



# Administration and Finance Committee Minutes

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June 5, 2025  
4:00 PM  
\*Hybrid meeting\*  
Virtual/Council Chambers

Commence: 4:00 PM  
Adjourn: 5:23 PM

Committee Members:	Present	Excused	Unexcused
Councilmember Senayet Negusse, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Deputy Mayor Iris Guzmán	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Councilmember Joe Vinson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Other Council Members Present: None

Staff Coordinator: Gwen Pilo, Finance Director

1. Call to Order	<i>Chair Senayet Negusse called the meeting to order at 4:00 PM</i>
2. Public Comment	<i>None</i>
3. Review of the Minutes	<u><input checked="" type="checkbox"/></u> Recommended for Approval  <i>A copy of the 04/03/2025 minutes was provided to the committee for review. The committee approved the minutes as presented.</i>
4. Council/City Manager Travel Approval	<u><input checked="" type="checkbox"/></u> Recommended for Approval  <i>Lesa Ellis, Executive Assistant, presented the following items for approval:</i>  <ol style="list-style-type: none"><li><i>1. Pre-approval and Expense approval for Councilmember Negusse NLC Congressional City Conference Total: \$145.00</i></li><li><i>2. Pre-approval and Expense approval for Councilmember Vinson NLC Congressional City Conference Total: \$2,684.06</i></li><li><i>3. Pre-approval and Expense approval for Mayor Egal AWC Annual Conference Total: \$902.80</i></li></ol>

	<p>4. <i>Pre-approval and Expense approval for Councilmember Vinson AWC Annual Conference</i> <i>Total: \$585.00</i></p> <p><i>The committee approved the proposed pre-approval and expense approvals.</i></p>
5. Vacant Positions Update	<i>No update was provided.</i>
6. WA MASS Update and Request to Amend the Provider Contract	<p><input checked="" type="checkbox"/> Recommendation to Consent Agenda</p> <p><i>Human Services Manager, Erin Bryant-Thomas, along with Human Services Coordinator Miriam Maiteri, presented to the committee a proposal to amend the contract with Congolese Integration Network, increasing the total contract amount by \$330,000, following acceptance of additional Washington Migrant and Asylum-Seeker Support (WA MASS) funding. The committee recommended this item for approval, and it will be presented on the Consent Agenda at the June 24, 2025, Regular Council Meeting.</i></p>
7. WA MASS Letter of Interest for SFY 2026	<p><input checked="" type="checkbox"/> A&amp;F Direction Provided</p> <p><i>Human Services Manager, Erin Bryant-Thomas, along with Human Services Coordinator Miriam Maiteri, presented to the committee a memo seeking the A&amp;F Committee's direction regarding the Washington Migrant and Asylum-Seeker Support (WA MASS) program for State Fiscal Year (SFY) 2026. Staff recommend pursuing a Year 2 contract with the State for continued services. The committee supports the continuation of the program. An updated contract will be brought to a future Regular Council Meeting for Council consideration.</i></p>
8. Q2 2025 Budget Amendment	<p><input checked="" type="checkbox"/> Recommendation to Consent Agenda</p> <p><i>Finance Director Gwen Pilo presented to the committee a proposed 2<sup>nd</sup> quarter budget amendment to the 2025-2026 Biennial Budget. The proposed amendment includes the addition of grant revenue, other miscellaneous amendments, proposed Decision Cards, and one adjustment to beginning fund balance. The committee discussed the proposals in depth and made the following requests in response to the proposed Decision Cards:</i></p> <ol style="list-style-type: none"> <li><i>1. A presentation on a workplan including projects the Urban Forester position has been working on.</i></li> <li><i>2. An overview of costs attributed to the HVAC system and investments made into it.</i></li> <li><i>3. The total amount spent on emergency related costs (overtime, repairs, etc.) associated with City Hall.</i></li> </ol> <p><i>Information on these items will be emailed to the Committee.</i></p>

	<p><i>The committee recommended this item for approval, and it will be brought forward to the June 24, 2025, Regular Council Meeting.</i></p> <p><i>Note: Councilmember Vinson did not support the Decision Card “SeaTac Vehicle for Mental Health Professional”. Deputy Mayor Guzmán and Councilmember Negusse were in favor.</i></p>
9. April Investment Report	<p><u><input checked="" type="checkbox"/></u> Presentation Only</p> <p><i>Finance Director Gwen Pilo presented the April 2025 Investment Report.</i></p>
10. Adjourn	<p><i>Chair Senayet Negusse adjourned the meeting at 5:23 PM.</i></p>

## **Pre-approval or final approval of City Council and City Manager travel related expenses**

July 3, 2025

AWC Annual Conference

June 24-27, 2025

Kennewick, WA

Budgeted 2 councilmembers – Mohamed Egal and Joe Vinson

Estimate: \$1,710 per attendee = \$3,420

Pre-Approval and Expenses
Mohamed Egal Documentation: Travel Accounting Form \$211.00

Pre-Approval and Expenses
Joe Vinson Documentation: Travel Accounting Form \$1,133.99

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Chair  
Senayet Negusse



Traveler Name:	Mohamed Egal	Department:	City Council
Conference:	AWC Annual Conference	Dates:	June 24-27, 2025

	Estimated Amount from Authorization Form	Date submitted for payment or P-Card Statement Date	Method of Payment			Provide explanation if: Actual amount is \$50.00 or more than estimated amount on approved Travel Authorization Form. Claim for Expense includes other traveler expenses.
			P-Card Total	Accounts Payable Direct Invoice Total	Accounts Payable Claim for Expense Total	
Registration	\$ 585.00	05/13/2025	\$ 585.00			
Lodging	\$ 437.34					
Lodging						
Meals	\$ 211.00	06/27/2025	N/A	N/A	\$ 211.00	
Transportation						
Transportation		05/16/2025			\$ 317.80	reimbursement for airfare at lower RT mileage rate-airfare:336.61
Mileage	\$ 317.80		N/A	N/A		
Car Rental						
Parking						
TNC Charges						
Tolls/Ferry						
Baggage Fees						
Misc. Costs						
Totals	\$ 1,551.14		\$ 585.00	\$ 0.00	\$ 528.80	Grand Total \$ 1,113.80



## City of SeaTac Travel Accounting Form

Itemized receipts for all travel expenses (excluding meals and mileage), the Travel Authorization Form, and the Travel Accounting Form are required to be attached with method of payment.

Traveler Name: Joe Vinson

Department: City Council

Conference: AWC Annual Conference

Dates: June 24-27, 2025

Expense Table

Estimated Amount from Authorization Form	Date submitted for payment or P-Card Statement Date	Method of Payment			Provide explanation if: Actual amount is \$50.00 or more than estimated amount on approved Travel Authorization Form. Claim for Expense includes other traveler expenses.
		P-Card Total	Accounts Payable Direct Invoice Total	Accounts Payable Claim for Expense Total	
Registration \$ 585.00	05/13/2025	\$ 585.00			
Lodging \$ 603.24	06/16/2025	\$ 603.79			
Lodging					
Meals \$ 211.00	06/27/2025	N/A	N/A	\$ 211.00	
Transportation					
Transportation					
Mileage \$ 319.20	06/27/2025	N/A	N/A	319.20	
Car Rental					
Parking					
TNC Charges					
Tolls/Ferry					
Baggage Fees					
Misc. Costs					
Totals \$ 1,718.44		\$ 1,188.79	\$ 0.00	\$ 530.20	Grand Total \$ 1,718.99

# Proposed Establishment of Salary Commission for the City of SeaTac





# PRESENTATION OVERVIEW

## PURPOSE OF PRESENTATION:

Council requested that staff explore the possibility of establishing a Salary Review Commission that would serve as an independent body, consisting of residents of the City of SeaTac, that will establish salaries for the City's elected

## WHY IS THIS ISSUE IMPORTANT?

1. Currently, the City does not have a formal and independent process for determining the compensation of Council members.
2. Having a transparent and fair review process of the salaries of elected officials would increase government accountability to City residents.
3. The Commission would be charged with establishing a process that will ensure compensation for elected officials is aligned with job responsibilities and best practices.





# Salary Established in Ordinance 11-1017

The current compensation schedule for Council members was adopted by the City Council in 2011 and became effective in 2014. In relevant part, the Ordinance reads as follows:

**Section 1 . . .** The compensation to be paid to the members of the SeaTac City Council who are elected to their positions in an election subsequent to the effective date of this Ordinance... shall be as follows:

Council members: \$1,000/month

Council member selected as Mayor:  
\$1,200/month

**Section 2 . . .** [T]he City shall make contributions to a 457 Deferred Compensation plan for each Councilmember in lieu of medical, dental, orthodontia, and vision insurance coverage . . . . [which] shall be a flat rate of \$1,538/month. . . .



# Authority for establishing a Salary Commission under RCW 35.21.015

*The Statute provides an alternative to governing bodies setting their own salaries.*

## RCW 35.21.015:

- Authorizes the creation of salary commissions to set and review compensation for local elected officials.
- The commission shall be established by ordinance, resolution or charter.
- Members shall be appointed by the mayor with the approval of city council.
- Members may not be appointed more than two terms.
- A member of the commission shall not be an officer, official, or employee of the city or an immediate family member of an officer, official, or employee of the city.
- All meetings of the commission shall be subject to Open Public Meetings Act (OPMA), chapter 42.30 RCW.
- The Commission process shall be subject to referendum measures.



# POTENTIAL COMMITTEE ACTION

- Refer the proposed Ordinance Establishing a Salary Commission to a Council Study Session or Regular Council Meeting

(Note: the ordinance can be amended by Council through a motion before action)

- Alternatively, Council may direct staff to make changes to the proposed Ordinance and return it to the Committee for further review.

**STAFF RECOMMENDATION :** If the proposed Ordinance is adopted, it shall be adopted into Code, and Ordinance 11-2017 must be repealed. Staff further recommend that in adopting its ordinance, the Council establish guidance for the Salary Commission that includes considering the salaries for elected officials established by neighboring, comparable municipalities.



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

AN ORDINANCE of the City Council of the City of SeaTac, Washington establishing a Salary Review Commission for the city in a new Chapter 2.16 of the SeaTac Municipal Code, and repealing Ordinance 11-1017 relating to Councilmembers' compensation and benefits.

**WHEREAS**, the Washington State Legislature adopted RCW 35.21.015, allowing cities to establish by ordinance an independent salary review commission, with authority to set the salary of the mayor and city councilmembers, in lieu of city councilmembers setting their own salaries and benefits; and

**WHEREAS**, the current compensation for the mayor and council members was established by the SeaTac City Council pursuant SeaTac Ordinance 11-1017; and

**WHEREAS**, the City makes contributions to a deferred compensation fund on behalf of each councilmember and mayor pursuant to SeaTac Ordinance 11-1017; and

**WHEREAS**, it is the desire of the City Council to establish a salary commission that will review the salaries and benefits provided to councilmembers and selected mayor and to make recommendations to increase, decrease or make other appropriate changes; and

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEATAC, WASHINGTON, DO ORDAIN as follows:**

**Section 1.** Chapter 2.16 of the SeaTac Municipal Code is adopted as set forth below:

**2.16.010 Commission created—Membership—Appointment—Compensation—Term.**

- (a) A salary commission is hereby created for the compensation of elected city officials. The commission shall consist of three members, to be appointed by the mayor and approved by the city council.
- (b) A member of the commission shall serve a three-year term without compensation and shall be a resident of the city; provided that, for the initial commission members, one member shall be appointed for a one-year term, one member shall be appointed for a two-year term, and one member shall be appointed for a three-year term.
- (c) No commissioner shall serve more than two terms.
- (d) A member of the commission shall not be an officer, official, or employee of the city or an immediate family member of an officer, official, or employee of the city. For purposes of this section, "immediate family member" means the parents, spouse, domestic partner, siblings,

children, or dependent relatives of an officer, official, or employee of the city, whether or not living in the household of the officer, official, or employee.

**2.16.020 Vacancies.** In the event of a vacancy in the office of commissioner, the mayor shall appoint, subject to approval of the city council, a person to serve the unexpired portion of the commissioner's term.

**2.16.030 Removal.** A member of the commission shall only be removed from office for cause of incapacity, incompetence, neglect of duty, or malfeasance in office, or for a disqualifying change of residence.

**2.16.040 Duties.**

(a) The commission shall have the duty to review the salaries paid by the City to the mayor and city council. If after such review the commission determines that the salary paid to the mayor or city council should be increased, decreased, or modified in any other manner, the commission shall file a written salary schedule with the City Clerk indicating the increase, decrease, or modification in salary.

(b) The commission shall convene and complete its first review of the salaries paid to the mayor and city council within ninety days of the appointment of the commission. Should the commission determine that the salary paid to the mayor or city council should be increased, decreased, or modified in any manner, the commission shall file its initial schedule of salaries for the mayor and city council with the City Clerk no later than the ninety-third day following the appointment of the commission.

(c) For subsequent years, the commission may with notice meet during any month and shall meet no less than one time per year during the months of \_\_\_\_\_ *(will need input from Finance Department as to appropriate number of times the review commission should meet).*

(d) All meetings of the commission shall be open to the public and in compliance with chapter 42.30 RCW. Community members shall have an opportunity to comment or submit comments in writing at the meeting of the commission prior to a commission vote to increase, decrease, or otherwise modify salaries.

(e) Any increase, decrease, or modification in salary shall become effective and incorporated into the City budget without further action of the city council or the commission.

(f) Salary increases established by the commission shall be effective as to all members of the city council, regardless of their terms of office.

(g) Salary decreases established by the commission shall not be effective as to incumbent city council members until the commencement of their next term of office.

(h) Any adjustment of salary by the commission shall supersede any City ordinance related to the budget or fixing of salaries, but only to the extent there is a conflict.

**Section 2.** The City Council hereby repeals Ordinance 11-1017.

**Section 3.** If any section, subsection, paragraph, sentence, clause, or phrase of this Ordinance is declared unconstitutional or invalid for any reason, such determination shall not affect the validity of the remaining parts of this Ordinance.

**Section 4.** Upon approval of the City Attorney's Office, the City Clerk and the Code Reviser are authorized to make necessary corrections without altering intent, including the correction of clerical errors, references to other local, state or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering.

**Section 5.** This Ordinance shall be in full force and effect thirty (30) days after passage. OR This Ordinance shall be in full force and effect five (5) days after passage and publication, as required by law.

**ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2025, and signed in authentication thereof on this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

**CITY OF SEATAC**

\_\_\_\_\_  
Mohamed Egal, Mayor

ATTEST:

\_\_\_\_\_  
Kristina Gregg, City Clerk

Approved as to Form:

\_\_\_\_\_  
Cindy Corsilles, Interim City Attorney

[Effective Date: \_\_\_\_\_]

[SalaryCommission]



# MEMORANDUM

To: Mayor and City Council  
From: Kristina Gregg, City Clerk  
Date: June 27, 2025  
Re: Designating additional agents to accept claims and service of process

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## **Background:**

Ordinance 21-1007 was adopted on March 23, 2021 establishing a Risk Management Division within the Legal Department. The City Clerk was designated as the sole agent to receive claims for damages.

Ordinance 22-1011 added language if the City Clerk is absent who would be authorized to accept Claims and service of process.

## **Current Process:**

Due to the layout of City Hall and the security of the Legal department, anyone filing a claim in person or submitting a lawsuit or subpoena must go to the third floor and then the Administrative Assistant (aka City Receptionist) must try to contact the City Clerk, Deputy City Clerk, or Legal Analyst to accept the documents. This can be a very tedious process.

Since, for the most part, accepting claims and service of process are fairly straightforward processes, and since the Administrative Assistant position is the person contacted first, we are asking for this position to be designated as the person to receive in-person claims and service of process.

## **Proposed Process:**

### Claims:

1. In person at SeaTac City Hall: designated City Receptionist or any permanent employee acting in the capacity of the City Receptionist.
2. Electronically or via email: Legal Analyst, City Clerk, or Deputy City Clerk – [riskmanagement@seatacwa.gov](mailto:riskmanagement@seatacwa.gov).
3. Mail: Legal Analyst SeaTac City Hall, Attn: Legal Risk Management, 4800 South 188<sup>th</sup> Street, SeaTac, WA 98188

### Service of Process:

Service of process related to subpoenas or lawsuits against the City and/or its officers, employees, or volunteers, acting in such capacity, shall be personally served upon the Mayor, City Manager, or, during normal office hours, upon the designated City Receptionist or any permanent employee acting in the capacity of the City Receptionist~~City Clerk~~.



**Questions:**

1. Does the committee recommend forwarding the Ordinance as presented to the City Council for approval?
2. Does the committee recommend forwarding the Ordinance to the Consent Agenda?

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

AN ORDINANCE of the City Council of the City of SeaTac, Washington amending Chapter 2.03 to the SeaTac Municipal Code related to Risk Management to appoint additional agents to receive claims for damages and service of process.

**WHEREAS**, Ordinance 21-1007 was adopted on March 23, 2021 establishing a Risk Management Division within the Legal Department; and

**WHEREAS**, the City Clerk was designated as the sole agent to receive claims for damages; and

**WHEREAS**, it's been determined that additional agents need to be appointed in order to ensure someone is always available to receive claims for damages and service of process.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEATAC, WASHINGTON, DO ORDAIN as follows:**

**Section 1.** Section 2.03.030 is amended as follows:

**2.03.30 Appointed Agent and Filing Process.**

A. Claims for damages:

The City Manager authorizes the following employees to accept ~~Claims~~ for damages against the City, and/or its officers, employees, or volunteers, acting in such capacity: ~~shall be filed with the City Clerk, who is hereby appointed the City's agent to receive claims.~~

1. In person at SeaTac City Hall: designated City Receptionist or any permanent employee acting in the capacity of the City Receptionist.
2. Electronically or via email: Legal Analyst, City Clerk, or Deputy City Clerk – [riskmanagement@seatacwa.gov](mailto:riskmanagement@seatacwa.gov).
3. Mail: Legal Analyst SeaTac City Hall, Attn: Legal Risk Management, 4800 South 188<sup>th</sup> Street, SeaTac, WA 98188

All claims for damages must comply with the requirements of RCW 4.96.020.

~~Claims for Damages may be received by email, mail, or in person.~~

B. Service of Process:

Service of process related to subpoenas or lawsuits against the City and/or its officers, employees, or volunteers, acting in such capacity, shall be personally served upon the Mayor,

City Manager, or, during normal office hours, upon the designated City Receptionist or any permanent employee acting in the capacity of the City Receptionist~~City Clerk~~.

All service of process for lawsuits must comply with the requirements of RCW 4.28.080.

~~C. If the City Clerk is not available, the City Manager designates and authorizes the Legal & Risk Management Analyst or City Receptionist, or any permanent employee acting in the capacity of the City Receptionist, as agents to accept claims and service of process.~~

~~Claim for damages and service of process documents shall immediately be forwarded to the Risk Management Division.~~

~~D.C. Location and Operation:~~

~~The City Clerk's Office is located at~~ SeaTac City Hall, is located at 4800 S. 188<sup>th</sup> Street, SeaTac, WA 98188. ~~The City Clerk's Office~~ City Hall is open to the public Monday through Friday, between the hours of 8:30 A.M. and 5:00 P.M., except holidays. The position designated as the City's Receptionist is located on the 3<sup>rd</sup> floor of City Hall.

**Section 2.** If any provision of this Chapter, or its application to any person or circumstance is held invalid, the remainder of this Chapter, or the application of the provision to other persons or circumstances is not affected.

**Section 3.** Upon approval of the City Attorney's Office, the City Clerk and the Code Reviser are authorized to make necessary corrections without altering intent, including the correction of clerical errors, references to other local, state or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering.

**Section 4.** This Ordinance shall be in full force and effect five (5) days after passage and publication as required by law.

**ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2025 and signed in authentication thereof on this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

**CITY OF SEATAC**

\_\_\_\_\_  
Mohamed Egal, Mayor

ATTEST:

\_\_\_\_\_  
Kristina Gregg, City Clerk

APPROVED AS TO FORM:

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Cindy Corsilles, Interim City Attorney

[Effective Date: \_\_\_\_\_]

[Risk Management-appoint agents]



# MEMORANDUM

To: Administration and Finance Committee  
Through: Jonathan Young, City Manager  
From: Gwen Pilo, Finance Director  
Date: July 3, 2025  
Re: 2025-2026 Budget Amendment

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## **History:**

The State Route 509 project is an identified component of the Puget Sound Gateway Program, which was provided designated funding from state gas tax, tolls, local contributions, and potential federal and state grants. Total funding for the project, from the 2015 Connecting Washington transportation funding package, was \$1.875 billion, which included local contributions of \$130 million. The program was funded over a 16-year timeline. Based on the legislative funding plan, major construction for the first stage would occur between 2019 through 2025, and the second stage in 2026-2030.

In the 2017 Legislative session new language was enacted (Engrossed Senate Bill 5096 § 306(20)(b)) requiring development of a Memorandum of Understanding (MOU) between the Local Agency Partners and WSDOT.

The legislature directed that:

*The secretary of transportation must develop a memorandum of understanding with local project stakeholders that identifies a schedule for stakeholders to provide local matching funds for the Puget Sound Gateway Program . Criteria for eligibility of local match includes matching funds and equivalent in-kind contributions including, but not limited to, land donations.*

On November 8, 2018, the City and WSDOT entered into an Interlocal Agreement for the construction of State Route 509 as part of the Puget Sound Gateway Program. Section 3.1 of the attached agreement outlines the financial commitment from the City towards the project.

This budget amendment request is to allocate \$2M to pay WSDOT and fulfill the terms of the agreement. This \$2M payment will only be applied towards the construction of the South 188<sup>th</sup> Street Interchange.

## **Budgetary Impacts:**

The Street Fund (102) and capital improvement program is not expected to be significantly impacted by this budgetary commitment.

**Staff Recommendation:**

Staff are requesting a recommendation to place this item on July 22, 2025, Council Meeting consent agenda for Council approval.

## **GCB 3068**

### **Interlocal Agreement for the Construction of the Puget Sound Gateway Program**

This INTERLOCAL AGREEMENT (Agreement) is entered into between the City of SeaTac (CITY) and the Washington State Department of Transportation (WSDOT), collectively referred to as the "Parties" and individually referred to as the "Party."

**WHEREAS**, pursuant to Chapter 39.34 Revised Code of Washington (RCW), Interlocal Cooperation Act, the Parties desire to enter into an agreement with one another in order to jointly establish a mutual and cooperative system to carry out their respective obligations of this Agreement for the construction of the Puget Sound Gateway Program (PROGRAM); and

**WHEREAS**, in 2015 the Legislature funded the construction of the PROGRAM through the Connecting Washington revenue package; and

**WHEREAS**, in funding the PROGRAM, the Legislature directed that \$130 million of the \$1.875 billion is to come through local funding sources; and

**WHEREAS**, the north segment of the State Route 509 Completion Project (PROJECT) is part of the PROGRAM and is largely within the CITY. It includes 188<sup>th</sup> South Ramps, SeaTac Access with Ramps to 28<sup>th</sup>/24<sup>th</sup> Avenue South, Veterans Drive Extension and Lake to Sound Trail as called out on page 5 of Attachment B; and

**WHEREAS**, since 2007, in recognition of the local and regional benefits that it will bring to the Puget Sound region, the CITY has been a strong proponent and has taken an active role in completing the PROJECT; and

**WHEREAS**, in 2013 the SeaTac City Council passed Resolution 13-007 (Attachment A) expressing its strong support for a transportation investment package inclusive of funding for the PROJECT; and

**WHEREAS**, the PROJECT now includes a full folded diamond interchange at South 188<sup>th</sup> Street as shown on the Attachment C (these ramp improvements referred to as 188<sup>th</sup> South Ramps in the Attachment B) and a SeaTac Access half interchange with two lanes in each directions and ramps at 28<sup>th</sup>/24<sup>th</sup> Avenue South, both within the CITY; and

**WHEREAS**, The CITY has entered into a Local Funding and Phasing Memorandum of Understanding (MOU) with WSDOT (Attachment B), commencing on July 1, 2018, acknowledging that the CITY is one of eighteen (18) Local Agency Partners committed to provide matching funds/contributions commensurate with the benefits accrued from the PROJECT at a local level; and

**WHEREAS**, the CITY is willing to contribute both matching funds and real estate towards the required local contribution;



**NOW, THEREFORE**, in consideration of the terms, conditions, and performances contained herein, the above recitals that are incorporated herein as if fully set forth below, and the Attachments A, B and C which are attached hereto and by this reference made a part,

IT IS MUTUALLY AGREED AS FOLLOWS:

**1. PURPOSE**

- 1.1. This Agreement quantifies the CITY's local contribution commitment to be applied towards the construction of the PROJECT component of the PROGRAM and defines the roles and responsibilities between the Parties for delivery of the PROJECT.

**2. WSDOT RESPONSIBILITIES**

- 2.1. WSDOT shall design and construct the PROJECT to be consistent with the Proposed Design Alternative as specified in Attachment C, subject to any deviations made in accordance with Section 2.3 below.
- 2.2. WSDOT shall manage implementation of the PROJECT to minimize the duration of construction while maintaining the full scope of the Proposed Design Alternative specified in Attachment C.
- 2.3. WSDOT shall coordinate and seek concurrence from Local Agency Partners on any significant deviations from the Proposed Design Alternative contemplated during implementation of the PROJECT as specified in Attachment C.

**3. FUNDING AND PAYMENT RESPONSIBILITIES**

- 3.1. In consideration of the faithful performance of this Agreement, the CITY agrees to contribute local agency matching funds or property to the PROJECT component of the PROGRAM having a value not to exceed Four Million Dollars (\$4,000,000) according to the following schedule:

PROJECT STAGE 1: The CITY shall transfer to the State of Washington real estate and/or cash valued in an amount not to exceed Two Million Dollars (\$2,000,000) to be applied towards the SeaTac Access Local Nexus Project as identified in the MOU dated July 1, 2018 and the commitment letter from the CITY to WSDOT dated April 13, 2018. WSDOT shall be responsible for all costs associated with the real estate appraisal and transfer process, which is expected to be completed in 2018.

PROJECT STAGE 2: Following the receipt by the CITY of Construction Sales Tax from the PROJECT in an amount of Two Million Dollars (\$2,000,000) and upon WSDOT's request, funds in an amount not to exceed Two Million Dollars (\$2,000,000) will be contributed to the PROJECT by the CITY; Said funds shall only be applied towards the construction of the South 188<sup>th</sup> Street Interchange, referred to as 188<sup>th</sup> South Ramps Project in the MOU dated July 1, 2018, and as

described and depicted in the Proposed Design Alternative in Attachment C (full folded diamond interchange), unless otherwise approved by the SeaTac City Council.

- 3.2. The CITY shall not be obligated to contribute local agency matching funds in real estate and/or cash in excess of Four Million Dollars (\$4,000,000) for the PROJECT. If WSDOT requests additional funds from the CITY in the future, a written amendment to this Agreement authorizing a contribution increase must be mutually agreed upon, and subject to SeaTac City Council approval.

**4. DESIGNATED REPRESENTATIVES**

- 4.1. Project related communications between the Parties, including, but not limited to, invoicing and administration for this Agreement will be between the Designated Representatives of each Party, as follows:

4.1.1. For SEATAC:  
William Appleton  
Public Works Director  
4800 South 188<sup>th</sup> Street  
SeaTac, WA 98188  
(206) 973-4741  
[Wappleton@ci.seatac.wa.us](mailto:Wappleton@ci.seatac.wa.us)

4.1.2. For WSDOT:  
Craig Stone  
Program Administrator  
999 Third Avenue, Suite 2200  
Seattle, WA 98104  
(206) 805-2961  
[StoneC@wsdot.wa.gov](mailto:StoneC@wsdot.wa.gov)

**5. TERM**

- 5.1. This Agreement is effective as of the last date of execution and will terminate upon either the CITY's fulfillment of its local match commitment of Four Million Dollars (\$4,000,000), upon cancelation of the PROJECT, or upon completion of the PROJECT whichever comes first. This Agreement may also be terminated pursuant to Section 6, TERMINATION.

**6. TERMINATION**

- 6.1 Neither WSDOT nor the CITY may terminate this Agreement without the written concurrence of the other Party.
- 6.1.1. If this Agreement is terminated by the CITY prior to the fulfillment of the terms stated herein, the CITY agrees to reimburse WSDOT for the actual direct and related indirect expenses and costs it has incurred for the

PROJECT up to the date of termination, as well as the costs of non-cancelable obligations.

6.1.2. If this Agreement is terminated by WSDOT prior to the fulfillment of the terms stated herein, WSDOT will be responsible for the actual direct and related indirect expenses and costs it has incurred for the PROJECT up to the date of termination, as well as the costs of non-cancelable obligations.

6.1.3. Any termination of this Agreement shall not prejudice any rights or obligations accrued to the Parties prior to termination.

## **7. AMENDMENT**

7.1. This Agreement may be amended or modified only by the mutual agreement of the Parties. Such amendments or modifications shall not be binding unless they are in writing and signed by persons authorized to bind each of the Parties.

## **8. INDEMNIFICATION AND HOLD HARMLESS**

8.1 To the extent permitted by law, WSDOT and the CITY shall protect, defend, indemnify, and save harmless each other, their respective officers, officials, employees, and agents, while acting within the scope of their employment as such, from any and all costs, claims, judgment, and/or awards of damages, arising out of, or in any way resulting from, Indemnifying Party's negligent acts or omissions. Neither WSDOT nor the CITY will be required to indemnify, defend, or save harmless each other if the claim, suit, or action for injuries, death, or damages is caused by the sole negligence of the other party. Where such claims, suits, or actions result from concurrent negligence of WSDOT and the CITY, the indemnity provisions provided herein shall be valid and enforceable only to the extent of WSDOT's or the CITY's own negligence. WSDOT and the CITY agree that their respective obligations under this subsection extend to any claim, demand, and/or cause of action brought by, or on behalf of, any of its employees or agents. For this purpose, WSDOT and the CITY, by mutual negotiation, hereby waive, with respect to the other party only, any immunity that would otherwise be available against such claims under the industrial insurance provisions of Title 51 RCW. In the event that WSDOT or the CITY incurs any judgment, award, and/or cost arising therefrom, including attorneys' fees, to enforce the provisions of this section, all such fees, expenses, and costs shall be recoverable by the prevailing party. This indemnification shall survive the termination of this Agreement.

## **9. DISPUTES**

9.1. In the event that a dispute arises under this Agreement, it shall be resolved as follows: The Parties shall each appoint a member to a disputes board; these two members shall select a third member not affiliated with either Party. The three-member board shall conduct a dispute resolution hearing that shall be informal and unrecorded. An attempt at such dispute resolution in compliance with the aforesaid process shall be a prerequisite to the filing of any litigation concerning the dispute.

The Parties shall equally share in the cost of the third disputes board member; however, each Party shall be responsible for their own costs and fees.

**10. VENUE**

10.1. In the event that either Party deems it necessary to institute legal action or proceedings to enforce any right or obligation under this Agreement, the Parties agree that any such action or proceedings shall be brought in King County Superior Court, Maleng Regional Justice Center. Further, the Parties agree that each will be solely responsible for payment of their own attorneys' fees, witness fees, and costs.

**IN WITNESS WHEREOF**, the Parties hereto have executed this Agreement as of the Party's date signed last below:

CITY OF SEATAC

WASHINGTON STATE  
DEPARTMENT OF TRANSPORTATION

GWEN PILO  
By (print): Joseph Scorcio

CRAIG STONE  
By (print):

Gwen Pilot  
Signature:  
City Manager ACTING

Craig Stone  
Signature:  
Gateway Program Administrator

11/8/18  
Date:

11/27/18  
Date:

APPROVED AS TO FORM:

Mark S. Johnsen  
City of SeaTac Legal Department

MARK S. JOHNSEN  
By (print):

11/7/2018  
Date:

APPROVED AS TO FORM:

L. Scott Lockwood  
Assistant Attorney General

L. Scott Lockwood  
By: L. Scott Lockwood

10/30/2018  
Date:

## ATTACHMENT A

### RESOLUTION NO. 13-007

#### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEATAC, WASHINGTON, EXPRESSING ITS STRONG SUPPORT OF A 2013 TRANSPORTATION INVESTMENT PACKAGE

WHEREAS, a healthy transportation system is a critical foundation of our state and local economies and our quality of life, as well as our global position as the nation's most trade-dependent state; and

WHEREAS, Washington state's transportation system is suffering from disrepair, with a backlog of maintenance and preservation needs, and data showing that without any new investments, more than half the pavement on our state roads and highways will be in poor condition by 2023; and

WHEREAS, failing roads and bridges, congested highway corridors, and bottlenecked interchanges undermine the mobility of vehicles, buses, and freight carriers to transport people and goods; and

WHEREAS, the Connecting Washington Task Force released a report in early 2012, identifying \$50 billion in unfunded transportation needs and recommending an investment of \$21 billion in state funding during the next 10 years for maintenance, preservation, and strategic investments; and

WHEREAS, investing in maintaining and upgrading our transportation system is a positive step the Legislature can take to catalyze construction jobs, enhance freight mobility for our Ports, and create a pathway for retaining and growing new jobs for key industry sectors; and

WHEREAS, through SHB 1954, SHB 1955 and related bills, the 2013 Washington State Legislature is considering a 12-year, \$9.5 billion package of transportation infrastructure investments; and

WHEREAS, this package provides critical funding for key highway corridor projects throughout the state, including The Puget Sound Gateway Project, which will complete State Route 167 and State Route 509; and

WHEREAS, the City of SeaTac has already spent approximately \$10 million and plans to spend another \$20 million completing its 28<sup>th</sup>/24<sup>th</sup> Avenue South arterial to connect to the State Route 509 project; and

WHEREAS, the transportation package also provides a direct gas tax distribution that will provide new funding each year for the City of SeaTac to maintain local roadways and arterials and to leverage existing funding; and

WHEREAS, the package also includes local transportation financing options that cities and counties can submit to their voters for transportation improvements in their communities; and

WHEREAS, the transportation package additionally invests in grant programs that are vital for cities and counties, including the Transportation Investment Board (TIB), the Freight Mobility Strategic Investment Board (FMSIB), Complete Streets," Safe Routes to Schools, and Bicycle-Pedestrian Safety; and

WHEREAS, the package also includes direct funding allocations for other local transit agencies, including King County Metro and Pierce Transit, that would otherwise have to make drastic cuts in routes which carry people to work sites and serve local communities; and

WHEREAS, transportation investment depends on use of tax payer dollars; and

WHEREAS, the 2013 Washington State Legislature is considering SHB 1957, ESHB 1978, SHB 1986, HB 1988 and HB 1979 to help reform the transportation system and take steps to make it more efficient, accountable and cost effective; and

WHEREAS, the City Council of the City of SeaTac, Washington, strongly encourages the Washington State Legislature to enact a balanced transportation investment and reform package,

in Olympia, during the Special Session to create jobs, relieve congestion, support our businesses, and maintain our quality of life.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEATAC, WASHINGTON, HEREBY RESOLVES as follows:

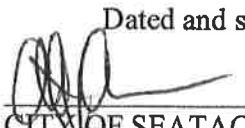
Section 1. The City Council hereby takes an official position in strong support of a comprehensive transportation investment and reform package, including direct funding and funding options for local governments.


Section 2. The City Council strongly encourages lawmakers to approve and enact this package in Olympia.


Section 3. That the City Manager is authorized to implement such administrative procedures as may be necessary to carry out the directives of this legislation, including, but not limited to forwarding copies of this Resolution and its message to our representatives in the state legislature and to others at the State of Washington.

Section 4. That this Resolution shall take effect and be in full force upon passage and signatures hereon.

Dated and signed this 28th day of May, 2013

  
CITY OF SEATAC  
ANTHONY ANDERSON  
MAYOR

  
CITY OF SEATAC  
KRISTINA GREGG  
CITY CLERK

APPROVED AS TO FORM:  
  
CITY OF SEATAC  
MARY MIRANTE BARTOLO  
CITY ATTORNEY



ATTACHMENT B



**Washington State  
Department of Transportation**

Transportation Building  
310 Maple Park Avenue S.E.  
P.O. Box 47300  
Olympia, WA 98504-7300  
360-705-7000  
TTY: 1-800-833-6388  
[www.wsdot.wa.gov](http://www.wsdot.wa.gov)

June 28, 2018

The Honorable Steve Hobbs  
Chair  
Senate Transportation Committee  
P.O. Box 40444  
Olympia, WA 98504-0444

The Honorable Judy Clibborn  
Chair  
House Transportation Committee  
P.O. Box 40600  
Olympia, WA 98504-0600

The Honorable Curtis King  
Ranking Member  
Senate Transportation Committee  
P.O. Box 40414  
Olympia, WA 98504-0414

The Honorable Mark Harmsworth  
Ranking Member  
House Transportation Committee  
P.O. Box 40600  
Olympia, WA 98504-0600

In the 2017 Legislative session, Engrossed Senate Bill 5096 Section 306(20)(b) directed WSDOT to develop a Memorandum of Understanding (MOU) to fund the \$130 million from local agency partners for the Puget Sound Gateway Program included in the 2015 Connecting Washington transportation revenue package. Engrossed Senate Bill 5096 stated that:

*The secretary of transportation must develop a memorandum of understanding with local project stakeholders that identifies a schedule for stakeholders to provide local matching funds for the Puget Sound Gateway project. Criteria for eligibility of local match includes matching funds and equivalent in-kind contributions including, but not limited to, land donations. The memorandum of understanding must be finalized by July 1, 2018. The department must submit a copy of the memorandum of understanding to the transportation committees of the legislature and report regularly on the status.*

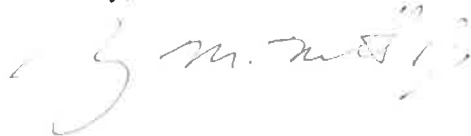
In October 2017, WSDOT began a stakeholder process to help establish the local contributions necessary to achieve the \$130 million in local funding. The resulting Funding and Phasing Subcommittee, made up of 18 affected jurisdictions, has met five times. From this group, a grant-focused strategy emerged as the most feasible way to fund the \$130 million. A key element of the grant-focused strategy was to identify smaller project elements within the Gateway Program that provide clear and measurable benefits to local jurisdictions, called "Local Nexus Projects." The Funding and Phasing Subcommittee met regularly to establish a process for determining benefits derived from the Local Nexus Projects, align on contributions, and develop the MOU.

All 18 jurisdictions have endorsed and signed the attached Local Funding MOU.

Additionally, WSDOT and our local agency partners have already submitted four grant applications this spring for the Local Nexus Projects. We submitted three applications with the Puget Sound Regional Council (PSRC) and one with the Freight Mobility Strategic Investment Board (FMSIB). We received the FMSIB grant and two PSRC grants, totaling \$13 million, which combined with local match funding, brings the local contribution amount to over \$26 million for this initial grant cycle.

If you have any questions or would like to meet for an update on the Puget Sound Gateway Program, please feel free to contact me.

Sincerely,

A handwritten signature in dark ink, appearing to read "R. Millar", is written over a light blue horizontal line.

Roger Millar, PE, FASCE, FAICP  
Secretary of Transportation

# **Puget Sound Gateway Program SR 167 and SR 509 Completion Projects**

## **Local Funding and Phasing Memorandum of Understanding**

### **1. Participating Parties**

In addition to the Washington State Department of Transportation (WSDOT), the following Local Agency Partners constitute those parties currently participating in this Memorandum of Understanding pertaining to the local contribution requirement for the Puget Sound Gateway Program (Gateway Program):

- |                   |                       |                    |
|-------------------|-----------------------|--------------------|
| • Port of Seattle | • City of Burien      | • City of Milton   |
| • Port of Tacoma  | • City of Des Moines  | • City of Pacific  |
| • King County     | • City of Edgewood    | • City of Puyallup |
| • Pierce County   | • City of Federal Way | • City of SeaTac   |
| • City of Algona  | • City of Fife        | • City of Sumner   |
| • City of Auburn  | • City of Kent        | • City of Tacoma   |

### **2. Background and Purpose of MOU**

In July 2015, the Washington State Legislature and Governor Inslee acted to fund the Gateway Program through the Connecting Washington revenue package. The Gateway Program is comprised of two projects: the State Route 167 Completion Project and the State Route 509 Completion Project. These projects provide essential connections to the ports of Tacoma and Seattle and will help ensure that people and goods move more reliably through the Puget Sound region.

WSDOT is the lead project sponsor and is responsible for the planning, design and construction of the Gateway Program, as well as for its overall financial management. The program has been guided from its beginning by a Joint SR 167/SR 509 Executive Committee (Executive Committee), comprised of elected and appointed representatives of local jurisdictions served by the Gateway Program (Algona, Auburn, Burien, Des Moines, Edgewood, Federal Way, Fife, Kent, Milton, Pacific, Puyallup, SeaTac, Sumner, Tacoma, King County, Pierce County, Port of Seattle, and Port of Tacoma) as well as Federal Highway Administration, Washington State Transportation Commission, Washington State Department of Transportation, Puget Sound Regional Council, Sound Transit, Pierce Transit, and the Freight Mobility Strategic Investment Board.

Funding for the Gateway Program has been approved to come from the state gas tax, tolls, local contributions, and potential federal and state grants. Total funding for the Gateway Program, from the 2015 Connecting Washington transportation funding package, is \$1.875 billion, which includes local contributions of \$130 million. The program has been funded over a 16-year

timeline. Based on the legislative funding plan, major construction for a first stage would occur from 2019 through 2025, and a second stage from 2026 through 2030. Local contributions will be needed to construct both stage one and stage two projects.

In the 2017 Legislative session new language was enacted (Engrossed Senate Bill 5096 § 306(20)(b)) requiring development of a Memorandum of Understanding (MOU) between the Local Agency Partners and WSDOT. The legislature directed that:

*The secretary of transportation must develop a memorandum of understanding with local project stakeholders that identifies a schedule for stakeholders to provide local matching funds for the Puget Sound Gateway project. Criteria for eligibility of local match includes matching funds and equivalent in-kind contributions including, but not limited to, land donations. The memorandum of understanding must be finalized by July 1, 2018. The department must submit a copy of the memorandum of understanding to the transportation committees of the legislature and report regularly on the status.*

To this end, the Executive Committee of the Gateway Program convened a Funding and Phasing Subcommittee (Subcommittee) to develop a MOU that summarizes their planned future commitments and planned timing of those commitments to contribute to the SR 167 and SR 509 projects.

The Subcommittee goals include:

- Support efforts to build the Gateway projects on or ahead of schedule
- Create successful local partnerships
- Obtain sufficient local funding to build the Puget Sound Gateway projects
- Time grant-funding projects to support the project delivery schedule

The construct of local funding participation, when authorized by the legislative bodies of the relevant agencies through a series of forthcoming interlocal agreements, is based on the following projections:

	SR 167	SR 509	TOTAL
Port contributions	\$30 million	\$30 million	\$60 million
Federal INFRA grant	\$10 million	\$10 million	\$20 million
Local agency partner match	\$10 million	\$10 million	\$20 million
Other Grants (PSRC, FMSIB, TIB)	\$20 million	\$10 million	\$30 million
Total	\$70 million	\$60 million	\$130 million

### 3. Local Funding Strategy

A key element of the local funding strategy is to identify projects within the Gateway Program that provide clear and measurable benefits to local jurisdictions. In the Gateway Program, these are called "Local Nexus Projects," are designed to:

- Create a positive business case for Local Agency Partners by focusing on the parts of the program that are most relevant and important to local jurisdictions
- Leverage the potential to access significant grant funding to support local funding assumptions

In support of the local funding strategy, Local Agency Partners shall:

- Participate, co-fund match, and submit grant applications with support from Subcommittee staff, as identified in Section 6 of this MOU
- Combine local monetary and in-kind contributions and project funds to ensure fully-funded applications, as identified in Section 6 of this MOU
- Support the grant effort and avoid competition with the local projects in the year of application

The following Local Nexus Projects have been identified within the north (SR 509) and south (SR 167) segments of the Gateway Program:

Gateway North (SR 509)	Gateway South (SR 167)
188 <sup>th</sup> South Ramps	Meridian West Ramps
SeaTac Access, with Ramps to 28 <sup>th</sup> /24 <sup>th</sup> Avenue South	54 <sup>th</sup> Avenue East Ramps
Veterans Drive Extension	Interurban Trail
Lake to Sound Trail	Valley Avenue West Ramps
	Port of Tacoma Access/SR 509 Spur
	70 <sup>th</sup> Avenue E Bridge Relocation

If Local Nexus, INFRA, and any other pending grant projects become fully funded, these projects will contribute substantially toward the Legislative requirement for local match. Funding commitments will be achieved via an interlocal agreement from each signing party up to the amounts presented in this MOU. Local Agency Partner signatories to this MOU understand that once the local contribution requirements set forth in ESB 5096 (\$130 million) is achieved, that Local Agency Partners will not be required to commit to additional funds beyond what is outlined in this MOU. If additional grant funding or additional funds from other sources are obtained that fulfill the \$130 million local contribution requirement, the Secretary of Transportation and the Executive Committee will review and determine to either reduce local agency partner match payments, or recommend expanding scope of the Gateway Program, and amend each signing party's interlocal agreement accordingly.

#### 4. Local Participation Policy

The Joint Executive Committee has agreed to a funding and phasing policy that structures local agency partner match requirements to be commensurate with the benefits accrued from the project at a local level. This policy states that:

*All local agency partners accrue some benefit from the Puget Sound Gateway Program. Partners receiving fewer benefits, however, are not expected to contribute as much as partners who receive more benefits. Direct benefits are those that are most quantifiable, but there are other components of value that include indirect, strategic and policy/social benefits. Both direct and indirect benefits will be assessed as part of the consideration of local contributions, because they are more easily quantifiable than strategic and policy/social benefits.*

All Local Agency Partner signatories of this MOU expect to seek approval of interlocal agreements to contribute a match to be applied to Local Nexus Projects at a level that reflects their respective anticipated level of benefit, as identified in Section 6 of this MOU.

#### 5. Benefit Assessment Methodology

The proposed financial participation by each partner is based on a general, qualitative assessment of the net benefits expected to be received by full completion of the Gateway Program. The assessment includes the following metrics, based on available project data and transportation modeling outputs:

- **Direct transportation linkages.** The location of direct access points for new limited access highways or other transportation infrastructure that benefits the community.
- **Effects on local sales taxes.** The impacts of the projects to sales tax receipts, both in terms of one-time construction sales taxes for the project, and ongoing sales taxes from impacts to commercial uses.
- **Travel time savings.** Overall travel time savings for local car and truck traffic associated with the projects.
- **Traffic diversion from local streets.** The diversion of, or increase in, traffic on local arterials due to the project, with associated positive impacts to traffic safety and local road maintenance.
- **Effects on local employment.** The potential effects of improved accessibility are reviewed, particularly in the context of access to new or potential employment uses.
- **Effects on developable residential lands.** The potential impacts of changes in traffic flow and accessibility on residential land development, with a focus on areas within the jurisdiction that are available for redevelopment.
- **Effects on developable employment lands.** The potential impacts of changes in traffic flow and accessibility on the development or redevelopment of commercial and industrial lands.
- **Achievement of local policy goals.** The alignment of the WSDOT Gateway Program with local plans and policies.
- **Environmental and social benefits.** Environmental and social benefits specifically linked to these projects, including upgrades to pedestrian and cycling infrastructure, and wetlands and riparian restoration.

The approach and findings of the benefits assessments have been provided to the Local Agency Partners.

## 6. Local Jurisdiction Anticipated Contributions to the Program

Based on results from the benefit assessment described in Section 5, contributions for each of the Local Agency Partners were determined by project stage in the tables below. Following execution of this MOU, interlocal agreements will be drafted for subsequent approval. Anticipated contributions only become binding commitments when embedded in interlocal agreements, and the conditions therein are approved by the proposed funding entity. Interlocal agreements between WSDOT and the respective Local Agency Partner must be in place for a project prior to issuance of the Request for Proposals (RFP) for any proposed construction contract. The interlocal agreements will become binding commitments, within the statutory authority of the Local Agency Partner, and will define the schedule of local match payments expected over the duration of each construction project stage.

WSDOT will exercise due diligence to develop and construct each project on schedule within the Gateway Program to the best of its abilities. Local Agency Partners will participate in project development reviews and project meetings in support of the Gateway Program.

If grant pursuits identified in the Stage 1 and Stage 2 tables below are not achieved sufficient to meet the \$130 million local contribution, additional grants will be pursued from the funding programs listed or from other funding programs that may become available over the life of the Gateway Program. If Local Nexus Projects go to construction without planned grants, the Local Agency Partner match funds will still be provided by agreement with WSDOT. If it is determined that a Local Nexus Project cannot be fully funded, WSDOT will review options with the Executive Committee. If an official decision is determined by the Executive Committee and the Secretary of Transportation that the Local Nexus Project is not to be included in a construction project, the Local Agency Partner match may be withdrawn.

### Stage 1 Grant Pursuits for Local Nexus Projects

Project	Estimated Construction Cost	Funding Program	Grant Target Amount	Target Due Mo/Year	Anticipated Construction Expenditure	Local Agency Partner Match	Partner Nexus
70 <sup>th</sup> Avenue E/Interurban Trail	\$32,245,600	FMSIB	\$5,000,000	Mar 2018	2019-2021	\$800,000 \$500,000 \$3,000,000	Fife Tacoma Port of Tacoma
		TIB	\$5,000,000	Aug 2018	2019-2021		
		State Capital & Transportation	\$1,400,000	Mar 2018	2019-2021		Fife
Veterans Drive/ SR516 Interchange	\$33,800,000	PSRC	\$4,500,000	Apr 2018	2021-2025	\$1,000,000	Kent
		TIB	\$5,000,000	Aug 2020	2021-2025	\$1,000,000	Kent
SeaTac Access	\$176,883,500	PSRC	\$4,500,000	Apr 2018	2021-2025	\$2,000,000 \$500,000	SeaTac (ROW in lieu) Des Moines



Port of Tacoma Access/509 Spur	\$323,042,000	PSRC	\$4,500,000	Apr 2018	2021-2025	\$1,500,000 \$3,000,000 \$800,000	Tacoma Port of Tacoma Fife
		FMSIB	\$5,000,000	Mar 2020	2021-2025		
All Gateway Program		INFRA	\$20,000,000*	Nov 2017	2019-2021		
SR 167 Stage 1		Port of Tacoma		Jan 2021	2021-2025	\$9,000,000	Port of Tacoma
SR 509 Stage 1		Port of Seattle		Jan 2021	2021-2025	\$15,000,000	Port of Seattle (expected in 2023-2025)
<b>Total Stage 1</b>			<b>\$54,900,000</b>			<b>\$38,100,000</b>	<b>\$93,000,000</b>

#### Stage 2 Future Grant Pursuits for Local Nexus Projects

Project	Estimated Construction Cost	Funding Program	Grant Target Amount	Target Due Mo/Year	Anticipated Construction Expenditure	Local Agency Partner Match	Partner Nexus
Meridian Avenue Interchange		TBD	\$3,000,000	2022	2026-2030	\$2,000,000	Puyallup
Valley Avenue Interchange		TBD	\$3,000,000	2022	2026-2030	\$2,000,000	Pierce County
188 <sup>th</sup> Street Interchange improvements		TBD	TBD	2023	2026-2030	TBD	SeaTac
SR 167 Stage 2		TBD	\$4,000,000	2022	2026-2030	\$500,000 \$500,000	Edgewood (ROW in lieu) Sumner
		Port of Tacoma		Jan 2026	2026-2030	\$15,000,000	Port of Tacoma
SR 509 Stage 2		TBD	\$4,000,000	2024	2026-2030		
		Port of Seattle		Jan 2026	2026-2030	\$15,000,000	Port of Seattle
<b>Total Stage 2</b>			<b>\$14,000,000</b>			<b>\$35,000,000</b>	<b>\$49,000,000</b>
<b>Total Stages 1 &amp; 2</b>			<b>\$68,900,000</b>			<b>\$73,100,000</b>	<b>\$142,000,000</b>

\* – If no INFRA, apply for FHWA BUILD grant for Port of Tacoma Access (SR 509 Spur)

TBD – grant funding program pursuit to be determined in future

## 7. Terms and Termination

### 7.1. Amendments

This MOU shall be periodically reviewed and evaluated regarding the need for modifications or amendments by mutual determination of WSDOT and Local Agency Partners. Amendments to the MOU shall be required if program funding assumptions need to be adjusted that affect the ability to construct the identified Local Nexus Projects or the ability to achieve the \$130 million local contribution. Such amendments shall only be binding if they are in writing and signed by authorized personnel from all of the Local Agency Partners. Except as set forth in an amendment, the MOU will be unaffected and shall continue in full force and effect in accordance with its terms. If there is conflict

between an amendment and the MOU or any earlier amendment, the terms of the most recent amendment will prevail.

If there is a conflict between subsequent interlocal agreements and the MOU or any earlier amendments, the terms of the interlocal agreements will prevail.

Changes that do not affect the ability to construct the identified Local Nexus Project or achieve the \$130 million local contribution shall be addressed through the interlocal agreement between WSDOT and the relevant Local Agency Partner.

## **7.2. Dispute Resolution**

Should any signatory to this MOU object at any time to any actions proposed or the manner in which the terms of this MOU are implemented, the Executive Committee shall hear the dispute first and if the disputant(s) is/are not satisfied with the Committee's proposed decision, the Committee will send to the Secretary of Transportation its proposed solution and all documentation relevant to the dispute. The Secretary of Transportation shall provide the Executive Committee with his/her advice on how to resolve the dispute within thirty (30) calendar days of receiving adequate documentation. Prior to reaching a final decision on the dispute, the Executive Committee shall prepare a written response that considers any timely advice or comments regarding the dispute from the Secretary of Transportation, signatories and other interested parties, and provide them with a copy of this written response. WSDOT will then proceed according to this final decision.

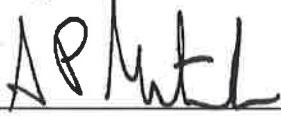
## **7.3 Conditions for Termination of Participation**

Subject to legislative appropriation and all applicable laws, each signatory shall ensure that the Gateway Program is carried out in accordance with the terms of the MOU and subsequent interlocal agreements. A signatory may terminate its participation in this MOU if its terms cannot be met and by providing written notice to the Secretary of Transportation and the Executive Committee a minimum of 180 calendar days before a project issues an RFP that relies on that local agency partner funding. Prior to providing written notice terminating participation, however, the signatories shall consult with WSDOT to determine whether an amendment to the MOU might be feasible. If a signatory terminates its participation, WSDOT will then consult with the Executive Committee to determine if project scope elements need to be removed if contributions are not realized in accordance with this understanding.

## **8. Period of Agreement.**

This MOU will commence on July 1, 2018 and will dissolve when the \$130 million of local contribution have been secured, or when the Local Nexus Projects have been constructed and are complete.

9. Signatories



Stephen P. Metruck  
Executive Director  
Port of Seattle

6/21/18

Date



John Wolfe  
Chief Executive Officer  
Port of Tacoma

5/30/18

Date



Dow Constantine  
County Executive  
King County

6/22/18

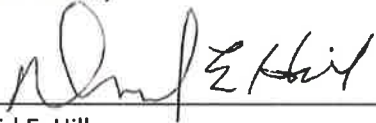
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Bruce Dammeier  
County Executive  
Pierce County

5/30/18

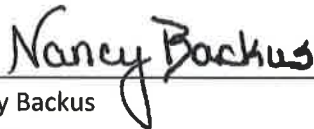
Date



David E. Hill  
Mayor  
City of Algona

6/25/18

Date



Nancy Backus  
Mayor  
City of Auburn

6/11/18

Date



Brian Wilson  
City Manager  
City of Burien

6/17/18

Date



Michael Matthias  
City Manager  
City of Des Moines

6/26/18

Date



Daryl Eidinger  
Mayor  
City of Edgewood

6/13/18

Date



Jim Ferrell  
Mayor  
City of Federal Way

6/20/18

Date



Pat Hulcey  
Councilmember  
City of Fife

6/20/18

Date



Dana Ralph  
Mayor  
City of Kent

6/26/18

Date



Shanna Styron-Sherrell  
Mayor  
City of Milton

6/21/18

Date



Leanne Guier  
Mayor  
City of Pacific

6/21/18

Date



Kevin Yamamoto  
City Manager  
City of Puyallup

6/12/18

Date

Appas Form:  
Malythia and Barroto, Seatac

  
\_\_\_\_\_  
Joseph Scordio  
City Manager  
City of SeaTac

6/28/18  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
William L. Pugh  
Mayor  
City of Sumner

6/8/18  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Elizabeth A. Pauli  
City Manager

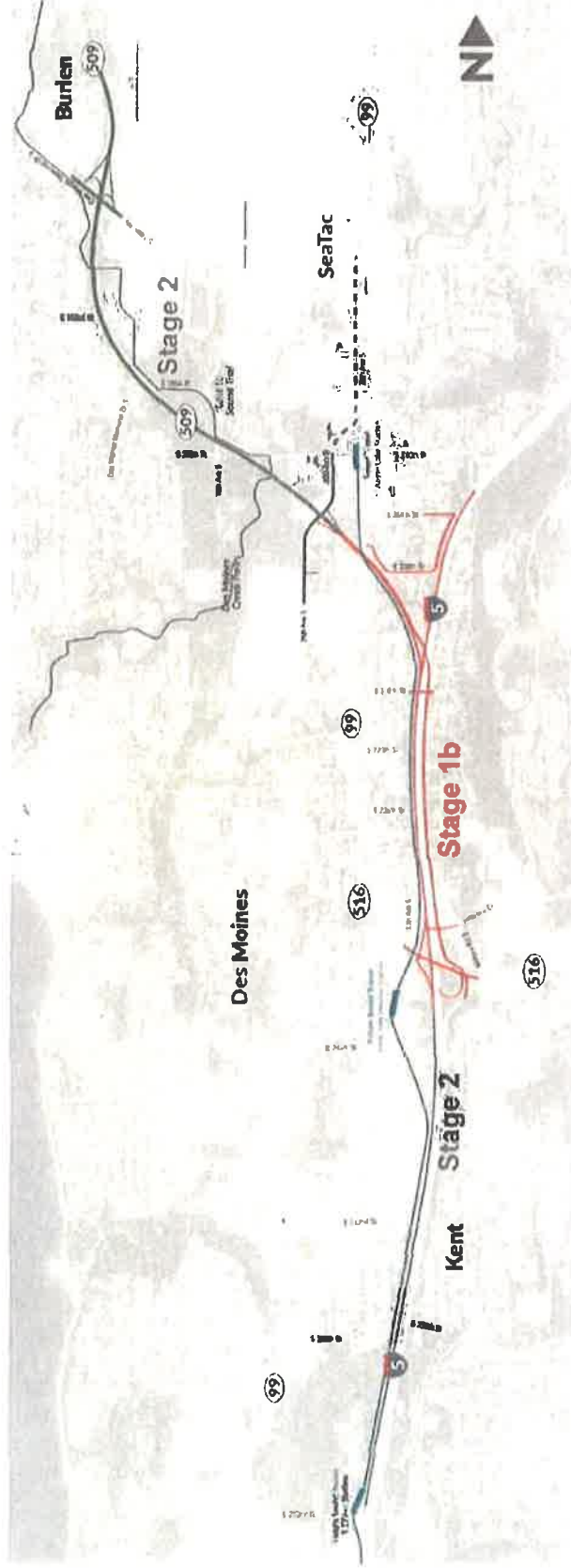
City of Tacoma

6/27/18  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Roger Millar  
Secretary of Transportation  
Washington State Department of Transportation

6/27/18  
\_\_\_\_\_  
Date

# SR 509 Construction Stages



# SR 509 Phase 1 Construction Stages

- Stage 1a (built by Sound Transit):
  - Builds new SR 99 Bridge
  - Builds retaining walls along I-5 between the guideway and the southbound collector/distributor
- Stage 1b:
  - Reconstructs the I-5/SR 516 interchange including the connection to Veterans Drive
  - Reconstructs the S. 216th St. Bridge
  - Builds new northbound I-5 auxiliary lane and southbound I-5 collector/distributor
  - Builds toll point (S. 210th St. vicinity)
  - Builds two lanes in each direction between 28th/24th Ave S. and a new I-5/SR 509 interchange
- Stage 2:
  - Builds two lanes in each direction between 28th/24th Ave S. and S. 188th St.
  - Builds folded diamond interchange at S. 188th St.
  - Builds southbound auxiliary lane on I-5 between SR 516 and S. 272nd St.



# MEMORANDUM

To: Administration and Finance Committee  
Through: Jonathan Young, City Manager  
From: Gwen Pilo, Finance Director  
Date: July 3, 2025  
Re: May 31, 2025, Investment Report

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Attached is the May 2025 Portfolio Analysis Report.

At the end of April, the City had \$117,980,687 in cash and short-term investments and \$73,580,137 in long-term investments at market value. Total cash on hand and investments equal \$191,560,824.

Interest received during the month was \$226,625 from bonds and \$364,096 from the LGIP. Interest paid year to date is \$2,749,971.

The 90-day T-bill is at 4.25%, up .05% from the previous month. The 2-year Treasury note is up 0.29% to 3.89%. The LGIP is down 0.02%, at 4.37% for May.

SeaTac Yield is at 3.52%, down .02% from April.

One bond matured in May and was not reinvested.



## Total Funds City of SeaTac

## Compliance Report

5/31/2025

Maturity Constraints	Policy Requirement	% of Total Accumulated	Portfolio Allocation	Within Limits
Under 30 days	10%	62%	117,980,687	YES
Under 1 year	25%	73%	139,573,060	YES
Under 5 years	100%	100%	191,560,824	YES
Maximum Weighted Average Maturity	3.00		2.35	
Maximum Single Maturity	5 Years		4.81	

Asset Allocation Diversification	Maximum Policy Allocation	Issuer Constraint	Percentage of Portfolio	Market Value	% within Limits
U.S. Treasury Obligations	100%		5.28%	\$ 10,108,300	
U.S. Agencies Primary	100%		30.53%	\$ 58,482,421	YES
FHLB		30%	19.13%	\$ 36,648,452	YES
FNMA		30%	0.00%	\$ -	
FHLMC		30%	3.11%	\$ 5,951,163	
FFCB		30%	8.29%	\$ 15,882,806	
U.S. Agencies Secondary	20%		2.09%	\$ 3,995,349	YES
FICO		10%	0.00%	\$ -	YES
FARMER MAC		10%	2.09%	\$ 3,995,349	
Municipal Debt Obligations	20%	5%	1.56%	\$ 2,990,580	
Certificates of Deposits	15%	5%		\$ -	
Bank Time Deposits & Savings Accounts	50%		9.19%	\$ 17,598,548	YES
Local Government Investment Pool	100%		51.36%	\$ 98,385,626	YES
<b>Total</b>			<b>100%</b>	<b>\$ 191,560,824</b>	

Portfolio by Fund Allocation	Par Amount	Total Adjusted Cost	Market Value	YTD Unrealized Gain/Loss	Yield to Maturity
City of SeaTac - Core Investment Funds	\$ 76,650,000	\$ 75,795,635	\$ 75,576,650	\$ (218,984)	3.52%
City of SeaTac Liquidity Funds	\$ 115,984,174	\$ 115,984,174	\$ 115,984,174		
<b>TOTAL PORTFOLIO</b>	<b>\$ 192,634,174</b>	<b>\$ 191,779,808</b>	<b>\$ 191,560,824</b>	<b>\$ (218,984)</b>	

Cit of SeaTac  
Investment Portfolio Analysis  
As of 5/31/2025

	SeaTac Portfolio			Monthly Interest Earned (Accrual Basis)		
Month	2023	2024	2025	2023	2024	2025
January	83,808,000	82,798,000	76,650,000	122,256	261,006	244,131
February	83,808,000	82,798,000	76,650,000	21,250	72,000	144,750
March	83,808,000	82,798,000	78,650,000	122,424	201,059	191,500
April	83,808,000	82,798,000	78,650,000	201,628	249,438	265,170
May	83,808,000	80,798,000	76,650,000	209,417	222,875	226,625
June	83,808,000	77,798,000		108,000	140,488	
July	81,858,000	79,998,000		216,756	261,006	
August	81,858,000	79,998,000		21,250	173,067	
September	81,858,000	75,998,000		155,375	317,904	
October	81,858,000	78,643,000		201,628	157,413	
November	79,858,000	78,643,000		214,325	187,625	
December	82,798,000	76,643,000		80,500	186,550	
<b>Average</b>	<b>82,744,667</b>	<b>79,975,917</b>	<b>77,450,000</b>	<b>139,567</b>	<b>202,536</b>	<b>214,435</b>

	LGIP			Monthly Interest Earned (Accrual Basis)			Year to Date Interest Earned		
Month	2023	2024	2025	2023	2024	2025	2023	2024	2025
January	56,336,037	74,726,296	88,039,368	219,694	342,536	331,538	341,950	603,542	575,669
February	56,535,226	75,047,683	88,338,396	199,189	321,387	299,029	562,389	996,929	1,019,447
March	56,763,667	75,392,294	93,675,088	228,441	344,611	336,691	913,254	1,542,599	1,547,639
April	56,993,553	75,726,756	98,021,529	229,886	334,462	346,441	1,344,768	2,126,499	2,159,250
May	57,242,831	76,073,972	98,385,626	249,278	347,216	364,096	1,803,463	2,696,590	2,749,971
June	67,518,903	91,451,890		276,073	377,918		2,187,536	3,214,995	
July	67,819,255	88,865,508		300,352	413,618		2,704,644	3,889,619	
August	65,123,761	89,272,731		304,506	407,224		3,030,400	4,469,909	
September	65,412,023	89,656,318		288,261	383,586		3,474,036	5,171,400	
October	73,713,067	87,028,373		304,045	372,055		3,979,709	5,700,868	
November	74,042,336	87,366,363		329,268	337,991		4,523,302	6,226,483	
December	74,383,760	87,707,830		341,424	341,467		4,945,226	6,754,500	
<b>Average</b>	<b>64,323,702</b>	<b>83,193,001</b>	<b>93,292,001</b>	<b>272,535</b>	<b>360,339</b>	<b>335,559</b>	<b>2,484,223</b>	<b>3,616,161</b>	<b>1,610,395</b>

	2 Yr T-Note			90 Day T Bill		
Month	2 Yr T-Note 2023	2 Yr T-Note 2024	2 Yr T-Note 2025	90 Day TBill 2023	90 Day TBill 2024	90 Day TBill 2025
January	4.21%	4.27%	4.22%	4.58%	5.22%	4.20%
February	4.81%	4.64%	3.99%	4.72%	5.25%	4.20%
March	4.06%	4.59%	3.89%	4.68%	5.23%	4.21%
April	4.04%	5.04%	3.60%	5.03%	5.25%	4.20%
May	4.40%	4.89%	3.89%	5.28%	5.25%	4.25%
June	4.87%	4.71%		5.17%	5.22%	
July	4.88%	4.29%		5.28%	5.15%	
August	4.85%	3.91%		5.32%	4.98%	
September	5.03%	3.66%		5.32%	4.52%	
October	5.07%	4.16%		5.33%	4.47%	
November	4.73%	4.13%		5.25%	4.39%	
December	4.23%	4.25%		5.25%	4.23%	
<b>Average</b>	<b>4.60%</b>	<b>4.38%</b>	<b>3.92%</b>	<b>5.10%</b>	<b>4.93%</b>	<b>4.21%</b>

	SeaTac Current Yield			LGIP Interest Rate			2025 Budget		
Month	City 2023	City 2024	City 2025	LGIP 2023	LGIP 2024	LGIP 2025	Actual	Budget	% of Budget
January	2.04%	2.74%	3.45%	4.39%	5.42%	4.45%	575,669	491,723	117%
February	2.04%	2.84%	3.54%	4.61%	5.41%	4.43%	443,779	491,723	90%
March	2.04%	2.85%	3.54%	4.76%	5.41%	4.40%	528,191	491,723	107%
April	2.04%	2.96%	3.54%	4.93%	5.40%	4.39%	611,611	491,723	124%
May	2.18%	2.95%	3.52%	5.15%	5.40%	4.37%	590,721	491,723	120%
June	2.34%	3.05%		5.20%	5.40%		-	491,723	0%
July	2.43%	3.21%		5.23%	5.41%		-	491,723	0%
August	2.47%	3.15%		5.34%	5.40%		-	491,723	0%
September	2.54%	3.11%		5.39%	5.23%		-	491,723	0%
October	2.55%	3.21%		5.40%	4.93%		-	491,723	0%
November	2.57%	3.19%		5.43%	4.73%		-	491,723	0%
December	2.74%	3.31%		5.43%	4.60%		-	491,723	0%
<b>Average</b>	<b>2.33%</b>	<b>3.05%</b>	<b>3.52%</b>	<b>5.11%</b>	<b>5.23%</b>	<b>4.41%</b>	<b>2,749,971</b>	<b>5,900,675</b>	<b>46.60%</b>

Cit of SeaTac

Investment Portfolio Transaction Report

As of 5/31/2025

**Maturities**

				Annual Interest Payments	Settlement Date	Maturity Date	FUND
Cusip	Description	Par Value	Coupon				
3134GXRG1	FHLMC	\$ 2,000,000	3.05%	61,000.00	1/12/2023	5/12/2025	307

**Purchases**

				Annual Interest Payments	Settlement Date	Maturity Date	FUND
Cusip	Description	Par Value	Coupon				



# MEMORANDUM

To: A&F Committee  
Through: Jonathan Young; City Manager  
Gwen Pilo, Interim Deputy City Manager  
From: Bryan Chappell, Public Works Maintenance and Operations Manager  
Date: 07/03/2025  
Subject: Analysis of Vehicle Purchases

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## **Purpose:**

The Committee reviewed and recommended a budget amendment for a dedicated vehicle for the Mental Health Coordinator at the June A&F meeting. The budget amendment was approved at the June 24, 2025, Regular Council Meeting following a lengthy discussion. Due to some valuable points that were raised at the meeting, Councilmember Negusse followed up with a request to better understand the various options that were considered to address the service gap, including:

- Reallocate vehicles from our current fleet to different departments, staff, or functions
- Use a surplus vehicle for parking enforcement or other dept., freeing up an existing vehicle for mental health use
- Purchase a new vehicle dedicated to the mental health professional
- Other options?

## **Background:**

A Council Request Form was submitted by Councilmember Negusse in January 2025 requesting the “Purchase or allocation of a motor vehicle for our Mental Health Professional, ... utilizing any available existing resources.” A Decision Card for the purchase of a new vehicle (\$54,000) was submitted by Chief Smithmeyer on January 27, 2025, but due to budget constraints was not presented for approval.

The fleet replacement schedule is approximately 7 -12 years for cars and trucks, a maximum of 60,000 miles, or a repair cost of \$5,000. This cost excludes routine maintenance and body repairs. Vehicles need to meet two of the prior criteria before they are considered for surplus. Meeting the requirements does not mean it goes to surplus, but it is considered for surplus.

The fleet has two pool cars (2017 Ford Escapes), one of which is used regularly, and one Public Works truck. One pool car was allocated to the Mental Health Professional (MHP) on a part time basis. However, this limits their ability to keep needed supplies in the vehicle as it may be used by others when it is not being used by them. Also, departments pay for the repairs and

replacement of a vehicle from their budget, making the reallocation of vehicles for extended periods of time not a recommended practice.

The Police department could purchase one of the 2017 Ford Escapes with approximately 20,000 miles, for \$11,000, allowing time to decide if the MHP will stay with the city or be moved to King County Police Contract. While this might create cost savings now, it could create more budgetary pressure in the future. If the position stays within the city, a new vehicle will need to be purchased, as 2017 will then be approximately 10 years old and could meet the mileage or repair cost threshold for replacement. If replacement is set aside over the next two years for this purpose at \$22,500 per year (assuming a \$45,000 cost to purchase a new vehicle) total cost would be \$56,000 (not including maintenance, repairs, or insurance) as opposed to the \$54,000 for a new vehicle.

For the MHP, it is recommended a new vehicle be purchased as requested for \$54,000. This includes purchase price, annual replacement, and maintenance. If the MHP does not remain with the city, the vehicle can be purchased by the fleet to replace one of the 2017 Ford Escapes.

The Parking Compliance Vehicle has needed major repairs and been taken out of commission requiring a vehicle to be made available for this purpose. Parking enforcement has approximately \$36,000 in the replacement funds plus the surplus amount from selling the current vehicle and a radar trailer that will not be replaced. Parking compliance could purchase a surplus 2016 Ford F150 with 44,000 miles, from PW Street Operations for \$17,000. Annual replacement cost would be \$9,000 over the next 4 years and a new vehicle could be purchased in 2029.

Since funding is available, it is recommended a new vehicle be purchased for the Parking Compliance Program to replace the current vehicle.

The shared vehicle for both the MHP and Parking Compliance program will be available until new vehicles can be delivered. Upon examining the online inventory of Ford dealerships, it seems that there are twenty-three (23) 2025 Ford Escapes Plug-in Hybrids available for purchase within a 100-mile radius of SeaTac that fulfill our criteria, as this model is not presently available for acquisition through the state contract.