



City of Kenmore - 18120 68th Avenue NE - Kenmore, WA 98028  
Phone: 425-398-8900 - E-mail: [cityhall@kenmorewa.gov](mailto:cityhall@kenmorewa.gov)

**City of Kenmore**  
**City Council Special Meeting Agenda**  
**6:00 p.m., Monday, October 7, 2019**  
Kenmore City Hall, Council Chambers  
18120 68th Ave. NE, Kenmore, WA 98028

If you have any questions or to confirm agenda items prior to the meeting, or if you require special accommodations, please call the City Clerk at 425-398-8900. You may also stop by City Hall at 18120 68th Avenue NE, Kenmore. Council agendas are also available on our website at [www.kenmorewa.gov](http://www.kenmorewa.gov).

- I. 5:30 p.m. DINNER**
- II. 6:00 p.m. CALL SPECIAL MEETING TO ORDER**
- III. ROLL CALL**
- IV. FLAG SALUTE**
- V. JOINT MEETING WITH THE NORTSHORE FIRE DISTRICT BOARD**
  - A. NEMCo/Emergency Management Update  
[Memo](#)
  - B. City/Fire Marshall Partnership  
[Memo](#)
  - C. Fire District Consolidation Update  
[Memo](#)
  - D. Station 54 Future Use  
[Memo](#)
  - E. Northshore Fire Department's Proposed 2020 Enhanced Community CPR/AED Training Initiative  
[Memo](#)
  - F. West Sammamish Bridge Replacement Project Status
  - G. Other City Updates
  - H. Other Fire District Updates
- VI. BUSINESS AGENDA**

- A. Update on CIP Project P-30 - Rhododendron Boathouse - Rob Sayre-McCord, Parks Project Manager  
[Agenda Item Presentation](#)
- B. Proposed 2021-2026 Financial Sustainability Plan Process -Rob Karlinsey, City Manager and Joanne Gregory, Finance and Administration Director  
[Agenda Item](#)

**VII. COUNCILMEMBER REPORTS, COMMENTS & INITIATIVES**

**VIII. RECESS TO EXECUTIVE SESSION**

*(Confidential Session of the Council)*

- A. Discussion of Potential Litigation per RCW 42.30.110 (1)(i). There will be no action.

**IX. ADJOURNMENT**

**Upcoming Meetings:**

- A. Monday, October 14, 2019 - Dinner at Northshore Utility District at 5:30 p.m./7:00 p.m. Regular Council Meeting  
Monday, October 21, 2019 - Regular Council Meeting  
Monday, October 28, 2019 - Regular Council Meeting - Joint Meeting with the Cities of Shoreline and Lake Forest Park



# City of Kenmore, Washington

## Memorandum

Date: October 3, 2019

To: Rob Karlinsey, City Manager

From: Bryan Hampson, Development Services & Carl Lunak, Emergency Manager *BL*

Re: NEMCo Update



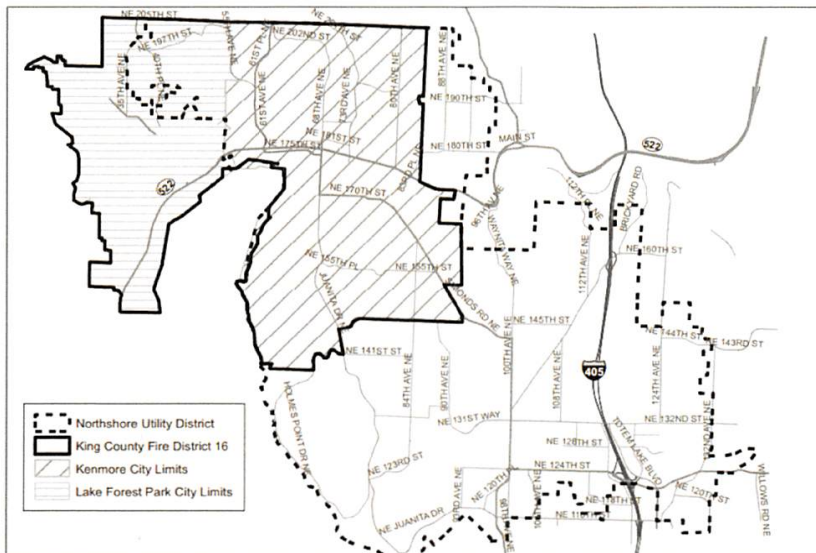
### Partners:



Formed January 1, 2017      30.75%      23.50%      30.75%      15.00%

2019 annual budget is \$150,652 → \$19,960 is federally funded through the Emergency Management Performance Grant (EMPG)

### OVERLAPPING BOUNDARIES OF THE PARTIES



Emergency Manager: Carl Lunak  
Joint EOC located at NFD, Headquarters, Station 51

**Trainings since formation:** We have held 6 staff trainings specifically on EOC operations, and additional trainings such as CPR, Response to Active Shooter, and Stop the Bleed for staff.

**Community Outreach and Training:** Held 2 citizen workshops, 2 CERT academies, and 1 Amateur Radio Licensing Class each year.

**Volunteers signed up since formation:**

- 66 credentialed volunteers
- 357 requested to be in our database
- 61 HAM radio operators

**Upcoming Exercises**

Fall Exercise: Staff training over the next 2 weeks followed by an exercise that focuses on joint information and public notification.

Great Shake Out: 10:17 AM on 10/17/2019 Drop Cover Hold drill

**Alert Northshore:** In process of completing a major restructuring of our notification system and retraining of staff.

**Hazard Mitigation Update:** Kenmore and LFP both have drafts in the final stages of approval that will be submitted as Annexes to the King County Office of Emergency Management Regional Hazard Mitigation Plan. Northshore Utility District will also have a District specific annex to the county plan.





## City of Kenmore, Washington

### Memorandum

Date: October 3, 2019

To: Rob Karlinsey, City Manager

From: Bryan Hampson, Development Services Director 

Re: **Northshore Fire District Fire Prevention Services**

The Northshore Fire District provides outstanding fire prevention services to the City of Kenmore. The Fire Prevention Division, managed by Fire Marshal, Jeff LaFlam, work closely with the City of Kenmore Development Services Department to review new and redevelopment proposals. Fire Marshal LaFlam and fire inspector, Wendy Booth, approach problems with a "can do" attitude and provide effective solutions to unique problems. The Northshore Fire District's Fire Prevention Division provides essential services which help build safe communities in Kenmore. Below are just a few of the important tasks completed by the Fire Prevention Division:

- **Pre-application Meetings:** Fire Marshal LaFlam attends pre-application meetings led by the City which provide feedback on conceptual development proposals. LaFlam often answers questions from Developers regarding fire safety and emergency access requirements.
- **Development Review Team Meetings:** LaFlam and Booth participate in internal meetings related to complex and large-scale projects to help work through the intricacies of plan review and inspection.
- **Plan Review:** LaFlam reviews applications for new commercial and multifamily, change of uses, and residential subdivisions.
- **Inspections:** Booth inspects projects for compliance with fire and life safety requirements.
- **Road Standards Collaboration:** LaFlam works with the City Engineer to review new roads and turnarounds to ensure safe access for emergency services.
- **Address Assignment Feedback:** LaFlam works the City's Permit Specialist to assign uniform addresses to ensure emergency services can locate a property quickly.

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www.kenmorewa.gov



**NORTHSHORE FIRE DEPARTMENT**  
**“Dedicated to Community Service”**  
**MEMORANDUM**

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Date: October 7, 2019

To: Board of Commissioners and Kenmore City Council

From: Acting Fire Chief Magnuson

Re: Regionalization

Northshore Fire Department is in the initial evaluation phase exploring a regionalized Fire Department. Discussions were initiated earlier this summer and many questions remain unanswered. This process will take significant time to complete, but in the end, should have a positive impact on the citizens and cities we serve, our personnel, and organizations.

Department Consolidation

Consolidation evaluation includes the Shoreline, Northshore, and Woodinville Fire Departments moving towards a single combined organization. This has been discussed for decades, and resulted in previous surveys, strategic plans, and evaluations. The vision, if done correctly and for the right reasons, is to operate more efficiently as one, larger agency than as multiple, smaller ones. There have been many great success stories of this occurring in other areas, and recently in South Snohomish County and South King County. Consider if starting fresh with a clean slate, there would never be 28 different fire departments established around the County. It has to be done for the right reasons with specific deliverables such as addressing the following questions:

- 1) Does it provide quantifiable service improvements or cost reductions compared with the status quo?
- 2) Is it a beneficial arrangement, in terms of resource commitment, cost, and risk/exposure?
- 3) Is there a comprehensive plan for implementation, with commitment from all agencies to see the project through to completion?
- 4) Does it have a high likelihood of success that will lead to a stable and sustainable organization?
- 5) Do the organizations have a shared vision of the outcome?
- 6) Does the partnership provide benefit(s) by achieving something the organizations could not achieve individually?

With this in mind, the three Departments have been working hard to answer some initial questions on the viability of a combined agency. Much of this centers on the financial analysis of a combined organization. Costs need to be considered along with the potential to improve efficiencies and levels of service. It does not seem to make sense to have three different agency administrations performing the same responsibilities redundantly.

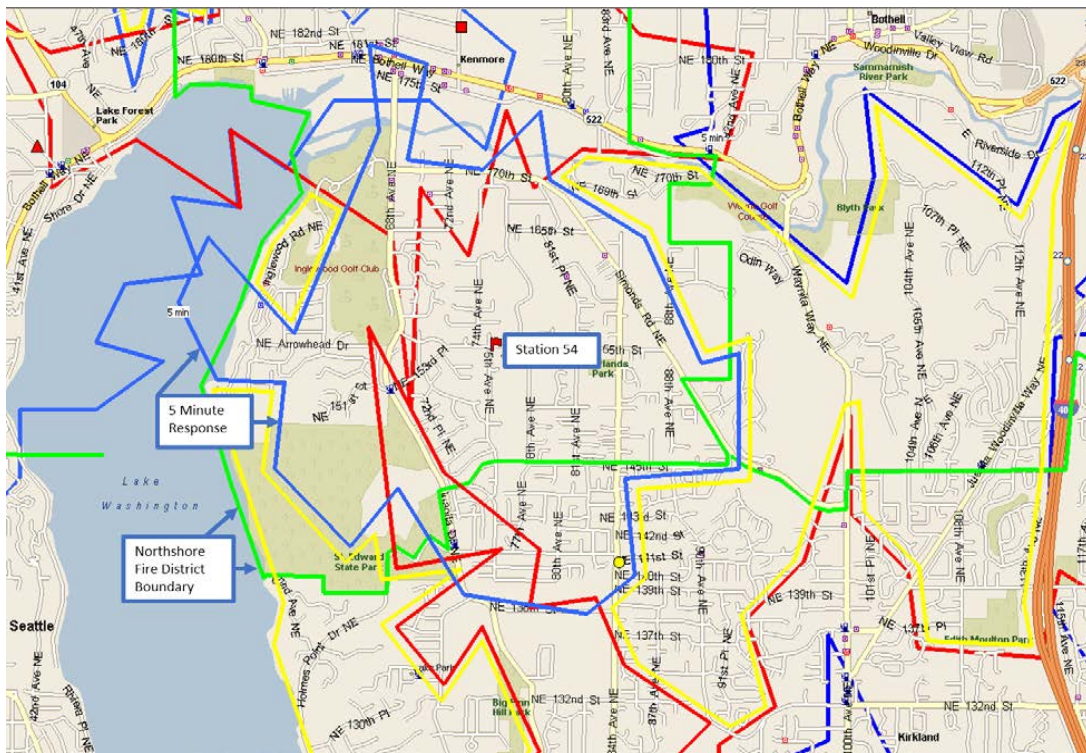
There are many different areas and factors that will affect the overall cost model, but the most significant is staffing costs. Subsequently, a draft organizational chart and cost analysis is in development. To facilitate this development, a sub-committee was established within the three Boards of Fire Commissioners. Each Board has designated two representatives to work with the Fire Chiefs in evaluating and developing an organizational structure.

Due to projected retirements, attrition could facilitate getting to a projected smaller single administrative staffing structure compared to the current number of administrative staff in all three agencies. Usually this is a significant barrier to overcome, but due to timing, is likely achievable. Response operations staffing will likely remain unchanged with an exception of reducing from three Battalion Commanders in the three current organizations to two in a combined agency. The current number of apparatus and personnel will likely continue to respond to emergencies from existing fire stations. However, due to the ability to draw from a larger employee pool, the ability to augment regularly staffed apparatus exists resulting increased level of service or possibly reduction of overtime costs.

Additional efficiencies should be realized with a single organizational structure, such as fleet management, IT services, facility maintenance, and combined resources. Instead of each community subsidizing its neighboring community on large-scale emergencies, the costs could be spread amongst the region, likely resulting in improved service delivery and efficient emergency operations.


## Northshore Fire Department

### Fire Station 54 Overview



## Five Minute Response Map

[ADVERTISEMENT](#)


<a href="#">New Search</a>	<a href="#">Property Tax Bill</a>	<a href="#">Map This Property</a>	<a href="#">Glossary of Terms</a>	<a href="#">Area Report</a>	<a href="#">Property Detail</a>	
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PARCEL	
Parcel Number	364910-0122
Name	KING CO FIRE DIST 16
Site Address	15036 70TH AVE NE 98028
Legal	JACKSONS COUNTRY CLUB UNREC POR BEG AT MOST WLY COR OF SD 1 TH SELY 203.09 FT TH N 45 DEG 44 MIN 20 SEC E 100 FT TH N 34 DEG 15 MIN 45 SEC W TO NWLY LN TH SWLY TO BEG

BUILDING 1	
Year Built	1961
Building Net Square Footage	1843
Construction Class	MASONRY
Building Quality	LOW COST
Lot Size	20309
Present Use	Governmental Service
Views	No
Waterfront	



TOTAL LEVY RATE DISTRIBUTION			
Tax Year: 2019	Levy Code: 1442	Total Levy Rate: \$10.77718	Total Senior Rate: \$5.89843

King County Assessor Information





Google Earth Aerial View

## Northshore Fire Department - 2020 Budget Proposal

### Enhanced Community CPR / AED Training

#### Project Integration with NFD Mission, Vision and Values

Mission - protecting the health, life and property of the community

Vision - We are an organization that continues to be innovative in meeting our mission in a changing environment. We accomplish our mission by providing superior services in partnership with our community.

#### Project Vision Statement

We will establish a program to substantially increase the number of individuals in our community that have current CPR and AED training. I propose a goal of training an additional 500 community members (first time recipients plus recertifications) over the number of persons trained in 2019. We will work with our community to identify likely populations that will benefit from CPR and First Aid training. We will reach out to identified community groups and individuals with a positive message that markets the benefits our community receives when a significant percentage of the population are prepared to deliver aid in an emergency. We will reduce the barriers to volunteers who wish to receive this training including convenient training schedules, free training and grants to district residents. We will partner with the CPR and First Aid training community, local agencies, organizations and individuals to provide the greatest impact for our training program.

#### Budget Request

\$10,000 from the Northshore Fire Department Donation Fund

#### Essential Steps

- Identify the cost and staff / volunteer resources necessary to provide each CPR / First Aid Class.  
**Current CPR/AED/First Aid Training Options:**

##### ***Family & Friends CPR***

##### **Course Description**

This CPR course teaches the lifesaving skills of adult Hands-Only CPR, adult CPR with breaths, child CPR with breaths, adult and child AED use, infant CPR, and mild and severe airway block for adults, children, and infants. Skills are taught in a dynamic group environment which provides students with the most hands-on CPR practice time possible.

##### **Intended Audience**

Family & Friends CPR is intended for people who want to learn CPR but do not need a CPR course completion card to meet a job requirement. This course is ideal for community groups, new parents, grandparents, babysitters, and others interested in learning how to save a life. The Family and Friends CPR course will be scheduled periodically throughout the year depending on demand and also available upon request to groups of 5-15 students.

##### **Course Length**

Approximately 1 Hour

##### **Current Course Tuition**

Free

##### ***Community CPR/AED***

##### **Course Description**

This CPR course is designed to provide lay rescuers the fundamental skills and confidence to perform CPR on an adult. This course will teach participants how to recognize and alleviate airway obstructions, the proper use of an AED (Auto External Defibrillator) and the signs, symptoms and corrective action for a stroke or heart attack. A course completion certification e-card will be provided to those who successfully complete the course.

**Intended Audience**

This course is recommended for the general public and is scheduled once each quarter for the public and also available for private groups upon request.

*Note: This course will not fill the requirements for BLS Healthcare Providers.*

**Course Length**

Approximately 2.5 hours

**Current Course Tuition**

Public Class – \$35

Private Group Class – \$200 base fee for up to 10 students **First Aid/CPR/AED**

**Course Description**

The First Aid course is designed to provide rescuers the fundamental skills to recognize and treat medical emergencies. This video-based, hands-on course will teach students scene safety, the signs and symptoms of diabetes, stroke and seizures and how to best treat these emergencies. Students will also learn how to control bleeding, treat for shock and burns, and minimize spinal damage due to head and spine injuries. In addition, students will be trained on Adult CPR and AED. A course completion certification e-card will be provided to those who successfully complete the course.

**Intended Audience**

This course is recommended for the general public that might respond to medical emergencies. First aid training would be especially valuable to construction, warehouse and factory workers, coaches and teachers, outdoor service personnel (tree experts, plumbers, etc.) and C.E.R.T (Community Emergency Response Teams) members. The First Aid/CPR/AED Course is offered twice a year for the general public and available for private groups upon request.

**Course Length**

Approximately 4 hours

**Current Course Tuition**

Public Class - \$50

Private Group Class – \$300 base fee for up to 10 students

**BLS Healthcare Provider****Course Description**

The BLS Healthcare Provider course is designed to provide a wide variety of healthcare professionals the ability to recognize several life-threatening emergencies, provide CPR, use an AED, and relieve choking in a safe, timely and effective manner. A course completion certification e-card will be provided to those who successfully complete the course.

**Intended Audience**

The course is intended for certified or non-certified, licensed or non-licensed healthcare professionals such as: physicians; nurses; physical and occupational therapists; physician's assistants; medical, dental or nursing assistants, police officers, and other healthcare professionals. The BLS Healthcare Provider Course is available upon request for private groups for up to 10 students.

**Course Length**

Approximately 4 ½ hours

- Develop a shared value for CPR and First Aid training as part of developing a resilient community.
- Identify the current population of district residents / employees with current or expired CPR training.
- Establish goals for the number of individuals with CPR training in our community and the number of individuals that will require refresher training.
- Secure a commitment among our department members, community leaders and partner agencies to participate in delivery of the CPR training and support the program message and community outreach.
- Conduct a community assessment to estimate the number of individuals in our community who have current CPR Training, who have expired CPR or First Aid training or who would be good candidates for CPR or First Aid Training.



- Establish reasonable goals for individuals to be trained and those who we train on an annual basis for 2020, 2021 and 2022. The goals will be used to establish training capacity, resource needs as well as to measure our success and to report back to the community on their program progress.
- Develop an attractive, concise marketing strategy, materials, methods and timeline that will effectively reach and motivate a broad spectrum of our community.
- Design an implementation plan for the program including staffing a community outreach team, cultivating community partners, identifying a strategy for the program rollout, selecting the training curriculums, building our training capacity and providing and documenting the training provided.

#### **Resource Requirements**

##### **Year One**

- Initial budget of \$10,000 to develop the program plan, community assessment, partner development, community outreach, marketing program, materials and training an additional 500 community members (first time recipients plus recertifications) over the number of persons trained in 2019. The marketing and outreach plan will likely require some consultant assistance. The training program will likely require recruitment and training of volunteers.
- Staff resources to supervise, advise and assist in program development and community outreach, selecting the appropriate training curriculums, training schedule and mentoring of community volunteers. The number of staff hours required can only be estimated. I estimate the 2020 the time requirement at approximately 140 hours spread over a number of different positions. Some of these hours will be 'new work' and some hours will be from the existing CPR / First Aid training program.
- Administrative and commissioner program participation especially in utilizing their community contacts and good will to establish support for this effort and to secure the partnerships necessary to create a successful program.
- Identify grant and partner funding opportunities for this program

##### **Year Two and Three**

- Double the individuals trained from 2020 to 2021 and increasing the 2021 person trained by an additional 50% in 2022
- To be determined depending on the extent of NFD's participation requirements established by the CPR training outreach team. I would expect the ongoing program costs will be at least the same as year one but could increase if we receive strong community demand for the program services.

#### **Program Justification**

I have discussed this program initiative with a number of individuals, small business owners and elected officials. I have found strong community support for a CPR / AED education program focused on increasing the number of individuals in our community that have current CPR training. Improving and expanding this critical lifesaving skill is seen as a very valuable component of our emergency response plan. I have contacted Mayor David Baker who has included the CPR training expansion in the City of Kenmore's strategic plan for 2019. I also contacted Laura Miccile of the King County Medic One training program. She is very supportive of the CPR outreach and training expansion proposal. The Medic One System requires citizens to be active participants in the system by supporting it and by helping the people in our community by:

- Recognizing when a fellow citizen needs medical care.
- Calling 911 to activate the Medic One System.
- Helping a family member, or neighbor, until Medic One arrives.

CPR and AED training are a critical component in the chain of survival for patients. As part of the Medic One program we have a responsibility to deliver community CPR and AED training. The Medic One website states *'To obtain or update your CPR training ... contact your local fire department or the local [American Red Cross](#)'*. With a focused effort we can do much better than the historical 200 persons trained per year.

We do not have to create this program on our own. There are many community partners that will assist including government agencies, community service groups, business associations, condominium, apartment and neighborhood associations and individuals. I believe it is the role of the Northshore Fire Department to provide the leadership to help our community improve and expand the number of CPR qualified individuals.

#### **Northshore Fire Department**

**Mission** - We are dedicated to protecting the health, life and property of the community with professionalism, respect and integrity.

**Vision** - We are an organization that continues to be innovative in meeting our mission in a changing environment. We accomplish our mission by providing superior services in partnership with our community.

#### **Values**

Our core values are honesty, integrity, trust, compassion and courage. We believe these principles provide the foundation for our success. We embrace a positive atmosphere where teamwork, competence, pride and mutual respect provide an opportunity for all employees to succeed.

## VI. A. Update on CIP Project P-30 - Rhododendron Boathouse - Rob Sayre-M...

The total budget estimate (see Attachment 3), is \$1,158,481. The total budget estimate includes construction costs and all other anticipated costs (e.g. permits, consultant contract amendments, construction management). This estimate is \$26,538 under the current CIP budget (\$1,185,019). However, this estimate assumes that the School District's \$250,000 contribution for tenant improvements can be fully allocated. However, School District funding is limited to only certain aspects of the project, termed 'tenant improvements', and Schedule B does not include many of these fundable aspects. Consequently, current projections limit School District contributions to \$152,276 of their available \$250,000, resulting in a funding shortfall of \$71,186.

- **Schedule C 40' x 70' Building with Second Floor:** This includes all elements of Schedule B plus a second level, balcony area, lift, mezzanine framing, flooring, coaches' office, and staircase. The total cost estimate is \$867,641. The total cost includes: construction cost estimate \$754,470 + \$75,447 (10% sales tax) + \$37,724 (5% contingency).

The total budget estimate (see Attachment 3), is \$1,250,677. This estimate is \$65,658 over the current CIP budget. However, this estimate assumes that the School District's \$250,000 contribution can be fully allocated. If, based on current estimates, only \$237,091 of the School District's funds can be allocated, then there is a funding shortfall of \$78,567.

#### Options for Bid Package and Funding:

1. **Pursue Schedule B 40' x 70' Building Shell:** This option would allow the building to be used as a basic storage center while additional non-city funding is secured to complete the remaining building improvements at a later date. Staff also needs direction on the Council's position for allocating any additional City funds if the potential budget shortfall is \$71,186 assuming all school district funds cannot be allocated. Staff is also seeking any preliminary direction on Council's position for allocating any additional City funds if the construction bids come in above the current CIP allocation.
2. **Pursue Schedule C 40' x 70' Building with Second Floor:** This option is consistent with Council's prior direction. However, staff needs direction on the Council's position for allocating any additional City funds for the \$65,568-\$78,567 current estimated budget shortfall. Staff is also seeking preliminary direction on Council's position for allocating any additional City funds if the construction bids come in above the current CIP allocation.
3. **Pursue Schedule B +C:** This option creates a bid alternate package that would allow the City to determine whether to construct the foundation and building shell (Schedule B) or the complete building (Schedule C) once bids have been received. However, staff would still appreciate Council direction on Council's position for allocating any additional City funds based on the estimated budget shortfall or if construction bids come in over the current CIP allocation.

**Staff Recommendations:** For the preferred construction bid package schedule option, staff recommends that Council selects Option 3 (Schedule B +C) as this allows for greater future flexibility and the highest likelihood of saving the city money through design and construction in both the short and long-term.

If Council selects Option 3, then staff is seeking Council direction on funding for the estimated budget shortfall of \$65,568 to \$78,567. Council has two options: 1. Use City funds (general fund balance or strategic opportunity funds or 2. Non-city funds (e.g. non-profit fund raising, or other private funding source).

**Background:** At the 10/15/18 Council meeting, Council direction was to pursue a 20' x 70' building (\$479,959) plus a concrete pad (\$50,000) that could accommodate a larger 40' x 70' building. The total project cost estimate \$586,759 (\$529,959 plus \$56,800 prior year expenditures). At the 1/14/19 Council meeting, Council direction

was to seek reallocation of the \$611,000 King County Youth and Amateur Sports grant funding from the St. Edward Ballfield Project to the Rhododendron Boathouse Project to support construction of 40' x 70' boathouse. The project cost estimate provided to Council on 10/15/18 for the 40' x 70' boathouse was estimated at \$850,000. The cost estimate presented to Council on 7/22/19 during the discussion of the six-year Capital Improvement Program was \$1,185,019 (plus \$56,800 spent prior to 2019) giving a total project cost estimate of \$1,241,819.

**FISCAL CONSIDERATION:** Ordinance No. 19-0947 adopted 9/9/19 amended the 2019-2024 Capital Improvement Program (CIP). \$1,185,019 is allocated to the Rhododendron Boathouse Project, giving a total project cost of \$1,241,819 (\$56,800 spent prior to 2019). Funding sources in the 2019-2024 CIP include the following:

State Capital Budget S1889 – \$242,500

Northshore School District (awaiting confirmation) – \$250,000

King County Youth Sports Grant (awaiting confirmation) – \$611,000

Recreation and Conservation Office ALEA Grant 12-1963 – \$22,625

Park Impact Fees – \$23,469

REET – \$12,800

**COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:**

Council Goal #2 - Walkways and Waterways

Council Goal #7 - Advance public's access to water/Promote image of Kenmore

Council Goal #8 - Implement parks improvement plan

Council Goal #9 - Build community & create fun

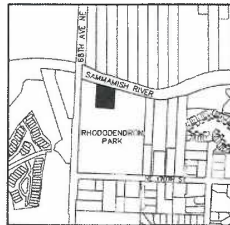
# CITY OF KENMORE

## KENMORE PUBLIC BOATHOUSE

Attachment 1



VICINITY MAP  
N.T.S.



LOCATION  
N.T.S.



### OWNER:

CITY OF KENMORE  
18120 68TH AVE NE  
KENMORE, WA 98028  
CONTACT: ROB SAYRE-MACCORD  
(425) 984-6182

### ARCHITECT:

J3 ARCHITECTS, LLC  
17202 98TH AVE NE, STE 105  
KIRKLAND, WA 98034  
(425) 242-0369

### CIVIL ENGINEER:

OSBORN CONSULTING, INC.  
18241 NE 90TH ST  
BELLEVUE, WA 98004  
(425) 451-4009

### STRUCTURAL ENGINEERS:

CIVILTECH ENGINEERING  
430 - 112TH AVE NE, SUITE 120  
BELLEVUE, WA 98004  
(425) 453-6488

DOBBS ENGINEERS, INC.  
1023 MARKET ST  
KIRKLAND, WA 98033  
(425) 828-4200

### SURVEYOR:

AXIS SURVEY & MAPPING  
15241 NE 90TH ST  
REDMOND, WA 98052  
(425) 823-0700

### ENVIRONMENTAL CONSULTANT:

NORTHWEST ENVIRONMENTAL CONSULTING, LLC  
3839 PALATINE AVE N  
SEATTLE, WA 98103  
(206) 634-9193

SUPPLEMENTAL SURVEY BY  
DUANE HARTMAN &  
ASSOCIATES, INC. (DHA)  
ON JANUARY 2017  
(425) 483-5355

ACCEPTED BY:

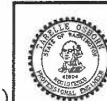
CITY OF KENMORE

DATE

SHEET INDEX		
SHEET #	SHEET TITLE	SHEET DESCRIPTION
<b>BASE PLAN</b>		
1	G000	COVER SHEET
2	G001	GENERAL NOTES
3	C001	TESC PLAN
4	C002	TESC PLAN
5	C003	TESC DETAILS
6	C010	SITE PREPARATION PLAN
7	C011	SITE PREPARATION PLAN
8	C110	SITE IMPROVEMENT PLAN
9	C111	SITE IMPROVEMENT PLAN
10	C120	UTILITY PLAN
11	C121	UTILITY PLAN
12	C130	RESTORATION PLAN
13	C131	RESTORATION PLAN
14	C301	PLANTING DETAILS
15	A001	BUILDING GENERAL NOTES AND SCHEDULES
16	A101	FIRST FLOOR PLAN
17	A102	SECOND FLOOR PLAN
18	A103	FIRST FLOOR REFLECTED CEILING PLAN
19	A104	SECOND FLOOR REFLECTED CEILING PLAN
20	A105	ROOF PLAN
21	A201	EXTERIOR ELEVATIONS
22	A202	BUILDING SECTIONS
23	A203	INTERIOR ELEVATIONS
24	A301	BUILDING DETAILS
25	A302	BUILDING DETAILS
26	S001	STRUCTURAL GENERAL NOTES - 1
27	S002	STRUCTURAL GENERAL NOTES - 2 AND PILE SCHEDULE
28	S101	FOUNDATION PLAN AND ELEVATION
29	S301	SECTIONS AND DETAILS
<b>ADDITIVE ALTERNATE #1</b>		
30	S003	ALT 1 - STRUCTURAL GENERAL NOTES - 1
31	S004	ALT 1 - STRUCTURAL GENERAL NOTES - 2
32	S102	ALT 1 - FOUNDATION PLAN AND ELEVATION
33	S302	ALT 1 - SECTIONS AND DETAILS



Know what's below.  
Call before you dig.



90% SUBMITTAL (NOT FOR CONSTRUCTION)

DESIGNED BY: JSG  
CHECKED BY: JAR  
IN CHARGE: LJO  
OSBORN CONSULTING, INC.  
1800 112th Ave. NE, Suite 220E Pk (425) 451-4009  
Bellevue, WA 98004 Fax (425) 381-8517

NO.	DATE	REVISION	BY

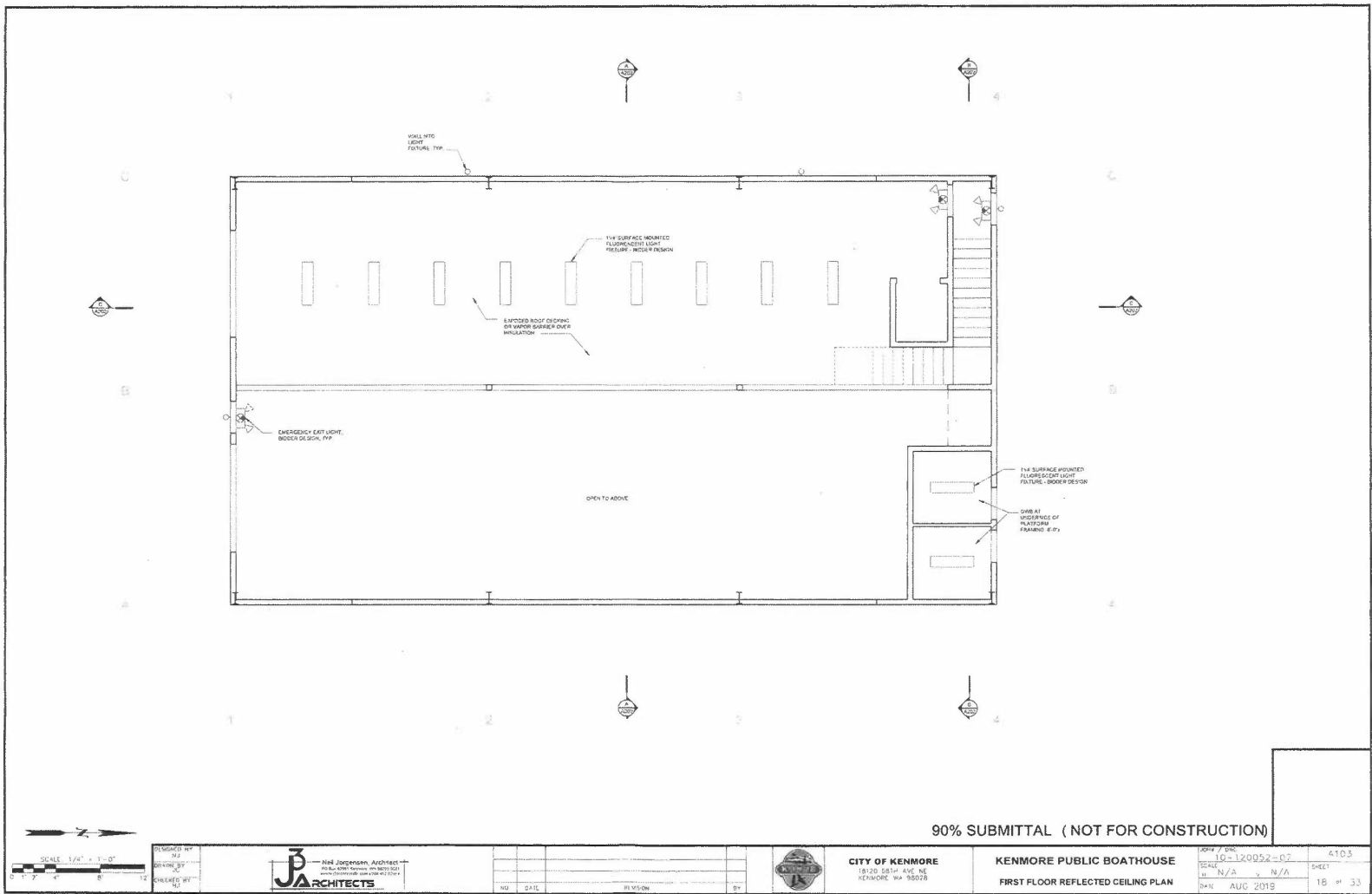


CITY OF KENMORE  
18120 68TH AVE NE  
KENMORE, WA 98028

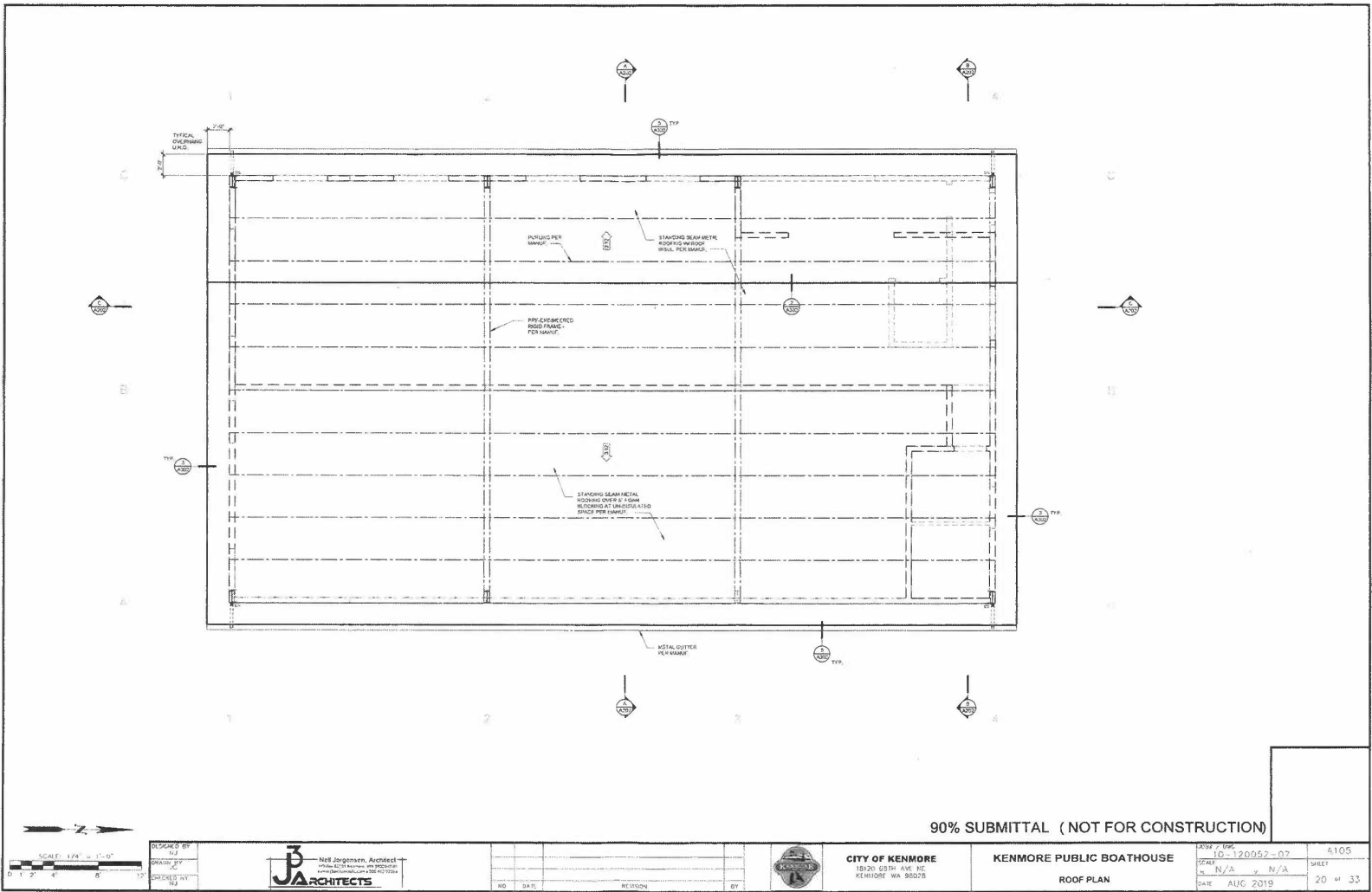
KENMORE PUBLIC BOATHOUSE  
COVER SHEET

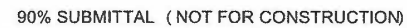
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SHEET: 1 of 33  
DATE: AUG 2019

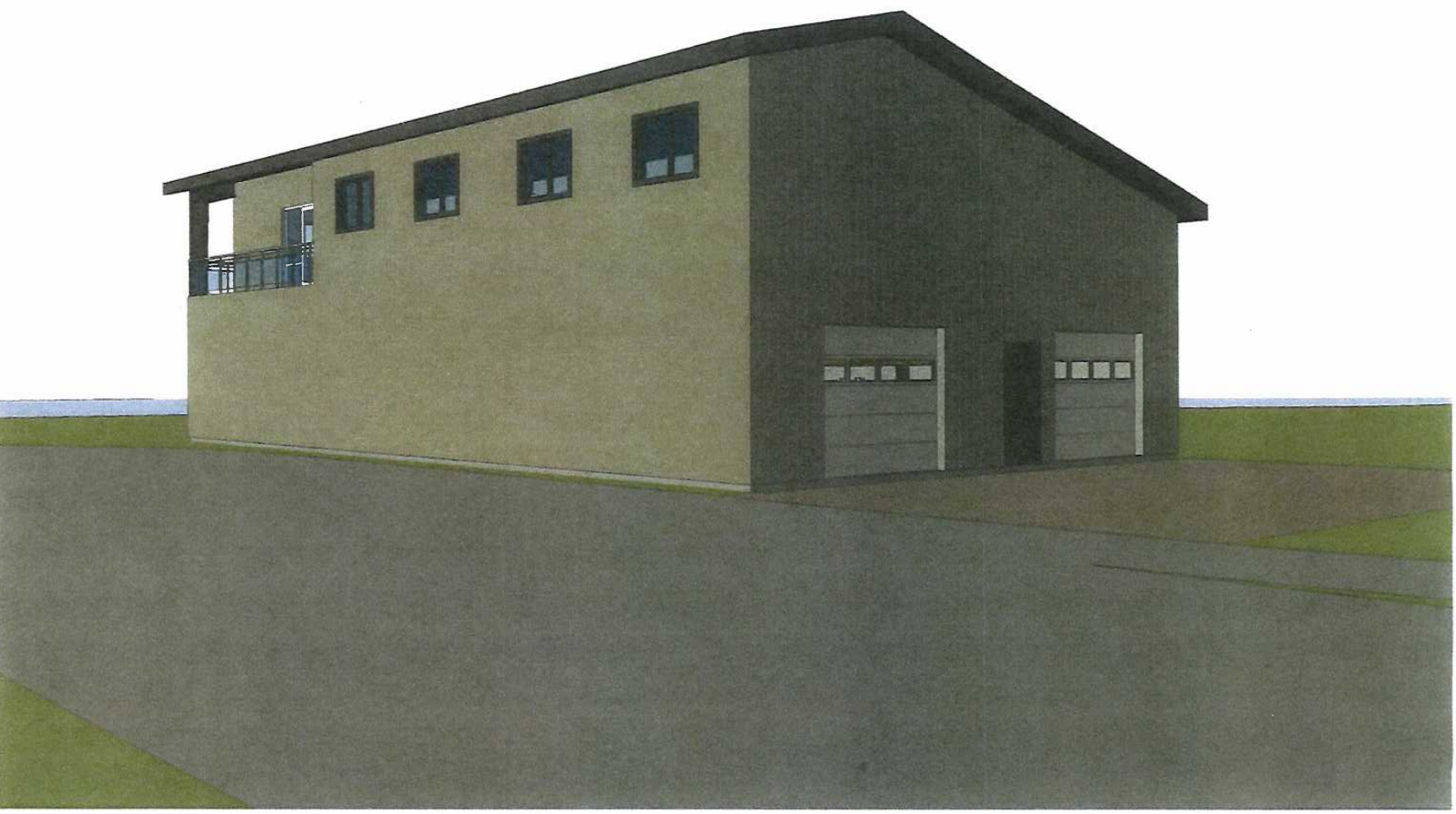


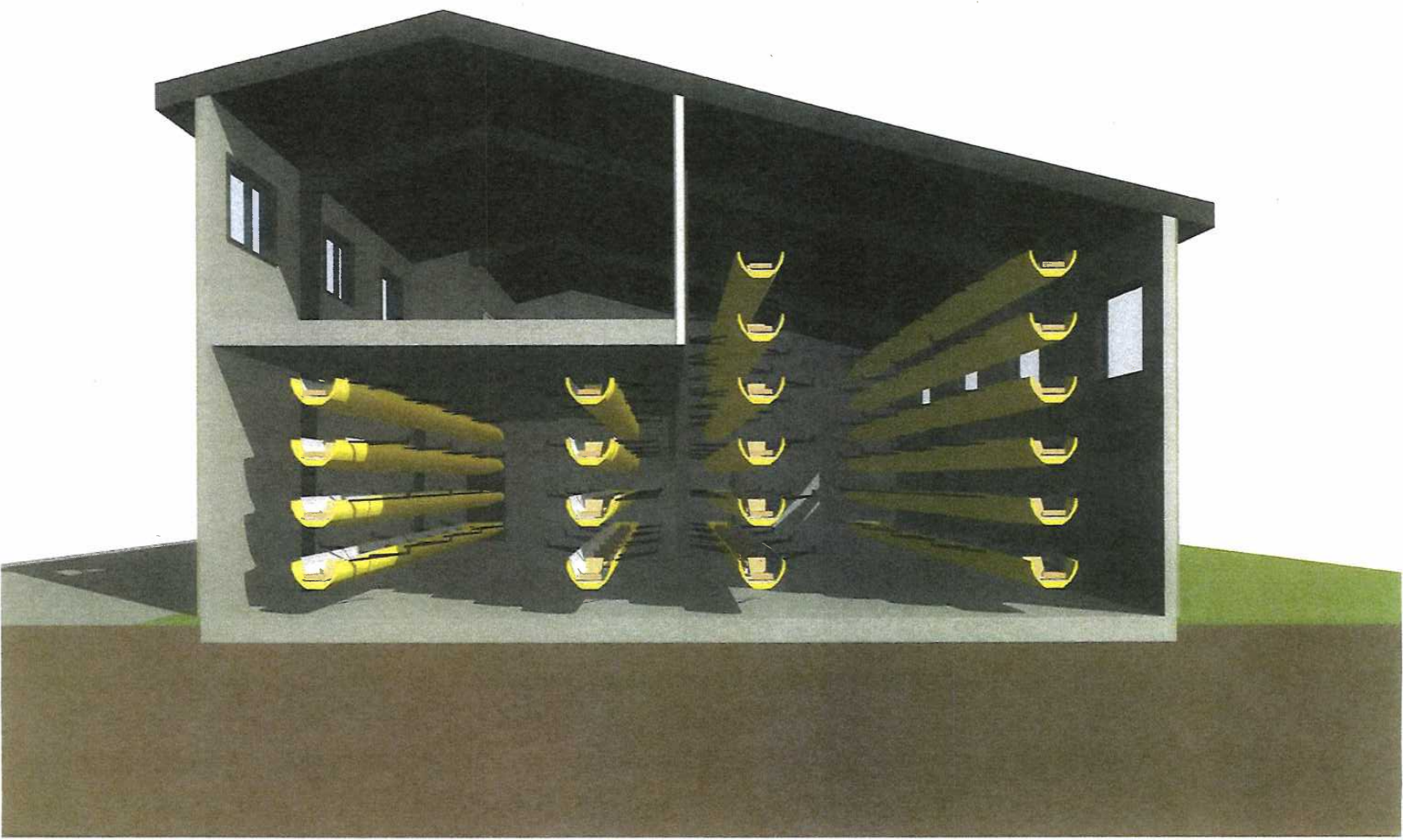
















Design Team Opinion of Construction Cost - Schedule Breakdown Options

Project Name: Rhododendron Park Boathouse Design and Engineering Bid Support																	
Owner: City of Kenmore																	
		SCHEDULE B - (FOUNDATION + BUILDING SHELL)								SCHEDULE C - (90% PLAN - BUILDING WITH 2ND FLOOR)							
		City				District				City				District			
NO.	DESCRIPTION	QTY	UNIT	UNIT PRICE	TOTAL COST	QTY	UNIT	UNIT PRICE	TOTAL COST	QTY	UNIT	UNIT PRICE	TOTAL COST	QTY	UNIT	UNIT PRICE	TOTAL COST
SITE ELEMENTS																	
1	UNEXPECTED SITE CHANGES	5,000	F.A.	\$1.00	\$5,000.00					5,000	F.A.	\$1.00	\$5,000.00				
2	SPCC PLAN	1	L.S.	\$2,000.00	\$2,000.00					1	L.S.	\$2,000.00	\$2,000.00				
3	MOBILIZATION & CONTINGENCY	1	L.S.	\$65,000.00	\$65,000.00					1	L.S.	\$75,000.00	\$75,000.00				
4	PROJECT TEMPORARY TRAFFIC CONTROL	1	L.S.	\$2,000.00	\$2,000.00					1	L.S.	\$2,000.00	\$2,000.00				
5	CLEARING AND GRUBBING	1	L.S.	\$700.00	\$700.00					1	L.S.	\$700.00	\$700.00				
6	HAND CLEARING AND GRUBBING	1	L.S.	\$8,000.00	\$8,000.00					1	L.S.	\$8,000.00	\$8,000.00				
7	ROADWAY EXCAVATION INCL. HAUL	150	C.Y.	\$125.00	\$18,750.00					150	C.Y.	\$125.00	\$18,750.00				
8	CRUSHED SURFACING BASE COURSE	30	TON	\$175.00	\$5,250.00					30	TON	\$175.00	\$5,250.00				
9	CRUSHED SURFACING TOP COURSE	30	TON	\$125.00	\$3,750.00					30	TON	\$125.00	\$3,750.00				
10	HMA CL. 1/2 IN. PG 64-22	10	TON	\$600.00	\$6,000.00					10	TON	\$600.00	\$6,000.00				
11	WATERLINE EXTENSION TO BUILDING	1	L.S.	\$13,000.00	\$13,000.00					1	L.S.	\$13,000.00	\$13,000.00				
12	STORM DRAINAGE CONNECTION TO OUTFALL	1	L.S.	\$11,000.00	\$11,000.00					1	L.S.	\$11,000.00	\$11,000.00				
13	SANITARY SEWER SERVICE	15	L.F.	\$100.00	\$1,500.00					15	L.F.	\$100.00	\$1,500.00				
14	SANITARY SEWER CLEANOUT	1	EACH	\$2,000.00	\$2,000.00					1	EACH	\$2,000.00	\$2,000.00				
15	IRRIGATION SYSTEM	1	L.S.	\$7,000.00	\$7,000.00					1	L.S.	\$7,000.00	\$7,000.00				
16	POWER SERVICE CONNECTION TO BUILDING	1	L.S.	\$5,000.00	\$5,000.00					1	L.S.	\$5,000.00	\$5,000.00				
17	INLET PROTECTION	1	EACH	\$250.00	\$250.00					1	EACH	\$250.00	\$250.00				
18	HIGH VISIBILITY FENCE	165	L.F.	\$6.00	\$990.00					165	L.F.	\$6.00	\$990.00				
19	HIGH VISIBILITY SILT FENCE	240	L.F.	\$12.00	\$2,880.00					240	L.F.	\$12.00	\$2,880.00				
20	TREE PROTECTION FENCE	75	L.F.	\$30.00	\$2,250.00					75	L.F.	\$30.00	\$2,250.00				
21	WOOD CHIP MULCH	650	S.Y.	\$20.00	\$13,000.00					650	S.Y.	\$20.00	\$13,000.00				
22	PSIPE PLANTING	1	L.S.	\$11,000.00	\$11,000.00					1	L.S.	\$11,000.00	\$11,000.00				
23	COATED CHAIN LINK FENCE (12' HIGH)																
24	DOUBLE COATED 14 FT. CHAIN LINK GATE																
TOTAL COST OF SITE ELEMENTS					\$186,320.00	\$0.00				\$196,320.00				\$0.00			
BUILDING																	
25	BUILDING	1	L.S.	\$150,000.00	\$150,000.00					1	L.S.	\$150,000.00	\$150,000.00				
26	INTERIOR LIGHTING - CONTRACTOR DESIGN					1	L.S.	\$6,000.00	\$6,000.00					1	L.S.	\$7,500.00	\$7,500.00
27	EXTERIOR BUILDING DOWNLIGHTS	1	L.S.	\$500.00	\$500.00					1	L.S.	\$500.00	\$500.00				
28	RESTROOMS IN BUILDING					2	EACH	\$15,000.00	\$30,000.00					2	EACH	\$15,000.00	\$30,000.00
29	ELEVATOR/LIFT													1	EACH	\$15,000.00	\$15,000.00
30	WINDOWS	7	EACH	\$500.00	\$3,500.00					7	EACH	\$500.00	\$3,500.00				
31	INSULATION - 1800 UPPER, ELECT					1	L.S.	\$5,000.00	\$5,000.00					1	L.S.	\$5,000.00	\$5,000.00
32	FIRE ALARM SYSTEM					1	L.S.	\$17,000.00	\$17,000.00					1	L.S.	\$17,000.00	\$17,000.00
33	BALCONY + RAILING													1	L.S.	\$13,000.00	\$13,000.00
34	MEZZANINE LEVEL FRAMING + FLOORING													1	L.S.	\$22,100.00	\$22,100.00
35	BOAT RACKS					1	L.S.	\$30,000.00	\$30,000.00					1	L.S.	\$30,000.00	\$30,000.00
36	STAIRCASE													1	L.S.	\$5,000.00	\$5,000.00
37	WATER FOUNTAIN W/ BOTTLE FILL					2	EACH	\$1,500.00	\$3,000.00					2	EACH	\$1,500.00	\$3,000.00
38	GARAGE DOORS	2	EACH	\$12,000.00	\$24,000.00					2	EACH	\$12,000.00	\$24,000.00				
39	CONTRACTOR DESIGN-PLUMBING, LIGHTING					1	L.S.	\$10,000.00	\$10,000.00					1	L.S.	\$15,000.00	\$15,000.00
40	COACHES OFFICE													130	SF	\$50.00	\$6,500.00
41	CASEWORK - MISC													1	LS	\$10,000.00	\$10,000.00
42	UTILITY SINK					1	EACH	\$700.00	\$700.00					1	EACH	\$700.00	\$700.00
TOTAL COST OF BUILDING ELEMENTS					\$178,000.00	\$101,700.00				\$178,000.00				\$179,800.00			
FOUNDATION																	
52	FOUNDATION CONCRETE	113	C.Y.	\$400.00	\$45,200.00					113	C.Y.	\$400.00	\$45,200.00				
53	FOUNDATION REINFORCEMENT	35,000	LBS	\$1.50	\$52,500.00					35,000	LBS	\$1.50	\$52,500.00				
54	CONCRETE ANCHORS	1	L.S.	\$2,000.00	\$2,000.00					1	L.S.	\$2,000.00	\$2,000.00				
55	SHAFT - 24" DIAMETER	430	L.F.	\$155.00	\$66,650.00					430	L.F.	\$155.00	\$66,650.00				
56	SHAFT - QA TESTING	12	EACH	\$2,000.00	\$24,000.00					12	EACH	\$2,000.00	\$24,000.00				
57	FORCE ACCOUNT - REMOVAL OF OBSTRUCTIONS	1	EST	\$10,000.00	\$10,000.00					1	EST	\$10,000.00	\$10,000.00				
TOTAL FOUNDATION COST					\$200,350.00	\$0.00				\$200,350.00				\$0.00			
Subtotal Option Construction Cost					\$564,670.00	\$101,700.00				\$574,670.00				\$179,800.00			
Combined Total Construction Cost						\$666,370.00								\$754,470.00			
10% Sales Tax						\$66,637.00								\$75,447.00			
5% Contingency						\$33,319.00								\$37,724.00			
TOTAL CONSTRUCTION COST						\$766,326.00								\$867,641.00			
Notes:		Includes foundation and site work from Schedule A (minus fencing), boathouse shell with no second level (metal sheeting with garage doors, interior restroom facilities, and boatracks). Does not include balcony area, lift, mezzanine level framing and flooring, coaches office, staircase.								Includes full boathouse design with 2nd floor, balcony and mezzanine, staircase, lift, etc.							

# Attachment 3

## CIP Project P-30 Rhododendron Park Boathouse

### Project Budget Worksheet - SCHEDULE B (Foundation + Building Shell)

City CIP Budget Need: 1,256,205  
Estimated Balance/Shortfall (City) -71,186

Option 2B-Summary	Total	Low Bid	City	District Est.
Total Estimated Expenditures:	1,158,481	w/o wsst	1,006,205	152,276
Budget:	1,185,019	1,185,019	935,019	250,000
Balance (- indicates shortfall)	26,538		-71,186	97,724

\*assumes district will contribute to shortfall

Item	City	District	Total	Construction Costs Only	Notes
<b>Estimated Construction Costs</b>					
Building & Foundation	378,350	101,700	480,050	480,050	
Site Work	186,320	0	186,320	186,320	
10% WSST	56,467	10,170	66,637		
5% CN contingency	28,234	5,085	33,319	33,319	
Subtotal Construction Costs	649,371	116,955	766,326		
<b>City Costs</b>					
Building Signage (By Others)	10,000		10,000		
1% for Art	6,664		6,664		
Permits	20,000	5,000	25,000		
Printing and Bidding	3,200		3,200		
Consultant Amend 4 Eng. Fee	107,085		107,085		
Consultant Amend 5 Eng. Fee	52,976	25,321	78,297		
Consultant Amend 6 Eng. Fee	8,909		8,909		
Consultant Amend 7 Eng. Fee	5,000	5,000	10,000		
Construction Management	55,000	0	55,000		
Sewer - NUD Facilities Fee	15,000		15,000		
NUD Conduit Sleeve Invoice	7,000	0	7,000	7,000	
City Staff Time	40,000		40,000		
Mitigation Planting Maint (Yrs 2-5)	16,000		16,000		1st yr maintenance included in construction contract
Misc. Project Contingency	10,000		10,000		
<b>Total Expenditures</b>					
	1,006,205	152,276	1,158,481	706,689	
Funding Available	935,019	250,000	1,185,019		
Balance (- indicates shortfall)	-71,186	97,724	26,538		

## CIP Project P-30 Rhododendron Park Boathouse

### Project Budget Worksheet - SCHEDULE C (90% Plan, Building with 2nd Floor)

City CIP Budget Need: 1,263,586  
Estimated Balance/Shortfall (City) -78,567

Option 2B-Summary	Total	Low Bid	City	District Est.
Total Estimated Expenditures:	1,250,677	w/o wsst	1,013,586	237,091
Budget:	1,185,019	1,185,019	935,019	250,000
Balance (- indicates shortfall)	-65,658		-78,567	12,909

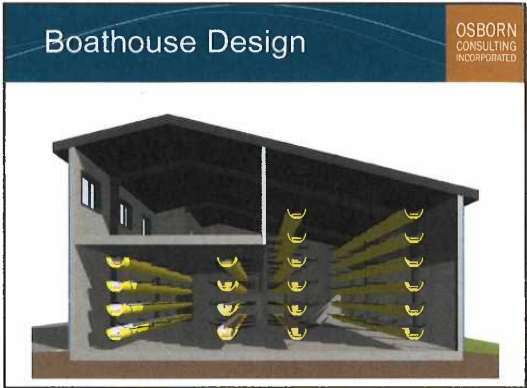
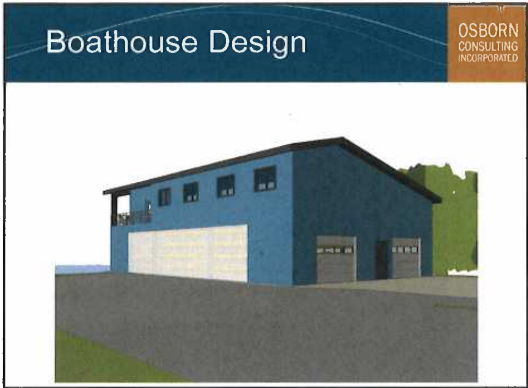
\*assumes district will contribute to shortfall

Item	City	District	Total	Construction Costs Only	Notes
<b>Estimated Construction Costs</b>					
Building & Foundation	\$378,350	179,800	558,150	558,150	
Site Work	196,320	0	196,320	196,320	
10% WSST	57,467	17,980	75,447		
5% CN contingency	28,734	8,990	37,724	37,724	
Subtotal Construction Costs	660,871	206,770	867,641		
<b>City Costs</b>					
Building Signage (By Others)	10,000		10,000		
1% for Art	7,545	0	7,545		
Permits	20,000	5,000	25,000		
Printing and Bidding	3,200		3,200		
Consultant Amend 4 Eng. Fee	107,085		107,085		
Consultant Amend 5 Eng. Fee	52,976	25,321	78,297		
Consultant Amend 6 Eng. Fee	8,909		8,909		
Consultant Amend 7 Eng. Fee			0		
Construction Management	55,000	0	55,000		
Sewer - NUD Facilities Fee	15,000		15,000		
NUD Conduit Sleeve Invoice	7,000	0	7,000	7,000	
City Staff Time	40,000		40,000		
Mitigation Planting Maint (Yrs 2-5)	16,000		16,000		1st yr maintenance included in construction contract
Misc. Project Contingency	10,000		10,000		
<b>Total Expenditures</b>					
	1,013,586	237,091	1,250,677	799,194	
Funding Available	935,019	250,000	1,185,019		
Balance (- indicates shortfall)	-78,567	12,909	-65,658		





9/25/2019



Project Costs


OSBORN CONSULTING INCORPORATED

**PROJECT BUDGET**

- City CIP Budget = \$912,384
- Estimated District Contribution = \$250,000
- Total Budget = \$1,162,384

**OPTIONS**

SCHEDULE A (BASE BID) (BOATHOUSE - NO 2 <sup>ND</sup> LEVEL)	SCHEDULE B (FULL BOATHOUSE)
• Construction Cost = \$766,326	• Construction Cost = \$867,641
• Estimated Expenditures = \$1,158,481	• Estimated Expenditures = \$1,250,677
• Balance = +\$3,913	• Balance = -\$88,263



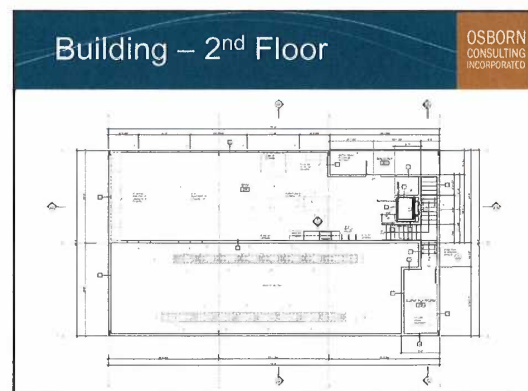
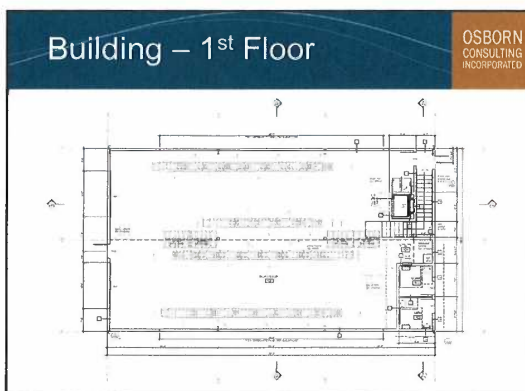
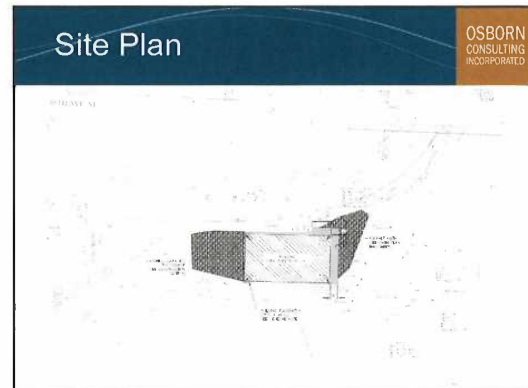
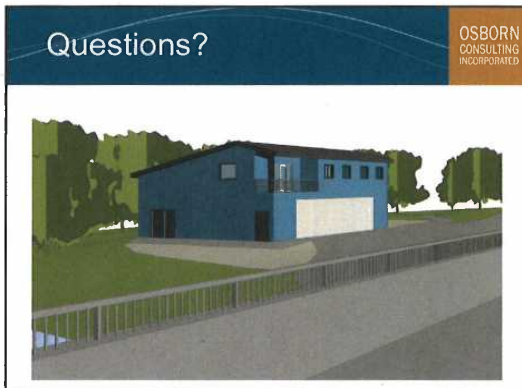
Next Steps

OSBORN CONSULTING INCORPORATED

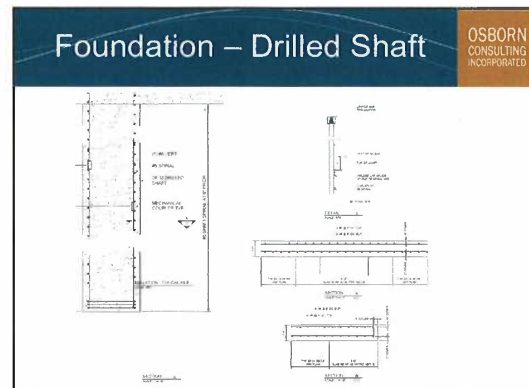
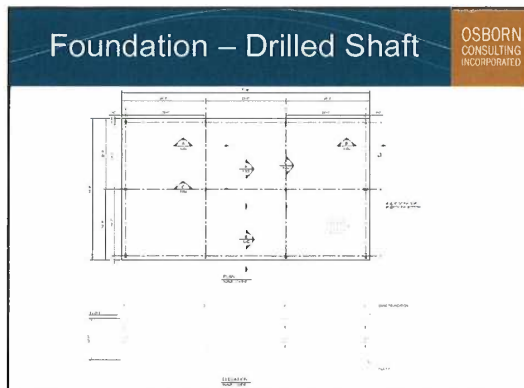
- Scope of Project
  - Schedule construction
- Closing the Funding Gap
  - Formal capital campaign/internal City loan
  - Additional funding
  - Foundation cost analysis



9/25/2019



9/25/2019





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# Rhododendron Park Kenmore Boathouse

Kenmore City Council Meeting 10/7/2019



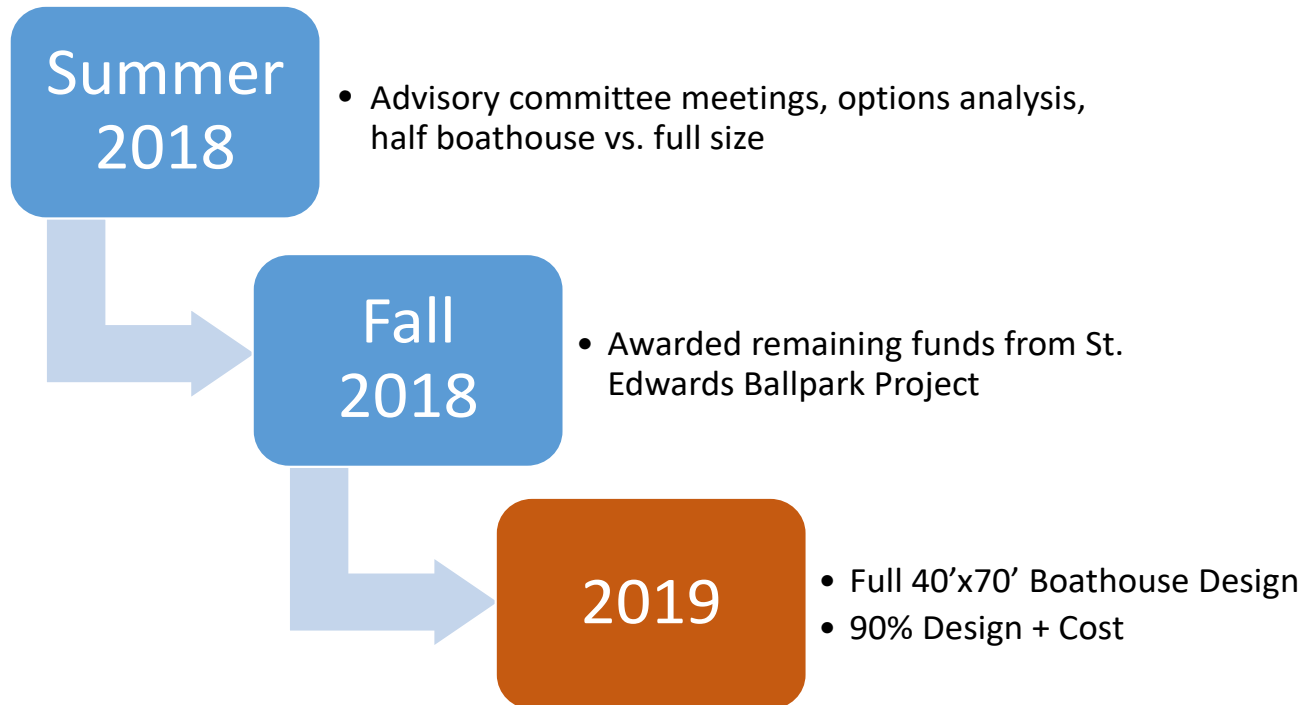
# Project Location

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# Project Progress

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# Boathouse Design

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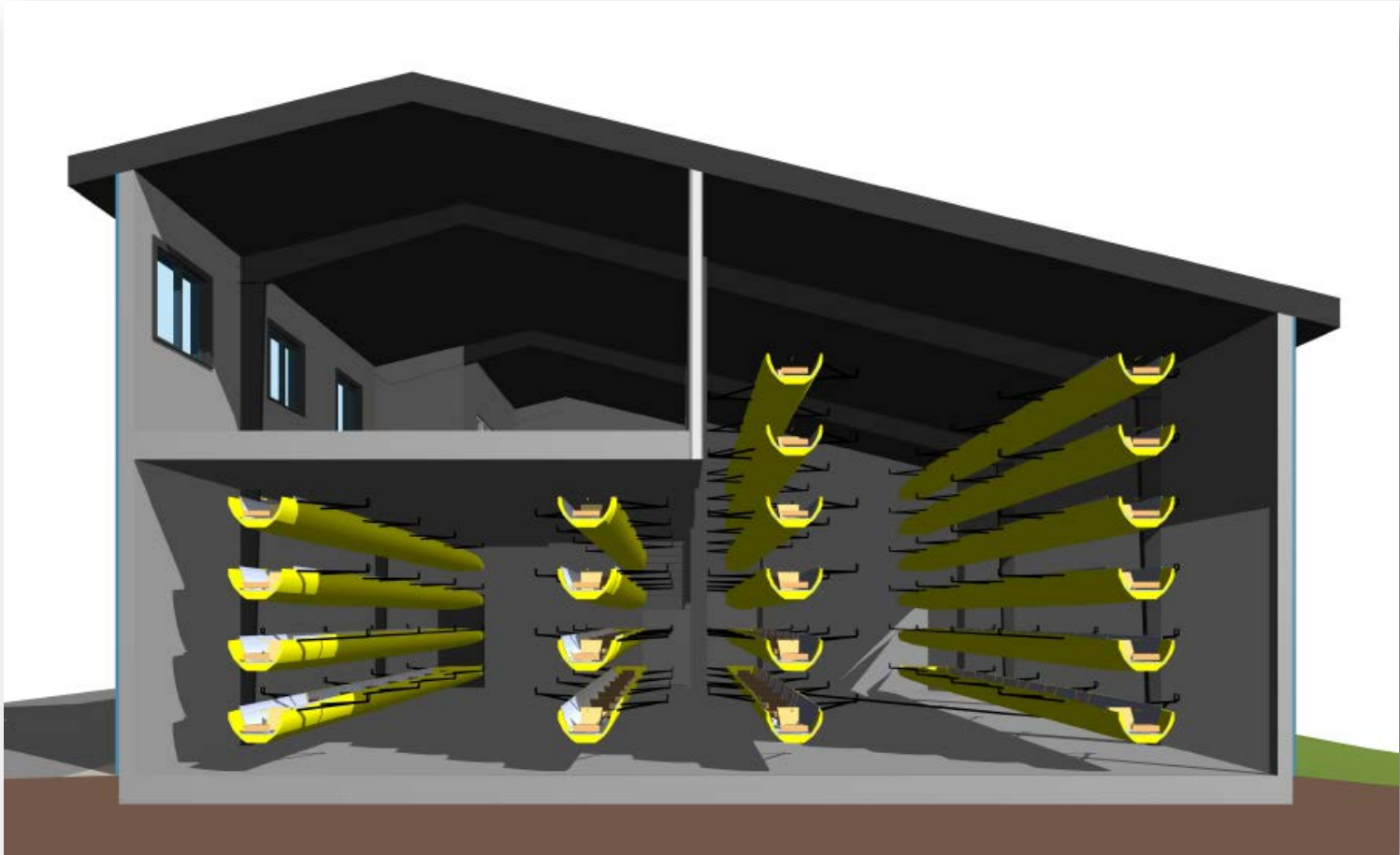
# Boathouse Design

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# Boathouse Design

OSBORN  
CONSULTING  
INCORPORATED





# Project Costs

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## PROJECT BUDGET

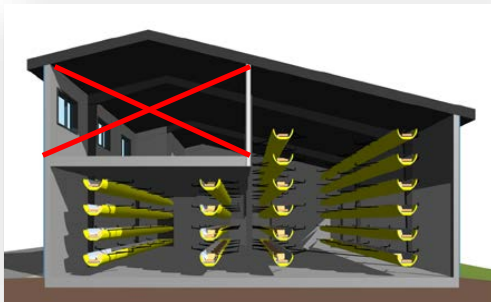
- City CIP Budget = \$935,019
- Estimated District Contribution = \$250,000
- **Total Budget = \$1,185,019**

## OPTIONS

### SCHEDULE B (BASE BID)

#### (BOATHOUSE - NO 2<sup>ND</sup> LEVEL)

- Construction Cost = \$766,326
- Estimated Expenditures = \$1,158,481
- Balance = **+\$26,538**



### SCHEDULE C

#### (FULL BOATHOUSE)

- Construction Cost = \$867,641
- Estimated Expenditures = \$1,250,677
- Balance = **-\$65,658**



# Next Steps

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INCORPORATED

- Scope of Project
  - Schedule construction
- Closing the Funding Gap
  - Formal capital campaign/internal City loan
  - Additional funding
  - Foundation cost analysis

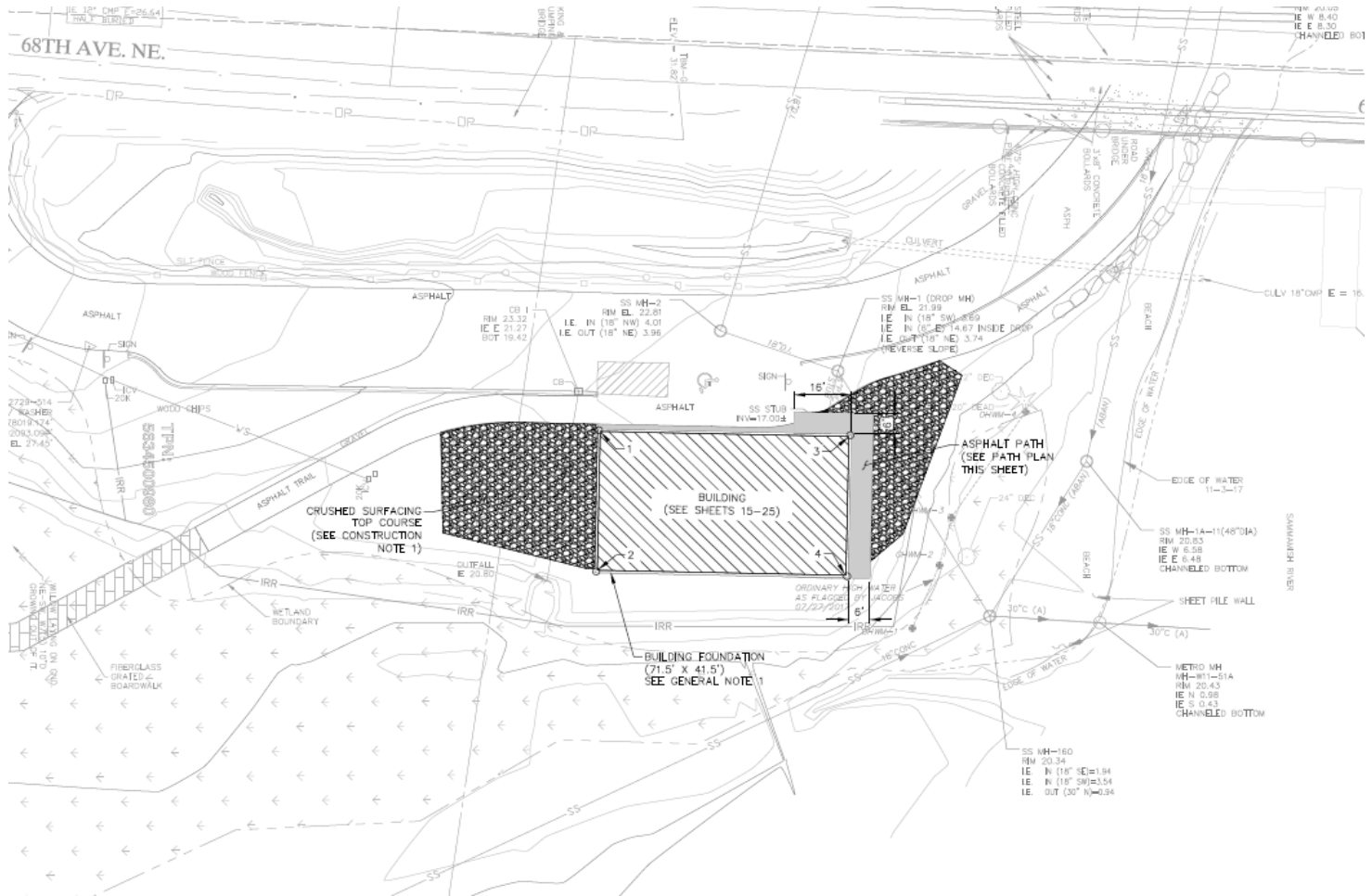
# Questions?

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# Site Plan

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INCORPORATED**

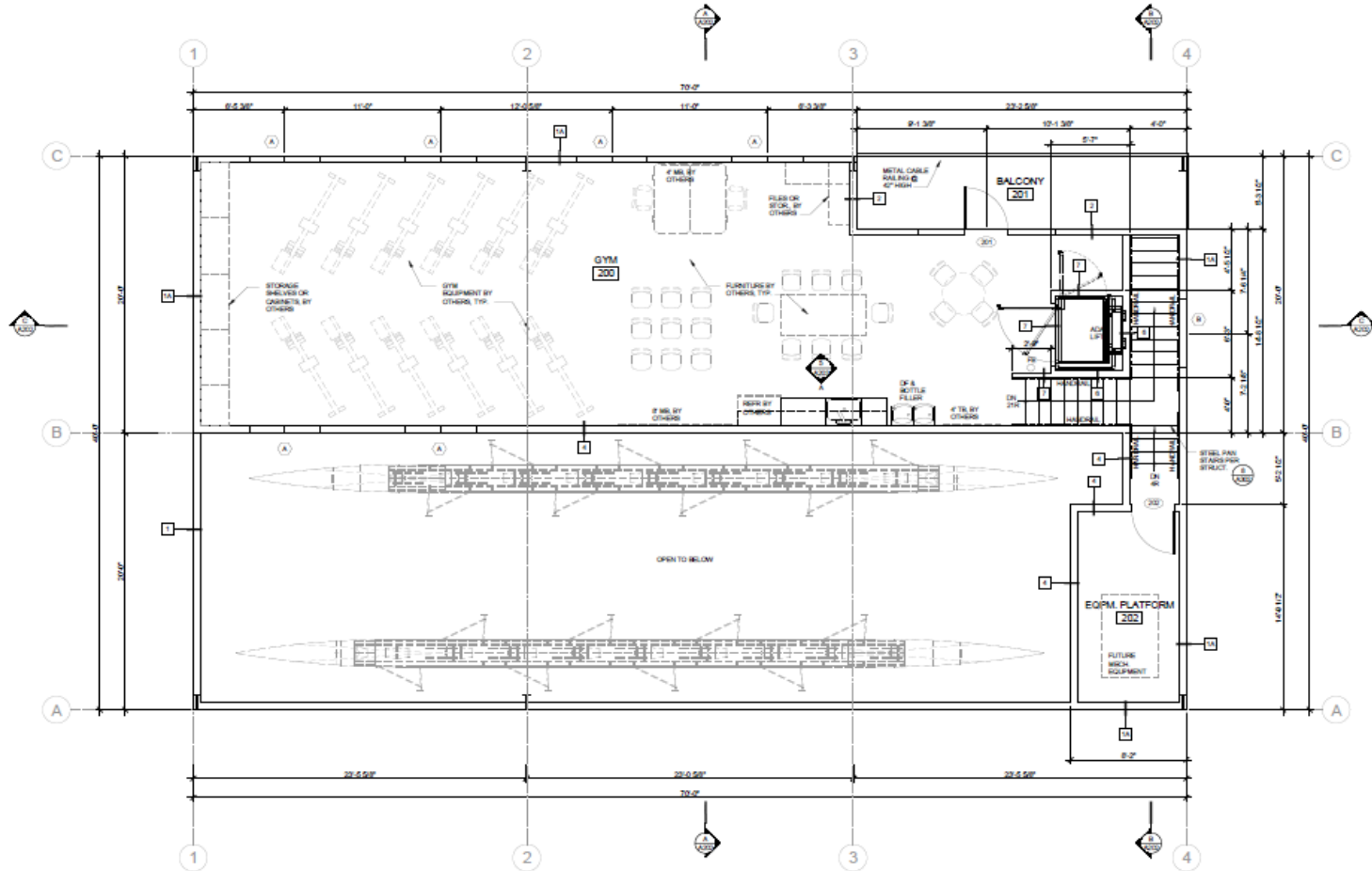


Architectural floor plan of the 1st floor of the 2008 Olympic Village. The plan shows a large central area labeled 'BOAT STOR.' (100) with three long, narrow storage units. To the right is a service area including a 'UTILITY' room (101), 'WOMEN' (102), 'MEN' (103), and a 'STAIR' (104). The plan is bounded by grid lines 1-4 and A-C. Dimensions are provided for various sections, and notes indicate 'POLY CARBONATE PANEL PER ELEVATIONS' for certain walls.

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# Building – 2<sup>nd</sup> Floor

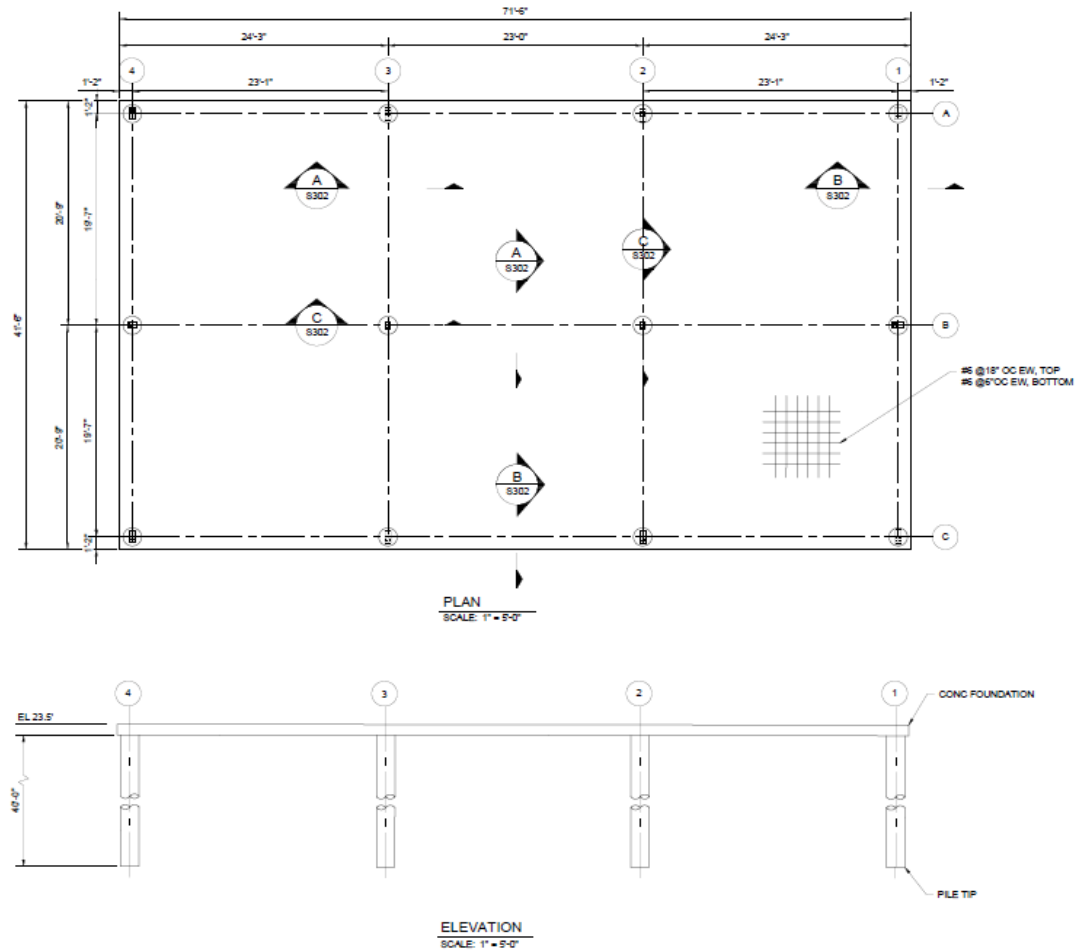
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INCORPORATED





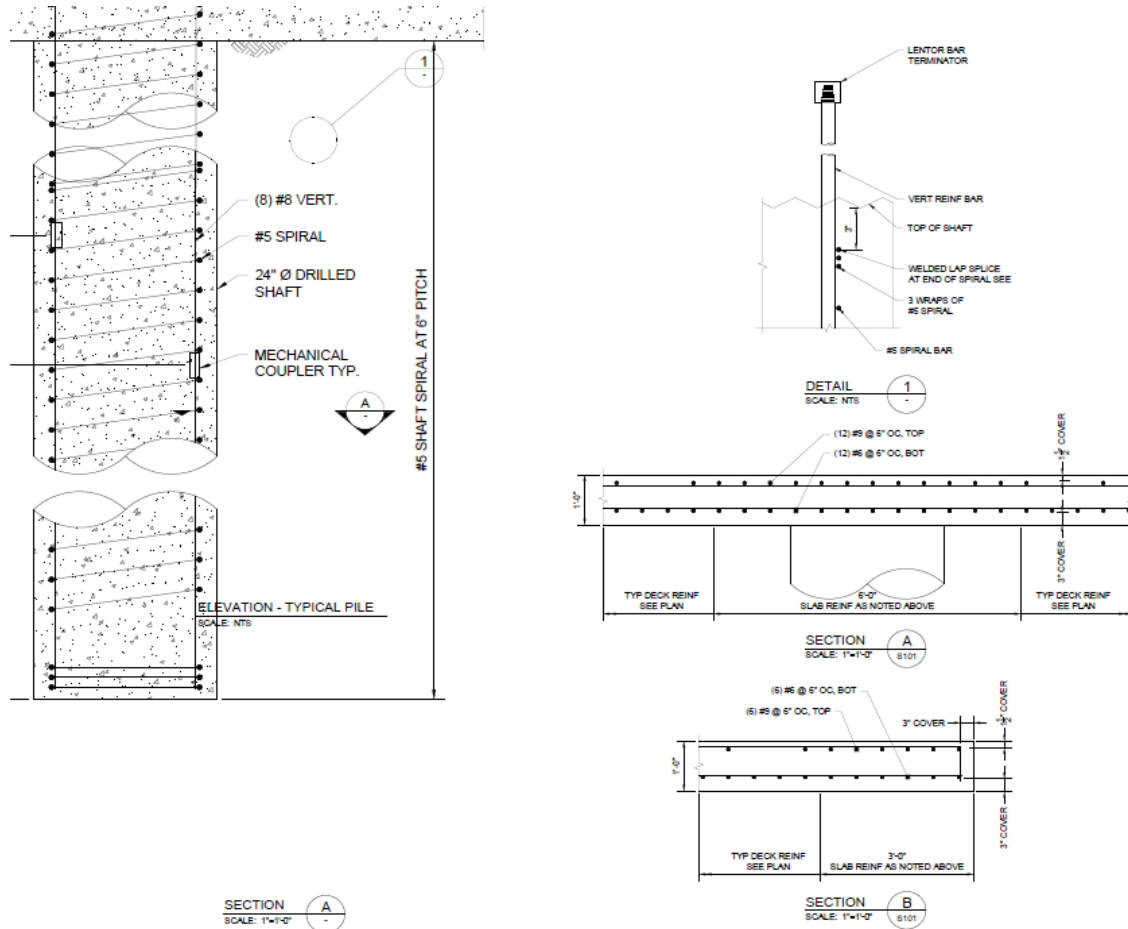
# Foundation – Drilled Shaft

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# Foundation – Drilled Shaft

OSBORN  
CONSULTING  
INCORPORATED



## VI. B. Proposed 2021-2026 Financial Sustainability Plan Process - Rob Ka...

Finally, following the City Council's approval of this plan, the City will communicate this work to the community and advertise for applications to the City Manager for an Citizens Financial Sustainability Task Force to review the information and advise the City Manager on these issues. The task force would convene in early 2020 to review all the information gathered in the fall of 2019, ask questions of staff, suggest alternatives, discuss options, and make recommendations to the City Manager in late spring 2020. Staff will create a task force charter in November in alignment with this approach.

The purpose of this phase is to confirm all technical information and prepare useful, accurate information for the City Council and the community on current resident satisfaction with City services and costs, the City's current financial condition, long-range financial forecasts, the underlying causes of the upcoming gap, and possible solutions.

All information gathered in this phase will be presented to the City Council at their retreat in January 2020 before the task force begins its work.

***Phase 2: Community Engagement and Development of Recommendations***

***January 2020 through June 2020***

In this phase, the task force will convene with the support of City staff and consultants to work to review the problem, understand the City finances and constraints, review the long-range financial forecast and options available to close the gap, and make recommendations to the City Manager by late spring 2020. This phase will include public communications and public engagement activities. These activities will include information posted on websites, newsletter articles, social media posts, dissemination of information through partner organizations, updates at City Council meetings, public meetings, and others.

In early summer, the City Manager will transmit all public feedback, the task force's report, and all summary executive recommendations to the City Council for its review and consideration. The final Financial Sustainability Plan will need City Council approval before it can be implemented.

***Requested Actions at October 7, 2019, Regular Meeting:***

To initiate this project, the City Council is asked to take five actions:

- 1.) Confirm Priority-Based Budgeting results for the City of Kenmore 2021-2022 biennial budget process.
- 2.) Approve the proposed process to create a Financial Sustainability Plan (Exhibit B).
- 3.) Provide feedback to staff on success criteria for this project.
  - a. How will you know our work on this project has been successful? Please share your vision for community engagement on this topic.
- 4.) Authorize the City Manager to execute two professional services agreements:
  - a. **Management Partners** (financial evaluation, expertise, advising) - \$62,900 for two phases of work to support this project:
    - i. Independent evaluation of City finances and long-range financial model (fall 2019)
    - ii. Ongoing support for City Council and task force to evaluate options and create a strategies matrix (early 2020)
  - b. **Chancery Civic LLC** (project management) - \$47,520. There is no additional capacity among existing City of Kenmore staff to manage this project. The proposed consultant would function as an extension of staff to manage this project and coordinate public communications and community engagement activities without incurring the ongoing expenses or benefit costs of an FTE. This contract covers a maximum of 15 hours of work per week for 33 weeks (October 7, 2019-May 22, 2020), with a not-to-exceed amount of \$47,520 for the project.

**FISCAL CONSIDERATION:**

**In addition to staff time, professional services agreements, including a community survey, to accomplish this project will total approximately \$139,000. A budget amendment, utilizing General Fund reserves, would be included in the mid-biennium budget adjustment presented in late October or November.**

**COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:**

**2019-2020 City Council Goal 4. Create and Implement a Financial Sustainability Plan**

**Priority Based Budgeting Governance Results:**

**\*Supports Decision-Making with Timely and Accurate Short-Term and Long-Range Analysis that Enhances Vision and Planning**

**\*Provides Responsive and Accessible Leadership, Focused Community Priorities and Facilitates Timely, Well-Utilized Two-Way Communication and Input with All Stakeholders**



Exhibit A



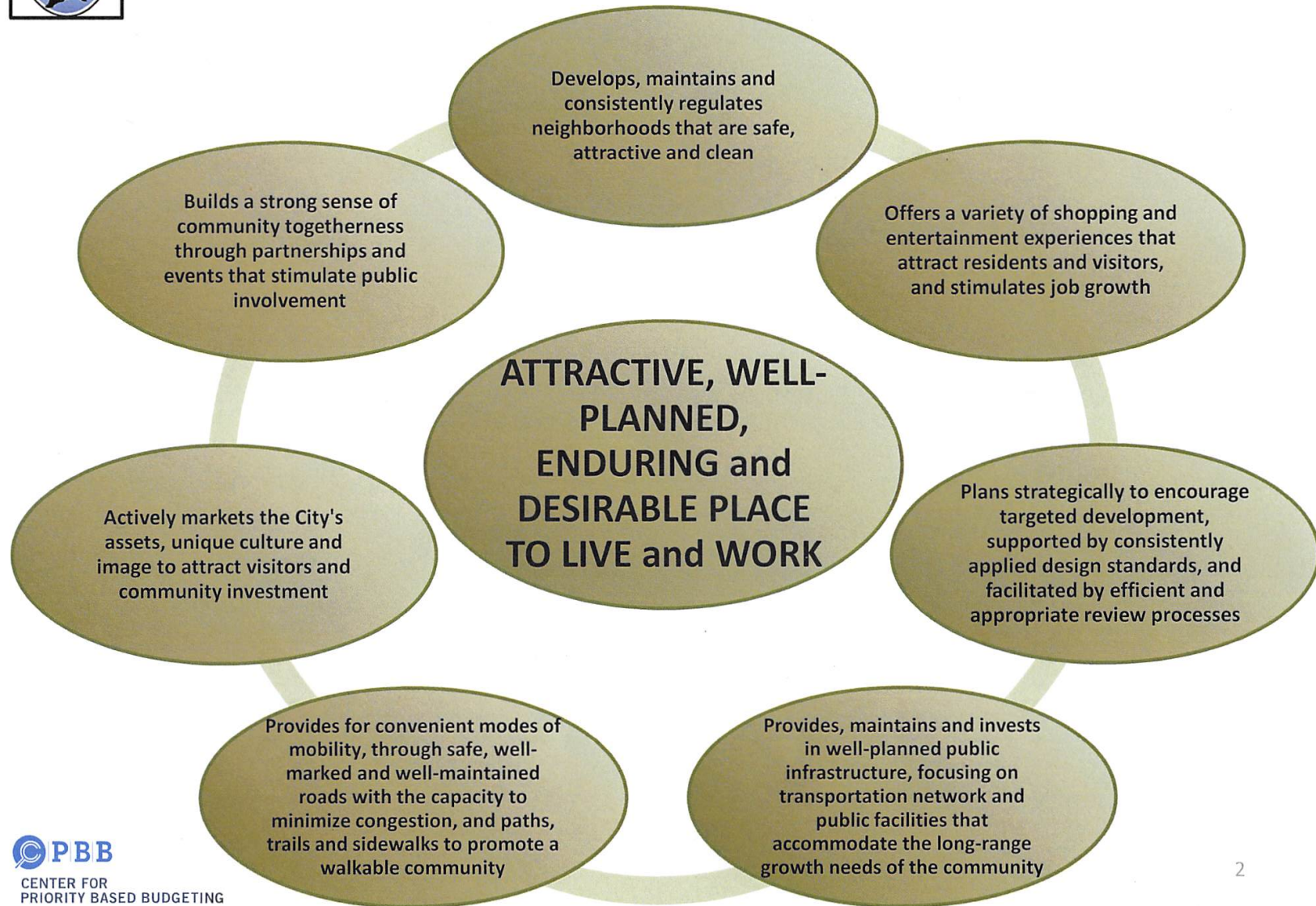
# The City of Kenmore





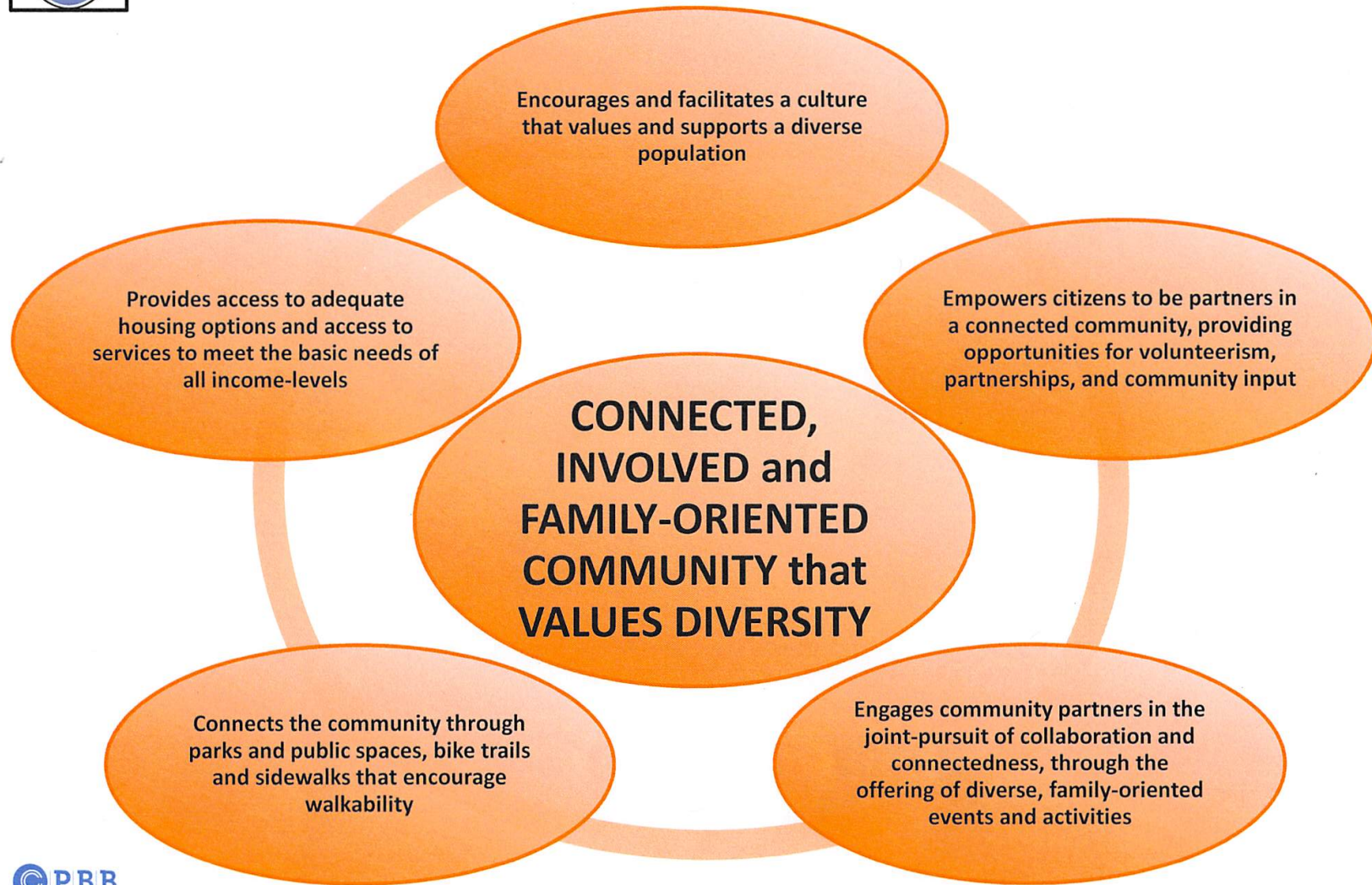


# The City of Kenmore





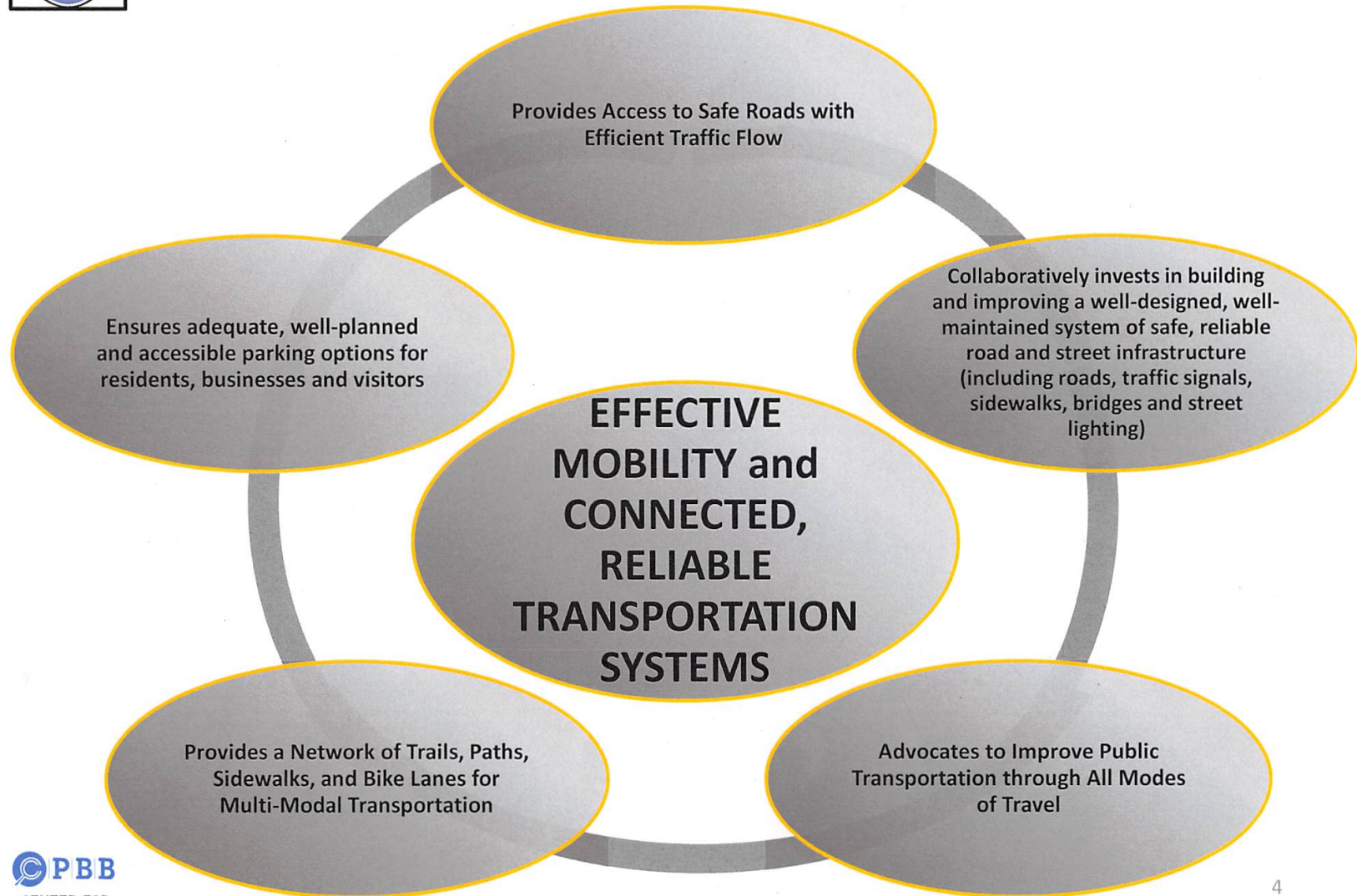
# The City of Kenmore







# The City of Kenmore





# The City of Kenmore





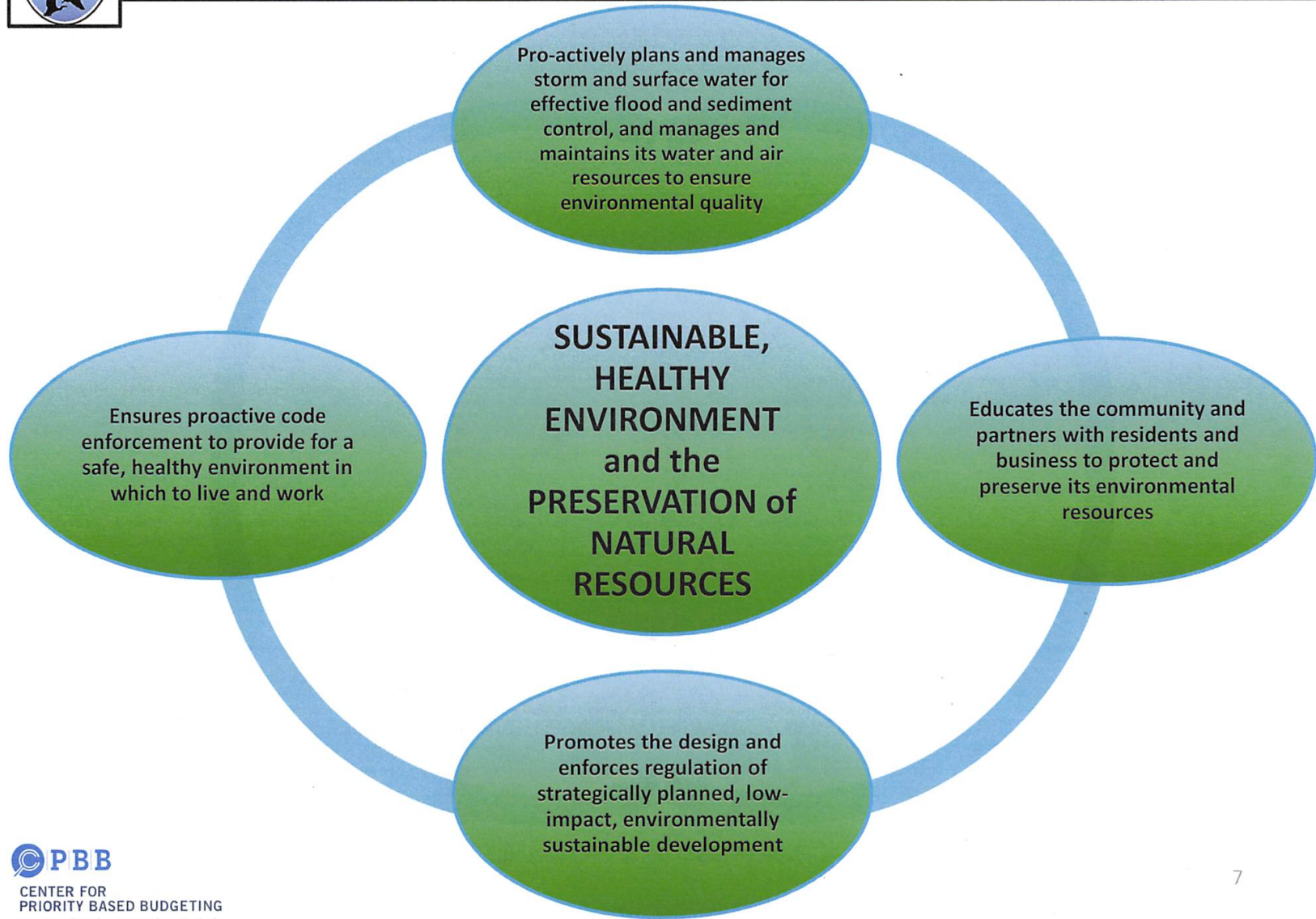


# The City of Kenmore





# The City of Kenmore







# The City of Kenmore



Exhibit B - Proposed Process to Create a Financial Sustainability Plan



City of Kenmore

**Title: Proposed Process to Create a Financial Sustainability Plan**

**Time Frame:** September 2019-June 2020

**Project Manager:** Torie Brazitis, Contracted Project Manager

**Project Sponsor:** Rob Karlinsey, City Manager

**Situation:**

Due to previous decisions of Washington State voters and the Washington State Legislature to limit growth in local government property tax levies to 1% per year plus new construction, the City of Kenmore faces a structural deficit in the next six years in its operating budget (general fund, street fund).

**Proposed Solution: Create a Financial Sustainability Plan:**

To determine the nature of the problem and set a thoughtful, effective course to resolve it, the city proposes a process to create a Financial Sustainability Plan for the next six years (2021-2026) or three budget cycles. This process will have two phases:

- 1.) **Information Gathering and Preparation (October 2019 through December 2019):** This involves several activities.
  - a. Update priority-based budgeting programs and scores and go through a peer-review process.
  - b. Conduct a 2019 community survey to assess citizen satisfaction with quality of life, services offered, and cost of services.
  - c. Work with financial experts Management Partners to evaluate current finances and improve forecast assumptions.
  - d. Create a City Financial Sustainability Task Force that will meet in 2020 to learn more about the situation, ask questions, brainstorm a range of options, and make recommendations to the City Manager.
  - e. Communicate to the public about this project and preview coming community engagement opportunities.

Exhibit B - Proposed Process to Create a Financial Sustainability Plan

**2.) Community Engagement and Development of Recommendations (January 2020 through June 2020):** This phase involves several activities.

- a. Convene a task force to learn more about the issue and provide input to the City Manager.
- b. Host a community conversation from January 2020 through June 2020 to share this information and gather input on the challenges and options.
- c. Gather all community feedback for the City Council and create a set of recommended actions for the City Council's consideration.

These issues are recurring for cities, so the city will need to check in on this plan in three to four years.

**Criteria for Success:**

The objective of this process is to create a comprehensive, long-term Financial Sustainability Plan for the City of Kenmore through an inclusive and informed public process that considers all available options. The final plan must prevent projected city expenditures from exceeding revenues through multiple actions for at least six years, from 2021 through 2026. For this plan to be implemented, it will need formal legislative approval from the City Council.

**Use of City Financial Sustainability Task Force:**

The use of a City Financial Sustainability Task Force will focus and support this work. This will ensure a fresh look at city finances and early solicitation of feedback on the current situation, the nature of the problem, and suggested recommendations to fix it. It will create an informed group of residents with which city leadership can discuss the city's structural deficit and weigh options.

This group will be appointed by the City Manager and will provide advice to him on these issues. A copy of their report to the City Manager will be provided to the City Council. The City Council remains the decision-maker on how to resolve these matters.

The consulting firm Management Partners has experience helping many cities, including Mercer Island and Newcastle, evaluate their options for financial sustainability. This plan proposes that Management Partners assist the City of Kenmore twice in this process—first, by independently evaluating the city's current finances and forecasts in the "Information Gathering and Preparation" phase, and second, by serving as the financial experts for the task force and the City Council in the "Community Engagement and Development of Recommendations" phase to ensure that all options are considered and that all questions are answered well and promptly during the work.

The task force will also learn about the city's work in priority-based budgeting and about how that reflects the City Council and community's spending priorities and shows how programs are connected to desired results. The city may bring in AWC experts to discuss changes for cities across Washington State in structural deficits and staff or leaders from neighboring communities to discuss structural deficit work they've done there. The city will also use the Balancing Act budget tool when appropriate to illustrate the challenges of budget balancing in a constrained environment. It will also commission a new community survey to gauge how the community feels about quality of life, city services, and the cost of those services.

Exhibit B - Proposed Process to Create a Financial Sustainability Plan

**Public Participation and Communications:**

The goal of this process is to enable authentic conversations in which all options are considered. To achieve this, our objectives are the “Involve” level of participation on the International Association for Public Participation (IAP2) spectrum. This level is defined as follows:

- **Involve:** The aim of this level is “to work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.” The promise to the public is that “We will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how public input influenced the decision.” Decisions are made by the City Council and not delegated.

This level of public participation is reflected in the plan proposed here.

In addition, the team will develop clear, interesting, accurate content on these issues for distribution throughout the process to keep the public informed. This will be distributed through a range of communication channels, including presentations at community group meetings, the city newsletter, website updates, media outreach, in-person meetings, and social media. Given Kenmore’s interest in neighbors meeting each other face-to-face, FSPCAC or council members could host or attend “kitchen table” meetings in neighborhoods in the spring to discuss the city’s financial sustainability issues and options..

**Criteria for Success:**

Through this process, staff will evaluate the process and results against the following criteria to determine whether we are successful:

1. The Financial Sustainability Plan closes the gap in a way that the City Council feels reflects the values of the community. For this reason, it is approved by the City Council and can be implemented.
2. The approved Financial Sustainability Plan will close the gap for six years or three budget cycles (2021-2022, 2023-2024, 2025-2026) through multiple actions over that timeframe.
3. The community conversation about the Financial Sustainability Plan is honest and open and reflects the feelings and needs of the entire Kenmore community.
4. The council, the task force members, and the public are given clear, comprehensive information on the current state of finances and feel well served. As much as possible, all questions are answered in plain language.
5. Experts are used to check the city’s assumptions and improve forecast models.
6. Revenue and expenditure options from city staff, city leadership, task force members, and the public are considered fairly and openly.
7. The process is well documented and clearly communicated in the city newsletter, in the newspaper, and on social media.

Exhibit B - Proposed Process to Create a Financial Sustainability Plan

8. The city website serves as a single, excellent source of information. It has all documents given to the task force, explains the current financial sustainability challenges, shows the task force meeting schedule, and invites input into the process.

**Timeline:**

- **Early October 2019** – Presentation to City Council on the proposed process for Financial Sustainability Plan and start of “Information Gathering and Preparation” phase
- **Early January 2020** – Presentation of all Phase 1 information to City Council at their retreat.
- **Early May 2020**– Final committee report to City Manager with a set of recommendations
- **Early June 2020** – City Manager summary report to City Council on financial sustainability plan, community engagement, and recommendations

**Roles and Responsibilities:**

The following are members of the Financial Sustainability Plan project team and their areas of responsibility:

- **Torie Brazitis, Project Manager** – Project management, strategic direction, document creation for executive review, council presentations and briefings, content creation. Will manage contracted graphic designer (if the city decides to use those services), create key messages in consultation with city staff, provide staff support at meetings, and facilitate committee meetings.
- **Joanne Gregory, Director of Finance and Administration** – Financial expert, source of all financial data, creates long-term financial forecast, leads city budget development and priority-based budgeting process. Will provide financial expertise in city budgeting and management of PBB and city budget processes.
- **Rob Karlinsey, City Manager** – Executive sponsorship, strategic direction, manages council relations, appoints committee members, approves materials. Will communicate throughout with City Council to ensure the process meets their needs and expectations.

**Constraints, Assumptions, Dependencies, and Risks:**

This plan assumes the City Council would like to receive a final report from the City Manager on the results of this process before staff completes the 2021-2022 proposed budget so there is time to give direction in response.



Exhibit C

## Management Partners



September 27, 2019

Mr. Rob Karlinsey  
City Manager  
City of Kenmore  
18120 68th Ave NE  
Kenmore, WA 98028

Dear Mr. Karlinsey:

Thank you for your conversations last week with you, your team and Steve Toler to discuss the City of Kenmore's desire for a proposal to provide an independent review of the City's existing ten-year General Fund financial forecast and to help prepare a fiscal sustainability plan.

We propose to conduct this project in two phases.

1. Conduct an independent analysis of the City's six-year General and Streets Funds financial forecast; and
2. Develop a fiscal sustainability plan for the City.

Before we discuss our approach in conducting these activities, we would like to share some background on the firm.

### About Management Partners

Management Partners was founded in 1994 with a specific mission to help local government leaders improve their service to the public. Since then we have worked with cities, counties, towns, and special districts of all sizes across the United States to help them work more effectively and run more efficiently.

We offer a balance of perspectives with a practitioner's bias and a proven track record of successful consulting engagements. This experience gives us a sensitivity that produces positive outcomes. We are proud to say that as a result of our quality work, many of our clients ask us to complete subsequent assignments.

- » *We Know Local Government.* Our associates have served in local governments, so we have a deep understanding of the operating and political environments in which you work.
- » *We Take a Collaborative Approach.* We consider ourselves part of your team and strive to ensure our work supports your overall corporate strategy and goals.
- » *We Have Extensive Experience.* Each of our more than 100 associates is an expert in one or more service areas, and our firm has assisted hundreds of jurisdictions in 42 states.

1730 MADISON ROAD • CINCINNATI, OH 45206 • 513 861 5400 • FAX 513 861 3480 MANAGEMENTPARTNERS.COM  
2107 NORTH FIRST STREET, SUITE 470 • SAN JOSE, CALIFORNIA 95131 • 408 437 5400 • FAX 408 453 6191  
3152 RED HILL AVENUE, SUITE 210 • COSTA MESA, CALIFORNIA 92626 • 949 222 1082 • FAX 408 453 6191



Mr. Rob Karlinsey

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- » *We Have Developed Proven Methodologies.* We understand the importance of a holistic approach to improving organizations, using field-tested techniques for each aspect of the work.
- » *Our Work Plan is Tailored to Your Needs.* Each of our projects is individually tailored to our client's unique needs, starting with a careful learning process.
- » *We Take Pride in the Quality of Our Work.* Our internal processes ensure first-rate, complete staff work and adherence to the highest of ethical standards in public service.
- » *We Are Focused on Implementation.* As practitioners, our recommendations make practical sense and are able to be implemented.
- » *We Provide a Full Suite of Services.* Management Partners' services include everything required to support local government leaders, including organization assessments, performance management, process improvement, strategic planning, and financial planning, budgeting and analysis.

### Understanding the Engagement

Kenmore operates under the laws of the State of Washington applicable to the council-manager form of government. The City provides a wide range of municipal services including community development, public works, parks maintenance and administration through the City Manager's Office and the Finance and Administration Department which includes finance, budget, human resources, information technology and city clerk functions. The City contracts with other local government agencies for police, jails, court and animal control services. City attorney services are contracted with a private law firm. Fire and library services are provided through separate taxing entities.

The City Manager is responsible for preparing a biennial budget that incorporates an operating and capital budget for City Council review and approval. The budget documents also include a six-year capital improvement program. A 10-year General Fund and Streets Fund financial forecast is prepared separately and is presented for Council consideration as part of the biennial budget adoption, with a primary focus on the first six years of the forecast.

The 2019-2020 biennial budget indicated a balanced General Fund budget but projects an ongoing annual structural deficit (expenditures and transfers exceeding revenues) in the City's General Fund starting in FY 2021 that is projected to rise to nearly \$1.6 million by FY 2026 and to over \$3 million by FY 2030. If no action is taken, General Fund reserves are projected to be nearly depleted by FY 2026, and fully depleted starting FY 2027.

Annual revenue growth is not keeping pace with annual expenditure growth. The City has experienced development activity and other one-time revenue and transfers that have helped balance the budget. The City has banked property tax levy available, however levy increases beyond banked capacity and greater than 1%, as allowed under state law, would require voter approval. The costs for contracted services for police have continued to grow.



Mr. Rob Karlinsey

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In addition, funding shortages for transportation capital projects whose dedicated revenue sources are not sufficient to maintain streets to the City's existing standards have been identified. This would create an increased burden on the General Fund.

City leaders desire an independent analysis of the General and Streets Funds forecast that would review the underlying assumptions and calculations of projected revenues and expenditures to determine their reasonableness, and to provide recommendations on how to improve the forecast in advance of the FY 2021-2022 biennium budget process. Subject to any changes in the forecast, City staff would then develop a fiscal sustainability plan to begin to address the long-range fiscal gap.

### **Proposed Plan of Work**

The City has two primary goals in this project. The first is to present to the City Council a realistic General and Streets Funds financial forecast in January 2020 as a baseline understanding of the fiscal challenges that the City faces. The second goal is that the City Council would receive a report in May 2020 that presents budget strategies and scenarios that would address the fiscal gap, reviewed in advance by staff and ad-hoc Fiscal Sustainability Plan Citizens Advisory Committee (FSPCAC). The City Council would then select the set of strategies to be implemented through a resolution adopting the fiscal sustainability plan.

We have developed a plan of work to achieve these goals in two phases. Our proposed plan is based on our experience in developing fiscal models and fiscal sustainability plans for cities across the United States, our familiarity with Washington cities' fiscal operating environment, and our understanding of Kenmore's needs. This framework is amenable to refinements based on your input.

#### ***Phase One – Conduct an Independent Analysis of the City's Six-Year General Fund and Streets Fund Forecast***

During Phase One, we will conduct an independent review of the City's General and Streets Funds financial forecast. We understand that the underlying assumptions and analyses that comprise the six-year financial forecast are a key element in the preparation of the city's biennial budget. A central part of our review would be to interview you, the Finance and Administration Director, and any other employees that participate in the development of the financial forecast.

We will review data and documents that support the calculation and projection of key revenues, expenditures and operating transfers. We will also assess the assumptions used in the financial forecast for reasonableness based on the City's operating and the region's economic environments. Our analysis will culminate in the form of a presentation to the City Council and will include our observations and recommendations for improving the forecast at a meeting tentatively scheduled in the first half of January 2020.



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Phase One will encompass Activities 1 through 4 as described below.

#### ***Activity 1 – Start Project***

Management Partners will begin the project with an onsite project launch meeting that includes you, the Finance and Administration Director and the City's community engagement consultant who will serve as the City's project manager. The project start-up activity forms the foundation of the relationship between Management Partners' team and the City. During this initial meeting, we will confirm project deliverables and due dates to ensure the project is completed on time and on budget and that our proposed scope of work is aligned precisely to meet your goals and objectives.

We understand that the work associated with this review is in addition to the normal work of the organization. Our goal is to integrate our activities in a manner that is thoughtful and minimizes disruption to the department.

We will have provided a data request prior to this meeting and will review the material collected by staff to identify any other data needs.

#### ***Activity 2 – Gather Information***

Next, we will initiate a careful learning phase to understand the City's current fiscal status and environment. We will review multi-year budget information, including such items as revenue sources and amounts, expenditure allocations, reserves and other funds, budgetary reductions and cost shifts that have been made to date, the local community, the City's labor environment, and other relevant factors.

We will then review the current six-year financial forecast prepared using the forecasting tool provided from Municast. We will rely on data used in preparing the financial forecast, which include the following:

- » Revenue assumptions for the City's significant revenue sources, including property tax and calculation of the tax levy rate, sales tax, utility tax, real estate excise tax, franchise fees, development review fees, and any other significant revenue sources.
- » Expenditure assumptions for the City's significant expenditure categories, including salaries and benefits, services and supplies, capital outlay, debt service, interfund transfers, and the funding status of pension and other post-employment benefit obligations.
- » Fund balance/reserves analyses and amounts restricted or assigned for specific purposes in accordance with City Council policy and/or generally accepted governmental accounting standards.
- » Economic assumptions used in preparing the ten-year financial forecast, including revenue growth trends, compensation and benefits increases (especially medical and pension projections), historical and future projected recessionary impacts, development activity, and regional economic environmental assumptions.





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We will also perform a cursory review of the City's six-year capital improvement program and discuss any current and future underfunded or unfunded capital improvement needs that may require additional fiscal resources from the General Fund.

### ***Activity 3 – Analyze Financial Forecast***

During this activity, we will analyze the data we have gathered through documents and interviews. We will identify any significant historical trends that may inform the forecast of revenues and expenditures and determine if the forecast incorporates a comprehensive set of assumptions affecting the financial capacity of the General Fund. This analysis will provide a sound basis for understanding the City's financial ability to fund services during the next six years.

As part of this phase, Management Partners will leverage the City's existing fiscal model to create a dashboard spreadsheet that will allow staff and Council members the opportunity to see the impacts of changes to forecast assumptions and the necessary revenue and expenditure adjustments that would be required to allow for fiscal sustainability for the General Fund and the Streets Fund.

We will discuss the results of our analysis with you and the project team to solicit your feedback and determine if additional analysis or information is required to substantiate the City's financial forecast.

### ***Activity 4 – Report Results***

Once we have received feedback about the recommendations and improvement opportunities, we will prepare a draft slide deck of our analysis and recommendations for improving the fiscal model. The slide deck will include a presentation of the revised financial forecast that incorporates our recommendations and provide an informative section on fiscal sustainability planning as a means of commencing Phase Two of this project. We will review the draft slide deck with you and the project team. After receiving comments, we will finalize the slide deck and will present our observations, recommendations and the revised model to the City Council and the FSPCAC at a joint meeting tentatively scheduled in the first half of January 2020.

### ***Phase Two: Preparation of a Fiscal Sustainability Plan***

Upon conclusion of the first phase, we will then begin to prepare a fiscal sustainability plan for the City's General and Streets Funds. The plan will identify budget strategies that, if implemented, will address the General and Streets Funds' annual structural deficit.

In preparing a fiscal sustainability plan, we propose to identify budget strategies in several categories. These include revenue enhancements, expenditures controls and cost shifts, service delivery changes and service level reductions that, in combination, would serve to eliminate the General and Streets Funds' long-term fiscal gap.



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A key part of the process will be hearing from individuals in the organization. We will interview department directors, other key staff members, and City Council members. These efforts, as well as our research and knowledge of best practices, will identify potential budget strategies for consideration. Insights from Council members and staff will help us understand feasibility.

We have found in some jurisdictions that engaging community stakeholders provides opportunities to identify strategies that may be accepted by the community. It also helps inform Council decisions about strategies that may be developed as the fiscal sustainability plan is finalized. The City's FSPCAC will serve as a means to hear from community stakeholders in reviewing budget strategies and providing recommendations through the City Manager to the City Council on the development of the Plan.

Phase Two will encompass Activities 5 through 10 as described below.

***Activity 5 – Initiate the Fiscal Sustainability Plan Phase***

Management Partners will begin this phase by meeting with you and the project team. We will review the outcomes from Phase One and confirm Phase Two deliverables and due dates to ensure the project is completed on time and on budget and that our proposed scope of work is aligned precisely to meet your goals.

We will provide an additional document request prior to this meeting and will review the material collected by staff to identify any other data needs that were not already gathered from Phase One.

***Activity 6 – Gather Data, Conduct Interviews and Review Documents***

Next, we will initiate a careful learning phase to update our understanding of the City's fiscal and operating environments and to learn from the City's subject matter experts, elected officials, department directors and staff. We find that useful ideas are generated by staff and we will optimize opportunities to hear their suggestions. We will go about gathering input in several ways.

- » ***Conduct Interviews.*** We will conduct the following interviews.
  - *City Council Members.* We will conduct individual interviews with each of the seven Council members to discuss the project and gather input about policies and budget strategies they feel should be considered as we start Phase Two. We will also discuss the plans for a Council study session later in the project.
  - *Department Directors and Managers.* We will conduct up to seven interviews with department directors and senior managers in the organization. The goal is to hear their experiences with budget balancing over the last few years and suggestions for budget stabilization, both on the revenue and expenditure side.



- » *Review Documents.* To maximize our efficiency in this area we will utilize previous work products developed by City staff as part of the budget process, which may well include suggestions and ideas from staff. We will review documents and data provided from our document request to gain a deeper understanding of key revenue sources and expenditure categories. We will review the work the City has performed in development of its priority-based budget, and also review the results of the customer satisfaction survey that the City expects to complete in early 2020 to inform our analysis regarding service level priorities.

At the completion of this activity, we will summarize the results of the data gathered, which will be used in the next activities.

#### *Activity 7 – Review and Update the Long-Range Forecast*

Next, we will review the refined six-year General and Streets Funds forecast that was the subject of Phase One and assist staff in making additional revisions necessary to incorporate any revisions to the forecast (e.g., year-end results that impact available reserves or revenue/expenditure forecasts). Our analysis will also review and factor in the City's inventory of unmet or deferred infrastructure and maintenance needs, to the extent the information is available. The revised forecast will provide the basis for addressing fiscal gaps in a six-year horizon.

#### *Activity 8 – Analyze Data and Prepare Initial Matrix of Strategies*

Next, we will analyze the data gathered in Activities 6 and 7. We will identify historical trends and review the revised forecast, giving a comprehensive perspective of the factors affecting the financial capacity of the City. This analysis will provide a sound basis for understanding the City's financial ability to fund services during the next six years. It will serve as a starting point for understanding the revenue/expenditure gap that will need to be solved in the fiscal sustainability plan.

As we analyze the data and input gathered, and have a revised ten-year forecast, we will identify budget optimization opportunities for the fiscal sustainability plan. Our analysis will consider the work the City has done in preparing its priority-based budget that will identify priority service delivery areas. As part of this analysis, we will:

- » Assess the strategies employed to date to ascertain which have been most effective in reducing costs and increasing revenues, and
- » Identify budget balancing approaches that are being used by other municipalities in Washington and in other agencies throughout the United States that may be appropriate for the City.

Since we work with many cities, we have a robust knowledge base of alternative approaches that are being applied successfully in the current economic environment.





**Identify Strategies.** To organize our work, we will develop independent strategies grouped in four dimensions which, taken together, comprise a range of alternatives for closing the deficit gap and creating a stabilized and sustainable budget. They are:

1. **Revenue Enhancements.** This involves identifying new revenue sources, or enhancing/increasing existing revenue sources, based on best practices, and comparisons with neighboring communities.
2. **Expenditure Controls and Cost Shifts.** This refers to strategies that cap or save General Fund expenditures either by shifting costs to other funds or service providers to reduce the cost of services borne by the General and Streets Funds.
3. **Service Delivery Model Changes.** This includes looking at alternative, lower cost service delivery approaches such as shared services, outsourcing or insourcing with other agencies, public/private partnerships, and contracting for services with private sector service providers.
4. **Service Delivery Reductions.** This involves reductions based on prioritizing core services and reducing non-core services. Since we assume that preserving services is a priority, this is typically a fallback strategy when other approaches to restoring the balance between revenues and expenditures are not possible.

**Prepare Matrix.** Following our analysis of the data, we will develop a preliminary matrix of short- and long-term strategies to eliminate the City's structural deficit. The initial matrix will be organized into the categories established above. It will include estimated timeframes (short-vs. long-term) and expected order of magnitude financial results.

We will meet with you and the project team to present our preliminary matrix of strategies to obtain feedback. During this meeting, we will receive feedback and answer questions that will assist in identifying strategies to be analyzed in greater detail.

#### ***Activity 9 – Prepare Fiscal Sustainability Plan***

Incorporating the feedback received, we will perform a detailed analysis of strategies offering the greatest potential for reducing the fiscal challenges documented in the previous activities in the form of a memorandum that will serve as the basis for a draft fiscal sustainability plan. We will identify the following information for each strategy:

- » Description and rationale,
- » Estimated fiscal impact,
- » Potential for success using an evaluation matrix based on fiscal impact and implementation factors,
- » Impact on achieving the priorities established through the priority-based budget process
- » Implementation schedule (short- vs. long-term), and
- » Any one-time costs for implementation.

We will take care to qualitatively weigh the importance of various implementation barriers using the evaluation matrix indicated above. Such barriers could range from relatively simple



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changes in policies or procedures to more complex contract, organizational, or policy changes. The differences in barriers are likely to dictate both the timeframe and the priority for each strategy, as well as the degree of difficulty to implement.

**Scenario Packages.** The strategies will then be grouped into various scenario packages for consideration, ranging from revenue-centric to expenditure-focused packages and various combinations in between. This will assist decision makers in considering and deciding on the right blend of revenue and expenditure options for the City to be exercised as part of a fiscal sustainability plan.

**Memorandum, Plan and Slide Deck.** We will present a draft budget strategies and scenario packages memorandum to you and the project team for feedback. If additional analysis is needed, we will conduct it following that meeting. We will then finalize the memorandum and prepare a slide deck for presentation at separate FSPCAC and Council meetings as indicated below.

**City Staff Meeting.** Management Partners will present the draft analysis of budget strategies and scenario packages to City staff at a meeting to be determined by the project team. The purpose would be to provide employees with the opportunity to understand the mix of strategies being presented and answer questions. Many of our clients prefer this meeting to take place after the agenda has been published but before the Council workshop. The timing of this meeting will be at your discretion.

**FSPCAC Meetings.** Management Partners will participate remotely through video/teleconference to provide insights to the FSPCAC from January to April 2020 as needed, and will be on-site to present the draft budget strategies and scenario packages to the members of the FSPCAC in late April 2020. The purpose would be to provide the committee with an opportunity to reflect on the plan and to formulate their recommendations to the City Council that they will present in May 2020.

**City Council Meeting/Study Session.** Management Partners will present our report on budget strategies and scenario packages to the City Council. We suggest that the meeting be in the form of a study session workshop where Council, FSPCAC members, and leadership team members can engage with one another as part of the presentation of options. The six-year fiscal model will also be presented to show how the mix of revenue and expenditure options impact the General Fund's long-range reserves. Upon conclusion of the workshop, the combination of budget strategies selected by the Council will form the basis for the draft fiscal stabilization plan.

#### **Activity 10 – Finalize Fiscal Sustainability Plan and Support Implementation**

We will then participate in a regular Council meeting where the Council will review and select the final set of strategies that will form the basis of the finalized fiscal sustainability plan. We will provide a finalized plan based on the direction received from the Council.



Management Partners has a strong bias for action. Our recommendations become tools for setting priorities, and for developing work plans. This is a critical step to ensure implementation of the fiscal sustainability plan. After completing the fiscal sustainability plan, we will prepare a draft Implementation Action Plan incorporating each recommendation in the project report. The draft action plan sets forth the steps required for implementation, assigns responsibility for action, and an assigned priority level (immediate, near or long term) for initiating each recommendation.

The action plan is prepared as a draft and becomes final once you and your executive team members integrate the action steps into their work plans and develop dates for planned completion. The action plan offers an important management tool for actual implementation of the work reflected in the fiscal sustainability plan.

#### ***Optional Activity 11 – Participate in Town Hall Forum***

Some communities have found it helpful to present the draft fiscal sustainability plan to the public at-large in the form of town hall forum or similar community engagement workshop. In cases where the city has engaged the services of a community engagement consultant as has Kenmore, Management Partners will typically participate as independent subject matter experts to convey the fiscal model and fiscal sustainability plan information to community members during the meeting. If the City decided to conduct such a meeting and desired our participation, we estimate that the costs of those services would be an additional \$4,000.

### **Our Experience and Qualifications**

Management Partners has a highly qualified project team to complete this work for the City of Kenmore. Our team members will be available to ensure successful completion of the project. Andrew Belknap will serve as project director and provide executive level coaching and insights throughout the project. Steve Toler will serve as the project manager for this assignment, and will be responsible for execution of the project. They will be supported by Jim Steele and Claire Coleman. Brief qualifications for each are provided below.

#### **Andrew Belknap, Regional Vice President**

Andrew is responsible for Management Partners' western operations, based in San Jose and Costa Mesa, California. He has more than 20 years of local government experience, including service as a city manager, public works director, and consultant to California municipalities, counties and special districts. His areas of expertise include fiscal and budget analysis, municipal restructuring, governance models and developing service delivery partnerships and functional consolidations to take advantage of economies of scale in public sector service delivery. With Management Partners, Andy has served well over 100 California local governments, many on multiple occasions, including 17 of the largest 20 cities. A trained economist, Andy brings a special expertise to fiscal analysis and public finance issues. His blend of quantitative skills, coupled with a practitioner's understanding of public services and management systems, adds value to all types of organizational and policy analysis.





### **Steve Toler, Partner**

Steve joined Management Partners after spending nearly 20 years in local government public service working for the cities of Cupertino, Foster City and Millbrae. He has served in management positions ranging from assistant city manager to information technology manager. Steve has skills and knowledge in a wide range of areas including budgeting and revenue forecasting, financial management and reporting, accounting, purchasing, information technology management, water and wastewater rate modeling, regional shared services planning, organizational development and training, labor relations and negotiations, business continuity planning, risk management, economic development and redevelopment, tax ballot measures, and public engagement. Steve lives in Eugene, Oregon, and serves clients in Washington, Oregon and California.

### **Jim Steele, Special Advisor**

Jim spent over 30 years in local government, starting as a budget analyst in the City of Palo Alto and ending as finance director and assistant city manager in the City of South San Francisco. During that time, he developed policies and procedures, reviewed workflow, performed service and fee study reviews, and led several multi-departmental projects including a major new facilities plan and a multi-faceted review of the viability of consolidating services with a neighboring jurisdiction. He also developed sewer and garbage rates in conjunction with long-term capital planning, participated in all aspects of selecting and implementing a new financial software package, developed and administered risk management programs, and participated in labor negotiations and costing. In his career of keeping budgets balanced, he developed long-term financial plans, made numerous financial presentations to bargaining groups, the public, city councils, and the business community, and also participated in five ballot tax measures.

### **Claire Coleman, Management Analyst**

Claire conducts analyses and research on financial, organizational, and operational projects for clients. She has supported organizational assessments, peer comparison studies, and department merger analyses. Her analytical training includes financial modeling, regression analysis, and proposal development. Prior to joining Management Partners, Claire worked on government transportation contracts for a hospitality company and in business development at a software startup. She holds a BA in Economics and Russian Studies from Oberlin College, and wrote her thesis on post-Soviet national income tax policies and their impact on labor markets. She speaks Russian, Slovak, and Spanish.

### **References**

The following references are for jurisdictions we have assisted in the recent past with fiscal sustainability plans. In addition to the references below, our website, [managementpartners.com](http://managementpartners.com),



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has information about our past clients, which includes hundreds of jurisdictions in 42 states, and you are welcome to contact any of them about our performance.

**Mercer Island, Washington**

Mercer Island engaged Management Partners in 2018 to conduct an independent analysis of the six-year financial forecast of the City's General Fund in anticipation of the adoption of their FY 2019 annual budget. Our analysis identified opportunities for improvements in forecast assumptions and methods related to property tax, sales tax, development services fees, and salary and benefits projections, and incorporating recessionary assumptions in the model. We identified recommended improvements in reserve policies based on industry best practices. We also created a dashboard fiscal model to allow Council members and staff to see the impacts of revenue, expenditure, and recessionary assumptions on the fiscal gap and resulting reserve levels. The baseline forecast indicated an ongoing structural deficit that would deplete reserves within three years if no action was taken to resolve the fiscal gap.

Based on that analysis, Management Partners was then asked to develop a fiscal sustainability plan for Council consideration. The project included interviews with staff and City Council members. We analyzed various budget strategies including revenue enhancements, expenditure controls/cost shifts, service delivery changes, and service level reductions that would eliminate the structural deficit and packaged them into various scenarios for Council consideration. Council members reviewed the scenarios and identified several budget strategies for further consideration, including tax measures, cost shifts and service delivery changes that would provide long-term fiscal sustainability to the City. The adoption of a final fiscal sustainability plan was placed on hold pending the election of City Council members in November 2019 and will be completed once the new City Council is seated in 2020.

Client Contact: Ms. Julie Thuy Underwood, former City Manager  
(206) 962-0195  
[Julie.Underwood1@gmail.com](mailto:Julie.Underwood1@gmail.com)

**Newcastle, Washington**

Newcastle engaged Management Partners in 2018 to conduct an independent analysis of the six-year financial forecast of the City's General Fund in anticipation of the adoption of their FY 2019 annual budget. Our analysis identified opportunities for improvements in forecast methods and assumptions related to sales tax, development services fees, and salary and benefits projections, and incorporating recessionary assumptions in the model. We identified recommended improvements to reserve policies based on industry best practices. We also created a dashboard fiscal model to allow Council members and staff to see the impacts of revenue, expenditure, and recessionary assumptions on the fiscal gap and resulting reserve levels. The baseline forecast indicated an ongoing structural deficit that would deplete reserves within four years if no action was taken to resolve the fiscal gap.



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Based on that analysis, Management Partners then developed a fiscal sustainability plan for Council consideration. The project included interviews with staff and Council members. We analyzed various budget strategies including revenue enhancements, expenditure controls/cost shifts, service delivery changes, and service level reductions, that would eliminate the structural deficit and packaged them into various scenarios for Council consideration. We also analyzed the impacts if the City were to decide to disincorporate or reannex into another community. We also facilitated a community engagement workshop in the form of a Town Hall meeting to educate the community on the City's fiscal situation and allow Council members to hear directly from the community about their thoughts on the City's fiscal situation.

Council members reviewed the scenarios and identified several budget strategies for further consideration, including tax measures, cost shifts and service delivery changes that would provide long-term fiscal sustainability to the City. The adoption of a final fiscal sustainability plan was placed on hold pending the election of Council members in November 2019 and will be completed once the new City Council is seated in 2020.

Client Contact: Mr. Rob Wyman, City Manager  
City of Newcastle  
12835 Newcastle Way, #200, Newcastle, WA 98056  
(206) 354-8685  
[RobW@newcastlewa.gov](mailto:RobW@newcastlewa.gov)

#### *Scotts Valley, California*

Scotts Valley engaged Management Partners in 2017 to provide budget development and process implementation services that included the City's first long-range financial forecast. The results of that forecast indicated a long-term structural deficit in the General Fund that would liquidate all reserves within three years.

Based on that analysis, Management Partners developed a fiscal sustainability plan for City Council consideration. The project included interviews, focus groups, an employee survey, and two Council workshops. We analyzed various budget strategies including revenue enhancements, expenditure controls/cost shifts, service delivery changes, and service level reductions that would eliminate the structural deficit and packaged them into various scenarios for Council consideration. Council members reviewed the scenarios and identified several budget strategies for implementation, including tax measures, cost shifts and service delivery changes that would provide long-term fiscal sustainability to the City.

Client Contact: Ms. Jenny Haruyama (Former Scotts Valley City Manager)  
City Manager  
City of Tracy  
333 Civic Center Plaza, Tracy, CA 95376  
(209) 831-6115  
[JHaruyama@cityoftracy.org](mailto:JHaruyama@cityoftracy.org)





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**Concord, California**

This project included developing a long-term fiscal model and then creating strategies for coping with the structural deficit documented in the model. Both the fiscal model and the strategies were presented to the City Council. A full day workshop was held with the Council to discuss and evaluate strategies and show how the implementation of various strategy “packages” impacted the structural deficit. At the end of the workshop the City Council prioritized strategies for implementation.

Client Contact: Ms. Valerie Barone, City Manager  
City of Concord  
1950 Parkside Drive, Concord, CA 94519  
(925) 671-3150  
[Valerie.Barone@cityofconcord.org](mailto:Valerie.Barone@cityofconcord.org)

**Hayward, California**

Management Partners developed a long-term fiscal model for the City of Hayward. It includes both a 10- and 20-year forecast and includes dozens of variable parameters that can be changed by a toggle on the model dashboard. Management Partners also worked with City staff to develop budget strategies to offset a structural budget deficit and restore financial stability. Approximately two dozen specific strategies were developed and arranged into decision “packages.” The budget strategies were also included in the fiscal model to show the various approaches to resolving the budget problem. At a Saturday work session, City Council members used the fiscal model with Management Partners and staff to develop a consensus approach. We also developed an action plan to help the City implement the recommendations.

Client Contact: Ms. Kelly McAdoo, City Manager  
City of Hayward  
777 B Street, 4th Floor, Hayward, CA 94541  
(510) 583-4305  
[kelly.mcadoo@hayward-ca.gov](mailto:kelly.mcadoo@hayward-ca.gov)

**Hours and Cost**

Management Partners anticipates devoting 315 hours of our staff time to complete the plan of work described above. The total cost of this project is \$62,900, which includes all fees and expenses. If the City chose to include the optional activity of our participation in a Town Hall forum, that additional cost would be \$4,000, increasing the total cost of this project to \$66,900. The ultimate test of a quality project is that the client is pleased with the results, and we are committed to achieving that goal.

We anticipate starting this project in late October 2019 and completing it by June 30, 2020. The table below provides the hours, costs and timeline associated with each activity.



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Activity	Hours	Cost	Timeline
<b>PHASE ONE – FINANCIAL FORECAST REVIEW</b>			
1 – Start Project	4	\$1,300	Late October 2019
2 – Gather Information	14	2,700	Late October to November 2019
3 – Analyze Financial Forecast	25	5,000	November to December 2019
4 – Report Results	16	3,400	Mid-December 2019 to Early January 2020
<i>Subtotal – Phase One</i>		<b>\$12,400</b>	
<b>PHASE TWO – FISCAL SUSTAINABILITY PLAN</b>			
5 – Initiate the Fiscal Sustainability Plan Phase	14	3,100	Mid-January 2020
6 – Gather Data, Conduct Interviews and Review Documents	35	7,400	Mid-January to February 2020
7 – Review and Update the Long-Range Forecast	13	2,600	February to March 2020
8 – Analyze Data and Prepare Initial Matrix of Strategies	72	13,000	March to April 2020
9 – Prepare Fiscal Sustainability Plan	86	17,700	April to Early May 2020
10 – Finalize Fiscal Sustainability Plan and Support Implementation	36	6,700	Late May to June 2020
<i>Subtotal – Phase Two</i>		<b>\$50,500</b>	
<b>TOTAL</b>		<b>315</b>	<b>\$62,900</b>
11 – Participate in Town Hall Forum	17	4,000	TBD
	<b>332</b>	<b>\$66,900</b>	

## Conclusion

We are excited about assisting the City of Kenmore with this proposed project. Please contact Steve Toler at (650) 918-7017 if we can provide any additional information or further refine our proposal to meet the City's needs.

Sincerely,



Andrew S. Belknap  
Regional Vice President

Accepted for the City of Kenmore by:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



Exhibit D

**Chancery Civic, LLC  
City of Kenmore Financial Sustainability Project  
Scope of Service**

Scope of Services to be Provided by Contractor. The Contractor shall furnish services including, but not limited to, the following:

- Creating a timeline and work plan,
- Managing work to be completed as per the agreed timeline,
- Coordinating with City staff and other consultants to complete work,
- Creating key messaging for the project,
- Assisting with budget analysis,
- Creating of meeting packets,
- Creating written content for website and other communications materials,
- Providing staff support at meetings, and
- Creating reports and updates on project status to City leadership, staff, and volunteers.

This scope of work also includes any management of contracted data visualization and/or graphic design professionals, as approved by the City, to improve communications materials.

This work will range between 10-15 hours per week for the duration of this project. Without prior written permission from the City, the above scope of your hourly management services shall not exceed \$6,048.00 per month.