FIRCREST CITY COUNCIL
REGULAR MEETING
AGENDA

TUESDAY, JULY 28, 2026	**COUNCIL CHAMBERS**
7:00 P.M.	**FIRCREST CITY HALL, 115 RAMSDELL STREET**

Join the Zoom *Dial-in Information:* 1-253-215-8782 *Webinar ID*: 850 6025 7564 *Password:* 412467

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THE CITY OF FIRCREST

PROCLAMATION OF THE CITY COUNCIL

WHEREAS, on Tuesday, August 4, 2026, the National Association of Town Watch is sponsoring a unique, nationwide crime, drug, and violence prevention program called National Night Out; and

WHEREAS, the 43rd Annual National Night Out provides an exceptional opportunity for the City of Fircrest to join forces with thousands of communities across the country in promoting cooperative, police-community crime and drug prevention efforts; and

WHEREAS, Fircrest is unique in its ambiance, the closeness of neighbors, awareness of community, cooperation, and concern for each other; and

WHEREAS, the citizens of Fircrest play a vital role in assisting the Fircrest Police Department through joint crime, drug, and violence prevention efforts in the City of Fircrest; and

WHEREAS, it is essential that all residents of Fircrest be aware of the importance of crime prevention programs and the impact that our residents and businesses can have on reducing crime, drugs, and violence in our community; and

WHEREAS, police-community partnerships, neighborhood safety, awareness, and cooperation are important themes of the National Night Out program; and

WHEREAS, National Night Out enhances these relationships between neighbors and law enforcement while promoting a true sense of community.

NOW, THEREFORE, WE, MAYOR AND COUNCILMEMBERS OF THE CITY OF FIRCREST, do hereby proclaim August 4th, 2026, as

National Night Out in the City of Fircrest

and urge all residents to join the Fircrest Police Department and the National Association of Town Watch in participating in this important event.

Passed this 28th day of July 2026

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Nikki Bufford, Mayor

ACCOUNTS PAYABLE

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Accts Pay #	Received	Date Due	Vendor	Amount	Memo
38346	07/13/2026	07/28/2026 3715	AMB Tools Inc	880.32	Pressure Washer Disc
	518 30 35 00 Small Tools & Equip - Facilit		001 000 518 General Fund	440.16	Pressure Washer Disc
	576 80 35 00 Small Tools & Equip - Parks		001 000 576 General Fund	440.16	Pressure Washer Disc
38361	07/14/2026	07/28/2026 4298	AWC Employee Benefit Trust	1,057.10	08/2026 Retired Medical
	521 22 20 01 LEOFF I Medical Premiums		001 000 521 General Fund	1,057.10	08/2026 Retired Medical
38350	07/13/2026	07/28/2026 3647	Agrishop, Inc	115.99	Weedeater Autocut Heads for Maintaining ROW's (Qty 3)
	542 30 31 02 Oper Supplies - Street Reg		101 000 542 City Street Fund	115.99	Weedeater Autocut Heads for Maintaining ROW's (Qty 3)
38382	07/16/2026	07/28/2026 10562	Amazon Capital Services	265.51	Balloons & Rubber Ducks for NNO
	521 22 49 08 National Night Out		001 000 521 General Fund	265.51	Balloons & Rubber Ducks for NNO
38390	07/17/2026	07/28/2026 10562	Amazon Capital Services	189.24	SAA #2142 - Brothers HL-L2460DW Wireless Compact Laser Printer
	521 22 35 00 Small Tools & Equip - Police		001 000 521 General Fund	189.24	SAA #2142 - Brothers HL-L2460DW Wireless Compact Laser Printer
38391	07/17/2026	07/28/2026 10562	Amazon Capital Services	24.66	Paper Plates for NNO
	521 22 49 08 National Night Out		001 000 521 General Fund	24.66	Paper Plates for NNO
			Total Amazon Capital Services	479.41	
38413	07/22/2026	07/28/2026 11279	Barrentine, Joseph	486.80	AWC Annual Conference - Airfare & Meal Reimbursement - 06/23/26-06/26/26
	511 60 43 00 Travel - Legisl		001 000 511 General Fund	486.80	AWC Annual Conference - Airfare & Meal Reimbursement - 06/23/26-06/26/26
38393	07/17/2026	07/28/2026 4221	Big John's Trophies Inc	108.19	Trophies for 2026 Fun Days Photo Contest
	573 90 49 01 Community Events		001 000 573 General Fund	108.19	Trophies for 2026 Fun Days Photo Contest
38381	07/16/2026	07/28/2026 2586	Bozek, Matthew	39.00	Library Reimbursement - 1/2 Year (Jody)
	572 21 49 00 Library Services		001 000 572 General Fund	39.00	Library Reimbursement - 1/2 Year (Jody)
38389	07/17/2026	07/28/2026 11473	Brown, Carrie	125.00	Fun Days Performer - Drumline Performance
	573 90 49 01 Community Events		001 000 573 General Fund	125.00	Fun Days Performer - Drumline Performance

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38359	07/14/2026	07/28/2026 5805	CenturyLink (Lumen LD)	9.36	Long Distance Access & Usage 07/2026
	518 10 42 00 Communication - Non Dept		001 000 518 General Fund	9.36	Long Distance Access & Usage 07/2026
38397	07/17/2026	07/28/2026 3994	CenturyLink	491.06	City Hall Alarm & Fax (2), PW Alarm, Police BA/Modem & Fax - 07/2026
	518 10 42 00 Communication - Non Dept		001 000 518 General Fund	150.83	City Hall Alarm & Fax (2) - 07/2026
	521 22 42 00 Communication - Police		001 000 521 General Fund	289.96	Police BA/Modem & Fax - 07/2026
	531 50 42 00 Communication - Storm		415 000 531 Storm Drain	12.57	PW Alarm - 07/2026
	534 10 42 00 Communication - Water Adr		425 000 534 Water Fund (dep	12.57	PW Alarm - 07/2026
	535 10 42 01 Communication - Sewer Adr		430 000 535 Sewer Fund (dep	12.57	PW Alarm - 07/2026
	542 30 42 00 Communication - Street Reg		101 000 542 City Street Fund	12.56	PW Alarm - 07/2026
38406	07/20/2026	07/28/2026 7088	Certified Laboratories	782.76	Floor Dry for Oil Spills
	542 30 31 02 Oper Supplies - Street Reg		101 000 542 City Street Fund	782.76	Floor Dry for Oil Spills
38352	07/13/2026	07/28/2026 4324	City Treasurer-Tacoma	71,713.47	Fire/EMS - 08/2026
	522 20 40 00 Tacoma Contract - Fire		001 000 522 General Fund	22,674.67	Fire - 08/2026
	522 20 41 00 Tacoma Contract - EMS		001 000 522 General Fund	49,038.80	EMS - 08/2026
38356	07/13/2026	07/28/2026 3573	Copiers Northwest Inc	9.29	Copier Usage 06/01/26-06/30/26
	521 22 45 00 Oper Rentals - Copier - Polic		001 000 521 General Fund	9.29	Copier Usage 06/01/26-06/30/26
38402	07/17/2026	07/28/2026 7802	Core & Main LP	493.03	Parts for Water Services
	534 80 31 03 Oper Supplies - Chlorine		425 000 534 Water Fund (dep	493.03	Parts for Water Services
38403	07/17/2026	07/28/2026 7802	Core & Main LP	1,283.65	Parts for Water Services
	534 80 31 03 Oper Supplies - Chlorine		425 000 534 Water Fund (dep	1,283.65	Parts for Water Services
			Total Core & Main LP	1,776.68	
38353	07/13/2026	07/28/2026 7201	Craig S. Goegebuer	1,101.00	Sound For Derby Days - 8/8/26
	573 90 49 01 Community Events		001 000 573 General Fund	1,101.00	Sound For Derby Days - 8/8/26
38360	07/14/2026	07/28/2026 10913	David Evans and Associates, Inc.	3,632.60	P#74 Regents West Grind & Overlay - Professional Services 05/03/26-06/27/26
	595 10 63 11 Regents Grind & Overlay #7		101 000 594 City Street Fund	3,632.60	P#74 Regents West Grind & Overlay - Professional Services 05/03/26-06/27/26

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38383	07/16/2026	07/28/2026	8004	Davis, Stephanie		78.00	Library Reimbursement - 1 Year
	572 21 49 00 Library Services				001 000 572 General Fund	78.00	Library Reimbursement - 1 Year
38323	07/08/2026	07/28/2026	10424	Depavloff, Alex		134.32	07-00312.2 - 1442 COTTONWOOD AVE
	343 10 00 00 Storm Drain Revenues				415 000 340 Storm Drain	-29.01	
	343 40 00 00 Sale Of Water				425 000 340 Water Fund (dep	-35.18	
	343 50 00 00 Sewer Revenues				430 000 340 Sewer Fund (dep	-70.13	
38338	07/13/2026	07/28/2026	3594	Dept Of Ecology		69,479.34	Principal & Interest Loan Payment #L1100018/#20 (BYSM)
	591 35 78 02 Principal Loan Payment - Se				430 000 591 Sewer Fund (dep	52,528.49	Principal Loan Payment #L1100018/#20 (BYSM)
	592 35 83 01 Interest Payment - Loan				430 000 591 Sewer Fund (dep	16,950.85	Interest Loan Payment #L1100018/#20 (BYSM)
38411	07/21/2026	07/28/2026	3594	Dept Of Ecology		3,114.50	Municipal Stormwater Permit Fee - 1st Half FY27 7/1/2026 - 6/30/2027
	531 50 49 01 NPDES Permit				415 000 531 Storm Drain	3,114.50	Municipal Stormwater Permit Fee - 1st Half FY27 7/1/2026 - 6/30/2027
				Total Dept Of Ecology		72,593.84	
38405	07/20/2026	07/28/2026	4310	Dept Of Revenue-EXCISE TAX		25,194.37	June 2026 Excise Taxes
	518 20 43 01 Excise Tax - Time/Temp Ren				001 000 518 General Fund	3.85	June 2026 Excise Taxes
	531 50 44 00 Excise Tax - Storm				415 000 531 Storm Drain	1,507.22	June 2026 Excise Taxes
	534 10 44 00 Excise Tax - Water				425 000 534 Water Fund (dep	75.55	June 2026 Excise Taxes
	534 10 44 00 Excise Tax - Water				425 000 534 Water Fund (dep	9,944.67	June 2026 Excise Taxes
	535 10 44 00 Excise Tax - Sewer				430 000 535 Sewer Fund (dep	129.99	June 2026 Excise Taxes
	535 10 44 00 Excise Tax - Sewer				430 000 535 Sewer Fund (dep	6,909.52	June 2026 Excise Taxes
	571 20 43 00 Excise Tax - Participation Fee				001 000 571 General Fund	500.02	June 2026 Excise Taxes
	573 90 49 01 Community Events				001 000 573 General Fund	127.26	June 2026 Excise Taxes
	576 20 43 00 Excise Tax - Pool Revenue				001 000 576 General Fund	5,993.54	June 2026 Excise Taxes
	589 30 00 00 Retail Sales Tax				655 000 580 Agency Fund/Bd	2.75	June 2026 Excise Taxes
38362	07/14/2026	07/28/2026	4858	Ewing Irrigation Products Inc		346.95	New Sprinkler Controller
	518 30 31 04 Oper Supplies - CH				001 000 518 General Fund	346.95	New Sprinkler Controller
38375	07/15/2026	07/28/2026	4858	Ewing Irrigation Products Inc		134.14	Repair Parts for Irrigation & Paint for Fields
	576 80 31 02 Oper Supplies - Parks				001 000 576 General Fund	134.14	Repair Parts for Irrigation & Paint for Fields

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38377	07/15/2026	07/28/2026	4858	Ewing Irrigation Products Inc		40.60	Repair Parts for Irrigation at Fircrest Park - Rainbird Solenoid
	576 80 31 02 Oper Supplies - Parks				001 000 576 General Fund	40.60	Repair Parts for Irrigation at Fircrest Park - Rainbird Solenoid
				Total Ewing Irrigation Products Inc		521.69	
38309	07/07/2026	07/28/2026	2719	Gordon, Mara		282.67	06-00540.1 - 1204 CORAL DR
	343 10 00 00 Storm Drain Revenues				415 000 340 Storm Drain	-70.28	
	343 40 00 00 Sale Of Water				425 000 340 Water Fund (dep	-72.46	
	343 50 00 00 Sewer Revenues				430 000 340 Sewer Fund (dep	-139.93	
38345	07/13/2026	07/28/2026	3666	Grainger Inc, Dept 826129041		199.71	Vents for Outside Restrooms at Pool Building
	576 20 31 03 Oper Supplies - Pool				001 000 576 General Fund	199.71	Vents for Outside Restrooms at Pool Building
38395	07/17/2026	07/28/2026	10499	Hemley's Septic Tank Cleaning, Inc.		1,880.00	Portable Toilets & Handwash Station Rental for 2026 Fircrest Car Show
	573 90 49 01 Community Events				001 000 573 General Fund	1,880.00	Portable Toilets & Handwash Station Rental for 2026 Fircrest Car Show
38347	07/13/2026	07/28/2026	3692	Home Depot Credit Services		81.97	Door Repair Supplies for Outside Pool Restrooms
	576 20 31 04 Repair Supplies - Pool				001 000 576 General Fund	81.97	Door Repair Supplies for Outside Pool Restrooms
38348	07/13/2026	07/28/2026	3692	Home Depot Credit Services		21.49	Office Repair Supplies
	521 22 48 00 Rep & Maint - Police				001 000 521 General Fund	21.49	Office Repair Supplies
38354	07/13/2026	07/28/2026	3692	Home Depot Credit Services		48.07	Shop Supplies
	518 30 35 00 Small Tools & Equip - Facilit				001 000 518 General Fund	48.07	Shop Supplies
38374	07/15/2026	07/28/2026	3692	Home Depot Credit Services		66.27	RMS Digital Clamp Meter for Shop
	518 30 35 00 Small Tools & Equip - Facilit				001 000 518 General Fund	66.27	RMS Digital Clamp Meter for Shop
38378	07/15/2026	07/28/2026	3692	Home Depot Credit Services		162.34	Supplies for 2026 Fun Days - Stakes, Canopy, Caution Tape
	576 80 31 02 Oper Supplies - Parks				001 000 576 General Fund	162.34	Supplies for 2026 Fun Days - Stakes, Canopy, Caution Tape
38400	07/17/2026	07/28/2026	3692	Home Depot Credit Services		67.28	Supplies for Office

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	521 22 48 00 Rep & Maint - Police			001 000 521 General Fund	67.28	Supplies for Office
38401	07/17/2026	07/28/2026 3692	Home Depot Credit Services		225.39	Folding Chairs, Box Knife, Cart
	531 50 31 03 NPDES Public Outreach			415 000 531 Storm Drain	225.39	Folding Chairs, Box Knife, Cart
			Total Home Depot Credit Services		672.81	
38337	07/13/2026	07/28/2026 9955	Isenhour, Micheal Willard		39.00	Library Reimbursement - 1/2 Year
	572 21 49 00 Library Services			001 000 572 General Fund	39.00	Library Reimbursement - 1/2 Year
38396	07/17/2026	07/28/2026 10129	Kropelnicki, Amber		36.41	Donuts for Senior Mornings
	571 10 31 02 Senior Program Supplies			001 000 571 General Fund	36.41	Donuts for Senior Mornings
38357	07/13/2026	07/28/2026 5079	Les Schwab Tires		241.21	#38484D - 2004 Ford Pickup - Fix Flat Tire
	548 65 48 12 O & M - Street			501 000 548 Equipment Rent	241.21	#38484D - 2004 Ford Pickup - Fix Flat Tire
38384	07/17/2026	07/28/2026 11472	Merrival, Steven O		675.00	Conflict Counsel (26CR26173) - 4/9/26-7/1/26
	515 41 41 05 Conflict Counsel			001 000 515 General Fund	675.00	Conflict Counsel (26CR26173) - 4/9/26-7/1/26
38385	07/17/2026	07/28/2026 11472	Merrival, Steven O		615.00	Conflict Counsel (26CR74320) - 4/24/26-6/24/26
	515 41 41 05 Conflict Counsel			001 000 515 General Fund	615.00	Conflict Counsel (26CR74320) - 4/24/26-6/24/26
			Total Merrival, Steven O		1,290.00	
38335	07/13/2026	07/28/2026 10227	Miller, Pamela		78.00	Library Reimbursement - 1 Year
	572 21 49 00 Library Services			001 000 572 General Fund	78.00	Library Reimbursement - 1 Year
38371	07/14/2026	07/28/2026 3958	PC Budget & Finance - Jail		6,126.12	Jail Services - June 2026
	523 60 40 01 Jail			001 000 523 General Fund	6,126.12	Jail Services - June 2026
38342	07/13/2026	07/28/2026 8993	Pacific Office Automation, Inc.		406.37	Copier Usage 06/01/26-06/30/26
	512 51 45 00 Oper Rentals - Copier - Cou			001 000 512 General Fund	17.11	Court 06/01/26-06/30/26
	518 10 45 00 Oper Rentals - Copier - Non			001 000 518 General Fund	321.53	City Hall 06/01/26-06/30/26
	531 50 45 00 Oper Rentals - Copier - Stor			415 000 531 Storm Drain	16.09	Storm 06/01/26-06/30/26
	534 10 45 02 Oper Rentals - Copier - Wat			425 000 534 Water Fund (dep	16.10	Water 06/01/26-06/30/26
	535 10 45 00 Oper Rentals - Copier - Sew			430 000 535 Sewer Fund (dep	16.09	Sewer 06/01/26-06/30/26
	542 30 45 00 Oper Rentals - Copier - Stre			101 000 542 City Street Fund	16.09	Street 06/01/26-06/30/26
	571 10 45 01 Oper Rentals - Copier - Rec			001 000 571 General Fund	3.02	Rec 06/01/26-06/30/26

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	576 80 45 00 Oper Rentals - Copier - Park			001 000 576 General Fund	0.34	Parks 06/01/26-06/30/26
38351	07/13/2026	07/28/2026 8993	Pacific Office Automation, Inc.		549.59	Copier Lease 06/01/26-07/01/26
	512 51 45 00 Oper Rentals - Copier - Cou			001 000 512 General Fund	9.58	Court 06/01/26-07/01/26
	518 10 45 00 Oper Rentals - Copier - Non			001 000 518 General Fund	18.66	City Hall 06/01/26-07/01/26
	531 50 45 00 Oper Rentals - Copier - Stor			415 000 531 Storm Drain	2.93	Storm 06/01/26-07/01/26
	534 10 45 02 Oper Rentals - Copier - Wat			425 000 534 Water Fund (dep	2.93	Water 06/01/26-07/01/26
	535 10 45 00 Oper Rentals - Copier - Sew			430 000 535 Sewer Fund (dep	2.92	Sewer 06/01/26-07/01/26
	542 30 45 00 Oper Rentals - Copier - Stre			101 000 542 City Street Fund	2.92	Street 06/01/26-07/01/26
	571 10 45 01 Oper Rentals - Copier - Rec			001 000 571 General Fund	9.42	Rec 06/01/26-07/01/26
	576 80 45 00 Oper Rentals - Copier - Park			001 000 576 General Fund	1.05	Parks 06/01/26-07/01/26
	591 12 70 00 Lease Payments - Court			001 000 591 General Fund	94.84	Court 06/01/26-07/01/26
	591 18 70 10 Lease Payments - Non-Dept			001 000 591 General Fund	184.78	City Hall 06/01/26-07/01/26
	591 31 70 00 Lease Payments - Storm			415 000 591 Storm Drain	28.99	Storm 06/01/26-07/01/26
	591 34 70 00 Lease Payments - Water Adr			425 000 591 Water Fund (dep	28.99	Water 06/01/26-07/01/26
	591 35 70 00 Lease Payments - Sewer			430 000 591 Sewer Fund (dep	28.99	Sewer 06/01/26-07/01/26
	591 71 70 00 Lease Payments - Recreatior			001 000 591 General Fund	93.23	Rec 06/01/26-07/01/26
	591 76 70 80 Lease Payments - Parks			001 000 591 General Fund	10.36	Parks 06/01/26-07/01/26
	591 95 70 00 Lease Payments - Street			101 000 591 City Street Fund	29.00	Street 06/01/26-07/01/26
			Total Pacific Office Automation, Inc.		955.96	
38363	07/14/2026	07/28/2026 1429	Pasic, Brian		78.00	Library Reimbursement - 1 Year (Brian)
	572 21 49 00 Library Services			001 000 572 General Fund	78.00	Library Reimbursement - 1 Year (Brian)
38364	07/14/2026	07/28/2026 3751	Psomas, DBA KPG Psomas		1,925.00	Task Order 2025-04 - Whittier School Stormwater Review - Services from 11/21/25-12/31/25
	558 60 41 00 Prof Svcs - Planning			001 000 558 General Fund	1,925.00	Task Order 2025-04 - Whittier School Stormwater Review - Services from 11/21/25-12/31/25
38365	07/14/2026	07/28/2026 3751	Psomas, DBA KPG Psomas		12,031.00	Task Order 2026-04 - Whittier School Civil Review - Services from 03/27/26-04/23/26
	558 60 41 00 Prof Svcs - Planning			001 000 558 General Fund	12,031.00	Task Order 2026-04 - Whittier School Civil Review - Services from 03/27/26-04/23/26
38366	07/14/2026	07/28/2026 3751	Psomas, DBA KPG Psomas		2,670.50	Task Order 2026-04 - Whittier School Civil Review - Services from 04/24/26-05/28/26
	558 60 41 00 Prof Svcs - Planning			001 000 558 General Fund	2,670.50	Task Order 2026-04 - Whittier School Civil Review - Services from 04/24/26-05/28/26

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38367	07/14/2026	07/28/2026	3751	Psomas, DBA KPG Psomas	4,012.00	Task Order 2026-04 - Whittier School Civil Review - Services from 05/29/26-06/25/26
	558 60 41 00 Prof Svcs - Planning			001 000 558 General Fund	4,012.00	Task Order 2026-04 - Whittier School Civil Review - Services from 05/29/26-06/25/26
38368	07/14/2026	07/28/2026	3751	Psomas, DBA KPG Psomas	4,999.75	Task Order 2026-01 - 1205 Contra Costa SFR Reasonable Use Exception Review - Services from 02/16/26-02/26/26
	558 60 41 00 Prof Svcs - Planning			001 000 558 General Fund	4,999.75	Task Order 2026-01 - 1205 Contra Costa SFR Reasonable Use Exception Review - Services from 02/16/26-02/26/26
38369	07/14/2026	07/28/2026	3751	Psomas, DBA KPG Psomas	5,483.25	Task Order 2025-02 - 514 Ramsdell Short Plat and Wetland Review - Services from 01/01/26-01/29/26
	558 60 41 00 Prof Svcs - Planning			001 000 558 General Fund	5,483.25	Task Order 2025-02 - 514 Ramsdell Short Plat and Wetland Review - Services from 01/01/26-01/29/26
38370	07/14/2026	07/28/2026	3751	Psomas, DBA KPG Psomas	555.00	Task Order 2025-02 - 514 Ramsdell Short Plat and Wetland Review - Services from 02/27/26-03/26/26
	558 60 41 00 Prof Svcs - Planning			001 000 558 General Fund	555.00	Task Order 2025-02 - 514 Ramsdell Short Plat and Wetland Review - Services from 02/27/26-03/26/26
38372	07/14/2026	07/28/2026	3751	Psomas, DBA KPG Psomas	1,086.00	Task Order 2025-01 - Contra Costa BLA Survey Review - Services from 01/01/26-01/29/26
	558 60 41 00 Prof Svcs - Planning			001 000 558 General Fund	1,086.00	Task Order 2025-01 - Contra Costa BLA Survey Review - Services from 01/01/26-01/29/26
38373	07/14/2026	07/28/2026	3751	Psomas, DBA KPG Psomas	362.00	Task Order 2025-01 - Contra Costa BLA Survey Review - Services from 01/30/26-02/26/26
	558 60 41 00 Prof Svcs - Planning			001 000 558 General Fund	362.00	Task Order 2025-01 - Contra Costa BLA Survey Review - Services from 01/30/26-02/26/26
				Total Psomas, DBA KPG Psomas	33,124.50	
38355	07/13/2026	07/28/2026	10983	Public Safety Testing, Inc.	260.00	Recruiting Assistance, Application Processing, Written & Physical Ability Testing Subscription - 04/01/26-06/30/26

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	521 22 49 03 Dues/Member/Subscriptions		001 000 521 General Fund	260.00	Recruiting Assistance, Application Processing, Written & Physical Ability Testing Subscription - 04/01/26-06/30/26
38341	07/13/2026	07/28/2026 3986	Puget Sound Energy, BOT-01H	75.90	Natural Gas - City Hall - June 2026
	518 30 47 00 Public Utility Services - City I		001 000 518 General Fund	75.90	Natural Gas - City Hall - June 2026
38376	07/15/2026	07/28/2026 3986	Puget Sound Energy, BOT-01H	110.61	Natural Gas - PW - June 2026
	531 50 47 02 Public Utility Services - Bldg		415 000 531 Storm Drain	27.65	Natural Gas - PW - June 2026
	534 10 47 00 Utility Services/Building - Wa		425 000 534 Water Fund (dep	27.65	Natural Gas - PW - June 2026
	535 10 47 00 Utility Services/Building - Se		430 000 535 Sewer Fund (dep	27.65	Natural Gas - PW - June 2026
	542 30 47 02 Electricity & Gas/Bldg - Stree		101 000 542 City Street Fund	27.66	Natural Gas - PW - June 2026
			Total Puget Sound Energy, BOT-01H	186.51	
38409	07/21/2026	07/28/2026 10812	Quadient Finance USA, Inc.	2,000.00	Postage Meter Refill - July 2026
	518 10 42 01 Postage - Non Dept		001 000 518 General Fund	2,000.00	Postage Meter Refill - July 2026
38336	07/13/2026	07/28/2026 9312	Ricker, Joshua	78.00	Library Reimbursement - 1 Year
	572 21 49 00 Library Services		001 000 572 General Fund	78.00	Library Reimbursement - 1 Year
38392	07/17/2026	07/28/2026 10434	Romero, Stacey F	150.00	Spanish Interpreting (2 hrs) 26CR73028, 26IN73030, 226CR56700 - 07/16/2026
	512 52 41 03 Prof Srvs - Interpreter - RMC		001 000 512 General Fund	150.00	Spanish Interpreting (2 hrs) 26CR73028, 26IN73030, 226CR56700 - 07/16/2026
38334	07/13/2026	07/28/2026 11471	Saalfeld, Luke	78.00	Library Reimbursement - 1 Year
	572 21 49 00 Library Services		001 000 572 General Fund	78.00	Library Reimbursement - 1 Year
38344	07/13/2026	07/28/2026 4035	Sarco Supply	495.87	Janitorial Supplies - Rec Bldg
	571 10 31 04 Janitorial Supplies - Rec Bldg		001 000 571 General Fund	495.87	Janitorial Supplies - Rec Bldg
38340	07/13/2026	07/28/2026 4056	Sherwin-Williams Company	78.55	Paint for Office
	521 22 48 00 Rep & Maint - Police		001 000 521 General Fund	78.55	Paint for Office
38310	07/07/2026	07/28/2026 8894	Simmons Trustee, Lana	291.82	07-03310.0 - 1053 11TH TEE DR
	343 40 00 00 Sale Of Water		425 000 340 Water Fund (dep	-107.02	
	343 50 00 00 Sewer Revenues		430 000 340 Sewer Fund (dep	-184.80	

ACCOUNTS PAYABLE

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Accts Pay #	Received	Date Due		Vendor		Amount	Memo
38408	07/21/2026	07/28/2026	7992	Speedy Glass		547.06	Replace Broken Back Door Window on Kia Rio (Broke While Excavating for a Water Meter Turnaround)
	534 50 48 01 Rep & Maint - Water Maint				425 000 534 Water Fund (dep	547.06	Replace Broken Back Door Window on Kia Rio (Broke While Excavating for a Water Meter Turnaround)
38379	07/15/2026	07/28/2026	4084	Staples Business Advantage		43.71	Office Supplies - Rec
	571 10 31 00 Office & Oper Sup - Rec				001 000 571 General Fund	43.71	Office Supplies - Rec
38343	07/13/2026	07/28/2026	4328	Systems for Public Safety Inc		801.30	#71535D - 2021 Ford Interceptor Utility - LOF Service, Replace TPMS Sensor (Qty 4), Mount 2 Used Tires
	548 65 48 08 O & M - Police				501 000 548 Equipment Rent	801.30	#71535D - 2021 Ford Interceptor Utility - LOF Service, Replace TPMS Sensor (Qty 4), Mount 2 Used Tires
38386	07/17/2026	07/28/2026	4120	Tacoma Daily Index		209.43	June Publications
	511 60 41 01 Advertising - Legisl				001 000 511 General Fund	142.74	Public Hearing, Ordinance 1757, 1758 & 1759
	558 60 41 01 Advertising - Planning				001 000 558 General Fund	66.69	Major Variance Design Review
38387	07/17/2026	07/28/2026	4322	Tacoma, City of - POWER		12,591.91	Power - Various Locations - 06/2026
	518 30 47 00 Public Utility Services - City I				001 000 518 General Fund	781.88	City Hall Power - 06/2026
	531 50 47 02 Public Utility Services - Bldg				415 000 531 Storm Drain	69.36	PW Power - 06/2026
	534 10 47 00 Utility Services/Building - Wa				425 000 534 Water Fund (dep	69.36	PW Power - 06/2026
	534 80 47 01 Utility Services/Pumping				425 000 534 Water Fund (dep	4,934.23	PW, Well #4, #9, Golf Course Tank - 06/2026
	535 10 47 00 Utility Services/Building - Se				430 000 535 Sewer Fund (dep	69.36	PW Power - 06/2026
	535 80 47 01 Utility Services/Pumping				430 000 535 Sewer Fund (dep	1,141.04	Pumps/LS Power - 06/2026
	542 30 47 02 Electricity & Gas/Bldg - Stre				101 000 542 City Street Fund	69.37	PW Power - 06/2026
	542 30 47 03 Electricity/Traffic Lights				101 000 542 City Street Fund	61.64	Traffic Control - 06/2026
	542 63 47 00 Electricity/Street Lights				101 000 542 City Street Fund	1,583.51	Street Lights - 06/2026
	548 65 47 00 Utility Services/Building - Sh				501 000 548 Equipment Rent	48.50	F&E Garage Power - 06/2026
	571 10 47 00 Public Utility Services - Rec				001 000 571 General Fund	1,367.88	Rec Center Power - 06/2026
	576 20 47 00 Public Utility Services - Pool				001 000 576 General Fund	1,546.46	Pool Power - 06/2026
	576 80 47 00 Public Utility Services - Parks				001 000 576 General Fund	849.32	Parks Power - 06/2026
38407	07/20/2026	07/28/2026	4139	Tapco Visa Card		411.39	Tapco Charges thru 07/15/26
	571 10 31 00 Office & Oper Sup - Rec				001 000 571 General Fund	18.95	Senior Morning Supplies
	571 10 31 03 Youth Supplies				001 000 571 General Fund	67.10	Youth Supplies
	573 90 49 01 Community Events				001 000 573 General Fund	325.34	Supplies for Community Events, 8 x 10 Photos for Fun Days Photo Contest

ACCOUNTS PAYABLE

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Accts Pay #	Received	Date Due		Vendor	Amount	Memo
38410	07/21/2026	07/28/2026	10617	TechPower Solutions, Inc.	127.83	SAA #2141 Poly Edge IP Phone
	518 10 31 00 Office & Oper Sup - Non De			001 000 518 General Fund	127.83	SAA #2141 Poly Edge IP Phone
38339	07/13/2026	07/28/2026	10614	Tennant Sales and Service Company	692.34	Ride-on Scrubber Repair (ERR 681), Squeegees (Qty 2) for I-Mop Auto Scrubber (ERR 682)
	548 65 48 11 O & M - Parks/Rec			501 000 548 Equipment Rent	692.34	Ride-on Scrubber Repair (ERR 681), Squeegees (Qty 2) for I-Mop Auto Scrubber (ERR 682)
38394	07/17/2026	07/28/2026	10777	The TSMSHOP, Willie Combs	563.04	2026 Fun Days T-shirts for Volunteers
	573 90 49 01 Community Events			001 000 573 General Fund	563.04	2026 Fun Days T-shirts for Volunteers
38349	07/13/2026	07/28/2026	4151	Tools Plus Industries LLC	408.89	Sawzall Blades & Gloves
	531 50 31 02 Oper Supplies - Storm			415 000 531 Storm Drain	102.22	Sawzall Blades & Gloves
	534 50 31 01 Oper Supplies - Water Maint			425 000 534 Water Fund (dep	102.22	Sawzall Blades & Gloves
	535 50 31 01 Oper Supplies - Sewer Maint			430 000 535 Sewer Fund (dep	102.23	Sawzall Blades & Gloves
	542 80 31 01 Oper Supplies - St Beaut			101 000 542 City Street Fund	102.22	Sawzall Blades & Gloves
38325	07/09/2026	07/28/2026	10857	Turner, Brian	116.68	01-00032.7 - 2302 ORCHARD ST W
	343 10 00 00 Storm Drain Revenues			415 000 340 Storm Drain	-25.20	
	343 40 00 00 Sale Of Water			425 000 340 Water Fund (dep	-30.56	
	343 50 00 00 Sewer Revenues			430 000 340 Sewer Fund (dep	-60.92	
38380	07/16/2026	07/28/2026	5934	US Bank, City Hall Account	9.57	P-Card Charges thru 07/14/26
	518 10 42 01 Postage - Non Dept			001 000 518 General Fund	9.57	Postage - Passports
38398	07/17/2026	07/28/2026	8482	US Bank, Police Department Account	1,514.32	P-Card Charges thru 7/13/26
	521 22 41 00 Prof Svcs - Police			001 000 521 General Fund	450.00	Psychological Evaluation - P Sood
	521 22 49 00 Miscellaneous - Police			001 000 521 General Fund	9.55	DUI Blood Kit
	521 22 49 02 Reg & Tuition - Police			001 000 521 General Fund	150.00	Online Seminar: Six Steps of Instruction for the FTO - K Gollinger
	521 22 49 03 Dues/Member/Subscriptions			001 000 521 General Fund	395.73	When I Work Scheduling Plan
	521 22 49 04 CJF Programs			001 000 521 General Fund	320.16	Temporary Tattoos (Qty 5,000)
	521 22 49 08 National Night Out			001 000 521 General Fund	188.88	NNO Shirts (Qty 12)
38404	07/20/2026	07/28/2026	8484	US Bank, Recreation Dept Account	1,895.62	P-Card Charges thru 7/13/26
	571 10 31 01 Oper Supplies - Rec			001 000 571 General Fund	274.18	Tape, Bandages, Batteries & Replacement Boom for Pickleball
	571 10 31 02 Senior Program Supplies			001 000 571 General Fund	202.03	Senior Morning Supplies

Agenda Home

ACCOUNTS PAYABLE

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Accts Pay #	Received	Date Due	Vendor		Amount	Memo
	571 10 31 03 Youth Supplies			001 000 571 General Fund	69.46	Day Camp Supplies
	571 10 41 00 Senior Trips			001 000 571 General Fund	171.60	Ferry Ride to Bainbridge Island for Senior Trip
	573 90 49 01 Community Events			001 000 573 General Fund	1,118.92	Purchase & Credit Return for Custom Buttons (Qty 25), Supplies, Prizes & Banners for Fun Days & Community Events, Derby Days Trophies
	576 20 31 03 Oper Supplies - Pool			001 000 576 General Fund	59.43	Pool Party Supplies
38358	07/13/2026	07/28/2026 4231	Water Mgmt Labs Inc		405.00	Coliform & Fluoride Testing - 06/2026
	534 80 41 00 Water Testing			425 000 534 Water Fund (dep	405.00	Coliform & Fluoride Testing - 06/2026
38388	07/17/2026	07/28/2026 8270	Whepley, Katherine		78.00	Library Reimbursement - 1 Year (Brian)
	572 21 49 00 Library Services			001 000 572 General Fund	78.00	Library Reimbursement - 1 Year (Brian)
38326	07/09/2026	07/28/2026 2573	Wilkinson Raymond		252.80	05-02760.0 - 1025 PANORAMA DR
	343 10 00 00 Storm Drain Revenues			415 000 340 Storm Drain	-62.44	
	343 40 00 00 Sale Of Water			425 000 340 Water Fund (dep	-74.00	
	343 50 00 00 Sewer Revenues			430 000 340 Sewer Fund (dep	-116.36	

Report Total: 250,622.28

Fund	
001 General Fund	140,351.94
101 City Street Fund	6,436.32
415 Storm Drain	5,293.85
425 Water Fund (department)	18,262.23
430 Sewer Fund (department)	78,491.84
501 Equipment Rental Fund	1,783.35
655 Agency Fund/Bdg Permit	2.75

This report has been reviewed by:

REMARKS: Signature & Title Date

CALL TO ORDER, PLEDGE OF ALLEGIANCE, AND ROLL CALL

Mayor Nikki Bufford called the regular meeting to order at 7:00 P.M. and requested a moment of silence after the Pledge of Allegiance in honor of James "Jim" Marzano, retired Fircrest Public Works Utility Service Person II.

Councilmembers David M. Viafore, Shannon Reynolds, Brett L. Wittner, Karen Mauer-Smith, Hunter T. George and Joe Barrentine were present.

PRESIDING OFFICER'S REPORT

There was no report provided.

CITY MANAGER COMMENTS

City Manager Masko reported on scheduling the City Council Strategic Goals Workshop in August and requested the Council's preference for either a one-day or two-day session. She also reported on the second round of interviews for the Deputy City Clerk/Human Resources Specialist position. Lastly, she stated that she is preparing an information and educational webpage regarding the upcoming EMS Levy ballot measure. The information is expected to be available later in the week.

DEPARTMENT HEAD COMMENTS

- Police Chief Celis provided a departmental update to include calls for service, including fireworks-related calls with no significant incidents, staffing updates, National Night Out preparations, and the logistics for the upcoming Police Sergeant recruitment.
- Parks and Recreation Director Grover reported on the Strawberry Festival and Car Show events and stated that staff is preparing for Fircrest Fun Days.
- Public Works Director Bemis reported on seasonal hiring challenges, the Regents Boulevard construction update, Whittier Elementary Replacement Project detour impacts, and coordination with Parks and Recreation for Fircrest Fun Days. Council discussions included seasonal employee hiring requirements, improved construction updates on the City's website through homepage links and project pages, providing a detailed construction schedule and project information, and exploring the use of construction cameras for public updates on social media.

COUNCILMEMBER COMMENTS

- Councilmember Viafore gave kudos to staff on their efforts towards the City events and discussed resident concerns regarding construction detours. He encouraged proactive communication with the affected neighborhoods.
- Councilmember Reynolds; no comment.
- Councilmember Wittner expressed his condolences to the Marzano family.
- Councilmember George recognized the growth and success of Fircrest events. He gave kudos to staff. Lastly, he encouraged public education of the upcoming EMS Levy election.
- Councilmember Mauer-Smith; no comment.
- Councilmember Barrentine thanked the Fircrest Kiwanis Club and volunteers for their support of community events.
- Mayor Bufford invited residents to attend the upcoming Fircrest Fun Days.

PUBLIC COMMENTS FOR ITEMS NOT ON THE AGENDA

Mayor Bufford invited public comment. There were none provided.

COMMITTEE, COMMISSION, AND LIAISON REPORTS

A. Administration

There was no report.

B. Built Environment, Planning, and Building

Councilmember Wittner reported on the recruitment for two Planning Commissioner vacancies, the Whittier Elementary School Replacement Project updates, and the Hearing Examiner's decision to deny the Alameda Avenue property's variance request.

C. Finance and Information Technology

There was no report.

D. Pierce Transit

Councilmember Reynolds reported that the Pierce Transit Board approved placing a ballot measure to expand transit service. The proposal would improve transit frequency throughout the region, and Pierce Transit remains debt-free should the Climate Commitment Act funding change.

E. South Sound Housing Affordability Partners

Councilmember George reported that South Sound Housing Affordability Partners (SSHAP) did not meet in July.

F. Other Liaison Reports

Pedestrian Safety Committee.

Councilmember George reported that the committee held its first meeting and discussed developing a comprehensive Pedestrian Safety Plan. The existing and planned pedestrian improvements will be inventoried. The committee will use GIS mapping, accident data, Safe Routes to School information, and the City's Six-Year Transportation Improvement Program to guide recommendations. Lastly, he stated that public outreach will be conducted in the future and the next meeting is scheduled for September.

CONSENT CALENDAR

Mayor Bufford requested the City Clerk read the Consent Calendar.

A. Approval of Check No. 224738 through No. 224838 in the amount of $238,418.20
Approval of Check No. 14623 through No. 14624 in the amount of $9,729.93
Approval of Check No. 14625 through No. 14632 in the amount of $81,855.05
Approval of payroll electronic funds transfer in the amount of $212,413.36
Approval of payroll electronic funds transfer in the amount of $194,185.90

B. Approval of June 15, 2026, Study Session meeting minutes.
Approval of June 23, 2026, Regular meeting minutes.

Councilmember Reynolds MOVED to approve the Consent Calendar as amended; seconded by Councilmember Barrentine.

The Motion Carried (7-0).

PUBLIC HEARING

There was no public hearing scheduled.

UNFINISHED BUSINESS

There was no unfinished business.

NEW BUSINESS

A. Resolution No. 2032: Ethos PNW Amendment #2

City Manager Masko briefed the Council on the proposed resolution and highlighted that the amendment provides continued planning consulting services associated with the Whittier Elementary School Replacement Project. **Councilmember George MOVED to adopt Resolution No. 2030, authorizing the City Manager to execute Amendment #2 to the Professional Services Agreement with Ethos PNW for on-call planning consulting services; seconded by Councilmember Mauer-Smith.**

Mayor Bufford invited Councilmember comments; none were provided. Mayor Bufford invited public comment; none were provided.

The Motion Carried (7-0).

B. Resolution No. 2033: Pierce County Urban Consortium Agreement – Amendment #3

City Manager Masko briefed the Council on the proposed resolution and highlighted that the amendment will maintain the City's eligibility for future grant opportunities. **Councilmember Mauer-Smith MOVED to adopt Resolution No. 2033, authorizing the City Manager to execute Amendment No. 3 to the Agreement with Pierce County Human Services for Urban County Community Development Program Funds; seconded by Councilmember Barrentine.** Mayor Bufford invited Councilmember comments; none were provided. Mayor Bufford invited public comment; none were provided.

The Motion Carried (7-0).

C. Resolution No. 2034: National Night Out Fireworks Display Agreement

Police Chief Celis briefed the Council on the proposed resolution and highlighted that the fireworks are funded directly through community donations. **Councilmember Reynolds MOVED to adopt Resolution No. 2034, authorizing the City Manager to execute an Agreement with Alpha Pyrotechnics to provide a fireworks display at National Night Out; seconded by Councilmember Wittner.** Mayor Bufford invited Councilmember comments; none were provided. Mayor Bufford invited public comment; none were provided.

The Motion Carried (7-0).

D. Ordinance: 2026 Budget Amendment #1 - 1st Reading

Finance Director Deskins presented the City's routine mid-year budget amendment, which includes updated beginning fund balances using 2025 actual year-end balances, revised revenue projections, adjusted appropriations for current operational needs, and updates to capital project funding and equipment replacement funds. Council discussions included the City's conservative budgeting practices, strong financial position, healthy reserves, and the importance of reviewing mid-year budget amendments. Mayor Bufford stated that this is the first reading and no action will be taken.

CALL FOR FINAL COMMENTS

There were none.

EXECUTIVE SESSION

A. To Review the Performance of a Public Employee, pursuant to RCW 42.30.110(1)(g)

At 7:40 P.M., Mayor Bufford reported that the Council would take a five-minute recess and convene into Executive Session, not to exceed twenty (20) minutes, to review the performance of a public employee, pursuant to RCW 42.30.110(1)(g).

At 8:04 P.M., Mayor Bufford extended the Executive Session for an additional ten (10) minutes.

The Council reconvened at 8:15 P.M., and no action was taken.

Mayor Bufford announced that she and Councilmember Wittner will work with the City Manager regarding contract negotiations as discussed during Executive Session. There were no objections from the Council.

ADJOURNMENT

Councilmember Reynolds MOVED to adjourn the meeting at 8:15 P.M., seconded by Councilmember Barrentine.

The Motion Carried (7-0).

Nikki Bufford, Mayor

Arlette Burkhart, City Clerk

FIRCREST CITY COUNCIL AGENDA SUMMARY

NEW BUSINESS: **2026 Budget Amendment #1 Ordinance**

ITEM: **12A**

DATE: **July 28, 2026**

FROM: **Allison Deskins, Finance Director**

RECOMMENDED MOTION: I move to adopt Ordinance No. _____, amending the 2026 Adopted Budget to authorize additional expenditures and revise estimated revenues and fund balances across various funds.

PROPOSAL: This ordinance provides for budget adjustments to account for anticipated revenues and expenditures that were not included in the Adopted 2026 Budget. These adjustments reflect updated financial data, grant awards, project carryforwards, and operational needs across all City funds.

FISCAL IMPACT:

All Funds – Summary of Proposed Budget Adjustments:

	Adopted Budget	Amendment #1	Revised Budget
Beginning Fund Balance	$17,903,186	$1,185,062	$19,088,248
Revenues	16,438,987	63,477	16,502,464
Expenditures	16,192,704	497,381	16,690,085
Ending Fund Balance	18,149,469	750,212	18,899,681

General Fund – Summary of Proposed Budget Adjustments:

General Fund	Adopted Budget	Amendment #1	Revised Budget
Beginning Fund Balance	$4,436,598	$285,667	$4,722,265
Revenues	8,082,057	111,593	8,193,650
Expenditures	8,459,263	385,001	8,844,264
Ending Fund Balance	4,059,392	12,259	4,071,651

Exhibit A provides line-item detail of the proposed budget changes.

Highlights of the proposed budget adjustments include:

<u>Citywide</u>:

- Update beginning fund balances to reflect 2025 actual ending fund balances.
- Adjust revenues and expenditures throughout the budget based on year-to-date activity, current projections, and updated operational needs.

<u>General Fund</u>:

- Update revenue estimates for utility taxes, permits, planning fees, recreation programs, court revenue, investment earnings, donations, and miscellaneous revenues.

- Adjust appropriations for personnel, supplies, software subscriptions, lease payments, and other operating expenditures based on current year spending and projected needs.

- Increase appropriations for:
  - Professional services for building, planning, legal, finance, and City Council operations.
  - Police overtime, equipment, jail services, and related operating costs.
  - Recreation, parks, pool, and community event programs.
  - Building maintenance, facility repairs, and public utility costs.
  - Seasonal staffing and operational support for recreation and pool programs.
    Adjust appropriations for personnel, supplies, software subscriptions, lease payments, and other operating expenditures based on current year spending and projected needs.

<u>Other Funds</u>:

- **Street Fund (101):** Update beginning fund balance; transfer REET funding for capital projects; adjust appropriations for street maintenance, beautification, and capital improvement projects including Alameda Sidewalk, Regents Grind & Overlay, and Regents Boulevard Traffic Signal improvements.
- **Police Investigation Fund (105):** Update fund balances.
- **REET Fund (310):** Transfers from REET 1 and REET 2 to the Street Fund (101) for the Claremont Grind & Overlay and Emerson Sidewalk projects.
- **Park Bond Capital Fund (301):** Update beginning fund balance and appropriations for park capital improvements.
- **REET Fund (310):** Update beginning fund balances, revise REET revenue and investment interest estimates, and transfer funding to the Street Fund for eligible capital projects.
- **Utility Operating Funds – Storm (415), Water (425), and Sewer (430):**
  - Update beginning fund balances and revenue estimates.
  - Adjust appropriations for legal services, operations, repairs and maintenance, utility costs, and interfund service charges.
- **Utility Capital Funds – Storm (416), Water (426), and Sewer (432):**
  - Update beginning fund balances.
  - Recognize revised grant funding and adjust capital project appropriations, including the Sewer Flow Analysis project.
- **Equipment Replacement Fund (501):** Update beginning fund balance, replacement revenues, investment earnings, fuel, maintenance, and equipment replacement appropriations.

The fiscal impact of this proposal includes increases in both revenues and expenditures, along with corresponding increases to fund balances. The proposed changes will result in the following Amended 2026 Budget by Fund:

2026 REVENUES, EXPENDITURES & BALANCES BY FUND			
FUND	**ORIGINAL**	**BA #1**	**AMENDED**
General	$12,518,655	$397,260	$12,915,915
Street	1,364,097	240,433	1,604,530
Police Investigation	950	13,735	14,685
Cumulative Reserve	2,750,000	-	2,750,000
Park Bond Debt Service	745,843	(98)	745,745
Park Bond Capital	1,100,485	(2,719)	1,097,766
REET	3,112,440	323,082	3,435,522
Storm	1,279,649	(4,133)	1,275,516
Storm Capital	1,058,604	(85,178)	973,426
Water	1,718,107	47,228	1,765,335
Water Capital	444,068	114,058	558,126
Sewer	4,427,367	113,925	4,541,292
Sewer Capital	1,007,301	53,910	1,061,211
ERR	2,814,607	36,090	2,850,697
TOTAL	**$34,342,173**	**$1,247,593**	**$35,589,766**

ADVANTAGE: The City of Fircrest adopts an annual budget at the fund level. The proposed amendment updates estimated revenues and expenditures to reflect unforeseen changes, ensuring continued compliance with legally authorized budget limits and enhancing the accuracy of the City's financial reporting.

DISADVANTAGES: None identified.

ALTERNATIVES: Approve the budget ordinance with modifications, or decline to amend the budget, which does not allow for an accurate depiction of City revenues, expenditures, and fund balances.

HISTORY: It is a prudent financial management practice to periodically amend the adopted budget to reflect changes in revenues and expenditures that arise throughout the fiscal year. It is not uncommon for the Council to approve expenses that were not anticipated during the budget process. Budget amendments allow the City to address these issues and ensure that it remains in compliance with Washington State law, which requires expenditures to stay within authorized limits.

Amendments are also essential for maintaining transparency and providing a more accurate projection of each fund's anticipated ending fund balance. The State Auditor's Office expects municipalities to make such adjustments as needed.

Budget amendments generally fall into two categories:

- Miscellaneous Adjustments: These address unanticipated revenues and expenditures, such as grants, donations, insurance recoveries, or legal settlements.
- Housekeeping Adjustments: These include corrections required by accounting standards, updates to beginning fund balances to match prior-year actuals, and carryforwards for ongoing projects or commitments not completed by year-end.

Additionally, budget amendments incorporate changes resulting from Council-approved actions taken after the last adopted budget or budget amendment. These may include awarding contracts, purchasing capital equipment, approving contract change orders, or implementing rate changes.

ATTACHMENTS: Ordinance
Budget Amendment Exhibit A-1
Budget Amendment Exhibit A-2

CITY OF FIRCREST
ORDINANCE NO. _______

AN ORDINANCE OF THE CITY OF FIRCREST, WASHINGTON, AMENDING ORDINANCE NO. 1751 TO AUTHORIZE ADDITIONAL EXPENDITURES OF FUNDS FOR MATTERS NOT FORESEEN AT THE TIME OF FILING THE ANNUAL BUDGET FOR 2026, PROVIDING SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City anticipates certain revenues and expenditures not foreseen at the time of filing the Annual Budget for 2026; and

WHEREAS, the City of Fircrest adopts an annual budget at the fund level; and

WHEREAS, the City of Fircrest adopted its 2026 Budget on November 25, 2025, through Ordinance No. 1751; and

WHEREAS, the City Council, after due consideration, has deemed that it is necessary and in the best interest of the City of Fircrest to amend Ordinance No. 1751, the Adopted 2026 Budget, to defray the anticipated expenditures.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF FIRCREST DO ORDAIN AS FOLLOWS:

Section 1. Amendment. Ordinance No. 1751, the adopted 2026 budget, is hereby amended as set forth in Section 2 below.

Section 2. Amendment. The anticipated revenues and expenditures will result in the amendment of the 2026 Budget by fund as follows:

2026 REVENUES, EXPENDITURES & BALANCES BY FUND			
FUND	**ORIGINAL**	**BA #1**	**AMENDED**
General	$12,518,655	$397,260	$12,915,915
Street	1,364,097	240,433	1,604,530
Police Investigation	950	13,735	14,685
Cumulative Reserve	2,750,000	-	2,750,000
Park Bond Debt Service	745,843	(98)	745,745
Park Bond Capital	1,100,485	(2,719)	1,097,766
REET	3,112,440	323,082	3,435,522
Storm	1,279,649	(4,133)	1,275,516
Storm Capital	1,058,604	(85,178)	973,426
Water	1,718,107	47,228	1,765,335
Water Capital	444,068	114,058	558,126
Sewer	4,427,367	113,925	4,541,292
Sewer Capital	1,007,301	53,910	1,061,211
ERR	2,814,607	36,090	2,850,697
TOTAL	**$34,342,175**	**$1,247,593**	**$35,589,766**

Section 3. **Non-emergency.** The revenues and expenditures set forth in Section 2 above are not one of the emergencies specifically enumerated in RCW 35A.33.080.

Section 4. **Corrections.** The City Clerk and codifiers of the ordinance are authorized to make necessary corrections to this ordinance including, but not limited to, the correction of scrivener/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 5. **Severability.** If any section, subsection, paragraph, sentence, clause, or phrase of this ordinance is declared unconstitutional or invalid for any reason, such invalidity shall not affect the validity or effectiveness of the remaining portions of this ordinance.

Section 6. **Effective Date.** This ordinance shall take effect five days after its passage, approval and publication as provided by law.

PASSED BY THE CITY COUNCIL OF THE CITY OF FIRCREST, WASHINGTON, at a regular meeting thereof this 28th day of July 2026.

APPROVED:

____
Nikki Bufford, Mayor

ATTEST:

____
Arlette Burkhart, City Clerk

APPROVED AS TO FORM:

____
Joanna Eide, City Attorney

Publication Date:
Effective Date:

CITY OF FIRCREST
2026 BUDGET AMENDMENT #1
Exhibit A-1

	FUND	BEGINNING BALANCE	Adjustment	REVISED BEGINNING BALANCE	REVENUES AND OTHER SOURCES			EXPENDITURES AND OTHER USES			ENDING BALANCE	Adjustment	REVISED ENDING BALANCE
					Current Budget	Adjustment	Revised Budget	Current Budget	Adjustment	Revised Budget			
Operating													
001	General Fund	$ 4,436,598	$ 285,667	$ 4,722,265	$ 8,082,057	$ 111,593	$ 8,193,650	$ 8,459,263	$ 343,681	$ 8,802,944	$ 4,059,392	$ 53,579	$ 4,112,971
Special Revenue													
101	City Street	273,075	54,824	327,899	1,091,022	185,609	1,276,631	769,502	251,258	1,020,760	594,595	(10,825)	583,770
105	Police Investigation	450	13,735	14,185	500	-	500	-	-	-	950	13,735	14,685
150	Cumulative Reserve	2,750,000	-	2,750,000	-	-	-	-	-	-	2,750,000	-	2,750,000
	Subtotal Special Revenue Funds	**3,023,525**	**68,559**	**3,092,084**	**1,091,522**	**185,609**	**1,277,131**	**769,502**	**251,258**	**1,020,760**	**3,345,545**	**2,910**	**3,348,455**
Debt Service													
201	Park Bond Debt Service	172,457	(98)	172,359	573,386	-	573,386	556,200	-	556,200	189,643	(98)	189,545
	Subtotal Debt Service Funds	**172,457**	**(98)**	**172,359**	**573,386**	**-**	**573,386**	**556,200**	**-**	**556,200**	**189,643**	**(98)**	**189,545**
	Total Operating Funds	**$ 7,632,580**	**$ 354,128**	**$ 7,986,708**	**$ 9,746,965**	**$ 297,202**	**$ 10,044,167**	**$ 9,784,965**	**$ 594,939**	**$ 10,379,904**	**$ 7,594,580**	**$ 56,391**	**$ 7,650,971**
Capital Improvement													
301	Park Bond Capital	1,057,967	16,071	1,074,038	42,518	(18,790)	23,728	-	11,718	11,718	1,100,485	(14,437)	1,086,048
310	REET	2,707,947	391,533	3,099,480	404,493	(68,451)	336,042	183,391	191,609	375,000	2,929,049	131,473	3,060,522
	Subtotal Capital Improvement Funds	**3,765,914**	**407,604**	**4,173,518**	**447,011**	**(87,241)**	**359,770**	**183,391**	**203,327**	**386,718**	**4,029,534**	**117,036**	**4,146,570**
Enterprise													
415	Storm Drain Operating	587,091	8,838	595,929	692,558	(12,971)	679,587	642,736	(32,417)	610,319	636,913	28,284	665,197
416	Storm Capital Improvement	830,425	57,801	888,226	228,179	(142,979)	85,200	102,152	-	102,152	956,452	(85,178)	871,274
425	Water Operating	406,410	55,717	462,127	1,311,697	(8,489)	1,303,208	1,345,780	(57,425)	1,288,355	372,327	104,653	476,980
426	Water Capital Improvement	240,068	114,058	354,126	204,000	-	204,000	162,974	-	162,974	281,094	114,058	395,152
430	Sewer Operating	1,453,581	112,581	1,566,162	2,973,786	1,344	2,975,130	3,207,739	(307,904)	2,899,835	1,219,628	421,829	1,641,457
432	Sewer Capital Improvement	720,301	47,212	767,513	287,000	6,698	293,698	302,268	31,507	333,775	705,033	22,403	727,436
	Subtotal Enterprise Funds	**4,237,876**	**396,207**	**4,634,083**	**5,697,220**	**(156,397)**	**5,540,823**	**5,763,649**	**(366,239)**	**5,397,410**	**4,171,447**	**606,049**	**4,777,496**
Internal Service													
501	Equipment Replacement	2,266,816	27,123	2,293,939	547,791	8,967	556,758	460,699	24,034	484,733	2,353,908	12,056	2,365,964
	Subtotal Internal Service Funds	**2,266,816**	**27,123**	**2,293,939**	**547,791**	**8,967**	**556,758**	**460,699**	**24,034**	**484,733**	**2,353,908**	**12,056**	**2,365,964**
	Total Budget	**$ 17,903,186**	**$ 1,185,062**	**$ 19,088,248**	**$ 16,438,987**	**$ 62,531**	**$ 16,501,518**	**$ 16,192,704**	**$ 456,061**	**$ 16,648,765**	**$ 18,149,469**	**$ 791,532**	**$ 18,941,001**

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Exhibit A-2

CITY OF FIRCREST
2026 BUDGET AMENDMENT #1

REVENUES & OTHER SOURCES		
Account	Description	Amount
General Fund (001)		
308-51-00-01	Assigned BFB - Light	$ 17,401
308-91-00-01	Unassigned BFB - General	268,266
316-43-00-00	Gas Utility Tax	5,000
316-45-00-00	Garbage/Solid Waste Tax	(1,545)
316-46-00-00	Television Cable Tax	(3,500)
316-47-00-00	Telephone/Telegraph Tax	(3,000)
321-91-00-01	Non-Comp Charge/Electric	(13,030)
321-91-00-03	Franchise Fee Cable TV	(10,000)
322-10-00-00	Building Permit	19,600
322-10-00-01	Mechanical Permit	3,000
322-10-00-02	Plumbing Permit	4,000
322-10-00-04	Backflow Permit	90
322-10-00-06	Investigation Fee	(1,000)
333-20-60-00	Reimb - St Of WA (Fed Passthru)	(3,827)
334-01-20-00	State Grant From AOC	2,695
334-01-21-00	State Grant From AOC Blake Decision	(2,000)
336-00-98-00	City Assistance	15,750
336-06-42-00	Marijuana Excise Tax	(2,000)
336-06-95-00	Liquor Board Profits	(10,385)
336-06-95-01	Liquor Board Profits-Public Safety	(328)
341-43-00-00	Interdepartmental Service Chg	(101,164)
341-49-00-00	Ruston Court Contract	(38,367)
341-70-00-00	Centennial Merchandise Sales	1,098
341-70-00-01	Non-Centennial Merchandise Sales	3,259
341-99-00-00	Passport Fees	(9,000)
345-81-00-01	Planning Permits	12,500
345-81-00-02	Site Development Permits	(7,112)
345-83-00-00	Plan Check Fees	52,000
345-83-00-01	Plan Check Fees - Consultant	32,500
345-89-00-00	Planning Administrative Fees	32,000
347-30-00-02	Swim Team Fees	744
347-30-00-10	Participation Fees - Adult	(5,207)
347-30-00-11	Senior Trips	(5,120)
347-30-00-12	Day Camps	1,755
347-30-00-13	Skyhawks Camps	(17,726)
347-40-00-00	Event Admission Fees	5,110

EXPENDITURES & OTHER USES		
Account	Description	Amount
508-91-00-01	Unassigned EFB - General	$ 12,259
511-60-41-00	Prof Svcs - Legisl	5,000
511-60-49-00	Miscellaneous - Legisl	7,139
511-60-49-01	A.W.C. Dues	117
511-60-49-03	Codification Costs	(1,122)
511-60-49-05	Reg & Tuition - Legisl	1,800
512-51-35-00	Small Tools & Equip - Court	(1,001)
512-51-41-03	Prof Srvs - Interpreter - FMC	3,500
512-51-48-98	Interfd ERR Replace - Court	(1,023)
514-23-41-00	Prof Svcs - Finance	2,831
514-40-41-01	Special Elections & Voter Reg	(2,538)
515-41-41-00	Assigned Counsel	46,250
515-41-41-01	City Attorney	34,184
515-41-41-02	Special Legal Counsel	7,218
515-41-41-03	City Prosecutor	(12,384)
518-10-31-00	Office & Oper Sup - Non Dept	1,373
518-10-45-00	Oper Rentals - Copier - Non Dept	1,090
518-10-49-00	Miscellaneous - Non Dept	14,550
518-10-49-01	Town Topics/Citizen Communication	5,000
518-10-49-03	Dues/Member/Subscriptions - Non Dept	15
518-11-41-00	Prof Svcs - Personnel	(5,321)
518-11-41-03	Legal Services - Personnel	4,761
518-11-49-01	Dues/Member/Subscriptions - Personnel	34
518-30-11-00	Overtime - Fac/Equip	3,182
518-30-31-02	Oper Supplies - PSB Bldg	(1,131)
518-30-31-04	Oper Supplies - CH	(1,181)
518-30-31-05	Oper Supplies - Parks Structures	(1,738)
518-30-48-01	Rep & Maint - Rec Bldg	3,000
518-30-48-02	Rep & Maint - City Hall	(3,265)
518-30-48-03	Rep & Maint - PW	2,000
518-30-48-04	Rep & Maint - PSB	(1,261)
518-30-48-99	Interfd ERR R & M - Facilities	1,074
518-81-41-01	Prof Svcs - I/S	(5,015)
521-22-11-00	Overtime - Police	20,000
521-22-12-00	Major Holiday Compensation	1,000
521-22-13-00	Emphasis Patrol Overtime	700

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Exhibit A-2

CITY OF FIRCREST
2026 BUDGET AMENDMENT #1

REVENUES & OTHER SOURCES		
Account	**Description**	**Amount**
347-60-00-09	Instructor Based Revenue	11,660
347-60-00-10	Swimming Instruction Fees	38,422
347-60-00-13	Participation Fees - Youth	9,538
347-60-00-20	Registration Fees - Centennial Events	537
347-60-00-30	Registration Fees - Special Events	(6,955)
353-10-00-01	Municipal Court	50,000
361-11-00-01	Investment Interest - General	16,580
361-40-00-01	Sales Interest	(1,700)
361-40-00-03	Int On Gen Property Taxes	(1,500)
361-40-00-06	Interest from Fircrest Municipal Court	2,000
362-50-00-04	Rental Revenue - Pool	(2,646)
362-50-00-07	Rental Revenue - Pool Party Room	(3,783)
367-00-00-02	Donations - Parks	22,650
367-00-00-03	Donations - Police	7,307
367-00-00-10	Donations - Fireworks	3,225
369-10-00-00	Sale Of Surplus - General	671
369-30-00-01	Confiscated And Forfeited Property	2
369-91-00-01	Other Misc Revenue - General	8,795

EXPENDITURES & OTHER USES		
Account	**Description**	**Amount**
521-22-14-00	Reimbursable Overtime	(8,326)
521-22-20-03	LEOFF I Other Medical Costs	(4,000)
521-22-31-00	Office & Oper Sup - Police	(1,782)
521-22-35-00	Small Tools & Equip - Police	39,884
521-22-41-01	Radio Infrastructure Fees	(6,725)
521-22-41-02	Dispatch (Communications)	(49,830)
521-22-41-04	Records (CPL Permitting)	(1,086)
521-22-41-05	IT Charges (RMS)	7,275
521-22-41-06	Interpreter Services	16
521-22-48-98	Interfd ERR Replace - Police	(4,232)
521-22-48-99	Interfd ERR R & M - Police	(3,890)
521-22-49-01	Uniforms/Clothing/Laundry	4,647
521-22-49-02	Reg & Tuition - Police	1,210
521-22-49-04	CJF Programs	(3,458)
523-60-40-01	Jail	15,000
524-20-10-00	Sal & Wages - Building	(20,000)
524-20-11-00	Overtime - Building	1,500
524-20-20-00	Personnel Benefits - Building	(10,700)
524-20-41-01	Bldg Inspec/Plan Review	116,443
524-20-41-03	Prof Svcs - Building	(1,008)
524-20-41-04	Prof Svcs - Consultants	35,000
554-30-41-00	Animal Control	12,000
558-60-10-00	Sal & Wages - Planning	(20,000)
558-60-11-00	Overtime - Planning	1,500
558-60-20-00	Personnel Benefits - Planning	(10,700)
558-60-41-00	Prof Svcs - Planning	40,400
558-60-41-01	Advertising - Planning	500
571-10-12-00	Casual & Seasonal Labor - Rec	34,000
571-10-31-02	Senior Program Supplies	3,952
571-10-31-04	Janitorial Supplies - Rec Bldg	1,373
571-10-31-06	Program Supplies - Youth	4,000
571-10-35-00	Small Tools & Equip - Rec	1,611
571-10-41-00	Senior Trips	1,578
571-10-41-01	Prof Svcs - Rec	4,600
571-10-41-02	Prof Svcs - Rec - Officiating	(3,000)
571-10-41-03	Athletic Field/Gym Rental	4,185
571-10-43-00	Travel - Rec	200

Exhibit A-2

CITY OF FIRCREST
2026 BUDGET AMENDMENT #1

REVENUES & OTHER SOURCES		
Account	**Description**	**Amount**
Total General Fund Adjustment		**$ 397,260**

EXPENDITURES & OTHER USES		
Account	**Description**	**Amount**
571-10-45-01	Oper Rentals - Copier - Rec	2,000
571-10-47-00	Public Utility Services - Rec	1,500
571-10-49-02	Reg & Tuition - Rec	50
571-10-49-04	Instructor Fees	(2,025)
571-20-43-00	Excise Tax - Participation Fees/Rentals	2,415
573-90-49-01	Community Events	25,880
576-20-12-00	Casual & Seasonal Labor - Pool	38,730
576-20-31-02	Janitorial Supplies - Pool	3,451
576-20-31-03	Oper Supplies - Pool	(2,295)
576-20-41-00	Prof Svcs - Pool	4,618
576-20-43-00	Excise Tax - Pool Revenue	1,036
576-20-47-00	Public Utility Services - Pool	3,693
576-20-48-00	Rep & Maint - Pool	8,681
576-80-12-00	Casual & Seasonal Labor - Parks	(4,321)
576-80-31-02	Oper Supplies - Parks	(1,315)
576-80-41-00	Prof Svcs - Parks	(5,141)
576-80-45-00	Oper Rentals - Copier - Parks	192
576-80-47-00	Public Utility Services - Parks	(7,888)
576-80-48-00	Rep & Maint - Parks	(3,666)
576-80-48-99	Interfd ERR R & M - Parks	(1,470)
591-14-70-00	SBITA Payments - Finance	3,445
591-21-70-22	Lease Payments - Police	6,120
591-21-70-23	SBITA Payments - Police	336
Total General Fund Adjustment		**$ 397,260**

Street Fund (101)

Account	Description	Amount
308-91-01-01	Unassigned BFB - Street	$ 54,824
361-11-01-01	Investment Interest - Street	(6,000)
397-00-00-09	Transfer In from REET (2nd 1/4)	191,609

Account	Description	Amount
508-91-01-01	Unassigned EFB - Street	$ (10,825)
542-30-31-02	Oper Supplies - Street Reg	(2,710)
542-30-41-00	Prof Svcs - Street Reg	(2,563)
542-30-41-02	Legal Services	(1,600)
542-30-42-00	Communication - Street Reg	(1,203)
542-30-47-01	Dumping Fees - Street	2,000
542-30-48-01	Rep & Maint - Street Maint	(6,000)
542-30-48-99	Interfd ERR R & M - Street	(1,486)
542-63-35-00	Small Tools & Equip - St Light	987
542-63-48-01	Rep & Maint - St Light	4,736
542-80-12-00	Casual & Seasonal Labor - St Beaut	(3,533)

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Exhibit A-2

CITY OF FIRCREST
2026 BUDGET AMENDMENT #1

REVENUES & OTHER SOURCES			EXPENDITURES & OTHER USES		
Account	**Description**	**Amount**	**Account**	**Description**	**Amount**
			542-80-31-01	Oper Supplies - St Beaut	(500)
			542-80-31-02	Oper Supplies - Flower Baskets	(800)
			542-80-31-04	Oper Supplies - Beautification	(3,725)
			542-80-31-05	Banners/Flags	(1,500)
			542-80-49-03	Beautification Services (contracted)	6,325
			595-10-63-10	Alameda Ave W Sidewalk #88 - Design	12,197
			595-10-63-11	Regents Grind & Overlay #74 - Design	33,357
			595-32-63-01	Street Improvements	(50,000)
			595-32-63-10	Street Improvements - Alameda Sidewalk #88	196,961
			595-63-63-01	Regents Blvd Traffic Signal Project #90	70,315
Total Street Fund Adjustment		**$ 240,433**	**Total Street Fund Adjustment**		**$ 240,433**
Police Investigation Fund (105)					
308-31-01-05	Restricted BFB - Police Investigation	$ 13,735	508-31-01-05	Ending Balance	$ 13,735
Total Police Investigation Fund Adjustment		**$ 13,735**	**Total Police Investigation Fund Adjustment**		**$ 13,735**
Park Bond Debt Service Fund (201)					
308-31-02-01	Restricted BFB - Park Bond Fund	$ (98)	508-31-02-01	Restricted EFB - Park Debt	$ (98)
Total Park Bond Debt Service Fund Adjustment		**$ (98)**	**Total Park Bond Debt Service Fund Adjustment**		**$ (98)**
Park Bond Capital Fund (301)					
308-31-03-01	Restricted BFB - Park Capital	$ 16,071	508-31-03-01	Restricted EFB - Park Capital	$ (14,437)
361-11-03-01	Investment Interest - Park Bond Capital	(18,790)	594-76-63-03	Other Improvements - PBCF	11,718
Total Park Bond Capital Fund Adjustment		**$ (2,719)**	**Total Park Bond Capital Fund Adjustment**		**$ (2,719)**
REET Fund (310)					
308-31-03-11	Restricted BFB - REET (1st 1/4)	$ 136,268	508-31-03-12	Restricted EFB - REET (2nd 1/4)	$ 131,473
308-31-03-12	Restricted BFB - REET (2nd 1/4)	255,265	597-06-00-03	Transfer Out from 2nd 1/4 to Street Fund	191,609
318-34-00-00	REET 1 - Capital Improvement	(23,101)			
318-35-00-00	REET 2 - Growth Management	(22,854)			
361-11-03-11	Investment Interest - REET (1st 1/4)	(2,060)			
361-11-03-12	Investment Interest - REET (2nd 1/4)	(20,436)			
Total REET Fund Adjustment		**$ 323,082**	**Total REET Fund Adjustment**		**$ 323,082**

Exhibit A-2

CITY OF FIRCREST
2026 BUDGET AMENDMENT #1

REVENUES & OTHER SOURCES			EXPENDITURES & OTHER USES		
Account	**Description**	**Amount**	**Account**	**Description**	**Amount**
Storm Fund (415)					
308-51-04-15	Assigned BFB - Storm	$ 8,838	508-51-04-15	Assigned EFB - Storm	$ 28,284
334-03-10-00	State Dept of Ecology NPDES Grant	(70,000)	531-50-31-03	NPDES Public Outreach	(1,364)
343-10-00-02	Penalties - Storm	54,000	531-50-35-00	Small Tools & Equip - Storm	2,711
361-11-04-15	Investment Interest - Storm	3,029	531-50-41-00	Prof Svcs - Storm	4,980
			531-50-41-02	Legal Services	(1,733)
			531-50-42-00	Communication - Storm	(1,703)
			531-50-48-00	Rep & Maint - Storm	(10,000)
			531-50-48-99	Interfd ERR R & M - Storm	11,630
			531-50-91-00	Interfd Service Charges	(36,938)
Total Storm Fund Adjustment		**$ (4,133)**	**Total Storm Fund Adjustment**		**$ (4,133)**
Storm Capital Fund (416)					
308-51-04-16	Assigned BFB - Storm Capital	$ 57,801	508-51-04-16	Assigned EFB - Storm Capital	$ (85,178)
337-00-00-01	Pierce County Flood District	(142,979)			
Total Storm Capital Fund Adjustment		**$ (85,178)**	**Total Storm Capital Fund Adjustment**		**$ (85,178)**
Water Fund (425)					
308-51-04-25	Assigned BFB - Water	$ 55,717	508-51-04-25	Assigned EFB - Water	$ 104,653
343-40-00-01	Service Connections - Water	(9,434)	534-10-35-00	Small Tools & Equip - Water Admin	1,132
343-40-00-03	Penalties - Water	(3,771)	534-10-41-00	Prof Svcs - Water Admin	3,763
361-11-04-25	Investment Interest - Water	3,319	534-10-43-00	Travel - Water Admin	(1,000)
369-91-04-25	Other Misc Revenue - Water	1,397	534-10-44-00	Excise Tax - Water	7,775
			534-10-49-00	Miscellaneous - Water Admin	1,998
			534-10-49-01	State Operating Permit	87
			534-10-91-00	Interfd Service Charges	(45,617)
			534-50-31-01	Oper Supplies - Water Maint	(14,886)
			534-50-48-01	Rep & Maint - Water Maint	(22,227)
			534-50-48-99	Interfd ERR R & M - Water Maint	6,080
			534-80-31-01	Fluoride	(4,048)
			534-80-31-03	Oper Supplies - Chlorine	(1,278)
			534-80-47-01	Utility Services/Pumping	9,618
			591-34-70-01	SBITA Payments - Water Admin	1,178
Total Water Fund Adjustment		**$ 47,228**	**Total Water Fund Adjustment**		**$ 47,228**

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Exhibit A-2

CITY OF FIRCREST
2026 BUDGET AMENDMENT #1

REVENUES & OTHER SOURCES			EXPENDITURES & OTHER USES		
Account	**Description**	**Amount**	**Account**	**Description**	**Amount**
Water Capital Fund (426)					
308-51-04-26	Assigned BFB - Water Capital	$ 114,058	508-51-04-26	Assigned EFB - Water Capital	$ 114,058
Total Water Capital Fund Adjustment		**$ 114,058**	**Total Water Capital Fund Adjustment**		**$ 114,058**
Sewer Fund (430)					
308-51-04-30	Assigned BFB - Sewer	$ 112,581	508-51-04-30	Assigned EFB - Sewer	$ 421,829
343-50-00-01	Service Connections - Sewer	(6,560)	535-10-41-00	Prof Svcs - Sewer Admin	(6,815)
343-50-00-03	Penalties - Sewer	(2,765)	535-10-41-02	Legal Services	1,139
361-11-04-30	Investment Interest - Sewer	10,669	535-10-42-01	Communication - Sewer Admin	(2,719)
			535-10-44-00	Excise Tax - Sewer	6,769
			535-10-48-00	Rep & Maint - Sewer Admin	1,190
			535-10-49-04	Insurance Deductible - Sewer	1,350
			535-10-91-00	Interfd Service Charges	(176,309)
			535-50-48-00	Rep & Maint - Sewer Maint	(6,539)
			535-50-48-99	Interfd ERR R & M - Sewer Maint	6,080
			535-60-44-02	Sewage Treatment	(134,911)
			535-80-35-00	Small Tools & Equip - Sewer Gen Op	2,861
Total Sewer Fund Adjustment		**$ 113,925**	**Total Sewer Fund Adjustment**		**$ 113,925**
Sewer Capital Fund (432)					
308-51-04-32	Assigned BFB - Sewer Capital	$ 47,212	508-51-04-32	Assigned EFB - Sewer Capital	$ 22,403
368-10-04-32	Capital Contributions/Tap Fees	6,698	594-35-63-04	Project Engineering - Sewer Flow Analysis #91	31,507
Total Sewer Capital Fund Adjustment		**$ 53,910**	**Total Sewer Capital Fund Adjustment**		**$ 53,910**

Exhibit A-2

CITY OF FIRCREST
2026 BUDGET AMENDMENT #1

REVENUES & OTHER SOURCES		
Account	**Description**	**Amount**
ERR Fund (501)		
308-51-05-01	Assigned BFB - ERR	$ 27,123
348-30-00-00	General Fund - Replacement	(18,440)
348-30-01-00	Street Fund - Replacement	3,064
348-30-08-00	General Fund - O & M	(4,287)
348-30-09-00	City Street Fund - O & M	(1,486)
348-30-11-00	Water/Sewer Fund - O & M	12,159
348-30-12-00	Storm Sewer - O & M	11,630
361-11-05-01	Investment Interest - ERR	(30,262)
369-10-00-05	Sale Of Surplus - ERR	36,589
Total ERR Fund Adjustment		**$ 36,090**
GRAND TOTAL - REVENUE ADJUSTMENTS		**$ 1,247,593**

EXPENDITURES & OTHER USES		
Account	**Description**	**Amount**
508-51-05-01	Assigned EFB - ERR	$ 12,056
548-65-31-06	Gas - Facilities	1,074
548-65-31-08	Gas - Police	6,980
548-65-31-13	Gas - Storm	1,630
548-65-48-08	O & M - Police	(10,870)
548-65-48-11	O & M - Parks/Rec	(1,470)
548-65-48-12	O & M - Street	(1,486)
548-65-48-13	O & M - Storm	10,000
548-65-48-14	O & M - Water/Sewer	12,159
548-65-49-00	Miscellaneous - ERR	1,515
594-48-64-06	ERR Capital - Facilities	821
594-48-64-08	ERR Capital - Police	3,681
Total ERR Fund Adjustment		**$ 36,090**
GRAND TOTAL - EXPENDITURE ADJUSTMENTS		**$ 1,247,593**

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FIRCREST CITY COUNCIL AGENDA SUMMARY

AGENDA TOPIC:	**Automated Traffic Safety Camera Program Contract**
ITEM:	**13A**
DATE:	**July 28, 2026**
FROM:	**Dawn Masko, City Manager**

RECOMMENDED MOTION: I move to adopt Resolution No. ____, authorizing the City Manager to execute a services agreement with NovoaGlobal Inc. for the installation and operation of automated traffic safety cameras.

PROPOSAL: The City Council is being asked to authorize the City Manager to execute a services agreement with NovoaGlobal Inc. for the installation, operation, and maintenance of automated traffic safety cameras. The services agreement is for a term of five years, with the option to extend the agreement for two additional terms of three years each.

FISCAL IMPACT: The contract amount is based on a monthly lease fee of $3,999 per park-zone camera and $2,999 per school-zone camera, with the annual cost based on the number of cameras deployed. Lease fees are funded by program-generated infraction revenue. The contract contains a cost-neutral provision, meaning the City will not pay more for a camera than is collected in fines.

ADVANTAGES: Implementing automated traffic cameras enhances traffic safety by using technology to influence driver behavior in designated school and park zones, reduces the burden on police resources while maintaining enforcement efforts, and is expected to reduce traffic violations over time.

NovoaGlobal is the recommended vendor based on its extensive experience administering automated traffic enforcement programs not only in Washington but across the country and its thorough understanding of Washington traffic laws. The company provides a comprehensive product that includes site evaluation, required signage, camera installation, maintenance, violation processing, mailing of notices, reporting, and assistance with public education and outreach. Additionally, NovoaGlobal can provide payment processing services if requested by the City. NovoaGlobal also has a local representative who provides timely, in-person support.

DISADVANTAGES: Implementing and managing the program will increase the workload for the Municipal Court, Police Department, and Finance Department. Additional staffing and upfront implementation costs will be required to address these impacts before program-generated revenue offsets operating expenses.

ALTERNATIVES: Do not implement an automated enforcement program or explore proposals from alternative vendors.

BACKGROUND: Traffic safety continues to be a top priority for the City Council, Police Department, and community. Traffic-related calls for service are the Police Department's highest volume response category. However, providing consistent traffic enforcement throughout all school and park zones is difficult without a significant increase in police staffing.

In October 2023, the City began evaluating the feasibility of implementing automated traffic cameras. RCW 46.63.250 authorizes their use in specific locations, including school speed zones, school walk zones, public park speed zones, and for detecting red-light violations. Under state law, a "park zone" is defined as the marked area within public park property extending 300 feet from the park's boundary.

To assess feasibility, the City engaged NovoaGlobal, a vendor providing photo enforcement services to several Washington cities, including DuPont, Tukwila, Fife, Tacoma, Everett, Milton, Mukilteo, Pacific, and Bremerton. NovoaGlobal conducted a traffic study at key locations identified through police data, citizen complaints, and service call history and presented the study results at the February 20, 2024 City Council Study Session, with further discussion at the April 15, 2024 Study Session.

At that time, based on the findings, the Council agreed to pilot the program on Emerson Street near Thelma Gilmur Park (eastbound and westbound), and on Columbia Avenue (19th Street) within the school zone. Alameda Avenue near Whittier Elementary School was initially considered but was removed at that time due to the upcoming school construction project and expected temporary school closure.

In August 2025, the Council adopted Ordinance No. 1742, creating Fircrest Municipal Code Chapter 16.56, which authorizes and regulates the use of automated traffic safety cameras and establishes monetary penalties for infractions committed within authorized speed zones.

As required by state law, an updated traffic study was completed in June 2026 and presented to the Council during the July 20, 2026 Study Session. The study evaluated the previously approved locations and an additional site on the 3500 block of Orchard Street on the west side in anticipation of the opening of a new private school in September 2026. Because Whittier Elementary School will now remain open during construction, the Council also considered adding Alameda Avenue as a school-zone camera location, as well as adding a park zone camera at Electron Way.

Following discussion, the Council directed staff to proceed with the original camera locations on Emerson Street and Columbia Avenue while authorizing a contract that allows for up to six cameras, providing flexibility for future expansion. The Council noted that court staffing impacts should be evaluated before additional camera locations are activated. The services agreement allows for up to eight cameras, allowing flexibility in the future should Council desire to add cameras at Whittier Elementary, Electron Way by Fircrest Park, or on southbound Orchard Street.

Violations captured by automated traffic cameras are classified as parking infractions and do not appear on a driver's record. State law sets maximum fines at $290 for school zone speeding violations and $145 for all other violations.

Revenue generated by the program is subject to state distribution requirements. For park-zone violations, 50% of collected fines must be remitted to the state's Cooper Jones Active Transportation Safety Account to support pedestrian and bicycle safety improvements. Beginning four years after implementation, 25% of net revenue from all other automated traffic safety camera violations, after deducting program administration and infraction processing costs, must also be remitted to the Cooper Jones Account.

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Data from other jurisdictions indicate a 70-80% reduction in violations after the first year of implementation, followed by a stabilization period. Approximately half of all recipients pay the infraction without contest, while approximately 7 to 9 percent request a hearing.

State law also requires the City to publish an annual report on the City website that details crash information at camera locations, the number of infractions issued by each camera, the percentage of camera revenue used to pay for traffic camera program costs, and how the City used the remaining revenue for eligible traffic safety activities and improvements.

Execution of the services agreement with NovoaGlobal will allow the City to begin the process to deploy the automated traffic cameras at the three locations indicated by the Council, including internal project team meetings, permitting, staffing analysis, and educational outreach.

ATTACHMENTS: Resolution
Services Agreement

CITY OF FIRCREST
RESOLUTION NO. ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FIRCREST, WASHINGTON, AUTHORIZING THE CITY MANAGER TO EXECUTE A SERVICES AGREEMENT WITH NOVOAGLOBAL FOR THE PROVISION AND OPERATION OF AUTOMATED TRAFFIC CAMERAS.

WHEREAS, pursuant to Chapter 46.63 RCW, the City of Fircrest has authorized an automated traffic safety camera program; and

WHEREAS, NovoaGlobal has the expertise and equipment to provide automated traffic camera services at designated locations within the City's jurisdiction, and will assist the City with the administration and operation of the systems; and

WHEREAS, the City desires to use NovoaGlobal's services and equipment to enforce speed violations in school zones and park zones in accordance with applicable laws and ordinances; and

WHEREAS, the City finds it in its best interest to execute a services agreement with NovoaGlobal for the provision, installation, operation, and maintenance of automated traffic safety cameras;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FIRCREST:

Section 1. The City Manager is hereby authorized and directed to execute a Services Agreement with NovoaGlobal for the provision, installation, operation, and maintenance of automated traffic safety cameras.

APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF FIRCREST, WASHINGTON, at a regular meeting thereof this 28th day of July 2026.

APPROVED:

____
Nikki Bufford, Mayor

ATTEST:

____
Arlette Burkhart, City Clerk

APPROVED AS TO FORM:

____
Joanna M. Eide, City Attorney

SERVICES AGREEMENT
BETWEEN THE CITY OF FIRCREST, WASHINGTON
AND NOVOAGLOBAL, INC. FOR
TRAFFIC INFRACTION DETECTION & ENFORCEMENT PROGRAM

This **AGREEMENT** (the "**Agreement**") made this ____ day of July, 2026, by and between NovoaGlobal, Inc., a Delaware corporation having a place of business at 8018 Sunport Drive, Suite 203, Orlando, Florida 32809 ("**NG**"), and the City of Fircrest, a municipal corporation of the State of Washington, having an address at 115 Ramsdell Street, Fircrest, WA 98466 (the "**Customer**" and together with NG, the "**Parties**" and each singularly a "**Party**").

WITNESSETH:

WHEREAS, NG has the knowledge, possession, and ownership of certain equipment, licenses and processes, referred to collectively as the NG Safety System (the "**System(s)**"); and

WHEREAS, the Customer desires to use the Systems to monitor and enforce speed, red light violations and other violations in accordance with applicable laws and ordinances; and

WHEREAS, the Parties acknowledge that the purpose of the System is to enhance public safety and that all enforcement decisions remain solely within the discretion of the Customer; and

WHEREAS, the Parties desire to enter into this Agreement, whereby NG will (i) install and assist the Customer in the administration and operation of the Systems, as described in more detail on ***Exhibit A*** to this Agreement at the locations within the Customer's jurisdiction, and provide to the Customer the services (the "**Services**"), all as more fully described on ***Exhibit A***;

NOW, **THEREFORE**, in consideration of the mutual terms, covenants, and conditions contained herein, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

1. **RECITALS AND EXHIBITS**. The foregoing recitals are true and correct and are hereby incorporated in *haec verba*. All exhibits attached to this Agreement contain additional terms of this Agreement and are hereby incorporated in *haec verba*.

2. **SERVICES**

   2.1. NG agrees to use commercially reasonable efforts to install and provide to the Customer for the Term the Systems and Services including the equipment meaning the hardware (the "**Equipment**") and software (the "**Software**") to be supplied and installed by NG in accordance with ***Exhibit A*** (including the provision of all construction drawings, permit applications and other documents required by applicable law for the installation and operation of the System(s)). In addition, if and to the extent set forth in ***Exhibits A** and **D*** NG shall also supply to the Customer:

2.1.1. infraction preparation processes that assist the Customer in complying with current applicable law;

2.1.2. training of personnel designated by the Customer involved with the operation of the Systems and/or the enforcement and disposition of infractions;

2.1.3. expert witness testimony regarding the operation and functionality of the System; and

2.1.4. other support services for the System as set forth in ***Exhibit A***.

2.2. The Customer understands and agrees that (i) NG may, subject to the prior approval of the Customer, which approval shall not be unreasonably delayed, conditioned or withheld, subcontract with third parties for the provision or installation of part or parts of the Systems or Services and (ii) installation of the Systems requires the Customer's cooperation and compliance with NG's reasonable instructions (including but not limited to Customer's provision of the personnel, equipment, engineering plans, and other resources as described in ***Exhibit A*** or as otherwise reasonably requested by NG) and reasonable access by NG (or such third parties) to Customer premises and systems and the Customer agrees to provide all of the foregoing to NG.

2.3. The Customer understands and agrees that the Systems will be owned by NG (or its designees). The Customer shall use its best efforts to assist NG to identify any third-party who is responsible for damage to the Systems or any part thereof.

2.4. NG shall coordinate its work with the Customer's police, public works and engineering departments and, as necessary or required, with the Department of Transportation.

2.5. NG shall follow all applicable law, including but not limited to Chapter 46.63 RCW, in the administration, operation, reporting, and use of the Program under this Agreement. For the purposes of this Agreement, any and all references to any law or rule, whether federal, state, or local, shall include the law or rule as exists and as may be amended hereafter.

3. LICENSE/RESERVATION OF RIGHTS AND LEASE

The license, intellectual property, and equipment lease terms are set forth in **Exhibits B** and **C**, which are incorporated herein by reference.

4. TERM

4.1. The effective date of this Agreement shall be the date first written above (the "**Effective Date**"). The initial term (the "**Initial Term**") of this Agreement shall begin upon the Effective Date, following full execution of the Agreement by the Parties, and shall continue for five (5) years from the Commencement Date (the "**Commencement Date**"). The "Commencement Date" shall be the latest date on which a System becomes installed and operational (issuing payable violations).

4.2. The Customer shall have the option to extend this Agreement for two (2) additional terms of three (3) years (each, a "**Renewal Term**"), on the same terms and conditions specified herein except that the amounts due pursuant to Section 6 hereof shall be adjusted in accordance with the change in the Consumer Price Index – All Urban Consumers – U.S. City Average ("**CPI**") by multiplying said amounts by the percentage change in the CPI from the beginning of the immediately preceding term to the end of the immediately preceding Term. (Each Renewal Term, if any, together with the Initial Term, the "**Term**").

5. TERMINATION AND EXPIRATION

5.1. This Agreement may be terminated by mutual written consent of the Parties.

5.2. This Agreement may be terminated for cause, by either Party if the other Party fails in any material way to perform its obligations under the Agreement or otherwise defaults in the performance of any obligation under this Agreement and such failure or default continues for more than forty-five (45) days after written notice thereof to the defaulting Party.

5.3. NG may terminate this Agreement, without liability, on thirty (30) days advance written notice if NG concludes in its reasonable discretion that (i) potential or actual liability of NG to third parties (other than persons claiming to own Intellectual Property required for the operation of the System) arising out of or in connection with the System makes the program impractical, uneconomical or impossible to continue. "***Intellectual Property***" means all intellectual property rights worldwide, including patents, copyrights, trade secrets, trademarks, service marks, and all related rights.

5.4. The Customer may terminate this Agreement on thirty (30) days advance written notice if the Customer concludes in its reasonable discretion that (i) potential or actual liability of the Customer to third parties arising out of or in connection with the System makes the program impractical, uneconomical, legally contested or impossible to continue; and/or (ii) the Systems cannot be installed. Violation of the Customer's ethics code would constitute cause to terminate this Agreement.

5.5. The Customer may terminate this Agreement on thirty (30) days advance written notice if state statutes are amended to prohibit or substantially change the operation of the Systems, or a court having jurisdiction over the City rules, or state or federal statute declares, that infractions generated from the Systems are inadmissible in evidence.

5.6. The Customer may terminate this Agreement on ninety (90) days advance written notice if the Customer does not have budget authority or lacks sufficient funding, in the Customer's sole discretion, to continue with the Agreement. The Customer will entitle NG to the recovery of investment as provided in this subsection. The Customer acknowledges that NG will make a substantial investment in the installation of the Systems, furnishing of the Back-Office Software, and otherwise preparing to perform its obligations hereunder. In the event that the Customer terminates this Agreement under this subsection within sixty (60) months of the Installation Date, the Customer shall pay to NG a Recovery Fee (the "Recovery Fee") in a pro rata amount equal to $70,000 for each System where equipment and software is installed to monitor violations for a single approach to a location for up to five lanes of traffic multiplied by a fraction, (a) the numerator of which will be 60 minus the number of full calendar months between (i) the date that this Agreement terminates and (ii) the Installation Date, and (b) the denominator of which will be sixty (60). No Recovery Fee shall be due if this Agreement terminates, expires, or is not renewed pursuant to any other subsection of this Agreement.

5.7. Upon termination or expiration of this Agreement, either for default or because it has reached the end of its term, the Parties recognize that the Customer will have to process violations in the "pipeline," and that NG accordingly must assist the Customer in this accord. Accordingly, the Parties shall take the following actions during the wind-down period, and shall have the following obligations, outlined in Sections 5.7 and 5.8 below, which obligations shall survive termination or expiration of the Agreement:

5.8. The Customer shall cease using the Software and Equipment in its possession, custody or control and shall (a) immediately allow NG a reasonable opportunity to remove such Equipment not to exceed sixty (60) days and (b) (i) immediately deliver to NG or irretrievably destroy, or cause to be so delivered or destroyed, any and all copies of such Software in whatever form and any written or other materials relating to such Software in the Customer's possession, custody or control and within thirty (30) days deliver to NG a certification thereof or (ii) allow NG reasonable access to the System(s) on which such Software is loaded and permission to NG to remove such Software and documentation.

5.9. Unless directed by the Customer not to do so, NG shall continue to process all images taken by the Customer before termination and provide all services associated with processing in accordance with this Agreement, and shall be entitled to reasonable fees specified in the Agreement as if the Agreement were still in effect.

6. FEES AND PAYMENT

The Customer agrees to pay NG a monthly fee as follows (the "**Monthly Fees**"):

6.1. **Monthly Fees** (pro rated for any partial month) as described in ***Exhibit B*** (Compensation & Pricing) in arrears with respect to each approach at which a System has been installed. Such payment shall commence on the first business day of the month following Commencement Date of each System and shall continue on the first business day of each month for the Term or until this Agreement is sooner terminated or such payment is modified in accordance with Section 4.2.

6.2. **The Customer, being a Municipal Corporation, is not generally exempt from sales tax per WAC 458-20-189. Accordingly, NG shall add sales tax to the invoices provided to the Customer in compliance with Washington State Law. Provided, if Customer obtains a ruling from the Washington State Department of Revenue that the fees paid by the Customer to NG under this Agreement are exempt from sales tax, then NG shall not add sales tax to invoices.**

6.3. In the event that the United States Postal Service increases applicable First Class Mail and/or Certified Mail postage from the rates in effect at the time of Commencement of Operation, NG may invoice the Customer for the increased postage actually paid by NG in connection with this Agreement. For example, if First Class Mail postage were increased by $0.02, and NG mailed 1,000 notices, NG would invoice the Customer $20.00. All such charges to Customer shall be included in the cost-neutrality calculation.

6.4. Payment of all fees and other charges owed pursuant to this Agreement is due as set forth above, and, to the extent invoice is required, within thirty (30) days after receipt of the invoice. Invoices and/or reports will be sent to the Customer's preferred email address.

6.5. Notwithstanding anything in this Agreement to the contrary, if amounts due to NG pursuant to Section 6.1 in any month during the Term plus any amounts due to NG pursuant to this Section 6.4 ("**Monthly Photo Enforcement Fees**") exceed the revenue generated by operation of the Systems and actually received by the Customer during that same month ("**Monthly Photo Enforcement Revenue**") then the Customer shall have the option to either pay the Monthly Photo Enforcement Fees or pay to NG for such month only the amount of Monthly Photo Enforcement Revenue. In such case, the difference between Monthly Photo Enforcement Fees and Monthly Photo Enforcement Revenue (a "**Payment Shortfall**") shall be accumulated and added to the Monthly Photo Enforcement Fees for the following month. Payment Shortfalls, if any, shall accumulate from month-to-month until paid in full, provided that under no circumstances shall the Customer ever be required to make a payment of Monthly Photo Enforcement Fees to NG except from Monthly Photo Enforcement Revenue. At the final expiration of this Agreement (last day of validity of the Agreement including any extensions) any accumulated Payment Shortfalls shall be forfeited.

7. RESPONSIBILITIES OF THE CUSTOMER

7.1. The Customer shall provide NG with any "as built" drawings in electronic format (AutoCAD) that are available at no cost to the Customer and shall consider for approval NG's engineering drawings without unusual or unreasonable cost or delay.

7.2. The Customer shall not levy any fees on NG for the installation of Systems. However, if municipal ordinance requires the assessment of fees for the installation of Systems, said fees shall be limited to permit fees as required by the Customer's Municipal code and the Customer's Public Utilities electrical permits for service.

7.3. The Customer shall diligently prosecute infractions in court at its own expense. NG shall, at its own expense, participate in any proceeding challenging the use of the System or validity of its results and/or use of the U.S. Mail to deliver the infraction.

7.4. The Customer will cooperate with NG in obtaining electrical connections at the roadside and NG shall pay all costs associated with such connection and shall pay for all power required by the System.

7.5. To allow for proper operation of the System, when known to the Customer, the Customer shall provide NG with advance written notice of any modifications proposed to intersections or portions of the roadway, including traffic signal operations, that will likely affect operation of a System after its installation. In the event any such intersection or roadway modification requires a material change to the System, the Customer shall pay the costs reasonably incurred by NG to adapt the affected video monitoring system(s) or fixed speed enforcement unit(s) to make such video monitoring system(s) or fixed speed enforcement unit(s) compatible therewith. Notwithstanding the above, NG makes no guarantee that it will be able to make any such adaptation. In the event that NG is unable to adapt the affected System, then both parties shall be relieved of any further obligations under this

Agreement with respect only to the affected System. In addition, NG does not, and will not, make recommendations or otherwise manage the configuration or operation of the intersection traffic light system.

7.6. During the Term, except as expressly permitted by this Agreement, the Customer shall not use the System, or allow the System's use by a third party, without the prior written permission of NG.

8. LIMITED WARRANTY AND LIMITATION ON DAMAGES

8.1. NG warrants that the System's functionality will conform in all material respects to the description of the System set forth on ***Exhibit A***.

8.2. EXCEPT AS SPECIFICALLY PROVIDED HEREIN, NG HEREBY DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, WITH RESPECT TO THE SERVICES AND SYSTEM, INCLUDING, WITHOUT LIMITATION, ALL IMPLIED WARRANTIES OF TITLE, NON-INFRINGEMENT, NON-INTERFERENCE WITH ENJOYMENT, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE AND ALL WARRANTIES IMPLIED FROM ANY COURSE OF DEALING OR USAGE OF TRADE. THE CUSTOMER ACKNOWLEDGES THAT EXCEPT AS EXPRESSLY PROVIDED HEREIN NO OTHER WARRANTIES HAVE BEEN MADE TO CUSTOMER BY OR ON BEHALF OF NG OR OTHERWISE FORM THE BASIS FOR THE BARGAIN BETWEEN THE PARTIES.

8.3. The Customer acknowledges and agrees that:

8.3.1. The Systems may not detect every violation;

8.3.2. Since the System may flag as a violation conduct that is in fact not a violation, the output of the System will require review, analysis and approval by personnel appropriately qualified and authorized by the Customer under applicable law prior to the issuance of any infraction;

8.3.3. The System has no control over, and relies on the proper functioning of equipment for signal light changes or school zone beacon system, which equipment is provided by entities other than NG;

8.3.4. The proper functioning of the System requires the Customer's full and complete compliance with the System's operating instructions, which it hereby agrees to do; and

8.3.5. NG shall not be responsible for the design, configuration, operation, maintenance, timing, programming, inspection, testing, repair, or replacement of any intersection traffic signal system or school zone beacon system, whether owned or operated by the Customer or any third party, and NG shall have no liability or obligations arising from or related thereto.

9. INDEMNIFICATION AND INSURANCE

9.1. NG shall at all times comply with all federal, state and local laws, ordinances and regulations and shall comply with the maintenance procedures and manufacturer's recommendations for operation of the Systems which affect this Agreement, and shall indemnify, defend and save harmless the Customer against any claims, arising from NG's violation of any such laws, ordinances and regulations or any claims arising from NG's performance of this Agreement, including as a result of the negligence or willful misconduct of NG, its officers and directors, agents, attorneys, and employees, but excluding any employees or agents of Customer.

9.2. NG agrees to indemnify, defend, and hold harmless the Customer from any claim of damages (including the payment of reasonable attorneys' fees) by a third party arising solely from either (a) a finding that the System infringes any validly issued United States patent or (b) NG's negligence, provided that such claim of damages is not attributable to (i) any act or omission set forth in Section 9.3 or (ii) any third-party software or other third-party products used with, required for use of, or supplied under their own names with or as part of the System. If, as a final result of any litigation of which NG is obligated to indemnify, the use of the System by the Customer is prevented, in whole or in part, by an injunction, NG's sole obligation to the Customer as a result of such injunction shall be, at NG's option, either to (i) replace such part as has been enjoined, or (ii) procure a license for NG or the Customer to use same, or (iii) remove same and terminate this Agreement at no additional cost to the Customer.

9.3. Notwithstanding anything in this Agreement to the contrary, NG assumes no obligation or liability for any claim of damages (including the payment of reasonable attorneys' fees) by a third party arising from or related to (i) any modification of the System made by the Customer, (ii) the negligence or intentional act of the Customer, (iii) the failure to function properly of any hardware, software or equipment of any kind used by, in or on behalf of the Customer (other than that supplied by NG), (iv) the review and analysis of the System data output by the Customer personnel for infraction preparation, or (v) the Customer's use and/or administration of any traffic signal.

9.4. The rights of the Customer to seek indemnification under this Section 9 shall be conditioned upon (i) the Customer notifying NG promptly upon receipt of the claim or action for which indemnification is sought and (ii) the Customer's full cooperation with NG in the settlement or defense of such claim or action at no cost to the Customer. The Customer agrees not to charge NG for the time of the Customer's personnel engaged in such cooperation. Such cooperation shall include, but not be limited to, the Customer providing access for, and permission to, NG for the purpose of the replacement of such part or parts of Systems as NG may deem necessary or desirable. The Customer may participate in the defense of any indemnified matter through counsel of its own choice and at its own expense provided that NG shall remain in, and responsible for, control of the matter. This Section 9 states the entire liability and obligation and the exclusive remedy of the Customer with respect to any actions or claims (i) of alleged infringement relating to or arising out of the subject matter of this Agreement or (ii) otherwise the subject of this paragraph.

9.5. NG shall maintain the following minimum scope and limits of insurance:

9.5.1. Comprehensive general liability insurance including but not limited to coverage for bodily injury, property damage, premises and operations, products/completed operations, personal and advertising injury, and contractual liability, with a combined single limit of $2,000,000 per occurrence, with an aggregate liability of $2,000,000. Such insurance shall include the Customer, its officers, directors, employees, and elected officials as additional insured for liability arising from NG's operation. There shall be no exclusion for liability arising from explosion, collapse or underground property damage. The Public Entity shall be named as an additional insured under NG's Commercial General Liability insurance policy with respect to the work performed for the Public Entity using ISO Additional Insured endorsement CG 20 10 10 01 and Additional Insured-Completed Operations endorsement CG 20 37 10 01 or substitute endorsements providing at least as broad coverage.

9.5.2. Workers Compensation as required by applicable state law; and

9.5.3. Comprehensive Automobile Liability Insurance for all owned, non-owned, leased, and hired automobiles and other vehicles used by NG with a minimum $1,000,000 per occurrence combined single limit bodily injury and property damage. Coverage shall be at least as broad as Insurance Services Office (ISO) form CA 00 01.

9.5.4. Professional liability insurance with a combined single limit of $1,000,000 per occurrence, with an aggregate liability of $2,000,000.

9.6. NG shall be responsible for any subcontractors doing work under this Agreement.

9.7. Certificates showing NG is carrying the above described insurance, and evidencing the additional insured status specified above, shall be furnished to the Customer within thirty (30) calendar days after the date on which this Agreement is made. Such certificates shall show that the Customer shall be notified of all cancellations of such insurance policies. NG shall provide the Public Entity and all Additional Insureds for this work with written notice of any policy cancellation within two business days of their receipt of such notice. NG shall forthwith obtain substitute insurance in the event of a cancellation. Failure on the part of NG to maintain the insurance as required shall constitute a material breach of contract, upon which the Public Entity may, after giving five business days notice to NG to correct the breach, immediately terminate the Contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the Public Entity on demand, or at the sole discretion of the Public Entity, offset against funds due NG from the Public Entity.

9.8. All insurance required by express provision of this Agreement shall be carried only in responsible insurance companies licensed to do business in the State of Washington and shall name as additional insured the Customer. Insurance shall be placed with insurers with a current A.M. Best rating of not less than A:VII. NG will furnish the Customer with Certificates of Insurance and applicable endorsements for all such policies promptly upon receipt of them. NG may effect for its own account insurance not required under this Agreement.

9.9. NG's maintenance of insurance as required by the Agreement shall not be construed to limit the liability of NG to the coverage provided by such insurance, or otherwise limit the Customer's recourse to any remedy available at law or in equity. NG's Automobile Liability and Commercial General Liability insurance policies are to contain, or be endorsed to contain that they shall be primary insurance as respect the Customer. Any insurance, self-insurance, or self-insured pool coverage maintained by the Customer shall be excess of NG's insurance and shall not contribute with it. If NG maintains higher insurance limits than the minimums shown above, the Customer shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by NG, irrespective of whether such limits maintained by NG are greater than those required by this Agreement or whether any certificate of insurance furnished to the Customer evidences limits of liability lower than those maintained by NG.

10. CHANGE ORDERS OR ADDITIONAL SERVICES. Changes to Services and additional Systems may be added to this Agreement by mutual consent of the Parties in writing as an addendum to this Agreement. The Customer and NG agree that should legislation or local ordinance be enacted to enable new photo enforcement solutions within the Customer's jurisdiction, the Customer shall have the option to negotiate services and fees and issue a change order to cover such services.

10.1. Project manager. The Customer will appoint a project manager, which shall be a command staff member of the City of Fircrest Police Department who will have oversight of the installation and implementation of the NG Systems. The project manager has the authority to make daily operational management decisions. Only the City Manager or his/her designee has the authority to authorize additional systems exceeding the original Agreement, change orders, request additional services, and extensions.

11. CONFIDENTIAL AND PROPRIETARY INFORMATION; PUBLIC RECORDS LAW COMPLIANCE.

11.1. The Parties agree that they shall comply with the public records disclosure provisions of the Revised Code of Washington, Chapter 42.56, Public Records Act and Chapter 46.63 RCW.

11.2. NG agrees that:

11.2.1. All information obtained by NG through operation of the Systems shall be made available to the Customer at any time during NG's normal business hours, excluding Proprietary Information not reasonably necessary for the prosecution of infractions or fulfillment of the Customer's obligations under this Agreement.

11.2.2. NG shall not use any information acquired from the performance of the Services contemplated in this Agreement, including without limitation, information with respect to any violations, violators, information obtained from recorded images or information concerning the Customer's law enforcement activities for any purpose other than for the benefit of the Customer.

11.2.3. No information given by NG to the Customer will be of a confidential nature, unless the information qualifies as Proprietary Information (defined in Section 11.2.4 below), specifically designated in writing as "**Proprietary Information,**" and expressly exempt from public records disclosures required by the Revised Code of Washington, Chapter 42.56, Public Records Act.

11.2.4. As used in this Agreement, the term "Proprietary Information" shall mean all trade secrets or confidential or proprietary information designated as such by NG, whether letter or by the use of an appropriate proprietary stamp or legend, prior to or at the time any such trade secret or confidential or proprietary information is disclosed by NG to the Customer. In addition, the term "**Proprietary Information**" shall be deemed to include any notes, analyses, compilations, studies, interpretations, memoranda or other documents prepared by the Recipient which contain, reflect or are based upon, in whole or in part, any Proprietary Information furnished to the Recipient.

11.2.5. The Customer shall use the Proprietary Information only for the purpose of fulfilling its duties hereunder (the "**Purpose**") and such Proprietary Information shall not be used for any other purpose without the prior written consent of NG. "Purpose" shall be deemed to not include any disclosure of the Proprietary Information to any person or entity. The Customer shall hold in confidence, and shall not disclose to any person or entity, any Proprietary Information nor exploit such Proprietary Information for its own benefit or the benefit of another without the prior written consent of NG.

11.2.6. Notwithstanding anything contained in this Agreement to the contrary, this Agreement shall not prohibit the Customer from disclosing Proprietary Information to the extent required in order for the Customer to comply with applicable laws and regulations, provided that the Customer provides prior written notice of such required disclosure to NG.

12. INDEPENDENT CONTRACTOR; NO AGENCY.

12.1. It is understood that NG is an independent contractor and not an agent or employee of the Customer for any purpose including, but not limited to, federal tax and other state and federal law purposes. NG assumes responsibility for payment of all federal, state and local taxes imposed or required of NG under unemployment insurance, Social Security and income tax laws. NG shall be solely responsible for any workers' compensation insurance required by law and shall provide the Customer with proof of insurance upon demand. The parties agree that the Customer shall not:

12.1.1. Pay dues, licenses or membership fees for NG;

12.1.2. Require attendance by NG, except as otherwise specified herein;

12.1.3. Control the method, manner or means of performing Services under this Agreement, except as otherwise specified herein; or

12.1.4. Restrict or prevent NG from working for any other party.

12.2. Neither party has the right or the power to enter into any contract or commitment on behalf of the other party, including entering into agreements with third parties, exercising incidents of ownership with respect to property owned by the Party or executing contracts binding upon the other Party.

12.3. NG is an independent contractor providing services to the Customer and the employees, agents and servants of NG shall in no event be considered to be the employees, agents, or servants of the Customer. Except as expressly provided herein, this Agreement is not intended to create an agency relationship between NG and the Customer.

13. NOTICES.

13.1. Any notices or demands which under the terms of this Agreement or under any statute must or may be given or made by NG or the Customer shall be in writing and shall be given or made by personal service, first class mail, nationally recognized overnight courier, or by certified or registered mail to the Parties at the address specified in the preamble to this Agreement.

13.2. Except as otherwise specified, all notices, payments and reports hereunder shall be deemed given and in effect as of the date of mailing or transmission, as the case may be, when sent by next day delivery or courier service, postage pre-paid, or three (3) days after the date of mailing when sent by first class mail, postage pre-paid, addressed in all such cases to the Parties as set forth in the preamble to this Agreement directed in each case to the President of NG at the address in the preamble or the City Manager or designee of the Customer at the address in the preamble, or to such other addresses as the Parties may from time to time give written notice of as herein provided.

14. ASSIGNMENT. Except as specifically provided in this Agreement, neither Party may assign, or delegate performance of its obligations under, this Agreement, without prior express written consent of the other Party, except that NG may assign or otherwise encumber this Agreement for the purpose of obtaining financing; provided, however, that this Agreement may be assigned to any person that acquires all or substantially all of NG's assets in one transaction.

15. AMENDMENT AND MODIFICATION. This Agreement may be modified or amended from time to time by the Parties, provided, however, that no modification or amendment hereto shall be effective unless it is stated in writing, specifically refers to this Agreement and is executed on behalf of the Party against whom enforcement of such modification or amendment is sought.

16. **NON WAIVER**. The failure of either Party to require performance of any provision of this Agreement shall not affect the right to subsequently require the performance of such provision or any other provision of this Agreement. The waiver of either Party of a breach of any provision shall not be taken or held to be a waiver of any subsequent breach of that provision or any subsequent breach of any other provision of this Agreement.

17. **FORCE MAJEURE.** Neither Party shall be liable to the other for failure or delay in meeting any obligations hereunder which arises in whole or in part from causes which are unforeseen by, or beyond the control of, such Party, including without limitation, acts of God or of a public enemy, acts of terrorism, acts of the Government (other than the Customer in the case of the Customer) in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, acts or omissions of (i) non-subcontractor third-parties and (ii) third party equipment, telecommunications and software suppliers, and unusually severe weather. When any such circumstance(s) exist, NG shall have the right, in its sole discretion, to allocate its available production, deliveries, services, supplies and other resources among any and all buyers (whether or not including the Customer), as well as among departments and affiliates of NG, without any liability to the Customer.

18. **DISPUTE RESOLUTION AND REMEDIES.**

18.1. All disputes arising out of or in connection with the Agreement shall be attempted to be settled through good-faith negotiation between the Customer's appointed Manager and the President of NG, followed if necessary within thirty (30) calendar days by professionally-assisted mediation. Any mediator so designated must be acceptable to each party and must be a certified mediator in the State of Washington. The mediation will be conducted as specified by the mediator and agreed upon by the Parties. The Parties agree to discuss their differences in good faith and to attempt, with the assistance of the mediator, to reach an amicable resolution of the dispute. The mediation will be treated as a settlement discussion and therefore will be confidential. The mediator may not testify for either party in any later proceeding relating to the dispute. No recording or transcript shall be made of the mediation proceedings. Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the Parties.

18.2. Failing resolution through negotiation or mediation, all actions, disputes, claims and controversies under common law, statutory law, or in equity of any type or nature whatsoever, whether arising before or after the date of this Agreement, and whether directly or indirectly relating to: (a) this Agreement and/or any amendments and addenda hereto, or the breach, invalidity or termination hereof; (b) any previous or subsequent agreement between the Parties; and/or (c) any other relationship, transaction or dealing between the Parties (collectively, the "Disputes"), shall be resolved exclusively by binding arbitration administered by the American Arbitration Association ("AAA") under its Commercial Arbitration Rules then in effect. The arbitration shall be conducted in Pierce County, Washington, before a single arbitrator, unless the Parties agree otherwise in writing. The arbitrator shall have authority to award any remedy or relief that a court of competent jurisdiction could award, including injunctive relief, except that the arbitrator shall not have authority to award punitive or exemplary damages unless expressly authorized by applicable law. Any award or order rendered by the arbitrator may be confirmed and enforced as a judgment only in the courts described in Section 19. The prevailing Party in any arbitration shall be entitled to reasonable attorneys' fees and costs.

19. GOVERNING LAW; JURISDICTION; VENUE. The Parties agree that this Agreement is consummated, entered into, and delivered in Pierce County, Washington. Notwithstanding conflicts of laws provisions, this Agreement has been and is to be governed by, construed, interpreted and enforced in accordance with the laws of the State of Washington. Notwithstanding Section 18, any judicial proceeding permitted under this Agreement—limited to (i) an action to compel arbitration, (ii) an action to obtain temporary, preliminary, or permanent injunctive relief pending arbitration, and/or (iii) an action to confirm, enforce, modify, or vacate an arbitration award— shall be filed exclusively in a state court of competent jurisdiction located in Pierce County, Washington. The Parties waive any and all rights to have any such action brought in any place other than Pierce County, Washington under applicable venue laws. The Parties hereby irrevocably waive any claim that any such action has been brought in an inconvenient forum.

20. ATTORNEY'S FEES AND COSTS. In any arbitration commenced pursuant to Section 18, and in any judicial proceeding permitted under Section 19, the prevailing Party shall be entitled to recover from the non-prevailing Party its reasonable attorneys' fees and costs, including fees and costs incurred in connection with any appeal, bankruptcy proceeding, or proceeding to compel arbitration or confirm, enforce, modify, or vacate an arbitration award.

21. GENERAL AND MISCELLANEOUS.

21.1. Time shall be of the essence in the performance of this Agreement.

21.2. In this Agreement, where the singular and masculine are used, they shall be construed as if the plural or the feminine or the neuter had been used, where the context or the party or parties so requires, and the rest of the sentence shall be construed as if the grammatical and the terminological changes thereby rendered necessary had been made.

21.3. Paragraph headings are provided as an organizational convenience and are not meant to be construed as material provisions of this Agreement.

21.4. Preparation of this Agreement has been a joint effort of the Parties and the resulting document shall not, solely as a matter of judicial construction, be construed more severely against one of the parties than the other.

21.5. This Agreement may be executed in counterparts, each constituting a duplicate original, but such counterparts shall constitute one and the same Agreement.

21.6. The burdens of this Agreement shall be binding upon, and the benefits of this Agreement shall inure to, all successors in interest to the Parties to this Agreement from and after the Effective Date.

21.7. Each Party to this Agreement agrees to do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged and delivered, all such further acts, and assurances in a manner and to the degree allowed by law, as shall be reasonably requested by the other party in order to carry out the intent of and give effect to this Agreement. Without in any manner limiting the specific rights and obligations set forth in this Agreement or illegally limiting or infringing upon the governmental authority of the Customer, the Parties declare their intention to cooperate with each other in effecting the purposes of this Agreement, and to coordinate the performance of their respective obligations under the terms of this Agreement.

21.8. Except as set forth in this Agreement and the Exhibits hereto, no representation, statement, understanding or agreement, whether written or oral, has been made and there has been no reliance on anything done, said or any assumption in law or fact with respect to this Agreement for the duration, termination or renewal of this Agreement other than as expressly set forth in this Agreement and there has been no reliance upon anything so done or said that in any way tends to change or modify the terms or subject matter of this Agreement or to prevent this Agreement from becoming effective.

21.9. This Agreement supersedes any agreements and understandings, whether written or oral, entered into by the Parties hereto prior to the Effective Date of this Agreement.

21.10. For the purposes of this Agreement, any and all references to any law or rule, whether federal, state, or local, shall include the law or rule as exists and as may be amended hereafter.

22. SURVIVABILITY. Termination or expiration of this Agreement shall not relieve either Party of their respective obligations, which are expressly noted to survive termination or expiration or under the following sections which shall survive termination and expiration: Sections 3, 4, 5, 7, 8, 10, 17, 18, 19, 20, and this Section 22

23. SEVERABILITY. If any covenant or provision of this Agreement is, or is determined to be, invalid, illegal or unenforceable by a court of competent jurisdiction, then such covenant or provision will be ineffective only to the extent of such prohibition or invalidity. All remaining covenants and provisions of this Agreement shall nevertheless remain in full force and effect, and no covenant or provision of this Agreement shall be deemed to be dependent upon any covenant or provision so determined to be invalid, illegal or unenforceable unless otherwise expressly provided for herein. The invalidity of any provision of this Agreement or any covenant herein contained on the part of any party shall not affect the validity of any other provision or covenant hereof or herein contained which shall remain in full force and effect.

24. Each party acknowledges that it has read this Agreement and understands the terms and conditions herein. Further, the parties have caused this Agreement to be executed on its behalf by the authorized officer whose signature appears below under its name, to be effective as of the date written above.

IN WITNESS WHEREOF, the Parties hereto have set their hands by their duly authorized representatives as of the day and year first above written.

City of Fircrest, Washington

By: ______________________
Dawn Masko
City Manager

NovoaGlobal, Inc.

By: ______________________________
Carlos Lofstedt
President and CEO

Approved as to form:

____
Joanna M. Eide
City Attorney

EXHIBIT A SERVICES

NG shall provide the Customer with the Systems. In connection with furnishing the Systems, NG shall provide the following, each of which is more fully described below:

1. SITE INSTALLATION PLANNING; DESIGN AND EQUIPMENT INSTALLATION
2. TRAINING AND SUPPORT
3. INFRACTION PREPARATION AND PROCESSING SERVICES
4. MAINTENANCE
5. PUBLIC EDUCATION CAMPAIGN
6. EXPERT WITNESS TESTIMONY AND COURT TRAINING
7. REPORTING

1. **SITE INSTALLATION PLANNING, DESIGN AND EQUIPMENT INSTALLATION**

1.1. *The Systems.*

1.1.1. NG will initially install up to eight (8) Systems (which shall remain property of NG), monitoring such locations as the Customer and NG shall mutually agree. Up to twenty (20) additional Systems may be added at the option of the Customer with NG's consent. None of the quantities mentioned under this paragraph shall be interpreted as mandatory quantities. The actual quantities to be installed can only be approved by the City. The installation of any system will require the written approval of the City Manager or designee. If a system location no longer qualifies for photo enforcement under the relevant provisions of Chapter 46.63 RCW (such as permanent school closure), then the system shall be removed and Monthly Photo Enforcement Fees for such system shall cease. Each System shall comprise equipment capable of monitoring violations at a single approach to an intersection for up to five lanes of traffic. NG will install new Systems upon mutual agreement of the Parties. School zone fixed speed enforcement systems will conduct enforcement while beacon systems are in an activated state within the identified school zone. NG will ensure School zone fixed speed enforcement systems are integrated with Customer's Public Works school zone flashing beacons.

1.1.2. Automated traffic safety cameras may only take pictures of the vehicle and vehicle license plate. The image must not display the face of the driver or of passengers in accordance with Chapter 46.63 RCW.

1.1.3. The Systems shall include all equipment located at each intersection, telecommunications equipment, and Software and shall have the capability of transferring images from the roadside in accordance with applicable law, including Chapter 46.63 RCW, to be accessed at the Customer's Police Department processing facility.

1.1.4. *Substitution, Relocation, Subtraction, or Addition of a Site.* If NG or the Customer reasonably determines that one or more Sites selected for installation of a System is not for any reason appropriate for the System (and such determination is made at least fifteen (15) days prior to the commencement of installation of the System at any such intersection), then alternate intersection(s) may be substituted by written consent of the Parties. If the average monthly violation collected from any individual system does not meet the level required for the individual system to be cost neutral for a period of twelve (12) consecutive months, the Customer's Police Department shall have the right to request relocation of the system to a more effective location. This request must be in writing and before twenty-four (24) months of the expiration of the contract or any of its extensions. NG shall have the option to comply or to reduce the fee temporarily or permanently to a level equal to the violation (revenue) collected from that individual system.

1.1.5. *Timeframe for Installation of the System.* NG shall install and activate the Systems in accordance with an Implementation Plan to be mutually agreed to by NG and the Customer, which installation shall, at minimum, conclude within sixty (60) days after all necessary permits and approvals are received by NG. NG shall work diligently to obtain all necessary permits and approvals and use reasonable commercial efforts to install the System in accordance with the schedule set forth in the Implementation Plan. The Customer agrees that the estimated dates of installation and activation of the System set forth in the Implementation Plan are subject to delay based on conditions beyond the control of NG and are not guaranteed.

1.1.6. *Installation/Ownership of the System.* NG shall procure, install and provide support of Equipment at each of the agreed upon locations. As between NG and the Customer, all components for the System will remain the property of NG, and remain in NG's possession and control.

1.2. *Installation*

1.2.1. NG shall submit plans and specifications to the Customer for review and approval, which review and approval will not be unreasonably withheld, delayed or conditioned.

1.2.2. All cameras and other equipment shall be enclosed in lockable, weather and vandal-resistant housing. All wiring shall be internal to equipment (not exposed) and if commercially reasonable and if capacity exists, underground in existing traffic signal conduits, except where required to directly interface with the traffic signals and electrical service. Separate conduits or overhead wiring may be used by NG if existing conduit(s) are at capacity. If existing conduits are used, the Customer will not unreasonably withhold, delay or condition consent to such use.

1.2.3. The provision, installation, and maintenance of all necessary electronic system communication equipment will be the sole responsibility of NG.

1.2.4. The System may be mounted on or utilize support of existing traffic signal poles, arms or other intersection structures where possible, subject to Customer review and approval, such review and approval not to be unreasonably withheld, delayed or conditioned.

1.2.5. The System poles, foundations, signs, and new infrastructure, as required, shall conform to applicable law.

1.3. *Restoration of Intersections.* Upon termination or expiration of the Agreement, NG shall remove the System and restore the affected public facilities including returning the intersections to their original condition; provided, however, that NG shall not be required to remove any conduit, in-ground fixture, underground wiring or other infrastructure that will require excavation or demolition. All costs incurred by NG thereby will be the responsibility of NG.

1.4. *Compliance with Law.* NG shall design and install the System in compliance with all currently existing federal, state and local laws and regulations. NG covenants and agrees that its Systems shall, at all times, comply with all applicable laws, regulations, rules and orders ("Legal Requirements"). NG shall continuously monitor the status of such Legal Requirements to ensure continuous compliance. In the event of any change in the Legal Requirements, NG shall modify or replace (at its sole cost) all or any portion of its non-compliant Safety Systems. Any such modification shall be effected by NG in a reasonable period of time (not to exceed ninety (90) days for modification or one hundred eighty (180) days for complete system replacement) and NG's failure to effect such modification or replacement in a timely manner shall be grounds for the Customer to terminate this Agreement for cause. Any such termination shall not relieve NG of its obligation to restore each site to its original condition.

2. **TRAINING OF CUSTOMER PERSONNEL.** After System installation, NG shall provide up to eight (8) hours of training for up to ten (10) persons at two (2) sessions to acquaint Customer personnel with System operation. Training shall consist of instructional and operational training as well as hands-on equipment exercises with an instructor. All necessary training materials and documentation will be provided by NG at NG's expense. NG shall make all such training services available to the Customer prior to the end of the thirty (30) day period following the Commencement Date. If the Customer requests additional courses or training, NG shall provide these at no additional cost to the Customer.

3. **INFRACTION PREPARATION AND PROCESSING SERVICES**

3.1. *Infraction Preparation and Processing.* NG shall perform the initial review of all data generated at the roadside, process and format violations utilizing a computerized traffic Infraction program that shall store all information required for Infraction processing by state, local law, and in accordance with court of jurisdiction specification, transfer the Infractions to the Police Department's computer within seven (7) days of the violation, for review and decision on whether or not to issue an Infraction. If NG is permitted by applicable law or regulation to do so, NG shall also review all DMV information and print and mail Infraction forms. NG shall pay all mailing and postage costs, and such other miscellaneous costs and expenses as may be reasonably necessary to issue an Infraction and deliver it by U.S. mail. The Notice of Infraction form used by NG shall be in compliance with Washington Infraction Rule of Courts of Limited Jurisdiction 2.1(a). To the extent required by applicable law, NG shall obtain a certification of mailing issued by the Post Office. Notwithstanding anything to the contrary in the foregoing provisions of this Section 3.1, NG will not process nor support any Infractions not captured by the System and/or approved by the Customer.

3.2. *Officer Discretion.* NG recognizes and agrees that the decision to issue or dismiss an infraction shall be the sole and exclusive decision of the Customer's Police Department. In no event shall any NG employee or representative have the ability to authorize or dismiss any Infractions.

3.3. *Mailing of Infractions.* Infractions shall be mailed to the violator as soon as is reasonably practicable, and in no event longer than ten (10) business days after being approved by the Customer and NG has been notified of such approval. The form of Infraction shall be subject to the approval of the Customer, which approval may not be unreasonably delayed, conditioned or withheld.

3.4. *Cooperation With Police and the Courts.* NG shall be responsible for, and pay for the cost of issuing and the mailing in accordance with applicable law. NG shall coordinate with the Customer and the Courts, and shall comply with the applicable law and court procedures regarding the mailing and other requirements necessary for the issuance and processing of Traffic Infractions. All Infractions shall be reviewed and approved by the Customer's Police Department prior to mailing. In addition, NG will cooperate with the Courts to set up the necessary communications, systems for processing and upon request establish procedures that will enable NG to send delinquent notices to those registered owners/drivers for whom such notices are appropriate. NG acknowledges that it is aware that the state law (Chapter 46.63 RCW, including RCW 46.63.210 through 46.63.260) requires an infraction be mailed to the violator within fourteen (14) days of the date of violation, inclusive of the time it takes for the City personnel to review the violations data. With respect to each authorization to issue an infraction from the Customer, NG shall print and mail an infraction within five (5) days after NG's receipt of such authorization.

3.5. With respect to each authorized violation, within five (5) business days after NG's receipt of such authorization, NG shall file with the Customer's Court, a copy (electronic or otherwise) of the Infraction. NG acknowledges its understanding that Washington State law requires all infractions be filed within five days of issuance (date signed by Police Officer) or the infraction is subject to dismissal under Court Rule. Filing of issued infractions within five days shall be considered a material provision of this Agreement. This paragraph only applies in case that the Customer chooses to use JIS. If the Customer elects to use NG's Back Office then no filing would be required.

3.6. *Rental car and business vehicles*. NG will coordinate with the Customer and Courts to establish an acceptable procedure to streamline and coordinate the processing, notification, and accountability of rental car violation and corporate vehicle violations.

3.7. *Preparation of Evidence Packages.* NG shall provide electronic copies of evidence packages in such form as may be reasonably agreed upon with the courts to enable the Customer to enforce its Infractions in court.

3.8. *Access to License Information*. NG shall maintain the ability to access the license information, the registered owner residence and mailing address for all US registered vehicles, and the purchaser information when there is a vehicle report of sale, and all subscription or per-request fees for information, if any, shall be paid by NG. If possible, NG will identify rental vehicle and corporate vehicle violations to migrate and merge original violation with rental and business nomination for appropriate processing needs. If NG is unable to access such information, NG shall provide the make and license plate number of each violator to the Customer, which will obtain and input the information into the System, or provide such information to NG, within a reasonable period of time.

3.9. *Numbering System.* NG, in coordination with the Customer, shall develop and implement an independent numbering system for automated red light Infractions and correlating the original violations with nominations.

3.10. *Transmission of Information.* NG shall make all Infraction information available via an electronic file using comma separated value files on a secure FTP site. NG shall maintain a documented chain of custody for all electronically transmitted information while the information is under NG's control.

3.11. *Customer Service.* NG shall provide an automated toll-free customer service telephone number to the public. Customer Service Representatives will be available Monday through Friday, from 10:00 a.m. to 5:00 p.m. (ET), excluding holidays, in order to schedule violation video viewing appointments for the courts and to answer basic questions regarding the Customer's program.

4. MAINTENANCE

4.1. *Maintenance of System.* Except as provided herein, NG shall maintain the System (as such term is defined below); provided however, that NG shall not be responsible for any maintenance, repair or replacement required as a result of (i) the negligence or intentional act of the Customer, its employees, agents or independent contractors (other than NG) and/or (ii) any equipment or software not provided by NG. NG shall maintain a maintenance log that documents all service issues. To "Maintain the System" shall mean to keep the System in a state of operation such that the System's functionality and operation conforms in all material respects to the description of the System set forth in this Exhibit. NG will initially respond to any camera or system malfunction within twenty-four (24) hours of detection, and make all reasonable efforts to have the system fully operational within seventy-two (72) hours. In the event that a System is not fully operational within seventy-two (72) hours of reporting the incident, NG shall credit the monthly invoice in the amount of the prorated Monthly Photo Enforcement Fees for the downed System for each day the System is down after the initial seventy-two (72) hours. The System shall automatically notify appropriate personnel of any system failure, malfunction, or other problem that would cause the System to be inoperable. The System shall be designed so that ninety percent (90%) of all system malfunctions can be repaired within four (4) hours. NG shall also install all software revisions for Systems as and when developed and made commercially available by NG. NG is responsible to ensure systems are operational. NG will repair and upgrade as needed, including damage caused by vandalism, traffic accidents, weather damage, or any unforeseen event that should cause a failure of operations, and shall maintain a reasonably clean appearance and in a graffiti-free condition.

4.2. *Equipment Checks.* NG shall use commercially reasonable efforts to perform remote camera and equipment checks to confirm proper operation of computers, cameras and communications network. Routine in-field camera equipment inspection will be done as needed. The System shall have the capability of on-line monitoring of all cameras at each intersection.

4.3. NG will conduct routine testing, evaluation, and monitor the system to ensure the system is operational. If a deficiency, malfunction, or failure of the system is detected NG will notify the Customer's Police Department within 72 hours by written or electronic notification. If the system cannot be restored or repaired to full functional capability within 7 consecutive calendar days NG will reduce the fee to reflect the time the system is deficient, malfunctioning, or failing. The fee reduction shall be applied to the affected billing cycle and continue until the system is restored to full operation. This reduction shall be identified on the billing statement to the Customer's Finance Department.

5. **PUBLIC EDUCATION CAMPAIGN**

5.1. *Public Awareness.* NG shall assist the Customer with a Public Awareness. Such assistance shall consist of:

5.1.1. Paying for and installing all signage required by State law and local ordinance or as otherwise required by resolution of the Customer's Council

5.1.2. Reasonable assistance for a media event to launch the community education program

5.1.3. Preparing, publishing and printing a brochure for distribution

5.1.4. A reasonable amount of training for a Customer staffed speaker's bureau

6. **EXPERT WITNESS TESTIMONY AND COURT TRAINING**

6.1. *Expert Witness Testimony*. NG shall provide expert witness testimony at its sole expense, as reasonably necessary, to testify regarding the accuracy and technical operation of the System as necessary for court challenges to the operation of the System.

6.2. *Court Training.* NG shall conduct a one-day workshop-orientation session for Municipal Court judges (and/or their designees), hearing officers, other appropriate court officials and the Customer prosecutor. NG will provide and maintain a web based training service that includes basic operation as well as any system or procedure changes to ensure continuity for court staff end users.

7. REPORTING

7.1. *Reporting in General.* NG will provide the Customer with monthly reports on System performance, the content and precise timing of which will be mutually agreed upon by the Customer and NG. All mutually agreed upon reports shall be constantly and automatically updated and made available for the Customer to review at the Customer's discretion. NG will also prepare and submit financial, program progress, monitoring, evaluation, and other such reports as may be required by the Customer or state law. NG shall maintain and permit on-site inspections of property, personnel, financial, and other records and reports directly related to performance under the Agreement, with reasonable advance notice, during normal business hours, and subject to confidentiality protections for NG's proprietary information, as may be required by the Customer to assure proper accounting for all compensation paid by the Customer to NG.

7.2. *Monthly Report*. NG shall submit to the Customer's Public Works/Traffic Engineering department a monthly Report on statistical information regarding traffic volumes, average speed, traffic congestion within thirty (30) days after the end of calendar month and NG shall provide web access to such reports.

7.3. *Annual Report*. To assist with the reporting requirements of RCW 46.63.220, NG shall support the Customer with an annual report of the number of notices of infraction issued for each camera system and any other relevant information about the automated traffic safety cameras to the Customer for use on the Customer's web page.

7.4. *Additional Reports or Information*. Any other reports and information are not part of the Agreement and the preparation and delivery of any other such reports or information may result in additional fees.

7.5. NG shall permit authorized Customer personnel to generate reports using NG's system.

7.6. *Database.* NG shall maintain a database with the following information per violation:

7.6.1. Location, date and time

7.6.2. Number of seconds of yellow traffic signal and speed of vehicle

7.6.3. Vehicle description including license plate state and number

7.6.4. Applicable vehicle code section violated (if available to NG)

7.6.5. Infraction prepared or reason for not preparing Infraction (if available to NG)

7.6.6. Registered vehicle owner's name and address, and related information required to prepare Infractions where violation is made by a driver other than registered owner (if available to NG) (Affidavit of Non-Liability)

7.6.7. Status of Infraction (outstanding, cancelled, reissued, paid, bail forfeited, traffic school, warrants issued, etc.) (if available to NG)

7.7. NG shall maintain at its sole expense all records, including, but not limited to all video recordings, which it generates or receives as a result of the performance of services pursuant to the Agreement for the period of time required by, and otherwise in accordance with, the Revised Code of Washington, Chapter 42.56, Public Records Act and Revised Code of Washington 46.63.210 through 46.63.260, as same may be amended from time to time. Upon receipt of a request from the Customer for a copy of any record being maintained by NG, NG shall provide the requested record to the Customer within a reasonable time following such request, but in no event later than seven (7) days following the date the request is received by NG. NG shall provide a data and information storage solution that is in compliance with the Washington State Law Enforcement Retention Schedule, in conjunction with the Local Government Common Records Retention Schedule (CORE).

7.8. Additional Services (if requested by the Customer in writing):

7.8.1. *Payment Processing Services.* NG shall use reasonable commercial efforts which are mutually agreeable to the Customer's treasury department and the court system to receive Infraction fees from violators, deposit amounts collected into an appropriate bank account, provide accounting records to the Customer, and remit the amounts received as instructed by the Customer. In addition, if approved by the Customer's treasury and the courts NG will provide an online payment portal for violators.

7.8.2. *Studies*. NG will generate a video-based analysis of intersections or radar-based analysis of school zone designed to evaluate the frequency of red-light violations or school zone speed violations for each approach at the targeted intersection. The study will contain 16 hours of video monitoring data at intersections or one day of data at school zones. A report summarizing the results, along with the media generated will be provided to the Customer. There is no charge for the initial 16 approaches or any future system placement requests to be evaluated by NG pursuant to this Agreement.

EXHIBIT B
LICENSE/RESERVATION OF RIGHTS

1. LICENSE. Subject to the terms and conditions of this Agreement, NG hereby grants the Customer during the Term, and the Customer hereby accepts from NG upon the terms and conditions herein specified, a non-exclusive, non-transferable license during the Term of this Agreement to: (a) solely within the Customer, access and use the System (including any hardware and software provided or given access to the customer) for the sole purpose of reviewing potential violations and authorizing the issuance of NOIs pursuant to the terms of this Agreement, and to print copies of any content posted on the System in connection therewith, (b) disclose to the public (including outside of the Customer) that NG is providing services to the Customer in connection with photo enforcement program pursuant to the terms of this Agreement, and (c) use and display the NG Marks ("***NG Marks***" means the trademarks, service marks, trade names, logos, and other brand identifiers of NovoaGlobal, Inc) on or in marketing, public awareness or education, or other publications or materials relating to the photo enforcement program, so long as any and all such publications or materials are approved in advance by NG.

2. RESERVATIONS OF RIGHTS. The Customer hereby acknowledges and agrees that: (a) NG is the sole and exclusive owner of the System, the NG Marks, all Intellectual Property arising from or relating to the System, and any and all related Equipment, (b) the Customer neither has nor makes any claim to any right, title or interest in any of the foregoing, except as specifically granted or authorized under this Agreement, and (c) by reason of the exercise of any such rights or interests of Customer pursuant to this Agreement, the Customer shall gain no additional right, title or interest therein.

3. RESTRICT USE. The Customer hereby covenants and agrees that it shall not (a) make any modifications to the System, including but not limited to any Equipment, (b) alter, remove or tamper with any NG Marks, (c) use any of the NG Marks in any way which might prejudice their distinctiveness, validity or the goodwill of NG therein, (d) use any trademarks or other marks other than the NG Marks in connection with the Customer's use of the System pursuant to the terms of this Agreement without first obtaining the prior consent of NG, or (e) disassemble, de-compile or otherwise perform any type of reverse engineering to the System, including but not limited to any Equipment, or to any, Intellectual Property or Proprietary Property of NG, or cause any other person to do any of the foregoing.

4. PROTECTION OF RIGHTS. NG shall have the right to take whatever action it deems necessary or desirable to remedy or prevent the infringement of any Intellectual Property of NG, including without limitation the filing of applications to register as trademarks in any jurisdiction any of the NG Marks, the filing of patent application for any of the Intellectual Property of NG, and making any other applications or filings with appropriate

Governmental Authorities. The Customer shall not take any action to remedy or prevent such infringing activities, and shall not in its own name make any registrations or filings with respect to any of the NG Marks or the Intellectual Property of NG without the prior written consent of NG.

5. INFRINGEMENT. The Customer shall use its reasonable best efforts to give NG prompt notice of any activities or threatened activities of any person of which it becomes aware that infringes or violates the NG Marks or any of NG's Intellectual Property or that constitute a misappropriation of trade secrets or act of unfair competition that might dilute, damage or destroy any of the NG Marks or any other Intellectual Property of NG. NG shall have the exclusive right, but not the obligation, to take action to enforce such rights and to make settlements with respect thereto. In the event that NG commences any enforcement action under this Section 5, then the Customer shall render to NG such reasonable cooperation and assistance as is reasonably requested by NG, and NG shall be entitled to any damages or other monetary amount that might be awarded after deduction of actual costs; provided, that NG shall reimburse the Customer for any reasonable costs incurred in providing such cooperation and assistance.

6. INFRINGEMENT USE. The Customer shall give NG prompt written notice of any action or claim action or claim, whether threatened or pending, against the Customer alleging that the NG Marks, or any other Intellectual Property of NG, infringes or violates any patent, trademark, copyright, trade secret or other Intellectual Property of any other person, and the Customer shall render to NG such reasonable cooperation and assistance as is reasonably requested by NG in the defense thereof; provided, that NG shall reimburse the Customer for any reasonable costs incurred in providing such cooperation and assistance. If such a claim is made and NG determines, in the exercise of its sole discretion, that an infringement may exist, NG shall have the right, but not the obligation, to procure for the Customer the right to keep using the allegedly infringing items, modify them to avoid the alleged infringement or replace them with non-infringing items.

EXHIBIT C
LEASE AGREEMENT FOR NG SAFETY SYSTEMS

This LEASE AGREEMENT (the "Lease") is part of an agreement (the "Agreement") (to which a copy of this Lease is attached as Exhibit C) between the Customer named in the Agreement and NovoaGlobal, Inc. The Parties hereto agree as follows:

1. LEASE. NG hereby leases to the Customer and the Customer hereby leases from NG, subject to the terms and conditions of this Lease, such items of System equipment (together with all attachments, replacements, parts, additions, substitutions, repairs, accessions, and accessories incorporated therein and/or affixed thereto, the "Equipment") that the Customer obtains possession, custody or control of pursuant to the Agreement.

2. USE AND LOCATION. The Equipment shall be used and operated by the Customer only in connection with the operation of the System by qualified employees of and in accordance with all applicable operating instructions, and applicable governmental laws, rules, and regulations. The Customer shall not part with control or possession of the Equipment without NG's prior written consent.

3. CONDITION. NG shall maintain the Equipment in good condition and working order in accordance with Section 4 of Exhibit A. The Customer shall not damage the Equipment or make any alterations, additions, or improvements to the Equipment without NG's prior written consent unless such alterations, additions or improvements do not impair the commercial value or the originally intended function or use of the Equipment and are readily removable without causing material damage to such Equipment so as to return the Equipment to its original state, less ordinary wear and tear. Any alteration, addition or improvement not removed prior to the return of the Equipment shall without further action become the property of NG, provided, however, that any alterations, additions, and improvements which would reduce the value of the Equipment must be removed prior to the return of such Equipment.

4. RETURN. Upon the expiration or earlier termination of the Agreement, the Customer shall allow NG reasonable access to remove the Equipment at NG's expense.

5. OWNERSHIP, LIENS. The Equipment is and shall at all times be the property of NG. The Customer agrees to take all action necessary or reasonably requested by NG to ensure that the Equipment shall be and remain personal property. Nothing in this Lease, the Agreement or any Exhibit shall be construed as conveying to the Customer any interest in the Equipment other than its interest as a lessee hereunder. If at any time during the term hereof, NG wishes to place on the Equipment labels, plates or other markings evidencing ownership, security, or other interest therein, the Customer shall allow NG reasonable access therefore and keep the same displayed on the Equipment.

6. <u>NO CUSTOMER SUBLEASE; ASSIGNMENT.</u> The Customer shall not assign or in any way dispose or otherwise relinquish possession or control of all or part of its rights or obligations under this lease or enter into any sub-lease of all or any part of the equipment without the prior written consent of NG.

EXHIBIT D
COMPENSATION AND PRICING

MONTHLY FEE

Pricing for NG Safety Systems relating to fixed enforcement shall be as follows:

- $3,999.00 per System per month, including 400 notifications sent per month.

NG acknowledges school zone fixed speed photo enforcement Systems will only function during specified times throughout the school day and in accordance with Customer's flashing beacon system. Additionally, NG will deduct from the total monthly fee to compensate when schools are not in session for more than seven (7) consecutive calendar days. These school breaks do not constitute a temporary suspension. To simplify the administrative work for all parties, NG shall bill the monthly fees for all months of the year, but compensate the Customer with a twenty-five percent (25 %) discount on the monthly fees for School Zone Systems.

Temporary Suspensions. In the event of construction by the Customer, that causes a disruption of service under this Agreement, upon NG's written request, can be extended. For every twelve (12) months, (per individual System) of interrupted service the entire NG agreement can be extended for a one-month period.

OPTIONAL PRICING

Pricing for NG Safety Systems relating to portable photo enforcement (for any application) shall be as follows:

- $4,799.00 per System per month, including 400 notifications sent per month.

Additional Notices

One (1) Notice of Infraction notification is included in the monthly pricing. Any additional notification will be charged at **$4 per notification**. The City acknowledges that costs are incurred to send each notification, and NG will be reimbursed for the materials and services provided, including processing, paper, printing, postage, inserting, and mailing, all of which are included in the **$4 fee**.

Collection Services

NG may provide collection services if requested by the Customer, which will be charged at 20% of successfully recovered amounts.

BUSINESS ASSUMPTIONS FOR ALL PRICING OPTIONS

1. Except where a balance remains unpaid due to a deficit in the gross cash received as described herein, Customer agrees to pay NG within thirty (30) days after the invoice or Monthly report is received. A monthly late fee of 1% is payable for amounts remaining unpaid sixty (60) days from date of invoice or monthly report if such delay is the responsibility of the Customer.
2. Required Payment Convenience Fees will not be considered to be revenue received and are the responsibility of the violator.
3. Required Refund Fees will not be considered to be revenue received and are the responsibility of the violator.
4. Additional printed notices outside the included 400 per System as detailed above will be charged in accordance to optional pricing.
5. NG normally includes one integration with an external system required by the client at no charge. Additional integrations or changes to the included integration may be charged by current account. Before accruing any development or integration costs, NG shall always request advance approval which must be provided to NG by the Customer in writing prior to accrual of costs.
6. Any future modification to approved notices will be charged at $500 per modified notification.