

THE CITY OF SPOKANE



ADVANCE COUNCIL AGENDA

MEETING OF MONDAY, OCTOBER 27, 2014

MISSION STATEMENT

**TO DELIVER EFFICIENT AND EFFECTIVE SERVICES
THAT FACILITATE ECONOMIC OPPORTUNITY
AND ENHANCE QUALITY OF LIFE.**

MAYOR DAVID A. CONDON

COUNCIL PRESIDENT BEN STUCKART

COUNCIL MEMBER MICHAEL A. ALLEN

COUNCIL MEMBER CANDACE MUMM

COUNCIL MEMBER KAREN STRATTON

COUNCIL MEMBER MIKE FAGAN

COUNCIL MEMBER JON SNYDER

COUNCIL MEMBER AMBER WALDREF

**COUNCIL CHAMBERS
CITY HALL**

**808 W. SPOKANE FALLS BLVD.
SPOKANE, WA 99201**

CITY COUNCIL BRIEFING SESSION

Council will adopt the Administrative Session Consent Agenda after they have had appropriate discussion. Items may be moved to the 6:00 p.m. Legislative Session for formal consideration by the Council at the request of any Council Member.

SPOKANE CITY COUNCIL BRIEFING SESSIONS (BEGINNING AT 3:30 P.M. EACH MONDAY) AND LEGISLATIVE SESSIONS (BEGINNING AT 6:00 P.M. EACH MONDAY) ARE BROADCAST LIVE ON CITY CABLE CHANNEL FIVE AND STREAMED LIVE ON THE CHANNEL FIVE WEBSITE. THE SESSIONS ARE REPLAYED ON CHANNEL FIVE ON WEDNESDAYS AT 6:00 P.M. AND FRIDAYS AT 10:00 A.M.

The Briefing Session is open to the public, but will be a workshop meeting. Discussion will be limited to Council Members and appropriate Staff and Counsel. There will be an opportunity for the expression of public views on any issue not relating to the Current or Advance Agendas during the Open Forum at the beginning and the conclusion of the Legislative Agenda.

ADDRESSING THE COUNCIL

- No one may speak without first being recognized for that purpose by the Chair. Except for named parties to an adjudicative hearing, a person may be required to sign a sign-up sheet as a condition of recognition.
- Each person speaking at the public microphone shall print his or her name and address on the sheet provided at the podium and verbally identify him/herself by name, address and, if appropriate, representative capacity.
- If you are submitting letters or documents to the Council Members, please provide a minimum of ten copies via the City Clerk. The City Clerk is responsible for officially filing and distributing your submittal.
- In order that evidence and expressions of opinion be included in the record and that decorum befitting a deliberative process be maintained, modes of expression such as demonstration, banners, applause and the like will not be permitted.
- A speaker asserting a statement of fact may be asked to document and identify the source of the factual datum being asserted.

SPEAKING TIME LIMITS: Unless deemed otherwise by the Chair, each person addressing the Council shall be limited to a three-minute speaking time.

CITY COUNCIL AGENDA: The City Council Advance and Current Agendas may be obtained prior to Council Meetings from the Office of the City Clerk during regular business hours (8 a.m. - 5 p.m.). The Agenda may also be accessed on the City website at www.spokanecity.org. Agenda items are available for public review in the Office of the City Clerk during regular business hours.

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 Spokane City Council Chamber in the lower level of Spokane City Hall, 808 W. Spokane Falls Blvd., is wheelchair accessible and also is equipped with an infrared assistive listening system for persons with hearing loss. Headsets may be checked out (upon presentation of picture I.D.) at the City Cable 5 Production Booth located on the First Floor of the Municipal Building, directly above the Chase Gallery or through the meeting organizer. Individuals requesting reasonable accommodations or further information may call, write, or email Christine 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. Cavanaugh at (509) 625-6383 through the Washington Relay Service at 7-1-1. Please contact us forty-eight (48) hours before the meeting date.

If you have questions, please call the Agenda Hotline at 625-6350.

BRIEFING SESSION

(3:30 p.m.)

(Council Chambers Lower Level of City Hall)

(No Public Testimony Taken)

Council Reports

Staff Reports

Committee Reports

Advance Agenda Review

Current Agenda Review

ADMINISTRATIVE SESSION

Roll Call of Council

CONSENT AGENDA

REPORTS, CONTRACTS AND CLAIMS

RECOMMENDATION

- | | | |
|---|---------|------------------------------|
| 1. Low bid meeting specifications of Columbia Electric Supply (Spokane, WA) for one Motor Control Center for the Five Mile Pump Station—\$55,058.72 (incl. tax).
Dan Kegley | Approve | OPR 2014-0700
BID 4051-14 |
| 2. Renewal of Value Blanket Order with Auto Rain Supply (Spokane, WA) for miscellaneous sizes of backflow prevention devices—Annual expenditure \$106,868.63 (incl. tax). Dan Kegley | Approve | OPR 2014-0701
BID 3950-13 |
| 3. Renewal of Value Blanket Order with Wingfoot Commercial Tire Systems, LLC (Spokane Valley, WA) for miscellaneous tire related services—\$200,000 (incl. tax). Gene Jackubczak | Approve | OPR 2014-0702
BID 3964-13 |
| 4. Purchase of ten Chevrolet Impalas from Bud Clary Chevrolet (Longview, WA) accessing Washington State Contract #03513—\$198,178.17 (incl. tax).
Gene Jackubczak | Approve | OPR 2014-0704
BID 4049-14 |
| 5. Purchase of Anhydrous Ammonia and Phosphoric Acid from Brenntag Pacific Inc. (Portland, OR) on an as needed basis—Annual estimated expenditure \$692,000 (incl. tax). Ken Gimple | Approve | OPR 2014-0703
BID 4057-14 |

- | | | |
|--|-----------------------------------|---------------|
| 6. Value Blanket Order with W.W. Grainger, Inc. for miscellaneous operating supplies for the Waste to Energy Facility on an as needed basis—\$125,000 (\$15,625 in 2014; \$109,375 in 2015). Ken Gimple | Approve | OPR 2014-0705 |
| 7. Contract Amendment/Extension with Barr-Tech LLC (Sprague, WA) for transporting, processing, and product marketing of residential and commercial yard debris and food waste through December 31, 2015—Annual estimated expenditure \$520,000. Ken Gimple | Approve | OPR 2013-0382 |
| 8. Report of the Mayor of pending claims and payments of previously approved obligations, including those of Parks and Library, through _____, 2014, total \$_____, with Parks and Library claims approved by their respective boards. Warrants excluding Parks and Library total \$_____. | Approve &
Authorize
Payment | CPR 2014-0002 |

EXECUTIVE SESSION

(Closed Session of Council)

(Executive Session may be held or reconvened during the 6:00 p.m. Legislative Session)

CITY COUNCIL SESSION

(May be held or reconvened following the 3:30 p.m. Administrative Session)

(Council Briefing Center)

This session may be held for the purpose of City Council meeting with Mayoral nominees to Boards and/or Commissions. The session is open to the public.

LEGISLATIVE SESSION

(6:00 P.M.)

(Council Reconvenes in Council Chamber)

WORDS OF INSPIRATION

PLEDGE OF ALLEGIANCE

ROLL CALL OF COUNCIL

ANNOUNCEMENTS

(Announcements regarding Changes to the City Council Agenda)

BOARDS AND COMMISSIONS APPOINTMENTS

(Includes Announcements of Boards and Commissions Vacancies)

CITY ADMINISTRATION REPORT

COUNCIL COMMITTEE REPORTS

(Committee Reports for Finance, Neighborhoods, Public Safety, Public Works, and Planning/Community and Economic Development Committees and other Boards and Commissions)

OPEN FORUM

This is an opportunity for citizens to discuss items of interest not relating to the Current or Advance Agendas nor relating to political campaigns/items on upcoming election ballots. This Forum shall be for a period of time not to exceed thirty minutes. After all the matters on the Agenda have been acted on, unless it is 10:00 p.m. or later, the open forum shall continue for a period of time not to exceed thirty minutes. Each speaker will be limited to three minutes, unless otherwise deemed by the Chair. If you wish to speak at the forum, please sign up on the sign-up sheet located in the Chase Gallery.

LEGISLATIVE AGENDA

EMERGENCY BUDGET ORDINANCES

(Require Five Affirmative, Recorded Roll Call Votes)

Ordinances amending Ordinance No. C35062 passed the City Council November 25, 2013, and entitled, "An Ordinance adopting the Annual Budget of the City of Spokane for 2014, making appropriations to the various funds, departments and programs of the City of Spokane government for the fiscal year ending December 31, 2014, and providing it shall take effect immediately upon passage," and declaring an emergency and appropriating funds in:

ORD C35162

General Fund

FROM: Office Manager and Engineering Tech III, \$17,500

TO: BDS Systems and Services Manager, same amount.

[This action transfers \$14,000 from General Fund Office Manager (from 1 to 0 positions) and \$3,500 from General Fund Engineering Tech III (no change in # of positions) to General Fund BDS Systems and Services Manager (from 0 to 1 position).] (Deferred from October 13, 2014, Agenda) **Jan Quintrall**

ORD C35171 **Solid Waste Disposal Fund**
FROM: Unappropriated Reserves, \$604,986;
TO: Various Accounts, same amount.

(This action budgets positions necessary for the City to take over operations of the Waste-To-Energy Facility.) **Ken Gimple**

ORD C35172 **General Fund**
FROM: City Council, \$10,000;
TO: CNS, \$9,000 and Police, \$1,000.

(This action budgets funds to CNS for the mobile mural project and to Police for the C.O.P.S. NOPS program.) **Council President Stuckart**

EMERGENCY ORDINANCES

Requires Five Affirmative, Recorded Roll Call Votes

ORD C35170 Authorizing the issuance and sale of water and wastewater system revenue bonds of the City in the principal amount of not to exceed \$210,000,000 for the purposes of improving the health of the Spokane River and protecting the region's aquifer by acquiring, constructing and installing certain additions and betterments to the City's water and wastewater system; delegating authority to the designated representative to determine the manner of sale of the bonds, approve the number of series, tax status of each series, and other terms of the bonds under the conditions set forth herein; and declaring an emergency. (This item is pending deferral from the October 20, 2014, Agenda to October 27, 2014, Agenda, so that another reading and Council action on the ordinance can be held on October 27.)

Rick Romero

RESOLUTIONS AND FINAL READING ORDINANCES

(Require Four Affirmative, Recorded Roll Call Votes)

RES 2014-0102 Declaring an emergency and authorizing the Waste To Energy (WTE) Facility to contract with McCoy Power Consultants (Minden, NV) (Wheelabrator's existing Consultant under contract) in lieu of public bidding for maintaining compliance of the NERC/FERC Reliability Standards—estimated cost \$131,175, including travel for an eighteen-month term. **Ken Gimple**

RES 2014-0103 Requesting a comprehensive plan amendment in 2015 regarding zoning for manufactured and mobile homes. **Council Member Snyder**

ORD C35167 Relating to use of immigration status information; adopting a new Section 3.10.050 to Chapter 3.10 of the Spokane Municipal Code.

Council President Stuckart

ORD C35168 Relating to the United Native Americans of Spokane Public Development Authority; amending SMC Sections 4.25A.020, 4.25A.040, 4.25A.050, 4.25A.080 and 4.25A.020 and amending the charter of the Authority. **Council President Stuckart**

ORD C35169 Relating to lobbying by officers and employees; amending SMC Section 2.03.010. **Council President Stuckart**

NO FIRST READING ORDINANCES

NO SPECIAL CONSIDERATIONS

HEARINGS

(If there are items listed you wish to speak on, please sign your name on the sign-up sheets in the Chase Gallery.)

RECOMMENDATION

H1. Hearing on 2015 Proposed Budget. Tim Dunivant	Hold Hrg. & Cont. to 11/3/2014	FIN 2014-0001
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**Motion to Approve Advance Agenda for October 27, 2014
(per Council Rule 2.1.2)**

OPEN FORUM (CONTINUED)

This is an opportunity for citizens to discuss items of interest not relating to the Current or Advance Agendas nor relating to political campaigns/items on upcoming election ballots. This Forum shall be for a period of time not to exceed thirty minutes. After all the matters on the Agenda have been acted on, unless it is 10:00 p.m. or later, the open forum shall continue for a period of time not to exceed thirty minutes. Each speaker will be limited to three minutes, unless otherwise deemed by the Chair. If you wish to speak at the forum, please sign up on the sign-up sheet located in the Chase Gallery.

ADJOURNMENT

The October 27, 2014, Regular Legislative Session of the City Council is adjourned to November 3, 2014.



NOTES



Agenda Sheet for City Council Meeting of:

10/27/2014

Date Rec'd	10/14/2014
Clerk's File #	OPR 2014-0700
Renews #	
Cross Ref #	
Project #	
Bid #	4051-14
Requisition #	RE#17090

Submitting Dept	WATER & HYDROELECTRIC SERVICES
Contact Name/Phone	DAN KEGLEY 625-7821
Contact E-Mail	DKEGLEY@SPOKANECITY.ORG
Agenda Item Type	Purchase w/o Contract
Agenda Item Name	4100-WATER PURCHASE OF FIVE MILE MOTOR CONTROL CENTER

Agenda Wording

Low bid meeting specifications of Columbia Electric Supply (Spokane, WA) for one (1) Motor Control Center for the Five Mile Pump Station - \$55,058.72 incl tax.

Summary (Background)

On 9/29/14 sealed bids were opened to provide the City of Spokane Water & Hydroelectric Services Department with a Motor Control Center for the Five Mile Pump Station. One bid was received from Columbia Electric Supply. This purchase will provide for increased energy efficiency in the Five Mile Pump Station.

Fiscal Impact

Expense	\$ 55,058.72
Select	\$
Select	\$
Select	\$

Budget Account

#	4100-42490-94000-56501-15712
#	
#	
#	

Approvals

Dept Head	KEGLEY, DANIEL
Division Director	ROMERO, RICK
Finance	LESESNE, MICHELE
Legal	WHALEY, HUNT
For the Mayor	SANDERS, THERESA

Council Notifications

Study Session	
Other	PWC 10/13/14
Distribution List	
	Purchasing: tprince
	Water: wateraccounting, mmandagopal, sburns
	Taxes & Licenses

Additional Approvals

Purchasing	PRINCE, THEA

BRIEFING PAPER
Public Works Committee
Water Department
October 13, 2014

Subject

The Purchase of one (1) Motor Control Center from Columbia Electric Supply, Spokane, Washington; as per BID# 4051-14, \$55,058.72 (including tax).

Background

On Monday September 29, 2014 sealed bids were opened to provide the Water Department with a Motor Control Center for the Five Mile Pump Station. One (1) bid was received that conformed to the specifications.

Impact

This purchase will provide for increased energy efficiency, in the Five Mile Pump Station.

Action

Recommend approval

Funding

All funding for this purchase will be from the Water Department Capital Funds.



Agenda Sheet for City Council Meeting of:

10/27/2014

Date Rec'd	10/14/2014
Clerk's File #	OPR 2014-0701
Renews #	OPR #2013-0529
Cross Ref #	
Project #	
Bid #	BID #3950-13
Requisition #	VALUE BLANKET ORDER

Submitting Dept	WATER & HYDROELECTRIC SERVICES
Contact Name/Phone	DAN KEGLEY 625-7821
Contact E-Mail	DKEGLEY@SPOKANECITY.ORG
Agenda Item Type	Purchase w/o Contract
Agenda Item Name	4100 - WATER VALUE BLANKET ORDER FOR BACKFLOW PREVENTION DEVICES

Agenda Wording

Renewal of Value Blanket Order with Auto Rain Supply (Spokane, WA) for miscellaneous sizes of backflow prevention devices - Annual expenditure - \$106,868.63 incl tax

Summary (Background)

On 6/24/13 sealed bids were opened to provide the City of Spokane Water & Hydroelectric Services Department with an annual supply of miscellaneous backflow prevention devices to be purchased on an "as needed" basis. The bid allowed for four (4) one-year renewals - this is the first renewal. There will be no price changes from the original bid.

Fiscal Impact

Expense	\$ 108,868.63
Select	\$
Select	\$
Select	\$

Budget Account

#	VARIOUS
#	
#	
#	

Approvals

Dept Head	KEGLEY, DANIEL
Division Director	ROMERO, RICK
Finance	LESESNE, MICHELE
Legal	WHALEY, HUNT
For the Mayor	SANDERS, THERESA

Council Notifications

Study Session	
Other	PWC 10/13/14

Distribution List

Purchasing: tprince
Water: wateraccounting, dkegley
Taxes & Licenses

Additional Approvals

Purchasing	PRINCE, THEA

BRIEFING PAPER
Public Works Committee
Water Department
October 13, 2014

Subject

Renewal of Value Blanket Order with Auto Rain Supply (Spokane, WA) for miscellaneous sizes of backflow prevention devices. Original bid #3950-13 called for four (4) one-year renewals and this is the first renewal for the City of Spokane Water Department - \$106,868.63 including sales tax.

Background

City Council Approved original Value Blanket Order on 7/22/13 OPR #2013-0529.

Impact

This purchase will result in the Water Department being able to provide new backflow prevention devices for new construction as well as replacement of old worn out backflow prevention devices throughout the year.

Action

Recommend approval

Funding

All funding for this purchase will be from the Water Department Funds.



Agenda Sheet for City Council Meeting of:

10/27/2014

Date Rec'd	10/15/2014
Clerk's File #	OPR 2014-0702
Renews #	
Cross Ref #	
Project #	
Bid #	3964-13
Requisition #	VALUE BLANKET ORDER

Submitting Dept	FLEET SERVICES
Contact Name/Phone	GENE JAKUBCZAK 625-7865
Contact E-Mail	GJAKUBCZAK@SPOKANECITY.ORG
Agenda Item Type	Purchase w/o Contract
Agenda Item Name	5100 - FLEET SERVICES TIRE RELATED SERVICES VALUE BLANKET ORDER

Agenda Wording

Renewal of Value Blanket Order with Wingfoot Commercial Tire Systems, LLC for miscellaneous tire related services - \$200,000.00 including tax

Summary (Background)

On 9/23/2013 City Council Approved award to Wingfoot Commercial Tire Systems for miscellaneous tire related services (OPR 2013-0675). The bid called for four (4) one-year renewals and this is the first renewal.

Fiscal Impact

Expense	\$ 200,000.00
Select	\$
Select	\$
Select	\$

Budget Account

various
#
#
#

Approvals

Dept Head	JAKUBCZAK, GENE
Division Director	ROMERO, RICK
Finance	LESESNE, MICHELE
Legal	WHALEY, HUNT
For the Mayor	SANDERS, THERESA

Council Notifications

Study Session	
Other	PWC 10/13/14

Distribution List

tprince
gjakubczak
fleetservices
Taxes & Licenses

Additional Approvals

Purchasing	PRINCE, THEA

BRIEFING PAPER
Public Works Committee
Fleet Services
October 13, 2014

Subject

Annual renewal of a contract for tire related services to Wingfoot Commercial Tire Systems, LLC.

Background

Bid #3964-13 for tire related services was opened on August 26, 2013 and was awarded to Wingfoot Commercial Tire Systems, LLC with an option for four annual renewals. This will be the first renewal.

Impact

This contracted is utilized by Fleet Services to purchase tire related services. The vendor provides services and reports as part of the overall tire management program. The primary users of retread tires are the Solid Waste Management and Street Departments. The estimated annual expenditure is \$200,000.

Action

Recommend approval.

Funding

Funding is available in the Fleet Services Department's operating budget.



Agenda Sheet for City Council Meeting of:

10/27/2014

Date Rec'd	10/15/2014
Clerk's File #	OPR 2014-0704
Renews #	
Cross Ref #	
Project #	
Bid #	BID #4049-14
Requisition #	RE #17018

Submitting Dept	FLEET SERVICES
Contact Name/Phone	GENE JAKUBCZAK 625-7865
Contact E-Mail	GJAKUBCZAK@SPOKANECITY.ORG
Agenda Item Type	Purchase w/o Contract
Agenda Item Name	5100 - FLEET PURCHASE OF CHEVROLET IMPALAS

Agenda Wording

Purchase of ten (10) Chevrolet Impalas from Bud Clary Chevrolet (Longview, WA) accessing Washington State Contract #03513. - \$198,178.17 including tax

Summary (Background)

On 9/1/14 sealed bids were opened to provide the City of Spokane Fleet Services Department with ten (10) Chevrolet Impalas. The low bidder, McCurley Chevrolet withdrew their bid due to an error in pricing so staff is recommending award to the next lowest bidder, Bud Clary Chevrolet via the Washington State Contract. These are replacement vehicles for the Police Department.

Fiscal Impact

Expense	\$ 198,178.17
Select	\$
Select	\$
Select	\$

Budget Account

#	5901-79115-94000-56404
#	
#	
#	

Approvals

Dept Head	JAKUBCZAK, GENE
Division Director	ROMERO, RICK
Finance	LESESNE, MICHELE
Legal	WHALEY, HUNT
For the Mayor	SANDERS, THERESA

Council Notifications

Study Session	
Other	PWC 10/13/14
Distribution List	
	Purchasing: tprince
	Fleet: gjakubczak & fleetservices
	Taxes & Licenses

Additional Approvals

Purchasing	PRINCE, THEA

BRIEFING PAPER
Public Works Committee
Fleet Services
October 13, 2014

Subject

Purchase ten Chevrolet Impalas for the Police Department for \$198,178.17.

Background

This purchase will replace vehicles in the Police Fleet that have reached or exceeded their economic service life. Four bids were received for bid #4049 for these vehicles.

Impact

These vehicles will allow the Police Department to continue to maintain their fleet of detective and administrative vehicles.

Action

Recommend approval

Funding

Funds are available in the Police Department's 2014 budget.

MEMORANDUM

9/23/14

TO: PURCHASING DEPARTMENT

FROM: GENE JAKUBCZAK
FLEET SERVICES DIRECTOR

SUBJ: BID # 4049-14

After careful consideration, the Fleet Services Department recommends bid #4049-14 be awarded to Bud Clary Chevrolet via the Washington State contract #03513 for the purchase of 10 Chevrolet Impalas. The low bidder, McCurley Chevrolet of Pasco, WA has withdrawn their bid. These are replacement vehicles for the Police Department.

UNITS 428386-428395

QTY	ITEM	UNIT PRICE	TOTAL
10	Chevrolet Impalas	\$18,136.00	\$181,360.00
	OPTIONS		
10	Addl transmitter	\$125.00	\$1,250.00
10	4 keys	\$38.00	\$380.00
Sub-total			\$182,990.00
Sales Tax	8.3%		\$15,188.17
TOTAL			\$198,178.17

cc: Judi Carl
Dan Smith



Agenda Sheet for City Council Meeting of:

10/27/2014

Date Rec'd	10/15/2014
Clerk's File #	OPR 2014-0703
Renews #	
Cross Ref #	
Project #	
Bid #	4057-14
Requisition #	VALUE BLANKET ORDER

Submitting Dept	SPOKANE REGIONAL SOLID WASTE SYSTEM
Contact Name/Phone	KEN GIMPEL 625-6532
Contact E-Mail	KGIMPEL@SPOKANECITY.ORG
Agenda Item Type	Purchase w/o Contract
Agenda Item Name	4490 - WASTE TO ENERGY PURCHASE OF ANHYDROUS AMMONIA & PHOSPHORIC ACID

Agenda Wording

Approve purchase of Anhydrous Ammonia & Phosphoric Acid from Brenntag Pacific Inc (Portland, OR) on an "as needed" basis - Annual estimated expenditure - \$692,000.00 incl tax

Summary (Background)

On 9/29/14 sealed bids were opened to provide the City of Spokane Waste to Energy Facility with Anhydrous Ammonia & Phosphoric Acid on an annual basis "as needed". Three (3) responses were received and Brenntag Pacific was the lowest responsive bidder. Anhydrous Ammonia & Phosphoric Acid are required for the operation of the Waste to Energy Facility.

Fiscal Impact

Expense	\$ 87,000 (2014 funds)
Expense	\$ 605,000 (2015 funds)
Select	\$
Select	\$

Budget Account

#	various
#	various
#	
#	

Approvals

Dept Head	GIMPEL, KEN
Division Director	ROMERO, RICK
Finance	LESESNE, MICHELE
Legal	WHALEY, HUNT
For the Mayor	SANDERS, THERESA

Council Notifications

Study Session	
Other	PWC 10/13/14

Additional Approvals

Purchasing	PRINCE, THEA

Distribution List	Purchasing: tprince
	SRSWS: ttaucher
	WTEF: rrinderle
	Taxes & Licenses

BRIEFING PAPER
Public Works Committee
Solid Waste Disposal Department
October 13, 2014

Subject

Contract with Brenntag Pacific, Inc., for purchase of Anhydrous Ammonia and Phosphoric Acid per request for bids #4057-14. Cost \$692,000.

Background

On November 17, 2014, the City will take over operations of the waste to energy facility. New contracts for the chemicals and supplies for operations must be obtained prior to that date. Anhydrous ammonia and phosphoric acid are required for the operation of the waste to energy facility.

Impact

Waste to energy facility will maintain effective operations.

Action

Recommend approval.

Funding

\$87,000 will be funded from 2014 waste to energy operations funds
\$605,000 will be funded from 2015 operations funds

ANHYDROUS AMMONIA & PHOSPHORIC ACID
BID 4057-14 OPEN: 9/29/14

	UNIVAR 8201 S 212 th St Kent, WA 98032	Sterling Water Technologies Inc. 902 S High Street Columbia TN 38402-0602 800-426-2428 sales@sterlingwatertech.com Beverly Robinson	BHS Specialty Chemical Products 1717 E Fargo Ave Nampa ID 208-466-8437 steve@bhsmarketing.com Steve Rudd	Brenntag Pacific Inc. 10747 Patterson Pl. Santa Fe Springs CA 90670 562-903-9626 ltua@brenntag.com Laura Tua	JCI JONES CHEMICAL 1919 Marine View Drive Tacoma WA 98422
800,000 LBS MORE OR LESS – ANHYDROUS AMMONIA 82-0-0	NO BID	NO BID	\$1,960.00/TN \$784,000.00	\$1,203.00/TN \$481,200.00	NO BID
300,000 LBS MORE OR LESS – PHOSPHORIC ACID 75% TECH	NO BID	\$1,119.70/TN \$167,968.50 **Pricing based on “as is” delivered 75% Phosphoric Acid	NO BID	\$1,034.80/TN \$155,220.00	NO BID
SUB TOTAL		\$167,968.50	\$784,000.00	\$636,420.00	
Freight or Deliver Charge					
Sales Tax – 8.7%		\$14,613.26	\$68,208.00	\$55,368.54	
TOTAL:		\$182,581.76	\$852,208.00	\$691,788.54	
Delivery		7-10 DAYS FRO	7 DAYS FRO	3-5 DAYS FRO	
Price per lb Material Component				Anhydrous A – 0.5603 Phosphoric A - 0.4774	
Price per lb Delivery Component				Anhydrous A – 0.0512 Phosphoric A – 0.0400	
Price per lb Material/Delivery combined				Anhydrous A – 0.6015 Phosphoric A - 0.5174	
Formula for price decrease/increase during the duration of the agreement				Green Market Dealer Report – Mid Point	
EXCEPTIONS		Emergency Deliveries made 3- 6 days ARO	Emergency Deliveries made 7 days ARO		
Minimum Delivery Requirement		45,000 LBS	DID NOT INDICATE	Anhydrous A – 28,000 lbs Phosphoric A - 48,000 lbs	
What is cost impact if minimum delivery requirement could not be off loaded		Quotes will be given on a case by case basis	DID NOT INDICATE	Anhydrous A - \$0.6/lb Phosphoric A - \$.05/lb or \$500 Minimum- greater	
Advance notification needed to schedule delivery		7-10 days ARO		Anhydrous A –48 hours Phosphoric A – 5 days	
Emergency notification needed to schedule delivery		3-6 days ARO		Anhydrous A – 12 hours	

				Phosphoric A – 1 day	
Where will material be shipped from		St. Louis, MO	DID NOT INDICATE	Anhydrous A – Othello, WA Phosphric A – Portland, OR	



Agenda Sheet for City Council Meeting of:

10/27/2014

Date Rec'd	10/14/2014
Clerk's File #	OPR 2014-0705
Renews #	
Cross Ref #	
Project #	
Bid #	
Requisition #	VALUE BLANKET

Submitting Dept	SPOKANE REGIONAL SOLID WASTE SYSTEM
Contact Name/Phone	KEN GIMPEL 625-6532
Contact E-Mail	KGIMPEL@SPOKANECITY.ORG
Agenda Item Type	Purchase w/o Contract
Agenda Item Name	4490 VALUE BLANKET ORDER WITH WW GRAINGER

Agenda Wording

Value Blanket Order with W.W. Grainger, Inc., for miscellaneous operating supplies for the waste to energy facility on an as needed basis. \$125,000.00 (\$15,625 in 2014; \$109,375 in 2015)

Summary (Background)

The operation and maintenance of the waste to energy facility requires various minor operating supplies on a day to day basis. The City can purchase these supplies under WA State Contract #01711. This will allow for continued, seamless operation of the waste to energy facility.

Fiscal Impact

Expense	\$ 125,000.00
Select	\$
Select	\$
Select	\$

Budget Account

#	4490-44100-37148-54201
#	
#	
#	

Approvals

Dept Head	GIMPEL, KEN
Division Director	ROMERO, RICK
Finance	LESESNE, MICHELE
Legal	SCHOEDEL, ELIZABETH
For the Mayor	SANDERS, THERESA
Additional Approvals	
Purchasing	PRINCE, THEA

Council Notifications

Study Session	Pulbic Wks Cmte 10/14/14
Other	
Distribution List	
	ttauscher@spokanecity.org
	cmarchand@spokanecity.org
	tprince@spokanecity.org

BRIEFING PAPER
Public Works Committee
Solid Waste Disposal Department
October 13, 2014

Subject

Contract with W.W. Grainger, Inc., for miscellaneous operating supplies for the waste to energy facility. \$125,000.00

Background

The operation and maintenance of the waste to energy facility requires various minor operating supplies on a day to day basis. The City can purchase these supplies under WA State Contract #01711.

Impact

Continued, seamless operation of the waste to energy facility.

Action

Recommend approval.

Funding

\$15,625 will be funded from 2014 waste to energy operations funds
\$109,375 will be funded from 2015 operations funds



Agenda Sheet for City Council Meeting of:
10/27/2014

Date Rec'd	10/14/2014
Clerk's File #	OPR 2013-0382
Renews #	

Submitting Dept	SPOKANE REGIONAL SOLID WASTE	Cross Ref #	
Contact Name/Phone	KEN GIMPEL 625-6532	Project #	
Contact E-Mail	KGIMPEL@SPOKANECITY.ORG	Bid #	
Agenda Item Type	Contract Item	Requisition #	
Agenda Item Name	4490 CONTRACT AMENDMENT WITH BARR-TECH LLC		

Agenda Wording

Contract amendment/extension with Barr-Tech LLC (Sprague, WA) for transporting, processing, and product marketing of residential and commercial yard debris and food waste.

Summary (Background)

Currently the City has 2 contracts with Barr-Tech; one with the Regional Solid Waste System for the material from the waste to energy and 2 transfer stations, and one with the Solid Waste Management Department for material collected at curbside. The waste to energy and transfer stations contract ends on December 31, 2014. The City has notified Barr-Tech of its intent to not renew. The City will pay Barr-Tech \$41.09 per ton of material through the end of that contract.

<u>Fiscal Impact</u>		<u>Budget Account</u>	
Neutral	\$ 520,000.00 annual estimate	#	4490-44100-37148-54101
Select	\$	#	
Select	\$	#	
Select	\$	#	
<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	GIMPEL, KEN	<u>Study Session</u>	Public Works Cmte 10-
<u>Division Director</u>	ROMERO, RICK	<u>Other</u>	
<u>Finance</u>	LESESNE, MICHELE	<u>Distribution List</u>	
<u>Legal</u>	SCHOEDEL, ELIZABETH	ttauscher@spokanecity.org	
<u>For the Mayor</u>	SANDERS, THERESA	cmarchand@spokanecity.org	
<u>Additional Approvals</u>		mlesesne@spokanecity.org	
<u>Purchasing</u>		lbutz@spokanecity.org	



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

Summary (Background)

The contract between Barr-Tech and the Solid Waste Management Department is being amended to include the yard debris and food waste collected at the waste to energy facility. Beginning January 1, 2015, the City will pay Barr-Tech \$40 per ton for the yard debris and food waste received at the waste to energy facility. This contract amendment will allow for the seamless transition of the operations of the Regional Solid Waste System to a City operated waste to energy facility and will reduce the cost to the City by \$1.09 per ton of yard debris and food waste. Estimated at 13,000 tons per year.

Fiscal Impact

Select \$

Select \$

Budget Account

#

#

Distribution List

BRIEFING PAPER
Public Works Committee
Solid Waste Disposal Department
October 13, 2014

Subject

Contract amendment/extension with Barr-Tech LLC for transporting, processing, and product marketing of residential and commercial yard debris and food waste.

Background

Currently the City has two contracts with Barr-Tech; one contract with the Regional Solid Waste System for transporting and processing the material from the waste to energy facility and 2 transfer stations, and one with the Solid Waste Management Department for the material collected at curbside. The waste to energy and transfer station contract terminates on December 31, 2014. Barr-Tech has been notified of the City's intent to not renew that contract. The City will pay Barr-Tech \$41.09 per ton through the end of that contract.

The contract between Barr-Tech and the Solid Waste Management Department is being amended to include the yard debris and food waste collected at the waste to energy facility. Beginning January 1, 2015, the City will pay Barr-Tech \$40 per ton for the yard debris and food waste received at the waste to energy facility.

Impact

This contract amendment will allow for the seamless transition of the operations of the Regional Solid Waste System to a City operated waste to energy facility and will reduce the cost to the City by \$1.09 per ton of yard debris and food waste. Estimated at 13,000 tons per year.

Action

Recommend approval.

Funding

This contract is funded by customer disposal fees at the waste to energy facility.

CONTRACT AMENDMENT/EXTENSION

THIS CONTRACT AMENDMENT/EXTENSION is between the CITY OF SPOKANE, a Washington State municipal corporation, as "City," and BARR-TECH, LLC, whose address is 9117 Kallenberger Road, North, Sprague, Washington 99032, as "Operator" (collectively referred to as the "Parties").

WHEREAS, the parties entered into a contract, approved by Spokane City Council on May 13, 2013, wherein Operator agreed to transport, process, and compost residential yard waste/food waste and commercial food waste for the Solid Waste Collection and Disposal Department of the City; and

WHEREAS, the parties agree to amend terms of definitions as outlined in paragraph 3 (A-G) to read as Residential/Commercial Yard Debris and Residential/Commercial Food Waste. Residential/Commercial Food Waste derived from residential/commercial sources and Residential/Commercial Organics – Residential/Commercial Yard Debris and Residential/Commercial Food Waste.

WHEREAS, the current contract provides for an extension of the contract for up to three (3) one-year contract periods not to exceed five (5) years; and

WHEREAS, the parties would like to extend the contract; and

WHEREAS, the current contract states Solid Waste Management Director, which effective November 17, 2014 will become City of Spokane; -- Now, Therefore,

The parties agree as follows:

1. CONTRACT DOCUMENTS. The contract dated June 6, 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. EXTENSION. The contract documents are hereby extended and shall run through December 31, 2015. Paragraph 17 of the Contract shall be amended as follows:
3. AMENDMENT. The contract documents are hereby amended as follows:
 - (3). DEFINITIONS.

- A. Acceptable Materials – Residential/Commercial Yard Debris and Residential/Commercial Food Waste. Other permitted organic materials may also be acceptable by mutual agreement of the parties. All other materials shall be considered unacceptable material.
- B. City – City of Spokane, a Washington State municipal corporation, which is issuing this RFP.
- C. Food Waste – Food waste, food scraps, and food-soiled paper, including approved compostable bags, and shredded paper mixed with food waste.
- D. Operator – Individual or company whose Proposal has been accepted by the City and is awarded a fully executed, written contract.
- E. Residential/Commercial Food Waste – Food Waste derived from residential/commercial sources.
- F. Residential/Commercial Organics – Residential/Commercial Yard Debris and Residential/Commercial Food Waste.
- G. Residential/Commercial Yard Debris – Leaves, grass clippings, bark, weeds, flowers, twigs, pine needles, pine cones, and other yard pruning's and garden spoils, including materials with clopyralid and/or other pesticide residues; limbs not more than six feet (6') long and three inches (3") in diameter, and sod not more than three inches (3") thick, and approved compostable bags.

(17). TERMINATION.

A. Should an event of default by the Operator occur, the City of Spokane issues notice to the Operator of the circumstance, but failure to notify is no waiver to enforcement at a later time. Upon notice, the Operator has a period of up to thirty (30) days from the date of notice to cure, unless the default cannot reasonably be cured within thirty (30) days. In this event, the Operator shall have commenced to cure the default and thereafter exercise due diligence and good faith prompt performance. In all cases, it is the Operator's burden to demonstrate due diligence and good faith. If the default(s) remain uncorrected at the end of the cure period, the Solid Waste Management Director may at any time thereafter issue a Notice of Default Termination. Upon termination, all requirements for insurance and protection of the City from liability shall continue, but the City shall no longer have any duty to deliver materials to the Operator and Operator shall remain fully responsible for all System damages, losses and liability occasioned because of Operator's breach, including incidental and consequential damages. The Solid Waste Management Director may also pursue any available remedy against the Operator relating to termination.

B. Should an event of default by the City occur, the Operator must give the City of Spokane thirty (30) days written notice, with full details, and opportunity to cure. Thereafter, in the event of failure to cure, the Operator may terminate the contract or sue for breach and money damages.

C. Notwithstanding any other provision, the City of Spokane may terminate this contract at any time without cause and at its convenience on ninety (90) days written notice to Operator.

4. COMPENSATION. The fees are contained in the underlying contract, Paragraph 5, with the exception of Section 5(B) an Option C – Residential and Commercial Yard debris and food waste hauled by Contractor from WTE is hereby added to be \$40/ton.

Dated: _____

CITY OF SPOKANE

By: _____
Title: _____

Attest:

Approved as to form:

City Clerk

Elizabeth Schoedel
Assistant City Attorney

Dated: _____

BARR-TECH, LLC

E-Mail address, if available:

City of Spokane Business License No.

By: _____
Title: _____



Agenda Sheet for City Council Meeting of:
10/13/2014

Date Rec'd	10/1/2014
Clerk's File #	ORD C35162
Renews #	

Submitting Dept	BUSINESS & DEVELOPER SERVICES	Cross Ref #	
Contact Name/Phone	JAN QUINTRALL 625-6187	Project #	
Contact E-Mail	JQUINTRALL@SPOKANECITY.ORG	Bid #	
Agenda Item Type	Emergency Budget Ordinance	Requisition #	
Agenda Item Name	0650 - EBO - ANNUAL BUDGET FOR CITY OF SPOKANE 2014		

Agenda Wording

An ordinance amending Ordinance No. C-35062, passed the City Council November 25, 2013, and entitled, "An ordinance adopting the Annual Budget of the City of Spokane for 2014, making appropriations to the various funds, departments,

Summary (Background)

This EBO transfers \$14,000.00 from General Fund Office Manager and \$3,500.00 from General Fund Engineering Tech III to General Fund BDS Systems and Services Manager.

Fiscal Impact		Budget Account	
Neutral	\$		#
Select	\$		#
Select	\$		#
Select	\$		#
Approvals		Council Notifications	
<u>Dept Head</u>	CHILDS, BRANDON	<u>Study Session</u>	
<u>Division Director</u>	CHILDS, BRANDON	<u>Other</u>	PCED 10-6-14
<u>Finance</u>	DOLAN, PAM	<u>Distribution List</u>	
<u>Legal</u>	DALTON, PAT	lhattenburg@spokanecity.org	
<u>For the Mayor</u>	SANDERS, THERESA	jquintrall@spokanecity.org	
<u>Additional Approvals</u>		mhughes@spokanecity.org	
<u>Purchasing</u>			



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

and programs of the City of Spokane government for the fiscal year ending December 31, 2014, and providing it shall take effect immediately upon passage", and declaring an emergency.

Summary (Background)

Fiscal Impact		Budget Account	
Select	\$		#
Select	\$		#

Distribution List

Fiscal Impact		Budget Account	
Select	\$		#
Select	\$		#

Distribution List	



OFFICE OF THE CITY CLERK
808 W. SPOKANE FALLS BLVD
SPOKANE, WASHINGTON 99201-3342
509.625.6350

October 14, 2014

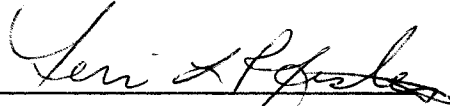
City Clerk File No.:
ORD C35162

COUNCIL ACTION MEMORANDUM

RE: EMERGENCY BUDGET ORDINANCE C35162 TRANSFERRING FUNDS FROM GENERAL FUND OFFICE MANAGER AND GENERAL FUND ENGINEERING TECH III TO GENERAL FUND BDS SYSTEMS AND SERVICES MANAGER

During its 6:00 p.m. Legislative Session held Monday, October 13, 2014, the Spokane City Council considered Emergency Budget Ordinance C35162. There was an opportunity for public testimony, with no individuals requesting to speak. During Council commentary, Council Member Stratton indicated this Emergency Budget Ordinance has generated quite a bit of discussion among council members and staff, and there are still council members with questions. She further stated, in light of the fact there are two council members missing tonight, she is not sure there are enough votes to pass the ordinance; and she requested a motion to defer the matter for two weeks. Subsequently, the following action was taken:

Motion by Council Member Stratton, seconded by Council Member Mumm, to **defer** Emergency Budget Ordinance C35162 for two weeks (to October 27, 2014) so all council members have the opportunity to get their questions answered and their concerns answered, and the Council can look at it in two weeks and take it from there; **carried unanimously (Council Members Allen and Waldref absent).**



Terri L. Pfister, MMC
Spokane City Clerk

ORDINANCE NO C35162

An ordinance amending Ordinance No. C-35062, passed the City Council November 25, 2013, and entitled, "An ordinance adopting the Annual Budget of the City of Spokane for 2014, making appropriations to the various funds, departments, and programs of the City of Spokane government for the fiscal year ending December 31, 2014, and providing it shall take effect immediately upon passage", and declaring an emergency.

WHEREAS, subsequent to the adoption of the 2014 budget Ordinance No. C-35062, as above entitled, and which passed the City Council November 25, 2013, it is necessary to make changes in the appropriations of the General Fund, which changes could not have been anticipated or known at the time of making such budget ordinance; and

WHEREAS, this ordinance has been on file in the City Clerk's Office for five days; - Now, Therefore,

The City of Spokane does ordain:

Section 1. That in the budget of the General Fund, and the budget annexed thereto with reference to the General Fund, the following changes be made:

FROM:	0750-30210	General Fund	
	58100-00510	Office Manager	\$ 14,000
		(from 1 to 0 positions)	
	0370-41510	General Fund	
	32200-02030	Engineering Tech III	3,500
		(no change in # of positions)	
			<u>\$ 17,500</u>
TO:	0370-30210	General Fund	
	32100-07550	BDS Systems and Services Mgr	<u>\$ 17,500</u>
		(from 0 to 1 positions)	

Section 2. It is, therefore, by the City Council declared that an urgency and emergency exists for making the changes set forth herein, such urgency and emergency arising from the need to reclassify a vacant position in the BDS Division, and because of such need, an urgency and emergency exists for the passage of this ordinance, and also, because the same makes an appropriation, it shall take effect and be in force immediately upon its passage..

Passed the City Council _____

Council President

Attest: _____
City Clerk

Approved as to form: _____
Assistant City Attorney

Mayor

Date

Effective Date



Agenda Sheet for City Council Meeting of:
10/27/2014

Date Rec'd	10/14/2014
Clerk's File #	ORD C35171
Renews #	

Submitting Dept	SPOKANE REGIONAL SOLID WASTE	Cross Ref #	
Contact Name/Phone	KEN GIMPEL 625-6532	Project #	
Contact E-Mail	KGIMPEL@SPOKANECITY.ORG	Bid #	
Agenda Item Type	Emergency Budget Ordinance	Requisition #	
Agenda Item Name	4490 EMERGENCY BUDGET ORDINANCE		

Agenda Wording

An ordinance amending Ordinance No. C-35062, and appropriating funds from Unappropriated Reserves to Various Accounts. Total Transfer \$604,986.

Summary (Background)

An emergency arising from the need to add positions necessary for the City to take over operations of the Waste-To-Energy Facility, and because of such need, an urgency and emergency exists for the passage of this ordinance, and also, because the same makes an appropriation, it shall take effect and be in force immediately upon its passage.

Fiscal Impact	Budget Account
Neutral \$	#
Select \$	#
Select \$	#
Select \$	#

Approvals		Council Notifications	
Dept Head	GIMPEL, KEN	Study Session	Publilc Works Cmte 10-
Division Director	ROMERO, RICK	Other	
Finance	DOLAN, PAM	Distribution List	
Legal	SCHOEDEL, ELIZABETH	ttauscher@spokanecity.org	
For the Mayor	SANDERS, THERESA	cmarchand@spokanecity.org	

Additional Approvals	
Purchasing	

ORDINANCE NO C35171

An ordinance amending Ordinance No. C-35062, passed the City Council November 25, 2013, and entitled, "An ordinance adopting the Annual Budget of the City of Spokane for 2014, making appropriations to the various funds, departments, and programs of the City of Spokane government for the fiscal year ending December 31, 2014, and providing it shall take effect immediately upon passage", and declaring an emergency.

WHEREAS, subsequent to the adoption of the 2014 budget Ordinance No. C-35062, as above entitled, and which passed the City Council November 25, 2013, it is necessary to make changes in the appropriations of the Solid Waste Disposal Fund, which changes could not have been anticipated or known at the time of making such budget ordinance; and

WHEREAS, this ordinance has been on file in the City Clerk's Office for five days; - Now, Therefore,

The City of Spokane does ordain:

Section 1. That in the budget of the Solid Waste Disposal Fund, and the budget annexed thereto with reference to the Solid Waste Disposal Fund, the following changes be made:

FROM:	4490-xxxxx xxxxx-	Solid Waste Disposal Unappropriated Reserves	<u>\$ 604,986</u>
TO:	4490-30210- 37141-00030	Solid Waste Disposal Clerk III (from 0 to 1 position)	\$6,121
	37148-51640	Deferred Comp	\$188
	37141-52110	Social Security	\$469
	37141-52210	Retirement	\$505
	37141-52330	Life Insurance	\$36
	37141-52400	Industrial Insurance	\$9
	4490-44100 37148-05850	Solid Waste Disposal WTE Plant Manager (from 0 to 1 position)	\$15,326
	37148-05880	WTE EH&S Manager (from 0 to 1 position)	\$12,862
	37148-05750	WTE Operations Superintendent (from 0 to 1 position)	\$13,181
	37148-05730	WTE Shift Supervisor (from 0 to 5 positions)	\$61,844
	37148-05720	WTE Power Plant Operator (from 0 to 4 positions)	\$37,522
	37148-05710	WTE Asst Power Plant Operator (from 0 to 4 positions)	\$33,283
	37148-05700	WTE Utility Operator (from 0 to 4 positions)	\$29,817
	37148-05740	WTE Crane Operator (from 0 to 5 positions)	\$33,988

37148-05760	WTE Ash Operator (from 0 to 5 positions)	\$28,136
37148-05820	WTE Maintenance Superintendent (from 0 to 1 position)	\$13,181
37148-05800	WTE Maintenance Supervisor (from 0 to 1 position)	\$10,918
37148-05790	WTE Senior Maintenance Mechanic (from 0 to 1 position)	\$9,380
37148-05780	WTE Maintenance Mechanic (from 0 to 8 positions)	\$60,824
37148-05910	WTE Senior Electric & Instrmt Tech (from 0 to 2 positions)	\$18,761
37148-05900	WTE Electrical & Instrmt Tech (from 0 to 2 positions)	\$16,642
37148-04150	Custodian II (from 0 to 1 position)	\$4,069
37148-51210	Overtime	\$57,338
37148-51230	Shift Differential	\$3,112
37148-51290	Longevity Pay	\$1,778
37148-51400	Specialty Pay	\$8,060
37148-51640	Deferred Comp	\$8,415
37148-52110	Social Security	\$31,074
37148-52210	Retirement	\$33,512
37148-52330	Life Insurance	\$2,065
37148-52340	Long Term Disability	\$166
37148-52400	Industrial Insurance	\$404
37148-54999	Other Misc. Charges (Cobra)	<u>\$52,000</u>
		<u>\$604,986</u>

Section 2. It is, therefore, by the City Council declared that an urgency and emergency exists for making the changes set forth herein, such urgency and emergency arising from the need to add positions necessary for the City to take over operations of the Waste-To-Energy Facility, and because of such need, an urgency and emergency exists for the passage of this ordinance, and also, because the same makes an appropriation, it shall take effect and be in force immediately upon its passage..

Passed the City Council _____

Council President

Attest: _____
City Clerk

Approved as to form: _____
Assistant City Attorney

Mayor

Date

Effective Date



Agenda Sheet for City Council Meeting of:
10/27/2014

Date Rec'd	10/15/2014
Clerk's File #	ORD C35172
Renews #	

Submitting Dept	CITY COUNCIL	Cross Ref #	
Contact Name/Phone	BEN STUCKART 625-6269	Project #	
Contact E-Mail	AMCDANIEL@SPOKANECITY.ORG	Bid #	
Agenda Item Type	Emergency Budget Ordinance	Requisition #	
Agenda Item Name	0320 EBO RE: GENERAL FUND - CNS, GENERAL FUND - POLICE		

Agenda Wording

An ordinance amending Ordinance No. C-35062 and appropriating funds in the General Fund - CNS Contractual Services for \$9,000 and General Fund - Police Other Misc Charges for \$1,000.

Summary (Background)

\$9,000 of the funds will go to CNS for the mobile mural project. \$1,000 of the funds will go to Police for the C.O.P.S. NOPS program.

Fiscal Impact	Budget Account
Select \$	#
Select \$	#
Select \$	#
Select \$	#

Approvals		Council Notifications	
Dept Head	MCDANIEL, ADAM	Study Session	
Division Director		Other	
Finance	DOLAN, PAM	Distribution List	
Legal	PICCOLO, MIKE	Mike Fagan	
For the Mayor	SANDERS, THERESA	Mike Allen	
Additional Approvals		Tim Dunivant	
Purchasing		Debra Robole	



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

FROM: General Fund - City Council other misc charges \$9,000, City Council travel \$1,000; TO: CNS Contractual Services \$9,000, Police Other Misc Charges \$1,000.

Summary (Background)

Fiscal Impact

Select \$

Select \$

Budget Account

#

#

Distribution List

ORDINANCE NO C35172

An ordinance amending Ordinance No. C-35062, passed the City Council November 25, 2013, and entitled, "An ordinance adopting the Annual Budget of the City of Spokane for 2014, making appropriations to the various funds, departments, and programs of the City of Spokane government for the fiscal year ending December 31, 2014, and providing it shall take effect immediately upon passage", and declaring an emergency.

WHEREAS, subsequent to the adoption of the 2014 budget Ordinance No. C-35062, as above entitled, and which passed the City Council November 25, 2013, it is necessary to make changes in the appropriations of the General Fund, which changes could not have been anticipated or known at the time of making such budget ordinance; and

WHEREAS, the City Council's Internal Budget Expenditures Policy ADMIN 0320-14-02, effective July 1, 2014, Section 6.2.6 states that emergency budget ordinances are required for budget transfers from the Council budget to another city department budgets; and

WHEREAS, this ordinance has been on file in the City Clerk's Office for five days; - Now, Therefore,

The City of Spokane does ordain:

Section 1. That in the budget of the General Fund, and the budget annexed thereto with reference to the General Fund, the following changes be made:

From:	0320-36130	General Fund – City Council	
	11600-54999	Other Misc Charges	9,000
	0320-36110	General Fund – City Council	
	11600-54401	Travel	1,000
To:	0450-30210	General Fund - CNS	
	57200-54201	Contractual Services	\$ 9,000
	0680-18200	General Fund – Police	
	21223-54999	Other Misc Charges	1,000
			<u>\$ 10,000</u>

Section 2. It is, therefore, by the City Council declared that an urgency and emergency exists for making the changes set forth herein, such urgency and emergency arising from the need to utilize savings in the Council Office budget to support other City activities, and because of such need, an urgency and emergency exists for the passage of this ordinance, and also, because the same makes an appropriation, it shall take effect and be in force immediately upon its passage.

Passed the City Council _____

Council President

Attest: _____
City Clerk

Approved as to form: _____
Assistant City Attorney

Mayor

Date

Effective Date



Agenda Sheet for City Council Meeting of:
10/20/2014

<u>Date Rec'd</u>	10/8/2014
<u>Clerk's File #</u>	ORD C35170
<u>Renews #</u>	

<u>Submitting Dept</u>	UTILITIES	<u>Cross Ref #</u>	
<u>Contact Name/Phone</u>	RICK ROMERO 625-6361	<u>Project #</u>	
<u>Contact E-Mail</u>	MFEIST@SPOKANECITY.ORG	<u>Bid #</u>	
<u>Agenda Item Type</u>	First Reading Ordinance	<u>Requisition #</u>	
<u>Agenda Item Name</u>	SALE OF UP TO \$210 MILLION IN WATER AND WASTEWATER SYSTEM REVENUE		

Agenda Wording

An ordinance authorizing the issuance and sale of Water and Wastewater System revenue bonds in an amount not to exceed \$210 million for environmentally beneficial projects that improve the health of the Spokane River and protect the aquifer.

Summary (Background)

These "green" bonds will finance capital improvements to improve the health of the Spokane River, protect the region's drinking water aquifer, and provide for other improvements to the Water and Wastewater System, and to pay the costs of issuance. Projects are detailed in the Integrated Clean Water Plan and in Water and Wastewater 6-year capital plans. The projects will allow the City to meet regulatory and permit requirements. Bonds will be repaid through Water and Wastewater rates.

<u>Fiscal Impact</u>	<u>Budget Account</u>
Select \$	#
Select \$	#
Select \$	#
Select \$	#

<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	ROMERO, RICK	<u>Study Session</u>	
<u>Division Director</u>	ROMERO, RICK	<u>Other</u>	Finance Committee
<u>Finance</u>	DOLAN, PAM	<u>Distribution List</u>	
<u>Legal</u>	RICHMAN, JAMES	rromero@spokanecity.org	
<u>For the Mayor</u>	SANDERS, THERESA	gcooley@spokanecity.org	
<u>Additional Approvals</u>		pdolan@spokanecity.org	
<u>Purchasing</u>		mfeist@spokanecity.org	
		cmarchand@spokanecity.org	
		laura.mcaloon@klgates.org	
		alan@adashen.com	



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

Summary (Background)

Fiscal Impact	Budget Account
---------------	----------------

Select \$	#
-----------	---

Select \$	#
-----------	---

Distribution List

malinda@adashen.com	cynthia.weed@klgates.com
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scott@adashen.com	
-------------------	--

greeM@foster.com	
------------------	--

Scott.McJannet@klgates.com	
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CITY OF SPOKANE
WATER AND WASTEWATER SYSTEM REVENUE BONDS, 2014

ORDINANCE NO. C35170

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF WATER AND WASTEWATER SYSTEM REVENUE BONDS OF THE CITY IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$210,000,000 FOR THE PURPOSES OF IMPROVING THE HEALTH OF THE SPOKANE RIVER AND PROTECTING THE REGION'S AQUIFER BY ACQUIRING, CONSTRUCTING AND INSTALLING CERTAIN ADDITIONS AND BETTERMENTS TO THE CITY'S WATER AND WASTEWATER SYSTEM; DELEGATING AUTHORITY TO THE DESIGNATED REPRESENTATIVE TO DETERMINE THE MANNER OF SALE OF THE BONDS, APPROVE THE NUMBER OF SERIES, TAX STATUS OF EACH SERIES, AND OTHER TERMS OF THE BONDS UNDER THE CONDITIONS SET FORTH HEREIN; AND DECLARING AN EMERGENCY.

Passed: October 20, 2014

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CITY OF SPOKANE
ORDINANCE NO. C-35170
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WHEREAS, the City of Spokane, Washington (the "City") now owns and operates a combined system of water supply and distribution and wastewater treatment and disposal (the "System") which is in need of additions, improvements and betterments; and

WHEREAS, the planned additions, improvements and betterments to the System will improve the health of the Spokane River and other surface water bodies by reducing flows of stormwater and wastewater into these water bodies and improve the quality of the effluent discharged from the City's wastewater treatment plant; and

WHEREAS, the Spokane River is one of the regional bodies of water that recharges the Spokane-Rathdrum Prairie aquifer (the "Aquifer") and also receives discharges from the System; and

WHEREAS, the Aquifer provides the sole source of drinking water for the City and more than a half million people in the Spokane region; and

WHEREAS, the planned additions, improvements and betterments to the System will protect the Aquifer by protecting wellhead influence zones, ensuring the integrity of

underground wastewater infrastructure, and employing green infrastructure techniques to treat stormwater runoff; and

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

WHEREAS, to provide funds to pay part of the costs of such improvements, it is deemed necessary and advisable that the City now issue and sell its water and wastewater system revenue bonds (the “Bonds”); and

WHEREAS, the City has no outstanding water and wastewater revenue obligations payable from revenues of the System; and

WHEREAS, the City Council wishes to delegate authority to the Designated Representative (as hereinafter defined) to approve the number of series, the series designation, the final principal amounts of the bonds, date of the bonds, tax status of each series, denominations, interest rates, payment dates, redemption provisions, and maturity dates of the Bonds to be determined under such terms and conditions as are approved by this ordinance;

WHEREAS, the Bonds authorized herein shall be sold pursuant to a competitive or negotiated sale as herein provided;

NOW, THEREFORE, THE CITY OF SPOKANE, WASHINGTON DOES ORDAIN, as follows:

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

Accreted Value means (1) with respect to any Capital Appreciation Bonds, as of any date of calculation, the sum of the amount set forth in the ordinance authorizing their issuance as the amount representing the initial principal amount of such Capital Appreciation Bonds plus the

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

Annual Debt Service means, the sum of (1) the interest accruing on all Parity Bonds during any calendar year, assuming that all Parity Bonds are retired as scheduled, plus (2) the principal amount (including principal due as sinking fund installment payments) allocable to all Parity Bonds then outstanding, minus (3) any federal subsidy legally available to pay the principal of or interest on Parity Bonds in the year of calculation. ***Annual Debt Service*** shall be net of any principal and/or interest funded out of Bond proceeds. Annual Debt Service shall include reimbursement obligations to providers of Credit Facilities to the extent authorized by ordinance. Annual Debt Service shall exclude the payments required to be made with respect to revenue bond anticipation notes to the extent that the ordinance authorizing their issuance provides that the bond anticipation notes will be funded with the proceeds of Future Parity Bonds.

Approved Bid means the winning bid submitted for a series of the Bonds if such series is sold by Competitive Sale.

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

Base Period means any consecutive 12-month period selected by the City out of the 36-month period next preceding the date of issuance of an additional series of Future Parity Bonds.

Beneficial Owner means any person that has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds of a series (including persons holding such Bonds through nominees, depositories or other intermediaries).

Bond Purchase Contract means, if the Bonds of a series shall be sold by Negotiated Sale, the purchase contract relating to such Bonds between the City and the Underwriter providing for the purchase of such Bonds by the Underwriter and setting forth certain terms approved by the Designated Representative as provided in Section 15 of this ordinance.

Bonds mean the City of Spokane, Washington, Water and Wastewater System Revenue Bonds, 2014 with, if applicable, an appropriate series designation, as authorized herein.

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

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

Capital Appreciation Bonds means any Future Parity Bonds all or a portion of the interest on which is compounded, accumulated and payable only upon redemption or on the maturity date of such Capital Appreciation Bonds. If so provided in the ordinance authorizing

their issuance, Future Parity Bonds may be deemed to be Capital Appreciation Bonds for only a portion of their term. On the date on which Future Parity Bonds no longer are Capital Appreciation Bonds, they shall be deemed outstanding in a principal amount equal to their Accreted Value.

Chief Financial Officer means the duly qualified, appointed and acting Chief Financial Officer of the City or any other officer who succeeds to the duties now delegated to that office.

City means the City of Spokane, a municipal corporation and first class charter city duly organized and existing under the laws of the State of Washington and the Charter of the City.

Code means the federal Internal Revenue Code of 1986, as amended, and applicable regulations.

Commission means the United States Securities and Exchange Commission.

Competitive Sale means the process by which the Bonds (or a portion of them) are sold through the public solicitation of bids from underwriting firms.

Consultant means at any time an independent municipal financial consultant or advisor appointed by the City to perform the duties of the Consultant as required by this ordinance. For the purposes of delivering any certificate required by Section 9 hereof and making the calculation required by Section 9 hereof, the term Consultant shall also include any independent public accounting firm or engineer appointed by the City to make such calculation or to provide such certificate.

Continuing Disclosure Agreement means an agreement entered into by the Chief Financial Officer pursuant to Section 17 of this ordinance in order to permit the purchaser of the Bonds of a series to comply with the Rule.

Costs of Maintenance and Operation means all necessary operating expenses, current maintenance expenses, expenses of reasonable upkeep and repairs, and insurance and administrative expense with respect to the System, but excludes depreciation, payments for debt service or into reserve accounts, costs of capital additions to or replacements of the System, municipal taxes, or payments to the City in lieu of taxes.

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

Coverage Stabilization Account means the account of that name maintained pursuant to Section 6(c) of this ordinance.

Covered Bonds means the Bonds of a series and those Future Parity Bonds designated in the ordinance authorizing their issuance as Covered Bonds secured by the Reserve Account.

Credit Event means when (a) a Qualified Letter of Credit terminates, (b) the issuer of Qualified Insurance or a Qualified Letter of Credit shall become insolvent or no longer be in existence, or (c) a Qualified Letter of Credit or Qualified Insurance no longer meets the requirements established therefor in the definition thereof.

Credit Facility means a policy of municipal bond insurance, a letter of credit, surety bond, line of credit, guarantee or other financial instrument or any combination of the foregoing, which obligates a third party to make payment or provide funds for the payment of financial obligations of the City. There may be one or more Credit Facilities outstanding at any time.

Debt Service means, for any period of time,
(a) with respect to any outstanding Original Issue Discount Bonds or Capital Appreciation Bonds which are not designated as Balloon Maturity Bonds in the ordinance authorizing their issuance, the principal amount thereof shall be equal to the Accreted Value

thereof maturing or scheduled for redemption in such period, and the interest payable during such period;

(b) with respect to any outstanding Fixed Rate Bonds, an amount equal to (1) the principal amount of such Fixed Rate Bonds due or subject to mandatory redemption during such period and for which no sinking fund installments have been established, (2) the amount of any payments required to be made during such period into any sinking fund established for the payment of any such Fixed Rate Bonds, plus (3) all interest payable during such period on any such outstanding Fixed Rate Bonds and with respect to Fixed Rate Bonds with mandatory sinking fund requirements, calculated on the assumption that mandatory sinking fund installments will be applied to the redemption or retirement of such Fixed Rate Bonds on the date specified in the ordinance authorizing such Fixed Rate Bonds; and

(c) with respect to all other series of Parity Bonds, other than Fixed Rate Bonds, Original Issue Discount Bonds or Capital Appreciation Bonds, specifically including but not limited to Balloon Maturity Bonds and Parity Bonds bearing variable rates of interest, an amount for any period equal to the amount which would have been payable for principal and interest on such Parity Bonds during such period computed on the assumption that the amount of Parity Bonds as of the date of such computation would be amortized (i) in accordance with the mandatory redemption provisions, if any, set forth in the ordinance authorizing the issuance of such Parity Bonds, or if mandatory redemption provisions are not provided, during a period commencing on the date of computation and ending on a date 30 years or less after the date of issuance (ii) at an interest rate for the Base Period determined as follows: (A) if the Variable Rate Bonds have been Outstanding for at least twelve (12) months, assume that the Parity Bonds bear interest at the higher of the actual rate borne by the Parity Bonds on the date of calculation

or the average rate borne by the Parity Bonds over the twelve (12) months immediately preceding the date of calculation, and (B) if the Parity Bonds have been Outstanding for less than twelve (12) months or are not yet Outstanding, assume that the Parity Bonds bear interest at the higher of the actual rate borne by the Parity Bonds on the date of calculation or (X) if interest on the Parity Bonds is excludable from gross income under the applicable provisions of the Code, the average rate set forth on the Securities Industry and Financial Markets Association Municipal Swap Index over the twelve (12) months immediately preceding the date of calculation, or (Y) if interest is not so excludable, the average rate on Federal Securities with maturities comparable to the rate reset period (iii) to provide for essentially level annual debt service of principal and interest over such period.

Debt Service shall be net of any principal and/or interest funded out of Bond proceeds. Debt Service shall include reimbursement obligations to providers of Credit Facilities to the extent authorized by ordinance. Debt Service shall exclude the payments required to be made with respect to revenue bond anticipation notes to the extent that the ordinance authorizing their issuance provides that the bond anticipation notes will be funded with the proceeds of Future Parity Bonds.

Designated Representative means the Chief Financial Officer or the Director of the Utilities Division.

Director of the Utilities Division means the duly qualified, appointed and acting Director of the Utilities Division or any other officer who succeeds to the duties now delegated to that office.

DTC means The Depository Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, as depository for the Bonds of a series pursuant to Section 4 hereof.

Federal Securities means direct obligations of (including obligations issued or held in book-entry form on the books of), or obligations the timely payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America.

Fitch means Fitch, Inc., organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if such organization shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, ***Fitch*** shall be deemed to refer to any other nationally recognized securities rating agency (other than S&P or Moody's) designated by the Designated Representative.

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

Future Parity Bonds means any Parity Bonds which the City may hereafter issue.

Government Loans means the PWTF Loans, State Revolving Fund Loans, and other subordinate lien revenue loans currently outstanding or received by the City in the future from the state of Washington or the United States of America.

Government Obligations means those obligations now or hereafter defined as such in chapter 39.53 RCW.

Letter of Representations means the blanket issuer letter of representations from the City to DTC.

Maximum Annual Debt Service means, at the time of calculation, the maximum amount of Annual Debt Service in any fiscal year on all outstanding Parity Bonds and/or for all subordinate lien evidences of indebtedness secured by Revenue of the System, as the context requires.

Moody's means Moody's Investors Service, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, **Moody's** shall be deemed to refer to any other nationally recognized securities rating agency (other than S&P and Fitch) designated by the Designated Representative.

MSRB means the Municipal Securities Rulemaking Board.

Negotiated Sale means the process by which the Bonds (or a portion of them) are sold by negotiation to one or more underwriting firms selected by the Designated Representative.

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

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

Notice of Sale means, if the Bonds shall be sold by Competitive Sale, the notice of bond sale authorized to be given in Section 15 of this ordinance.

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

Parity Bonds means the Bonds and any water and wastewater system revenue bonds, warrants or other obligations that the City may hereafter issue having a lien upon the Revenue of the System for the payment of the principal thereof and interest thereon equal to the lien upon the Revenue of the System of the Bonds.

Parity Requirement means Net Revenues equal to or greater than 125% of Annual Debt Service for all Parity Bonds computed by deducting from Annual Debt Service the Annual Debt Service for each series or issue of Parity Bonds that is covered by ULID Assessments.

In determining the amount of Annual Debt Service covered by ULID Assessments, Annual Debt Service for each future year is reduced by the dollar amount of ULID Assessments projected to be received during such future year, and the remaining outstanding ULID Assessments are assumed to be paid in the remaining number of annual installments with no prepayments. For purposes of determining whether the Parity Requirement has been met, transfers from the Coverage Stabilization Account shall not be taken into account.

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

Private Person Use means the use of property in a trade or business by a Private Person if such use is other than as a member of the general public. Private Person Use includes ownership of the property by the Private Person as well as other arrangements that transfer to the Private Person the actual or beneficial use of the property (such as a lease, management or incentive payment contract or other special arrangement) in such a manner as to set the Private Person apart from the general public. Use of property as a member of the general public includes attendance by the Private Person at municipal meetings or business rental of property to the Private Person on a day-to-day basis if the rental paid by such Private Person is the same as the

rental paid by any Private Person who desires to rent the property. Use of property by nonprofit community groups or community recreational groups is not treated as Private Person Use if such use is incidental to the governmental uses of property, the property is made available for such use by all such community groups on an equal basis and such community groups are charged only a *de minimis* fee to cover custodial expenses.

Projects means the plan of improvements to the System as provided in Section 2 of this ordinance.

PWTF Loans mean the loans from the State of Washington Department of Commerce under the Public Works Trust Fund loan program pursuant to any loan agreements existing as of the effective date of this ordinance or hereafter entered into by the City under the Public Works Trust Fund loan program.

Qualified Insurance means any non-cancelable municipal bond insurance policy or surety bond issued by any Qualified Insurer.

Qualified Insurer means an insurance company licensed to conduct business in any state of the United States or a service corporation acting on behalf of one or more such insurance companies, which insurance company or service corporation is rated one of the two highest Rating Categories by a Rating Agency at the time of issuance.

Qualified Letter of Credit means any irrevocable letter of credit issued by a financial institution for the account of the City on behalf of registered owners of Parity Bonds, which institution maintains an office, agency or branch in the United States is rated in one of the two highest Rating Categories by any Rating Agency.

Rate Covenant means Net Revenue in each fiscal year at least equal to 125% of the amounts required in such fiscal year to be paid as scheduled debt service (principal and interest)

on all Parity Bonds, subtracting from scheduled debt service the amount of ULID Assessments collected in such year. Furthermore, in determining compliance with the Rate Covenant, Net Revenues are subject to adjustment to reflect the following: Revenue of the System and Costs of Maintenance and Operation may be adjusted, regardless of then applicable generally accepted accounting principles, for certain items (e.g., to omit unrealized gains or losses in investments) to more fairly reflect the System's annual operating performance. Scheduled debt service shall exclude the payments required to be made with respect to revenue bond anticipation notes to the extent that the proceedings authorizing their issuance provides that the bond anticipation notes will be funded with the proceeds of Future Parity Bonds. For purposes of determining compliance with the Rate Covenant, amounts withdrawn from the Coverage Stabilization Account shall increase Revenue of the System for the period in which they are withdrawn, and amounts deposited in the Coverage Stabilization Account shall reduce Revenue of the System for the period during which they are deposited. Credits to or from the Coverage Stabilization Account that occur within 90 days after the end of a fiscal year may be treated as occurring within such fiscal year.

Rating Agency means Moody's, S&P or Fitch.

Rating Category means the generic rating categories of the Rating Agency, without regard to any refinement or gradation of such rating category by a numerical modifier or otherwise.

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

Registrar means the fiscal agency of the State of Washington or such other registrar as may be designated in a certificate by the Designated Representative for the purposes of registering and authenticating the Bonds of a series, maintaining the Bond Register, effecting transfer of ownership of such Bonds, and paying the principal of, premium, if any, and interest on such Bonds.

Reserve Account means the common Reserve Account previously created within the Revenue Bond Fund and maintained pursuant to Section 7(b) of this ordinance.

Reserve Requirement means the dollar amount to be calculated with respect to all Covered Bonds and separately with respect to other Parity Bonds.

(a) With respect to Covered Bonds, the Reserve Requirement shall be equal to the lesser of:

- (1) Maximum Annual Debt Service for Covered Bonds,
- (2) 10% of the initial principal amount of Covered Bonds of each series, and
- (3) 125% of average annual debt service for Covered Bonds;

provided, however, that 10% of the initial principal amount of Covered Bonds of each series may be contributed to the Reserve Account from any series of Covered Bonds.

(b) With respect to other series of Parity Bonds, the Reserve Requirement shall be equal to the amount specified in the ordinance authorizing the issuance of that series of Parity Bonds.

The Reserve Requirement shall be adjusted accordingly and remain in effect until the earlier of (i) at the City's option, a payment of principal of Parity Bonds or (ii) the issuance of a subsequent series of Future Parity Bonds (when the Reserve Requirement shall be re-calculated).

Revenue Bond Fund means the "Water Revenue Bond Fund" previously created in the

office of the Treasurer by Section 1 of Ordinance No. C34024 and renamed herein as the “Water-Wastewater Revenue Bond Fund” for the sole purpose of paying and securing the payment of the principal of, premium, if any, and interest on Parity Bonds.

Revenue Fund means the Water and Wastewater Revenue Fund of the City created by Section 1 of Ordinance No. C-34981, and known as the Water-Wastewater Fund and shall include cash accounts therein.

Revenue of the System means all of the earnings and revenues received by the City from the ownership and operation of the System and connection and capital improvement charges collected for the purpose of defraying the cost of capital facilities of the System; including to the extent of internally approved policies of the City, investment earnings and income from investments of money in the Revenue Fund and the Revenue Bond Fund or from any other investment of Revenues; but excluding government grants, any federal subsidy legally available to pay the principal of or interest on Parity Bonds, proceeds from the sale of System property, City taxes collected by or through the System, principal proceeds of bonds and earnings or proceeds from any investments in a trust, defeasance or escrow fund created to defease or refund System obligations (until commingled with other earnings and revenues of the System) or held in a special account for the purpose of paying a rebate to the United States Government under the Code. **Revenue of the System** shall also include any federal or state reimbursements of operating expenses to the extent such expenses are included as **Costs of Maintenance and Operation**; *provided, however,* that Revenue of the System shall not include ULID Assessments.

Rule means the Commission’s Rule 15c2-12 under the Securities Exchange Act of 1934.

S&P means Standard & Poor’s, a Division of The McGraw Hill Companies, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no

longer perform the functions of a securities rating agency, **S&P** shall be deemed to refer to any other nationally recognized securities rating agency (other than Moody's and Fitch) designated by the Designated Representative.

Six Year Capital Facilities Plan means the City-Wide Six Year Capital Improvement Program coordinating the planning, financing and construction of the City's capital facilities adopted pursuant to Spokane Municipal Code chapter 07.17.

State Revolving Fund Loans mean the loans outstanding as of the date of this ordinance or hereafter entered into by the City under the State of Washington Department of Ecology Clean Water State Revolving Fund Loan Program pursuant to chapter 70.145 RCW as part of the state's participation in the federal Clean Water State Revolving Fund established by the Clean Water Act amendments of 1987.

System means the combined utility of the City's existing water supply and distribution system and the sanitary sewage transmission, treatment and disposal system, inclusive of stormwater, of the City, as they now exist and as they may be added to, improved and extended, for as long as any Parity Bonds are outstanding.

2014 Construction Account means the account named "2014 Water-Wastewater System Improvements Account" for the Projects created within the City's Water and Wastewater Fund.

Tax-Exempt Bonds means the Bonds of a series issued on a federally tax-exempt basis.

ULID means a utility local improvement district of the City.

ULID Assessments means the assessments levied in all ULIDs, the assessments in which are payable into the Revenue Bond Fund, and shall include installments thereof and interest and any penalties thereon.

Underwriter means, the underwriter(s) of the Bonds of a series if such Bonds are sold by Negotiated Sale or the successful bidder(s) submitting the Approved Bid if the Bonds of a series are sold by Competitive Sale.

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

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

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

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

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

(e) All references herein to “articles,” “sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof.

Section 2. **Authorization of Projects.** The Bonds are being issued to pay the costs of acquiring, constructing and installing certain additions and betterments to and extensions of the

City's System, including improvements identified in its Integrated Clean Water Plan, its Wastewater Six-Year Capital Plan, or its Water System Plan (together, the "Plans") addressing the needs of the City's System for managing wastewater and stormwater (the "Projects"). The Projects that may be paid in part or in full by Bond proceeds that are identified in the Plans include, but are not limited to:

- Construction of a tertiary wastewater treatment filtration system at the City's wastewater treatment plant;
- Construction of a solids digester at the City's wastewater treatment plant;
- Construction of a primary clarifier to add capacity at the City's wastewater treatment plant;
- Addition of underground concrete holding tanks to control overflows during large storms and meet current regulations;
- Green infrastructure projects in sewer basins to manage overflows to the Spokane River;
- Stormwater management from the Cochran Basin on Spokane's North Side; and
- Replacement, addition or improvement of pipes, transmission mains, catch basins, source well stations, well pumps, pumps at booster stations, and other basic infrastructure within the City's collection and treatment systems.

The City shall provide all equipment, connections and appurtenances together with all work as may be incidental and necessary to complete the Projects. The Project facilities shall be integrated into the System as required to provide a fully operational facility.

The City may make such changes in or additions to the Projects or in the construction or design of other facilities of the System as may be found necessary or desirable. Implementation or completion of any specified improvement shall not be required if the Council determines that, due to substantially changed circumstances, it has become advisable or impractical. If the Projects have either been completed, or its completion duly provided for, or their completion found to be impractical, the City may apply the Bond proceeds or any portion thereof to other

improvements to the System, as the Council in its discretion shall determine or as approved in the Six Year Capital Facilities Plans. In the event that the proceeds of sale of the Bonds, plus any other moneys of the City legally available, are insufficient to accomplish all of the Projects provided by this section, the City shall use the available funds for paying the cost of those improvements for which such Bonds were approved, deemed by the Council most necessary and to the best interest of the City.

The City shall acquire by purchase, lease or condemnation, all property, both real and personal, or any interest therein, or rights-of-way and easements that may be found necessary to acquire, construct and install the Projects.

Section 3. Authorization of Bonds and Bond Details.

(a) *Bonds.* For the purpose of paying costs of the Projects, funding the Reserve Requirement and paying the costs of issuance related thereto, the City shall issue in one or more series its water and wastewater system revenue bonds (the “Bonds”).

(b) *Bond Details.* The Bonds shall be designated as the City of Spokane, Washington, Water and Wastewater System Revenue Bonds, 2014, with an appropriate series designation, if applicable, shall be dated as of their date of delivery; shall be fully registered as to both principal and interest; shall be in the denomination of \$5,000 each, or any integral multiple thereof, provided that no Bond shall represent more than one maturity; shall be numbered separately in such manner and with any additional designation as the Registrar deems necessary for purposes of identification; and shall bear interest from their date payable commencing no later than one year following the date of issuance and shall mature on the dates and in the principal amounts as approved by the Designated Representative pursuant to Section 15. The Bonds of a series of any of the maturities may be combined and issued as term bonds, subject to

mandatory redemption as provided in the Bond Purchase Contract or the Notice of Sale for such Bonds and the Approved Bid.

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

Section 4. Registration, Exchange and Payments.

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

(b) *Registered Ownership.* The City and the Registrar, each in its discretion, may deem and treat the Registered Owner of each Bond as the absolute owner thereof for all purposes (except as provided in Section 17 of this ordinance), and neither the City nor the Registrar shall be affected by any notice to the contrary. Payment of any such Bond shall be made only as

described in Section 4(h) hereof, but such Bond may be transferred as herein provided. All such payments made as described in Section 4(h) shall be valid and shall satisfy and discharge the liability of the City upon such Bond to the extent of the amount or amounts so paid.

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

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

(d) *Use of Depository.*

(1) The Bonds shall be registered initially in the name of “Cede & Co.”, as nominee of DTC, with one Bond maturing on each of the maturity dates for the Bonds in a denomination corresponding to the total principal therein designated to mature on such date. Registered ownership of such immobilized Bonds, or any portions thereof, may not thereafter be transferred except (A) to any successor of DTC or its nominee, provided that any such successor shall be qualified under any applicable laws to provide the service proposed to be provided by it; (B) to any substitute depository appointed by the Designated Representative pursuant to subsection (2) below or such substitute depository’s successor; or (C) to any person as provided in subsection (4) below.

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

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

(4) In the event that (A) DTC or its successor (or substitute depository or its successor) resigns from its functions as depository, and no substitute depository can be obtained,

or (B) the Designated Representative determines that it is in the best interest of the beneficial owners of the Bonds of a series that such owners be able to obtain such bonds in the form of Bond certificates, the ownership of such Bonds may then be transferred to any person or entity as herein provided, and shall no longer be held in fully-immobilized form. The Designated Representative shall deliver a written request to the Registrar, together with a supply of definitive Bonds, to issue Bonds as herein provided in any authorized denomination. Upon receipt by the Registrar of all then outstanding Bonds of a series together with a written request of the Designated Representative to the Registrar, new Bonds shall be issued in the appropriate denominations and registered in the names of such persons as are requested in such written request.

(e) *Registration of Transfer of Ownership or Exchange; Change in Denominations.*

The transfer of any Bond may be registered and Bonds may be exchanged, but no transfer of any such Bond shall be valid unless it is surrendered to the Registrar with the assignment form appearing on such Bond duly executed by the Registered Owner or such Registered Owner's duly authorized agent in a manner satisfactory to the Registrar. Upon such surrender, the Registrar shall cancel the surrendered Bond and shall authenticate and deliver, without charge to the Registered Owner or transferee therefor, a new Bond (or Bonds at the option of the new Registered Owner) of the same date, maturity and interest rate and for the same aggregate principal amount in any authorized denomination, naming as Registered Owner the person or persons listed as the assignee on the assignment form appearing on the surrendered Bond, in exchange for such surrendered and cancelled Bond. Any Bond may be surrendered to the Registrar and exchanged, without charge, for an equal aggregate principal amount of Bonds of the same date, maturity and interest rate, in any authorized denomination. The Registrar shall

not be obligated to register the transfer or to exchange any Bond during the 15 days preceding any interest payment or principal payment date any such Bond is to be redeemed.

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

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

(h) *Place and Medium of Payment.* Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America. Interest on the Bonds shall be calculated on the basis of a year of 360 days and twelve 30-day months. For so long as all Bonds are in fully immobilized form, payments of principal and interest thereon shall be made as provided in accordance with the operational arrangements of DTC referred to in the Letter of Representations. In the event that the Bonds of a series are no longer in fully immobilized form, interest on such Bonds shall be paid by check or draft mailed to the Registered Owners at the addresses for such Registered Owners appearing on the Bond Register on the fifteenth day of the month preceding the interest payment date, or upon the written request of a Registered Owner of more than \$1,000,000 of Bonds (received by the Registrar at least 15 days prior to the applicable payment date), such payment shall be made by the Registrar by wire transfer to the account within the continental United States designated by the Registered Owner. Principal of the Bonds

shall be payable upon presentation and surrender of such Bonds by the Registered Owners at the principal office of the Registrar.

Section 5. Redemption; Purchase of Bonds.

(a) *Optional or Extraordinary Redemption.* The Bonds of a series shall be subject to optional and/or extraordinary redemption on the dates, at the prices and under the terms set forth in the Bond Purchase Contract or the Notice of Sale approved by the Designated Representative pursuant to Section 15 of this ordinance.

(b) *Mandatory Redemption.* The Bonds of a series shall be subject to mandatory redemption to the extent, if any, set forth in the Bond Purchase Contract or the Approved Bid and as approved by the Designated Representative pursuant to Section 15 of this ordinance.

(c) *Purchase of Bonds for Retirement.* The City further reserves the right to use at any time any surplus Revenue of the System available after providing for the payments required by paragraphs First, through Sixth of Section 6(b) of this ordinance, or other available funds, to purchase any of the Bonds that are offered to the City at any price deemed appropriate by the City. Any purchase of Bonds may be made with or without tender of Bonds and at either public or private sale.

(d) *Effect of Purchase.* To the extent that the City shall have purchased any term bonds or Balloon Maturity Bonds since the last scheduled mandatory redemption of such term bonds, the City may reduce the principal amount of the term bonds or Balloon Maturity Bonds to be redeemed in like principal amount. Such reduction may be applied in the year specified by the Designated Representative.

(e) *Selection of Bonds for Redemption.* If Bonds of a series are called for optional redemption, the maturities of Bonds to be redeemed shall be selected by the Designated

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

(f) *Notice of Redemption.* Written notice of any redemption of Bonds prior to maturity, which notice may be conditional, shall be given by the Registrar on behalf of the City by first class mail, postage prepaid, not less than 20 days nor more than 60 days before the date fixed for redemption to the Registered Owners of Bonds that are to be redeemed at their last addresses shown on the Bond Register. This requirement shall be deemed complied with when notice is mailed to the Registered Owners at their last addresses shown on the Bond Register, whether or not such notice is actually received by the Registered Owners.

So long as the Bonds are in book-entry only form, notice of redemption shall be given to Beneficial Owners of Bonds to be redeemed in accordance with the operational arrangements then in effect at DTC, and neither the City nor the Registrar shall be obligated or responsible to confirm that any notice of redemption is, in fact, provided to Beneficial Owners.

Each notice of redemption prepared and given by the Registrar to Registered Owners of Bonds shall contain the following information: (1) the proposed redemption date, (2) the redemption price, (3) if fewer than all outstanding Bonds of a series are to be redeemed, the identification by maturity (and, in the case of partial redemption, the principal amounts) of the Bonds to be redeemed, (4) that on the date fixed for redemption the redemption price will become due and payable upon each Bond or portion called for redemption, and that interest shall cease to accrue from the date fixed for redemption (unless the notice of redemption is a conditional notice, in which case the notice shall state that interest shall cease to accrue from the date fixed for redemption if and to the extent that funds have been provided to the Registrar for the redemption of Bonds), (5) that the Bonds are to be surrendered for payment at the principal office of the Registrar, (6) the CUSIP numbers of all Bonds being redeemed, (7) the dated date of the Bonds being redeemed, (8) the rate of interest for each Bond being redeemed, (9) the date of the notice, and (10) any other information deemed necessary by the Registrar to identify the Bonds being redeemed.

Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

(g) *Effect of Redemption.* Unless the City has revoked a notice of redemption (or unless the City provided a conditional notice and the conditions for redemption set forth therein

are not satisfied), the City shall transfer to the Registrar amounts that, in addition to other money, if any, held by the Registrar for such purpose, will be sufficient to redeem, on the date fixed for redemption, all the Bonds to be redeemed. If, and to the extent that, funds have been provided to the Registrar for the redemption of Bonds then such Bonds shall become due and payable on the date fixed for redemption and interest on such Bond shall cease to accrue from and after such date.

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

Section 6. Revenue Fund; Priority of Payments from Revenue Fund; Coverage Stabilization Account.

(a) *Revenue Fund.* A special fund of the City known as the “Water-Wastewater Fund” (including subaccounts therein, the “Revenue Fund”) has heretofore been established into which shall be deposited the Revenue of the System as collected. The Revenue Fund shall be held separate and apart from all other funds and accounts of the City.

(b) *Priority of Payments from the Revenue Fund.* The Revenue of the System deposited in the Revenue Fund shall be used only for the following purposes and in the following order of priority:

First, to pay the Costs of Maintenance and Operation;

Second, to make all payments required to be made into the Revenue Bond Fund to pay the interest on any Parity Bonds, including reimbursements to the issuer of a Credit Facility if the

Credit Facility secures the payment of interest on Parity Bonds and the ordinance authorizing such Parity Bonds provides for such reimbursement;

Third, to make all payments required to be made into the Revenue Bond Fund to pay the principal of any Parity Bonds, including reimbursements to the issuer of a Credit Facility if the Credit Facility secures the payment of principal of Parity Bonds and the ordinance authorizing such Parity Bonds provides for such reimbursement;

Fourth, to make all payments required to be made into any sinking fund account hereafter created to provide for the payment of the principal of term bonds or Balloon Maturity Bonds;

Fifth, to make all payments required to be made into the Reserve Account for Covered Bonds and to any reserve account created in the future for the payment of debt service on Future Parity Bonds;

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

Seventh, to retire by redemption or purchase on the open market any outstanding water and wastewater system revenue bonds or revenue warrants of the City, to make necessary additions, betterments, improvements and repairs to or extensions and replacements of the System, or for any other lawful City purposes.

The City may transfer any money from any funds or accounts of the System legally available therefor, except bond redemption funds, refunding escrow funds or defeasance funds,

to meet the required payments to be made into the Revenue Bond Fund. Money in the Revenue Fund may be invested by the City in any investment that is a legal investment for the City.

(c) *Coverage Stabilization Account.* A Coverage Stabilization Account shall be established within the Revenue Fund at the option of the Designated Representative. The City hereby determines that the maintenance of a Coverage Stabilization Account will moderate fluctuations in Net Revenues and help to alleviate the need for short-term rate adjustments. Money in the Coverage Stabilization Account will be transferred as determined from time to time by the City. The City may make payments into the Coverage Stabilization Account from the Revenue Fund at any time. Money in the Coverage Stabilization Account may be withdrawn at any time and used for the purpose for which the Revenue of the System may be used. Amounts withdrawn from the Coverage Stabilization Account shall increase Revenue of the System for the period in which they are withdrawn, and amounts deposited in the Coverage Stabilization Account shall reduce Revenue of the System for the period during which they are deposited for purposes of measuring compliance with the Rate Covenant. Credits to or from the Coverage Stabilization Account that occur within 90 days after the end of a fiscal year may be treated as occurring within such fiscal year. Earnings on the Coverage Stabilization Account shall be credited to the Revenue Fund.

Section 7. Payments into Revenue Bond Fund. A special account of the City known as the “Water and Wastewater Fund – Bond Redemption Subaccount” (the “Revenue Bond Fund”) has been created for the sole purpose of paying and securing the payment of Parity Bonds.

(a) *Payments into Revenue Bond Fund.* As long as the Bonds remain outstanding, the City hereby irrevocably obligates and binds itself to set aside and pay from the Revenue Fund

into the Revenue Bond Fund on or before the date due those amounts necessary, together with ULID Assessments deposited and such other money as is on hand and available therefor in the Revenue Bond Fund, to pay the interest or principal and interest next coming due on the Bonds.

As long as the Parity Bonds remain outstanding, the City hereby irrevocably covenants and agrees to pay the ULID Assessments into the Revenue Bond Fund.

Notwithstanding anything in Section 7(d) hereof to the contrary, money in the Revenue Bond Fund may be used to pay any arbitrage rebate, if any, to the extent the rebate is attributable to earnings on money in the Revenue Bond Fund.

(b) *Payments into Reserve Account.* The City hereby agrees that a special account to be known as the “Water-Wastewater Bond Fund Reserve Account” (the “Reserve Account”) shall be maintained for the purpose of securing the payment of the principal of and interest on all Covered Bonds. The Bonds shall be Covered Bonds, secured by the Reserve Account. The City hereby covenants that the Reserve Requirement for the Bonds will be fully funded as of the date of issuance of the Bonds.

The City covenants and agrees that when the required deposits have been made into the Reserve Account, it will at all times maintain therein an amount at least equal to the Reserve Requirement except for withdrawals therefrom authorized hereinafter, at all times for so long as any Covered Bonds remain outstanding. Whenever there is a sufficient amount in the Revenue Bond Fund, including all accounts therein, to pay the principal of, premium, if any, and interest on all outstanding Parity Bonds, the money in the Reserve Account may be used to pay the principal of, premium, if any, and interest on the Parity Bonds secured thereby. Money in the Reserve Account may also be withdrawn to redeem and retire, and to pay the premium, if any, and interest due to such date of redemption, on the outstanding Parity Bonds, as long as the

money remaining on deposit in the Reserve Account is at least equal to the Reserve Requirement determined with respect to the Covered Bonds then outstanding.

In the event there shall be a deficiency in the Revenue Bond Fund to meet maturing installments of either interest on or principal of and interest on any Parity Bonds, such deficiency shall be made up from the Reserve Account by the withdrawal of money therefrom. Cash and investments shall be drawn upon prior to any drawing upon a surety bond. Any deficiency created in the Reserve Account by reason of any such withdrawal shall then be made up out of Revenue of the System or ULID Assessments within one year after making necessary provision for the payments required to be made by subparagraphs First through Fourth, inclusive, of Section 6(b) of this ordinance.

If a Credit Event occurs, the Reserve Requirement shall be satisfied (A) within one year after the occurrence of such Credit Event with other Qualified Insurance or another Qualified Letter of Credit, or (B) within three years (in three approximately equal annual installments) after the occurrence of such Credit Event, out of Revenue of the System or ULID Assessments after making necessary provision for the payments required to be made by subparagraphs First through Fourth, inclusive, of Section 6(b) of this ordinance.

In the event the City issues any Future Parity Bonds that are Covered Bonds, it will provide in the ordinance authorizing the issuance of the same for payment into the Reserve Account out of proceeds of such Future Parity Bonds, Revenue of the System, or ULID Assessments (or, at the option of the City, out of any other funds on hand and legally available therefor) approximately equal additional annual installments so that by three years from the date of issuance of such Future Parity Bonds there will have been paid into the Reserve Account an amount that, together with the money already on deposit therein, will be at least equal to the

Reserve Requirement. Such annual payments into the Reserve Account shall be made not later than December 20 of each year.

Notwithstanding anything in this Section 7 to the contrary, the City may fund the Reserve Requirement, in whole or in part, through a surety bond issued by a Qualified Insurer. The amount payable by the Qualified Insurer under such surety bond shall be credited against the amounts otherwise required to be accumulated and maintained in the Reserve Account.

The Reserve Requirement may be maintained by deposits of cash. As used herein, the term “cash” shall include U.S. currency, cash equivalents and evidences thereof, including demand deposits, certified or cashier’s check; and the deposit to the Reserve Account may be satisfied initially by the transfer of qualified investments to such account.

(c) *Priority of Lien of Payments into Revenue Bond Fund.* The amounts so pledged to be paid into the Revenue Bond Fund from the Revenue Fund are hereby declared to be a lien and charge upon the Revenue of the System junior in lien to the Costs of Maintenance and Operation and equal to the lien of the charges upon such Revenue of the System and ULID Assessments that may hereafter be made upon the Revenue of the System and ULID Assessments to pay and secure the payment of the principal of and interest on any Future Parity Bonds, and prior and superior to all other charges of any kind or nature whatsoever.

(d) *Application and Investment of Money in Revenue Bond Fund.* Money in the Revenue Bond Fund and the Reserve Account shall be invested in any legal investment for City funds. Investments in the Revenue Bond Fund shall mature prior to the date on which such money shall be needed for required interest or principal payments. Investments in any Reserve Account shall mature not later than the last maturity of the Parity Bonds secured thereby.

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

Section 8. Bond Covenants.

(a) *Maintenance and Operation.* The City shall at all times maintain, preserve and keep the properties of the System in good repair, working order and condition and will from time to time make all necessary and proper repairs, renewals, replacements, extensions and betterments thereto, so that at all times the business carried on in connection therewith will be properly and advantageously conducted, and the City will at all times operate or cause to be operated said properties of the System and the business in connection therewith in an efficient manner and at a reasonable cost.

(b) *Rate Covenant.* The City will establish, maintain and collect such rates and charges, which shall be fair and nondiscriminatory, for service of its System as will maintain the Rate Covenant for so long as any Parity Bonds are outstanding.

(c) *Maintain Revenue Fund Balance.* After making or providing for the payments from the Revenue Fund as required by Section 6(b) hereof, there shall be maintained in the Revenue Fund sufficient money to enable the City to meet the Costs of Maintenance and Operation of the System on a current basis.

(d) *Sale or Disposition of the System.* The City will not sell or otherwise dispose of the System in its entirety unless simultaneously with such sale or other disposition, provision is made for the payment into the Revenue Bond Fund of cash or Government Obligations sufficient

together with interest to be earned thereon to pay the principal of and interest on the then-outstanding Parity Bonds, nor will it sell or otherwise dispose of any part of the useful operating properties of the System unless such facilities are replaced or provision is made for payment into the Revenue Bond Fund of the greatest of the following:

(1) An amount which will be in the same proportion to the net amount of Parity Bonds then outstanding (defined as the total amount of the Parity Bonds less the amount of cash and investments in the Revenue Bond Fund and accounts therein) that the Revenue from the portion of the System sold or disposed of for the preceding year bears to the total Net Revenue for such period; or

(2) An amount which will be in the same proportion to the net amount of Parity Bonds then outstanding (as defined above) that the Net Revenue from the portion of the System sold or disposed of for the preceding year bears to the total Net Revenue for such period; or

(3) An amount which will be in the same proportion to the net amount of Parity Bonds then outstanding (as defined above) that the depreciated cost value of the facilities sold or disposed of bears to the depreciated cost value of the entire System immediately prior to such sale or disposition.

The proceeds of any such sale or disposition of a portion of the properties of the System (to the extent required above) shall be paid into the Revenue Bond Fund.

Notwithstanding any other provision of this subsection (d), the City may sell or otherwise dispose of any of the works, plant, properties and facilities of the System or any real or personal property comprising a part of the same which shall have become unserviceable, inadequate,

obsolete or unfit to be used in the operation of the System, or no longer necessary, material to or useful in such operation, without making any deposit into the Revenue Bond Fund.

(e) *Liens or Encumbrances.* The City will not at any time create or permit to accrue or to exist any lien or other encumbrance or indebtedness upon the System or the Revenue of the System, or any part thereof, prior or superior to the lien thereon for the payment of the Parity Bonds, and will pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien or charge upon the Revenue of the System, or any part thereof, or upon any funds in the hands of the City, prior to or superior to the lien of the Parity Bonds, or which might impair the security of the Parity Bonds.

(f) *Insurance.* The City will keep the works, plants and facilities comprising the System insured, and will carry such other insurance, with responsible insurers, with policies payable to the City, against risks, accidents or casualties, at least to the extent that insurance is usually carried by private corporations operating like properties, or will implement a self-insurance program with reserves adequate, in the judgment of the Council, to protect the City and the holders of Parity Bonds against loss. In the event of any loss or damage, the City will promptly repair or replace the damaged portion of the insured property and apply the proceeds of any insurance policy for that purpose; or in the event the City should determine not to repair or reconstruct such damaged portion of the properties of the System, the proceeds of such insurance shall be paid into any Reserve Account to the extent that such transfer shall be necessary to make up any deficiency in said Reserve Account and the balance, if any, shall, at the option of the City, be used either for repairs, renewals, replacements, or capital additions to the System, for the redemption of Parity Bonds, or for deposit into the Revenue Bond Fund.

(g) *Books and Accounts.* The City shall keep proper books of account in accordance with any applicable rules and regulations prescribed by the State of Washington. The City shall prepare, and any owner or holder of Parity Bonds may, upon written request, obtain copies of, balance sheets and profit and loss statements showing in reasonable detail the financial condition of the System as of the close of each year, and the income and expenses of such year, including the amounts paid into the Revenue Fund, the Revenue Bond Fund, and into any and all special funds or accounts created pursuant to the provisions of this ordinance, and the amounts expended for maintenance, renewals, replacements, and capital additions to the System.

(h) *Additions and Improvements.* The City will not expend any of the revenues derived by it from the operation of the System or the proceeds of any indebtedness payable from the Revenue of the System for any extensions, betterments or improvements to the System that are not legally required or economically sound, and that will not properly and advantageously contribute to the conduct of the business of the System in an efficient manner.

(i) *Collection and Application of ULID Assessments.* As long as the Parity Bonds remain outstanding, all ULID Assessments shall be paid into the Revenue Bond Fund and shall be used to pay and secure the payment of the principal of and interest on the Parity Bonds. Nothing in this ordinance or this section shall be construed to prohibit the City from issuing water, wastewater or water and wastewater system revenue bonds junior in lien to the Bonds and pledging as security for their payment assessments levied in any ULID which may have been specifically created to pay part of the cost of improvements to the System for which those junior lien bonds were specifically issued.

(j) *Collection of Delinquent ULID Assessments.* The City will, on or before April 1 of each calendar year, determine all ULID Assessments or installments thereof that are

delinquent and will take all necessary action to enforce payment of such ULID Assessments, including real property foreclosure actions pursuant to applicable law, or its successor statute, if any, against the property owners whose ULID Assessments are delinquent.

(k) *No Free Service.* Unless permitted by law or City policy, the City will not furnish or supply or permit the furnishing or supplying of any commodity, service or facility furnished by or in connection with the operation of the System, free of charge to any person, firm or corporation, public or private, so long as any Bonds are outstanding and unpaid.

Section 9. Issuance of Future Parity Bonds.

(a) *Conditions upon the Issuance of Future Parity Bonds.* The City hereby reserves the right to issue Future Parity Bonds, which shall constitute a charge and lien upon the Revenue of the System equal to the lien thereon of the Bonds. Except as provided in subsection (c) below, the City shall not issue any series of Future Parity Bonds or incur any additional indebtedness with a parity lien or charge on Net Revenues (*i.e.*, on a parity of lien with Parity Bonds at the time outstanding) unless:

(1) the City shall not have been in default of its Rate Covenant for the immediately preceding fiscal year, without regard to transfers from the Coverage Stabilization Account;

(2) the ordinance authorizing the issuance of such Future Parity Bonds shall include the covenants provided in Section 8(b) hereof; and

(3) there shall have been filed a certificate (prepared as described in subsection (c) or (d) below) demonstrating fulfillment of the Parity Requirement, commencing with the first full fiscal year following the date on which any portion of interest on the series of

Future Parity Bonds then being issued no longer will be paid from the proceeds of such series of Future Parity Bonds.

(b) *No Certificate Required.* The certificate described in the foregoing subsection (a)(3) shall not be required as a condition to the issuance of Future Parity Bonds:

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

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

(c) *Certificate of the City Without A Consultant.* If required pursuant to the foregoing subsection (a)(3), a certificate may be delivered by the City (executed by the Designated Representative) without a Consultant if Net Revenues for the Base Period (confirmed by an audit) conclusively demonstrate that the Parity Requirement will be fulfilled commencing with the first full fiscal year following the date on which any portion of interest on the series of Future Parity Bonds then being issued will not be paid from the proceeds of such series of Future Parity Bonds.

(d) *Certificate of a Consultant.* Unless compliance with the requirements of subsection (a)(3) have been otherwise satisfied (as provided in (b) or (c) above), compliance with the Parity Requirement shall be demonstrated conclusively by a certificate of a Consultant.

In making the computations of Net Revenues for the purpose of certifying compliance with the Parity Requirement, the Consultant shall use as a basis the Net Revenues (which may be based upon unaudited financial statements of the City if the audit has not yet been completed) for the Base Period. Such Net Revenues shall be determined by adding the following:

(1) The historical net revenue of the City for the Base Period being issued as determined by a Consultant.

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

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

(4) The estimated annual net revenue to be derived from the operation of any additions or improvements to or extensions of the City under construction but not completed at the time of such certificate and not being paid for out of the proceeds of sale of such Future Parity Bonds being issued, and which net revenue is not otherwise included in any of the sources of net revenue described in this subsection (d).

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

In the event the City will not derive any revenue as a result of the construction of the additions, improvements or extensions being made or to be made to the System within the provisions of subparagraphs (4) and (5) immediately above, the estimated normal Costs of Maintenance and Operation (excluding any transfer of money to other funds of the City and license fees, taxes and payments in lieu of taxes payable to the City) of such additions, improvements and extensions shall be deducted from estimated annual net revenue.

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

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

(e) *Junior Liens.* Nothing herein contained shall prevent the City from issuing revenue bonds or other obligations that are a charge upon the Revenue of the System junior or inferior to the payments required by this ordinance to be made out of such Revenue into the Revenue Bond Fund and accounts therein to pay and secure the payment of any outstanding Parity Bonds.

(f) *Refunding to avoid default.* Nothing herein contained shall prevent the City from issuing revenue bonds to refund maturing Parity Bonds for the payment of which money is not otherwise available.

Section 10. Tax Covenants. With respect to Bonds issued as Tax-Exempt Bonds, the City covenants that it will not take or permit to be taken on its behalf any action that would adversely affect the exemption from federal income taxation of the interest on the Tax-Exempt Bonds and will take or require to be taken such acts as may reasonably be within its ability and as may from time to time be required under applicable law to continue the exemption from federal income taxation of the interest on the Tax-Exempt Bonds.

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

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

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

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

(2) More than 10% of the principal or interest payments on the Tax-Exempt Bonds in a Bond Year to be directly or indirectly: (A) secured by any interest in property used

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

The City further covenants that, if:

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

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

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

(B) derived from payments (whether or not made to the City) in respect of property, or borrowed money, used or to be used for any Private Person Use, then, (i) any Private Person Use of the Projects financed or refinanced with the proceeds of the Tax-Exempt Bonds or Private Person Use payments described in subsection (4) hereof that is in excess of the five percent limitations described in such subsections (3) or (4) will be for a Private Person Use that is related to the state or local governmental use of the Projects financed or refinanced with the proceeds of the Tax-Exempt Bonds, and (ii) any Private Person Use will not exceed the amount of Net Proceeds of the Tax-Exempt Bonds used for the state or local governmental use portion of the Projects financed or refinanced with the proceeds of the Tax-Exempt Bonds to which the Private Person Use of such portion of the Projects financed or refinanced with the proceeds of the Tax-Exempt Bonds relates. The City further covenants that

it will comply with any limitations on the use of the Projects by other than state and local governmental users that are necessary, in the opinion of its bond counsel, to preserve the tax exemption of the interest on the Tax-Exempt Bonds. The covenants of this section are specified solely to assure the continued exemption from regular income taxation of the interest on the Tax-Exempt Bonds.

(c) *Designation under Section 265(b) of the Code.* The Designated Representative is authorized to determine whether the Tax-Exempt Bonds may be qualified under Section 265(b) of the Code and to designate the series of the Tax-Exempt Bonds as “qualified tax-exempt obligations” pursuant to Section 265(b) of the Code for investment by financial institutions.

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

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

UNITED STATES OF AMERICA

NO. _____ \$ _____

STATE OF WASHINGTON

CITY OF SPOKANE

WATER AND WASTEWATER SYSTEM REVENUE BOND, 2014 [series designation]

Interest Rate: _____ Maturity Date: _____ CUSIP No. _____

Registered Owner: CEDE & Co.

Principal Amount: _____ AND NO/DOLLARS

THE CITY OF SPOKANE, a municipal corporation organized and existing under and by virtue of the laws of the State of Washington (the "City"), promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, solely from the special fund of the City known as the "Water and Wastewater Fund – Bond Redemption Subaccount" (the "Revenue Bond Fund") the Principal Amount indicated above and to pay interest thereon from the Revenue Bond Fund from _____, 2014, or the most recent date to which interest has been paid or duly provided for or until payment of this bond at the Interest Rate set forth above, payable on _____, 20__, and semiannually thereafter on the first days of each _____ and _____.

Both principal of and interest on this bond are payable in lawful money of the United States of America. For so long as the bonds of this issue are held in fully immobilized form, payments of principal and interest thereon shall be made as provided in accordance with the operational arrangements of The Depository Trust Company ("DTC") referred to in the Blanket Issuer Letter of Representations (the "Letter of Representations") from the City to DTC. The fiscal agency of the State of Washington has been appointed by the City as the authenticating agent, paying agent and registrar for the bonds of this issue (the "Registrar"). Capitalized terms used in this bond that are not specifically defined have the meanings given such terms in Ordinance No. C-____ of the City (the "Bond Ordinance"). Reference is made to the Bond Ordinance and any and all modifications and amendments thereto for a description of the nature and extent of the security for the bonds of this issue, the funds or revenues pledged, and the terms and conditions upon which such bonds are issued.

This bond is one of an issue of \$_____ of bonds of the City of like date, tenor and effect, except as to number, amount, rate of interest and date of maturity and is issued pursuant to the Bond Ordinance to finance capital improvements to the combined system of water supply and distribution and sewage collection, treatment and disposal of the City (the "System").

The bonds of this issue are subject to redemption prior to their stated maturity as stated in the [Bond Purchase Contract] [Notice of Sale and Approved Bid] for the Bonds.

The bonds of this issue are not general obligations of the City. The City hereby covenants and agrees with the owner and holder of this bond that it will keep and perform all the covenants of this bond and the Bond Ordinance.

[The bonds of this issue are not "private activity bonds" as such term is defined in the Internal Revenue Code of 1986, as amended (the "Code"). The bonds of this issue have [not] been designated by the City as "qualified tax-exempt obligations" for investment by financial institutions under Section 265(b) of the Code.] [The City has taken no action to cause the interest on this bond to be exempt from federal income taxation.]

The City does hereby pledge and bind itself to set aside from the Revenue Fund out of the Revenue of the System and to pay into the Revenue Bond Fund and the Reserve Account the various amounts required by the Bond Ordinance to be paid into and maintained in such Fund

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

The City has further bound itself to maintain the System in good repair, working order and condition, to operate the same in an efficient manner and at a reasonable cost, and to establish, maintain and collect rates and charges for as long as any of the bonds of this issue are outstanding that will make available, for the payment of the principal thereof and interest thereon as the same shall become due, Net Revenue will be at least equal to the Rate Covenant, as described in the Bond Ordinance.

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

It is hereby certified and declared that this bond and the bonds of this issue are issued pursuant to and in strict compliance with the Constitution and laws of the State of Washington and ordinances of the City and that all acts, conditions and things required to be done precedent to and in the issuance of this bond have happened, been done and performed.

IN WITNESS WHEREOF, the City of Spokane, Washington has caused this bond to be signed with the facsimile or manual signature of the Mayor, to be attested by the facsimile or manual signature of the City Clerk, and the corporate seal of the City to be reproduced hereon, all as of this ____ day of _____, 2014.

CITY OF SPOKANE, WASHINGTON

By /s/ facsimile or manual
Mayor

(SEAL)

ATTEST:

 /s/ facsimile or manual
City Clerk

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____, 2014

This bond is one of the bonds described in the within-mentioned Bond Ordinance and is one of the Water and Wastewater System Revenue Bonds, 2014 [series designation] of the City of Spokane, Washington, dated _____, 2014.

WASHINGTON STATE FISCAL
AGENCY, Registrar

By THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as subcontractor
to The Bank of New York Mellon, fiscal
agent for the State of Washington

By _____
Authorized Signer

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

Only such Bonds as shall bear thereon a Certificate of Authentication in the form hereinbefore recited, manually executed by the Registrar, shall be valid or obligatory for any

purpose or entitled to the benefits of this ordinance. Such Certificate of Authentication shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this ordinance.

In case either of the officers who shall have executed the Bonds shall cease to be an officer or officers of the City before the Bonds so signed shall have been authenticated or delivered by the Registrar, or issued by the City, such Bonds may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the City as though those who signed the same had continued to be such officers of the City. Any Bond may also be signed and attested on behalf of the City by such persons who are at the actual date of delivery of such Bond the proper officers of the City although at the original date of such Bond any such person shall not have been such officer of the City.

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

The Registrar shall provide notice of defeasance of Bonds to Registered Owners and to each party entitled to receive notice in accordance with Section 17 of this ordinance.

Section 14. Lost, Stolen or Destroyed Bonds. In case any Bond or Bonds shall be lost, stolen or destroyed, the Registrar may execute and deliver a new Bond or Bonds of like date, number and tenor to the Registered Owner thereof upon the Registered Owner's paying the expenses and charges of the City and the Registrar in connection therewith and upon his/her filing with the Designated Representative and the Registrar evidence satisfactory to the Designated Representative and the Registrar, respectively, that such Bond was actually lost, stolen or destroyed and of his/her ownership thereof, and upon furnishing the City and the Registrar with indemnity satisfactory to the Designated Representative and the Registrar, respectively.

Section 15. Delegation of Authority; Sale of Bonds.

(a) *Delegation of Authority.* The City has determined that it would be in the best interest of the City to delegate to the Designated Representative the authority to approve the manner of sale, the number of series, the series designation, the final principal amounts of the Bonds (within the parameters established herein), date of the Bonds, tax status of each series, interest rates, payment dates, redemption provisions, maturity dates of such Bonds, and other terms and conditions of the Bonds in the manner provided hereafter so long as:

- (1) the aggregate principal amount of the Bonds does not exceed \$210,000,000;
- (2) the final maturity of each series of the Bonds does not exceed 21 years; and
- (3) the true interest cost of each series of the Bonds does not exceed 4.00%.

In determining the manner of sale, number of series, the taxable or tax-exempt status of each series, the series designation, the final principal amounts of the Bonds (within the

parameters above), date of the Bonds, interest rates, payment dates, redemption provisions, and maturity dates of such Bonds, the Designated Representative, in consultation with City staff and the City's financial advisor, shall take into account those factors that, in the Designated Representative's judgment, will result in the lowest true interest cost on the applicable series of the Bonds to their maturity, including, but not limited to current financial market conditions and current interest rates for obligations comparable in tenor and quality to the applicable series of the Bonds.

(b) *Bond Sale.* The Designated Representative is hereby authorized to determine whether the Bonds shall be sold by Negotiated Sale or by a Competitive Sale. Upon the selection of one or more underwriters, the Designated Representative shall negotiate the terms of sale for the Bonds, including the terms described in this section, in a contract of sale (a "Bond Purchase Contract").

If the Bonds are sold by Competitive Sale, the Designated Representative or his designee shall: (a) establish the date of the public sale; (b) establish the criteria by which the successful bidder will be determined; (c) request that a good faith deposit in an amount not less than one percent of the principal amount of the offering accompany each bid; (d) cause notice of the public sale to be given (the "Notice of Sale"); and (e) provide for such other matters pertaining to the public sale as he deems necessary or desirable. The Designated Representative shall cause notice of the public sale to be given and provide for such other matters pertaining to the public sale as she deems necessary or desirable.

Upon the date and time established for the receipt of bids for the Bonds, the Designated Representative or his designee shall open the bids and shall cause the bids to be mathematically verified. The Designated Representative will approve the bid offering to purchase the Bonds at

the lowest true interest cost to the City at such price as shall be determined at the time of sale by the Designated Representative, plus accrued interest to the date of delivery, on all the terms and conditions set out in the applicable Notice of Sale.

All bids submitted for the purchase the Bonds shall be as set forth in the applicable Notice of Sale or otherwise as established by the Designated Representative which will be furnished upon request made to the Designated Representative. Such successful bidder shall, within three hours of the award of the Bonds, make a good faith deposit by federal wire or by a cashier's or certified check, made payable to the order of the City, in an amount not less than one percent of the par amount of the Bonds. The good faith deposit of the successful bidder shall be security for the performance of its bid and shall be held as liquidated damages in case the successful bidder fails to take up and pay for the applicable series of the Bonds within 45 days if tendered for delivery. All bids submitted shall be opened (but not read publicly) by the City. The City reserves the right to reject any and all bids and to waive any irregularity or informality in any bid.

Subject to the terms and conditions set forth in this section, the Designated Representative is hereby authorized to accept an Approved Bid in a Competitive Sale and/or execute the final form of a Bond Purchase Contract in a Negotiated Sale, upon his approval of the number of series, the series designation, the final principal amounts of the Bonds (within the parameters established in this section), date of the Bonds, interest rates, payment dates, redemption provisions, and maturity dates of such bonds set forth therein. Following the sale of the Bonds of a series, the Designated Representative shall provide a report to the Council, describing the final terms of such Bonds approved pursuant to the authority delegated in this section.

(b) *Delivery of Bonds; Documentation.* Upon the passage and approval of this ordinance, the proper officials of the City including the Designated Representative, are authorized and directed to undertake all action necessary for the prompt execution and delivery of the Bonds to the successful bidder thereof and further to execute all closing certificates and documents required to effect the closing and delivery of the Bonds. In furtherance of the foregoing, the Designated Representative is authorized to approve and enter into agreements for the payment of costs of issuance, including underwriter's discount, the fees and expenses specified in the Bond Purchase Contract or Notice of Sale, including fees and expenses of underwriter and other retained services, including Bond Counsel, financial advisor, rating agencies, fiscal agency, and other expenses customarily incurred in connection with issuance and sale of bonds.

(c) *Preliminary and Final Official Statements.* The Designated Representative is hereby authorized to deem final the preliminary Official Statement relating to the Bonds for the purposes of the Rule. The Designated Representative is further authorized to ratify and to approve for purposes of the Rule, on behalf of the City, the Official Statement relating to the issuance and sale of the Bonds and the distribution of the Official Statement pursuant thereto with such changes, if any, as may be deemed by him to be appropriate.

Section 16. Disposition of Bond Proceeds.

(a) *Reserve Account.* The portion of the Bonds, if any, designated by the Designated Representative shall be deposited into the Reserve Account which shall be sufficient to meet the Reserve Requirement.

(b) *2014 Construction Account.* An account shall be established and designated as the "2014 Construction Account" within the Water and Wastewater Fund, into which the balance

of the net proceeds of the Bonds shall be deposited. Money on hand in the 2014 Construction Account shall be used to pay the costs of or reimbursement for the costs of the Projects and costs of issuance of the Bonds. The City hereby declares its official intent to reimburse itself for any expenditures that it makes on the Project prior to issuing the Bonds. The City understands that proceeds of the Bonds may only be used to reimburse expenditures paid no earlier than sixty (60) days prior to the date of the adoption of this ordinance. The City further understands that the use of proceeds of the Bonds to reimburse an expenditure may occur no later than eighteen (18) months after the date of such expenditure.

Money in the 2014 Construction Account shall be invested in such obligations as may now or hereafter be permitted to the City by law and City policies. Any part of the proceeds of the Bonds remaining in the 2014 Construction Account after all costs of the Projects have been paid (including costs of issuance) shall be transferred to the Revenue Bond Fund for the uses and purposes therein provided.

(c) The proceeds of the Bonds are restricted for use solely as stated herein and as such are not eligible appropriations subject to the one percent for arts appropriation pursuant to SMC 7.06.420.

Section 17. Undertaking to Provide Ongoing Disclosure. The Designated Representative is hereby authorized to enter into a written undertaking for the benefit of the owners of the Bonds as required by Section (b)(5) of the Rule (the “Continuing Disclosure Agreement”). This section constitutes the City's written undertaking for the benefit of the owners (including Beneficial Owners) of the Bonds as required by Section (b)(5) of the Rule.

Section 18. Amendments.

(a) The Council from time to time and at any time may pass an ordinance or ordinances supplemental hereof, which ordinance or ordinances thereafter shall become a part of this ordinance, for any one or more or all of the following purposes:

(1) To add to the covenants and agreements of the City in this ordinance, other covenants and agreements thereafter to be observed, which shall not adversely affect the interests of the holders of any Parity Bonds, or to surrender any right or power herein reserved.

(2) To make such provisions for the purpose of curing any ambiguities or of curing, correcting or supplementing any defective provision contained in this ordinance or any ordinance authorizing future Parity Bonds in regard to matters or questions arising under such ordinances as the Council may deem necessary or desirable and not inconsistent with such ordinances and which shall not adversely affect, in any material respect, the interest of the holders of Parity Bonds.

Any such supplemental ordinance may be adopted without the consent of the holders of any Parity Bonds at any time outstanding, notwithstanding any of the provisions of subsection (b) of this section.

(b) With the consent of the holders of not less than 60% in aggregate principal amount of the Parity Bonds at the time outstanding, the Council may pass an ordinance or ordinances supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this ordinance or of any supplemental ordinance; provided, however, that no such supplemental ordinance shall:

(1) Extend the fixed maturity of any Parity Bonds, or reduce the rate of interest thereon, or extend the time of payment of interest from their due date, or reduce the

amount of the principal thereof, or reduce any premium payable on the redemption thereof, without the consent of the holder of each bond so affected; or

(2) Reduce the aforesaid percentage of bondholders required to approve any such supplemental ordinance, without the consent of the holders of all of the Parity Bonds then outstanding.

It shall not be necessary for the consent of bondholders under this subsection (b) to approve the particular form of any proposed supplemental ordinance, but it shall be sufficient if such consent shall approve the substance thereof.

For the purpose of consenting to amendments under this Section 18(b) except for amendments that alter the interest rate on any Parity Bonds, the maturity date, interest payment dates, purchase upon tender or redemption of any Parity Bonds, the issuer of a Credit Facility shall be deemed to be the sole Registered Owner of the Parity Bonds that are payable from such Credit Facility and that are then outstanding.

(c) Upon the passage of any supplemental ordinance pursuant to the provisions of this section, this ordinance shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations of the City under this ordinance and all holders of Parity Bonds outstanding hereunder shall thereafter be determined, exercised and enforced thereunder, subject in all respects to such modification and amendments, and all terms and conditions of any such supplemental ordinance shall be deemed to be part of the terms and conditions of this ordinance for any and all purposes.

Section 19. Severability. If any provision in this ordinance is declared by any court of competent jurisdiction to be contrary to law, then such provision shall be null and void and shall

be deemed separable from the remaining provision of this ordinance and shall in no way affect the validity of the other provisions of this ordinance or of the Bonds.

Section 20. Effective Date. The Council hereby finds and determines that the issuance and sale of the Bonds at this time will benefit the City by allowing the City to take advantage of current interest rates for tax-exempt bonds. In making such finding and determination, the Council has given consideration to the interest that will be payable on the Bonds through the maturity of the Bonds, the costs of issuance of the Bonds and the income that will be earned from investing the portion of the proceeds of the sale of the Bonds until applied to pay Project costs. In order to take advantage of current interest rates, it is essential to accept the Bond Purchase Contract or Approved Bid to purchase the Bonds set forth in the Notice of Sale and official bid form as quickly as possible. Based upon said facts, an emergency and urgency is declared and found to exist as necessary for the immediate support of City government and its existing public institutions. Based upon said emergency and urgency, this ordinance shall become effective immediately upon its passage.

PASSED by the City Council of the City of Spokane, Washington, at a regular meeting thereof, held on October 20, 2014.

CITY OF SPOKANE
Spokane County, Washington

Ben Stuckart, Council President

ATTEST:

Terri L. Pfister, Clerk

(SEAL)

APPROVED AS TO FORM:

Nancy Isserlis, City Attorney

Laura McAloon, Bond Counsel

CERTIFICATE

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

I HEREBY CERTIFY:

1. That the attached ordinance is a true and correct copy of Ordinance No. C- ____ of the City (the “Ordinance”), as finally passed at a regular meeting of the Council held on the 20th day of October, 2014, and duly recorded in my office.

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

IN WITNESS WHEREOF, I have hereunto set my hand this ____ of October, 2014.

City Clerk



Agenda Sheet for City Council Meeting of:
10/27/2014

Date Rec'd	10/14/2014
Clerk's File #	RES 2014-0102
Renews #	

Submitting Dept	SPOKANE REGIONAL SOLID WASTE	Cross Ref #	
Contact Name/Phone	KEN GIMPEL 625-6532	Project #	
Contact E-Mail	KGIMPEL@SPOKANECITY.ORG	Bid #	
Agenda Item Type	Contract Item	Requisition #	CR 14844
Agenda Item Name	4490 CONTRACT WITH MCCOY POWER CONSULTANTS		

Agenda Wording

Emergency Resolution for Contract with McCoy Power consultants (MPC)(Minden, NV) in lieu of public bidding to maintain compliance of NERC/FERC Reliability Standards for the Waste to Energy Facility. For a cost of \$131,175 over 18 months.

Summary (Background)

The Waste to Energy Facility must be in compliance with numerous National Electric Reliability Corporation (NERC) Reliability Standards. Non-compliance with these Reliability Standards can lead to fines in the tens or hundreds of thousands of dollars. McCoy Power Consultants created and operates the program and procedures that are currently in use at the WTE, and which have been very successful in maintaining compliance with these standards with no violations ever being found.

Fiscal Impact	Budget Account
Expense \$ 131,175	# 4490-44100-37148-54201
Select \$	#
Select \$	#
Select \$	#

Approvals		Council Notifications	
Dept Head	GIMPEL, KEN	Study Session	PWC 10-13-14
Division Director	ROMERO, RICK	Other	
Finance	DOLAN, PAM	Distribution List	
Legal	SCHOEDEL, ELIZABETH	ttauscher@spokanecity.org	
For the Mayor	SANDERS, THERESA	cmarchand@spokanecity.org	
Additional Approvals		mlesesne@spokanecity.org	
Purchasing		lbutz@spokanecity.org	

BRIEFING PAPER
Public Works Committee
Spokane Regional Solid Waste System
October 13, 2014

Subject

Emergency Resolution for Contract with McCoy Power consultants (MPC) in lieu of public bidding to maintain compliance of NERC/FERC Reliability Standards for the Waste to Energy Facility. For a cost of \$131,175 over 18 months.

Background

The Waste to Energy Facility must be in compliance with the numerous National Electric Reliability Corporation (NERC) Reliability Standards. Non-compliance with these Reliability Standards can lead to fines in the tens or hundreds of thousands of dollars. The City does not have the internal experience to develop, implement and maintain the program necessary for compliance with these Reliability Standards. McCoy Power Consultants created and operates the program and procedures that are currently in use at the Waste to Energy facility. This program has been very successful in assuring the Waste to Energy facility passed several audits, spot checks, and annual self-certification requirements with no compliance violations ever being found.

Impact

The Waste to Energy facility will maintain in compliance with the NERC/FERC Reliability Standards.

Action

Recommend approval.

Funding

\$16,397 will be funded from the 2014 operations budget
\$114,778 will be funded from the 2015 operations budget

RESOLUTION 2014-0102

A resolution declaring an emergency and authorizing the Waste To Energy (WTE) Facility to contract with McCoy Power Consultants (Wheelabrator's existing Consultant under contract) in lieu of public bidding for maintaining compliance of the NERC/FERC Reliability Standards.

WHEREAS, the City is taking over all operations of the WTE Facility which has been operated by Wheelabrator since construction; and

WHEREAS, the City is new to the complexities of operating the WTE facility and must without interruption maintain compliance with the many laws, standards and regulations that govern the WTE Facility; and

WHEREAS, the WTE Facility must be in compliance with numerous National Electric Reliability Corporation (NERC) "Reliability Standards" such as NERC/FERC; and

WHEREAS, non-compliance with these "Reliability Standards" can lead to fines in the tens to hundreds of thousands of dollars; and

WHEREAS, the City does not have the internal experience to develop, implement and maintain the program necessary for compliance with these reliability standards; and

WHEREAS, The City had originally contracted with another vendor to provide these services, and it became apparent to the WTE Plant and Operations Managers that the City may not be in compliance with many of the required standards; and

WHEREAS, McCoy Power Consultants (MPC) has unique experience with the application and implementation of the NERC reliability standards; and

WHEREAS, the City hired MPC to conduct a compliance gap analysis, which revealed non-compliance with many of the Reliability Standards, thus the City hired MPC to rewrite the complete compliance program and procedures and bring the City into full compliance; and

WHEREAS, the owner of MPC and other principal consultants at MPC work for and developed the compliance monitoring standards and methods used by the current auditing organization; and

WHEREAS, the current program the WTE has implemented is based on MPC programs and templates; and

WHEREAS, the WTE has been very successful using the MPC programs and templates, passing several audits, spot checks and annual self-certification requirements with no compliance violations ever being found; and

WHEREAS, the cost of McCoy Power Consultants exceeds the 2014 procurement threshold of \$47,400; and

WHEREAS, an urgency and emergency does exist -- Now, Therefore,

BE IT RESOLVED by the City Council for the City of Spokane that staff is hereby authorized to contract with McCoy Power Consultants in lieu of public bidding for the consultant maintaining compliance of the NERC/FERC Reliability Standards; and

BE IT FURTHER RESOLVED that staff is authorized to contract with McCoy Power Consultants in lieu of public bidding for maintaining compliance of the NERC/FERC Reliability Standards at the WTE Facility without further City Council action at an estimated cost of \$131,175.00, including travel for an eighteen (18) month term.

ADOPTED BY THE CITY COUNCIL ON _____

City Clerk

Approved as to form:

Assistant City Attorney



Agenda Sheet for City Council Meeting of:
10/27/2014

Date Rec'd	10/15/2014
Clerk's File #	RES 2014-0103
Renews #	

Submitting Dept	CITY COUNCIL	Cross Ref #	
Contact Name/Phone	JON SNYDER 6254	Project #	
Contact E-Mail	JSNYDER@SPOKANECITY.ORG	Bid #	
Agenda Item Type	Resolutions	Requisition #	
Agenda Item Name	0320 RESOLUTION REGARDING MANUFACTURED HOME ZONE PLAN		

Agenda Wording

A resolution requesting a comprehensive plan amendment in 2015 regarding zoning for manufactured and mobile homes.

Summary (Background)

This resolution requests that a comprehensive plan amendment be drafted in 2015 to establish Manufactured Home Park Zone and all the standards therein.

Fiscal Impact	Budget Account
Select \$	#
Select \$	#
Select \$	#
Select \$	#

Approvals		Council Notifications	
Dept Head	MCDANIEL, ADAM	Study Session	
Division Director		Other	
Finance	DOLAN, PAM	Distribution List	
Legal	PICCOLO, MIKE		
For the Mayor	SANDERS, THERESA		
Additional Approvals			
Purchasing			

RESOLUTION NO. 2014-0103

A resolution requesting a Comprehensive Plan Amendment in 2015 regarding zoning for manufactured and mobile homes.

WHEREAS, per Spokane Municipal Code Section 17C.345.100 manufactured homes are “permitted in all zones where a single family residence is a permitted use;” and

WHEREAS, one of the values of the Spokane City Comprehensive Plan is “guaranteeing a variety of densities that support a mix of land uses” (3.3); and

WHEREAS, RCW 36.70a.130 provides that jurisdictions may update their Comprehensive Plans every year; and

WHEREAS, the City of Spokane has recently encountered issues and concerns arising from a lack of zoning standards with respect to mobile and manufactured homes;

WHEREAS, the intent establishing of a Manufactured Home Park Zone is to provide and preserve high density, affordable residential development consisting of manufactured homes in existing manufactured home parks as a source of affordable detached single-family and senior housing would promote high density residential development and offer a choice in land tenancy.

BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF SPOKANE requests an amendment to the Comprehensive Plan be considered in 2015 to establish a Manufactured Home Park Zone and all the standards therein.

ADOPTED by the City Council this _____ day of October 2014.

City Clerk

Approved as to form:

Assistant City Attorney



Agenda Sheet for City Council Meeting of:
10/20/2014

Date Rec'd	10/8/2014
Clerk's File #	ORD C35167
Renews #	
Cross Ref #	
Project #	
Bid #	
Requisition #	

Submitting Dept	CITY COUNCIL
Contact Name/Phone	BEN STUCKART 625-6269
Contact E-Mail	AMCDANIEL@SPOKANECITY.ORG
Agenda Item Type	First Reading Ordinance
Agenda Item Name	0320 RELATING TO USE OF IMMIGRATION STATUS INFORMATION

Agenda Wording

An ordinance relating to use of immigration status information; adopting a new section 3.10.050 to chapter 3.10 of the Spokane Municipal Code.

Summary (Background)

This ordinance adopts provisions relating to us of immigration status information including the requirements and requires the Police Department to adopt and maintain policies consistent with this ordinance.

Fiscal Impact		Budget Account	
Select	\$		#
Select	\$		#
Select	\$		#
Select	\$		#
Approvals		Council Notifications	
<u>Dept Head</u>	MCDANIEL, ADAM	<u>Study Session</u>	
<u>Division Director</u>		<u>Other</u>	Public Safety
<u>Finance</u>	DOLAN, PAM	Distribution List	
<u>Legal</u>	PICCOLO, MIKE		
<u>For the Mayor</u>	SANDERS, THERESA		
Additional Approvals			
<u>Purchasing</u>			

Ordinance No. C35167

AN ORDINANCE relating to use of immigration status information; adopting a new section 3.10.050 to chapter 3.10 of the Spokane Municipal Code.

WHEREAS, it is the intent of the City Council to codify in the Spokane Municipal Code provisions pertaining to the current Spokane Police Department policies and procedures related to use of immigration status information; and

WHEREAS, all individuals, regardless of their immigration status, must feel secure that contacting law enforcement will not make them vulnerable to deportation as set forth in Spokane Police Department Policy Manual No. 428.4; and

WHEREAS, unless immigration status is relevant to another criminal offense or investigation, the fact that an individual is suspected of being an undocumented alien shall not be the sole basis for contact, detention, or arrest as set forth in Spokane Police Department Policy Manual No. 428.3.1; and

WHEREAS, the immigration status of individuals alone is generally not a matter for police action. It is incumbent upon all employees of this department to make a personal commitment to equal enforcement of the law and equal service to the public regardless of immigration status. Confidence in this commitment will increase the effectiveness of the [City of Spokane] t in protecting and serving the entire community as set forth in Spokane Police Department Policy Manual No. 428.1; - - Now, Therefore,

The City of Spokane does ordain:

Section 1. That there is adopted a new section 3.10.050 to chapter 3.10 of the Spokane Municipal Code to read as follows:

3.10.050 Immigrant Status Information

- A. Unless required by law or court order, no Spokane City officer or employee shall inquire into the immigration status of any person, or engage in activities designed to ascertain the immigration status of any person.
- B. Spokane Police Department officers shall have reasonable suspicion to believe a person has been previously deported from the United States, is again present in the United States, and is committed or has committed a felony criminal-law violation before inquiring into the immigration status of an individual.

C. The Spokane Police Department shall not investigate, arrest, or detain an individual based solely on immigration status.

D. The Spokane Police Department shall maintain policies consistent with this section.

PASSED by the City Council on _____.

Council President

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

Mayor

Date

Effective Date



Agenda Sheet for City Council Meeting of:
10/20/2014

Date Rec'd	10/8/2014
Clerk's File #	ORD C35168
Renews #	
Cross Ref #	
Project #	
Bid #	
Requisition #	

Submitting Dept	CITY COUNCIL
Contact Name/Phone	BEN STUCKART 625-6269
Contact E-Mail	AMCDANIEL@SPOKANECITY.ORG
Agenda Item Type	First Reading Ordinance
Agenda Item Name	0320 ORDINANCE RELATING TO THE UNITED NATIVE AMERICANS OF SPOKANE

Agenda Wording

An ordinance relating to the United Native Americans of Spokane Public Development Authority; amending SMC sections 4.25A.020, 4.25A.040, 4.25A.050, 4.25A.080 and 4.25A.020 and amending the charter of the Authority.

Summary (Background)

The City Council created the United Native Americans of Spokane Public Development in October of 2001. The initial board was appointed in January of 2005. The PDA met and conducted business for approximately three to four years but has been inactive for the past five years. All of the prior board appointments have expired and no successor board members have been appointed.

Fiscal Impact		Budget Account	
Select	\$		#
Select	\$		#
Select	\$		#
Select	\$		#
Approvals		Council Notifications	
Dept Head	MCDANIEL, ADAM	Study Session	
Division Director		Other	PCED
Finance	DOLAN, PAM	Distribution List	
Legal	PICCOLO, MIKE		
For the Mayor	SANDERS, THERESA		
Additional Approvals			
Purchasing			



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

Summary (Background)

There has been renewed interest in revising the PDA. This ordinance makes amendments to Chapter 4.25A SMC regarding the PDA, as well as to the PDA's Charter, that will assist in that revitalization. The amendments include a greater focus on Native Americans living in Spokane, expand the opportunities to work with federally-recognized tribes, revise the board member from seven to five members who must reside within the City, and reduce the term of office from six to three years

Fiscal Impact

Select \$

Select \$

Budget Account

#

#

Distribution List

ORDINANCE NO. C35168

AN ORDINANCE relating to the United Native Americans of Spokane Public Development Authority; amending SMC sections 4.25A.020, 4.25A.040, 4.25A.050, 4.25A.080 and 4.25A.020 and amending the charter of the Authority.

WHEREAS, on October 22, 2001, the City Council adopted Ordinance No. C-32933 creating the United Native Americans of Spokane Public Development Authority pursuant to RCW 35.21.730- RCW 35.21.757; and

WHEREAS, the initial appointments of five of the seven board members of the Authority occurred in January of 2005; and

WHEREAS, the Authority's board meet and conducted business for approximately three to four years under various board composition; and

WHEREAS, the Authority and its board has been inactive for at least the past five years; and

WHEREAS, all board members' appointments have expired and no successor board members have been appointed; and

WHEREAS, there has been renewed interest in revising the Authority; and

WHEREAS, in order to best assist in the revitalization of the Authority, certain amendments to Chapter 4.25A SMC and to the Authority's bylaws are necessary to provide a strong and efficient organization; - - Now, Therefore,

The City of Spokane does ordain:

Section 1. That SMC 4.25A.020 is amended to read as follows:

4.25A.020 Authority Created

A public authority, to be known as the "United Native Americans of Spokane public development authority" ("authority"), is hereby created exclusively to undertake, assist with and otherwise facilitate the following activities, all as authorized by RCW 35.21.730 through RCW 35.21.757:

- A. Improve the general living conditions within the City.
- B. Administer and execute federal grants and programs, receive and administer federal funds relating to the ((United)) Native Americans ((ef)) living in Spokane.

- C. Perform ~~((all))~~ any manner and type of community services relating to the ~~((United))~~ Native Americans ~~((of))~~ living in Spokane; and
- D. Provide and implement such municipal services and functions as the Spokane city council may direct relating to the ~~((United))~~ Native Americans ~~((of))~~ living in Spokane.

Section 2. That SMC 4.25A.040 is amended to read as follows:

4.25A.040 General Powers

Except as otherwise limited by the constitution of the state, this chapter and the charter, the authority shall have and may exercise all lawful powers necessary or convenient to affect the purposes for which the authority is organized, and to perform authorized corporate functions, including, without limitations, the power to:

- A. own and sell real and personal property;
- B. contract for any corporate purpose with the United States of America, a state and any political subdivision or agency of either, a federally-recognized tribe, and with individuals, associations and corporations;
- C. sue and be sued in its name;
- D. lend and borrow money;
- E. do anything a natural person may do;
- F. perform all manner and type of community services and activities relating to ~~((the United))~~ Native Americans ~~((of))~~ living in Spokane;
- G. provide and implement such municipal and community services and functions as the Spokane city council may by resolution direct;
- H. transfer any funds, real or personal property, property interests or services;
- I. receive and administer federal or private goods, or services for any lawful public purpose relating to ~~((the United Native Americans of Spokane))~~ its mission;
- J. purchase, lease, exchange, mortgage, encumber, improve, use or otherwise transfer or grant security interest in real or personal property or any interests therein; grant or acquire options on real and personal property; and contract regarding the income or receipts from real and personal property;
- K. issue bonds in conformity with applicable provisions of state law in such principal amounts as in the discretion of the board shall be necessary or appropriate to

provide sufficient funds for achieving any purposes of the authority; provided, however, that all bonds or liabilities be satisfied exclusively from the assets, properties or credit of the authority and no creditor or other person shall have any recourse to the assets, credit or services of the City hereby, unless the City expressly guarantee such bonds;

- L. contract for, lease and accept transfers, gifts or loans of funds or property from the United States of America, a state and any municipality or political subdivision or agency of either, including property acquired by any such governmental unit through the exercise of its power of eminent domain, any federally-recognized tribe, and from corporations, associations, individuals or any other source, and to comply with the terms and conditions therefore;
- M. manage, on behalf of the United States of America, a state, and any municipality or political subdivision or agency of either, and from any federally-recognized tribe, any property relating to the (~~United Native Americans of Spokane~~) mission of the authority acquired by such entity through gift, purchase, construction, lease, assignment, default or exercise of the power of eminent domain;
- N. recommend to appropriate governmental authorities public improvements and expenditures relating to the (~~United Native Americans of Spokane~~) mission of the Authority;
- O. recommend to the United States of America, a state, and any municipality or political subdivision or agency of either, or any federally-recognized tribe the existence of any property that, if committed or transferred to the authority, would materially advance the public purpose for which the authority is chartered;
- P. initiate, carry out, and complete such improvements of benefit to the public consistent with its charter as the United States of America, a state, a federally-recognized tribe, and any municipality or political subdivision or agency of either may request;
- Q. recommend to the United States of America, a state, any municipality or political subdivision or agency of either, and any federally-recognized tribe, such tax, financing and security measures as the authority may deem appropriate to maximize the public interest in activities in which the authority by its charter has a particular responsibility;
- R. lend its funds, property, credit or services for purposes of the authority, or act as a surety or guarantor for such purposes;
- S. provide advisory, consultative, training, educational and community services or advice to individuals, associations, corporations or governmental agencies with

or without charge;

- T. control the use and disposition of property, assets and credit of the authority;
- U. invest and reinvest its funds;
- V. fix and collect charges for services rendered or to be rendered, and establish the consideration (if any) for property transferred;
- W. maintain books and records as appropriate for the conduct of its affairs;
- X. conduct its affairs, carry on its operations and use its property as allowed by law and consistent with this chapter, its charter and its bylaws;
- Y. name corporate officials, designate agents and engage employees, prescribing their duties, qualifications and compensation; and secure the services of consultants for professional services, technical assistance or advice;
- Z. identify and recommend to the United States of America, a state, any municipality or political subdivision or agency of either, and any federally-recognized tribe, the acquisition by the appropriate governmental entity (for transfer to or use by the authority) of property and property rights, which, if so acquired, whether through purchase or the exercise of eminent domain, and so transferred or used, would materially advance the purpose for which the authority is chartered; and
- AA. exercise and enjoy such other powers as may be authorized from time to time by law.

Section 3. That SMC 4.25A.050 is amended to read as follows:

4.25A.050 Limitation of Powers

The authority, in all activities and transactions, shall be limited in the following respects:

- A. The authority shall have neither power of eminent domain nor any power to levy taxes or special assessments.
- B. The authority may not incur or create any liability that permits recourse by any party or member of the public to any assets, services, resources or credit of the City. All liabilities incurred by the authority shall be satisfied exclusively from the assets and credit of the authority, and no creditor or other person shall have any recourse to the assets, credit or services of the City on account of any debts, obligations, liabilities, acts or omissions of the authority.
- C. No funds, assets or property of the authority shall be used for any partisan political activity or to further the election or defeat of any candidate for public

office; nor shall any funds or a substantial part of the activities of the authority be used for publicity or educational purposes designed to support or defeat legislation pending before the Congress of the United States of America, ~~((or))~~ the Legislature of the State, ~~((or))~~ the city council, or any federally-recognized tribe; provided, however, that funds may be used for representatives of the authority to communicate with members of Congress, state legislators, ~~((or))~~ city council members, and the elected leaders of any federally-recognized tribe concerning funding and other matters directly affecting the authority, so long as such activities do not constitute a substantial part of the authority's activities and unless such activities are specifically limited in its charter.

- D. All funds, assets or credit of the authority shall be applied toward or expended upon services, projects and activities authorized by its charter.
- E. No part of the net earnings of the authority shall inure to the benefit of, or be distributable as such to, its directors, its officers or other private persons, except that the authority is authorized and empowered to:
1. compensate its officials and others performing services for the authority, including legal counsel, a reasonable amount for services rendered, and reimburse reasonable expenses actually incurred in performing their duties;
 2. assist its officials as members of a general class of persons to be assisted by an authority-approved project or activity to the same extent as other members of the class as long as no special privileges or treatment accrues to such official by reason of his status or position in the authority;
 3. defend and indemnify any current or former director or employee and their successors, spouses and marital communities against all costs, expenses, judgments and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him in connection with or resulting from any claim, action or proceeding, civil or criminal, in which he is or may be made a party by reason of being or having been an official of the authority, or by reason of any action alleged to have been taken or omitted by him as such official, provided, that he was acting in good faith on behalf of the authority and within the scope of duties imposed or authorized by law. This power of indemnification shall not be exclusive of other rights to which officials of the authority may be entitled as a matter of law;
 4. purchase insurance to protect and hold personally harmless any of its officials (including its employees and agents) from any action, claim or proceeding instituted against the foregoing individuals arising out of the performance, in good faith, of duties for, or employment with, the authority and to hold these individuals harmless from any expenses connected with the defense, settlement, or monitor judgments from such actions, claims or proceedings, provided the purchase of such insurance and its policy limits shall be discretionary with the board of directors, and such insurance shall not be considered as compensation to the insured individuals; and

provided further, the powers conferred by this subsection shall not be exclusive of any other powers conferred by law to purchase liability insurance; and

5. sell its assets for a consideration greater than their reasonable market value or acquisition costs, charge more for services than the expense of providing them, or otherwise secure an increment in a transaction, or carry out any other transaction or activity, as long as such gain is not the principal object or purpose of the authority's transactions or activities and is applied to or expended upon services, projects and activities as aforesaid.
- F. The authority shall not issue shares of stock, pay dividends, make private distribution of assets, make loans to its directors or employees or otherwise engage in business for private gain.
- G. The authority shall not acquire goods, services, properties or other assets for less than fair and adequate consideration; provided, however, that if such goods, services, properties or other assets are being acquired for allegedly sufficient consideration, the authority shall secure specific approval of the city council of the City.

Section 4. That SMC 4.25A.080 is amended to read as follows:

4.25A.080 Board of Directors

- A. Creation of the Board of Directors.
A (~~seven~~) five-member board of directors (board of directors) is hereby established to govern the affairs of the authority. All corporate powers of the authority shall be exercised by or under the authority of the board of directors; and the business, property and affairs of the authority shall be managed under the direction of the board of directors, except as may be otherwise provided for by law or in the charter.
- B. Appointment of Board of Directors.
 1. The initial board of directors shall be appointed by resolution of the city council.
 2. Except for the initial Board of directors, members of the board of directors shall be appointed as provided in the charter. (~~Persons who are nonresidents of the City of Spokane may be appointed to the board of directors if recommended to the mayor by a tribal government with tribal homelands in or around the City including, but not limited to, the government of the Coeur d'Alene Tribe, Colville Confederated Tribes, Kalispel Tribe, Kootenai Tribe, and Spokane Tribe.~~) Only residents of the City of Spokane may be appointed to the board of directors.

3. No person who serves on the city council (~~(or)~~), the city council of any city or town ((in the county)), or who serves as an elected official of any federally-recognized tribe may serve on the board of directors.
4. No person nominated for membership on the board of directors shall be eligible to serve until he has been confirmed by motion of the city council.
5. Directors may be reappointed to serve consecutive terms on the board of directors.
6. A vacancy on the board of directors because of death, resignation, removal, disqualification or any other cause shall be filled for the remainder of the term of the vacant position in the manner prescribed in the charter for the position vacated.

C. Term of Office.

Except for the initial directors, the members of the board of directors shall serve a term of (~~six~~) three years, or until their successor is nominated and confirmed as provided in this chapter. The terms of office of the directors shall be staggered in the manner provided in the charter. A director shall serve for the term designated and until his successor shall have been confirmed, except as provided in this section.

D. Removal of Directors.

1. If it is determined for any reason that any or all of the directors should be removed from office, after a full public hearing, and after selection of appropriate replacements by the city council pursuant to this section, the city council may by resolution remove any or all voting directors from office.
2. The term of any director removed pursuant to this section shall expire when the removal resolution takes effect.
3. Vacancies created under this section shall be filled in the same manner as provided in the charter for filling vacancies created upon the regular expiration of terms.
4. The term of any director nominated and confirmed pursuant to this section shall begin at the expiration of the term of the director being replaced and shall continue until the regular expiration of the term of the position being filled.

Section 5. That SMC 4.25A.110 is amended to read as follows:

Section 04.25A.110 Quorum

The charter or bylaws shall establish the requirements for a quorum of the board of directors. The act of a majority of the directors shall be the act of the board of directors, provided:

- A. quorum to commence a board of directors meeting shall be no fewer than ~~((four))~~ three members of the board of directors' voting membership, and
- B. any resolution authorizing or approving an action of the board of directors described in this chapter shall require an affirmative vote of a majority of the directors voting on the issue, provided that such majority equals not less than ~~((four))~~ three members of the board of directors' voting membership.

Section 6. Pursuant to SMC 4.25A.130 C., the City Council amends the Charter of the United Native Americans of Spokane Public Development Authority as set forth in the attached Exhibit A.

PASSED by the City Council on _____.

Council President

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

Mayor

Date

Effective Date

CHARTER OF THE
UNITED NATIVE AMERICAN OF SPOKANE
PUBLIC DEVELOPMENT AUTHORITY

Article I NAME AND SEAL

Section 1.1 Name. The name of the authority shall be the UNITED NATIVE AMERICAN OF SPOKANE PUBLIC DEVELOPMENT AUTHORITY (Authority).

Section 1.2 Seal. The Authority's seal shall be a circle with the name "UNITED NATIVE AMERICAN OF SPOKANE PUBLIC DEVELOPMENT AUTHORITY" inscribed therein.

Article II AUTHORITY AND LIMIT ON LIABILITY

Section 2.1 Authority. The Authority is a public corporation organized pursuant to RCW 35.21.730 through 35.21.757, as amended (Act) and chapter 4.25A SMC (Ordinance) of the City of Spokane, Washington (City).

Section 2.2 Limit on Liability. All liabilities incurred by the Authority shall be satisfied exclusively from the assets, credit, and properties of the Authority, and no creditor or other person shall have any right of action against or recourse to the City, its assets, credit, or services, on account of any debts, obligations, liabilities or acts or omissions of the Authority.

Section 2.3 Mandatory Disclaimers. The following disclaimer shall be posted in a prominent place where the public may readily see it in the Authority's principal and other offices. It shall also be printed or stamped on all contracts, bonds, and other documents that may entail any debt or liability by the Authority.

The UNITED NATIVE AMERICAN OF SPOKANE PUBLIC DEVELOPMENT AUTHORITY is a public development authority organized pursuant to chapter 4.25A SMC and the laws of the State of Washington, and more particularly RCW 35.21.750, which provides, in part, as follows:

All liabilities incurred by such public corporation, commission or authority shall be satisfied exclusively from the assets and properties of such public corporation, commission, or authority and no creditor or other person shall have any right of action against the city, town, or county creating such corporation, commission, or authority on account of any debts, obligations, or liabilities of such public corporation, commission, or authority.

Article III DURATION

The duration of the Authority shall be perpetual except as provided in chapter 4.25A SMC.

Article IV PURPOSE

The purpose of the Authority is to provide a legal entity organized under the Act and the Ordinance to undertake, assist with and otherwise facilitate or provide for the following activities (Chartered Activities):

1. to improve the general living conditions within the City;
2. to administer and execute federal grants and programs, receive and administer federal funds relating to the UNITED NATIVE AMERICAN OF SPOKANE PUBLIC DEVELOPMENT AUTHORITY;
3. to perform all manner and type of community services relating to the UNITED NATIVE AMERICAN OF SPOKANE PUBLIC DEVELOPMENT AUTHORITY; and
4. to provide and implement such municipal services and functions as the City of Spokane City Council may direct relating to the UNITED NATIVE AMERICAN OF SPOKANE PUBLIC DEVELOPMENT AUTHORITY.

To the extent appropriate and consistent with the needs and objectives of the City and to facilitate or provide for the Chartered Activities, the Authority will undertake and accomplish all activities necessary or convenient for the development, operation and implementation of the Chartered Activities. The Authority shall have no purpose other than the development, operation and implementation of the Chartered Activities.

For the purpose only of securing the exemption from federal income taxation for interest on obligations of the Authority, the Authority constitutes an authority and instrumentality of the City (within the meaning of those terms in regulations of the United States Treasury and rulings of the Internal Revenue Service prescribed pursuant to Section 103 of the Internal Revenue Code of 1986, as amended).

Article V POWERS

Section 5.1 Powers. The Authority shall have and may exercise all lawful powers conferred by state laws, the Ordinance, this Charter and its Bylaws. The Authority in all of its activities and transactions shall be subject to the powers, procedures, and limitations contained in the Ordinance.

Section 5.2 Indemnification. To the extent permitted by law, the Authority shall protect, defend, hold harmless and indemnify any person who becomes a director, officer, employee or agent of the Authority, and who is a party or threatened to be made a party to a proceeding by reason related to that person's conduct as a director, officer, employee or agent of the Authority, against judgments, fines, penalties, settlements and reasonable expenses (including attorneys' fees) incurred by him or her in connection with such proceeding, if such person acted in good faith and reasonably believed his or her conduct to be in the Authority's best interests and if, in the

case of any criminal proceedings, he or she had no reasonable cause to believe his or her conduct was unlawful. The indemnification and protection provided herein shall not be deemed exclusive of any other rights to which a person may be entitled as a matter of law or by contract or by vote of the Board of Directors. The Authority may purchase and maintain appropriate insurance for any person to the extent provided by the applicable law.

Article VI BOARD OF DIRECTORS

Section 6.1 Board of Directors Composition. Management of all Authority affairs shall reside in a ((seven)) five-member board of directors (Board of Directors). All Directors shall be appointed by the Spokane City Council for three year terms. Directors may be appointed to additional terms. A director whose term has expired shall continue to serve until a successor has qualified to serve. Board appointments may be staggered or for shorter terms in order to maintain an appointment cycle whereby two or more board members are appointed or reappointed each year. ((The terms of the Directors shall be determined as follows:

6.1.1 Within two months of the issuance of this Charter, the initial Board of Directors shall by resolution divide the members of the Board of Directors into three classes (designated Class I, Class II, and Class III) containing two members each (except Class III, which shall contain three members).

6.1.2 The initial terms of those Directors that are in Class I shall be three years. The initial terms of those Directors that are in Class II shall be four years. The initial terms of those Directors that are in Class III shall be six years.

6.1.3 At the regular meeting of the Board of Directors that coincides most closely with the third anniversary of the issuance of this Charter, the terms of those Directors that are in Class I shall expire, provided that they shall continue in office until their successors are selected and qualified as provided in the Bylaws.

6.1.4 This re-appointment procedure shall continue annually as to successive classes, so that at the regular meeting of the Board of Directors that coincides most closely with each odd-numbered anniversary of the issuance of this Charter, a new class of Directors shall take office; provided, however, that each person so selected shall hold office for the six-year term for which he or she is selected and until his or her successor shall have been selected and qualified; and provided that there shall be no restriction on Directors serving successive terms.))

Section 6.2 Board of Directors Concurrence and Quorum Defined. "Board of Directors concurrence," as used in this Article VI, may be obtained at any regular or special Board of Directors meeting by an affirmative vote of a majority of the Directors voting on the issue, provided that such majority equals not less than ((four)) three votes.

A quorum to commence a Board of Directors meeting shall be no fewer than ((four)) three Directors. The bylaws of the Authority may prescribe Board of Directors quorum

restrictions that equal or exceed the quorum restrictions imposed in this Section 6.2. Directors present at a duly convened meeting may continue to transact business notwithstanding the withdrawal of enough members to leave less than a quorum.

Section 6.3 Officers and Division of Duties. The Authority shall have ~~((four))~~ three or more officers. The initial officers of the Authority shall be the President, the Vice President, and the Secretary ~~((and the))~~ Treasurer, each of which shall be a different person. Such officers shall be appointed by the Board of Directors. Additional officers may be provided for in the Bylaws of the Authority. The President shall be the agent of the Authority for service of process. The Bylaws may designate additional corporate officials as agents to receive or initiate process. The corporate officers shall manage the daily affairs and operations of the Authority and may delegate such tasks as the Board of Directors deems advisable to other officers, employees and agents of the Board of Directors. The Board of Directors shall oversee the activities of the corporate officers, establish and/or implement policy, participate in corporate activity in matters prescribed by City resolution, and shall have stewardship for management and determination of all corporate affairs.

Section 6.4 Committees. The appointment of other committees shall be provided for in the Bylaws.

Article VII MEETINGS

Section 7.1 Board of Directors Meetings. The Board of Directors shall meet as necessary, but not less than every other month. Special meetings of the Board of Directors may be called as provided in the Bylaws. All such meetings shall take place within the City.

Section 7.2 Open Public Meetings. Notice of meetings shall be given in a manner consistent with the Open Public Meetings Act (RCW Ch. 42.30). In addition, the Authority shall routinely provide reasonable notice of meetings to any individual specifically requesting it in writing. At such meeting, any citizen shall have a reasonable opportunity to address the Board of Directors either orally or by written petition. ~~((Voting by telephone or by proxy is not permitted))~~ Conduct of meetings, including voting, shall be consistent with the Open Public Meetings Act.

Section 7.3 Parliamentary Authority. The rules of Robert's Rules of Order shall govern the authority in all cases to which they are applicable, where they are not inconsistent with this Charter or with the special rules of order of the Authority set forth in the Bylaws.

Section 7.4 Minutes. The Secretary/Treasurer shall keep, or cause to be kept, minutes of all regular or special meetings of the Board of Directors. Such minutes shall be available to any person or organization that requests them as required by state law. Minutes with respect to closed executive sessions need not be made available. The minutes of all Board of Directors meetings shall include a record of individual votes on all matters requiring Board of Directors concurrence.

Section 7.5 Location of Records. The Secretary/Treasurer shall cause the original documents and records of the Authority to be kept in the office of the City Clerk of the City. In addition, the Secretary/Treasurer shall keep a duplicate set of such documents and records to be kept at the offices of the Authority.

Article VIII BYLAWS

The initial Bylaws may be amended to provide additional or different rules governing the Authority and its activities as are not inconsistent with the laws of the State of Washington, chapter 4.25A SMC, this Charter. The Board of Directors may provide in the Bylaws for all matters related to the governance of the Authority, including but not limited to matters referred to elsewhere in this Charter for inclusion therein.

Article IX AMENDMENTS TO CHARTER AND BYLAWS

Section 9.1 Proposals to Amend Charter and Bylaws.

9.1.1 Proposals to amend this Charter or the Bylaws shall be presented in a format which strikes over material to be deleted and underlines new material.

9.1.2 Any Director may introduce a proposed amendment to this Charter or the Bylaws (which may consist of new Bylaws) at any regular meeting or at any special meeting of which ten days' advance notice has been given to members of the Board of Directors.

Section 9.2 Board of Directors Consideration of Proposed Amendments. If notice of a proposed amendment to this Charter or to the Bylaws, and information, including the text of the proposed amendment and a statement of its purpose and effect, is provided to members of the Board of Directors 15 days prior to any regular Board of Directors meeting or any special meeting of which 30 days' advance notice has been given, then the Board of Directors may vote on the proposed amendment at the same meeting as the one at which the amendment is introduced. If such notice and information is not so provided, the Board of Directors may not vote on the proposed amendment until the next regular Board of Directors meeting or special meeting of which 30 days' advance notice has been given and at least 15 days prior to which meeting such notice and information is provided to Directors. Germane amendments to the proposed amendment within the scope of the original amendment will be permitted at the meeting at which the vote is taken.

Section 9.3 Vote Required for Amendments to Charter or Bylaws. Resolutions of the Board of Directors approving proposed amendments to this Charter or to the Bylaws require an affirmative vote of a majority of the Directors voting on the issue, provided that such majority equals not less than ((four)) three votes.

Section 9.4 City Council Approval of Proposed Charter Amendments. Proposed Charter amendments adopted by the Board of Directors shall be submitted to the City Council. This Charter may be amended only by an ordinance of the City Council as provided in the chapter 4.25A SMC.

Article X COMMENCEMENT

The Authority shall commence its existence effective upon the issuance of its Charter, as sealed and attested by the Clerk.

Article XI DISSOLUTION

Dissolution of the Authority shall be in the form and manner required by state law, chapter 4.25B SMC, and the Bylaws.

Article XII APPROVAL OF CHARTER

APPROVED by Ordinance No. C- _____, adopted by the Spokane City Council, City of Spokane, Washington, on _____, 2014.

CERTIFICATE

I, Terri Pfister, Clerk of the City of Spokane, Washington, hereby certify that the attached CHARTER OF THE UNITED NATIVE AMERICAN OF SPOKANE PUBLIC DEVELOPMENT AUTHORITY PUBLIC DEVELOPMENT AUTHORITY is a full, true and correct copy of such charter as authorized by and attached to Ordinance No. C- _____ of the City Council of the City of Spokane.

IN WITNESS WHEREOF, I have set my hand and affixed the official seal of said City of Spokane on _____, 2014.

City of Spokane, Washington

Terri Pfister
Clerk, City of Spokane

(SEAL)



Agenda Sheet for City Council Meeting of:
10/20/2014

Date Rec'd	10/8/2014
Clerk's File #	ORD C35169
Renews #	
Cross Ref #	
Project #	
Bid #	
Requisition #	

Submitting Dept	CITY COUNCIL
Contact Name/Phone	BEN STUCKART 625-6269
Contact E-Mail	AMCDANIEL@SPOKANECITY.ORG
Agenda Item Type	First Reading Ordinance
Agenda Item Name	0320 AN ORDINANCE RELATING TO LOBBYING BY OFFICERS AND EMPLOYEES

Agenda Wording

An ordinance relating to lobbying by officers and employees; amending SMC section 2.03.010.

Summary (Background)

This ordinance will amend SMC 2.03.010 to include employees under the direction of a council member being authorized to engage in lobbying efforts relating to matters before the State legislature or subject to the State Administrative Procedures Act.

Fiscal Impact		Budget Account
Select	\$	#
Select	\$	#
Select	\$	#
Select	\$	#
Approvals		Council Notifications
<u>Dept Head</u>	MCDANIEL, ADAM	<u>Study Session</u>
<u>Division Director</u>		<u>Other</u>
<u>Finance</u>	DOLAN, PAM	Distribution List
<u>Legal</u>	DALTON, PAT	
<u>For the Mayor</u>	SANDERS, THERESA	
Additional Approvals		
<u>Purchasing</u>		

ORDINANCE NO. C35169

AN ORDINANCE relating to lobbying by officers and employees; amending SMC section 2.03.010.

The City of Spokane does ordain:

Section 1. That SMC section 2.03.010 is amended to read as follows:

2.03.010 Lobbying by Officers and Employees

The mayor, members of the city council, and all employees under the direction of the mayor or a city council member are authorized to attempt to influence the passage or defeat of any legislation by the legislature of the State of Washington, or the adoption or rejection of any rule, standard, rate or other legislative enactment of any state agency under the State Administrative Procedures Act, chapter 34.04 RCW.

PASSED by the City Council on _____.

Council President

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

Mayor

Date

Effective Date



Agenda Sheet for City Council Meeting of:

10/06/2014

Date Rec'd	9/24/2014
Clerk's File #	FIN 2014-0001
Renews #	
Cross Ref #	
Project #	
Bid #	
Requisition #	

Submitting Dept	FINANCE
Contact Name/Phone	TIM DUNIVANT 625-6845
Contact E-Mail	TDUNIVANT@SPOKANECITY.ORG
Agenda Item Type	Report Item
Agenda Item Name	0410 - SET BUDGET HEARINGS

Agenda Wording

Setting the hearings for review of the 2015 Proposed Budget beginning Monday, October 27, 2014 and continuing thereafter at the regular council meetings and concluding on November 10, 2014.

Summary (Background)

As part of the annual budget process, the City Council will hold public hearings on the proposed 2015 budget for the City of Spokane. Public testimony is welcome on all sections of the budget at each of the budget hearings. The scheduled hearing dates are October 27, November 3, and November 10. The City Council may continue the hearings up to the 25th calendar day prior to the beginning of the next fiscal year (December 6th).

Fiscal Impact	Budget Account
Select \$	#
Select \$	#
Select \$	#
Select \$	#

Approvals		Council Notifications	
Dept Head	DUNIVANT, TIMOTHY	Study Session	
Division Director	DUNIVANT, TIMOTHY	Other	None
Finance	DOLAN, PAM	Distribution List	
Legal	DALTON, PAT		tdunivant@spokanecity.org
For the Mayor	SANDERS, THERESA		
Additional Approvals			
Purchasing			