

City of Stanwood



City Council Packet

Stanwood City Council Regular Meeting

Thursday, July 11, 2024



AGENDA
CITY COUNCIL REGULAR MEETING
July 11, 2024 | 7:00 p.m.

Stanwood-Camano School District, Admin. Building Board Room
26920 Pioneer Highway, Stanwood, WA 98292

Members of the public may attend Stanwood City Council meetings
in-person or via Zoom. The Zoom link is posted on the City's website calendar
<https://www.stanwoodwa.org>

- 1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE**
- 2. ROLL CALL**
- 3. APPROVAL OF THE AGENDA**
- 4. PRESENTATIONS**
- 5. PUBLIC COMMENTS**
 - Verbal comments may be provided in-person.
 - Written comments must be provided to the Clerk by 12:00 p.m. the day of the meeting via this link: <https://stanwoodwa.org/FormCenter/City-Clerk-5/City-Council-Meeting-Remote-Public-Comme-61>
 - Remote (online or phone-in) comments can be received by reasonable accommodation only. Any requests for reasonable accommodation for remote participation, must be sent in writing to the City Clerk at cityclerk@stanwood.wa.us by 12:00 p.m. the day of the meeting.
- 6. STAFF / DEPARTMENT REPORTS**
- 7. COUNCIL COMMITTEE REPORTS**
 - a. Economic Development Board Meeting Minutes – April 19, 2024 [7.1](#)
 - b. Finance and Personnel Committee Meeting Minutes – June 27, 2024 [7.3](#)
 - c. Parks and Trails Advisory Committee Meeting Minutes – May 20, 2024 [7.5](#)
 - d. Public Works Committee Meeting Minutes – July 1, 2024 [7.7](#)
- 8. CONSENT AGENDA**
 - a. Approve Vouchers and Payroll Checks [8.1](#)
 - b. Approve City Council Regular Meeting Minutes – June 27, 2024 [8.5](#)
- 9. UNFINISHED BUSINESS: NONE**
- 10. PUBLIC HEARING: NONE**
- 11. NEW BUSINESS**
 - a. Adopt Resolution 2024-08 Financial Management Policy Update [11.1](#)
 - b. Approve Depot Park Concept Design [11.47](#)
 - c. Approve First Reading of Ordinance 1536 SMC Title 7 Amendment Construction Noise [11.55](#)
 - d. Approve First Reading of Ordinance 1532 SMC Title 10 Vehicles and Traffic [11.63](#)
 - e. Approve First Reading of Ordinance 1535 SMC Title 11 Streets and Public Right of Way [11.99](#)
- 12. PUBLIC CLOSING COMMENTS**
- 13. EXECUTIVE/LEGISLATIVE REPORTS**
 - a. Mayor's Report
 - b. City Administrator's Report
 - c. Councilmember's Reports/Questions
- 14. RECESS TO EXECUTIVE SESSION - NONE**
- 15. ADJOURN**

Upcoming Meetings:

Thursday, July 25, 2024 City Council Meeting 7:00 pm
Thursday, August 8, 2024 City Council Special Workshop 5:00 pm
Thursday, August 8, 2024 City Council Meeting 7:00 pm



**CITY OF STANWOOD
COUNCIL AGENDA STAFF REPORT**

ITEM NUMBER: 7a

DATE: July 11, 2024

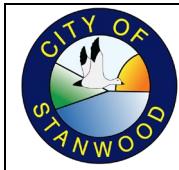
SUBJECT: Economic Development Board Meeting Minutes

CONTACT PERSON: Niki Strachila, Communications and Marketing Specialist

ATTACHMENTS: A – April 19, 2024 Meeting Minutes

SUMMARY STATEMENT

Minutes from the April 19, 2024 Economic Development Board meeting are attached to this staff report for approval as presented. These minutes were approved at the June 21, 2024 Economic Development Board Meeting.



Economic Development Board Minutes Meeting Minutes Friday, April 19, 2024 | 7:30 am

Economic Development Board Members Present: Les Anderson, Paul Brar, Dave Pelletier, Camrie Ingram, Teresa LaFleur (online), Dustin Dekle (online)

Staff Present: Niki Strachila, Patricia Love, Audrey Rotrock

Les Anderson called the meeting to order at 7:32 a.m.

1. Receive the Minutes of the March 15, 2024 Meeting

The minutes from the March 15, 2024 meeting were approved unanimously.

2. Budget Discussion

a. Includes Discover Stanwood Camano Brand Assessment

The Board would like to see analytics from the DSC website. Consider adding a tab on the City's website with links to tourism. Narrow the focus of the DSC website. Instead of investing in rack cards and magazine ads, consider reallocating those funds towards billboards, social media, and city events. Paying concert bands more could attract larger names. Consider combining the DSC and the Alliances websites.

3. Storefront Improvement Program (SIP)

Consider lowering the maximum grant amount to \$75,000. The program needs more advertisement throughout the city to reach more businesses. Add a more specific timeline for the initiation of projects. The Board supports keeping the program going.

4. Traffic Flow Discussion

Take advantage of those commuting in and out of Stanwood daily and advertise on SR 532.

5. SCAAC Banner Submission Presentation by Cat Olsen

The Board likes all submissions and approves moving this forward to City Council for decision.

6. Roundtable Discussion

Staff gave an update on multiple projects happening in the city.

7. EDB Next Meeting on June 21, 2024

Adjourn: 8:58 a.m.



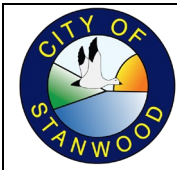


CITY OF STANWOOD COUNCIL AGENDA STAFF REPORT

ITEM NUMBER: 7b
DATE: July 11, 2024
SUBJECT: Finance/Personnel Committee Report
CONTACT PERSON: David A. Hammond, Finance Director
ATTACHMENTS: A – Finance/Personnel Committee Meeting
Minutes for June 27, 2024

SUMMARY STATEMENT

The minutes of the June 27, 2024, Finance/Personnel Meeting are attached to this staff report for council review.



Finance & Personnel Committee
Meeting Minutes
June 27, 2024

Councilmembers Present: Andreena Bergman, Dani Gaumond, Robert 'Chili' Hicks

Staff present: Human Resources Manager Pat Adams, Finance Director David Hammond, Finance Analyst Tim Niebruegge

Councilmember Bergman called the meeting to order at 6:02 p.m.

Agenda Items Discussed

1. Procurement changes in the Consolidated Financial Management Plan

Niebruegge and Hammond described the recommended changes that arise due to changes in state law governing purchase of material, supplies and equipment as falling in the following categories:

- *The establishment of a statewide roster through the MRSC Rosters program,*
- *The creation of a new Public Works Small Business Enterprise (PWSBE) Certification Program through the Office of Minority and Women's Business Enterprise (OMWBE), and*
- *An updated solicitation process, including an option for direct contracting.*
- *Increased threshold requiring formal advertisement soliciting bids for materials supplies and equipment is increased from \$7,500 to \$50,000*
- *Added policy over the surplus and disposal of city property*

The committee discussed and generally supported the changes, although recommended removal of certain supplemental criteria deemed to be too vague, staff will revise policy accordingly.

2. Strategic Plan

Pat Adams presented the 2024 Edition of the Strategic Plan. Councilmember Gaumond recommended that the initiative "Preserve our small-town character, which gives the community its distinctive identity" be included under Goal 5, which focuses on establishing clear growth targets. The committee discussed this recommendation and provided the following feedback:

- *There was support for adding this initiative to better capture the community's desire to maintain its small-town feel and unique character as the city grows.*
- *Staff will incorporate this new initiative into the draft Strategic Plan.*
- *The committee emphasized the importance of balancing growth and development with preserving the city's cherished small-town identity.*

Meeting adjourned at: 6:45 pm



CITY OF STANWOOD COUNCIL AGENDA STAFF REPORT

ITEM NUMBER: 7c

DATE: July 11, 2024

SUBJECT: Parks and Trails Advisory Committee Meeting Minutes – May 20, 2024

CONTACT PERSON: Carly Ruacho, Parks Manager

ATTACHMENTS: A – Meeting Minutes May 20, 2024

SUMMARY STATEMENT

Minutes from the May 20, 2024, Parks and Trails Advisory Committee Meeting are attached to this staff report for approval as presented. These minutes were approved at the June 17, 2024, Parks and Trails Advisory Committee Meeting.



Parks and Trails Advisory Committee Meeting Minutes May 20, 2024

1. Call to Order/Roll Call: 3:05 PM

Members Present:

Dave Hall, Matt Withers, Gordy Holmes, Peter Kamb, and Meagen Watne. Lisa Bruce and Judy Williams attended via zoom.

Others Present:

Parks Planning Manager Carly Ruacho and City Engineer/CP Manager Alan Lytton

2. Citizen Comments

No citizen comments.

3. Approval of April 2023 Meeting Minutes

April 15, 2024 minutes were approved as written.

4. Park Prioritization List Update

The committee reviewed their project priority lists for Heritage Park and Church Creek Park. After discussion and final edits, the committee voted to adopt the lists. Peter Kamb motioned to approve the lists with the edits discussed, Matt Withers seconded the motion which passed unanimously.

5. Uptown Park (Cedarhome Area)

The committee discussed the desired amenities for a possible new park in the Cedarhome area. The committee would like to see the following amenities: barbeque areas (some covered, some uncovered) with one multi-table reservable covered space, covered sports court(s), lighted facilities, longer trails for bikes, food truck hook-ups, small play lawn, green space, playground with climbable elements (focus at least equally on ages 2-5 and 5-12 and ADA). Safe pedestrian access and close proximity to commercial zoning were also highly desired.

6. Park Updates

Carly went over the recent updates on Parks projects.

Heritage Park: Carly updated the committee on the grant status

Hamilton: Carly gave an update on the construction and said the ribbon cutting had a good turnout.

Stanwood Port Susan Trail: Carly went over the permit status. The project is moving forward to be bid.

Ovenell Park: Carly went over the status of the community garden.

7. Committee Member Comments

Gordy – Asked for a summary of the Church Creek Park site visit. Carly reported meeting onsite with the trail management consultants, disc golf, Cathy Wooten, Peter Kamb, and city staff. A written report will be forthcoming. Reviewed drainage concerns, erosion and disc golf/trail interactions.

Meagen – Asked if there are any volunteer opportunities that PTAC can help the maintenance crews.

Peter – Attended Leafline Trails Coalition meeting on Thursday. New coordinator on staff and discussion of new Washington scenic bikeways program and opportunities for Snohomish County.

Adjourn: 4:45 PM



**CITY OF STANWOOD
COUNCIL AGENDA STAFF REPORT**

ITEM NUMBER: 7d

DATE: July 11, 2024

SUBJECT: Public Works Committee Meeting Minutes

CONTACT PERSON: Kevin Hushagen, Public Works Director

ATTACHMENTS: A – July 1, 2024, Public Works Committee Minutes

SUMMARY STATEMENT

Minutes from the July 1, 2024, Public Works Committee Meeting are attached to this staff report for approval as presented.



Public Works Committee
Meeting Minutes
July 1, 2024

Attendance:

Councilmembers: Timothy Schmitt, Darren Robb, Marcus Metz

City Staff: Kevin Hushagen, Public Works Director, Alan Lytton, Engineer, Pat Adams, Human Resource Manager, Amanda Slattery, Public Works Office Specialist

Meeting was conducted in person. The full meeting agenda packet with detailed information can be found on the City's website at [Agenda Center](#).

Call to order at 5:31 pm

Agenda-**1. Discuss Stanwood Strategic Plan 2024 Edition**

Pat Adams presented the draft of the Strategic Plan 2024 Edition to the Committee. The Committee made some suggestions. No action taken.

2. WWTP Possible Upgrades

Alan went over the possible upgrades to the Wastewater Treatment Plant presented by RH2. The committee was in favor of option 2 and 3. No action taken.

3. Review Heritage Park Soccer Field and Parking Lot Scope of Work

The committee reviewed the Heritage Park Soccer Field and Parking Lot Scope of Work. No action taken.

The committee would like to see some new signage at Heritage Park to direct people to the Middle School parking lot for overflow parking. Alan will be looking into new signage.

Adjourn: 7:21 pm



**CITY OF STANWOOD
COUNCIL AGENDA STAFF REPORT**

ITEM NUMBER: 8a

DATE: July 11, 2024

SUBJECT: Approval of Voucher and Payroll Checks

CONTACT PERSON: Amy Bergemeier, Accounting Specialist

ATTACHMENTS: A - Voucher Check Detail

SUMMARY STATEMENT

Approve issuance of Washington Federal Bank voucher checks 38567 through 38595 and electronic fund transfers in the amount of \$355,781.73. (Check numbers 38564 through 38566 were voided due to printing error). Approve issuance of Washington Federal payroll electronic fund transfers in the amount of \$50,050.00.

RECOMMENDED MOTION

MOTION TO APPROVE ISSUANCE OF WASHINGTON FEDERAL BANK VOUCHER CHECKS 38567 THROUGH 38595 AND ELECTRONIC FUND TRANSFERS IN THE AMOUNT OF \$355,781.73. APPROVE ISSUANCE OF WASHINGTON FEDERAL PAYROLL ELECTRONIC FUND TRANSFERS IN THE AMOUNT OF \$50,050.00.

CHECK REGISTER

ATTACHMENT A

City Of Stanwood

Time: 08:23:07 Date: 07/03/2024

06/14/2024 To: 07/03/2024

Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
2934	06/21/2024	Payroll	3	EFT		3,350.00	June 2024 Draw
2935	06/21/2024	Payroll	3	EFT		1,800.00	June 2024 Draw
2936	06/21/2024	Payroll	3	EFT		2,500.00	June 2024 Draw
2937	06/21/2024	Payroll	3	EFT		2,500.00	June 2024 Draw
2938	06/21/2024	Payroll	3	EFT		2,000.00	June 2024 Draw
2939	06/21/2024	Payroll	3	EFT		1,000.00	June 2024 Draw
2940	06/21/2024	Payroll	3	EFT		2,000.00	June 2024 Draw
2941	06/21/2024	Payroll	3	EFT		3,000.00	June 2024 Draw
2942	06/21/2024	Payroll	3	EFT		4,000.00	June 2024 Draw
2943	06/21/2024	Payroll	3	EFT		2,000.00	June 2024 Draw
2944	06/21/2024	Payroll	3	EFT		2,000.00	June 2024 Draw
2945	06/21/2024	Payroll	3	EFT		2,200.00	June 2024 Draw
2946	06/21/2024	Payroll	3	EFT		1,600.00	June 2024 Draw
2947	06/21/2024	Payroll	3	EFT		2,000.00	June 2024 Draw
2948	06/21/2024	Payroll	3	EFT		500.00	June 2024 Draw
2949	06/21/2024	Payroll	3	EFT		1,500.00	June 2024 Draw
2950	06/21/2024	Payroll	3	EFT		1,800.00	June 2024 Draw
2951	06/21/2024	Payroll	3	EFT		1,000.00	June 2024 Draw
2952	06/21/2024	Payroll	3	EFT		2,800.00	June 2024 Draw
2953	06/21/2024	Payroll	3	EFT		2,000.00	June 2024 Draw
2954	06/21/2024	Payroll	3	EFT		500.00	June 2024 Draw
2955	06/21/2024	Payroll	3	EFT		4,500.00	June 2024 Draw
2956	06/21/2024	Payroll	3	EFT		1,500.00	June 2024 Draw
2957	06/21/2024	Payroll	3	EFT		2,000.00	June 2024 Draw
3043	06/17/2024	Claims	3	EFT	Washington Federal Bank	428.08	June service analysis fee
3086	06/26/2024	Claims	3	EFT	Databar Inc.	16.94	8952
3087	06/26/2024	Claims	3	EFT	Databar Inc.	327.55	8952
3088	06/26/2024	Claims	3	EFT	Databar Inc.	869.71	8952
3089	06/26/2024	Claims	3	EFT	Edge Analytical, Inc	50.00	STA01
3090	06/26/2024	Claims	3	EFT	ICONIX Waterworks (US) Inc.	330.48	CITSTA
3091	06/26/2024	Claims	3	EFT	ICONIX Waterworks (US) Inc.	2,606.19	CISTA
3092	06/26/2024	Claims	3	EFT	Lakeside Industries, Inc.	923.72	108469
3093	06/26/2024	Claims	3	EFT	Lakeside Industries, Inc.	1,238.37	108469
3094	06/26/2024	Claims	3	EFT	Lakeside Industries, Inc.	1,242.62	108469
3095	06/26/2024	Claims	3	EFT	Lankford Associates, Inc.	962.50	City of Stanwood
3096	06/26/2024	Claims	3	EFT	Samuel E Lidgard	264.46	City of Stanwood
3097	06/26/2024	Claims	3	EFT	Chandler T O'Neill	110.00	City of Stanwood
3098	06/26/2024	Claims	3	EFT	Perteet Inc.	7,958.75	City of Stanwood
3099	06/26/2024	Claims	3	EFT	RH2 Engineering Inc	10,021.75	City of Stanwood
3100	06/26/2024	Claims	3	EFT	Sidney G Roberts	99.02	City of Stanwood
3101	06/26/2024	Claims	3	EFT	Stanwood Auto Parts	435.18	56100
3102	06/26/2024	Claims	3	EFT	US Bank	24,226.70	4485 5945 5564 1495
3103	06/26/2024	Claims	3	EFT	Vestis	52.68	937963000
3104	06/26/2024	Claims	3	EFT	Vestis	52.68	937963000
3105	06/26/2024	Claims	3	EFT	WA St Dept of Revenue **	14,059.57	City of Stanwood
3143	06/26/2024	Claims	3	EFT	HSA Bank	5.00	HSABank fee June
3083	06/26/2024	Claims	3	38567	APP- Associated Petroleum Products	5,858.73	AP0100494
3084	06/26/2024	Claims	3	38568	Atwell, LLC	13,951.50	City of Stanwood
3085	06/26/2024	Claims	3	38569	Builders Exchange of Washington Inc	148.10	City of Stanwood
3131	06/26/2024	Claims	3	38570	Ziply Fiber	93.12	360-939-0579-080320-5
3130	06/26/2024	Claims	3	38571	Western Exterminator Company	234.79	683591; 683591
3129	06/26/2024	Claims	3	38572	US Bank Na Custody/ Treas Div- Money Ctr	113.00	777221717
3128	06/26/2024	Claims	3	38573	Stilly Auto Parts Napa	13.08	27197
3127	06/26/2024	Claims	3	38574	Stanwood Area Historical Society	1,000.00	City of Stanwood

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
3126	06/26/2024	Claims	3	38575	Stanwood Ace Hardware #14901	876.49	20013; 20013; 20013; 20013; 20013; 20013; 20013; 20013; 20013; 20013; 20013
3125	06/26/2024	Claims	3	38576	Sportsfield Specialties Inc	5,455.00	City of Stanwood
3124	06/26/2024	Claims	3	38577	Everett Daily Herald/ Sound Publishing, Inc.	901.52	14104597; 14104597; 14104597
3123	06/26/2024	Claims	3	38578	Sno Co Sheriffs Office *	196,463.92	SSH00001
3122	06/26/2024	Claims	3	38579	Sno Co Public Works *	758.83	CR000024; CRSTLOAN
3121	06/26/2024	Claims	3	38580	Sno Co Information Services *	12,067.18	DIS1107
3120	06/26/2024	Claims	3	38581	Skagit Valley Publishing	128.70	48893
3119	06/26/2024	Claims	3	38582	Skagit Farmers Supply	111.49	135052; 135052
3118	06/26/2024	Claims	3	38583	Ricoh USA, Inc.	318.23	1316669-3816549; 1316669-3800326
3117	06/26/2024	Claims	3	38584	Petty Cash/ Marcy Mathis -Custodian	135.51	City of Stanwood
3116	06/26/2024	Claims	3	38585	Pace Engineers, Inc	25,265.25	City of Stanwood; City of Stanwood; City of Stanwood
3115	06/26/2024	Claims	3	38586	PUD Of Snohomish County *	9,786.41	200208858
3114	06/26/2024	Claims	3	38587	ODP Business Solutions, LLC	423.52	36274097; 36274097; 36274097; 36274097; 36274097; 36274097; 36274097; 36274097
3113	06/26/2024	Claims	3	38588	Jim & Kathleen Alexander	292.05	04 4014 10 - 7107 279TH PL NW
3112	06/26/2024	Claims	3	38589	Les Schwab Tire Centers	1,533.47	S34-00006; S34-00006
3111	06/26/2024	Claims	3	38590	Hough Beck & Baird Inc	5,163.32	City of Stanwood
3110	06/26/2024	Claims	3	38591	Herc Equipment Rental Corp.	6,271.65	1024925
3109	06/26/2024	Claims	3	38592	Hamilton Lumber LLC	212.72	66; 66; 66; 66
3108	06/26/2024	Claims	3	38593	Grainger, Inc	179.29	848089215
3107	06/26/2024	Claims	3	38594	Cues, Inc.	1,252.35	City of Stanwood
3106	06/26/2024	Claims	3	38595	Core & Main LP	490.56	110855
						265,165.62	
						4,808.38	
						11,503.06	
						12,066.04	
						12,289.91	
						2,360.12	
						20,198.84	
						10,682.82	
						3,897.75	
						25,051.50	
						17,509.57	
						20,223.15	
						74.97	
							Claims: 355,781.73
* Transaction Has Mixed Revenue And Expense Accounts						405,831.73	Payroll: 50,050.00

CERTIFICATION: I, the undersigned do hereby certify under penalty of perjury, that the materials have been furnished, the services rendered or the labor performed as described herein and that the claim is a just, due and unpaid obligation against the City of Stanwood, and that I am authorized to authenticate and certify to said claim.

() Finance Director () Auditing Officer  Date: July 3, 2024
() Deputy Finance Director

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CITY OF STANWOOD COUNCIL AGENDA STAFF REPORT

ITEM NUMBER: 8b
DATE: July 11, 2024
SUBJECT: City Council Meeting Minutes – June 27, 2024
CONTACT PERSON: Lisa Sokolik, City Clerk
ATTACHMENTS: A – Council Meeting Minutes

SUMMARY STATEMENT

The City Council meeting minutes for June 27, 2024, are attached to this staff report for Council's approval.

RECOMMENDED MOTION

"I MOVE TO APPROVE THE JUNE 27, 2024, CITY COUNCIL MEETING MINUTES AS PRESENTED".

CITY OF STANWOOD
Regular Meeting of the City Council
June 27, 2024 | 7:00 p.m.
MINUTES

1. Call to Order and Pledge of Allegiance

Mayor Sid Roberts called the meeting to order at 7:00 p.m. Councilmember Robb led the Pledge of Allegiance.

2. Roll Call

Finance Director David Hammond called the roll with the following Councilmembers Present: Dani Gaumond, Marcus Metz, Darren Robb, Robert Hicks, Steve Shepro, Andreena Bergman, and Tim Schmitt. The meeting was quorate.

Also present: City Administrator Shawn Smith, Finance Director David Hammond, Community Development Director Patricia Love, Public Works Director Kevin Hushagen, Fire Chief John Cermak, Sgt. Karl Gilje, City Attorney Nikki Thompson, City Engineer/Capital Projects Manager Alan Lytton, Senior Planner Tansy Schroeder.

3. Approval of the Agenda

Mayor Roberts requested to move item 11d to item 11e and add a new item 11d Temporary Access Easement for Summerset Division II Final Plat to the agenda.

*Motion by Councilmember Robb, second by Councilmember Metz to approve the agenda as amended. **Motion carried unanimously.***

4. Presentation

5. Public Comments

<u>Name</u>	<u>City</u>	<u>Topic</u>
Lisa Olander	Stanwood	Requested a drainage downstream analysis for the Wolfkill property project.
Andrew Davis	Mount Vernon	Ovenell community garden update.

6. Staff / Department Report

No staff or department reports.

7. Council Committee Reports

- a. Planning Commission Meeting Minutes – May 13, 2024.
- b. Community Development Committee Meeting Minutes – June 6, 2024.
- c. Public Works Committee Meeting Minutes – June 10, 2024.
- d. Public Safety Committee Meeting Minutes – June 13, 2024.

8. Consent Agenda

- a. Approve Vouchers and Payroll Checks.
- b. Approve City Council Regular Meeting Minutes – June 13, 2024.

- c. Approve Resolution 2024-10 Surplus Property Authorization.
- d. Approve Second Reading and Adopt Ordinance 1533 Compost Procurement Code Amendment.

Motion by Councilmember Metz, second by Councilmember Hicks to approve consent agenda items A. approval of vouchers and payroll checks, B. approve city council regular meeting minutes for June 13, 2024, C. approve Resolution 2024-10 Surplus Property Authorization, and D. approve second reading and adopt Ordinance 1533 Compost Procurement Code Amendment. Motion carried unanimously.

9. Unfinished Business

No unfinished business.

10. Public Hearing

No public hearing.

11. New Business

- a. Authorize the Mayor to Sign a Contract with Excavation West, Inc for Construction of Port Susan Trail - Phase Two.

Lytton explained the scope of work for the Port Susan Trail Phase II project and the funding sources. Councilmembers made comments and asked questions.

Motion by Councilmember Metz, second by Councilmember Gaumond to authorize the Mayor to sign a contract with Excavation West to construct the Port Susan Trail Phase 2 project in the amount of \$1,777,170.10 with a \$177,717.00 construction contingency. Motion carried unanimously.

- b. Authorize the Mayor to Sign a Contract with Synagro for Biosolids Removal.

Motion by Councilmember Robb, second by Councilmember Metz to table item 11b. Motion carried unanimously.

- c. Authorize the Mayor to Sign a Release of Water Utility Easements for Summerset Division II - Final Plat.

Schroeder explained that this is a necessary and final step for the Summerset Division II final plat.

Motion by Councilmember Metz, second by Councilmember Hicks to authorize the Mayor to sign a Release of Water Utility Easement for release of waterline easements benefiting the City of Stanwood recorded under Snohomish County Auditor's file number 891825, 1883583, 927318, and 8612010398. Motion carried unanimously.

- d. Temporary Access Easement for Summerset Division II Final Plat.

Schroeder said staff is working through the formal process of dedicating public right-of-way across the city water tower property. In the meantime, to keep the final plat moving, a temporary access easement is needed.

*Motion by Councilmember Shepro, second by Councilmember Metz to authorize the Mayor to sign a Temporary, Non-exclusive Access and Utility Easement with Keystone Land, LLC subject to final legal review by the city attorney. **Motion carried unanimously.***

e. Council Approval of East End Traffic Calming Project Designs.

Love said the proposed designs are a continuation of the Twin City Mile and Downtown Beautification project. Love discussed the designs:

- 88th Ave and 271st St Intersection Improvements.
- Mid-Block Crossing.
- 84th Ave Intersection.

Council made comments and asked questions.

*Motion by Councilmember Robb, second by Councilmember Metz to accept the concept designs as presented, proceed with the final design, and apply for grants to fund the projects. **Motion carried unanimously.***

12. Public Closing Comments

No public closing comments.

13. Executive/Legislative Reports

a. Mayor's Report

- Staff is still working on getting lights on the 88th Ave Arch. Received the first set of artwork for the base of the Arch, they look great and should be up by July 4th.
- Still recruiting for the Citizen Patrol. Current volunteers will be riding in the July 4th parade.
- Citizen called about setting up a radar trailer, it's about \$14,000 for a new one. Council will think about this item when considering the budget.
- Public Works has pressure washed the front of City Hall; it looks great.
- Nice to have everyone back working at City Hall and the Police Department.

b. City Administrator Report

- Today with Hammond and the city's risk advisor (WCIA) toured at the Ovenell community garden/farm; looks great!
- The hanging baskets around town that the high school students put together for the city look fantastic!
- If you get a chance, when it's dark, take a look at the sample lights on the 88th Ave Arch, it's going to look fabulous when the lights are all up.

c. Councilmember's Report/Questions

- Schmitt: Noticed Public Works mowed around the Arch, hoping that becomes a regular maintenance task. The brick road summer concerts started last Saturday, hope everyone can participate.
- Bergman: The 4th of July 4th parade starts at 11:00 am at the west end of town. The mayor will be speaking.

- Shepro: Funds have been approved for the Twin City Mile and the Beautification of Downtown, we should also be considering the routine maintenance on existing sections of main street sidewalks, particularly in the areas between 84th & train depot and 96th & Library. Would like to see our crew or a contractor start pressure washing sidewalks this summer.
- Hicks: Watched the national pickleball championship on ESPN II, interesting to see their movement on the court and strategies.
- Robb: Enjoy your Independence Day.
- Metz: Glad that council approved to provide pickleball courts. Would like to see best practices for the use and disposal of fireworks posted to the city's website. The Raplee property was mowed to get ready for the ground testing.
- Gaumond: Will there be a protective cover over the Arch banners? Love said staff can monitor and if there is a problem a plastic shield can be added. The Twin City Idlers car show is on Sunday.

14. Recess to Executive Session

No executive session.

15. Adjourn

There being no further business before the Council, and hearing no objection to adjournment, Mayor Roberts adjourned the meeting at 8:10 p.m.

CITY OF STANWOOD

ATTEST:

Sid Roberts, Mayor

David Hammond, Finance Director

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**CITY OF STANWOOD
CITY COUNCIL
AGENDA STAFF REPORT**

ITEM NUMBER: 8a
DATE: July 11, 2024
SUBJECT: Financial Management Policy Update
CONTACT PERSON: David Hammond, Finance Director
ATTACHMENTS: A – Resolution 2024-08, Financial Management Policy Update

ISSUE

The issue for the City Council is to review recommended financial management policy updates and consider adoption of Resolution 2024-08.

BACKGROUND

Staff recommends updates to the Consolidated Financial Management Policy every two years, as part of the biennial budget process. Due to State law changes, staff recommends policy changes effective immediately, to remain consistent with statute. The policy changes, summarized below, relate to the following areas:

- The establishment of a statewide roster through the MRSC Rosters program
- The creation of a new Public Works Small Business Enterprise (PWSBE) Certification Program through the Office of Minority and Women's Business Enterprise (OMWBE)
- An updated solicitation process, including an option for direct contracting.
- The threshold requiring formal advertisement soliciting bids for materials supplies and equipment is increased from \$7,500 to \$50,000.
- Added the option of using "additional
- The small works roster threshold remains \$350,000, however the "limited Small Works Roster process was eliminated with the creation of the new direct contracting process.
- Added policy over the sale and/or disposal of surplus City property.
- Added State or Local issued municipal debt as authorized investment, per RCW 39.59.040

RECOMMENDED CHANGES

1. Procurement Threshold Updates.

This chapter updated dollar thresholds authorized by changes in statute, RCW 35.23.352. In exhibit A, the current policy sections that will be replaced have been marked by ~~strikeout~~, while the replaced sections have been underlined. Dollar threshold changes include threshold requiring advertisement for material, supplies, and equipment increased from \$7,500 to \$50,000. These policy changes were enacted to help alleviate the administrative burden of public procurement processes.

2. Adoption of Supplemental Criteria in Public Works Bidding.

Supplemental criteria will enable the city to outline specific quality or experience factors to ensure it is able to contract with the most qualified bidder as opposed to awarding to the lowest bidder without consideration of other qualitative factors.

9.17 **Bid Opening**

Bids are submitted to the responsible department director or designee, where they are time and date stamped and processed. The bids shall be opened at the time and place specified in the advertisement for bids.

- I. Report on Bids: The responsible department director or designee will prepare a report and recommendation on all bids received to the decision maker with the authority to approve the contract.
- II. In addition, the city adopts the following supplemental criteria which may be used in connection with specified project:
 - i. The ability, capacity, and skill of the bidder to perform the contract or provide the service required.
 - ii. The character, integrity, reputation, judgment, experience, and efficiency of the bidder.
 - iii. The ability of the bidder to perform the scope of work within the time specified.
 - iv. The quality of performance of previous contracts or services
 - v. The previous and existing compliance by the bidder with laws relating to the contract or services.

When using the supplemental criteria described above, the city will include the supplemental criteria in the bidding documents, together with a basis for evaluation, deadline for bidder to submit responsibility documentation, and deadline for bidder to appeal a “non-responsible” determination.

When a trade-in option exists, as it is applied to competitive purchases, and is in the city’s best interest, the price offered on the trade will be considered when determining the lowest responsive and responsible bid.

RCW 39.30.040 allows any local sales tax revenue generated by the purchase to be considered in determining the lowest responsive and responsible bid. Other preferences favoring local businesses are not permitted.

- III. Bid Award: The City shall award the contract to the lowest responsible bidder, factoring in results of supplemental criteria, or shall have power by Council resolution to reject any or all bids and to make further calls for bids in the same manner as the original call.

3. Direct Contracting

The new revisions call for the establishment of a uniform, state-wide small works roster to be utilized for direct contracting on projects totaling under \$150k, replacing the prior \$50k limited small works roster threshold. Note the small works process is still applicable up to \$350,000. Definitions have been updated to create uniformity within the policy.

Direct Contracting with Small Businesses requires no competitive process, instead price may be negotiated. In order to use this process, the city must meet certain criteria.

9.19 ~~Limited Public Works~~ “Direct Contract with Small Business” (RCW 39.04.152 (4)(b) 155(3))

For small public works projects with an estimated cost less than \$150,000, not including sales tax, to increase the utilization of small businesses, the city may direct contract with small businesses as defined in chapter 395, Laws of 2023, before direct contracting with other contractors on the appropriate small works roster without a competitive process as follows:

(i) If there are six or more contractors meeting the definition of small business on the applicable roster, the city must direct contract with one of those small businesses on the applicable roster that have indicated interest in performing work in the applicable geographical area. The city must rotate through the contractors on the appropriate small works roster and must, when qualified contractors are available from the roster who may perform the work or deliver the services within the budget described in the notice or request for proposals, utilize different contractors on different projects.

(ii) If there are five or less contractors meeting the definition of small business on the applicable roster, the city may direct contract with any contractor on the applicable roster.

(iii) The city must notify small, minority, women, or veteran-owned businesses on the applicable roster when direct contracting is utilized.

(iv) If the city plans to use Direct Contracting, then it must establish a small, minority, women, and veteran-owned business utilization plan. If engaging in direct contracting, it may not favor certain contractors on the appropriate small works roster by repeatedly awarding contracts without documented attempts to direct contract with other contractors on the appropriate small works roster.

(v) If the city does not elect to use direct contracting, then it must invite bids by electronically notifying all contractors on the applicable roster that have indicated interest in performing work in the applicable geographical area as described in this section. If no bids are received, see **Section 9.20.7** for guidance.

(vi) If the city uses Direct Contracting, then it must publish a list of small works contracts awarded and contractors contacted for direct negotiation pursuant to RCW 39.04.200.

~~For public work projects with an estimated cost of less than \$50,000, the City may use the Limited Public Works Process in lieu of the small works process.~~

~~a) Invitations for Quotations.~~

~~Invitations for quotations shall include an estimate of the scope and nature of the work to be performed as well as materials and equipment to be furnished. However, detailed plans and specifications need not be included in the invitation. This subsection does not eliminate other requirements for architectural or engineering approvals as to quality and compliance with building codes.~~

~~b) Number of contractors invited.~~

~~Quotations shall be invited from a minimum of three contractors from the appropriate small works roster and shall award the contract to the lowest responsible bidder.~~

4. Sale and/or Disposal of Surplus City Property.

This new section outlines policy over the sale and/or disposal of surplus City property,, including but not limited to equipment, vehicles, and other tangible property. This policy also restricts employees and elected officials from purchasing city property without a public competitive process.

5. Fixed Asset Accounting- Threshold is proposed to be increased from \$5,000 to \$10,000. This follows the federal government recent change to remain consistent.

6. Added municipal general obligation debt as an authorized investment, with the restriction that such debt may comprise no greater than 5% of the portfolio and the bonds have at the time of investment one of the three highest credit ratings of a nationally recognized rating agency.

FISCAL IMPACT

City will remain consistent with changing statutes effective immediately and will be able to operate more efficiently with streamlined definitions and processes.

COMMITTEE REVIEW AND RECOMMENDATION

The Finance Committee reviewed the Financial Management Policy Update on June 27 and supported the updates to the procurement section; note the committee did not review the change to the investment section as it was added subsequent to their meeting.

CITY COUNCIL OPTIONS

1. Adopt Resolution 2024-08 updating the city's Financial Management Policy.
2. Do not adopt Resolution 2024-08 and direct staff to areas of concern. This option implies Council has questions or concerns regarding the proposed Financial Management Policy Updates in Attachment A.

RECOMMENDED MOTION:

"I MOVE TO ADOPT RESOLUTION 2024-08 UPDATED FINANCIAL MANAGEMENT POLICY."

**CITY OF STANWOOD
Stanwood, Washington**

RESOLUTION NO. 2024-08

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANWOOD
UPDATING THE CONSOLIDATED FINANCIAL MANAGEMENT POLICY**

WHEREAS, the City's financial management policies which were updated May 11, 2023; and

WHEREAS, the City wishes to maintain a current set of financial policies; and

WHEREAS, the City is aware of Statutory changes to Public Works procurement threshold bidding requirements and processes. In addition, the City would like to reestablish documented guidelines regarding the sale and/or of surplus City property, and add state or local government general obligation debt as an authorized investment, and

WHEREAS, it is in the best interest of the public and City staff to incorporate the revised Procurement policy changes, required processes over the sale of surplus property into its comprehensive financial policies, and allow state or local government general obligation debt as an authorized investment; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STANWOOD, WASHINGTON AS FOLLOWS:

1. The City hereby adopts the revise City of Stanwood Financial Management Policies, attached to this Resolution as **Exhibit A**.

PASSED by the City Council and APPROVED by the Mayor this **11th day of July 2024**.

CITY OF STANWOOD

By _____
Sid Roberts, Mayor

ATTEST:

By _____
Lisa Sokolik, City Clerk

CITY OF STANWOOD
FINANCIAL MANAGEMENT POLICIES

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1. Financial Management Goals

- a. To provide a financial base sufficient to sustain municipal services, the social well-being of city residents and businesses, and the physical infrastructure of the city.
- b. To be able to withstand local and regional economic cycles, to adjust to changes in the service requirements, and to respond to other changes as they affect the community.
- c. To maintain an excellent credit rating in the financial community and assure taxpayers that Stanwood city government is maintained in sound fiscal condition.
- d. To promote sound financial management by providing accurate and timely information on the City's financial condition.

2. Reserves

- a. The city will maintain General Operating Reserves at a level equal to at least three (3) months (25%) of the total General Fund budgeted expenditures. These reserves shall be created and maintained to:
 1. Provide sufficient cash flow to meet daily financial needs.
 2. Sustain city services in the event of a catastrophic event such as a natural/manmade disaster (e.g., earthquake, windstorm, flood, terrorist attack) or a major downturn in the economy.

In general, the city shall endeavor to support ongoing operations with ongoing revenues. The city may allow reserves to fall below this minimum on a one-time basis to support city operations. If this occurs, the city will begin to replenish these reserves within two years of a withdrawal.

- b. Annual surpluses in the General Fund will be used to fund one-time operations and capital expenditures, dedicated to the Capital Improvement Program or placed in an economic contingency account if:
 1. There are surplus balances remaining after all current expenditure obligations and reserve requirements are met.
 2. The city has made a determination that revenues for the ensuing year are sufficient to support budgeted General Fund operations.
- c. A surplus is defined as the difference between the actual beginning fund balance and the budgeted beginning fund balance. It consists of under-expenditures and excess revenues over and above the amounts included in the following annual budget.
- d. The city may also maintain, at its discretion, an Economic Contingency to serve as a hedge against economic fluctuations, fund future one-time operational and capital needs or support city services on a one-time basis pending the development of a longer-term financial solution. The source of funding for this reserve is the biennium surplus as outlined in sections 2b and 2c above. Restoration of this reserve is at the city's discretion.
- e. The city will maintain operating reserves in the following funds:
 1. Water – Sixty (60) days of Water Fund operating expenditures.
 2. Sanitary Sewer – Sixty (60) days of Sanitary Sewer operating expenditures.
 3. Storm Drainage – Sixty (60) days of Storm Drainage operating expenditures.
 4. Street Operating – Sixty (60) days of Street operating expenditures.

These operating reserves shall be created and maintained to provide sufficient cash flow to meet daily financial needs and will be based upon total operating expenditures. For budgeting purposes, operating expenditures will be calculated upon the funds' total expenditure budgets excluding ending fund balances, capital purchases, and the current year's portion of principal paid on outstanding debt.

- f. The city will establish a capital contingency reserve for the Water, Sanitary Sewer, and Storm Drainage Utilities in the amount of 1% of system fixed assets, which is set aside in case of an emergency. Additionally, the reserve could be used for other unanticipated capital needs or capital cost overruns.
- g. In order to maintain the significant investments in utility capital assets there shall be regular, annual transfers from the utility operations funds to the utility capital project or reserve funds to be expended on future utility capital projects.
- h. The city will establish a revenue stabilization reserve for the Water, Sanitary Sewer, and Storm Drainage utilities. The required fund balance shall be set at 25% of the total of water and wastewater revenues collected through monthly rates. Moneys may be withdrawn from the revenue stabilization reserves to supplement operating revenues in years of revenue shortfalls caused by reduced sales due to weather or restrictions on water use. The revenue stabilization reserves will be replenished within four years of a withdrawal.
- i. Bond reserves shall be created and maintained by the Water/Wastewater and Stormwater Utilities in accordance with the provisions set forth in the bond covenants. These shall be in addition to the reserves described above.
- j. The city shall additionally maintain the following Equipment Replacement Reserve Funds:
 - 1. Equipment Reserve Fund (General Government and Streets).
 - 2. Utility Equipment Reserve Funds (Water, Sewer & Drainage).The Equipment Reserve Funds will be maintained at a level sufficient to meet requirements of a ten-year fleet and equipment replacement plan, so as to sustain an acceptable level of municipal services and prevent a physical deterioration of city assets.
- k. The city shall continue a system reinvestment funding strategy, as follows:

System reinvestment funding provides the city with a long-term funding strategy for each system to mitigate the impacts to ratepayers during periods of substantial system investment. Repair and replacement costs are funded through regular and predictable rate provisions. The Equipment Reserve Funds will be maintained at a level sufficient to meet scheduled equipment replacement to sustain an acceptable level of municipal services and prevent a physical deterioration of city assets.

The city will establish a system reinvestment strategy that incorporates system reinvestment funding from rates equal to annual depreciation expense net of annual debt principal payments for each utility.
- l. The status of year end reserve balances compared to this policy will be reported on the Fourth Quarter Finance Report.

3. Expenditures

- a. The city budget will provide for a sustainable level of service as defined in the context of the budget process.
- b. The city's operating budget will not use one-time revenues to support ongoing expenditures. An example would be to hire full-time staff in response to a surge in sales tax or

building/permit fees. Eventually such revenues will fall back to normal levels, while the city maintains a higher staff level that is no longer funded.

- c. The city will maintain expenditure categories according to state statute and administrative regulation. ~~Capitalization standards~~ Fixed Asset Accounting shall be in accordance with GFOA best practices, a policy for “small and attractive” assets (i.e., assets below the capitalization threshold that must be inventoried and tracked due to their susceptibility to theft or conversion to personal use) as required by the State Auditor.
- d. The City will structure service levels in the context of financial sustainability.
- e. The city will forecast its General fund and Street fund expenditures annually for the next six years. The drivers and assumptions used in the forecast will be described.
- f. The city’s cost allocation plan will be updated annually. The cost allocation plan will be the basis for distribution of general government costs to other funds or capital projects (also known as indirect costs). (Cost Allocation Policy is in Section Eleven below.)
- g. All compensation planning and collective bargaining will focus on the total cost of compensation, which includes direct salary, health care benefits, pension contributions, training allowance, and other benefits of a non-salary nature, which are a cost to the City. The city budget will provide for a sustainable level of service as defined in the context of the budget process.

4. Revenues

- a. The city will strive to maintain as diversified and stable a revenue system as permitted by state law to shelter it from short-run fluctuations in any one revenue source. The revenue mix should combine stable revenue sources and volatile revenue sources to minimize the effect of an economic downturn. In the general fund, examples of stable revenue sources include property taxes (in normal economic times), and utility taxes, while examples of volatile revenue sources include sales taxes and building/permit fees.
- b. Because revenues, especially those of the general fund, are sensitive to both local and regional economic activities, revenue estimates provided to the city council shall be conservative.
- c. The city will estimate its annual revenues by an objective, analytical process using best practices as defined by the Government Finance Officers Association.
- d. The city will project each major revenue stream for the next six years and will update this projection annually. The finance department will annually review and make available to the finance committee an analysis of each potential major revenue source before going to the full council for review.
- e. The city will establish all user charges at a level related to the cost of providing the service and within policy parameters established by the city council.
- f. In each even-numbered year, in conjunction with biennial budget development, the city will review user fees to adjust for the effects of inflation and other factors as appropriate. The city will strive to set fees for user activities, such as recreational services, at a level to support the direct and indirect costs of the activity in accordance with cost recovery policies adopted by council.

- g. The city will set fees and user charges for each enterprise fund, such as water, sanitary sewer and storm drainage, at a level that fully supports the total direct and indirect cost of the activity including the cost of annual depreciation of capital assets. Additionally, for analysis and rate modeling purposes, the proposed rates shall also consider debt service coverage commitments made by the city of 1.25 times annual debt service.

5. Operating Budget

- a. The base operating budget is the city's comprehensive biennial financial plan which provides for the desired level of city services as defined by the city's priorities. In each even-numbered year a biennial budget will be developed based on council priorities. In odd-numbered years a mid-biennium review will be performed and a budget amendment proposed, if necessary.
- b. In order to facilitate and implement the budget process, the Mayor will propose a biennial budget calendar sometime in the first quarter of every other year as required by state law for biennial budgets. The calendar will be comprehensive in nature and generally provide for a process that resembles the Best Practices as published by the Government Finance Officers Association.
- c. The goals of the budgeting by priorities process are:
- Align the budget with long-range goals and objectives
 - Measure progress towards priorities
 - Get the best value for each tax dollar
 - Foster continuous learning in the city
 - Build regional cooperation
- c. "One-time" expenses require specific authority to be carried forward into subsequent budgets.
- d. Biennial operating budgets should provide for design, construction, maintenance and replacement of the city's capital, plant, and equipment consistent with the capital facilities plan including the related cost for operating such new facilities.
- e. The city will maintain all its assets at a level such that it protects the city's capital investment and minimizes future maintenance and replacement costs.
- f. The city will develop a six-year projection of equipment replacement and maintenance needs and will update this projection every budget cycle consistent with budget development.
- g. All general government current operating expenditures will be paid from current revenues and cash carried over from the prior biennium.
- h. Reports on revenues and expenditures will be prepared monthly and reviewed quarterly by the city council during the year.
- i. The city will avoid budgetary and accounting procedures which balance the current budget at the expense of future budgets.
- j. The City of Stanwood defines a balanced budget as current fund revenues (including beginning net cash and investments) are equal to or greater than current budgeted expenditures (including ending net cash and investments).

- k. The city will utilize beginning balances and other one-time revenues only for onetime/non-recurring expenditures.
- l. All supplemental appropriations for programs (appropriations requested after the original budget is adopted) will be considered as a result of the availability of new revenues (such as unanticipated grants). .
- m. Use project/task revenues to support related expenditures (e.g., park and building permit fees).
- n. All supplemental appropriations will conform to the “budgeting by council priorities” process.

6. Capital Budget

- a. The city will make capital improvements in accordance with an adopted capital improvement program.
- b. The Capital Improvement Program and the base operating budget will be reviewed at the same time to ensure that the city’s capital and operating needs are balanced with each other and that the Capital Improvement Program is aligned with the city’s other long-range plans.
- c. The city will develop and update the six-year plan for capital improvements including operations and maintenance costs and update it every year. Capital expenditures will be forecast considering changes in population, changes in real estate development, or changes in relevant economic condition of the city and the region.
- e. The city will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted to council for approval. The city will use intergovernmental assistance and other outside resources whenever possible.
- f. The city will balance financing methods for capital projects with the desire to meet construction deadlines.

7. Operational Controls

The City will maintain a system of financial monitoring, control, and reporting for all operations and funds in order to provide effective means of ensuring that overall City goals and objectives are met.

- a. Accounting Records and Reporting.
 - 1. The City will maintain its accounting records in accordance with state and federal regulations, which includes requirements for data retention for archival purposes and business continuity.
 - 2. The City will establish and maintain a high standard of internal controls and accounting practices. The City accounts for revenues and expenditures on a cash basis.
 - 3. City records will be archived and destroyed in accordance with the Washington State Records Retention Schedule.
 - 4. The continuation of services after a disaster is critical to the success of the City. The City must ensure that its applications, data and network resources can continue and be appropriately accessible to users. The Finance Director is responsible for developing procedures for the security, storage, retention and retrieval of data to ensure operations continue during and after a disaster.

5. Budgeting, accounting and reporting will conform to the Budgeting, Accounting and Reporting System (BARS) for Governments as prescribed by the Washington State Auditor. Changes to the City's revenue and expense accounts must be authorized by the finance department and will be made only if it's in the best interest of the overall accounting system.
6. All known or suspected loss of public funds shall be reported to the State Auditor's Office in accordance with RCW 43.09.185.
- b. Auditing. The State Auditor will perform the City's financial and compliance audit in accordance with state and federal laws. Results of the audit will be provided to the Council in a timely manner.
- c. Payment Approvals. Vendor invoices shall be signed for approval by the department director or designee. Reimbursements payable to City employees shall be signed for approval as follows (employees may not approve their own reimbursement):
 - Council – approved by the Mayor, City Administrator, or designee;
 - Mayor – approved by the City Administrator or designee;
 - City Administrator – approved by the Mayor or designee;
 - Department Head – approved by the City Administrator or designee;
 - Other employees – approved by the Department Director or designee.
- d. Accounts Payable. Original invoices that are received by accounts payable will be date-stamped and routed to department directors. Other invoices may be received directly by the department director or other staff, such as when items are picked up at will-call or services are performed on-site. For all invoices, department director or designees will verify that the invoiced items have been received and that the invoiced amount is correct. The accounts payable original invoices should include the correct account coding and have a required authorized approval signature. The approved invoice will be routed to accounts payable for payment, within one week of receipt.
- e. Invoicing & Accounts Receivable—Invoices will be created within the City Accounting software only by the Finance Department or by employees authorized by the Finance Director. Accounts receivable aging reports will be monitored by the finance department and appropriate collection activity pursued.
- f. Simplified Fund Structure. To the extent possible, the City will minimize the number of Funds. Funds will be created and accounted for in accordance with BARS.
- g. Cash Management.
 1. The Finance Department will develop, maintain, and consistently seek to improve cash management systems which ensure the accurate and timely accounting, investment, and security of all cash assets.
 2. There are two locations where monies are received: the City Hall Finance office and the Police department.
 3. Deposits will be made every 24 hours as per RCW 43.09.240, including deposits received from the Police Dept. by the finance department.
 4. The Finance office and Police Station locations each have cash drawers. These funds are used to make change for cash payments. The amount of these cash drawers are authorized by resolution.
 5. No change shall be given when a check is presented for payment.
 6. Cash refunds are prohibited. Refunds shall be processed through the method payment was received such as by check or credit card.
 7. No one is authorized, at any time, to borrow funds from any cash drawer. Doing so will result in discipline up to and including termination.

8. The Finance Office has a Petty Cash Fund as authorized by SMC 3.69. This fund is used to pay for or reimburse small expenditures where waiting for a payment from the normal payment process is unreasonable. No one is authorized to borrow monies from this Fund.

8. Fixed Capital Asset Accounting

- a. Responsibilities. The Finance Director will establish a fixed assets system and prepare guidelines for the physical inventory. To establish the original inventory, department heads and the Finance Director shall conduct a physical inventory of all assets in each department, which shall be adopted by a resolution of the City Council.

To assist in accountability and theft prevention, each department head shall be held responsible for all property assigned to his/her department. Under the City's Personnel Policy Manual, theft and/or unauthorized use of city property is not allowed and may lead to disciplinary action up to and including termination and criminal prosecution. Any theft or suspicion of theft or unauthorized use should be reported to the responsible department head and the Finance Director for further investigation.

Each department head will notify the Finance Director of any additions, deletions, interdepartmental transfers, modifications, or lease of property within thirty (30) days of the transaction. The Finance Director will ensure the appropriate changes are made to the department's fixed asset records.

- b. Fixed Asset Tracking Capitalization Limit. All assets acquired with a cost of ~~\$5,000~~ \$10,000 or more per individual item will be capitalized, tagged and input into the fixed asset system. Assets acquired through capital lease financing will be capitalized in accordance with this policy. Donated fixed assets will be recorded at an estimated fair market value at the time received.
- c. The Finance Director shall maintain asset records, which shall be verified by a physical inventory at least once every two years.
- d. Small and Attractive Assets. Certain assets that do not meet the ~~\$5,000~~ \$10,000 limit will be tagged and tracked in the fixed asset system if they are determined to be "small and attractive assets" as determined by the Finance Director.
- e. Small and attractive assets are those assets that are particularly at risk or vulnerable to loss that do not meet the City's capitalization threshold of ~~\$5,000~~ \$10,000. Departments are ultimately accountable for their small and attractive assets and therefore should implement specific measures to control such items in order to minimize the risk of loss.
- f. Departments must include, at a minimum, the following assets with unit costs of \$500 or more as *small and attractive*:
- Personal computers
 - Laptops and notebook computers
 - Communications equipment, both audio and visual
 - Cameras and projection equipment
 - Other data processing accessory equipment and components (scanners, mobile data storage devices, etc.)
 - Other easily portable and desirable tools or equipment such as portable generators, gas-powered hand tools, etc.
- g. Lost or Stolen Assets. Lost or stolen equipment must be reported to the Mayor and the Finance Director as soon as it is discovered by filing a "missing property report."

- h. An annual report on the status of fixed assets and the results of physical inventory procedures will be prepared by the finance department and included in the first quarter finance department report.

9. Purchasing

The purpose of this policy is to implement the requirements of state law and, when applicable, federal guidance with regards to procurement of goods and services and the required bidding on public contracts for public works, goods, services, supplies, and materials. It is the City's policy to follow state and, when applicable, federal requirements with regard to the expenditure of public funds, to provide a fair forum for those interested in bidding on public contracts, and to help ensure that public contracts are performed satisfactorily and efficiently at least cost to the public, while avoiding fraud, waste, and favoritism in their award. For federally funded purchases and contracts, the purpose of this policy is to also ensure that there is no abuse of federal funds and that all allowable costs are accorded consistent treatment.

Except as otherwise expressly provided herein, the provisions of this policy are intended solely as a convenience and reference guide for City officials and employees. Nothing in this policy is intended to create any liability for or against the City. Without limitation of the foregoing, nothing in this policy is intended to create any enforceable right, entitlement, or cause of action in or for any third parties.

9.1 DEFINITIONS and ACRONYMS

- a. "Architectural and Engineering services" means services rendered by any person, other than a city employee, to perform activities within the scope of the professional practice of architecture RCW 18.08, professional practice of engineering and land surveying RCW 18.43, and/or professional practice of landscape architecture RCW 18.96.
- b. "Bid splitting" means breaking a public work project or purchase of equipment or supplies into segments. The city may not break a public works project to avoid compliance with bidding statutes. RCW 35.23.352(1).
- c. "Contract" means a contract in writing for the execution of a fixed or determinable amount duly awarded after advertisement and competitive bid, or a contract awarded under the small works roster process in RCW 39.04.155.
- d. "Day Labor" refers to the use of city staff to perform public works.
- e. "Direct Contracting" is the process described by RCW 39.04.152(4)(b) whereby the city may negotiate directly with small businesses for public works costing less than \$150,000, on a rotating basis—NOTE, this process involves compliance with numerous requirements, including an annual plan, the rotation through all eligible contractors on the statewide list, and an annual report of direct contracting.
- f. "Formal competitive bid" is the process of advertising and receiving sealed written bids from prospective vendors. The selection of the vendor is primarily based on the lowest cost from a responsible vendor.
- g. "Informal competitive quotes" are price quotes from vendors that are obtained using a variety of mediums such as phone, fax, e-mail, or writing. Results must be documented and submitted to the Finance Department. The selection of the vendor is primarily based on the lowest cost from a responsible vendor.
- h. "Interlocal agreements" are the exercise of governmental powers in a joint or cooperative undertaking with another public agency.
- i. "SMC" – Stanwood Municipal Code.
- j. "MRSC" – Municipal Research Services Center.
- k. "Ordinary maintenance" is work not performed by contract and that is performed on a regularly scheduled basis (e.g., daily, weekly, seasonally, semiannually, but not less frequently than once per year), to service, check or replace items that are not broken; or work not performed by contract that is not regularly scheduled but is required to maintain the asset so that repair does not become necessary.

- l. "Personal services" – interchangeable with professional services – services that involve technical expertise provided by a consultant to accomplish a specific study, project, task, or other work. These activities and products are mostly intellectual in nature, and they do not include Architectural and Engineering services. Example of services include accounting, legal, comprehensive planning, and real estate services.
- m. "Professional services" – see personal services.
- n. "Public work," as defined in RCW 39.04.010, means a complete project, and includes all work, construction, alteration, repair, or improvement other than ordinary maintenance executed at the cost of the city or which is by law a lien or charge on any city property. Public work projects include the related materials, supplies, and equipment to complete the project.
- o. "PUD" – Public Utility District.
- p. "Purchased services" – different from personal services in that these services are generally routine, repetitive, or mechanical in nature and supports the City's day to day operations. Purchased services include janitorial, debt collections, equipment service agreements, machine repair, or delivery services. (May include ordinary maintenance.)
- q. "RCW" – Revised Code of Washington.
- r. "RFP - Request for Proposal" means a process that requests interested firms to submit a statement of their proposal for completing a project. Proposals are evaluated based upon the suitability, practicality, quality of the proposal and experience and cost.
- s. "RFQ - Request for Qualifications" means a request only for a firm's general capabilities, including a list of principals, previous projects, number of employees, and licenses. An RFQ does not include pricing information.
- t. "Small Works Roster" is a roster of qualified contractors maintained for use in a modified formal bid process. When the contract amount for a public works project is \$350,000 or less, the city may follow the small works roster process for construction of a public work or improvement as an alternative to formal competitive bid requirements.
- u. "Sole Source Supplier" occurs when purchase is clearly and legitimately limited to a single supplier. These situations often arise when an agency has specific technological requirements. Examples include: (a) licensed, copyrighted, or patented products or services that only one vendor provides; (b) new equipment or products that must be compatible with existing equipment or products; (c) proprietary or custom-built software or information systems that only one vendor provides; and (d) products or services where only one vendor meets the required certifications or statutory requirements. (RCW 39.04.280(1)(a)).
- v. Unit Cost Contract (or on-call contract) is when a local government contracts for an unknown number of small public works projects over a fixed period of time ("indefinite quantity, indefinite frequency"). Authorized by RCW 35.23.352(13).
- w. "Use Tax" is a tax on the use of goods or certain services in Washington when sales tax has not been paid. Goods used in Washington are subject to either sales or use tax, but not both.
- x. "WAC" – Washington Administrative Code

9.2 Purchasing Code of Ethics

To instill public confidence in the award of public contracts and the expenditure of public funds, the City adopts the following code of ethics regarding public contracting:

- a) Actions of City employees shall be impartial and fair;
- b) City decisions and policies shall be made in compliance with required procedures and within the proper channels of government structure;
- c) Public employment shall not be used for personal gain, and City employees shall not solicit, accept, or agree to accept any gratuity, or anything of monetary value, for themselves, their families, or others, including city contractors or consultants, that would or could result in personal gain. Purchasing decisions shall be made impartially, based upon the City's specifications for the contract and the responses of those bidding on the contract; and

9.3 No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

9.4 Controlling Laws

The expenditure of public funds for the purchase of and contracting for goods, services, supplies, and materials shall comply with all applicable state law requirements as set forth in the Revised Code of Washington (RCW) and the Washington Administrative Code (WAC). Where this policy conflicts with state law requirements, the more restrictive provision shall prevail. Where this policy is silent with regards to purchasing and/or bidding requirements, state law shall prevail.

Purchases and/or contracts that include federal funding shall also comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, published under Title 2 of the Code of Federal Regulations (2 CFR 200), hereinafter referred to as the Uniform Purchasing Guidance. Procurements involving federal funds must adhere to the most restrictive bid thresholds, refer to City of Stanwood "Procedures for Federal Procurements."

Monitoring and Compliance

Each department director shall implement, monitor, and enforce these policies. In the event of any conflict in procurement requirements or questions about proper procedure or other requirements, the matter shall be referred to the City Administrator and/or the Administrator's designee for further action. Willful or intentional violations of public procurement requirements may result in personal penalties, financial liabilities, and/or discipline (RCW 39.30.020).

In addition to the enforcement of these policies, the department director shall insure that reasonable measures are taken to safeguard protected, personally identifiable information and other information the federal awarding agency or pass-through entity designates as sensitive or that the City considers sensitive consistent with applicable federal, state, and local laws regarding privacy and obligations of confidentiality.

9.5 Proper Authorization/Certifications

Only authorized employees acting within the scope of their authority may obligate the City in the acquisition of goods or services. Any employee purchasing goods on behalf of the City without proper authorization may be personally liable to the vendor and/or to the City and subject to disciplinary action.

For federally funded purchases and contracts, to assure that expenditures are proper and in accordance with the terms and conditions of the federal award and approved project budgets, the annual and final fiscal reports or vouchers requesting payment under the agreement must include a certification, signed by an official who is authorized to legally bind the City, which reads as follows:

"By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements, and cash receipts are for the purposes and objectives set forth in the terms and conditions of the federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil, or administrative penalties for fraud, false statements, false claims, or otherwise. (US Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812.)"

9.6 Budget Sufficiency

Each department director must ensure that purchases are initiated only when the departmental budget is sufficient to cover the anticipated cost. Expenditures that exceed departmental appropriations require a budget amendment approved by City Council. Requests for budget amendments must be submitted in writing and shall be approved by the requesting director or manager and forwarded to the City Administrator and Finance Director for review prior to being forwarded to the City Council for approval.

Financing

If a department is requesting financing for equipment or vehicles, it is necessary to work with the Finance Director. Financing documentation shall be included as part of the documentation for City Council approval to authorize Mayor or designee to sign loan or bond documents.

9.7 Breaking Down or Bid Splitting Purchases

The breaking down or bid splitting of any purchase or contract into units or phases for the purpose of avoiding the maximum dollar amount is prohibited.

9.8 Cost

Purchase cost includes sales tax, use tax, delivery charges, and any related miscellaneous charges.

9.9 Local Businesses

Local businesses should be encouraged to submit bids on City procurements that are open to everybody. When determining the lowest bid on purchase of supplies, materials, or equipment, the City may, whenever indicated in advance, take into consideration sales tax revenue it would receive from a supplier located within its boundaries pursuant to RCW 39.30.040.

9.10 Contract Authorizations

- a) Expenditures are required to be included in the annual budget.
- b) Contract authorizations apply to the aggregate cost of individual items, whether purchased in one order or over a series of orders. Cost is inclusive of sales tax, use tax, delivery charges, and any related miscellaneous charges.
- c) The Mayor or designee may execute professional and purchased services contracts, up to \$100,000 (one hundred thousand), as long as the contract is consistent with the adopted budget.
- d) Services contracts greater than \$100,000 (hundred thousand) require Council authorization.
- e) Contracts of any amount that are not consistent with the adopted budget require Council approval.
- f) Initial Interlocal agreements of any amount with governmental agencies require Council authorization. The Mayor or designee up to \$100,000 (one hundred thousand) may execute renewal or extension of existing Interlocal agreements with governmental agencies, if the agreement's terms address renewal and the agreement is consistent with the adopted budget. All other renewals require Council approval.
- g) The Mayor or designee may present any contract to the Council for approval even if the contract is not required to be approved by the Council.

9.12. PUBLIC WORKS PROJECTS

The preparation of plans and/or specifications and an estimate of project cost shall be authorized by the Mayor or designee for projects up to \$100,000 and by the City Council for larger projects.

Type of Purchase or Project	Process	Other Requirements	Contract Authorization
Projects costing under \$350K	May use Small Works Roster (the City uses the MRSC Rosters RCW 39.04.155 2)	• Prevailing wage • Insurance • Contract/ Performance bond* • Bid bond/deposit --unless using Small Works Roster (SWR)	• Must be budgeted • If under \$100K, Mayor or designee may execute • All other must be approved by Council
Projects costing \$350K or more	Formal bids	• Prevailing wage • Insurance • Contract/ Performance bond • Bid bond/deposit	• Must be budgeted • Requires Council approval
Projects costing under \$65K <u>\$150,000</u> (Alternative to the Small Works Roster) <u>Determined net of sales tax.</u>	• <u>May use "Direct Contracting" adhering to requirements of RCW 39.04.152 (4) (b)</u> • <u>May Direct contract with "Small Businesses" without soliciting multiple quotes</u>	• Prevailing wage • Contract/ Performance bond required between \$10K to \$40K	• Must be budgeted • Mayor or designee may execute if under \$100,000
Projects less than \$2,500	One quote needed, two recommended	• Appropriate form(s) for prevailing wages • No bond • No retainage	• Must be budgeted • Mayor or designee may execute
Projects with costs less than \$75,500 for single or \$116,155 <u>\$150,000</u> for multiple trades, as set by RCW 35.23.352 (per RCW 35A.40.200)	• Day Labor may be used • Must advertise in advance if expected project cost exceeds \$25,000	• For projects >\$25K publish project description and estimated cost 15 days prior to work • For projects >\$5K keep a record of the project cost (RCW 39.04.070)	Not applicable

* On contracts of \$150,000 or less, at the option of the contractor, the City may, in lieu of the bond, retain ten percent of the contract amount for a period of thirty days after date of final acceptance, or until receipt of all necessary releases from the department of revenue, the employment security department, and the department of labor and industries and settlement of any liens filed under chapter 60.28 RCW, whichever is later.

* Regardless of cost limits, the City may in its discretion solicit formal bids at any time. Formal bids require 5% bid guarantee. Performance and payment bonds are required 100% of the contract amount.

* Project budget authorization may include a project contingency, not to exceed 20% (twenty percent). If additional budget authority is needed for the project, Council must approve the increase for budget amendment prior to approval of the contract.

* Bid thresholds are inclusive of sales tax; however, certain public works projects (generally streets projects) are exempt from sales tax. Refer to WAC 458-20-171 (Rule 171.)

9.12.1 Construction Contract Change Orders

Change orders must be issued within thirty days of added work agreed to by contractor and city. Authority to approve Construction Contract Change orders is delegated by the City Council to the Public Works Director as follows:

- Up to the greater of five percent or \$25,000.00.
- With concurrence of the Mayor or City Administrator—up to the greater of ten percent or \$100,000.00.

Change orders which would significantly change the scope of the project and/or exceed the Council approved project budget beyond Council approved project contingency would require additional Council action. All change orders, regardless of amount, will be reported to Council in the Quarterly Finance Report.

9.12.2 Prevailing Wage Laws

Public work projects and maintenance, when performed by contract, are governed by chapter 39.12 RCW, Prevailing Wages on Public Works regardless of contract amount. It is the responsibility of the contracting employee to notify the vendor of prevailing wage requirements and obtain compliance documentation prior to awarding any public work or maintenance contract. Public work and ordinary maintenance contracts will only be awarded to contractors who document compliance with the Washington State Prevailing Wage Law. The department director or designee managing the project is responsible for collecting ongoing compliance documents. If a contractor is found to be in violation of prevailing wage laws by the Department of Labor and Industries, the City will have to withhold payment (including retainage) from that contractor.

9.12.3 Professional and Personal Services

Type of Purchase	Process	Other Requirements	Contract Authorization
Architectural and Engineering Services	Request for Qualifications (RCW 39.80), individually or on-call rosters, or the MRSC Roster Process	• Publish RFQ • Must evaluate on performance and qualifications • Negotiate contract after selection	• Must be budgeted • If under \$100K, Mayor or designee may execute • All other must be approved by Council
All other personal services	No process required by state law		• Must be budgeted • If under \$100K, Mayor or designee may execute • All other must be approved by Council

Any professional and/or personal services contracts not part of the budget, regardless of amount, must be authorized by Council.

9.12.3 Purchases of Materials, Supplies, and Equipment

Type of Purchase	Process	Other Requirements	Contract Authorization
Items costing less than \$7,500 <u>\$50,000</u>	No state law required process <u>RCW 35.23.352</u>	Obtain 3 quotes from Vendor List <u>Purchase greater than \$40,000, must be by contract</u>	• Must be within department budget • Department director or designee may execute
Items costing over \$7,500 <u>\$50,000</u>	Must call for bids or use State Bid Contract, MRSC Vendor List, or other Interlocal bid process approved by Council	Publication of RFP if bidding	• Must be within department budget • Over \$7,500 but less than \$50K, Under \$100,000 Mayor or designee may execute • Over \$50K, \$100,000 Council must authorize

9.13 Reporting

Information for any public work, personal, professional, and/or purchased services contracts approved and signed under the authority of the procurement policy that do not go to Council will be forwarded to the Mayor's office with copies to the City Administrator and the Finance Director. A list of the contracts approved under this delegated authority each quarter will be included in the quarterly finance report to the Council.

9.14 Miscellaneous

A lease of property with option to purchase, where the cost of the real or personal property to be leased exceeds the amounts specified in RCW 35.23.352, shall be treated similar to a public works project (RCW 35.42.220) subject to the same process requirements as outlined in Section 12 of this policy.

Technology Procurements. All purchases of information technology products and services, including, but not limited to, hardware, software or applications, cellular or mobile devices, computer-related peripherals or components, audio-visual equipment, telecommunications systems or equipment, drones, or technology services or consulting shall be approved in advance by the city's finance director, or designee, to ensure system and equipment compatibility, records retention, and reporting capacity. The purchase of electronic data and telecommunications systems may be made by competitive negotiations in accordance with RCW 39.04.270. Item(s) must be within budget and may be authorized by the department head if under \$7,500, by the Mayor or designee if between \$7,500 and \$50,000, and by the Council if over \$50,000."

If the public works project is for street signalization or street lighting, it is treated as a single craft or trade project for bidding purposes.

9.15 Formal Bid Requirements

The following shall apply for public work contracts and when formal bidding is required for the purchase of materials, supplies, or equipment, except as otherwise noted:

- To ensure consistency and fair process, the City will use standard forms, documents, contracts, and terms and conditions, when practical. The City's Project Coordinator will maintain templates for bid-related documents for use by departments when practical. The City may use an evaluation selection committee to promote an open, proper selection. The requesting department director will appoint committee members to act in an advisory capacity.
- Minimum qualifications and/or specifications are stated to ensure bids address the needs of the City. Minimum qualifications cannot be used to eliminate qualified contractors and vendors.

Minimum qualifications should be tested against the marketplace to ensure they aren't overly restrictive.

- c. When practical for public works contracts, the City will conduct a pre-bid conference to allow a thorough discussion of the City's intent, scope, specifications, and terms. Interested companies should be encouraged to attend.
- d. Selection of a winning offer is based primarily on lowest responsive bid. Quality and expertise, however, may be a consideration to the extent legally permissible.

9.15 Formal Competitive Bid (RCW 35.23.352(1))

I. Publication of Notice.

After City Administrator authorization, the requesting department director (or designee) will publish the Call for Bids for sealed bids in the official newspaper or a newspaper of general circulation most likely to bring responsive bids and ensure notice is posted on the City web page, at least thirteen (13) days prior to bid submittal deadline.

II. Notice Contents for Public Works Contracts.

Notice (or advertisement) for bids should contain definite specifications and procedures for bidders to use to estimate their bids. At a minimum, a bid notice for public works must include:

- a. Project title;
- b. Nature and scope of work;
- c. Where contract documents (plans and specifications) can be reviewed or obtained;
- d. Cost to obtain a set of contract documents;
- e. Place, date, and time that bids are due;
- f. Place, date, and time that bid will be opened;
- g. Statement that a bid bond must accompany the bid;
- h. Statement that the City retains the right to reject any and all bids and to waive minor irregularities in the bids and/or the bidding process;
- i. Statement that the contract involves "public work" and that workers shall receive the prevailing rate of wage pursuant to the Prevailing Wages on Public Works Act (Chapter 39.12 RCW);
- j. List of the applicable prevailing wage rates or prevailing wage statement;
- k. Statement that the City is an equal opportunity employer and invites responsive bids from all qualified responsible bidders;
- l. The materials and equipment to be furnished, if any.

III. Notice Contents for Purchases of Materials, Supplies, or Equipment.

Notice (or advertisement) for bids should contain definite specifications and procedures for bidders to use to estimate their bids. At a minimum, a bid notice must include:

- a. Name and description of requested items;
- b. Where contract documents (plans and specifications) can be reviewed or obtained;
- c. Cost to obtain a set of contract documents;
- d. Place, date, and time that bids are due;
- e. Statement that the City retains the right to reject any and all bids and to waive minor irregularities in the bidding process;
- f. Place, date, and time that bid will be opened.

9.17 Bid Opening

Bids are submitted to the responsible department director or designee, where they are time and date stamped and processed. The bids shall be opened at the time and place specified in the advertisement for bids.

- I. Report on Bids: The responsible department director or designee will prepare a report and recommendation on all bids received to the decision maker with the authority to approve the contract.
- II. In addition, the City adopts the following supplemental criteria which may be used in connection with specified project:
 - i. The ability, capacity, and skill of the bidder to perform the contract or provide the service required
 - ii. The character, integrity, reputation, judgment, experience, and efficiency of the bidder
 - iii. The ability of the bidder to perform the scope of work within the time specified
 - iv. The quality of performance of previous contracts or services
 - v. The previous and existing compliance by the bidder with laws relating to the contract or services

When using the supplemental criteria described above, the city will include the supplemental criteria in the bidding documents, together with a basis for evaluation, deadline for bidder to submit responsibility documentation, and deadline for bidder to appeal a "non-responsible" determination.

When a trade-in option exists, as it is applied to competitive purchases, and is in the city's best interest, the price offered on the trade will be considered when determining the lowest responsive and responsible bid.

RCW 39.30.040 allows any local sales tax revenue generated by the purchase to be considered in determining the lowest responsive and responsible bid. Other preferences favoring local businesses are not permitted.

- III. Bid Award: The City shall award the contract to the lowest responsible bidder, factoring in results of supplemental criteria, or shall have power by Council resolution to reject any or all bids and to make further calls for bids in the same manner as the original call.
- IV. Bid Bonds for Public Works Contracts: Upon award of a public works contract or rejection of all bids, bid bonds shall be returned to the unsuccessful bidders. The successful bidder's bid bond or deposit shall be retained until the bidder enters into a contract with the City and furnishes a performance bond in the full amount of the contract price.

9.18 Small Works Roster (RCW 39.04.152 155 (1) and (2))

RCW 39.04.155 provides uniform small works roster provisions to award contracts for construction, building, renovation, remodeling, alteration, repair, or improvement of real property. The Small Works Roster may be used for public work projects valued below \$350,000 in lieu of formal bidding. Use of the Small Works Roster allows the City to waive the advertisement requirements of the formal competitive process.

The Washington State Municipal Research Services Center (MRSC) compiles small works rosters for cities and counties throughout the State of Washington. The City of Stanwood has contracted with MRSC to use its small works rosters for public works contracts valued below \$350,000.

- a) Invitations for Quotations, shall include an estimate of the scope and nature of the work to be performed as well as materials and equipment to be furnished. However, detailed plans and specifications need not be included in the invitation. This subsection does not eliminate other requirements for architectural or engineering approvals as to quality and compliance with building codes. Quotations shall be invited from all, or at least five (5), appropriate contractors.
- b) Vendors/contractors selected from the Small Works Roster are not relieved from observing applicable legal requirements such as Contract Bond, Prevailing Wage, Retainage, etc.
- c) Immediately after an award is made, the bid quotations obtained shall be recorded, open to public inspection, and available by telephone inquiry.
- d) As required by RCW 39.04.200, the City must post a list of contracts awarded from the small works roster once every year. The list must contain the name of the contractor, the amount of the contract, a brief description of the type of work performed, and the date of the award.

9.19 Limited Public Works "Direct Contract with Small Business" (RCW 39.04.152 (4)(b) 155(3))

For small public works projects with an estimated cost less than \$150,000, not including sales tax, to increase the utilization of small businesses, the city may direct contract with small businesses as defined in chapter 395, Laws of 2023, before direct contracting with other contractors on the appropriate small works roster without a competitive process as follows:

(i) If there are six or more contractors meeting the definition of small business on the applicable roster, the city must direct contract with one of those small businesses on the applicable roster that have indicated interest in performing work in the applicable geographical area. The city must rotate through the contractors on the appropriate small works roster and must, when qualified contractors are available from the roster who may perform the work or deliver the services within the budget described in the notice or request for proposals, utilize different contractors on different projects.

(ii) If there are five or less contractors meeting the definition of small business on the applicable roster, the city may direct contract with any contractor on the applicable roster.

(iii) The city must notify small, minority, women, or veteran-owned businesses on the applicable roster when direct contracting is utilized.

(iv) If the city plans to use Direct Contracting, then it must establish a small, minority, women, and veteran-owned business utilization plan. If engaging in direct contracting it may not favor certain contractors on the appropriate small works roster by repeatedly awarding contracts without documented attempts to direct contract with other contractors on the appropriate small works roster.

(v) If the city does not elect to use direct contracting, then it must invite bids by electronically notifying all contractors on the applicable roster that have indicated interest in performing work in the applicable geographical area as described in this section. If no bids are received, see Section 9.20.7 for guidance.

(vi) If the city uses Direct Contracting, then it must publish a list of small works contracts awarded and contractors contacted for direct negotiation pursuant to RCW 39.04.200.

~~For public work projects with an estimated cost of less than \$50,000, the City may use the Limited Public Works Process in lieu of the small works process.~~

~~a) Invitations for Quotations.~~

~~Invitations for quotations shall include an estimate of the scope and nature of the work to be performed as well as materials and equipment to be furnished. However, detailed plans and specifications need not be included in the invitation. This subsection does not eliminate other requirements for architectural or engineering approvals as to quality and compliance with building codes.~~

~~b) Number of contractors invited.~~

~~Quotations shall be invited from a minimum of three contractors from the appropriate small works roster and shall award the contract to the lowest responsible bidder. If no bids are received, see **Section 9.20.7** for guidance.~~

~~c) Notification of Award.~~

~~After an award is made, the quotations shall be open to public inspection and available by electronic request. The City shall maintain a list of the contractors contacted and the contracts awarded during the previous twenty-four months under the limited public works process, including the name of the contractor, the contractor's registration number, the amount of the contract, a brief description of the type of work performed, and the date the contract was awarded.~~

~~d) Prevailing Wage/Insurance~~

~~Vendors/contractors selected using the Limited Public Works Process are required to comply with prevailing wage and insurance requirements.~~

9.20 Exemptions to competitive bidding requirements

RCW 39.04.280 provides uniform exemptions to competitive bidding requirements utilized by municipalities when awarding contracts for public works and contracts for purchases.

9.20.1 Purchases that are clearly and legitimately limited to a single source of supply (Sole Source Vendor)

If, after conducting a good faith review of available resources, the requesting department director determines that there is only one source of the required materials, supplies, or equipment, a purchase contract may be awarded without complying with established bid requirements. The requesting department director will submit a written request for sole source procurement to the Finance Director, and Mayor or City Administrator for approval, and conduct price, terms, and delivery negotiations, as appropriate. The vendor must certify in writing that the City is getting the lowest offered price.

The Mayor or City Administrator shall approve all sole source purchases in a form that identifies the factual basis for the sole source justification and concludes that “the purchase is clearly and legitimately limited to a single source or supply.” A sole source resolution shall not be required in case of emergency, under the terms and conditions specified in RCW 39.04.280(2)(b) and (c). On-going sole source purchases of materials, equipment, and supplies should be reviewed annually to ensure the pricing is still the lowest price for the City and that the conditions that justify the sole source purchase still exist.

9.20.2 Purchases involving special facilities or market conditions

By authority of RCW 39.04.280(1)(b) the City Council hereby delegates authority to the Mayor or City Administrator to waive established bidding requirements if an exceptional opportunity arises to purchase favorably priced equipment or supplies or used goods that will be sold before the City can conduct the bid process. A procurement summary must be approved by the Finance Director and Mayor or City Administrator and must set forth the factual basis for the special market conditions.

9.20.3 Quarterly Reporting of Sole Source Exceptions Required

A list of the contracts approved under this delegated authority each quarter will be included in the quarterly finance report to the Finance Committee. Sole Source contracts will be reviewed annually by the Finance Director for continuing sole source authority.

9.20.3 Auctions

RCW 39.30.045 authorizes the City to acquire supplies, materials, and equipment through an auction conducted by an agency of the State of Washington, an agency of the United States, any municipality or other government agency, or any private party if the items can be obtained at a competitive price.

9.20.4 Surplus Property

The City may acquire surplus property from another government without the use of competitive quotes or bids (RCW 39.33.010), when it is possible to procure obvious bargains through the procurement of surplus material, supplies, or equipment. The requesting department director will submit a written request for procurement to the Mayor for approval, and conduct price, terms, and delivery negotiations, as appropriate.

9.20.5 Purchases in the event of an emergency

Emergency is defined as “...unforeseen circumstances beyond the control of the municipality that either: (a) present a real, immediate threat to the proper performance of essential functions; or (b) will likely result in material loss or damage to property, bodily injury, or loss of life if immediate

action is not taken.” If an emergency situation has been declared, the Mayor or designee may make or authorize others to make emergency procurements of materials, supplies, equipment, or services without complying with the requirements of this policy when there exists a threat to public health, welfare, or safety or threat to proper performance of essential functions; provided, that such emergency procurements shall be made with such competition as is practical under the circumstances. A written determination of the basis for the emergency and for the selection of the particular contractor/vendor shall be included in the contract file. As soon as practical, a record of each emergency procurement shall be made and shall set forth the contract’s name, the amount and type of the contract, and listing of the item(s) procured under the contract, which shall be reported to the Council at the next subsequent meeting. If a contract is awarded without competitive bidding due to a declared emergency, the City Council must adopt a resolution certifying the emergency situation existed no later than two weeks following the award of the contract (RCW 39.04.280(2)(b)). The persons authorized to issue an emergency proclamation under SMC 2.80.010, in the same order of succession, are authorized to declare an emergency for purposes of this bidding exemption.

9.20.6 Interlocal Agreements

The City may enter into Interlocal agreements with other public agencies similarly authorized under RCW 39.34.030. State law regarding competitive bidding shall govern any cooperative purchasing agreement. The competitive bid process of the original jurisdiction may substitute for Stanwood’s if consistent with the bidding laws that apply to Stanwood. “Piggybacking” on other jurisdiction bids requires an Interlocal agreement. All Interlocal cooperative-purchasing agreements shall be presented to Council for approval. The City of Stanwood may be able to realize savings through quantity purchasing with the following organizations:

- a) US Communities Shared Purchasing. US Communities is a national collective of local and state agencies that have gathered under a non-profit to bid on items for shared purchasing. The City of Stanwood has registered with US Communities, allowing the City to use any US Communities contract that meets our needs. Cities and counties from around the country bid the US Communities contracts. They are all subject to bid laws that are similar to those in Washington, and they conduct competitive sealed bids or proposals in much the same way, if not exactly the same way, as we do in Washington. However, use the same care to review the US Communities contracts to verify that they do not violate the City’s Procurement Policies and Procedures or Washington state law. All US Communities purchasing agreements shall be presented to Council for approval.
- b) Department of Enterprise Services (DES)

The City of Stanwood may be able to realize savings through the DES’s quantity purchasing. Use of DES requires an Interlocal agreement with the State of Washington approved by the City Council.

9.21 No Bids or Quotations Received

When no responsive bids or quotations are received in response to an invitation to bid or request for quotations, the department director or his/her designee is authorized to procure the required item through direct negotiations with a vendor or to rebid, or do the project with City employees for public works contracts, as the Mayor or his/her designee deems appropriate.

9.22 Project Acceptance

The date the city signs the Final Contract Voucher Certification constitutes the final acceptance date)see Project Manual section 1-05.12.)

10. EXPENSE REIMBURSEMENT

City employees will be reimbursed for reasonable and customary expenses actually incurred while performing official City business. The City will not reimburse for expenses that have already been paid by another program or organization, or if reimbursement is available through another program or organization.

10.1 Travel

Meal and travel reimbursement should be paid at the Federal Domestic Per Diem Rate as posted by the U.S. General Services Administration. All expense payments or reimbursements for travel and/or subsistence expenses must meet the requirements set forth in the City of Stanwood Financial Procedures Manual, which establishes procedures related to obtaining travel authorization, advance travel funds, and expenditure or reimbursement for travel and subsistence expenses incurred in conduct of business of the City.

The Finance Director is responsible to create and monitor travel authorization and reimbursement procedures and forms, and to provide training and oversight of all city travel.

10.2 Meals & Refreshments at Meetings

Situations arise in which such provision of meals or light refreshments would allow work on city business or city training to continue through mealtimes, or in which the event atmosphere and morale of participants would facilitate progress on work activities. One example is the National Night Out; other examples include city provision of light refreshments during evening volunteer activities, such as citizen advisory boards or commissions.

The Finance Director shall provide staff guidance regarding appropriate events at which meals or light refreshments are authorized and will provide instruction to ensure appropriate approvals are obtained and documentations are maintained. The city must also consider Internal Revenue Service regulations covering the income tax consequences of providing food and beverages to employees.

10.3 Credit Cards

In accordance with RCW 43.09.2855, local governments are authorized to use credit cards or procurement cards for official government purchases and acquisitions. Cash advances on credit cards or procurement cards are prohibited. Credit cards and procurement cards may not be used to purchase alcoholic beverages. It will be the responsibility of the Finance Director to assign credit cards or procurement cards to employees that need them for City operations.

The Finance Director is authorized to obtain purchasing cards (P-Cards) by participation in the statewide contract administered by the Washington State Department of Enterprise Services, and to provide rules, guidance and procedures for their use. This contract allows the City to earn a quarterly rebate based on the volume spent and timely payment. The use of the P-Card does not relieve the employees from complying with other City and departmental policies and procedures.

10.4 Fuel Credit Cards

Fuel credit cards offer an efficient way for city staff to re-fuel vehicles during city business. Fuel credit cards also offer a way to track fuel purchases and monitor fuel use. The Finance Director is authorized to utilize state-procured contracts to obtain fuel credit cards and to provide rules, guidance and procedures for their use.

10.5 Store-Issued Credit Accounts

The City discourages the practice of requesting new charge accounts from vendors unless the vendor will not accept a procurement card or check on delivery and the City will realize cost savings or has time constraints. It is the City's preference for employees to use the procurement cards whenever possible.

11. Cost Allocation

- a. The City of Stanwood desires to comply with all laws and recommendations in calculating and receiving full cost recovery for services rendered to other funds.
- b. Cost allocation is a method to identify and distribute indirect costs. Direct costs are costs assignable to a specific objective, whereas indirect costs are costs incurred for multiple cost objectives or not assignable to a specific cost objective without effort disproportionate to the benefit received.
- c. The Washington State Auditor's Office prescribes the accounting and reporting of local governments in the State of Washington under the Revised Code of Washington (RCW) Washington State law provides, at RCW 43.09.210. It states in part:

Separate accounts shall be kept for each department, public improvement, undertaking, institution, and public service industry under the jurisdiction of every taxing body. All service rendered by, or property transferred from, one department, public improvement, undertaking, institution, or public service industry receiving the same, and no department, public improvement, undertaking institution, or public service industry shall benefit in any financial manner whatever by an appropriation of fund made for the support of another.

- d. The RCW does not specifically address how "full value" is to be determined.

- e. RCW 35A.33.122/35A.34.205/35.33.123 states:

Administration, oversight, or supervision of utility – Reimbursement from utility budget authorized. Whenever any code city apportions a percentage of the city manager's, administrator's, or supervisor's time, or the time of other management or general government staff, for administration, oversight, or supervision of a utility operated by the city, or to provide services to the utility, the utility budget may identify such services and budget for reimbursement of the city's current expense fund for the value of such services.

- f. Governmental Accounting Standards Board (GASB)

The GASB is an independent organization that establishes and improves standards of accounting and financial reporting for U.S. state and local governments. While GASB is not a governmental agency and does not have enforcement authority, compliance with GASB is tested by the Washington State Auditor's Office's annual audit of the City.

- g. The Finance Director is responsible for developing and monitoring cost allocation procedures that comply with the guidance provided by GASB, the Washington State Auditor's Office, Budgeting, Accounting and Reporting System (BARS), and the guidance in 2 CFR 200, Uniform Guidance.

12. Debt

Section I. Introduction

(i) Purpose and Overview

The Debt Policy for the City of Stanwood is established to help ensure that all debt is issued both prudently and cost effectively. The Debt Policy sets forth comprehensive guidelines for the issuance and management of all financings of the City of Stanwood. Adherence to the policy is essential to ensure that the city maintains a sound debt position and protects the credit quality of its obligations.

Section II. Legal Governing Principles

In the issuance and management of debt, the City of Stanwood shall comply with the state constitution and with all other legal requirements imposed by federal, state, and local rules and regulations, as applicable. The following section highlights the legal framework of debt issuance and roles and responsibilities in debt issuance.

(ii) Governing Law

State Statutes - the City of Stanwood may contract indebtedness as provided for by Title 35A RCW and other state statutes. Indebtedness is subject to the limitations on indebtedness provided for in Article VIII of the Washington State Constitution and chapter 39.36 RCW. Bonds evidencing such indebtedness shall be issued and sold in accordance with applicable statutes.

Federal Rules and Regulations – To the extent applicable, the City of Stanwood shall issue and manage debt in accordance with the limitations and constraints imposed by applicable federal rules and regulations.

Local Rules and Regulations - The City of Stanwood shall issue and manage debt in accordance with the limitations and constraints imposed by the Stanwood Municipal Code and by this City of Stanwood Debt Policy (within the Consolidated Financial Management Policies).

Responsibility

City Council - The City Council shall:

- Approve indebtedness;
- Approve the Debt Policy; and
- Approve budgets sufficient to provide for the timely payment of principal and interest

Authority to issue and manage debt is derived from SMC 2.08.039. This section gives the Finance Director authority to act in the capacity of City Treasurer, which includes the duties of debt management. The Finance Director is responsible for assuring that the activities related to the issuance and payment of bonds or other obligations are consistent with policy direction given by the City Council and, to the extent practicable consistent with the City's policy objectives, do not adversely affect the City's bond ratings.

Budgeting and Capital Planning

The city develops and maintains a capital planning process including a six-year capital improvement plan for consideration and adoption by the City Council as part of the city's budget process. The Finance Department is responsible for coordinating and analyzing the debt requirements. This will include timing of debt, calculation of outstanding debt, debt limitation calculations and compliance, impact on future debt burdens, and current revenue requirements. Prior to issuance of debt, the city will prepare revenue projections, such as the biennial budget and a financial forecast, to ensure that there is adequate revenue to make principal and interest payments.

Permitted Debt by Type - The following is a description of the types of debt the city may issue:

1. General Obligation: This debt is backed by the full faith and credit of the city. RCW 39.36.020 currently limits this debt based on of the assessed valuation of the city for each of three purposes:

General Purposes: Debt issued in this category can be used for any municipal purpose allowed by law.

Non-Voted

The City Council may authorize the issuance of general obligation debt up to 1.5% of the city's assessed value without a vote of the public if there is an available source of funding to pay the debt service. This funding source can be the diversion of an existing revenue source or a new revenue coming from the enactment of a new tax or other revenue source. The debt can take the form of bonds, bond anticipation notes, lease-purchase agreements, conditional sales contracts, certificates of participation, or other forms of installment debt.

Voted

Pursuant to RCW 39.36.020, the City Council may place any general obligation debt issue before the electorate. According to state law, if a debt issue is placed before the city's electorate, it must receive a 60% or greater yes vote and have a turnout of at least 40% of those voting at the previous general election. Voted issues are limited to capital purposes only and may not be used for the replacement of equipment.

- (i) *Voted Debt for General Municipal Purposes*. The total indebtedness of the city for general municipal purposes (including both voted and nonvoted debt) may not exceed 2.5% of the city's assessed value.
 - (ii) *Voted Debt for Open Space and Parks*. In addition to the above limits, debt in an amount up to 2.5% additional of the city's assessed value may be issued in this category and must be used for open space, park facilities and/or capital facilities associated with economic development. All debt in this category must be approved by the voters, as described above.
 - (iii) *Voted Debt for Utility Purposes*. In addition to the above limits, debt up to 2.5% additional of the city's assessed value may be issued in this category and must be used for utility infrastructure (water, sewer and electricity) that is owned and controlled by the city. All debt in this category must be approved by the voters, as described above.
2. Revenue Debt Revenue bonds are generally payable from a designated source of revenue generated by the project or system for which the improvements were financed. No taxing power or general fund pledge is provided as security. Unlike general obligation bonds, revenue bonds are not subject to the city's statutory debt limitation nor is voter approval required.
 3. Local Improvement District (LID) Debt: LID bonds are payable from assessments of property owners within the local improvement district. Similar to revenue debt, no taxing power or general fund pledge is provided as security, and LID bonds are not subject to statutory debt limitations. The debt is backed by the assessments levied and collected from within the district and may be secured by an LID Guaranty Fund.

4. Other Financing Contracts and Loan Programs

- (i) *Lease purchase or financing contracts are payment obligations that represent principal and interest components for which the city receives the property after all payments are made.*
- (ii) *Local Option Capital Asset Lending (LOCAL) Program is available for use by the city through the Office of the State Treasurer under RCW 39.94. It is a financing program that allows pooling by the state of equipment financing and certain real estate project needs into larger offerings of securities and allows local government agencies the ability to finance equipment or real estate needs through the State Treasurer's Office subject to existing debt limitations and financial considerations. LOCAL Program financings are general obligations, subject to the general obligation debt limits described above.*
- (iii) *Public Works Trust Fund Loans are loans from the Public Works Board, authorized by state statute, RCW 43.155 to provides low interest loans, on a competitive basis, to help local governments address critical infrastructure needs for water, stormwater, roads, bridges, and solid waste/recycling systems. Public Works Trust Fund loans (and loans from other State sources) may be general obligations (subject to the debt limitations described above) or utility revenue obligations, depending on the program and purpose.*

Short-Term Debt and Interim Financing

The city may utilize short-term borrowing in anticipation of long-term bond issuance or to fund cash flow needs in anticipation of tax or other revenue sources. In accordance with SMC 3.45.010, the Finance Director is authorized to make loans from one city fund to another city fund. The Finance Director or designee is required to assure that the loaning fund will have adequate cash balances to continue to meet current expenses after the loan is made and until repayment from the receiving fund, and the borrowing fund must anticipate sufficient revenues to be in a position over the period of the loan to make the specified principal and interest payments.

Other Debt Instruments

The City of Stanwood may use Other Debt Instruments as required with the approval of City Council.

Ethical Standards Governing Conduct

Employees of the City and Members of the City Council will adhere to standards of conduct as stipulated by the following:

- Public Records Act, chapter 42.56 RCW;
- Open Public Meetings Act, chapter 42.30 RCW; and
- Code of Ethics for Municipal Officers, chapter 42.23 RCW.

Section III: Professional Services

Professional Services

The city's Finance Department shall be responsible for the solicitation and selection of professional services that are required to administer the city's debt program. Finance Director will consider the most cost-effective method of sale, and use professional services as deemed appropriate..

1. Bond Counsel

All debt issued by the city will include a written opinion by bond counsel affirming that the city is authorized to issue the proposed debt. The opinion shall include confirmation that the city has met all city and state constitutional and statutory requirements necessary for issuance, a determination of the proposed debt's federal income tax status and any other components necessary for the proposed debt.

2. Financial Advisor

A Financial Advisor(s) may be used to assist in the issuance of the city's debt. The Financial Advisor will provide the city with objective advice and analysis on debt issuance. This includes, but is not limited to, monitoring market opportunities, structuring and pricing debt, and preparing official statements of disclosure.

3. Underwriters

An Underwriter(s) will be used for all debt issued in a negotiated or private placement sale method, except for direct placements of debt with a lender. The Underwriter is responsible for purchasing negotiated or private placement debt and reselling the debt to investors. Underwriter(s) will also be used for a competitive sale method. Under a competitive sale of publicly offered bonds, underwriters will submit proposals for the purchase of the new issue of municipal securities electronically and the securities are awarded to the underwriter presenting the lowest true interest cost (TIC) according to stipulated criteria set forth in the notice of sale. For a direct placement, the city will generally seek proposals from lenders through a competitive process.

4. Fiscal Agent

A Fiscal Agent will be used to provide accurate and timely securities processing and timely payment to bondholders. In accordance with Chapter 43.80 RCW, the city will use the Fiscal Agent that is appointed by the state.

5. Other Service Providers

The Finance Director will have the authority to periodically select other service providers (e.g., escrow agents, verification agents, trustees, arbitrage consultants, etc.) as necessary to meet legal requirements.

Section IV. Transaction-Specific Policies

Method of Sale

The city will generally issue its debt through a competitive process but may use a negotiated process under the following conditions.

- The bond issue is, or contains, a refinancing that is dependent on market/interest rate timing.
- At the time of issuance, the interest rate environment or economic factors that affect the bond issue are volatile.
- The nature of the debt is unique and requires particular skills from the underwriter(s) involved.
- The debt issued is bound by a compressed timeline due to extenuating circumstances such that time is of the essence and a competitive process cannot be accomplished.

Credit Ratings

The city will maintain good communications with bond rating agencies about its financial condition. This effort will include providing periodic updates on the city's general financial condition and coordinating meetings and presentations in conjunction with a new issuance. The city will continually strive to maintain the highest possible bond ratings by improving financial policies, budgets, forecasts, and the financial health of the city. Credit enhancements may be used to improve or establish a credit rating on a city debt obligation. Credit enhancements should only be used if cost effective.

Refunding Debt

A debt refunding is a refinance of debt typically done to take advantage of lower interest rates. Unless otherwise justified, such as a desire to remove or change a bond covenant, a debt refunding will require a present value savings of three percent of the principal amount of the refunding debt being issued. Advance refunding of tax-exempt issuances is currently prohibited.

Debt Type and Structure

The Finance Director is responsible for selection of the type of debt and terms to ensure the most advantageous pricing.

Section V. Compliance Policies

Investment of Proceeds

General - The City of Stanwood shall comply with all applicable Federal, State, and contractual restrictions regarding the investment of bond proceeds, including the City of Stanwood's Investment Policy.

Arbitrage Rebate Monitoring and Reporting

The city will, unless otherwise justified, use bond proceeds within the established time frame pursuant to the bond ordinance, contract, or other documents to avoid arbitrage. Arbitrage is the interest earned on the investment of the bond proceeds above the interest paid on the debt. If arbitrage occurs, the city will pay the amount of the arbitrage to the federal government as required by the Section 1.148 Treasury Regulations. The city will maintain a system of recordkeeping and reporting to meet the arbitrage rebate compliance requirement. For each bond issue not used within the established time frame, the recordkeeping shall include tracking investment earnings on bond proceeds, calculating rebate payments, and remitting any rebatable earnings to the federal government in a timely manner to preserve the tax-exempt status of the outstanding debt.

The City of Stanwood shall maintain an internal system for tracking expenditure of bond proceeds and investment earnings, and to ensure compliance with record retention requirements.

Ongoing Disclosure

The Finance Director shall be responsible for providing annual disclosure information to the Municipal Standards Rulemaking Board (MSRB), as required by the city's undertakings to provide continuing disclosure made pursuant to SEC Rule 15c2-12. Ongoing disclosure shall occur by the date designated in the undertakings, which is currently the last day of September for most of the city's issuances. Disclosure shall take the form of Audited Annual Financial Statements and such operating data as specified in the undertaking. The Finance Director shall be the Compliance Officer for disclosure requirements. Detailed procedures are described in the City's *Post-Issuance Compliance Policies and Procedures for Tax-Exempt Bonds*.

Legal Covenants

The City of Stanwood shall comply with all covenants and conditions contained in governing law and any legal documents entered into at the time of a bond offering.

Derivative Products

No derivative products will be utilized unless permitted by law, and after adoption of a swap or derivative policy by the City Council. No derivative products shall be utilized without an analysis by an independent municipal advisor. No derivative products shall be used for the purpose of speculation.

Debt Policy Review

The city shall review and update its debt policy every four years.

13. Grant Administration

1. Applications for grants must be reviewed by the city administrator and/or the mayor prior to submission. Grants in the amount of \$25,000 or less may be approved by the mayor. Grants in excess of that amount are subject to the approval of the city council.
2. The department director receiving the grant shall be designated the grant manager and as such is responsible for all grant compliance and recordkeeping requirements. This includes:
 - a. Monitoring to ensure grant activities are properly performed.
 - b. Submitting grant reimbursement requests in a timely manner with the required supporting documentation. Reimbursement requests shall be submitted to the finance department for review prior to submittal to grantor.
 - c. Maintaining complete records. This includes the grant application, the grant contract and amendments, any correspondence with the grantor, grant reimbursement requests and supporting documents, any reports submitted to the grantor, etc.
 - d. Coordinating with the finance department to ensure that all grant accounting and reporting requirements are met.
3. Financial transactions relating to grants are subject to more specific accounting and financial reporting requirements than other types of transactions. In order to ensure the City correctly accounts for and report grants, the grant manager must forward copies of the following to the finance director within thirty (30) days of receipt:
 - a. Copies of the grant agreement and all amendments.
 - b. Copies of any extensions of time authorized by the grantor.
 - c. Copies of all grant billings and supporting documentation.
 - d. Notification of the close of the grant.
 - e. Notification of any audit to be performed by the grantor.

14. Investments

14.1 Policy:

It is the policy of the City of Stanwood to invest public funds in a manner which will provide the maximum security of the principal while meeting the daily cash flow demands of the city and highest investment return while conforming to all Washington statutes governing the investment of public funds.

14.2 Scope:

This investment policy applies to all financial assets of the City of Stanwood other than any Fiduciary funds which include but is not limited to Deferred Compensation Plan funds managed externally; Contractors Deposit funds; and such funds excluded by law or bond covenant. The applicable funds are accounted for in the City's Annual Financial Report and include:

- General Fund
- Special Revenue Funds
- Capital Project Funds
- Enterprise Funds
- Debt Service Funds (unless prohibited by bond covenant)
- Internal Service Funds
- Any new fund created by Council, unless exempted by Council.

14.3 Prudence:

Investments shall be made with judgment and care - under circumstances then prevailing - which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

14.4 Objective:

The primary objectives, in priority order, of the City's investment activities shall be:

- a. Safety: Safety of principal is the foremost objective of the City of Stanwood. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.
- b. Liquidity: The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.
- c. Return on investment: The City's investment portfolio shall be designed with the objective of attaining a market rate of return given the City's risk constraints and cash flow requirements.

14.5 Delegation of Authority:

Management responsibility for the investment program is assigned to the Finance Director (SMC 2.08), who shall establish and monitor written procedures for the operation of the investment program, consistent with this investment policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Director. The Finance Director shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

Investment Committee: The City Council Finance Committee and the Finance Director shall serve as the Investment Committee. The committee shall meet quarterly and provide overall guidance with regard to investment transactions. The committee will review and authorize financial dealers and institutions as provided for in Section 14.7 below.

14.6 Ethics and Conflicts of Interest:

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the Mayor any material financial interests in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the City's portfolio. Employees and officers shall subordinate their personal investment transactions to those of the City of Stanwood, particularly with regard to the time of purchases and sales.

14.7 Authorized Financial Dealers and Institutions:

The Finance Director will maintain a list of broker/dealers and financial institutions authorized to provide investment services to the city. Authorized broker/dealers and financial institutions will be limited to those that are approved by the Investment Committee and meet one or more of the following:

- Financial institutions approved by the Washington Public Deposit Protection Commission (RCW 39.58); or,
- Primary dealers recognized by the Federal Reserve Bank; or,
- Non-primary dealers qualified under the U.S. Securities and Exchange Commission Rule 15C3-1, the Uniform Net Capital Rule, and a certified member of the Financial Industry Regulatory Authority (FINRA).

Each authorized broker/dealer or financial institution will be selected by creditworthiness, required to maintain an office in the State of Washington, and required to regularly submit annual reports, including audited financial statements. Additionally, broker/dealers are required to complete a broker/dealer questionnaire or any other information that may be required by the City to assess the qualifications of the firm. An annual financial statement is required to be on file for each financial institution and broker/dealer with which the City invests.

14.8 Authorized Investments:

Authorized investments are securities and investments authorized by state statute as defined in RCW's 39.58 and 39.59. Authorized investments include:

- a. Investment deposits, including certificates of deposit, with qualified public depositories as defined in RCW 39.58.
- b. Certificates, notes, or bonds of the United States, or other obligations of the United States or its agencies, or of any corporation wholly owned by the government of the United States (such as the Government National Mortgage Association).
- c. Obligations of government-sponsored corporations which are eligible as collateral for advances to member banks as determined by the Board of Governors of the Federal Reserve System. (These include but are not limited to Federal Home Loan Bank notes and bonds, Federal Farm Credit Bank consolidated notes and bonds, Tennessee Valley Authority (TVA) notes and bonds, and Federal National Mortgage Association notes, bonds and guaranteed certificates of participation.)
- d. Bonds of the State of Washington and any local government in the State of Washington which have, at the time of investment, one of the three highest credit ratings of a nationally recognized rating agency.
- e. General obligation bonds of a state or local government of a state, which bonds have at the time of investment one of the three highest credit ratings of a nationally recognized rating agency;

- f. Obligations of supranational institutions provided that, at the time of investment, the institution has the United States government as its largest shareholder.
- g. Washington State Local Government Investment Pool.
- h. Commercial Paper purchased in the secondary market and having received the highest rating by at least two (2) Nationally Recognized Statistical Rating Organizations (NRSROs) at the time of purchase and adhering to the investment policies and procedures adopted by the State Investment Board.
- i. Investment Pool Offered by Local Government (e.g., Snohomish County Investment Pool)

14.9 Safekeeping and Custody:

All security transactions, entered into by the City of Stanwood shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third-party custodian designated by the Finance Director. Certificates of Deposits must be issued by financial institutions qualified by the PDPC; therefore, they will normally be held at the financial institution.

14.10 Diversification:

The City will diversify its investments by security type and institution. The following schedule provides the maximum holdings in any one type of investment or with any one issuer.

Type of Security	Maximum Holdings
Savings or Time Deposits	30% of Portfolio
Certificates of Deposit	5% of Portfolio
U.S. Treasury Notes, Bonds or Certificates	100% of Portfolio
U.S. Government Sponsored Corporations	100% of Portfolio
State of Washington or Local Government Bonds	25% of Portfolio 10% per Issuer
<u>General obligation bonds of a state or local government of a state</u>	<u>5% of Portfolio</u>
State or Investment Pool Offered by Local Government (e.g., Snohomish County Investment Pool)	100% of Portfolio
Commercial Paper	5% of Portfolio
Supranationals	5% of Portfolio
Other Authorized Investments	10% of Portfolio

Separate guidelines containing additional or more restrictive limitations for certain investment instruments are contained in the investment procedures document.

14.11 Maturities:

To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow or restricted by state guidelines, the City will not directly invest in securities maturing more than five years from the date of purchase. Separate guidelines containing additional or more restrictive limitations for certain investment instruments are contained in the investment procedures document.

14.12 Internal Control:

The Finance Director shall establish a process of independent review by an external auditor. This review will provide internal control by assuring that policies and procedures are being complied with. Such review may also result in recommendations to change operating procedures to improve internal control. In addition, the Finance Director will ensure periodic internal reviews of compliance are completed.

14.13 Performance Standards:

The City of Stanwood's investment portfolio will be designed with the objective of attaining a rate of return commensurate with the City's investment risk constraints and the cash flow characteristics of the portfolio.

Average Rate of Return:

The basis used by the Finance Director to determine whether an average rate of return is being achieved shall be the 2 year average of the 2-Year Treasury Note.

14.14 Reporting:

The Finance Director will include a report on investments held and the portfolio's returns compared to benchmark in the City's Quarterly Financial Report.

14.15 Investment Policy Review:

The City of Stanwood's investment policy shall be reviewed on a biennial basis by the Finance Committee and any modifications made thereto must be approved by the City Council.

GLOSSARY OF INVESTMENT TERMS

AGENCIES: Federal agency securities.

ANNUAL FINANCIAL REPORT: The official annual report for the City of Stanwood. It is based on a December 31st fiscal year end and is submitted to the State Auditor no later than May 31st of the following year. The State Auditor reviews and issues opinions on the City's annual financial reports on a biennial basis.

ASKED: The price at which securities are offered.

BID: The price offered for securities.

BROKER: A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides; he does not position. In the money market, brokers are active in markets in which banks buy and sell money and in interdealer markets.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typically negotiable.

COLLATERAL: Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt (also called free). Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DISCOUNT: The difference between the cost price of a security and its value at maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g., U. S. Treasury bills.

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): An independent federal agency that insures deposits in member banks, currently up to \$100,000 per deposit.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL HOME LOAN BANKS (FHLB): The institutions that regulate and lend to savings and loan associations.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing & Urban Development, H.U.D. It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: An independent agency of the U.S. government that plays a central role in monetary policy, domestic payment systems, and the regulations of financial institutions.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations and other institutions. Security holder is protected by full faith and credit of the U. S. Government. Ginnie Mae securities are backed by FHA, VA or FMHM mortgages. The term pass-throughs is often used to describe Ginnie Maes.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

PORTFOLIO: Collection of securities held by an investor.

PUBLIC DEPOSIT PROTECTION COMMISSION: The Public Deposit Protection Commission provides security for public treasurers in Washington State by protecting public deposits which

exceed the amount insured by the FDIC. It also minimizes participating depositaries' liability for defaulting institutions

PRIMARY DEALER: A group of government securities dealers that submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange commission (SEC) registered securities broker-dealers, banks, and a few unregulated firms.

PRUDENT PERSON RULE: An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the state--the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

SAFEKEEPING: A service provided/contracted with a financial institution for the settling and holding of securities on behalf of the customer. In the case of book entry securities; holding of securities in the customer's name.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SEC RULE 15C3-1: See uniform net capital rule.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SUPRANATIONALS: An international organization, or union, whereby member states transcend national boundaries or interests to share in the decision making and vote on issues pertaining to the wider grouping. It is formed by two or more central governments through international treaties. The purpose for creating a supranational is to promote economic development for the member countries. The International Bank for Reconstruction and Development (World Bank), the Inter-American Development Bank (IADB), IFC (International Finance Corporation) and ADB (Asian Development Bank) are examples of supra's.

TREASURY BILLS: A non-interest bearing discount security issued by the U. S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BOND: Long-term U. S. Treasury securities having initial maturities of more than ten years.

TREASURY NOTES: Intermediate term coupon bearing U. S. Treasury securities having initial maturities of from one to ten years.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) INCOME YIELD is obtained by dividing the current dollar income by the current market price for the

security. (b) NET YIELD or YIELD TO MATURITY is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

15. Authorization and Processing of ACH/Electronic Funds Transfers

15.1 Purpose and Scope

The City of Stanwood makes payments to vendors and employees by electronic funds transfer and also receives funds from various parties as a routine business practice. All such payments must be properly authorized and executed to reduce the risk of erroneous or fraudulent transactions.

15.2 INTERNAL CONTROL REQUIREMENTS

To protect EFT transactions from internal and external threats, the following controls will be adhered to:

- a. Implementation of bank offered security measures to prevent unauthorized individuals from initiating or modifying a transfer, i.e., use of positive pay.
- b. Each user initiating or approving bank transactions must have separate bank User IDs.
- c. Separate users must initiate and authorize electronic transactions.
- d. Use of pre-established templates for specific transaction types and specific accounts may be authorized in advance by the Finance Director, however, new templates must be initiated by one user and authorized by the Finance Director.
- e. The process for creating, securing, sending and authenticating direct deposit transmittal files to prevent unauthorized modification or submission is documented below.
- f. Adherence to City of Stanwood computer policies and procedures to protect the computers and computing processes used for EFTs from computer malware.
- g. Regardless of payment method, i.e., wire transfer, ACH or paper warrant (check), employees shall adhere to the authorization and processing requirements outlined in Section 9 of this Manual.
- h. Changes to employee direct deposit must be processed using the Direct Deposit Authorization Form, under no circumstances will account changes be authorized by telephone or email.
- i. Changes to vendor ACH accounts must be processed using the EFT (ACH/Wire Transfer) Authorization Form, under no circumstances will account changes be authorized by telephone or email.

15.3 Types of Payments Made via ACH:

- a. Vendor Payments: In its normal course of business, the City of Stanwood remits the following types of vendor payments via ACH: Supplier payments, Employee reimbursements, routine payments to the WA State Treasurer.
- b. Wire Transfers: transfer for investment purchases, bond proceeds, interest payments and maturities are routinely processed by wire between the City and US Bank (custodial account) and between the City and the Local Government Investment Pool.
- c. Customer Direct Debit: Customers have the option to direct the city to directly debit their bank account to make their payments.
- d. Payroll – Fulltime Employees: in order to standardize procedures and reduce the number of individual transactions, the City of Stanwood highly encourages all employees to be paid by ACH direct deposit.
- e. Payroll – Part-time Employees: The city will offer all part-time employees the option to be paid by ACH direct deposit.

- f. Payroll – Temporary Employees: The city will offer all temporary employees the option to be paid by ACH direct deposit.

For suppliers and employees being paid by paper warrant (check), the city shall adhere to the requirements for payment approvals and accounts payable documentation and processing as described in City of Stanwood Financial Management Policy, and other applicable laws.

With very few exceptions, checks issued to suppliers should only be delivered to the supplier by United States mail or its equivalent. Payroll checks may be delivered directly to the employee. Exceptions must be documented and authorized by the Finance Director. Under no circumstances is a check to be mailed earlier than the date of the check.

15.4 TRAINING

To ensure consistent compliance with procedures, employees tasked with processing, reconciling and record-keeping will train in proper procedures and internal controls prior to conducting these functions.

15.5 DEFINITIONS

- a. Automated Clearing House (ACH) - A nationwide payment and collection system that provides for electronic distribution and settlement of funds. Although the term Electronic Fund Transfer (EFT) is technically more inclusive than the term ACH, the term EFT is often used synonymously with ACH and Wire Transfer. Wire transfers execute directly between two accounts, as opposed to a clearinghouse, so they process more quickly, but they are more expensive.
- b. Electronic funds transfer (EFT) - refers to the disbursement from a bank account by means of wire, direct deposit, ACH or other electronic means.
- c. NACHA (National Automated Clearing House Association) is the steward of the electronic system that connects all U.S. bank accounts and facilitates the movement of money among them.

15.6 RECORD-KEEPING

- a. Transaction records will include:
 - i. Chronological number of the EFT payment.
 - ii. Time and date of disbursement.
 - iii. Payee - name, address and account number.
 - iv. Amount of disbursement.
 - v. Purpose of disbursement.
 - vi. BARS or other accounting system expenditure/expense account number.
 - vii. Name and number of fund(s).
 - viii. Disbursing bank's unique transaction identification number, if available.
 - ix. Receiving bank or financial institution's identification number.
- b. A file must be maintained of authorizations by payees who have thereby agreed to have moneys added to their accounts electronically.
- c. The Finance Director should notify the disbursing bank that access to files, records and documentation of all EFT transactions involving the Finance Director should be provided to the State Auditor when required for the conduct of the statutory post audit.

15.7 PROCEDURES:

a. Origination of ACH File:

- i. ACH File Database: The City of Stanwood creates ACH files from SpringBrook, which are downloaded in proper ACH format.
 - ii. Transmission: Several options are available to transmit the file to the ACH originating bank, either through a gateway provider, or directly to the bank. The City of Stanwood generates and transmits payroll, employee reimbursement and supplier payment files via Washington Federal.
 - iii. Retention: ACH and EFT data files are required to be maintained for six years after the end of the fiscal year (per Local Government Records Retention Manual, DANS GS2011-185).
- b. Authorizations: All employees whose net pay is to be direct deposited must complete a Direct Deposit Authorization Form. This form is submitted to the city Payroll Office along with a deposit slip for a Savings Account or a voided check for a Checking Account. In lieu of a deposit slip or voided check, the employee may provide documentation from the employee's financial institution indicating the transit-routing number and the account number.
- i. The authorization form shall provide the employee the ability to change bank account information. Employees should notify the Payroll Office immediately but no later than seven working days prior to the effective pay date. Exceptions may be granted up to 4 working days prior to pay date for closed or compromised accounts.
 - ii. An employee desiring to discontinue participating in the ACH program may submit a revocation request. The request will be acted on depending upon whether participation is mandatory or not.
 - iii. Retention of authorization forms and any requests for revocation of authorization will be maintained until superseded and released from all audits.
 - iv. The City of Stanwood does not allow telephone or email initiated entries or changes to authorizations.

b. Transaction Advices

- i. Participating employees are provided a hard copy Direct Deposit advice (paystub) on the payroll pay date, specifying details of the employee's gross pay, tax withholdings, statutory and voluntary deductions, net pay and other information.
- ii. Suppliers being paid by ACH credit will be advised of the payment by email.

c. Cancellation of Transactions

- i. If it is learned that a supplier or employee does not have a right to a payment or the payment amount is in excess of the amount due the supplier/employee, then the payment is to be cancelled. Actions to take will depend upon where the payment is in the timeline of the transaction.
- ii. If the ACH file has not been transmitted to Washington Federal, but the payment process has been finalized, staff will void the batch to remove the incorrect payment.
- iii. If the ACH file has not been transmitted to Washington Federal and the ACH process has begun, staff will remove the incorrect payment prior to finalizing the batch.
- iv. If the ACH file has already been transmitted to Washington Federal, staff would complete a Washington Federal ACH Service Request for Item Delete/Reversal and send to Washington Federal.

d. Cut-off Times and Close Outs

- i. The following cutoff times are established for ACH file transmissions:
- ii. The ACH file auto-generated at the conclusion of the payroll process is scheduled to transmit two (2) banking days prior to payroll issue/check date.
- iii. The ACH file transmission for suppliers is generated two (2) banking days prior to issue/check date.

- e. Funding outbound ACH transactions
 - i. Funding of ACH files is deemed to be a critical function that must be performed accurately and timely, in order to avoid the overdrawing of bank accounts.
 - ii. The settlement bank account which accommodates the funding of outbound ACH transactions for Payroll and outbound ACH Supplier transaction is the City's General Bank Account held at Washington Federal.
 - iii. Funding of ACH/EFT transactions must occur for settlement no later than the following day.
- f. Reporting of inbound ACH transactions
 - i. The settlement bank account which accommodates the receipt of inbound ACH transactions is the City's General Bank Account held at WAFed.
 - ii. The City receives notices from the Office of the State Treasurer (OST) about two days prior to receipt. The transmittal is recorded in various funds and revenue accounts and is posted by the Finance department in Springbrook when funds are received.
 - iii. Gun permits and fingerprinting are applied for online through Permitium. An ACH deposit is made monthly to the city's main checking account with WAFed. The Police Records Clerk reconciles all applications and fees and sends a copy of reconciliation to Finance. The Finance department posts the payment in Springbrook each month.
 - iv. The city receives funds monthly from Snohomish County for the City share of property taxes. Monthly reports are available via Sharepoint. The Finance department records the activity monthly once the funds are received via ACH credit to the City main checking account at WAFed.
 - v. For online permit payments made through IWORQ via Payroc, notice is retrieved from IWORQ website by the Community Development Department. Permit receipts are printed and delivered to the Finance Accounting Technician who posts permit payments into Springbrook with their daily cashiering batch. Payments are deposited by Payroc directly into the City's General Checking account held by WAFed.
 - vi. Utility payments made online utilize Xpress Bill Pay. Payments made in this manner are imported into Springbrook daily. Payments are deposited directly into the City's General Checking account held by WAFed.
 - vii. As additional departments allow online payments, protocol will mirror item iii under this section.
- g. Reconciliation
 - i. All Bank Statements shall be reconciled monthly as part of a global reconciliation.
 - ii. Individuals responsible for bank account reconciliations should not also be responsible for handling cash. Additionally, these individuals should only have inquiry access to Washington Federal, thus negating their ability to record receipts or process disbursements.
 - iii. All Bank Reconciliations are performed in accordance with BARS Manual standards. Completed bank reconciliations are reviewed by a second reviewer and recorded accordingly. Any reconciling item adjustments are recorded and reviewed by a second reviewer as part of the monthly reconciliation process.
 - iv. All reconciliations are reviewed, signed, and dated by a second Finance Department employee or the City Administrator. All journal entries for adjustments are prepared by the responsible party and reviewed by a second Finance Department employee once completed.
 - v. All outstanding items are reconciled prior to the end of the succeeding month. Large checks over 6 months old are reviewed monthly. Abandoned checks are escheated to the state each year per state regulations.

h. Returns

- i. In the case of outbound transactions for supplier and payroll payments, an ACH Returns account is not utilized. Instead, the returns will be credited to the settlement bank account at Washington Federal from which the funds were originally disbursed.
- ii. Returned items are monitored as part of the daily deposit process. Any returned items are forwarded to the appropriate Finance staff member (Payroll for Direct Deposit and AP for all other ACH payments), to be researched and either voided or reissued as appropriate. A second Finance Department employee reviews all such returns and their related disposition.

j. Paying Invoices

- i. All invoices for banking services received (e.g., Washington Federal, etc.) shall be paid timely, in accordance with established City of Stanwood procedures for accounts payable.
- ii. Responsibility for inspecting the invoices received and approving for payment is that of the Finance Department.

i. Signatures and Approvals:

- i. The U.S. Federal E-SIGN Act of 2000 gives the same legal protection to online signing as to traditional pen-and-paper signing.
- ii. The City of Stanwood utilizes Adobe Pro e-sign for routing of documents and for the collection of signatures.
- iii. Approval Signatures collected through Adobe Pro's e-sign routing process are original and official.

15.8 REFERENCES

- i. City of Stanwood Financial Management Policy, Section 7.c.-Payment Approvals.
- ii. RCW 39.58.750 – authorizes local government use of EFT and directs the State Auditor to prescribe accounting procedures for EFT transaction processing.
- iii. BARS MANUAL Section 3.8.11 – provides accounting procedures and recommended internal controls to safeguard local government resources when utilizing EFT.
- iv. BARS MANUAL Section 3.1.9 – provides guidance regarding appropriate bank reconciliation practices.

v. E-Commerce Contacts:

The Finance Department will maintain an updated list of WaFed contacts.

15.9 FORMS

- i. EFT (ACH/Wire Transfer) Authorization Form (authorization to pay vendors by ACH)
- ii. Direct Deposit Authorization Form (payroll)

16. Sale and/or Disposal of Surplus Property

The City will maintain a system of financial monitoring, control, and reporting for the sale of surplus items

16.1 Declaration of Property as Surplus

- a. The mayor or the mayor's designee is hereby authorized to declare any property of the City surplus to the City's needs, when the estimated value of such property is less than or equal to two thousand five hundred dollars (\$2,500).
- b. The city council hereby retains the discretion to declare any property of the City of Stanwood surplus to the City's needs, when the estimated value of such property exceeds two thousand five hundred dollars (\$2,500).

16.2 Disposition of Property Declared Surplus

- A. The proper City officers shall dispose of property declared surplus to the needs of the City in such manner as the proper officers shall determine to be in the best interests of the City, provided that no officer of the City shall knowingly authorize a transaction prohibited under this Chapter.
- B. Property that is surplus to the needs of the City may be disposed of by agreement in which a dealer of property of the kind that is surplus will provide a reduction of the purchase price of replacement property (i.e., a "trade-in,").

16.3 Fair Market Value to be Obtained for Surplus Property

In disposing of surplus property, the proper City officers shall take such steps as are reasonable and appropriate to secure the fair market value for such surplus property.

16.4 Prohibited Transactions

No employee of the City may purchase any surplus property from the City, except when such surplus property is offered to the general public at auction, or by competitive bid, provided that no City employee may be given any competitive advantage when bidding on surplus property that other members of the public would not have.

16.5 Surplus of Utility Property

Whenever the city determines that any lands, property, or equipment originally acquired for public utility purposes and is estimated to have value greater than \$50,000 is surplus to the city's needs and not required for providing continued public utility service, the City, by resolution and after public hearing may cause such lands, property, or equipment to be leased, sold, or conveyed. Such resolution shall state the fair market value or the rent or consideration to be paid and such other terms and conditions for such disposition as the city council deems to be in the best public interest.

16.6 Surplus of Federally Funded Property

Disposal of equipment purchased with federal funding has further restriction on disposal. Prior to disposal, refer to the funding agreement for specific instruction, and also review requirements of 2 CFR 200.313.



CITY OF STANWOOD COUNCIL AGENDA STAFF REPORT

ITEM NUMBER: 11b

DATE: June 27, 2024

SUBJECT: Depot Park Concept Plan

CONTACT PERSON: Patricia Love, Community Development Director

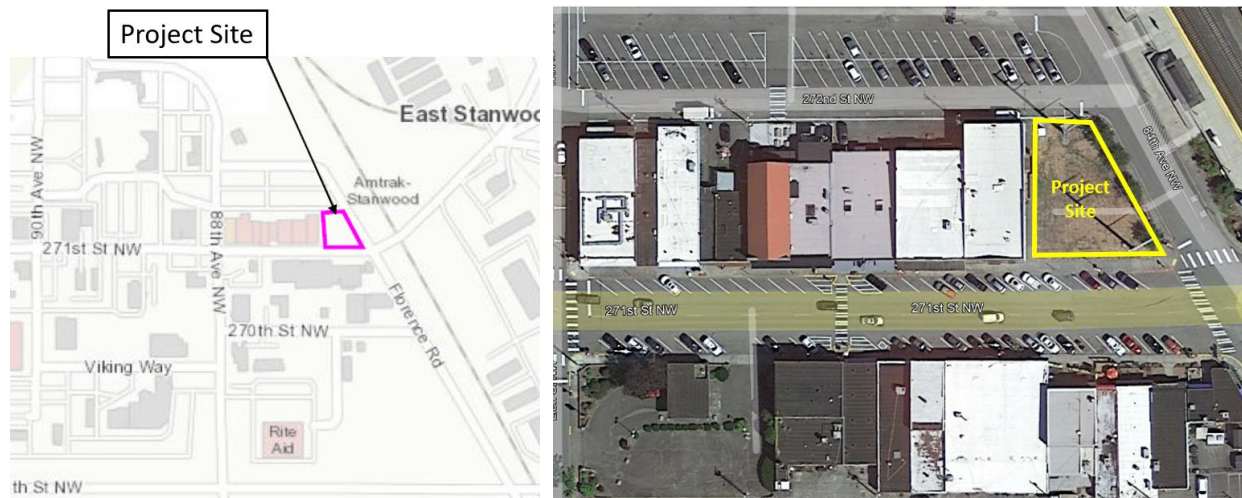
ATTACHMENTS: None

PURPOSE

The purpose of this agenda item is for Council review and acceptance of the Depot Park concept design plan.

BACKGROUND

The City of Stanwood purchased a 0.11-acre parcel on the eastern edge of Stanwood's main street business district and near the Amtrak train station for an urban business district park and entry point for visitors arriving by train.



The City purchased the downtown park site as part of the Twin City Mile downtown revitalization project with the vision of building an urban, hard surface downtown park, that can be used by shoppers and tourists as a place to stop, rest and enjoy the day. It was also designed to accommodate / supplement the many special events held along 271st Street including art festivals, Twin City Idlers Car Show, Stanwood Camano Fair

parade, National Night Out, Concerts, Ghouls Night Out (Halloween), Holiday Tree Lighting and Festivities, and potentially the Farmers Market. Lankford Associates and Perteet LLC were hired to prepare concept designs for the park that complement and enhance the Twin City Mile project improvements.

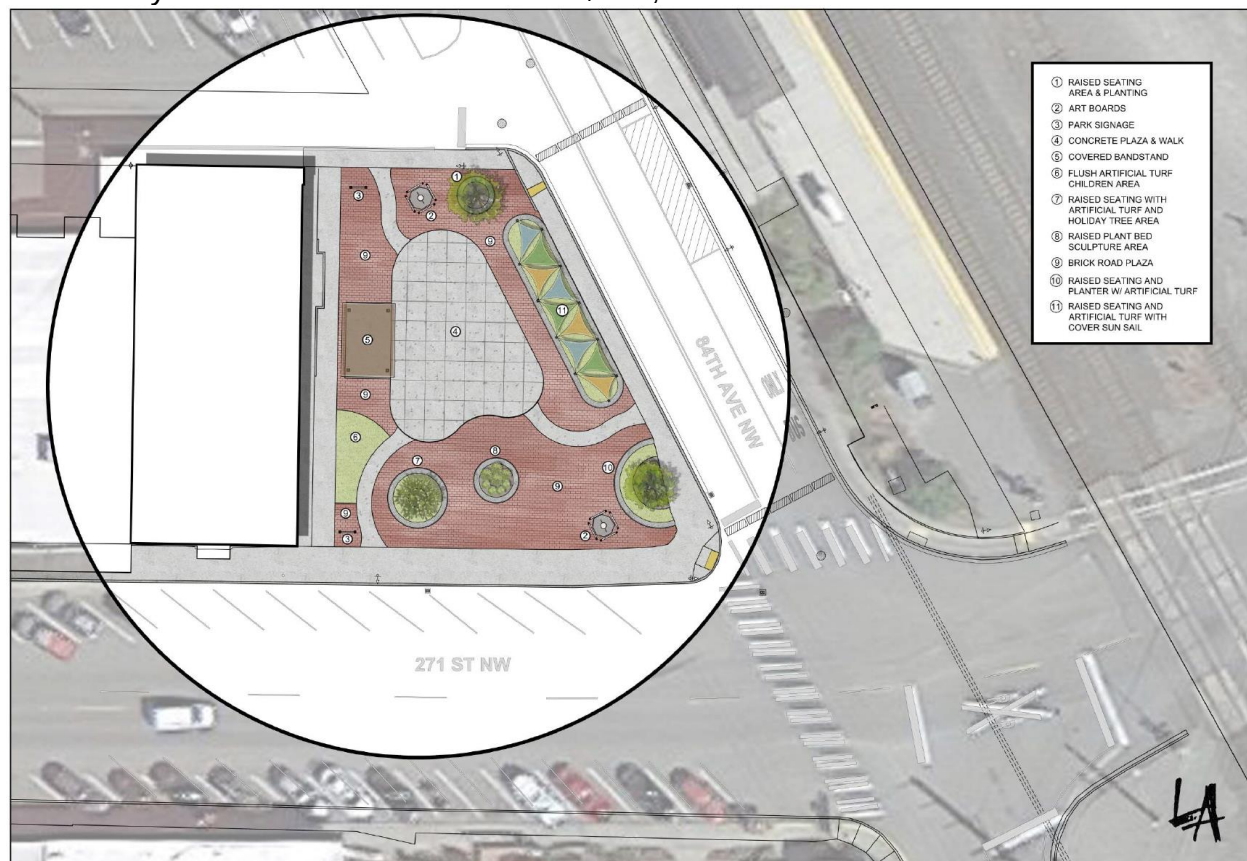
ANALYSIS

Initial project ideas were discussed with the Public Works Committee (September 6, 2023), Economic Development Board (March 17, 2023 and September 15, 2023) and Parks and Trails Advisory Committee (May 15, 2023 and October 16, 2023). A public survey was also circulated from August 25 – September 22, 2023 to gather feedback on the preliminary concepts.

Using the feedback from the committees and public survey, the following park design was prepared which includes covered and open seating areas, bandstand, small play area for children using the train station as inspiration, accessible walkways to the rear parking lot, wayfinding signage, potted trees, art space, and multiuse seating area that can be used for the holiday tree in the winter season. The intent of the project is to create a “place” within the downtown area that promotes a strong business district and useable community space.

Option 1: Bandstand Design with Open and Covered Seating

Preliminary Construction Cost Estimate: \$905,000



Site Renderings:



View from 271st Street on the Western Property to the Northeast
Note: Green areas are artificial turf; not grass



View from 84th Avenue Looking West



View from City Parking Lot looking South

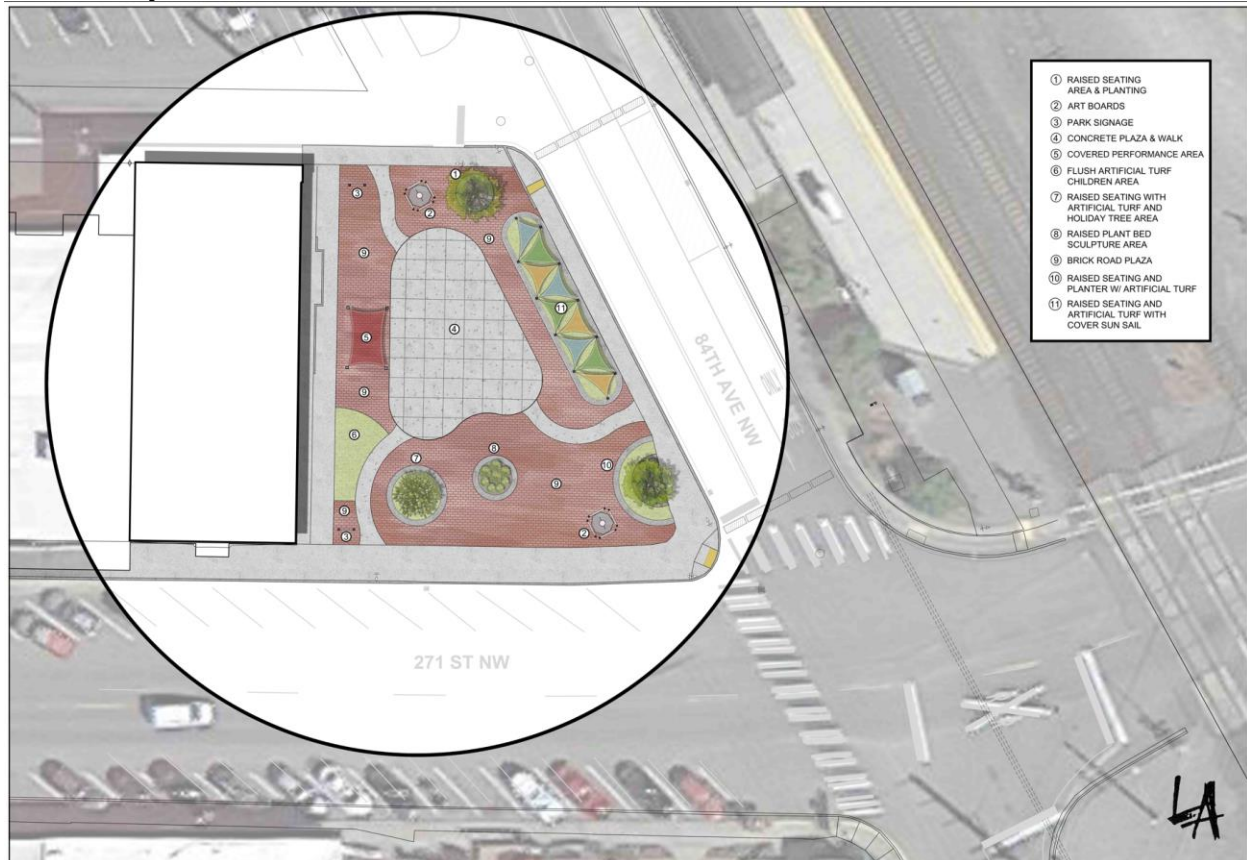


Bandstand Concept with Open Seating

Option 2:

After concept 1 was presented, we heard from several people and businesses that Depot Park is too small for the summer concerts. It has been suggested to remove the bandstand and replace it with ADA accessible covered seating. Option 2 removes the bandstand and replaces it with a decorative canvas covered seating area. The rest of the design remains the same as option 1.

Preliminary Construction Cost Estimate: \$800,000



Site
Rendering:
View of
Canvas
Material -
Covered
Seating Area



Public Comments:

Two additional public open houses were held to obtain feedback on the design concepts: one on March 24, 2024, that targeted the business owners along this section of the roadway and the other on April 24, 2024, which was a general public open house. Below are the comments received from the open houses on the project.

- More wayfinding signs near back city parking lot directing visitors to downtown
- Consider fencing to slow toddlers down from running into the roads – a really busy area with a lot of traffic
- Include signage in park directing people to public restrooms
- Happy with park design, very welcoming
- Explain hard surface park, art on side of building facing park
- Really like the multi-purpose aspects, hope a Christmas tree stays there. Public seating is really nice for people waiting for the train. Like it, really family-friendly, a nice thing for AMTRAK passengers to see when they are going by – may make people want to stop and visit
- Like the sail covered seating and love the chairs
- Will there be grass for dogs anywhere? How about trash receptacles?
- Will the neighboring building still have a ramp along the side so that it remains ADA accessible?
- A nice concept, like the seating and the Christmas tree is a positive

Fiscal Impact
Preliminary cost estimates have been prepared for the concepts presented. Funding and construction of the project will be dependent on Council budget priorities.

RECOMMENDATIONS**Staff Recommendation:**

Staff recommends that the Council accept the Option 2 concept design for Depot Park and include it in the 2025/2026 budget discussions and deliberations for potential final design and construction funding.

Committee/Board Recommendation:

As noted above, this plan has been reviewed by the Public Works Committee, Community Development Committee, Parks and Trails Committee and subject to a public survey and two public open houses.

CITY COUNCIL OPTIONS

1. Accept the Option 1 concept design as presented.
2. Accept the Option 2 concept design as presented.
3. Request changes to the concept designs.

PROPOSED MOTION

“I MOVE TO ACCEPT THE DEPOT PARK OPTION 2 CONCEPT DESIGN AS PRESENTED AND INCLUDE IT IN THE 2025/2026 BUDGET DISCUSSIONS AND DELIBERATIONS.”

Or

“I MOVE TO ACCEPT THE DEPOT PARK OPTION 1 CONCEPT DESIGN AS PRESENTED AND INCLUDE IT IN THE 2025/2026 BUDGET DISCUSSIONS AND DELIBERATIONS.”

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CITY OF STANWOOD COUNCIL AGENDA STAFF REPORT

ITEM NUMBER: 11c

DATE: July 11, 2024

SUBJECT: Stanwood Municipal Code Title 7 Amendment – Construction Noise

CONTACT PERSON: Patricia Love, Community Development Director

ATTACHMENTS: A – Ordinance 1536, Construction Noise Amendment
B – Department of Ecology Correspondence

PURPOSE

The purpose of this agenda item is for Council review and acceptance of the first reading of Ordinance 1536, amending Chapter 7.30, construction noise.

SUMMARY

Draft Ordinance 1536 limits construction noise within 1,000 feet of a residence from:

- 8 pm – 7 am Monday – Friday
- 6 pm – 9 am Saturday, Sunday and Holidays

Minor exemptions are provided for Public Works projects, State Highways and emergency repairs.

BACKGROUND

On May 9, 2024, the City Council unanimously adopted amendments to Title 7, Health and Sanitation. As part of that code amendment the Council requested amendments to the construction noise regulations. Since any amendment to construction noise hours must be approved by Department of Ecology (DOE), staff was directed to forward an amendment to the DOE for review and bring it back to Council for final review and approval.

ANALYSIS

Title 7 establishes the City's authority to regulate garbage collection and nuisances. Chapter 7.30 – Noise Control, regulates noise regulations, including construction noise. Currently construction noise is prohibited from 10 pm to 7 am Monday – Friday (M-F) and 10 pm to 9 am on Saturdays, Sundays and state recognized holidays (SSH).

A simple survey of other Snohomish County jurisdictions noise restrictions was conducted in May of 2024.

Jurisdiction	Prohibited Construction Hours
Stanwood	10 pm – 7 am M-F 6 pm – 8 am SSH
Everett	10 pm – 7 am M-F 10 pm – 9 am SSH
Arlington	10 pm – 7 am
Marysville	9 pm – 7 am
Mukilteo	9 pm – 7 am M-F 7 pm – 9 am SSH
Lynnwood	6 pm – 7 am M-F Weekends Subject to Approval
Edmonds	6 pm – 7 am M-F 6 pm – 10 am Saturdays
Mill Creek	“Limited to Day Time Hours”
Bothell	10 pm – 7 am
Lake Stevens	9 pm – 7 am
Snohomish	9 pm – 7 am M-F 9 pm – 9 am SSH
Monroe	8 pm – 7 am M-F 8 pm – 9 am SSH

There are generally three types of general contractors: large corporate home builders, small builders and homeowners managing small additions or remodels. Each have their own style of doing business. Typically, the large to mid-size homebuilders end their workday around 5 or 6 pm, whereas homeowners will work on additions / alterations later into the evening and on weekends. Of the above listed cities, 9 pm is the average time when construction work is prohibited. Staff verbally spoke with a few of the City’s larger home builders, and they said that the change would not affect their business operations.

In order to change the City’s construction hour regulations an ordinance must be provided to the Department of Ecology; they have 90 days to review and approve the change. Ecology reviewed and approved the City’s proposed construction hours on May 16, 2024.

Fiscal Impact
No direct financial impact. Code work was already budgeted and approved through the Municipal Code Update Project contract and scope of work.

RECOMMENDATIONS

Staff Recommendation:

Staff recommends that the Council accept the first reading of the proposed amendments.

Committee/Board Recommendation:

N/A; the proposal was a request by Council during the Title 7 review and approval process.

CITY COUNCIL OPTIONS

1. Accept the first reading of Ordinance 1536 adopting revised construction noise hours in the City of Stanwood.
2. Request changes to Ordinance 1536 and direct staff to address specific Council issues or concerns prior to Council reconsideration the ordinance.

PROPOSED MOTION

“I MOVE TO ACCEPT THE FIRST READING OF ORDINANCE 1536 AS SET FORTH IN ATTACHMENT “A” AND TO PROCEED WITH THE SECOND AND FINAL READING.”

**CITY OF STANWOOD
WASHINGTON****ORDINANCE NO. 1536**

AN ORDINANCE OF THE CITY OF STANWOOD, WASHINGTON, AMENDING STANWOOD MUNICIPAL CODE TITLE 7, SECTION 7.30.050, REGULATING CONSTRUCTION SITE NOISE HOURS; ADOPTING NEW SECTION 7.30.053 CONSTRUCTION HOURS AND ESTABLISHING SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the City of Stanwood has begun a process to comprehensively update its municipal code to conform to current law and practice; and

WHEREAS, the purpose of this code amendment is to eliminate conflicts, improve clarity and overall function of the municipal code, and reflect current city and best practices; and

WHEREAS, Stanwood Municipal Code, Section 7.30.050 adopts the City's construction noise regulations; and

WHEREAS, construction noise can significantly disrupt daily activities, interfere with conversations and disturb the peace and quiet of neighborhoods; and

WHEREAS, the City desires to amend the existing construction noise hours to preserve the quality of life in Stanwood by reducing the amount of noise pollution residents are subjected to on a daily basis; and

WHEREAS, the City circulated the ordinance to the Washington Department of Ecology on May 14, 2024, for their 90-day review period as required by WAC 173-60-110; and

WHEREAS, the Washington State Department of Ecology approved the City's proposed revisions on May 16, 2024; and

WHEREAS, the City Council held their first reading of the draft code amendment on July 11, 2024, and second and final reading on July 25, 2024, and accepted public comment; and

WHEREAS, the City Council of Stanwood has authority under Title 35A, RCW to adopt plans and regulations related to development and operations within the City of Stanwood; and

WHEREAS, the Stanwood City Council hereby finds that the adoption of the proposed amendments to the Stanwood Municipal Code serves and advances public health, safety and welfare of the greater community.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF STANWOOD, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Code Revisions. Stanwood Municipal Code Chapter 7.30 is amended as provided in Exhibit "A" attached to this ordinance and incorporated herein by reference as if set forth in full.

Section 2. Severability. The various parts, sections and clauses of this ordinance are hereby declared to be severable. If any part, sentence, paragraph, section or clause is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of the Ordinance shall not be affected thereby.

Section 3. Authority to Make Necessary Corrections. The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance including, but not limited to, the correction of scrivener's clerical errors, references, ordinance numbers, section/subsection numbers and any references thereto.

Section 4. Effective Date. This Ordinance shall take effect thirty (30) days after its passage and publication as required by law.

PASSED and APPROVED this ____ day of _____, 2024.

CITY OF STANWOOD:

Sid Roberts, Mayor

Attest:

Lisa Sokolik, City Clerk

Approved as to Form:

Nikki Thompson, City Attorney

Date of Publication: _____

Effective Date: _____

Exhibit A

7.30.050 Noises exempt during daytime hours.

The following noises are exempt from the provisions of this chapter between the hours of 7:00 a.m. and 10:00 p.m. on weekdays and 9:00 a.m. and 10:00 p.m. on weekends:

- (1) Noise created by powered equipment used in temporary or periodic maintenance or repair of residential property, including but not limited to grounds and appurtenances, such as lawnmowers, powered hand tools, and composters;
- (2) Noise created by the discharge of firearms on city police department authorized shooting ranges;
- (3) Noise created by the installation or repair of essential utility services;
- (4) Noise created by blasting;
- (5) Noise created by bells, chimes, or carillons not operating for more than five minutes in any one hour;
- (6) Noise originating from forest harvesting;
- ~~(7) Noise emanating from temporary construction sites;~~
- (8) Noise emanating from marine-oriented construction sites;
- (9) Noise created by aircraft-engine testing and maintenance not related to flight operations.

NEW SECTION - 7.30.053 Construction Noise.

- (1) No construction activity shall be allowed or audible within one thousand feet of any residence between the hours of eight p.m. to seven a.m., Monday through Friday, and six p.m. to nine a.m. weekends, and federal, state or city observed holidays. The city may grant exemptions from the prohibition set forth in this section for:
 - (a) Public works or state highway projects within the public rights-of-way for which the Public Works Director determines that the public benefit of night-time construction outweighs the short-term impacts of such construction.
 - (b) Emergency repairs necessary for public safety and convenience.
- (2) Project applicants, other than those listed in above, may apply for a noise variance per SMC 7.30.060. Noise variances shall be subject to time limit conditions or other reasonable measures to mitigate any adverse impacts on nearby residents.
- (3) Regular municipal maintenance, operations, and construction activities not covered by a City permit are not subject to the limitations of this section.

Love, Patricia

From: Sant, Fran (ECY) <fsan461@ECY.WA.GOV>
Sent: Thursday, May 16, 2024 3:37 PM
To: Audrey Rotrock
Cc: Love, Patricia
Subject: RE: City of Stanwood Construction Noise Ordinance



CAUTION. This email originated from outside of this organization. Please exercise caution with links and attachments.

Dear Audrey,

Thank you for submitting the proposed draft City of Stanwood noise ordinance that differs from state noise regulations. Ecology has no comment on the proposed noise ordinance amendment, and Ecology's review period of City of Stanwood's noise ordinance is completed. The City of Stanwood can move ahead and adopt/enact this local ordinance.

Additional information about the State Noise Control Act and regulations can be found in the "Frequently Asked Questions on Noise Pollution for Local Government" on the internet at http://www.ecy.wa.gov/laws-rules/noise_local_gov.html.

Should you have questions, comments, or concerns, please do not hesitate to contact me.

Fran Sant

(she/her)

Environmental Review

360.529.6375

From: Audrey Rotrock <Audrey.Rotrock@ci.stanwood.wa.us>
Sent: Tuesday, May 14, 2024 2:13 PM
To: Sant, Fran (ECY) <fsan461@ECY.WA.GOV>
Cc: Love, Patricia <Patricia.Love@ci.stanwood.wa.us>
Subject: City of Stanwood Construction Noise Ordinance

External Email

Good afternoon Fran,

Thank you for your voicemail. Please find attached a Construction Noise Ordinance. The City of Stanwood has received multiple requests from residents concerning the regulation of construction site noise hours.

Since construction noise can disturb the peace and quite of neighborhoods, the City desires to amend the existing construction noise hours to preserve public health and welfare.

Please find the Ordinance attached and let us know if you need any additional information.

Thank you,

Audrey Rotrock

Associate Planner | City of Stanwood

10220 270th St NW

Stanwood, WA 98292

Direct: 360-454-5214 | City Hall: 360-629-2181

Email: audrey.rotrock@ci.stanwood.wa.us



[City of Stanwood](http://www.ci.stanwood.wa.us)

Email may be considered a public record subject to public disclosure under RCW 42.56



CITY OF STANWOOD COUNCIL AGENDA STAFF REPORT

ITEM NUMBER: 11d

DATE: July 11, 2024

SUBJECT: Stanwood Municipal Code Title 10 – Vehicles and Traffic

CONTACT PERSON: Patricia Love, Community Development Director

ATTACHMENTS: A – Ordinance 1532 Adoption of Title 10
B – Bill Severson Email Regarding Neighborhood Electric Vehicles

PURPOSE

The purpose of this agenda item is for Council review and acceptance of the first reading of Ordinance 1532, adoption of Title – 10, Vehicles and Traffic, of the Stanwood Municipal Code.

SUMMARY

Title 10, Vehicles and Traffic is part of the next group of Titles to be amended as part of the Municipal Code Update project. The draft amendments delete outdated code citations and modernize the text by applying current best practices. It notes where new sections have been added or where moved.

Title 10 – Vehicles and Traffic, is the general traffic enforcement code for the City and is generally enforced by the Police and Public Works Departments. As most of Title 10 is significantly outdated, it was completely rewritten to comply with current law and City procedures.

BACKGROUND

The City initiated the Municipal Code Update project in 2022 to modernize the code reflecting best practices with respect to content and administration of the code. The update is intended to be user friendly for staff, property owners and developers by 1) removing legalese and jargon unfamiliar to the lay person, 2) improving clarity and overall functionality, and 3) reflect regulatory best practices. The amendments will also be consistent with current case, state and federal laws.

To help guide the review of the amendments, two types of informational banners are included in the descriptive versions of each amendment. These blue- and yellow-colored

bars highlight changes, recommendations and questions; it notes where new sections have been added or where moved.

 Blue banner describes actions taken or issue descriptions.

 Yellow banners highlight important policy issues.

Due to the sheer size of amending an entire municipal code, work has been broken into manageable pieces with similar titles, or titles that interact with each other, being processed together. To date, the Council has approved the following Title groupings:

Stanwood Municipal Code Titles	Action
Interim Zoning Regulations Prohibiting Mini-Storage Facilities	Council Approved October 27, 2022
Interim Sign Regulations Signs in the Right of Way	Council Approved January 26, 2023
Title 1 – General Provisions Title 2 – Personnel Title 4 – Administration (New)	Council Approved April 23, 2023 Three Readings
Title 6 – Parks and Public Spaces (New) Title 9 – Public Peace, Morals, and Safety Title 13 – Civil Enforcement	Council Approved June 8, 2023 Three Readings
Title 7 – Noise Ordinance Only	Council Approved July 13, 2023
Title 3 – Revenue and Finance Title 5 – Business Licenses & Regulations	Council Approved December 14, 2023 Three Readings
Title 7 – Health and Sanitation Title 8 – Animals	Council Approved May 9, 2024 Two Readings
Fireworks Code Amendment	Council Approved June 13, 2024 Three Readings
Complete Streets Code Amendment	Council Approved June 13, 2024 Two Readings
Construction Noise Ordinance	Pending Council Action
Title 10 – Vehicles and Traffic	Pending Council Action
Title 11 – Streets and Public Rights-of-Way	Pending Council Action

As amendments are approved, there may be times when chapters or sections within previously approved Chapters or Titles will need to be amended to ensure consistency throughout the Municipal Code.

ANALYSIS

Title 10 – Vehicles and Traffic, is the general traffic enforcement code for the City and is generally enforced by the Police and Public Works Departments. As most of Title 10 is significantly outdated, it is recommended to eliminate the majority of this Title and adopt by reference the Washington State Model Traffic Ordinance (MTO).

The State MTO is a set of uniform laws used by local governments to manage the use of roadways and enforce vehicle traffic consistently throughout the state. Per the Washington Administrative Code 308-330 the MTO is not intended to deny any local authority its legislative power, but rather to enhance safe and efficient movement of traffic throughout the state by having current, uniform traffic laws available. Cities may exclude any section of the MTO which they do not want to include in their local traffic ordinance.

Amendments to Title 10 include:

Chapter 10.01 – General Provisions: This chapter will contain provisions applicable to the entire Title, including definitions, enforcement authority, authority to erect signage and severability.

Chapter 10.10 – Rules of the Road: Adopt the Model Traffic Ordinance by reference for rules and regulations applicable to vehicles and traffic.

Chapter 10.20 – Speed Limits: Adopt default speed limits for streets and school zones.

Chapter 10.40 – Parking: Addresses parking of vehicles, towing, impoundment and enforcement.

City Dock Regulations – Move to Title 6 and update to address the motorized and non-motorized boat launch at Hamilton Landing Park.

Council Policy Decision Issues:

The following policy issues need to be discussed before the final reading:

1. Neighborhood Electric Vehicles.

The city has received a specific request to allow street legal neighborhood electric vehicles in Stanwood. The MTO incorporates by reference RCW 46.61.725 regulating and allowing neighborhood electric vehicles. However, as an option to provide clarity to the community a new section can be added that specifically adopts the Neighborhood Electric Vehicles RCW.



What is a Neighborhood Electric Vehicle (NEV)?

A Neighborhood Electric Vehicle (NEV) can resemble a golf cart. However, it is battery-electric, can travel at a maximum speed of 25 mph (40 kmh), and has a maximum loaded weight of 3,000 lbs (1361 kg). NEVs can be legally operated on most public roads where the posted speed limit is 35 mph (50 kmh) or less.

SMC 10.10.020 – Adoption by reference:

(3) RCW 46.61.725, Neighborhood Electric Vehicles is hereby adopted by reference. Such vehicles may only be operated on roads posted with a speed limit of 35 miles per hour or less.

2. Scooters.

Currently motorized scooters are only allowed on city streets and users must be 16 years or older. State law (RCW 46.20.500(5)) allows motorized foot scooters on sidewalks if authorized by a local jurisdiction. "Persons under sixteen years of age may not operate a motorized foot scooter unless provided otherwise by a local jurisdiction. A motorized foot scooter may be operated at a speed of up to fifteen miles per hour on a roadway or bicycle lane, and may be operated on a sidewalk or on pedestrian or bicycle trails if authorized by a local jurisdiction, which shall specify the maximum speed of such sidewalk operation."

Motorized scooters are becoming increasingly popular as a mode of transportation for people of all ages. Elementary and middle school children are now using these devices to get to and from school, similarly to bicycles.

As an alternative to an outright ban on motorized scooters an option is to add language to the code allowing the use of scooters on city streets and sidewalks.



Google Image

In speaking with the School District about the use of scooters, they said they would treat them the same as bicycles: students will be to walk along side the scooter once on District property.

As an alternative to an outright ban on motorized scooters an option is to add the following:

- (1) **Per RCW 46.20.500(5) persons under the age of sixteen years may operate a motorized foot scooter on City sidewalks, bike lanes, multipurpose trails, or in city parks at a speed not more than fifteen miles per hour.**

3. **No Idling in School Zones.**

It has become more common over the last 15+ years for parents to drop off and pick up their children from school. This creates a queue of cars idling as parents wait for their children. The scientific community has raised concerns about the exhaust from vehicles creating hot spots of localized air pollution. When engines are left idling, the amount of exhaust in the air has the potential to negatively impact children's health. As such a no-idling in school zones section was added to the draft ordinance.

10.10.060 Excessive Idling

- (3) All privately owned vehicles within 100 feet of a school shall turn off their engines while waiting to drop off or pick up students. For activities requiring a prolonged stay at a school, privately owned vehicles should be parked.

4. **Truck Routes.**

Staff has heard through many public comments that the City should adopt truck routes to reduce impacts on local and neighborhood streets. Truck routes can improve the quality of life for residents by:

- Reducing the impacts of construction trucks in residential areas;
- Reduce wear and tear on city streets; and
- Supports the reduced emission policies in the Comprehensive Plan.

A new section was added to Title 10 adopting a truck route in the City. The exact route needs to be adopted by resolution after consultation with our local businesses and contractors.

10.10.100 Truck Routes

Except as otherwise provided by this chapter, the operation of the following vehicles shall only occur upon or within (1) the designated truck routes established pursuant to City Council Resolution; and (2) the state highway system within which such operation is unrestricted.

- (1) Any moving van, dump truck, tank truck, used or designed for the purpose of transporting petroleum products;
- (2) Any vehicle designed or used for the transportation of commodities or materials;
- (3) Any vehicle That exceeds eight feet in width, twenty-six feet in length;
- (4) Exceeds twenty thousand pounds (ten tons) gross weight, including load; or
- (5) That is restricted by cargo or contents due to the transportation of radioactive material or hazardous cargo.

5. Reduced Speed Limits in School Zones.

Stanwood has posted “school zone” speed limit signs per state law. However, there were no provisions in City code implementing this law. The proposed draft adds a new section formally adopting a reduced speed limit within 300 feet of an active school or playground.

Options include limiting the time and days when the reduced speed limit is enforceable.



10.20.030 School Zone Speed Limits

It is unlawful for a person to operate a vehicle at a speed in excess of twenty miles per hour within 300 feet of an active school or playground use:

- (1) Between the hours of 7 am and 4 pm on days when school is in session; and
- (2) When the school zone is fully posted with standard school speed limit signs or standard playground speed limit signs.

6. Default Speed Limits in Alleys.

It has been requested to adopt speed limits in alleys. A new section was added to 10.20.040 setting a 10-mph speed limit in alleys.

10.20.040 Default Speed Limits

- (1) Except as provided otherwise, the speed limit within the City of Stanwood is 25 mph, as established by RCW 46.61.400.
- (2) **The speed limit in city alleys is 10 mph.**

7. Decreased Speed Limits on State Highways.

It has been requested to make the speed limit on SR 532 a consistent 35 mph. This amendment does not make that change as any speed limit changes on SR 532 has to be coordinated and approved by the Washington State Department of Transportation. This could be an issue we raise with our next meeting with WSDOT and added as a 2025/2026 work plan item.



35 mph Speed Limit on SR 532 Just Past 92nd Avenue



45 mph Speed Limit on SR 532 Between Pioneer Highway and 88th Avenue



45 mph Speed Limit on SR 532 Just Past 72nd Avenue by the High School.

8. Parking Exception.

The 72-hour on-street parking limitation is a concern for property owners; especially for those that with limited on-site parking availability. A new provision has been added that provides some exception for one's own vehicle in front of one's own house. This has been reviewed by the Police Chief and he is sportive of the proposed language and is easily enforceable by checking license plates.

10.40.240 General Time Limit (Parking)

(2) Exception. A vehicle is not limited by subsection (1) if the vehicle:

- (a) is a passenger car; and
- (b) is not a junk vehicle; and
- (c) is operable in its current state; and
- (d) has a current state registration and license plate tabs; and
- (e) has a registered owner corresponding to an abutting property owner or resident; and
- (f) Is moved at least once a month; not permanently parked in the same location.

9. Time Limit for Parking of Oversized Vehicles.

A new time limit for oversize vehicles was added per advisory group comments. The advisory group felt that large vehicles parked for extended periods of time on city streets causes sight distance, aesthetics and safety concerns.

10.40.280 Oversize Vehicle Parking

- (1) It is unlawful to park a vehicle, together with any fixtures or accessories affixed thereto, that measures 8 feet or more in width, 7.5 feet or more in height, or 22 feet or more in length on any city street for more than 48 hours.

10. Permit Parking Program.

The City adopted a permit parking program in 2011 to address issues of overflow parking into the adjacent neighborhoods from the high school. Since then, the high school has been rebuilt and additional on-site parking has been added. The question has been raised, if the permit parking program is still needed.

Staff recommends keeping the program in place and monitor the issue. People tend to park the shortest distance with easy access to their destination even when sufficient parking is provided. Eliminating the program could have unintended consequences for the adjacent neighborhoods without property evaluation.

11. Parking Penalties.

Monetary parking penalties are adopted in the current and draft code. Staff recommends deleting these sections and replace with a reference to the fee schedule when updated next.

12. City Docks.

The City adopted a fee schedule for use of City docks in 1979. With the opening of Hamilton Park, the current policy is not to charge a boat launch or parking fee. The old fees, ranging from \$4.00 per day to a monthly fee of \$4.00 per foot, has been deleted. The entire section is being moved to Title 6, Parks and Public Space.

However, to help manage daily use of the boat launch, the time limitation on use of the launch was maintained per the old code.

6.80.040 Time Limits

(1) A vessel is subject to the following maximum stays at a city dock as follows:

- (a) Maximum of eight hours in a 24-hour period.
- (b) Up to three days in a 7-day period.

Fiscal Impact
No direct financial impact. Code work was already budgeted and approved through the Municipal Code Update Project contract and scope of work.

RECOMMENDATIONS

Staff Recommendation:

Staff recommends that the Council accept the first reading of the proposed amendments and proceed to the second reading.

Committee/Board Recommendation:

The Advisory Group, Planning Commission and City Council Community Development Committee have all reviewed the proposed amendments; their comments have been incorporated into the drafts. All groups have recommended to adopt the amendments.

CITY COUNCIL OPTIONS

1. Accept the first reading of Ordinance 1532 adopting Title 10, Vehicles and Traffic, and to proceed with the second reading.
2. Request changes to Ordinance 1532 and direct staff to address specific Council issues or concerns prior to Council reconsideration the ordinance.

PROPOSED MOTION

“I MOVE TO ACCEPT THE FIRST READING OF ORDINANCE 1532 AS SET FORTH IN ATTACHMENT “A” AND TO PROCEED WITH THE SECOND READING”.

**CITY OF STANWOOD
WASHINGTON**

ORDINANCE NO. 1532

**AN ORDINANCE OF THE CITY OF STANWOOD, WASHINGTON, AMENDING
STANWOOD MUNICIPAL CODE (SMC) TITLE 10, VEHICLES AND TRAFFIC, AND
ESTABLISHING SEVERABILITY AND AN EFFECTIVE DATE.**

WHEREAS, the City of Stanwood has begun a process to comprehensively update its municipal code to conform to current law and practice; and

WHEREAS, the purpose of this code amendment is to eliminate conflicts, improve clarity and overall function of the municipal code, and reflect current city and best practices; and

WHEREAS, Title 10 adopts the City's regulations for vehicles and traffic; and

WHEREAS, the amendments were reviewed for consistency with the state model ordinance and city's review procedures; and

WHEREAS, the amendments update the city's rules regarding vehicles and traffic and the city dock; and

WHEREAS, the City of Stanwood SEPA Responsible Official has reviewed the proposed amendments to the Stanwood Municipal Code, determined that the amendments are categorically exempt from SEPA, and memorialized those conclusions under file number 2024-0085; and

WHEREAS, the Stanwood Community Development Committee reviewed the draft ordinance at their January 4, 2024, meeting and has recommended that the City Council adopt the ordinance as presented; and

WHEREAS, the Stanwood Planning Commission reviewed the draft ordinance at their January 8, 2024, meeting and has recommended that the City Council adopt the ordinance as presented; and

WHEREAS, the Stanwood Advisory Group reviewed the draft ordinance at their January 17, 2024, meeting and has recommended that the City Council adopt the ordinance as presented; and

WHEREAS, the City Council held a public meeting and first reading of the draft code amendment on July 11, 2024, a second reading on July 25, 2024, and accepted public comment; and

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF STANWOOD,
WASHINGTON, DOES ORDAIN AS FOLLOWS:**

Section 1. Stanwood Municipal Code Title 10, Vehicles and Traffic, is repealed in its entirety and replaced with the new Title 10 provided in Exhibit "A" attached to this ordinance and incorporated herein by reference as if set forth in full.

Section 2. Stanwood Municipal Code Chapter 6.80, City Docks, is adopted to read as provided in Exhibit "B" attached to this ordinance and incorporated herein by reference as if set forth in full.

Section 3. Severability. The various parts, sections and clauses of this ordinance are hereby declared to be severable. If any part, sentence, paragraph, section or clause is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of the Ordinance shall not be affected thereby.

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

Section 5. Effective Date. This Ordinance shall take effect thirty (30) days after its passage and publication as required by law.

PASSED and APPROVED this ____ day of _____, 2024.

CITY OF STANWOOD:

Sid Roberts, Mayor

Attest:

Lisa Sokolik, City Clerk

Approved as to Form:

Nikki Thompson, City Attorney

Date of Publication: _____

Effective Date: _____

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Title 10 Vehicles and Traffic

i This is a heavy rewrite and complete reorganization of existing SMC Title 10. This draft proposes Stanwood adopt by reference [WAC Chapter 308-330](#), the Model Traffic Ordinance (the "MTO"), and eliminate most of the customized chapters in this title.

i The following existing code chapters appear to be sufficiently covered by the MTO, and therefore are not included in this rewrite of Title 10:

- Chapter 10.24 Traffic-Control Devices (covered by WAC 308-330-800 incorporating by referencing multiple provisions of state law); not addressed is “play streets,” which we and Stanwood's city attorney recommend excluding
- Chapter 10.52 Processions (covered by WAC 308-330-466-472)
- Chapter 10.16 Obedience (covered by WAC 308-330-220)
- Chapter 10.54 DUI and 10.56 Intoxication Test (covered by WAC 308-330-425, incorporating by reference RCW 46.61.502 et seq)
- Chapter 10.64 Pedestrians (mostly covered by WAC 308-330-415 incorporating RCW 46.61.230 et seq.)
- Chapter 10.84 Toy Vehicles
- Chapter 10.94 All-Terrain vehicles (covered by WAC 308-330-197 incorporating RCW 46.09) except existing SMC 10.94.030

i We originally proposed a dedicated chapter for bicycling, but because the city declined mandatory helmets and licensing, we now propose to simply rely on the bicycling rules in WAC 308-330-545 through 560, which are part of the MTO.

i Note that the MTO incorporates by reference [RCW 46.61.725](#) regulating and allowing for neighborhood electric vehicles. Existing SMC 10.84 regulating toy vehicles is not included in this draft; instead we rely on the MTO rules.

Chapter 10.01 General Provisions

i This is a new chapter.

10.01.010 Purpose

The purpose of this title is to regulate the conduct of vehicles and other users on city streets and parking lots.

10.01.020 Administration

(1) The Director of Public Works is principally authorized to administer this title.

(2) The police department is authorized to enforce this title.

10.01.030 Definitions

The definitions in RCW Chapter 46.04 are incorporated by reference and apply to terms used in this title.

10.01.060 Savings

Nothing contained in this title may be construed as abating any action now pending under or by virtue of any ordinance of the city herein superseded; or as discontinuing, abating, modifying or altering any penalty accrued or to accrue, or as affecting the liability of any person, firm or corporation, or as waiving any right of the city under any ordinance or provision thereof in force at the time of passage of the ordinance codified in this title.

10.01.070 Severability

The various chapters, sections, and clauses of the ordinances codified in this title are hereby declared to be severable. If any part, sentence, paragraph, section, or clause is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of the title must not be affected.

Chapter 10.10 Rules of the Road

10.10.010 Applicability

- (1) This chapter applies to all vehicles used on any public street or highway within the City of Stanwood.
- (2) This chapter applies to all parking lots open to the public, including those owned or controlled by the City of Stanwood, other municipal corporations, and private persons or entities.
- (3) This chapter does not apply to an authorized emergency vehicle when responding to an emergency or when in the pursuit of an actual or suspected violator of the law so long as the driver does not endanger life or property.

10.10.020 Adoption by reference

- (1) [WAC Chapter 308-330](#), Washington Model Traffic Ordinance (the "MTO"), is hereby adopted by reference, except as described below.
 - (a) Deletions. The following sections of the MTO are not adopted:
 - (i) WAC 308-330-210 through 308-330-245, relating to a traffic division of the police department;
 - (ii) WAC 308-330-275, creating a Traffic Safety Commission;
 - (iii) WAC 308-330-500 through 540 related to bicycle licensing.
 - (b) Amendments. The following sections of the MTO are amended as follows:
 - (i) Reserved.
- (2) [WAC Chapter 173-62](#), Motor Vehicle Noise Performance Standards, is hereby adopted by reference.

 Note that the MTO incorporates by reference [RCW 46.61.725](#) regulating and allowing for neighborhood electric vehicles. However, as an option to provide clarity to the community a new section can be added that specifically adopts the Neighborhood Electric Vehicles RCW.

- (3) RCW 46.61.725, Neighborhood Electric Vehicles is hereby adopted by reference. Such vehicles may only be operated on roads posted with a speed limit of 35 miles per hour or less.

10.10.030 Scooters



Implements existing SMC 10.90 except for the seizure provisions.

- (1) Per RCW [46.61.715](#), a motorized foot scooter may be operated on city streets except:
 - (a) on city streets with a speed limit greater than 25 mph;
 - (b) by a person less than 16 years old;
 - (c) on city-owned property, city parks, upon designated walkways, pathways, sidewalks, or any other place where motorized vehicles are expressly prohibited;
 - (d) anytime during one half-hour after sunset to one half-hour before sunrise without reflectors of a type approved by the state patrol;
 - (e) with a passenger.



As an alternative to section (1) above, RCW 46.20.500(5) allows motorized foot scooters on sidewalks if authorized by a local jurisdiction. "Persons under sixteen years of age may not operate a motorized foot scooter unless provided otherwise by a local jurisdiction. A motorized foot scooter may be operated at a speed of up to fifteen miles per hour on a roadway or bicycle lane, and may be operated on a sidewalk or on pedestrian or bicycle trails if authorized by a local jurisdiction, which shall specify the maximum speed of such sidewalk operation."

- (2) **Per RCW 46.20.500(5) persons under the age of sixteen years may operate a motorized foot scooter on City sidewalks, bike lanes, multipurpose trails, or in city parks at a speed not more than fifteen miles per hour.**
- (3) A motorized foot scooter must be equipped so that the drive motor is engaged through a switch, lever, or other mechanism that, when released, will cause the drive motor to disengage or cease to function.
- (4) A motorized foot scooter may not be operated in a negligent manner upon any city street. For the purpose of this section, "to operate in a negligent manner" means to operate a motorized foot scooter in such a manner as to endanger or be likely to endanger any person or property or to obstruct, hinder or impede the lawful course of travel of any motor vehicle or the lawful use by any pedestrian of public streets, sidewalks, alley, parking areas, trails or public parks within the city of Stanwood.
- (5) It is unlawful for any parent, guardian, or other person having control or custody of a minor child to allow said minor to operate a motorized foot scooter in violation of this section.
- (6) A violation of this section is a class 3 civil infraction.

10.10.035 Toy Vehicles



Implements existing SMC 10.20.010 and supplants existing SMC chapter 10.84.

- (1) No person upon roller skates, or riding in or by means of any coaster, toy vehicle, or similar device, may travel upon any street except while crossing the street in a crosswalk and, when so crossing, such person must be granted all of the rights and shall be subject to all of the duties applicable to pedestrians.
- (2) A violation of this section is a class 4 civil infraction.

10.10.040 Compression Brakes

i This section is based on Port Townsend Municipal Code Chapter 10.30.

- (1) Except for emergency vehicles, no driver may use motor vehicle brakes within city limits that are in any way activated or operated by the compression of the engine of the motor vehicle or any unit or part thereof unless the brakes are muffled.
- (2) The public works director is authorized and directed to post appropriate signage consistent with the provisions of this chapter.
- (3) A violation of this section is a class 2 civil infraction.

10.10.060 Excessive Idling

i This section is based on Port Townsend Municipal Code Chapter 10.08.

- (1) This section applies to all public property and all private property that is open to the general public.
- (2) No driver, while operating a vehicle within city limits, may cause or permit a vehicle's internal combustion engine to idle for more than three minutes, except for the following kinds of idling:
 - (a) Idling while stopped:
 - (i) For an official traffic control device;
 - (ii) For an official traffic control signal;
 - (iii) At the direction of a police officer.
 - (b) Idling as needed for the health or safety of a driver or passenger, including police K-9 or other service animals or when the temperature is at or below 30 degrees Fahrenheit or at or above 85 degrees Fahrenheit.
 - (c) Idling as needed for authorized emergency or law enforcement vehicles to operate equipment.
 - (d) Idling as needed for repair, maintenance, or inspection of the vehicle.
 - (e) Idling as needed for the period recommended by the manufacturer for efficient operations of a turbocharged heavy-duty vehicle. This includes building air pressure in air brake systems, among other requirements.
 - (f) Idling as needed to operate auxiliary equipment for which the vehicle was primarily designed or equipped, such as: emergency equipment, refrigeration unit, lift, crane, pump, drill, hoist, or ready mixed equipment, except a heater or air conditioner.

i Option to include no-idling requirements near schools.

- (3) All privately owned vehicles within 100 feet of a school shall turn off their engines while waiting to drop off or pick up students. For activities requiring a prolonged stay at a school, privately owned vehicles should be parked.
- (4) A violation of this section is a class 4 civil infraction.

10.10.080 One-Way Traffic

- (1) The street segments listed in Table 10.10.080-1 are designated one-way streets and traffic is permitted only in the direction specified.

- (2) Consistent with RCW 46.61.135, it is unlawful to drive in a direction contrary to that specified in Table 10.10.080-1.

Table 10.10.080-1

Street	Segment	Direction
Augusta St	Between SR-532 and 2870th St NW	Southbound
270th St NW	Between 90 ft west of 99th Ave NW to a point 75 ft west	Westbound
Alley between 270th St NW and 271st St NW	Between Florence Rd and 88th Ave NW	Westbound

 New section adopting truck route regulations based on Anacortes municipal code.

10.10.100 Truck Routes

Except as otherwise provided by this chapter, the operation of the following vehicles shall only occur upon or within (1) the designated truck routes established pursuant to City Council Resolution; and (2) the state highway system within which such operation is unrestricted.

- (1) Any moving van, dump truck, tank truck, used or designed for the purpose of transporting petroleum products;
- (2) Any vehicle designed or used for the transportation of commodities or materials;
- (3) Any vehicle That exceeds eight feet in width, twenty-six feet in length;
- (4) Exceeds twenty thousand pounds (ten tons) gross weight, including load; or
- (5) That is restricted by cargo or contents due to the transportation of radioactive material or hazardous cargo.

Chapter 10.20 Speed Limits

10.20.020 Generally

 Implements existing SMC 10.28.010.

- (1) The maximum speeds declared in this chapter have been determined upon the basis of engineering and traffic investigation.
- (2) It is unlawful for any person to drive a vehicle at a speed in excess of any speed declared in this chapter.

 Proposed new school zones per RCW 46.61.440?

10.20.030 School Zone Speed Limits

It is unlawful for a person to operate a vehicle at a speed in excess of twenty miles per hour within 300 feet of an active school or playground use:

- (1) Between the hours of 7 am and 4 pm on days when school is in session; and
- (2) When the school zone is fully posted with standard school speed limit signs or standard playground speed limit signs.

10.20.040 Default Speed Limits

 Note proposed new default speed limit in alleys.

- (1) Except as provided otherwise, the speed limit within the City of Stanwood is 25 mph, as established by RCW 46.61.400.
- (2) The speed limit in city alleys is 10 mph.

10.20.050 Increased Speed Limits on City Streets

Reserved.

10.20.060 Decreased Speed Limits on City Streets

 Implements existing SMC 10.28.040.

The speed limits for the following street segments are decreased to those shown in Table 10.20.060-1.

Table 10.20.060-1

Street	Segment	Speed Limit
272nd St NW (Husby St)	Between 78th Ave NW and 72nd Street NW (Lindstrom Rd)	20 mph
285th St	Between 68th Ave NW and 71st Drive NW	20 mph
Pioneer Hwy	Between the south city limits to the intersection with SR 532	35
Pioneer Hwy	Between 85th Dr NW and the north city limits	30

10.20.080 Decreased Speed Limits on State Highways

 Implements existing SMC 10.28.020.

 Consider changing the speed limit on SR 532 from Jimmy's Pizza (98th Avenue) to 72nd Avenue from 45 mph to 35 mph. This would require an evaluation of the corridor with WSDOT and included in a future work plan.

The speed limits for the following street segments of state highways are decreased to those shown in Table 10.20.080-1.

Table 10.20.080-1

Street	Segment	Speed Limit
SR-532	Between MP 3.80 (.06 mi. west Jct. 104th Drive NW) and MP 4.25 (Jct. 98th Drive NW/99th Ave NW)	35
SR-532	Between MP 4.25 (Jct. 98th Drive NW/99th Avenue NW) to MP 5.91 (.01 mi. east Jct. 72nd Avenue NW)	45

Chapter 10.40 Parking

Article I. General Provisions

10.40.110 Short Title

This chapter may be known and cited as the “City of Stanwood Parking Code.”

10.40.120 Applicability

- (1) This chapter applies to public streets and highways, city rights-of-way, and city-owned parks and parking lots within the City of Stanwood.
- (2) This chapter does not apply to an authorized emergency vehicle when responding to an emergency or when in the pursuit of an actual or suspected violator of the law.

10.40.130 Definitions

- (1) The following additional definitions apply to the terms used in this chapter:

"Bike lane" means the area within any public right-of-way specially designated for the use of bicycles and signed or marked as such, excluding travel lanes marked with sharrows.

"Fire lane" means the area within any public right-of-way, easement, or private property designated for fire trucks and/or emergency vehicles to use, place emergency equipment upon, travel upon, or park, which includes any curb painted red or any other area marked for that purpose.

"Junk vehicle" has the meaning found in RCW 46.55.010.

"Landowner" includes a legal owner of private property, a person with possession or control of private property, or a public official having jurisdiction over public property.

"Passenger car" has the meaning found in RCW Chapter 46.04 and includes pickup trucks.

"Right-of-way" means the area of real property, in which the city holds a property interest for public travel and other street and utility purposes, including that portion of the roadway ordinarily used for vehicular travel, the parking strip, the planting strip, sidewalk, and other unimproved portions.

"Street block" means the section of one side of a street that lies between two intersecting streets or between an intersecting street and the street end.

"Street segment" means a portion of a street bounded by two points.

"Street" has the meaning of "city street" found in RCW Chapter 46.04.

"Vehicle" has the meaning found in RCW Chapter 46.04 and includes trailers, vehicle hulks, and portable moving and storage containers.

"Vehicle hulk" means the remnant or remains of a motor vehicle which is inoperative and cannot be made mechanically operative without the addition of vital parts or mechanisms and the application of a substantial amount of labor to effect repairs.

10.40.140 Administration

i Based on existing SMC 10.46.110.

- (1) The Director of Public Works is authorized to administer parking regulations and establish time, duration, and direction parking restrictions on street segments.
 - (a) It is the responsibility of the Director of Public Works to provide signage or curb painting in accordance with the parking limits as described in this chapter, except for the general prohibitions described in SMC 10.40.310.

- (b) New signage erected after January 1, 2024, must include the relevant Stanwood Municipal Code citation (not the ordinance number) governing the parking restriction, if any.

(2) The Police Department is authorized to enforce parking regulations.

10.40.160 Owner Liability

The registered owner of any vehicle or trailer parked contrary to the provisions of this chapter may be deemed to have allowed such vehicle or trailer to be parked in violation hereof.

10.40.190 Severability.

If any section, subsection, sentence, clause, phrase, or word of this chapter is held invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality thereof may not affect the validity or constitutionality of any other section, subsection, sentence, clause, phrase, or word of this chapter.

Article II. Parking Regulations

10.40.200 Parking Must Conform to Official Signs

It is unlawful to park in a manner inconsistent with the restrictions on official parking signs.

10.40.220 Methods of Parking

i Implements existing SMC 10.46.050 and 055.

(1) Parallel parking.

- (a) Except as otherwise specified in this chapter or unless otherwise permitted by duly erected traffic control signs or markings, all parking on streets must be what is known as “parallel parking.”
- (b) In any place where parallel parking is permitted or required, every vehicle stopped or parked upon a roadway where there is an adjacent curb or edge of abutting parking strip must be so stopped or parked with the right hand wheels of such vehicle parallel to and within 12 inches of the right hand curb or edge of abutting parking strip.

(2) Angle parking.

i Implements existing SMC 10.46.065.

- (a) Where designated by angle striping or signage, parking must be by “diagonal parking,” with the right front wheel of the vehicles within twelve inches of the curb or edge of parking strip and at an angle of 30 degrees with said curb or edge or parking strip. When parking tires shall be directed away from the curb on an uphill slope and toward the curb on a downhill slope.
- (b) In any place where angle parking is required, it is unlawful to angle park a vehicle that exceeds 20 feet in length.

10.40.240 General Time Limit

i Implements existing SMC 10.46.090.

(1) It is unlawful to park for a continuous period in excess of 72 hours on any street block.



The following line is a new provision that provides some exception for one's own vehicle in front of one's own house. Does the City want to include it?

- (2) Exception. A vehicle is not limited by subsection (1) if the vehicle:
- (a) is a passenger car; and
 - (b) is not a junk vehicle; and
 - (c) is operable in its current state; and
 - (d) has a current state registration and license plate tabs; and
 - (e) has a registered owner corresponding to an abutting property owner or resident; and
 - (f) Is moved at least once a month; not permanently parked in the same location.

10.40.260 General Prohibitions



This section mostly based on existing SMC 10.46.100.

- (1) Adoption by reference. The following provisions of the Revised Code of Washington as presently constituted or hereinafter amended are adopted by reference:
- (a) RCW 46.19.050, regulating use of parking spaces for persons with disabilities.
 - (b) RCW 46.61.570, prohibiting parking in specified places.
 - (c) RCW 46.61.575, regulating motorcycle parking.
 - (d) RCW 46.61.581, regulating parking spaces for persons with disabilities.
 - (e) RCW 46.08.185, regulating parking in electric vehicle charging spaces.
- (2) It is unlawful to park:
- (a) in any place marked with official signs as no-parking;
 - (b) in any alley, except that trucks or properly marked commercial vehicles may park in an alley for a time not exceeding 15 minutes, as may be necessary for the expeditious loading or unloading of such vehicles or the delivery or pickup of articles or materials;
 - (c) in any loading zone except for a time not exceeding 15 minutes, as may be necessary for the expeditious loading or unloading of such vehicle or the delivery or pickup of articles or materials or passengers;
 - (d) in the travel lane of a street;
 - (e) in a bike lane;
 - (f) in a fire lane or exit;
 - (g) within any cul-de-sac;
 - (h) on any sidewalk;
 - (i) in the area between a sidewalk and the curb of a street;



Next line based on existing SMC 10.46.095.

- (j) alongside of or in front of any portion of any private driveway or curb cut or sidewalk that has been sloped from the property line down to the level of the street;

- (k) in such a manner as to obstruct a 5-ft area on either side of a street-accessed mailbox between the hours of 8:00 a.m. and 6:00 p.m., except Sundays and holidays;
- (l) on any bridge, overpass, underpass, trestle or approaches thereto;
- (m) within 50 feet of the nearest rail of a railroad crossing;
- (n) on any portion of a street or right-of-way for use as a place of abode;

i Next line based on existing SMC 10.46.090(2).

- (o) for the purpose of storage, display, sale or abandonment of any type vehicle, including farm vehicles.
- (3) It is unlawful to disassemble, construct, reconstruct, repair, or service vehicles of any kind upon any street, except for emergency service which may not last more than two hours and may not interfere with or impede the flow of traffic.

10.40.280 Oversize Vehicle Parking

! Set time limit for oversize vehicles to 48 hours per advisory group comments.

- (1) It is unlawful to park a vehicle, together with any fixtures or accessories affixed thereto, that measures 8 feet or more in width, 7.5 feet or more in height, or 22 feet or more in length on any city street for more than 48 hours.
- (2) Exception. The following vehicles are not subject to the time limitation in subsection (1), but continue to be subject to all other parking regulations in this chapter:
 - (a) A vehicle that is associated with an adjacent delivery or with machinery or equipment associated with adjacent construction.
 - (b) A vehicle that has obtained a temporary permit from the Director of Public Works.

10.40.290 Parking in City Parks

It is unlawful to park a vehicle in the parking lot for any city park outside of the officially posted park hours.

10.40.295 Parking in City Parking Lots

- (1) RV's, semi-trucks, trailers, junk vehicles, and nuisance vehicles are prohibited from parking overnight in City owned parking lots.
- (2) The Director of Public Works may establish time limits, hours of allowed parking, and other restrictions in city-owned parking lots.
- (3) It is unlawful to park in any city-owned parking lot in a manner inconsistent with posted regulations.

Article III. Permit Parking Areas

10.40.300 Residential Permit Parking Areas

i Consolidated inconsistent use of "permit parking" and "restricted parking area " to "permit parking area."

i The question was raised if we should delete the parking program as additional parking has been provided at the high school. Staff recommends keeping the permit parking program at this time and monitor the parking situation.

- (1) Established. The street segments in Table 10.40.300-1 are hereby established as residential permit parking areas.

Table 10.40.300-1

Street	Segment	Side
76th Drive NW	Between 272nd St and 276th St	Both
273rd St NW	Between 76th Drive NW and 78th Ave NW	Both
78th Ave NW	Between 273rd St NW and 276th St NW	Both

- (2) Restrictions.

- (a) It is unlawful to park in a permit parking area Monday through Friday between the hours of 7:00 a.m. and 5:00 p.m., without a valid permit, issued pursuant to this section, displayed as follows so as to be legible from the outside of the vehicle:
- (i) hung over the rear-view mirror with the face of the permit visible through the windshield; or
 - (ii) placed on the vehicle dashboard with the face of the permit visible through the windshield.
- (b) Exceptions. The following are not subject to the restriction in this subsection:

i Added Christmas Eve to this list because it's also a day lots of people get together to park illegally.

- (i) Vehicles parked during the following holidays: New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, the day after Thanksgiving, Christmas Eve, and Christmas Day.
 - (ii) A vehicle authorized by RCW 46.16.381 for special parking privileges for disabled persons.
 - (iii) A service vehicle not owned by a resident of the permit parking area, with conspicuous identification of the service it provides permanently affixed to the vehicle, that is used for the purpose of providing short-term repair, construction, landscaping services, delivery, utility, refuse, health commodities, life support or emergency service for a residence within the permit parking area. Personal vehicles used by domestic employees, such as housekeepers or childcare providers, are not considered service vehicles.
- (c) Parking with a permit is still subject to all other parking rules in this chapter.
- (d) The Director of Public Works must post appropriate signs in each permit parking area to give notice of the parking restrictions imposed by this section.
- (3) Types of permits.
- (a) Resident parking permit.

- (i) A parking permit may be issued only for a specific address and is nontransferable to any vehicle or any individual who is not a resident of the address for which the permit was issued within the permit parking area.
 - (ii) One permit may be issued for each vehicle that meets the criteria set forth above, up to a maximum of three permits per residence.
 - (iii) A permit is valid for one calendar year or as otherwise established by the city clerk or upon termination of residency in the permit parking area, whichever occurs first.
- (b) Guest parking permit.
 - (i) A resident within the permit parking area may apply for a temporary guest parking permit in conjunction with a standard parking permit.
 - (ii) A guest parking permit is transferable among vehicles of guests of residents of the permit parking area and must be displayed as required by this section.
 - (iii) A guest permit expires 15 days after issuance.
- (4) Issuance of permits.
 - (a) Application and initial issuance. The city clerk may issue a permit or guest permit upon receipt of a complete and valid application consistent with this subsection.
 - (i) The applicant for a parking permit must submit a complete application to the City Clerk on forms provided by the City.
 - (ii) The applicant must sign the application attesting to the accuracy of the information provided and acknowledging the terms and conditions of permit privileges.
 - (iii) The applicant must provide one of the following at the time of application as evidence of residency within the permit parking area:
 - (A) a registration certificate for a vehicle to be parked in the restricted parking area showing the name of the applicant and the applicant's address within the permit parking area; or
 - (B) a lease agreement, rental agreement or current utility bill establishing applicant's residency in the permit parking area; or
 - (C) government-issued picture identification, such as a driver's license.
 - (iv) The applicant must pay any fee for permit parking as established in the City's fee schedule, including any annual fee or reissuance fee. All permit application fees are nonrefundable.
 - (b) Reissuance. An eligible resident of the permit parking area may request reissuance of a permit that has been lost, damaged, or stolen. The resident may be required to sign a declaration regarding the circumstances leading to the reissuance request and stating that, when possible, the original permit has been removed or otherwise destroyed.
 - (c) Expiration and Renewal. Permits may be renewed upon expiration. Permit fees may not be prorated.
 - (d) Revocation. The city clerk may revoke a parking permit for any of the following reasons:
 - (i) any material misrepresentation on a permit application;
 - (ii) any unauthorized transfer of a permit to any unauthorized vehicle or to any individual who is not an eligible resident of the restricted parking zone;
 - (iii) any other unauthorized use of a permit.

Article IV. Parking During Construction and Special Events

10.40.420 Parking in Construction Zones

It is unlawful to park in any area that has been signed as no-parking for the purpose of construction.

10.40.440 Parking Along Parade Routes or Street Fair Areas

- (1) It is unlawful to park along any street that has been approved by the City as a parade route or for a street fair during the times specified in the no-parking signs posted per subsection (2).
- (2) No-parking signs for the event:
 - (a) must be posted at least 24 hours in advance of the event;
 - (b) must consist of at least four temporary signs on each side of every street block in which parking is prohibited;
 - (c) must designate the time period during which parking is prohibited.
- (3) Where compliance with subsection (2) is achieved for a relevant street block, the Police Department may impound any vehicle that is parked in violation of this section.

10.40.460 Parking During Major Events

The Director of Public Works is authorized to suspend enforcement of specified elements of the parking regulations established in this chapter during major events where additional parking is required to support the event.

Article V. Towing and Impoundment

10.40.520 Impoundment—Generally

- (1) Per RCW 46.55.240(1), applicable provisions of RCW Chapter 46.55 are adopted by reference, including the definitions in RCW 46.55.010.
- (2) A presumption that a notice required by this Article has been "securely attached and conspicuously displayed" exists when the notice is secured by placing it on the vehicle windshield, under the vehicle windshield wiper blade or otherwise securely attached.
- (3) Prior to impounding a vehicle under this Chapter, a police officer must make a reasonable determination as to whether the vehicle is currently being used as a residence and make written note of the factors that led to that determination. If the vehicle is being used as a residence, the provisions of SMC 10.40.650 apply.

10.40.530 Impound After Notice.

- (1) Except as provided in SMC 10.40.540 and .550, a vehicle may be impounded after notice of such proposed impoundment has been securely attached to and conspicuously displayed on the vehicle for a period of 24 hours prior to impoundment if such vehicle is parked or used in violation of any law, ordinance, or regulation.
- (2) The notice must comply with the provisions of RCW 46.55.085.

10.40.540 Impound Without Notice.

- (1) Except as provided in SMC 10.40.550, the Police Department may impound any vehicle, with or without citation and without giving prior notice to the owner as required in SMC 10.40.530 when:
 - (a) the vehicle is unattended and is impeding or is likely to impede the normal flow of vehicular, pedestrian, or bicycle traffic; or

- (b) the vehicle is illegally occupying a truck, commercial load zone, construction zone, street closed by order of the City Council, restricted parking zone, bus, loading, hooded-meter, taxi, or other similar zone where parking is limited to designated classes of vehicles or is prohibited during certain hours, on designated days, or at all times, and where such vehicle is interfering with the proper and intended use of such zones and where such zone is clearly and conspicuously marked; or
 - (c) the vehicle is parked within no parking zones specified in RCW 46.61.570;
 - (d) the vehicle is parked in violation of SMC 10.40.260; or
 - (e) the vehicle without a special license plate, card, or decal indicating that the vehicle is being used to transport a disabled person as defined under Chapter 46.16 RCW, as now or hereafter amended, is parked in a stall or space clearly and conspicuously marked under RCW 46.61.581 when such space is on public property or provided on private property without charge; or
 - (f) the vehicle parked in violation of this chapter that has unpaid parking tickets per SMC 10.40.680;
 - (g) the vehicle is parked in such a manner as to constitute a traffic hazard; or
 - (h) the vehicle poses an immediate danger to the public safety; or
 - (i) a police officer has probable cause to believe that the vehicle is stolen; or
 - (j) a police officer has probable cause to believe that the vehicle constitutes evidence of a crime or contains evidence of a crime, if impoundment is reasonably necessary in such instance to obtain or preserve such evidence; or
 - (k) the vehicle is parked in a publicly owned or controlled parking facility, properly posted under RCW 46.55.070; or
 - (l) the vehicle is parked on private, nonresidential property, properly posted under RCW 46.55.070; or
 - (m) the vehicle is left unattended on residential property without consent of the property owner or agent;
 - (n) the vehicle is a junk vehicle and is parked on a street, alley, or way open to the public, or on municipal or other public property;
 - (o) the vehicle is parked in a public right-of-way or on other publicly owned or controlled property in violation of any law, ordinance, or regulation and there are four or more parking infractions issued against the vehicle for each of which a person has failed to respond, failed to appear at a requested hearing, or failed to pay an adjudicated parking infraction for at least 45 days from the date of the filing of the notice of infraction;
 - (p) any part of the vehicle is leaking material other than stormwater onto the street or any other part of the municipal separate storm sewer system.
- (2) Nothing in this section may be construed to authorize seizure of a vehicle without a warrant where a warrant would otherwise be required.

10.40.550 Impound of Vehicle Used as a Residence

- (1) If a police officer who impounds a vehicle determines that the vehicle is currently being used as a residence:
- (a) the vehicle may be impounded pursuant to the processes described in this chapter;
 - (b) if the registered owner of the vehicle is not a resident of the vehicle, and the vehicle is not redeemed per SMC 10.40.660, the City may sell or destroy the vehicle;
 - (c) if the registered owner of the vehicle is a resident of the vehicle, the City may impose fines for the impoundment and associated costs of storage and redemption, limited to the lesser of the actual costs or the amount the vehicle owner has the ability to reasonably pay.

10.40.560 Redemption of Impounded Vehicle—Sale at Auction

RCW 46.55.120, governing redemption of impounded vehicles, is incorporated by reference.

Article VI. Enforcement and Penalties

10.40.610 Enforcement of parking regulations.

- (1) The parking regulations in this chapter may be enforced by the city's police officers and the city's parking enforcement officers, who have the authority to issue a notice of parking infraction when the parking infraction is committed in the officer's presence.
- (2) If any vehicle is found parked in violation of this chapter or otherwise violates the provisions of this chapter, the officer finding the vehicle must take its license plate number and may take any other information displayed on the vehicle which may identify its user, and must conspicuously affix to the vehicle a notice of parking infraction.
- (3) A notice of parking infraction represents a determination that a parking violation has been committed. The determination will be final unless contested as provided in this chapter.
- (4) An officer responsible for the enforcement of the parking regulations of the city is authorized to identify such parked vehicles to facilitate enforcement of this chapter. Such identification may be by electronic recording of the vehicle license plate or by some other convenient method, but may not be injurious to or damage the vehicle. It is unlawful for any person other than an officer, parking enforcement officer to interfere with, conceal, obliterate, or erase any such physical marks.

10.40.620 Penalties for violations of this chapter.

 If each are contained within the city's unified fee schedule, we can simply replace with a reference to the fee schedule (although note some fee amounts, such as for EV and disabled parking, are set by statute).

- (1) Unless otherwise specified elsewhere in this chapter, the penalties for each type of violation of this chapter are as follows:
 - (a) parking in excess of time limits: \$20; unless paid by the close of business on the 10th day following the citation, then \$10;
 - (b) parking in alley: \$25;
 - (c) parking in a bike lane, over a sidewalk, or blocking mailbox: \$25;
 - (d) parking in other areas where prohibited at all times: \$50;
 - (e) parking in a residential parking zone: \$50;
 - (f) interfering with, concealing, obliterating or erasing marks: \$50;
 - (g) parking in an electric vehicle parking space: \$124;
 - (h) parking in disabled space: \$250 and an additional \$200 assessment pursuant to RCW 46.19.050 for a total of \$450;
 - (i) all other parking violations: \$20.
- (2) For a subsequent additional violation within one year of a preceding violation, an additional penalty applies as follows:
 - (a) First additional violation: \$10;

- (b) Second and third additional violation: \$25;
 - (c) Fourth through sixth violations: \$50;
 - (d) Seventh and additional violations: \$100.
- (3) Payment of all parking infractions must be made to district court and at such other locations as designated by the court. As an alternative, parking tickets paid at City Hall may be reduced per the amount identified in the City's adopted fee resolution. Proceeds from parking infractions must be paid into the City's general fund, except as otherwise required by state law, including for penalties and assessments related to disabled parking infractions which must be retained by the city or distributed in accordance with RCW 46.19.050.

10.40.630 Responsibility for Violation—Presumptions

- (1) Every person in whose name a vehicle is registered is responsible for any violation of this chapter caused by the parking of the vehicle in violation. It is not a defense that the vehicle was parked illegally by another, unless proof is presented that the vehicle had been stolen and had not been returned to the registered owner by the date of the violation.
- (2) Except as provided in subsection (3), proof that the vehicle described in the notice of parking infraction was parked in violation of this chapter, together with proof that the person named in the notice of parking infraction was at the time of the violation the registered owner of the vehicle, constitutes in evidence a prima facie presumption that the registered owner of the vehicle was the person who parked or placed the vehicle at the point where, and for the time during which, the violation occurred.
- (3) In the case of a registered owner transferring vehicle ownership who has complied with the provisions of state law prior to the date of the violation, proof that the vehicle described in the notice of parking infraction was parked in violation of any such provision of this chapter, together with proof that the person named in the notice of parking infraction was at the time of the violation the person to whom the vehicle's ownership had been transferred, constitutes in evidence a prima facie presumption that the person to whom ownership was transferred was the person who parked the vehicle at the point where, and for the time during which, the violation occurred. Any notice in this chapter required to be sent to the registered owner must instead be sent to the person to whom ownership has been so transferred.

10.40.640 Notice of Infraction—Form—Determination final unless contested.

- (1) A notice of parking infraction represents a determination that an infraction has been committed. That determination will be final unless contested as provided in this chapter.
- (2) The form for the notice of parking infraction must include substantially the following information:
 - (a) A statement that the notice represents a determination that a parking infraction has been committed and that the determination is final unless contested as provided in this chapter;
 - (b) A statement of the specific section of the parking code for which the notice was issued;
 - (c) A statement of monetary penalty established for the parking infraction;
 - (d) A statement that a parking infraction is a non-criminal offense for which imprisonment may not be imposed but that the penalty for a parking infraction may include non-renewal of the vehicle license;
 - (e) A statement of the options provided in this chapter for responding to the notice and the procedures necessary to exercise these options;
 - (f) A statement that at any hearing to contest the determination the city has the burden of proving, by a preponderance of the evidence, that the infraction was committed; and that the person may subpoena witnesses including the officer who issued the notice of infraction;

- (g) A statement that at any hearing requested for the purpose of explaining mitigating circumstances surrounding the commission of the infraction the person will be deemed to have committed the infraction and may not subpoena witnesses;
- (h) A statement that the person must respond to the notice as provided in this chapter or the person's vehicle license may not be renewed by the Department until any penalties imposed pursuant to this chapter have been satisfied;
- (i) A statement that failure to appear at a hearing requested for the purpose of contesting the determination or for the purpose of explaining mitigating circumstances may result in the refusal of the Department of Licensing to renew the person's vehicle license until any penalties imposed pursuant to this chapter have been satisfied.

10.40.650 Response to notice of parking infraction—Hearing—Failure to respond or appear.

- (1) A person who receives a notice of parking infraction must respond to the notice as provided in this section within 30 calendar days of the violation date on the notice.
- (2) If the person determined to have committed the infraction does not contest the determination, the person must respond by completing the appropriate portion of the notice of infraction and submitting it, either by mail or in person, to the city as specified on the notice. A check or money order in the amount of the penalty prescribed for the infraction must be submitted with the response. When a response that does not contest the determination is received, an appropriate order must be entered and, when appropriate, a record of the response and order must be furnished to the Department of Licensing.
- (3) If the person determined to have committed the infraction wishes to contest the determination, the person must respond by completing the portion of the notice of infraction requesting a hearing and submitting it, either by mail or in person, to the city as specified on the notice. The court must notify the person in writing of the time, place and date of the hearing, and that date must not be sooner than seven calendar days from the date of notice, except by agreement.
- (4) If the person determined to have committed the infraction does not contest the determination but wishes to explain mitigating circumstances surrounding the infraction, the person must respond by completing the portion of the notice of infraction requesting a hearing for that purpose and submitting it, either by mail or in person, to the court as specified on the notice. The court must notify the person in writing of the time, place, and date of the hearing.
- (5) If any person cited with a notice of parking infraction fails to respond to the notice of parking infraction as required by this section, or fails to appear at a hearing requested as provided by this section, the court must enter an appropriate order assessing the monetary penalty prescribed for the parking infraction and any other penalty authorized by this chapter and must notify the Department of Licensing, in accordance with RCW 46.20.270, of the failure to respond to the notice of infraction or to appear at a requested hearing.
- (6) The Department of Licensing may not renew the vehicle registration of any person for whom the court has entered an order(s) for two or more violations until any penalties imposed pursuant to this chapter have been satisfied.

10.40.660 Failure to comply with notice of parking infraction.

- (1) If no response or payment is made within 30 calendar days of the violation date on the notice of infraction, a \$25 delinquency fine will be imposed and a delinquency notice will be mailed to the registered owner of the vehicle to which the notice was affixed.
- (2) If no response or payment is made within 30 calendar days of the date of mailing of the delinquency notice, additional penalties may be assessed to the infraction, a notice may be sent to the Department of Licensing as provided in RCW 46.20.270, and the city may pursue such other remedies as provided by law.

10.40.670 Collection authorized.

The city is authorized to remit any unpaid penalties or fines issued pursuant to this chapter to collection.

10.40.680 Impoundment of vehicles with unpaid infractions.

A vehicle parked in violation of this chapter that has four or more unpaid parking infractions issued against the vehicle for each of which a person has failed to respond, failed to appear at a requested hearing, or failed to pay an adjudicated parking infraction for at least forty-five days from the filing of the notice of infraction, may be impounded without notice, per SMC 10.40.540.

EXHIBIT B

Chapter 6.80 City Docks

i The City Dock regulations in existing SMC Chapter 10.80 do not neatly fit into Title 10 that mostly concerns streets and cars. This draft incorporating these regulations into Title 6, Parks and Public Places.

! Existing 10.80.20 sets forth a fee schedule for use of the city dock, but is eliminated here because of the City current policy of not charging a boat launch fee.

6.80.010 Applicability

This chapter applies to city-owned docks and boat launches at Hamilton Park.

6.80.020 Definitions

The definitions in RCW 53.08.310 are incorporated by reference.

6.80.030 Administration

This chapter may be administered by the director of public works.

6.80.040 Time Limits

! Added a limitation on repeat stays to aid enforceability of the time limits. Note change in daily use limit, which was not consistent with the daily time limit. Fees were eliminated as the current direction is not to charge a boat launch fee.

(1) A vessel is subject to the following maximum stays at a city dock as follows:

- (a) Maximum of eight hours in a 24-hour period.
- (b) Up to three days in a 7-day period.

6.80.080 Violations

- (1) A violation of this chapter is a class 2 civil infraction and may also be enforced per SMC Title 13.
- (2) A vessel that is a nuisance, in danger of sinking or creating other damage, or owing port charges may be managed pursuant to RCW 53.08.320 governing moorage facilities.

From: [William Severson](#)
To: [Love, Patricia](#)
Subject: Vehicle ordinance
Date: Tuesday, January 16, 2024 11:04:55 AM



CAUTION. This email originated from outside of this organization. Please exercise caution with links and attachments.

Hi Patricia,

Sitting down here in sunny Arizona, riding my dual sport motorcycle, and watching side by side ATV's cruising around all over, I have given little thought to the city ordinance rewrite. I assume from reports you also had other things to worry about (Mark Rameley said it was 12 degrees and sent a surveillance video of a bird in his feeder with our house in the background), freezing schools, and logistics, etc.

Anyhow, I was thinking that a simple sentence in any rewording, revising, etc. would satisfy my needs and that of my ADA neighbor, and Sergeant Wirth who wanted "something in black and white", if it said something to the effect that "Nothing in this ordinance shall be construed to conflict, override or supercede any Federal, Washington State, or Snohomish County laws, codes or ordinances."

This would have the effect of preserving my right to operate my truck, cars, Neighborhood Electric Vehicle, street motorcycles, dual sport motor cycle (titled, registered, licensed, and insured), and Tier 2 e-bike on city streets (and sidewalks in the case of Tier 2 e-bike). It would also preserve my ADA neighbor's right to operate his properly equipped golf cart on city streets.

This still would still allow the city to enforce laws against "toys" not permitted on public roadways (i.e. Go carts, Scooters [not to be confused with Vespa type street legal motorscooters titled, registered and licensed], Golf Carts not properly equipped, and UTV's/ATV's/WATV's). Note that in 2016, the city did pass an ordinance allowing Wheeled All Terrain Vehicles allowed by state law in response to my interaction in 2015. I think it was an oversight not to pass a golf cart (properly equipped) zone ordinance, also allowed by state law at local government discretion, at the same time. That was probably due to not recognizing the distinction in a developing area of vehicles in the safety committee meeting I attended where I pled the case for a golf cart ordinance. I recognized that there are differing opinions on the allowance of the more liberal allowance of golf carts and ATV's on city streets to be addressed by the city council as you expressed your aversion "toys". However, my legal usage of my federally recognized vehicles would not be affected either way the council went.

This message is sent from my tablet. I will sent a couple pictures from down here along the Colorado River where my wife and I were prepping to go go for a street ride, and me out later exploring offroad on my dual sport from my cell phone camera shots.

Thank you for your work on this issue. And also for your explanation of having to absorb county growth.

Bill Severson
425 870 0496

[Sent from Yahoo Mail on Android](#)

From: [William Severson](#)
To: [Love, Patricia](#)
Subject: Re: Code revision: NEV"s
Date: Thursday, November 2, 2023 10:41:18 AM
Attachments: [image002.png](#)



CAUTION. This email originated from outside of this organization. Please exercise caution with links and attachments.

Hi Patricia,

First of all, have a nice vacation.

I do want to meet with you on your return to discuss roadway laws.

By way of my personal background in this, I have a Neighborhood Electric Vehicle (NEV) designed and built to conform to 1998 Federal law pertaining to Low Speed Vehicles (LSV) and NEV and their minimum and maximum speed requirements and safety equipment. Washington State has incorporated these into RCW and states they are "motor vehicles" and have legal rights to operate on public roads. My NEV is titled, registered, licensed, and insured and is permitted on all public roads with speed limits of 35mph or less and pertinently, can cross highways (532) at controlled (lights) intersections.

In 2015, I was detained in my own driveway by a local officer who said my vehicle was a "Wheeled All Terrain Vehicle" (WATV) and "until Stanwood passes an ordinance allowing it" I could not drive my NEV on the street. Size wise, my NEV met the definition. I went to the city manager (Deborah Knight) the next morning and she said the officer came in after talking to me, as I told him I was going to city hall, and Deborah said they did more research and she said "you are okay".

A short time later, I went to a safety committee meeting with the chief of police and two city councilmen. We discussed the advisability of allowing WATV's, so that local officers would not have to answer and explain to inquisitive citizens why the yellow golf cart (my NEV) was allowed on city streets. My thought was this would include golf carts in a "golf cart zone" as had been approved in other Snohomish County municipalities like Granite Falls, Arlington, Sultan, etc. In early 2016 the city council passed Ordinance 1412, and Chief of Police Rich Hawkins hand delivered it to my door, acknowledging it didn't apply to my NEV, but he wanted me to know they acted on my suggestion. It appears now that while WATV's were addressed and allowed previously, there appears to be some distinction between them and golf carts, and I am interested in seeing Stanwood passing an ordinance and becoming a golf cart zone as allowed under state law, which doesn't require being near a golf course. Hopefully this would encourage more usage of smaller, less polluting vehicles to run local errands.

Again, none of this has any bearing on my NEV, as state law prohibit municipalities from restricting their use. However, recently I was detained again and told my NEV met a 1982 city ordinance definition regarding "Toy Vehicles" that are not allowed on city streets, and the officer said he needed "something in black and white" to the contrary permitting it to be used. While I am certain any legal action would find the 1998 Federal law and more recent RCW takes precedence over a 1982 city ordinance, I am interested in resolving this perceived ambiguity/incongruity for the future.

Bill

[Sent from Yahoo Mail on Android](#)

On Thu, Nov 2, 2023 at 8:09 AM, Love, Patricia
<Patricia.Love@ci.stanwood.wa.us> wrote:

Hi William,

My name is Patricia Love and I'm working on the City's municipal code update project. We are currently working on amendments to Title 3 which will include references to current roadway laws. I think this will address your issue.

I'm not sure about a gold cart zone in Stanwood as we don't have a golf course in town. But I'm open to talking to you about it.

I'm leaving on vacation, but will be back on November 14 if you'd like to chat.

Thank you,

Patricia

From: Shawn A. Smith <Shawn.Smith@ci.stanwood.wa.us>
Sent: Wednesday, October 25, 2023 1:23 PM
To: Love, Patricia <Patricia.Love@ci.stanwood.wa.us>; Schroeder, Tansy <Tansy.Schroeder@ci.stanwood.wa.us>
Subject: FW: Code revision: NEV's

I think this is for you two...

Shawn Smith

City Administrator

City of Stanwood

10220 270th Street NW, Stanwood, WA 98292

Direct - 360-454-5209

shawn.smith@stanwoodwa.org

From: William Severson <seversonwl@yahoo.com>

Sent: Wednesday, October 25, 2023 12:21 PM

To: Shawn A. Smith <Shawn.Smith@ci.stanwood.wa.us>

Subject: Code revision: NEV's



CAUTION. This email originated from outside of this organization. Please exercise caution with links and attachments.

Hi Shawn,

While I don't have a dog in the fight, so to speak, as a 1982 city "Toy Vehicle" ordinance cited by Sgt. Wirth would be superceded by Federal law enacted in 1998 providing for a new class of vehicles with definitions and requirements which my vehicle conforms to and would prevail in any court action, and Washington law in 2002 providing that an NEV is a motor vehicle and local municipalities can't restrict them, I am still interested in local provisions for Wheeled All Terrain Vehicles (WATV) under city Ordinance 1412 (passed in 2016), and a "golf cart zone" allowed under state law if a local municipality approves it, which Stanwood apparently has not.

I would be happy to meet with you, the mayor, safety committee or any others that may have concerns, pro or con, as the city code is revised for vehicles.

Bill

425 870 0496



CITY OF STANWOOD COUNCIL AGENDA STAFF REPORT

ITEM NUMBER: 11e

DATE: July 11, 2024

SUBJECT: Stanwood Municipal Code Title 11 – Streets and Public Rights-of-Way

CONTACT PERSON: Patricia Love, Community Development Director

ATTACHMENTS: A – Ordinance 1535 Adoption of Title 11

PURPOSE

The purpose of this agenda item is for Council review and acceptance of the first reading of Ordinance 1535, adoption of Title – 11, Streets and Public Rights-of-Way, of the Stanwood Municipal Code.

SUMMARY

Title 11, Streets and Public Rights-of-Way is part of the next group of Titles to be amended as part of the Municipal Code Update project. The draft amendments delete outdated code citations and modernize the text by applying current best practices. It notes where new sections have been added or where moved.

Title 11 is a new Title of the Municipal Code containing city regulations pertaining to the permitting of uses and construction in City right-of-way. These code sections have been de-coupled from the Building Code Title for clarity and better flow of the code.

BACKGROUND

The City initiated the Municipal Code Update project in 2022 to modernize the code reflecting best practices with respect to content and administration of the code. The update is intended to be user friendly for staff, property owners and developers by 1) removing legalese and jargon unfamiliar to the lay person, 2) improving clarity and overall functionality, and 3) reflect regulatory best practices. The amendments will also be consistent with current case, state and federal laws.

To help guide the review of the amendments, two types of informational banners are included in the descriptive versions of each amendment. These blue- and yellow-colored bars highlight changes, recommendations and questions; it notes where new sections have been added or where moved.

 Blue banner describes actions taken or issue descriptions.

 Yellow banners highlight important policy issues.

Due to the sheer size of amending an entire municipal code, work has been broken into manageable pieces with similar titles, or titles that interact with each other, being processed together. To date, the Council has approved the following Title groupings:

Stanwood Municipal Code Titles	Action
Interim Zoning Regulations Prohibiting Mini-Storage Facilities	Council Approved October 27, 2022
Interim Sign Regulations Signs in the Right of Way	Council Approved January 26, 2023
Title 1 – General Provisions Title 2 – Personnel Title 4 – Administration (New)	Council Approved April 23, 2023 Three Readings
Title 6 – Parks and Public Spaces (New) Title 9 – Public Peace, Morals, and Safety Title 13 – Civil Enforcement	Council Approved June 8, 2023 Three Readings
Title 7 – Noise Ordinance Only	Council Approved July 13, 2023
Title 3 – Revenue and Finance Title 5 – Business Licenses & Regulations	Council Approved December 14, 2023 Three Readings
Title 7 – Health and Sanitation Title 8 – Animals	Council Approved May 9, 2024 Two Readings
Fireworks Code Amendment	Council Approved June 13, 2024 Three Readings
Complete Streets Code Amendment	Council Approved June 13, 2024 Two Readings
Construction Noise Ordinance	Pending Council Action
Title 10 – Vehicles and Traffic	Pending Council Action
Title 11 – Streets and Public Rights-of-Way	Pending Council Action

As amendments are approved, there may be times when chapters or sections within previously approved Chapters or Titles will need to be amended to ensure consistency throughout the Municipal Code.

ANALYSIS

New Title 11 contains city regulations pertaining to the permitting and work within in City right-of-way. These regulations were previously embedded in Title 14, Building Codes. For better clarity and logical flow of the Municipal Code, regulations specific to use of City right-of-way has been put into its own Title.

Chapter 11.02 – General Provisions: Contain provisions applicable to the entire Title such as definitions, administrator of the code, and severability.

Chapter 11.04 – Right-of-Way Uses: Addresses uses and activities in the City rights-of-way with limited ground disturbance including: retail displays, outdoor restaurant tables, private utility connections, fences, retaining walls, landscaping, special events, parades.

Chapter 11.06 – Construction: Address permitting and regulation of construction work / activities in city right-of-way including: construction, repairs, alterations, grading, trenching, drilling and boring.

Chapter 11.08 – Maintenance and Obstruction of Right-of-Ways: Establishes both maintenance requirements and standards for keeping streets clean during construction and ensuring sidewalks remain unobstructed.

Chapter 11.10 – Vacation of Streets and Alleys: Readopt existing code, which is based on state law, with minor code reference updates in new Title.

Chapter 11.12 – Complete Streets: Readopt the complete streets regulations prioritizing the needs of all users include pedestrians, bicycles and not just vehicles. The standards are intended to address the mobility needs of all users regardless of age, ability, or income.

Council Policy Decision Issues:

The following policy issues need to be discussed before the final reading:

1. Bonding and Indemnification:

The bonding and indemnification permitting requirements contained SMC Section 11.06.040 has not been updated since 1996 – approximately 28 years. Staff is recommending that the amounts be updated to be consistent with the city's standard contracts amount. However, Staff has reached out to WCIA (Washington City's Insurance Authority) to get their recommendations. If WCIA has different recommendations, they will be brought forward to Council with the second reading of the ordinance.

Coverage Type	Existing Code	Proposed
Liability Coverage	\$100,000	\$1,000,000
General Insurance	\$300,000	\$3,000,000
Property Damage	\$50,000	\$500,000

2. Maintenance and Obstructions:

This Section addresses the responsibilities of property owners and developers to maintain portions of city right-of-way.

- **Property Owners:** Responsible for keeping sidewalks clear of obstructions and maintaining median landscaping including:
 - Sidewalks must kept clear and safe for travel;
 - Maintain, mow, and weed the adjacent landscape median;
 - Replace any dead, dying or diseased street tree(s) that were required as part of the initial plat approval;
 - Streets, lanes, alleys, or other public roadways must be free from overhanging trees or vegetation; and
 - Sidewalks must be free from obstructions including but not limited to a-board signs, vegetation, brush, lawn clippings, snow, mailboxes, or other fixtures.
- **Developers:** Responsible for keeping roads and sidewalks clean during construction.

Fiscal Impact
No direct financial impact. Code work was already budgeted and approved through the Municipal Code Update Project contract and scope of work.

RECOMMENDATIONS

Staff Recommendation:

Staff recommends that the Council accept the first reading of the proposed amendments and proceed to the second reading.

Committee/Board Recommendation:

The Advisory Group, Planning Commission and City Council Community Development Committee have all reviewed the proposed amendments; their comments have been incorporated into the drafts. All groups have recommended to adopt the amendments.

CITY COUNCIL OPTIONS

1. Accept the first reading of Ordinance 1535 adopting Title 11, Streets and Public Rights-of-Way, and to proceed with the second reading.
2. Request changes to Ordinance 1535 and direct staff to address specific Council issues or concerns prior to Council reconsideration the ordinance.

PROPOSED MOTION

“I MOVE TO ACCEPT THE FIRST READING OF ORDINANCE 1535 AS SET FORTH IN ATTACHMENT “A” AND TO PROCEED WITH THE SECOND READING.”

**CITY OF STANWOOD
WASHINGTON**

ORDINANCE NO. 1535

**AN ORDINANCE OF THE CITY OF STANWOOD, WASHINGTON, AMENDING
STANWOOD MUNICIPAL CODE (SMC) TITLE 11, STREETS AND PUBLIC RIGHTS-
OF-WAY, AND ESTABLISHING SEVERABILITY AND AN EFFECTIVE DATE.**

WHEREAS, the City of Stanwood has begun a process to comprehensively update its municipal code to conform to current law and practice; and

WHEREAS, the purpose of this code amendment is to eliminate conflicts, improve clarity and overall function of the municipal code, and reflect current city and best practices; and

WHEREAS, Title 11 adopts the City's regulations for streets and public rights-of-way; and

WHEREAS, the amendments address right-of-way uses, construction, maintenance and operations, street vacations and the complete streets program; and

WHEREAS, the City of Stanwood SEPA Responsible Official has reviewed the proposed amendments to the Stanwood Municipal Code, determined that the amendments are categorically exempt from SEPA, and memorialized those conclusions under file number 2024-0086; and

WHEREAS, the Stanwood Community Development Committee reviewed the draft ordinance at their January 4, 2024, meeting and has recommended that the City Council adopt the ordinance as presented; and

WHEREAS, the Stanwood Planning Commission reviewed the draft ordinance at their January 8, 2024, meeting and has recommended that the City Council adopt the ordinance as presented; and

WHEREAS, the Stanwood Advisory Group reviewed the draft ordinance at their January 17, 2024, meeting and has recommended that the City Council adopt the ordinance as presented; and

WHEREAS, the City Council held a public meeting and first reading of the draft code amendment on July 11, 2024, a second reading on July 25, 2024, and accepted public comment; and

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF STANWOOD,
WASHINGTON, DOES ORDAIN AS FOLLOWS:**

Section 1. Stanwood Municipal Code Title 11, Streets and Public Rights-of-Way, is repealed in its entirety and replaced with the new Title 11 provided in Exhibit “A” attached to this ordinance and incorporated herein by reference as if set forth in full.

Section 2. Severability. The various parts, sections and clauses of this ordinance are hereby declared to be severable. If any part, sentence, paragraph, section or clause is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of the Ordinance shall not be affected thereby.

Section 3. Authority to Make Necessary Corrections. The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance including, but not limited to, the correction of scrivener’s clerical errors, references, ordinance numbers, section/subsection numbers and any references thereto.

Section 4. Effective Date. This Ordinance shall take effect thirty (30) days after its passage and publication as required by law.

PASSED and APPROVED this ____ day of _____, 2024.

CITY OF STANWOOD:

Sid Roberts, Mayor

Attest:

Lisa Sokolik, City Clerk

Approved as to Form:

Nikki Thompson, City Attorney

Date of Publication: _____

Effective Date: _____

EXHIBIT A

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Title 11 Streets and Public Rights-of-Way

i This is a new Title. It will be home to all the right-of-way and street-related permitting requirements and procedures that were previously in Title 14.

Chapter 11.02 General Provisions

11.02.010 Applicability.

This chapter applies to all provisions of this Title.

11.02.020 Definitions.

The following definitions apply in this Title:

“Complete streets” means the same as in [RCW 47.04.010\(10\)](#).

11.02.030 Administration.

- (1) Unless otherwise stated in this Title, the Public Works Director or designee (hereafter referred to as “Public Works Director”) is the administrator of this Title, and is authorized to review and inspect work, and approve or disapprove of work undertaken according to an approved permit.
- (2) The Community Development Director is authorized to review and issue permits after consultation with the Public Works Director.

11.02.040 Severability

If any section, sentence, clause, or phrase of this Title is held invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality may not affect the validity or constitutionality of any other section, sentence, clause, or phrase of this title.

Chapter 11.04 Right-of-Way Uses

11.04.010 Purpose.

The purpose of this Chapter is to allow the use and encroachment of public rights-of-way only when they:

- (1) Encourage economic development and vitality.
- (2) Contribute to an active public realm.
- (3) Ensure accessible and navigable paths and streets free of hazards.

11.04.020 Applicability.

- (1) This Chapter applies to the uses and permits identified in Table 11.04.020(A), Applicable Permits by Right-of-Way Use.

- (2) Uses that break the pavement or surface of the right-of-way may also be required to obtain a construction permit, as established in SMC 11.06, Construction in the Right-of-Way.

Table 11.04.020(A) Applicable Permits by Right-of-Way Use

Applicable Permit	Example Uses (Including but not limited to)	Applicable Requirements
General Right-of-Way Use Permit	• Retail displays • Street Eateries • Restaurant tables in the sidewalk	SMC 11.04.040, General Right-of-Way Uses
Encroachment Permit	• Private Utility connections and installations • Fence installation, retaining walls, rockeries, landscaping	SMC 11.04.050, Encroachment Permit
Special Event Permit	• Street closures for farmers markets • Block Parties • Parades	SMC 5.06, Special Events

11.04.030 Permit procedures.

- (1) The Community Development Director is responsible for administering, reviewing, and deciding on the permits in this Chapter, under a Type I administrative decision, after consultation with the Public Works Director.
- (2) Permit applications must use the forms established and provided by the City. The forms and application must include:
- (a) A description of the proposed use or encroachment.
 - (b) Site plan showing private property lines, right-of-way location, and the location dimensions of the proposed use or encroachment. A site plan is not required for temporary signs.
 - (c) A statement signed by the applicant holding the City harmless from damages to private property or grounds is included in the proposal.
- (3) All permit fees must be paid at the time of submittal. Permit fees are established by City Council resolution.
- (4) Approval Criteria. The permit may be granted by the Community Development Director if it meets the following criteria:
- (a) The encroachment or use does not impair public use or access.
 - (b) Any proposed structures or improvement do not obstruct traffic or create safety hazards. They also may not conflict with future City improvement plans.
 - (c) The use or encroachment can be removed if the City needs to use the right-of-way.
 - (d) The use is allowed or appropriate for the underlying zone or use standards, as established in Title 17.

11.04.040 General right-of-way use permit.

- (1) A general right-of-way use permit is required for any proposed use that falls within the right-of-way. Such a use generally involves temporary or moveable fixtures, such as chairs, tables, or displays.
- (2) General Standards.
 - (a) Any proposed display, table, or other furniture for business or retail uses must be stowed out of the right-of-way during non-business hours, unless otherwise allowed by a right-of-way use permit.
 - (b) The proposed must not create an obstruction, as regulated in SMC 11.08, Maintenance and Obstructions on Right-of-Ways.

11.04.050 Encroachment permit.

i This section adapts the requirements of 14.42, Encroachment Permits to be clearer. The existing encroachment code has an amortization clause for structures existing as of 2010. This was removed as it is no longer necessary.

- (1) This permit applies to the erection, construction or maintenance of signs, structures, other property, or improvements on or over City rights-of-way.
- (2) General Standards.
 - (a) The Director may impose limitations and restrictions such as size, location, type of improvement, duration of the permit, or other limitations to ensure adequate access and passage in rights-of-way in accordance with the American with Disabilities Act.
 - (b) The permit may be revoked, and improvements required to be removed at no cost to the City if the right-of-way needs to be improved or used for public purposes. Such improvements may include road widening, utilities, signage, and maintenance of sight triangle clearance.
 - (c) A temporary sign encroachment permit may be required for temporary use of the public right-of-way for banners and similar community and special event signage, subject to applicable sign regulations under SMC 17.110, Sign Standards.

Chapter 11.06 Construction in the Right-of-Way

11.06.010 Purpose.

The purpose of this chapter is to reduce impacts and connectivity disruptions due to construction activities in rights-of-way and to establish standards for construction activities in rights-of-way.

11.06.020 Applicability.

i This applies a new applicability criterion. It also consolidates text from the existing SMC 14.26.010, Permits.

- (1) This chapter applies to any activity that breaks the surface of the right-of-way. This includes, but is not limited to, activities in a right-of-way such as:

- (a) Construction or reconstruction.
 - (b) Repair or alteration.
 - (c) Grading in a right-of-way.
 - (d) Cutting upon or over.
 - (e) Trenching.
 - (f) Drilling or boring under or through.
- (2) The following activities are exempt from the standards in this chapter.
- (a) Boring small holes in a right-of-way to install an approved signpost.
 - (b) Drilling to attach approved benches, planters, fencing, or other similar fixtures to the right-of-way.
- (3) Compliance with this chapter does not exempt compliance with other applicable permits and standards. The adopted construction standards in Stanwood's Street and Utility Standards apply.

11.06.030 Permit procedures.

i This is a new code section that consolidates text from SMC 14.26.020 Applications, .030 Fees, .080 Administration, and .090 Appeal. SMC 14.26.100 Affected adjacent property, has been found to be problematic and was removed.

- (1) The permit application must be made on forms provided by the Community Development Department. The form and application must contain:
- (a) Information necessary to demonstrate compliance with SMC 11.06.050, Approval Criteria.
 - (b) A plan showing the extent of the proposed construction work. The plan must indicate all locations and dimensions of the work in the right-of-way.
 - (c) All fees must be paid upon submission of the application and related documentation. Permit fees are established by City Council resolution.

i The following standard is new.

- (2) Notice.
- (a) If the application identifies that temporary street closures are necessary, or there will be traffic and access limitations due to construction, the Public Works Director may require notice to be provided to adjacent property owners.
 - (b) The applicant must then provide mailed notice to property owners within 300 feet from the site at least 7 days prior to the expected impacts.
 - (c) The City may waive the noticing requirements in circumstances that require emergency repairs.

i The following standard on appeals has been rewritten for grammatical clarity and code consistency.

- (3) Appeal. The permit decision may be appealed to the Hearing Examiner per the appeal process established in SMC 17.80.390. The appealing party must pay the applicable fee, as established by City Council resolution.

11.06.040 Bonding and Indemnification.

- (1) Security. When any portion of the project located in the public right-of-way exceeds \$1,000.00 in value, the Public Works Director has the authority to require a performance security, augmented performance security, and/or maintenance security to be filed with the permit application, unless waived in accordance with SMC 16.30.030 Security mechanisms. The amount of the security is determined in SMC 16.30.030. Such work must be conducted according to the City's standards for municipal construction and include a guarantee for the maintenance, repair, or replacement in accordance with SMC 16.30.030.

i The following standards were added from 14.26.050, Indemnity, and 14.26.120, Form of surety. Raised rates to follow standard contract insurance amounts. WCIA is reviewing amounts and will be providing their recommendations.

- (2) Indemnity. The Public Works Director has the authority to require an applicant to file a bond to indemnify the City from all claims, damages, or injury to other persons caused by the work or alteration. Alternatively, the applicant may provide satisfactory evidence of adequate liability and insurance in the amount of \$1,000,000 and \$3,000,000 for personal injury or death, and \$500,000 for property damage.
- (3) Surety. In cases where a bond is required, in lieu of the surety bond required, an applicant may file with the Public Works Department a cash deposit, or other negotiable security in form and substance approved by the City Attorney, to guarantee the performance by applicant of his/her obligations to the City.

11.06.050 Approval criteria.

i This section was adapted from 14.26.060, Standards for issuance of permits. The standard on "health and welfare" was removed, as it was not clear on how this would be demonstrated—if the applicant follows the required codes, then they should already be maintaining health and welfare through code compliance.

The Public Works Department will review the application. To be approved, the application must meet all the following criteria:

- (1) The application form is complete with the required documentation included.
- (2) The plans for the proposed project provide sufficient detail to estimate the general costs and nature of the project, showing it to be in the public interest.
- (3) The work will be accomplished according to all adopted and applicable building and street standards.

- (4) The applicant demonstrates that the project will not unreasonably interfere with vehicular and pedestrian traffic, the demand and necessity for parking spaces, and reasonable means of ingress and for affected properties.

Chapter 11.08 Maintenance and Obstructions on Rights-of-Way

11.08.010 Purpose and applicability.

- (1) The purpose of this chapter is to maintain safety by ensuring that rights-of-way are free from obstructions and are easily accessible for both pedestrians and vehicular traffic.
- (2) This chapter applies to all rights-of-way in the City.

11.08.020 Construction debris standards.

i This section is adapted from the existing 14.30.010, Daily removal.

- (1) Anyone depositing dirt, mud, rocks, debris, or any material on public property or municipal facilities must promptly clean up these deposits daily during and at the end of their operations.
- (2) Adequate equipment must be available during each day of operation to ensure quick and timely removal of any debris or deposits. The equipment available may include a power broom or other means approved by the Public Works Director.
- (3) All right-of-way surfaces, catch basins, culverts, or other municipally owned improvements affected by the deposits must be cleaned.
- (4) Stop work order.
 - (a) In the event anyone fails to comply, the Public Works Director may issue a notice of violation and order all work to cease. The notice must be delivered to the person in charge of the job site at the time of the notice.
 - (b) Work may not resume until so authorized by the Public Works Director.
 - (c) Failure to comply with a stop work order would result in further penalties, as established by SMC 11.08.040.

11.08.030 Street and sidewalk obstruction standards.

i This is a new section of code. This code has been loosely inspired by the City of Duvall (8.02) and the City of Spokane (12.02.0202).

- (1) Property owners abutting a right-of-way or sidewalk must keep the pathway clear and safe for travel by promptly removing any obstructions.
- (2) Property owners abutting a right-of-way or sidewalk are responsible to maintaining, mowing, and weeding the adjacent landscape median.

- (3) Property owners abutting a landscaped median in the public right-of-way, or the homeowner's association if identified, is responsible for replacing any dead, dying or diseased street tree(s) that were required as part of the initial plat approval.
- (4) Streets, lanes, alleys, or other public roadways must be free from overhanging trees or vegetation. A minimum of 14 feet of clearance height must be maintained clear from obstructions.
- (5) Sidewalks
 - (a) Sidewalks must be free from obstructions including but not limited to a-board signs, vegetation, brush, lawn clippings, snow, mailboxes, or other fixtures. If mailboxes are located in sidewalks, then the sidewalk shall be widened to provide accessibility around the mailbox in accordance with the Americans with Disability Act.
 - (b) A minimum of five feet in width and eight feet in clearance height must be maintained clear from obstructions to ensure direct passage.
 - (c) Placement of fixtures along sidewalks and right of ways, may be allowed, provided that the sidewalk maintains direct passage, as established in (2) of this section.
- (6) Notice of violation. Should any abutting property owner fail, neglect or refuse to comply with this section, the Public Works Director, or their designee, may serve the owner a notice to clear, repair, or renew any sidewalk or passage within 10 days. The notice must include:
 - (a) A reasonable time limit for resolving the obstruction.
 - (b) Penalties for failure to comply.

11.08.040 Penalty for violation.

Violation of this section/chapter is a class 1 civil infraction and may also be enforced per SMC Title 13.

Chapter 11.10 Vacation of Streets and Alleys

i This Chapter of code has been edited for clarity, language, and organization to make it easier to read. Procedural and approval standards have been maintained.

11.10.010 Purpose.

This chapter establishes the procedures and criteria that the City uses to decide upon vacation of streets, alleys, and other types of public easements relating to street, pedestrian, or travel purposes.

11.10.020 Applicability.

- (1) The procedures and standards in this chapter apply to any petition to vacate a street, alley, or right-of-way in the City.
- (2) If a proposed street vacation is part of a proposed vacation of a subdivision or short subdivision, then the procedure for vacation of subdivisions under RCW 58.17.212 must be used and complied with, and the street vacation procedure under this chapter may not be used.

11.10.030 Pre-application procedure.

- (1) Prior to submitting a petition for the vacation of any street or alley, any abutting property owner may submit a written request to the Public Works Director for a pre-application meeting to discuss the proposal.
 - (a) The request must include:
 - (i) A description of the right-of-way for which vacation is intended to be sought,
 - (ii) A statement of the applicant's reasons for requesting vacation,
 - (iii) A statement as to how the requested vacation meets the criteria for granting a vacation as set forth in SMC 11.10.110.
 - (b) No fee is required for the pre-application meeting.
- (2) The Public Works Director will schedule a pre-application meeting, upon request from the applicant.
- (3) The Public Works Director may provide a preliminary determination on whether there appear to be any granting criteria that the proposal cannot meet. This preliminary determination is not final or binding.
- (4) If the applicant decides to proceed with a street vacation petition after the pre-application meeting, all provisions of this chapter apply. (Ord. 1476 § 1, 2019).

11.10.040 Petition procedure.

i Adapted from SMC 14.48.020, Petition-Fee-Subdivision vacation. This section has been reformatted. No substantive changes made. Standard on subdivision (existing 14.48.020(3)) moved to the applicability section.

- (1) Any owner of a property abutting a street or alley may petition the City Council for the vacation the street or alley.
- (2) Petition must be made on forms established by the City. The petition and forms must contain all the following:
 - (a) A fee in an amount established by resolution of the City Council. Until all fees have been paid in full, no action may be taken.
 - (b) A full and correct legal description.
 - (c) Vicinity map showing the property seeking a vacation.
 - (d) Signatures of adjacent property owners. The application must be signed by the owners of more than two-thirds of the property abutting the street or alley to be vacated.

11.10.050 Review of petition.

i Adapted from SMC 14.48.040. This section has been reformatted and edited for clarity.

- (1) The City Clerk must notify the Public Works Director of all proposed vacations.
- (2) Prior to the presentation of the petition to the City Council, the Public Works Director must review the petition and create a report that includes:

- (a) Ownership of the property abutting on the street or portion sought to be vacated. Proof of ownership of abutting property by the title insurance or certificates may be required, such proof to be furnished by, and at the expense of, the petitioners.
 - (b) Verification of the location and general legal description of the street or alley proposed for vacation.
 - (c) Whether and in what respect the public may be benefited or harmed by the vacation.
 - (d) Whether the public benefit of the area's use is insufficient to justify the cost of maintenance.
 - (e) Which property or properties will be directly benefited or adversely affected by the vacation, and in what way.
 - (f) What effect the vacation will or may have upon property served or which might be served the vacated street, and whether the street has been opened or constructed, and if so, to what standard.
 - (g) How the street relates to other streets and highways, and whether other portions of the subject street or alley have already been vacated.
 - (h) Whether the substitution of an alternative way would be more useful to the public.
 - (i) Whether future changes in conditions may increase public use or need.
 - (j) How and when the street or alley sought to be vacated became a public right-of-way.
 - (k) Whether any utilities now exist in the street, or whether such street may be reasonably necessary for future utility uses.
 - (l) The necessity or desirability of the City retaining an easement or the right to exercise and grant easements for emergency vehicle access and construction, repair, and maintenance of public utilities and services over the land sought to be vacated.
 - (m) Whether any abutting owner would become landlocked or its access substantially impaired; i.e., whether there is an alternative option for ingress and egress, even if less convenient.
 - (n) If the right-of-way abuts a body of water, how the proposed vacation would or would not comply with the requirements set forth in RCW 35.79.035.
 - (o) Whether there is compliance with the comprehensive plan, transportation plan and future road alignments.
 - (p) Any other matters relevant to the vacation of the street or alley.
- (3) Upon receiving a petition and fee payment for the vacation of a City street or alley, and upon completion of the report referenced in SMC 11.10.050(2), the Public Works Director will place the matter upon the agenda of a meeting of the City Council.
 - (4) The City must notify petitioners in writing of the date and time when the Council hears the petition.

11.10.060 Setting the Council hearing by resolution.

- (1) The City Council is responsible for determining whether to adopt a resolution setting a public hearing on the proposed vacation. In its determination, the Council must consider:
 - (a) The report of the Public Works Director.

- (b) If the vacation requires that the City be compensated as a condition of the vacation. The Council will generally determine whether the City will need to be compensated before it adopts the resolution. However, the Council retains the discretion to review its determination following the public hearing.
- (2) For both petition and council-initiated vacations proposed for public hearing, the City Council must adopt a resolution setting a time for the hearing. The hearing date must be set between 20 and 60 days from the resolution's date of passage.

11.10.070 Compensation.

The City Council may require the petitioners to compensate the City of Stanwood, prior to the vacation becoming effective, in accordance with the following criteria:

- (1) Except as otherwise provided, the vacation ordinance may not become effective until the City is compensated. This amount may not exceed one-half the appraised value of the area to be vacated.
- (2) When the street or alley has been part of a dedicated public right-of-way for 25 years or more, or when the street or alley or portions thereof were acquired at public expense, the compensation amount may not exceed the full appraised value of the area vacated.
- (3) Compensation may be waived or reduced either when the vacation is initiated by the City of Stanwood or when the City Council deems it to be in the best interest of the City in accordance with the following criteria:
 - (a) When the abutting property is owned by a governmental entity or by a nonprofit corporation whose purpose is for the necessary support of the poor or infirm.
 - (b) When the street or alley was vacated by the provisions of Section 32, Chapter 19, Laws of 1889-90 (as described in SMC 11.10.100).
 - (c) When the street or alley (right-of-way) vacated is traded for property of greater or approximately equal value.
 - (d) When the street or alley (right-of-way) vacated is abutting residential properties and is 1,500 square feet or less, the appraisal required under SMC 11.10.000 may be waived and the value calculated as a percentage of the average Snohomish County assessor assessed value of the abutting properties.
 - (e) When the street or alley (right-of-way) vacated is de minimis, under 500 square feet, or otherwise has little to no assessed value.

11.10.080 Appraisal for compensation.

i This section was adapted from 14.48.090 Appraisal – Survey – Fees.

- (1) The area proposed for vacation must be appraised in all cases where the City Council requires compensation for the vacated right-of-way.
- (2) The appraisal must be by a professional appraiser selected by the City, unless otherwise determined by the Public Works Director. The applicant is responsible for paying the cost of the appraisal. The petition may be denied for nonpayment of fee or failure to submit appraisal.
- (3) The petitioner may select the appraiser by either choosing:

- (a) From a list of appraisers approved by the City.
- (b) A Washington State certified and licensed real estate appraiser who is familiar with the local market conditions. The appraiser must have a reputation for respecting the rules and regulations applicable to appraisers. The petitioner must submit the appraiser's name and credentials to the City and receive prior written approval by the Public Works Director.
- (4) The petitioners must provide the City with an accurate, professional survey of the property proposed for vacation, with the boundaries of the proposed vacation marked on the ground and an accurate legal description by a licensed surveyor at the applicant's expense.
- (5) No action may take place on the petition until fees have been paid in full. Therefore, if the application fee is not paid by the petitioner, and the professional survey, legal description, and the appraisal are not received by the City within 12 months of the petition filing date, the petition must be denied. The petitioner/applicant/owner will be required to reapply and pay a new filing fee.

11.10.090 Public hearing notice – Fifty percent objection.

i This section was moved slightly in the chapter and adapted from 14.48.080, Public hearing notice – Fifty percent objection. The text was edited for reading ease and comprehension. No substantive changes were made.

- (1) Notice. Upon the passage of the petition resolution, the City Clerk must give 20 days' notice of the pendency of the petition by a written notice posted in the City's legal posting locations and in a conspicuous place on the street or alley sought to be vacated.
 - (a) The notice must contain a statement that a petition has been filed to vacate the street or alley described in the notice, together with a statement of the time and place fixed for the hearing of the petition.
- (2) Mailed Notice. In addition to the standards under (1), mailed notice is required for all cases where the proceeding is initiated by resolution of the City without a signed petition by the owners of more than two-thirds of the property abutting the proposed part of the street or alley to be vacated.
 - (a) The mailed notice must be delivered at least 15 days before the date fixed for the hearing.
 - (b) The notice must be sent to the owners, or reputed owners, of all lots, tracts, or parcels of land or other property abutting, or within 300 feet of, any part of the proposed street or alley vacation, as shown on the rolls of the county treasurer, directed to the addresses shown on the record.
 - (c) Where the current address of applicable property owners is not a matter of public record, failure to send notice by mail to applicable property owners may not invalidate any proceedings in connection with the proposed street vacation.
- (3) The costs of the notice must be borne by the applicant.
- (4) In all cases, the City may not proceed with the street vacation process if 50% or more of the abutting property owners file a written objection to the proposed vacation with the City Clerk prior to the time of hearing.

11.10.100 Nonuser statute.

- (1) The following state laws on the nonuser statute apply:

- (a) Section 32, Chapter 19, Laws 1889-90
- (b) RCW 36.87.090
- (2) Although the nonuser statute applies without regard to the City's street vacation process under Chapter 35.79 RCW, property owners who abut a street vacated under the nonuser statute may apply to the City to "formally" vacate the street by ordinance.
 - (a) Abutting property owners may use this method to clear title to right-of-way vacated under the nonuser statute rather than filing a quiet title action in superior court, which can be more costly and cumbersome than the street vacation ordinance process.
 - (b) The City will consider petitions to formally vacate streets or alleys that have been vacated by operation of the nonuser statute, if these streets or alleys were dedicated and unopened as county roads for five years prior to the 1909 proviso and if the City has not acquired the streets or alleys by prescription/adverse possession, purchase, eminent domain, or other means.
 - (c) The burden is on the property owner requesting vacation to provide all necessary title and historical information to the City to demonstrate that the nonuser statute operates to vacate the subject property.

11.10.110 Granting criteria.

- (1) The City Council may not vacate any street, alley, or any parts thereof, if any portion abuts a body of saltwater or freshwater, except when both:
 - (a) The vacation is being sought to enable the City or state to acquire the property for port purposes, boat moorage or launching sites, park, viewpoint, recreational, educational purposes, or other public uses; and
 - (b) The proposal complies with the requirements of RCW 35.79.030 and this chapter.
- (2) City Council must use the following criteria when deciding on a street vacation petition:
 - (a) The vacation will provide a public benefit, and/or will be for a public purpose, which public benefit may consist of economic and business support derived by the community from the petitioners.
 - (b) The right-of-way vacation will not adversely affect the street pattern or circulation of the immediate area or the community as a whole.
 - (c) Public needs are not adversely affected.
 - (d) The right-of-way is not contemplated or needed for future public use.
 - (e) No abutting owner will become landlocked, or their access will not be substantially impaired. For example, there must be an alternative option for ingress and egress, even if less convenient.
 - (f) That provision has been made for utility easements, when needed for the right to construct, repair, and maintain public utility facilities.

11.10.120 Right to reserve easements.

- (1) The City Council may, at the time of its public hearing, determine that the City may retain an easement or right to exercise and grant easements in respect to the vacated land for:
 - (a) The construction, repair, and maintenance of public utilities and services.

- (b) Public utilities and services.
- (c) Pedestrian trail purposes.
- (d) Any other type of easement relating to the City's right to control, use and manage rights-of-way.

11.10.130 Vacation ordinance.

i The following code was adapted from SMC 14.48.120 and edited for clarity and readability alone.

- (1) If the City Council determines to grant such petition, or any part thereof, the Council must authorize the vacation by adopting an ordinance.
- (2) The ordinance may retain City easements or rights on the vacated land for construction, repair, and maintenance of public utilities and services.
- (3) Compensation payment. If the City Council determines that compensation must be paid as a condition of the vacation, then the ordinance may not be published or become effective until all compensation and fees and costs have been paid in full by the petitioners and all conditions imposed by the City Council have been complied with.
 - (a) When there are multiple properties which are adjacent to right-of-way which is petitioned for vacation, any one or more of the applicants may pay the total compensation, fees, and costs in order to complete the vacation and to cause the ordinance to be published and become effective.
 - (b) Such payment may not affect the vacated right-of-way vesting of the adjacent property owner.
 - (c) If the compensation is not paid and the conditions are not complied with within one year from adoption of the ordinance, then the ordinance is void. However, the City Council may extend this deadline by one year by ordinance.

11.10.140 Notice of action to auditor and appraiser.

- (1) A certified copy of the ordinance vacating any street or alley, or part thereof, must be filed with the Snohomish County Auditor's office. Following the recording of the ordinance, a certified copy must be sent to the Snohomish County treasurer's office.

11.10.150 Use of proceeds of vacation.

- (1) One-half of the revenue received by the City as compensation for area vacated under this chapter must be dedicated to the acquisition, improvement, development, and related maintenance of public open space or transportation capital projects within the City.

11.10.160 Title to vacated street or alley.

- (1) Pursuant to RCW 35.79.040, and regardless of who pays the compensation, fees, and expenses of vacation, the vacated streets or alleys belong to the abutting property owners, one-half to each, provided, that:
 - (a) When only part of the street or alley is requested to be vacated, only that portion of the adjacent right-of-way up to the center line may belong to the abutting owner.

- (b) When the street or alley requested to be vacated is wholly contained within a subdivision and is part of the boundary of the subdivision, the entire street must belong to the owner or owners of the property within the vacated subdivision, in compliance with RCW 58.17.212.
 - (c) When dictated by the circumstances of the situation, ownership of the underlying fee of a street or alley may be allocated by the City as equally and fairly as possible.
- (2) The ownership of the vacated street or alley must be set in the street vacation ordinance in accordance with subsection (1) of this section.

Chapter 11.12 Complete Streets Program

i This Chapter readopts the Complete Streets ordinance adopted by Council in June.

11.12.010 Purpose.

- (1) The Complete Streets Program is intended as a policy framework directing the City to take a holistic approach to transportation planning in its street improvements. The purpose of Stanwood's Complete Streets Program is to:
- (a) Prioritize the needs and comfort of all people and travelers, considering issues such as street design and width, context-appropriate operating speed, mode balance, lighting, and connectivity.
 - (b) Support different modes of travel while respecting Stanwood's existing neighborhood characteristics by applying Complete Streets concepts in a context-sensitive manner, unique to each neighborhood.
 - (c) Encourage multimodal transportation infrastructure for all users, including pedestrians, bicyclists, automobiles, freight, and emergency services.
 - (d) Improve public safety, health, and efficient travel for all ages, abilities, and economic levels, which benefits not only each user but the vitality of the local economy.
 - (e) Create integrated, aesthetically pleasing and connected transportation systems that provide access, mobility and health for all users including people traveling with different levels of ability or mobility.
 - (f) Improve the public health of Stanwood's community members by encouraging active transportation modes.
 - (g) Reduce traffic and congestion and foster cleaner air quality by enabling alternative transportation modes.
- (2) A Complete Streets approach to right-of-way design does not necessarily require expansion of transportation facilities and pavement. Rather, the purpose of these policies is to require consideration of solutions that make transportation facilities comfortable for all users, from vehicles to pedestrians. The Complete Streets design approach is flexible and innovative rather than purely prescriptive. However, there are many best practices that represent thoughtful application of engineering, architectural and urban design principles which must be used in implementing this Chapter. For example, the Federal Highway Administration's (FHWA) proven safety countermeasures and the National Association of City Transportation Officials (NACTO) provide some examples of

design interventions for Complete Streets. The following photos offer examples of some Complete Street design interventions.

Figure 11.12.010(A) Traffic Calming and Mid-Block Crossing Example (Credit: Richard Drdul)



Figure 11.12.010(B) Bikeway Example (Credit: Richard Drdul)



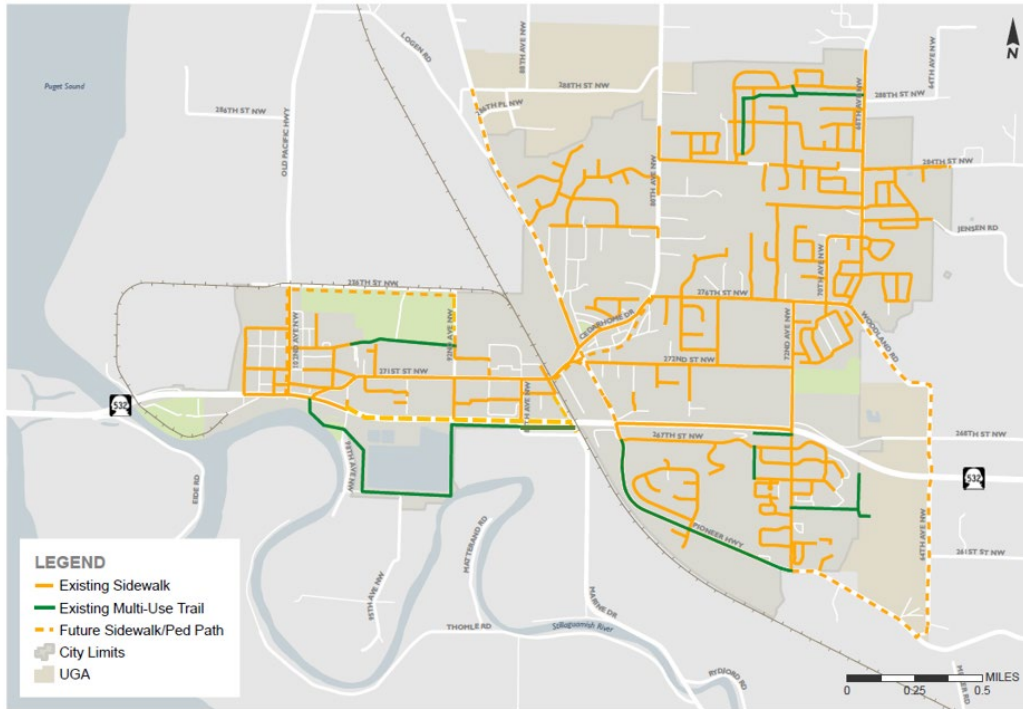
Figure 11.12.010(C) Bump-out Crossing Example (Credit: Richard Drdul)



11.12.020 Applicability.

- (1) Any agency conducting work within a city right-of-way must comply with the requirements in this chapter and may not take actions that could adversely affect multimodal travel conditions and future opportunities. Such agencies include, but are not limited to electric, gas, communications, cable, or power utilities.
- (2) Stanwood encourages entities not under its jurisdiction to meet the requirements of this chapter, including but not limited to the Stanwood-Camano School District, Snohomish County, and the Washington State Department of Transportation.
- (3) The City has identified transportation projects needed to buildout its non-motorized transportation network. The location of these projects are shown below in Figures 11.12.020 (A) and (B) and in the City of Stanwood Comprehensive Plan. The Transportation Element of the Comprehensive Plan includes pedestrian, bicycle, and “spot” improvements in greater detail.
 - (a) Requirement to construct improvements. A proposed development adjacent to a mapped non-motorized transportation project described in this section must construct the transportation project, according to the Stanwood Street and Utilities Standards. For right-of-way projects, this means constructing at a minimum the frontage improvements and half street improvements on rights-of-way adjacent to the development, including any required sidewalks or bikeway required by Street and Utility Standards 2B.020 Minimum Street Design Standards and Section 2D Bikeways and Non-Motorized Facilities.

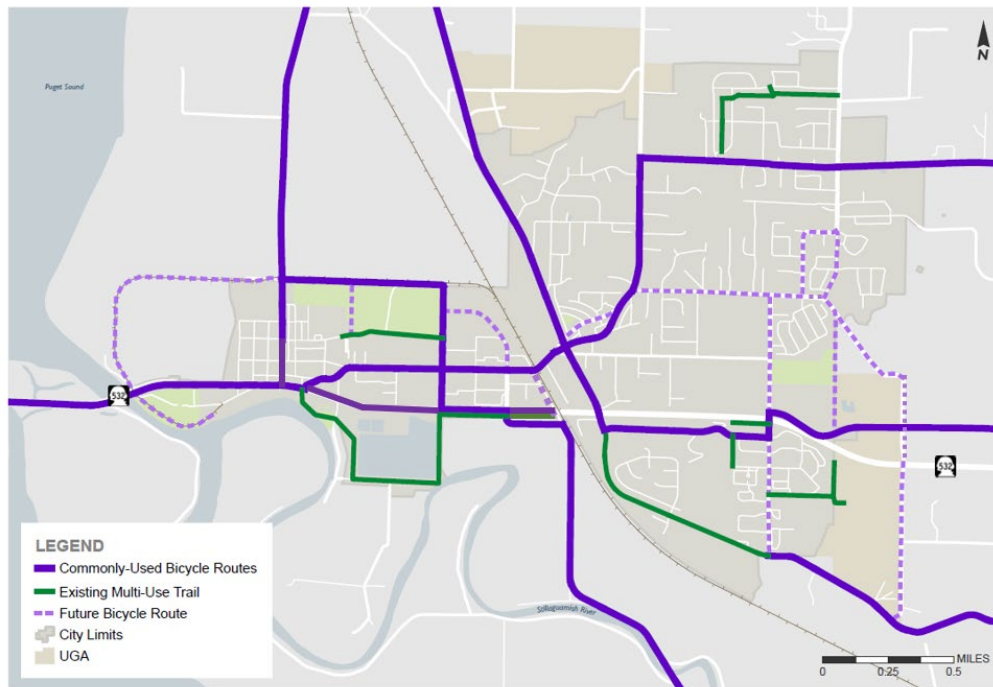
Figure 11.12.020(A) City of Stanwood Future Pedestrian Network Project Map



Future Pedestrian Network
Stanwood Transportation Master Plan

transpogroup

Figure 11.12.020(B) City of Stanwood Future Bicycle Network Project Map



Future Bicycle Network
Stanwood Transportation Master Plan

transpogroup

11.12.030 Implementation.

- (1) Projects proposing work in the right-of-way must consider ways to make streets safer and easier to use for pedestrians and non-motorized means of transportation. Project proposals must follow the development standards for land use and buildings adopted in the Stanwood Municipal Code and standards for streets in the Stanwood Street and Utility Standards.
- (2) To implement this Complete Streets program, the City will review each proposal, including its own projects, to ensure the street design and internal circulation system implements the principles of Complete Streets.
 - (a) Improved access to buildings from the right-of-way. Comfortable and accessible points of access with safety-focused improvements should be a starting point for improving the city's transportation network.
 - (b) Design and construct both public and private streets to accommodate pedestrians, bicyclists, people of all ages and abilities, transit and freight where appropriate, and vehicles. This includes:
 - (i) Using context-sensitive designs and best practices that both provide safety to all users while respecting and enhancing the City's small-town scale.
 - (ii) Implementing multi-modal project priorities.
 - (iii) Considering non-infrastructure-based improvements to ensure existing facilities support all modes, for example reducing design speeds where the transportation environment supports lower speeds.
 - (iv) Consider Complete Streets principles in the review of zoning, site plans, subdivisions plans, and other projects that include streets, or internal circulation routes.
 - (c) Provide Interconnected Networks. Complete Streets require connected travel networks. All roadways and routes need not be optimized for all modes. However, people using each mode require a network of safe, convenient travel routes and crossings throughout the city. The City must prioritize opportunities to create a complete and intuitive transportation network with clear wayfinding that provides connected facilities to serve each mode of travel. The network may include off-street hard-surface trails for biking and walking. Special consideration will be given to underserved areas where multiple transportation options are needed.
 - (d) Flexible Design. Street designs must be flexible and innovative rather than purely prescriptive to one type of user or purpose. Allow developers, engineers, planners, and other interested parties to propose innovative and create solutions, recognizing that Complete Street approaches evolve over time. Street design modifications may be approved by the Public Works Director. Designs must provide for the needs and comfort of all people and travelers, considering issues such as street design and width, desired operating speed, mode balance, street lighting, and connectivity.
 - (e) Environmental Design. The City must foster healthy, walkable, bicycle-friendly, green neighborhoods by including landscaping, street trees, and design features. These improvements enhance street design while providing added benefits of shade, summer cooling, reduced energy consumption, and improved air and water quality.

- (i) Where feasible, integrate the natural environment and habitat into street design of improvements for all modes.
- (f) Best Practice Design Standards. The following standards and guidelines must be applied to the design of Complete Streets:
 - (i) Street construction standards are adopted under SMC 14.04, Street and Utility Standards.
 - (ii) The latest and best design guidelines and practices from the following must also be used.
 - (A) American Association of State Highway Officials (AASHTO)
 - (B) Washington State Department of Transportation (WSDOT)
 - (C) Institute of Transportation Engineers (ITE)
 - (D) National Association of Transportation Officials (NACTO)
 - (E) Americans with Disabilities Act (ADA)
 - (F) Manual on Uniform Traffic Control Devices (MUTCD)

11.12.040 Deviations.

Not every street can be complete for each traveler or mode, and consideration of an exception may be requested for projects in extenuating circumstances. Requests for deviation must be evaluated and decided in a joint review by the Public Works Director and the Community Development Director (or their designees). A deviation for a specific project may be requested and granted under the following circumstances:

- (1) Where their establishment would:
 - (a) Hinder public health or safety.
 - (b) Adversely impact critical areas.
- (2) For routine maintenance of the street that does not change the roadway geometry or operations, such as mowing, snowplowing, sweeping, spot repair, joint or crack sealing, or pothole filing.
- (3) Reconstruction of a right-of-way is needed quickly due to an emergency.
- (4) When the cost would be disproportionate to the current need or probable future uses.
- (5) There is a documented absence of current or future needs, as established in City plans and future travel demand forecasts.

11.12.050 Performance Measurements.

- (1) Annual review of success. The Public Works Director must maintain a summary of transportation projects undertaken within the prior year and planned projects within the coming six-year period. Each listed project must demonstrate how it has met the objectives of this policy.
- (2) As part of the annual review, qualitative and quantitative data must be used to assess the performance of Complete Streets projects. Such performance measures to assess projects under the Complete Streets Code may include, but are not limited to the following:
 - (a) Cumulative miles of improved / new Complete Streets.
 - (b) Linear feet of new / reconstructed sidewalks.

- (c) Number of new / reconstructed curb ramps.
- (d) Miles of bicycle facilities added.
- (e) Number of ADA accommodations provided or improved.
- (f) Number of intersection improvements.
- (g) Number of new street trees installed.
- (h) Number of exemptions from this policy approved.

11.12.060 Capital Improvement Projects

- (1) This Complete Streets Policy and its long-range goals must be incorporated into the planning, scoping, budgeting, funding, design, approval and implementation process for all City facilities, roadways, and right-of-way infrastructure. The Comprehensive Plan, Transportation Plan, Capital Improvement Program, and other relevant City plans must be used for guidance.
- (2) Projects may be designed to achieve fully Complete Streets and networks over time, and in future phases of work. Phased projects must ensure that such phased improvements do not adversely affect the pedestrian realm and opportunities for multimodal travel and facilities.
- (3) Where the costs of acquiring right-of-way to provide separate accommodations for each mode of travel are cost-prohibitive, innovative, or multi-use facilities within the existing right-of-way that accommodate both pedestrians and bicyclists may be considered.
- (4) For City parks projects, park land may be used for bicycle/pedestrian trails and other elements of the transportation system that provide connectivity and support people's access to parks and recreational/outdoor activities.
- (5) City utilities projects must ensure that Complete Streets Policy implementation does not create public safety hazards or reductions in levels of utility service unacceptable to utility customers.

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