

**CITY COUNCIL AGENDA**  
**City Hall, 833 South Spruce Street**  
**7:00 p.m. July 14, 2022**  
**MEETING TO BE HELD IN-PERSON & REMOTELY**  
**VIA TELEPHONE: 1-774-777-4255**  
**CONFERENCE ID No.: 589-8786**

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**CALL TO ORDER:**

**MINUTES:**

[City Council Meeting June 23, 2022](#)

**AUDIT OF BILLS:**

**PUBLIC COMMENTS:**

**COUNCIL COMMENTS:**

**MAYOR'S UPDATE:**

**PROCLAMATION:**

**PRESENTATION:**

[May 2022 Financial Position – Cash Balances, Sales Tax & Other Data](#)

**COMMITTEE & BOARD REPORTS:**

**OFFICERS REPORTS:**

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**UNFINISHED BUSINESS:**

[Fire Hall Remodel Financing](#)

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**CONSENT AGENDA:**

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**NEW BUSINESS:**

- 1) [Annexation Agreement to Extend Sewer Service to UGA parcel](#)
- 2) [2022 Budget Amendment #1](#)
- 3) [Senior Center HVAC & AC Upgrades](#)
- 4) [Interlocal Agreement with Skagit County for Expanded Source Control Inspection Program](#)

**DISCUSSION:**

**FUTURE WORKSHOP:**

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**EXECUTIVE SESSION:**

**ADJOURNMENT:**

**MEETINGS:**

- 1) AUDIT & FINANCE COMMITTEE:

**Thursday July 14, 2022 4:00 PM**

MEETING TO BE HELD REMOTELY  
VIA TELEPHONE: 1-774-777-4255  
CONFERENCE ID No.: 589-8786

## **City Administrator Report**

### **City Council Meeting of July 14, 2022**

Greetings All

We will begin next Thursday at our regular 7PM start time. The agenda is somewhat light which should give us sufficient time to discuss the items.

First up is what may be our final conversation regarding your preferred method for paying for the renovations to the Fire Hall. I've included some materials in your packet which should hopefully give you an idea of the options we have. There are a couple of threshold questions which should help guide our discussion – first, is there a desire to submit a ballot issue to the voters for any of the cost of the renovations? If there is, this will drive a portion of the potential debt repayment by carving out a new property tax revenue stream to service the debt.

Secondly, it is advisable to secure long-term debt financing? (10 or 20 years using the State's LOCAL Program) which means that we would have a fixed interest rate for the term of the loan. With historically low interest rates, it might be prudent to lock in the current interest rates and pay back the loan over time which would have the effect of matching the life of the improvements to the term of the loan.

Third, what would be the source of cash to pay for the improvements? (whether this be cash up front or long-term debt payments). As noted in the Packet materials, we can pay for this project using General Fund monies, REET monies or some combination of both. Again, with a light agenda, we should be able to have a good conversation to determine your preferences.

Turning to the New Business section of the agenda, we have a request to extend sewer to an area in our Urban Growth Area (UGA). For those who may be somewhat unfamiliar with the term UGA – this is in essence “the future city limits”. The Growth Management Act (GMA) requires all cities to plan for the next 20 years of growth (both in employment [commercial/industrial zoned land] and population [residentially zoned land]). For this reason, we can extend “urban level of services” (water/sewer, storm, roadways, etc.) to areas within our UGA but not beyond. By limiting urban level of services to areas only within our UGA, the GMA acts as a way to limit urban sprawl and therefore encourage the retention of agricultural and other rural lands.

After this we will hear from our Finance Director, Joe Stewart, regarding an amendment to our 2022 budget. While there are numerous amendment items, the bulk have to do with expenditure of the monies we received from the Feds through the America Rescue Plan Act (ARPA). We have previously discussed the potential uses of the ARPA monies and we have moved forward with some of them which now needs to be reflected in our budget.

We will then turn our attention to a project that will place air conditioning in our Senior Center. Even though the recent weather has been not as hot as last year, we do anticipate warmer weather coming and to provide a cooling center for our seniors, we are proposing to add air conditioning to the building. In addition, it is suggested that we also replace the boilers in the building which

have reached their service life. This project was anticipated in our 2022 Capital Improvement Plan and can be paid for using our REET dollars. We hope you can appreciate the need to add AC to not only make the facility more comfortable for all users but also as a buffer for extreme weather and for those who may be more vulnerable to excessive heat.

The last item on the agenda is an Interlocal Agreement to provide business storm drainage inspection service which the County will be conducting on our behalf. These inspections are required for our National Pollution Discharge Elimination System (NPDES) Permit. The cost will come out of our Storm Drainage Fund.

Well, that is all for now – I hope everyone has a great weekend and we will see you at 7PM next Thursday. As always, should you have any questions, please don't hesitate to reach out.



## **FUTURE COUNCIL AGENDA**

### **July 28, 2022 Council Meeting**

Presentation – June 2022 Financial Position – Cash Balances, Sales Tax, & Other Data

Presentation - Private Development in the City – Highlighting a Current Project – Comm. Dev Director

Adoption of Revised Shoreline Management Plan

Update on Inclusive Playground Grant Application

Discussion – Potential Road and Access Improvements to Skagit River Park

Revisions to Community Development Fee Schedule – Inflation Adjustment & Fee for Third Party Reviews

Comprehensive Plan Update – Preliminary Adoption of Updated Zoning Map

Comprehensive Plan Update – Economic Development Element

### **August 11, 2022 Council Meeting**

Presentation – July 2022 Financial Position – Cash Balances, Sales Tax, & Other Data

Introduction of 2023 Budget Development Process

Options for New City Entrance Signage

Transportation Benefit District Formation Discussion

Update on Use of ARPA Monies

### **August 25, 2022 Council Meeting**

Presentation – Options for Traffic Calming in Burlington

Presentation - Private Development in the City – Highlighting a Current Project – Comm. Dev Director

Potential Council Retreat Discussion

Design Concept for Relocation of Community Garden

# July 2022

July 2022							August 2022						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
3	4	5	6	7	1	2	7	1	2	3	4	5	6
10	11	12	13	14	8	9	14	8	9	10	11	12	13
17	18	19	20	21	15	16	21	15	16	17	18	19	20
24	25	26	27	28	22	23	28	22	23	24	25	26	27
31					29	30		29	30	31			

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Jun 26	27	28	29	30	Jul 1	2
3	4	5 6:00pm Library Board (Library Meeting Room)	6	7	8	9
10	11	12 2:00pm Historical Preservation Board 4:00pm Public Safety 5:30pm Parks Board	13	14 4:00pm Audit & Finance Committee 7:00pm Council Meeting (Council Chambers)	15	16
17	18	19 4:00pm Public Works Committee (Telephonic)	20 1:00pm SKAT Board (Burlington City Hall) 5:30pm Planning Commission (Council)	21	22	23
24	25	26 4:00pm Homeless Transition Committee (Zoom)	27 9:00am Downtown Burlington Association (Visitor Information)	28 4:00pm Audit & Finance (Telephonic) 7:00pm Council Meeting (Council Chambers)	29	30
31	Aug 1	2	3	4	5	6

# August 2022

August 2022							September 2022						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
7	1	2	3	4	5	6	4	5	6	7	1	2	3
14	8	9	10	11	12	13	11	12	13	14	15	16	17
21	15	16	17	18	19	20	18	19	20	21	22	23	24
28	22	23	24	25	26	27	25	26	27	28	29	30	

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Jul 31	Aug 1	2 6:00pm Library Board (Library Meeting Room)	3	4	5	6
7	8	9 4:00pm Public Safety Committee (via Zoom) 5:30pm Parks Board (Zoom)	10	11 4:00pm Audit & Finance Committee (Telephonic) 7:00pm Council Meeting (Council Chambers)	12	13
14	15	16 4:00pm Public Works Committee (Telephonic)	17 1:00pm SKAT Board (Burlington City Hall) 5:30pm Planning Commission (Council Chambers)	18	19	20
21	22	23 4:00pm Homeless Transition Committee (Zoom)	24 9:00am Downtown Burlington Association (Visitor Information Center/Chamber of Commerce)	25 4:00pm Audit & Finance (Telephonic) 7:00pm Council Meeting (Council Chambers)	26	27
28	29	30	31	Sep 1	2	3

## CITY OF BURLINGTON, WA

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June 23, 2022

**Mayor Steve Sexton** called the meeting to order at 7:00 p.m. with the Pledge of Allegiance. Council members present: Bill Aslett, Keith Chaplin, Joe DeGloria, Rick DeGloria, and Jamie Weiss. Absent: James Stavig (excused) and Scott Green (excused). Staff present: Geoff Hawes, Leif Johnson, Christi Kinney, Sandy Kottke, Dan Laine, Mike Luvera, Jim Rabenstein, Joe Stewart, Sarah Ward and Greg young.

### **MINUTES:**

A motion was made by **Councilors Joe DeGloria/Keith Chaplin** to excuse councilors **Scott Green** and **James Stavig** from the June 23, 2022 City Council Meeting. All in favor; motion carried.

A motion was made by **Councilors Bill Aslett/Joe DeGloria** to approve the minutes of the June 9, 2022 City Council meeting. All in favor; motion carried.

### **AUDIT OF BILLS:**

**Councilor J. DeGloria** presented City expenses with a significant increase in the Payroll Expenses on account of George Hopper Signal Construction payments totaling approximately \$783K and around \$14K of Dog Park related expenses.

A motion was made by **Councilors J. DeGloria/Chaplin** to approve Accounts Payable invoices to be paid as of June 23rd, 2022 in the amount of \$1,003,767.06; and Payroll Expenses for Pay Period ending June 15th, 2022 in the amount of \$751,718.84.

### **PUBLIC COMMENTS:**

The first public comment came from Jim Davenport of Eastern Washington who thanked the City for the maintenance and care of the Greenhill Cemetery where several generations of his family are buried. The second public comments was received from a Burlington resident and EMT/Firefighter employee, Jimmy Lyons, who expressed gratitude to the City Council and staff for their dedication and support of Public Safety.

**City Attorney Leif Johnson** stated that members of the public may submit comments or questions by mail to City Hall at 833 S. Spruce Street, ATTN: Greg Young, or by email to [badministration@burlingtonwa.gov](mailto:badministration@burlingtonwa.gov). Contact information for all the City Departments is available at [www.burlingtonwa.gov](http://www.burlingtonwa.gov).

### **COUNCIL COMMENTS:**

June 23, 2022

Councilmember comments centered the Berry Dairy Days festival with several references to a successful 'Berry Dairy Days of old' with a great turnout of community members, successful food vendor sales, a prolific firework show, and an extensive classic car show.

**Councilor J. DeGloria** asked for an update on a previously discussed topic involving problematic trees near the River and LU School. **Mayor Sexton** offered to follow up with **Marv Pulst** who might have new information.

**MAYOR'S UPDATE:**

**Mayor Sexton** spent the weekend at the Berry Dairy Festival having observed a packed Fairhaven Street, successful BBQ and car show. Per previous councilmember requests, the **Mayor** proposed forming a small committee of council members to meet with the Burlington School Board and Administration concerning school safety. **Councilmembers Chaplin, Aslett, and J. DeGloria** expressed interest in participating.

**PRESENTATION:**

**Jennifer Johnson, Director of Public Health**, spoke to Council about the North Star Project a design of Homelessness, Housing and Behavioral Health Services for Skagit County. To begin **Jennifer** thanked the City of Burlington for hosting and recognizing the vision of the First Steps Center and for Covid-19 response of hosting an isolation shelter and low-barrier drive through testing locations. A driving force for the North Star Project is to create a countywide, integrated plan in order to leverage collective resources and provide more transparency in spending.

**Jennifer Johnson** noted Phase 1: Develop a shared vision for Skagit County and Phase 2: the buildout and implementation of the North Star Framework. Phase 1 is expected to run from March 2022 – December 2022 and Phase 2 would be implemented in 2023. A series of interviews has been held with a wide range of stakeholders with a broader range of interviews scheduled for the fall along with Community Feedback Forums. Both **Mayor Sexton** and **Councilors Weiss and Aslett** thanked Jennifer for her leadership on this project. **Mayor Sexton** had envisioned the City's 1590 funds to be used for a purpose like this North Star Project.

**PROCLAMATION:**

No Proclamation.

**COMMITTEE & BOARD REPORTS:**

**Councilor J. DeGloria** gave a brief Public Safety meeting update, wherein the employment market continues to be challenging for hiring. There have been several applicants for firefighters



June 23, 2022

and paramedic positions and both PD and Fire Department Chiefs have been doing youth outreach. The new Ambulance has been ordered, it will take approximately 1 year before it arrives and is ready for use.

**OFFICERS REPORTS:**

**PD**

**Parks & Library**

**UNFINISHED BUSINESS:**

**Results of Fairhaven Mural Call to Artists**

This Agenda Item had been postponed from a previous Council meeting to allow for the City to meet their procurement process guidelines. City Administrator Greg Young included some documents from other municipalities demonstrating a list of available mural artists with qualifications, contact info, and fees. Council would like to move forward in establishing an Art Council for the City of Burlington to be responsible for facilitating future art projects such as murals. The Council was primarily in favor of the mural project with the main concern being voiced by **Councilor Bill Aslett** who emphasized fiscal responsibility and this project being outside of the approved budget. **Councilor Chaplin** requested future projects of this nature to be directed to an Art Committee before being presented to Council.

**Councilors Chaplin/J. DeGloria** moved to approve the mural proposal and authorize the Mayor to sign the mural contract. 4 in favor, Aslett opposed; motion carried.

**CONSENT AGENDA:**

There were no items on the Consent Agenda.

**NEW BUSINESS:**

**Fire Department Purchase of Two Additional Power Cot Lift Systems**

**Dan Laine** asked Council for to approve the purchase from Stryker for two power cots and automatic loading systems that would be installed in existing BLS and ALS ambulances. The approval was time sensitive because of a 0% interest special offered until the end of June.

June 23, 2022

**Councilors Chaplin/J. DeGloria** made a motion to approve the purchase of the two additional Power Load Systems under the 5 year 0% interest program from Stryker. All in favor; motion carried.

**IT Surplus Resolution**

**IT Director Geoff Hawes** asked Council to approve the disposal of outdated IT equipment. He intended to research outlets for e-waste in Washington State.

**Councilors Aslett/Weiss** moved to authorize the resolution for disposal of surplus IT equipment as shown on the 2021 IT Surplus List. All in favor; motion carried.

**Darktrace AI Security Software Purchase**

**IT Director Geoff Hawes** has reported on metrics collected from a Darktrace software security trial period at prior Council meetings and requested for Council to approve a contract with Darktrace for continued firewall protection. **Councilor Chaplin** inquired if this software would be a timesaving feature for current staff; wherein it might not save time in problem correction the 24/7 surveillance and data processing could eliminate the need for additional staff members.

**Councilors Weiss/Aslett** made a motion to authorize the Mayor to sign the 'Darktrace Burlington Business Proposal 06062022'. All in favor; motion carried.

**Fire Hall Remodel Long-Term Debt Financing**

**City Administrator Greg Young** introduced the fire hall financing discussion. With an approved design, the project needs to continue forward and would require bids to go out in January. The proposed project budget is \$2.5 million. Possible funding scenarios include a blend of voted bond financing, REET monies, drawing from the general fund, or applying for Councilmanic debt (non-voted debt). **Councilor J. DeGloria** was not in favor of using REEP money for this project and proposed using some of the City's general fund. **City Administrator Young** noted that a 10-year voted bond is a relatively small cost for the service delivered and that draining the general fund can leave municipalities vulnerable. Both **Councilors Aslett and Chaplin** do not want to put this project on the ballot. **Chaplin** suggested 2/3 Councilmanic bonds considering the 1.8% interest rate and 1/3 General Fund cash. Whereas, **Aslett** proposed a 1/3 model of combined REEP, Councilmanic, General Fund pay structure. **Councilor J. DeGloria** recalled some outstanding Councilmanic debt from Burlington Blvd repairs to take into consideration. Consequences of using REEP monies could be to not have enough 'match' dollars on grant applications. Councilmanic debt could be fairly quick to finance. **Young** stated that if the Council

June 23, 2022

decides against the bond there is no need to involve voters, **Mayor Sexton** added that the ARAP money (\$2 mil) is represented in the general funds figure (\$7 mil). **Mayor Sexton** proposed continuing the discussion in the July 14<sup>th</sup> Council Meeting to include **Councilors Stavig and Green** in the dialogue. The latest meeting to approve a bond measure on the ballot is July 28<sup>th</sup>.

The Fire-Hall Remodel financing conversation will continue during the July 14, 2022 City Council meeting.

**Councilors Aslett/Chaplin** made a motion to add a fifth Agenda Item – Resolution to Approve Interfund Loan to the June 23<sup>rd</sup> Council meeting. All in favor; motion carried.

**Resolution to Approve Interfund Loan**

**Finance Director Joe Stewart** presented an Interfund loan proposal to Council. Grant projects often require paying costs out of pocket and then request a reimbursement. This can cause cash flow issues, especially on big dollar projects. A payment for George Hopper road construction is due for about \$750K but there is not enough accessible money in the Streets Fund. An approved Interfund loan would transfer money from General Funds to be reimbursed when the grant payment is received by the Streets Department.

**Councilors Aslett/J. DeGloria** made a motion to authorize the Interfund loan for \$750K dollars. All in favor; motion carried.

**DISCUSSION:**

No Discussion.

**EXECUTIVE SESSION:**

No Executive Session.

**ADJOURNMENT:**

**Mayor Sexton** adjourned the meeting at 9:04 p.m.

CITY OF BURLINGTON, WA

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June 23, 2022

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Joseph Stewart  
Finance Director

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Steve Sexton  
Mayor

Year-to-Date  
Revenues, Expenditures and Ending Cash by Fund  
For the Month-End May 31, 2022

	<i>Full-year Budget</i>				
<b>General Fund (#001)</b>	<b><u>2021 Actual</u></b>	<b><u>2022 Budget</u></b>	<b><u>2022 Actual</u></b>	<b><u>% Budget</u></b>	<b><u>% Year</u></b>
<b>Beginning Cash</b>	\$3,495,941	\$6,749,518	\$6,210,509		
<i>Revenues</i>	\$7,617,724	\$18,132,487	\$7,841,435	43.25%	41.67%
<i>Expense</i>	\$6,476,616	\$16,986,097	\$6,953,585	40.94%	41.67%
<b>Ending Cash</b>	<b>\$4,637,049</b>	<b>\$7,895,908</b>	<b>\$7,098,358</b>		
<b>City Street Fund (#101)</b>	<b><u>2021 Actual</u></b>	<b><u>2022 Budget</u></b>	<b><u>2022 Actual</u></b>	<b><u>% Budget</u></b>	<b><u>% Year</u></b>
<b>Beginning Cash</b>	\$714,689	\$351,738	\$293,550		
<i>Revenues</i>	\$108,610	\$738,999	\$287,848	38.95%	41.67%
<i>Expense</i>	\$248,349	\$1,058,999	\$329,571	31.12%	41.67%
<b>Ending Cash</b>	<b>\$574,950</b>	<b>\$31,738</b>	<b>\$251,827</b>		
<b>Arterial Street Fund (#102)</b>	<b><u>2021 Actual</u></b>	<b><u>2022 Budget</u></b>	<b><u>2022 Actual</u></b>	<b><u>% Budget</u></b>	<b><u>% Year</u></b>
<b>Beginning Cash</b>	\$455,549	\$202,376	\$200,000		
<i>Revenues</i>	\$100,235	\$8,453,931	\$221,228	2.62%	41.67%
<i>Expense</i>	\$199,617	\$7,553,782	\$441,237	5.84%	41.67%
<b>Ending Cash</b>	<b>\$356,167</b>	<b>\$1,102,525</b>	<b>(\$20,009)</b>		
<b>First Step Operating (#103)(2021)</b>	<b><u>2021 Actual</u></b>	<b><u>2022 Budget</u></b>	<b><u>2022 Actual</u></b>	<b><u>% Budget</u></b>	<b><u>% Year</u></b>
<b>Beginning Cash</b>	\$0	\$67,636	\$61,717		
<i>Revenues</i>	\$0	\$80,000	\$31,472	39.34%	41.67%
<i>Expense</i>	\$0	\$80,000	\$25,976	32.47%	41.67%
<b>Ending Cash</b>	<b>\$0</b>	<b>\$67,636</b>	<b>\$67,213</b>		
<b>1590 Fund (#104)(2022)</b>	<b><u>2021 Actual</u></b>	<b><u>2022 Budget</u></b>	<b><u>2022 Actual</u></b>	<b><u>% Budget</u></b>	<b><u>% Year</u></b>
<b>Beginning Cash</b>	\$0		\$0		
<i>Revenues</i>	\$0	\$0	\$259,983	#DIV/0!	41.67%
<i>Expense</i>	\$0	\$0	\$1,355	#DIV/0!	41.67%
<b>Ending Cash</b>	<b>\$0</b>	<b>\$0</b>	<b>\$258,628</b>		
<b>Fiber Fund (#105)(2021)</b>	<b><u>2021 Actual</u></b>	<b><u>2022 Budget</u></b>	<b><u>2022 Actual</u></b>	<b><u>% Budget</u></b>	<b><u>% Year</u></b>
<b>Beginning Cash</b>	\$0	\$158,887	\$194,325		
<i>Revenues</i>	\$112,106	\$283,626	\$44,068	15.54%	41.67%
<i>Expense</i>	\$0	\$278,200	\$1,720	0.62%	41.67%
<b>Ending Cash</b>	<b>\$112,106</b>	<b>\$164,313</b>	<b>\$236,674</b>		
<b>Cemetery Fund (#116)</b>	<b><u>2021 Actual</u></b>	<b><u>2022 Budget</u></b>	<b><u>2022 Actual</u></b>	<b><u>% Budget</u></b>	<b><u>% Year</u></b>
<b>Beginning Cash</b>	\$19,192	\$31,023	\$40,166		
<i>Revenues</i>	\$29,595	\$106,982	\$57,975	54.19%	41.67%
<i>Expense</i>	\$24,143	\$106,982	\$41,787	39.06%	41.67%
<b>Ending Cash</b>	<b>\$24,644</b>	<b>\$31,023</b>	<b>\$56,353</b>		
<b>Substance Abuse (#119)</b>	<b><u>2021 Actual</u></b>	<b><u>2022 Budget</u></b>	<b><u>2022 Actual</u></b>	<b><u>% Budget</u></b>	<b><u>% Year</u></b>
<b>Beginning Cash</b>	\$25,525	\$23,826	\$26,606		
<i>Revenues</i>	\$362	\$0	\$87	#DIV/0!	41.67%
<i>Expense</i>	\$0	\$10,350	\$0	0.00%	41.67%
<b>Ending Cash</b>	<b>\$25,888</b>	<b>\$13,476</b>	<b>\$26,693</b>		
<b>Fire/EMS (#150)</b>	<b><u>2021 Actual</u></b>	<b><u>2022 Budget</u></b>	<b><u>2022 Actual</u></b>	<b><u>% Budget</u></b>	<b><u>% Year</u></b>
<b>Beginning Cash</b>	\$4,546	\$0	\$420,222		
<i>Revenues</i>	\$2,649,015	\$5,521,829	\$1,920,412	34.78%	41.67%
<i>Expense</i>	\$2,041,145	\$5,521,829	\$2,339,780	42.37%	41.67%
<b>Ending Cash</b>	<b>\$612,416</b>	<b>\$0</b>	<b>\$854</b>		

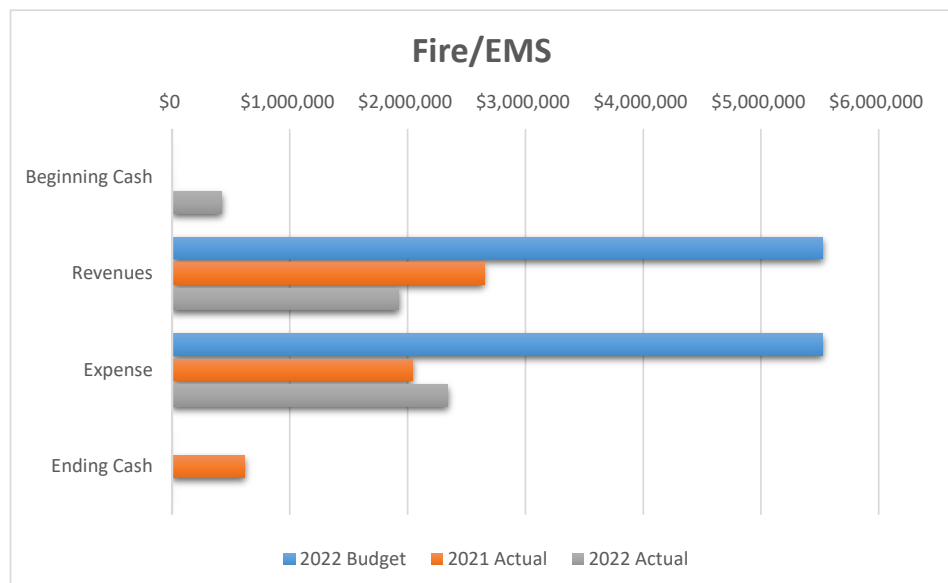
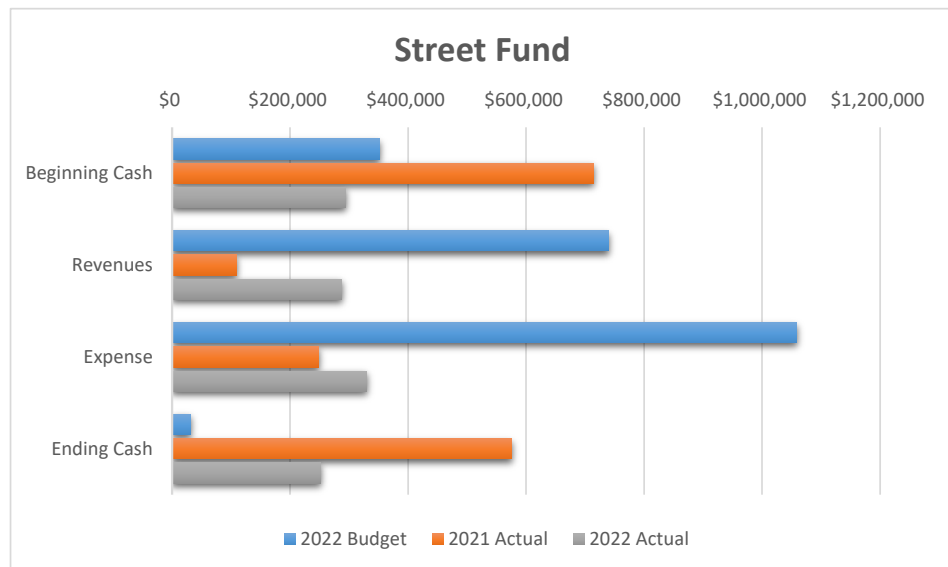
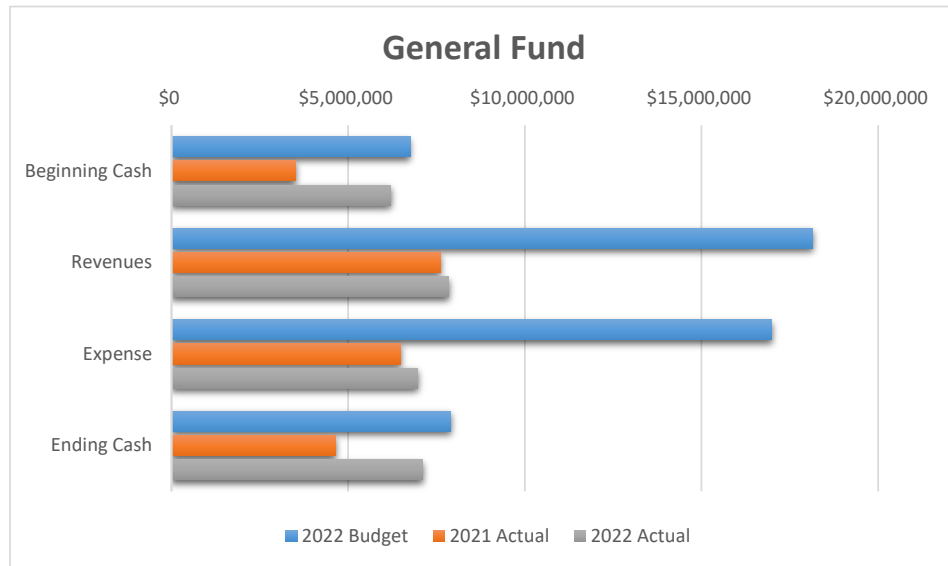
Year-to-Date  
Revenues, Expenditures and Ending Cash by Fund  
For the Month-End May 31, 2022

<b>Lodging Tax (#197)</b>	<u>2021 Actual</u>	<u>2022 Budget</u>	<u>2022 Actual</u>	<u>% Budget</u>	<u>% Year</u>
Beginning Cash	\$429,314	\$512,473	\$584,539		
Revenues	\$105,212	\$401,833	\$170,779	42.50%	41.67%
Expense	\$64,747	\$496,220	\$107,352	21.63%	41.67%
Ending Cash	<b>\$469,779</b>	<b>\$418,086</b>	<b>\$647,966</b>		
<b>Debt Service Fund (#201)</b>	<u>2021 Actual</u>	<u>2022 Budget</u>	<u>2022 Actual</u>	<u>% Budget</u>	<u>% Year</u>
Beginning Cash	\$229,690	\$324,302	\$215,900		
Revenues	\$125,789	\$289,782	\$121,652	41.98%	41.67%
Expense	\$0	\$314,980	\$0	0.00%	41.67%
Ending Cash	<b>\$355,479</b>	<b>\$299,103</b>	<b>\$337,552</b>		
<b>General Reserve (#300)</b>	<u>2021 Actual</u>	<u>2022 Budget</u>	<u>2022 Actual</u>	<u>% Budget</u>	<u>% Year</u>
Beginning Cash	\$668,169	\$503,825	\$519,321		
Revenues	\$28,409	\$251,620	\$96,951	38.53%	41.67%
Expense	\$46,181	\$630,000	\$66,758	10.60%	41.67%
Ending Cash	<b>\$650,397</b>	<b>\$125,445</b>	<b>\$549,515</b>		
<b>Local Capital Improvement (#301)</b>	<u>2021 Actual</u>	<u>2022 Budget</u>	<u>2022 Actual</u>	<u>% Budget</u>	<u>% Year</u>
Beginning Cash	\$2,296,952	\$1,765,080	\$2,093,048		
Revenues	\$169,895	\$759,661	\$623,993	82.14%	41.67%
Expense	\$489,979	\$1,600,261	\$352,133	22.00%	41.67%
Ending Cash	<b>\$1,976,867</b>	<b>\$924,480</b>	<b>\$2,364,908</b>		
<b>First Step Center Construction (#303)</b>	<u>2021 Actual</u>	<u>2022 Budget</u>	<u>2022 Actual</u>	<u>% Budget</u>	<u>% Year</u>
Beginning Cash	\$0	\$5,674	\$403,182		
Revenues	\$422,318	\$400,116	\$2,461	0.62%	41.67%
Expense	\$235,177	\$400,000	\$425,809	106.45%	41.67%
Ending Cash	<b>\$187,140</b>	<b>\$5,790</b>	<b>(\$20,166)</b>		
<b>Parks Capital Improvement (#311)</b>	<u>2021 Actual</u>	<u>2022 Budget</u>	<u>2022 Actual</u>	<u>% Budget</u>	<u>% Year</u>
Beginning Cash	\$1,791,251	\$2,075,534	\$2,053,227		
Revenues	\$209,375	\$432,881	\$232,064	53.61%	41.67%
Expense	\$24,150	\$1,573,553	\$61,180	3.89%	41.67%
Ending Cash	<b>\$1,976,476</b>	<b>\$934,862</b>	<b>\$2,224,111</b>		
<b>Sewer Fund (#401)</b>	<u>2021 Actual</u>	<u>2022 Budget</u>	<u>2022 Actual</u>	<u>% Budget</u>	<u>% Year</u>
Beginning Cash	\$1,691,747	\$1,713,756	\$1,813,418		
Revenues	\$1,402,144	\$3,663,324	\$1,782,098	48.65%	41.67%
Expense	\$1,476,654	\$3,845,121	\$1,600,334	41.62%	41.67%
Ending Cash	<b>\$1,617,237</b>	<b>\$1,531,959</b>	<b>\$1,995,183</b>		
<b>Sewer Capital Reserve (#402)</b>	<u>2021 Actual</u>	<u>2022 Budget</u>	<u>2022 Actual</u>	<u>% Budget</u>	<u>% Year</u>
Beginning Cash	\$4,086,258	\$5,808,132	\$5,183,215		
Revenues	\$755,717	\$1,568,009	\$697,770	44.50%	41.67%
Expense	\$278,132	\$1,655,000	\$62,012	3.75%	41.67%
Ending Cash	<b>\$4,563,843</b>	<b>\$5,721,141</b>	<b>\$5,818,973</b>		

**Year-to-Date**  
**Revenues, Expenditures and Ending Cash by Fund**  
**For the Month-End May 31, 2022**

<b>Storm Drain Fund (#425)</b>	<b><u>2021 Actual</u></b>	<b><u>2022 Budget</u></b>	<b><u>2022 Actual</u></b>	<b><u>% Budget</u></b>	<b><u>% Year</u></b>
<b>Beginning Cash</b>	\$1,813,769	\$1,846,434	\$1,835,400		
<i>Revenues</i>	\$556,200	\$1,303,145	\$518,685	39.80%	41.67%
<i>Expense</i>	\$535,885	\$1,379,350	\$532,891	38.63%	41.67%
<b>Ending Cash</b>	<b>\$1,834,083</b>	<b>\$1,770,228</b>	<b>\$1,821,194</b>		
<b>Storm Capital Reserve (#426)</b>	<b><u>2021 Actual</u></b>	<b><u>2022 Budget</u></b>	<b><u>2022 Actual</u></b>	<b><u>% Budget</u></b>	<b><u>% Year</u></b>
<b>Beginning Cash</b>	\$1,313,355	\$1,638,574	\$1,576,895		
<i>Revenues</i>	\$111,026	\$255,647	\$109,479	42.82%	41.67%
<i>Expense</i>	\$0	\$200,000	\$0	0.00%	41.67%
<b>Ending Cash</b>	<b>\$1,424,381</b>	<b>\$1,694,221</b>	<b>\$1,686,374</b>		
<b>ER&amp;R Fund (#501)</b>	<b><u>2021 Actual</u></b>	<b><u>2022 Budget</u></b>	<b><u>2022 Actual</u></b>	<b><u>% Budget</u></b>	<b><u>% Year</u></b>
<b>Beginning Cash</b>	\$1,332,520	\$2,000,314	\$1,911,128		
<i>Revenues</i>	\$351,894	\$748,838	\$325,678	43.49%	41.67%
<i>Expense</i>	\$178,581	\$546,209	\$46,353	8.49%	41.67%
<b>Ending Cash</b>	<b>\$1,505,833</b>	<b>\$2,202,943</b>	<b>\$2,190,454</b>		
<b>CR&amp;R Fund (#502)</b>	<b><u>2021 Actual</u></b>	<b><u>2022 Budget</u></b>	<b><u>2022 Actual</u></b>	<b><u>% Budget</u></b>	<b><u>% Year</u></b>
<b>Beginning Cash</b>	\$105,404	\$230,551	\$244,914		
<i>Revenues</i>	\$88,693	\$193,457	\$81,485	42.12%	41.67%
<i>Expense</i>	\$32,044	\$175,519	\$49,468	28.18%	41.67%
<b>Ending Cash</b>	<b>\$162,053</b>	<b>\$248,489</b>	<b>\$276,931</b>		
<b>Cemetery Endowment Fund (#701)</b>	<b><u>2021 Actual</u></b>	<b><u>2022 Budget</u></b>	<b><u>2022 Actual</u></b>	<b><u>% Budget</u></b>	<b><u>% Year</u></b>
<b>Beginning Cash</b>	\$371,106	\$375,746	\$376,153		
<i>Revenues</i>	\$2,637	\$2,777	\$2,491	89.70%	41.67%
<i>Expense</i>	\$0	\$0	\$0		
<b>Ending Cash</b>	<b>\$373,743</b>	<b>\$378,523</b>	<b>\$378,644</b>		
<b>Total All Funds</b>	<b><u>2021 Actual</u></b>	<b><u>2022 Budget</u></b>	<b><u>2022 Actual</u></b>	<b><u>% Budget</u></b>	<b><u>% Year</u></b>
<b>Beginning Cash</b>	\$20,844,978	\$26,385,399	\$26,257,437		
<i>Revenues</i>	\$14,946,954	\$43,588,944	\$15,430,093	35.40%	41.67%
<i>Expense</i>	\$12,351,400	\$44,412,453	\$13,439,301	30.26%	41.67%
<b>Ending Cash</b>	<b>\$23,440,532</b>	<b>\$25,561,890</b>	<b>\$28,248,229</b>		

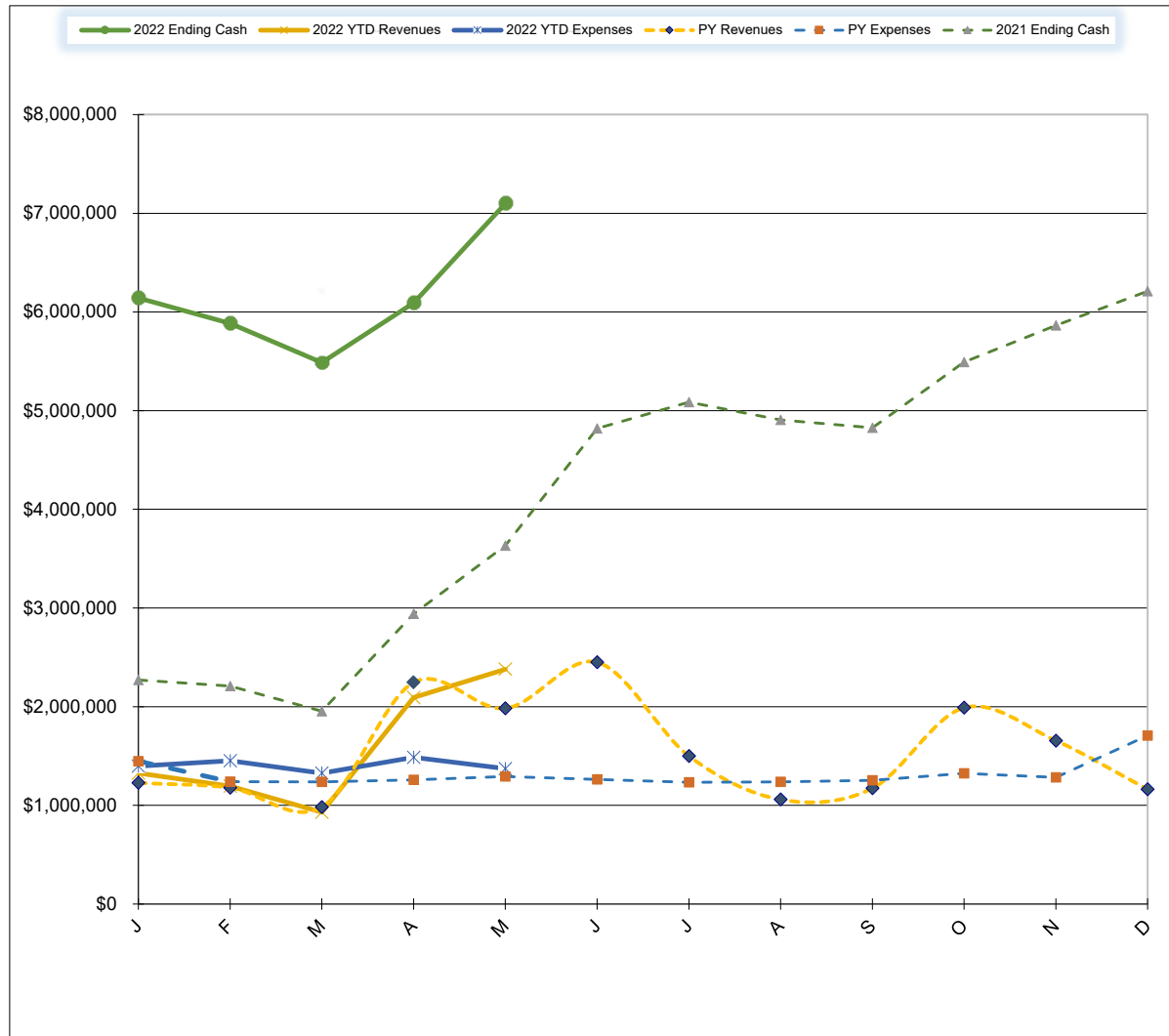
**Year-to-Date**  
**Revenues, Expenditures and Ending Cash by Fund**  
**For the Month-End May 31, 2022**





**2022 Current Expense Fund**  
**Actual Revenues, Expenses, Ending Cash**  
**Through May 31, 2022**

Month	PY Revenues	PY Expenses	PY Ending Cash
Jan-21	\$1,227,570	\$1,448,273	\$2,270,664
Feb-21	\$1,178,105	\$1,240,097	\$2,208,672
Mar-21	\$983,341	\$1,237,807	\$1,954,206
Apr-21	\$2,245,844	\$1,258,195	\$2,941,855
May-21	\$1,982,864	\$1,292,243	\$3,632,477
Jun-21	\$2,450,214	\$1,262,846	\$4,819,845
Jul-21	\$1,499,849	\$1,233,595	\$5,086,099
Aug-21	\$1,059,156	\$1,238,464	\$4,906,791
Sep-21	\$1,172,932	\$1,253,029	\$4,826,694
Oct-21	\$1,989,349	\$1,325,088	\$5,490,955
Nov-21	\$1,655,677	\$1,283,968	\$5,862,664
Dec-21	\$1,162,565	\$1,707,266	\$6,210,509
Jan-22	\$1,327,650	\$1,396,499	\$6,141,660
Feb-22	\$1,194,514	\$1,453,128	\$5,883,046
Mar-22	\$930,545	\$1,326,098	\$5,487,493
Apr-22	\$2,091,729	\$1,486,825	\$6,092,397
May-22	\$2,379,118	\$1,373,157	\$7,098,358
Jun-22			
Jul-22			
Aug-22			
Sep-22			
Oct-22			
Nov-22			
Dec-22			
<b>Total:</b>	<b>\$7,923,556</b>	<b>\$7,035,707</b>	<b>\$7,098,358</b>



General Property Tax													
	2018	2019	2020	2021	2022	3 Yr Avg		2018	2019	2020	2021	2022	3 Yr Avg
Jan	\$13,137	\$6,832	\$18,262	\$5,333	\$13,116	\$10,142	Jan	0.51%	0.26%	0.66%	0.19%	0.68%	0.37%
Feb	\$0	\$4,508	\$9,422	\$3,348	\$3,978	\$5,759	Feb	0.51%	0.43%	1.00%	0.31%	0.21%	0.58%
Mar	\$28,944	\$36,408	\$35,208	-\$1,155	\$9,457	\$23,487	Mar	1.64%	1.81%	2.27%	0.27%	0.49%	1.45%
April	\$673,352	\$132,723	\$672,320	\$618,516	\$775,404	\$474,520	April	27.92%	6.83%	26.54%	22.45%	40.17%	18.61%
May	\$592,136	\$1,263,875	\$687,201	\$874,745	\$1,128,220	\$941,941	May	51.04%	54.67%	51.36%	53.82%	58.45%	53.28%
June	\$13,745	\$9,002	\$37,000	\$15,573		\$20,525	June	51.57%	55.01%	52.69%	54.38%	0.00%	54.03%
July	\$5,248	\$6,342	\$36,558	\$43,050		\$28,650	July	51.78%	55.25%	54.01%	55.92%	0.00%	55.06%
Aug	\$4,183	\$8,237	\$35,496	\$6,226		\$16,653	Aug	51.94%	55.56%	55.29%	56.14%	0.00%	55.67%
Sept	\$11,021	\$10,017	\$37,513	\$9,989		\$19,173	Sept	52.37%	55.94%	56.65%	56.50%	0.00%	56.36%
Oct	\$637,710	\$407,345	\$598,918	\$622,470		\$542,911	Oct	77.26%	71.36%	78.27%	78.83%	0.00%	76.15%
Nov	\$573,112	\$745,780	\$582,824	\$576,204		\$634,936	Nov	99.63%	99.58%	99.31%	99.49%	0.00%	99.46%
Dec	\$9,399	\$11,056	\$19,021	\$14,263		\$14,780	Dec	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	<b>\$2,561,988</b>	<b>\$2,642,126</b>	<b>\$2,769,744</b>	<b>\$2,788,562</b>	<b>\$1,930,175</b>								

Retail Sales and Use Tax													
	2018	2019	2020	2021	2022	3 Yr Avg		2018	2019	2020	2021	2022	3 Yr Avg
Jan	\$1,254,578	\$687,646	\$751,153	\$758,870	\$785,734	\$732,556	Jan	12.80%	8.09%	8.39%	7.32%	19.04%	7.93%
Feb	\$1,419,529	\$803,354	\$907,151	\$929,729	\$923,445	\$880,078	Feb	27.29%	17.54%	18.53%	16.29%	22.37%	17.45%
Mar	\$740,792	\$574,260	\$644,953	\$748,607	\$747,600	\$655,940	Mar	34.85%	24.29%	25.73%	23.51%	18.11%	24.51%
April	\$644,726	\$541,944	\$635,221	\$713,118	\$758,315	\$630,094	April	41.43%	30.66%	32.83%	30.39%	18.37%	31.29%
May	\$686,843	\$740,262	\$534,625	\$954,602	\$912,058	\$743,163	May	48.44%	39.37%	38.80%	39.60%	22.10%	39.26%
June	\$794,835	\$700,706	\$554,022	\$910,213		\$721,647	June	56.55%	47.61%	44.99%	48.38%	0.00%	46.99%
July	\$724,939	\$722,174	\$795,240	\$876,962		\$798,126	July	63.94%	56.10%	53.88%	56.84%	0.00%	55.61%
Aug	\$725,845	\$807,040	\$806,478	\$906,241		\$839,920	Aug	71.35%	65.59%	62.89%	65.58%	0.00%	64.69%
Sept	\$767,619	\$769,758	\$866,051	\$996,100		\$877,303	Sept	79.18%	74.65%	72.56%	75.19%	0.00%	74.13%
Oct	\$664,622	\$734,277	\$856,621	\$880,585		\$823,828	Oct	85.97%	83.28%	82.14%	83.69%	0.00%	83.03%
Nov	\$687,646	\$672,390	\$811,668	\$865,273		\$783,110	Nov	92.98%	91.19%	91.20%	92.03%	0.00%	91.48%
Dec	\$687,581	\$749,106	\$787,289	\$825,799		\$787,398	Dec	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	<b>\$9,799,556</b>	<b>\$8,502,917</b>	<b>\$8,950,472</b>	<b>\$10,366,099</b>	<b>\$4,127,153</b>								

Business and Occupation Taxes													
	2018	2019	2020	2021	2022	3 Yr Avg		2018	2019	2020	2021	2022	3 Yr Avg
Jan	\$142,281	\$128,920	\$28,475	\$286,680	\$298,532	\$148,025	Jan	19.67%	19.07%	4.22%	11.73%	27.24%	11.68%
Feb	\$24,831	\$30,103	\$128,019	\$161,142	\$170,781	\$106,421	Feb	23.11%	23.53%	23.21%	18.32%	15.58%	21.69%
Mar	\$13,339	\$14,735	\$11,567	\$156,941	\$68,163	\$61,081	Mar	24.95%	25.71%	24.92%	24.75%	6.22%	25.12%
April	\$179,740	\$168,200	\$163,665	\$414,378	\$302,933	\$248,747	April	49.80%	50.59%	49.19%	41.70%	27.64%	47.16%
May	\$16,387	\$13,552	\$13,848	\$36,167	\$255,648	\$21,189	May	52.07%	52.60%	51.24%	43.18%	23.32%	49.01%
June	\$15,861	\$12,626	\$11,824	\$141,378		\$55,276	June	54.26%	54.47%	53.00%	48.97%	0.00%	52.14%
July	\$139,919	\$133,751	\$121,011	\$341,876		\$198,879	July	73.61%	74.26%	70.94%	62.96%	0.00%	69.38%
Aug	\$15,694	\$13,590	\$12,609	\$89,122		\$38,440	Aug	75.78%	76.27%	72.81%	66.60%	0.00%	71.89%
Sept	\$15,116	\$13,218	\$10,035	\$81,331		\$34,861	Sept	77.87%	78.22%	74.30%	69.93%	0.00%	74.15%
Oct	\$130,534	\$120,386	\$153,068	\$332,150		\$201,868	Oct	95.91%	96.03%	96.99%	83.52%	0.00%	92.18%
Nov	\$14,904	\$13,144	\$11,403	\$162,597		\$62,381	Nov	97.97%	97.98%	98.69%	90.18%	0.00%	95.61%
Dec	\$14,653	\$13,671	\$8,866	\$240,100		\$87,545	Dec	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	<b>\$723,258</b>	<b>\$675,895</b>	<b>\$674,391</b>	<b>\$2,443,862</b>	<b>\$1,096,057</b>								

Excise Tax													
	2018	2019	2020	2021	2022	3 Yr Avg		2018	2019	2020	2021	2022	3 Yr Avg
Jan	\$0	\$0	\$0	\$0	\$0	\$0	Jan	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Feb	\$549	\$634	\$1,748	\$803	\$446	\$1,062	Feb	27.63%	12.51%	22.78%	11.92%	51.45%	15.74%
Mar	\$0	\$0	\$0	\$0	\$0	\$0	Mar	27.63%	12.51%	22.78%	11.92%	0.02%	15.74%
April	\$433	\$54	\$0	\$1,280	\$71	\$444	April	49.42%	13.57%	22.78%	30.92%	8.14%	22.42%
May	\$0	\$0	\$0	\$0	\$350	\$0	May	49.42%	13.57%	22.78%	30.92%	40.40%	22.42%
June	\$73	\$1,397	\$1,578	\$2,064		\$1,680	June	53.12%	41.12%	43.34%	61.55%	0.00%	48.67%
July	\$0	\$0	\$0	\$0		\$0	July	53.12%	41.12%	43.34%	61.55%	0.00%	48.67%
Aug	\$126	\$1,196	\$1,869	\$1,922		\$1,662	Aug	59.47%	64.72%	67.69%	90.08%	0.00%	74.16%
Sept	\$0	\$0	\$0	\$1		\$0	Sept	59.47%	64.72%	67.69%	90.09%	0.00%	74.17%
Oct	\$730	\$72	\$774	\$246		\$364	Oct	96.27%	66.15%	77.78%	93.75%	0.00%	79.22%
Nov	\$0	\$0	\$0	\$421		\$140	Nov	96.27%	66.15%	77.78%	100.00%	0.00%	81.31%
Dec	\$74	\$1,716	\$1,706	\$0		\$1,141	Dec	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	<b>\$1,985</b>	<b>\$5,069</b>	<b>\$7,674</b>	<b>\$6,737</b>	<b>\$867</b>								

Other Taxes													
	2018	2019	2020	2021	2022	3 Yr Avg		2018	2019	2020	2021	2022	3 Yr Avg
Jan	\$1,082	\$1,079	\$0	\$0	\$23,050	\$360	Jan	0.73%	0.78%	0.00%	0.00%	55.55%	0.26%
Feb	\$39,250	\$36,572	\$38,738	\$1,718	\$0	\$25,676	Feb	27.40%	27.28%	63.71%	5.02%	0.00%	32.01%
Mar	\$0	\$0	\$0	\$0	\$0	\$0	Mar	27.40%	27.28%	63.71%	5.02%	0.00%	32.01%
April	\$1,463	\$1,414	\$0	\$4,725	\$15,491	\$2,046	April	28.40%	28.31%	63.71%	18.84%	37.33%	36.96%
May	\$34,325	\$27,651	\$22,061	\$0	\$2,955	\$16,571	May	51.72%	48.35%	100.00%	18.84%	7.12%	55.73%
June	\$0	\$0	\$0	\$0		\$0	June	51.72%	48.35%	100.00%	18.84%	0.00%	55.73%
July	\$0	\$917	\$0	\$11,519		\$4,146	July	51.72%	49.01%	100.00%	52.53%	0.00%	67.18%
Aug	\$39,592	\$37,556	\$0	\$1,027		\$12,861	Aug	78.62%	76.22%	100.00%	55.54%	0.00%	77.25%
Sept	\$0	\$0	\$0	\$0		\$0	Sept	78.62%	76.22%	100.00%	55.54%	0.00%	77.25%
Oct	\$1,835	\$978	\$0	\$14,005		\$4,994	Oct	79.87%	76.93%	100.00%	96.50%	0.00%	91.14%
Nov	\$29,633	\$31,831	\$0	\$1,198		\$11,010	Nov	100.00%	100.00%	100.00%	100.00%	0.00%	100.00%
Dec	\$0	\$0	\$0	\$0		\$0	Dec	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	<b>\$147,179</b>	<b>\$137,998</b>	<b>\$60,799</b>	<b>\$34,191</b>	<b>\$41,497</b>								

Total Taxes All Sources													
	2018	2019	2020	2021	2022	3 Yr Avg		2018	2019	2020	2021	2022	3 Yr Avg
Jan	\$1,411,077	\$824,476	\$797,890	\$1,050,883	\$1,120,431	\$891,083	Jan	10.66%	6.89%	6.40%	6.72%	15.57%	6.67%
Feb	\$1,484,158	\$875,171	\$1,085,078	\$1,096,740	\$1,098,650	\$1,018,997	Feb	21.88%	14.21%	15.11%	7.01%	15.27%	12.11%
Mar	\$783,075	\$625,403	\$691,728	\$904,393	\$825,220	\$740,508	Mar	27.79%	19.43%	20.66%	5.78%	11.47%	15.29%
April	\$1,499,713	\$844,334	\$1,471,206	\$1,752,016	\$1,852,214	\$1,355,852	April	39.13%	26.49%	32.46%	11.20%	25.74%	23.39%
May	\$1,329,691	\$2,045,340	\$1,257,735	\$1,865,513	\$2,299,233	\$1,722,863	May	49.17%	43.59%	42.55%	11.93%	31.95%	32.69%
June	\$824,514	\$723,730	\$604,424	\$1,069,228	\$0	\$799,127	June	55.40%	49.64%	47.40%	6.84%	0.00%	34.63%
July	\$870,106	\$863,184	\$952,810	\$1,273,407	\$0	\$1,029,800	July	61.98%	56.85%	55.05%	8.14%	0.00%	40.01%
Aug	\$785,442	\$867,620	\$856,453	\$1,004,538	\$0	\$909,537	Aug	67.91%	64.10%	61.92%	6.42%	0.00%	44.15%
Sept	\$793,756	\$792,993	\$913,599	\$1,087,420	\$0	\$931,338	Sept	73.91%	70.73%	69.25%	6.95%	0.00%	48.98%
Oct	\$1,435,433	\$1,263,058	\$1,609,381	\$1,849,456	\$0	\$1,573,965	Oct	84.76%	81.29%	82.17%	11.83%	0.00%	58.43%
Nov	\$1,305,295	\$1,463,146	\$1,405,895	\$1,605,693	\$0	\$1,491,578	Nov	94.62%	93.52%	93.45%	10.27%	0.00%	65.74%
Dec	\$711,707	\$775,549	\$816,882	\$1,080,162	\$0	\$890,864	Dec	100.00%	100.00%	100.00%	6.91%	0.00%	68.97%
<b>Total:</b>	<b>\$13,233,967</b>	<b>\$11,964,005</b>	<b>\$12,463,081</b>	<b>\$15,639,450</b>	<b>\$7,195,748</b>								

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# **City of Burlington Fire Hall Renovation Financing Options**

**City Council - July 14, 2022 7PM**

Prepared By: Greg Young, City Administrator

## Issue Statement

We are currently under design for renovations to the Fire Hall. Our architect anticipates completing the design and having bid-ready documents by mid-September. Allowing time for bids to be out on the street, selection of the low bidder, and the selected contractor delivering the required pre-construction documentation to the City, we anticipate issuing the Notice to Proceed (NTP) by mid-October. The NTP starts the clock on the renovations and is the official start date for the contractor to begin their work. If the NTP is issued in mid-October, the renovations will be complete and the Fire/EMS folks will move back into their renovated Fire Hall by the end of July 2023.

**The total cost of the Project (including construction management and contingency) is estimated to be \$2.7 million. The question before the Council is the preferred option for financing the cost of the renovations. We will not know the exact cost of the renovations until we open the bids.**

## Financing Options

While there are other issues to address, the two basic options for financing the Project are; 1) Pay Cash or 2) Finance the Project through long-term debt.

1. Paying Cash – This option would avoid interest costs associated with long-term debt but would mean that we would expend cash-on-hand which would lower our available cash for either other projects or as a buffer for a declining economy (lower sales tax) stemming from a recession.

If paying cash is preferred, there are two (2) sources of cash available. The first is the cash balance within the Current Expense Fund (General Fund). As reflected on the attached sheet/graph, our current cash balance in the General Fund is approximately \$8.6 million which includes both ARPA payments to the City.

Using up to \$2.7 million in cash-on-hand would lower our estimated 2022 cash balance in the General Fund to \$5.9 million. Also detailed on the attached Ending Fund Balance sheet/graph is the history of our cash reserves from 2006 to 2022. It notes that our lowest Ending Fund Balance in the General Fund was in 2019 (\$4.4 million) while our highest Ending Fund Balance in the General Fund is in 2022 (\$8.6 million). If you do not include the 2019 and 2022 balances, our *average* Ending Cash Balance equals almost \$5.5 million.

The other source of cash would be our REET (Real Estate Excise Tax) contained in Fund #301 and Fund #311. Combined these two Fund have approximately \$4 million on hand. Using up to \$2.7 million on the Fire Hall Project would lower these Fund balances to \$650,000 each (total of \$1.3 million combined).

Since REET Funds are restricted to Capital Expenditures, using this cash to pay for the Fire Hall renovation would be an allowable cost.

2. Issuing Long-Term Debt. If we do not prefer to pay cash for the Project, the second option is issuing long-term debt. This could be for some or all of the Project's cost. Below are the costs for two different long-term debt scenarios:

Amount Financed:	\$2.7 million	2.7 million
Loan Term:	10 Years	20 Years
Interest Rate:	2.5%	3.5%
Annual Payment:	\$305K	\$188K
Total Interest Paid:	\$354K	\$1.050 million

The source of the debt repayment would also be from two possible sources – new property taxes following a bond issue (voted debt) or existing cash on hand (councilmanic debt).

Voted debt would mean that annually the City would receive additional property taxes dedicated to the debt payment while Councilmanic debt would require the City to pay the annual debt service from cash on hand. If the Council desired to issue Councilmanic debt, the source of repayment would again be from either cash in the General Fund or REET revenues.

Unlike the Pay Cash option, using cash on hand from the General Fund for debt service would mean that we would budget expending approximately \$305K or \$188K (depending on the loan term) annually – with the effect being a slow lowering of the Ending Cash balance in the General Fund over the next 10 to 20 years.

Similarly, should we want to use REET monies to service the debt, we would be in the position of using a portion of our annual REET dollars (collections averaging \$450K per year) to pay off this debt. Using REET dollars to service the debt would be advantageous since REET dollars are “restricted” (can only be used for capital projects) unlike General Fund monies that can be used for any city expense. Of course, using REET dollars for the Fire Hall Project means that these monies would not be available for other City capital projects.

If we prefer to use REET dollars to service the debt, remember that we could in the future transfer General Fund monies into Funds 301 and 311 should they need additional revenues for the anticipated future projects. To this end (determining if we have

sufficient money in Fund #301 and #311 for debt service and paying for future projects), enclosed are two additional pieces of information. Two sheets are labeled “A” and two others are labeled “B”.

“A” – These two sheets (one for Fund #301 and the other for Fund #311) are from our 2022 Capital Improvement Plan (CIP) and reflect our anticipated Projects and the annual \$450K in REET collections (split 50/50 between 301/311). As you will see, we continue to carry health cash balances over the next 6 years given the current annual REET collections and the current estimate of the cost of future projects.

“B” – These are for the same two funds but the annual REET collections were lowered by \$153K each (total of \$305K for 10-year term debt service). These sheets reflect that even if we used REET dollars to service the entire \$2.7 million in debt, we would have sufficient cash to complete our six years’ worth of projects. However, our future cash balances in Fund #301 and #311 are lower.

### Summary

Since we are on the cusp of modernizing the Fire Hall to reflect the makeup of our expanded workforce, it is perhaps advantageous that we have moved from the discussion regarding the wisdom of completing these renovations to a discussion regarding the preferred methodology of paying for the improvements.

It is also good that we have the option of paying cash, issuing long-term debt, or some other combination of the two. The purpose of the City is to deliver services and otherwise expend the public’s money in the best way possible. This includes the strategic use of debt as well as the wise use (or retention) of cash. There is never a “good time to ask the voters” because the future is always uncertain and no one wants to pay taxes. With that said, interest rates of 2.5% to 3.5% for 10 to 20 years are historically lows and fixing the interest rates for some time into the future (especially in potentially inflationary times) could be considered prudent.





The development agreement was prepared by the City's Legal Department.

**STAFF RECOMMENDATION**

Approve the proposed development agreement.

**SUGGESTED COUNCIL MOTION LANGUAGE**

Approval: *"I make a motion to authorize the Mayor to sign the attached annexation and sewer service agreement".*

# **CITY OF BURLINGTON PRE-ANNEXATION AGREEMENT AGREEMENT TO ANNEX (UGA PRIVATE)**

**THIS ANNEXATION AGREEMENT** is made and executed by and between the City of Burlington, a municipal corporation, hereinafter referred to as "Burlington" and 20249 Lafayette Road, hereinafter referred to as "Party of the First Part."

## **RECITALS**

**WHEREAS**, Party of the First Part is recorded owner of the following described property located within Skagit County, Washington: SEE ATTACHMENT 'A' ; and

**WHEREAS**, said property lies within one mile of the present corporate boundary of Burlington, but is not contiguous thereto; and

**WHEREAS**, it is the desire of the Party of the First Part that said property be served with sewer service from Burlington and hereby makes application therefore, or is already served by City utilities; and

**WHEREAS**, Section 13.04.050 of the Burlington City Code requires that an Agreement be executed whereby the owner of the above described property covenants that they would annex said property to Burlington at such time as the property becomes contiguous to the corporate boundaries of Burlington, or is otherwise eligible for annexation to Burlington; and

**WHEREAS**, it is appropriate that the Party of the First Part grant to the Burlington Public Works Director, successor in interest or designee, a special power of attorney to effect said annexation at the time the property becomes contiguous to Burlington or is otherwise eligible for annexation to Burlington.

**THEREFORE, IT IS AGREED BETWEEN THE PARTIES** as follows:

1. That Burlington hereby provides sewer service to the above described property in accordance with Title 13 of the Burlington Municipal Code.
2. In consideration of Burlington providing said utility service, the Party of the First Part hereby grants and conveys to the Burlington Public Works Director or his successor in interest or designee a Special Power of Attorney to exercise any and all rights said Party of the First Part, their heirs or assigns and any successors in interest to said Party of the First Part, including any purchasers, mortgage holders, lien holders or other persons who may claim an interest in said property hereinafter referred to as "Successors in Interest" to accomplish the following:

- (a) To petition to Burlington for annexation of any part or all of the property described above, which petition shall conform to the provisions of paragraph (b) herein.
- (b) To accomplish all steps necessary or proper for the annexation of said property under RCW 35A.14 and the ordinances and regulations of the City of Burlington for annexation of property to the City of Burlington with zoning consistent with the ordinances of the City of Burlington and with the condition that Party of the First Part or its Successors in Interest will be required to assume no more than a fair share of Burlington's bonded indebtedness.
- (c) The Party of the First Part agrees to pay all prescribed fees and charges for connection to the sewer service.
- (d) To construct any connection to the Burlington sewer service in accordance with City plans and specifications and under the supervision of the director of public works, without cost or expense to the City.
- (e) To not allow any additional property to be served by the connection until the owner of such additional property has executed a similar agreement.
- (f) To allow the City to disconnect the sewer serving the property from the City's system in the event that the terms and conditions of this agreement are not faithfully kept and performed, and authorize the director of public works, designee or successor in interest to enter upon the premises of such property owner to accomplish such disconnection.
- (g) To sign any and all letters, petition and other documents necessary to accomplish said annexation on behalf of any successors in interest as defined above.

This Power of Attorney shall be considered a power coupled with an interest and may not be terminated except at such time as the above described property is no longer served by sewer and/or water facilities through Burlington or Burlington's utility facilities.

3. If Burlington resolves to annex the above-described property pursuant to RCW 35A.14.295-.299, the Party of the First Part or its Successor in Interest covenants not to challenge same by referendum or other methods. This Agreement and Power of Attorney touches and concerns the real property

described above and so long as the said property is served by sewer and/or water service from the City of Burlington through the Burlington water or sewer system, shall bind the land and shall run with the land, binding the Party of the First Part's assigns, heirs, transferees, Successors in Interest and all who derive an interest therein.

4. This agreement is effective upon the date of the last signature of both the grantor and grantee.

**THIS AGREEMENT** shall be recorded in the Skagit County Auditor's Office and shall be referenced upon any deed or other instruments conveying an interest in said property.

**INTRODUCED**, passed and approved at a regular meeting of the City Council this 14th day of July, 2022.

**CITY OF BURLINGTON**

\_\_\_\_\_  
Steve Sexton, Mayor

**Party in the First Part:**

\_\_\_\_\_  
[Name, Title]

**Attest:**

\_\_\_\_\_  
Joseph Stewart, Finance Director

**Approved as to form and legality:**

\_\_\_\_\_  
Leif Johnson, City Attorney

\_\_\_\_\_  
Marv Pulst, Public Works Director

Published \_\_\_\_\_

( STATE OF WASHINGTON )

( COUNTY OF SKAGIT )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, personally  
appeared before me

\_\_\_\_\_, known to be the  
individual(s) described, and who executed the foregoing instrument and  
acknowledged that they signed the same as their free and voluntary act and  
deed for the uses and purposes therein mentioned.

**WITNESS** my hand and official seal the day and year first above written.

\_\_\_\_\_  
Notary Public in and for the State of Washington,  
residing in\_\_\_\_\_  
My commission expires\_\_\_\_\_



ITEM #: 2

CHECK ONE:

NEW BUS. X

OLD BUS.           

## AGENDA ITEM

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Council Date: July 14, 2022 Subject: 2022 Budget Amendment #1

Submitted By: Joe Stewart, Finance Director

Attachments: Ordinance Amending the 2022 Budget Public Hearing Required: YES ( ) NO ( **X** )

### **HISTORY AND SUMMARY**

City Council adopted the 2022 budget in November of 2022. At that time, the ARPA expenditure plan had been presented to council but those expenditures were not incorporated into the budget. In 2022, several of the items on the expenditure plan have been spent or the dollars are expected to be spent in 2022. Examples of ARPA expenditures that have been spent include unemployment payments (\$119k), repayment of employee furlough (\$48.8K), purchase of PPE (\$13.5k), additional court prosecution and public defense costs (\$80k), all hazard emergency plan (\$50k), advance purchase of ambulance equipment (\$150k) and police parking lot security fencing (\$130k). There were also cost increases to the WCIA premiums related to updated property appraisal values (\$110k). Debt service obligations in the Current Expense Fund have also increased (\$289.8K), as impact fees from the Street Fund that were used in prior-years have been expended. The Council also approved a \$750k interfund loan from the Current Expense Fund to the Arterial Streets Fund at the June 22, 2022 meeting. This loan is accounted for as an expense and a revenue for each fund.

In Fund 301 Local Capital Improvement, there are increases related to adding 2021 IT capacity into the 2022 budget for projects not completed in 2021. The police parking lot security fencing and library beam project.

In Fund 303 First Step Center Construction \$50k is added for the Feasibility/Pre-Design Study.

In Fund 402 2021 budget capacity is being carried over for the Rio Vista pipe bursting project that was not completed in 2021. There is also a sewer replacement project planned on Kock Street and Alley.

In Fund 501 capacity is increased for the advance purchase of new ambulance equipment, defibrillator, etc...

In Fund 502 capacity is added from 2021 to 2022 for projects that were budgeted but not completed by the end of 2021.

Finally, the beginning fund balances are also updated with the post-close/pre-audit amounts. This update does not impact the budgeted revenues and expenditures but will impact the projected ending balances.

#### **ALTERNATIVES CONSIDERED**

N/A

#### **CURRENT AND FUTURE BUDGET RAMIFICATIONS**

The budget ramifications are detailed in the ordinance. This amendment will more accurately reflect the projected revenues, expenses and fund balances for the remainder of the current year.

#### **LEGAL ASPECTS – LEGAL REVIEW**

Questions regarding legal review may be directed to the City Attorney at the Council's discretion.

#### **STAFF RECOMMENDATION**

Recommend adoption of the Ordinance amending the 2022 budget.

#### **SUGGESTED COUNCIL MOTION LANGUAGE**

"I move to approve the Ordinance amending the 2022 budget as presented by staff."

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE AMENDING THE 2022 BUDGET OF THE CITY OF  
BURLINGTON, WASHINGTON**

**Whereas**, the City Council adopted the 2022 budget in November of 2021 through Ordinance No. 1915; and

**Whereas**, on March 10, 2022 the City Council approved Ordinance No. 1919 establishing a special revenue fund (Fund 104) entitled Fund 1590 to track sales tax revenues and expenditures for investment in affordable housing, mental health and homelessness. ; and

**Whereas**, the City Council desires to amend the 2022 budget to add capacity for previously budgeted (2021) CR&R, IT and Sewer purchases/projects that were not completed in 2021. ; and

**Whereas**, the City Council desires to amend the 2022 budget to include capacity for the ARPA expenditures and recognize the increased costs of liability insurance through WCIA. ; and

**Whereas**, the City Council desires to amend 2022 budget updating beginning fund balances post year-end close and increasing expenditure capacity as noted below.

**NOW THEREFORE**, the City Council of the City of Burlington does hereby adopt the following revisions to the 2022 budget.

**Section I** A summary of 2022 beginning balances, revenues, and expenditures for all funds of the City.

**Beginning Fund Balances**

Fund No.	Fund Name	2022 Adopted	2022 Amendment 1	Difference
001	General Fund	\$6,749,518	\$6,210,509	(\$539,009)
101	Street	\$351,738	\$293,550	(\$58,188)
102	Arterial Street	\$202,376	\$200,000	(\$2,376)
	First Step Center			
103	Operating	\$67,636	\$61,717	(\$5,919)
104	1590	\$0	\$0	\$0
105	Fiber	\$158,887	\$194,325	\$35,438
107	Park Endowment	\$22,901	\$25,690	\$2,789
116	Cemetery	\$31,023	\$40,166	\$9,143
119	Substance Abuse	\$23,826	\$26,606	\$2,780
150	Fire/EMS	\$0	\$420,222	\$420,222



197	Lodging Tax	\$512,473	\$584,539	\$72,065
201	Debt Service	\$324,302	\$215,900	(\$108,402)
300	General Reserve	\$503,825	\$519,321	\$15,496
301	Capital Improvement	\$1,765,080	\$2,093,048	\$327,968
	First Step Center			
303	Construction	\$5,674	\$403,182	\$397,508
	Park Capital			
311	Improvement	\$2,075,534	\$2,053,227	(\$22,307)
401	Sewer	\$1,713,756	\$1,813,418	\$99,662
402	Sewer Reserve	\$5,808,132	\$5,183,215	(\$624,917)
425	Storm	\$1,846,434	\$1,835,400	(\$11,033)
426	Strom Reserve	\$1,638,574	\$1,576,895	(\$61,679)
501	ER&R	\$2,000,314	\$1,911,128	(\$89,186)
502	CR&R	\$230,551	\$244,914	\$14,362
701	Cemetery Endowment	\$375,746	\$376,153	\$407
TOTAL		\$26,408,300	\$26,283,126	(\$125,174)

#### Revenues

Fund No.	Fund Name	2022 Adopted	2022 Amendment 1	Difference
001	General Fund	\$18,132,487	\$18,882,487	\$750,000
101	Street	\$738,999	\$765,999	\$27,000
102	Arterial Street	\$8,453,931	\$9,203,931	\$750,000
	First Step Center			
103	Operating	\$80,000	\$80,000	\$0
104	1590	\$0	\$1,000,000	\$1,000,000
105	Fiber	\$283,626	\$283,626	\$0
107	Park Endowment	\$0	\$0	\$0
116	Cemetery	\$106,982	\$106,982	\$0
119	Substance Abuse	\$0	\$0	\$0
150	Fire/EMS	\$5,521,829	\$5,521,829	\$0
197	Lodging Tax	\$401,833	\$401,833	\$0
201	Debt Service	\$289,782	\$289,782	\$0
300	General Reserve	\$251,620	\$251,620	\$0
301	Capital Improvement	\$759,661	\$759,661	\$0
	First Step Center			
303	Construction	\$400,116	\$400,116	\$0
	Park Capital			
311	Improvement	\$432,881	\$432,881	\$0
401	Sewer	\$3,663,324	\$3,663,324	\$0
402	Sewer Reserve	\$1,568,009	\$1,568,009	\$0

425	Storm	\$1,303,145	\$1,303,145	\$0
426	Strom Reserve	\$255,647	\$255,647	\$0
501	ER&R	\$748,838	\$748,838	\$0
502	CR&R	\$193,457	\$193,457	\$0
701	Cemetery Endowment	\$2,777	\$2,777	\$0
TOTAL		<u>\$43,588,943</u>	<u>\$46,115,943</u>	<u>\$2,527,000</u>

Expenditures

Fund No.	Fund Name	2022 Adopted	2022 Amendment 1	Difference
001	General Fund	\$16,986,097	\$18,320,407	\$1,334,310
101	Street	\$1,058,999	\$1,059,483	\$484
102	Arterial Street	\$7,553,782	\$8,303,782	\$750,000
	First Step Center			
103	Operating	\$80,000	\$80,000	\$0
104	1590	\$0	\$1,000,000	\$1,000,000
105	Fiber	\$278,200	\$278,200	\$0
107	Park Endowment	\$3,050	\$3,050	\$0
116	Cemetery	\$106,982	\$107,143	\$161
119	Substance Abuse	\$10,350	\$10,350	\$0
150	Fire/EMS	\$5,521,829	\$5,585,515	\$63,686
197	Lodging Tax	\$496,220	\$496,220	\$0
201	Debt Service	\$314,980	\$314,980	\$0
300	General Reserve	\$630,000	\$630,000	\$0
301	Capital Improvement	\$1,600,261	\$1,773,054	\$172,793
	First Step Center			
303	Construction	\$400,000	\$450,000	\$50,000
	Park Capital			
311	Improvement	\$1,573,553	\$1,573,553	\$0
401	Sewer	\$3,845,121	\$3,878,794	\$33,673
402	Sewer Reserve	\$1,655,000	\$2,180,000	\$525,000
425	Storm	\$1,379,350	\$1,382,913	\$3,562
426	Strom Reserve	\$200,000	\$200,000	\$0
501	ER&R	\$546,209	\$696,209	\$150,000
502	CR&R	\$175,519	\$311,574	\$136,055
701	Cemetery Endowment	\$0	\$0	\$0
TOTAL		<u>\$44,415,503</u>	<u>\$48,635,227</u>	<u>\$4,219,725</u>

Ending Fund Balances

Fund No.	Fund Name	2022 Adopted	2022 Amendment 1	Difference
001	General Fund	\$7,895,907	\$6,772,588	(\$1,123,319)
101	Street	\$31,738	\$66	(\$31,672)
102	Arterial Street	\$1,102,525	\$1,100,149	(\$2,376)
	First Step Center			
103	Operating	\$67,636	\$61,717	(\$5,919)
104	1590	\$0	\$0	\$0
105	Fiber	\$164,313	\$199,751	\$35,438
107	Park Endowment	\$19,851	\$22,640	\$2,789
116	Cemetery	\$31,023	\$40,004	\$8,982
119	Substance Abuse	\$13,476	\$16,256	\$2,780
150	Fire/EMS	\$0	\$356,536	\$356,536
197	Lodging Tax	\$418,086	\$490,152	\$72,065
201	Debt Service	\$299,103	\$190,702	(\$108,402)
300	General Reserve	\$125,445	\$140,941	\$15,496
301	Capital Improvement	\$924,480	\$1,079,655	\$155,174
	First Step Center			
303	Construction	\$5,790	\$353,298	\$347,508
	Park Capital			
311	Improvement	\$934,862	\$912,555	(\$22,307)
401	Sewer	\$1,531,959	\$1,597,948	\$65,989
402	Sewer Reserve	\$5,721,141	\$4,571,224	(\$1,149,917)
425	Storm	\$1,770,228	\$1,755,633	(\$14,596)
426	Storm Reserve	\$1,694,221	\$1,632,543	(\$61,679)
501	ER&R	\$2,202,943	\$1,963,757	(\$239,186)
502	CR&R	\$248,489	\$126,797	(\$121,693)
701	Cemetery Endowment	\$378,523	\$378,930	\$407
	TOTAL	\$25,581,741	\$23,763,843	(\$1,817,898)

**Section II** This Ordinance shall take effect five (5) days following its publication as required by law.

**Introduced and Passed** and approved at a regular meeting of the City Council this 14th day of July, 2022.

**The City of Burlington**

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**Steve Sexton, Mayor**

**ATTEST:**

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Greg Young, City Administrator

**APPROVED AS TO FORM:**

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Leif Johnson, City Attorney



**LEGAL ASPECTS – LEGAL REVIEW**

Sealed bids were requested in accordance with City procurement policy, chapter 2.84 procurement. No legal issues have been identified.

**STAFF RECOMMENDATION**

Staff recommends award of base and alternate bid to Nordic Temperature Control.

**SUGGESTED COUNCIL MOTION LANGUAGE**

Motion to award base and alternate bid and authorize Mayor to sign agreement with Nordic Temperature Control for HVAC upgrades at Senior Center.



# Bid Opening Form

Senior Center A/C

June 23<sup>rd</sup>, 2022

Pricing doesn't include 8.6% Sales Tax

Contractor		Base Bid	Bid Alternate	Bid Total
1	Nordic Temperature Control Inc.	\$100,981	\$21,000	\$121,981
2	Hermanson Company	\$156,321	\$20,233	\$176,554
3				
4				
5				
6				
7				
8				
9				



Commercial•Residential•Maintenance•Sales•Service  
Heating•Air Conditioning•Refrigeration•Controls

To: City of Burlington

Regarding: installation of air conditioning in the Senior Center with alternatives for furnace replacement

**Schedule A (Base Bid)- AC Installation to include:**

**Systems 1-2 serving the community room and system 3 serving the lobby are as follows:**

1. Provide and install Ruud RA1448 14 SEER 48,000 BTU air conditioner and corresponding cased refrigerant coil
2. Provide and install all refrigerant piping, piping support materials, piping insulation, and exterior piping cover track materials.
3. Provide and install all custom fabricated duct work modifications as required for installation.
4. Provide and install all condensation drain plumbing and furnace condensate acid neutralizer kit to protect sub slab drain piping that may be ferrous metal from further corrosion.
5. Provide and install all materials and labor to integrate new equipment into the existing Carrier control system.
6. Provide and coordinate licensed electrician for new circuits to the air conditioning equipment, includes inspection and permit fees.
7. Provide all mechanical permitting and inspections with the City of Burlington.
8. Provide all documentation and letters of intent for prevailing wage work.
9. Provide complete factory trained start up of new equipment and product warranty registration with manufacturer.
10. Provide first year preventative maintenance of new equipment for manufacturer's warranty contract compliance.
11. Provide first year full parts and labor warranty, and lifetime craftsmanship warranty of all installations by Nordic Temperature Control.

**System 6 serving the craft room is as follows:**

1. Provide and install Ruud RA1436 14 SEER 36,000 BTU air conditioner and corresponding cased refrigerant coil
2. Provide and install all refrigerant piping, piping support materials, piping insulation, and exterior piping cover track materials.
3. Provide and install all custom fabricated duct work modifications as required for installation.
4. Provide and install all condensation drain plumbing and furnace condensate acid neutralizer kit to protect sub slab drain piping that may be ferrous metal from further corrosion.
5. Provide and install all materials and labor to integrate new equipment into the existing Carrier control system.
6. Provide and coordinate licensed electrician for new circuit to the air conditioning equipment, includes inspection and permit fees.
7. Provide all mechanical permitting and inspections with the City of Burlington.
8. Provide all documentation and letters of intent for prevailing wage work.
9. Provide complete factory trained start up of new equipment and product warranty registration with manufacturer.
10. Provide first year preventative maintenance of new equipment for manufacturer's warranty contract compliance.



11. Provide first year full parts and labor warranty, and lifetime craftsmanship warranty of all installations by Nordic Temperature Control.

**System 7 serving the dining room is as follows:**

1. Provide and install Ruud RA1460 14 SEER 60,000 BTU air conditioner and corresponding cased refrigerant coil
2. Provide and install all refrigerant piping, piping support materials, piping insulation, and exterior piping cover track materials.
3. Provide and install all custom fabricated duct work modifications as required for installation.
4. Provide and install all condensation drain plumbing and furnace condensate acid neutralizer kit to protect sub slab drain piping that may be ferrous metal from further corrosion.
5. Provide and install complete fan assembly upgrade to a 5 ton system in the existing furnace cabinet.
6. Provide and install all materials and labor to integrate new equipment into the existing Carrier control system.
7. Provide and coordinate licensed electrician for new circuits to the air conditioning equipment, includes inspection and permit fees.
8. Provide all mechanical permitting and inspections with the City of Burlington.
9. Provide all documentation and letters of intent for prevailing wage work.
10. Provide complete factory trained start up of new equipment and product warranty registration with manufacturer.
11. Provide first year preventative maintenance of new equipment for manufacturer's warranty contract compliance.
12. Provide first year full parts and labor warranty, and lifetime craftsmanship warranty of all installations by Nordic Temperature Control.

**Existing Economizer mixed air systems is as follows:**

1. Provide labor and materials to repair/upgrade the existing economizer equipment for all systems listed above.

**Duct cleaning included as follows:**

1. Provide coordination with licensed and bonded duct cleaning contractor for all systems listed above.

**Subtotal for Schedule A base bid ..... \$ 100,981.00**

**Schedule B (bid alternatives) Furnace installation to include:**

**System 6 Craft room furnace replacement is as follows:**

1. Provide and install Ruud R95TC100521 100,000 BTU 95% efficient single stage natural gas furnace with 4 ton ECM constant torque fan motor.
2. Provide and install all materials for reconnection of gas piping, pvc venting, condensation drain, and electrical.
3. Provide all mechanical permitting and inspections with the City of Burlington.
4. Provide all documentation and letters of intent for prevailing wage work.
5. Provide complete factory trained start up of new equipment and product warranty registration with manufacturer.
6. Provide first year preventative maintenance of new equipment for manufacturer's warranty contract compliance.
7. Provide first year full parts and labor warranty, and lifetime craftsmanship warranty of all installations by Nordic Temperature Control.

**System 3 Lobby furnace replacement is as follows:**

1. Provide and install Ruud R95TC085521 85,000 BTU 95% efficient single stage natural gas furnace with 3 ton ECM constant torque fan motor.
2. Provide and install all materials for reconnection of gas piping, pvc venting, condensation drain, and electrical.
3. Provide all mechanical permitting and inspections with the City of Burlington.
4. Provide all documentation and letters of intent for prevailing wage work.
5. Provide complete factory trained start up of new equipment and product warranty registration with manufacturer.
6. Provide first year preventative maintenance of new equipment for manufacturer's warranty contract compliance.
7. Provide first year full parts and labor warranty, and lifetime craftsmanship warranty of all installations by Nordic Temperature Control.

**System 4-5 kitchen furnace replacement is as follows:**

1. Provide and install 2 Ruud R95TC100521 100,000 BTU 95% efficient single stage natural gas furnace with 4 ton ECM constant torque fan motor.
2. Provide and install all materials for reconnection of gas piping, pvc venting, condensation drain, and electrical.
3. Provide coordination with licensed and bonded duct cleaning contractor for all systems listed above.
4. Provide all mechanical permitting and inspections with the City of Burlington.
5. Provide all documentation and letters of intent for prevailing wage work.
6. Provide complete factory trained start up of new equipment and product warranty registration with manufacturer.
7. Provide first year preventative maintenance of new equipment for manufacturer's warranty contract compliance.
8. Provide first year full parts and labor warranty, and lifetime craftsmanship warranty of all installations by Nordic Temperature Control.

**Subtotal for Schedule B Alternatives bid ..... \$ 21,000.00**

**Schedules A and B combined subtotal ..... \$ 121,981.00**

**Sales tax 8.6% ..... \$ 10,490.37**

**Final total of bid proposal ..... \$ 132,471.37**

**Items not included in bid: (unless in inclusions)**

- 1) Framing, trim, drywall work, painting
- 2) Concrete work, coring or sealing
- 3) Smoke fire dampers or fire alarm systems
- 4) Roofing, roof patching or sealing

Approved by:

Authorized Signature

Date

6/22/2022

THIS QUOTATION IS VALID FOR 30 DAYS

Thank you for the opportunity to quote to you on this project. Please feel free to call me if you have questions or need additional information.

Sincerely,

*David Wright*

Office: 360-873-8163

Cell: 360-853-6001

380 Pease Rd. Burlington, WA. 98233

Office (360) 873-8163 Fax (360) 873-8208

License# NORDITC935LA

**TERMS: DEPOSIT REQUIRED BEFORE ANY MATERIALS WILL BE ORDERED OR ANY WORK BEGINS, REMAINING BALANCE DUE IMMEDIATELY UPON RECEIPT AND COMPLETION OF ALL WORK AS LISTED ABOVE. 1.5% WILL BE ADDED TO ALL INVOICES OVER 15 DAYS PAST DUE. NORDIC TEMPERATURE CONTROL IS A LICENSED CONTRACTOR IN THE STATE OF WASHINGTON AND IS INSURED AND BONDED. ALL NON PAYMENTS ARE SUBJECT TO ATTORNEY AND OR COLLECTION FEES.**

## **CITY OF BURLINGTON**

### **Request for Bids (RFB)**

BIDS will be received and publicly opened in Burlington City Hall, 833 S. Spruce St., Burlington WA 98233, Thursday, June 23, 2022 at 11:00 a.m. local time for the following work:

#### **Air Conditioning – 1011 Greenleaf Avenue – Senior Center**

Bidders must submit with their proposals, complete manufacturer's specifications and warranties covering the specific equipment.

For each separate proposal, the total price to the City of Burlington must be shown, including taxes and all other charges. No adjustments, credits, rebates, or any other charges by the bidder will be considered after the bid opening.

Installation of air conditioning is required within 30 days after issuance of a Notice to Proceed.

The City of Burlington will award the bid taking into consideration: price, maintenance costs, attachments, timely delivery and installation and all other factors that will contribute toward obtaining the best value for the City. The City of Burlington reserves the right to reject any or all bids and to waive irregularities in the bid or in the bid opening. No bidder may withdraw their proposal after the hours set for the opening thereof, or before award of contract, unless said award is delayed for a period exceeding forty-five (45) days.

For questions and onsite meetings, please email Travis Schwetz, Facilities Manager at [traviss@burlingtonwa.gov](mailto:traviss@burlingtonwa.gov).

#### **Scope of work:**

This quote is to install conventional split system air conditioning to the existing forced air systems. The use of conventional split system A/C must still be able to meet code requirements for outside makeup air.

#### **Bid Requirements**

- a. Following strict guidelines in accordance with local authorities and state law. Properly dispose of all waste materials and any materials during stages of installation.*
- b. Prices include all labor (prevailing wage), relevant permits, tax, materials, and equipment.*

- c. All electrical additions and modifications shall require L&I permit / Inspection, and the work shall be completed by a licensed electrician in good standing for the type of work being completed. Contractor shall connect all units to existing Carrier HVAC control system.*

**Base Bid – AC installation**

1. Unit 1&2 - Community Room Combined Units
  - 2 EA Trane (or approved equal) 4 Ton 14 Seer Condensing Units
  - 2 EA Trane (or approved equal) 4 Ton high efficiency indoor coils
2. Unit 3 Lobby
  - 1 EA Trane (or approved equal) 4 Ton 14 Seer Condensing Units
  - 1 EA Trane (or approved equal) 4 Ton high efficiency indoor coils
3. Unit 6 Craft Room
  - 1 EA Trane (or approved equal) 3 Ton 14 Seer Condensing Units
  - 1 EA Trane (or approved equal) 3 Ton high efficiency indoor coils
4. Unit 7 Dining Room
  - 1 EA Trane (or approved equal) 5 Ton 14 Seer Condensing Units
  - 1 EA Trane (or approved equal) 5 Ton high efficiency indoor coils
  - 1 EA 5 Ton Blower Upgrade
5. Repair all mixing boxes / economizers in order to utilize "FREE COOLING" when outdoor conditions permit.
  - 5 EA
6. Duct Cleaning all units

**Bid Alternates – Furnace installation**

1. Unit 6 Craft Room Furnace (01/06/2007) Replacement (To be installed in conjunction with new AC unit)
  - 1 EA Trane (or approved equal) condensing furnace including all parts and materials, duct fabrication, prevailing wage labor, duct cleaning
2. Unit Lobby Furnace (12/27/2011) Replacement (To be installed in conjunction with new AC unit)
  - 1 EA Trane (or approved equal) condensing furnace including all parts and materials, duct fabrication, prevailing wage labor, duct cleaning
3. Other older Furnace Replacement (FURNACE ONLY NO AC TO THESE UNITS)
  - PER EA possibility of #2 Trane (or approved equal) condensing furnace including all parts and materials, duct fabrication, prevailing wage labor, Permits and Electrical Work, Duct Cleaning

[illegible]



**SUGGESTED COUNCIL MOTION LANGUAGE**

"I move to authorize Mayor to sign the interlocal agreement with Skagit County."



## INTERLOCAL COOPERATIVE AGREEMENT

### BETWEEN

CITY OF BURLINGTON  
AND  
SKAGIT COUNTY

THIS AGREEMENT ("Agreement") is made and entered into by and between the City of BURLINGTON, a Washington municipal corporation ("City") and Skagit County, a political subdivision of the State of Washington ("County") pursuant to the authority granted by Chapter 39.34 RCW, INTERLOCAL COOPERATION ACT. The City and the County may be individually referred to herein as a "party" and may be collectively referred to herein as the "parties."

1. **PURPOSE:** For the County to provide reimbursable services on behalf of the City regarding the development and implementation of a stormwater source control program intended to satisfy the requirements of the City's National Pollutant Discharge Elimination System (NPDES) Western Washington Phase II Municipal Stormwater Permit ("Permit"), as provided herein. In accordance with the terms of this Agreement, the County shall perform specific source control program activities related to stormwater management ("services"), as specified in Exhibit A (attached hereto and incorporated by reference).

2. **RESPONSIBILITIES:** The City recognizes and agrees that the City is and shall continue to be solely and separately liable and responsible for compliance with all terms and conditions of the City's Permit, regardless of the specific Permit services to be performed by the County (as described herein). The City shall be responsible for determining and for verifying with the Washington State Department of Ecology (Ecology) that services performed by the County for the City pursuant to this Agreement will meet and satisfy the City's Permit requirements and shall provide documentation of such approval by Ecology to the County upon request. The County shall reasonably perform the reimbursable services on behalf of the City, subject to the terms of this Agreement. Upon completion, the City shall fully reimburse the County for the services performed by the County, in accordance with the terms of this Agreement (including Section 4, below), and as further described in Exhibit A (Scope of Work). Neither party is obligated to pay, provide, or expend any funds and/or provide and/or perform or provide any other services, work, duties, or responsibilities for the other party, except as otherwise specified pursuant to the terms of this Agreement.

3. **TERM OF AGREEMENT:** The term of this Agreement shall be from August 1, 2022, through August 1, 2023, unless sooner terminated pursuant to the terms herein.

4. **MANNER OF FINANCING:** Upon completion, the City shall reimburse the County for services performed on a quarterly basis, upon receipt of invoice(s) from the County, in a total amount not to exceed forty thousand dollars (\$40,000) in accordance with Exhibit B (Compensation), attached hereto and incorporated by reference. In the event that the County's actual cost of providing the services exceeds said amount by more than ten percent (10%), the parties shall cooperate in good faith to provide reasonable additional compensation to the County by duly executed subsequent written amendment to this Agreement. If mutual agreement by and between the parties cannot be reached concerning such potential additional compensation, the County may terminate this Agreement pursuant to Section 8. (below). Upon request by the City, the County shall provide reasonably adequate supporting documentation for all such invoice(s)

submitted by the County of expenditure for all funds provided to the County by the City pursuant to the terms of this Agreement.

5. **ADMINISTRATION:** The following individuals are designated as representatives of the respective parties. The representatives shall be responsible for administration of this Agreement and for coordinating and monitoring performance under this Agreement. In the event such representatives are changed, the party making the change shall notify the other party.

5.1 The City's representative shall be the Director of Public Works, and/or his/her designee.

5.2 The County's representative shall be the Stormwater Permit Program Coordinator, Skagit County Department of Public Works, and/or his/her designee.

6. **TREATMENT OF ASSETS AND PROPERTY:** No fixed assets or personal or real property will be jointly or cooperatively, acquired, held, used, or disposed of pursuant to this Agreement.

7. **INDEMNIFICATION:** Except as provided herein to the contrary, each party agrees to be responsible and assume liability for its own wrongful and/or negligent acts or omissions or those of their officials, officers, agents, or employees to the fullest extent required by law, and further agrees to save, indemnify, defend, and hold the other party harmless from any such liability. It is further provided that no liability shall attach to either party by reason of entering into this contract except as expressly provided herein.

7.1 It is further specifically and expressly understood that, solely to the extent required to enforce the indemnification terms provided herein, each party waives its immunity under RCW Title 51; provided, however, the foregoing waiver shall not in any way preclude either party from raising such immunity as a defense against any claim brought against such party by any of its employees against such party. This waiver has been mutually negotiated by the parties.

8. **TERMINATION:** Any party hereto may terminate this Agreement upon thirty (30) days' notice in writing either personally delivered or mailed postage-prepaid by certified mail, return receipt requested, to the party's last known address for the purposes of giving notice under this paragraph. If this Agreement is so terminated, the parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

9. **CHANGES, MODIFICATIONS, AMENDMENTS, AND WAIVERS:** The Agreement may be changed, modified, amended or waived only by written agreement executed by the parties hereto. Waiver or breach of any term or condition of this Agreement shall not be considered a waiver of any prior or subsequent breach.

10. **SEVERABILITY:** In the event any term or condition of this Agreement or application thereof to any person or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications of this Agreement which can be given effect without the invalid term, condition, or application. To this end the terms and conditions of this Agreement are declared severable.

11. **ENTIRE AGREEMENT:** This Agreement contains all the terms and conditions agreed upon by the parties. All items incorporated herein by reference are attached. No other

understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto.

12. **USE OF DOCUMENTS AND MATERIALS PRODUCED:** Unless privileged or otherwise exempt from disclosure, the parties shall have the right to use and distribute any and all documents, writings, programs, data, public records or other materials prepared by either party (and/or either party's contractors, consultants, and/or subcontractors), in connection with performance of this Agreement, and shall be provided by each party to the other party upon request. The parties recognize and agree that any documents and/or materials arising from and/or related to this Agreement may be subject to public disclosure pursuant to applicable law (including RCW 42.56).

13. **NO THIRD PARTY BENEFICIARIES:** This Agreement is not intended to nor does it create any third party beneficiary or other rights in any third person or party, including, but not limited to, members of the general public, and/or any agent, contractor, subcontractor, consultant, employee, volunteer, or other representative of either party.

14. **VENUE AND CHOICE OF LAW:** In the event that any litigation should arise concerning the construction or interpretation of any of the terms of this Agreement, the venue of such action of litigation shall be in the Superior Court of the State of Washington in and for the County of Skagit. This Agreement shall be governed by the laws of the State of Washington.

15. **CAPTIONS & COUNTERPARTS:** The captions in this Agreement are for convenience and reference only and do not define, limit, or describe the scope or intent of this Agreement. This Agreement may be executed in any number of counterparts, and each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement.

16. **COMPLIANCE WITH LAWS:** The parties to this Agreement shall comply with all applicable federal, state, and local laws, rules, and regulations in carrying out the terms and conditions of this Agreement.

17. **STATUS OF AGREEMENT:** This Agreement is in addition to, and is not intended to replace, substitute, modify, or otherwise amend any other agreements by and between the parties. Any other agreements by and between the parties shall continue in full force and effect.

18. **NO PARTNERSHIP OR JOINT VENTURE:** No partnership and/or joint venture exists between the parties, and no partnership and/or joint venture is created by and between the parties by virtue of this Agreement. No agent, employee, contractor, subcontractor, consultant, volunteer, and/or other representative of the parties shall be deemed an agent, employee, contractor, subcontractor, consultant, volunteer, or other representative of the other party.

19. **ENTIRE AGREEMENT:** This Agreement contains all the terms and conditions agreed upon by the parties. All items incorporated herein by reference are attached. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

**BOARD OF COUNTY COMMISSIONERS  
SKAGIT COUNTY, WASHINGTON**

\_\_\_\_\_  
Peter Browning, Chair

\_\_\_\_\_  
Ron Wesen, Commissioner

Attest:

\_\_\_\_\_  
Lisa Janicki, Commissioner

\_\_\_\_\_  
Clerk of the Board

For contracts under \$5,000:  
Authorization per Resolution R 20030146

Recommended:

\_\_\_\_\_  
County Administrator

\_\_\_\_\_  
Department Head

Approved as to form:

\_\_\_\_\_  
Civil Deputy Prosecuting Attorney

Approved as to indemnification:

\_\_\_\_\_  
Risk Manager

Approved as to budget:

\_\_\_\_\_  
Budget & Finance Director

CITY OF Burlington:

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

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Steve Sexton, Mayor

Mailing Address: 833 S. Spruce Street  
City WA Zip Burlington WA 8233

Telephone Number: (360) 755-0531

## **Exhibit A**

### **Scope of Work**

The tasks outlined below describe the services to be performed by the County for the City pursuant to this Agreement.

With the full cooperation of the City, the County shall be responsible for the management of a mutually beneficial NPDES II source control program, including the provision of Permit services (using County staff, County contractor[s], and/or County consultant[s] directed and managed by the County), subject to the terms of this Agreement.

The City recognizes and agrees that the services provided by the County for the City herein (regarding the City's Permit terms and conditions, as required and directed by Ecology) represent and provide an anticipated significant savings in time, costs, expenses, and other resources for the City, and that but for this Agreement the County would not provide such services for the City (and that the City is and would otherwise be solely and separately liable and responsible for full compliance with the terms and conditions of the City's Permit as required by Ecology). Furthermore, the parties recognize and agree that the County has finite and limited resources to provide the services for the City, and that the County provides no guarantees, representations, or warranties (express or implied) concerning the services provided by the County per the terms of this Agreement. The parties also recognize and agree that the County is not liable or responsible for any claims, fines, penalties, and/or other costs or expenses incurred by the City arising from or related to the services to be provided by the County for the City in accordance with this Agreement unless such claims, fines, penalties, or costs result from the County's sole negligence. The City recognizes and agrees that the County's is not obligated or otherwise responsible for undertaking any specific Permit enforcement action(s) on behalf of the City as part of the services to be performed by the County as described herein, and the County shall not be responsible or liable for any alleged failure to identify (or timely identify) and communicate any potential Permit enforcement matters, for any Permit enforcement outcomes by the City, and/or for other costs and expenses incurred by the City arising from or related to the services to be provided by the County unless such costs and expenses result from the County's sole negligence, including, but not limited to as follows:

#### **Source Control Program for Existing Development for National Pollutant Discharge Elimination System Municipal Stormwater Permit (NPDES II) Compliance**

##### **Task 1.0 – Source Control Program for Existing Development**

This Agreement is intended to establish a regional NPDES II source control program for the County and all Cities and/or Towns located in Skagit County participating in accordance with the terms of this Agreement ("program"). The program, as provided per the terms of this Agreement, will be managed by the County (via the Skagit County Public Works Department) and will be the primary mechanism for the City to inspect the City's self-generated inventory of publicly and privately owned institutional, commercial, and industrial sites, which have the potential to generate pollutants to the Municipal Separate Storm Sewer System (MS4). The program will conduct the inspections at a rate of twenty percent (20%) of the City's total inventory annually. Per the Permit, permittees (including the City) are not required to inspect one hundred percent (100%) of their inventory over a 5-year period, but permittees are required to conduct inspections at a rate equal to one hundred percent (100%) of their inventory over a 5-year period of site visits equal to twenty percent (20%). The services involving source control inspection will include prescribing Best Management Practices (BMPs), as mandated by the Permit. The BMPs and the sources they address are provided in Ecology's most current version of the Stormwater Management Manual for Western Washington (SWMMWW). The City is and will continue to be solely and separately responsible and liable for updating its own site inventories and for separately and independently responding to and adequately

addressing all referrals or demands for Permit enforcement, as received from the County and/or Ecology.

#### **Task 1.1 Outreach**

The County, with City assistance, shall contribute to the creation of educational materials and methods that will be made available to publicly and privately owned institutional, commercial, and industrial sites, which have the potential to generate pollutants to the MS4 identified in the City's inventory, and to meet the conditions of the Permit. The essential goals include improving public knowledge of local stormwater issues, receiving public input, and working to build support for the source control program from business owners and the public.

#### **Required Tasks and Deliverables:**

The County, with City assistance, shall provide education and outreach materials for sites in the City's inventory to support the work of the source control inspection program.

#### **Task 1.2 – Site Inventory**

The City is responsible for at least one (1) annual update to its inventory of all publicly and privately owned institutional, commercial, and industrial sites, which have the potential to generate pollutants to the MS4. The County may assist in this effort when staff becomes aware of any changes in the inventory, including inactive sites or newly discovered, qualifying sites, that are not part of the inventory.

#### **Required Tasks and Deliverables:**

The City will provide annual updates of its site inventory to the County no later than January 1 each year.

#### **Task 1.4 – Annual Inspection Rate**

The Permit requires an annual inspection rate equal to twenty percent (20%) of the total inventory number annually. Each individual site visit, including multiple visits to one (1) site or a site visit in response to a credible complaint, count towards that twenty percent (20%) rate.

#### **Required Tasks and Deliverables:**

The County will document and make available, the total number of inspections conducted in 2023 no later than March 1, 2023. The City shall respond to its Annual Report questions due March 31, 2023.

#### **Task 1.5 – Inspection of All Credible Complaints**

The County will reasonably consult with the City regarding any credible Permit related complaint received by the County to allow the City to determine the best course of action to take concerning such complaints, including, but not limited to potential Permit enforcement actions by the City.

#### **Required Tasks and Deliverables:**

The County will contact the City regarding all credible Permit related complaints received by the County located in the City's jurisdiction and discuss potential appropriate actions to be taken by the City.

**Task 1.6 – Progressive Enforcement Action**

If the County determines a site in the City's jurisdiction is in danger of being out of compliance with source control program Permit requirements, as mandated by the State (via Ecology), the County will reasonably inform the City about the site so that the City may determine and undertake potential appropriate actions, specifically including any Progressive Enforcement Action to be conducted by the City), as may be required by the Permit.

**Required Tasks and Deliverables:**

Upon determination of potential Permit compliance, the County will reasonably document sites potentially in need of Permit enforcement action by the City and refer such information to the City, which is and shall continue to be separately liable and responsible for the City's own enforcement of Permit violations per the source control program.

**Task 1.7 – Maintenance of Records**

The County will reasonably maintain a database on each site visit conducted by the County that will include general site information, date and time of inspection, contact information, any issues identified, appropriate BMPs prescribed, communications, and any other information deemed necessary by County staff. The City will have access to such information in the database through an internet-based provision of application software.

**Required Tasks & Deliverables:**

The County will consult with the City concerning the acquisition of appropriate software to be used for the program designed for source control inspections and the City shall have reasonable access to such software via a license to use the software (to be obtained and paid for at the City's expense).

**Task 1.8 – Ecology Referrals**

The City will be solely and separately responsible for any referrals to Ecology regarding sites in the City's jurisdiction.

**Required Tasks and Deliverables:**

The County will refer sites with compliance issues to the City for enforcement actions. Ecology referrals will be the responsibility of the City.

**Task 1.9 – Training**

The County will ensure County source control project staff receives appropriate ongoing training relevant to source control services to be provided by the County. This will include trainings offered by Ecology and the Washington Stormwater Center. All such trainings will be documented.

**Required Tasks and Deliverables:**

The County will provide documentation of any relevant trainings completed by County staff no later than March 1, 2023.

**Task 2.0: Administration and Oversight**

The County shall perform administrative duties and program oversight related to tasks listed below. Such activities will include:



- Reasonably maintaining clear records and files for program activities conducted by the County pursuant to this Agreement.
- Preparing progress reports, invoices, and other documentation as required pursuant to this Agreement.
- Provide a training and travel plan for **2023**.

**Required Tasks and Deliverables:**

The County shall:

1. Prepare and provide invoices showing charges by task for project services performed by the County, including County staff name(s) and hours charged. A brief description of service activities performed by the County for each task shall accompany each invoice.
2. Provide a training and travel plan for 2024 on or before **March 21, 2023**.

**Estimated Annual Budget for all Program Tasks: \$166,250.70**

**EXHIBIT B**  
**Compensation**

As also provided per Section 4. (above), the total compensation to be provided by the City pursuant to this Agreement for services performed by the County shall not to exceed forty thousand dollars (\$40,000).

The County shall be paid by the City for completed services rendered under this Agreement as provided herein. Such payments shall be in full compensation for work performed or services rendered and for all labor, materials, supplies, equipment, and incidentals necessary to complete the work.

Payment Schedule: The County shall invoice the City quarterly.

The County shall provide such supporting documentation for each invoice as the City may reasonably require. The City shall promptly pay each invoice submitted by the County in the ordinary course of business.