably incurs in connection with delivering the Services. Expenses are estimated at USD \$1,000 and will be invoiced by Dell based on actual expenses incurred.



5.2 Pricing Clauses:

- 1) Pricing - The terms of this SOW (including but not limited to the pricing) shall be valid for thirty (30) days following initial delivery date (“Initial Delivery Date”) of this SOW to Customer. In the event this SOW is executed by Customer and returned to Dell after such thirty (30) day period, Dell may, in its sole discretion, (i) accept the SOW on the stated terms or (ii) reject the SOW and provide Customer with a revised SOW setting forth any necessary updates to the terms of the previous SOW.
- 2) The price for the Service is based on Customer’s environment as disclosed to Dell. If the assumptions, Customer responsibilities and parameters within the scope of the Service used to develop the SOW are found to be incorrect or have changed, the parties agree to pursue resolution through the Change Management Process set forth in this SOW.
- 3) If any of the volumetric assumptions used in this SOW (including, time on task, locations, service consumption, and/or configuration factors and excluding estimated hours or expenses) relied upon by Dell vary by +/- five (5%) percent, Dell has the right to adjust the pricing to reflect such changes.
- 4) Taxes - All prices are in USD and are exclusive of all applicable taxes

6 CHANGE MANAGEMENT PROCESS

The Change Management Process (“Change Management Process”) is the process that governs changes to the scope of the Service during the Term of this SOW, as described below. The Change Management Process may be used to modify the Service described in this SOW, then, if required, a subsequent Contract Modification.

Changes permitted to be made pursuant to this Change Management Process will be limited to changes to Section 3 (Summary of Service) and Section 4 (Scope of Service) and adjustments in Section 5 (Pricing) associated with changes to Sections 3 and 4 of this SOW.

Either party may request a permitted change in the Scope of the Service by completing a Change Order Form at

www.dell.com/servicecontracts/RFC

The receiving party will review the proposed Change Order and will (i) approve it, (ii) agree to further investigation, or (iii) reject it. Changes agreed pursuant to the Change Management Process will not be effective until mutually executed by both parties.

Any desired modifications to this SOW which are not permitted above in this Section 6, will require that a written amendment to this SOW or a new SOW be mutually executed by the parties.

7 OTHER PROVISIONS

- 1) Dell may use affiliates and subcontractors to perform Services.
- 2) Dell may perform all or part of the Services off-site at a Dell or other location.
- 3) Services may be performed outside the country in which Customer and/or Dell is located. From time to time, Dell may change the location where Services are performed and/or the party



performing the Services; provided however, Dell shall remain responsible to Customer for the delivery of Services.

- 4) Customer acknowledges that Dell will request Customer's participation in a Customer feedback survey. Additionally, Dell may approach Customer to serve as reference regarding Dell's performance of the Services. If Customer agrees to be a reference, Customer and Dell will agree in writing to the terms of such reference. The Infrastructure Consulting References Program has been developed to facilitate the confidential conversations between Dell customers and prospective accounts.
 - a) Customers are invited to join the program at the conclusion of their project for a period of one year.
 - b) We will only share your contact information to a potential customer who is interested in contacting you for a discussion on your previous experiences.
 - c) We limit usage of your reference to no more than once/month.
 - d) We will not publish your name, organization, or any customer identifiable details based on participation in this program.
- 5) If a conflict arises between the terms of the Purchase Order, SOW and Agreement, the following order of precedence shall be followed: first, the SOW; second, the Agreement; and third, the Purchase Order (if any). Provided, however, in no event will any terms and conditions contained in any Purchase Order apply irrespective of whether such terms and conditions are in conflict with or merely ancillary to any terms and conditions in the SOW or Agreement.
- 6) At Dell's request, Customer agrees to cooperate with Dell to provide the following marketing assistance to Dell.
 - Provide reference calls to potential Dell customers for similar Services with reasonable limits on the number of requested calls.
 - Participate in and approve a success story detailing business benefits Customer has derived from utilizing the Services provided by Dell. All content developed by Dell is subject to Customer's final approval.

8 GENERAL

Dell shall not be responsible for any delay or failure to provide Service to the extent caused by: (1) failures by Customer to perform its responsibilities under this SOW; (2) materially inaccurate assumptions; (3) a defect, deficiency or failure with respect to Customer's network, systems, software, data or other equipment; or (4) modifications to Customer's network, systems, or other equipment made by a party other than Dell or its representatives. In the event that either party becomes aware of the occurrence of one or more of the foregoing events, they shall notify the other party accordingly. Notwithstanding such occurrence, Dell may, following discussion with Customer regarding the impact of such incident, continue to provide the Service and shall use commercially reasonable efforts to perform the Service under this SOW. Customer shall reimburse Dell for its reasonable additional costs of providing the Service and out of pocket expenses for such efforts and only to the extent attributable to the items defined above.



9 SIGNATURES

Dell and Customer have caused this SOW to be signed and delivered by their duly authorized representatives.

Spokane Fire Department

Dell Marketing LP

By:

By:

Printed:

Printed:

Title:

Title:

Date:

Date:

Please note that for administrative purposes only, Services may not be scheduled or commenced until Dell receives a Customer's purchase order that references this SOW. Upon receipt and acceptance of the Customer's purchase order, a Dell Project Manager will contact you to begin Services scheduling. Any additional and/or conflicting terms and conditions stated on Customer's purchase order shall be void and have no effect on this SOW.

Please fax a copy of your purchase order and this signed SOW (with all pages in full) to
Fax: 512-283-7899, Attention: Dell - Intake Manager, RE:
The purchase order amount should include estimated expenses, if they are billable.



Supported Sites

The Services will be provided for the following supported sites during the term of this SOW. Additional supported sites may be included as mutually agreed using the Change Management process as defined in section 6.

Supported Site	Address	City	State	Zip	Qty
Production	4401 North A. L. White Parkway	Spokane	WA	99205	



Contact Summary

Customer	Spokane Fire Department Chuck Meyers (509) 625-4654 cmeyers@spokanecity.org
Initial Delivery Date	6/10/2016
Document Author	Name: Walt Tibbitts Title: Inside Solutions Architect, Global Presales Solutioning (GPS) Organization: Dell Global Deployment & Field Services Phone: 512-961-9532 Email: Walt_Tibbitts@Dell.com
Principal Consultant	
Customer Billing Contact	4401 North A. L. White Parkway Spokane, WA 99205
Dell Segment Contact	Julia Stone Dell Business Solution Services - SSR LI - ESL - PCA - PPA - HCLS Office: 512-725-0126, Fax: 512-283-8851 Attn: Julia Stone Julia_stone@dell.com
Locations where work will be performed	4401 North A. L. White Parkway Spokane, WA 99205
Dell Opportunity Number	12326145
RFS #	RFS-2016-08117



2. SCOPE OF SERVICES

The primary objectives of the Procurement and Contracting Organizational Assessment include:

- Soliciting constructive, fact-based feedback from departmental customers and internal staff on: 1) procurement challenges and opportunities under existing city policies and procedures, 2) the effectiveness of the City's processes in meeting customer needs, mitigating the risk related to the use of public funds, and maximizing affordable, efficient and transparent purchasing, and 3) the effectiveness of current City processes to ensure compliance with both internal and external procurement and contracting requirements.
- Assessing the City's procurement and contracting operational organization, staffing levels, and capability, both technically and logistically, to meet customer requirements within operational, business-driven timeframes.
- Assessing the procurement process for clarity and consistency including communication methods to departmental customers and internal staff that support the procurement process.
- Assessing the relationship between City contract preparation and compliance review and the final purchasing process.
- Assessing the "life-cycle" of the purchasing process from pre-procurement planning to vendor payment to identify possible improvements.
- Comparing the City's procurement processes, procedures, thresholds, and staffing levels with other Washington cities.
- Recommending process and organizational changes to address customer suggestions and needs and to move to identified "best practices" and LEAN operations, including suggestions on relevant communication and training methods as well as operational performance measures. Recommending specific changes to the City's written procurement and contracting procedures with the intent of improving and streamlining the procurement process to ensure the City's purchasing processes are (1) affordable (based on cost rather than personal preference; (2) accountable (tax payer dollars and maximized return on investment); and (3) aligned (expenditures are directly tied to service delivery).
- Assessing departmental staff's ability to understand, navigate and own the procurement processes, procedures and thresholds involved with all types of procurement.
- Assessing the opportunity to involve key departmental employees in being fully invested in the chain of processes from procurement through contract signature and ultimately delivery of a final end-product or service.
- Assessing the capacity of the various City Departments involved in providing the necessary procurement, solicitation and contract support to customers.

SCOPE OF WORK

The City will:

1. Provide consultant with a summary of state statutes (RCW and Washington Administrative Codes (WACs)) relating to procurement requirements and compliance issues, federal guidelines for purchases made with federal funds, and the City's current internal written policies and procedures relating to procurement and contracting.

2. Arrange to have the appropriate staff available for required meetings, as outlined in this scope of work.

The Consultant will:

1. Survey City Purchasing, Accounting, Management and Legal staff through direct conversations as well as through electronic means, to:
 - a. Determine effectiveness and consistency in communication of procurement policies and procedures.
 - b. Determine the effectiveness of departmental internal review processes to ensure compliance with regulations and the meeting of City goals;
 - c. Assess timeliness of contracts, procurement documents and delivery of other work products;
 - d. Assess consistency of departmental processes used to procure goods and services;
 - e. Determine quality of contracts, procurement documents and other work products;
 - f. Solicit input to identify perceived impediments in the procurement process;
 - g. Solicit specific, detailed suggestions on opportunities for improvement in the procurement process to address perceived impediments. Assess feasibility of suggestions; and,
 - h. Identify specific topics where department customers would benefit from additional procurement training and education to assist them in being more effective in their departmental procurement responsibilities.
2. Schedule meetings with Departmental staff to determine their perception of the following:
 - a. Department customers' challenges for adhering to procurement processes; reasons for the existing challenges; and possible solutions.
 - b. Solicit input to identify perceived impediments in the overall procurement process;
 - c. Solicit specific, detailed suggestions on opportunities for improvement in the procurement process to address the perceived impediments, and;
 - d. Identify specific topics where customers would benefit from additional procurement training and education to assist them in being more effective in their departmental procurement responsibilities.
3. Assess the City's operational organization, staffing level, and capability, both technically and logistically, to meet customer requirements within operational, business-driven timeframes. Identify staff training needs and/or certification opportunities that would directly enhance the knowledge, capabilities, and productivity of staff.
4. Identify areas of potential weakness in compliance controls and recommend solutions for mitigating risk.
5. Compare the City's procurement processes, procedures, thresholds, and staffing levels with other Washington cities.
6. Identify procurement and contracting "best practices".
7. Recommend process, organizational changes and structure to address customer suggestions, needs and possible movement towards identified "best practices" and

LEAN operations. Recommendations will include suggestions on relevant operational performance measures for tracking efficiencies and improvements as well as documenting those successful accomplishments.

8. Recommend standards for purchasing that support affordable, accountable, and aligned purchasing, as well as efficient and transparent purchasing.
9. Recommend possible departmental staff ownership and responsibilities concerning all aspects of procurement through contract signatures as well as ensuring actual delivery of the desired final end-product or service.
10. Outline a series of projects (or tasks) with estimated timelines and implementation costs to migrate the City's procurement function from its current state to the recommended state.
11. At intervals during the assessment process, schedule opportunities with the following groups to communicate progress and receive feedback:
 - a. **User's Advisory Team**, consisting of staff from departments throughout the City who frequently work to procure goods/materials/equipment, construct public works projects, and/or establish professional services agreements. The User's Advisory Team will provide fact-based feedback to the Consultant, based on actual experience with the City's current procurement processes.
 - b. **Executive Steering Team**, The Executive Steering Team will review progress of the assessment and provide advice to the Consultant relating to meeting the primary objectives of the assessment. This will be done, in part, through discussions with, and updates from the Consultant and members of the User's Advisory Team.
12. Provide a final presentation to the Executive Steering Team summarizing findings of the Procurement and Contracting Organizational Assessment.