



**CITY OF BLACK DIAMOND**  
**December 16, 2010 Meeting Agenda**  
25510 Lawson St., Black Diamond, Washington

**7:00 P.M. – CALL TO ORDER, FLAG SALUTE, ROLL CALL**

**PUBLIC COMMENTS:** Persons wishing to address the City Council regarding items of new business are encouraged to do so at this time. When recognized by the Mayor, please come to the podium and clearly state your name and address. Please limit your comments to 3 minutes. If you desire a formal agenda placement, please contact the City Clerk at 360-886-2560. Thank you for attending this evening.

**PUBLIC HEARINGS:**  
**APPOINTMENTS, PRESENTATIONS, ANNOUNCEMENTS**  
**UNFINISHED BUSINESS:**

- 1) **AB10-088A** – Ordinance Adopting Certain Portions of KCC Title 11 regarding Animal Control
- Mayor Olness

**NEW BUSINESS:**

- 2) **AB10-096** – Ordinance Amending Building Code Ordinance
- Mr. Pilcher
- 3) **AB10-097**– Ordinance Authorizing Interfund Loan from Wastewater Fund to Water Fund
- Ms. Miller
- 4) **AB10-098**– Ordinance Adopting 2010 Final Budget Amendment
- Ms. Miller
- 5) **AB10-099**– Ordinance Adopting Sewer Rate Increase
- Ms. Miller
- 6) **AB10-100**– Ordinance Adopting Water Rate Increase
- Ms. Miller
- 7) **AB10-101**– Ordinance Adopting 2011 Final Budget
- 8) **AB10-102**– Resolution Authorizing MOU with Olympic Environmental for 2011 Recycling Event
- Mr. Nix
- 9) **AB10-103**– Resolution Authorizing Second Amendment to RH2 Agreement
- Mr. Boettcher
- 10) **AB10-104**– Resolution Authorizing Soil Removal
- Mr. Boettcher
- 11) **AB10-105**– Resolution Designating Official City Newspaper for 2011
- Ms. Martinez
- 12) **AB10-106**– Resolution Authorizing Fourth MOU to Police Collective Bargaining Agreement
- Mayor Olness
- 16) **AB10-107**– Resolution Authorizing Addendum to JAG Interlocal Agreement regarding Jail Services
- Sergeant Weinreich

**DEPARTMENT REPORTS:**

**MAYOR'S REPORT:**

**COUNCIL REPORTS:**

**ATTORNEY REPORT:**

**PUBLIC COMMENTS:**

**CONSENT AGENDA:**

- 13) **Claim Checks** – December 16, 2010, No. 36348 through No.36402 in the amount of \$309,311.13
- 14) **Payroll** – November 30, 2010, No. 17301 through No. 17321 and ACH Pay in the total amount of \$268,362.47
- 15) **Minutes** – Workstudy Notes of November 29, 2010, Special Council Meeting of November 29, 2010 and Council Meeting of December 2, 2010

**EXECUTIVE SESSION:**  
**ADJOURNMENT:**



# CITY COUNCIL AGENDA BILL

City of Black Diamond  
Post Office Box 599  
Black Diamond, WA 98010

ITEM INFORMATION			
<b>SUBJECT:</b> <b>Ordinance No. 10-951, relating to King County Code Chapter 11.04 Animal Care and Control Provisions</b>	<b>Agenda Date: December 16, 2010</b>		<b>AB10-088A</b>
	Department/Committee/Individual	Created	Reviewed
	Mayor Rebecca Olness		
	City Administrator –		
	City Attorney –Chris Bacha	X	
	City Clerk – Brenda L. Martinez		X
	Finance – May Miller		
	Public Works – Seth Boettcher		
	Economic Devel. – Andy Williamson		
	Police – Jamey Kiblinger		
Cost Impact:	Court – Stephanie Metcalf		
Fund Source:	Comm. Dev. – Steve Pilcher		
Timeline:			
<b>Attachments:Ordinance No. 10-951, markup with comments and clean versions</b>			
<p><b>SUMMARY STATEMENT:</b></p> <p>On June 17, 2010 the City of Black Diamond entered into an interlocal agreement with King County for animal control services. The interlocal agreement provided that the City shall enact an ordinance or resolution that includes license, fee, penalty, enforcement, impound/redemption and sheltering provisions that are substantially the same as those of Title 11 King County Code as now in affect or hereafter amended.</p> <p>Previously the City adopted by reference certain provisions of the King County animal control code, but finds that these provisions need to be updated. This ordinance repeals and re-adopts the animal control code of the City to conform to the requirements of the interlocal agreement.</p> <p>At the November 29 Council meeting staff was directed to make changes to the draft ordinance. The attached ordinance reflects those changes.</p>			
<b>COMMITTEE REVIEW AND RECOMMENDATION:</b>			
<p><b>RECOMMENDED ACTION: MOTION to adopt Ordinance No. 10-951, relating to the adoption of King County Code Chapter 11.04 Animal Care and Control Provisions, specifically repealing and reenacting Black Diamond Municipal Code 6.04; repealing Black Diamond Municipal Code 6.08.200, 6.08.210, 6.08.215, and 6.08.219; providing for severability; and establishing an effective date.</b></p>			
<b>RECORD OF COUNCIL ACTION</b>			
<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>	
November 29 ,2010	Postponed to December 16 Council Meeting 5-0		
December 16, 2010			

CITY OF BLACK DIAMOND  
WASHINGTON

ORDINANCE NO. \_\_\_\_

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**AN ORDINANCE OF THE CITY OF BLACK DIAMOND, WASHINGTON, RELATING TO THE ADOPTION OF KING COUNTY CODE CHAPTER 11.04 ANIMAL CARE AND CONTROL PROVISIONS, SPECIFICALLY REPEALING AND REENACTING BDMC CHAPTER 6.04; REPEALING BDMC 6.08.200, 6.08.210, 6.08.215, AND 6.08.219; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE**

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WHEREAS, on June 17, 2010 the City Council passed Resolution No. 10-694 authorizing the Mayor to enter into an interlocal agreement on behalf of the City with King County for animal control services; and

WHEREAS, the interlocal agreement provides that the City shall promptly enact an ordinance or resolution that includes license, fee, penalty, enforcement, impound/redemption and sheltering provisions that are substantially the same as those of Title 11 King County Code as now in effect or hereafter amended; and

WHEREAS, RCW 35A.12.140 authorizes code cities to adopt by reference provisions within county codes, and any amendments thereto; provided that, such code provisions and amendments thereto are filed in the office of the city clerk; and

WHEREAS, the City Council has previously adopted by reference certain provisions of the King County animal control code; however, these provisions need to be updated; and

WHEREAS, the City Council finds that it would be in the best interests of the City of Black Diamond to repeal and re-adopt the animal control code of the City to conform to the requirements of the interlocal agreement;

NOW, THEREFORE, the City Council of the City of Black Diamond, Washington, do ordain as follows:

Section 1. BDMC Chapter 6.04 Repealed. Chapter 6.04 of the Black Diamond Municipal Code entitled "County Animal Control Ordinances" is hereby repealed in its entirety and re-adopted to read as follows:

**Chapter 6.04**  
**COUNTY ANIMAL CONTROL CODE ADOPTED**

**Sections:**

6.04.010 — County code adopted — Animal care and control regulations — Licensing, fees, penalties, enforcement, impoundment, redemption, and sheltering.  
6.04.020 — References to “King County” or “County.”  
6.04.030 — References to the King County Code Title 21A.  
6.04.040 — Authority to enforce chapter.  
6.04.050 — Violations — Hearings and appeals.  
6.04.060 — Copy of King County Code Title 11 on file.

**6.04.010 County code adopted – Animal care and control regulations – Licensing, fees, penalties, enforcement, impoundment, redemption, and sheltering.**

A. Adoption. Except as set forth at subsection B below, the following provisions of the King County Code Title 11 are adopted, by reference as now or hereafter amended:

11.04.010 Purpose and scope – conflicts.  
11.04.020 Definitions.  
11.04.030 Pet licenses – required – issuance – penalty – fee use – improper checks – exceptions.  
11.04.035 License fees and penalties.  
11.04.170 Enforcement power.  
11.04.180 Violations – deemed nuisance – abatement.  
11.04.190 Violations – misdemeanor – penalty.  
11.04.200 Violations – civil penalty.  
11.04.210 Impounding.  
11.04.220 Additional enforcement.  
11.04.225 Additional enforcement – cruelty to animals.  
11.04.230 Nuisances defined.  
11.04.235 Transfer of unaltered dogs and cats prohibited.  
11.04.240 Unlawful acts against police department dogs – penalty for violation.  
11.04.250 Violations – unlawful acts – cruelty to animals – database.  
11.04.270 Appeals  
11.04.280 Redemption procedures.  
11.04.290 Vicious animals – corrective action.  
11.04.300 Civil penalty and abatement costs – liability of owner.  
11.04.310 Costs of enforcement action.  
11.04.330 Additional rules and regulations.  
11.04.335 Waiver of fees and penalties.

**Comment [A1]:** Provides that animal services can make and enforce rules and that the rules must be adopted in accordance with KCC 2.98.

B. Amendments; Exceptions. The following provisions of the King County Code Title 11 adopted and incorporated herein pursuant to BDMC 6.04.010.A, are hereby amended as follows:

**Formatted:** Font: Not Bold

1. Section 11.04.035.B. relating to fees for hobby kennels is specifically not adopted.

2. Section 11.04.270 is hereby amended to read as follows:

**11.04.270 Appeals.**

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A. The City of Black Diamond Hearing Examiner is designated to hear appeals by parties aggrieved by actions of the City or its agents under this chapter for which no right of appeal exists pursuant to BDMC 6.04.050. The Hearing Examiner may adopt reasonable rules or regulations for conducting its business. Copies of all rules and regulations adopted by the Hearing Examiner shall be freely accessible to the public. All decisions and findings of the Hearing Examiner shall be rendered to the appellant in writing with a copy to the City.

B. Any person entitled to appeal from any notice and order or any action of the manager of the City, or its agents under this chapter may do so by filing, with the City Clerk within fourteen days from the service of the order or action, a written appeal containing:

1. A heading in the words: "Before the Hearing Examiner of the City of Black Diamond";

2. A caption reading: "Appeal of \_\_\_\_\_ giving the names of all appellants participating in the appeal;

3. A brief statement setting forth the legal interest of each of the appellants in the animal involved in the notice and order;

4. A brief statement in concise language of the specific order or action protested, together with any material facts claimed to support the contentions of the appellant;

5. A brief statement in concise language of the relief sought, and the reasons why it is claimed the protested order or action should be reversed, modified or otherwise set aside;

6. The signatures of all parties' names as appellants, and their official mailing addresses;

7. The verification, by declaration under penalty of perjury, of at least one appellant as to the truth of the matters stated in the appeal.

C. The Hearing Examiner shall set a time and place, not more than thirty days from the notice of appeal for a hearing on the appeal. Written notice of the time and place of hearing shall be given at least ten days before the hearing to each appellant by the manager-clerk of the board.

D. At the hearing, the appellant shall be entitled to appear in person, to be represented by counsel and to offer evidence that is pertinent and material to the action of the City, or its agents.. Only those matters or issues specifically raised by the appellant in the written notice of appeal shall be considered.

**6.04.020 References to “King County” or “County.”**

Any reference to “King County” or the “County” shall be considered the same as the “City of Black Diamond.”

**6.04.030 References to the King County Code Title 21A.**

Any reference to “King County Code Title 21A” or specific provisions of King County Code Title 21A or to King County Ordinance 10870 shall refer to comparable provisions of Black Diamond municipal code Title 18.

**6.04.040 Authority to enforce chapter.**

The Animal Control Division of King County is designated the agency authorized to enforce the provisions of this chapter, as provided by the King County Animal Control code described in BDMC 6.04.010. The Chief of Police and his or her appointees are authorized to enforce the provisions of the Chapter.

**6.04.050 Violations – Hearings and appeals.**

Violations of this chapter shall be enforced pursuant to enforcement provisions of BDMC 8.02.

**6.04.060 Copy of King County Code Title 11 on file.**

A copy of King County Code Title 11, as amended, is made available for public inspection and copying during regular business hours with the city clerk-treasurer.

Section 2. Repealer. Black Diamond Municipal Code Section 6.08.200 (Nuisances designated) is hereby repealed in its entirety.

Section 3. Repealer. Black Diamond Municipal Code Section 6.08.210 (Cruelty to animals) is hereby repealed in its entirety.

Section 4. Repealer. Black Diamond Municipal Code Section 6.08.219 (Animals in parks to be leashed – Penalty) is hereby repealed in its entirety.

Section 5. Severability. Should any section, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this Ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this Ordinance or its application to other persons or circumstances.

Section 6. Effective Date. This Ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after the date of publication.

**ADOPTED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE \_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_.**

CITY OF BLACK DIAMOND

\_\_\_\_\_  
Rebecca Olness, Mayor

ATTEST/AUTHENTICATED:

\_\_\_\_\_  
Brenda Martinez, City Clerk

Approved as to form:

\_\_\_\_\_  
Chris D. Bacha, City Attorney

Filed with the City Clerk:  
Passed by the City Council:  
Ordinance No.  
Date of Publication:  
Effective Date:

# CITY OF BLACK DIAMOND WASHINGTON

ORDINANCE NO. 10-951

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**AN ORDINANCE OF THE CITY OF BLACK DIAMOND,  
WASHINGTON, RELATING TO THE ADOPTION OF  
KING COUNTY CODE CHAPTER 11.04 ANIMAL CARE  
AND CONTROL PROVISIONS, SPECIFICALLY  
REPEALING AND REENACTING BDMC CHAPTER 6.04;  
REPEALING BDMC 6.08.200, 6.08.210, 6.08.215, AND  
6.08.219; PROVIDING FOR SEVERABILITY; AND  
ESTABLISHING AN EFFECTIVE DATE**

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WHEREAS, on June 17, 2010 the City Council passed Resolution No. 10-694 authorizing the Mayor to enter into an interlocal agreement on behalf of the City with King County for animal control services; and

WHEREAS, the interlocal agreement provides that the City shall promptly enact an ordinance or resolution that includes license, fee, penalty, enforcement, impound/redemption and sheltering provisions that are substantially the same as those of Title 11 King County Code as now in effect or hereafter amended; and

WHEREAS, RCW 35A.12.140 authorizes code cities to adopt by reference provisions within county codes, and any amendments thereto; provided that, such code provisions and amendments thereto are filed in the office of the city clerk; and

WHEREAS, the City Council has previously adopted by reference certain provisions of the King County animal control code; however, these provisions need to be updated; and

WHEREAS, the City Council finds that it would be in the best interests of the City of Black Diamond to repeal and re-adopt the animal control code of the City to conform to the requirements of the interlocal agreement;

NOW, THEREFORE, the City Council of the City of Black Diamond, Washington, do ordain as follows:

Section 1. BDMC Chapter 6.04 Repealed. Chapter 6.04 of the Black Diamond Municipal Code entitled "County Animal Control Ordinances" is hereby repealed in its entirety and re-adopted to read as follows:

**6.04.010 County code adopted – Animal care and control regulations – Licensing, fees, penalties, enforcement, impoundment, redemption, and sheltering.**

A. Adoption. Except as set forth at subsection B below, the following provisions of the King County Code Title 11 are adopted, by reference as now or hereafter amended:

11.04.010	Purpose and scope – conflicts.
11.04.020	Definitions.
11.04.030	Pet licenses – required – issuance – penalty – fee use – improper checks – exceptions.
11.04.035	License fees and penalties.
11.04.170	Enforcement power.
11.04.180	Violations – deemed nuisance – abatement.
11.04.190	Violations – misdemeanor – penalty.
11.04.200	Violations – civil penalty.
11.04.210	Impounding.
11.04.220	Additional enforcement.
11.04.225	Additional enforcement – cruelty to animals.
11.04.230	Nuisances defined.
11.04.235	Transfer of unaltered dogs and cats prohibited.
11.04.240	Unlawful acts against police department dogs – penalty for violation.
11.04.250	Violations – unlawful acts – cruelty to animals – database.
11.04.270	Appeals
11.04.280	Redemption procedures.
11.04.290	Vicious animals – corrective action.
11.04.300	Civil penalty and abatement costs – liability of owner.
11.04.310	Costs of enforcement action.
11.04.330	Additional rules and regulations.
11.04.335	Waiver of fees and penalties.

**B. Amendments; Exceptions.** The following provisions of the King County Code Title 11 adopted and incorporated herein pursuant to BDMC 6.04.010.A, are hereby amended as follows:

1. Section 11.04.035.B. relating to fees for hobby kennels is specifically not adopted.
2. Section 11.04.270 is hereby amended to read as follows:

**11.04.270 Appeals.**

A. The City of Black Diamond Hearing Examiner is designated to hear appeals by parties aggrieved by actions of the City or its agents under this chapter for which no right of appeal exists pursuant to BDMC 6.04.050. The Hearing Examiner may adopt reasonable rules or regulations for conducting its business. Copies of all rules and regulations adopted by the Hearing Examiner shall be freely accessible



to the public. All decisions and findings of the Hearing Examiner shall be rendered to the appellant in writing with a copy to the City.

B. Any person entitled to appeal from any notice and order or any action of the manager of the City, or its agents under this chapter may do so by filing, with the City Clerk within fourteen days from the service of the order or action, a written appeal containing:

1. A heading in the words: "Before the Hearing Examiner of the City of Black Diamond";
2. A caption reading: "Appeal of \_\_\_\_\_" giving the names of all appellants participating in the appeal;
3. A brief statement setting forth the legal interest of each of the appellants in the animal involved in the notice and order;
4. A brief statement in concise language of the specific order or action protested, together with any material facts claimed to support the contentions of the appellant;
5. A brief statement in concise language of the relief sought, and the reasons why it is claimed the protested order or action should be reversed, modified or otherwise set aside;
6. The signatures of all parties' names as appellants, and their official mailing addresses;
7. The verification, by declaration under penalty of perjury, of at least one appellant as to the truth of the matters stated in the appeal.

C. The Hearing Examiner shall set a time and place, not more than thirty days from the notice of appeal for a hearing on the appeal. Written notice of the time and place of hearing shall be given at least ten days before the hearing to each appellant by the manager-clerk of the board.

D. At the hearing, the appellant shall be entitled to appear in person, to be represented by counsel and to offer evidence that is pertinent and material to the action of the City, or its agents. Only those matters or issues specifically raised by the appellant in the written notice of appeal shall be considered.

**6.04.020      References to "King County" or "County."**

Any reference to "King County" or the "County" shall be considered the same as the "City of Black Diamond."

**6.04.030      References to the King County Code Title 21A.**

Any reference to "King County Code Title 21A" or specific provisions of King County Code Title 21A or to King County Ordinance 10870 shall refer to comparable provisions of Black Diamond municipal code Title 18.

**6.04.040      Authority to enforce chapter.**

The Animal Control Division of King County is designated the agency authorized to enforce the provisions of this chapter, as provided by the King County Animal Control code described in

BDMC 6.04.010. The Chief of Police and his or her appointees are authorized to enforce the provisions of the Chapter.

**6.04.050 Violations – Hearings and appeals.**

Violations of this chapter shall be enforced pursuant to enforcement provisions of BDMC 8.02.

**6.04.060 Copy of King County Code Title 11 on file.**

A copy of King County Code Title 11, as amended, is made available for public inspection and copying during regular business hours with the city clerk-treasurer.

Section 2. Repealer. Black Diamond Municipal Code Section 6.08.200 (Nuisances designated) is hereby repealed in its entirety.

Section 3. Repealer. Black Diamond Municipal Code Section 6.08.210 (Cruelty to animals) is hereby repealed in its entirety.

Section 4. Repealer. Black Diamond Municipal Code Section 6.08.219 (Animals in parks to be leashed – Penalty) is hereby repealed in its entirety.

Section 5. Severability. Should any section, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this Ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this Ordinance or its application to other persons or circumstances.

Section 6. Effective Date. This Ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after the date of publication.

**ADOPTED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE 16TH DAY OF DECEMBER, 2010.**

CITY OF BLACK DIAMOND

\_\_\_\_\_  
Rebecca Olness, Mayor

ATTEST/AUTHENTICATED:

\_\_\_\_\_  
Brenda L. Martinez, City Clerk

Approved as to form:

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Chris D. Bacha, City Attorney

Filed with the City Clerk:  
Passed by the City Council:  
Ordinance No. 10-951  
Date of Publication:  
Effective Date:

# CITY COUNCIL AGENDA BILL

City of Black Diamond  
Post Office Box 599  
Black Diamond, WA 98010

ITEM INFORMATION			
<b>SUBJECT: Ordinance 10-952, amending Ordinance 10-943, which adopted the 2010 International and Uniform Codes (technical codes)</b>	<b>Agenda Date:</b> December 16, 2010		<b>AB10-096</b>
	Department/Committee/Individual	Created	Reviewed
	Mayor Rebecca Olness		X
	City Administrator –		
	City Attorney – Chris Bacha	X	
	City Clerk – Brenda L. Martinez		
	Finance – May Miller		
	Public Works – Seth Boettcher		
	Economic Devel. – Andy Williamson		
	Police – Jamey Kiblinger		
Cost Impact: None			
Fund Source: NA			
Timeline: NA			
	Community Develop. – Robert Meyers		X
<b>Attachments: Ordinance 10-952</b>			
<p><b>SUMMARY STATEMENT:</b> Every 3 years, the set of International Codes (Building Code, Residential Code, etc.) and Uniform Plumbing and Mechanical Codes are updated. These codes are used uniformly throughout the United States and State of Washington in the building permit review and inspection process.</p> <p>The Washington State Building Code is established under RCW 19.27. The State Building Code Council has adopted the updated International and Uniform Codes. By law, local jurisdictions are also required to adopt these codes, with the provision that certain local amendments may be adopted. The City was required to begin enforcing the new codes on July 1, 2010, and thus took action on June 17, 2010 to adopt the new codes.</p> <p>The original ordinance contained needed amendments to existing provisions of Title 15 of the Municipal Code and also some amendments to the State Building Code. Review was coordinated with the Fire Department. Subsequent to adoption, it was discovered that a drafting error had inadvertently left out some needed text. The attached ordinance will correct this error.</p>			
<b>COMMITTEE REVIEW AND RECOMMENDATION: Planning &amp; Community Services Committee reviewed the entire code revisions on April 29, 2010 and recommended adoption. This included the provisions left out due to the drafting error.</b>			
<b>RECOMMENDED ACTION: MOTION to adopt Ordinance No. 10-943, which adopted the 2010 International and Uniform Codes(technical codes).</b>			
RECORD OF COUNCIL ACTION			
Meeting Date	Action	Vote	
December 16, 2010			

## ORDINANCE NO. 10-952

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### **AN ORDINANCE OF THE CITY OF BLACK DIAMOND, WASHINGTON, AMENDING BLACK DIAMOND CITY ORDINANCE NUMBER 10-943 RELATING TO THE TECHNICAL CODES OF THE CITY; CORRECTING DRAFTING ERRORS; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE**

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**WHEREAS**, on June 17, 2010 the City Council adopted Black Diamond City Ordinance number 10-943; and

**WHEREAS**, subsequent to the adoption, it was discovered that certain sections were improperly numbered and that certain provisions were inadvertently left out; and

**WHEREAS**, it is in the public interest to amend Title 15 of the Black Diamond Municipal Code to correct such drafting errors;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND,  
WASHINGTON, DO ORDAIN AS FOLLOWS:**

**Section 1. Re-numbering of BDMC Sections 15.08.160, 170 & 180.** Section 2 of Black Diamond City Ordinance No. 10-943 is hereby amended by re-numbering subsections 15.08.160, 15.08.170 and 15.08.180 respectively as subsections, 15.04.160, 15.04.170 and 15.04.180.

**Section 2. Amendment of BDMC Section 15.04.180.C.** Subsection 15.04.180.C, as renumbered pursuant to Section 1 above, is hereby amended (amendment shown in legislative revisions marks) to read as follows:

C. The International Fire Code.

i. Section 504.3 of the International Fire code section 504.3 is amended as follows:

504.3 Stairway access to roof. New buildings Three or more stories in height, except those with a roof slope greater than four units vertical and 12 units in horizontal (33.3 percent slope), shall be provided with a stairway to the roof. Stairway access to the roof shall be provided in accordance with Section 1009.12. Such stairway shall be marked at the street and floor levels with a sign indicating that the stairway continues to the roof. Where roofs are

used for roof gardens or for other purposes, stairways shall be provided as required for such occupancy classification.

- ii. Section 903.2 of the International Fire code is amended as follows:

903.2 Where required. Approved automatic sprinkler systems in new buildings and structures shall be provided in the locations described in this section.

Exception. Unless specifically required by another code section all non-residential occupancies shall be provided with an approved automatic sprinkler system in buildings with a fire area in excess of 3500 square feet exclusive of fire walls.

**Section 3. Severability.** Should any section, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this Ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this Ordinance or its application to other persons or circumstances.

**Section 4. Effective Date.** This Ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after the date of publication.

**ADOPTED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE 16TH DAY OF DECEMBER, 2010.**

CITY OF BLACK DIAMOND

\_\_\_\_\_  
Rebecca Olness, Mayor

ATTEST/AUTHENTICATED:

\_\_\_\_\_  
Brenda L. Martinez, City Clerk

Approved as to form:

\_\_\_\_\_  
Chris D. Bacha,  
Kenyon Disend, PLLC  
City Attorney

Filed with the City Clerk:  
Passed by the City Council:

Ordinance No.10-952  
Date of Publication:  
Effective Date:

# CITY COUNCIL AGENDA BILL

City of Black Diamond  
Post Office Box 599  
Black Diamond, WA 98010

ITEM INFORMATION			
<b>SUBJECT:</b> <b>Ordinance No. 10-953, providing for an Interfund loan from the Wastewater Capital Reserve Fund to the Water Capital Reserve Fund for the Water Meter Project.</b>	<b>Agenda Date: December 16, 2010</b>		<b>AB10-097</b>
	Department/Committee/Individual	Created	Reviewed
	Mayor Rebecca Olness		
	City Administrator –		
	City Attorney – Chris Bacha		X
	City Clerk – Brenda L. Martinez		
	Finance – May Miller	X	
	Public Works – Seth Boettcher		
	Economic Devel. – Andy Williamson		
Cost Impact \$230,000 over five years	Police – Jamey Kiblinger		
Fund Source: Water Fund	Court – Stephanie Metcalf		
Timeline:			
<b>Attachments: Ordinance No. 10-953</b>			
<b>SUMMARY STATEMENT:</b>  <p>The Council approved a contract by Resolution 09-914 to replace all the current customers' water meters. Many of the old meters were not reading accurately or were not working at all. The new meters and data collection system will be more accurate and save labor costs.</p> <p>The Water Operating Fund pays for water meter replacement as part of its maintenance and operation costs. The water meter replacement project was budgeted to be funded the Water Capital Fund from new Connection charge.</p> <p>Since that contract was approved, the annual connection charge revenue has gone from \$200,000 a year to zero due to the economy. Staff is recommending the Interfund loan to spread the Operations and Maintenance cost out over the next 5 years.</p> <p>The loan will be repaid evenly over the next five years and will include interest at the State Investment Pool rate.</p>			
<b>COMMITTEE REVIEW AND RECOMMENDATION:</b> Public Works Committee, Finance Committee and Council Workstudy December 13, 2010.			
<b>RECOMMENDED ACTION: MOTION to adopt Ordinance No. 10-953, providing an Interfund loan from the Wastewater Capital Reserve fund to the Water Capital Reserve fund for the Water Meter Project.</b>			
<b>RECORD OF COUNCIL ACTION</b>			
<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>	
December 16, 2010			



## ORDINANCE NO. 10-953

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**A ORDINANCE OF THE CITY OF BLACK DIAMOND, WASHINGTON,  
PROVIDING FOR AN INTERFUND LOAN FROM THE WASTEWATER  
CAPITAL RESERVE FUND TO THE WATER CAPITAL RESERVE  
FUND TO PROVIDE FUNDING FOR THE WATER METER  
REPLACEMENT PROJECT; PROVIDING FOR REPAYMENT; AND  
PROVIDING FOR TERMINATION**

**WHEREAS**, the City previously determined that several water meters were not reading consumption accurately or were failing entirely and should be converted to a modern drive-by meters; and

**WHEREAS**, the proposed meter replacement and conversion (the “Project”) would ensure accurate measurement of water usage which would stabilize revenue and provide for more equitable billing, and would improve staff efficiency by decreasing meter reading time; and

**WHEREAS**, the City issued a request for proposals for a meter reading system and awarded a contract with Resolution 09-914 to United Pipe and Supply to complete the Project over a three year period, and

**WHEREAS**, the City anticipated using funds in the water capital reserve fund; and

**WHEREAS**, the Water Capital Reserve Fund currently lacks sufficient cash due to the lack of revenue the last two years from new construction of homes and Connection Fees to fund all of the costs of this Project; and

**WHEREAS**, the City has determined that the combination of transaction costs plus interest for the City to issue commercial paper or a note to a third party will exceed the costs of an interfund loan, primarily because an interfund loan entails no third-party transaction costs; and

**WHEREAS**, the use of an interfund loan also saves money from the lower interest rates of the Washington Investment Pool (LGIP) compared to commercial rates; and

**WHEREAS**, the City Council finds that it has exercised due regard for the maintenance and operation expense of the Sewer System and finds that the Sewer system revenues and cash balances are expected to be more than sufficient to meet all of the capital and operating needs of the Sewer Fund for the next five years and thus has funds available to make the interfund loan authorized herein, and

**WHEREAS**, the wastewater capital reserve fund of the Sewer Utility will be benefited by the interest rates of the interfund loan; and

**WHEREAS**, the Water Operating Fund will utilize its operating revenue to make the annual debt payments until the loan is paid in full,

**WHEREAS**, the 2010 Cash BARS Manual, Volume 1, part 3, chapter 4, page 1, states that "[t]he legislative body of a municipality must, by ordinance or resolution, approve all interfund loans, indicating the lending fund, and provide in the authorization a planned schedule of repayment of the loan principal as well as setting a reasonable rate of interest (based on the external rate available to the municipality) to be paid to the lending fund"; and

**WHEREAS**, the City Council desires to authorize an interfund loan from the Wastewater Capital Reserve Fund to the Water Capital Reserve Fund in an amount not to exceed \$230,000 to be repaid in five equal payments beginning in December 2011 and continuing until the loan is paid on or before the 31st day of December, 2015 and at an external interest rate as is available to the City through the Washington State Local Government Investment Pool;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, DOES RESOLVE AS FOLLOWS:**

**Section 1. Loan Authorization.** The City's Director of Finance is authorized, on and after the 17th day of December, 2010, a loan of \$230,000 from the Wastewater Capital Reserve Fund to the Water Capital Reserve Fund for the water meter project;

**Section 2. Scheduled Repayment.** The Director of Finance shall cause any and all outstanding balance of the said interfund loan to be repaid to the Sewer Capital Reserve Fund by the Water Operating Fund in accordance with the schedule below and in no event later than the 31st day of December, 2015, and this interfund lending authorization shall terminate on that date. The Interfund loan will be repaid in five equal annual payments, with each payment due in December of each year. The first payment shall be due in December , 2011.

**Section 3. Interest Payable to Water Fund.** The interest shall be paid annually bases on Washington State Investment Pool (LGIP) rates on the annual outstanding balance. The City Council finds that the fixing of the interest rate set forth herein is reasonable and in the best interest of the City and its ratepayers.

**Section 4. No Fees or Prepayment Penalties.** Prepayments shall be permissible in the discretion of the Director of Finance, and there shall be no fees or prepayment penalties on interfund loans and, subject to the **\$230,000** overall principal limit on outstanding balance as stated in Section 1, there shall be no advance notice required for any additional interfund draw or prepayment.

**Section 5. Accounting Records.** The Director of Finance is authorized and directed to keep and maintain appropriate accounting records to reflect the balance of the interfund loans affected by the transaction authorized herein.

**PASSED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE 16<sup>TH</sup> DAY OF DECEMBER, 2010.**

CITY OF BLACK DIAMOND

\_\_\_\_\_  
Rebecca Olness, Mayor

ATTEST/AUTHENTICATED:

\_\_\_\_\_  
Brenda L. Martinez, City Clerk

Approved as to form:

\_\_\_\_\_  
Chris Bacha,  
Kenyon Disend, PLLC  
City Attorney

Filed with the City Clerk:  
Passed by the City Council:  
Date Posted:  
Ordinance No 10-953

# CITY COUNCIL AGENDA BILL

City of Black Diamond  
Post Office Box 599  
Black Diamond, WA 98010

## ITEM INFORMATION

<b>SUBJECT:</b>  <b>Ordinance No. 10-954, amending the 2010 Budget</b>	<b>Agenda Date: December 16, 2010</b>		<b>AB10-098</b>	
	Department/Committee/Individual	Created	Reviewed	
	Mayor Rebecca Olness			
	City Administrator –			
	City Attorney –Chris Bacha			
	City Clerk – Brenda L. Martinez			
	Finance – May Miller	X		
	Public Works – Seth Boettcher			
	Economic Devel – Andy Williamson			
	Police – Jamey Kiblinger			
Cost Impact \$1,641,642	Court – Stephanie Metcalf			
Fund Source: \$1,641,642				
Timeline:				

**Attachments: Ordinance 10-954 and Exhibit A Detail Worksheets**

### SUMMARY STATEMENT:

Washington State Law requires that municipal budgets be amended by the City Council when expenditures are higher than budget amount, or when budget authority is exhausted from any particular fund.

This is a technical housekeeping budget amendment that includes items approved by Council since July 15, when the Ordinance No. 10-937 amended the budget. All new expenses are either covered by new revenue or ending fund balance.

In the General Fund, Police grants were added to the budget, as they are usually not budgeted until they are received. These grants include a few overtime and equipment grants totaling \$8,741. The General Fund was also decreased by (\$20,000) as Hearing Examiner was budgeted in both Community Development and in the MPD budget.

YarrowBay will reimburse General Fund revenue \$71,720 as new studies were approved through resolutions during the last half of the year these included a Fire Impact Fee Study (Resolution No. 10-713) at \$40,000, a Traffic Calming Study by Parametrix (Resolution No. 10-714), at \$19,720, and a Regional Wastewater storage study (Resolution No. 10-722) for \$12,000.

The City is opening a new Internal Service Fund, 510. The funds 002, Fire Equipment Reserve, and Fund 102, Public Works Equipment Reserve are being closed and transferred to 510. The 002 transfer is for \$57,210, and the 102 fund is \$204,875. The 510 Fund in addition to adding the transfers is also being reduced by \$23,000 due to the engine replacement on Engine 98 as approved by Council minutes.

In Fund 310, General Government Capital Projects, funds were reallocated from various projects to fund the Police/Court addition project. A total of \$70,760 was reallocated to the project from Eagle Creek (\$3,760), Skate Park Project (\$15,000), and the Regional Park, (\$52,000). In this fund

a correction for Police Technology carryover fund from 2009 of \$11,503 was added. Finally in this fund a REET correction of \$5,000 in General Government Tech was missed originally in the budget.

In the 320 Fund, Public Works Capital Projects, a loan (Ordinance No. 10-938) has been made from Fund 408 Wastewater Reserves for \$600,000 to cover the Morgan Street Project until TIB and CDBG monies are received. This is a very short term internal loan.

In the WSFFA Fund 402, a Tacoma Water correction required a transfer in the amount of \$53,678, increasing revenue and expenditures to this fund and reducing it from the 404 Fund.

A loan for the Water Meter Project was authorized through Ordinance No. 10-953 from Wastewater Reserves Fund 408 to Fund 404, Water Capital. The amount of \$230,000 has been loaned internally.

In the Stormwater Fund 410 the Department of Ecology sent an additional \$81,000 for Stormwater NPDES requirements. This added to a previous \$50,000 grant for a total of \$131,000. B&O tax audit for 2008, 2009 and 2010 will result in a one-time cost to the Stormwater fund of \$14,000.

All budget changes in this ordinance are covered by revenue or ending fund balance in each fund.

COMMITTEE REVIEW AND RECOMMENDATION: Finance Committee reviewed the budget change at a December 10, 2010 meeting.

RECOMMENDED ACTION: **MOTION to adopt Ordinance No. 10-954, amending Ordinance No. 10-944, which amended the 2010 Budget Ordinance No. 09-928 and the Budget Amendment Ordinance 10-937 to reflect changes in revenues and expenditures.**

#### RECORD OF COUNCIL ACTION

<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>
December 16, 2010		

**ORDINANCE NO. 10-954**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, KING COUNTY, WASHINGTON, AMENDING THE BUDGET FOR CALENDAR YEAR 2010 AS ADOPTED BY ORDINANCE 09-928 AND AMENDED BY ORDINANCE 10-937 AND 10-944 BY MEANS OF APPROPRIATIONS, ADJUSTMENTS AND TRANSFERS WITHIN VARIOUS FUNDS IN ACCOUNTS IN THE 2010 BUDGET**

**WHEREAS**, the amounts of dollars actually received within the accounts of various funds in the 2010 budget vary from the amounts set forth in Ordinance No. 09-944; and

**WHEREAS**, it is necessary to make adjustments to those accounts and/or funds by means of appropriation adjustments and transfers to the 2010 Budget;

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, KING COUNTY, WASHINGTON, ORDAINS AS FOLLOWS:**

**Section 1.** Section 1 of Ordinance 10-944 is hereby amended with the following additions and reductions:

<b>Fund #</b>	<b>Fund Title</b>	<b>Budget Change</b>
Fund 001	General Fund	60,461
Fund 002	Fire Equipment Reserve Fund	(57,210)
Fund 102	Street Equipment Reserve Fund	(204,875)
Fund 310	General Govt CIP Fund	16,503
Fund 320	Street CIP Fund	600,000
Fund 402	Water Supply Facility Fund	53,678
Fund 404	Water Capital Fund	230,000
Fund 408	Wastewater Capital Fund	600,000
Fund 410	Stormwater Fund	81,000
Fund 510	Internal Service Fund	262,085
Total		1,641,642

**Section 2.** Effective date. This Ordinance shall be in full force and effect five (5) days after publication as required by law. A summary of this Ordinance may be published in lieu of the entire Ordinance, as authorized by State law.

Introduced this 16<sup>th</sup> day of December, 2010.

**PASSED BY A MAJORITY OF THE CITY COUNCIL AT A MEETING HELD ON THE  
16<sup>TH</sup> DAY OF DECEMBER, 2010.**

\_\_\_\_\_  
Mayor Rebecca Olness

Attest:

\_\_\_\_\_  
Brenda L. Martinez, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Chris Bacha, City Attorney

Published: \_\_\_\_\_

Posted: \_\_\_\_\_

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

## December 2010 Budget Adjustment Summary

### A. Estimated Expenditures by Fund

Fund #	Fund Title	Ordinance 09-928 Budget 2010	Ordinance 10-937 Budget Amendment 2010	Ordinance 10-944 Budget Amendment 2010	Ordinance 10-954 Budget Amendment 2010	Total Budget 2010
Fund 001	General Fund	4,894,127	48,303	397,564	60,461	5,400,455
Fund 002	Fire Equipment Reserve Fund	57,383	(173)		(57,210)	-
Fund 101	Street Fund	505,639	(5,714)	9,938		509,863
Fund 102	Street Equipment Reserve Fund	205,125	(250)		(204,875)	-
Fund 104	REET I	703,282	47,010	(9)		750,283
Fund 105	REET 2	852,902	6,135			859,037
Fund 122	Criminal Justice	181,450	12,608			194,058
Fund 310	General Govt CIP Fund	420,000	31,178	69,982	16,503	537,663
Fund 320	Street CIP Fund	1,760,043	26,974	312,767	600,000	2,699,784
Fund 401	Water Fund	1,409,241	24,875	9,938		1,444,054
Fund 402	Water Supply Facility Fund	18,778	(4,126)		53,678	68,330
Fund 404	Water Capital Fund	666,925	(22,916)		230,000	874,009
Fund 407	Wastewater Fund	787,713	8,472	9,938		806,123
Fund 408	Wastewater Capital Fund	996,514	80,735		600,000	1,677,249
Fund 410	Stormwater Fund	414,102	(7,302)	34,822	81,000	522,622
Fund 510	Internal Service Fund				262,085	262,085
<b>Total</b>		<b>\$13,873,224</b>	<b>\$245,809</b>	<b>\$844,940</b>	<b>1,641,642</b>	<b>16,605,615</b>



# Budget Change Detail Worksheet - December 2010 *EXHIBIT B*

*Budget Change supporting documentation*

<b>Proposed Change to Budget</b>	<b>Res or Ord # or Type of Change</b>	<b>REVENUE &amp; Beg Fund Actual</b>	<b>EXPENSES &amp; End Fund Actual</b>
<b>General Fund 001</b>			
Police Grants	Alloc. of Grant	-	8,741
Police Grant Revenue	Alloc. of Grant	8,741	
Reduce Hearing Examiner Revenue	Correction	(20,000)	
Reduce Hearing Examiner Expenses	Correction		(20,000)
<b>Subtotal General Fund Change</b>	<b>-</b>	<b>(11,259)</b>	<b>(11,259)</b>
<b>YarrowBay BD Partners</b>			
RH Regional Wstwr Storage	Res. 10.722	-	6,000
RH Regional Wstwr Storage	Res. 10.722	-	6,000
Fire Impact Fee Study	Res. 10-713		40,000
Traffic Calming Study - Parametrix	Res. 10-714		19,720
YarrowBay MPD Reimbursement 592,667 to 652,387		71,720	
<b>Subtotal YarrowBay BD Partners</b>		<b>71,720</b>	<b>71,720</b>
<b>Total General Fund 001</b>		<b>60,461</b>	<b>60,461</b>
<b>Fire Equipment Fund 002</b>			-
Close Fund move to 510	Transfer Fund		(57,210)
Close Fund move to 510	Transfer Fund	(57,210)	-
<b>Total Fire Equip Replacement Fund 002</b>		<b>(57,210)</b>	<b>(57,210)</b>
<b>Public Works Equipment Fund 102</b>			
Close Fund move to 510	Transfer Fund		(204,875)
Close Fund move to 510	Transfer Fund	(204,875)	-
<b>Total PW Equipment Replacement Fund 102</b>		<b>(204,875)</b>	<b>(204,875)</b>
<b>FUND 310 Capital (Gen Govt)</b>			
Police and Court Addition from 62,253 to 133,013	Reallocation		70,760
Eagle Creek	Reallocation		(3,760)
Skate Park Project	Reallocation		(15,000)
Regional Park	Reallocation		(52,000)
011 Police Technology 2009 Carryover	Correction	11,503	
Police Technology -	Correction		11,503
Transfer in 001 for REET	Correction	5,000	-
Gen Govt Tech Correction	Correction		5,000
<b>Total Fund 310</b>	<b>-</b>	<b>16,503</b>	<b>16,503</b>
<b>007 Morgan Street Sidewalks</b>			-
Loan from Wastewater Reserve Fund 408	Res. 10-938	600,000	-
Repayment of Wastewtr Loan	Res. 10-938		600,000
<b>Total Fund 320</b>		<b>600,000</b>	<b>600,000</b>

# Budget Change Detail Worksheet - December 2010 *EXHIBIT B*

*Budget Change supporting documentation*

<b>Proposed Change to Budget</b>	<b>Res or Ord # or Type of Change</b>	<b>REVENUE &amp; Beg Fund Actual</b>	<b>EXPENSES &amp; End Fund Actual</b>
<b>WSFFA Fund 402</b>			-
Transfer in from Water Reserve Fund 404	Correction	53,678	-
Tacoma Water - Correction	Correction	-	53,678
<b>Total WSFFA Fund 402</b>		<b>53,678</b>	<b>53,678</b>
<b>Water Capital Fund 404</b>			-
Transfer out to WSFFA Fund 402	Correction		53,678
Loan for Water Meters	Ord. 10-953	230,000	-
Meter Replacement Project	Ord. 10-953	-	230,000
Reduce Ending Fund Bal from 419,009 to 365,331	Correction	-	(53,678)
<b>Total Water Capital Fund 404</b>		<b>230,000</b>	<b>230,000</b>
<b>Wastewater Capital 408</b>			
Loan to Water Capital Fund for Meters	Ord 10-953		230,000
Repayment of loan for for Morgan St.	Ord 10-938	600,000	600,000
Reduce Ending Fund Bal from 892,249 to 662,000			(230,000)
<b>Total Wastewater Capital Fund 408</b>		<b>600,000</b>	<b>600,000</b>
<b>Stormwater Fund 410</b>			-
Received additional Stormwater Grant	Allocation of Grant	81,000	
Stormwater Grant Expenditures	Allocation of Grant	-	81,000
B & O Tax Audit (2008,2009,2010)	Minutes	-	14,000
Ending C& I Balance	Minutes		(14,000)
<b>Total Stormwater Fund 410</b>	<b>-</b>	<b>81,000</b>	<b>81,000</b>
<b>Internal Fund 510</b>			
Transfer in from 002	New Fund	57,210	57,210
Transfer in from 102	New Fund	204,875	204,875
Professional Services Engine Replacement	Minutes		23,000
Ending Fund Balance from \$57,210 to \$34,210		-	(23,000)
<b>Total Internal Fund 510</b>	<b>-</b>	<b>262,085</b>	<b>262,085</b>
<b>Grand Total All Funds</b>	<b>-</b>	<b>1,641,642</b>	<b>1,641,642</b>

# CITY COUNCIL AGENDA BILL

City of Black Diamond  
Post Office Box 599  
Black Diamond, WA 98010

ITEM INFORMATION			
<b>SUBJECT:</b> <b>Ordinance No. 10-955, amending section 13.24.010 of the Black Diamond Municipal Code relating to sewer rates. Effective January 1, 2011.</b>	<b>Agenda Date: December 16, 2010</b>		<b>AB10-099</b>
	Department/Committee/Individual	Created	Reviewed
	Mayor Rebecca Olness		
	City Administrator –		
	City Attorney – Chris Bacha		X
	City Clerk – Brenda L. Martinez		
	Finance – May Miller	X	
	Public Works – Seth Boettcher		
	Economic Devel. – Andy Williamson		
	Police – Jamey Kiblinger		
Cost Impact			
Fund Source:			
Timeline: Effective January 1, 2011			
<b>Attachments: Ordinance 10-955 and 2009 Ordinance 09-926</b>			
<b>SUMMARY STATEMENT:</b>  <p>The Council Public Works Committee and the Operations Committee met several times in November and December. The Council held Workstudy sessions on November 29, 2010 and December 13, 2010 and a Public Hearing was held December 2, 2010</p> <p>Metro notified the city that they were increasing rates by \$4.20 for residential customers. This rate needs to be passed on to the customers as the city collects the Metro charges monthly and remits all of their portion monthly to Metro per our contract. This increase averages approximately an 8% increase per residence.</p> <p>The city portion of the rate has not been increased in many years and has not kept pace with the maintenance and operations costs. The Wastewater Operations Fund has seen a deficit of \$50,000 in the last two years and will be approximately \$75,000 in 2010. By reallocating the portion of the rate that been used for Soos Creek Wheeling Charges, the city will reduce that deficit to approximately \$25,000 in 2011 and will not require a rate increase.</p>			
<b>COMMITTEE REVIEW AND RECOMMENDATION:</b>			
<b>RECOMMENDED ACTION: MOTION to adopt Ordinance No. 10-955, amending section 13.24.010 of the Black Diamond Municipal Code relating to sewer rates. Effective January 1, 2011.</b>			
<b>RECORD OF COUNCIL ACTION</b>			
<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>	
December 16, 2010			

**ORDINANCE NO. 10-955**

**AN ORDINANCE OF THE CITY OF BLACK DIAMOND,  
KING COUNTY, WASHINGTON, AMENDING SECTION  
13.24.010 OF THE BLACK DIAMOND MUNICIPAL CODE  
RELATING TO SEWER RATES**

**WHEREAS**, the City of Black Diamond is a municipal corporation operating under the laws of the state of Washington as a code city pursuant to Chapter 35A of the Revised Code of Washington; and

**WHEREAS**, as a code city, the legislative body of the City of Black Diamond is vested with all powers possible for a city or town to have under the Constitution of this state, and not specifically denied to code cities by law; and

**WHEREAS**, the City of Black Diamond is authorized, pursuant to RCW 35A.21.150, to create, and has created, a sanitary sewerage system pursuant to RCW Ch. 35.67; and

**WHEREAS**, RCW Ch. 35.67 authorizes and grants to code cities, among other things, full jurisdiction and authority to manage, regulate, and control sanitary sewer systems, to compel connection to such sewerage systems, to set rates and charges for services, to collect delinquent charges, and to impose and foreclose upon liens for non-payment; and

**WHEREAS**, the City of Black Diamond has, pursuant to the above described authority, adopted procedures and requirements applicable to billing and collection of charges and fees for sewerage service, which procedures and requirements are codified in Title 13 of the Black Diamond Municipal Code; and

**WHEREAS**, the City of Black Diamond has contracted with King County Metro for wastewater conveyance and treatment services; and

**WHEREAS**, King County Metro bills the City of Black Diamond sanitary sewer utility for such services based upon its monthly rate and the number of customers the City's sanitary sewer utility serves, which cost become an expense to the City sanitary sewer utility; and

**WHEREAS**, King County Metro has notified the City of Black Diamond that their base rate will increase by \$4.20 per month per residential customer and the rate for all other users will increase by \$1.09 per each 100 cubic feet of water consumed per month in excess of 750 cubic feet; and

**WHEREAS** the City needs to increase its revenue by the imposition of new sewer rates of the same amount per month to cover the King County Metro increase; and

**WHEREAS**, the wastewater operating fund has required a financial subsidy from the capital reserve fund of \$50,000 for each of the last two years and will require a additional subsidy of approximately \$75,000 in year 2011 unless utility revenues increase; and

**WHEREAS**, the sanitary sewer utility rates include the costs of contracting with the Soos Creek Water and Sewer District for the conveyance of wastewater to the King County Sewer System (the "Soos Creek Wheeling Charge"); and

**WHEREAS**, the City sanitary sewer utility will no longer be obligated to pay the Soos Creek Wheeling Charge which will result in a reduction of utility operating costs; and

**WHEREAS**, a reallocation of the utility rates applied to the Soos Creek Wheeling Charge to payment of utility operating costs will allow the sanitary sewer utility to reduce the year 2011 subsidy from the capital reserve; and

**WHEREAS** the City Council finds, based upon the foregoing, that it would be in the best interest of the public health, safety and welfare to reallocate that portion of the rate revenues used to pay the Soos Creek Wheeling Charge to payment of sanitary sewer utility operating costs which reallocation will not result in an actual rate increase; and

**WHEREAS**, the City Council further finds, based upon the foregoing, that it would be in the best interest of the public health, safety and welfare to increase the monthly rates as set forth herein to pass through the additional costs for King County Metro conveyance and treatment services;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, KING COUNTY, WASHINGTON, ORDAINS AS FOLLOWS:**

**Section 1.** Section 13.24.010 of the Black Diamond Municipal Code is hereby amended to read as follows:

13.24.010 Monthly Rates Designated. Effective January 1, 2011 sewer service charges shall be as follows:

A. For residential customers served by a single meter to the residence, ~~\$51.06~~55.26;

B. For residential customers served by a single meter who have been approved under the Lifeline Utility Program, will receive a discount on the city share of the sewer rate as shown in the City fee schedule.

C. For all other users, including but not limited to commercial users, multi-family residences and mobile home parks, served by a single water meter, ~~\$51.06~~55.26 per month for the first unit, plus \$10.00 for each additional unit served by that water meter, plus ~~\$4.27~~5.36 for each 100 cubic feet of water

consumed per month in excess of 750 cubic feet. For purposes of this section, the word "unit" shall be defined as any dwelling unit, home, condominium, mobile home, manufactured home or location at which business is conducted.

D. Any user subject to an overage charge may apply to the City for installation of a separate meter to monitor water usage solely for irrigation and landscaping purposes. The individual or entity requesting such a meter shall pay the City for the cost of the meter and cost of installation. Water consumed for these purposes shall not be subject to the overage charge.

E. For purposes of this chapter home occupations shall not be considered a second use.

F. Federal, State and local taxes, where applicable, shall be added to the sums as set forth above.

**Section 2 Effective Date.** This Ordinance shall be in full force and effect on January 1, 2011 after its passage, approval, posting and publication as provided by law. A summary of this Ordinance may be published in lieu of publishing the Ordinance in its entirety.

**Section 3.** If any provision of this Ordinance is determined to be invalid or unenforceable for any reason, the remaining provisions of this Ordinance shall remain in force and effect.

Introduced the 16th day of December, 2010.

Passed by a majority of the City Council at a meeting held on the 16th day of December, 2010.

\_\_\_\_\_  
Mayor Rebecca Olness

Attest:

\_\_\_\_\_  
Brenda L. Martinez, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Chris Bacha, City Attorney

Published: \_\_\_\_\_

Posted: \_\_\_\_\_

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

ORDINANCE NO. 09-926

AN ORDINANCE OF THE CITY OF BLACK DIAMOND,  
KING COUNTY, WASHINGTON, AMENDING SECTION  
13.24.010 OF THE BLACK DIAMOND MUNICIPAL CODE  
RELATING TO SEWER RATES

Old  
Ordinance

WHEREAS, the City is in need of increasing its revenue by the imposition of new sewer rates in order to meet current obligations to the Soos Creek Water and Sewer District;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, KING COUNTY, WASHINGTON, ORDAINS AS FOLLOWS:

Section 1. Section 13.24.010 of the Black Diamond Municipal Code is hereby amended to read as follows:

13.24.010 Monthly Rates Designated. Effective January 1, 2010 sewer service charges shall be as follows:

A. For residential customers served by a single meter to the residence, \$51.06;

B. For residential customers served by a single meter who have been approved under the Lifeline Utility Program, will receive a discount on the city share of the sewer rate as shown in the City fee schedule.

C. For all other users, including but not limited to commercial users, multi-family residences and mobile home parks, served by a single water meter, \$51.06 per month for the first unit, plus \$10.00 for each additional unit served by that water meter, plus \$4.27 for each 100 cubic feet of water consumed per month in excess of 750 cubic feet. For purposes of this section, the word "unit" shall be defined as any dwelling unit, home, condominium, mobile home, manufactured home or location at which business is conducted.

D. Any user subject to an overage charge may apply to the City for installation of a separate meter to monitor water usage solely for irrigation and landscaping purposes. The individual or entity requesting such a meter shall pay the City for the cost of the meter and cost of installation. Water consumed for these purposes shall not be subject to the overage charge.

E. For purposes of this chapter home occupations shall not be considered a second use.

F. Federal, State and local taxes, where applicable, shall be added to the sums as set forth above.



Section 2. This Ordinance shall be in full force and effect five days after its passage, approval, posting and publication as provided by law. A summary of this Ordinance may be published in lieu of publishing the Ordinance in its entirety.

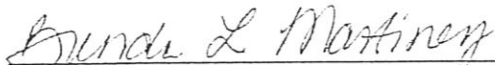
Section 3. If any provision of this Ordinance is determined to be invalid or unenforceable for any reason, the remaining provisions of this Ordinance shall remain in force and effect.

Introduced the 17th day of December, 2009.

Passed by a majority of the City Council at a meeting held on the 17th day of December, 2009.

  
\_\_\_\_\_  
Mayor Howard Botts

Attest:

  
\_\_\_\_\_  
Brenda L. Martinez, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Yvonne Ward, City Attorney

Published: 12-22-09  
Posted: 12-18-09  
Effective Date: 12-27-09



# CITY COUNCIL AGENDA BILL

City of Black Diamond  
Post Office Box 599  
Black Diamond, WA 98010

ITEM INFORMATION			
<b>SUBJECT:</b> <b>Ordinance No. 10-956, to approve water rate increase of 15% effective January 1, 2011</b>	<b>Agenda Date: December 16, 2010</b>		<b>AB10-100</b>
	Department/Committee/Individual	Created	Reviewed
	Mayor Rebecca Olness		
	City Administrator –		
	City Attorney – Chris Bacha		X
	City Clerk – Brenda L. Martinez		
	Finance – May Miller	X	
	Public Works – Seth Boettcher		
	Economic Devel. – Andy Williamson		
Cost Impact	Police – Jamey Kiblinger		
Fund Source: Water Fund	Court – Stephanie Metcalf		
Timeline: January 1 to December 31, 2011			
<b>Attachments: Ordinance 10-956 , Ordinance No. 08-879 and PacWest rate study</b>			
<b>SUMMARY STATEMENT:</b>			
<p>City Council has held many Public Works Committee and Finance Committee meetings as well as two Workstudy sessions November 29 and December 13. A public hearing was also held December 2, 2010.</p> <p>In 2008, Council adopted the PacWest Water Rate Study Alternative C which included rate increases of 15% for the years 2009, 2010 and 2012. Council adopted the first year of rate increase in 2009 but deferred the second rate increase planned for 2010, due to the economy and the new Stormwater rates. The rates under the PacWest user rate were to pay for maintenance and operation as well as debt cost. The PacWest rate study included Alternative C budget analysis showing anticipated debt of \$243,000.</p> <p>The second 15% increase from the rate study is needed to pay water operating maintenance and debt costs and meet the State as well as City financial obligation of retaining a three month operating cash reserve per Resolution No. 08-560.</p> <p>The increase for residential customers averages 15% in total revenue. The base rate will increase \$5.55 per month but consumption rates will not increase. Customers who use larger amounts of water will see an average increase of about 8%.</p>			
<b>COMMITTEE REVIEW AND RECOMMENDATION:</b>			
<b>RECOMMENDED ACTION: MOTION to adopt Ordinance No. 10-956, water rate increase of 15% effective January 1, 2011.</b>			
<b>RECORD OF COUNCIL ACTION</b>			
<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>	
December 16, 2010			

**ORDINANCE NO. 10-956**

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**AN ORDINANCE OF THE CITY OF BLACK  
DIAMOND, KING COUNTY, WASHINGTON;  
RELATING TO WATER SERVICE RATES;  
AMENDING SECTION 13.04.280 OF THE BLACK  
DIAMOND MUNICIPAL CODE; IMPLEMENTING  
A RATE INCREASE SET FOR IN THE 2008  
WATER RATE STUDY; PROVIDING FOR  
SEVERABILITY; ESTABLISHING AN EFFECTIVE  
DATE**

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**WHEREAS**, the City of Black Diamond is a municipal corporation operating under the laws of the state of Washington as a code city pursuant to Chapter 35A of the Revised Code of Washington; and

**WHEREAS**, as a code city, the legislative body of the City of Black Diamond is vested with all powers possible for a city or town to have under the Constitution of this state, and not specifically denied to code cities by law; and

**WHEREAS**, RCW Ch. 35.92 authorizes the City of Black Diamond to construct, condemn and purchase, acquire, add to, alter, maintain, and operate waterworks, for the purpose of furnishing the City and its inhabitants, and any other persons, with an ample supply of water for all purposes, public and private, with full power to regulate and control the use, distribution, and price thereof; and

**WHEREAS**, RCW 35.92.020 specifically authorizes the City Council to set and establish uniform rates for the same class of customers or service and facilities; and

**WHEREAS**, pursuant to the above described authority, the City Council of Black Diamond has created a water system utility and rates and charges applicable thereto, which rates and charges are codified in Title 13 of the Black Diamond Municipal Code, and more specifically at BDMC 13.04.280; and

**WHEREAS**, in 2008 the City contracted with PacWest Engineering to perform a Water User Rates Study for the purpose of, (a) identifying current and projected water utility maintenance, operation and capital costs and needs to ensure that the City can continuing providing adequate water services throughout the City and meet its statutory and contractual obligations related thereto, and (b) identifying water user rates that will adequately fund such existing and projected costs; and

**WHEREAS**, PacWest in its October 20, 2008 Water user Rate Study recommended several possible rate structures and the City Council finds that Alternative "C" as set forth therein is the appropriate method for implementation of a rate increase to adequately fund the current and projected

costs of maintenance, operation and capital improvement (expansion and replacement) of the water utility system; and

**WHEREAS**, the PacWest Alternative “C” included three years of rate increases of 15% for each year and the Council passed the first year of the rate increase effective in 2009; however, in 2010 due to the economic slump, the council did not increase rates; and

**WHEREAS**, in 2010 the water utility spread the cost of the water meter project over five years through an interfund loan to pay for the water meter replacement project; and

**WHEREAS**, the City Council Public Works Committee, Finance Committee and work-study group met several times during the months of October, November and December of 2010 to review the need for the rate increase and the structure of the increase; and

**WHEREAS**, the committees and work-study group recommend not increasing the consumption portion of the water rate as that has caused decreased revenue in some cities, and instead recommend a percentage increase in the base rate that will achieve an overall dollar increase in rate revenues that would equal 15%.; and

**WHEREAS**, based on the foregoing recommendation, the base rates will increase approximately 16% and there will be no increase to the consumption portion of the rate, which will result in an average net increase that equals the 15% dollar amount of the PacWest rate study without jeopardizing revenue ;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, KING COUNTY, WASHINGTON DO ORDAIN AS FOLLOWS:**

**Section 1. Amendment of BDMC 13.04.280(a).** Section 13.04.280(A) of the Black Diamond Municipal Code is hereby amended to read as follows:

**13.04.280 Rates – Consumption and meter installation.**

- A. 1. The water service rates for customers of the City’s water utility shall be as set forth in section 2 through 8 below, plus \$1.82 per one hundred cubic feet of water used, for water consumption ranging between 0 to 600 cubic feet of water, per month, plus \$2.09 per one hundred cubic feet of water used, for water consumption ranging between 601 to 1,200 cubic feet of water per month, plus \$2.40 per one hundred cubic feet of water used, for consumption greater than 1,200 cubic feet of water per month.
2. All 5/8” and ¾” meters shall be charged a minimum fee of \$23.43 per month. Each additional dwelling/business served from the above described meter shall be charged \$14.95 for each additional unit for each month inside the City limits and \$29.90 for each additional unit for each month outside the City limits.
3. All 1” meters shall be charged \$29.62 per month plus the additional amount per unit served by such meter as established in subsection A(2) above.
4. All 1 ½” meters shall be charged \$31.95 per month plus the additional amount per unit served as established in subsection A(2) above.

5. All 2" meters shall be charged \$55.76 per month plus the additional amount per unit served as established in subsection A(2) above.
6. All 3" meters shall be charged a minimum of \$67.65 per month plus the additional amount per unit served as established in subsection A(2) above.
7. All 4" meters shall be charged a minimum of \$127.04 per month. For additional dwellings, apartments, or units, there shall be a minimum charge of \$14.95 per month for each additional dwelling, apartment or unit, and \$14.95 for each additional commercial use.
8. All 6" meters shall be charged a minimum of \$328.52 per month. For additional dwellings, apartments, or units, there shall be a minimum charge of \$14.95 per month for each additional dwelling, apartment, or unit, and \$14.95 for each additional commercial use.

**Section 2. Effective Date.** This Ordinance shall be in full force and effect on January 1, 2011, after its passage, approval, posting and publication as provided by law. A summary of this Ordinance may be published in lieu of publishing the ordinance in its entirety.

**Section 3. Severability.** If any provision of this ordinance, or ordinance modified by it is determined to be invalid or unenforceable for any reason, the remaining provision of this ordinance and ordinances and/or resolutions modified by it shall remain in force and effect.

CITY OF BLACK DIAMOND

\_\_\_\_\_  
Mayor, Rebecca Olness

Attested:

\_\_\_\_\_  
Brenda L. Martinez  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Chris Bacha,  
Kenyon Disend, PLLC  
City Attorney

Published: \_\_\_\_\_

Posted: \_\_\_\_\_

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

ORDINANCE NO. 08-879

AN ORDINANCE OF THE CITY OF BLACK  
DIAMOND, KING COUNTY, WASHINGTON,  
AMENDING SECTION 13.04.280 OF THE BLACK  
DIAMOND MUNICIPAL CODE RELATING TO  
WATER SERVICE RATES.

old water  
ordinance  
(last one)

WHEREAS, the City finds it necessary to raise the rates charged to customers of its water utility in order to meet the obligations of maintenance, repair, and expansion of the City's water system;

Now, therefore, the City Council of the City of Black Diamond, King County, Washington do ordain as follows:

**Section 1.** Section 13.04.280(A) of the Black Diamond Municipal Code is hereby amended to read as follows:

13.04.280 Rates – Consumption and meter installation.

- A. 1. The water service rates for customers of the City's water utility shall be as set forth in section 2 through 8 below, plus \$1.82 per one hundred cubic feet of water used, for water consumption ranging between 0 to 600 cubic feet of water, per month, plus \$2.09 per one hundred cubic feet of water used, for water consumption ranging between 601 to 1,200 cubic feet of water per month, plus \$2.40 per one hundred cubic feet of water used, for consumption greater than 1,200 cubic feet of water per month.
2. All 5/8" and 3/4" meters shall be charged a minimum fee of \$17.88 per month. Each additional dwelling/business served from the above described meter shall be charged \$14.95 for each additional unit for each month inside the City limits and \$29.90 for each additional unit for each month outside the City limits.
3. All 1" meters shall be charged \$22.60 per month plus the additional amount per unit served by such meter as established in subsection A(2) above.
4. All 1 1/2" meters shall be charged \$24.38 per month plus the additional amount per unit served as established in subsection A(2) above.
5. All 2" meters shall be charged \$42.55 per month plus the additional amount per unit served as established in subsection A(2) above.

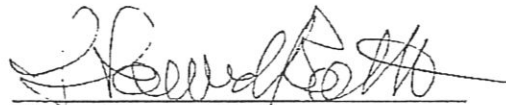
6. All 3" meters shall be charged a minimum of \$51.61 per month plus the additional amount per unit served as established in subsection A(2) above.

7. All 4" meters shall be charged a minimum of \$96.95 per month. For additional dwellings, apartments, or units, there shall be a minimum charge of \$14.95 per month for each additional dwelling, apartment or unit, and \$14.95 for each additional commercial use.

8. All 6" meters shall be charged a minimum of \$250.70 per month. For additional dwellings, apartments, or units, there shall be a minimum charge of \$14.95 per month for each additional dwelling, apartment, or unit, and \$14.95 for each additional commercial use.

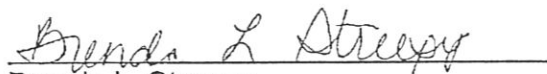
**Section 2.** This Ordinance shall be in full force and effect for the first billing cycle occurring after January 1, 2009, after its passage, approval, posting and publication as provided by law. A summary of this Ordinance may be published in lieu of publishing the ordinance in its entirety.

**Section 3.** If any provision of this ordinance, or ordinance modified by it is determined to be invalid or unenforceable for any reason, the remaining provision of this ordinance and ordinances and/or resolutions modified by it shall remain in force and effect.



Mayor Howard Botts

Attested:



Brenda L. Streepy  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Loren Combs  
City Attorney

Published: 12/9/08  
Posted: 12/5/08  
Effective Date: 12/14/08

# City of Black Diamond Water User Rates Study

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## BACKGROUND & PURPOSE

PacWest Engineering has been retained by the City to complete a water rate study and recommend updated rates for adoption by the City Council. The City is currently operating under a development moratorium which is anticipated to be lifted in late 2008. Significant growth is anticipated to occur within the City following the removal of the moratorium. The City desires to adopt updated water rates to ensure that the City's water rates adequately cover existing and projected costs associated with operating a water utility and providing adequate water service to its customers.

The City's water rates are comprised of two components: 1) User rates based on monthly meter rates as well as charges based on actual water consumption; and 2) Connection charges (also known as capital facility charges) which fund system improvements required as a result of new growth. This report analyzes the City's Water User Rates. An analysis of the City's Water Connection Charges is covered in a separate report.

## ANALYSIS METHODOLOGY

Water rates have been analyzed for a three year period from 2009 to 2011. Since there are many assumptions incorporated into these rates based on projections of new development, it is recommended that a rate study be conducted in the future for years beyond this planning period.

A water billing consumption history for the period of June 2006 through May 2007 was utilized in developing user rate revenue assumptions. It is assumed that this time period is representative of the City of Black Diamond's water use and does not include lower than average or higher than average use due to irregular weather patterns or use consumptions.





An annual population growth rate of 2.85% has been utilized for growth projections within the existing developed City for the period following the removal of the moratorium. Additionally, the addition of new customers has been projected based on conversations with Yarrow Bay due to the fact that significant development is anticipated to occur within the City of Black Diamond during the period of analysis covered by this Water Rate Study.

Growth projections for new development are based on conversations with Yarrow Bay regarding potential build rates for development that is anticipated to occur within the City of Black Diamond. A two-year delay in projected growth has been included to provide for a more realistic assumption in projected revenues. Projections for growth have assumed a water consumption rate of 230 gallons per day per single family residence, as this is the established amount calculated for one ERU (equivalent residential unit) in the agreements between developers and the City of Black Diamond. It is assumed that connections to the system will be made in one calendar year and user rates will be charged for the new ERU's in the following year. No credit for partial years has been assumed.

<b>PROJECTED NEW ERU CONNECTIONS</b> (User rates assumed to begin billings in following year)				
ERU Type	2008	2009	2010	2011
ERU's (with connection charge credit)	0	0	0	0
ERU's (without connection charge credit)	0	33	34	35
<b>TOTAL NEW ERU'S</b>	<b>0</b>	<b>33</b>	<b>34</b>	<b>35</b>

#### **WATER FUNDS STRUCTURE & RESERVE RECOMMENDATIONS**

The City of Black Diamond currently operates with three water-related funds, as follows: Fund 401 – Water Fund; Fund 402 – Water Supply & Facility Fund; and Fund 404 – Water Reserve Fund.

It is recommended that the City restructure their water funds into the following three funds: Operating Fund; Capital Fund; and Developer Contribution Fund. The Operating and Capital funds should maintain a reserve within the fund rather than as a separate fund.

**Operating Fund:** The Operating Fund shall be funded by monies collected for Water User Rates and shall fund the City's Water Operations and Maintenance Program. The State requires that the City maintain a minimum reserve equivalent to 1/8 of its annual operating budget which is the equivalent of 1.5 months reserve. It is recommended that the City maintain an operating reserve that is equivalent to three months. The City currently has sufficient cash on hand to meet this reserve recommendation. This reserve helps balance cash flows due to lower revenues during winter months.

**Capital Fund:** The Capital fund shall be funded primarily by Water Connection Charges and shall fund expenditures related to the City's Water Capital Improvements Program. Additional funding sources such as grants and loans may supplement connection charges. Also, transfers from the Operating fund should occur to support those capital projects deemed to benefit the existing rate base.



The State requires an Emergency reserve that is equivalent to the City's most vulnerable water system facility component. The City of Black Diamond has an insurance policy which covers the transmission main crossing the Green River (the most vulnerable component of the system), which is sufficient to meet the emergency reserve requirement. In addition to the emergency reserve, the Capital fund should also maintain a reserve based on any outstanding debt service. It is recommended that a capital reserve in the amount of 50% of the annual debt service requirements be maintained in the capital fund.

**Developer Contribution Fund:** The City currently maintains a developer contribution fund (Fund 402 – Water Supply & Facility Fund). It is recommended that this fund be utilized to receive developer contributions for capital projects, but that the contributed funds be transferred to the capital fund as needed in support of the capital project for which the funds were contributed.

### CURRENT RATES

The City's current rates are a flat structure rate and do not promote conservation by the customers. The City of Black Diamond's current user rates are as shown below:

CURRENT RATES			
Meter Size	Meter Rate	Meter Rate per Additional Unit	Commodity Charge per 100 CF
5/8" or 3/4"	\$15.55	\$13.00	\$1.58
1"	\$19.65	\$13.00	\$1.58
1 1/2"	\$21.20	\$13.00	\$1.58
2"	\$37.00	\$13.00	\$1.58
3"	\$44.88	\$13.00	\$1.58
4"	\$84.30	\$13.00	\$1.58

### BUDGET REQUIREMENTS

The following are the projected budget requirements for a three year period. They have been developed based on the City's draft 2009 budget, which includes forecasts for 2010 and 2011. It should be noted that there are significant increases in the projected Operations and Maintenance budget over this time period. A portion of these increases is due to an additional staff person that is projected to be assigned half-time to the water system starting in 2011.

The City of Black Diamond is estimated to have approximately \$1,000,000 in reserve funds between the three existing water funds at the beginning of 2009. It is recommended that the City assign \$81,000 of the existing reserves as the three-month Operations and Maintenance reserve. Unless specified otherwise in the description of the alternatives, the remaining balance of the existing reserve funds are recommended to be placed in the Capital fund to augment the City's water connection charges in paying off debt and funding

capital projects. The revenue generated by these water user rates is intended to fund system operational costs only.

BUDGET REQUIREMENTS			
	2009	2010	2011
Operations, Maintenance, & Administration	\$324,000	\$344,000	\$404,000
Project costs / Transfer to Capital Fund (improve existing deficiencies)	\$0*	\$0*	\$0*
O&M Reserve	\$0 **	\$5,000	\$15,000
Debt Service	\$243,000	\$241,000	\$239,000
Yarrow Bay PWD Reimbursement	-\$36,000***	-\$38,000***	-\$40,000***
<b>TOTAL – O&amp;M FUND REQ.</b>	<b>\$567,000</b>	<b>\$590,000</b>	<b>\$658,000</b>
* Proposed project improvements have been included in the City's Water System Plan (draft). Costs have not been included in the water rate budget requirements as it is recommended that these projects improvements be delayed and be completed as funds are available.			
** The initial O&M reserve balance of \$81,000 recommended to be funded by existing reserve funds and preserved. Amounts shown reflect the necessary annual increase.			
*** The reimbursement for Public Works Director salary expenses is included for informational purposes only. This credit has not been included in the water user rate establishment as it is a temporary credit that will soon expire. It is recommended that these funds be utilized to fund capital projects to address existing deficiencies.			

#### USER RATES ANALYSIS

The Municipal Water Law was passed by the Washington State Legislature in 2003 and included language that all municipal water suppliers must use water more efficiently in exchange for water right certainty and flexibility to help them meet future demands. The City of Black Diamond is required to develop and monitor a Water Use Efficiency (WUE) program. One component of the City's Water Use Efficiency Program is to evaluate rate structures that promote water savings.

Several alternative water rates were evaluated for the City of Black Diamond. Details regarding each of the alternatives considered, as well as a summary of projected revenue for each alternative are listed on the following pages:

Alternative "A" – Debt Service (Fixed Rates & Commodity Rates increase at same percent – Constant increase over 3 years):

Alternative "A" evaluated a 27% increase in rates for each of the three years.

The increase was applied to all components of the user rate calculations (meter rate, meter rate per additional unit, and commodity charges).

Alternative "A" meets the City's Operation and Maintenance budget needs and also addresses debt service requirements. It is a "rate predictable" alternative. Alternative "A" does not encourage conservation by the customers.

ALTERNATIVE "A" - 2009			
Meter Size	Meter Rate	Meter Rate per Additional Unit	Commodity Charge per 100 CF
5/8" or 3/4"	\$19.75	\$16.51	\$2.01
1"	\$24.96	\$16.51	\$2.01
1 1/2"	\$26.92	\$16.51	\$2.01
2"	\$46.99	\$16.51	\$2.01
3"	\$57.00	\$16.51	\$2.01
4"	\$107.06	\$16.51	\$2.01

ALTERNATIVE "A" - ANNUAL % INCREASES		
Year	% Increase (Meter Rates)	% Increase (Commodity Charge)
2008 to 2009	27%	27%
2009 to 2010	27%	27%
2010 to 2011	27%	27%

ANTICIPATED REVENUE ANALYSIS - IF CURRENT RATES WERE MAINTAINED FOR THE NEXT THREE YEARS				
	2009	2010	2011	2009 - 2011
Anticipated Revenue	\$354,000	\$366,000	\$379,000	\$1,099,000

ANTICIPATED REVENUE ANALYSIS - ALTERNATIVE "A"				
	2009	2010	2011	2009 - 2011
Anticipated Revenue	\$450,000	\$590,000	\$775,000	\$1,815,000
Budget Requirements	\$567,000	\$590,000	\$658,000	\$1,815,000
Difference	-\$117,000	\$0	\$117,000	\$0

**Alternative "B" – Conservation Rates + Debt Service (Fixed Rates & Commodity Rates increase at same percent – Constant increase over three years):**

Alternative "B" evaluated a tiered commodity rate system to encourage conservation efforts. Base meter rates and rates for additional units increased at the same percentage (23%) as the first tier for commodity charges (0-600 CF). Meter rates and commodity charge rates continue to increase at this same rate for the subsequent two years. Subsequent tiers increase at a 15% increase per tier in order to generate sufficient revenue to fund current debt service payments. It is assumed that existing reserve funds would be utilized to fund debt service costs initially and these monies would be repaid as rate revenues were received.

<b>ALTERNATIVE "B" – 2009 RATES</b>					
Meter Size	Meter Rate	Meter Rate per Additional Unit	Commodity Charge per 100 CF (0-600 CF)	Commodity Charge per 100 CF (601 – 1,200 CF)	Commodity Charge per 100 CF (1,200+ CF)
5/8" or 3/4"	\$19.13	\$15.99	\$1.94	\$2.23	\$2.57
1"	\$24.17	\$15.99	\$1.94	\$2.23	\$2.57
1 1/2"	\$26.08	\$15.99	\$1.94	\$2.23	\$2.57
2"	\$45.51	\$15.99	\$1.94	\$2.23	\$2.57
3"	\$55.20	\$15.99	\$1.94	\$2.23	\$2.57
4"	\$103.69	\$15.99	\$1.94	\$2.23	\$2.57

<b>ALTERNATIVE "B" – ANNUAL % INCREASES</b>		
Year	% Increase (Meter Rates)	% Increase (Commodity Charge – Tier 1)
2008 to 2009	23%	23%
2009 to 2010	23%	23%
2010 to 2011	23%	23%

<b>ALTERNATIVE "B" – COMMODITY CHARGE % INCREASES</b>		
Year	% Increase (Tier 1 to Tier 2)	% Increase (Tier 2 to Tier 3)
2009	15%	15%
2010	15%	15%
2011	15%	15%

<b>ANTICIPATED REVENUE ANALYSIS – ALTERNATIVE "B"</b>				
	2009	2010	2011	2009 - 2011
Anticipated Revenue	\$467,000	\$594,000	\$754,000	\$1,815,000
Budget Requirements	\$567,000	\$590,000	\$658,000	\$1,815,000
Difference	-\$100,000	\$4,000	\$96,000	\$0

Alternative "C" – Conservation Rates + Debt Service (Fixed Rates & Commodity Rates increase at same percent – Constant Increase over three years – Debt service partially subsidized by existing fund balance):

Alternative "C" is similar in structure to Alternative "B", with the exception that \$243,000 of the debt service is assumed to be funded by the existing fund balance over the three year period. This results in an annual increase of 15% in order to generate sufficient funds. Any additional monies, such as revenues for growth beyond that which is assumed, or the funding of the Public Works Director could also be used to help fund the debt service.

ALTERNATIVE "C" – 2009 RATES					
Meter Size	Meter Rate	Meter Rate per Additional Unit	Commodity Charge per 100 CF (0-600 CF)	Commodity Charge per 100 CF (601 – 1,200 CF)	Commodity Charge per 100 CF (1,200+ CF)
5/8" or 3/4"	\$17.88	\$14.95	\$1.82	\$2.09	\$2.40
1"	\$22.60	\$14.95	\$1.82	\$2.09	\$2.40
1 1/2"	\$24.38	\$14.95	\$1.82	\$2.09	\$2.40
2"	\$42.55	\$14.95	\$1.82	\$2.09	\$2.40
3"	\$51.61	\$14.95	\$1.82	\$2.09	\$2.40
4"	\$96.95	\$14.95	\$1.82	\$2.09	\$2.40

ALTERNATIVE "C" – ANNUAL % INCREASES		
Year	% Increase (Meter Rates)	% Increase (Commodity Charge – Tier 1)
2008 to 2009	15%	15%
2009 to 2010	15%	15%
2010 to 2011	15%	15%

ALTERNATIVE "C" – COMMODITY CHARGE % INCREASES		
Year	% Increase (Tier 1 to Tier 2)	% Increase (Tier 2 to Tier 3)
2009	15%	15%
2010	15%	15%
2011	15%	15%

ANTICIPATED REVENUE ANALYSIS – ALTERNATIVE "C"				
	2009	2010	2011	2009 - 2011
Anticipated Revenue	\$437,000	\$519,000	\$616,000	\$1,572,000
Budget Requirements	\$486,000	\$509,000	\$577,000	\$1,572,000
Difference	-\$49,000	\$10,000	\$39,000	\$0

Comparison of Alternatives:

ANTICIPATED REVENUE - RATE ALTERNATIVES				
	2009	2010	2011	2009-2011
"A"	\$450,000	\$590,000	\$775,000	\$1,815,000
"B"	\$467,000	\$594,000	\$754,000	\$1,815,000
"C"	\$437,000	\$519,000	\$616,000	\$1,572,000

COMPARISON OF ALTERNATIVES					
Alternative	Meet O&M Budget Needs	Meet Exist. Deficiency Budget Needs	Max of 10% Increase +/-	Funds Debt Service	Encourage Conservation
"A"	Yes	No	No	Yes	No
"B"	Yes	No	No	Yes	Yes
"C"	Yes	No	No	Yes	Yes

### USER RATE RECOMMENDATIONS

It is recommended that the City of Black Diamond adopt updated water user rates as outlined in Alternative "C" above. Alternative "C" represents a 15% annual increase across the board (meter rates, meter rates per additional units, and commodity charges).

Alternative "C" will provide sufficient revenue from user rates to support the City's project Operations and Maintenance budget needs, as well as to pay off debt. This alternative also promotes conservation with a 15% increase between tiers on the commodity charges.

Alternative "C" does not address funding of projects to address existing system deficiencies. However, none of the alternatives considered generate sufficient revenue. Revenues collected in excess of budget expenses can be dedicated to capital projects and may allow for an opportunity to begin early design or construction of some projects. The City has not raised their rates in quite some time and a larger increase would be required in order to fully fund all system needs. However, due to the financial effects on customers, it is recommended that the City push back some of these improvement projects to later years or utilize reserve funds and adopt these lower rates and continue to adjust the rates as necessary in order to eventually have the water user rates be in line with the budgetary needs.

The revenue assumptions included in this study are conservative in that they assume only residential users with a single meter. In reality, there is a mix of user types which will result in increased revenues due to higher meter rates for larger meter sizes, as well as the additional revenues associated with meter rates for additional units. These conservative assumptions help to offset any reductions in anticipated revenues due to a reduction in water use. A tiered water rate system which encourages conservation could result in a decrease of water use typically in the range of two to five percent.



RECOMMENDED WATER USER RATES – YEAR 2009					
Meter Size	Meter Rate	Meter Rate per Additional Unit	Commodity Charge per 100 CF (0-600 CF)	Commodity Charge per 100 CF (601 – 1,200 CF)	Commodity Charge per 100 CF (1,200+ CF)
5/8" or 3/4"	\$17.88	\$14.95	\$1.82	\$2.09	\$2.40
1"	\$22.60	\$14.95	\$1.82	\$2.09	\$2.40
1 1/2"	\$24.38	\$14.95	\$1.82	\$2.09	\$2.40
2"	\$42.55	\$14.95	\$1.82	\$2.09	\$2.40
3"	\$51.61	\$14.95	\$1.82	\$2.09	\$2.40
4"	\$96.95	\$14.95	\$1.82	\$2.09	\$2.40

### BUDGET ANALYSIS

The water user rates that have been recommended for the City of Black Diamond are adequate to meet anticipated budget expenses as summarized in the following table. It should be noted that the revenue predictions are a conservative estimate and assume that all future growth will be single family residential growth. Any multi-family or commercial growth will result in additional revenue generated. It is recommended that the rates be re-evaluated in the future should actual growth vary greatly from these assumptions.

BUDGET EXPENSES VS REVENUE				
Alternative	2009	2010	2011	2009-2011
Operations, Maintenance, & Administration Expenses	\$324,000	\$344,000	\$404,000	\$1,072,000
O&M Reserve funded by Rates*	\$0	\$5,000	\$15,000	\$20,000
Debt Service	\$243,000	\$241,000	\$239,000	\$723,000
<b>Subtotal Expenses</b>	<b>\$567,000</b>	<b>\$590,000</b>	<b>\$658,000</b>	<b>\$1,815,000</b>
Anticipated Revenue	\$437,000	\$519,000	\$616,000	\$1,572,000
Debt Service Revenue funded by Existing Fund Balance	\$130,000	\$71,000	\$42,000	\$243,000
Revenue less Expenses	\$0	\$0	\$0	\$0
*Initial balance of \$81,000 recommended to be funded by existing reserve funds and preserved. The amounts shown reflect the necessary annual increase.				



It is recommended that the City dedicate any excess funds that may be collected from water user rates towards capital project expenses that address existing system deficiencies and are not typically funded by connection charges. Additionally, it is recommended that the temporary Yarrow Bay Reimbursement of the Public Works Director salary be dedicated towards capital project expenses as well. Should a lower amount of revenue be collected than anticipated, these excess funding will also be available to fund Operations and Maintenance expenses if necessary. These funds are able to cover any fluctuations in rate collections.

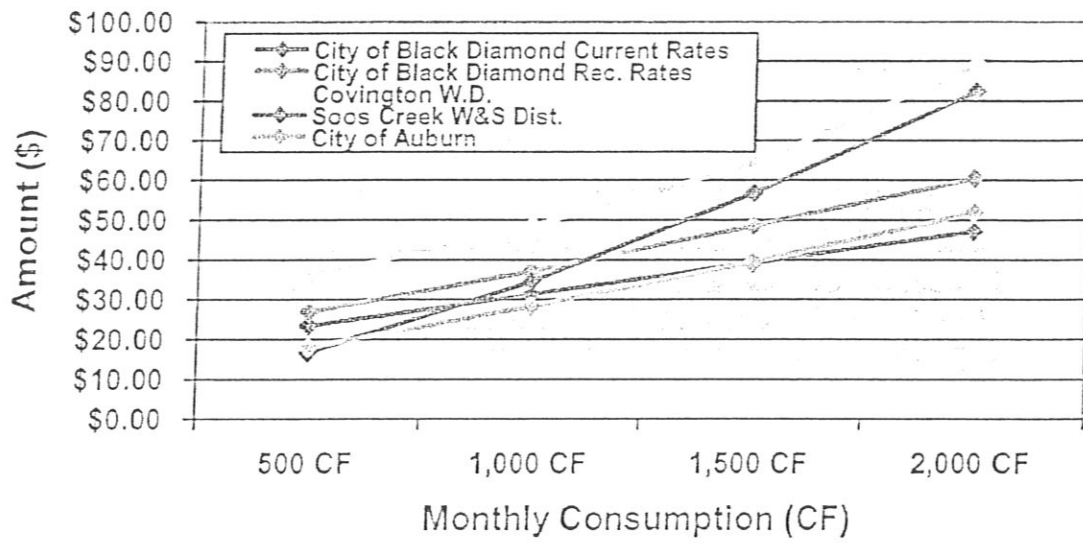
#### JURISDICTIONAL COMPARISON OF USER RATES

The water user rates that have been recommended for the City of Black Diamond are consistent with rates that have been adopted by nearby jurisdictions of similar size. The City of Black Diamond is in the middle of the range for low consumption users for both the current user rates and the recommended user rates. With the current rates, the City of Black Diamond is at the bottom of the range for high users. With the recommended rates, the City will be in the middle of the range for high users, while still significantly below Covington Water District and Soos Creek Water and Sewer District. The following table provides a comparison of monthly water user rates between a typical single family residential user for various levels of consumption.

JURISDICTIONAL COMPARISON (SFR USER)					
	City of Black Diamond (Current Rates)	City of Black Diamond (Rec. Rates)	Covington Water (Summer Rates)	Soos Creek (Summer Rates)	City of Auburn
Adopted / Recommended Rates					
Meter Base Rate	\$15.55	\$17.88	\$25.00	\$8.85	\$9.08
Consump. Rate for 500 CF	\$1.58	\$1.82	\$2.15	\$1.58	\$1.80
Consump. Rate for 1,000 CF	\$1.58	\$2.09	\$3.15	\$3.56	\$2.21
Consump. Rate for 1,500 CF	\$1.58	\$2.40	\$3.15	\$4.46	\$2.21
Consump. Rate for 2,000 CF	\$1.58	\$2.40	\$5.45	\$5.10	\$2.50
Typical Monthly Bill					
500 CF	\$23.45	\$26.98	\$35.75	\$16.75	\$18.08
1,000 CF	\$31.35	\$37.16	\$48.50	\$34.55	\$28.31
1,500 CF	\$39.25	\$48.54	\$64.25	\$56.85	\$39.36
2,000 CF	\$47.15	\$60.54	\$89.20	\$82.35	\$51.86







# CITY COUNCIL AGENDA BILL

City of Black Diamond  
Post Office Box 599  
Black Diamond, WA 98010

ITEM INFORMATION			
<b>SUBJECT:</b> <b>Ordinance No. 10-957, adopting the 2011 Budget</b>	<b>Agenda Date: December 16, 2010</b>		<b>AB10-101</b>
	Department/Committee/Individual	Created	Reviewed
	Mayor Rebecca Olness		X
	City Administrator –		
	City Attorney –Chris Bacha		
	City Clerk – Brenda L. Martinez		X
	Finance – May Miller	X	
	Public Works – Seth Boettcher		
	Economic Devel – Andy Williamson		
	Police – Jamey Kiblinger		
Cost Impact			
Fund Source: All Funds			
Timeline: 2011 Budget			
<b>Attachments: Ordinance 10-957 and Exhibit A – 2011 Salary Schedule, Proposed 2011 Budget</b>			
<p><b>SUMMARY STATEMENT:</b></p> <p>Per State guidelines, the City of Black Diamond held a public hearing on the 2011 Budget on November 29 and on December 2, and Council Workshops on September 30, October 14, October 28 and November 29. The Mayor of Black Diamond used the Council and public's input to prepare a balanced budget for 2011.</p> <p>The ordinance adopting the 2011 budget with the 2011 salary schedule is attached, along with the Proposed 2011 Budget for your reference.</p>			
<b>COMMITTEE REVIEW AND RECOMMENDATION:</b>			
<b>RECOMMENDED ACTION: MOTION to adopt Ordinance No. 10-957, adopting the 2011 Budget.</b>			
RECORD OF COUNCIL ACTION			
Meeting Date	Action	Vote	
December 16, 2010			

**ORDINANCE NO. 10-957**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY  
OF BLACK DIAMOND, KING COUNTY, WASHINGTON,  
ADOPTING THE BUDGET FOR CALENDAR YEAR 2011**

**WHEREAS**, the Preliminary Operating Budget was submitted to the City Council by the Mayor on November 18; and

**WHEREAS**, the City Council held public hearings on November 29 and December 2, and Workshops on September 30, October 14 and on October 28, November 29 and December 13; and

**WHEREAS**, a copy of the Budget was on file with the City Clerk for examination by the public during the time it was being considered by the City Council;

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, KING COUNTY, WASHINGTON, ORDAINS AS FOLLOWS:**

**Section 1.** The annual budget of the City of Black Diamond for the 2011 calendar year, a copy of which is on file with the City Clerk, is hereby adopted by reference as the annual budget for the City of Black Diamond for the calendar year of 2011.

**Section 2.** The total estimated revenue from all sources and expenditures by fund as set forth in the 2011 budget document adopted by reference, are as follows:

<b>Fund #</b>	<b>Estimated Revenues</b>	<b>Estimated Expenditures</b>
001 General Fund	4,921,658	4,921,658
101 Street Fund	511,988	511,988
104 REET Fund - General Govt	495,111	495,111
105 REET Fund - Street Projects	571,737	571,737
122 Criminal Justice Fund	161,538	161,538
310 General Government CIP fund	502,860	502,860
320 Street CIP Fund	120,000	120,000
401 Water Fund	1,465,904	1,465,904
402 Water Supply and Facility Fund	169,939	169,939
404 Water Capital Fund	602,309	602,309
407 Wastewater Fund	802,567	802,567
408 Wastewater Capital Fund	799,149	799,149
410 Stormwater Fund	499,024	499,024
510 Internal Service Fund	253,480	253,480
<b>Totals</b>	<b>11,877,264</b>	<b>11,877,264</b>

**Section 3.** This Ordinance shall include the 2010 Salary Schedule as shown in the attachment as Exhibit A.

**Section 4.** Effective date. This Ordinance shall be in full force and effect five (5) days after publication as required by law. A summary of this Ordinance may be published in lieu of the entire Ordinance, as authorized by State law.

Introduced this 16<sup>th</sup> day of December, 2010.

**PASSED BY A MAJORITY OF THE CITY COUNCIL AT A MEETING HELD ON THE 16<sup>TH</sup> DAY OF DECEMBER 2010.**

---

Mayor Rebecca Olness

Attest:

---

Brenda L. Martinez, City Clerk

APPROVED AS TO FORM:

---

Chris Bacha, City Attorney

Published: \_\_\_\_\_

Posted: \_\_\_\_\_

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



## City of Black Diamond Final Budget 2011

2011 Salary Schedule	Level 1	Level 2	Level 3	Level 4	5 & On
City Administrator	9,161	9,459	9,913	10,271	10,634
Assistant City Administrator	7,875	8,269	8,663	9,056	9,450
Court Administrator	5,775	6,038	6,300	6,563	6,825
Interim Court Administrator	5,200				
Court Clerk (75% hourly)	18.17	19.69	21.20	22.72	24.23
Economic Development Director	7,350	7,744	8,138	8,531	8,925
Stewardship Director	7,350	7,744	8,138	8,531	8,925
City Attorney	8,000	8,400	8,820	9,261	9,724
City Clerk	7,350	7,744	8,138	8,531	8,925
Deputy City Clerk	4,410	4,719	5,027	5,336	5,644
Finance Director	7,350	7,744	8,138	8,531	8,925
Deputy Finance Director	6,500	6,875	7,250	7,625	8,000
Utility Clerk	3,150	3,413	3,675	3,938	4,200
Senior Accountant 75% (hourly)	25.28	26.55	27.87	29.27	30.73
Accountant 1 Journey (hourly)	16.28	17.09	17.94	18.84	19.78
Administrative Assistant 2	3,150	3,413	3,675	3,938	4,200
Administrative Assistant 1	2,310	2,494	2,678	2,861	3,045
Information Services Manager	6,825	7,219	7,613	8,006	8,400
Police Chief	9,742	10,074	10,049	10,743	11,128
Police Commander	7,860	8,122	8,384	8,646	8,948
Police Sergeant	7,588	8,014			
Police Officer	4,610	5,166	5,724	6,281	6,809
Police Records Coordinator	4,410	4,719	5,027	5,336	5,644
Police Clerk 62.5% (hourly)	14.75	16.18	17.61	18.61	20.45
Facilities Equipment Coordinator	4,410	4,719	5,027	5,336	5,644
Human Resources Director	7,350	7,744	8,138	8,531	8,925
Community Development Director	7,350	7,744	8,138	8,531	8,925
Permit Technician Supervisor	5,775	6,038	6,300	6,563	6,825
Permit Technician	4,410	4,719	5,027	5,336	5,644
Compliance Officer	4,410	4,719	5,027	5,336	5,644
Senior Planner	5,249	5,511	5,787	6,076	6,380
Planner	4,410	4,719	5,027	5,336	5,644
Associate Planner	4,394	4,614	4,845	5,087	5,341
Assistant Planner	4,099	4,304	4,519	4,745	4,982
Building Official	6,825	7,219	7,613	8,006	8,400
Parks Department Director	7,350	7,744	8,138	8,531	8,925
Public Works Director	7,350	7,744	8,138	8,531	8,925
Utilities Supervisor	6,825	7,219	7,613	8,006	8,400
Public Utilities Operator	4,620	4,700	4,792	4,884	4,976
Public Works Administrative Asst 3	4,166	4,375	4,594	4,823	5,065
Utility Worker	3,257	3,572	3,887	4,202	4,538
Utility Worker Seasonal (hourly)	12.98				

City of Black Diamond

# 2011 Final Budget



*Railroad Avenue Reconstruction - Completed July 2010*

**December 16, 2010**

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# CITY OF BLACK DIAMOND

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24301 Roberts Drive ~ PO Box 599  
Black Diamond, WA 98010

Phone: (360) 886-2560  
Fax: (360) 886-2592

December, 2010

Dear Honorable Black Diamond City Council Members and Citizens:

I am pleased to present you with a balanced budget for 2011. Although we have preserved essential core services and completed several projects, we did not use any fund balance in 2010. This budget will increase the 2011 General Fund ending balance by \$90,570 combined with \$61,319 from 2010 for a total ending fund balance of \$151,889. With the current economic outlook, we must strive to build our fund balance knowing that 2012 may be an even bigger budgetary challenge. Any savings or unspent revenue will be put into the reserve fund unless there is an emergency.

The Final 2011 Budget has expected General Fund revenue of \$4,554,215, a budget decrease of \$431,253 which does not include fund balance. This reduction is primarily due to the completion of the developer funded Master Planned Development Environmental Impact Statement last year but also includes reduced revenue due to utility taxes, state sales tax to cities, permitting and land use fees, police traffic school fees and court fees.

General Fund expenditures have been reduced by \$508,907 which includes the reduction due to the completion of the developer funded Master Planned Development Environmental Impact Statement last year and other reductions as a result of the freeze on the City Administrator position, the Police Commander and one officer positions. All departments were asked to reduce their budgets which they did. No COLAs will be given to non-represented employees. Management volunteered to again forego any non-union step increases but, recognizing the importance of keeping valuable and knowledgeable employees with history and continuity with the City, requested that their support staff be given a step increase when appropriate since no one received increases in 2010. Furlough days were reduced from thirteen (13) to five (5) for non-union, non-Civil Service and utility employees. City Hall will be closed those five days in 2011, on July 5, September 2, October 10, December 23, and December 30. There was an increase in expenditures because of the new Animal Control Agreement we have with King County and the requirement for EMS Management. Fortunately, reductions have offset these increases.

In late 2008, Association of Washington Cities notified members that Regence Plan A and Plan B medical plans will be terminated on January 1, 2012. Since Regence Plan B is one of the medical insurance plans the City offers employees, staff was directed to review options for the City and make recommendations for a replacement plan. With the economy in recession and the revenue shortfall the City is experiencing, it was decided to target January 1, 2011 as the start date for participation in the new plan. At the current level of staffing, savings across all funds realized by the City after switching to the recommended medical

plan is approximately \$34,000. Also, new to this year's budget is a change to employee premium sharing. The proposed budget provides that the City will provide 100% of the premium cost for all non-represented employees and 75% percent of the premium cost for dependent coverage, for additional savings.

The City operates three utilities: Wastewater (sewer), Water and Stormwater. The Stormwater Utility was adopted in 2009 and provides funding to be in compliance with state and federal mandates. As part of a Department of Ecology Stormwater Grant, all catch basins in the City were cleaned this year. For the Water Fund, we are continuing the installation of new water meters as well as other needed maintenance. Work on the Infiltration and Inflow Reduction Program (Wastewater) will begin in the Spring of 2011. Because of decreased Utilities Fund balance and increased costs, rates were reviewed and the recommended increases are included in this budget. Any changes will be reflected in the final ordinance. This budget has the three utilities assuming responsibility for 10% of the salaries and benefits for the Public Works Director and the Administrative Assistant III in 2011, with the Funding Agreement reimbursing 90%.

In addition to the three utilities, the Public Works Department also manages City streets and roads. Street projects completed in 2010 include Railroad Avenue (Transportation Improvement Board Grant), Morgan Street Sidewalk (Community Development Block Grant; Transportation Improvement Grant) and the 232<sup>nd</sup> Street Overlay (Transportation Improvement Grant). We also purchased a used dump truck. Because of the increased work load in Public Works, a new position of Public Works Administrative Assistant III was established. This position was filled in August, 2010.

I continue to be impressed by the hard work and expertise of all staff and the support of Council and our citizens. 2010 has been an extremely busy year for all of us and some major decisions have been made which will affect the future of our City. I want to take this opportunity to thank everyone for their continued support.



Rebecca Olness, Mayor  
City of Black Diamond



## **City of Black Diamond Final Budget 2011**

### ***History of Black Diamond, Washington***

Black Diamond incorporated in 1959, but has had a much longer history as a historic town in Washington. Black Diamond was first established as a community in the late 1880s for the mining of coal. At the turn of the century the town was a major exporter of coal in the region. The Pacific Coast Coal Company in Black Diamond became the largest coal mining operations on the West Coast. Some historic buildings retain their original locations. In 2010, Black Diamond's historic Railroad Avenue was updated and refurbished making a great improvement to the Historic Museum and Black Diamond Bakery area.

Black Diamond offers a warm and friendly rural, small town atmosphere with spectacular mountain views. The city is nestled in the foothills within miles of the beautiful Green River Gorge and Flaming Geyser Park.

The City is on the verge of growth. At 4,190 citizens, population projections may reach above 20,000 in the next 20 years. Over the past several years, major annexations have increased the population and acreage of Black Diamond. The annexation of the Lake Sawyer area in 1998 doubled the number of citizens. Recent annexations in the City's urban growth area have increased the city's size by approximately 1,600 acres.

### ***Form of Government***

The City is a "Code City" as described under Title 35A in the Revised Code of Washington. Black Diamond operates under a strong mayor form of government with five elected council members serving staggered four-year terms. The mayor serves as the chief administrative officer of the city and has hired a city administrator to assist in day-to-day operations. The Council acts as the legislative body. When the City reaches a population of 5,000 state law requires expansion to a seven-member council. The City is served by Congressional District 8 and Legislative Districts 31, 47 and 5.

### ***Budget Process***

Budgeting is an essential element of the financial planning, control and evaluation process of government. The planning process involves determining the types and levels of services to be provided by the various departments, programs and functions.

The City of Black Diamond budgets annually on the calendar year beginning January 1 and ending December 31. Budget adjustments are limited by state law (35A.33.120). Allocations are made based on a fund structure, limiting uses outside of each fund. Funds are segregated to carry on specific objectives. Funds are budgeted on a cash basis in accordance with the Revised Code of



## City of Black Diamond Final Budget 2011

Washington, RCW 35.33. Appropriations in the budget constitute maximum expenditure authorizations during the year and cannot be legally exceeded until subsequently amended by the City Council.



*Preston Bradbury, Black Diamond's 2010 Chief for a Day*





## City of Black Diamond Final Budget 2011

### ***How Black Diamond serves the Community***

The City of Black Diamond strives to provide a safe and enjoyable environment for residents, businesses and visitors alike. Foremost, safety is a priority in Black Diamond. Our City's police, and Fire District 44's fire and emergency service employees are both dedicated and top notch. City employees provide other important services such as road maintenance, community development, code enforcement, a municipal court and water utility services, stormwater management and wastewater utility billing. Utility and maintenance workers also maintain our local parks and the cemetery.

Black Diamond has an active local community center and unique historical museum operated as nonprofits receiving limited financial assistance from the City. Support staff keeps everything in the City running smoothly, and the City Council and Mayor work together to respond to citizen concerns and carefully direct the future of Black Diamond. The City has a bi-monthly newsletter containing important community information and the website at [www.ci.blackdiamond.wa.us](http://www.ci.blackdiamond.wa.us) is another great resource for information. Public hearings and City Council meetings are held regularly and are open to the public. Everyone is encouraged to attend and participate.

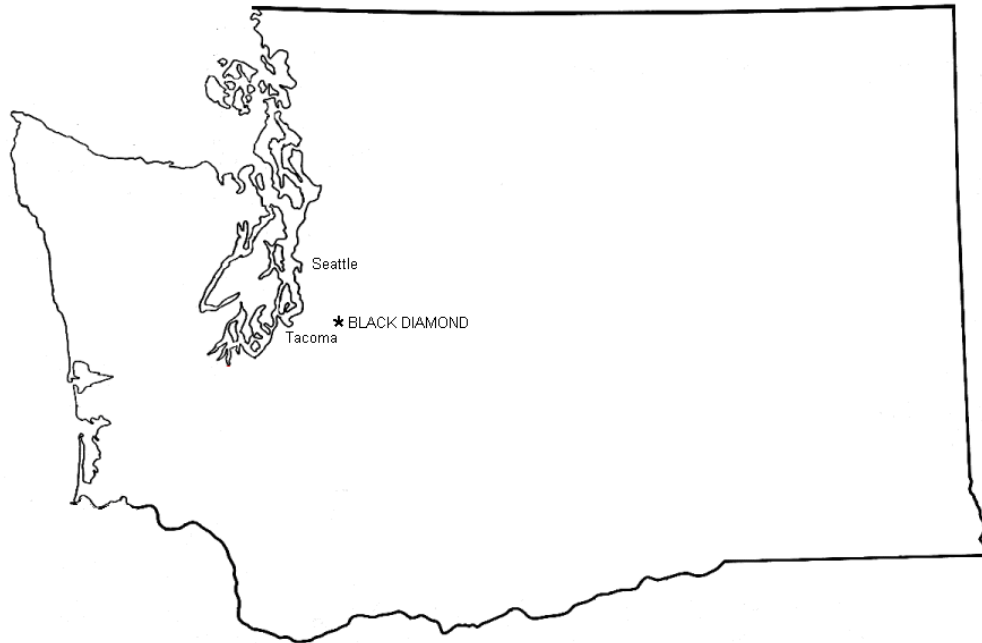


*Labor Day 2010*



## City of Black Diamond Final Budget 2011

### Washington State



Black Diamond is located at  $47^{\circ}19'4''\text{N}$   $122^{\circ}0'53''\text{W}$   $47.31778^{\circ}\text{N}$   $122.01472^{\circ}\text{W}$ . The City has a total area of 5.9 square miles, of which, 5.4 square miles of it is land and 0.5 square miles is water, primarily Lake Sawyer.



*Railroad Avenue Ribbon Cutting Ceremony July 2010*



## City of Black Diamond Final Budget 2011

### Black Diamond Vision Statement

Black Diamond will be a beautiful, friendly community based on a rich historic heritage and exceptional natural setting, and with a small-town atmosphere. Forested areas and open space remain, while development maintains a healthy balance of moderate growth and economic viability.

The economic base will be a mix of retail, industrial/business park, office, tourist, and local cottage industries. Residential development will be a mix of types, sizes and densities, clustered to preserve maximum open space and to access a system of trails/bikeways/greenbelts which connect housing, shopping, employment and recreation areas with nearby regional parks and recreational facilities.

Citizens actively participate in an effective and open government decision-making process that reflects community values. There will be good cooperation among nearby jurisdictions, and adequate public services and environmental protection to provide a safe and healthy quality of life for all citizens, from children to seniors.

**"Rural by Design"** The term "Rural by Design" has been used frequently in newspaper articles and public meetings when discussing coming development in Black Diamond. Some time ago our City adopted a guide to development that will take place in the near future. These are the key elements of Rural by Design as envisioned by our citizens:

- Provide for a mix of uses (Residential, Community Retail, Commercial, Business Park, Mixed Uses, Civic/Schools)
- Compact Form (use of tools such as clustering)
- Opportunities for Casual Socializing (Neighborhood design, House design, Commercial areas, Parks)
- Accessible Civic Spaces (Parks, City Facilities, Trails, Community Center, Schools)
- Sense of Community (respect for local history, design)
- Preservation and enhancements of physical characteristics
- Protection of surface and groundwater (for fish and people)
- Conservation of water and other resources
- Preservation and enhancement of open spaces and views of Mt. Rainier
- Provision of employment uses
- Improvement of the City's fiscal performance
- Timely provision of necessary facilities and infrastructure
- Development of a coordinated system of pedestrian oriented facilities including trails and bicycle paths
- "Growth should pay for growth" – Existing citizens should not bear the burden of developers



## City of Black Diamond Final Budget 2011

### 2011 Black Diamond City Council and Mayor Rebecca Olness



William Saas    Leih Mulvihill    Mayor Rebecca Olness    Bill Boston    Kristine Hanson    Craig Goodwin

#### **Mayor**

Rebecca Olness

Four-year term expiring 12/31/13

#### **Council Members**

##### **Position 1**

Kristine Hanson

Four-year term expiring 12/31/11

##### **Position 2**

Craig Goodwin

Four-year term expiring 12/31/13

##### **Position 3**

Bill Boston

Four-year term expiring 12/31/11

##### **Position 4**

William Saas

Four-year term expiring 12/31/13

##### **Position 5**

Leih Mulvihill

Four-year term expiring 12/31/11





# City of Black Diamond Final Budget 2011

## City Council Committees

In addition to serving on the City Council, Council members also serve on Council committees for the City of Black Diamond based on their interests. They may also choose to serve on any number of intergovernmental committees. The committees meet on an as-needed basis to hear issues in each topic area. Council members provide recommendations to the full Council. Such recommendations are advisory only and any actions are made by the full Council in open public meetings. Committee appointments are made the 1<sup>st</sup> Council meeting in January.

### **Budget, Finance and Administration Committee**

The Budget, Finance and Administration Committee in conjunction with City Staff may consider matters related to the financial issues of the City including the annual and capital budgets, revenues and expenditures, sales of bonds, general fiscal and financial conditions, voucher approval, rates and fees, audit and operations of the City including but not limited to, facilities and properties, computerization, periodic budget and financial reports and policy matters related to personnel in coordination with the Finance and Administration Departments.

### **Cemetery/Parks Committee**

The Parks and Cemetery Committee in conjunction with City Staff may consider matters related to planning and implementation of park and recreational facilities, capital improvement program, trails and cemetery.

### **Planning and Community Service Committee**

The Planning and Community Services Committee in conjunction with City staff may consider matters of a non-quasi-judicial nature related to community growth and development including but not limited to planning of the physical, economic, aesthetic and social development of the City, comprehensive plan, zoning code and housing, annexation policies and code enforcement. This committee may also consider matters not included in other committee's scopes of authority.

### **Public Safety Committee**

The Public Safety Committee in conjunction with City Staff may consider issues related to the public health, safety and welfare of the citizens of Black Diamond including but not limited to law enforcement, fire safety, court, hazardous materials, animal control, special events and emergency services.

### **Public Works Committee**

The Public Works Committee in conjunction with City Staff may consider matters related to water, sewer, solid waste, recycling, utility franchises, stormwater management, transportation, capital improvement program, transit, streets, street lighting, signalization and local street improvement.

# Budget Summary



*Lake Sawyer, Black Diamond WA*



# City of Black Diamond Final Budget 2011

## Executive Summary

### ***Revenue***

General city operations include operations of police, fire, municipal court, community development, permitting and internal services such as finance. Unrestricted funds such as general taxes, fees and charges support the provision of those services to the citizens of Black Diamond.

Locally levied taxes represent 73.7% of Black Diamond's General Fund revenues. Taxes include real and personal property tax, local sales tax, utility taxes, real estate excise taxes and gambling tax.

Property taxes are assessed and collected by the King County Tax Assessor's office. The great majority of property tax goes to fund schools and to a lesser degree, King County. Property tax has increased due to the new tax levy approved on April 27, 2010 by citizens for public safety. The new property mil rate is \$2.57 per each \$1,000 in property value as assessed by King County. In 2011, approximately \$1,369,803 in property tax will be collected with 100% used for public safety.

Sales tax, utility taxes and other taxes constitute a much smaller portion of the General Fund revenues. Retail sales and use taxes are dependent on retail sales of products and services in Black Diamond as well as construction. For every \$100 spent in Black Diamond \$8.60 is collected and is shared by various jurisdictions. Less than 10% of the total dollars collected comes back to the City. Sales tax revenues are budgeted at \$270,000 for 2011.

Black Diamond also levies a 6% utility tax on telephone, telegraph, electrical energy, natural gas, solid waste, water, sanitary sewer and stormwater services, and 1% on cable services. The 2011 budget includes \$478,336 in utility tax revenue, a decrease from 2010 due to a decrease in projected electric utility tax. All utility taxes received are placed in the General Fund and are used to fund public safety.

The City of Black Diamond collects taxes on gambling activities as allowed by the State of Washington. Currently, the City receives gambling tax on pull-tabs and punchboards and other amusement devices. \$4,500 is anticipated for 2011 and is also used to support public safety.

Licenses and permits, intergovernmental revenue, charges for services, fines and forfeitures, miscellaneous revenue and the Funding Agreement make up the remainder of the City's revenue sources.

Business licenses are designed to cover the cost of administration, inspection and other services for occupations, trades and activities regulated by the City. Due to the downturn in the economy, 2011 business license revenue is projected to decrease 5% to \$25,600. Cable franchise fees at 5% are expected to contribute \$55,500 this year, and guns and fingerprinting revenue is forecast at \$1,200.



## City of Black Diamond Final Budget 2011

### Executive Summary, cont.

Land use and permitting fees are part of community development. Due to the recent downturn in the economy, a major slowdown of home building and improvements has occurred in the area. Projected revenue for 2011 is a conservative \$66,000.

Intergovernmental revenues include grants, entitlements, shared revenues and payments for goods and services provided to the City from the state or other governmental entities. They include per capita distributed revenues such as \$51,806 for liquor excise tax and profits, \$91,500 for motor vehicle fuel tax, \$53,511 for King County Emergency Medical Services revenue and \$45,200 for miscellaneous state and federal grants. Black Diamond also receives local government assistance funds that provide ongoing State financial support to cities with a low sales tax base. \$51,865 is expected in 2011 for this revenue source.

Charges for services cover a multitude of City functions, including records services, copies of maps, publications and other documents and passport fees. Miscellaneous charges for 2011 have been estimated at \$32,000. Parking at Lake Sawyer boat launch is forecast to be \$16,000, and Police Traffic School is expected to bring in \$20,000 in 2011.

Fines and forfeitures represent the City's portion collected on citations and other Municipal Court fees. The amount is projected at \$135,000 for 2011.

Miscellaneous revenues include \$1,700 interest on investments, \$1,500 for the sale of surplus equipment, and \$3,500 is forecasted for other miscellaneous revenue.

The City of Black Diamond's budget also includes revenues from a developer funding agreement approved by the City Council in mid-2007. The agreement provides for up to \$2 million per year for City staffing costs plus additional funding for various capital outlays and consultant fees. General Fund revenues from the funding agreement are estimated at \$1,438,661 for 2011, and one time only MPD (Master Planned Development) revenue at \$235,000.

Special Revenue Funds in the budget are limited to uses designated by State law. The City of Black Diamond has established a fund for collection of the real estate excise tax. This tax is authorized by RCW 82.02.020 and tax is levied at two ¼ percent rates on the sales price of real estate. State law restricts the use of those revenues specifically to certain capital projects outlined in approved capital plans. For 2011, the City estimates each ¼ percent of REET revenue at \$30,000.

The City of Black Diamond also operates wastewater, water and stormwater utilities. Utilities operate separately from the General Fund budget as Enterprise Funds with revenues flowing from rate charges and fees. Wastewater revenues for 2011 are estimated at \$708,618 which include a METRO rate increase of \$60,896; water revenues at \$645,712 include a 15 percent increase of \$53,487 plus developer debt reimbursement of \$686,446 totaling \$1,332,159; and stormwater revenues including a \$131,000 Department of Ecology grant, total \$449,763. The stormwater rate will increase from \$11.50 to \$13.00 monthly as approved by City Council in 2009.



# City of Black Diamond Final Budget 2011

## Executive Summary, cont.

### ***Expenditures***

Just as the City of Black Diamond must document projected revenue, it must also document how it will expend funds. In Washington cities, expenditures (uses) can never exceed projected revenues (sources). Each fund must balance independently. State law requires the City of Black Diamond to establish and maintain a balanced budget. Therefore, sources and uses for all funds in 2011 are budgeted at \$11,858,118.

A primary goal of the Black Diamond City Council is maintaining efficiency and effectiveness of municipal services at the lowest possible cost to taxpayers. This fiscal prudence is reflected in current projected expenditures.

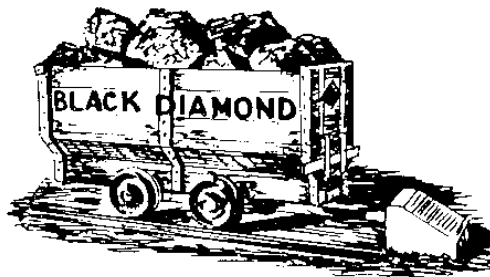
The majority of the General Fund expenditures fund Public Safety services—Police, Fire, Prosecuting Attorney and Municipal Court. Together, those services comprise \$2,433,837 or 56.8% of General Fund expenditures, or 84.5% of the General Fund when factoring out funding agreement positions.

In 2011, the Mayor recommended and the City Council agreed to refrain from hiring a City Administrator; and one Police Officer position. The Police commander position continues to be frozen. No new positions were budgeted in 2011.

All departments were asked to make cuts to their budgets. The City changed health insurance plans bringing down costs for 2011 and furlough days have been cut from thirteen to five. During those five days City Hall will be closed. There were no cost of living adjustments for non-represented employees and management agreed to forgo step increases in 2011. These efforts helped to bring the budget into balance for the upcoming year.

### ***Street***

As a Special Revenue Fund, the Street Fund is primarily supported by gas tax revenues, grants and right-of-way permits. Funding for 2011 includes \$91,500 in gas tax revenue and \$5,000 in right-of-way permits.

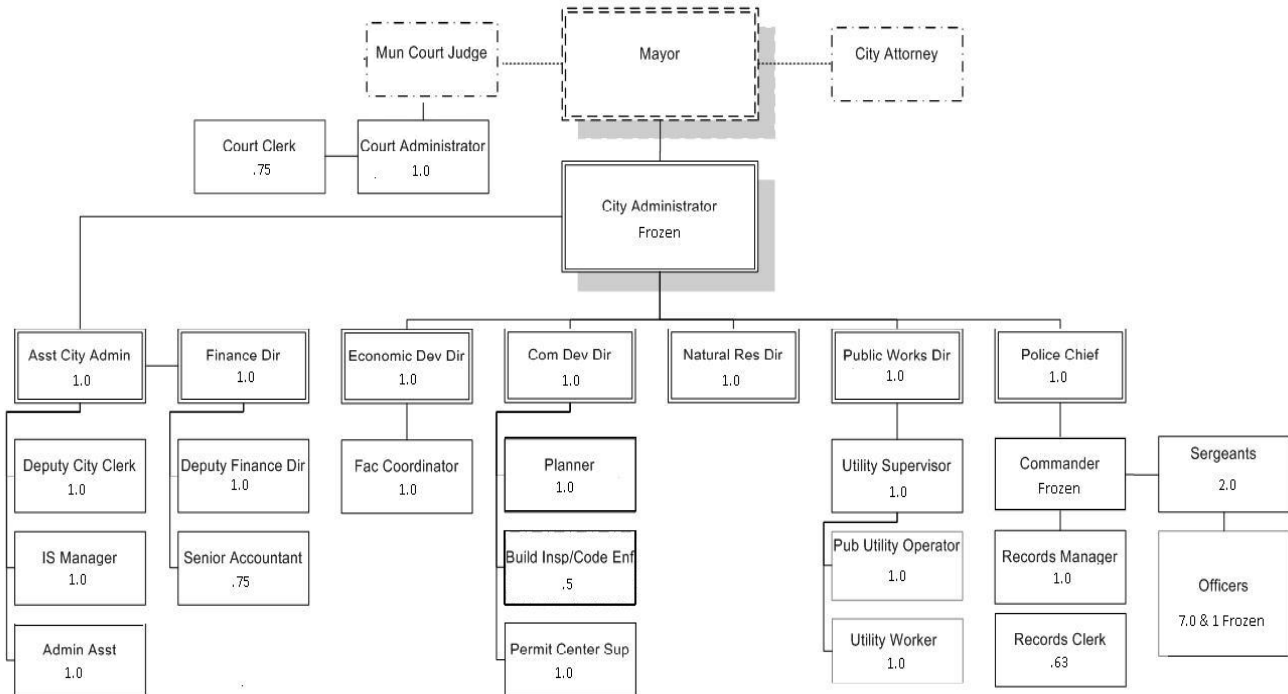




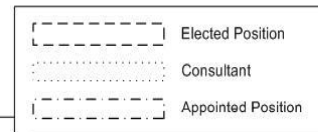


# City of Black Diamond Final Budget 2011

## City of Black Diamond Departmental Organization



Note: Black Diamond is served by King County Fire District #44



2010 Employee Summer Picnic at Lake Sawyer

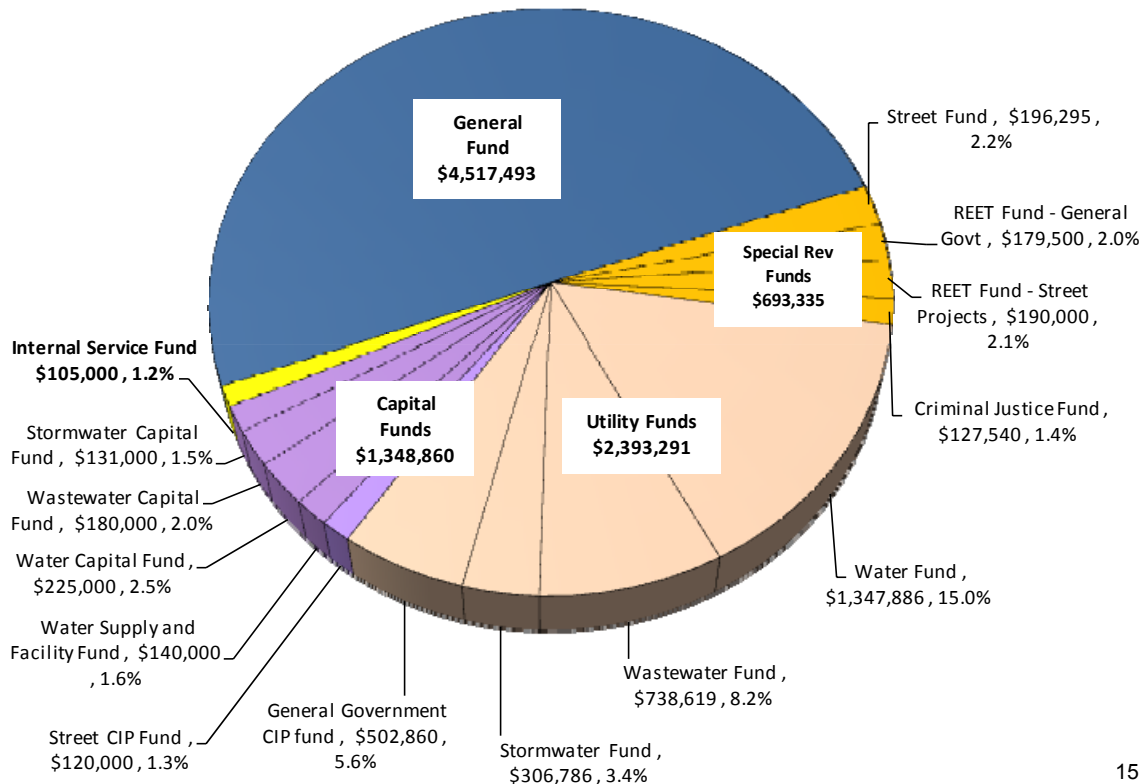


## City of Black Diamond Final Budget 2011

### All Funds Budget Summary - Combined Operating Statement

	Beginning Fund Balance	2011 Revenue	Total Sources	2011 Expend- itures	Ending Fund Balance	Total Uses
General Fund 001	367,443	4,554,215	4,921,658	4,517,493	404,165	4,921,658
Special Revenue Funds			-			-
101 Street Fund	348,850	163,138	511,988	196,295	315,693	511,988
104 REET Fund - General Govt	393,511	101,600	495,111	179,500	315,611	495,111
105 REET Fund - Street Projects	538,237	33,500	571,737	190,000	381,737	571,737
122 Criminal Justice Fund	70,288	91,250	161,538	127,540	33,998	161,538
Utility Funds			-			-
401 Water Fund	133,745	1,332,159	1,465,904	1,347,886	118,018	1,465,904
407 Wastewater Fund	93,949	708,618	802,567	738,619	63,948	802,567
410 Stormwater Fund	49,262	318,762	368,024	306,786	61,238	368,024
Capital Funds			-			-
310 General Government CIP fund	-	502,860	502,860	502,860	-	502,860
320 Street CIP Fund	-	120,000	120,000	120,000	-	120,000
402 Water Supply and Facility Fund	29,939	140,000	169,939	140,000	29,939	169,939
404 Water Capital Fund	601,309	1,000	602,309	225,000	377,309	602,309
408 Wastewater Capital Fund	675,699	123,450	799,149	180,000	619,149	799,149
410 Stormwater Capital Fund		131,000	131,000	131,000		131,000
Internal Service Fund 510						
1 Fire Equipment Reserve Fund	33,660	200	33,860	-	33,860	33,860
2 Street Equipment Reserve Fund	179,295	40,325	219,620	105,000	114,620	219,620
<b>Grand Total All Funds</b>	<b>3,515,187</b>	<b>8,362,077</b>	<b>11,877,264</b>	<b>9,007,979</b>	<b>2,869,285</b>	<b>11,877,264</b>

### Total All Funds Expenditures \$9,007,979



## 2011 Employee Allocations by Funding Source

Positions	Full Time Equivalent (FTE)	Funding Agreement	General Fund	Street Fund	Water Fund	Waste water Fund	Storm water Fund
<b>Municipal Court</b>							
Court Administrator	1.00		1.00				
Court Clerk	0.75		0.75				
<b>Total Court</b>	<b>1.75</b>		<b>1.75</b>				
<b>Administration</b>							
City Administrator, (Frozen & Unfunded)	1.00						
City Clerk/Asst City Administrator	1.00	1.00					
Admin Assistant I	1.00		0.10		0.3	0.3	0.3
<b>Total Administration</b>	<b>3.00</b>	<b>1.00</b>	<b>0.1</b>		<b>0.3</b>	<b>0.3</b>	<b>0.3</b>
<b>City Clerk</b>							
Deputy City Clerk	1.00		0.60	0.04	0.12	0.12	0.12
<b>Total City Clerk</b>	<b>1.00</b>		<b>0.6</b>	<b>0.0</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>
<b>Finance Department</b>							
Finance Director	1.00	1.00					
Deputy Finance Director	1.00	1.00					
Senior Accountant	0.75		0.45	0.03	0.09	0.09	0.09
<b>Total Finance</b>	<b>2.75</b>	<b>2.00</b>	<b>0.45</b>	<b>0.03</b>	<b>0.09</b>	<b>0.09</b>	<b>0.09</b>
<b>Information Services</b>							
Information Services Manager	1.00	1.00					
<b>Total Information Services</b>	<b>1.00</b>	<b>1.00</b>					
<b>Police Department</b>							
Police Chief	1.00		1.00				
Police Commander - (Frozen & Unfunded)	1.00						
Sergeant	2.00		2.00				
Police Officer (1 Frozen & Unfunded)	8.00		7.00				
Police Records Coordinator	1.00		1.00				
Police Clerk	0.63		0.63				
<b>Total Police Department</b>	<b>13.63</b>		<b>11.63</b>				
<b>Community Development</b>							
Community Development Director	1.00	1.00					
Code Enforcement/Bldg Inspector	0.50	0.30	0.20				
MPD Associate Planner	1.00	1.00					
Permit Technician Supervisor	1.00	1.00					
<b>Total Community Development</b>	<b>3.50</b>	<b>3.30</b>	<b>0.20</b>				
<b>Economic Development</b>							
Econ Development Director	1.00	1.00					
<b>Total Economic Development</b>	<b>1.00</b>	<b>1.00</b>					
<b>Facilities Department</b>							
Facilities Equipment Coordinator	1.00	1.00					
<b>Total Facilities</b>	<b>1.00</b>	<b>1.00</b>					
<b>Stewardship</b>							
Stewardship Director	1.00	1.00					
<b>Total Stewardship</b>	<b>1.00</b>	<b>1.00</b>					
<b>Public Works</b>							
Public Works Director - Funding	1.00	0.075	0.10	0.15	0.225	0.225	0.225
Admin Assistant III- Funding	1.00	0.075		0.25	0.225	0.225	0.225
<b>Funding - Utilities (90% Water, Wstwrtr, Strmwtr)</b>	<b>2.00</b>	<b>0.15</b>	<b>0.10</b>	<b>0.40</b>	<b>0.45</b>	<b>0.45</b>	<b>0.45</b>
Utilities Supervisor	1.00		0.10	0.15	0.25	0.25	0.25
Utility Worker	1.00		0.10	0.15	0.25	0.25	0.25
Utilities Operator	1.00		0.10	0.15	0.25	0.25	0.25
Seasonal Help for Parks	0.42		0.04	0.06	0.10	0.10	0.10
<b>Total Public Works</b>	<b>3.42</b>		<b>0.34</b>	<b>0.51</b>	<b>0.85</b>	<b>0.85</b>	<b>0.85</b>
<b>Grand Total Budget Positions</b>	<b>35.05</b>	<b>10.45</b>	<b>15.17</b>	<b>0.98</b>	<b>1.81</b>	<b>1.81</b>	<b>1.81</b>
Less Frozen and Unfunded	-3.0						
<b>Actual Funded Positions</b>	<b>32.05</b>						



# General Fund



*National Night Out 2010*



## City of Black Diamond Final Budget 2011

General Fund Summary				
	2010 Budget	2011 Budget	Chg \$ 2010- 2011	Change %
<b>REVENUE</b>				
Taxes	1,759,399	2,122,639	363,240	20.6%
Business License, Cable Franchise Fees and Misc.	83,800	82,300	(1,500)	-1.8%
Land Use and Permitting Fees	87,000	66,000	(21,000)	-24.1%
Intergovernmental Revenue	267,440	202,382	(65,058)	-24.3%
Charges for Service	204,028	175,533	(28,495)	-14.0%
Court Fines and Fees	165,000	135,000	(30,000)	-18.2%
Miscellaneous Revenue	116,300	96,700	(19,600)	-16.9%
<b>Subtotal Operating Revenue</b>	<b>2,682,967</b>	<b>2,880,554</b>	<b>197,587</b>	<b>7.4%</b>
Funding Agreement	1,446,834	1,438,661	(8,173)	-0.6%
Master Plan Dev and Environ Impact Statement EIS	855,667	235,000	(620,667)	-72.5%
<b>Subtotal Total Revenue</b>	<b>2,302,501</b>	<b>4,554,215</b>	<b>(431,253)</b>	<b>-18.7%</b>
Beginning Fund Balance City	102,251	115,167	12,916	12.6%
Beginning Fund Balance Funding	252,276	252,276	0	0.0%
<b>Total Gen Fund Beginning Fund Balance</b>	<b>354,527</b>	<b>367,443</b>	<b>12,916</b>	<b>3.6%</b>
<b>Total General Fund Sources</b>	<b>5,339,995</b>	<b>4,921,658</b>	<b>(431,253)</b>	<b>-8.1%</b>
<b>EXPENDITURES</b>				
Executive	14,434	14,330	(104)	-0.7%
Legislative	12,592	12,603	11	0.1%
Administration	255,382	150,727	(104,655)	-41.0%
City Clerk	71,765	66,074	(5,691)	-7.9%
Finance	262,330	280,513	18,183	6.9%
Information Services	136,169	142,130	5,961	4.4%
Legal	100,600	104,000	3,400	3.4%
Municipal Court	231,395	229,675	(1,720)	-0.7%
Police Department	1,507,673	1,703,027	195,354	13.0%
Emergency Preparedness		5,000	5,000	100.0%
Fire Department	461,240	432,110	(29,130)	-6.3%
Community Development	406,280	386,927	(19,353)	-4.8%
Natural Resources	160,139	159,937	(202)	-0.1%
Economic Development	137,365	142,111	4,746	3.5%
Facilities	96,613	98,580	1,967	2.0%
Parks	60,311	69,825	9,514	15.8%
Cemetery	15,123	17,425	2,302	15.2%
Animal Control		16,025	16,025	100.0%
Central Services and Employee Recognition	31,879	36,474	4,595	14.4%
<b>Subtotal Operating Expenditures</b>	<b>3,961,290</b>	<b>4,067,493</b>	<b>106,203</b>	<b>2.7%</b>
Studies, Funding and Deposits	1,065,110	450,000	(615,110)	-57.8%
<b>Subtotal GF Expenditures</b>	<b>5,026,400</b>	<b>4,517,493</b>	<b>(508,907)</b>	<b>-10.1%</b>
Ending Cash and Investments City	61,319	151,889	90,570	147.7%
Ending Cash and Investments Funding	252,276	252,276	0	0.0%
<b>Total Gen Fund Ending C &amp; I</b>	<b>313,595</b>	<b>404,165</b>	<b>90,570</b>	<b>28.9%</b>
<b>Total General Fund Uses</b>	<b>5,339,995</b>	<b>4,921,658</b>	<b>(418,337)</b>	<b>-7.8%</b>



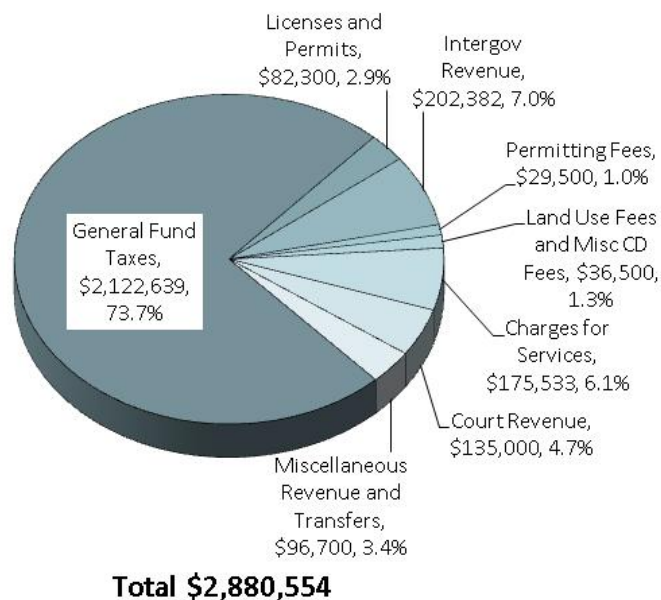
## City of Black Diamond Final Budget 2011

### 2011 General Fund Revenue Sources

Total General Fund revenue sources are estimated at \$4,554,215 for 2011. The following chart reflects the 2011 General Operating Revenue Budget of \$2,880,554. This is an increase of \$197,587 or 7.4% above 2010's Amended Budget. A pie chart on the last page of this section includes all General Fund revenue sources.

2011 General Fund Revenue Sources - Summary						
	2009 Actual	2010 Budget	Estimated 2010 Yearend	2011 Budget	10 to 11 Bdgt Change	% Budget Change
General Fund Taxes	1,728,092	1,759,399	1,709,799	2,122,639	363,240	20.6%
Licenses and Permits	81,945	83,800	82,200	82,300	(1,500)	-1.8%
Intergovernmental Revenue	227,285	267,440	260,941	202,382	(65,058)	-24.3%
Comm Dev. Permitting Revenue	23,264	32,800	23,580	29,500	(3,300)	-10.1%
Land Use Fees, Deposits & Misc. CD Rev	36,171	54,200	22,570	36,500	(17,700)	-32.7%
Charges for Services	185,595	204,028	147,827	175,533	(28,495)	-14.0%
Court Revenue	161,663	165,000	132,000	135,000	(30,000)	-18.2%
Miscellaneous Revenue and Transfers	139,140	116,300	109,900	96,700	(19,600)	-16.9%
<b>Total Operating Revenue</b>	<b>2,583,155</b>	<b>2,682,967</b>	<b>2,488,817</b>	<b>2,880,554</b>	<b>197,587</b>	<b>7.4%</b>
Funding Agreement	1,165,416	1,446,834	1,366,834	1,438,661	(8,173)	-0.6%
MPD, SEPA Reimb, Studies and Deposits	1,114,558	855,667	1,286,344	235,000	(620,667)	-72.5%
<b>Total Other Revenue</b>	<b>2,279,973</b>	<b>2,302,501</b>	<b>2,653,178</b>	<b>1,673,661</b>	<b>(628,840)</b>	<b>-27.3%</b>
<b>General Fund Total Revenue</b>	<b>4,863,128</b>	<b>4,985,468</b>	<b>5,141,995</b>	<b>4,554,215</b>	<b>(431,253)</b>	<b>-8.7%</b>
Beginning Fund Bal - City	404,901	102,251	102,251	115,167	12,916	12.6%
Beginning Fund Balance - Funding	556,482	252,276	252,276	252,276	0	0.0%
<b>Total Sources</b>	<b>5,824,511</b>	<b>5,339,995</b>	<b>5,496,522</b>	<b>4,921,658</b>	<b>(418,337)</b>	<b>-7.8%</b>

### 2011 General Fund Operating Revenue





# City of Black Diamond Final Budget 2011

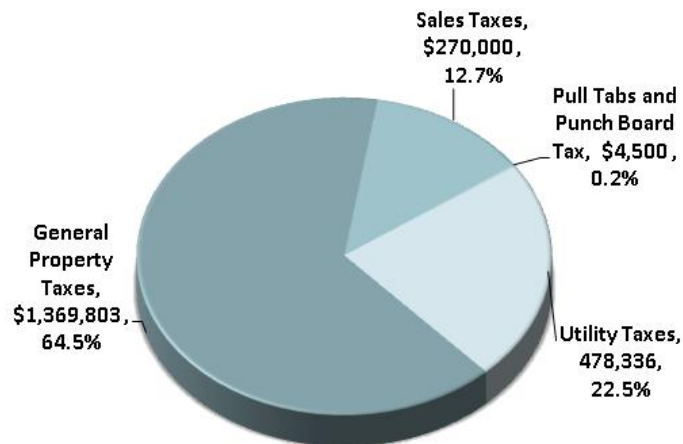
## 2011 General Fund Revenue Sources

### General Fund Taxes

Locally levied taxes represent Black Diamond's largest portion of revenues of \$2,126,387 or 74.1% of the City's General Fund operating revenue. Taxes include real and personal property tax, local sales tax, utility taxes on utility services (water, wastewater, electric, gas, cable and telephone) and gambling taxes. An overall increase of \$378,788 or 38% is anticipated in 2011 due to the Public Safety Voted Levy in 2011. This is slightly offset by a \$34,150 reduction in forecasted electric utility tax collections.

2011 Revenue - General Fund Taxes						
	2009 Actual	2010 Budget	Estimated 2010 Yearend	2011 Budget	10 to 11 Bdgt Change	% Budget Change
<b>General Fund Taxes</b>						
General Property Taxes	978,630	996,899	976,899	1,369,803	372,904	37.4%
Sales Taxes	249,526	250,000	270,000	270,000	20,000	8.0%
B & O Tax			2,500	0	0	
Utility Taxes	497,503	510,350	455,900	478,336	(34,150)	-6.7%
Pull Tabs and Punch Board Tax	2,433	2,150	4,500	4,500	2,350	109.3%
<b>Total General Fund Taxes</b>	<b>1,728,092</b>	<b>1,759,399</b>	<b>1,709,799</b>	<b>2,122,639</b>	<b>363,240</b>	<b>20.6%</b>

### 2011 General Fund Taxes



Total \$2,122,639



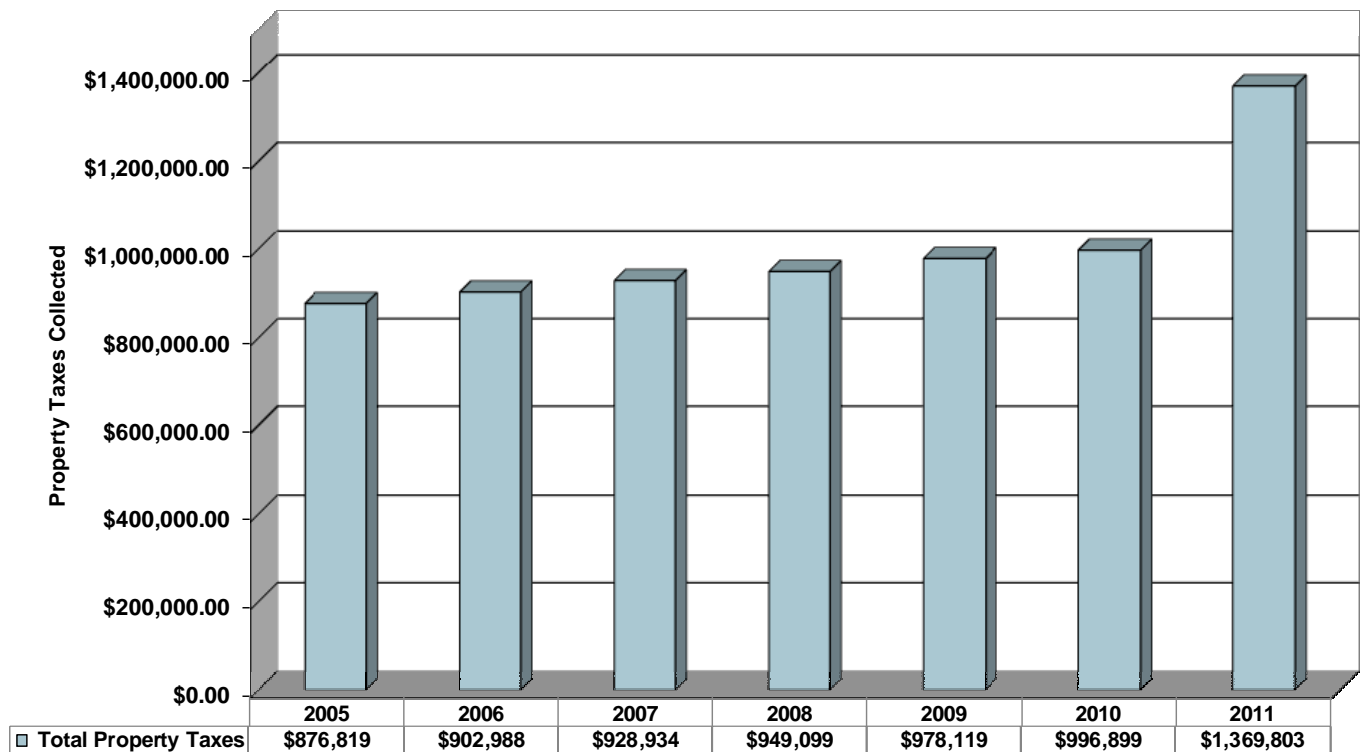
# City of Black Diamond Final Budget 2011

## 2011 General Fund Revenue Sources

### Property Tax

Property taxes make up 64.7% of General Fund tax revenue and are expected to generate \$1,369,803 in revenue for the City in 2011, an increase of 37.4%. The Public Safety Levy approved by voters in 2010 is the reason for this increase; as the new levy replaced the prior Public Safety Levy due to expire. The City's levy rate in 2011 is \$2.57 per each \$1,000 of assessed value. All revenues from property taxes go directly to the General Fund to support public safety for police, fire protection and emergency services.

### Total Property Tax Collection History



Regular Levy	871,148	895,717	924,132	935,648	960,282	992,732	1,360,335
New Construction	5,671	7,271	4,802	13,451	17,837	4,167	3,147
Annexation							6,321
<b>Total Property Taxes</b>	<b>\$876,819</b>	<b>\$902,988</b>	<b>\$928,934</b>	<b>\$949,099</b>	<b>\$978,119</b>	<b>\$996,899</b>	<b>\$1,369,803</b>
\$ Increase from prior year		\$26,169	\$25,946	\$20,165	\$29,020	\$18,780	\$372,904
Levy Rate	2.0320	2.0028	1.8349	1.6503	1.5201	1.7770	2.5700
Allowable Levy						3.10	3.10
<b>Assessed Valuation</b>	<b>\$431,612,820</b>	<b>\$449,793,888</b>	<b>\$505,566,937</b>	<b>\$575,076,069</b>	<b>\$643,196,160</b>	<b>\$560,993,682</b>	<b>\$532,997,258</b>

\* 2011 increase in taxes is due to a voted levy for Public Safety in 2010

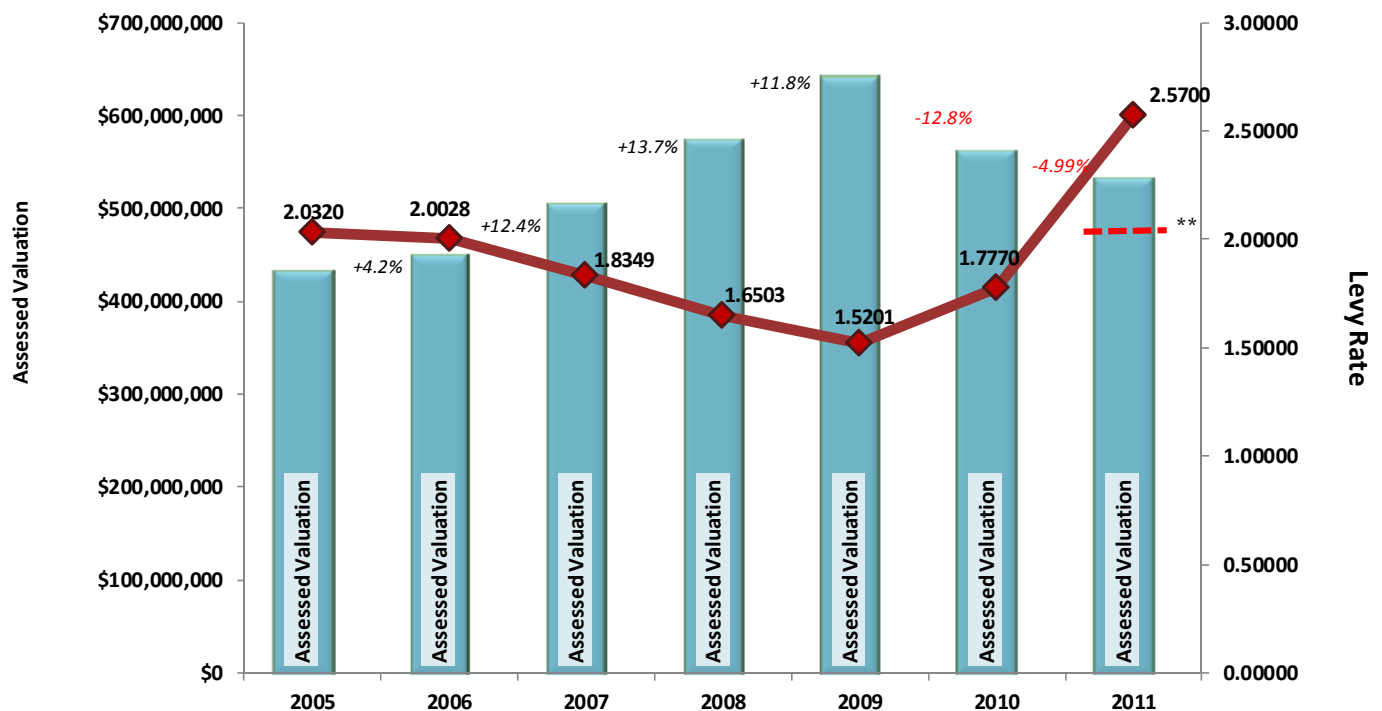


## City of Black Diamond Final Budget 2011

### 2011 General Fund Revenue Sources

The graph below shows how the levy rate is a calculation by King County. As property values increased between 2005 and 2009, the County lowered the levy rate to ensure we would only receive the allowed 1% over the previous year, plus new construction. (See **A** in table below) In 2010 the assessed valuation decreased 12.8% and the levy rate calculated by King County increased, to ensure the City received the allowed 1% increase plus new construction. In 2010, the City had to estimate property values for 2011, which was based on the type of decrease we saw in 2010. The City used that assessed valuation estimate to calculate the new levy rate that was approved by voters this year. The rate was set at \$2.57 for 2011 and will only be allowed to increase the allowed 1% plus new construction in future years. This will cause levy rates to fluctuate as values increase and decrease.

**Assessed Valuation and Levy Rate History in Black Diamond**



Regular Levy	\$871,148	\$895,717	\$924,132	\$935,648	\$960,282	\$992,732	\$1,360,335
New Construction	5,671	7,271	4,802	13,451	17,837	4,167	3,147
Annexation							6,321
Total Property Taxes	\$876,819	\$902,988	\$928,934	\$949,099	\$978,119	\$996,899	\$1,369,803
\$ Increase from prior year	<b>A</b>	\$26,169	\$25,946	\$20,165	\$29,020	\$18,780	\$372,904
Levy Rate	2.0320	2.0028	1.8349	1.6503	1.5201	1.7770	2.5700
Allowable Levy						3.10	3.10
Assessed Valuation	\$431,612,820	\$449,793,888	\$505,566,937	\$575,076,069	\$643,196,160	\$560,993,682	\$532,997,258

\* 2011 increase in taxes is due to a voted levy for Public Safety in 2010

\*\* --- Previously projected assessed valuation based on trend

NOTE: The levy rate, also called the mil rate is the amount taxed for each \$1,000 in property value.



## City of Black Diamond Final Budget 2011

### 2011 General Fund Revenue Sources

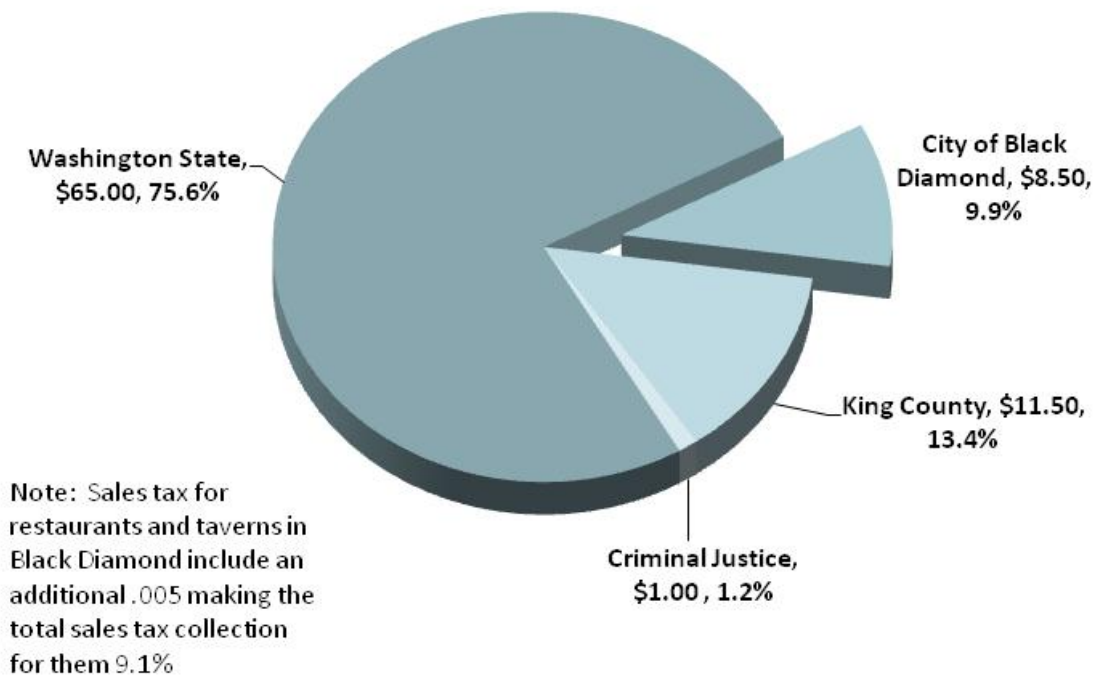
#### Sales Tax

Sales tax for the 2011 Budget is \$270,000 or 12.7% of Black Diamond's General Fund tax revenue. For every \$100 spent in Black Diamond, \$8.60 is collected by the State and is shared by various jurisdictions. These jurisdictions include our City, Washington State, King County and Criminal Justice programs. Black Diamond receives a bit less than 10 percent of that total.

Black Diamond's sales tax revenues are dependent on retail sales of products and services sold in Black Diamond, as well as tax on new construction. In July 2009 a new law went into effect (Sales Tax Streamlining) that shifts sales tax collections to the delivered destination rather than the place of purchase.

### 2011 Sales Taxes Taxed amount is 8.6% of retail sales

Based on a \$1,000 sale, retail sales tax is \$86.00 and is distributed in the following way:

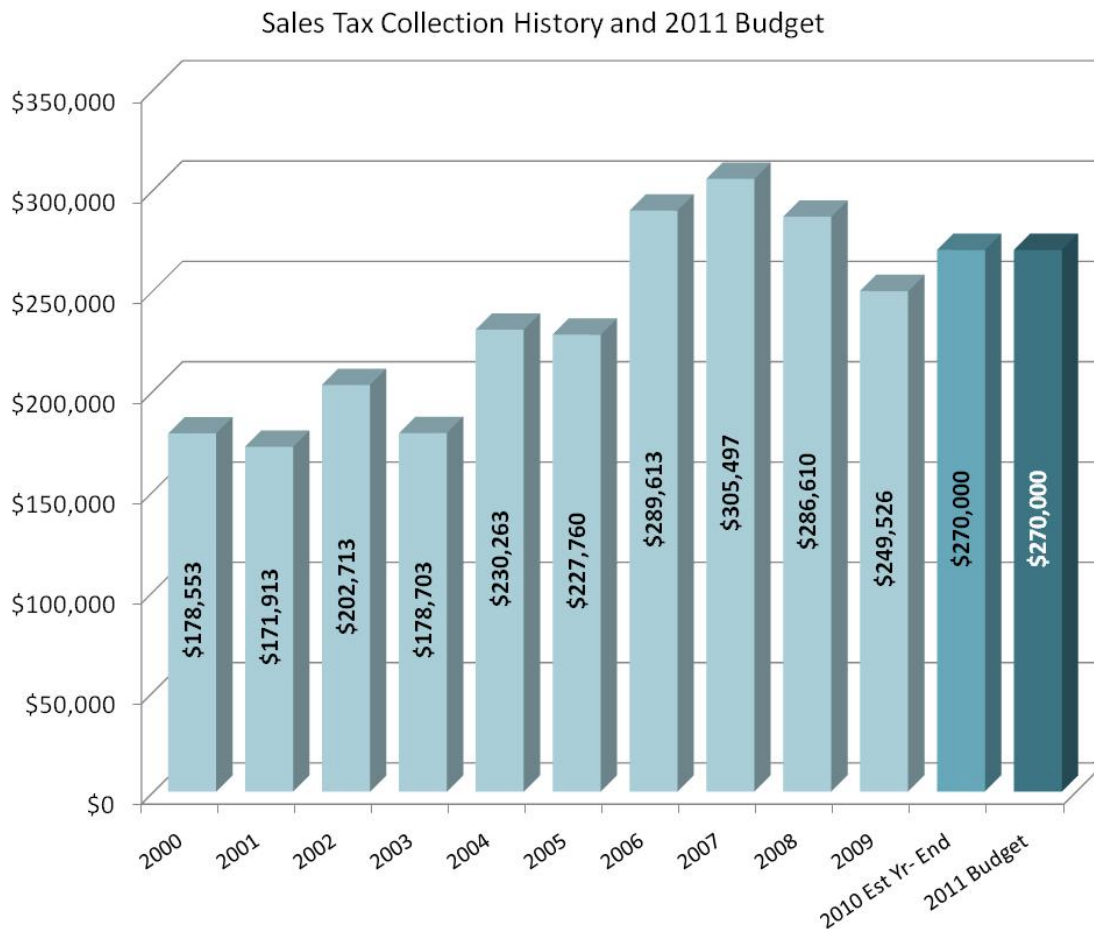






## City of Black Diamond Final Budget 2011

### 2011 General Fund Revenue Sources



#### Black Diamond Sales Tax over the past 12 months & % of Total

##### Increasing:

- 1) Food services and drinking establishments (10%)
- 2) Specialty Trade Contractors (9.4%)
- 3) Telecommunications (7.4%)
- 4) Non store retailers (destination sales tax) (7.4%)
- 5) Construction (6.2%)
- 6) Miscellaneous store retailers (5.8%)
- 7) Wholesale Trade and Durable Goods (4.7%)

##### Decreasing

- 1) Motor vehicles and parts (4.4%)
- 2) Gasoline Stations (4.3%)
- 3) Sporting goods, hobbies, books (2.2%)





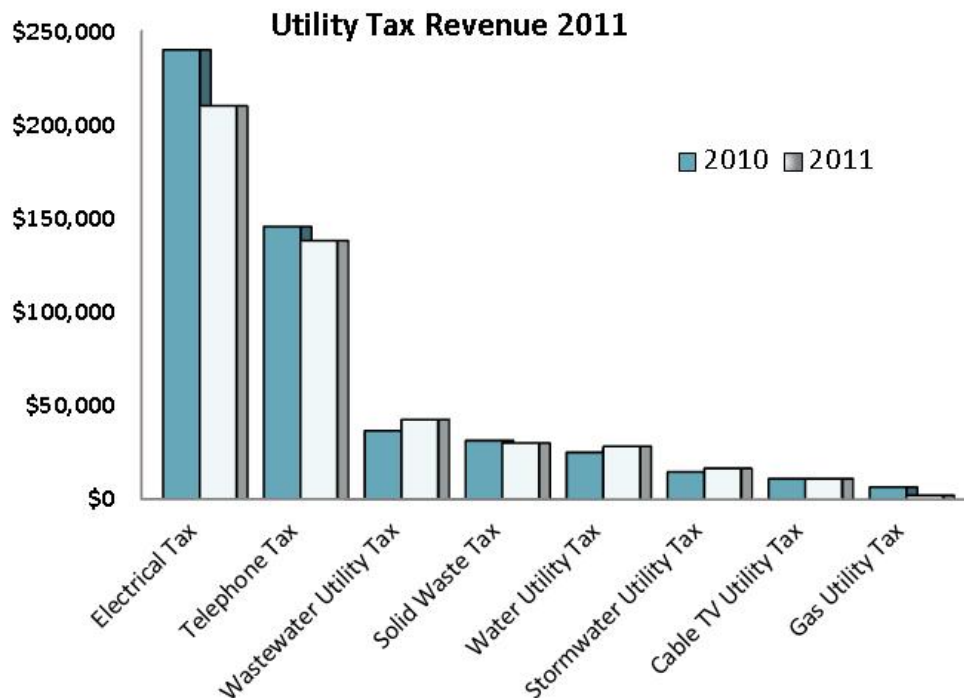
## City of Black Diamond Final Budget 2011

### 2011 General Fund Revenue Sources

#### Utility Taxes

Utility taxes for Black Diamond are \$478,336 or 22.5% of General Fund taxes. Black Diamond levies a 6% utility tax on all public and private utilities such as electric, natural gas, water, wastewater, stormwater, telephone, and 5% on cable services. An additional 1% is collected as a cable franchise fee. The decrease in this revenue source is primarily due to electrical, gas and telephone utility taxes. The mild winter and summer has decreased the gas and electric utility tax revenue in 2010. Wastewater and stormwater utility taxes are projected to increase due to pass through or adopted rate increases next year.

2011 General Fund Utility Taxes							
	2009	Actual	2010 Budget	Estimated 2010 Yearend	2011 Budget	10 to 11 Bdgt Change	% Budget Change
Electrical Tax		234,681	240,000	200,000	210,000	(30,000)	-12.5%
Telephone Tax		145,974	145,500	138,000	138,000	(7,500)	-5.2%
Wastewater Utility Tax		35,687	36,500	37,500	42,500	6,000	16.4%
Solid Waste Tax		28,302	31,250	30,000	30,000	(1,250)	-4.0%
Water Utility Tax		25,049	25,000	22,700	28,236	3,236	12.9%
Stormwater Utility Tax		12,334	14,600	14,600	16,500	1,900	13.0%
Cable TV Utility Tax		10,797	11,000	11,000	11,000	0	0.0%
Gas Utility Tax		4,680	6,500	2,100	2,100	(4,400)	-67.7%
<b>Total</b>		<b>497,503</b>	<b>510,350</b>	<b>455,900</b>	<b>478,336</b>	<b>(32,014)</b>	<b>-6.3%</b>





# City of Black Diamond Final Budget 2011

## 2011 General Fund Revenue Sources

### Cable Franchise Fees, Business Licenses, Gun Permits and Fingerprinting Revenue

The City collects a 5% utility tax from cable companies plus a 1% cable franchise fee to equal the 6% utility tax paid by other utility companies. Business license, gun permit and fingerprinting fee revenue helps cover the cost of administration, inspection and other services for those occupations, trades and activities regulated by the City.

2011 Cable Franchise Fees, Business Licenses, Gun Permit & Fingerprint						
	2009	2010	Estimated	2011	10 to 11	%
	Actual	Budget	2010	2011	Bdgt	Budget
			Yearend	Budget	Change	Change
Cable Franchise Fees	53,504	55,500	54,670	55,500	-	0.0%
Business License	26,905	27,000	26,330	25,600	(1,400)	-5.2%
Gun Permits & Fingerprinting	1,536	1,300	1,200	1,200	(100)	-7.7%
<b>Total Licenses and Permits</b>	<b>81,945</b>	<b>83,800</b>	<b>82,200</b>	<b>82,300</b>	<b>(1,500)</b>	<b>-1.8%</b>

### Land Use and Permitting Fees

These revenues include fees related to land use and construction activities such as plan checks and land use fees, building, mechanical and plumbing permits. Building activities continues to remain very slow in 2010 and are projected to be the same in 2011. Revenue related to the hearing examiner has also been reduced by \$20,000 in 2011, as hearing examiner revenue has been related directly to the MPD's and is shown as a funding agreement reimbursement.

2011 Land Use and Permitting Fees						
	2009	2010	Estimated	2011	10 to 11	%
	Actual	Budget	2010	2011	Bdgt	Budget
			Yearend	Budget	Change	Change
<b>Community Development</b>						
Land Use Fees	9,686	10,000	4,300	7,250	(2,750)	-27.5%
Plan Check Fees	17,936	17,000	15,750	20,750	3,750	22.1%
Building and Other Permits	33,543	32,800	23,580	29,500	(3,300)	-10.1%
Hearing Examiner	0	25,000	0	5,000	(20,000)	-80.0%
Misc Rev sales of maps, copies	443	200	520	500	300	150.0%
Tree Mitigation Fund	0	0		1,000	1,000	
SEPA/EIS Ck/Study Deposits	(2,279)	2,000	2,000	2,000		0.0%
<b>Total Comm. Dev. Revenue</b>	<b>59,329</b>	<b>87,000</b>	<b>46,150</b>	<b>66,000</b>	<b>(21,000)</b>	<b>-24.1%</b>



# City of Black Diamond Final Budget 2011

## 2011 General Fund Revenue Sources

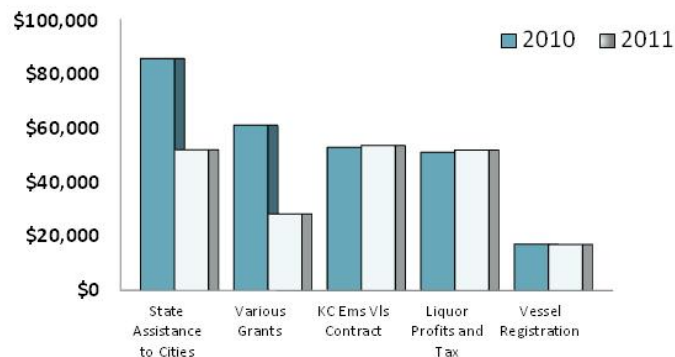
### Intergovernmental Revenue

Intergovernmental revenue includes grants, entitlements, shared revenues and payments for goods and services provided to the City from the State or other governmental entities. They include per capita distributed revenues such as liquor excise and profit taxes and state and federal grants. The Police Coast Guard grants for 2009/2010 and for 2010/2011 were not re-budgeted, as it is not known if we will receive another grant from this source.

The City receives State assistance funds approved by the passage of ESSB 6050, however this funding is expected to be 30% less than received in 2010 for 2011. This legislation was intended to provide ongoing financial assistance to cities and counties that have a low sales tax base and are having difficulty providing basic services. These funds were created by diverting a small portion of the State real estate excise tax from the Public Works Trust Fund. Since these taxes have declined significantly the 2011 revenue is reduced to \$51,865 as projected by MRSC (Municipal Research). The total budget for Intergovernmental Revenue in 2011 is \$202,382, a reduction of \$65,058 or 24.3%.

2011 Intergovernmental Revenue						
	2009 Actual	2010 Budget	Estimated 2010 Yearend	2011 Budget	10 to 11 Bdgt Change	% Budget Change
<b>Revenue - Other Gov't Agencies</b>						
Vessel Regist. Boat Safety	20,127	17,051	17,051	17,000	(51)	-0.3%
Marine Grant 2009	0	30,074	30,074	0	(30,074)	-100.0%
Other Police Grants	13,179	11,999	16,099	9,100	(2,899)	-24.2%
Other Grants & Misc	641	0	0	0	0	
Recycle Grants	18,851	18,900	19,100	19,100	200	1.1%
State Assistance to Cities	72,488	85,578	73,956	51,865	(33,713)	-39.4%
Liquor Excise Tax	20,304	20,000	20,000	20,866	866	4.3%
Liquor Board Profits	28,591	31,000	31,500	30,940	(60)	-0.2%
KC Ems Vls Contract	53,104	52,838	52,838	53,511	673	1.3%
<b>Total Intergov Revenue</b>	<b>227,285</b>	<b>267,440</b>	<b>260,618</b>	<b>202,382</b>	<b>(65,058)</b>	<b>-24.3%</b>

Intergovernmental Revenue Budget 2010 and 2011





# City of Black Diamond Final Budget 2011

## 2011 General Fund Revenue Sources

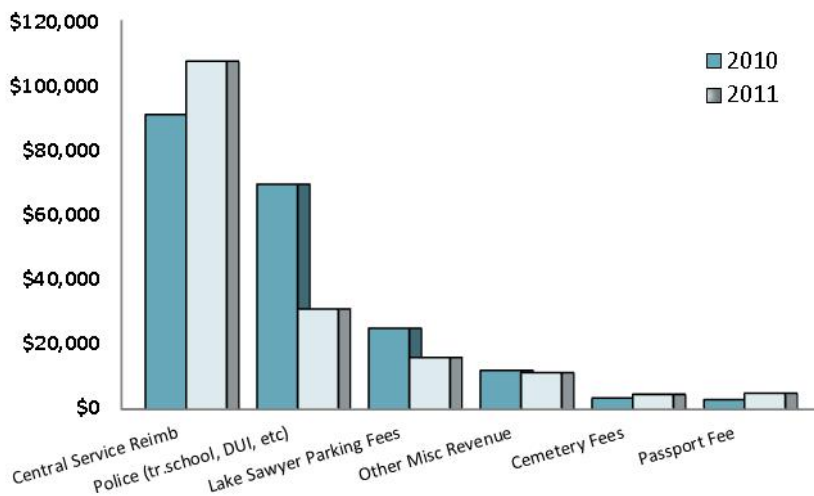
### Charges for Service

This revenue category includes charges and fees for various services the City performs such as traffic and marine schools, passport services, records services, copies, maps and publications, as well as charges for the Black Diamond Cemetery and Lake Sawyer parking fees. The Central Service allocation includes street, water, wastewater and stormwater portion of cost of non-reimbursed expenses primarily for a portion of the cost for the City Clerk for code, minutes, records, advertising, telephone, computer systems, facility costs, Finance Department costs for banking and credit card fees, payroll, vendor and receipt processing, and for planning and related costs. Also a small amount of costs are allocated for the City Council and Mayor and other staff as they work on utility related matters.

Traffic school revenue has been down due to the unfilled officer positions and related citations. The budget was reduced in 2011 by \$45,000 to \$20,000. Parking fees for Lake Sawyer were down this year due to the cool summer and parking changes. The forecast for that revenue has been reduced by \$9,000.

2011 Charges for Service						
	2009	2010	Estimated		10 to 11	%
	Actual	Budget	2010	2011	Bdgt	Budget
			Yearend	Budget	Change	Change
Home Monitor and DUI Rev	4,842	4,500	9,000	11,000	6,500	144.4%
Passport Fee	2,075	3,000	7,000	5,000	2,000	66.7%
Police Traffic School Fee	59,174	65,000	20,000	20,000	(45,000)	-69.2%
Miscellaneous Revenue	560	1,000	799	350	(650)	-65.0%
Other Fees for Service	11,254	11,000		11,000	0	0.0%
Lake Sawyer Parking Fee	21,586	25,000	14,000	16,000	(9,000)	-36.0%
Cemetery Fees	1,553	3,500	6,000	4,650	1,150	32.9%
CS Reimbursement	84,551	91,028	91,028	107,533	16,505	18.1%
<b>Total Charges for Service</b>	<b>185,595</b>	<b>204,028</b>	<b>147,827</b>	<b>175,533</b>	<b>(28,495)</b>	<b>-14.0%</b>

Charges for Services Budget 2010 and 2011





# City of Black Diamond Final Budget 2011

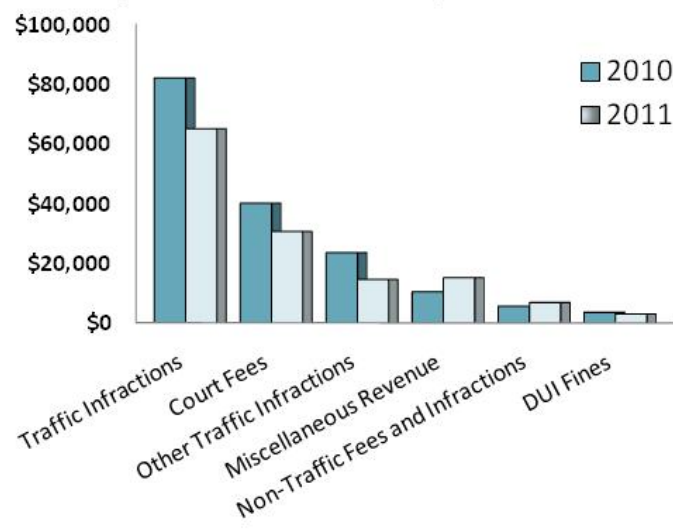
## 2011 General Fund Revenue Sources

### Municipal Court Revenue

This represents the City's portion of fines and forfeits collected on citations and other Municipal Court fees. This is always a difficult area to budget as these revenues are based on citations issued, court decisions and of course the defendant's ability to pay. Traffic infractions represent close to half of the Court's revenue. Due to Police Officer vacancies and the decrease in the number of citations, this revenue has been reduced by \$30,000.

2011 Municipal Court Revenue						
	2009 Actual	2010 Budget	Estimated 2010 Yearend	2011 Budget	10 to 11 Bdgt Change	% Budget Change
<b>Court Revenue</b>						
Court Mand. Insurance Costs	2,698	2,500	4,500	4,500	2,000	80.0%
Court Traffic Infractions	82,442	82,000	65,000	65,000	(17,000)	-20.7%
Court Parking Fines	6,071	7,500	2,500	2,500	(5,000)	-66.7%
Court DUI Fines	4,200	3,500	3,000	3,000	(500)	-14.3%
Court Criminal Traffic Misd.	10,674	16,000	11,000	12,000	(4,000)	-25.0%
Nontraffic Fees & Infractions	6,131	5,600	5,800	6,800	1,200	21.4%
Administration/Correction Fees	37,199	40,000	30,000	30,600	(9,400)	-23.5%
Court Interest	2,931	4,000	2,200	2,400	(1,600)	-40.0%
Court Miscellaneous	9,316	3,900	8,000	8,200	4,300	110.3%
<b>Total Court Revenue</b>	<b>161,663</b>	<b>165,000</b>	<b>132,000</b>	<b>135,000</b>	<b>(30,000)</b>	<b>-18.2%</b>

Municipal Court Revenue Budget 2010 and 2011





# City of Black Diamond Final Budget 2011

## 2011 General Fund Revenue Sources

### Miscellaneous Revenue

Miscellaneous revenue includes interest on investments and property and sales tax proceeds prior to their distribution, as well as the sale of surplus equipment and other miscellaneous revenue sources. Interest income continues to be minimal due to extremely low interest rates. Transfers in from the Criminal Justice Fund transfer has been reduced by \$12,000, due to the Criminal Justice funds needed to cover the annual maintenance cost of \$11,100 for the Police records software system. The first year's maintenance of the Police system was included in the initial price of the software.

2011 Miscellaneous Revenue						
	2009 Actual	2010 Budget	Estimated 2010 Yearend	2011 Budget	10 to 11 Bdgt Change	% Budget Change
Interest	5,224	5,300	1,700	1,700	(3,600)	-67.9%
Surplus Equipment	12,293	3,000	3,000	1,500	(1,500)	-50.0%
Other Miscellaneous	18,672	6,000	3,200	3,500	(2,500)	-41.7%
<b>Total Miscellaneous Revenue</b>	<b>36,189</b>	<b>14,300</b>	<b>7,900</b>	<b>6,700</b>	<b>(7,600)</b>	<b>-53.1%</b>
Trans. in from Criminal Justice	102,223	102,000	102,000	90,000	(12,000)	-11.8%
<b>Total Transfers In</b>	<b>102,223</b>	<b>102,000</b>	<b>102,000</b>	<b>90,000</b>	<b>(12,000)</b>	<b>-11.8%</b>
<b>Total Gen Fund Operating Rev</b>	<b>2,583,155</b>	<b>2,682,967</b>	<b>2,488,494</b>	<b>2,880,554</b>	<b>197,587</b>	<b>7.4%</b>



## City of Black Diamond Final Budget 2011

### 2011 General Fund Revenue Sources

#### Funding Agreement and Other Revenue

The Budget for Funding Agreement of ongoing costs for 2011 is \$1,466,851, and the Master Planned Development (MPD) for Lawson Hills and the Villages is \$235,000. The chart below reflects 2011 revenue for the ongoing Funding Agreement revenue for staff, maintenance and operation and legal fees.

2011 Funding Agreement and Other Revenue						
	2009 Actual	2010 Budget	Estimated 2010 Yearend	2011 Budget	10 to 11 Bdgt Change	% Budget Change
Staff	760,515	1,181,834	1,366,834	1,223,661	41,827	3.5%
Maintenance and Operation	180,000	180,000		180,000	0	0.0%
Legal	41,225	75,000		35,000	(40,000)	-53.3%
Facilities, Furniture & Software	99,225	10,000			(10,000)	-100.0%
Consultants	84,451				0	
<b>Total Funding Agreement</b>	<b>1,165,416</b>	<b>1,446,834</b>	<b>1,366,834</b>	<b>1,438,661</b>	<b>(8,173)</b>	<b>-0.6%</b>
<b>MPD &amp; SEPA Reimbursement</b>					0	
MPD Lawson	60,185	283,067	310,677	100,000	(183,067)	-64.7%
MPD Villages	61,299	297,600	710,677	135,000	(162,600)	-54.6%
Annexation Fees	45,799	0	1,500	0		
<b>Total MPD Reimbursement</b>	<b>167,283</b>	<b>580,667</b>	<b>1,022,854</b>	<b>235,000</b>	<b>(345,667)</b>	<b>-59.5%</b>
YB EIS/SEPA Reimbursement	805,743	250,000	250,000	0	(250,000)	-100.0%
Studies, Deposits and Other	141,532	25,000	13,490	0	(25,000)	-100.0%
<b>Total Funding and Other Rev</b>	<b>2,279,974</b>	<b>2,302,501</b>	<b>2,653,178</b>	<b>1,673,661</b>	<b>(628,840)</b>	<b>-27.3%</b>

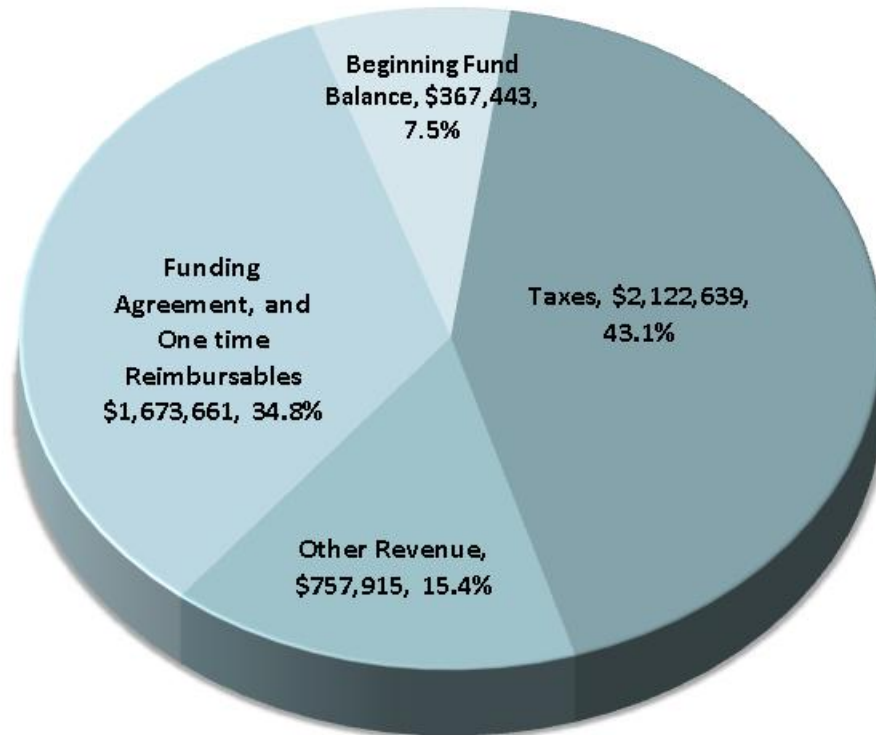
#### Total General Fund Sources

2011 General Fund Beginning Fund Balance and all Sources						
	2009 Actual	2010 Budget	Estimated 2010 Yearend	2011 Budget	10 to 11 Bdgt Change	% Budget Change
Beginning Fund Bal - City	404,901	102,251	102,251	115,167	12,916	12.6%
Beginning Fund Balance - Funding	556,482	252,276	252,276	252,276	0	0.0%
<b>Total Beginning Fund Balance</b>	<b>961,383</b>	<b>354,527</b>	<b>354,527</b>	<b>367,443</b>	<b>12,916</b>	<b>3.6%</b>
<b>Total Sources</b>	<b>5,824,511</b>	<b>5,339,995</b>	<b>5,496,199</b>	<b>4,921,658</b>	<b>(615,924)</b>	<b>-11.5%</b>



## City of Black Diamond Final Budget 2011

### 2011 General Fund - All Sources



**Total \$4,921,658**

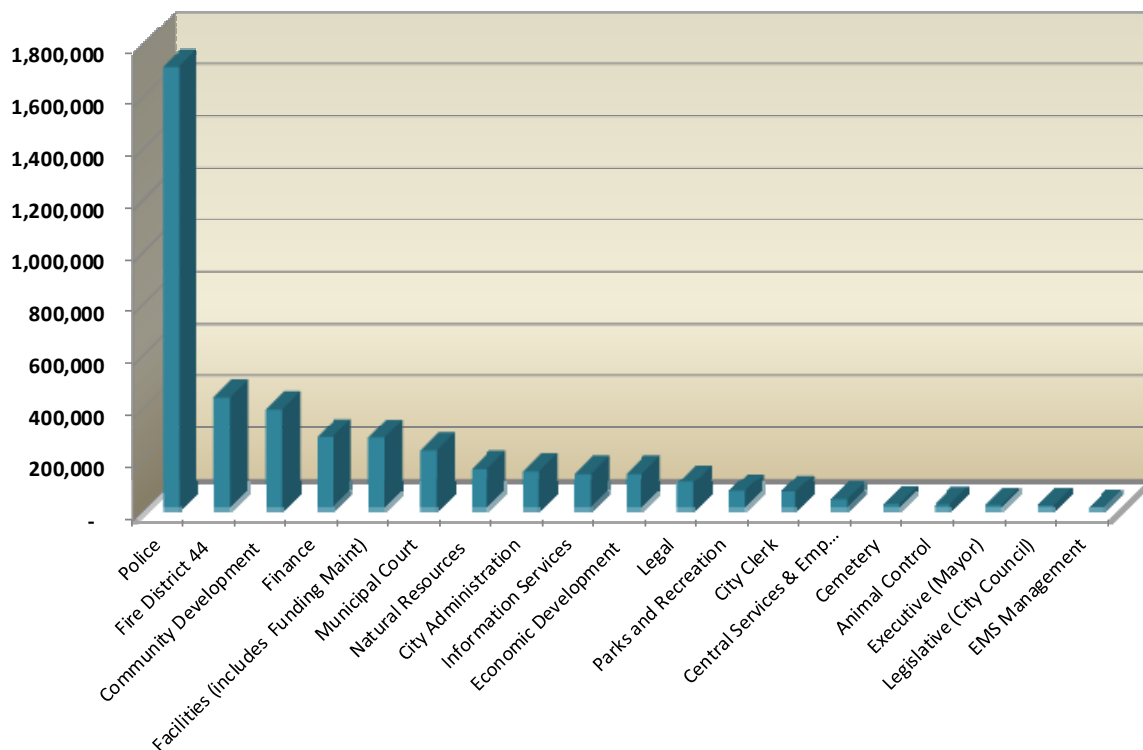




## City of Black Diamond Final Budget 2011

### 2011 General Fund Expenditure Summary

	2009 Actual	2010 Budget	Estimated 2010 Actual	2011 Budget	10-11 Budget Change	10-11 % Budget Change
Legislative (City Council)	11,098	12,592	11,488	12,603	11	0.1%
Executive (Mayor)	13,311	14,434	13,934	14,330	(104)	-0.7%
City Administration	345,607	255,382	170,382	150,727	(104,655)	-41.0%
City Clerk	75,607	71,765	69,000	66,074	(5,691)	-7.9%
Finance	272,118	262,330	250,900	280,513	18,183	6.9%
Information Services	132,528	136,169	132,000	142,130	5,961	4.4%
Legal	101,738	100,600	111,200	104,000	3,400	3.4%
Municipal Court	286,444	231,395	225,595	229,675	280	0.1%
Police	1,655,518	1,507,673	1,477,673	1,703,027	192,602	12.8%
Fire District 44	411,597	461,240	415,000	432,110	(29,130)	-6.3%
Community Development	427,680	406,280	390,000	386,927	(19,353)	-4.8%
Natural Resources	163,277	160,139	160,000	159,937	298	0.2%
Economic Development	137,668	137,365	133,245	142,111	4,746	3.5%
Facilities (includes Funding Maint)	253,302	276,613	274,713	278,580	1,967	0.7%
Animal Control	-	-	-	16,025	16,025	100.0%
EMS Management	-	-	-	5,000	5,000	100.0%
Parks and Recreation	58,901	60,311	57,311	69,825	7,814	13.0%
Cemetery	14,504	15,123	15,000	17,425	2,302	15.2%
Central Services & Emp Recognition Total	29,676	31,879	41,879	36,474	4,595	14.4%
<b>General Fund Operating Subtotal</b>	<b>4,390,573</b>	<b>4,141,290</b>	<b>3,949,320</b>	<b>4,247,493</b>	<b>106,203</b>	<b>2.6%</b>
Funding Agreement - Projects	1,079,410	885,110	835,110	270,000	(615,110)	-69.5%
<b>Total General Fund</b>	<b>5,469,984</b>	<b>5,026,400</b>	<b>4,784,430</b>	<b>4,517,493</b>	<b>(508,907)</b>	<b>-10.1%</b>





## City of Black Diamond Final Budget 2011

General Fund Expenditure Summary						
	2009 Actuals	2010 Budget	2010 Estimated Actuals	2011 Budget	10-11 Budget Change	% Change
<b>EXPENDITURES</b>						
<b>Public Safety</b>						
Prosecuting Attorney	48,000	48,000	48,000	48,000	-	
Municipal Court	286,443	231,395	225,595	229,675	(1,720)	-0.7%
Police Department	1,655,518	1,507,673	1,477,673	1,703,027	195,354	13.0%
Fire Department	411,597	461,240	415,000	432,110	(29,130)	-6.3%
EMS Management Supplies				16,025	16,025	100.0%
Animal Control				5,000	5,000	100.0%
<b>Total Public Safety</b>	<b>2,401,558</b>	<b>2,248,308</b>	<b>2,166,268</b>	<b>2,433,837</b>	<b>185,529</b>	<b>8.3%</b>
<b>Maintenance of Building and Grounds</b>						
Information Services	132,528	136,169	132,000	142,130	5,961	4.4%
Capital Facilities, Maint & Operations	301,440	351,613	274,713	313,580	(38,033)	-10.8%
Parks	58,901	60,311	57,311	69,825	9,514	15.8%
Cemetery	14,504	15,123	15,000	17,425	2,302	15.2%
<b>Total Maintenance of Building &amp; Grounds</b>	<b>507,373</b>	<b>563,216</b>	<b>479,024</b>	<b>542,960</b>	<b>(20,256)</b>	<b>-3.6%</b>
<b>Development of Community</b>						
Community Development	427,680	406,280	390,000	386,927	(19,353)	-4.8%
Natural Resources	163,277	160,139	160,000	159,937	(202)	-0.1%
Economic Development	137,668	137,365	133,245	142,111	4,746	3.5%
<b>Total Development of Community</b>	<b>728,625</b>	<b>703,784</b>	<b>683,245</b>	<b>688,975</b>	<b>(14,809)</b>	<b>-2.1%</b>
<b>General Government</b>						
Executive - Mayor	13,311	14,434	13,934	14,330	(104)	-0.7%
Legislative - Council	11,098	12,592	11,488	12,603	11	0.1%
Administration	345,607	255,382	170,382	150,727	(104,655)	-41.0%
City Clerk	75,607	71,765	69,000	66,074	(5,691)	-7.9%
Finance	272,117	262,330	250,900	280,513	18,183	6.9%
Legal General	53,738	52,600	63,200	56,000	3,400	6.5%
Central Services and Emp Recognition	29,676	31,879	41,879	36,474	4,595	14.4%
<b>Total General Government</b>	<b>801,155</b>	<b>700,982</b>	<b>620,783</b>	<b>616,721</b>	<b>(84,261)</b>	<b>-12.0%</b>
<b>Total Operating General Fund</b>	<b>4,438,710</b>	<b>4,216,290</b>	<b>3,949,320</b>	<b>4,282,493</b>	<b>66,203</b>	<b>1.6%</b>
MPD Annexations and EIS	950,554	790,110	835,110	235,000	(555,110)	100.0%
Studies, Deposits, Transfers and Other	80,719	20,000	-	-	(20,000)	-100.0%
<b>Total Core Staff</b>	<b>1,031,274</b>	<b>810,110</b>	<b>835,110</b>	<b>235,000</b>	<b>(575,110)</b>	<b>-71.0%</b>
<b>Total Gen Fund</b>	<b>5,469,984</b>	<b>5,026,400</b>	<b>4,784,430</b>	<b>4,517,493</b>	<b>(508,907)</b>	<b>-10.1%</b>
Ending Cash City		61,319		151,889	90,570	1.47703
Ending Cash Funding	354,527	252,276	437,086	252,276	-	0.0%
<b>Total Ending Cash</b>	<b>354,527</b>	<b>313,595</b>	<b>437,086</b>	<b>404,165</b>	<b>90,570</b>	<b>28.9%</b>
<b>Total General Fund</b>	<b>5,824,511</b>	<b>5,339,995</b>	<b>5,221,516</b>	<b>4,921,658</b>	<b>(418,337)</b>	<b>-7.8%</b>



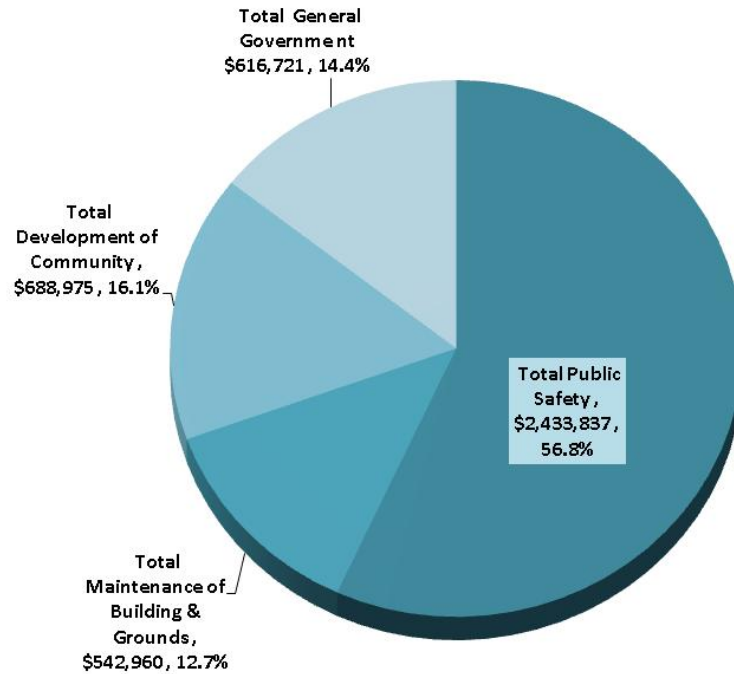
## City of Black Diamond Final Budget 2011

General Fund Net Operating Expenditures			
	2011 Budget	Less Funding Agreement	Net Expenditures
<b>EXPENDITURES</b>			
<b>Public Safety</b>			
Prosecuting Attorney	48,000		48,000
Municipal Court	229,675		229,675
Police Department	1,703,027		1,703,027
Fire Department	432,110		432,110
EMS Management Supplies	16,025		16,025
Animal Control	5,000		5,000
<b>Total Public Safety</b>	<b>2,433,837</b>	<b>-</b>	<b>2,433,837</b>
<b>Maintenance of Building and Grounds</b>			
Information Services	142,130	131,464	10,666
Capital Facilities, Maintenance and Operations	313,580	270,185	43,395
Parks	69,825	13,787	56,038
Cemetery	17,425		17,425
Central Services and Emp Recognition	36,474		36,474
<b>Total Maintenance of Building and Grounds</b>	<b>579,434</b>	<b>415,436</b>	<b>163,998</b>
<b>Development of Community</b>			
Community Development	386,927	338,496	48,431
Natural Resources	159,937	134,861	25,076
Economic Development	142,111	133,241	8,870
<b>Total Development of Community</b>	<b>688,975</b>	<b>606,598</b>	<b>82,377</b>
<b>General Government</b>			
Executive - Mayor	14,330		14,330
Legislative - Council	12,603		12,603
Administration	150,727	143,531	7,196
City Clerk	66,074		66,074
Finance	280,513	238,096	42,417
Legal General	56,000		56,000
<b>Total General Government</b>	<b>580,247</b>	<b>381,627</b>	<b>198,620</b>
<b>Total Operating General Fund</b>	<b>4,282,493</b>	<b>1,403,661</b>	<b>2,878,832</b>

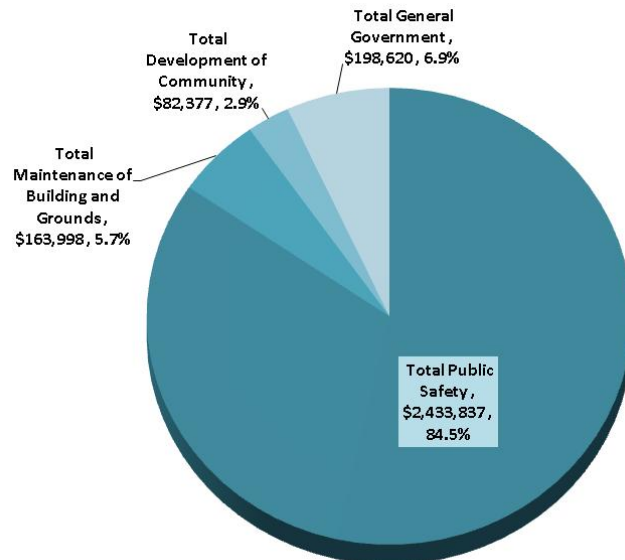


## City of Black Diamond Final Budget 2011

**2011 General Fund Operating Expenditures \$4,282,493**



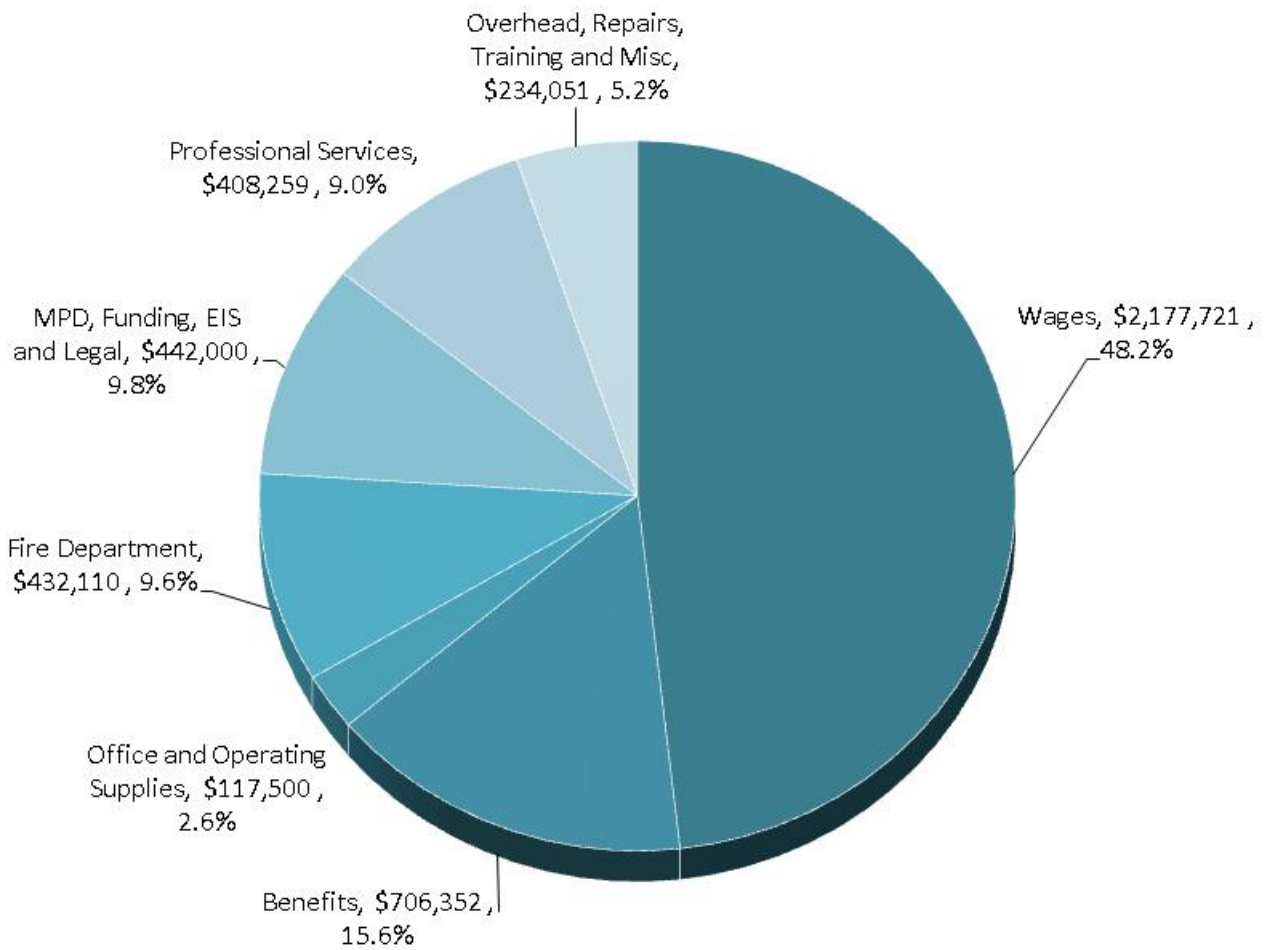
**2011 General Fund Net Operating Expenditures \$2,878,832**





## City of Black Diamond Final Budget 2011

### 2011 General Fund Expenditures by Type



**Total General Fund Expenditures \$4,517,493**



## City of Black Diamond Final Budget 2011

### 2011 Budget Summary Funding Agreement

				40 hour	
<b>Core Agreement (254)</b>		<b>Salaries</b>	<b>Benefits</b>	<b>Furlough</b>	<b>Total</b>
City Clerk/Asst City Administrator	1.0	113,400	32,506	(2,375)	143,531
Finance Director	1.0	107,400	22,791	(2,234)	127,957
Deputy Finance Director	1.0	86,100	25,986	(1,947)	110,139
Information Services Manager	1.0	100,800	32,895	(2,231)	131,464
Community Development Director	1.0	108,514	23,755	(2,273)	129,996
Permit Technician Supervisor	1.0	78,624	19,291	(1,740)	96,175
Code Enforcement	0.3	24,960	4,377		29,337
Associate Planner	1.0	66,956	17,507	(1,475)	82,988
Econ Development Director	1.0	102,372	33,135	(2,266)	133,241
Facilities Equipment Coordinator	1.0	69,083	22,538	(1,436)	90,185
Stewardship Director	1.0	103,515	33,514	(2,168)	134,861
Public Works Director (Parks & Cem)*	0.1	10,647	3,376	(236)	13,787
<b>Subtotal Salary and Benefits</b>	<b>10.4</b>	<b>972,371</b>	<b>271,671</b>	<b>(20,381)</b>	<b>1,223,661</b>
Maintenance and Operations					180,000
<b>Total Staff and Building Costs</b>					<b>1,403,661</b>
Legal - Funding Agreement					35,000
<b>Subtotal Funding Agreement General Fund</b>		<b>972,371</b>	<b>271,671</b>	<b>(20,381)</b>	<b>1,438,661</b>
Legal For MPD					75,000
Other MPD Reimbursables					160,000
<b>Total MPD Funding</b>		-	-		<b>235,000</b>
<b>General Fund Funding Total Reimbursement</b>					<b>1,673,661</b>
Utility - Public Works Director	0.9	86,238	27,347	(1,909)	111,676
Utility - Admin Assistant III Public Works	1.0	51,850	23,650	(1,135)	74,365
<b>Grand Total Funding Agreement</b>	<b>12.3</b>	<b>1,110,459</b>	<b>322,668</b>	<b>(23,425)</b>	<b>1,859,702</b>

Funding Revenue for Utilities				
	Street	Water	Sewer	Stormwtr
PW Director	20,681	34,468	34,468	34,467
Admin Asst III	20,657	20,657	20,657	20,657
<b>Total</b>	<b>41,338</b>	<b>55,125</b>	<b>55,125</b>	<b>55,124</b>
<b>Less 10% in Water/Wstwtr/Stmwtr</b>		<b>(5,513)</b>	<b>(5,513)</b>	<b>(5,512)</b>
<b>Total Utility Sal and Ben paid by Funding</b>	<b>41,338</b>	<b>49,613</b>	<b>49,613</b>	<b>49,612</b>
				<b>190,175</b>

\*PW Director (funding) partially allocated to the General Fund



# City of Black Diamond Final Budget 2011

## Legislative Department

This section of the General Fund operating budget provides funding for the legislative branch of the City government. The department consists of five Councilmembers who are elected to serve four-year terms at large, and represent all Black Diamond residents.

The City Council accomplishes City business during regular meetings and workstudies each month. Councilmembers also serve on Council Committees which meet on an as-needed basis. Council duties include approving the annual budget, authorizing inter-local agreements and contracts and deliberating on and passing ordinances and resolutions to set City policies. Four Councilmembers receive a stipend of \$160 per month, with the Mayor Pro Tem receiving \$200 per month.

Legislative	2009 Actual	2010 Budget	2010		2011 Budget	10 to 11	
			Estimate Year End			Bdgt Change	% Budget Change
Councilmember Wages	10,080	10,080			10,080	-	0.0%
Benefits (soc sec, L&I)	806	812			823	11	1.4%
Lodging, Meals and Mileage	52	600			600	-	0.0%
Training and Workshops	160	1,000			1,000	-	0.0%
Communications and Miscellaneous	-	100			100	-	0.0%
<b>Total Legislative</b>	<b>11,098</b>	<b>12,592</b>	<b>11,488</b>		<b>12,603</b>	<b>11</b>	<b>0.1%</b>





# City of Black Diamond Final Budget 2011

## Executive Department

This General Fund contains the Mayor's budget. The Mayor is the Chief Executive Officer of Black Diamond and is directly elected by popular vote by the citizens of Black Diamond for a four-year term. Mayoral duties include overseeing City administration, presiding over all meetings of the Council, signing and enforcing all ordinances, appointing and removing appointed officials, signing contracts entered into by the City, and representing the City in meetings and events held outside of Black Diamond.

The Mayor is paid a stipend of \$1,000 per month. Other costs associated with the Mayor include communications, travel, training and other miscellaneous expenses.

Executive			2010			%
	2009 Actual	2010 Budget	Estimate Year End	2011 Budget	10 to 11 Bdgt Change	% Budget Change
Mayor Wages	12,000	12,000		12,000	-	0.0%
Benefits (soc sec, L&I)	970	974		980	6	0.6%
Lodging, Meals & Mileage	140	510		500	(10)	-2.0%
Training & Workshop & Dues	150	750		700	(50)	-6.7%
Misc Off. Supplies & Communication	51	200		150	(50)	-25.0%
<b>Executive Total</b>	<b>13,311</b>	<b>14,434</b>	<b>13,934</b>	<b>14,330</b>	<b>(104)</b>	<b>-0.7%</b>



Mayor Rebecca Olness



# City of Black Diamond Final Budget 2011

## City Administration

Administration is part of the General Fund operating budget and provides funding for the overall management of the City of Black Diamond. This budget holds salary and benefits for the Assistant City Administrator, a position reimbursed 100% by the Funding Agreement. Because the Assistant City Administrator also serves as the City Clerk, non-salary expenditures associated with that position are located in the City Clerk's budget. The City Administrator position is frozen in the 2011 budget, resulting in the salary and benefit reduction.

Administration	2009 Actual	2010 Budget	2010 Estimate Year End	2011 Budget	10 to 11 Bdgt Change	% Budget Change
City Administration Wages	266,957	201,833		113,400	(88,433)	-43.8%
Furlough (09-10 day, 10-13 day, 11- 5 day)	-	(10,818)		(2,375)	8,443	-78.0%
Benefits (medical, medicare, soc sec, etc.)	72,347	54,434		32,507	(21,927)	-40.3%
Office and Operating Supplies	705	300		100	(200)	-66.7%
Professional Services & Legislative					-	
Telephone and Postage	54	100		100	-	0.0%
Lodging, Meals & Mileage	1,031	1,800		600	(1,200)	-66.7%
Training and Memberships	1,969	5,100		3,500	(1,600)	-31.4%
Insurance	2,533	2,533		2,845	312	12.3%
Miscellaneous	10	100		50	(50)	-50.0%
<b>City Administration Total</b>	<b>345,607</b>	<b>255,382</b>	<b>170,382</b>	<b>150,727</b>	<b>(104,655)</b>	<b>-41.0%</b>

Position:

1.0 Assistant City Administrator

Frozen and Unfunded:

1.0 City Administrator



# City of Black Diamond Final Budget 2011

## City Clerk Department

The City Clerk Department is responsible for managing the City's official records, including retention, archival and destruction, and processing all requests for public records; oversight of Council meetings, including agenda development and transcribing the official minutes; providing legal notices to the public regarding City business; coordinating elections; maintaining personnel files, interpretation of personnel policies and procedures, supporting the recruiting process and also maintaining and developing the City's website.

This department includes the Deputy City Clerk. The Deputy City Clerk is allocated 60% to the General Fund and 40% to Public Works funds. Also reflected in this budget are expenses for voter costs, code updates, advertising and other Clerk related expenditures. Budgets for office supplies and training for the Assistant City Administrator who also serves as the City Clerk are found in this section of the budget, while the salaries and benefits for that position are found in the Administration budget.

City Clerk	2009 Actual	2010 Budget	2010 Estimate Year End	2011 Budget	10 to 11 Bdgt Change	% Budget Change
City Clerk Wages	37,351	33,972		36,192	2,220	6.5%
Furlough (09-10 day, 10-13 day, 11- 5 day)	-	(1,930)		(801)	1,129	-58.5%
Benefits (medical, medicare, soc sec, etc.)	18,814	16,106		16,041	(65)	-0.4%
Elections Costs - Special Elections	-	6,000		-	(6,000)	-100.0%
Voter Registration Costs	5,724	6,000		4,000	(2,000)	-33.3%
Office Supplies	361	500		250	(250)	-50.0%
Code Update	6,118	5,000		5,500	500	10.0%
Lodging, Meals & Mileage	63	1,800		1,800	-	0.0%
Workshops/training	971	1,100		1,100	-	0.0%
Advertising	2,090	2,500		1,000	(1,500)	-60.0%
Insurance	317	317		592	275	86.8%
Misc, Memberships and Records	3,798	400		400	-	0.0%
<b>City Clerk Total</b>	<b>75,607</b>	<b>71,765</b>	<b>69,000</b>	<b>66,074</b>	<b>(5,691)</b>	<b>-7.9%</b>

Positions:

1.0 Deputy City Clerk (60% to General Fund)

1.0



# City of Black Diamond Final Budget 2011

## Finance Department

The Finance Department is responsible for safeguarding the City's assets by insuring maximum utilization of revenues, providing financial support to City departments and recording and reporting accurate and timely financial information to the State, elected officials and to the citizens of Black Diamond.

This Department provides the services of financial planning and reporting, accounting, accounts receivable, accounts payable, payroll processing, cost accounting, business licensing, utility tax collections, cash and investment management and debt service. Finance prepares the Annual Budget, the Comprehensive Annual Financial Report, Capital Improvement Program, reports and monthly financial updates.

This department has a Finance Director and a Deputy Finance Director and a part time, (75%) Senior Accountant position. The ¾ time position is allocated 60% to the General Fund and 40% to Public Works funds. The Finance Director and Deputy Finance Director salaries and benefits are 100% reimbursed by the Funding Agreement. The increase of \$5,450 is for the General Fund portion of the State Audit costs which occur every other year.

<b>Finance</b>	<b>2009</b>	<b>2010</b>	<b>2010</b>	<b>2011</b>	<b>10 to 11</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>Budget</b>	<b>Bdgt</b>	<b>Budget</b>
			<b>Year End</b>		<b>Change</b>	<b>Change</b>
Finance Department Wages	215,648	218,664		224,532	5,868	2.7%
Furlough (09-10 day, 10-13 day, 11- 5 day)	-	(12,039)		(4,681)	7,358	-61.1%
Benefits (medical, medicare, soc sec, etc.)	44,625	47,198		46,160	(1,038)	-2.2%
Office Supplies	225	700		600	(100)	-14.3%
State Auditor and Tax Audit Svcs	7,122	2,600		8,050	5,450	209.6%
Telephone and Postage	188	100		-	(100)	-100.0%
Lodging, Meals & Mileage	1,401	1,200		1,000	(200)	-16.7%
Workshops and Training	1,267	2,000		1,500	(500)	-25.0%
Insurance	1,267	1,267		2,952	1,685	133.0%
Memberships and Miscellaneous	375	640		400	(240)	-37.5%
<b>Finance Department Total</b>	<b>272,118</b>	<b>262,330</b>	<b>250,900</b>	<b>280,513</b>	<b>18,183</b>	<b>6.9%</b>

### Positions:

- 1.0 Finance Director
- 1.0 Deputy Finance Director
- .75 Senior Accountant (60% to General Fund)
- 2.75



# City of Black Diamond Final Budget 2011

## Information Services

The City of Black Diamond's Information Services Department is responsible for the procurement, administration and maintenance of the informational and telephone systems used by all of the City's departments. This department has one full-time employee for which the salary and benefits are reimbursed 100% by the Funding Agreement.

Information Services	2009 Actual	2010 Budget	2010 Estimate Year End	2011 Budget	10 to 11 Bdgt Change	% Budget Change
Info Services Salary	95,525	100,800		100,800	-	
Furlough (09-10 day, 10-13 day, 11- 5 day)	-	(5,725)		(2,231)	3,494	-61.0%
Benefits (medical, medicare, soc sec, etc.)	33,301	32,794		32,895	101	0.3%
Office Supplies and Minor Equipment	113	550		550	-	
Professional Services	1,298	3,000		5,000	2,000	66.7%
Telephone and Postage	43	400		400	-	
Lodging, Meals and Mileage	-	800		600	(200)	-25.0%
Training	1,298	1,850		2,000	150	8.1%
Insurance	950	950		1,491	541	56.9%
Repairs and Maintenance	-	500		500	-	
Memberships	-	250		125	(125)	-50.0%
<b>Information Services Total</b>	<b>132,528</b>	<b>136,169</b>	<b>132,000</b>	<b>142,130</b>	<b>5,961</b>	<b>4.4%</b>

Position:

1.0 Information Services Manager



# City of Black Diamond Final Budget 2011

## Facilities Department

The City of Black Diamond's Facilities Department is responsible for the long term planning of the City's building and equipment needs and to handle the daily needs of all departments in repair, replacement and installation of fixtures, furniture and equipment. This department has one full-time employee whose salary and benefits are 100% reimbursed by the Funding Agreement.

The Capital Facilities Department provides for the City Hall, Public Works land and building leases and associated utility and building costs. 100% of these costs are provided through the Funding Agreement.

Facilities	2009 Actual	2010 Budget	2010 Estimate Year End	2011 Budget	10 to 11 Bdgt Change	% Budget Change
Facilities Wages	66,430	69,083		69,083	-	0.0%
Furlough (09-10 day, 10-13 day, 11- 5 day)	-	(3,751)		(1,436)	2,315	-61.7%
Benefits (medical, medicare, soc sec, etc.)	23,138	24,164		22,539	(1,625)	-6.7%
Office And Operating Supplies	488	3,150		900	(2,250)	-71.4%
Fuel	2,268	2,100		2,600	500	23.8%
Small Tools And Equipment	401	400		400	-	0.0%
Miscellaneous	646	1,050		2,450	1,400	133.3%
Insurance	317	317		1,444	1,127	355.5%
Training	380	100		600	500	500.0%
<b>Facilities Subtotal</b>	<b>94,066</b>	<b>96,613</b>	<b>94,713</b>	<b>98,580</b>	<b>1,967</b>	<b>2.0%</b>
<b>Funding - Maintenance</b>						
Building and Land Leases	106,131	107,540	80,233	107,540	-	0.0%
Utilities and Other Building Costs	53,105	72,460	37,740	72,460	-	0.0%
Funding Maintenance Subtotal	<b>159,236</b>	<b>180,000</b>	<b>117,973</b>	<b>180,000</b>	-	0.0%
<b>Funding Maint &amp; Facilities Total</b>	<b>253,302</b>	<b>276,613</b>	<b>212,686</b>	<b>278,580</b>	<b>1,967</b>	<b>0.7%</b>

Positions:

1.0 Facilities Coordinator



# City of Black Diamond Final Budget 2011

## Legal Department

The Legal Department represents the Office of the City Attorney. The General Fund portion of the budget of the City Attorney generally includes providing civil legal service, preparing and review of ordinances and other legal documents to which the City is a party, maintaining up-to-date legal research materials including pending and adopted state legislation with municipal impact and personnel matters. A percentage of legal costs are shared with the Street and Utility Fund budgets. Kenyon Disend PLLC is currently contracted to provide legal counsel for the City. Chris Bacha serves as the City Attorney.

The City Attorney also provides Black Diamond with representation on a myriad of issues, including but not limited to providing legal analysis on civil issues, property acquisitions, land use issues and comprehensive plan issues. These legal costs are included in other funds, capital projects or MPD budgets.

Legal	2009 Actual	2010 Budget	2010 Estimate Year End	2011 Budget	10 to 11 Bdgt Change	% Budget Change
Legal Services-General	42,432	45,600		49,500	3,900	8.6%
Legal Services - Employment	-	3,000		2,000	(1,000)	-33.3%
Prosecuting Attorney	48,000	48,000		48,000	-	
Legal Services Police Contract	3,461	3,000		3,500	500	16.7%
Legal & Other-Franchise/Natural Gas	7,457	-		-	-	
Legal-Lawsuits-Other Charges	388	1,000		1,000	-	
<b>Legal Total</b>	<b>101,738</b>	<b>100,600</b>	<b>111,200</b>	<b>104,000</b>	<b>3,400</b>	<b>3.4%</b>





# City of Black Diamond Final Budget 2011

## Municipal Court

The Black Diamond Municipal Court is a court of limited jurisdiction, managing a caseload of approximately 1,500 to 2,400 cases each year. These cases involve infractions, misdemeanors and gross misdemeanors. Other matters such as felony cases are filed and disposed of in King County Superior Court.

Court is in session, and is open to the public the 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> Wednesday of each month. The Court office is open Monday through Friday from 8:30 a.m. to 5:00 p.m.

Budget for the Court includes a full-time Court Administrator, one ¾ time Court Clerk and contracted services provided by a Judge, Prosecutor and Public Defender. Budget is also needed for security and other miscellaneous expenses such as interpreters, office supplies, training and credit card fees.

<b>Municipal Court</b>	<b>2009</b>	<b>2010</b>	<b>2010</b>	<b>2011</b>	<b>10 to 11</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>Budget</b>	<b>Bdgt</b>	<b>Budget</b>
			<b>Year End</b>		<b>Change</b>	<b>Change</b>
Court Wages	119,641	103,258		105,924	2,666	2.6%
Furlough (09-10 day, 10-13 day, 11- 5	-	(5,000)		(2,342)	2,658	-53.2%
Benefits (medical, medicare, soc sec, etc.)	53,225	26,832		23,583	(3,249)	-12.1%
Operating Supplies	3,271	2,500		2,000	(500)	-20.0%
Court Judge	29,112	40,000		36,000	(4,000)	-10.0%
Protem Judge	8,221	2,000		1,800	(200)	-10.0%
Court-Public Defender	29,091	23,000		23,000		0.0%
Court Interpreter	6,500	4,000		4,000	-	0.0%
Telephone and Postage	4,124	5,000		5,000	-	0.0%
Advertising, Ins, Copy Maintenance	2,427	2,355		2,310	(45)	-1.9%
Lodging, Meals, Miles	204	200		150	(50)	-25.0%
Training and Workshops	505	500		350	(150)	-30.0%
Witness/Jury Fees	2,118	1,500		1,500	-	0.0%
Printing and Binding	3,429	3,500		3,500	-	0.0%
Memberships	557	500		450	(50)	-10.0%
Shredding Services	348	500		450	(50)	-10.0%
Police Security O/T	20,365	18,000		18,000		0.0%
Security	972	1,200		1,200	-	0.0%
Miscellaneous Costs & Furniture	1,327	550		800	250	45.5%
Merchant Credit Card Fees	1,007	1,000		2,000	1,000	100.0%
<b>Municipal Court Total</b>	<b>286,444</b>	<b>231,395</b>	<b>225,595</b>	<b>229,675</b>	<b>(1,720)</b>	<b>-0.7%</b>

Positions:

1.0 Court Administrator

.75 Court Clerk

1.75



# City of Black Diamond Final Budget 2011

## Police Department

The Black Diamond Police Department is currently operating with a Chief of Police, two Patrol Sergeants and seven Patrol Officers. The City has one full time Records Manager and a part-time Records Clerk. The Public Safety Levy passed last year which funds the budget for one officer plus other union colas and step increases for public safety employees. Also Valley Communications has increased. Due to the decrease in other supporting revenues, the Commander and one Officer position remains frozen.

The Black Diamond Police Department will strive to maintain the trust and confidence of our citizens through proactive policing and demonstration of our core values.

### ***MISSION STATEMENT***

The Black Diamond Police Department strives to maintain the trust and Confidence of our citizens through proactive policing and demonstration of our core values.

### ***Our Values***

#### **Integrity**

*Committed to providing quality service by consistently holding ourselves to the highest moral and ethical principals*

#### **Professionalism**

*Committed to providing the community with exceptional law enforcement by developing our personnel through effective training and leadership*

#### **Excellence**

*Committed to providing innovative solutions to issues by working in partnership with our community*

#### **Teamwork**

*Committed to providing a quality work environment by promoting coordination, cooperation, and communication with our members*



## City of Black Diamond Final Budget 2011

Police Summary	2009	2010	2010	2011	10 to 11	%
	Actual	Budget	Estimate Year End	Budget	Bdgt Change	Budget Change
Police Operating	1,432,376	1,269,878	1,265,025	1,474,087	204,209	16.1%
Police Communications	123,291	113,385	113,567	136,980	23,595	20.8%
Police Capital Projects	8,362	9,999	12,926	3,000	(6,999)	-70.0%
Prisoners and Detention	40,461	41,000	41,000	42,500	1,500	3.7%
Police Building Costs	21,479	22,550	19,540	22,500	(50)	-0.2%
Police Marine	21,775	44,761	24,708	20,300	(24,461)	-54.6%
Police Hiring	7,774	6,100	907	3,660	(2,440)	-40.0%
<b>Police Total</b>	<b>1,655,518</b>	<b>1,507,673</b>	<b>1,477,673</b>	<b>1,703,027</b>	<b>195,354</b>	<b>13.0%</b>

Police Operating	2009	2010	2010	2011	10 to 11	%
	Actual	Budget	Estimate Year End	Budget	Bdgt Change	Budget Change
Police Dept Wages	936,227	826,869		949,744	122,875	14.9%
Furlough (09-10 day, 10-13 day, 11- 5 day)	-	(11,789)		(1,864)	9,925	-84.2%
Benefits (medical, medicare, soc sec, etc.)	369,003	346,952		380,088	33,136	9.6%
Overtime	83,633	45,000		45,000	-	0.0%
Reimbursed Overtime	(48,030)	(56,000)		(34,000)	22,000	-39.3%
Uniforms	14,279	8,950		12,350	3,400	38.0%
Operating Supplies	7,230	10,600		9,200	(1,400)	-13.2%
Fuel	21,054	30,000		30,000	-	0.0%
Firearms Program	-	15,000		15,000	-	0.0%
Professional Services					-	
Lodging, Meals & Mileage	236	4,000		2,500	(1,500)	-37.5%
Training	848	7,000		5,000	(2,000)	-28.6%
Memberships	1,121	2,000		2,900	900	45.0%
Insurance	30,834	30,836		35,629	4,793	15.5%
Vehicle Maintenance & Repairs	12,900	8,000		18,000	10,000	125.0%
Repairs and Maintenance - Copier	452	300		1,740	1,440	480.0%
Misc, Advertising, Shredding, Towing	620	900		1,400	500	55.6%
Printing	1,537	700		700	-	0.0%
Merchant Card Service Fees	431	560		700	140	25.0%
<b>Police Operating Total</b>	<b>1,432,376</b>	<b>1,269,878</b>	<b>1,265,025</b>	<b>1,474,087</b>	<b>204,209</b>	<b>16.1%</b>



## City of Black Diamond Final Budget 2011

<b>Police Communications</b>	<b>2009</b>	<b>2010</b>	<b>2010</b>	<b>2011</b>	<b>10 to 11</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>Budget</b>	<b>Bdgt</b>	<b>Budget</b>
			<b>Year End</b>		<b>Change</b>	<b>Change</b>
Valley Comm - Dispatch Service	80,497	74,500		87,660	13,160	17.7%
Valley Comm - MDT's	2,160	2,340		2,120	(220)	-9.4%
K/C 800 Mhz Radio Costs	13,891	11,345		14,000	2,655	23.4%
Other Access Charges	4,385	3,100		4,200	1,100	35.5%
Police Telephone/DSL/Air Cards	15,621	16,200		20,000	3,800	23.5%
Police Comm KC I-Net	4,875	4,500		5,000	500	11.1%
Police Postage	466	400		1,000	600	150.0%
K/C Radio Maint. & Repair	1,397	1,000		3,000	2,000	200.0%
<b>Police Communications Total</b>	<b>123,291</b>	<b>113,385</b>	<b>113,567</b>	<b>136,980</b>	<b>23,595</b>	<b>20.8%</b>

<b>Police Capital</b>	<b>2009</b>	<b>2010</b>	<b>2010</b>	<b>2011</b>	<b>10 to 11</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>Budget</b>	<b>Bdgt</b>	<b>Budget</b>
			<b>Year End</b>		<b>Change</b>	<b>Change</b>
Police CTED Grant EQ	-	9,999	9,548	-	(9,999)	-100.0%
Traffic Safety Equipment	8,362	-	3,378	3,000	3,000	100.0%
<b>Police Capital Total</b>	<b>8,362</b>	<b>9,999</b>	<b>12,926</b>	<b>3,000</b>	<b>(6,999)</b>	<b>-70.0%</b>

<b>Police Jail Costs</b>	<b>2009</b>	<b>2010</b>	<b>2010</b>	<b>2011</b>	<b>10 to 11</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>Budget</b>	<b>Bdgt</b>	<b>Budget</b>
			<b>Year End</b>		<b>Change</b>	<b>Change</b>
Jail Costs	37,758	40,000	40,000	40,000	-	100.0%
Elect Monitor Costs	1,922	-		1,500	1,500	100.0%
Prisoner Medical Costs	531	1,000	1,000	1,000	-	100.0%
Memberships	250	-	-	-	-	100.0%
<b>Prisoner and Detention Total</b>	<b>40,461</b>	<b>41,000</b>	<b>41,000</b>	<b>42,500</b>	<b>1,500</b>	<b>3.7%</b>

<b>Police Building Costs</b>	<b>2009</b>	<b>2010</b>	<b>2010</b>	<b>2011</b>	<b>10 to 11</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>Budget</b>	<b>Bdgt</b>	<b>Budget</b>
			<b>Year End</b>		<b>Change</b>	<b>Change</b>
Police Bldg Mtc Sup	1,524	1,000	462	1,000	-	0.0%
Police Custodial Cost	6,039	6,000	5,146	6,000	-	0.0%
Utilities	12,284	14,450	13,000	13,800	(650)	-4.5%
Police Bldg Repairs	932	500	438	1,000	500	100.0%
Brinks Security	700	600	494	700	100	16.7%
<b>Police Building Costs</b>	<b>21,479</b>	<b>22,550</b>	<b>19,540</b>	<b>22,500</b>	<b>(50)</b>	<b>-0.2%</b>



## City of Black Diamond Final Budget 2011

<b>Police Marine</b>	<b>2009</b>	<b>2010</b>	<b>2010</b>		<b>10 to 11</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>2011</b>	<b>Bdgt</b>	<b>Budget</b>
			<b>Year End</b>	<b>Budget</b>	<b>Change</b>	<b>Change</b>
<b>King County Vessel Registration</b>						
Salary and Benefits	5,145	10,263	2,061	15,000	4,737	46.2%
Operating Expenditures	2,270	3,250	2,614	2,750	(500)	-15.4%
Repairs and Maintenance	-	1,000	2,151	1,500	500	50.0%
Lodging, Meals & Mileage	-	1,800	1,478	1,000	(800)	-44.4%
Training and Advertising	-	500	31	50	(450)	-90.0%
Carryover from Prior Year		12,711			(12,711)	-100.0%
<b>Subtotal VRF</b>	<b>7,415</b>	<b>29,524</b>	<b>8,334</b>	<b>20,300</b>	<b>(9,224)</b>	<b>-31.2%</b>
<b>Coast Guard Grant</b>						
Salary and Benefits	11,600	15,237	16,374		(15,237)	-100.0%
Operating Expenditures	1,043				-	
Repairs and Maintenance	1,268				-	
Travel and Training	449				-	
<b>Subtotal Coast Guard Grant</b>	<b>14,360</b>	<b>15,237</b>	<b>16,374</b>	<b>-</b>	<b>(15,237)</b>	<b>-100.0%</b>
<b>Police Marine Total</b>	<b>21,775</b>	<b>44,761</b>	<b>24,708</b>	<b>20,300</b>	<b>(24,461)</b>	<b>-54.6%</b>

<b>Police Hiring Costs</b>	<b>2009</b>	<b>2010</b>	<b>2010</b>		<b>10 to 11</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>2011</b>	<b>Bdgt</b>	<b>Budget</b>
			<b>Year End</b>	<b>Budget</b>	<b>Change</b>	<b>Change</b>
Civil Service Testing	4,350	3,600	236	660	(2,940)	-81.7%
Civil Service-Hiring Evaluations	2,279	-	522	2,000	2,000	100.0%
Civil Service Legal Services	1,116	1,500	-	-	(1,500)	-100.0%
Communications and Training	29	1,000	150	1,000	-	0.0%
<b>Civil Service (Hiring)Total</b>	<b>7,774</b>	<b>6,100</b>	<b>907</b>	<b>3,660</b>	<b>(2,440)</b>	<b>-40.0%</b>

### Funded Positions:

- 1.0 Police Chief
- 2.0 Sergeant Positions
- 7.0 Police Officers
- 1.0 Police Records Coordinator
- .63 Police Clerk
- 11.63

### Authorized but frozen and unfunded:

- 1- Commander
- 1- Police Officer



# City of Black Diamond Final Budget 2011

## Fire Department

The City of Black Diamond contracts with Mountain View/Black Diamond Fire Department, King County Fire District No. 44, for fire services. The department's responsibilities include providing staff 24 hours a day, seven days a week in Black Diamond and providing rescue, firefighting, fire prevention, emergency medical services, disaster services and public education activities to citizens. Fire investigation services are contracted through the King County Sheriff's Department. The decrease in the 2011 budget recognizes the actual amount billed by Fire District 44.

<b>Fire Department</b>	<b>2009 Actual</b>	<b>2010 Budget</b>	<b>2010 Estimate Year End</b>	<b>2011 Budget</b>	<b>10 to 11 Bdgt Change</b>	<b>% Budget Change</b>
Fire Dist 44 Professional Services	405,925	457,540		428,585	(28,955)	-6.3%
Fire Investigation Services	1,788	1,700		2,000	300	17.6%
Utilities	615	653		725	72	11.0%
Miscellaneous	3,269	1,347		800	(547)	-40.6%
<b>Fire Department</b>	<b>411,597</b>	<b>461,240</b>	<b>415,000</b>	<b>432,110</b>	<b>(29,130)</b>	<b>-6.3%</b>



## City of Black Diamond Final Budget 2011

### Animal Control and Emergency Management

The City has new costs associated with animal control and for the emergency management program. The Animal Control portion represents the King County animal control subsidy due to the County, passed by Council in 2010.

Emergency Management expense funds have been added to the budget in 2011 and will go toward purchase of radio replacements and emergency supplies. These two new expense lines have yet to be assigned a department so are included here together for the preliminary budget request.

<b>Animal Control and Emergency Management</b>	<b>2009 Actual</b>	<b>2010 Budget</b>	<b>2010 Estimate Year End</b>	<b>2011 Budget</b>	<b>10 to 11 Bdgt Change</b>	<b>% Budget Change</b>
Animal Control Prof Svcs	-	-	-	16,025	16,025	100.0%
<b>Animal Control Total</b>	-	-	-	<b>16,025</b>	<b>16,025</b>	<b>100.0%</b>
EMS MGMT Operating Supplies	-	-	-	5,000	5,000	100.0%
<b>EMS Management Total</b>	-	-	-	<b>5,000</b>	<b>5,000</b>	<b>100.0%</b>





# City of Black Diamond Final Budget 2011

## Community Development Department

The Community Development section of the operating budget provides funding for the City's long-range planning and land use and building permitting functions. The department also provides staffing to the City Planning Commission and performs code enforcement activities to address nuisances, code violations, and other issues. This section currently includes three full-time employees: a Director, Associate Planner, and a Permit Supervisor; plus a part-time employee serving as the Building Official/Code Enforcement Officer.

Currently, all salaries and benefits in this department are 100% reimbursed by the Funding Agreement, with the exception of building plan review and inspection services, which are funded through application fees. The remainder of expenses such as training, memberships, office supplies, and allocated costs are General Fund expenditures. The 2010 year end estimate decrease is due to the elimination of the Permit Technician position in July 2010. The 2011 budget reduction of \$20,000 is due to moving the hearing examiner costs to the Master Planned Development budget.

<b>Community Development Summary</b>	<b>2009 Actual</b>	<b>2010 Budget</b>	<b>2010 Estimate Year End</b>	<b>2011 Budget</b>	<b>10 to 11 Bdgt Change</b>	<b>% Budget Change</b>
CD Administration	129,685	-		-	-	
Planning	93,609	168,668	167,700	172,635	3,967	2.4%
Permitting	187,836	197,030	183,300	170,818	(26,212)	-13.3%
Code Enforcement	16,550	40,582	39,000	43,474	2,892	7.1%
<b>Community Development Total</b>	<b>427,680</b>	<b>406,280</b>	<b>390,000</b>	<b>386,927</b>	<b>(19,353)</b>	<b>-4.8%</b>

<b>CD Administration</b>	<b>2009 Actual</b>	<b>2010 Budget</b>	<b>2010 Estimate Year End</b>	<b>2011 Budget</b>	<b>10 to 11 Bdgt Change</b>	<b>% Budget Change</b>
Comm Dev Admin Wages	104,336	108,514		108,514	-	0.0%
Furlough (09-10 day, 10-13 day, 11- 5 day)	-	(5,827)		(2,273)	3,554	-61.0%
Benefits (medical, medicare, soc sec, etc.)	22,159	21,095		23,755	2,660	12.6%
Office and Operating Supplies	468	2,360		-	(2,360)	-100.0%
Professional Services	29	-		-	-	
Telephone and Postage	149	100		-	(100)	-100.0%
Lodging, Meals & Mileage	58	1,300		500	(800)	-61.5%
Training	-	750		500	(250)	-33.3%
Insurance	1,944	1,944		1,489	(455)	-23.4%
Vehicle Maintenance & Repair	34	-		-	-	
Miscellaneous and Memberships	509	800		550	(250)	-31.3%
CD Administration Allocation	-	(131,036)		(133,035)	(1,999)	1.5%
<b>CD Administration Total</b>	<b>129,685</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	



# City of Black Diamond Final Budget 2011

## Community Development Department

Planning	2009 Actual	2010 Budget	2010 Estimate Year End	2011 Budget	10 to 11 Bdgt Change	% Budget Change
Planning Wages	72,746	46,659		66,956	20,297	43.5%
Furlough (09-10 day, 10-13 day, 11- 5 day)	-	(2,379)		(1,475)	904	-38.0%
Benefits (medical, medicare, soc sec, etc.)	16,428	11,277		17,508	6,231	55.3%
Office And Operating Supplies	1,224	-		1,800	1,800	100.0%
Advertising	244	-		400	400	100.0%
Professional Services	649	-		-	-	
Pro Services/Hearing Examiner	-	25,000		5,000	(20,000)	-80.0%
Communications	-	-		100	100	100.0%
Lodging, Meals & Mileage	276	-		500	500	100.0%
Training and Memberships	650	-		900	900	100.0%
Insurance	317	317		1,125	808	254.9%
Miscellaneous and Advertising	1,075	-		-	-	
CD Administration Allocation	-	87,794		79,821	(7,973)	-9.1%
<b>Planning Total</b>	<b>93,609</b>	<b>168,668</b>	<b>167,700</b>	<b>172,635</b>	<b>3,967</b>	<b>2.4%</b>

Permitting	2009 Actual	2010 Budget	2010 Estimate Year End	2011 Budget	10 to 11 Bdgt Change	% Budget Change
Permitting Wages	125,489	121,396		95,268	(26,128)	-21.5%
Furlough (09-10 day, 10-13 day, 11- 5 day)	-	(6,059)		(1,740)	4,319	-71.3%
Benefits (medical, medicare, soc sec, etc.)	43,064	32,190		22,211	(9,979)	-31.0%
Office And Operating Supplies	715	1,800		1,500	(300)	-16.7%
Bldg Insp And Plan Check	13,648	-				
Fire Insp And Plan Check	576	600		500	(100)	-16.7%
Permit Software Maintenance	290	8,000		8,000	-	0.0%
Telephone and Postage	33	500		100	(400)	-80.0%
Lodging, Meals & Mileage	920	1,000		250	(750)	-75.0%
Training and Memberships	694	900		350	(550)	-61.1%
Advertising	165	500		1,500	1,000	200.0%
Insurance	2,243	2,243		1,868	(375)	-16.7%
Merch Card Service Fees	-	1,200		1,100	(100)	-8.3%
CD Administration Allocation	-	32,760		39,911	7,151	21.8%
<b>Permitting Total</b>	<b>187,836</b>	<b>197,030</b>	<b>183,300</b>	<b>170,818</b>	<b>(26,212)</b>	<b>-13.3%</b>



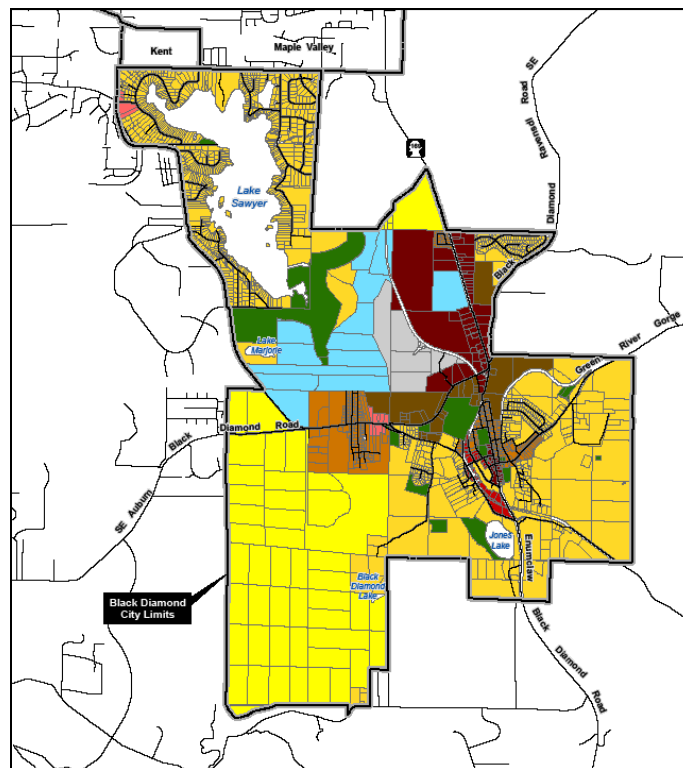
# City of Black Diamond Final Budget 2011

## Community Development Department

Code Enforcement	2009 Actual	2010 Budget	2010 Estimate Year End	2011 Budget	10 to 11 Bdgt Change	% Budget Change
Code Enforcement Wages	-	26,424		24,960	(1,464)	-5.5%
Benefits (medical, medicare, soc sec, etc.)		3,575		4,376	801	22.4%
Operating Supplies	-	100		200	100	100.0%
Code Enforcement Prof Services	16,550	-		-	-	
Insurance	-	-		635	635	
CD Administration Allocation	-	10,483		13,303	2,820	26.9%
<b>Code Enforcement Total</b>	<b>16,550</b>	<b>40,582</b>	<b>39,000</b>	<b>43,474</b>	<b>2,892</b>	<b>7.1%</b>

### Positions:

- 1.0 Community Development Director
- 1.0 Associate Planner
- 1.0 Permit Technician Supervisor
- .5 Building Official/Code Enforcement Officer
- 3.5



**City Limits**



# City of Black Diamond Final Budget 2011

## Natural Resources Department

The City of Black Diamond's Natural Resources Department manages the purchase, restoration and maintenance of the City's natural resources and providing guidance in balancing the protection of the environment and a strong, vibrant economy. Inherent to the Natural Resources Department is significant overlap with the City of Black Diamond's Parks, Recreation and Open Space Program. The Natural Resources Department has and will continue to provide back-up in the development of the City's Comprehensive Parks, Recreation, Trails and Open Space Plan as components to this program fall under the responsibilities of this Department.

Natural Resource Department responsibilities involve management of the City's Transfer of Development Rights (TDR's) Program and to help ensure the quality of life that residents of Black Diamond have come to expect. Environmental sensitivity is also part of the City's vision for the future. The Natural Resources Director is the single full-time employee in this department, of which the salary and benefits are reimbursed 100% by the Funding Agreement.

The WRIA 9 water quality membership has been moved to the Stormwater Fund in 2011.

Natural Resources	2009 Actual	2010 Budget	2010 Estimate Year End	2011 Budget	10 to 11 Bdgt Change	% Budget Change
Natural Resources Wages	99,537	103,515		103,515	-	0.0%
Furlough (09-10 day, 10-13 day, 11- 5 day)	-	(6,007)		(2,168)	3,839	-63.9%
Benefits (medical, medicare, soc sec, etc.)	33,949	33,206		33,514	308	0.9%
Operating Supplies	3,781	1,250		1,250	-	0.0%
Powerful Choices PSE	497	500			(500)	-100.0%
PS Clean Air Assessment	2,187	2,190		2,190	-	0.0%
Recycling Program Grant	17,751	18,900		18,900	-	0.0%
Prof. Services and Advertising	166	-		-	-	
Lodging, Meals & Mileage	-	500		250	(250)	-50.0%
Training and Memberships	(146)	900		400	(500)	-55.6%
WRIA 9 Membership (water quality)	3,978	3,735			(3,735)	-100.0%
Insurance	950	950		1,586	636	66.9%
Miscellaneous	626	500		500	-	0.0%
<b>Natural Resources Total</b>	<b>163,277</b>	<b>160,139</b>	<b>160,000</b>	<b>159,937</b>	<b>(202)</b>	<b>-0.1%</b>

Positions:

1.0 Stewardship/Parks Director



# City of Black Diamond Final Budget 2011

## Economic Development Department

The City of Black Diamond's Economic Development Department provides a bridge between private and public sectors to assist with the economic growth of the community in areas of job creation and retention through recruitment and expansion of businesses and developments.

Economic Development Department responsibilities involve implementing strategies that will aid in business attraction. The goal is to increase the job base while maintaining the current jobs in Black Diamond, and to develop and maintain economic development related data and databases necessary for business recruitment.

Economic Development also has the primary responsibility to develop and enhance partnerships with agencies, utilities, transportation, and other economic development allies. This department also manages land acquisitions and project planning for City owned development projects.

The Economic Development Director is the single full time employee in this department of which the salary and benefits are reimbursed 100% by the Funding Agreement.

<b>Economic Development</b>	<b>2009</b>	<b>2010</b>	<b>2010</b>	<b>2011</b>	<b>10 to 11</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>Budget</b>	<b>Bdgt</b>	<b>Budget</b>
			<b>Year End</b>		<b>Change</b>	<b>Change</b>
Economic Development Wages	98,430	102,372		102,372	-	0.0%
Furlough (09-10 day, 10-13 day, 11- 5 day)	-	(5,815)		(2,266)	3,549	-61.0%
Benefits (medical, medicare, soc sec, etc.)	33,804	33,008		33,135	127	0.4%
Office and Operating Supplies	802	1,150		1,100	(50)	-4.3%
Professional Services	-	-		-	-	
Communications	-	1,000		1,000	-	
Lodging, Meals & Mileage	1,946	1,900		1,900	-	
Lodging, Meals & Mileage - Funding	128	-		500	500	100.0%
Insurance	950	950		1,570	620	65.3%
Miscellaneous, Printing and Binding	56	450		450	-	
Training, Workshops and Memberships	1,552	2,350		2,350	-	
<b>Economic Development Total</b>	<b>137,668</b>	<b>137,365</b>	<b>133,245</b>	<b>142,111</b>	<b>4,746</b>	<b>3.5%</b>

Positions:

1.0 Economic Development Director



## City of Black Diamond Final Budget 2011

### Parks and Recreation Department

The City of Black Diamond's Park Department provides maintenance of the three active parks including the Eagle Creek Park that provides a basketball court, play equipment and benches, a BMX track, a boat launch facility on Lake Sawyer and the downtown park that provides tennis courts, picnicking, and a skate board facility. In addition to the active parks the City has two passive parks including the Union Stump historical marker and the Coal Car Triangle historical marker. The City also has a 168 acre undeveloped park at the south end of Lake Sawyer. In total, the City has 173.5 acres of park property.

The Parks Department is maintained by the utility crew and their wages are allocated 8% to this area. The superintendent and PW Director are also allocated 8% here.

<b>Parks and Recreation</b>	<b>2009</b>	<b>2010</b>	<b>2010</b>	<b>2011</b>	<b>10 to 11</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>Budget</b>	<b>Bdgt</b>	<b>Budget</b>
			<b>Year End</b>		<b>Change</b>	<b>Change</b>
Parks and Rec Wages	24,813	25,009		26,276	1,267	5.1%
Furlough	-	(633)		(189)	444	-70.1%
Benefits (medical, medicare, soc sec, etc.)	9,225	9,460		9,227	(233)	-2.5%
Operating Supplies	1,163	1,450		2,800	1,350	93.1%
Fuel	570	700		800	100	14.3%
Utilities	2,464	2,690		3,170	480	17.8%
Telephone and Postage	355	700		600	(100)	-14.3%
Repairs and Vehicle Maintenance	654	1,500		1,600	100	6.7%
Equipment Rental	-	500		1,500	1,000	200.0%
Insurance	4,708	4,708		4,487	(221)	-4.7%
Portable Restroom Facility	2,533	2,500		5,000	2,500	100.0%
Venue Pay Station	1,625	1,800		1,800	-	0.0%
Professional Services	1,234	500		1,000	500	100.0%
Community Events	1,902	1,985		3,500	1,515	76.3%
Miscellaneous	126	100		100	-	0.0%
Merchant Card Service Fees	475	750		500	(250)	-33.3%
Park Improvements - Minor	-	-		-	-	
<b>Parks Subtotal</b>	<b>51,847</b>	<b>53,719</b>	<b>50,811</b>	<b>62,171</b>	<b>8,452</b>	<b>15.7%</b>
<b>Museum and Community Center</b>					-	
Museum Insurance	1,226	1,226		1,010	(216)	-17.6%
Museum Electric/Gas	3,826	3,700		3,700	-	0.0%
Museum Water/Sewer/Storm	275	-		1,300	1,300	
Community Center Insurance	1,666	1,666		1,444	(222)	-13.3%
Comm Center Water/Sewer/Storm	60	-		200	200	
<b>Subtotal Museum and Community Center</b>	<b>7,054</b>	<b>6,592</b>	<b>6,500</b>	<b>7,654</b>	<b>1,062</b>	<b>16.1%</b>
<b>Parks and Recreation Total</b>	<b>58,901</b>	<b>60,311</b>	<b>57,311</b>	<b>69,825</b>	<b>9,514</b>	<b>15.8%</b>



# City of Black Diamond Final Budget 2011

## Parks and Recreation Department

Public Works employees are allocated a portion of their salary and benefit costs to Parks. Parks allocations total 24% of a full time employee in 2011.

2011 Employee Allocations Cemetery and Parks					
Positions	Full Time Equivalent (FTE)	Funding Agreement	General Fund	Cemetery	Parks
Admin Assistant I	0.20		0.10	0.10	
<b>Support Staff Total</b>	<b>0.20</b>		<b>0.10</b>	<b>0.10</b>	
Public Works Director	0.10	0.10			
Utilities Supervisor	0.20		0.10	0.02	0.08
Utility Worker	0.20		0.10	0.02	0.08
Utilities Operator	0.20		0.10	0.02	0.08
Seasonal Help for Parks	0.0430		0.043	0.00086	0.00344
<b>Public Works Total</b>	<b>0.74</b>	<b>0.10</b>	<b>0.34</b>	<b>0.06</b>	<b>0.24</b>
<b>Grand Total Budget Positions</b>	<b>0.95</b>	<b>0.10</b>	<b>0.44</b>	<b>0.16</b>	<b>0.24</b>





# City of Black Diamond Final Budget 2011

## Cemetery Department

The City of Black Diamond's Cemetery Department provides operations and maintenance of the cemetery. This involves coordinating burials, sale of cemetery plots, providing physical burial services and maintaining the cemetery grounds. The burial fees cover the costs associated with the burial.

The cemetery is supported by the General Fund. The Public Works crew mows and trims the cemetery once a week during the heavy grass growing months and once every two weeks for the drier months during the growing season.

Cemetery	2009 Actual	2010 Budget	2010 Estimate Year End	2011 Budget	10 to 11 Bdgt Change	% Budget Change
Cemetery Wages	9,251	9,530		10,071	541	5.7%
Furlough (09-10 day, 10-13 day, 11- 5	-	(269)		(125)	144	-53.5%
Benefits (medical, medicare, soc sec, etc.)	3,745	3,890		4,010	120	3.1%
Operating Supplies	146	450		550	100	22.2%
Fuel	142	450		400	(50)	-11.1%
Vaults/Liners	349	450		500	50	11.1%
Telephone and Postage	89	-		200	200	100.0%
Utilities	104	140		850	710	507.1%
Insurance	332	332		169	(163)	-49.1%
Repairs. Maintenance and Vehicle	322	-		700	700	100.0%
Miscellaneous and Excise Taxes	24	150		100	(50)	-33.3%
<b>Cemetery Total</b>	<b>14,504</b>	<b>15,123</b>	<b>15,000</b>	<b>17,425</b>	<b>2,302</b>	<b>15.2%</b>

Public Works employees are allocated a portion of their salary and benefit costs to the Cemetery. Cemetery allocations total 19% of a full time employee in 2011.

2011 Employee Allocations Cemetery and Parks					
Positions	Full Time Equivalent (FTE)	Funding Agreement	General Fund	Cemetery	Parks
Admin Assistant I	0.20		0.10	0.10	
<b>Support Staff Total</b>	<b>0.20</b>		<b>0.10</b>	<b>0.10</b>	
Public Works Director	0.10	0.10			
Utilities Supervisor	0.20		0.10	0.02	0.08
Utility Worker	0.20		0.10	0.02	0.08
Utilities Operator	0.20		0.10	0.02	0.08
Seasonal Help for Parks	0.0430		0.043	0.00086	0.00344
<b>Public Works Total</b>	<b>0.74</b>	<b>0.10</b>	<b>0.34</b>	<b>0.06</b>	<b>0.24</b>
<b>Grand Total Budget Positions</b>	<b>0.95</b>	<b>0.10</b>	<b>0.44</b>	<b>0.16</b>	<b>0.24</b>



## City of Black Diamond Final Budget 2011

### Central Services and Employee Recognition

Central Services and Employee Recognition budget captures shared costs for various departments, including office and operating supplies, software maintenance costs, copier costs, postage, advertising, utilities, custodial services, building insurance, and credit card and banking fees.

Costs that benefit a variety of departments are paid from Central Services and then allocated through cost allocations. Employee recognition budget includes employee and elected official recognition, awards and an annual banquet.

Central Services and Employee Recognition	2009 Actual	2010 Budget	2010 Estimate Year End	2011 Budget	10 to 11 Bdgt Change	% Budget Change
Office and Operating Supplies	4,858	4,750		7,300	2,550	53.7%
Telephone and Postage	4,488	4,000		4,300	300	7.5%
Memberships	6,516	6,700		6,600	(100)	-1.5%
Emp Recognition	764	1,500		1,100	(400)	-26.7%
Retreat-Travel & Training	-	1,000		1,000	-	0.0%
Software & Copier Maintenance	2,300	4,500		4,000	(500)	-11.1%
CH/CD/PW Bldg Maintenance & Repair	-	-		2,000	2,000	
Merchant Card Service Fees	765	1,400		1,500	100	7.1%
Misc, Advertising, Shredding, Fees	2,057	1,200		3,300	2,100	175.0%
Printing Vouchers/Receipts	1,834	1,200		800	(400)	-33.3%
Advertising	534	-		1,200	1,200	
Insurance - Buildings	4,469	4,469		2,174	(2,295)	-51.4%
Utilities	97	200		200	-	0.0%
KC Mental Health	995	960		1,000	40	4.2%
<b>Central Services &amp; Emp Recognition Total</b>	<b>29,676</b>	<b>31,879</b>	<b>41,879</b>	<b>36,474</b>	<b>4,595</b>	<b>14.4%</b>



## City of Black Diamond Final Budget 2011

### Funding Agreement, Studies, Deposits and Interfund Transfers

This area of the General Fund budget includes one-time only costs, reimbursable studies and legal costs in the Funding Agreement, and in prior years, studies with other parties. The decrease is due to completion of EIS and SEPA projects in 2010.

<b>Funding Agreement</b>	<b>2009 Actual</b>	<b>2010 Budget</b>	<b>2010 Estimate Year End</b>	<b>2011 Budget</b>	<b>10 to 11 Bdgt Change</b>	<b>% Budget Change</b>
<b>Funding</b>						
Legal	39,707	75,000	75,000	35,000	(40,000)	-53.3%
Computer Software and Maintenance	73,639	10,000	10,000	-	(10,000)	-100.0%
Facility Move and Equipment	8,431				-	
<b>Total Funding</b>	<b>121,777</b>	<b>85,000</b>	<b>85,000</b>	<b>35,000</b>	<b>(50,000)</b>	<b>-58.8%</b>
<b>Other Funding</b>						
MPD Lawson Hills	33,378	243,400		80,000	(163,400)	-67.1%
MPD The Villages	44,845	249,000		155,000	(94,000)	-37.8%
EIS/SEPA	828,800	297,710		-	(297,710)	-100.0%
Other Projects & Misc Pass Thru	13,514	10,000		-	(10,000)	-100.0%
Funding - Consultants	37,097	-		-	-	
<b>Total Other Funding</b>	<b>957,633</b>	<b>800,110</b>	<b>812,137</b>	<b>235,000</b>	<b>(565,110)</b>	<b>-70.6%</b>
<b>Funding and Other Total</b>	<b>1,079,410</b>	<b>885,110</b>	<b>897,137</b>	<b>270,000</b>	<b>(615,110)</b>	<b>-69.5%</b>

#### TOTAL GENERAL FUND EXPENDITURES 2011

<b>Total General Fund</b>	<b>2009 Actual</b>	<b>2010 Budget</b>	<b>2010 Estimate Year End</b>	<b>2011 Budget</b>	<b>10 to 11 Bdgt Change</b>	<b>% Budget Change</b>
Ending Cash and Investments City	102,251	61,319	184,810	151,889	90,570	147.7%
Ending Cash and Investments Funding	252,276	252,276	252,276	252,276	-	0.0%
<b>Total General Fund C&amp;I Balance</b>	<b>354,527</b>	<b>313,595</b>	<b>437,086</b>	<b>404,165</b>	<b>90,570</b>	<b>28.9%</b>
<b>Total General Fund Uses</b>	<b>5,824,511</b>	<b>5,339,995</b>	<b>5,221,516</b>	<b>4,921,658</b>	<b>(418,337)</b>	<b>-7.8%</b>

# Special Revenue Funds



*K-9 Program*



## City of Black Diamond Final Budget 2011

### Street Department Fund 101

The Street Department is responsible for maintaining, planning and upgrading public streets and sidewalks. Major activities in the Street department include maintaining the street signs and pavement markings, snow plowing, street sanding during ice conditions, roadside mowing and brushing, pavement maintenance, roadway reconstruction, managing the right of way, providing street lighting and signal maintenance and street network planning and review.

Street revenue from Gas Tax is expected to be a little higher next year based on 2010 collections. Additional revenue and expenses are budgeted for funding of a portion of the Public Works Assistant.

The Funding Agreement covers 100% of the salaries and benefits for the Public Works Director and the Administrative Assistant III position in the Street Fund. Public Works and support staff are allocated a certain percentage of their pay to the Street department. This distribution is as follows:

2011 Employee Allocations by Funding Source							
Positions	Full Time Equivalent (FTE)	Funding Agreement	General Fund	Street Fund	Water Fund	Waste water Fund	Storm water Fund
Admin Assistant I	1.00		0.10		0.3	0.3	0.3
Deputy City Clerk	1.00		0.60	0.04	0.12	0.12	0.12
Senior Accountant	0.75		0.45	0.03	0.09	0.09	0.09
<b>Support Staff Total</b>	<b>2.75</b>		<b>1.15</b>	<b>0.07</b>	<b>0.51</b>	<b>0.51</b>	<b>0.51</b>
Public Works Director - <i>Funding</i>	1.00	0.075	0.10	0.15	0.225	0.225	0.225
Admin Assistant III- <i>Funding</i>	1.00	0.075		0.25	0.225	0.225	0.225
<b>Funding - Utilities (90%)</b>	<b>2.00</b>	<b>0.15</b>	<b>0.10</b>	<b>0.40</b>	<b>0.45</b>	<b>0.45</b>	<b>0.45</b>
Utilities Supervisor	1.00		0.10	0.15	0.25	0.25	0.25
Utility Worker	1.00		0.10	0.15	0.25	0.25	0.25
Utilities Operator	1.00		0.10	0.15	0.25	0.25	0.25
Seasonal Help for Parks	0.42		0.04	0.06	0.10	0.10	0.10
<b>Public Works Total</b>	<b>3.42</b>		<b>0.34</b>	<b>0.51</b>	<b>0.85</b>	<b>0.85</b>	<b>0.85</b>
<b>Grand Total Budget Positions</b>	<b>8.17</b>	<b>0.15</b>	<b>1.59</b>	<b>0.98</b>	<b>1.81</b>	<b>1.81</b>	<b>1.81</b>



## City of Black Diamond Final Budget 2011

101 Street Fund						
	2009 Actual	2010 Budget	2010 Estimate Year End	2011 Budget	10 to 11 Bdgt Change	% Budget Change
<b>REVENUE</b>						
1 Street Gas Tax	90,390	85,000	91,627	91,500	6,500	7.6%
2 Street/Sidewalk Cut/Curb Variance	494	700	400	400	(300)	-42.9%
3 Right of Way Permit	12,440	3,500	6,470	5,000	1,500	42.9%
4 Annex - Diverted County Road Property Tax			10,698		-	
5 <b>Operating Revenue</b>	<b>103,324</b>	<b>89,200</b>	<b>109,195</b>	<b>96,900</b>	<b>7,700</b>	<b>8.6%</b>
6 Funding-Sal & Ben Reimbursement	18,208	30,036	21,000	41,338	11,302	37.6%
7 Transfer back from RR Ave Project				24,000		
8 Investment Interest	3,150	4,200	900	900	(3,300)	-78.6%
9 <b>Total Other Revenue</b>	<b>21,358</b>	<b>34,236</b>	<b>21,900</b>	<b>66,238</b>	<b>32,002</b>	<b>93.5%</b>
10 <b>Total All Revenue</b>	<b>124,682</b>	<b>123,436</b>	<b>131,095</b>	<b>163,138</b>	<b>39,702</b>	<b>32.2%</b>
11 Beginning Cash & Investments	425,006	386,427	386,427	348,850	(37,577)	-9.7%
12 <b>Total Sources</b>	<b>549,688</b>	<b>509,863</b>	<b>517,522</b>	<b>511,988</b>	<b>2,125</b>	<b>0.4%</b>
<b>EXPENDITURES</b>						
13 Salaries and Benefits	72,565	87,786	81,406	99,976	12,190	13.9%
14 Furlough Days		(2,095)		(842)	1,253	-59.8%
15 <b>Total Salaries and Benefits</b>	<b>72,565</b>	<b>85,691</b>	<b>81,406</b>	<b>99,134</b>	<b>13,443</b>	<b>15.7%</b>
16 Roadside Maintenance Supplies	2,120	3,500	1,000	3,500	-	0.0%
17 Allocated Office Supplies, Copies, Postage	2,948	1,913	1,884	1,773	(140)	-7.3%
18 Operating Supplies & Uniforms	148	1,080	500	800	(280)	-25.9%
19 Street Signs	1,395	2,000	2,000	2,400	400	20.0%
20 Sand & Salt	1,646	1,500	1,500	1,600	100	6.7%
21 Fuel	1,139	1,900	1,800	1,400	(500)	-26.3%
22 Small Tools and Equipment	247	1,000	500	1,200	200	20.0%
23 <b>Total Supplies</b>	<b>9,643</b>	<b>12,893</b>	<b>9,184</b>	<b>12,673</b>	<b>(220)</b>	<b>-1.7%</b>
24 Insurance	1,677	1,677	4,289	4,590	2,913	173.7%
25 Telephone/Postage (communications)	917	1,600	600	1,350	(250)	-15.6%
26 Prof Services-Transportation plan	5,900	5,000	5,000		(5,000)	-100.0%
27 Traffic Signal Maintenance	3,356	3,500	4,200	4,000	500	14.3%
28 Street Lights	27,060	29,000	29,000	29,000	-	0.0%
29 Street Striping	5,785	7,500		7,000	(500)	-6.7%
30 Street Sweeping & Cleaning	1,661	1,500	1,500		(1,500)	-100.0%
31 Travel, Memberships and Training	263	1,500	500	1,600	100	6.7%
32 Advertising	60	100		100	-	0.0%
33 Vehicle & Shop Maintenance & Misc	3,145	5,000	2,500	3,000	(2,000)	-40.0%
34 Utilities (elect, gas, water, sewer, etc.)	2,435	2,605	1,500	1,860	(745)	-28.6%
35 Legal costs	4,893	9,120	11,500	11,000	1,880	20.6%
36 Audit - share of costs	2,069	-	305	2,500	2,500	100.0%
37 Cost Alloc- Administration	6,276	7,190	7,188	8,488	1,298	18.1%
38 <b>Total Services &amp; Charges</b>	<b>65,497</b>	<b>75,292</b>	<b>68,082</b>	<b>74,488</b>	<b>(804)</b>	<b>-1.1%</b>
39 <b>Total Operating Expenses</b>	<b>147,705</b>	<b>173,876</b>	<b>158,672</b>	<b>186,295</b>	<b>12,419</b>	<b>7.1%</b>
40 Transfer out-CIP Street Preservation		20,000			(20,000)	-100.0%
41 Transfer for Equipment-CIP	10,000	10,000	10,000	10,000	-	0.0%
42 Transfer out Ginder Creek	5,556	-			-	
43 <b>Total Other Expenditures</b>	<b>15,556</b>	<b>30,000</b>	<b>10,000</b>	<b>10,000</b>	<b>(20,000)</b>	<b>-66.7%</b>
44 <b>Total All Expenditures</b>	<b>163,261</b>	<b>203,876</b>	<b>168,672</b>	<b>196,295</b>	<b>(7,581)</b>	<b>-3.7%</b>
45 Ending Cash & Investments	386,427	305,987	348,850	315,693	9,706	3.2%
46 <b>Total Uses</b>	<b>549,688</b>	<b>509,863</b>	<b>517,522</b>	<b>511,988</b>	<b>2,125</b>	<b>0.4%</b>

★ Three months of expenditures are \$46,575



## City of Black Diamond Final Budget 2011

### Real Estate Excise Tax 1 (REET 1) - 104 Fund

The Real Estate Excise Tax is authorized by RCW 8245.010 and can be used for capital projects. Cities must use these funds as long as they are identified in a capital improvement plan. Specifically, one quarter percent of the real estate excise tax is collected, then transferred to Fund 310 to be used for general government capital projects. For detailed projects, see the 310 Fund section in this document.

104 Real Estate Excise Tax 1 (REET I)						
	2009 Actual	2010 Budget	2010 Estimate Year End	2011 Budget	10 to 11 Bdgt Change	% Budget Change
<b>REVENUE</b>						
R1 1/4% Reet Tax	38,446	30,000	40,000	30,000	-	0.0%
Transfer in from 105 Fund				70,000	70,000	100.0%
LGIP Investment Interest	8,240	9,800	2,000	1,600	(8,200)	-83.7%
<b>Subtotal Revenue</b>	<b>46,686</b>	<b>39,800</b>	<b>42,000</b>	<b>101,600</b>	<b>61,800</b>	<b>155.3%</b>
Beginning Cash & Investments	932,882	710,483	710,483	393,511	(316,972)	-44.6%
<b>Total Sources</b>	<b>979,569</b>	<b>750,283</b>	<b>752,483</b>	<b>495,111</b>	<b>(255,172)</b>	<b>-34.0%</b>
<b>EXPENDITURES</b>						
Transfer to 310 Fund	269,086	358,972	358,972	179,500	(179,472)	-50.0%
<b>Subtotal Expenditures</b>	<b>269,086</b>	<b>358,972</b>	<b>358,972</b>	<b>179,500</b>	<b>(179,472)</b>	<b>-50.0%</b>
Ending Cash & Investments	710,483	391,311	393,511	315,611	(75,700)	-19.3%
<b>Total Uses</b>	<b>979,569</b>	<b>750,283</b>	<b>752,483</b>	<b>495,111</b>	<b>(255,172)</b>	<b>-34.0%</b>





## City of Black Diamond Final Budget 2011

### Public Works Capital Projects Fund 320

The Capital plan for 2011-2016 was completed in June 2010. Capital projects for 2011 are found in funds 310 and 320. This is the Public Works portion of the Capital plan for year 2011. For more detail on these projects please refer to the Capital Improvement Plan summary on the next page.

320 Public Works Capital Fund						
	2009 Actual	2010 Budget	2010 Estimate Year End	2011 Budget	10 to 11 Bdgt Change	% Budget Change
<b>REVENUE</b>						
1 Transfer in REET 1	330,556	383,500	383,500	120,000	(263,500)	-68.7%
2 Carryover prior year (unfinished projects)	108,509	149,741	149,741		(149,741)	-100.0%
3 Grants prior year projects	115,110	1,436,543	1,436,543		(1,436,543)	-100.0%
4 Reimbursements prior year	-	80,000	80,000	-	(80,000)	-100.0%
5 PWTF Loan	-	50,000	50,000	-	(50,000)	-100.0%
<b>6 Total Revenue</b>	<b>554,175</b>	<b>2,099,784</b>	<b>2,099,784</b>	<b>120,000</b>	<b>(1,979,784)</b>	<b>-94.3%</b>
<b>EXPENDITURES</b>						
7 Lawson & Newcastle Intersection Repair	0	25,000	25,000	80,000	55,000	220.0%
8 Grant Matching - Streets	0	0	0	40,000	40,000	100.0%
9 Road Repairs	3,026	46,974	46,974		(46,974)	-100.0%
10 Morgan Street Sidewalk	28,766	551,234	551,234		(551,234)	-100.0%
11 Transportation Impact Fee Study	0	80,000	80,000		(80,000)	-100.0%
12 Parkin Property Aquisition	7,754	0	0		0	
13 TIB Grant-Storm Pond Land Purchase	3,500	0	0		0	
14 233rd Ave Street Repair	0	35,000	35,000		(35,000)	-100.0%
15 Qwest Line Relocation	0	80,000	80,000		(80,000)	-100.0%
16 Ginder Creek Repair	27,447	0	0		0	
17 Engineering Roberts Rd	0	50,000	50,000		(50,000)	-100.0%
18 Railroad Ave Project	333,940	1,105,043	1,105,043		(1,105,043)	-100.0%
19 Carryover prior year projects	149,741	126,533	126,533		(126,533)	-100.0%
<b>20 Total Expenditures</b>	<b>554,175</b>	<b>2,099,784</b>	<b>2,099,784</b>	<b>120,000</b>	<b>(1,979,784)</b>	<b>-94.3%</b>



## City of Black Diamond Final Budget 2011

### Real Estate Excise Tax 2 (REET 2) 105 Fund

The Real Estate Excise Tax is authorized by RCW 8245.010 and can be used for capital projects. This part of the real estate excise tax may only be levied by cities that plan under the Growth Management Act.

Specifically, one quarter percent of the real estate excise tax is to be used for public works projects for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, planning, construction, reconstruction, repair, rehabilitation, or improvement of parks. REET 2 monies in Black Diamond are transferred to Fund 320 for Street and Public Works capital projects.

For detailed projects, see the 320 Fund section of this document.

105 Real Estate Excise Tax 2 (REET 2)						
	2009 Actual	2010 Budget	2010 Estimate Year End	2011 Budget	10 to 11 Bdgt Change	% Budget Change
<b>REVENUE</b>						
R2 1/4% REET Tax	38,446	30,000	40,000	30,000	-	0.0%
LGIP Investment Interest	7,988	9,800	2,500	3,500	(6,300)	-64.3%
<b>Subtotal Revenue</b>	<b>46,434</b>	<b>39,800</b>	<b>42,500</b>	<b>33,500</b>	<b>(6,300)</b>	<b>-15.8%</b>
Beginning Cash & Investments	1,097,802	819,237	819,237	538,237	(281,000)	-34.3%
<b>Total Sources</b>	<b>1,144,237</b>	<b>859,037</b>	<b>861,737</b>	<b>571,737</b>	<b>(287,300)</b>	<b>-33.4%</b>
<b>EXPENDITURES</b>						
Transfer out 320 PW Capital	325,000	323,500	323,500	120,000	(203,500)	-62.9%
Transfer to 104 REET 1				70,000		
<b>Subtotal Expenditures</b>	<b>325,000</b>	<b>323,500</b>		<b>190,000</b>	<b>(133,500)</b>	<b>-41.3%</b>
Ending Cash & Investments	819,237	535,537	538,237	381,737	(153,800)	-28.7%
<b>Total Uses</b>	<b>1,144,237</b>	<b>859,037</b>	<b>538,237</b>	<b>571,737</b>	<b>(287,300)</b>	<b>-33.4%</b>



# City of Black Diamond Final Budget 2011

## General Government Capital Fund 310

The Capital plan for 2011-2016 was completed in June 2010. Capital projects for 2011 are found in funds 310 and 320. This is the General Government portion of the Capital plan for year 2011. For more detail on these projects please refer to the Capital Improvement Plan summary following the 320 Public Works Capital Fund in this section.

310 General Government Capital Fund						
	2009 Actual	2010 Budget	2010 Estimate Year End	2011 Budget	10 to 11 Bdgt Change	% Budget Change
<b>REVENUE</b>						
1 Carryover prior year	369,306	86,178	86,178		(86,178)	-100.0%
2 Transfer in REET 1	269,086	353,972	353,972	179,500	(174,472)	-49.3%
3 Grants	91,000	60,000	60,000	175,000	115,000	191.7%
4 Loan for Ginder Property				125,000	125,000	100.0%
5 In-kind, Developer and Misc Rev.	-	24,060	24,060	15,360	(8,700)	-36.2%
6 King Co Parks Tax Levy	8,347	8,000	8,000	8,000	-	0.0%
<b>7 Total Revenue</b>	<b>737,739</b>	<b>532,210</b>	<b>532,210</b>	<b>502,860</b>	<b>(29,350)</b>	<b>-5.5%</b>
<b>EXPENDITURES</b>						
8 Ginder Land Acquisition	-	-	-	300,000	300,000	100
9 Police Loan payment (Records System)	42,000	42,000	42,000	42,000	-	6.0%
10 Grant Matching	50,000	77,933	77,933	40,000	(37,933)	-48.7%
11 Police Car Replacement	80,000	-	-	40,000	40,000	100.0%
12 General Govt Technology	11,163	42,876	42,876	18,000	(24,876)	-58.0%
13 Future Facility Site Design and Analysis	-	-	-	15,000	15,000	100.0%
14 Police Technology	278,901	34,553	34,553	12,000	(22,553)	-65.3%
15 Way Finding Signs	-	12,000	12,000	12,000	-	100.0%
16 Tree City USA	-	8,360	8,360	8,360	-	0.0%
17 Trails Projects	26,251	17,436	17,436	8,000	(9,436)	-54.1%
18 Fire Station 99 Study, Design	-	-	-	5,000	5,000	100.0%
19 Park Signage	-	15,000	15,000	2,500	(12,500)	-83.3%
20 Temporary Regional Park Parking		75,000	75,000		(75,000)	-100.0%
21 Tree Mitigation		5,700	5,700		(5,700)	-100.0%
22 City Hall, Tech and Bldgs Projects	90,000	82,953	82,953		(82,953)	-100.0%
23 Skatepark Improvement		25,000	25,000		(25,000)	-100.0%
24 Boat Launch Project	102,337	55,000	55,000		(55,000)	-100.0%
25 Union Stump Upgrade	4,183		-		-	
26 Eagle Creek Upgrade	19,101		-		-	
27 Shoreline MP Planning		37,477	37,477		(37,477)	-100.0%
28 Park Mowers and Equipment	6,125		-		-	
29 Police Firearms	27,678	922	922		(922)	-100.0%
<b>30 Total Expenditures</b>	<b>737,739</b>	<b>532,210</b>	<b>532,210</b>	<b>502,860</b>	<b>(29,350)</b>	<b>-5.5%</b>



# City of Black Diamond Final Budget 2011

## Criminal Justice Fund 122

The Criminal Justice Fund was established to account for the financial resources to be used for programs relating to Criminal Justice activity. Financial resources primarily come from the State through RCW 82.14.330 that is based on per-capita data and crime rates. Monies are to be used for Criminal Justice activities through innovative law enforcement programs.

Criminal Justice revenue includes criminal justice tax money, state shared revenue (former Community Trade and Economic Development or CTED funds), criminal justice population revenue, revenue from the sale of seized property from non-drug felony cases and small grants. These monies are determined by the State each year. The Criminal Justice Fund partially supports one full time officer. Additional funds are used for special training, the Police K9 (dog) program, Dare Program, training, communication and the annual system maintenance costs for the Police Records System.

122 Criminal Justice Fund						
	2009 Actual	2010 Budget	2010 Estimate Year End	2011 Budget	2010 to 2011 Bdgt Change	% Budget Change
<b>REVENUE</b>						
Local Criminal Justice Funds	83,023	83,000	80,000	83,000	-	0.0%
Criminal Justice Pop	1,000	1,000	1,000	1,000	-	0.0%
Criminal Justice Spec. Program	4,780	4,200	4,500	4,900	700	16.7%
Grants and Donations	9,896	3,250	1,300	1,000	(2,250)	-69.2%
Confiscated & Forfeited Prop	544	-	2,025	1,000	1,000	100.0%
LGIP Investment Interest	828	1,000	250	350	(650)	-65.0%
<b>Subtotal Revenue</b>	<b>100,071</b>	<b>92,450</b>	<b>89,075</b>	<b>91,250</b>	<b>(1,200)</b>	<b>-1.3%</b>
Beginning Cash & Investments	125,461	101,608	101,608	70,288	(31,320)	-30.8%
<b>Total Sources</b>	<b>225,532</b>	<b>194,058</b>	<b>190,683</b>	<b>161,538</b>	<b>(32,520)</b>	<b>-16.8%</b>
<b>EXPENDITURES</b>						
Operating Supplies	630	1,950	100	1,750	(200)	-10.3%
Communications	869	1,000	-	-	(1,000)	-100.0%
Lodging, Meals & Mileage	148	2,500	500	2,500	-	0.0%
Training and Building Rental for Training	7,852	12,591	8,270	11,590	(1,001)	-8.0%
K-9 Program	6,583	6,150	600	1,600	(4,550)	-74.0%
Lexipol	2,450	5,950	4,900	5,950	-	0.0%
Spillman Records Maintenance	-	-	-	11,100	11,100	100%
Investigations	-	-	2,025	-	-	-
Insurance	317	317	-	-	(317)	-100.0%
Dare Program	2,853	3,737	2,000	3,050	(687)	-18.4%
Transfer out General Fund 001	102,223	102,000	102,000	90,000	(12,000)	-11.8%
<b>Total Expenditures</b>	<b>123,924</b>	<b>136,195</b>	<b>120,395</b>	<b>127,540</b>	<b>(8,655)</b>	<b>-6.4%</b>
Ending Cash & Investments	101,608	57,863	70,288	33,998	(23,865)	-41.2%
<b>Total Uses</b>	<b>225,532</b>	<b>194,058</b>	<b>190,683</b>	<b>161,538</b>	<b>(32,520)</b>	<b>-16.8%</b>

# Internal Service Funds





# City of Black Diamond Final Budget 2011

## Internal Service Fund 510

This internal service fund was established to separate internal funds from other funds. They include Fire and Public Works equipment replacement. Some examples of equipment are vehicles and slope mower replacements. The Fire Department used \$23,000 in this fund to repair an engine in 2010.

510 - 1 Fire Equipment Reserves						
	2009 Actual	2010 Budget	2010 Estimate Year End	2011 Budget	10 to 11 Bdgt Change	% Budget Change
<b>REVENUE</b>						
LGIP Investment Interest	427	700	150	200	(500)	-71.4%
<b>Subtotal Revenue</b>	<b>427</b>	<b>700</b>	<b>150</b>	<b>200</b>	<b>(500)</b>	<b>-71.4%</b>
Beginning Cash & Investments	56,083	56,510	56,510	33,660	(22,850)	-40.4%
<b>Total Sources</b>	<b>56,510</b>	<b>57,210</b>	<b>56,660</b>	<b>33,860</b>	<b>(23,350)</b>	<b>-40.8%</b>
<b>EXPENDITURES</b>						
Engine 98 Repair	-	-	23,000	-	-	-
<b>Subtotal Expenditures</b>	<b>-</b>	<b>-</b>	<b>23,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
Ending Cash & Investments	56,510	57,210	33,660	33,860	(23,350)	-40.8%
<b>Total Uses</b>	<b>56,510</b>	<b>57,210</b>	<b>56,660</b>	<b>33,860</b>	<b>(23,350)</b>	<b>-40.8%</b>

510 -2 Public Works Equipment Reserves						
	2009 Actual	2010 Budget	2010 Estimate Year End	2011 Budget	2010 to 2011 Bdgt Change	% Budget Change
<b>REVENUE</b>						
LGIP Investment Interest	950	1,200	325	325	(875)	-72.9%
Transfer in Water Capital	10,000	10,000	10,000	10,000	-	0.0%
Transfer in Wastewtr Capital	-	10,000	10,000	10,000	-	0.0%
Transfer from Sewer for Equipment	10,000	-	-	-	-	-
Transfer in Stormwater Fund	10,000	10,000	10,000	10,000	-	0.0%
Transfer from Street for Equipment	10,000	10,000	10,000	10,000	-	0.0%
<b>Total Revenue</b>	<b>40,950</b>	<b>41,200</b>	<b>40,325</b>	<b>40,325</b>	<b>(875)</b>	<b>-2.1%</b>
Beginning Cash & Investments	122,725	163,675	163,675	179,295	15,620	9.5%
<b>Total Sources</b>	<b>163,675</b>	<b>204,875</b>	<b>204,000</b>	<b>219,620</b>	<b>14,745</b>	<b>7.2%</b>
<b>EXPENDITURES</b>						
1998 Ford Dump Truck	-	24,705	24,705	-	(24,705)	-100.0%
Slope Mower	-	-	-	75,000	75,000	100.0%
Used 2 - 3 ton Utility Truck	-	-	-	25,000	25,000	100.0%
Radios	-	-	-	5,000	5,000	100.0%
<b>Total Expenditures</b>	<b>-</b>	<b>24,705</b>	<b>24,705</b>	<b>105,000</b>	<b>80,295</b>	<b>325.0%</b>
Ending Cash & Investments	163,675	180,170	179,295	114,620	(65,550)	-36.4%
<b>Total Uses</b>	<b>163,675</b>	<b>204,875</b>	<b>204,000</b>	<b>219,620</b>	<b>14,745</b>	<b>7.2%</b>

# UTILITY FUNDS







## City of Black Diamond Final Budget 2011

### Water Department Fund 401

The Water Department provides clean, safe and reliable drinking water to the residents of Black Diamond except for those residents who live around Lake Sawyer. The water utility is responsible for the operation and maintenance of the City's springs, tanks, water treatment, pump stations, water mains, fire hydrants and meters.

The monthly water bill revenue is used to pay for the administration, monitoring, testing, pumping, maintenance and replacement of the existing water system. The 2008 Pac West rate study recommended several rate increase options. Council chose the least expensive option of 15% rate increases for 2009, 2010 and 2011. The first year was implemented in 2009, but the 15% for 2010 was deferred due to the poor economy. The 2011 Budget includes the 2<sup>nd</sup> 15% rate increase. This rate increase in 2011 is primarily needed to pay the \$48,300 debt service payment for the water meter replacement project. This internal loan will be repaid in five years.

The fuel, tools, professional services, training, and general service cost allocations are distributed equitably between the Public Works funds. Funding agreement reimbursement covers 90% of the salaries and benefits for the Administrative Assistant III and for the Public Works Director in the Water Fund. Public Works and support staff are allocated a percentage of their pay to the Water Department. This distribution is as follows:

2011 Employee Allocations by Funding Source							
Positions	Full Time Equivalent (FTE)	Funding Agreement	General Fund	Street Fund	Water Fund	Waste water Fund	Storm water Fund
Admin Assistant I	1.00		0.10		0.3	0.3	0.3
Deputy City Clerk	1.00		0.60	0.04	0.12	0.12	0.12
Senior Accountant	0.75		0.45	0.03	0.09	0.09	0.09
<b>Support Staff Total</b>	<b>2.75</b>		<b>1.15</b>	<b>0.07</b>	<b>0.51</b>	<b>0.51</b>	<b>0.51</b>
Public Works Director - <i>Funding</i>	1.00	0.075	0.10	0.15	0.225	0.225	0.225
Admin Assistant III- <i>Funding</i>	1.00	0.075		0.25	0.225	0.225	0.225
<b>Funding - Utilities (90%)</b>	<b>2.00</b>	<b>0.15</b>	<b>0.10</b>	<b>0.40</b>	<b>0.45</b>	<b>0.45</b>	<b>0.45</b>
Utilities Supervisor	1.00		0.10	0.15	0.25	0.25	0.25
Utility Worker	1.00		0.10	0.15	0.25	0.25	0.25
Utilities Operator	1.00		0.10	0.15	0.25	0.25	0.25
Seasonal Help for Parks	0.42		0.04	0.06	0.10	0.10	0.10
<b>Public Works Total</b>	<b>3.42</b>		<b>0.34</b>	<b>0.51</b>	<b>0.85</b>	<b>0.85</b>	<b>0.85</b>
<b>Grand Total Budget Positions</b>	<b>8.17</b>	<b>0.15</b>	<b>1.59</b>	<b>0.98</b>	<b>1.81</b>	<b>1.81</b>	<b>1.81</b>



## City of Black Diamond Final Budget 2011

401 Water Fund						
	2009 Actual	2010 Budget	2010 Estimate Year End	2011 Budget	10 to 11 Bdgt Change	% Budget Change
<b>REVENUE</b>						
1 User Charges - 15% increase in 2011	399,518	395,000	395,000	454,000	59,000	14.9%
2 Surcharge @ \$2.30 per customer	3,235				-	
3 Deposits and Reimbursements	500	100	600	600	500	500.0%
4 Late Charges & Name Changes	14,263	13,860	16,225	16,000	2,140	15.4%
5 <b>Operating Revenue</b>	<b>417,516</b>	<b>408,960</b>	<b>411,825</b>	<b>470,600</b>	<b>61,640</b>	<b>15.1%</b>
6 Funding PW Reimbursement	30,346	43,436	33,455	49,612	6,176	14.2%
7 Investment Interest	948	1,100	300	500	(600)	-54.5%
8 Transfer from Water Capital Fund	125,000	125,000	125,000	125,000	-	0.0%
9 <b>Subtotal Other Revenue</b>	<b>156,294</b>	<b>169,536</b>	<b>158,755</b>	<b>175,112</b>	<b>5,576</b>	<b>3.3%</b>
10 <b>Total Revenue</b>	<b>573,810</b>	<b>578,496</b>	<b>570,580</b>	<b>645,712</b>	<b>67,216</b>	<b>11.6%</b>
11 Beginning Cash & Investments	137,782	150,641	150,647	133,745	(16,896)	-11.2%
12 <b>Total Sources</b>	<b>711,592</b>	<b>729,137</b>	<b>721,227</b>	<b>779,457</b>	<b>50,320</b>	<b>6.9%</b>
<b>EXPENDITURES</b>						
13 Salary and Benefits	146,677	163,279	159,320	165,622	2,343	1.4%
14 Furlough Days		(3,959)		(1,384)	2,575	-65.0%
15 <b>Total Salaries and Benefits</b>	<b>146,677</b>	<b>159,320</b>	<b>159,320</b>	<b>164,238</b>	<b>4,918</b>	<b>3.1%</b>
16 Operating & Office Supplies/Uniforms	5,889	6,300	3,500	3,150	(3,150)	-50.0%
17 Allocated Office Supplies, Copies, Postage	6,545	5,738	7,188	6,945	1,207	21.0%
18 Caustic (potassium hydroxide)	14,429	12,000	12,000	12,000	-	0.0%
19 Fuel	1,791	2,000	2,000	2,300	300	15.0%
20 Small tools	489	1,000	350	1,000	-	0.0%
21 <b>Total Supplies</b>	<b>29,144</b>	<b>27,038</b>	<b>25,038</b>	<b>25,395</b>	<b>(1,643)</b>	<b>-6.1%</b>
22 Insurance	22,174	23,526	18,272	19,551	(3,975)	-16.9%
23 Telephone/DSL/Radios	2,548	2,500	2,300	2,500	-	0.0%
24 Prof Services (Sensus Software Supt & Maint)	968	3,000	1,434	4,500	1,500	50.0%
25 Water Testing	871	1,000	1,000	1,500	500	50.0%
26 Health Dept and Other Permits	1,608	1,700	2,850	1,700	-	0.0%
27 Repairs & Maintenance/locates	5,007	5,700	3,850	5,800	100	1.8%
28 Travel, Memberships and Training	1,443	1,900	1,100	1,900	-	0.0%
29 Electricity/Gas	31,563	37,000	37,000	34,000	(3,000)	-8.1%
30 Water, Sewer, Drainage and Garbage	914	1,000	1,035	1,060	60	6.0%
31 Legal Services	4,893	13,680	15,703	16,500	2,820	20.6%
32 Postage/Printing	2,103	2,500	2,620	2,500	-	0.0%
33 Advertising and Misc.	210	550	450	500	(50)	-9.1%
34 Audit - Share of costs	5,173	-	764	6,250	6,250	100.0%
35 Cost Allocation	18,820	21,570	21,576	25,465	3,895	18.1%
36 Taxes Utility	25,048	23,700	24,710	28,236	4,536	19.1%
37 Taxes B&O	17,962	15,500	16,700	22,832	7,332	47.3%
38 <b>Total Services &amp; Charges</b>	<b>141,305</b>	<b>154,826</b>	<b>151,364</b>	<b>174,794</b>	<b>19,968</b>	<b>12.9%</b>
39 <b>Total Operating Expenditures</b>	<b>317,126</b>	<b>341,184</b>	<b>335,722</b>	<b>364,427</b>	<b>23,243</b>	<b>6.8%</b>
40 Transfer for Equipment		10,000	10,000	10,000	-	0.0%
41 Debt Service for Water Meters				48,300	48,300	
42 Debt Services	959,477	956,220	934,420	926,153	(30,067)	-3.1%
43 Debt Svs-Developer Payment	(715,651)	(714,917)	(692,660)	(686,446)	28,471	-4.0%
44 <b>Subtotal Other Expenditures</b>	<b>243,826</b>	<b>251,303</b>	<b>251,760</b>	<b>298,007</b>	<b>46,704</b>	<b>18.6%</b>
45 <b>Total Expenditures</b>	<b>560,952</b>	<b>592,487</b>	<b>587,482</b>	<b>662,434</b>	<b>69,947</b>	<b>11.8%</b>
46 Ending Cash & Investments	150,641	136,650	133,745	117,023	(19,627)	-14.4%
47 <b>Total Uses</b>	<b>711,593</b>	<b>729,137</b>	<b>721,227</b>	<b>779,457</b>	<b>50,320</b>	<b>6.9%</b>

## City of Black Diamond

### Water Debt Analysis

Issue Date	Issue Amount	Type	Purpose	Maturity Date	12/31/2010 debt owed	2011 Principal	2011 Interest	2011 Debt Svs	2011	2011	2011	2011	Total Debt Service
									Water Operating	Water Capt Res	Total Water	Developer Reimb	
1995	200,000	PWTF	Wtr Repair	2015	53,248	10,651	2,663	13,314	13,314		13,314	0	13,846
2006	180,000	PWTF	Cor Contrl	2022	135,000	11,250	675	11,925	11,925		11,925	0	11,982
2005	3,407,063 2,040,757	PWTF	Tac 500mg Pump Fac, Res & lines	2024	4,136,814	295,500	20,684	316,184	89,468	125,000	214,468	101,716	316,184
	5,447,820												
2004	11,334,510	Tac Water	Deve Wtr Cr	2013	1,688,190	562,730	22,000	584,730	0	0	0	584,730	584,730
2010	230,000	W/W Loan	Wtr Meters	2015	230,000	46,000	2,300	48,300	48,300	0	48,300	0	48,300
Totals	22,840,150				6,243,252	926,131	48,322	974,453	163,007	125,000	288,007	686,446	975,042
Total net Water fund 2010 Debt Service									163,007	\$125,000	\$288,007		

1/1/2011

\*Black Diamond hold a letter of credit from Palmer Coking for their balance owing of \$1,424,024 of PWTF Loan. Fourteen payments of \$101,716.

\*\*Black Diamond holds a letter of credit from BD Partners for the \$1,688,190 balance owing To Tacoma Water. Three Payments of Principal & Interest.

\*\*\* Assumes that the Water Fund will acquire a short-term loan from the Wastewater Fund for \$230,000 to spread out the costs and rate increase needed over five years.



## City of Black Diamond Final Budget 2011

### Water Supply and Facility Fund 402

The Capital Improvement Plan includes water related projects including the Springs Project. The Springs Project will be funded by developer contributions and is not included until after the developer and City Council approvals are received. This project will prepare capacity and transmission in preparation for City growth, and is further detailed in the Capital Improvement Plan this year.

402 Water Supply and Facility Fund						
	2009 Actual	2010 Budget	2010 Estimate Year End	2011 Budget	10 to 11 Bdgt Change	% Budget Change
<b>REVENUE</b>						
Developer Contributions	-	-	-	140,000	140,000	100.0%
HUD Grant For In-City Forest	236,337	-	-	-	-	-
LGIP Investment Interest	377	300	100	-	(300)	-100.0%
WSFFA transfer to correct prior year error	-	-	53,678	-	-	-
<b>Total Revenue</b>	<b>236,714</b>	<b>300</b>	<b>53,778</b>	<b>140,000</b>	<b>139,700</b>	<b>46566.7%</b>
Beginning Cash & Investments	89,105	14,352	14,352	29,939	15,587	108.6%
<b>Total Sources</b>	<b>325,820</b>	<b>14,652</b>	<b>68,130</b>	<b>169,939</b>	<b>155,287</b>	<b>1059.8%</b>
<b>EXPENDITURES</b>						
Legal Services	6,522	-	-	-	-	-
WSFFA-Palmer Easementt-Appraisal	65,000	-	-	-	-	-
Tacoma Water-Construction	-	-	39,191	-	-	-
Water Rate Study	1,809	-	-	-	-	-
Springs Project	1,800	-	-	140,000	140,000	100%
In-City Forest Project	236,337	-	-	-	-	-
<b>Total Expenditures</b>	<b>311,468</b>	<b>-</b>	<b>39,191</b>	<b>140,000</b>	<b>140,000</b>	<b>100%</b>
Ending Cash & Investments	14,352	14,652	28,939	29,939	15,287	104.3%
<b>Total Uses</b>	<b>325,820</b>	<b>14,652</b>	<b>68,130</b>	<b>169,939</b>	<b>155,287</b>	<b>1059.8%</b>



## City of Black Diamond Final Budget 2011

### Water Capital Fund 404

As part of the six year Capital Improvement Program Black Diamond adopts each year, Water related projects are included here. This section includes the budget for those Water Capital projects identified in the CIP for 2011.

Capital Facility charges cover the cost of maintenance and upgrade of the existing water system and debt service for acquisition of future water. A \$230,000 loan from the Wastewater utility is proposed to spread the cost of the meter replacement program for current customers over a five year period. The debt repayment for the meter replacement is an obligation of current water customers and is funded out of water rates.

In the future this fund will include connection fees from new customers to be used to pay for future capital projects.

404 Water Capital Fund						
	2009 Actual	2010 Budget	2010 Estimate Year End	2011 Budget	10 to 11 Bdgt Change	% Budget Change
<b>REVENUE</b>						
1 Investment Interest	5,724	15,000	1,300	1,000	(14,000)	-93.3%
2 Loan from Wstwtr 408 for Meters			230,000		-	100.0%
3 <b>Total Revenue</b>	<b>5,724</b>	<b>15,000</b>	<b>231,300</b>	<b>1,000</b>	<b>(14,000)</b>	<b>-93.3%</b>
6 Beginning Cash & Investments	629,009	629,009	629,009	601,309	(27,700)	-4.4%
7 <b>Total Sources</b>	<b>634,734</b>	<b>644,009</b>	<b>860,309</b>	<b>602,309</b>	<b>(41,700)</b>	<b>-6.5%</b>
<b>EXPENDITURES</b>						
8 Meter Replacement Program	52,075	100,000	80,000	100,000	-	0.0%
9 Water System Plan	15,065				-	
10 Water Design Study	-				-	
11 Previous Year WSFFA Transfer			54,000		-	
12 Transfer out - to Equipment Reserve	10,000				-	
13 Transfer out - to Water Fund	125,000	125,000	125,000	125,000	-	0.0%
14 <b>Total Expenditures</b>	<b>202,140</b>	<b>225,000</b>	<b>259,000</b>	<b>225,000</b>	<b>-</b>	<b>0.0%</b>
15 Ending Cash & Investments	629,009	419,009	601,309	377,309	(41,700)	-10.0%
16 <b>Total Uses</b>	<b>831,149</b>	<b>644,009</b>	<b>860,309</b>	<b>602,309</b>	<b>(41,700)</b>	<b>-6.5%</b>
* Developer Funded Springs Project of \$140,000 for 2011 not included until scope and final amount is approved by all parties.						



## City of Black Diamond Final Budget 2011

### Wastewater Department Fund 407

The Wastewater department provides for the planning, operation and maintenance of the sewer collection system, local customer service, billing and collection. This department also provides for the transmission and treatment of sewage by contract with King County Wastewater Division.

In January 2011, King County is increasing their base rates from \$31.90 to \$36.10 per month. This rate change is charged to customers and paid to King County to cover their cost of providing wastewater treatment.

Salaries, benefits and supplies for the PW Administrative Assistant III hired in August and allocated 25% to Wastewater has increased to cover a full year. The fuel, tools, professional services, training, and general service cost allocations are distributed equitably between the Public Works funds. Some administrative costs have gone up this year including insurance, audit, central services and legal.

Funding agreement reimbursement covers 90% of salaries and benefits for the Administrative Assistant III and for the Public Works Director in the Wastewater Fund. Public Works and support staff are allocated a certain percentage of their pay to the Wastewater department. This distribution is as follows:

2011 Employee Allocations by Funding Source							
Positions	Full Time Equivalent (FTE)	Funding Agreement	General Fund	Street Fund	Water Fund	Waste water Fund	Storm water Fund
Admin Assistant I	1.00		0.10		0.3	0.3	0.3
Deputy City Clerk	1.00		0.60	0.04	0.12	0.12	0.12
Senior Accountant	0.75		0.45	0.03	0.09	0.09	0.09
<b>Support Staff Total</b>	<b>2.75</b>		<b>1.15</b>	<b>0.07</b>	<b>0.51</b>	<b>0.51</b>	<b>0.51</b>
Public Works Director - <i>Funding</i>	1.00	0.075	0.10	0.15	0.225	0.225	0.225
Admin Assistant III- <i>Funding</i>	1.00	0.075		0.25	0.225	0.225	0.225
<b>Funding - Utilities (90%)</b>	<b>2.00</b>	<b>0.15</b>	<b>0.10</b>	<b>0.40</b>	<b>0.45</b>	<b>0.45</b>	<b>0.45</b>
Utilities Supervisor	1.00		0.10	0.15	0.25	0.25	0.25
Utility Worker	1.00		0.10	0.15	0.25	0.25	0.25
Utilities Operator	1.00		0.10	0.15	0.25	0.25	0.25
Seasonal Help for Parks	0.42		0.04	0.06	0.10	0.10	0.10
<b>Public Works Total</b>	<b>3.42</b>		<b>0.34</b>	<b>0.51</b>	<b>0.85</b>	<b>0.85</b>	<b>0.85</b>
<b>Grand Total Budget Positions</b>	<b>8.17</b>	<b>0.15</b>	<b>1.59</b>	<b>0.98</b>	<b>1.81</b>	<b>1.81</b>	<b>1.81</b>



## City of Black Diamond Final Budget 2011

407 Wastewater Fund						
	2009	2010	2010		10 to 11	%
	Actual	Budget	Estimate	2011	Bdgt	Budget
			Year End	Budget	Change	Change
<b>REVENUE</b>						
1 Metro Sewer Charges	375,240	377,500	377,500	438,396	60,896	16.1%
2 Soos Creek Charges	46,833	47,894	47,894		(47,894)	-100.0%
3 Wastewater City Charges	170,898	164,106	164,106	212,006	47,900	29.2%
4 <b>Operating Revenue</b>	<b>592,971</b>	<b>589,500</b>	<b>589,500</b>	<b>650,402</b>	<b>60,902</b>	<b>10.3%</b>
5 <b>Other Revenues</b>						
6 Miscellaneous Reimbursements	1,810	1,400	1,000	1,000	(400)	-28.6%
7 Funding - PW Director Reimburse	30,346	43,436	33,455	49,612	6,176	14.2%
8 Investment Interest	1,194	1,650	325	400	(1,250)	-75.8%
9 Transfer from Capital or Operating		50,000	50,000	7,204	(42,796)	-85.6%
10 <b>Total Other Revenue</b>	<b>33,350</b>	<b>96,486</b>	<b>84,780</b>	<b>58,216</b>	<b>(38,270)</b>	<b>-39.7%</b>
11 <b>Total Revenue</b>	<b>626,321</b>	<b>685,986</b>	<b>674,280</b>	<b>708,618</b>	<b>22,632</b>	<b>3.3%</b>
12 Beginning Cash & Investments	172,115	120,137	120,137	93,949	(26,188)	-21.8%
13 <b>Total Sources</b>	<b>798,436</b>	<b>806,123</b>	<b>794,417</b>	<b>802,567</b>	<b>(3,556)</b>	<b>-0.4%</b>
<b>EXPENDITURES</b>						
14 Salaries and Benefits	149,402	163,279	145,890	163,519	240	0.1%
15 Furlough Days	(3,348)	(3,959)		(1,383)	2,576	-65.1%
16 <b>Total Salaries &amp; Benefits</b>	<b>146,054</b>	<b>159,320</b>	<b>145,890</b>	<b>162,136</b>	<b>2,816</b>	<b>1.8%</b>
17 Office & Operating Supplies, Uniforms	1,206	2,760	1,400	3,200	440	15.9%
18 Allocated Office Supplies, Copies, Postage	6,545	5,738	7,188	6,945	1,207	21.0%
19 Fuel	1,780	2,000	2,500	2,300	300	15.0%
20 Small Tools		1,000	500	500	(500)	-50.0%
21 <b>Total Supplies</b>	<b>9,531</b>	<b>11,498</b>	<b>11,588</b>	<b>12,945</b>	<b>1,447</b>	<b>12.6%</b>
22 Insurance	9,578	9,578	9,973	10,672	1,094	11.4%
23 Professional Services	420	1,500	-		1,500	100.0%
24 Repairs & Maintenance	1,259	1,500	1,500	1,500	-	0.0%
25 Travel, Memberships and Training	98	1,200	500	1,200	-	0.0%
26 Electricity & Gas	1,941	2,200	1,900	2,100	(100)	-4.5%
27 Utilities	1,248	1,500	950	1,130	(370)	-24.7%
28 Telephone & Postage	4,481	5,000	4,900	5,300	300	6.0%
29 Legal Services	11,013	13,680	16,800	16,500	2,820	20.6%
30 Audit - share of costs	5,173	-	764	6,250	6,250	100.0%
31 Cost Allocations	18,820	21,570	21,576	25,465	3,895	18.1%
32 Taxes Utility	35,687	35,400	33,933	39,025	3,625	10.2%
33 Taxes B&O	5,924	5,200	4,800	6,000	800	15.4%
34 <b>Total Services &amp; Charges</b>	<b>95,641</b>	<b>98,328</b>	<b>97,596</b>	<b>115,142</b>	<b>16,814</b>	<b>17.1%</b>
35 <b>Subtotal Operating Expenses</b>	<b>251,226</b>	<b>269,146</b>	<b>255,074</b>	<b>290,223</b>	<b>21,077</b>	<b>7.8%</b>
36 <b>Other Expenses</b>						
37 King County Metro	375,240	377,500	377,500	438,396	60,896	16.1%
38 Soos Creek	46,833	47,894	47,894		(47,894)	-100.0%
39 <b>Total Payment Sewer Treatment</b>	<b>422,073</b>	<b>425,394</b>	<b>425,394</b>	<b>438,396</b>	<b>13,002</b>	<b>3.1%</b>
40 <b>Total Operating Expenditures</b>	<b>673,299</b>	<b>694,540</b>	<b>680,468</b>	<b>728,619</b>	<b>34,079</b>	<b>4.9%</b>
41 <b>Other Expenses</b>						
42 Transfer for Equipment-CIP		10,000	10,000	10,000	-	0.0%
43 Pressure Treatment Plant	5,000	10,000	10,000		(10,000)	-100.0%
45 <b>Subtotal Other Expenditures</b>	<b>5,000</b>	<b>20,000</b>	<b>20,000</b>	<b>10,000</b>	<b>(10,000)</b>	<b>-50.0%</b>
46 <b>Total Expenditures</b>	<b>678,299</b>	<b>714,540</b>	<b>700,468</b>	<b>738,619</b>	<b>24,079</b>	<b>3.4%</b>
47 Ending Cash & Investments	120,137	91,583	93,949	63,948	(27,635)	-30.2%
48 <b>Total Uses</b>	<b>798,436</b>	<b>806,123</b>	<b>794,417</b>	<b>802,567</b>	<b>(3,556)</b>	<b>-0.4%</b>





## City of Black Diamond Final Budget 2011

### Wastewater Capital Fund 408

As part of the six year Capital Improvement Program Black Diamond adopts each year, Wastewater related projects are included. This section includes the budget for those Wastewater Capital projects identified in the CIP for 2011.

The commitment of Public Works staff to several large 2010 transportation projects and the Master Planned Development application processing has affected the timing of the Infiltration and Inflow program and further work on the old wastewater treatment plant. The Wastewater Comp Plan work has been completed but new policy issues are under further consideration. For the Infiltration Project, the City will be researching and investigating the suspected sewer lines that are leaking water into the system in January and February of 2011 in order to identify several repair projects for the summer of 2011.



*Public Works Staff*



## City of Black Diamond Final Budget 2011

408 Wastewater Capital Fund																																																																																			
	2009 Actual	2010 Budget	2010 Estimate Year End	2011 Budget	10 to 11 Bdgt Change	% Budget Change																																																																													
<b>REVENUE</b>																																																																																			
Investment Interest	7,393	9,000	2,650	2,750	(6,250)	-69.4%																																																																													
Meters-Install & Misc. Charges																																																																																			
Loan Repay - Stormwater	20,400	30,600	30,400	30,400	(200)	-0.7%																																																																													
Loan Repay - Technology	42,000	42,000	42,000	42,000																																																																															
Loan Payment - Water Meters				48,300	48,300																																																																														
Transfer in - Wastewater Operating	5,000	10,000	10,000		(10,000)	-100.0%																																																																													
<b>Total Revenue</b>	<b>74,793</b>	<b>91,600</b>	<b>85,050</b>	<b>123,450</b>	<b>31,850</b>	<b>34.8%</b>																																																																													
Beginning Cash & Investments	1,021,214	985,649	985,649	675,699	(309,950)	-31.4%																																																																													
<b>Total Sources</b>	<b>1,096,007</b>	<b>1,077,249</b>	<b>1,070,699</b>	<b>799,149</b>	<b>(278,100)</b>	<b>-25.8%</b>																																																																													
<b>EXPENDITURES</b>																																																																																			
Transfer to Equipment Reserve	10,000																																																																																		
Transfer to Wastewater Operating		50,000	50,000		(50,000)	0.0%																																																																													
Morganville Wastewater Lift Station				30,000	30,000	100.0%																																																																													
Loan to Stormwater Fund 410	50,000																																																																																		
Infiltration Inflow		50,000	50,000	100,000	50,000	100.0%																																																																													
Lawson Lift Station				50,000	50,000	100.0%																																																																													
Wastewater Preservation																																																																																			
Wastewater Comp Plan	50,358	65,000	65,000		(65,000)	-100.0%																																																																													
Loan for Water Meters			230,000																																																																																
Manhole Replacement		20,000			(20,000)	-100.0%																																																																													
<b>Total Expenditures</b>	<b>110,358</b>	<b>185,000</b>	<b>395,000</b>	<b>180,000</b>	<b>(5,000)</b>	<b>-2.7%</b>																																																																													
Ending Cash & Investments	985,649	892,249	675,699	619,149	(273,100)	-30.6%																																																																													
<b>Total Uses</b>	<b>1,096,007</b>	<b>1,077,249</b>	<b>1,070,699</b>	<b>799,149</b>	<b>(278,100)</b>	<b>-25.8%</b>																																																																													
<table> <tr> <td></td><td><b>2009 A</b></td><td><b>2010 B</b></td><td><b>2010 YE</b></td><td><b>2011 B</b></td><td colspan="2"><b>2012 and Beyond</b></td></tr> <tr> <td>Cash Reserves Capital</td><td>985,649</td><td>892,249</td><td>675,699</td><td>619,149</td><td colspan="2"></td></tr> <tr> <td>Cash Reserves Operating</td><td>120,137</td><td>91,583</td><td>93,949</td><td>66,823</td><td colspan="2"></td></tr> <tr> <td><b>Total Cash Reserves</b></td><td><b>1,105,786</b></td><td><b>983,832</b></td><td><b>769,648</b></td><td><b>685,972</b></td><td colspan="2"><b>685,972</b></td></tr> <tr> <td>Loans Outstanding:</td><td colspan="4"></td><td colspan="2"></td></tr> <tr> <td>Police Technology 2012 - 2014</td><td colspan="4"></td><td colspan="2">80,000</td></tr> <tr> <td>Stormwater 2012 &amp; 2013</td><td colspan="4"></td><td colspan="2">40,000</td></tr> <tr> <td>Stormwater 2012, 2013 &amp; 2014</td><td colspan="4"></td><td colspan="2">20,000</td></tr> <tr> <td>Water Meters 2012 - 2016</td><td colspan="4"></td><td colspan="2">184,000</td></tr> <tr> <td><b>Total Loans Outstanding</b></td><td colspan="4"></td><td colspan="2"><b>324,000</b></td></tr> <tr> <td><b>Grand Total Loans and Cash</b></td><td colspan="4"></td><td colspan="2"><b>1,009,972</b></td></tr> </table>								<b>2009 A</b>	<b>2010 B</b>	<b>2010 YE</b>	<b>2011 B</b>	<b>2012 and Beyond</b>		Cash Reserves Capital	985,649	892,249	675,699	619,149			Cash Reserves Operating	120,137	91,583	93,949	66,823			<b>Total Cash Reserves</b>	<b>1,105,786</b>	<b>983,832</b>	<b>769,648</b>	<b>685,972</b>	<b>685,972</b>		Loans Outstanding:							Police Technology 2012 - 2014					80,000		Stormwater 2012 & 2013					40,000		Stormwater 2012, 2013 & 2014					20,000		Water Meters 2012 - 2016					184,000		<b>Total Loans Outstanding</b>					<b>324,000</b>		<b>Grand Total Loans and Cash</b>					<b>1,009,972</b>	
	<b>2009 A</b>	<b>2010 B</b>	<b>2010 YE</b>	<b>2011 B</b>	<b>2012 and Beyond</b>																																																																														
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## City of Black Diamond Final Budget 2011

### Stormwater Department Fund 410

The Stormwater utility's purpose is to protect the natural environment from the impacts of stormwater runoff by properly maintaining the city stormwater system and implementing the City's Stormwater Management Plan according to the Department of Ecology stormwater permit requirements.

Stormwater utility revenue is increasing from \$11.50 to \$13.00 in January 2011. This is the last increase as adopted by Council in November 2008. Funding reimbursement revenue has been increased to cover the full year costs of Administrative Assistant 3 Public Works position.

Salaries and benefits for the PW Administrative Assistant III hired in August and the Public Works Director are 25% to Stormwater, with funding covering 90% of those costs in 2011. The fuel, tools, professional services, training, and general service cost allocations are distributed equitably between the Public Works funds. The King County Water Quality expenditure is for monitoring and testing as required by the Department of Ecology for Lake Sawyer. The WIRA 9 is Black Diamond's share of the Water Quality project. Some administrative costs have gone up this year including insurance, audit, central services and legal.

Public Works and support staff are allocated a percentage of their salaries and benefits to the Stormwater department. This distribution is as follows:

2011 Employee Allocations by Funding Source							
Positions	Full Time Equivalent (FTE)	Funding Agreement	General Fund	Street Fund	Water Fund	Waste water Fund	Storm water Fund
Admin Assistant I	1.00		0.10		0.3	0.3	0.3
Deputy City Clerk	1.00		0.60	0.04	0.12	0.12	0.12
Senior Accountant	0.75		0.45	0.03	0.09	0.09	0.09
<b>Support Staff Total</b>	<b>2.75</b>		<b>1.15</b>	<b>0.07</b>	<b>0.51</b>	<b>0.51</b>	<b>0.51</b>
Public Works Director - <i>Funding</i>	1.00	0.075	0.10	0.15	0.225	0.225	0.225
Admin Assistant III- <i>Funding</i>	1.00	0.075		0.25	0.225	0.225	0.225
<b>Funding - Utilities (90%)</b>	<b>2.00</b>	<b>0.15</b>	<b>0.10</b>	<b>0.40</b>	<b>0.45</b>	<b>0.45</b>	<b>0.45</b>
Utilities Supervisor	1.00		0.10	0.15	0.25	0.25	0.25
Utility Worker	1.00		0.10	0.15	0.25	0.25	0.25
Utilities Operator	1.00		0.10	0.15	0.25	0.25	0.25
Seasonal Help for Parks	0.42		0.04	0.06	0.10	0.10	0.10
<b>Public Works Total</b>	<b>3.42</b>		<b>0.34</b>	<b>0.51</b>	<b>0.85</b>	<b>0.85</b>	<b>0.85</b>
<b>Grand Total Budget Positions</b>	<b>8.17</b>	<b>0.15</b>	<b>1.59</b>	<b>0.98</b>	<b>1.81</b>	<b>1.81</b>	<b>1.81</b>



## City of Black Diamond Final Budget 2011

410 Stormwater Fund						
	2009	2010	2010		10 to 11	%
	Actual	Budget	Estimate	2011	Bdgt	Budget
			Year End	Budget	Change	Change
<b>REVENUE</b>						
1 1755 ERU's @ 11 mo.@ \$10.00	208,865					
2 1755 ERU's @ 11 mo.@ \$11.50		242,000	242,000		0	
3 1755 ERU's @ 12 mo.@ \$13.00				273,000	31,000	12.8%
4 Low Income Discount-estimate	(3,300)	(3,600)	(3,600)	(4,200)	(600)	16.7%
5 <b>Operating Revenue</b>	<b>205,565</b>	<b>238,400</b>	<b>238,400</b>	<b>268,800</b>	<b>30,400</b>	<b>12.8%</b>
7 <b>Other Revenue</b>						
8 Loan from Wastewater Reserve	50,000					
9 Funding-PW Dir Reimburse	30,346	43,436	33,455	49,613	6,177	14.2%
10 Insurance recovery - Legal Costs			3,500			
11 Investment Interest	348	500	300	350	(150)	-30.0%
12 <b>Total Other Revenue</b>	<b>80,694</b>	<b>43,936</b>	<b>37,255</b>	<b>49,963</b>	<b>6,027</b>	<b>13.7%</b>
13 <b>Total Revenue</b>	<b>286,259</b>	<b>282,336</b>	<b>275,655</b>	<b>318,763</b>	<b>36,427</b>	<b>12.9%</b>
14 Beginning Cash & Investments	32,110	84,402	74,402	49,262	(35,140)	-41.6%
15 <b>Total Sources</b>	<b>318,369</b>	<b>366,738</b>	<b>350,057</b>	<b>368,025</b>	<b>1,287</b>	<b>0.4%</b>
<b>EXPENDITURES</b>						
16 Salary and Benefits	149,402	163,279	145,784	162,929	(350)	-0.2%
17 Furlough Days	(3,348)	(3,959)		(1,384)	2,575	-65.0%
18 <b>Total Salaries &amp; Benefits</b>	<b>146,054</b>	<b>159,320</b>	<b>145,784</b>	<b>161,545</b>	<b>2,225</b>	<b>1.4%</b>
19 Operating Supplies and Uniforms	1,381	1,550	1,250	1,560	10	0.6%
20 Allocated Office Supplies, Copies, Postage	6,545	5,738	7,188	6,945	1,207	21.0%
21 Fuel	1,780	2,000	2,640	2,300	300	15.0%
22 Small Tools and Equipment	324	500	500	600	100	20.0%
23 <b>Total Supplies</b>	<b>10,030</b>	<b>9,788</b>	<b>11,578</b>	<b>11,405</b>	<b>1,617</b>	<b>16.5%</b>
24 Insurance	2,594	2,750	4,128	4,417	1,667	60.6%
25 Repairs, Maintenance	1,271	1,500	1,500	1,900	400	26.7%
26 Professional Services				2,000	2,000	100.0%
27 KC Water Quality-Lk Sawyer	8,468	6,000	6,000	6,500	500	8.3%
28 Dept of Ecology Permitting	2,322	2,000	2,800	2,000	0	0.0%
29 Travel, memberships and training	713	1,300	500	1,300	0	0.0%
30 WRIA 9 - Water Quality				3,735	3,735	100.0%
31 Tele, DSL, Radio, Post, Advertising	3,057	3,500	3,500	3,600	100	2.9%
32 Utilities (elect, gas, water, sewer, etc)	1,293	1,500	1,364	1,650	150	10.0%
33 Legal Services	4,893	9,120	12,203	16,500	7,380	80.9%
34 Legal Services - Insurance Reimbursement			3,500			
35 Audit - share of costs	3,104	0	458	3,750	3,750	100.0%
36 Cost Allocation- Administration	18,820	21,570	21,576	25,456	3,886	18.0%
37 Utility & Excise Tax	12,334	14,520	14,304	20,428	5,908	40.7%
38 <b>Total Service &amp; Charges</b>	<b>58,869</b>	<b>63,760</b>	<b>71,833</b>	<b>93,236</b>	<b>29,476</b>	<b>46.2%</b>
39 <b>Total Operating Expenses</b>	<b>214,953</b>	<b>232,868</b>	<b>229,195</b>	<b>266,186</b>	<b>33,318</b>	<b>14.3%</b>
40 Transfer out to Equipment Reserve	10,000	10,000	10,000	10,000	0	0.0%
41 Transfer out to RR Ave Drainage		40,000	31,000		(40,000)	-100.0%
42 Debt repayment-100,000	20,400	20,400	20,400	20,400	0	0.0%
43 Debt Repayment-50,000		10,200	10,200	10,200	0	0.0%
44 <b>Total Other Expenditures</b>	<b>30,400</b>	<b>80,600</b>	<b>71,600</b>	<b>40,600</b>	<b>(40,000)</b>	<b>-49.6%</b>
45 <b>Total Expenditures</b>	<b>245,353</b>	<b>313,468</b>	<b>300,795</b>	<b>306,786</b>	<b>(6,682)</b>	<b>-2.1%</b>
46 Ending Cash & Investments	73,016	53,270	49,262	61,238	7,968	15.0%
47 <b>Total Uses</b>	<b>318,369</b>	<b>366,738</b>	<b>350,057</b>	<b>368,024</b>	<b>1,286</b>	<b>0.4%</b>



## City of Black Diamond Final Budget 2011

### Stormwater Capital Fund 410

This fund was created for the purpose of providing the City with stormwater and ecological improvement projects. The City received a Department of Ecology grant of \$50,000 for 2009/2010 and \$81,000 for 2011/2012.

410 Stormwater Capital Fund						
	2009 Actual	2010 Budget	2010 Estimate Year End	2011 Budget	2010 to 2011 Bdgt Change	% Budget Change
<b>REVENUE</b>						
DOE-grant	75,000	50,000	50,000	50,000	0	0.0%
2011 DOE Grant				81,000	81,000	100.0%
Funding Reimburse Alternate Site Study		24,886	24,886		(24,886)	-100.0%
<b>Total Revenue</b>	<b>75,000</b>	<b>74,886</b>	<b>74,886</b>	<b>131,000</b>	<b>56,114</b>	<b>74.9%</b>
Beginning Cash & Investments						
<b>Total Sources</b>	<b>75,000</b>	<b>74,886</b>	<b>74,886</b>	<b>131,000</b>	<b>56,114</b>	<b>74.9%</b>
<b>EXPENDITURES</b>						
PW Comp Plan MPDES - Pac West	63,614					
Funding Alternate Site Study		24,886	24,886		(24,886)	-100.0%
DOE Grant Catch Basin Cleaning		31,000	31,000		(31,000)	-100.0%
DOE Grant Expenditures	11,386	19,000	19,000	131,000	112,000	589.5%
<b>Total Expenditures</b>	<b>75,000</b>	<b>74,886</b>	<b>74,886</b>	<b>131,000</b>	<b>56,114</b>	<b>74.9%</b>
Ending Cash & Investments						
<b>Total Uses</b>	<b>75,000</b>	<b>74,886</b>	<b>74,886</b>	<b>131,000</b>	<b>56,114</b>	<b>74.9%</b>

# Capital Funds



*Sidewalk - Railroad Avenue Project completed in 2010*



## Capital Improvement Program 2011 – 2016 (Summarized Version)

### What is the Capital Improvement Program?

A Capital Improvement Program (CIP) is a roadmap that provides direction and guidance for carefully planning and managing Black Diamond's capital and infrastructure assets. It is an investment in the future of our community.

This document presents the proposed plan for major public facility improvements that will be implemented over the next six fiscal years. The projects included in the fiscal 2011-2016 CIP are consistent with the City Council's priorities and address the needs for the acquisition, rehabilitation and expansion of the City's infrastructure and capital assets.

The City of Black Diamond Capital Improvement Program (CIP) addresses the growing needs of the City and enhances the quality of life through major public improvement projects.

Capital Projects are listed in the CIP by number, according to each major program area. For each project there is an estimated start and completion date that has been projected by the city department in charge of the improvement. The CIP also shows the total cost of the project and the amount allocated to the project for each year of the plan. Identifying capital projects and their anticipated funding sources assists in the planning and scheduling of finances for projects and the manpower needed to plan, design, and construct the projects.

Examples of projects in Black Diamond's six-year CIP include street rehabilitation, water projects, wastewater facilities, park improvements, a fire station and equipment, police capital needs, and public building construction and improvement. Land purchases are also included in CIP planning since it is considered a capital asset.

These projects are usually long-term in nature (over one year) to complete and are frequently financed over a period of time. Typically, a CIP project has a dollar amount over \$10,000.

### How are projects in the Capital Improvement Program paid for?

The six-Year CIP is a format by which the City uses to review the funding of desired capital improvements that compete for scarce financial resources. Generally, funding for capital improvements is provided through Real Estate Excise Tax revenue (REET), capital reserves, public trust fund loans, grants, impact fees and developer funding.

### Types of Capital Projects

Capital projects are essential to the delivery of many of the City's core services. The capital projects in each major department are described below.

- Transportation The road system in Black Diamond is a vital infrastructure to city residents, visitors and commuters. This infrastructure includes roads, bridges, bike lanes and sidewalks. The responsibility for the funding and construction of transportation infrastructure is usually shared with developers in the form of impact fees, as new development has need for additional transportation improvements. A good deal of funding for street improvement comes from Real Estate Excise Taxes.



- Parks and Recreation There are regional and local parks in Black Diamond as well as bike and hiking trails, a skate park and a BMX Course. Outdoor enthusiasts choose to live in Black Diamond for the natural beauty of the surroundings and sporting opportunities. Park improvements are primarily financed by Real Estate Excise Taxes, grants and developer contributions.
- Utilities The City provides water, sewer and stormwater utility services to residents and businesses. Capital Facilities include sewer treatment facilities, transmission systems and storm water detention facilities. Developers contribute to these projects, as growth requires infrastructure expansion. Capital reserves, grants, loans and Real Estate Excise Taxes also provide funding for utilities in Black Diamond.
- Public Safety Capital facilities and equipment are required to deliver core City services of Police and Fire. These facilities include the fire and police stations, vehicles and major equipment. Funding for these capital projects largely comes from Real Estate Excise Taxes and reserves.
- General Capital City is responsible for funding the construction and maintenance of city buildings and facilities. Included are technological capital projects that provide better services and communication at the City. These capital costs are largely funded through Real Estate Excise Taxes.

## Growth Management Act and Land Use Policies

Comprehensive planning is required in Washington State since the Growth Management Act (GMA) was adopted by the legislature in 1990. The objective of the Act is to limit sprawl, protect sensitive areas and promote efficient and effective delivery of public services by concentrating population, industry and public services in urban areas. The City is anticipating two development areas in Black Diamond, The Villages and Lawson Hills. These planned developments have a huge impact on the City's Capital Improvement Program, as up to 6,000 new homes may be built eventually in those new neighborhoods.

## Level of Service

The number and type of capital facilities needed to serve Black Diamond is directly related to the level of public service provided. The level of service is established by City Council and the City's Comprehensive Plan.

## Maintenance and Funding Constraints

Once completed and placed in service, capital facilities must be maintained. Funding for the maintenance of capital projects for City Utilities are funded with user fees in the respective operating budgets. Maintenance funding for projects are funded through current operations, not the capital budget. For that reason the availability of funding for future maintenance must be considered when preparing the capital budget.

## Development and Approval Process

The Capital Improvement Plan is updated annually. Each year individual projects are submitted by department directors. They use a template provided by Finance staff. These requests include an update of current projects and projections on new projects and anticipated costs. Each project must have specific funding sources identified. The Mayor, Finance Director and Management meet to balance projects to available funding. After several Council Committee meetings, workstudy sessions and a public hearing are held, the proposed plan is brought before Council for approval. The Capital Improvement Calendar for 2011 – 2016 is part of this document in the appendix section.



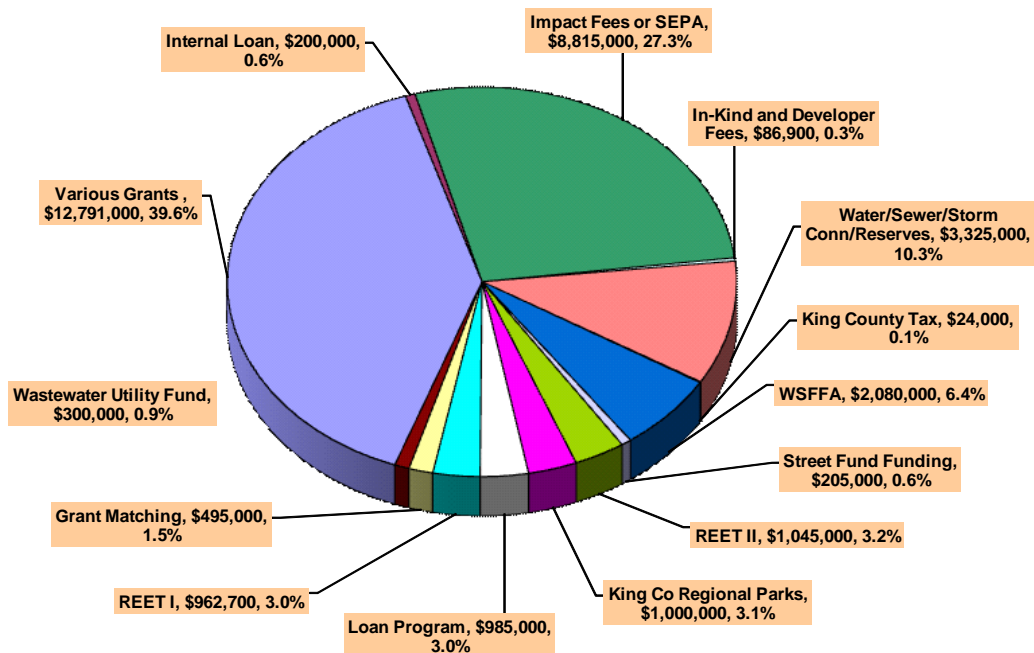
# CIP All Funds Revenue Summary

## Capital Improvement Program 2011 - 2016

### REQUESTED FUNDING

	Total \$ Project	2011	2012	2013	2014	2015	2016
Various Grants	12,791,000	185,000	760,000	988,000	535,000	1,160,000	9,163,000
Impact Fees or SEPA	8,815,000			650,000	1,420,000	1,995,000	4,750,000
Water/Sewer/Storm Conn/Reserves	3,325,000	187,500	235,000	250,000	280,000	720,000	1,652,500
WSFFA	2,080,000	140,000	1,140,000			800,000	
REET II	1,045,000	120,000	140,000	80,000	365,000	250,000	90,000
King Co Regional Parks	1,000,000						1,000,000
Loan Program	985,000	125,000		600,000			260,000
REET I	962,700	137,500	165,100	161,150	174,400	196,350	128,200
Grant Matching	495,000		20,000	200,000	75,000		200,000
Wastewater Utility Fund	300,000		50,000	50,000	50,000	75,000	75,000
Street Fund Funding	205,000	2,500	35,000	30,000	75,000	30,000	32,500
Internal Loan	200,000	100,000	100,000				
In-Kind and Developer Fees	86,900	15,360	25,760	9,540	10,710	12,080	13,450
King County Tax	24,000	8,000	8,000	8,000			
<b>TOTAL SOURCES</b>	<b>\$32,314,600</b>	<b>\$1,020,860</b>	<b>\$2,678,860</b>	<b>\$3,026,690</b>	<b>\$2,985,110</b>	<b>\$5,238,430</b>	<b>\$17,364,650</b>

**Total: \$32,314,600**



### Non Capital Operating Costs

	Total \$ Requested	2011	2012	2013	2014	2015	2016
Salary and Benefits (Trails Project)	50,000		10,000	10,000	10,000	10,000	10,000
Debt Wastewtr REET I (Police Rec. Sys)	125,600	42,000	42,000	41,600			
Debt REET I (Loan for Ginder Creek Land)	79,550		15,910	15,910	15,910	15,910	15,910
Debt REET I (Fire Equip Loans)	170,820				56,940	56,940	56,940
Maint. Costs Infil/WBD Sewer Main	120,000	20,000	20,000	20,000	20,000	20,000	20,000
Maintenance Roberts Drive	30,000				10,000	10,000	10,000
Interfund Debt Repay Water Meters	200,000	40,000	40,000	40,000	40,000	40,000	
<b>Total Non Capital Operating Costs</b>	<b>775,970</b>	<b>102,000</b>	<b>127,910</b>	<b>127,510</b>	<b>152,850</b>	<b>152,850</b>	<b>112,850</b>



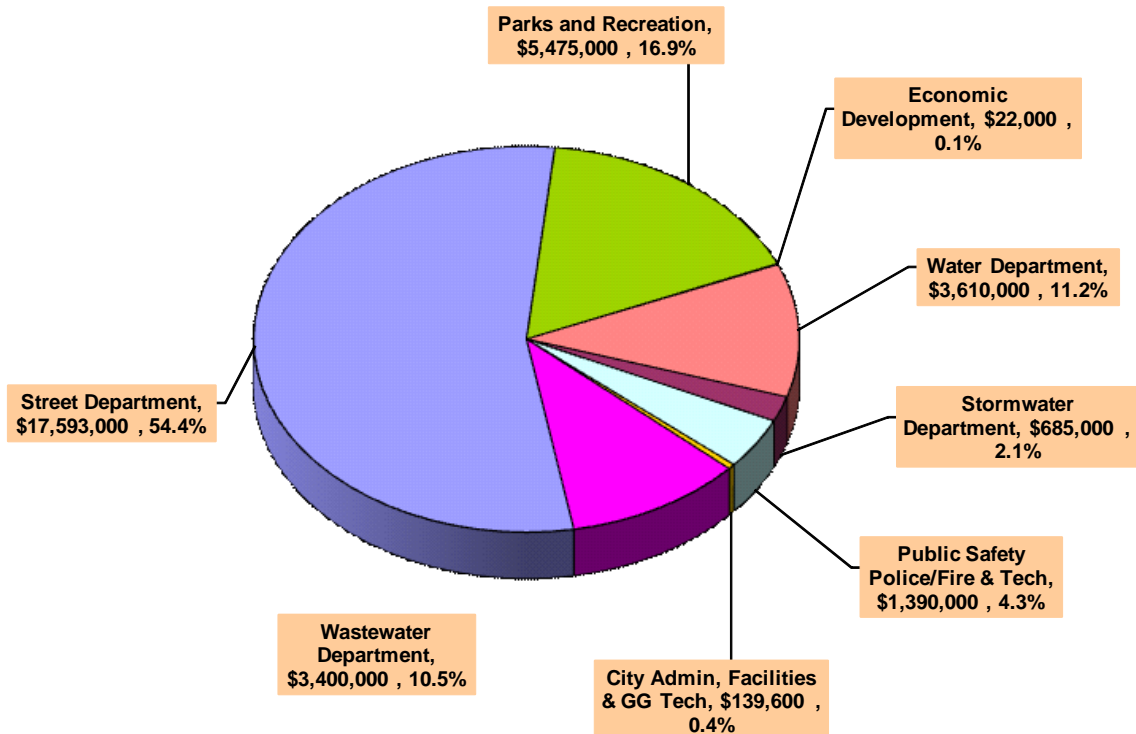
# Total Summary by Department

## Capital Improvement Program 2011 - 2016

Departments	Total \$ Project	2011	2012	2013	2014	2015	2016
Street Department	17,593,000	120,000	300,000	660,000	990,000	3,210,000	12,313,000
Parks and Recreation	5,475,000	358,860	179,260	1,348,540	248,910	325,280	3,014,150
Water Department	3,610,000	250,000	1,760,000		800,000	800,000	
Wastewater Department	3,400,000	180,000	230,000	250,000	300,000	770,000	1,670,000
Public Safety Police/Fire & Tech	1,390,000	57,000	75,200	704,100	104,000	109,600	340,100
Stormwater Department	685,000	10,000	70,000	50,000	535,000		20,000
City Admin, Facilities & GG Tech	139,600	33,000	61,900	11,550	4,700	21,050	7,400
Economic Development	22,000	12,000	2,500	2,500	2,500	2,500	
<b>TOTAL Project COSTS</b>	<b>\$32,314,600</b>	<b>\$1,020,860</b>	<b>\$2,678,860</b>	<b>\$3,026,690</b>	<b>\$2,985,110</b>	<b>\$5,238,430</b>	<b>\$17,364,650</b>

### Total City CIP by Department

Total: \$32,314,600



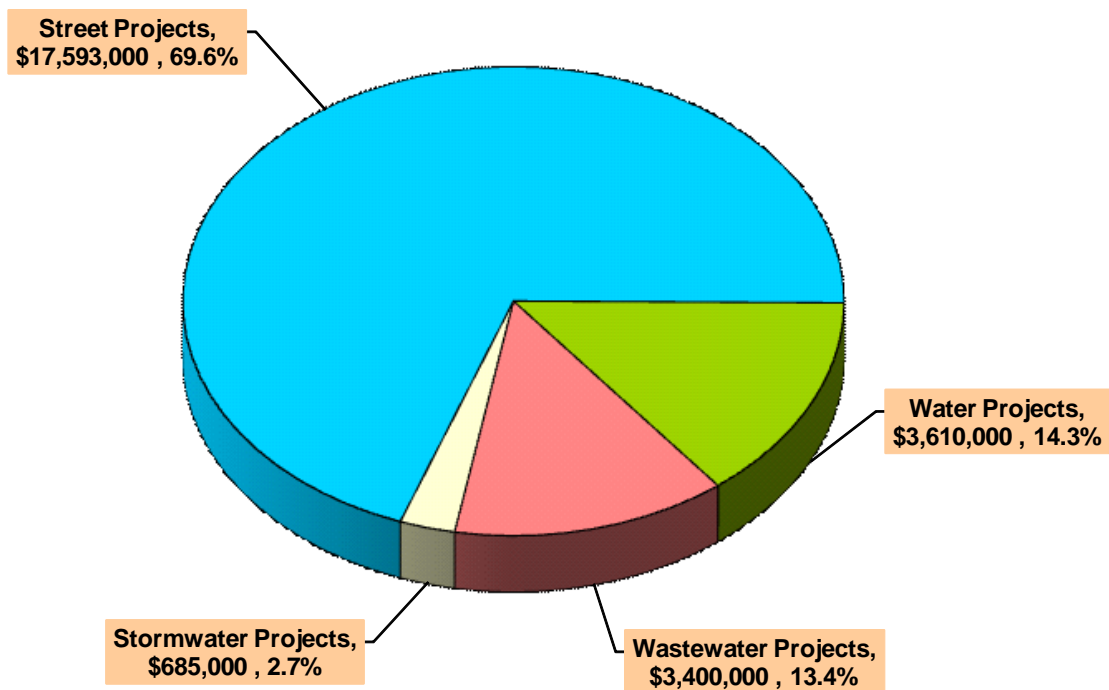


## Public Works Department Summary

### Capital Improvement Program 2011 - 2016

Departments	Total \$ Project	2011	2012	2013	2014	2015	2016
Street Projects	17,593,000	120,000	300,000	660,000	990,000	3,210,000	12,313,000
Water Projects	3,610,000	250,000	1,760,000		800,000	800,000	
Wastewater Projects	3,400,000	180,000	230,000	250,000	300,000	770,000	1,670,000
Stormwater Projects	685,000	10,000	70,000	50,000	535,000		20,000
<b>TOTAL Project COSTS</b>	<b>\$25,288,000</b>	<b>\$560,000</b>	<b>\$2,360,000</b>	<b>\$960,000</b>	<b>\$2,625,000</b>	<b>\$4,780,000</b>	<b>\$14,003,000</b>

### Public Works CIP by Department Total: \$25,288,000



## CIP Public Works Summary

### Capital Improvement Program 2011 - 2016

Sources		Total \$ Project	2011	2012	2013	2014	2015	2016
1	Grants	9,718,000	10,000	660,000		435,000	1,160,000	7,453,000
2	Street Impact, SEPA, Developer Funded	8,115,000			450,000	1,420,000	1,745,000	4,500,000
3	Wastewater Connection Fees/Reserves	3,075,000	182,500	185,000	200,000	260,000	695,000	1,552,500
4	WSSFA	2,080,000	140,000	1,140,000			800,000	
5	Real Estate Excise Taxes II	1,045,000	120,000	140,000	80,000	365,000	250,000	90,000
6	Stormwater Reserves	205,000	2,500	45,000	50,000	10,000		97,500
7	Wastewater Utility Funding	300,000		50,000	50,000	50,000	75,000	75,000
8	Grant Matching	300,000			100,000			200,000
9	Street Fund	205,000	2,500	35,000	30,000	75,000	30,000	32,500
10	Interfund Loan	200,000	100,000	100,000				
11	Water Connection Fees/Reserves	45,000	2,500	5,000		10,000	25,000	2,500
<b>Total Public Works Capital Funding</b>		<b>25,288,000</b>	<b>560,000</b>	<b>2,360,000</b>	<b>960,000</b>	<b>2,625,000</b>	<b>4,780,000</b>	<b>14,003,000</b>
Uses		Total \$ Project	2011	2012	2013	2014	2015	2016
T1	General Street Improvement	150,000		30,000	30,000	30,000	30,000	30,000
T2	Lawson Street & Newcastle Dr Intersection Repair	80,000	80,000					
T3	Jones Lk. Road Regrading and Paving	160,000				160,000		
T4	Roberts Drive Sidewalk link to Morgan St	953,000					120,000	833,000
T5	SE 288th Street Overlay	230,000		230,000				
T6	SR-169 Widening Lawson & Baker St Intersection	1,550,000					350,000	1,200,000
T7	Roberts Drive Reconstruction	5,650,000			100,000	200,000	350,000	5,000,000
T8	Pacific Street Neighborhood Improvements	520,000				70,000	450,000	
T9	Intersection Improvements in Morganville	100,000			40,000	60,000		
T10	Grant Matching Fund	270,000	40,000	40,000	40,000	50,000	50,000	50,000
T11	SR 169 Gateway Corridor Improvement	5,700,000				200,000	300,000	5,200,000
T12	Roberts Drive/State Rt 169 Roundabout	2,230,000			450,000	220,000	1,560,000	
W1	Springs Transmission Main Replacement Phase 1	800,000					800,000	
W2	Springs & River Crossing Rehab. Project	1,780,000	140,000	1,640,000				
W3	Meter Replacement Program	200,000	100,000	100,000				
W4	Fire Flow Loop to N. Commerical Area	800,000				800,000		
W5	Public Works Facilities Design/Eng	30,000	10,000	20,000				
S1	Infiltration and Inflow Reduction Program	1,750,000	100,000	150,000	250,000	250,000	500,000	500,000
S2	Replace Old Lawson Lift Station	50,000	50,000					
S3	Cedarbrook Sewer Main	90,000						90,000
S4	West Black Diamond Wastewater Lift Station	400,000				50,000	250,000	100,000
S5	Morganville Wastewater Lift Station Improvement	110,000	30,000	80,000				
S6	Morganville Force Main Reroute	1,000,000					20,000	980,000
S7	South Black Diamond Wastewater Trunk Extension	0						
D1	Public Works Yard Improvements	115,000	10,000			85,000		20,000
D2	Ginder Creek Stormwater Treatment Pond	250,000			50,000	200,000		
D3	Lake Sawyer Road Culvert and Guardrail	320,000		70,000		250,000		
<b>Total Uses Public Works Projects</b>		<b>25,288,000</b>	<b>560,000</b>	<b>2,360,000</b>	<b>960,000</b>	<b>2,625,000</b>	<b>4,780,000</b>	<b>14,003,000</b>

Project Breakdown by Type of Funding		Total \$ Project	2011	2012	2013	2014	2015	2016
<b>Grants</b>								
T3	Jones Lk. Road Regrading and Paving	130,000				130,000		
T4	Roberts Drive Sidewalk link to Morgan St	803,000						803,000
T5	SE 288th Street Overlay	160,000		160,000				
T7	Roberts Drive Reconstruction	4,150,000						4,150,000
T11	SR 169 Gateway Corridor Improvement	2,500,000						2,500,000
T12	Roberts Drive/State Rt 169 Roundabout	1,160,000				1,160,000		
W2	Springs & River Crossing Rehab. Project	500,000		500,000				
D1	Public Works Yard Improvements	55,000	10,000			55,000		
D3	Lake Sawyer Road Culvert and Guardrail	250,000				250,000		
<b>Total Grants</b>		<b>9,708,000</b>	<b>10,000</b>	<b>660,000</b>		<b>435,000</b>	<b>1,160,000</b>	<b>7,453,000</b>
<b>Street Impact, SEPA, Developer</b>								
D2	Ginder Creek Stormwater Treatment Pond	200,000				200,000		
T6	SR-169 Widening Lawson & Baker St Intersection	1,550,000					350,000	1,200,000
T7	Roberts Drive Reconstruction	900,000					300,000	600,000
T8	Pacific Street Neighborhood Improvements	395,000					395,000	
T11	SR 169 Gateway Corridor Improvement	3,200,000				200,000	300,000	2,700,000
T12	Roberts Drive/State Rt 169 Roundabout	1,070,000			450,000	220,000	400,000	
W4	Fire Flow Loop to N. Commerical Area	800,000				800,000		
<b>Total Street Impact or SEPA Fees</b>		<b>8,115,000</b>			<b>450,000</b>	<b>1,420,000</b>	<b>1,745,000</b>	<b>4,500,000</b>
<b>Wastewater Connection Fees/Reserves</b>								
D1	Public Works Yard Improvements	12,500				10,000		2,500
S1	Infiltration and Inflow Reduction Program	1,450,000	100,000	100,000	200,000	200,000	425,000	425,000
S2	Replace Old Lawson Lift Station	50,000	50,000					
S3	Preserving Wastewater Treatment Plant for Future Use	45,000						45,000
S4	West Black Diamond Wastewater Lift Station	400,000				50,000	250,000	100,000
S5	Morganville Wastewater Lift Station Improvement	110,000	30,000	80,000				
S6	Morganville Force Main Reroute	1,000,000					20,000	980,000
W5	Public Works Facilities Design/Eng	7,500	2,500	5,000				
<b>Total Wastewater Connection Fees/Reserves</b>		<b>3,075,000</b>	<b>182,500</b>	<b>185,000</b>	<b>200,000</b>	<b>260,000</b>	<b>695,000</b>	<b>1,552,500</b>
<b>WSFFA</b>								
W1	Springs Transmission Main Replacement Phase 1	800,000					800,000	
W2	Springs & River Crossing Rehab. Project	1,280,000	140,000	1,140,000				
<b>Total WSFFA</b>		<b>2,080,000</b>	<b>140,000</b>	<b>1,140,000</b>			<b>800,000</b>	
<b>REET II Funding</b>								
T2	Lawson St and Newcastle inter. Repair	80,000	80,000					
T3	Jones Lk. Road Regrading and Paving	30,000				30,000		
T4	Roberts Drive Sidewalk link to Morgan St	150,000					120,000	30,000
T5	SE 288th Street Overlay	70,000		70,000				

Project Breakdown by Types of Funding		Total \$ Project	2011	2012	2013	2014	2015	2016
<b>REET II Funding, cont.</b>								
T7 Roberts Drive Reconstruction	205,000					155,000	50,000	
T8 Pacific Street Neighborhood Improvements	100,000					70,000	30,000	
T9 Intersection Improvements in Morganville	100,000				40,000	60,000		
T10 Grant Matching Fund	270,000	40,000	40,000	40,000	50,000	50,000		50,000
D1 Public Works Yard Improvements	10,000							10,000
D3 Lake Sawyer Road Culvert and Guardrail	30,000			30,000				
<b>Total REET II Funding</b>	<b>1,045,000</b>	<b>120,000</b>	<b>140,000</b>	<b>80,000</b>	<b>365,000</b>	<b>250,000</b>	<b>90,000</b>	
<b>Stormwater Connection Fees/Reserves</b>								
W5 Public Works Facilities Design/Eng	7,500	2,500	5,000					
S3 Cedarbrook Sewer Main	45,000							45,000
D1 Public Works Yard Improvements	12,500					10,000		2,500
D2 Ginder Creek Stormwater Treatment Pond	50,000			50,000				
D3 Lake Sawyer Road Culvert and Guardrail	40,000		40,000					
T7 Roberts Drive Reconstruction	50,000							50,000
<b>Total Stormwater Connection Fees/Reserves</b>	<b>205,000</b>	<b>2,500</b>	<b>45,000</b>	<b>50,000</b>	<b>10,000</b>	<b>97,500</b>		
<b>Wastewater Utility Funding</b>								
S1 Infiltration and Inflow Reduction Program	300,000		50,000	50,000	50,000	75,000		75,000
<b>Total Wastewater Utility Funding</b>	<b>300,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>75,000</b>	<b>75,000</b>		
<b>Grant Matching</b>								
T7 Roberts Drive Reconstruction	300,000			100,000				200,000
<b>Total Grant Matching</b>	<b>300,000</b>	<b>100,000</b>		<b>200,000</b>				
<b>Street Fund</b>								
D1 Public Works Yard Improvements	2,500							2,500
W5 Public Works Facilities Design/Eng	7,500	2,500	5,000					
T1 General Street Improvement	150,000		30,000	30,000	30,000	30,000		30,000
T7 Roberts Drive Reconstruction	45,000				45,000			
<b>Total Street Fund Funding</b>	<b>205,000</b>	<b>2,500</b>	<b>35,000</b>	<b>30,000</b>	<b>75,000</b>	<b>30,000</b>	<b>32,500</b>	
<b>Interfund Loan</b>								
W3 Meter Replacement Program	200,000	100,000	100,000					
<b>Total Interfund Loan</b>	<b>200,000</b>	<b>100,000</b>	<b>100,000</b>					
<b>Water Connection Fees/Reserves</b>								
W5 Public Works Facilities Design/Eng	7,500	2,500	5,000					
T8 Pacific Street Neighborhood Improvements	25,000						25,000	
D1 Public Works Yard Improvements	12,500					10,000		2,500
<b>Total Water Connection Fees/Reserves</b>	<b>45,000</b>	<b>2,500</b>	<b>5,000</b>	<b>10,000</b>	<b>25,000</b>	<b>2,500</b>		
<b>Total Public Works Funding</b>	<b>25,278,000</b>	<b>560,000</b>	<b>2,360,000</b>	<b>960,000</b>	<b>2,625,000</b>	<b>4,780,000</b>	<b>14,003,000</b>	





# CIP General Government Funding Summary

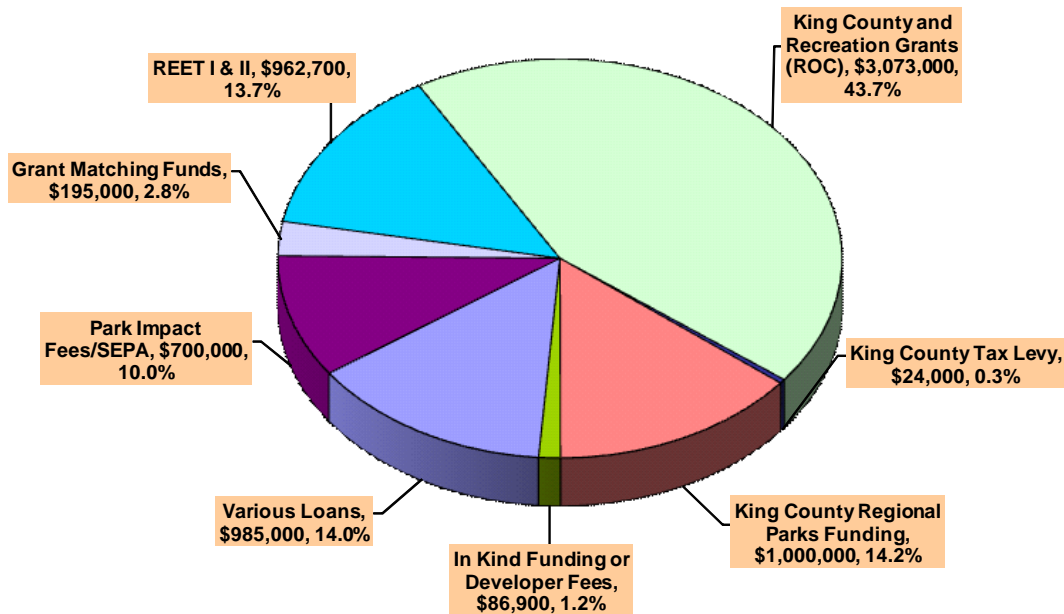
## Capital Improvement Program 2011 - 2016

### REQUESTED FUNDING

	Total \$ Project	2011	2012	2013	2014	2015	2016
King County and Recreation Grants (ROC)	3,073,000	175,000	100,000	988,000	100,000		1,710,000
REET I & II	962,700	137,500	165,100	161,150	174,400	196,350	128,200
King County Regional Parks Funding	1,000,000						1,000,000
Various Loans	985,000	125,000		600,000			260,000
Park Impact Fees/SEPA	700,000			200,000		250,000	250,000
Grant Matching Funds	195,000		20,000	100,000	75,000		
In Kind Funding or Developer Fees	86,900	15,360	25,760	9,540	10,710	12,080	13,450
King County Tax Levy	24,000	8,000	8,000	8,000			
<b>TOTAL SOURCES</b>	<b>\$7,026,600</b>	<b>\$460,860</b>	<b>\$318,860</b>	<b>\$2,066,690</b>	<b>\$360,110</b>	<b>\$458,430</b>	<b>\$3,361,650</b>

### General Government CIP by Type of Funding

Total: \$7,026,600



### Non Capital Operating Costs

	Total \$ Requested	2011	2012	2013	2014	2015	2016
Salary and Benefits (Trails Project)	50,000		10,000	10,000	10,000	10,000	10,000
Debt Wastewtr REET I (Police Rec. Sys)	125,600	42,000	42,000	41,600			
Debt REET I (Loan for Ginder Creek Land)	79,550		15,910	15,910	15,910	15,910	15,910
Debt REET I (Fire Equip Loans)	170,820				56,940	56,940	56,940
<b>TOTAL OPERATING Gen Govt Costs</b>	<b>425,970</b>	<b>42,000</b>	<b>67,910</b>	<b>67,510</b>	<b>82,850</b>	<b>82,850</b>	<b>82,850</b>

# CIP General Government Summary

## Capital Improvement Program 2011 - 2016

Key to Projects in the CIP:  
 E = Econ Dev  
 I = Technology  
 P = Parks  
 L = Police  
 A = Admin/Facilities  
 F = Fire

Sources		Total \$ Project	2011	2012	2013	2014	2015	2016
1	Grant Funding	3,073,000	175,000	100,000	988,000	100,000		1,710,000
2	Real Estate Excise Taxes I	962,700	137,500	165,100	161,150	174,400	196,350	128,200
3	King County Regional Parks Funding	1,000,000						1,000,000
4	Loans	985,000	125,000		600,000			260,000
5	Impact Fees or SEPA	700,000			200,000		250,000	250,000
6	Grant Matching	195,000		20,000	100,000	75,000		
7	In Kind Funding or Developer Fees	86,900	15,360	25,760	9,540	10,710	12,080	13,450
8	King County Tax Levy	24,000	8,000	8,000	8,000			
<b>Total Sources for Gen Govt Projects</b>		<b>7,026,600</b>	<b>460,860</b>	<b>318,860</b>	<b>2,066,690</b>	<b>360,110</b>	<b>458,430</b>	<b>3,361,650</b>
Uses		Total \$ Project	2011	2012	2013	2014	2015	2016
<b>Facilities and Administration</b>								
A1	Future Facility Site-Preliminary Engr/Design	50,000	15,000	35,000				
I1	City Technology Capital	89,600	18,000	26,900	11,550	4,700	21,050	7,400
E1	Way Finding Signs	22,000	12,000	2,500	2,500	2,500	2,500	
<b>Total Facilities and Administration Projects</b>		<b>161,600</b>	<b>45,000</b>	<b>64,400</b>	<b>14,050</b>	<b>7,200</b>	<b>23,550</b>	<b>7,400</b>
<b>Parks and Recreation</b>								
P1	Park Signage	12,500	2,500	2,500	2,500	2,500	2,500	
P2	Union Stump Memorial Park	20,000			20,000			
P3	Lake Sawyer Boat Launch Improvements	788,000		20,000	768,000			
P4	Grant Matching Funds	240,000	40,000	40,000	40,000	40,000	40,000	40,000
P5	Trail System Development	324,000	8,000	108,000	108,000	100,000		
P6	BMX Park Course	250,000				20,000	20,000	210,000
P7	Lake Sawyer Regional Park	3,075,000				75,000	250,000	2,750,000
P8	Tree City USA Money Fund	65,500	8,360	8,760	10,040	11,410	12,780	14,150
P9	Ginder Creek Acquisition	300,000	300,000					
P10	Jones Lake Acquisition	400,000			400,000			
<b>Total Parks and Rec Projects</b>		<b>5,475,000</b>	<b>358,860</b>	<b>179,260</b>	<b>1,348,540</b>	<b>248,910</b>	<b>325,280</b>	<b>3,014,150</b>
<b>Public Safety</b>								
A2	Police Reroof	20,000						20,000
I2	Police Technology Capital	75,000	12,000	8,200	14,100	12,000	15,600	13,100
L1	Patrol Car Replacement Program	405,000	40,000	42,000	90,000	92,000	94,000	47,000
F1	Fire Engine 981 - Replace	600,000			600,000			
F2	Fire Aid Car - Replace	175,000						175,000
F3	Fire Brush-Truck Chassis	85,000						85,000
F4	Fire Station 99 Design/Engr - Replace	30,000	5,000	25,000				
<b>Total Public Safety Projects</b>		<b>1,390,000</b>	<b>57,000</b>	<b>75,200</b>	<b>704,100</b>	<b>104,000</b>	<b>109,600</b>	<b>340,100</b>
<b>Total Uses Gen Govt Projects</b>		<b>7,026,600</b>	<b>460,860</b>	<b>318,860</b>	<b>2,066,690</b>	<b>360,110</b>	<b>458,430</b>	<b>3,361,650</b>

General Government		Total \$ Project	2011	2012	2013	2014	2015	2016
<b>Grant Funding</b>								
P2	Union Stump Memorial Park	20,000			20,000			
P3	Lake Sawyer Boat Launch Improvements	668,000			668,000			
P5	Trail System Development	300,000		100,000	100,000	100,000		
P6	BMX Park Course	210,000						210,000
P7	Lake Sawyer Regional Park	1,500,000						1,500,000
P9	Ginder Creek Acquisition	175,000	175,000					
P10	Jones Lake Acquisition	200,000			200,000			
E1	Way Finding Signs	22,000	12,000	2,500	2,500	2,500	2,500	
<b>Total</b>		<b>3,073,000</b>	<b>175,000</b>	<b>100,000</b>	<b>988,000</b>	<b>100,000</b>		<b>1,710,000</b>
<b>REET I Funding</b>								
P1	Park Signage	12,500	2,500	2,500	2,500	2,500	2,500	
P4	Grant Matching Funds	240,000	40,000	40,000	40,000	40,000	40,000	40,000
P6	BMX Park Course	40,000				20,000	20,000	
P8	Tree City USA	3,600	500	500	500	700	700	700
L1	Patrol Car Replacement Program	405,000	40,000	42,000	90,000	92,000	94,000	47,000
F4	Fire Station 99 Design/Engr - Replace	30,000	5,000	25,000				
A1	Future Facility Site-Preliminary Engr/Design	25,000	7,500	17,500				
A2	Police Reroof	20,000						20,000
I1	City Technology Capital	89,600	18,000	26,900	11,550	4,700	21,050	7,400
I2	Police Technology Capital	75,000	12,000	8,200	14,100	12,000	15,600	13,100
<b>Total REET I Funding</b>		<b>962,700</b>	<b>137,500</b>	<b>165,100</b>	<b>161,150</b>	<b>174,400</b>	<b>196,350</b>	<b>128,200</b>
<b>King</b>								
P7	Lake Sawyer Regional Park	1,000,000						1,000,000
<b>Total</b>		<b>1,000,000</b>						<b>1,000,000</b>
<b>Loan</b>								
F1	Fire Engine 981 - Replace	600,000			600,000			
F2	Fire Aid Car - Replace	175,000						175,000
F3	Fire Brush-Truck Chassis	85,000						85,000
P9	Ginder Creek Acquisition	125,000	125,000					
<b>Total</b>		<b>985,000</b>	<b>125,000</b>		<b>600,000</b>			<b>260,000</b>
<b>Impact</b>								
P7	Lake Sawyer Regional Park	500,000					250,000	250,000
P10	Jones Lake Acquisition	200,000			200,000			
<b>Total</b>		<b>700,000</b>			<b>200,000</b>		<b>250,000</b>	<b>250,000</b>
<b>Grant</b>								
P7	Lake Sawyer Regional Park	75,000				75,000		
P3	Lake Sawyer Boat Launch Improvements	120,000		20,000	100,000			
<b>Total</b>		<b>195,000</b>		<b>20,000</b>	<b>100,000</b>	<b>75,000</b>		
<b>In Kir</b>								
A1	Future Facility Site-Preliminary Engr/Design	25,000	7,500	17,500				
P8	Tree City USA	61,900	7,860	8,260	9,540	10,710	12,080	13,450
<b>Total</b>		<b>86,900</b>	<b>15,360</b>	<b>25,760</b>	<b>9,540</b>	<b>10,710</b>	<b>12,080</b>	<b>13,450</b>
<b>King County Tax Levy Funding</b>								
P5	Trail System Development	24,000	8,000	8,000	8,000			
<b>Total</b>		<b>24,000</b>	<b>8,000</b>	<b>8,000</b>	<b>8,000</b>			
<b>Total General Government Funding</b>		<b>7,026,600</b>	<b>460,860</b>	<b>318,860</b>	<b>2,066,690</b>	<b>360,110</b>	<b>458,430</b>	<b>3,361,650</b>

# Appendix



*Black Diamond Labor Day 2010*



## City of Black Diamond Final Budget 2011

2011 Salary Schedule	Level 1	Level 2	Level 3	Level 4	5 & On
City Administrator	9,161	9,459	9,913	10,271	10,634
Assistant City Administrator	7,875	8,269	8,663	9,056	9,450
Court Administrator	5,775	6,038	6,300	6,563	6,825
Interim Court Administrator	5,200				
Court Clerk	3,150	3,413	3,675	3,938	4,200
Economic Development Director	7,350	7,744	8,138	8,531	8,925
Stewardship Director	7,350	7,744	8,138	8,531	8,925
City Attorney	8,000	8,400	8,820	9,261	9,724
City Clerk	7,350	7,744	8,138	8,531	8,925
Deputy City Clerk	4,410	4,719	5,027	5,336	5,644
Finance Director	7,350	7,744	8,138	8,531	8,925
Deputy Finance Director	6,500	6,875	7,250	7,625	8,000
Utility Clerk	3,150	3,413	3,675	3,938	4,200
Senior Accountant 75% (hourly)	25.28	26.55	27.87	29.27	30.73
Accountant 1 Journey (hourly)	16.28	17.09	17.94	18.84	19.78
Administrative Assistant 2	3,150	3,413	3,675	3,938	4,200
Administrative Assistant 1	2,310	2,494	2,678	2,861	3,045
Information Services Manager	6,825	7,219	7,613	8,006	8,400
Police Chief	9,742	10,074	10,049	10,743	11,128
Police Commander	7,860	8,122	8,384	8,646	8,948
Police Sergeant	7,588	8,014			
Police Officer	4,610	5,166	5,724	6,281	6,809
Police Records Coordinator	4,410	4,719	5,027	5,336	5,644
Police Clerk 62.5% (hourly)	14.75	16.18	17.61	18.61	20.45
Facilities Equipment Coordinator	4,410	4,719	5,027	5,336	5,644
Human Resources Director	7,350	7,744	8,138	8,531	8,925
Community Development Director	7,350	7,744	8,138	8,531	8,925
Permit Technician Supervisor	5,775	6,038	6,300	6,563	6,825
Permit Technician	4,410	4,719	5,027	5,336	5,644
Compliance Officer	4,410	4,719	5,027	5,336	5,644
Senior Planner	5,249	5,511	5,787	6,076	6,380
Planner	4,410	4,719	5,027	5,336	5,644
Associate Planner	4,394	4,614	4,845	5,087	5,341
Assistant Planner	4,099	4,304	4,519	4,745	4,982
Building Official	6,825	7,219	7,613	8,006	8,400
Parks Department Director	7,350	7,744	8,138	8,531	8,925
Public Works Director	7,350	7,744	8,138	8,531	8,925
Utilities Supervisor	6,825	7,219	7,613	8,006	8,400
Public Utilities Operator	4,620	4,700	4,792	4,884	4,976
Public Works Administrative Asst 3	4,166	4,375	4,594	4,823	5,065
Utility Worker	3,257	3,572	3,887	4,202	4,538
Utility Worker Seasonal (hourly)	12.98				



**City of Black Diamond  
Financial Management Policies  
2010  
Per Resolution 08-560**

**Background and Purpose**

Financial policies provide guidelines for City of Black Diamond's leaders to ensure sound decision-making that safeguards core services while moving the community forward to achieve its vision. Good financial management ensures the City is able to withstand economic fluctuations, maintain focus on the entire financial picture, and adjust to the changing service needs of the community of Black Diamond.

This policy incorporates past financial practices in defining the current policies to be used by the City to meet its obligations and operate in a financially prudent manner. These policies have been established to provide general fiscal guidelines and are intended to provide sound direction in the management of the City's financial affairs.

**Operating Budget Policies**

General budget policies ensure service levels are reasonable and attainable and that budget documents detailing revenues and expenditures accurately reflect Council and community goals. The City of Black Diamond budget procedures are in compliance with the Revised Code of Washington, Chapter 35A.33. The City budgets annually on the calendar year beginning January 1<sup>st</sup> and Ending December 31<sup>st</sup>. The City Council shall adopt the budget by Ordinance at the fund level. Amendments to the budget that change fund totals will be adopted by the Council through an Ordinance, which is usually done mid-year and year-end.

**Citizen Involvement**

Citizen involvement shall be encouraged in the budget decision-making process through public hearings and study sessions.

**Service Level Determinations**

The City Council will establish municipal service levels and priorities for the upcoming year to guide staff in developing goals, objectives and budget proposals.

**Conservative Budgeting**

The City will use a conservative budgeting approach and accepted analytical techniques including trending, per capita estimates of intergovernmental revenue and sales and property tax estimates based on prior year revenues adjusted for reasonable known growth factors. All positions will be budgeted for a full year.

**Maintenance of Facilities and Equipment**

Adequate maintenance and replacement of the City's facilities, equipment and technology will be provided for in either the operating or capital budget. As practicable, these expenses will be forecasted in an equipment replacement fund in the operating budget.

**Sustainable Revenue Sources**

Ongoing operating program costs will not exceed the amount of ongoing revenue to finance those costs. The ongoing revenue will be identified along with new program costs. Cash balances in excess of the amount required to maintain strategic reserves will be used to fund one-time or non-recurring costs. In the event a fund has an emergency or economic downturn, resources from reserves may be used provided that they are replaced within the next five years.

**Cost Recovery**

All taxpayers should not pay for a service that benefits only certain individuals. Therefore, fees will be established where possible to recover costs of such services or programs. Fees for services will be reviewed and adjusted as necessary and at least once a year. Based on Council direction, general taxpayer revenues may be used to subsidize all or a portion of the cost of services.

<b>Fund Balance Reserve Policies</b>
--------------------------------------

Adequate fund balance and reserve levels help mitigate short-term emergencies and the effect of fluctuations in the economy, as well as assist in the financial strength of the City's bond ratings.

**Operating Fund Balance Reserves**

The City's goal is to achieve a 10% reserve of anticipated expenditures in the General Fund Balance over the next five years or more. The reserve will be used to meet seasonal cash flow demands, provide a financial cushion in an economic downturn and meet emergency needs. In the event that the fund balance falls below that amount, the City will work to restore the balance with cost reductions, rate increases and other measures within five fiscal years.



### **Contingency Reserve Fund**

A Contingency Reserve Fund may also be maintained in accordance with state law (RCW 35.A.33.145) to meet any municipal extent that could have not been reasonably known at the time of adopting the annual budget. The target balance may be consistent with state law at \$.375 per \$1,000 of assessed valuation, or approximately \$220,000 for Black Diamond as of 2008.

## **Utility Operating Policies**

City utilities are enterprise funds and therefore need to maintain a revenue and expense structure that allows them to be self-supporting with adequate revenue that pays for maintenance, operations, debt service and capital costs. Adequate reserves, rate analyses and budgetary policies steer the utilities toward ongoing self-sufficiency.

### **Utility Rates and Fees**

As enterprise funds, all utilities will be self-supporting through rates, connection charges and other fees. As practical, smaller utility increases will be considered more frequently, to avoid large jump in rate payer bills. Revenue will pay maintenance, operation, debt service and provide funds for capital repairs and improvements. Rates and fees will be reviewed at least biennially and adjusted to adequately reflect the cost of services. Every five years a detailed rate analysis will take place to ensure financial solvency of the utilities.

### **Utility Fund Reserves**

All utilities will be operated in a manner to ensure an ending annual reserved fund balance in an amount equal to 90 days of annual operational appropriations. In the event that the fund balance falls below that amount or a new utility is formed, the City will work to restore the balance to that level with cost reductions, rate increases and other measures within five fiscal years. The City may use reserves to “smooth” rate increases over a period of years and avoid large jumps in ratepayer bills.

## **Debt Management Policies**

The City will maintain adequate available debt capacity to ensure funding for major, high priority projects.

The City of Black Diamond is an infrequent issuer of debt. Debt is primarily used to finance large capital investments. Various state laws limit the City’s debt capacity. General obligation debt, backed by the full faith and credit of the City, is limited to 2.5% of the value of all taxable property within the City. That percentage includes

councilmanic or non-voted debt (1.5% of property values) and Local Option Capital Asset Lending – a financing contract with the Office of the State Treasurer (39.94 RCW). Revenue bonds rely on a funding source, such as utility revenues, for debt repayment.

### **Interfund Loans**

The City will use interfund borrowing when such borrowing is cost effective, thereby eliminating the administrative cost of borrowing when adequate funds are available internally within the City's own resources. The City will not charge interest for such interfund loans that are repaid within six months. For loans beyond six months, the City will set a reasonable timeline for repayment of between one and five years and use the State's Local Government Investment Pool (LGIP) rate.

Interfund loans are permitted to cover cash flow for capital projects, where federal or state grants are approved, but there is a timing issue between city expenditures and the actual reimbursement by the granting agencies. Interfund loans shall be approved by Council with a resolution.

### **Bond Rating**

The City will strive to obtain the best bond rating possible to produce the lowest possible interest rate on each bond sale.

## **Cash Management and Investment Policies**

At any one time the City may have several million dollars in various funds that are not needed until some point in the future for operations, capital purchases or the repayment of debt. By placing these revenues in State's Local Government Investment Pool (LGIP) until the funds are needed, the City is able to earn interest that in turn serves as a revenue source to reduce costs to the community. Cash and investment policies reduce the City's investment risk.

### **Cash Sufficiency**

The City will at all times maintain sufficient cash on hand to meet reasonably expected expenditures for the operating period.

### **Investment Goals**

The City's idle cash will be invested on a continuous basis to maximize income. Priority will be given to legality of investment practices, the safety of the asset, followed by liquidity in case a need arises where the City needs access to the funds, followed by yield or return.

### **Allocation of Investment Income**

Where permitted, the City will pool its cash resources for investment purposes. Investment income will be re-allocated to the participating funds as much as practical.

### **Alternative Financing Schemes and Derivative Products**

The City of Black Diamond shall not utilize alternative financing schemes or derivative products to avoid restrictions imposed by law or to utilize tax loop holes.

### **Capital Projects and Planning Policies**

The City of Black Diamond owns considerable assets in roads, a sewer system, water system, storm water system, parks, buildings, equipment and other capital. The preservation, maintenance and future improvement of these facilities are a primary responsibility of the City. Capital items are defined as those projects and purchases costing more than \$5,000 and lasting three or more years.

#### **Capital Improvement Plan**

A Capital Improvement Program (CIP) is a flexible, multi-year plan containing the City's planned capital improvement projects and the recommended financing methods for funding projects. All funds and departments are brought together in a single consolidated plan for an overall view of the City's capital improvement needs. The plan includes the capital facilities element of the City of Black Diamond Comprehensive Plan required by the Growth Management Act and other capital projects that may not fit into the capital facilities category.

Capital projects typically apply to: 1) one-time costs for acquisition, construction, improvement, replacement or renovation of land, structures and major equipment; 2) expenditures which take place over two or more years; 3) funding with debt because of significant costs to be shared by current and future beneficiaries; and 4) systematic acquisition or repair and maintenance over an extended period of time.

#### **Capital Improvement Plan (CIP) Participation**

Citizen participation in the Capital Improvement Program is a priority for the City. Among the activities which shall be conducted to address the need are the following:

- a) The Capital Improvement Plan shall be provided to the City Council in a timely manner to allow time for the Council members to review the proposal with constituents before it is considered for adoption
- b) Council study sessions on the Capital Improvement Plan will occur during the budget deliberations and shall be open to the public and advertised sufficiently in advance of the meetings to allow for the attendance of interested citizens.
- c) Prior to the adoption of the budget and Capital Improvement Plan, the City Council shall hold noticed public hearings to provide opportunities for citizens to express their opinions on the proposed plan.

All projects included in the Capital Improvement Plan shall be consistent with the City's Comprehensive Plan.

#### **Internal Consistency**

The CIP will be consistent with the Capital Facilities Element of the Comprehensive Plan covering transportation, water, sewer, stormwater, parks, recreation and general government facilities.

### **Funding Sources**

City staff will analyze funding sources for all proposed capital improvement projects, including grant opportunities. Under Washington law, the City can only expend revenues from the Real Estate Excise Tax (REET) for capital items. Real estate excise tax of one-quarter of one percent on the sale of real property is currently dedicated to general government capital improvements and a second one-quarter of one percent is allocated to public works projects. Both allocations may be changed by the Council. These designated revenues are collected in the Special Revenue Funds and then transferred to the appropriate funds for expenditures of debt service or capital projects as budgeted. Each REET fund has established a targeted reserve of \$200,000 to \$250,000 to cover an emergency or economic downturn.

### **Relationship Between Operating Budget and Capital Improvement Plan**

The Capital Improvement Plan, as distinguished from the Operating Budget, is a multi-year financial plan for the acquisition, expansion, or rehabilitation of infrastructure, capital assets, or productive capacity of City services. Only those projects scheduled during the first year of the plan are adopted as part of the City's annual budget. Additionally, projects to be funded by bonds or "alternative funding" are budgeted when the funding is secured.

## **Accounting, Financial Reporting and Auditing Policies**

The City was incorporated in 1959, and operates under the laws of the State of Washington applicable to a Non-Charter code City classification adopted in 1990 with a Mayor-Council form of government. The City is a general-purpose governmental entity that provides general government services including law enforcement, fire, street improvement, parks and general administrative services. In addition the City owns and operates a water, sewer and drainage system.

### **Accounting and Budgeting System**

The City of Black Diamond will establish and maintain a high standard of accounting practices. Accounting and budgeting systems will at all times conform to the State of Washington Budgeting Accounting Reporting System (BARS) and federal and state regulations. Cities with populations under 25,000 are classified as category 2 cities and use the allowed accounting. The accounting is single-entry, cash basis accounting, which is a departure from generally accepted accounting principles (GAAP). The city uses the revenue and expenditure classifications contained in the Budgeting, Accounting and Reporting System (BARS) manual. The manual is prescribed by the State Auditor's Office under the authority of Washington State Law, Chapter 43.09 RCW.

### **Financial Reporting**

**Reporting frequency** –Monthly budget and actual reports will go to all departments. Quarterly reports, as a minimum frequency, will be presented to the City Council.

**Annual Report**-Will be completed by April 30<sup>th</sup> and will be distributed to the City Council, departments and the State Auditor's Office.

**Reporting Improvements**-The City will strive to continue to make improvements in its financial reporting so that information available to the public, the City's governing bodies and other city departments is clear and the best available for sound financial decisions.

**Accounting System**-A comprehensive accounting system will be maintained to provide all financial information necessary to effectively operate the City.

**Full Disclosure**-All public reports will contain full and complete disclosure of all material matters.

**Audit Policy**

The City will assist the State Auditor's Office in whatever way possible in conjunction with the preparation of the audit every two years and will implement modifications identified by the State Auditor to improve the City's internal controls and financial practices.

RESOLUTION NO. 07-451

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
BLACK DIAMOND, KING COUNTY, WASHINGTON  
AUTHORIZING THE MAYOR TO EXECUTE THE CITY OF  
BLACK DIAMOND STAFF AND FACILITIES FUNDING  
AGREEMENT BETWEEN BLACK DIAMOND LAWSON  
PARTNERS LP, BLACK DIAMOND VILLAGE PARTNERS LP,  
AND THE CITY OF BLACK DIAMOND

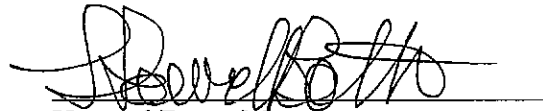
WHEREAS, the City has diligently pursued implementing the vision for Black Diamond, as embodied in the Black Diamond Urban Growth Area Agreement ("BDUGAA"), by adopting numerous ordinances and resolutions and executing various ; and

WHEREAS, the City currently doesn't have the financial resources to increase its staffing and provide necessary facilities and equipment to effectively and efficiently handle core city administrative services; and

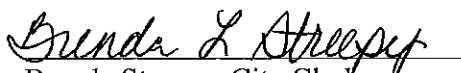
WHEREAS, Black Diamond Lawson Partners, LP and Black Diamond Village Partners, LP are desirous of financially assisting the City so that the City will have the ability to provide core City services; now, therefore

BE IT RESOLVED that the Mayor is hereby authorized to execute duplicate originals of the document entitled City of Black Diamond Staff and Facilities Funding Agreement that is attached hereto as Exhibit A ("Agreement") if, and only if, prior to 5 P.M. on June 29, 2007 he receives duplicate originals of the Agreement that have been executed by the other parties to the Agreement.

ADOPTED by the City Council at an open public meeting held on the 21st day of June, 2007.

  
Howard Botts, Mayor

Attest:

  
Brenda Streepy, City Clerk

CITY OF BLACK DIAMOND STAFF AND FACILITIES FUNDING AGREEMENT

**1. Date and Parties.**

27<sup>th</sup> This City of Black Diamond Staff and Facilities Funding Agreement is dated the day of June, 2007 and is entered into by and between BD Lawson Partners, LP and BD Village Partners, LP and the City of Black Diamond, a Washington municipal corporation.

**2. Definitions.**

“Agreement” shall mean this City of Black Diamond Staff and Facilities Funding Agreement.

“Agreement Date” shall mean June 29, 2007.

“Agreement Term” shall mean the period of time between the Agreement Date and either 1) the execution of one or more MPD Development Agreements between the Parties or the City and a third party that provide for funding of the then-unfunded Supplemental Costs and adequate security for their payment; 2) the determination, after peer review of the economic analyses outlined in paragraph 4 (K), that the Supplemental Costs subsidy is no longer needed; or 3) Yarrow Bay’s termination of its funding under this Agreement pursuant to paragraph 4 (J) after the City’s default of its Processing obligations.

“BDUGAA” shall mean the Black Diamond Urban Growth Area Agreement dated December 31, 1996.

“Benefited Non-Contributing Parties” shall mean legal entities that benefit from the staffing and facilities provided by this Agreement, but that have not contributed to the expenditures required to provide such staffing and facilities.

“City” shall mean the City of Black Diamond, a Washington municipal corporation.

“City Code Consultants” shall mean consultants to finish various City regulations needed for the City to lift the current development moratorium.

“Core City Staff” shall mean City staff positions necessary to rectify the staffing deficiencies referenced in paragraph 3 (E) and as further detailed in paragraph 4 (A) below.



Exhibit A to Resolution Number 07- 451

“Default Amount” shall mean the amount required to cure any Yarrow Bay default under this Agreement.

“Default Notice” shall mean a written notice sent from the City to Yarrow Bay in the event that Yarrow Bay does not make any payment or deposit required under this Agreement. The Default Notice shall contain a concise explanation of the alleged default and, if applicable, the Default Amount.

“EIS” shall mean Environmental Impact Statement.

“Legal Costs” shall mean the costs of legal work that will be done to prepare and implement this Agreement, including, but without limitation, assisting the City Administrator in reviewing City Code Consultants’ work product, preparing and reviewing documents related to the implementation of the various parts of this Agreement, updating and finalizing City Code additions and revisions needed for the City to lift the current moratorium on development, preparing form documents to assist in the processing of land development applications, updating the City Municipal Code, and dealing with the legal issues related to the expansion of the Core City Staff and the facilities needed for such staff.

“Facilities Costs” shall mean the costs detailed in paragraph 4 (D) below.

“Letter of Credit” shall mean an irrevocable letter of credit in a form and from a financial institution acceptable to the City.

“MPD” shall mean Master Plan Development.

“Net Core City Cost Amount” shall mean the City’s estimate of Supplemental Costs for the following calendar quarter, less any credit for unexpended funds, or debit for over-expenditures, for the previous calendar quarter.

“Parties” shall mean Yarrow Bay and the City, collectively.

“Process” or “Processing” shall mean completion of all the City’s obligations under the City MPD Ordinance, codified at chapter 18.98 of the City’s Municipal Code, that are conditions precedent to the City Council decisions on Yarrow Bay’s MPD applications, and the City Council making its oral decision on the application . Processing does not include any appeals brought against the City Council’s decisions on Yarrow Bay’s MPD applications.

“Supplemental Costs” shall mean all expenditures addressed in this Agreement that are beyond the financial obligations that the City could impose upon Yarrow Bay under City regulations existing as of the Agreement Date. Supplemental Costs include

the costs of funding the Core City Staff, the City Code Consultants, the Facilities Costs, the Legal Costs, the amounts that Yarrow Bay has paid the City prior to the Agreement Date for the City Code Consultants and for the salary and benefits of the City's former Community Development Director.

"Vision" shall mean the City's vision of economically viable smart urban growth, creating a sense of community through wise land use planning and implementation, while, at the same time preserving and enhancing integrated open space and riparian corridors that protect the Lake Sawyer watershed and provide wildlife and pedestrian corridors throughout the City.

"Yarrow Bay" shall mean BD Lawson Partners, LP and BD Village Partners, LP, collectively.

**3. General Recitals.**

A. The City, King County and others were parties to the Black Diamond Urban Growth Area Agreement dated December 31, 1996. Yarrow Bay owns or controls all properties that were subject to the BDUGAA.

B. Consistent with the BDUGAA, the City has amended, or is in the processing of amending its Comprehensive Plan and other regulations, including its Master Plan Development Ordinance and Transfer of Development Rights Ordinance, to facilitate accomplishing the Vision.

C. The Parties share the Vision and want to bring it into reality as soon as possible. The Parties realize that the limited number of large land owners, the amount of undeveloped properties within the City, the scenic beauty and related natural amenities in and around the City, and the BDUGAA and related implementation efforts made to date have created a unique opportunity not available to other cities and citizens in the State of Washington.

D. Yarrow Bay has acquired interests in large amounts of property in the City in the belief that if the Vision can be successfully implemented it not only will be a model of successful environmentally friendly development in an urban setting, but will be economically successful as well.

E. The Parties recognize that the City is currently significantly understaffed in its core functions, making it impossible for the City to effectively and efficiently handle its current workload, let alone the increased workload for all City staff, including the staff charged with the responsibility for processing MPD applications, that will result from applications that Yarrow Bay will be submitting. This preexisting understaffing has been exacerbated by the recent loss of key City staff. The Parties also acknowledge the recommendations of experts, including the 2005 studies by Nesbitt Planning and

Management, that the City must significantly expand its staff and staff facilities in order for the City to effectively function, regardless of the anticipated increase in development permit application activity.

F. The Parties acknowledge that the City does not have the legal authority to require Yarrow Bay to fund the Supplemental Costs set forth in this Agreement. However, Yarrow Bay acknowledges that there is adequate consideration for this Agreement because a properly staffed City government will allow for the expeditious completion of the remaining City regulations necessary to assure the Vision is properly implemented, and will allow for the City to operate efficiently and effectively so that Yarrow Bay's development applications can be processed without the delay that would be caused by understaffing and inadequate staff resources and facilities.

G. Increasing City staff will also be of great benefit to the City's existing and future citizens because the City will be able to provide quality municipal services for all citizens, including small and large property owners who cannot currently proceed with development consistent with the Vision due to lack of sufficient City staff, equipment and capital facilities.

H. The purposes of this Agreement are to provide funding for Core City Staff, City Code Consultants, related support facilities, equipment expenses, and Legal Costs through contributions by Yarrow Bay until such time as the City can independently provide funding for the Supplemental Costs, and to provide a mechanism, to the extent authorized by law, for Yarrow Bay to receive reimbursement for the funding of Supplemental Costs from Benefited Non-Contributing Parties. Because the City's MPD Ordinance requires that Yarrow Bay's proposed MPDs will produce revenue for the City, the Parties expect that the need for funding under this Agreement will be reduced over time, and ultimately eliminated.

**4. Yarrow Bay's Commitment to Fund City Staff and Support Facilities.**

**A. Core City Staff**

Subject to the provisions of this Agreement, Yarrow Bay commits to fund the Core City Staff, including the salary and benefit costs of each Core City Staff person, up to a maximum \$2,000,000 per year. The City shall determine the positions that will be included within the Core City Staff, but it shall include at least the following: 1) not less than six (6) executive level staff members; and 2) the staff necessary to allow the executive level staff members to expeditiously handle the tasks assigned to them by the Mayor, through the City Administrator. The Core City Staff may participate in Processing development applications submitted by Yarrow Bay and others, and will direct and assist other staff who will process development applications submitted by Yarrow Bay and others. In reliance upon the funding contemplated by this Agreement

Exhibit A to Resolution Number 07- 451

the City may choose to offer multiyear employment contracts to some or all of the Core City Staff.

The Parties acknowledge that the City will determine the method and manner of hiring the Core City Staff, and will be solely responsible for hiring and firing decisions and compensation amounts. The City shall regularly (at least monthly) advise Yarrow Bay on hiring efforts, including compensation and benefits to be paid to Core City Staff, so that Yarrow Bay can honor its commitment to provide funding.

B. City Code Consultants

The Parties acknowledge that the completion of City development regulations and other City Code amendments will require the use of City Code Consultants. Yarrow Bay commits to pay the costs of the City Code Consultants pursuant to the following procedure. Prior to entering into any contract with a City Code Consultant, the City shall notify Yarrow Bay of the contract amount. Upon such notification, Yarrow Bay shall promptly negotiate with the City in good faith to pay the contract amount, and the Parties shall memorialize each payment through an amendment to this Agreement.

C. Legal Costs

Yarrow Bay shall pay the Legal Costs, as said term is defined above, incurred by the City to date, and up to an additional \$450,000 over the Agreement Term, upon invoice for the same from the City. The City shall be responsible for all Legal Costs beyond that amount.

D. Furniture, Equipment, and Office Space

The Parties acknowledge that there is a need for furniture, equipment and temporary office space related to the Core City Staff. Yarrow Bay commits to pay the City's Cost, up to \$15,000 per month, to lease or purchase, install, and maintain temporary or permanent buildings, such as modular structures or metal structures (that could later be converted to City shops and garages), to provide good temporary working space for Core City Staff. Yarrow Bay also commits to pay an agreed upon sum for furniture, fixtures and equipment related thereto. The City will be responsible for all expenditures beyond \$15,000 per month.

It is anticipated that at some time during the Agreement Term the City may construct permanent facilities to house the Core City Staff. Yarrow Bay shall: 1) pay to the City, within 21 days after the time the lowest responsible bidder for constructing the facility is determined, the anticipated construction costs for the facilities related to City staff reviewing and/or processing Yarrow Bay's development applications; or 2) once the permanent facilities are constructed, pay the City the fair market rental rate each month for the facilities used by the City staff reviewing and/or processing Yarrow Bay's

development applications, for the length of time that Yarrow Bay has an MPD application pending and/or an MPD permit being implemented. The choice to pay construction cost or market rate rent shall be in Yarrow Bay's sole discretion. However, the choice shall be made, in writing, at least 10 days before the construction contract is awarded. If the City has constructed other permanent facilities, such as the metal structures detailed above, to provide temporary offices, Yarrow Bay will receive a credit for those structures if they can be converted to serve other City uses, e.g., shops and garages.

E. Payment Procedure

Yarrow Bay shall advance funds to the City on a calendar quarter basis to pay Supplemental Costs pursuant to the following mechanism. Within 10 days of the Agreement Date, the City will provide Yarrow Bay with the unreimbursed expenditures for Supplemental Costs through June 30, 2007. Yarrow Bay shall pay said sum to the City within 40 days of the Agreement Date. Within 30 days of the Agreement Date the City will provide its estimate of Supplemental Costs for the calendar quarter commencing on July 1, 2007. Yarrow Bay will deposit with the City funds for that calendar quarter within 30 days of receiving the City's estimate. By July 30, 2007, and within 15 days after the start of each calendar quarter thereafter, for the remainder of the Agreement Term, the City will provide Yarrow Bay with the Net Core City Cost Amount. Thirty days before the beginning of each following calendar quarter, for the remainder of the Agreement Term, Yarrow Bay will deposit with the City the Net Core City Cost Amount.

F. Accounting

Within 30 days of the end of each calendar quarter for which Yarrow Bay has made a deposit with the City pursuant to the terms of the previous paragraph, the City shall provide Yarrow Bay with an accounting showing actual Supplemental Costs paid by the City in the prior fiscal quarter, broken down by Supplemental costs for each staff position, facilities costs, equipment costs, City Code Consultant costs, Legal Costs, and any other expenditures for which Yarrow Bay is obligated to make pursuant to the Agreement, all according to generally accepted accounting principles for municipal corporations in the State of Washington. The difference between the City-estimated Supplemental Costs and actual Supplemental Costs shall either be a debit or credit toward the following quarter's deposit required by the previous paragraph.

G. Security

Since the City will be making irrevocable commitments in hiring personnel and consultants, and will be committed to provide furniture, fixtures, equipment, and office space for said employees and consultants, Yarrow Bay will provide as security a combination of a Letter of Credit of two million dollars (\$2,000,000.00) by July 10, 2007 and a first position deed of trust to the City on property within the City that is owned by

## Exhibit A to Resolution Number 07- 451

Yarrow Bay and has a current fair market value of at least eight million dollars (\$8,000,000.00) no later than July 29, 2007, to assure that the obligations created by this Agreement are timely met. This security does not relieve Yarrow Bay from liability for the full amount of the obligations hereunder if they exceed the security value. The City may record the deed of trust on or after the Agreement Date. Yarrow Bay may substitute other property for some or all of the property that is the subject of the security deed of trust. Any such substitution will be subject to the City's approval, which shall not be unreasonably withheld as long as the substitute property has substantially equivalent developable acreage to the original property. The required amount of the Letter of Credit and/or deed of trust security provided by Yarrow Bay will be reduced by the amount of the Supplemental Costs funded and secured with like security under one or more MPD Development Agreements entered into by the Parties, or the City and a subsequent purchaser of property that is subject to one or more of such agreements.

### H. Default

If Yarrow Bay does not timely make any payment or deposit required hereunder, then the City shall send Yarrow Bay a Default Notice. Yarrow Bay shall have seven (7) days after receiving the Default Notice to cure its default by making the required payment or a deposit of the Default Amount. If the default is not cured within the seven day period, then the City shall have the right, without further notice, to make demand upon the Letter of Credit for the Default Amount. Yarrow Bay shall then replenish the Letter of Credit back to its full \$2,000,000 amount within 60 days from the City's demand. If the City does not receive notice that the full amount of the Letter of Credit has been reinstated within 60 days from the City's demand, then the City may make demand for the full amount of the Letter of Credit, and said amount shall be held by the City as a deposit for Supplemental Costs, and other Yarrow Bay financial obligations set forth in the Agreement for the remainder of the Agreement Term. If the balance in the deposit account drops below \$1,000,000, then the City may begin foreclosure proceedings against the property that is the subject of the Deed of Trust, with the City impounding, at sale, the full sale amount, up to \$8,000,000, to be held as a deposit for Supplemental Costs, and other Yarrow Bay financial obligations set forth in the Agreement for the remainder of the Agreement Term. The City will provide a quarterly accounting for all payments made toward Yarrow Bay obligations set forth in the Agreement in the same manner as required for payments made by Yarrow Bay pursuant to Paragraph 4(F) above. The provisions of this paragraph notwithstanding, the City may also cease processing any pending Yarrow Bay applications until such time as the default is cured, or all monies are collected from the security, so that the City has monies on deposit to pay for the application processing costs.

### I. Funding Commitments Non-Duplicative

The commitment to funding set forth in the Agreement is in addition to, but shall not be duplicative of, any financial obligations created by City codes such as the MPD

Code that are related to the filing and processing of a land use application by Yarrow Bay, or any other applicant. While the Parties recognize that the Core City Staff will participate in the processing of Yarrow Bay development applications, Yarrow Bay will not be charged for this time; provided, however, that pursuant to the City MPD Ordinance Yarrow Bay will pay the full cost of staff hired specifically to review and process MPD applications. For example, when Yarrow Bay is required under the City Code to pay a fee to the City related to the filing and processing of a land use application, Yarrow Bay shall only pay the City a base administrative charge and such other amounts as are required by the City Code that are not otherwise provided for in the Agreement.

J. Yarrow Bay Development

Given the current inadequate City staffing, the parties to this Agreement recognize that Yarrow Bay will benefit directly from expanded staff and support facilities, because expanded City staff will be able to expedite completing the Vision implementation regulations, and provide a support structure for timely review and processing of Yarrow Bay's Master Plans. As partial consideration for Yarrow Bay funding Core City Staff and facilities, to expedite economic and fiscal benefits to the City, and to facilitate the transfer of funding obligations from the Agreement to Yarrow Bay's MPD Development Agreement(s), the City intends to Process, as defined above, each Yarrow Bay's MPD application within 24 months from the latter of: 1) the date a notice of complete MPD application is submitted and 2) 6 months after the Agreement is executed by all Parties and Yarrow Bay has provided the security referenced in Paragraph 3 (G) and the Deed of Trust referenced therein has been recorded.. The 24 month time line does not include the following: 1) any time which the processing of the MPD application is delayed because of the City having to wait for further information relevant to the MPD Processing reasonably requested from the Yarrow Bay team; 2) any time during which an appeal is pending; and 3) the environmental review period. Provided, however, the City commits to continuing its Processing efforts during the "excluded" time periods on those portions of the application(s), if any, that are unaffected by the reasons for the delay. If the City does not Process Yarrow Bay's MPD applications within the above referenced 24 months, less excluded periods, and if Yarrow Bay has timely paid all of its financial commitments, then Yarrow Bay shall have the option, on 60 days written notice to the City, to terminate funding of the Supplemental Costs. Provided, the termination of funding shall not apply to those Supplemental Costs for which the City entered contractual obligations to pay the same prior to the date the notice to terminate was given and to the extent the payments for said Supplemental Costs are due within 5 years of the date the notice to terminate was given.

Pursuant to Section 18.98.070 of the Black Diamond Municipal Code, the Parties agree to prepare EISs for Yarrow Bay's proposed MPDs prior to or concurrent with Yarrow Bay's submittal of MPD applications.



K. Reduction of Necessary Funding under Agreement; Termination of Agreement

The City shall work in good faith and use reasonable best efforts to periodically review its fiscal condition and policies so that Yarrow Bay funding for Supplemental Costs can be reduced by other funding sources. The City agrees, to the extent staff is available, to apply for grants that could be used to contribute to Supplemental Costs, and shall use any funds awarded under such grants to pay Supplemental Costs. The City, if funding is provided by Yarrow Bay or one of its successors in interest, shall cause an economic analysis to be prepared by qualified independent consultants, and subjected to peer review, to determine if the City's normal general fund receipts from sales tax, property tax and any other regularly occurring tax sources, now have a sufficient base line so as to reduce or eliminate the need for continued subsidy of Supplemental Costs by Yarrow Bay and/or its successors in interest. These economic analyses shall occur biannually, with the first analysis to be done in calendar year 2012.

Yarrow Bay's commitment to fund Supplemental Costs under this Agreement shall end when: 1) the Parties, or the City and a successor in interest to Yarrow Bay, or the City and a third party, execute MPD Development Agreements that provide funding for the then-unfunded Supplemental Costs and any other obligations remaining hereunder, and provide adequate security for the payment of said costs and obligations; or 2) when it is determined, after peer review of the economic analyses outlined in this paragraph, that the Supplemental Cost subsidy is no longer needed; or 3) Yarrow Bay terminates the Supplemental Costs funding pursuant to paragraph 4 (J) in the event that the City defaults on its Processing obligations.

L. No Special Treatment

As a matter of law, Yarrow Bay acknowledges that the City has legal and ethical obligations to implement its plans and to enforce its regulations objectively, without regard to the fact that Yarrow Bay is providing funding for Core City Staff, City Code Consultants, Legal Costs, and facilities costs. Yarrow Bay understands that this Agreement does not entitle Yarrow Bay to any special treatment, other than the City commitments set forth herein.

M. Reimbursement

The City will take actions so that Yarrow Bay can recover the Supplemental Costs by adding a surcharge, to the extent allowed by law, to all impact fees, latecomer's agreements, and all other financial obligations that are created by City codes, and to all fees charged for the following land use applications and permits submitted by Benefited Non-Contributing Parties: MPD Applications, multifamily dwelling unit building permits, subdivisions, multiple short plats, commercial/industrial site plans, and single family home construction permits if more than one is submitted in a 12 month period,

This surcharge, designed to amortize Supplemental Costs, shall be equivalent to the Benefited Non-Contributing Party's pro-rata fair share of the Supplemental Costs. The surcharge shall include administrative fees for the City's costs in establishing and processing the surcharge, and for Yarrow Bay's costs associated with this Agreement. The amount of this surcharge actually collected from the Benefited Non-Contributing Parties, minus the City's administrative fee, shall be issued as a credit against Yarrow Bay's quarterly payments during the term of this Agreement, or shall be issued as a credit against development-related fees and costs owed from Yarrow Bay to the City after the term of this Agreement. In the event that a third party who is benefited by this Agreement contributes to the Supplemental Costs, that party shall not be reimbursed for any of its contributions until Yarrow Bay has been reimbursed for all of its contributions prior to the third party's contribution date. After that point, Yarrow Bay and any third party contributing to Supplemental Costs shall be reimbursed pro-rata according to their monetary contributions. The City will not collect the surcharge under the terms of this Agreement after the earlier of: 1) the date when Yarrow Bay has been fully repaid for all Supplemental Costs it has paid under this Agreement, or 2) the end of the vesting term specified in the final MPD Development Agreement between the Parties.

**5. Miscellaneous.**

**A. Amendments**

Any Party may request changes to this Agreement. Proposed changes that are agreed upon by all Parties will be incorporated by written amendments to this Agreement.

**B. Integration**

The Parties agree that this Agreement is the complete expression of the terms hereto and any oral representations or understandings not incorporated herein are excluded. Waiver of any default will not be deemed to be a waiver of any subsequent default. Waiver or breach of any provision of the Agreement will not be deemed to be a waiver of any other or subsequent breach and will not be construed to be a modification of the terms of the Agreement unless stated to be such through written approval by the Party charged with so waiving or modifying the terms of the Agreement, which written approval will be attached to the original Agreement.

**C. Negotiation and Drafting**

The Parties hereby acknowledge that this Agreement has been reached as a result of arms length negotiations with each Party represented by counsel. No presumption shall arise as a result of one Party or the other having drafted all or any portion of this Agreement.

Exhibit A to Resolution Number 07- 451

D. Counterparts

This Agreement may be executed by the Parties in counterparts, each of which, when executed shall be deemed an original instrument and binding against the Party signing thereon.

E. Severability

If any section, sentence, clause, or portion of this Agreement is declared unlawful or unconstitutional for any reason, the remainder of this Agreement shall continue in full force and effect.

F. Authority to Sign

Each Party represents and warrants to the others that the individuals signing below have full power, authority and legal right to execute and deliver this Agreement and thereby to legally bind the Party on whose behalf such person signed.

G. Binding Effect on Subsequent Parties

This Agreement shall bind and inure to the benefit of the Parties and their respective receivers, trustees, insurers, successors, subrogees, transferees and assigns.

H. Notice

Any demand, request or notice which either party hereto desires or may be required to make or deliver to the other shall be in writing and shall be deemed given when personally delivered, or successfully transmitted by facsimile transmission, or when actually received after being deposited in the United States Mail in registered or certified form, return receipt requested, addressed as follows

To the City:	Rick Luther, City Administrator City of Black Diamond 25510 Lawson St. PO Box 599 Black Diamond, WA 98010 Facsimile: (360) 886-2592
	Loren Combs McGavick Graves 1102 Broadway, Suite 500 Tacoma, WA 98401 Facsimile: (253) 627-2247

Exhibit A to Resolution Number 07- 451

To Yarrow Bay:

Brian Ross  
Yarrow Bay Group  
825 5<sup>th</sup> Ave., Suite 202  
Kirkland, WA 98033  
Facsimile: (425) 202-3694

John Hempelmann  
Cairncross & Hempelmann, P.S.  
524 Second Avenue, Suite 500  
Seattle, Washington 98104-2323  
Facsimile: (206) 587-2308

I. Choice of Law, Jurisdiction, and Venue.

This Agreement shall be interpreted, construed, and enforced according to the laws of the State of Washington. If any action is brought by any of the Parties to enforce provisions of this Agreement, the Parties agree that the exclusive jurisdiction and venue of any lawsuit arising from such action will be the Superior Court of Washington for King County.

J. Mediation, Attorneys' Fees and Costs


In the event of any dispute concerning this Agreement, the parties agree to submit their dispute to a mutually-agreed mediator before seeking recourse from any court. In the event that mediation fails to resolve the dispute, the substantially prevailing Party shall be entitled to receive its attorneys' fees and costs at trial, at any alternative dispute resolution proceeding, and on appeal.

YARROW BAY COMMUNITIES

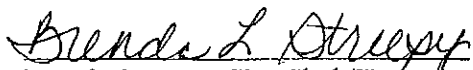
For BD Lawson Partners, LP and BD Village Partners, LP

  
By: Brian Ross  
Title: Managing Partner

CITY OF BLACK DIAMOND

  
Howard Botts, Mayor

Attest:

  
Brenda Streepy, City Clerk/Treasurer  
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City Staff Funding Agreement

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# CITY OF BLACK DIAMOND

## 2011 Budget Calendar for 2010

Process	Internal Due Date	Workshops	City Council Meetings
1 Budget Call and instructions go out to all Departments	Aug 2 - 4		
2 Departments provide budget requests to City Administrator's office	Aug 27		
3 Finance prepares revenue sources and preliminary expenditures for salaries and benefits	Aug 27		
4 Estimates to be filed with the City Clerk and Administration	Sept 21		
5 Finance provides Expenditure budgets for Oct 7 Council Packet	Sept 30		
6 City Clerk submits to CAO the proposed preliminary budget setting forth the complete financial program	Sept 30		
7 CAO provides Council with current info on revenue from all sources as adopted in 2010 budget, and provides the Clerk's proposed preliminary budget setting forth the proposed General Fund Revenues		Sep 30 (4-6pm)	
8 Mayor and department heads review General Fund Expenditure budgets with Council		Oct 14 (4-6pm)	
9 Council reviews Public Works budgets for Revenues And Expenditures for all Public Works budgets, including Street, Water, Sewer, drainage and all Associated funds.		Oct 28 (4-6pm)	
10 City Clerk publishes Notice of Public Hearing on 2011 Budget for two weeks out & filing of preliminary budget – once a week for two consecutive weeks – Draft budget submittal ready	Nov 2 and Nov 9		
11 Copies of Preliminary Budget made available to Public	<b>Nov 18</b>		
12 City Council holds public hearing on revenue sources and expenditures for the upcoming budget year including possible increases in property tax revenue.			<b>Nov 23</b>
13 Public Hearing on Property Tax			<b>Nov 23</b>
14 City Council Adopts Preliminary Property Tax Levy for 2011 Budget (possibly hold 2 <sup>nd</sup> in December as well due to delays in information from Washington State) - Must be done by Nov 30			<b>Nov 23</b>
15 City Council Workshop - review Water and Sewer Rates		Nov 29 (rescheduled)	
16 City Council holds final public hearing on 2011 Budget			<b>Dec 2</b>
17 City Council Workshop - review Water and Sewer Rates		Dec 13	
18 City Council adopts Final 2011 Budget and transmits to the State Auditors Office			<b>Dec 16</b>

**Bold = Regular or Special Council Meeting Night**

# CITY COUNCIL AGENDA BILL

City of Black Diamond  
Post Office Box 599  
Black Diamond, WA 98010

ITEM INFORMATION			
<b>SUBJECT: Resolution No. 10-721, authorizing the Mayor to enter into a memorandum of understanding with Olympic Environmental Resources in order to implement the City of Black Diamond's 2011 Spring Recycling Collection Event</b> Cost Impact: \$19,002.29 Fund Source: Grant Timeline: Event will be held in Spring 2011.	<b>Agenda Date: December 16, 2010</b>		<b>AB10-102</b>
	Department/Committee/Individual	Created	Reviewed
	Mayor Rebecca Olness		
	City Attorney – Chris Bacha		
	City Clerk – Brenda L. Martinez		X
	Finance – May Miller		
	Public Works – Seth Boettcher		
	Economic Devel. – Andy Williamson		
	Police – Jamey Kiblinger		
Comm. Develop. – Steve Pilcher			
Natural Resources/Parks - Aaron Nix	X		
<b>Attachments: Resolution No. 10-721 and Contract Amendment</b>			
SUMMARY STATEMENT:  The Council needs to authorize the Mayor the ability to enter into a memorandum of understanding with Olympic Environmental Resources in order to implement the City of Black Diamond's 2011 Spring Recycling Collection Event.			
COMMITTEE REVIEW AND RECOMMENDATION: Parks/Cemetery Committee met on 12/10/10 and forwarded on to the full City Council for approval.			
RECOMMENDED ACTION: <b>MOTION to adopt Resolution No. 10-721, authorizing the Mayor to enter into a memorandum of understanding with Olympic Environmental Resources in order to implement the City of Black Diamond's 2011 Spring Recycling Collection Event.</b>			
<b>RECORD OF COUNCIL ACTION</b>			
<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>	
December 16, 2010			

**RESOLUTION NO. 10-721**

**A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF BLACK DIAMOND, KING COUNTY,  
WASHINGTON AUTHORIZING THE MAYOR TO  
EXECUTE A MEMORANDUM OF UNDERSTANDING  
WITH OLYMPIC ENVIRONMENTAL RESOURCES  
FOR THE 2011 SPECIAL RECYCLING EVENT**

**WHEREAS**, the City of Black Diamond has identified the need for recycling services associated with its year 2011 Special Collection Event;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, DOES RESOLVE AS FOLLOWS:**

**Section 1.** The Mayor is hereby authorized to execute a Memorandum of Understanding with Olympic Environmental Services for the year 2011 Special Recycling Event, in an amount not to exceed \$19,002.29, said agreement to be substantially in the form attached hereto as Exhibit A and by reference incorporated herein.

**PASSED BY THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND,  
WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 16<sup>TH</sup> DAY OF  
DECEMBER, 2010.**

CITY OF BLACK DIAMOND:

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Rebecca Olness, Mayor

Attest:

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Brenda L. Martinez, City Clerk

## Exhibit A



### *Olympic Environmental Resources*

*4715 SW Walker Street Seattle WA 98116*

*Tel. 206 938-8262 Fax (206) 938-9873*

*Email: pauldevine@msn.com*

#### **Memorandum of Understanding**

To: The City of Black Diamond

From: Olympic Environmental Resources

Date: November 10, 2011

RE: City of Black Diamond/Olympic Environmental Resources Agreement for  
Implementing 2011 Recycling Projects

This Memorandum of Understanding is intended to detail Olympic Environmental Resources (OER) services and responsibilities in implementing City of Black Diamond Recycling 2011 Spring Recycling Collection Event.

The proposed project includes:

#### **One Recycling Collection Event**

The event is tentatively scheduled for March or April 2011 at Black Diamond Police Department. At the event the following materials will be collected and recycled: used tires, used anti-freeze, used petroleum-based products, used oil filters, lead acid and household batteries, used motor oil, bulky yard waste (large material only), scrap wood, electronic equipment, TV sets, appliances (including refrigerators, freezers, household air conditioners, and other appliances), ferrous metals, nonferrous metals, textiles, reusable or recyclable household goods, porcelain toilets and sinks, propane tanks, and other materials whenever practical. User fees will apply to the collection of some materials.



At the 2011 Spring Recycling Collection Event, OER will organize a chipper event to be held in conjunction with the Recycling Collection Event.

OER wishes to involve the Black Diamond staff at the level most comfortable for the City. OER will meet with the City of Black Diamond staff at any time during the project for updates on activities or will pursue activities independently if desired by the City.

The project budget will incorporate the City of Black Diamond grant funds available from the Seattle-King County Health Department, King County Solid Waste Division, and the Washington State Department of Ecology. **The budget is contingent on continued grant funding from King County and the Washington State Department of Ecology.** Total grant funds are estimated at \$19,002.29 and includes all items that will be billed to the grants directly by the City, such as City staff time. The specific project activities to be carried out by OER are detailed in the grant scopes of work. OER will cover project expenses as they arise, such as the costs of printing and vendor services. OER will then request reimbursement of staff time and expenses on a monthly basis with thirty-day payment terms. OER will assist the City in requesting reimbursement for these costs from the King County Solid Waste Division, Seattle-King County Health Department, and the Washington State Department of Ecology.

OER's goal is to conduct events with very limited City staff time and no City cost. However, there are a number of "official acts" necessary for the City to bring the programs on line:

- Sign and submit letters of intent.
- Review program scopes of work.
- Sign necessary grant agreements.
- Keep OER informed of any changes made to grant agreements.
- Reimburse OER for staff time and expenses from grant funding.

Recycling related programs continue on an annual basis. OER will continue to provide service to the City of Black Diamond until the City decides to no longer participate. We ask that you provide thirty-days (30) notice to discontinue services. This agreement solidifies our relationship. Please sign both copies of this agreement and return one to OER. OER looks forward to working with the City of Black Diamond in 2011.

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City of Black Diamond

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Olympic Environmental Resources

## ***2011 Black Diamond Recycling Grants***

The City of Black Diamond is eligible and has applied for the following grants. It is expected that no non-grant City funds will be expended on recycling projects in 2011.

The City has applied for the following:

- 1) The King County Health Department Local Hazardous Waste Management Plan Grant. Grant total \$5,901.79.
- 2) The Washington State Department of Ecology Coordinated Prevention Grant. Grant total \$3,100.50.
- 3) The King County Waste Reduction and Recycling Grant Program. Grant total \$10,000.00.

TOTAL: \$19,002.29

### **1. Task One: Recycling Collection Event Budget**

Estimated Costs	2011	2011	2011	TOTAL
	LHWMP	CPG	WRR	
City Staff Costs	\$600.00	\$0.00	\$400.00	\$1,000.00
Management/Staffing/Admin/ Graphics	\$2,947.70	\$2,800.50	\$1,440.00	\$7,188.20
Event Staff Costs	\$0.00	\$0.00	\$1,760.00	\$1,760.00
Collection/Hauling Costs				
Wood Waste	\$0.00	\$0.00	\$500.00	\$500.00
Scrap Metal, Appliances, etc.	\$0.00	\$300.00	\$1,800.00	\$2,100.00
Tires	\$0.00	\$0.00	\$700.00	\$700.00
Used Oil/Antifreeze	\$900.00	\$0.00	\$0.00	\$900.00
Batteries	\$250.00	\$0.00	\$0.00	\$250.00
Printing/Mailing	\$300.00	\$0.00	\$300.00	\$600.00
Event Supplies	\$350.00	\$0.00	\$300.00	\$650.00
Other Expenses - rentals, etc	\$554.09	\$0.00	\$800.00	\$1,354.09
TOTALS	\$5,901.79	\$3,100.50	\$8,000.00	\$17,002.29

### **2. Task Two: Chipper Event Budget**

ESTIMATED COSTS	2011	Total
Program Management/Coordination/Reporting	\$350.00	\$350.00
Contractor Services	\$720.00	\$720.00
Event Staff	\$880.00	\$880.00
Supplies	\$50.00	\$50.00
Total	\$2,000.00	\$2,000.00

NOTE: Hourly rates for consultants are as follows: Project Manager - \$70.00 and Event Staff - \$55.00.

# CITY COUNCIL AGENDA BILL

City of Black Diamond  
Post Office Box 599  
Black Diamond, WA 98010

ITEM INFORMATION			
<b>SUBJECT:</b> <b>Resolution No. 10-722, authorizing the Mayor to execute the Second Amendment with RH2 Engineering, Inc. for technical review services on the Regional Wastewater Storage Facility Project</b> Cost Impact: \$12,000 Fund Source: Reimbursable from YarrowBay Timeline: December 2010 thru February 2011	<b>Agenda Date: December 16, 2010</b>		<b>AB10-103</b>
	Department/Committee/Individual	Created	Reviewed
	Mayor Rebecca Olness		
	City Administrator –		
	City Attorney –Chris Bacha		
	City Clerk – Brenda L. Martinez		X
	Finance – May Miller		
	Public Works – Seth Boettcher	X	
	Economic Devel. – Andy Williamson		
	Police – Jamey Kiblinger		
Court – Stephanie Metcalf			
Comm. Dev. – Steve Pilcher			
<b>Attachments: Resolution No. 10-722, Contract, previous Resolutions</b>			
<p><b>SUMMARY STATEMENT:</b></p> <p>RH2 completed a preliminary engineering report on an alternative Wastewater Storage Facility located in the western portion of Black Diamond. King County staff and City staff still have differing opinions as to the best solution for this Regional Facility. King County and the City staff have agreed to back up a step and work together through a collaborative process to see if mutual agreement can be reached.</p> <p>The City staff requested RH2 to assist the City through this process and the attached amendment scope and fee is expected to address the additional process with King County.</p> <p>Since the City has not budgeted funds for this effort and the City’s Sewer Comprehensive Planning serves the Master Planned Developments in an efficient way, YarrowBay has agreed to fund the collaborative pre-design meetings with King County.</p>			
<p><b>COMMITTEE REVIEW AND RECOMMENDATION:</b> Public Works Committee recommends approval.</p>			
<p><b>RECOMMENDED ACTION:</b> <b>MOTION to adopt Resolution No. 10-722, authorizing the Mayor to execute the attached contract amendment with RH2 Engineering Inc. for technical review services assisting City staff with pre-design meetings with King County on the Regional Wastewater Storage Facility Project in Black Diamond.</b></p>			
RECORD OF COUNCIL ACTION			
Meeting Date	Action	Vote	
December 16, 2010			

## **RESOLUTION NO. 10-722**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, KING COUNTY, WASHINGTON AUTHORIZING A SECOND AMENDMENT WITH RH2 ENGINEERING, FOR PRE-DESIGN SERVICES ON THE REGIONAL WASTEWATER STORAGE PROJECT**

**WHEREAS**, King County is planning to construct a Regional Wastewater Storage Facility in Black Diamond to reduce peak flows through the downstream transmission line; and

**WHEREAS**, local City sewer comprehensive planning efforts are not compatible with the solutions that King County is recommending for their point of sewer storage and central collection; and

**WHEREAS**, PacWest, Triad, City staff and RH2 Engineering, Inc have proposed and prepared various reports suggesting alternative locations for regional sewer storage; and

**WHEREAS**, the City signed a contract with RH2 for MPD Services by Resolution No. 10-666 and signed an amendment to prepare a revised engineering report on sewer equalization storage in Black Diamond by Resolution 10-675; and

**WHEREAS**, King County and Black Diamond City staff have agreed to back the design process up and work through design function and value issues collaboratively in the expectation that a mutually agreeable solution can be found; and

**WHEREAS**, Black Diamond and YarrowBay's interests have been similar with regard to the Sewer Equalization Storage and Planning; and

**WHEREAS**, YarrowBay has agreed to pay for RH2's cost to cover the pre-design meetings with King County;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, DOES RESOLVE AS FOLLOWS:**

**Section 1.** Authorizing the Mayor to execute a second amendment with RH2 Engineering Inc. for continuing technical engineering services related to participation in the pre-design process in King County's Regional Wastewater Storage Facility in Black Diamond.

**PASSED BY THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 16TH DAY OF DECEMBER, 2010.**

CITY OF BLACK DIAMOND:

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Rebecca Olness, Mayor

Attest:

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Brenda L. Martinez, City Clerk

**SECOND AMENDMENT**  
**To**  
**PROFESSIONAL SERVICES AGREEMENT**  
**Between**  
**CITY OF BLACK DIAMOND**  
**And**  
**RH2 Engineering, Inc.**  
**regarding**  
**Technical Services and Research representing the City of Black Diamond**  
**in King County Regional Wastewater Storage Predesign Issues in Black Diamond**

1. **Date and Parties.**

1.1 This document ("Second Amendment"), for reference purposes only, is dated the 16th day of December, 2010, and is entered into by and between the CITY OF BLACK DIAMOND, a Washington municipal corporation ("City") and RH2, ENGINEERING INC. ("Consultant").

2. **General Recitals.**

2.1 The City and Consultant entered into a Professional Services Agreement regarding Master Planned Development Review Services dated January 21, 2010 (the "Agreement") and later amended that contract on March 4, 2010 adding to the scope to prepare a pre-design report for a Wastewater Storage Alternative to what King County was proposing.

2.2 The pre-design report was completed in June 2010 but in follow up meetings with King County additional predesign effort has been agreed on by the City and King County to see if a solution that satisfies all parties can be reached.

2.3 The parties have now determined that an amendment is appropriate, and thus the intent of the Second Amendment is to provide additional services relating to the City's desire to ensure that the preliminary engineering and site selection of the King County Regional Storage Project is technically sound, thorough, takes into account all of the City's values, planning and costs.

3. **Modification to Agreement Terms and Conditions.**

3.1 The Agreement terms are hereby incorporated by reference. The Second Amendment terms are hereby incorporated into the Agreement by reference. The Second Amendment is intended to modify the terms and conditions of the Agreement. In the case of any conflict between the terms of the Agreement and the terms of the Second Amendment the provisions of the Second Amendment shall control.

4. **Scope of Work and Fee Estimate**

4.1 The Consultant shall perform the professional services described in the Scope of Work attached hereto as Attachment A

4.2 The Services described in Attachment A shall be on a time and expense basis not to exceed \$12,000.

5. **Schedule**

5.1 A specific schedule has not been established for this effort as on going meetings through additional predesign efforts with King County are expected through the winter and into spring of 2011.

6. **Compensation.**

6.1 Compensation for the Additional Services identified in this First Addendum shall be paid in accordance with the Rate Schedule Exhibit B of the previous March 4 Amendment #1 to the Agreement and the additional Fixed Fee on a time and expense basis as identified in Attachment A.

7. **Other Terms Unchanged.**

6.1 All other terms of the Agreement remain unchanged.

DATED: This 16<sup>th</sup> day of December, 2010.

CITY OF BLACK DIAMOND

CONSULTANT

By: \_\_\_\_\_

Rebecca Olness

Its: Mayor

By: \_\_\_\_\_

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

Its: \_\_\_\_\_

Date: December \_\_\_\_, 2010

Date: December \_\_\_\_, 2010

Attest:

By:

\_\_\_\_\_  
Brenda L. Martinez

City Clerk

RESOLUTION NO. 10-666

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
BLACK DIAMOND, KING COUNTY, WASHINGTON  
AUTHORIZING A CONTRACT WITH RH2 ENGINEERING  
FOR TECHNICAL REVIEW SERVICES OF THE LAWSON  
HILLS AND VILLAGES MASTER PLANNED  
DEVELOPMENT APPLICATIONS

**WHEREAS**, the City does not have the staff level or the full range of expertise to provide comprehensive and timely review of the Lawson Hills and Villages Master Planned Development Applications; and

**WHEREAS**, RH2 has been determined to be the most qualified consultant to efficiently review the Master Planned Developments with respect to water and sewer infrastructure and provide a high level of experience with Master Planned Development agreement negotiations and project implementation; and


**WHEREAS**, the Master Planned Development codes provide for reimbursement of costs associated with the review of the applications;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, DOES RESOLVE AS FOLLOWS:**

**Section 1.** The Mayor is authorized to execute a contract with RH2 Engineering to provide Technical Review Services of the Lawson Hills and Villages Master Planned Development applications with respect to water and sewer as attached hereto as Exhibit A.

**PASSED BY THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 21<sup>ST</sup> DAY OF JANUARY, 2010.**

CITY OF BLACK DIAMOND:

  
\_\_\_\_\_  
Rebecca Olness, Mayor

Attest:

  
\_\_\_\_\_  
Brenda L. Martinez, City Clerk



RESOLUTION NO. 10-675

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
BLACK DIAMOND, KING COUNTY, WASHINGTON  
AUTHORIZING AMENDMENT NO. 1 TO THE RH2  
CONTRACT FOR TECHNICAL REVIEW SERVICES OF  
THE WASTEWATER STORAGE ALTERNATIVE.

**WHEREAS**, King County must provide conveyance and treatment of sewage as the City of Black Diamond grows, they have come up with a preferred location along the core wetland just west of old downtown Black Diamond; and

**WHEREAS**, the City of Black Diamond has also been planning for an efficient way to collect sewage in the City and has proposed a location in the western portion of the City of Black Diamond that King County has found flaws with; and

**WHEREAS**, City Staff has selected RH2 to provide the City with this engineering and expertise in these type of facilities; and

**WHEREAS**, City Staff has reviewed King County's concerns with consultant Dan Ervin (RH2) and believes that they can be addressed by design features of the proposed western sewage storage facility; and

**WHEREAS**, Yarrow Bay has agreed to fund this work as a reimbursable cost through the Master Planned Development review,

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, DOES RESOLVE AS FOLLOWS:**

**Section 1.** The Mayor is authorized to execute contract Amendment No. 1 with RH2 to provide Technical Review Services on the Wastewater Storage Alternative as attached hereto as Exhibit A.

**PASSED BY THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 4<sup>TH</sup> DAY OF MARCH, 2010.**

CITY OF BLACK DIAMOND:



Rebecca Olness, Mayor

Attest:

  
Brenda L. Martinez, City Clerk

# CITY COUNCIL AGENDA BILL

City of Black Diamond  
Post Office Box 599  
Black Diamond, WA 98010

ITEM INFORMATION			
<b>SUBJECT:</b> <b>Resolution No. 10-723, authorizing to dispose of soil temporarily stored at the Public Works facility from the Railroad Avenue Project that had low levels of hydrocarbons</b>	<b>Agenda Date: December 16, 2010</b>		<b>AB10-104</b>
	Department/Committee/Individual	Created	Reviewed
	Mayor Rebecca Olness		
	City Administrator –		
	City Attorney –Chris Bacha		
	City Clerk – Brenda L. Martinez		X
	Finance – May Miller		
	Public Works – Seth Boettcher	X	
	Economic Devel. – Andy Williamson		
	Police – Jamey Kiblinger		
Cost Impact: \$17,200	Court – Stephanie Metcalf		
Fund Source: Railroad Avenue CIP	Comm. Dev. – Steve Pilcher		
Timeline: December, 2010			
<b>Attachments: Resolution No. 10-723, Budget summary sheet</b>			
<p><b>SUMMARY STATEMENT:</b></p> <p>Slightly contaminated materials from the Railroad Avenue Street Project have been temporarily stored at the City maintenance shop. Now that the final costs of the Railroad Avenue Project are closely known, it is apparent that at least \$130,000 remains in the budget for this project.</p> <p>The staff has forwarded the soil test results to Republic Disposal of Seattle and has approval to deliver the contaminated soil to their receiving site. Removing the soil from the City site will relieve the staff of the hassle of maintaining tarps over the soil and eliminate any potential liability.</p> <p>See attached budget sheet to review costs and budget.</p>			
<b>COMMITTEE REVIEW AND RECOMMENDATION:</b>			
<p><b>RECOMMENDED ACTION: MOTION to adopt Resolution No. 10-723, authorizing the Public Works staff to make arrangements for the hauling and disposing of Railroad Avenue soil stored at the public works yard at a cost not to exceed, \$17,200.</b></p>			
RECORD OF COUNCIL ACTION			
Meeting Date	Action	Vote	
December 16, 2010			

**RESOLUTION NO. 10-723**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
BLACK DIAMOND, KING COUNTY, WASHINGTON  
AUTHORIZING DISPOSAL OF SOIL FROM THE  
RAILROAD AVENUE STREET PROJECT**

**WHEREAS**, the City of Black Diamond is storing soils with low levels of hydrocarbon contamination at the City Public Works Yard; and

**WHEREAS**, the City located Republic Disposal of Seattle as nearest lowest cost disposal site for the contaminated materials; and

**WHEREAS**, Republic Disposal has reviewed the test reports and will accept the contaminated materials; and

**WHEREAS**, the staff will hire the trucking and the loading from contractors off of the city's small works roster;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, DOES RESOLVE AS FOLLOWS:**

**Section 1.** Authorize the staff to make arrangements for the loading, hauling of contaminated materials to Republic Disposal in Seattle at a total cost not to exceed \$17,200.

**PASSED BY THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 16TH DAY OF DECEMBER, 2010.**

CITY OF BLACK DIAMOND:

\_\_\_\_\_  
Rebecca Olness, Mayor

Attest:

\_\_\_\_\_  
Brenda L. Martinez, City Clerk

**Railroad Ave  
Projected Budget at Completion\***

<b>Project Revenues</b>	<b>Amount</b>
<b>TIB Grant</b>	<b>\$917,000</b>
City REET funds	\$162,000
City Stormwater funds	\$40,000
City Capital Beginning Fund Balance	\$70,000
<b>Budget Total</b>	<b>1,189,000</b>

<b>Project Costs</b>	<b>Amount</b>
Design Engineering	\$117,751
City Attorney charges	\$700
Right of Way Expenses	\$12,300
Misc, advert, bidding costs, city force work	\$2,000
J.R Hayes including change orders	\$751,000
testing	\$9,000 +/-
Project Management / Inspection	\$160,243 +/-
Gas Service to City property	\$4,500 +/-
<b>Cost subtotal</b>	<b>\$1,057,500</b>
<b>CITY FUNDS left over for reallocation</b>	<b>\$131,500</b>

**\* Many of these numbers are estimates. Actual accounting accuracy will be completed with internal project close out by the City finance department after all costs have been charged and paid.**

~~~~~  
Costs:

|                                                                               |                 |
|-------------------------------------------------------------------------------|-----------------|
| Trucking costs to South Seattle 20 hours at \$120/ hour                       | \$2,400         |
| Equipment move in and out and loading costs                                   | \$1,600         |
| Disposal Costs of \$38.50 per ton at approximately 290 tons (\$11,088 total). | \$11,165        |
| Contingency                                                                   | \$2,000         |
| <b>Total</b>                                                                  | <b>\$17,200</b> |

# CITY COUNCIL AGENDA BILL

City of Black Diamond  
Post Office Box 599  
Black Diamond, WA 98010

| ITEM INFORMATION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                       |         |                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|---------|-----------------|
| <b>SUBJECT:</b><br><br><b>Resolution No. 10-724, accepting the Covington/Maple Valley Reporter publication bid and designating it the official City Newspaper for 2011</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>Agenda Date: December 16, 2010</b> |         | <b>AB10-105</b> |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Department/Committee/Individual       | Created | Reviewed        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Mayor Rebecca Olness                  |         |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | City Administrator –                  |         |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Interim City Attorney – Chris Bacha   |         |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | City Clerk – Brenda L. Martinez       | X       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Finance – May Miller                  |         |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Public Works – Seth Boettcher         |         |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Economic Devel. – Andy Williamson     |         |                 |
| Cost Impact:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Police – Jamey Kiblinger              |         |                 |
| Fund Source:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Court – Stephannie Metcalf            |         |                 |
| Timeline:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                       |         |                 |
| <b>Attachments: Resolution No. 10-724, Bids, Notice of Invitation to Bid, RCW 35.23.352(7)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                       |         |                 |
| <b>SUMMARY STATEMENT:</b><br><br><p>RCW 35.23.352(7) requires the City to request bids annually for an official City newspaper for the publication of certain legal notices and bid requests.</p> <p>A request for bids was published on November 16, 2010 for the 2011 year. The City received two bids, one from the Voice of the Valley and the second from the Covington/Maple Valley Reporter. Both are papers of high circulation within the Black Diamond zip code.</p> <p>This resolution accepts the bid from the Covington/Maple Valley Reporter and also designates the paper as the City's official newspaper for 2011.</p> |                                       |         |                 |
| <b>COMMITTEE REVIEW AND RECOMMENDATION:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                       |         |                 |
| <b>RECOMMENDED ACTION: MOTION to adopt Resolution No. 10-724, accepting the Covington/Maple Valley Reporter publication bid and designating it the official City newspaper for 2011.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                       |         |                 |
| RECORD OF COUNCIL ACTION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                       |         |                 |
| Meeting Date                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Action                                | Vote    |                 |
| December 16, 2010                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                       |         |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                       |         |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                       |         |                 |

**RESOLUTION NO. 10-724**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
BLACK DIAMOND, KING COUNTY, WASHINGTON,  
ACCEPTING COVINGTON/MAPLE VALLEY REPORTER  
BID AND DESIGNATING IT AS THE 2011 OFFICIAL CITY  
NEWSPAPER AS REQUIRED BY RCW 35.23.352(7)**

**WHEREAS**, RCW 35.23.352(7) requires the City request annual bids for an official City newspaper for publication of certain legal notices and bid requests; and

**WHEREAS**, a request for bids was published November 16, 2010, and the City received two bids, one from the Voice of the Valley and the second from the Covington/Maple Valley Reporter; and

**WHEREAS**, it is the City's desire to accept the bid and designate the Covington/Maple Valley Reporter as the 2011 City's official newspaper as required by RCW 35.23.352(7);

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, DOES RESOLVE AS FOLLOWS:**

**Section 1.** The Covington/Maple Valley Reporter publication bid is accepted.

**Section 2.** The Covington/Maple Valley Reporter is designated as the City's official newspaper for the purpose of RCW 35.23.352(7).

**PASSED BY THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 16TH DAY OF DECEMBER, 2010.**

CITY OF BLACK DIAMOND:

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Howard Botts, Mayor

Attest:

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Brenda L. Martinez, City Clerk



# SOUND PUBLISHING INC.

November 19, 2010

To: City of Black Diamond  
Re: Official Newspaper Bid

Sound Publishing is pleased to submit our bid to serve as the City of Black Diamond's Legal Newspaper of Record.

**Statement of Qualifications:**

The Covington/Maple Valley Reporter newspaper meets all the qualifications of R.C.W. 65.16.020, and is recognized and listed with the King County, Washington, Superior Court as a Legal Newspaper (attached).

**Publication Rate:**

With our current circulation at just over 24,000 the legal rate of \$13.80 per column inch equates to less than .0005¢ per household.

**Affidavits:**

Affidavits of publication are mailed within one week after a notice is published and each packet of affidavits will include 3 copies for your records.

The Covington/Maple Valley Reporter, which now offers front porch delivery in select neighborhoods of Covington and Maple Valley, meets the needs of the more than 44,250 readers. Our circulation widely covers the cities of Maple Valley, Covington, Black Diamond, Ravensdale and unincorporated King County. This award winning newspaper is also available at newsstands and stores located within the circulation area as well as the libraries and city hall offices.

We look forward to serving the City's needs in the future.

Sincerely,

Linda Mills  
Legal Advertising Representative  
Covington/Maple Valley Reporter, a Division of Sound Publishing  
253-234-3506  
Email: [Legals@ReporterNewspapers.com](mailto:Legals@ReporterNewspapers.com)

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**RECEIVED**  
KING COUNTY, WASHINGTON

JAN 30 2007

KNT DEPARTMENT OF  
JUDICIAL ADMINISTRATION

**RECEIVED**  
KING COUNTY SUPERIOR COURT

JAN 30 2007

EX-PARTE DEPT.  
KENT, WASHINGTON

SUPERIOR COURT OF WASHINGTON FOR KING COUNTY

In Re the Matter of,

KING COUNTY PUBLICATIONS LTD.,

Petitioner.

NO.

**107-2-04096-0 KNT**

**ORDER GRANTING PETITION FOR  
APPROVAL AS A LEGAL  
NEWSPAPER**

THIS MATTER having come before the Court on Petition of King County Publications Ltd. for an Order Approving King County Publications' Consolidated Newspaper Group, including but not limited to the *Auburn Reporter*, *Bellevue Reporter*, *Covington and Maple Valley Reporters*, *Bothell and Kenmore Reporters*, *Kent Reporter*, *Redmond Reporter*, *Renton Reporter*, *Mercer Island Reporter* and *Snoqualmie Valley Record*, as "legal newspapers," as defined in RCW 65.16.020, and this Court having reviewed the Petition and attached Declaration of Don Kendall, Publisher of KCP Consolidated Newspaper Group, and being fully advised, NOW, THEREFORE,

IT IS HEREBY ORDERED that King County Publications' Consolidated Newspaper Group, including but not limited to the *Auburn Reporter*, *Bellevue Reporter*, *Covington and Maple Valley Reporters*, *Bothell and Kenmore Reporters*, *Kent Reporter*, *Redmond Reporter*, *Renton Reporter*, *Mercer Island Reporter* and *Snoqualmie Valley Record*, together with any

ORDER GRANTING PETITION FOR APPROVAL  
AS A LEGAL NEWSPAPER - 1

122295.0001/1356991.1

LANE POWELL PC  
1420 FIFTH AVENUE, SUITE 4100  
SEATTLE, WASHINGTON 98101-2338  
206.223.7000 FAX: 206.223.7107



1 future King County Publications under the consolidation provisions of RCW 65.16.020, is  
2 declared a legally qualified newspaper under RCW 65.16.020.

3 DONE IN OPEN COURT this JAN 30 2007 day of January, 2007.

5 KIMBERLEY D. PROCHNAU

6 Judge/Court Commissioner

7 Presented by:

8 LANE POWELL PC

9  
10 By Michael A. Nesteroff

11 Michael D. Dwyer, WSBA No. 04861

12 Michael A. Nesteroff, WSBA No. 13180

Attorneys for Petitioner

King County Publications Ltd.

23  
24  
25  
26  
ORDER GRANTING PETITION FOR APPROVAL  
AS A LEGAL NEWSPAPER - 2

122295.0001/1356991.1

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1420 FIFTH AVENUE, SUITE 4100  
SEATTLE, WASHINGTON 98101-2338  
206.223.7000 FAX: 206.223.7107

STATE OF WASHINGTON, COUNTY OF KING }  
AFFIDAVIT OF PUBLICATION

**PUBLIC NOTICE**

Linda M Mills, being first duly sworn on oath that she is the Legal  
Advertising Representative of the

**Covington/Maple Valley Reporter**

a weekly newspaper, which newspaper is a legal newspaper of  
general circulation and is now and has been for more than six months  
prior to the date of publication hereinafter referred to, published in  
the English language continuously as a weekly newspaper in King  
County, Washington. The Covington/Maple Valley Reporter has  
been approved as a Legal Newspaper by order of the Superior Court  
of the State of Washington for King County.

The notice in the exact form annexed was published in regular issues  
of the Covington/Maple Valley Reporter (and not in supplement  
form) which was regularly distributed to its subscribers during the  
below stated period. The annexed notice, a:

**Public Notice**

was published on November 12, 2010.

The full amount of the fee charged for said foregoing publication is  
the sum of \$247.95

Linda M. Mills

Legal Advertising Representative, Covington/Maple Valley Reporter  
Subscribed and sworn to me this 12th day of November, 2010.

Kathy Dalseg Notary Public for the State of Washington, Residing  
in Covington, Washington  
P. O. Number:

COPY



**CITY OF COVINGTON  
WEEKLY BULLETIN**

*Publish Date: November 12, 2010*

**NOTICES:**

**NOTICE OF SPECIAL CITY COUNCIL MEETING:  
TUESDAY, NOVEMBER 16, 2010 – 6:00 PM**

**NOTICE IS HEREBY GIVEN** that the Covington City Council will  
hold a Special Study Session on Wednesday, November 16, 2010,  
commencing at 6:00 p.m., at the Covington City Council Chambers  
located at 16720 SE 271st Street, Covington, WA, in order to receive  
and discuss staff 2011 budget presentations; discuss budget strategies;  
and begin budget deliberations. A Public Comment period is also on  
the agenda and an Executive Session if needed.

**NOTICE IS FURTHER GIVEN** that agenda information will be  
posted the Friday prior to the above meeting at Covington City Hall,  
Covington Council Chambers, Covington Library, and the City's web  
site: [www.ci.covington.wa.us](http://www.ci.covington.wa.us). For further information, please contact  
the Covington City Clerk at (253) 638-1110, ext. 2225.

\*\*\*

**CITY OF COVINGTON CITY COUNCIL.**

**NOTICE OF FINAL PUBLIC HEARING REGARDING THE  
2011 PRELIMINARY OPERATING AND CAPITAL BUDGET  
TUESDAY, NOVEMBER 23, 2010 – 7:00 PM**

**NOTICE IS HEREBY GIVEN** that the 2011 Preliminary Operating  
and Capital Budget has been placed on file with the City Clerk and is  
available for public review at Covington City Hall and the Covington Library.  
The public is encouraged to attend budget hearings and provide  
written or verbal testimony on any provisions of the proposed CY 2011  
Budget.

**NOTICE IS FURTHER GIVEN** that a Final Public Hearing on the  
2011 Preliminary Operating and Capital Budget will be held at the  
City Council meeting of Tuesday, November 23, 2010, at 7:00 p.m.  
in the City Council Chambers located at Covington City Hall, 16720  
SE 271st Street, Covington.

All persons desiring to comment may do so in writing to the City Clerk  
at 16720 SE 271st Street, Suite 100, Covington, Washington, 98042 or  
by appearing at the Preliminary and/or Final Public Hearings. Copies  
of the 2011 Preliminary Operating and Capital Budget are available for  
inspection and copying at Covington City Hall.

Agenda information will be posted the Friday prior to the above  
meetings at Covington City Hall, Covington Council Chambers,  
Covington Library, and the City's web site: [www.ci.covington.wa.us](http://www.ci.covington.wa.us).  
For further information, please contact the Covington City Clerk at  
(253) 638-1110, ext. 2225.

Published in the Covington/Maple Valley Reporter on November 12,  
2010. #432656.

# VOICE of the Valley Newspaper

*Your Only Local Weekly Newspaper for over 41 years*

Editor/Publisher/Owner: Donna L. Hayes – donna@voiceofthevalley.com  
P.O. Box 307 Maple Valley, WA 98038 425-432-9696 / FAX 425-432-0701  
www.voiceofthevalley.com



11-10-10

Notice of Invitation to bid

To Whom It May Concern:

The VOICE of the Valley is a Tuesday newspaper that is delivered by direct mail weekly. We have been publishing the paper for over 41 years.

The VOICE of the Valley delivers papers to the 98010, 98025, 98038, and 98051 zip codes. We also do mailings to the 98042 and 98058 zip codes.

The paper has display, classified, church, service directory and legal ads published in it.

Legal ads (Public Notices) are \$15 per column inch and receive 3 affidavits of publication (unless otherwise noted) for each legal ad (public notice). Affidavits are included free with the legal notices.

A column inch in the VOICE is 1 ¾ inches wide by 1 inch tall. The font is Ariel and the size is 8 point with a 8.5 leading.

If you have any further questions, please contact  
Donna Hayes at 425-432-9696

*Donna Hayes*  
Publisher – VOICE of the Valley



## **LEGAL NOTICE CITY OF BLACK DIAMOND**

### **NOTICE OF INVITATION TO BID**

The City of Black Diamond is accepting bids for the City's "Official Newspaper" for the year 2011. The successful bidder will receive legal notices and notices to bid, as required by law, for publication. Bidders must meet the qualifications set forth in RCW 65.16.020, as well as have the ability to provide the City with an Affidavit of Publication within two weeks of publication date. A qualified bid will consist of a Statement of Qualifications and publication rate per column inch.

Qualified sealed bids should be delivered to the attention of City of Black Diamond, City Clerk and clearly marked "Official Newspaper Bid" on the outside of the envelope, and addressed to 24301 Roberts Drive, PO Box 599, Black Diamond, WA 98010.

Bids will be accepted until 11:00 a.m. on December 2, 2010, at which time the City Clerk will open the bids. All bidders will be notified of the results.

**RCW 35.23.352****Public works -- Contracts -- Bids -- Small works roster -- Purchasing requirements, recycled or reused materials or products.**

(1) Any second-class city or any town may construct any public works, as defined in RCW 39.04.010, by contract or day labor without calling for bids therefor whenever the estimated cost of the work or improvement, including cost of materials, supplies and equipment will not exceed the sum of sixty-five thousand dollars if more than one craft or trade is involved with the public works, or forty thousand dollars if a single craft or trade is involved with the public works or the public works project is street signalization or street lighting. A public works project means a complete project. The restrictions in this subsection do not permit the division of the project into units of work or classes of work to avoid the restriction on work that may be performed by day labor on a single project.

Whenever the cost of the public work or improvement, including materials, supplies and equipment, will exceed these figures, the same shall be done by contract. All such contracts shall be let at public bidding upon publication of notice calling for sealed bids upon the work. The notice shall be published in the official newspaper, or a newspaper of general circulation most likely to bring responsive bids, at least thirteen days prior to the last date upon which bids will be received. The notice shall generally state the nature of the work to be done that plans and specifications therefor shall then be on file in the city or town hall for public inspections, and require that bids be sealed and filed with the council or commission within the time specified therein. Each bid shall be accompanied by a bid proposal deposit in the form of a cashier's check, postal money order, or surety bond to the council or commission for a sum of not less than five percent of the amount of the bid, and no bid shall be considered unless accompanied by such bid proposal deposit. The council or commission of the city or town shall let the contract to the lowest responsible bidder or shall have power by resolution to reject any or all bids and to make further calls for bids in the same manner as the original call.

When the contract is let then all bid proposal deposits shall be returned to the bidders except that of the successful bidder which shall be retained until a contract is entered into and a bond to perform the work furnished, with surety satisfactory to the council or commission, in accordance with RCW 39.08.030. If the bidder fails to enter into the contract in accordance with his or her bid and furnish a bond within ten days from the date at which he or she is notified that he or she is the successful bidder, the check or postal money order and the amount thereof shall be forfeited to the council or commission or the council or commission shall recover the amount of the surety bond. A low bidder who claims error and fails to enter into a contract is prohibited from bidding on the same project if a second or subsequent call for bids is made for the project.

If no bid is received on the first call the council or commission may readvertise and make a second call, or may enter into a contract without any further call or may purchase the supplies, material or equipment and perform the work or improvement by day labor.

(2) The allocation of public works projects to be performed by city or town employees shall not be subject to a collective bargaining agreement.

(3) In lieu of the procedures of subsection (1) of this section, a second-class city or a town may let contracts using the small works roster process provided in RCW 39.04.155.

Whenever possible, the city or town shall invite at least one proposal from a minority or woman contractor who shall otherwise qualify under this section.

(4) The form required by RCW 43.09.205 shall be to account and record costs of public works in

excess of five thousand dollars that are not let by contract.

(5) The cost of a separate public works project shall be the costs of the materials, equipment, supplies, and labor on that construction project.

(6) Any purchase of supplies, material, or equipment, except for public work or improvement, where the cost thereof exceeds seven thousand five hundred dollars shall be made upon call for bids.

(7) Bids shall be called annually and at a time and in the manner prescribed by ordinance for the publication in a newspaper of general circulation in the city or town of all notices or newspaper publications required by law. The contract shall be awarded to the lowest responsible bidder.

(8) For advertisement and formal sealed bidding to be dispensed with as to purchases with an estimated value of fifteen thousand dollars or less, the council or commission must authorize by resolution, use of the uniform procedure provided in RCW 39.04.190.

(9) The city or town legislative authority may waive the competitive bidding requirements of this section pursuant to RCW 39.04.280 if an exemption contained within that section applies to the purchase or public work.

(10) This section does not apply to performance-based contracts, as defined in RCW 39.35A.020(4), that are negotiated under chapter 39.35A RCW.

(11) Nothing in this section shall prohibit any second class city or any town from allowing for preferential purchase of products made from recycled materials or products that may be recycled or reused.

[2009 c 229 § 4; 2002 c 94 § 2; 2000 c 138 § 204; 1998 c 278 § 3; 1996 c 18 § 2. Prior: 1994 c 273 § 9; 1994 c 81 § 18; 1993 c 198 § 10; 1989 c 431 § 56; 1988 c 168 § 3; 1987 c 120 § 2; prior: 1985 c 469 § 24; 1985 c 219 § 2; 1985 c 169 § 7; 1979 ex.s. c 89 § 2; 1977 ex.s. c 41 § 1; 1974 ex.s. c 74 § 2; 1965 c 114 § 1; 1965 c 7 § 35.23.352; prior: 1957 c 121 § 1; 1951 c 211 § 1; prior: (i) 1907 c 241 § 52; RRS § 9055. (ii) 1915 c 184 § 31; RRS § 9145. (iii) 1947 c 151 § 1; 1890 p 209 § 166; Rem. Supp. 1947 § 9185.]

## NOTES:

**Purpose -- Part headings not law -- 2000 c 138:** See notes following RCW 39.04.155.

**Severability -- 1989 c 431:** See RCW 70.95.901.

Competitive bidding violations by municipal officer, penalties: RCW 39.30.020.

Subcontractors to be identified by bidder, when: RCW 39.30.060.



# CITY COUNCIL AGENDA BILL

City of Black Diamond  
Post Office Box 599  
Black Diamond, WA 98010

| ITEM INFORMATION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                       |         |                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|---------|-----------------|
| <b>SUBJECT:</b><br><b>Resolution No. 10-725, authorizing the Mayor to execute the Fourth Memorandum of Understanding to the Police Association Collective Bargaining Agreement</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>Agenda Date: December 16, 2010</b> |         | <b>AB10-106</b> |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Department/Committee/Individual       | Created | Reviewed        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Mayor Rebecca Olness                  |         | X               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | City Administrator –                  |         |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | City Attorney –Chris Bacha            |         | X               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | City Clerk – Brenda L. Martinez       | X       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Finance – May Miller                  |         |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Public Works – Seth Boettcher         |         |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Economic Devel. – Andy Williamson     |         |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Police – Jamey Kiblinger              |         |                 |
| Timeline: January 1, 2011                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Court – Stephanie Metcalf             |         |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Comm. Dev. – Steve Pilcher            |         |                 |
| <b>Attachments: Resolution No. 10-725, Fourth Memorandum of Understanding, Police Agreement</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                       |         |                 |
| <b>SUMMARY STATEMENT:</b><br><br><p>The Black Diamond Police Officers Association (the “Association”) is the authorized bargaining representative for the Black Diamond Police Officers. The Association was formed in 2008.</p> <p>In accordance with Section 15.4 of the Collective Bargaining Agreement, the City notified the Association on September 24, 2010 of its intent to change one of the offered medical insurance plans as that current plan terminates in 2011.</p> <p>As a replacement plan the City has selected AWC HealthFirst plan which is the most comparable plan offered by Association of Washington Cities (AWC).</p> <p>The Association has met and agreed to a Memorandum of Understanding stating that starting January 1, 2011 all association members who are enrolled on AWC Plan “B” will now be enrolled in AWC “HealthFirst” Plan.</p> <p>All other terms and conditions of the Agreement remain unchanged.</p> |                                       |         |                 |
| <b>COMMITTEE REVIEW AND RECOMMENDATION:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                       |         |                 |
| <b>RECOMMENDED ACTION: MOTION to adopt Resolution No. 10-725, authorizing the Mayor to execute the Fourth Memorandum of Understanding to the Collective Bargaining Agreement between the City of Black Diamond and the Black Diamond Police Officers Association.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                       |         |                 |
| RECORD OF COUNCIL ACTION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                       |         |                 |
| Meeting Date                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Action                                | Vote    |                 |
| December 16, 2010                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                       |         |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                       |         |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                       |         |                 |

**RESOLUTION NO. 10-725**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
BLACK DIAMOND, KING COUNTY, WASHINGTON,  
AUTHORIZING THE MAYOR TO EXECUTE THE FOURTH  
MEMORANDUM OF UNDERSTANDING TO THE  
COLLECTIVE BARGAINING AGREEMENT BETWEEN THE  
CITY OF BLACK DIAMOND AND BLACK DIAMOND  
POLICE OFFICERS ASSOCIATION**

**WHEREAS**, the Black Diamond Police Officers Association (the "Association") is the authorized bargaining representative for the Black Diamond Police Officers; and

**WHEREAS**, the Association was formed in 2008; and

**WHEREAS**, the City and the Association entered into a new six (6) year Collective Bargaining Agreement ("CBA") effective August 31, 2008 through August 30, 2014; and

**WHEREAS**, in accordance with Section 15.4 of the CBA, on September 24, 2010 the City notified the Association of its intent to change one of the offered medical insurance plans as the current plan terminates in 2011; and

**WHEREAS**, as a replacement plan the City has selected the AWC HealthFirst Plan which is the most comparable plan offered; and

**WHEREAS**, it is mutually understood and agreed by and between the parties that starting January 1, 2011 all Association members who are enrolled in AWC Plan "B" will now be enrolled in AWC "HealthFirst" Plan;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, DOES RESOLVE AS FOLLOWS:**

**Section 1.** The City Council hereby authorizes the Mayor to execute the Fourth Memorandum of Understanding to the Collective Bargaining Agreement substantially in the form attached hereto as Exhibit A.

**PASSED BY THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 16TH DAY OF DECEMBER, 2010.**

\_\_\_\_\_  
Rebecca Olness, Mayor

Attest:

\_\_\_\_\_  
Brenda L. Martinez, City Clerk



FOURTH MEMORANDUM OF UNDERSTANDING  
CITY OF BLACK DIAMOND  
AND  
BLACK DIAMOND POLICE OFFICERS' ASSOCIATION

1. Date of Parties. This Fourth Memorandum of Understanding (MOU-4) is effective upon execution by the City of Black Diamond (City) and the Black Diamond Police Officers' Association (Association).
2. Background and Purpose.
  - 2.1 The Parties have executed a Collective Bargaining Agreement for the period from August 31, 2008 to August 30, 2014 (CBA)
  - 2.2 In accordance with Section 15.4 of the CBA, on September 24, 2010 the City notified the Association of its intent to change one of the offered medical insurance plans as the current plan terminates in 2011
  - 2.3 As a replacement plan the City has selected AWC HealthFirst Plan which is the most comparable plan offered.
3. Agreed Medical Plan
  - 3.1. It is mutually understood and agreed by and between the parties that starting January 1, 2011 all Association members who are enrolled in AWC Plan "B" will now be enrolled in AWC "HealthFirst" Plan. In addition, all references to AWC Plan "B" in the agreement will now change to AWC "HealthFirst" Plan.
4. Confirmation of Agreement Terms. All other terms and conditions of the Agreement shall remain unchanged and in full force and effect.


CITY OF BLACK DIAMOND

BLACK DIAMOND POLICE OFFICERS'  
ASSOCIATION

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

Date: 12/14/2010

\_\_\_\_\_  
Rebecca Olness  
Mayor

  
Justin Cripe  
President

RESOLUTION NO. 09-583

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
BLACK DIAMOND, KING COUNTY, WASHINGTON,  
AUTHORIZING THE MAYOR TO SIGN THE COLLECTIVE  
BARGAINING AGREEMENT BETWEEN THE CITY OF  
BLACK DIAMOND AND BLACK DIAMOND POLICE  
OFFICERS ASSOCIATION

WHEREAS, the Black Diamond Police Officers Association (the "Association") is the authorized bargaining representative for the Black Diamond Police Officers; and

WHEREAS, the Association was formed in 2008; and

WHEREAS, the City negotiating team has reached tentative Agreement with the Union for a new six (6) year Collective Bargaining Agreement ("CBA") effective August 31, 2008 through August 30, 2014 (Attached hereto as Exhibit A) and the City negotiating team has recommended that the Council ratify the CBA; and

WHEREAS, the Association has executed the CBA; and

WHEREAS, the Council has reviewed the CBA and finds it is in the best interests of the City and its employees to authorize the Mayor to execute the CBA; now, therefore

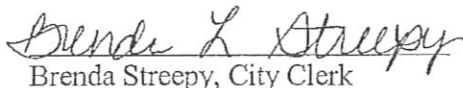
BE IT RESOLVED that the City Council hereby ratifies the CBA and authorizes the Mayor to execute the CBA, as attached hereto.

ADOPTED by the City Council at an open meeting on the 19<sup>th</sup> day of March, 2009.

A handwritten signature in cursive script, appearing to read "Howard Botts", written over a horizontal line.

Howard Botts, Mayor

Attest:

A handwritten signature in cursive script, appearing to read "Brenda L. Streepy", written over a horizontal line.

Brenda Streepy, City Clerk

# **AGREEMENT**

**by and between**

**CITY OF BLACK DIAMOND**

**and**

**BLACK DIAMOND POLICE OFFICERS  
ASSOCIATION**

**August 31, 2008 – August 30, 2014**

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**AGREEMENT BETWEEN  
CITY OF BLACK DIAMOND  
And  
BLACK DIAMOND POLICE OFFICERS ASSOCIATION**

THIS AGREEMENT is made and entered into this 19th day of MARCH, 2009, by and between the City of Black Diamond, hereinafter referred to as the "Employer," and the Black Diamond Police Officers Association, hereinafter referred to as the "Association."

**PREAMBLE**

WHEREAS, it is the purpose of this agreement to maintain a high level of performance in the operation of the Black Diamond City government, together with promoting efficiency, initiative, and harmonious relations between the Employer and the Association, and to provide for the rights, well being, and security of the parties involved; and

WHEREAS, the parties have agreed to certain terms and conditions of wages, hours, and conditions of employment for employees of the Employer as listed herein and wish to reduce the agreement to writing.

NOW, THEREFORE, BE IT MUTUALLY AGREED TO AS FOLLOWS:

**ARTICLE 1 - RECOGNITION**

- 1.1 The Employer recognizes the Association as the sole collective bargaining agent for all regular full time and regular part time commissioned law enforcement officers of the Police Department, including sergeants, and excluding supervisors, confidential employees and all other employees.

**ARTICLE 2 - ASSOCIATION SECURITY**

- 2.1 The Employer agrees that all employees covered under this agreement who have been in the employment of the Employer for thirty (30) days or more, shall become and remain members of the Association in good standing.
- 2.2 The Employer further agrees that all new employees hired subsequent to the date of signing of this agreement shall, as a condition of employment, after thirty (30) days of employment, become and remain members of the Association in good standing.
- 2.3 In the event an employee member of the Association as defined in Article I of this agreement who joins the Association fails to maintain his membership in the Association in good standing therein, by regular payment of dues, the Association will notify the Employer, in writing, of such employee's delinquency. The Employer agrees to advise the employee of his employment status with

the Employer is in jeopardy, and that failure to meet his membership obligation of payment of dues will result in termination of employment within five (5) days following the next regular payroll payment date.

- 2.4 The Employer will furnish the Association on a current basis notice of all permanent and permanent part time employees as defined in Article I who have been hired, rehired, transferred, laid off or terminated.
- 2.5 Nothing in the above sections will interfere with the employee's rights under RCW 41.56.122 of the Public Employee's Collective Bargaining Act. Nothing in this Agreement shall deprive employees covered by this Agreement the right of non-association based on bona fide religious tenets or teachings of a church or religious body of which such employee is a member. Such employee shall pay an amount of money equivalent to regular Association dues to a non-religious charity or to another charitable organization mutually agreed upon by the employee affected and the Association. The employee shall furnish written proof that such payment has been made. If the employee and the Association do not reach agreement on such matter, the Public Employment Relations Commission shall designate the charitable organization.
- 2.6 The Association agrees to defend, indemnify, save and hold the City harmless from, for and against any and all claims arising from the application of this article.
- 2.7 If the Employer schedules a Collective Bargaining Agreement negotiation meeting during the scheduled shift of the Association member that represents the Association, then that member may attend the meeting, in paid status, provided the member remains ready to respond to emergency call out at all times. Any other Association members that attend the meeting, other than the one designated representative, shall do so in an unpaid status.

### ARTICLE 3 - CHECK-OFF OF DUES

- 3.1 The Employer agrees to deduct Association dues from the wages of each employee as qualified in Section 3.2 below. The Employer agrees to forward such dues to the account of the Association monthly.
- 3.2 The Employer shall only deduct Association dues from the wages if all of the employees in the bargaining unit each sign an authorization card to that effect, copies of which shall be given to the Employer and the Association for certification purposes.
- 3.3 The Association agrees to defend, indemnify, save and hold the City harmless from, for and against any and all claims arising from the application of this article.

### ARTICLE 4 - WORK SCHEDULE

- 4.1 Establishing and changing the work schedule is a management right. Generally, the regular work schedule shall consist of the "4/10" work schedule: A work day

  
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shall consist of ten (10) consecutive hours including time for lunch when the employee is on call during the lunch period. The Chief of Police has the right to assign an alternate work schedule for employees when assignments, special duties, training, vacations, sick time, and other circumstances preclude the use of the regular work schedule. Absent an emergency, or the circumstances described above, the Employer shall notify the Association in writing, no less than 14 calendar days before a change in the regular work schedule (i.e. 4-10's vs. 5-8s). If the Association provides written notice within the 14 day period that it wishes to discuss the change before it is implemented, then the Employer agrees not to implement the change for 30 more days in order to give sufficient time to confer with the Association.

- 4.2 The parties may, upon mutual consent, meet and discuss alternative work shifts.

#### **ARTICLE 5 - OVERTIME**

- 5.1 Overtime shall be defined as all hours worked beyond forty (40) hours from between 2400 hours on Saturday to 2359 the following Saturday. Hours of work shall include sick leave, vacation, compensatory time, holiday and any other City provided leave. Voluntary shift swapping shall not result in the payment of overtime. Training time shall be considered compensable hours of work. Training time consisting of more than seven (7) hours in a day shall constitute a regular work day for compensation purposes, regardless of whether the time spent is more or less than the regular work day. For example, if the training lasts 7 1/2 hours, the Employee will be compensated for 10 hours if they normally work a 10 hour shift. If the training lasts 11 hours the Employee would be compensated for 10 hours if they normally work a 10 hour shift.
- 5.2 Except as specifically modified herein, the Employees shall be entitled to all of the benefits in the Fair Labor Standards Act.
- 5.3 Employees on their day of rest that are subpoenaed to appear in court on a criminal case, or called back to work, shall be compensated at a minimum of three (3) hours at the overtime rate of pay.
- 5.4 Officers not notified of a cancellation of a scheduled criminal court appearance within twelve (12) hours of the scheduled appearance shall be compensated at a minimum of three (3) hours at the overtime rate of pay, only if they called the Court the day before and were advised that their Court appearance was still required.
- 5.5 Department wide meetings are not subject to the call back minimum set forth above, and Employees required to attend department wide meetings will be paid the appropriate rate of pay for actual time spent in the meeting, with a two hour minimum.. Training for all employees may be conducted during the department meetings.

  
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- 5.6 Any employee, if agreed to by the Employer, may elect to accrue compensatory time off at the rate of time and one-half (1.5) in lieu of overtime payments up to a maximum accumulation of forty (40) hours. Requests to utilize accrued compensatory shall be made to the Chief or their designee. Requests to utilize compensatory time off shall be granted in accordance with the Fair Labor Standards Act.

#### **ARTICLE 6 - HOLIDAYS**

- 6.1 Each full time Employee shall receive 110 hours of holiday time in lieu of holidays. If the City recognizes more than 11 holidays in a year as official holidays, then this allotment shall increase by 10 hours for each additional recognized holiday. The holiday time shall be used before vacation time, and must be used in the calendar year in which it is received. There will be no carry forward of holiday time. This allotment amount shall be prorated for regular part time employees based on the percentage of a fulltime shift that they normally work. An Employee who works on a holiday or any portion therefor shall be compensated at the overtime rate. Provided, if, during the holiday, an Employee is called to duty, he shall be compensated at the double time rate.
- 6.2 For Employees who do not work a full year, their prorated share of holiday time will be based on a percentage of time worked which will be established through the date of employment and determined by the Employer.
- 6.3 An Employee may carry over to the following calendar year up to 40 hours of holiday time.

#### **ARTICLE 7 - VACATIONS**

- 7.1 Vacation shall be given as an additional employment benefit. Vacation may be taken as earned according to the following schedule:

|                                                             |                    |
|-------------------------------------------------------------|--------------------|
| Date of hire through 5 years                                | 8 hours per month  |
| Beginning of 6 <sup>th</sup> through 9 <sup>th</sup> year   | 10 hours per month |
| Beginning of 10 <sup>th</sup> through 15 <sup>th</sup> year | 12 hours per month |
| Beginning of 16 <sup>th</sup> through 19 <sup>th</sup> year | 14 hours per month |
| Beginning of 20 <sup>th</sup> year and thereafter           | 16 hours per month |

Vacation time is accrued from the date of hire, but cannot be used, until successfully completing six (6) months of employment. Accrued vacation shall not exceed 240 hours at any time.

- 7.2 Vacation Bid Process: Employees shall choose vacation by rank and then seniority within the rank. Vacation bidding shall be done at the time of the annual shift bid. Thereafter, vacation shall be scheduled on a "first come – first served" basis. Once scheduled, vacations shall not be cancelled absent an actual



emergency. Only one Employee can be on vacation at any time, unless the Chief of Police determines staffing needs can be adequately met.

7.2.1 Employees shall not be able to bid a vacation on January 1, July 4<sup>th</sup>, Labor Day, Thanksgiving, the day after Thanksgiving or Christmas Day. Provided, nothing prohibits the Department from granting leave on one of those dates by seniority if staffing levels otherwise permit.

- 7.3 Employees shall receive all accrued vacation at the time of termination, provided vacation earned during the year of termination shall be prorated.

### **ARTICLE 8 - SICK LEAVE**

- 8.1 Employees of the police department shall accrue sick leave at the rate of eight (8) hours per month with a maximum accrual of one thousand forty (1,040) hours.
- 8.2 Sickness or disability shall be reported to the department head or the immediate supervisor at least four (4) hours prior to commencement of the employee's workday, or as soon thereafter as practicable. The employee may be required to provide proof of illness. Any employee who utilizes more than three (3) separate work days of sick leave either immediately prior to, or immediately following, their normal weekend (weekly days off) or holiday, may be required to provide a doctor's certificate for every subsequent sick hours taken during the remainder of that year.
- 8.3 Employees noted in 8.1 above are entitled to use sick leave for only a bona fide illness or injury, quarantine due to exposure to contagious diseases, any physical treatment or examination including medical, dental or ocular. Employees may also use sick leave for illness or injury to the employee's spouse or minor child, requiring the employee's attendance and/or care. Employees shall make reasonable attempts to schedule routine medical, dental and vision care appointments during their off-duty time so as to not impact department staffing levels. Emergency and last minute appointments shall be approved by the immediate supervisor not an Association member, or Police Chief.

Sick leave may also be used for parents, including "step", who do not live in the employee's household, under circumstances defined as serious or extreme and/or life threatening.

- 8.4 Employees entitled to sick leave who have exhausted their sick leave accrual may use accrued vacation.
- 8.5 Time off for medical purposes shall be charged against sick leave for actual time used only.
- 8.6 If an employee retires from the City, meeting LEOFF plan requirements, that employee is eligible to cash out 25% of their sick leave balance at their current straight time rate.

## 8.7 Federal Family Medical Leave

Employees who work for the Employer for at least twelve (12) months, and have worked 1250 hours over the previous twelve (12) months are eligible for up to twelve (12) weeks total of paid or unpaid leave per twelve (12) months period for: birth, adoption, or foster care of a child, or a serious health condition of the employee or immediate family member requiring in-patient care or continuing treatment by a health care provider.

8.7.1 An "immediate family member" for purposes of Family Medical Leave is defined as an employee's spouse, child, parents, or any member of the immediate household. A "serious health condition" is an injury, illness, impairment or physical or mental condition that involves in-patient care or continuing treatment by a health care provider. The Employer may require certification from a health care provider for leave based on a serious health condition. The disability portion of pregnancy leave is considered a serious health condition for purposes of the Family and Medical Leave Act. The leave would normally end six (6) weeks after a normal birth or eight (8) weeks after a cesarean section.

8.7.2 Employees must provide the Employer with at least thirty (30) days' notice if possible before taking such leave, or notify the Employer as soon as practicable. Before going on unpaid leave status for the birth, adoption, or foster care of a child or the serious health condition of the employee's spouse, parents or children requiring in-patient care or continuing treatment, an employee is required to use all accrued unused compensatory or personal days and all accrued unused vacation leave. Before going on unpaid leave status for the serious health condition of the employee or the employee's minor child requiring in-patient or continuing treatment, an employee is required to use all unused sick leave, personal leave, compensatory leave, compensatory time off and vacation leave.

8.7.3 As required by law, the Employer shall maintain the employee's health benefits during the FMLA leave to a maximum of twelve (12) weeks. In the event an employee does not return to Employer employment after taking leave under this section, the Employer may recapture the cost of any health insurance premiums paid by the Employer during the unpaid portion of the leave. If the Employee is owed money for any reason at the time the Employee will not be returning to work, then the Employer may withhold the cost of any health insurance premium paid by the Employer during the unpaid portion of the leave. Upon return from such leave, the employee will be reinstated to the employee's former or equivalent position.

8.7.4 The Employer shall notify the Employee when the Employee has commenced the FMLA leave, and the Employee shall first be required to use all accrued sick leave, vacation and holiday benefits before commencing unpaid status leave. This shall also apply to any leave granted by state law in sections 8.8 and 8.9.

- 8.8 Washington State Family Leave. An employee is entitled to twelve (12) work weeks of family leave during any twenty-four (24) month period to: (a) care for a newborn child or adopted child of the employee who is under the age of six (6) at the time of placement for adoption, or, (b) care for a child under eighteen (18) years old of the employee who has a terminal health condition. This twelve (12) weeks allowed by Washington State Law (RCW 49.78) for leave is in addition to leave provided for pregnancy or childbirth. This provision shall automatically be modified by any addition or deletion of benefits contained in said state law, without negotiation of the impacts.
- 8.9 Washington State Family Care Rules. Under this law, employees may use any accrued sick or other paid leave to care for a child with a health condition that requires treatment or supervision, or to care for a spouse, parent, parent-in-law, or grandparent who has a serious health condition or an emergency health condition, and to care for children eighteen (18) years and older with disabilities. (RCW 49.12.265). This provision shall automatically be modified by any addition or deletion of benefits contained in said state law, without negotiation of the impacts.
- 8.10 Employees injured on duty who receive Labor and Industries compensation shall be permitted to sign over the L&I check to the City and receive their regular compensation provided for under the Agreement. Employees shall not exhaust sick leave while on L&I status.
- 8.11 Employees shall be permitted to donate accrued, but unused, sick leave to another employee of the City of Black Diamond in accordance with any program for donating accrued but unused sick leave that is adopted by the City of Black Diamond as a city wide policy.

#### ARTICLE 9 - BEREAVEMENT LEAVE

- 9.1 Bereavement leave shall be granted in accordance with the terms of City Policy 6-004.
- 9.2 Employees may be excused by the Employer to attend the funeral of deceased fellow employees as leave with pay.

#### ARTICLE 10 - JURY DUTY

- 10.1 An employee serving on a jury of a federal, state, or municipal court shall be granted leave from City employment to the extent required by such service, and shall be paid during such leave the difference between his/her regular salary and the amount paid by the Court for such duty. In order to be eligible for such payments, the employee must furnish a written statement from the appropriate public official showing date and time served and the amount of jury pay received. The employee shall submit to the City the money received for such services

performed during City time. This benefit shall be expanded or diminished based upon changes in applicable federal or state law, and the impacts shall not be negotiated.

#### **ARTICLE 11 - OTHER LEAVES**

- 11.1 In the event of a military leave, the Employer abides by the provisions of the State of Washington RCW 38.40.060 which stipulates that employees who are members of the National Guard or Federal Reserve military units are entitled to be absent from their duties up to fifteen (15) calendar days with pay during each calendar year while engaged in the performance of ordered military duty and while going to or from such duty. This benefit shall be expanded or diminished based upon changes in applicable federal or state law, and the impacts shall not be negotiated.
- 11.2 The Employer may grant a regular employee a leave of absence without pay for a period not to exceed ninety (90) days, in the sole discretion of the Employer. No leave of absence without pay shall be granted except upon written request of the employee. Whenever granted, the leave shall be in writing and signed by the Employer, and a copy filed with the department head. Upon expiration of a regularly approved leave without pay, the employee shall be reinstated in the position held at the time leave was granted without loss of seniority status, excepting that the time on leave will be deducted from his total service to determine seniority. Failure on the part of the employee on leave without pay to report promptly at the expiration of the leave shall result in automatic termination of employment. The Employer may, in exceptional circumstances and in its sole discretion extend leave beyond ninety (90) days but reinstatement cannot be guaranteed. The Employee shall be responsible for paying in advance all health insurance premiums during the absence without pay. Failure to do so is grounds for denying the leave of absence.

#### **ARTICLE 12 - SENIORITY**

- 12.1 Seniority is the length of continuous employment of an employee with the Employer in the police department.
- 12.2 Seniority shall be broken only by resignation, discharge, retirement, layoff of more than six (6) months, or failure to return in accordance with the terms of a leave of absence or when recalled from layoff.

#### **ARTICLE 13 - PROMOTIONS, DEMOTIONS AND TRANSFERS**

- 13.1 Promotions, non-disciplinary demotions and transfers will be carried out in accordance with Civil Service Commission rules, regulations and statutes.

#### **ARTICLE 14 - LAYOFFS AND RECALL**

- 14.1 Layoffs will be conducted in reverse order of seniority by rank. Recall from lay-

off shall be done in order of seniority with the most senior employee within rank being recalled first. Seniority shall be defined as the total length of service with the Department. Failure of such employee to report for reinstatement within 10 days of notification of job availability shall result in loss of seniority.

**ARTICLE 15 - HEALTH & WELFARE - DENTAL - VISION - PRESCRIPTION DRUG -  
PENSION - LIFE INSURANCE**

- 15.1 The City shall provide all full time employees and their dependants the option of enrolling in one of two health plans offered by AWC. The first plan is the AWC Plan "B" medical and AWC Plan "A" dental insurance. If the health plans offered by the City allow, the Employee may, at its expense, add vision, orthodontia, or any other benefits offered by the plan that are not covered by the basic medical and dental coverage. The second plan is the AWC sponsored Group Health \$10 co pay plan.
- 15.2 If the employee opts for the Plan B health insurance option then the City shall pay the premium for the employee and the employee's spouse and dependants. For the Agreement term, each employee, as a monthly payroll deduction, shall reimburse the City for a portion of the premium. For the Agreement term the employee shall contribute \$50.00 per month, plus a percentage of any increase in the premiums over the 2009 premium rate in the years 2010, 2011, 2012, 2013 and 2014. The City shall pay ninety percent (90%) of the increase in premium in each of those years over the base rate for the previous year, and the employee shall pay the remaining ten percent (10%) as a monthly payroll deduction.
- 15.3 If the employee opts for the Group Health \$10 co pay option, then the City shall pay the premium for the employee and the employee's spouse and dependants. For the Agreement term, the employee shall contribute, as a monthly payroll deduction, a percentage of any increase in the premiums over the 2009 premium rate commencing with the premium for coverage in January 2010, each in the years 2010, 2011, 2012, 2013 and 2014. The City shall pay ninety percent (90%) of the increase in premium in each of those years over the base rate for the previous year, and the employee shall pay the remaining ten percent (10%) as a monthly payroll deduction.
- 15.4 The City has the right to change health and welfare plans and carriers, but agrees that it shall negotiate the impacts of the changes. If the City anticipates changing a benefit from the plan specified above, it shall give the Association no less than thirty (30) days notice so that the parties may meet and discuss other possible alternatives. The parties acknowledge that the AWC Plan "B" is being terminated in 2011 and thus the parties will negotiate in good faith to find another health plan with similar benefits at the same premium.
- 15.2 For each Employee that is a member of WACOPS the Employer shall pay the annual premium for the life and disability policy offered by WACOPS.



- 15.3 The Employer shall make pension contributions required by statute to the State of Washington, Department of Retirement Systems under the Law Enforcement and Firefighters (LEOFF) Plan.

#### **ARTICLE 16 - DISCIPLINARY PROCEDURES**

- 16.1 The Employer may discipline or discharge an employee for just cause inclusive, but not limited to, those causes set forth in the Civil Service Rules and Regulations.
- 16.2 Disciplinary action or measures may include the following:
- A. Verbal Warning
  - B. Written reprimand
  - C. Reassignment that results in an adverse economic impact
  - D. Suspension without pay
  - E. Demotion
  - F. Discharge
- 16.3 Progressive discipline is generally preferred, but not required, as it is intended to give notice of inappropriate conduct and to afford the Employee an opportunity to improve performance. The level or degree of discipline imposed shall be appropriately based on an employee's prior record of service, length of service, severity of offenses and prior record of discipline. Certain types of conduct do not require progressive discipline, and may justify an initial higher level of discipline, or even immediate discharge.
- 16.4 When the Employer determines the circumstances are such that retention of the employee will likely result in the disruption of Employer services, damage to or loss of Employer property or be injurious to the employee, fellow employees or the services provided by the Employer, the Employer may immediately suspend with pay, depending on the circumstances. In such cases the facts supporting the circumstances will be made available to the employee by the Employer not later than three (3) working days after the action became effective.
- 16.5 The provisions of this article shall not apply to newly hired employees serving a probationary period. Consistent with Civil Service rules, the probationary period shall be twelve (12) months from police academy graduation date, not in any case to exceed eighteen (18) months from date of hire. Probationary employees shall work under the provisions of this agreement but shall be only on a trial basis during which period they may be discharged without cause and without any recourse. Employees on probationary status shall be eligible for the twelve (12) month step increase under conditions cited in Article XXIV, Section 24.2 of this agreement.
- 16.6 The employee and the employee's Association representative with the employee's written authorization shall have the right to inspect the full contents of his/her personnel file. No written reprimand or greater disciplinary document

may be placed in the personnel file without the employee having been first notified of said complaint and given a copy. An employee who disagrees with the validity of any complaint added to the file shall have the opportunity to challenge said complaint under the grievance procedure herein, other than verbal or written reprimands, which shall not be subject to the grievance process. In the case of a written reprimand, the employee may provide a written response, which shall be placed in the personnel file, and only removed at such time that the written response is removed. The employee shall be required to sign the written reprimand or other disciplinary action acknowledging that they have read the contents of the document.

16.7 Records of disciplinary action shall be removed from all City or Department maintained files and permanently destroyed in accordance with the following retention schedule and upon request of the employee:

1. Verbal Warning - Written records of a verbal warning or counseling shall be removed and destroyed after twelve (12) month without a reoccurrence of similar conduct which gave rise to the warning or counseling.
2. Written Reprimand - Written reprimands shall be removed and destroyed after eighteen (18) months without reoccurrence of the same conduct which gave rise to the reprimand.

#### **ARTICLE 17 - UNIFORMS WEAPONS AND EQUIPMENT**

17.1 The Employer will provide each new hire with all department issued and required equipment, including uniforms. The Employee shall be responsible for maintaining all issued equipment and uniforms. All issued equipment shall be returned to the City upon termination of employment.

17.2 Each employee shall be provided a new ballistic vest at least once every five (5) years or whenever the vest has expired.

17.3 For each year of this Agreement, \$650 uniform allowance will be provided to each employee and the allowance can only be used at an approved vendor. The City will pay the vendor directly, up to the amount of unused allowance. The allowance shall be credited to the employee in January of each year. If a piece of equipment or uniform is damaged in the line of duty, it will be repaired or replaced by the City separately, without deduction from the Employee or the uniform allowance.

#### **ARTICLES 18 - GRIEVANCE PROCEDURE**

18.1 The parties hereto recognize the need for fairness and justice in the adjudication of employee grievances and enter into this Agreement in a cooperative spirit to adjust such actions promptly and fairly. If a grievance cannot be resolved through informal means, the grievance will be settled as hereinafter provided.

- 18.2 A grievance is defined as a dispute involving the interpretation, application or alleged violation of any specific provision of this Agreement.
- 18.3 Any party who believes they have a grievance arising out of the terms of this Agreement may, except for arbitration, personally or through a representative, apply for relief under the provisions of this Article. Provided an employee cannot grieve an item unless it is approved first by the Association executive board, and proof of said approval is provided to the City at the time the grievance process is commenced.
- 18.4 The parties agree that the time limitations provided are essential to the prompt and orderly resolution of any grievance, and that each will abide by the time limitations, unless waived or extended by mutual written agreement of the parties to the grievance.
- 18.5 If any party fails to file a grievance within ten (10) working days from the date of the occurrence or knowledge of the occurrence, then said party forever waives and forfeits the grievance as well as any and all rights and remedies relating to said grievance. Failure to timely pursue a grievance to the next step renders final and conclusive the last determination and response. If an employee wishes to have those matters currently addressed under Civil Service Rules and Regulations, inclusive of promotions, demotions, transfers, layoffs, recall and discipline, but not limited thereto, the employee must file a request for an investigative hearing within ten (10) calendar days of the occurrence. Regarding disciplinary actions, the employee may elect to have disciplinary action reviewed by the Civil Service Commission. If the employee elects to have disciplinary action reviewed by the Civil Service Commission then a request for an investigative hearing must be filed with the Commission within ten (10) calendar days from the date of the disciplinary action. The employee must elect to have disciplinary action reviewed either through the grievance procedure or by the Civil Service Commission. An employee is not entitled to review of disciplinary action under both procedures. If the employee elects to pursue matters before the Civil Service Commission then the Civil Service Commission procedures will be applicable and not those of the collective bargaining agreement.
- 18.6 A grievance may be verbally presented by the Association and/or the grieved employee to the Chief or her designee within ten (10) working days from the occurrence or knowledge of the occurrence. The employee shall have the option of being accompanied by his Association representative. The Chief shall respond within ten (10) working days. If the matter is not satisfactorily resolved, then the grievant may initiate a formal written grievance in accordance with the provisions herein below.
- 18.7 The formal grievance procedure shall be as follows:

Step 1:

  
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The grievance shall be presented in written form, stating the specific provision of this Agreement allegedly violated, to the Chief within ten (10) working days from its occurrence or knowledge thereof. Thereafter, the Chief shall respond in writing to the aggrieved employee within ten (10) working days after receipt of the grievance. If the employee elects to have applicable matters reviewed by Civil Service then the employee will need to comply with the provisions set forth in Section 18.5 above.

Step 2:

If the grievance is not resolved to the satisfaction of the concerned parties at Step 1, then within ten (10) working days of the response in Step 1 above, the grievance in written form shall be presented to the Mayor or designee. The Mayor or designee shall schedule a meeting with the employee within fifteen (15) working days from the date of submission and respond within seven (7) working days of the meeting to the employee and Association. The employee has the right to be represented by his Association representative and the department head has the right to be represented by an Employer representative.

Step 3:

A. Final and Binding Arbitration and/or Mediation:

If the grievance has not been resolved at Step 2, the Association or City may refer the unsettled grievances to mediation and/or final and binding arbitration. If the parties refer the matter to mediation then the timelines for final and binding arbitration shall be extended to accommodate the mediation process.

B. Notice - Time Limitations: The Association shall notify the other party in writing by certified mail of submission to mediation or arbitration within twenty (20) days.

C. Arbitrator - Selection: After timely notice, the parties shall establish who the arbitrator will be in the following manner:

1. After timely notice, the parties shall select an impartial arbitrator within thirty (30) days, if possible, after the request is made to arbitrate.

2. If the parties cannot mutually agree on an impartial arbitrator who is able and willing to serve on a timely basis, they will request a list of nine (9) arbitrators who are willing to abide by time limitations. A list of impartial arbitrators shall be furnished by the Public Employment Relations Commission (PERC). The parties shall flip a coin to determine who will strike the first name, following which each will alternately strike one of the names submitted until one (1) name remains. This person will serve as the sole arbitrator subject to the following provisions.

D. Decision - Time Limit: The arbitrator will meet and hear the matter

at the earliest possible date after the selection of said arbitrator. After completion of the hearing, a decision shall be entered within thirty (30) working days or as soon as possible thereafter, unless an extension of time is agreed upon as provided for herein.

E. Limitations - Scope - Power of Arbitrator:

1. The arbitrator shall not have the authority to add to, subtract from, alter, change or modify the provisions of this Agreement.

2. The arbitrator shall only have the power to interpret and apply the specific terms of the Agreement and/or determine whether there has been a violation of the terms of this Agreement.

3. The arbitrator shall also have the authority to receive evidence and question witnesses.

4. The arbitrator shall not have the authority to review or consider appeals carried out pursuant to Civil Service Commission Rules and Regulations.

F. Arbitration Award - Damages - Expenses:

1. Each party hereto shall pay the expenses of their own attorneys, representatives, witnesses, and other costs associated with the presentation of their case. The party that did not substantially prevail shall pay the expenses of the arbitrator.

2. The arbitrator's written award shall be final and binding on all parties.

**ARTICLE 19 - NON-REDUCTION OF WAGES AND WORKING CONDITIONS**

19.1 The parties hereto agree that the wages and working conditions specified in this Collective Bargaining Agreement shall not be modified during the agreement term, except as provided herein or as authorized by law. The Employer may provide additional benefits to the Employees, from time to time, as may be adopted by City ordinance or resolution.

**ARTICLE 20 - STRIKES AND LOCKOUTS**

20.1 The employer and the Association recognize that the public interest requires the efficient and uninterrupted performance of all City services and to this end pledge their best efforts to avoid or eliminate any conduct contrary to this objective. During the term of this agreement, neither the Association nor the Employer shall cause, engage in, or sanction any work stoppage, slowdown, or other interference with City functions. Employees who engage in any of the foregoing actions may be subject to disciplinary action including immediate discharge. No

individual shall receive any portion of his/her salary or benefits as provided by the employer, and in accordance with applicable law, while engaging in activities in violation of this Article.

#### **ARTICLE 21 - ASSOCIATION REPRESENTATION**

- 21.1 An authorized representative of the Association shall have the right, in unpaid status and after obtaining appropriate signed releases from the affected employees, to investigate grievances or conditions at reasonable hours upon first securing permission from the Employer to do so and without interfering with the progress of work. The Association shall advise the Employer, in writing, of the names of their authorized representatives and stewards.

#### **ARTICLE 22 - BULLETIN BOARD**

- 22.1 The Employer shall provide space for a bulletin board of no more than 8 square feet in size, for the Association's use in an area conveniently accessible to bargaining unit employees, solely to be used for the purpose of notifying employees of matters pertaining to Association business. All notices shall be signed by a representative of the Association who is authorized by the Association to approve Association notices. The Board shall be properly maintained, in a neat and safe manner, by the Association.

#### **ARTICLE 23 - NON-DISCRIMINATION**

- 23.1 The Employer agrees that they will not discriminate against any employee because of lawful Association activity.
- 23.2 Neither the Association nor the Employer, in carrying out their obligation under this agreement, shall not unlawfully discriminate in matters of hiring, training, promotion, transfer, layoff, discharge, or otherwise because of race, color, creed, national origin, gender, age, marital status, disability or religion.
- 23.3 All references to employees in this Agreement designate both sexes, and wherever the male gender is used, it shall be construed to include male and female employees.

#### **ARTICLE 24 - WAGES**

- 24.1 The Employees shall be paid the base wage set forth in Appendix A, as adjusted from time to time by the operation of sections 24.2.
- 24.2 Effective January 1, 2009, employees in the bargaining unit will receive wage increases of 5% of their base wage rate set forth in Appendix A. Effective January 1, 2010, employees in the bargaining unit will receive a wage increase equal to 80% of the increase of the Seattle CPI-U for July (first half) of 2008 to July of 2009, with not less than 3% nor more than 6% increase in the base

wage. Thereafter the base wage shall be adjusted each January of the Agreement term in the same manner with the same terms and using the same index, except the base year for determining the increase shall adjust to July to July of the previous year. The parties agree that the wages set forth in Appendix A, as modified by the cost of living adjustments set forth in this paragraph, shall be reevaluated in August 2010, and August 2012 to assure that the wages remain competitive with departments in comparable Cities.

- 24.3 All bargaining unit employees shall receive an education incentive added to the base pay equal to 2% for an Associate Arts Degree or 4% for a Bachelor Degree and 6% for a Masters degree.
- 24.4 Employees assigned by the chief to act as a Field Training Officer or full time Detective shall be paid an additional premium of three percent (3%) of the base rate of pay each month. There shall be no pyramiding of premium pays, and the FTO premium pay shall only apply during actual training time.
- 24.5 The K-9 Officer shall receive one-half hour release time from each shift and one-half hour of pay or compensatory time off on each day off for compensation for the at home care and feeding of the dog.

#### **ARTICLE 25 - SEPARABILITY**

- 25.1 In the event that any provision of this agreement shall at any time be declared invalid by a final judgment of any court of competent jurisdiction, or through a final decree of a government, state or local body, such decision shall not invalidate the entire agreement, it being the express intention of the parties hereto that all other provisions not declared invalid shall remain in full force and effect. The parties agree that any invalid provision of this agreement shall be modified through negotiations to comply with the existing regulations or laws.

#### **ARTICLE 26 - MILEAGE ALLOWANCE**

- 26.1 All employees required by the cognizant department head to use their private cars for official departmental business, shall be compensated at the rate provided by ordinance or resolution, or as the same may be amended or substituted.

## **ARTICLE 27 – TAKE HOME CARS**

- 27.1 Employees shall be provided their assigned regular patrol vehicle as a take home vehicle, subject to the rules and regulations, including amendments there to, that are adopted by the Chief of Police. Each employee will be required to sign, prior to receiving a take home vehicle, an agreement with the City that they will comply with the adopted rules and regulations and failure to do so may result in losing the take home car privilege. If the take home car privilege is taken away from an officer, only whether or not a violation of the adopted rules and regulations has occurred will be subject to the grievance process.

## **ARTICLE 28 - CONFLICT OF CONTRACT AND ORDINANCE**

- 28.1 The rules and regulation of the Black Diamond Civil Service Commission shall govern unless specifically superseded by the terms and conditions of the Agreement.

## **ARTICLE 29 - MANAGEMENT RIGHTS**

- 29.1 Except as expressly modified or restricted by a specific provision of this Agreement or applicable Civil Service Regulations, all statutory and inherent managerial rights, prerogatives, and functions are retained and vested exclusively in management. This shall include, but is not limited to the right in its sole and exclusive judgment and discretion to; 1) take whatever action is either necessary or advisable to determine, manage and fulfill the mission of the department or the City; 2) to discipline employees for cause; 3) to determine the number of employees to be employed and the appropriate staffing levels; 4) to conduct job analysis and performance; 5) to determine the duties, task, responsibilities and essential functions of each job; 6) to hire employees; 7) to determine employee qualifications and to assign and direct their work; 8) to evaluate employee's performance; 9) to promote, demote, transfer, lay off, recall to work, and retire employees; 10) to set productivity standards; 11) to set reasonable fitness standards; 12) to maintain the efficiency of operations; 13) to set working schedules, add or delete shifts, and determine the shift to be worked; 14) to determine the personnel, methods, means and facilities by which operations are conducted; 15) to contract for goods and \or services; 16) to expand, reduce, alter, combine, transfer, assign, or cease any job, department, operation or service; 17) to control and regulate the use of facilities, equipment, and other property of the department; 18) to introduce new or improved equipment, materials, or methods; and 19) to issue, amend, revise and delete policies, rules, regulations, general orders, administrative directives and practices.
- 29.2 The Employer's failure to exercise any right reserved to it in section 29.1, or its exercise of the right in a particular way, shall not be considered a waiver of the right, or a limitation of its exercise of the right in some other way not in conflict with the express provisions of this Agreement. There shall be no prevailing right of the Association or the Employee to any particular way a management right has



been exercised in the past, or a benefit has been administered, except as expressly set forth in this Agreement.

### ARTICLE 30 – BILL OF RIGHTS

- 30.1 Subject to the provisions of this Agreement and except as otherwise provided, employees have the right to use the grievance procedure contained herein to protect their rights as set forth in this Agreement.
- 30.2 All employees within the bargaining unit shall be covered by the following rules and regulations. The powers and duties of law enforcement officers involve them in many contacts with members of the public and questions are bound to arise as to the nature of such contacts, which questions require immediate investigation by superior officers who have been authorized to make such investigations by the Chief of Police.

Such investigations shall be conducted under the following general guidelines:

30.2.1 When a permanent, non-probationary employee is the subject of a formal internal investigation by the Black Diamond Police Department, prior to any interview of the employee, the employee shall be advised of the general nature of the inquiry of and whether he or she is suspected of (1) committing a criminal offense; (2) misconduct that would be grounds for termination, demotion, suspension, or other disciplinary actions; (3) that the employee may not be qualified for continued employment with the Department. All interviews shall be conducted in a manner consistent with due process rights granted by law. The officer shall not thereafter contact the citizen or witnesses without prior written permission of the Chief of Police.

30.2.2 If the Chief of Police determines that the officer should be questioned about the allegation, such questioning shall be done as soon as practicable. Unless an emergency is thought by the Chief of Police to exist, such questioning shall be while the member is on duty and during the daytime, if possible.

30.2.3 Questioning of the officer shall be with full regard to his constitutional rights. If the allegations amount to a charge that the officer is guilty of a crime, he shall be fully advised of his rights under the Miranda decision. The employee shall have the right to retain an attorney of his own choosing, (at no expense to the City of Black Diamond). Such attorney (and/or a representative of the Association) shall have the right to be present during any questioning.

30.2.4 An employee who is the subject for a formal investigation shall have a right to make copies of any statement he or she has signed pertaining to the investigation and shall be entitled to a copy, at its expense, of any recording of an interview of the employee.

30.2.5 It is understood that under state law, no officer may be required to take any lie detector test as a condition of continued employment, though he may

request a polygraph test. If one is requested by the employee, and the Employer consents to the polygraph of the employee, it shall be taken by an independent agency chosen by the Chief of Police, after consultation with the Association, at the Employee's expense.

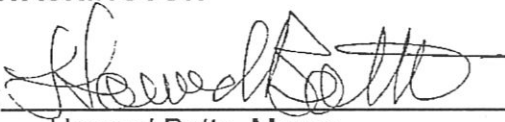
### ARTICLE 31- LIABILITY INSURANCE

- 31.1 The Employer agrees to either provide insurance coverage on behalf of the employees or provide liability defense for employees or a combination thereof in order to reasonably protect and indemnify employees from liability to third parties resulting from employees negligently performing duties within the scope of employment provided, however, such coverage will not protect the employee from their intentional and/or malicious tortious acts or assaults. Subject to the provisions of this Article, the coverage will include reasonable attorney's fees incurred by attorneys chosen by the City and reasonable costs connected with lawsuits.
- 31.2 The Drug and Alcohol Policy and procedures mutually agreed on by the parties is hereby incorporated by reference as though it were set out specifically and completely in this Agreement. Said policies and procedures are a part of this Agreement.

### ARTICLE 32 - TERMINATION AND RENEWAL

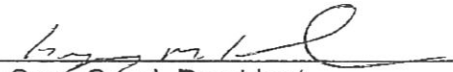
- 32.1 This agreement shall be in full force and effect from August 31, 2008 until August 30, 2014.

**CITY OF BLACK DIAMOND,  
WASHINGTON**

By:   
Howard Botts, Mayor

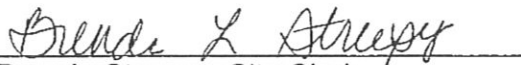
Date: 3-19-09

**BLACK DIAMOND POLICE  
OFFICERS ASSOCIATION**

By:   
Greg Goral, President

Date: 3/14/2009

Attest:

  
Brenda Streepy, City Clerk



## APPENDIX A

**Effective August 31, 2008**

|                        | Step 1   | Step 2   | Step 3   | Step 4   | Step 5   |
|------------------------|----------|----------|----------|----------|----------|
| <b>Police Officer</b>  | 4,138.00 | 4,638.00 | 5,138.00 | 5,638.00 | 6,112.00 |
| <b>Police Sergeant</b> | 6,811.00 | 7,194.00 | N/A      | N/A      | N/A      |

An officer's wage shall be increased to the next step on his employment anniversary date and upon a satisfactory performance evaluation. Provided, as to the employees employed by the City on the Agreement's effective date, all of whom are listed below, their salary shall remain at the rate set forth below (plus the 5% wage increase commencing January 1, 2009), until their anniversary date, at which time their salary shall be increased to the above listed step that is above their current salary.

|                        | August 2008 Wage |
|------------------------|------------------|
| <b>Greg Goral</b>      | 6,112.00         |
| <b>Kris Chatterson</b> | 6,112.00         |
| <b>Tim Macdonald</b>   | 5,425.00         |
| <b>Ed Volpone</b>      | 4,924.00         |
| <b>Eric Weinreich</b>  | 5,644.00         |
| <b>Justin Cripe</b>    | 4,924.00         |
| <b>Brian Lynch</b>     | N/A              |

| NAME            | CURRENT STEP           | CURRENT PAY EFFECTIVE AS OF 1/1/2009 | ANNIVERSARY DATE | NEW PAY SCALE STEP     | NEW PAY EFFECTIVE AS OF 4/1/2009 |
|-----------------|------------------------|--------------------------------------|------------------|------------------------|----------------------------------|
| Greg Goral      | Police Sergeant Step 1 | \$ 6,749.00                          | 10/1/2009        | Police Sergeant Step 1 | \$ 7,152.00                      |
| Kris Chatterson | Senior Officer Step 5  | \$ 6,418.00                          | 4/8/2009         | Police Officer Step 5  | \$ 6,418.00                      |
| Tim Macdonald   | Senior Officer Step 3  | \$ 5,926.00                          | 2/18/2009        | Police Officer Step 4  | \$ 5,926.00                      |
| Ed Volpone      | Senior Officer Step 1  | \$ 5,466.00                          | 11/1/2009        | Police Officer Step 3  | \$ 5,466.00                      |
| Eric Weinrich   | Senior Officer Step 4  | \$ 6,157.00                          | 5/20/2009        | Police Officer Step 4  | \$ 6,157.00                      |

|              |                       |             |            |                       |             |
|--------------|-----------------------|-------------|------------|-----------------------|-------------|
| Justin Cripe | Police Officer Step 5 | \$ 5,345.00 | 12/17/2009 | Police Officer Step 3 | \$ 5,395.00 |
| Brian Lynch  | Senior Officer Step 4 | \$ 6,157.00 | 9/17/2009  | Police Officer Step 4 | \$ 6,157.00 |

The following should be effective 4/1/09;

Chatterson will stay at his current pay (Top Step)

Goral will go to new Step 1 of Sergeant Pay

Macdoanld will stay at his current pay (\$5926), but be considered in new Step 4 for future anniversary increase.

Volpone will stay at his current pay (\$5466), but be considered in new Step 3 for future anniversary increase.

Weinreich will stay at his current pay (\$6157), but be considered in new Step 4 for future anniversary increase.

Cripe will be put into new Step 3 (\$5395)

Lynch will stay at his current pay (\$6157), but be considered in new Step 4 for future anniversary increase.

The 3 new hires will be in new Step 1 (current pay)

# CITY COUNCIL AGENDA BILL

City of Black Diamond  
Post Office Box 599  
Black Diamond, WA 98010

| ITEM INFORMATION                                                                                                                                                                                                                                                   |                                       |             |                 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|-------------|-----------------|
| <b>SUBJECT:</b><br><br><b>Resolution No. 10-726, authorizing the Mayor to execute an amendment to the Interlocal Agreement between King County and the City for Jail Services, lowering the 2011 rates</b>                                                         | <b>Agenda Date: December 16, 2010</b> |             | <b>AB10-107</b> |
|                                                                                                                                                                                                                                                                    | Department/Committee/Individual       | Created     | Reviewed        |
|                                                                                                                                                                                                                                                                    | Mayor Rebecca Olness                  |             | X               |
|                                                                                                                                                                                                                                                                    | City Administrator –                  |             |                 |
|                                                                                                                                                                                                                                                                    | City Attorney                         |             |                 |
|                                                                                                                                                                                                                                                                    | City Clerk – Brenda L. Martinez       |             | X               |
|                                                                                                                                                                                                                                                                    | Finance – May Miller                  |             |                 |
|                                                                                                                                                                                                                                                                    | Public Works – Seth Boettcher         |             |                 |
|                                                                                                                                                                                                                                                                    | Economic Devel. – Andy Williamson     |             |                 |
|                                                                                                                                                                                                                                                                    | Police – Chief Kiblinger              | X           |                 |
| Cost Impact: Unknown                                                                                                                                                                                                                                               | Court – Stephanie Metcalf             |             |                 |
| Fund Source: General Fund                                                                                                                                                                                                                                          |                                       |             |                 |
| Timeline:                                                                                                                                                                                                                                                          |                                       |             |                 |
| <b>Attachments: Resolution NO. 10-726, Amendment to Interlocal Agreement</b>                                                                                                                                                                                       |                                       |             |                 |
| <b>SUMMARY STATEMENT:</b><br><br><p>The amended Interlocal agreement for jail services with King County was passed in May of 2010.</p> <p>This amendment lowers the 2011 rates by changing the extension contract methodology for calculating 2011 rates only.</p> |                                       |             |                 |
| <b>COMMITTEE REVIEW AND RECOMMENDATION:</b>                                                                                                                                                                                                                        |                                       |             |                 |
| <b>RECOMMENDED ACTION: MOTION to adopt Resolution No. 10-726, authorizing the Mayor to execute an amendment to the Interlocal Agreement between King County and the City for Jail Services, lowering the 2011 rates.</b>                                           |                                       |             |                 |
| RECORD OF COUNCIL ACTION                                                                                                                                                                                                                                           |                                       |             |                 |
| <i>Meeting Date</i>                                                                                                                                                                                                                                                | <i>Action</i>                         | <i>Vote</i> |                 |
| December 16, 2010                                                                                                                                                                                                                                                  |                                       |             |                 |
|                                                                                                                                                                                                                                                                    |                                       |             |                 |
|                                                                                                                                                                                                                                                                    |                                       |             |                 |

**RESOLUTION NO. 10-726**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
BLACK DIAMOND, KING COUNTY, WASHINGTON,  
AUTHORIZING THE MAYOR TO EXECUTE AN  
AMENDMENT TO THE AGREEMENT FOR JAIL SERVICES  
WITH KING COUNTY.**

**WHEREAS**, currently the City of Black Diamond contracts with King County for jail services through 2016; and

**WHEREAS**, King County determined that the interlocal agreement should be modified in order to further clarify payment obligations of the cities, thereby lowering the 2011 rates;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, DOES RESOLVE AS FOLLOWS:**

**Section 1.** The Mayor is hereby authorized to execute an Amendment to the Interlocal Agreement between King County and the City for Jail Services with King County through 2016, lowering the rate for 2011 only, substantially in the form attached hereto as Exhibit A.

**PASSED BY THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 16TH DAY OF DECEMBER, 2010.**

CITY OF BLACK DIAMOND:

\_\_\_\_\_  
Rebecca Olness, Mayor

Attest:

\_\_\_\_\_  
Brenda L. Martinez, City Clerk

Amendment to Interlocal Agreement for Jail Services

WHEREAS, on November 1, 2002, King County and the City of Black Diamond (the "City") entered into an Interlocal Agreement for the provision of jail services; and

WHEREAS, on May 1, 2010, King County and the City entered into an agreement that amended the November 1, 2002 jail services agreement; and

WHEREAS, King County and the City have determined that the May 1, 2010 agreement should be modified in order to further clarify City payment obligations as set forth herein;

NOW, THEREFORE, King County and the City agree that the May 1, 2010 Amendment to Interlocal Agreement Between King County and the City of Black Diamond for Jail Services is amended as follows:

1. **Exhibit III B (REVISED FEE PERIOD)** is modified in part as follows:

Subsection 5 (INFLATORS AND RE-SETS OF FEES AND CHARGES)

a. All fees and charges, excluding Offsite Medical Care Charges and the Capital Expenditure Charge components of the maintenance charge and WER Charge, shall be annually inflated by the percentage rates described below, effective January 1 of each calendar year starting January 1, 2011, in order to determine the final rates and charges for said calendar year, subject further to re-set of the underlying "base rates" periodically as described in subsection 5.b below.

**Non-Medical Charges:** the following fees and charges are subject to an annual inflator of 5%, (except for calculations requiring inflation of 2009 costs for purposes of determining 2010 costs, 2009 non medical costs shall be subject to an annual inflator of 3%) unless otherwise specified in Subsection 5.b below:

- i. Maintenance Charge
- ii. WER Charge
- iii. Reduced Booking Fee and Standard Booking Fee
- iv. Acute Psychiatric Housing Surcharge
- v. 1:1 Guarding.

**Medical Charges:** the following fees and charges are subject to an annual inflator of 6.5%, (except for calculations requiring inflation of 2009 costs for purposes of determining 2010 costs, 2009 non medical costs shall be subject to an annual inflator of 5%) unless otherwise specified in Subsection 5.b below:

- i. Infirmary Care Surcharge
- ii. Psychiatric Care Surcharge.

b. **Attachment III-1** shows the allocation of 2007 **Actual Jail Costs** to derive the 2007 fees and charges. As indicated on Attachment III-1, these 2007 fees and charges were then inflated as described in subsection 5.a above in order to calculate the fees and charges applicable in 2010 as set forth above in Sections B.1, Maintenance Charge, B. 2, Booking Fees, B.3, Surcharges, and B.4, Offsite Medical Care Charges (*excluding the Capital Expenditure Charge which will be a periodically adjusted component added to the maintenance charge and WER Charge*). Fees and charges payable by the City shall be re-calculated each year based on Actual Jail Costs periodically recalculated, using the same allocation methodology as illustrated in Attachment III-1, and applying the inflators described in subsection 5.a, as follows (*excluding the Capital Expenditure Charge which will be a periodically adjusted component added to the maintenance charge and WER Charge*):

i. Fees and Charges in 2011 shall be based on **Actual Costs** for 2009, inflated as follows~~per subsection 5.a above~~. Thus, ~~the~~ The 2009 Actual Jail Costs will be used to derive the set of 2009 base charges and fees in a manner consistent with the calculations in Exhibit III-I, except that the total number of maintenance days, WER maintenance days, bookings, maintenances days for the Infirmary, maintenance days for inmates receiving Psychiatric Care Services, and maintenance days for Acute Psychiatric Housing will be calculated by averaging the actual numbers for 2007, 2008, and 2009. These charges and fees will be inflated by ~~the 2009 inflators (3% for non-medical fees and charges, and 5% for medical charges) described in subsection 5.a above to derive the 2010 charges and fees, and then these charges and fees will be inflated again by at the rates described in subsection 5.a (5% for non-medical fees and charges, and 6.55% for medical charges)~~ to determine the 2011 fees and charges.

ii. Fees and Charges in 2012 shall be ~~determined by inflating the 2011 charges and fees by the inflators described in subsection 5.a above (5% for non-medical fees and charges, 6.5% for medical charges)~~ based on Actual Costs for 2009, inflated as follows. Thus, the 2009 Actual Jail Costs will be used to derive the set of 2009 base charges and fees in a manner consistent with the calculations in Exhibit III-I. These charges and fees will be inflated by the 2009 inflators (3% for non-medical fees and charges, 5% for medical charges), will be inflated by the 2010 inflators at the rates described in subsection 5.a (5% for non-medical fees and charges, 6.5% for medical charges), and will be inflated by the 2011 inflators at the rates described in subsection 5.a (5% for non-medical fees and charges, 6.5% for medical charges) to determine the 2012 fees and charges.

iii Fees and Charges in 2013 shall be based on **Actual Jail Costs** for 2011, inflated per subsection 5.a above (e.g., the 2011 Actual Jail Costs will be used to derive the set of 2011 base charges and fees in a manner consistent with the calculations in Exhibit III-1; these charges and fees shall be

inflated by 5%, or 6.5% , per paragraph a above, to derive the 2012 charges and fees, and those charges and fees will be inflated again by 5% or 6.5% (per subsection 5.a) to determine the 2013 fees and charges).

iv. Fees and Charges in 2014 shall be determined by inflating the 2013 charges and fees by the inflators described in subsection 5.a above.

v. Fees and Charges in 2015 shall be based on **Actual Jail Costs** for 2013, inflated per subsection 5.a above (e.g., the 2013 Actual Jail Costs will be used to derive the set of 2013 base charges and fees in a manner consistent with the calculations in Exhibit III-1; these charges and fees shall be inflated by 5% or 6.5% per subsection 5.a above, to derive the 2014 charges and fees, and those charges and fees will be inflated by 5% or 6.5% per subsection 5.a above to determine the 2015 fees and charges).

vi. Fees and charges in 2016 shall be determined by inflating the 2015 charges and fees by the inflators described in subsection 5.a above.

**Actual Jail Costs** means the direct and indirect costs related to operating the Jail, including without limitation health services, as determined by the County's budget reconciliation completed after the end of each calendar/budget year.

2. Except as otherwise expressly provided above, the May 1, 2010 Amendment to Interlocal Agreement Between King County and the City of Black Diamond for Jail Services remains in effect without revision.

3. This amendment shall be effective January 1, 2011.

For King County

For the City of Black Diamond

\_\_\_\_\_  
Dow Constantine  
King County Executive

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

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

Approved as to form:

Approved as to form:

\_\_\_\_\_  
King County  
Deputy Prosecuting Attorney

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date



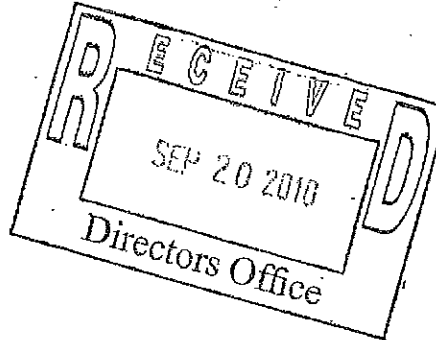


## King County

King County Executive  
401 Fifth Avenue, Suite 800  
Seattle, WA 98104-1818

206-263-9600 Fax 206-296-0194  
TTY Relay: 711  
www.kingcounty.gov

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CLERK  
KING COUNTY COUNCIL



The Honorable Bob Ferguson  
Chair, King County Council  
Room 1200  
COURTHOUSE

September 16, 2010

Dear Councilmember Ferguson:

Earlier this year, the County and 24 cities approved a jail services interlocal agreement (JSA) that established a new jail fee structure and methodology for calculating fees. The 2011 jail services fees calculated based on this new methodology unexpectedly resulted in substantial increases in fees for 2011 as compared to 2010. In response, the County engaged with the cities on the Jail Advisory Group (JAG) to quickly develop a short-term modification to the 2011 fee-setting methodology that would result in lowering the 2011 increases in most jail services fees by between 40 percent and 60 percent. With this letter, I am transmitting an ordinance that will amend the adopted JSA to incorporate this modification to the fee-setting methodology for 2011 only. The County and JAG have also agreed to work on longer-term solutions for fees for 2012 and beyond that address the need for predictability, affordability, and fair sharing of costs. Council adoption of this proposed ordinance will support these and other ongoing efforts by the County to forge a partnership with the cities regarding both the near-term provision of jail beds and the effective management of jail population and capacity over the long term.

### 2011 Fee Methodology

The JSA requires resetting the jail service fees every two years. For 2011, the methodology involves dividing the 2009 actual jail costs by the 2009 actual jail population to derive each of the jail service fees. These base calculations then are increased by inflation rates established in the JSA to arrive at 2011 fees.

Following this methodology, the Department of Adult and Juvenile Detention (DAJD) calculated the preliminary jail services fees for 2011 and discovered substantial increases over 2010. DAJD moved quickly to discuss these increases with the JAG. Based on these discussions, it became evident that a major factor driving the fee increases was the unanticipated sharp decline in jail population in 2008 and 2009. The cities and DAJD also discussed steps taken to manage jail costs in response to this decline and the increasing complexity of the jail population.



## Two-Step Approach for Moving Forward

With budget deadlines approaching for 2011, as a first step the County worked with the JAG to develop a modification to the JSA's 2011 fee-setting methodology. To lessen the impact of the unanticipated sharp decline in the 2009 jail population on 2011 jail fees, the proposed modification is to use a three-year average of jail population (2007-2009) instead of one year (2009) as required in the adopted JSA. The County and the JAG also propose reducing the JSA's 2011 inflation rates for the fees. Specifically, the attached ordinance would make the following two technical modifications to the 2011 fee-setting methodology in the adopted JSA:

1. Substitutes actual 2009 jail population with the average of the actual jail population for three years – 2007, 2008, and 2009.
2. Decreases the annual inflation rates applied to the fees for 2011 from 5 percent (non-medical) and 6.5 percent (medical) to 3 percent (non-medical) and 5 percent (medical).

The following chart shows the 2011 jail services fees under the adopted JSA and the 2011 fees under the proposed modifications to the fee-setting methodology. It also shows how the fee structure under the 2002 JSA compares to the current adopted JSA that went into effect mid-year 2010.

**2010 and 2011 Jail Services Fees  
Under 2002 JSA, 2010 JSA, and with Proposed Modifications**

| <b>Description</b>                                           | <b>2010 Fees<br/>Jan – Oct<br/>(2002<br/>JSA)*</b> | <b>2010 Fees<br/>Nov – Dec<br/>(2010 JSA)*</b> | <b>2011 Fees<br/>(2010 JSA, as<br/>adopted)</b> | <b>2011 Fees<br/>(2010 JSA,<br/>with proposed<br/>modifications)</b> |
|--------------------------------------------------------------|----------------------------------------------------|------------------------------------------------|-------------------------------------------------|----------------------------------------------------------------------|
| Daily Maintenance Charge                                     | \$122.24                                           | \$110.52                                       | \$129.60                                        | \$119.62                                                             |
| Standard Booking Fee                                         | \$233.58                                           | \$341.82                                       | \$430.21                                        | \$380.21                                                             |
| Reduced Booking Fee                                          | NA                                                 | \$288.93                                       | \$354.14                                        | \$313.74                                                             |
| Work/Education Release                                       | \$122.24                                           | \$83.17                                        | \$82.86                                         | \$80.19                                                              |
| <b>Surcharges**:</b>                                         |                                                    |                                                |                                                 |                                                                      |
| Infirmary Care                                               | NA                                                 | \$160.89                                       | \$213.85                                        | \$182.86                                                             |
| Psychiatric Care                                             | NA                                                 | \$65.90                                        | \$70.13                                         | \$68.57                                                              |
| Acute Psychiatric Housing<br>(including Psychiatric<br>Care) | NA                                                 | \$220.54                                       | \$259.58                                        | \$240.92                                                             |
| 1 on 1 Guarding - Hourly<br>Rate per Officer                 | NA                                                 | \$54.95                                        | \$57.42                                         | \$56.33                                                              |

\*Note that the fees for the 2010 JSA went into effect on different dates. The above chart reflects the dates for all cities except the City of Seattle. The new 2010 fees went into effect on June 1st for the City of Seattle.

\*\*Surcharges are added to the Daily Maintenance Charge for inmates in specialized care.

Even with adoption of the proposed ordinance, without further modification to the JSA substantial increases in fees will occur in 2012. Therefore, the second step in our approach is to resume discussions with the JAG in the near future to consider solutions for 2012 and beyond. In addition to addressing the issue of 2012 fee increases, these upcoming discussions are an opportunity to build on the progress made in 2010 to address the 2011 rates and to develop a cooperative approach to jail planning and management across the region. On May 13<sup>th</sup>, I was joined by leaders from cities and the King County Council to announce a proposed framework that includes launching a regional jail planning and management group and providing County beds to cities through 2020, thereby ending the siting process that had been underway by the North/East cities (NEC) for a new misdemeanor jail in the northern half of the county.

The vision underlying our progress in 2010 is that, through strong cooperation among entities operating jails and cities contracting for jail beds, we can together meet this region's jail needs far into the future. I believe the County can play a vital role in this future, but to do so requires developing with our partners approaches that provide for greater predictability of fees and capacity into the future, along with the fair sharing of risks and costs. We need to work with the County Council and the cities to review our fee structure and remain an affordable and accessible resource for the region.

### **Changes in the County's Jail Population**

Since the sharp decline in jail population in 2008 and 2009 is the major factor leading to the increase in 2011 fees under the current JSA, I want to take this opportunity to highlight in more detail these changes in the jail population and the steps we are taking to respond to those changes and reduce costs, while maintaining a safe and secure facility.

In 2007, a nationally-renowned detention population forecasting expert, assisted by local criminal justice officials, predicted a continued steady increase in the County's jail population. The steep and sudden drop in the jail population in 2008 and 2009 came as a surprise to experts and policy makers. Once it became apparent the drop in population was persisting, this change brought an unexpected and welcome benefit. It suggests that the County will have capacity through 2020 to support a portion of the projected jail needs of the North/East Cities (NEC) from 2017-2020. As noted above, this contributed to the NEC ending the process for siting and building a new misdemeanor jail in the northern half of the county.

The other consequence of the sudden drop in the jail population was its impact on jail costs. As the jail population dropped in 2008 and late 2009, DAJD responded by closing the equivalent of six housing units, and the County saved \$1.8 million in its 2010 budget for adult secure detention by keeping 22 jobs vacant. However, these reductions were offset by several cost pressures:

- Like other County agencies, DAJD has had inflationary cost increases. These include salary-related increases and certain supplies and service increases.
- DAJD has also faced increases in operating demands outside of the housing units, with attendant increases in costs. These include increases in hospital guarding,

implementation of the Department of Justice recommendations under the County's Settlement Agreement with them, and increases in special populations, such as inmates in psychiatric and acute medical housing.

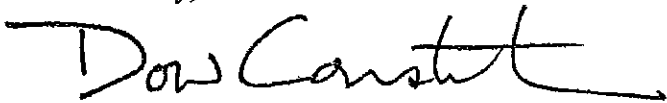
- Similar to the experience of other criminal justice agencies, as DAJD deals with a more complex population, the housing of inmates and the maintenance of a safe facility for both inmates and employees becomes more challenging. This change to a more complex population has limited DAJD's ability to close as many housing units and still maintain a safe and secure facility as the decline in the jail population might suggest.

Given the County's financial challenges, DAJD along with other County agencies has been examining ways to reduce costs. For DAJD, any cost reductions must be consistent with the priority in the King County Strategic Plan to "operate secure and humane detention facilities," which includes taking into account the increasing complexity of the jail population. DAJD must also be able to respond to the needs of the courts, law enforcement, and other criminal justice partners. Later this month, I will transmit my proposed 2011 budget which will include difficult but necessary measures to reduce DAJD's costs consistent with these priorities.

The King County Strategic Plan also calls for maintaining "adequate levels of secure detention for violent and repeat offenders." Accomplishing this priority for our region in a manner that limits the burden on taxpayers requires cooperation across all of our partners -- those who operate jails and those who contract for them. The County and cities have taken important strides towards this end in 2010 and I look forward to working with the Council in shaping the County's role into the future. As the next step in continuing this work, I urge your support for the attached ordinance.

If you have any questions, please contact Hikari Tamura, Acting Director, Department of Adult and Juvenile Detention, at 206-296-1268.

Sincerely,



Dow Constantine  
King County Executive

Enclosures

cc: King County Councilmembers

ATTN: Tom Bristow, Chief of Staff

Anne Noris, Clerk of the Council

Hikari Tamura, Acting Director, Department of Adult and Juvenile Detention (DAJD)

Carrie Cihak, Strategic Initiatives Director, King County Executive's Office (KCEO)

Gail Stone, Law and Justice Policy Advisor, KCEO

Dwight Dively, Director, Office of Management and Budget (OMB) and Office of

Strategic Planning and Performance Management (OSPPM)

Michael Gedeon, Supervising Senior Policy Analyst, OSPPM

## FISCAL NOTE

|                                                        |                                          |
|--------------------------------------------------------|------------------------------------------|
| Ordinance/Motion No.                                   |                                          |
| Title: Jail Services Agreement Revised Rates Amendment |                                          |
| Affected Agency and/or Agencies:                       | Department of Adult & Juvenile Detention |
| Note Prepared By:                                      | Jo Anne Fox                              |
| Note Reviewed By:                                      | Krista Camenzind                         |

Impact of the above legislation on the fiscal affairs of King County is estimated to be:

| Revenues to:    | General Fund, Department 0910 |                               |                                  |
|-----------------|-------------------------------|-------------------------------|----------------------------------|
|                 | 2010 Adopted <sup>2</sup>     | Preliminary 2011 <sup>1</sup> | Proposed 2011 Final <sup>1</sup> |
| Seattle         | 11,664,372                    | 14,165,079                    | 13,506,272                       |
| Suburban Cities | 5,650,406                     | 7,239,120                     | 6,890,398                        |
| Total           | 17,314,778                    | 21,404,199                    | 20,396,670                       |

| Fees                     | 2010 Adopted <sup>2</sup> | Preliminary 2011 <sup>1</sup> | Proposed 2011 Final <sup>1</sup> |
|--------------------------|---------------------------|-------------------------------|----------------------------------|
| Daily Maintenance        | \$122.24 / \$110.52       | \$129.60                      | \$119.62                         |
| Standard Booking         | \$233.58 / \$341.82       | \$430.21                      | \$380.21                         |
| Reduced Booking          | \$233.58 / \$288.93       | \$354.14                      | \$313.74                         |
| Work/Education Release   | \$122.24 / \$83.17        | \$82.86                       | \$80.19                          |
| <b>Surcharges:</b>       |                           |                               |                                  |
| Infirmity Care           | NA / \$160.89             | \$213.85                      | \$182.86                         |
| Psychiatric Care         | NA / \$65.90              | \$70.13                       | \$68.57                          |
| Acute Psychiatric Care   | NA / \$220.54             | \$259.58                      | \$240.92                         |
| 1 on 1 Hospital Guarding | NA / \$54.95              | \$57.42                       | \$56.33                          |

**Assumptions:**

- Preliminary 2011 rates are based on the rate model in the 2009 Jail Services Extension Agreement that was transmitted earlier this year. Proposed 2011 Final rates are those included in the current JSA revised rate transmittal, to amend rates for 2011 only.
- 2010 Adopted revenues and rates are in effect on different dates for different cities. Old rates are based on the 2002 contract. New rates go into effect June 1, 2010 for Seattle and November 1 for all other extension cities.
- Surcharges are *in addition to* daily maintenance rates. Estimated 2011 usage (maintenance, booking and specialty beds) is based on 2010 1st quarter actual billables. It was anticipated that the higher rates in the Preliminary 2011 rate model would have resulted in lower usage; however, because the exact reduction is unknown it has not been included in the calculations above.

|               |                                                               |
|---------------|---------------------------------------------------------------|
| Date Created: |                                                               |
| Drafted by:   |                                                               |
| Sponsors:     |                                                               |
| Attachments:  | <b>A. Amendment to Interlocal Agreement for Jail Services</b> |

1 ..title

2 AN ORDINANCE relating to jail services; authorizing the  
3 execution of an amendment to an interlocal agreement  
4 between the county and cities for jail services.

5 ..body

6 STATEMENT OF FACTS:

7 1. On November 1, 2002, King County entered into an interlocal  
8 agreement with thirty-two cities for the provision of jail services.

9 2. On May 1, 2010, King County and twenty four of these cities entered  
10 into a revised interlocal agreement extending jail services through 2016.

11 3. The county and the cities have determined that the May 1, 2010  
12 interlocal agreement for jail service should be modified in order to further  
13 clarify payment obligations of the cities as specified by amendments  
14 authorized herein.

15 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

16 SECTION 1. The executive is hereby authorized to sign an amendment to the  
17 May 1, 2010 interlocal agreement, in substantially the same form as Attachment A, to this  
18 ordinance, with the cities for the provision of jail services.

Amendment to Interlocal Agreement for Jail Services

WHEREAS, on November 1, 2002, King County and the City of \_\_\_\_\_ (the "City") entered into an Interlocal Agreement for the provision of jail services; and

WHEREAS, on May 1, 2010, King County and the City entered into an agreement that amended the November 1, 2002 jail services agreement; and

WHEREAS, King County and the City have determined that the May 1, 2010 agreement should be modified in order to further clarify City payment obligations as set forth herein;

NOW, THEREFORE, King County and the City agree that the May 1, 2010 Amendment to Interlocal Agreement Between King County and the City of \_\_\_\_\_ for Jail Services is amended as follows:

1. **Exhibit III B (REVISED FEE PERIOD)** is modified in part as follows:

**Subsection 5 (INFLATORS AND RE-SETS OF FEES AND CHARGES)**

a. All fees and charges, excluding Offsite Medical Care Charges and the Capital Expenditure Charge components of the maintenance charge and WER Charge, shall be annually inflated by the percentage rates described below, effective January 1 of each calendar year starting January 1, 2011, in order to determine the final rates and charges for said calendar year, subject further to re-set of the underlying "base rates" periodically as described in subsection 5.b below.

**Non-Medical Charges:** the following fees and charges are subject to an annual inflator of 5%, ~~(except for calculations requiring inflation of 2009 costs for purposes of determining 2010 costs, 2009 non-medical costs shall be subject to an annual inflator of 3%)~~ unless otherwise specified in Subsection 5.b below:

- i. Maintenance Charge
- ii. WER Charge
- iii. Reduced Booking Fee and Standard Booking Fee
- iv. Acute Psychiatric Housing Surcharge
- v. 1:1 Guarding

**Medical Charges:** the following fees and charges are subject to an annual inflator of 6.5%, ~~(except for calculations requiring inflation of 2009 costs for purposes of determining 2010 costs, 2009 non-medical costs shall be subject to an annual inflator of 5%)~~ unless otherwise specified in Subsection 5.b below:

- i. Infirmary Care Surcharge
- ii. Psychiatric Care Surcharge

b. **Attachment III-1** shows the allocation of 2007 **Actual Jail Costs** to derive the 2007 fees and charges. As indicated on Attachment III-1, these 2007 fees and charges were then inflated as described in subsection 5.a above in order to calculate the fees and charges applicable in 2010 as set forth above in Sections B.1, Maintenance Charge, B. 2, Booking Fees, B.3, Surcharges, and B.4, Offsite Medical Care Charges (*excluding the Capital Expenditure Charge which will be a periodically adjusted component added to the maintenance charge and WER Charge*). Fees and charges payable by the City shall be re-calculated each year based on Actual Jail Costs periodically recalculated, using the same allocation methodology as illustrated in Attachment III-1, and applying the inflators described in subsection 5.a, as follows (*excluding the Capital Expenditure Charge which will be a periodically adjusted component added to the maintenance charge and WER Charge*):

i. Fees and Charges in 2011 shall be based on **Actual Costs** for 2009, inflated as follows per subsection 5.a above. Thus, the ~~The~~ 2009 Actual Jail Costs will be used to derive the set of 2009 base charges and fees in a manner consistent with the calculations in Exhibit III-I, except that the total number of maintenance days, WER maintenance days, bookings, maintenances days for the Infirmary, maintenance days for inmates receiving Psychiatric Care Services, and maintenance days for Acute Psychiatric Housing will be calculated by averaging the actual numbers for 2007, 2008, and 2009. These charges and fees will be inflated by the ~~2009 inflators~~ (3% for non-medical fees and charges, and 5% for medical charges) ~~described in subsection 5.a above to derive the 2010 charges and fees, and then these charges and fees will be inflated again by at the rates described in subsection 5.a (53% for non-medical fees and charges, and 6.55% for medical charges) to determine the 2011 fees and charges.~~

ii. Fees and Charges in 2012 shall be ~~determined by inflating the 2011 charges and fees by the inflators described in subsection 5.a above (5% for non-medical fees and charges, 6.5% for medical charges) based on Actual Costs for 2009, inflated as follows.~~ Thus, the 2009 Actual Jail Costs will be used to derive the set of 2009 base charges and fees in a manner consistent with the calculations in Exhibit III-I. These charges and fees will be inflated by the 2009 inflators (3% for non-medical fees and charges, 5% for medical charges), will be inflated by the 2010 inflators at the rates described in subsection 5.a (5% for non-medical fees and charges, 6.5% for medical charges), and will be inflated by the 2011 inflators at the rates described in subsection 5.a (5% for non-medical fees and charges, 6.5% for medical charges) to determine the 2012 fees and charges.

iii. Fees and Charges in 2013 shall be based on **Actual Jail Costs** for 2011, inflated per subsection 5.a above (e.g., the 2011 Actual Jail Costs will be used to derive the set of 2011 base charges and fees in a manner consistent with the calculations in Exhibit III-1; these charges and fees shall be



inflated by 5%, or 6.5% , per paragraph a above, to derive the 2012 charges and fees, and those charges and fees will be inflated again by 5% or 6.5% (per subsection 5.a) to determine the 2013 fees and charges).

iv. Fees and Charges in 2014 shall be determined by inflating the 2013 charges and fees by the inflators described in subsection 5.a above.

v. Fees and Charges in 2015 shall be based on **Actual Jail Costs** for 2013, inflated per subsection 5.a above (e.g., the 2013 Actual Jail Costs will be used to derive the set of 2013 base charges and fees in a manner consistent with the calculations in Exhibit III-1; these charges and fees shall be inflated by 5% or 6.5% per subsection 5.a above, to derive the 2014 charges and fees, and those charges and fees will be inflated by 5% or 6.5% per subsection 5.a above to determine the 2015 fees and charges).

vi. Fees and charges in 2016 shall be determined by inflating the 2015 charges and fees by the inflators described in subsection 5.a above.

**Actual Jail Costs** means the direct and indirect costs related to operating the Jail, including without limitation health services, as determined by the County's budget reconciliation completed after the end of each calendar/budget year.

2. Except as otherwise expressly provided above, the May 1, 2010 Amendment to Interlocal Agreement Between King County and the City of \_\_\_\_\_ for Jail Services remains in effect without revision.

3. This amendment shall be effective January 1, 2011.

For the City of \_\_\_\_\_

\_\_\_\_\_ Dated: \_\_\_\_\_

City Manager

For King County

\_\_\_\_\_ Dated: \_\_\_\_\_

Dow Constantine  
King County Executive