



AGENDA

Long Beach City Council Workshop at 6:00 p.m.

Long Beach City Council Meeting

Workshop August 20, 2012 at 6:00 p.m.

Regular City Council August 20, 2012 at 7:00 p.m.

Long Beach City Hall - Council Chambers

115 Bolstad Avenue West

6:00 PM CALL TO ORDER

- + WS 12-11 – OTW Zoning – Allowable Land Uses- TAB – A
- + WS 12-12 – Naming of Alley - TAB - B

7:00 PM CALL TO ORDER; PLEDGE OF ALLEGIANCE; AND ROLL CALL

Call to order	Mayor Andrew, Council Member Linhart, Council Member Maxson,
And roll call	Council Member Perez, Council Member Murry, and Council Member Phillips

CONSENT AGENDA - TAB - C

All matters, which are listed within the consent section of the agenda, have been distributed to each member of the Long Beach City Council for reading and study. Items listed are considered routine by the Council and will be enacted with one motion unless a Council Member specifically requests it to be removed from the Consent Agenda to be considered separately. Staff recommends approval of the following items:

- Minutes, August 6, 2012 Regular City Council meeting.
- Payroll Report for Warrants 52163 – 52217 & 70061 - 70146 for \$293,015.99

BUSINESS

- **AB-12-46 – OR 883-Bond Ordinance for interim loan on WTP case – TAB – D**

ORAL REPORTS

- | | | | | |
|---|---------------------|--------------|---------------------------|-------------------------|
| • | City Council | Mayor | City Administrator | Department Heads |
|---|---------------------|--------------|---------------------------|-------------------------|

CORRESPONDENCE AND WRITTEN REPORTS – TAB - E

- **Correspondence – Email on Jake Festival**
- **Business License – Manzhura Enterprises, Inc; Vancouver, WA**
- **Business License – Appollo Sheet Metal, Inc; Kennewick, WA**

FUTURE CITY COUNCIL MEETING SCHEDULE

The Regular City Council meetings are held the 1st and 3rd Monday of each month at 7:00 PM and may be preceded by a workshop commencing at 6:00 PM.

September 4, 2012 - 7:00 pm – City Council Meeting

September 17, 2012 – 7:00 pm – City Council Meeting

PUBLIC COMMENT

At this time, the Mayor will call for any comments from the public on any subject whether or not it is on the agenda for any item(s) the public may wish to bring forward and discuss. Preference will be given to those who must travel. **Please limit your comments to five minutes. The City Council does not take any action or make any decisions during public comment.** To request Council action during the Business portion of a Council meeting, contact the City Administrator at least one week in advance of a meeting.

ADJOURNMENT

American with Disabilities Act Notice: The City Council Meeting room is accessible to persons with disabilities. If you need assistance, contact the City Clerk at (360) 642-4421.

TAB

A

TAB

A



**CITY COUNCIL
WORKSHOP BILL
WS 12-11**

Meeting Date: August 20, 2012

AGENDA ITEM INFORMATION		
SUBJECT: OTW Zoning – Allowable Land Uses	<i>Originator:</i>	
	Mayor	
	City Council	
	City Administrator	
	City Attorney	
	City Clerk	
	City Engineer	
	Community Development Director	GB
	Finance Director	
	Fire Chief	
	Police Chief	
	Streets/Parks/Drainage Supervisor	
	Water/Wastewater Supervisor	
COST: N/A	Other:	
SUMMARY STATEMENT: This workshop was requested by Mrs. Kristi Unruh to discuss possible additional allowable or conditionally allowable land uses in the OTW – Old Town West zoning district. You have previously seen communications from Mrs. Unruh and Mrs. Mazal, both landowners in the OTW zone on this issue. For convenience, these communications are attached to this workshop item agenda as well.		

Gayle Borchard

From: Kristi Unruh <mlkaunruh@gmail.com>
Sent: Monday, July 23, 2012 3:34 PM
To: Gayle Borchard
Subject: Re: Plans for your property

Hello Gayle,

Thank you for the heads up. If things go the way they are planned, we will be across the state emptying our home over there during the 1st Aug. meeting. However I've been looking at the codes etc. and definitions and only really have a hard time wit the section in OTW: 12-6B-2 Permitted uses.

residences permitted on 2nd floor only w/ parking etc.

As I discussed with you, changing the wording and allowing a more lenient approach could be more inviting to new potential buyers and or cottage industry type places. To me it makes good sense to rent the upper floor, getting a higher fee because of the slightly better view and having the check-in on the 1st floor. This is also more convenient for someone who wants to put in a few rooms or cabins. An office/residence on the ground floor makes good sense or is at least an option. Maybe the rules could be that a residence is allowed only with the commercial business on the property and a requirement that 75% is commercial and the other small amount for residence. All needing to meet parking and design review requirements.

It's currently really difficult to get a bank to lend on commercial property, and they're really shying away from commercial property altogether. Add rules with narrow windows of use to the commercial OTW district and it's become virtually unsellable too.

Please let me know what your feelings are - discussion is always a good thing.

Thank you,

Kris Unruh

On Mon, Jul 23, 2012 at 9:59 AM, Gayle Borchard <planner@longbeachwa.gov> wrote:

Kris, I just want to remind you that there are Council meetings on the 6th and 20th of August. To get on a workshop agenda, you'd need to let me know a full week in advance. Gayle

From: Kristi Unruh [mailto:mlkaunruh@gmail.com]
Sent: Tuesday, July 17, 2012 3:54 PM
To: Gayle Borchard
Subject: Re: Plans for your property

Thank you, this is very helpful. I'll be in touch.

Kris

On Tue, Jul 17, 2012 at 3:32 PM, Gayle Borchard <planner@longbeachwa.gov> wrote:

Good talking with you today. As we discussed, I don't have the authority to approve the home you seek to build in the OTW zone, so it's up to the Council to decide if that can happen. I'd suggest you ask for a workshop – we have workshops prior to the Council meetings on the 1st and 3rd Mondays of the month. It is a more casual

atmosphere, where the Council sits around a table and takes input on a topic. A workshop may give you an idea of how they would lean, and it will definitely get the Council thinking about your ideas. The best thing is to send me a detailed e-mail about what you would like to accomplish, and I will use that to get the issue on the workshop agenda.

About actually changing the zoning code to allow residential on the ground floor in OTW, we start working on our land use code amendments in late August or September, but you can provide us your ideas any time. Again, send a detailed e-mail describing the code changes you'd like to see – identify the code sections you'd like to see amended, and tell how you'd like to see them change. It's not necessary to provide revised text, but if you have ideas about that and want to provide such text, please do so. There's no standard way of suggesting land use amendments, just make sure you get your thoughts to me by early September. We generally hold a workshop or two on proposed amendments, then two public hearings, one at the Planning Commission and one at City Council. The hearings will be noticed in the newspaper and at City Hall, but if you make suggestions, I'd put you on an e-mail list to get direct e-mail notification as well.

Let me know if any of this is confusing.

Regards, Gayle

No virus found in this message.

Checked by AVG - www.avg.com

Version: 2012.0.2176 / Virus Database: 2437/5136 - Release Date: 07/16/12

No virus found in this message.

Checked by AVG - www.avg.com

Version: 2012.0.2176 / Virus Database: 2437/5149 - Release Date: 07/23/12

Gayle Borchard

From: Olivia Mazal <olivia@blissbookkeeping.com>
Sent: Monday, July 30, 2012 7:10 PM
To: planner@longbeachwa.gov
Subject: OTW Zoning...

Hi Gayle,

My husband and I own the empty lot on the corner of 7th and Ocean Blvd. I know that Kristi Unruh has been in contact with you recently regarding the planning restrictions placed on the lots that they own in Old Town West. I wanted to voice our support on this issue because we completely agree with her views on it. It seems like there has been a lack of development because of the difficulty in getting commercial loans and some of the restrictions on the development of the properties. It seems like if a commercial mixed use property could be developed with residential on the ground floor mixed with commercial in one form or another on upper floor or around the property on the ground floor, that might be more appealing to developers. We are actually trying to sell our lot but haven't had too much interest so we don't have any particular project in mind as it sounds like Kristi might but just wanted to voice our support for her request as it benefits all of the landowners in OTW lots.

Ultimately, I understand it really depends on the individual project and the design review process. There are plenty of examples of quaint buildings in seaside towns up and down the coast that would fit in nicely in downtown Long Beach that don't necessarily meet the design requirements. Hopefully the council is flexible enough to see that as it would be nice to start to see some development in OTW.

Olivia Mazal
Bliss Bookkeeping
Certified Intuit ProAdvisor
www.blissbookkeeping.com
[303-885-4805](tel:303-885-4805)

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Checked by AVG - www.avg.com

Version: 2012.0.2176 / Virus Database: 2437/5167 - Release Date: 07/31/12

June 8, 2012

To: Property owners in Long Beach WA zoned OTW (Old Town West) with vacant land

From: Mike and Kristi Unruh-owners 2 parcels 109 & 111 Ocean Beach Blvd. S.

RE: request to change current use from commercial to a mixed use in Old Town West Zone

Hello, we are Mike and Kristi Unruh. We own 120' of property in Long Beach WA. We obtained your names and addresses from the Pacific County Assessors' web site. We all own property which is currently zoned OTW. You may be aware that the current use restricts our (yours and ours) property from having a residence on it unless we have a business on the first floor. All around us, there are mixed uses currently in existence in old town west and we'd like to have it be made less restrictive and allow for mixed uses once again.

We are looking for support from other property owners who feel that they have been restricted from using it as they wish. We have been trying to sell our property for 5 years and because of the 'commercial' attachment, potential buyers are finding it impossible to borrow money to buy and/or build.

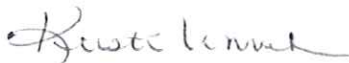
We'd like to request that the city change it so we have a ratio which is 60% commercial & 40% residential. Why can't we enjoy the property we have owned for 20 years as our own instead of having to share it with others for a fee that the city collects 3% on.

There are many benefits:

1. More flexibility for land owner
2. Good for downtown businesses-as residents use services
3. More construction possible making the property easier to sell and accommodate people who walk
4. More revenue for city with buildings on them-water-sewer usage creates revenues for city vs. bare land
5. Already mixed use on both sides of Blvd. need to continue the same.

Please feel free to contact us at : mlkaunruh@gmail.com

Any support would be greatly appreciated.



TAB

B

TAB

B



**CITY COUNCIL
WORKSHOP BILL
WS 12-12**

Meeting Date: August 20, 2012

AGENDA ITEM INFORMATION

SUBJECT: Naming Alley		<i>Originator:</i>
	Mayor	
	City Council	
	City Administrator	
	City Attorney	
	City Clerk	
	City Engineer	
	Community Development Director	
	Finance Director	DG
	Fire Chief	
	Police Chief	
	Streets/Parks/Drainage Supervisor	
	Water/Wastewater Supervisor	
COST: N/A	Other:	
SUMMARY STATEMENT: David will review this item.		

TAB

C

TAB

C

LONG BEACH CITY COUNCIL MEETING

AUGUST 6, 2012

CALL TO ORDER, PLEDGE OF ALLEGIANCE AND ROLL CALL

Mayor Andrew called the meeting to order and asked for roll call at 7:00 p.m.

ROLL CALL

David Glasson, Finance Director, called roll with Mayor Andrew, C. Linhart, C. Perez and C. Murry present. C. Maxson and C. Phillips were absent.

CONSENT AGENDA

Minutes, July 16, 2012 Regular City Council Meeting

Payment Approval List for Warrant Registers 52116-52161 & 69945-70060 for \$244,986.28

C. Linhart made the motion to approve the consent agenda with C. Perez seconding the motion. 3 Ayes 0 Nays 2 Absent (C. Maxson and C. Phillips) motion passed.

BUSINESS

AB 12-44 Public Hearing for Ordinance 882-Amendment to Building Regulations

David Glasson, Finance Director, presented the agenda bill explaining there is an error in Title 10 as currently adopted. The error limits the City's ability to enforce its code. Mayor Andrew opened the public hearing at 7:02 p.m. and being no comments, closed the public hearing. **C. Linhart made the motion to approve Ordinance 882 with C. Perez seconding the motion. 3 Ayes 0 Nays 2 Absent (C. Maxson and C. Phillips) motion passed.**

AB 12-45 Final Plat Approval – Hobson-SSDP 2011-01

David Glasson, Finance Director, presented the agenda bill explaining the final plat meets the conditions set forth in the approval of the preliminary plat the Long Beach Hearing Examiner conditionally approved on July 14, 2011. **C. Linhart made the motion to approve the agenda bill with C. Perez seconding the motion. 3 Ayes 0 Nays 2 Absent (C. Maxson and C. Phillips) motion passed.**

ORAL REPORTS

C. Perez, C. Murry, C. Linhart, Mayor Andrew and David Glasson, Finance Director, presented oral reports.

CORRESPONDENCE AND WRITTEN REPORTS

CORRESPONDENCE

Police Report for July 2012
Sales and Lodging Tax Report
Mike and Kris Unruh – Zoning
Olivia Mazal - Zoning
Ralph Moore – Youth Soccer

BUSINESS LICENSE

Seaview Sculptures – 1211 43rd Place, Seaview
Long Beach Fitness – 113 Oregon Avenue South, Long Beach
Peninsula Auto Detailing – 102 Bolstad Avenue East, Long Beach
Pascal PY Construction, Inc., Vashon, WA

PUBLIC COMMENTS

None

ADJOURNMENT

C. Linhart made the motion to adjourn at 7:19 p.m. with C. Perez seconding the motion. 3 Ayes 0 Nays 2 Absent (C. Maxson and C. Phillips) motion passed.

Mayor

ATTEST:

City Clerk



Warrant Register

Check Periods: 2012 - August - Second, 2012 - August - First

I, THE UNDERSIGNED DO HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT THE MATERIALS HAVE BEEN FURNISHED, THE SERVICES RENDERED OR THE LABOR PERFORMED AS DESCRIBED HEREIN AND THAT THE CLAIM IS A JUST, DUE AND UNPAID OBLIGATION AGAINST THE CITY OF LONG BEACH, AND THAT I AM AUTHORIZED TO AUTHENTICATE AND CERTIFY TO SAID CLAIM.

Council Member		Council Member		Council Member		Finance Director	
Number	Name	Print Date	Clearing Date	Amount			
52163	Alves, Sandy L.	8/3/2012	8/6/2012	\$1,647.41			
52164	Andrew, Robert E.	8/3/2012	8/3/2012	\$404.55			
52165	Binion, Jacob	8/3/2012	8/3/2012	\$1,297.95			
52166	Bledsoe, Linda	8/3/2012	8/6/2012	\$768.19			
52167	Booi, Kristopher A	8/3/2012	8/6/2012	\$776.57			
52168	Borchard, Gayle	8/3/2012	8/6/2012	\$1,761.17			
52169	Busby, Randy Scott	8/3/2012	8/6/2012	\$1,833.70			
52170	Cutting, Jeffrey G.	8/3/2012	8/3/2012	\$1,772.63			
52171	Daulton, Alan T	8/3/2012	8/3/2012	\$626.98			
52172	Dickman, Kenneth E.	8/3/2012	8/6/2012	\$1,136.28			
52173	Fitzgerald, Rick E.	8/3/2012	8/6/2012	\$1,706.05			
52174	Gilbertson, Bradley K	8/3/2012	8/6/2012	\$1,342.43			
52175	Glasson, David R.	8/3/2012	8/6/2012	\$2,403.86			
52176	Goulter, John R.	8/3/2012	8/6/2012	\$1,869.85			
52177	Gray, Karen	8/3/2012	8/10/2012	\$911.77			
52178	Gray, Rick R.	8/3/2012	8/6/2012	\$1,965.32			
52179	Griggs, James R	8/3/2012	8/6/2012	\$1,415.69			
52180	Huff, Timothy M.	8/3/2012	8/6/2012	\$1,569.85			
52181	Huffman, Leroy H	8/3/2012	8/6/2012	\$881.15			
52182	Isenhardt, Larry R	8/3/2012	8/6/2012	\$1,525.95			
52183	Kaino, Kris	8/3/2012	8/6/2012	\$1,037.75			
52184	Kirby, Gary E	8/3/2012	8/3/2012	\$894.23			
52185	Kitzman, Michael	8/3/2012	8/3/2012	\$1,834.91			
52186	Linhart, Steven P	8/3/2012	8/3/2012	\$272.95			
52187	Lueth, Paul J	8/3/2012	8/3/2012	\$1,586.20			
52188	Martin, Kevin R	8/3/2012	8/3/2012	\$1,637.49			
52189	Maxson, Don W	8/3/2012	8/6/2012	\$272.95			
52190	Meling, Casey K	8/3/2012	8/3/2012	\$1,501.63			
52191	Miles, Eugene S	8/3/2012	8/3/2012	\$2,769.80			

Number	Name	Print Date	Clearing Date	Amount
52192	Mortenson, Tim	8/3/2012	8/6/2012	\$1,923.91
52193	Murry, Del R	8/3/2012	8/8/2012	\$272.95
52194	Myers, Ragan S.	8/3/2012	8/3/2012	\$1,329.77
52195	Ostgaard, Loretta G	8/3/2012	8/3/2012	\$1,352.93
52196	Padgett, Timothy J	8/3/2012	8/6/2012	\$1,764.74
52197	Penoyar, Elizabeth	8/3/2012	8/9/2012	\$856.50
52198	Perez, Arthur Mark	8/3/2012	8/10/2012	\$272.95
52199	Phillips, Gerald S	8/3/2012		\$272.95
52200	Russum, Richard	8/3/2012	8/3/2012	\$1,522.67
52201	Stidham, William G	8/3/2012	8/6/2012	\$1,294.03
52202	Warner, Ralph D.	8/3/2012	8/3/2012	\$2,043.28
52203	Wright, Flint R	8/3/2012	8/6/2012	\$2,242.05
52204	Zuern, Donald D.	8/3/2012	8/6/2012	\$1,921.36
52205	AFLAC	8/3/2012	8/15/2012	\$439.82
52206	Association of WA Cities	8/3/2012		Void
52207	City of Long Beach - Fica	8/3/2012		\$10,136.35
52208	City of Long Beach - FWH	8/3/2012		\$9,249.38
52209	Council Gift Fund	8/3/2012	8/13/2012	\$60.00
52210	Dept of Labor & Industries	8/3/2012		\$1,785.20
52211	Dept of Retirement Systems	8/3/2012		\$8,087.09
52212	Dept of Retirement Systems Def Comp	8/3/2012		\$1,178.00
52213	Hartford Life Insurance	8/3/2012	8/14/2012	\$450.00
52214	Teamsters Local #58	8/3/2012	8/14/2012	\$184.50
52215	United Employee Benefit Trust (UEBT)	8/3/2012		Void
52216	Association of WA Cities	8/3/2012		\$14,732.63
52217	United Employee Benefit Trust (UEBT)	8/3/2012		\$5,566.00
70061	Reserve Account	8/2/2012	8/8/2012	\$500.00
70062	Back Country Wilderness	8/2/2012		\$700.00
70063	Parke, Greg	8/2/2012	8/9/2012	\$150.00
70064	Dennis Company	8/2/2012	8/7/2012	\$1,192.20
70065	WIRKKALA, GARY	8/3/2012	8/7/2012	\$40.00
70066	Back Country Wilderness	8/7/2012		\$700.00
70068	Refunds	8/7/2012		\$75.00
70069	Gray, Rick	8/7/2012	8/9/2012	\$304.42
70071	L.N. Curtis & Sons	8/7/2012	8/10/2012	\$8,703.77
70072	Baber, Terry	8/9/2012		\$600.00
70073	PREMIER REALTY GRAYS HARBOR LLC	8/9/2012	8/14/2012	\$7.33
70074	Evergreen Rural Water of	8/9/2012		\$170.00
70075	Warner, Ralph	8/9/2012		\$122.10
70076	BERRY, KEENAN	8/9/2012		\$95.00
70077	PNC MORTGAGE	8/9/2012		\$712.35
70078	Hach Company	8/13/2012		\$158.79
70079	Long Beach Merchants	8/13/2012		\$18,690.67
70080	Visa	8/13/2012		\$1,286.47
70081	Evergreen Rural Water of	8/13/2012		\$510.00
70082	Ocean Beach Medical Clinic	8/14/2012		\$75.00

Number	Name	Print Date	Clearing Date	Amount
70083	Petty Cash	8/14/2012		\$47.23
70084	Glasson, David	8/14/2012		\$51.62
70085	AARON T SASAKI, MD	8/16/2012		\$200.00
70086	Active Enterprises, Inc.	8/16/2012		\$11.00
70087	Addy Lab, Lic	8/16/2012		\$918.00
70088	Airgas Nor Pac	8/16/2012		\$31.75
70089	Al's Coastal Garage Door	8/16/2012		\$980.98
70090	ALS ENVIRONMENTAL	8/16/2012		\$534.00
70091	American Messaging	8/16/2012		\$35.36
70092	Astoria Janitor & Paper Supply	8/16/2012		\$443.92
70093	Back Country Wilderness	8/16/2012		\$700.00
70094	Backflow Management Inc	8/16/2012		\$1,250.00
70095	BEACH BATTERIES	8/16/2012		\$30.10
70096	Beachdog.com Inc.	8/16/2012		\$2,625.00
70097	BEAN, RICHIE	8/16/2012		\$200.00
70098	Cashmere Valley Bank	8/16/2012		\$4,854.56
70099	CenturyLink	8/16/2012		\$1,817.48
70100	Chemtrac Systems, Inc	8/16/2012		\$21.56
70101	Chinook Observer	8/16/2012		\$204.33
70102	Coast Rehabilitation Services	8/16/2012		\$292.00
70103	Consolidated Technology Services	8/16/2012		\$17.45
70104	CURRAN-MCLEOD, INC	8/16/2012		\$1,248.00
70105	DAVIS WRIGHT TREMAINE LLP	8/16/2012		\$380.00
70106	DEPT OF ENTERPRISE SERVICES	8/16/2012		\$2,400.00
70107	Dept. of Ecology	8/16/2012		\$3,290.72
70108	Emergency Medical Products, Inc	8/16/2012		\$215.28
70109	Englund Marine Supply	8/16/2012		\$938.29
70110	Evergreen Septic Service	8/16/2012		\$3,406.90
70111	Ferguson Enterprises, Inc #3001	8/16/2012		\$625.57
70112	Ford Electric	8/16/2012		\$17.06
70113	Foster Pepper Pllc	8/16/2012		\$346.50
70114	Goelz, Doug	8/16/2012		\$1,500.00
70115	HENRY, SARAH	8/16/2012		\$361.25
70116	ICOM AMERICA INC	8/16/2012		\$381.55
70117	iPROMOTEU	8/16/2012		\$231.72
70118	K & L Supply, Inc.	8/16/2012		\$113.88
70119	Mitchell 1	8/16/2012		\$1,733.42
70120	Mph Industries, Inc.	8/16/2012		\$889.35
70121	Naselle Rock & Asphalt	8/16/2012		\$960.00
70122	Office of State Treasurer	8/16/2012		\$529.31
70123	Olympic Region Clean Air Agency	8/16/2012		\$240.00
70124	Oman & Son Builders	8/16/2012		\$622.06
70125	One Call Concepts, Inc.	8/16/2012		\$17.16
70126	Oysterville Sea Farms	8/16/2012		\$76.78
70127	Pacific County Prosecutor	8/16/2012		\$12.38
70128	Peninsula Laundry Center	8/16/2012		\$30.19

Number	Name	Print Date	Clearing Date	Amount
70129	Peninsula Sanitation	8/16/2012		\$3,253.71
70130	Penoyar, Elizabeth	8/16/2012		\$22.88
70131	PERFORMANCE LIGHTING SOLUTIONS	8/16/2012		\$1,258.71
70132	Recall Secure Destruction Services	8/16/2012		\$79.85
70133	Rose City Sound	8/16/2012		\$508.24
70134	Sandridge RV & Boat Storage	8/16/2012		\$650.00
70135	Sid's Iga	8/16/2012		\$48.89
70136	SIERRA SANTA FE CORP	8/16/2012		\$66,203.75
70137	State Auditor's Office	8/16/2012		\$14,207.32
70138	Total Battery & Auto	8/16/2012		\$294.02
70139	TURNER, MICHAEL S	8/16/2012		\$1,000.00
70140	US Cellular	8/16/2012		\$226.34
70141	Water Music Festival	8/16/2012		\$1,000.00
70142	Wilcox & Flegel	8/16/2012		\$1,842.94
70143	Wilcox & Flegel Oil Co.	8/16/2012		\$1,199.08
70144	WILLAPA PAPER SERVICE	8/16/2012		\$250.00
70145	Xylem Water Solutions U.S.A., Inc	8/16/2012		\$6,469.03
70146	Zumar	8/16/2012		\$830.75
fake 52218	Association of WA Cities	8/6/2012		\$14,679.35
Total				\$293,015.99
Grand Total				\$293,015.99

TAB

D

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**CITY COUNCIL
AGENDA BILL
AB 12-46**

Meeting Date: August 20, 2012

AGENDA ITEM INFORMATION

SUBJECT: Ordinance 883 bond ordinance for loan to cover costs of WTP law suit	<i>Originator:</i>	
	Mayor	
	City Council-Steven Linhart	
	City Administrator	GM
	City Attorney	
	City Clerk	
	City Engineer	
	Community Development Director	
	Finance Director	
	Fire Chief	
	Police Chief	
	Streets/Parks/Drainage Supervisor	
COST: Up to \$300K	Water/Wastewater Supervisor	
	Other:	
SUMMARY STATEMENT: This is the bond ordinance to cover the costs of the law suit with PACE. We will only use this money as needed thus the total loan may be far less than the \$300K.		
RECOMMENDED ACTION: Approve Ordinance and publish		

CITY OF LONG BEACH, WASHINGTON

ORDINANCE NO. 883

AN ORDINANCE OF THE CITY OF LONG BEACH, WASHINGTON, AUTHORIZING THE ISSUANCE OF A WATER AND SEWER REVENUE BOND; PROVIDING FOR THE ISSUANCE OF A WATER AND SEWER REVENUE BOND ANTICIPATION NOTE FOR THE PURPOSE OF PROVIDING INTERIM FINANCING FOR EXTRAORDINARY WORKING CAPITAL EXPENDITURES FOR THE WATER AND SEWER SYSTEM OF THE CITY IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$300,000; FIXING THE FORM AND TERMS OF THE NOTE; AND PROVIDING FOR THE SALE AND DELIVERY OF THE NOTE TO BANK OF THE PACIFIC.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LONG BEACH, WASHINGTON, DO ORDAIN as follows:

Section 1. Definitions. As used in this ordinance, the following words shall have the following meanings:

“Bank” means Bank of the Pacific, Long Beach, Washington.

“Bond” means the revenue bond of the City for the purpose of providing permanent financing for the Extraordinary Working Capital Expenditures.

“City” means the City of Long Beach, Washington, a municipal corporation duly organized and existing under and by virtue of the laws of the State of Washington.

“Code” means the United States Internal Revenue Code of 1986, as amended, and the applicable rules and regulations promulgated thereunder.

“Council” means the City Council of the City as the same shall be duly and regularly constituted from time to time.

“Draw” means each incremental draw upon the Note.

“Extraordinary Capital Account” means the 2012 Extraordinary Capital Account created by this ordinance and maintained by the City Treasurer.

“Extraordinary Working Capital Expenditures” means the extraordinary legal costs arising out of certain litigation relating to the construction of the City’s water treatment plant.

“Maintenance and Operation Costs of the System” means the actual and necessary costs of maintaining and operating the System, including reasonable amounts for administration, overhead, insurance and other similar costs, but excluding depreciation, the costs of capital additions, replacements or improvements to the System, debt service, municipal taxes and payments to the City in lieu of taxes.

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

“Note” means the City’s Water and Sewer Revenue Bond Anticipation Note, 2012 (Non-Revolving Line of Credit), issued pursuant to this ordinance.

“Note Fund” means the 2012 Water and Sewer Revenue Bond Anticipation Note Fund created by this ordinance for the purpose of paying and securing the principal of and interest on the Note.

“Note Register” means the books or records maintained by the Bond Registrar for the purpose of registration of the Bond.

“Note Registrar” means the City Treasurer.

“Outstanding Revenue Bonds” means the City’s outstanding (i) Water and Sewer Revenue Bonds, 1985, Series A and C, issued pursuant to Ordinance No. 548; (ii) Water and Sewer Revenue Bonds, 2001, issued pursuant to Ordinance No. 759; (iii) Wastewater Revenue

Bond, 2003, issued pursuant to Ordinance No. 773; and (iv) Water and Sewer Revenue Bond, 2012, issued pursuant to Ordinance No. 877.

“Proposal Letter” means the letter of the Bank describing certain terms of the line of credit to be evidenced by the Note.

“Registered Owner” means the person named as the registered owner of the Note in the Note Register.

“Revenue Fund” means the Water and Sewer Revenue Fund into which fund the City has pledged and bound itself to pay all of the Revenue of the System as collected.

“Revenue of the System” means all earnings, revenue and money received by the City from or on account of the operation of the System, except ULID Assessments, and including the income from investments of money in the Revenue Fund and Bond Fund or from any other investment thereof except the income from investments irrevocably pledged to the payment of revenue bonds pursuant to a plan of retirement or refunding. “Revenue of the System” shall also include federal or state reimbursements of operating expenses that are included as Maintenance and Operation Costs of the System.

“System” means the existing combined water and sewer system of the City as added to, extended and improved.

Section 2. Recitals. The Council finds and determines that:

1. The City now owns, operates and maintains the System as a combined water and sewer system.

2. The City expects to incur extraordinary legal costs arising out of certain litigation relating to the construction of the City’s water treatment plant, and it does not appear that the

City has insurance coverage for the potential legal costs, and the City does not maintain a reserve to cover extraordinary legal fees.

3. The Council has determined that it is in the best interest of the City that the City borrow money and issue short-term obligations in accordance with the provisions of chapter 39.50 RCW in anticipation of the sale of the Bond authorized by this resolution for the purpose of providing funds with which to finance the Extraordinary Working Capital Expenditures.

4. The City has received an offer from the Bank to extend a non-revolving line of credit to the City evidenced by a water and sewer revenue bond anticipation note under the terms and conditions set forth in such offer and herein.

Section 3. Authorization of Bond. The City hereby authorizes the issuance of a revenue bond, bonds or notes of the City to be issued to repay the Note, if necessary (the "Bond"). The Bond shall be issued in the principal amount at least sufficient to repay the Note and shall be payable solely from Net Revenue of the System. The exact date, form, terms and maturity of the Bond shall be hereafter fixed by ordinance of the City.

Section 4. Authorization and Description of Note. For the purpose of providing interim financing for the Extraordinary Working Capital Expenditures, the City may borrow money from time to time pursuant to a line of credit executed by the Bank under terms of its Proposal Letter and consistent with the provisions of this ordinance and shall issue and deliver the Note in the aggregate principal amount of not to exceed \$300,000. The Note shall be designated as the "City of Long Beach, Washington, Water and Sewer Revenue Bond Anticipation Note, 2012 (Non-Revolving Line of Credit)," shall be dated its date of delivery to the Bank; shall be issued in fully registered form; shall be numbered N-1; and shall mature on

the payment date that is approximately three years from its dated date (expected to be September 1, 2015).

Principal of the Note shall be due and payable at maturity or prepayment. Each Draw shall bear interest at the rate of 3.15% and shall be computed on the principal amount of the Draw outstanding on the basis of a 365/366-day year and the actual number of days elapsed, payable quarterly on the first business day of each March, June, September and December, beginning on the first business day of December 2012 (or the quarterly payment date following a Draw), and at maturity or prepayment of the Note.

The Note shall be an obligation only of the Note Fund and shall be payable and secured as provided herein. The Note shall not be deemed to constitute a general obligation or a pledge of the faith and credit or taking power of the City or the State of Washington.

Both principal of and interest on the Note shall be payable in lawful money of the United States of America. Upon the final payment of all principal and interest on the Note, the Note shall be surrendered to the Note Registrar for cancellation.

Section 5. Prepayment Provisions. The Note may be prepaid in whole or in part at any time without penalty upon three days' notice to the Bank at a price of par, plus accrued interest, if any, to the date of redemption, with prepayments to apply first to interest and then to principal. Principal amounts of the Note that are prepaid may not be reborrowed.

Section 6. Disposition of Drawings Under the Note. The City Treasurer is authorized to create the Extraordinary Capital Fund as a special fund of the City to designated as the "2012 Extraordinary Capital Fund." Following the execution and delivery of the Note, the City is authorized to make Draws to pay costs of the Extraordinary Working Capital Expenditures or costs of issuance of the Note. The drawings under the Note shall be deposited in the

Extraordinary Capital Fund and shall be used, together with other money on deposit therein and available therefor, to finance costs of the Extraordinary Working Capital Expenditures and for paying all expenses incidental thereto (including but not limited to costs of issuance of the Note) and for repaying any advances made on account of such costs or for redeeming the Note. All money held in the Extraordinary Capital Fund may be invested in any legal investment for the City's funds. Interest earned and income or profits derived by virtue of investments of money in the Extraordinary Capital Fund may remain in the Extraordinary Capital Fund and may be used for the payment of costs of the Extraordinary Working Capital Expenditures. Upon the completion of the Extraordinary Working Capital Expenditures and the payment of all costs thereof, including the payment of all retainages, the balance on hand in the Extraordinary Capital Fund shall be transferred to City fund(s) and used for capital projects or otherwise disbursed as required under grant/loan contracts, and the Extraordinary Capital Fund shall be closed.

Section 7. Note Fund; Security and Sources of Payment of Note. The City Treasurer is authorized and directed to create and establish the Note Fund as a special fund of the City designated as the 2012 Water and Sewer Revenue Bond Anticipation Note Fund, which fund shall be drawn upon only for the payment of the principal of and interest on the Note. The City hereby covenants and agrees to deposit on or before each interest payment date and at the maturity of the Note, proceeds of the Bond, a refunding note, grants, if any, received by the City for the Extraordinary Working Capital Expenditures, or unencumbered funds remaining in the Extraordinary Capital Fund after final acceptance, and, to the extent necessary, Net Revenue of the System deposited in the Revenue Fund (on a subordinate basis to the City's Outstanding Revenue Bonds) in an amount sufficient to pay the principal of and interest on the Note as the same becomes due.

Section 8. Appointment of Note Registrar; Registration and Transfer of the Note.

The City Treasurer is appointed Note Registrar for the Note. The Note Registrar shall keep, or cause to be kept, at its principal office, sufficient books for the registration and transfer of the Note which shall at all times be open to inspection by the City. The Note Registrar shall serve as the City's authenticating agent, transfer agent, registrar and paying agent for the Note and shall comply fully with applicable federal and state laws and regulations respecting the carrying out of those duties. The Note Registrar is authorized, on behalf of the City, to authenticate and deliver the Note in accordance with the provisions of the Note and this ordinance and to carry out all of the Note Registrar's powers and duties under this ordinance.

The Note shall be issued only in registered form as to both principal and interest and recorded on the Note Register. The Note shall not be transferable, except in whole to a financial institution situated in the State of Washington.

Section 9. Form and Execution of Note. The Note shall be prepared in a form consistent with the provisions of this ordinance and state law, shall be signed by the Mayor and City Clerk, either or both of whose signatures may be in facsimile, and the seal of the City or a facsimile reproduction thereof shall be impressed or printed thereon.

The Note shall bear a Certificate of Authentication in the following form, manually signed by the Note Registrar, and only if signed in the following form shall be valid or obligatory for any purpose or entitled to the benefits of this ordinance.

CERTIFICATE OF AUTHENTICATION

This Note is the fully registered City of Long Beach, Washington, Water and Sewer Revenue Bond Anticipation Note, 2012 (Non-Revolving Line of Credit), described in the Bond Ordinance.

By [Specimen]
City Treasurer, City of Long Beach,
Washington, as Bond Registrar

The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Note so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this ordinance.

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

Section 10. Special Covenants. For as long as the Note is outstanding, the City makes the following covenants with the registered owner of the Note.

(a) It will at all times maintain and keep the System in good repair, working order and condition, and also will at all times operate the System and the business in connection therewith in an efficient manner and at a reasonable cost.

(b) It will establish, maintain and collect such rates and charges for water and sanitary sewage disposal service so long as the Note is outstanding which will be sufficient to pay all Maintenance and Operation Costs of the System and the debt service requirements of the Outstanding Revenue Bonds and the Note.

Section 11. Preservation of Tax Exemption for Interest of the Note. The City covenants that it will take all actions necessary to prevent interest on the Note from being included in gross income for federal income tax purposes, and it will neither take any action nor make or permit any use of proceeds of the Note or other funds of the City treated as proceeds of the Note at any time during the term of the Note which will cause interest on the Note to be included in gross income for federal income tax purposes.

Section 12. Small Governmental Issuer Arbitrage Rebate Exception and Designation of the Note as a “Qualified Tax-Exempt Obligation.” The City finds and declares that (a) it is a duly organized and existing governmental unit of the State and has general taxing power; (b) the Note is not a “private activity bond” within the meaning of Section 141 of the Code; (c) at least 95% of the net proceeds of the Draws on the Note will be used for local governmental activities of the City (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the City); (d) the aggregate face amount of all tax-exempt obligations (other than private activity bonds and other obligations not required to be included in such calculation) issued by the City and all entities subordinate to the City (including any entity that the City controls, that derives its authority to issue tax-exempt obligations from the City, or that issues tax-exempt obligations on behalf of the City) during the calendar year in which the Note is issued is not reasonably expected to exceed \$5,000,000; and (e) the amount of tax-exempt obligations, including the Note, designated by the City as a “qualified tax-exempt obligation” for the purposes of Section 265(b)(3) of the Code during the calendar year in which the Note is issued does not exceed \$10,000,000. The City therefore certifies that the Note is eligible for the arbitrage rebate exception under Section 148(f)(4)(D) of the Code and designates the Note as a “qualified tax-exempt obligation” for the purposes of Section 265(b)(3) of the Code.

Section 13. Sale of the Note. The Note shall be sold to the Bank in accordance with its Proposal Letter, which is attached hereto as Exhibit A, and the acceptance of such proposal, and the fee specified therein, is hereby ratified and confirmed. If there are any inconsistencies between the Proposal Letter and this ordinance, this ordinance shall govern.

The proper officials of the City are hereby authorized and directed to do all things necessary for the prompt execution and delivery of the Note and the items required to be delivered to the Bank under the terms of its commitment and for proper use and application of the proceeds of sale thereof.

Section 14. Severability. If any one or more of the covenants or agreements provided in this ordinance to be performed on the part of the City shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements in this ordinance and shall in no way affect the validity of the other provisions of this ordinance.

Section 15. Prior Acts. All acts taken pursuant to the authority of this ordinance but prior to its effective date are hereby ratified and confirmed.

Section 16. Effective Date. This ordinance shall be effective five days from and after its passage, approval and publication as required by law.

PASSED by the Council of the City of Long Beach, Washington, and approved by its Mayor at a regular meeting thereof held this 20th day of August, 2012.

CITY OF LONG BEACH, WASHINGTON

By _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

EXHIBIT A

BANK PROPOSAL LETTER



Wednesday, August 15, 2012

City of Long Beach
Gene Miles
P.O. Box 310
Long Beach, WA 98631

RE: Non Revolving Line of Credit request

The Bank of the Pacific looks forward to helping you with your financing needs, subject to the following general terms and conditions.

This loan will be approved based on the following conditions:

Loan Amount:	\$300,000. Revenue Anticipation Note
Interest Rate:	3.15% fixed rate for a three year term, non revolving line of credit for the payment of attorney's fees. A half of one percent loan fee can be advance from the loan or paid in cash.
Payment Terms:	Quarterly interest payments on outstanding principal balance, interest due first business day beginning December 2012 then quarterly March, June, September. Loan due in full September 1, 2015.
Maturity:	Three years from September 1, 2012
Collateral:	Revenue Anticipation Note for Extraordinary Working Capital Expenditures, Issue by the City of Long Beach Bonding Attorney; Foster Pepper PLLC. The Bond will include cash and revenues from the City's Water and Sewer revenue funds, with a promise to repay by issue of a long term amortizing revenue obligation bond. The Revenue Anticipation Note will be issued tax exempt.
Expenses:	City will be obligated to pay fees charged by Bond Attorney, Foster Pepper to issue Revenue Anticipation Note. A half of one percent loan fee \$1,500 to be advance from the loan or paid in cash.

Long Beach Regional Office

1007 S. Pacific Highway | P.O. Box 38 | Long Beach, WA 98601

Records: Borrower agrees to provide bank with financial or other information that the Bank may reasonably request from time to time necessary to ascertain the financial condition of the City of Long Beach. This will include providing State Audited, Annual Reports, Annual Budget and Water-Sewer Utility CPA prepared financial statements, within a reasonable amount of time, not to exceed 120 days from the filing dates.

Other Conditions:

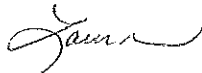
- Draft Ordinance for long term General Revenue Obligation Bond
- Bond Anticipation Note
- Resolution by the City Officials
- No Prepayment Penalties

To further proceed with your loan request, please sign the acceptance and return to my attention.

This loan commitment will expire by September 4, 2012.

If you should have any questions please do not hesitate to contact me, 360-642-1090.

Sincerely,



Laura C. Smith
Vice President
Long Beach Branch

Borrower hereby agrees to the conditions set forth herein and further acknowledges that this loan agreement does not create a commitment by Lender to disburse any funds pursuant hereto.

ACCEPTED AND AGREED TO THIS 16th DAY OF August, 2012.

City of Long Beach

BY: 
City Administrator

BY: 
City Finance Director

CERTIFICATE

I, the undersigned, City Clerk of the City of Long Beach, Washington, (the "City") and keeper of the records of the City Council (the "Council"), hereby certifies as follows:

1. The attached copy of Ordinance No. 883 of the Council (the "Ordinance"), is a full, true and correct copy of an ordinance duly passed at a regular meeting of the Council held at the regular meeting place thereof on August 20, 2012, as that ordinance appears on the minute book of the City; and the Ordinance will be in full force and effect five days after publication in the City's official newspaper.

2. A quorum of the members of the Council was present through the meeting and a majority of those members present voted in the proper manner for the passage of the Ordinance.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 2012.

CITY OF LONG BEACH, WASHINGTON

City Clerk

TAB

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TAB

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Report: AGY064P2
710-LBL ELS020

State of Washington
Business Licensing Service
Agency Requirements Document (ARD)

Date: 08 01 2012
Page: 1

LONG BEACH GENERAL BUSINESS

New Application / Final

UBI Number : 602 046 034 001 0002
Application ID : 2012 214 4515
Application Received Date: 08 01 2012

Fees : \$125.00
Expiration Date: 06 30 2013

First Date of Business: 07 31 2012

Mail Addr: PO BOX 820429
VANCOUVER WA 98682 0009

Business Structure: Profit Corporation

Legal Entity Name : MANZHURA ENTERPRISES INC.

Firm Name : MANZHURA PLUMBING

Location Phone/FAX: (360) 772-7449 (360) 326-1611

Location Address : 15510 NE 86TH ST
VANCOUVER WA 98682 3572

In City Limits: Y

Product/Serv Desc: Retail , Services
PLUMBING INSTALLATION, SPEC HOUSE BUILDING CONTRACTOR

Operator Comments:

Previous Business License: Y

Square Footage: 0 Applying as Non Profit Business: N
501(C) Received: -

Email Address: manzhuraplumbing@gmail.com

Additional Business Activities:

General/Specialty Contractor # MANZHPI894N9

Contractor license number verified in the Contractor database. Expires: 08 29 2013

Account Status: Pending Approval

-	Zoning	<i>N/A</i>	Fire	
-		<i>GP</i>	Date	
-	Building		Police	
-			Date	
-	Finance		Planning	
-			Date	
-	Comments:			
-				
-				

Report: AGY064P2
710-LBL BLS020

State of Washington
Business Licensing Service
Agency Requirements Document (ARD)

Date: 07 31 2012
Page: 1

LONG BEACH GENERAL BUSINESS

New Application / Final

Business Structure: Profit Corporation

UBI Number : 600 443 607 001 0001
Application ID : 2012 212 5185
Application Received Date: 07 30 2012

Legal Entity Name : APOLLO SHEET METAL, INC.

Firm Name : APOLLO SHEET METAL, INC.
Fees : \$125.00
Expiration Date: 07 31 2013

Location Phone/FAX: (509) 586-1104

(509) 586-3771

First Date of Business: 07 30 2012

Location Address : 1207 W COLUMBIA DR
KENNEWICK WA 99336 3459

Mail Addr: PO BOX 7387

KENNEWICK WA 99336 0617

In City Limits: Y

Product/Serv Desc: Wholesale, Retail, Manufacturing, Services

MECHANICAL CONTRACTOR HVAC SERVICE AND INSTALLATION RESIDENTIAL AND COMMERCIAL

Operator Comments:

Previous Business License: N

Square Footage: 0 Applying as Non Profit Business: N
501(C) Received: -

Email Address: angie@apollosm.com

Additional Business Activities:

General/Specialty Contractor # APOLLSM187MK

Contractor license number verified in the Contractor database. Expires: 04 09 2014

Account Status: Pending Approval

Zoning	NA	g	8/1/12	Fire	Date
Building				Police	Date
Finance				Planning	Date
Comments:					

cc: [signature]

Gayle Borchard

From: Carl Joseph <tympanifive@yahoo.com>
Sent: Saturday, August 04, 2012 8:14 PM
To: Gayle Borchard
Subject: Jake Festival

Gayle, I just wanted to say that your brainchild is one of my best weekends of the year for revenue. I was filled for this year's event months in advance and I've been full for it every year since the second one, regardless of the weather.

Wendy Murry does a really good job of putting it together, too. Both you and she deserve a lot of gratitude and I hope all the merchants say "thanks", because we all benefit.

I had some guests this year who stayed at a different hotel for last year's festival. They told me that the other hotel (who shall remain nameless) made them feel very unwelcome when it became apparent that they were here for the Jake thing. In fact, there was some hostility towards the entire celebration. I was rather shocked to hear this and I wanted to make my views plain for you and the people at the city. I love this festival. I consistently have 100% occupancy for this weekend. The people who stay with me are quite clear as to why they are here. They all ask "Do you have any vacancies for Jake's Birthday?" I am generally fully booked for the event before June, and this year I think I will have most, if not all, of my guests reserving for next year before they leave.

If there is ANY doubt on the part of the merchants association, any of the merchants, or anyone at the city as to the economic benefit of this particular festival, have them call me. I want this event to continue.

Thanks for all the work you've done getting this event off the ground.

Carl Hofelt

No virus found in this message.

Checked by AVG - www.avg.com

Version: 2012.0.2176 / Virus Database: 2437/5186 - Release Date: 08/08/12