City of Stanwood

City Council Packet

Stanwood City Council
Regular Meeting

Thursday, July 22, 2021

AGENDA
CITY COUNCIL REGULAR MEETING
Thursday, July 22, 2021 – 7:00 p.m.
This meeting will be conducted by telephone and online, connection information will be posted on City Website— https://www.stanwooodwa.org

Stanwood City Hall
10220 270th St. NW, Stanwood, WA 98292

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **APPROVAL OF THE AGENDA**
4. **CITIZEN COMMENTS**
   Anyone wishing to provide written or oral public comment, must pre-register by 9:00 a.m. the day of the meeting, by calling 360-454-5213, or by clicking on this link: https://stanwoodwa.org/FormCenter/City-Clerk-5/City-Council-Meeting-Remote-Public-Comme-61
5. **STAFF REPORTS**

6. **COMMITTEE REPORTS**

7. **CONSENT AGENDA**

8. **NEW BUSINESS**

9. **CITIZEN CLOSING COMMENTS – REMOVED VIA MOTION AT THE 3-26-20 MEETING**
10. **REPORTS OF OFFICERS AND COMMITTEES**
    a. Mayor's Report
    b. City Administrator's Report
    c. Councilmember Reports/Questions
11. **ADJOURN**

Upcoming Meetings:
August 12, 2021 Special Workshop Meeting
August 12, 2021 Regular Meeting
August 26, 2021 Regular Meeting ***CANCELLED***
September 9, 2021 Regular Meeting
September 23, 2021 Regular Meeting

CITY OF STANWOOD
COUNCIL AGENDA STAFF REPORT

ITEM NUMBER:	5a
DATE:	July 22, 2021
SUBJECT:	Police Compstat Report
CONTACT PERSON:	Chief Rob Martin
ATTACHMENTS:	June 2021 Compstat Report

SUMMARY STATEMENT

Attached is the June 2021 Compstat Report for council review.

Stanwood Police Department

June 2021

Administrative Personnel

Chief Rob Martin
Sergeant Karl Gilje
Amanda Slattery – Stanwood City Employee
Stacey Davis – Stanwood City Employee

Operational Personnel

	Assigned	Vacancies	Percentage
Sergeants	2	0	100%
MPD	0	0	N/A
Deputies	6	0	100%
SRO	1	0	100%
Detectives	1	0	100%
Total	10	0	100%

Area of Operation

The City of Stanwood contracts its police services through the Snohomish County Sheriff's Office. The population for Stanwood is currently 7,070. Stanwood's city limit encompasses 2.8 square miles.

COMPSTAT REPORT

Type of Crime	June 2021	Year to Date 2021	June 2020	Year to Date 2020
Homicide	0	**0**	0	**0**
Rape	1	**2**	1	**3**
Robbery	0	**0**	0	**0**
Assault	2	**18**	3	**20**
Burglary	0	**2**	0	**8**
Larceny	7	**43**	18	**77**
Motor Vehicle Theft	1	**7**	1	**7**
General	**June 2021**	**Year to Date 2021**	**June 2020**	**Year to Date 2020**
Calls for Service (Incidents)	805	**4527**	825	**4905**
Case Reports	49	**284**	44	**308**
Traffic Collisions	8	**42**	11	**40**
Arrests (Adult/Juvenile)	14	**76**	5	**88**
Drug Arrests	0	**0**	0	**6**
Warrant Arrests	3	**17**	0	**14**
Impaired Driving Arrests	1	**10**	0	**8**
Infractions Issued	33	**113**	19	**74**
Public Disclosure Requests	17	**153**	43	**224**
Concealed Pistol Licenses Issued	13	**256**	0	**102**
Pistol Transfer Checks	36	**249**	72	**279**
Fingerprinting & Approx. timeframe	13	**143=35.75 hrs**	0	**78 = 19.5 hrs**

City Collisions for June Totals: 8

Date	Case Number	Location	H & R	Injured	Reason
6/7/2021	2021-3916	7100 Block 268th St NW			Follow too close/Failure to stop
6/12/2021	2021-4036	7100 Block 288th St NW			Driver fell asleep
6/15/2021	2021-4116	27000 Block of 92nd Ave NW	x		Hit & Run in parking lot
6/16/2021	2021-4141	28000 Block of Pioneer Hwy			Distracted driver
6/16/2021	2021-4142	9900 Block of 271st St NW			Distracted driver
6/23/2021	2021-4311	27200 Block of Church Creek Loop NW			Driver fell asleep
6/28/2021	2021-4459	26900 Block of 102nd Ave NW			Vehicle/Mechanical failure
6/30/2021	2021-4505	26800 Block of Pioneer Hwy			Distracted driver

Stanwood School Dist. Resource Officer (SRO) Activity Report

No Report

Stanwood Police Department Detective Report June 2021 Newsletter

June 2021

Stanwood Case 2021-4314
Theft

On 06-23-2021 Deputy Klassen responded to a theft at the Country Store. A male entered the store, selected several items valued at over $100.00 and left the store without paying. The male drove away in a recreational vehicle.

Images of the subject and vehicle were posted on the Stanwood Police Department's Facebook page. Citizens responded to the post with reports of the vehicle being seen in the Burlington area.

Officers from the Swinnomish Police Department stopped the vehicle on an unrelated matter on 06-24-2021 and identified the driver.

Detective Martin will attempt to locate the driver for an interview.

SWEEPSTAKES SCAMS

In this scam, the con criminal makes you think you have won a great prize or sweepstakes. However, there is a catch: to claim your prize, you need to pay some fee or purchase some merchandise. There is no prize, and the criminal pockets the fee.

The Opening Pitch

Sweepstakes scams usually start with an over-sized envelope in the mail. It will have your name printed all over the material as being a potential (or an actual) winner. Such direct mail letters will often have the pictures of past winners describing how wonderful their lives are now that they are millionaires.

In another variation, a fraudulent telemarketer may call your home and tell you, in the most excited voice imaginable, that you have won a big prize. He or she may say something like this: “Congratulations, you are our big prize winner in our biggest prize giveaway ever.”

The Presentation

As you read further in these mailers, you realize they are selling merchandise of all kinds. The message is clear: the more merchandise you buy, the more likely your chances of winning. While the mailings do not directly say this, they definitely imply strongly that your chances of winning increase as you buy more merchandise.

In the telephone version, the criminal will tell you that in order to claim your prize, all you need to do is to send in a cashier’s check or your credit card number to cover a small fee associated with handling and delivery, postage, insurance, foreign taxes, or some other false reason.

The Result

Many, many consumers and especially older consumers have been hooked on these scams, often spending thousands of dollars on merchandise they did not really need but thought would improve their chances of winning. What hooks many people into habitually being duped with these scams is the dream of winning. They think, “Maybe this time I really did win.”

How to Avoid It

The key thing to remember about sweepstakes is the chances of you winning are about the same as being struck by a bolt of lightning. Buying merchandise from a company that uses sweepstakes as a promotion does not improve your chances of winning. Furthermore, it is illegal for any company to require you to make a purchase or spend money in order to play the sweepstakes they are running

For more information on consumer scam alerts visit the WA State Attorney General Office Website Scam Alerts | Washington State

CITY OF STANWOOD
COUNCIL AGENDA STAFF REPORT

ITEM NUMBER:	6a
DATE:	July 22, 2021
SUBJECT:	Planning Commission Meeting Minutes
CONTACT PERSON:	Patricia Love, Community Development Director
ATTACHMENTS:	A – June 14, 2021 Meeting Minutes

SUMMARY STATEMENT

Minutes from the June 14, 2021 Planning Commission Meeting are attached to this staff report for approval as presented

CITY OF STANWOOD	Planning Commission Meeting Minutes June 14, 2021

Call to Order 6:34 pm

Roll Call

Present: Cody Davis
Larry Sather
Monae Birkhofer
Patrick Hosterman

Staff Present: Patricia Love
Tansy Schroeder
Amy Bergemeier
Sara Robinson

Absent: Marcus Metz, Justin Burns

Also known to be present:
Bob Bozorth

Public Comments: N/A

Approval of Minutes:
The Minutes of April 12nd, 2021 were approved as written.

New Business:
Public Meeting – North Star Cold Storage
The applicant is proposing a 4,088 square foot infill structure to connect two existing buildings at the Northstar cold storage and seafood processing plant on approximately 2.85 acres zoned General Industrial. The project site is located south of the Triangle Road and Pioneer Highway intersection. The project also includes a variance request to deviate from the required 25' front yard setback to allow construction of the infill to be located 5' from the Pioneer Highway property line in order to maintain the line of development and maximize use of the infill area. This proposal will not create any new impervious surfaces.

- The Commission discussed the request in detail and are supportive.

Old Business:
Permitted Use Matrix Code Amendment Update:

Previous discussions with the Commission centered on how to simplify the permitted use matrix, how to make it more user friendly, and how to potentially tie the use back to the permitting process. To address these concepts, staff has proposed the following:

- The Permitted Use Matrix is divided by land use categories: Residential, Commercial, Industrial, Public Facilities and Special Uses.
- Permit types are identified next to the use: P-I – Administrative; P-II – Administrative with Public Notice; P-III – Public Hearing Required; and C – Conditional Use Permit.
- A condensed version of the definition is included in the matrix.

The plan is to have a Public Hearing in June and then move on to Council by early Fall of this year.

The Board was presented with the updated version of the permitted use matrix and approve the changes that have been made. City staff will continue to work on getting the Permitted Use Matrix revised and updated.

Miscellaneous Business:

Parks & Recreation Feasibility Study: Funding Allocation Survey

For several years the Parks and Trails Advisory Committee (PTAC) and members of the public have been requesting that the City hire a full time Parks and Recreation Director. However, prior to hiring a Director and/or staffing a new department, the City needs a plan and vision for what the future of parks and recreation may look like in the City, what types of service models should be considered, and a funding mechanism to support recreational programming.

The 2021 / 2022 biennial budget and associated work plan includes the development of a Parks & Recreation Feasibility Study. The purpose of this study is to help the City determine how best to provide parks, recreational services and tourism initiatives to the Stanwood / Camano community.

Berk Consultants Inc. was hired to guide the city through this decision-making process. Berk is a consulting firm out of Seattle that specializes in serving local governments with public policy and financial analysis. Generally, work under their contract will include:

- Phased analysis of parks, recreation, and events delivery options
- Prepare three staffing and funding models
- Seek input from a wide range of stakeholders
- Prepare financial options analysis

To date Berk has met with staff, the Parks and Trails Advisory Committee, the Economic Development Board and the Parks and Recreation Feasibility Study Advisory Committee. These meetings focused on gathering information on current practices, what is going well, gaps, and what activities / services are important in their respective perspectives. Berk has also began working on comparable city data analysis.

This work has included an informal survey regarding park and recreational funding. We asked each group if they had $100.00 how would they allocate those dollars between: parks, recreation and special events. While the Planning Commission is not directly involved in parks and recreation planning, we'd like to get your feedback on this question as well since you represent the community in your role as a Planning Commissioner.

Cody Davis- $50 Parks, $35 Recreation, $15 Events
Larry Sather- $50 Parks, $30 Recreation, $20 Events
Monae Birkhofer- $50 Parks, $25 Recreation, $25 Events
Patrick Hosterman- $50 Parks, $30 Recreation, $ 20 Events

Recent Council Action on Commission Items:

N/A

Upcoming Items:

- Park Impact Fee Ordinance will be brought back to the Planning Commission in June/July and will eventually lead to a public meeting.

A motion to adjourn was made by Larry Sather and seconded by Cody Davis.
Adjourn: 7:42 pm

CITY OF STANWOOD
COUNCIL AGENDA STAFF REPORT

ITEM NUMBER:	7a
DATE:	July 22, 2021
SUBJECT:	Approval of Voucher and Payroll Checks
CONTACT PERSON:	Wendy Dowhower, Accounting Manager
ATTACHMENTS:	A - Voucher Check Detail

SUMMARY STATEMENT

Approve issuance of Washington Federal Bank voucher checks 34172 through 34210 and Washington Federal Bank electronic funds transfers in the amount of $779,100.46. Approve issuance of Washington Federal Bank payroll benefit checks 1882 through 1894 and Washington Federal Bank electronic payroll and benefit funds transfers in the amount of $317,692.46.

RECOMMENDED MOTION

MOTION TO APPROVE ISSUANCE OF WASHINGTON FEDERAL BANK VOUCHER CHECKS 34172 THROUGH 34210 AND WASHINGTON FEDERAL BANK ELECTRONIC FUNDS TRANSFERS IN THE AMOUNT OF $779,100.46. APPROVE ISSUANCE OF WASHINGTON FEDERAL BANK PAYROLL BENEFIT CHECKS 1882 THROUGH 1894 AND WASHINGTON FEDERAL BANK ELECTRONIC PAYROLL AND BENEFIT FUNDS TRANSFERS IN THE AMOUNT OF $317,692.46.

CHECK REGISTER

City Of Stanwood　　Time: 12:27:50　Date: 07/14/2021

06/30/2021 To: 07/13/2021　　Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
2867	07/01/2021	Claims	3	EFT	US Bank	3,484.14	4485 5945 5564 1495
2868	07/01/2021	Claims	3	34172	Aramark Uniform Services Inc	383.04	792106997; 937963000; 937963000; 937963000; 937963000; 792106997; 792106997; 792106997
2869	07/01/2021	Claims	3	34173	Gaylynn Brien	60.00	City of Stanwood
2870	07/01/2021	Claims	3	34174	Cascade Natural Gas Corp	339.32	498 440 0000 7; 022 201 7579 4; 608 440 0000 4; 839 440 0000 5; 953 540 0000 2; 127 540 0000 3; 931 607 9072 6
2871	07/01/2021	Claims	3	34175	Databar Inc.	830.44	8952
2872	07/01/2021	Claims	3	34176	Dataquest	74.00	CITYSTA
2873	07/01/2021	Claims	3	34177	Edge Analytical Inc	244.00	STA01
2874	07/01/2021	Claims	3	34178	Ferguson Enterprises Inc	113.26	211970; 211970 City of Stanwood
2875	07/01/2021	Claims	3	34179	Forest Land Services Inc	722.85	City of Stanwood
2876	07/01/2021	Claims	3	34180	Hamilton Lumber LLC	222.03	City of Stanwood; City of Stanwood; City of Stanwood
2877	07/01/2021	Claims	3	34181	Herc Equipment Rental Corp.	1,025.33	1024925
2878	07/01/2021	Claims	3	34182	Interstate All Battery Center	442.13	C90570098000058 City of Stanwood; C90570098000058; C90570098000058
2879	07/01/2021	Claims	3	34183	Lankford Associates	862.50	City of Stanwood
2880	07/01/2021	Claims	3	34184	Maul Foster Alongi, Inc.	2,783.00	City of Stanwood
2881	07/01/2021	Claims	3	34185	Milne Electric Inc	809.17	City of Stanwood
2882	07/01/2021	Claims	3	34186	Navia Benefits	50.00	City of Stanwood
2883	07/01/2021	Claims	3	34187	Office Depot	81.77	36274097 City of Stanwood
2884	07/01/2021	Claims	3	34188	PELLCO Constructions Inc.	549,160.40	City of Stanwood
2885	07/01/2021	Claims	3	34189	PUD Of Snohomish County *	15,787.88	220923312; 200592889; 202423729; 200142180; 202727285; 202694204; 202670675; 202882056; 202579512; 200208858; 201942398; 222277832; 200794063; 221041510; 202982351
2886	07/01/2021	Claims	3	34190	Pace Engineers, Inc	3,122.25	City of Stanwood
2887	07/01/2021	Claims	3	34191	Pitney Bowes Inc- Global Financial Svc	252.02	0013214658
2888	07/01/2021	Claims	3	34192	Ricoh USA, Inc.	622.14	1316669-3660143; 1316669-3660142
2889	07/01/2021	Claims	3	34193	Shred-it US JV LLC	41.91	14668765
2890	07/01/2021	Claims	3	34194	Skagit Farmers Supply	147.32	135052; 135052; 135052; 135052
2891	07/01/2021	Claims	3	34195	Skagit Publishing	519.10	City of Stanwood; City of Stanwood; City of Stanwood; City of Stanwood
2892	07/01/2021	Claims	3	34196	Sno Co District Court	1,136.69	DCT34003
2893	07/01/2021	Claims	3	34197	Sno Co Information Services *	11,627.80	DIS1107
2894	07/01/2021	Claims	3	34198	Sno Co Sheriff's Office - CB	4,775.52	City of Stanwood TIN 91-6001368; City of Stanwood TIN 91-6001368
2895	07/01/2021	Claims	3	34199	Sno Co Sheriffs Office *	156,723.75	SSH00001
2896	07/01/2021	Claims	3	34200	Snohomish County 911	8,202.99	City of Stanwood
2897	07/01/2021	Claims	3	34201	Snohomish County Public Def Association	2,043.44	City of Stanwood
2898	07/01/2021	Claims	3	34202	Stanwood Auto Parts	207.08	56100; 56100
2899	07/01/2021	Claims	3	34203	Transpogroup Inc	9,672.50	City of Stanwood
2900	07/01/2021	Claims	3	34204	USA Bluebook	126.76	478228
2901	07/01/2021	Claims	3	34205	Unum Life Insurance	88.40	City of Stanwood
2902	07/01/2021	Claims	3	34206	WA St Dept of Licensing *	402.00	City of Stanwood

CHECK REGISTER

City Of Stanwood | Time: 12:27:50 Date: 07/14/2021

06/30/2021 To: 07/13/2021 | Page: 2

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
2903	07/01/2021	Claims	3	34207	WA St Dept of Transportation *	1,462.38	SW001523800; City of Stanwood 1509; City of Stanwood 1509
2904	07/01/2021	Claims	3	34208	Washington State Patrol *	172.25	STA301
2905	07/01/2021	Claims	3	34209	Wave Broadband	142.65	3201-0316545-01
2906	07/01/2021	Claims	3	34210	Western Exterminator Company	136.25	683591

001 General Fund	194,390.08		
101 Street Fund	7,658.78		
103 Street Construction Fund	862.50		
104 Park And Trail Improvement Fund	2,783.00		
401 Sewer Fund	8,967.31		
403 Sewer Construction Fund	549,160.40		
410 Drainage Fund	2,743.10		
411 Drainage Construction Fund	3,301.47		
421 Water Fund	8,659.57		
630 Agency Fund	574.25		
		Claims:	779,100.46
	779,100.46		

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 Wendy Fordham Date: 7-14-21
( ) Deputy Finance Director

CHECK REGISTER

City Of Stanwood

Time: 12:28:23 Date: 07/14/2021

06/30/2021 To: 07/13/2021 Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
2911	07/08/2021	Payroll	3	EFT		3,713.36	June 2021 Payroll
2912	07/08/2021	Payroll	3	EFT		3,876.41	June 2021 Payroll
2913	07/08/2021	Payroll	3	EFT		1,956.94	June 2021 Payroll
2914	07/08/2021	Payroll	3	EFT		2,359.05	June 2021 Payroll
2915	07/08/2021	Payroll	3	EFT		2,228.87	June 2021 Payroll
2916	07/08/2021	Payroll	3	EFT		1,300.20	June 2021 Payroll
2917	07/08/2021	Payroll	3	EFT		2,787.19	June 2021 Payroll
2918	07/08/2021	Payroll	3	EFT		4,008.86	June 2021 Payroll
2919	07/08/2021	Payroll	3	EFT		6,587.08	June 2021 Payroll
2920	07/08/2021	Payroll	3	EFT		3,660.01	June 2021 Payroll
2921	07/08/2021	Payroll	3	EFT		2,103.53	June 2021 Payroll
2922	07/08/2021	Payroll	3	EFT		4,037.39	June 2021 Payroll
2923	07/08/2021	Payroll	3	EFT		2,341.07	June 2021 Payroll
2924	07/08/2021	Payroll	3	EFT		5,950.02	June 2021 Payroll
2925	07/08/2021	Payroll	3	EFT		2,390.88	June 2021 Payroll
2926	07/08/2021	Payroll	3	EFT		3,096.96	June 2021 Payroll
2927	07/08/2021	Payroll	3	EFT		6,792.50	June 2021 Payroll
2928	07/08/2021	Payroll	3	EFT		4,204.22	June 2021 Payroll
2929	07/08/2021	Payroll	3	EFT		5,833.74	June 2021 Payroll
2930	07/08/2021	Payroll	3	EFT		391.17	June 2021 Payroll
2931	07/08/2021	Payroll	3	EFT		4,398.44	June 2021 Payroll
2932	07/08/2021	Payroll	3	EFT		5,901.05	June 2021 Payroll
2933	07/08/2021	Payroll	3	EFT		2,412.08	June 2021 Payroll
2934	07/08/2021	Payroll	3	EFT		4,516.84	June 2021 Payroll
2935	07/08/2021	Payroll	3	EFT		3,737.98	June 2021 Payroll
2936	07/08/2021	Payroll	3	EFT		3,611.32	June 2021 Payroll
2937	07/08/2021	Payroll	3	EFT		390.93	June 2021 Payroll
2938	07/08/2021	Payroll	3	EFT		3,304.13	June 2021 Payroll
2939	07/08/2021	Payroll	3	EFT		3,223.85	June 2021 Payroll
2940	07/08/2021	Payroll	3	EFT		341.09	June 2021 Payroll
2941	07/08/2021	Payroll	3	EFT		391.01	June 2021 Payroll
2942	07/08/2021	Payroll	3	EFT		4,977.44	June 2021 Payroll
2943	07/08/2021	Payroll	3	EFT		1,567.75	June 2021 Payroll
2944	07/08/2021	Payroll	3	EFT		2,512.83	June 2021 Payroll
2945	07/08/2021	Payroll	3	EFT		2,438.61	June 2021 Payroll
2946	07/08/2021	Payroll	3	EFT		3,961.11	June 2021 Payroll
2947	07/08/2021	Payroll	3	EFT		391.01	June 2021 Payroll
2948	07/08/2021	Payroll	3	EFT		2,379.32	June 2021 Payroll
2949	07/08/2021	Payroll	3	EFT		4,187.05	June 2021 Payroll
2950	07/08/2021	Payroll	3	EFT		3,053.93	June 2021 Payroll
2951	07/08/2021	Payroll	3	EFT		2,535.55	June 2021 Payroll
2952	07/08/2021	Payroll	3	EFT		3,502.63	June 2021 Payroll
2953	07/08/2021	Payroll	3	EFT		391.09	June 2021 Payroll
2954	07/08/2021	Payroll	3	EFT		391.01	June 2021 Payroll
2960	07/08/2021	Payroll	3	EFT	HSA Bank	2,041.00	Pay Cycle(s) 07/08/2021 To 07/08/2021 - HSA Contributions ER; Pay Cycle(s) 07/08/2021 To 07/08/2021 - HSA Contr EE Over 55
2961	07/08/2021	Payroll	3	EFT	Internal Revenue Service (941)	60,218.69	941 Deposit for Pay Cycle(s) 07/08/2021 - 07/08/2021
2962	07/08/2021	Payroll	3	EFT	WA St Department Of Retirement Systems	49,021.81	Pay Cycle(s) 07/08/2021 To 07/08/2021 - PERS2; Pay Cycle(s) 07/08/2021 To 07/08/2021 - PERS 3; Pay Cycle(s) 07/08/2021 To 07/08/2021 - 457 - DRS (DCP)

CHECK REGISTER

City Of Stanwood — Time: 12:28:23 Date: 07/14/2021

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Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
2963	07/08/2021	Payroll	3	1882	AFLAC	485.87	Pay Cycle(s) 07/08/2021 To 07/08/2021 - AFLAC, Pre-Tax; Pay Cycle(s) 07/08/2021 To 07/08/2021 - AFLAC, Post-Tax
2964	07/08/2021	Payroll	3	1883	AWC Employee Benefit Trust	21,231.90	Pay Cycle(s) 07/08/2021 To 07/08/2021 - AWC - Health First 250; Pay Cycle(s) 07/08/2021 To 07/08/2021 - AWC- Dental J; Pay Cycle(s) 07/08/2021 To 07/08/2021 - AWC - Vision; Pay Cycle(s) 07/08/2021 To;
2965	07/08/2021	Payroll	3	1884	Colonial Life Insurance	66.75	Pay Cycle(s) 07/08/2021 To 07/08/2021 - Colonial Life Ins
2966	07/08/2021	Payroll	3	1885	Hartford Retirement Plan Services	3,838.13	Pay Cycle(s) 07/08/2021 To 07/08/2021 - 457 - MassMutual (Hartford); Pay Cycle(s) 07/08/2021 To 07/08/2021 - Roth 457(b)(MassMutual)
2967	07/08/2021	Payroll	3	1886	ICMA Retirement Trust	3,516.00	Pay Cycle(s) 07/08/2021 To 07/08/2021 - 457 - ICMA
2968	07/08/2021	Payroll	3	1887	Legal Shield	18.95	Pay Cycle(s) 07/08/2021 To 07/08/2021 - Legal Shield
2969	07/08/2021	Payroll	3	1888	Navia Benefits	137.50	Pay Cycle(s) 07/08/2021 To 07/08/2021 - Medical FSA- S125; Pay Cycle(s) 07/08/2021 To 07/08/2021 - Navia Limited FSA
2970	07/08/2021	Payroll	3	1889	Western Conference of Teamsters Pension Trust	1,991.90	Pay Cycle(s) 07/08/2021 To 07/08/2021 - WCTPP Contributions
2971	07/08/2021	Payroll	3	1890	Teamsters Union Local 231	1,373.00	Pay Cycle(s) 07/08/2021 To 07/08/2021 - Teamsters Dues
2972	07/08/2021	Payroll	3	1891	Washington Teamsters Welfare Trust	28,629.00	Pay Cycle(s) 07/08/2021 To 07/08/2021 - Teamsters Dental; Pay Cycle(s) 07/08/2021 To 07/08/2021 - Teamsters Medical
3047	07/13/2021	Payroll	3	1892	Dept of Labor and Industries	7,559.36	2ND Quarter 04/01/2021 - 06/30/2021
3048	07/13/2021	Payroll	3	1893	ESD - PFMLA	1,928.99	Pay Cycle(s) 04/01/2021 To 06/30/2021 - PFMLA
3049	07/13/2021	Payroll	3	1894	Employment Security Dept	1,496.11	2nd Quarter 04/01/2021 - 06/30/2021

Fund	Amount		
001 General Fund	141,057.82		
101 Street Fund	32,829.43		
401 Sewer Fund	50,042.97		
410 Drainage Fund	35,820.55		
421 Water Fund	57,941.69		
	317,692.46	Payroll:	317,692.46

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo

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 Wendy Dorban Date: 7-14-21

( ) Deputy Finance Director

CITY OF STANWOOD
COUNCIL AGENDA STAFF REPORT

ITEM NUMBER:	7b
DATE:	July 22, 2021
SUBJECT:	City Council July 08, 2021 Regular Meeting Minutes
CONTACT PERSON:	Sara Robinson, City Clerk
ATTACHMENTS:	A – Council Regular Meeting Minutes

SUMMARY STATEMENT

Minutes of the July 08, 2021 Regular City Council Meeting are attached.

RECOMMENDED MOTION

MOTION TO APPROVE THE MINUTES OF THE JULY 08, 2021 COUNCIL MEETING AS PRESENTED.

1. Call to Order

Mayor Elizabeth Callaghan called the meeting to order at 7:00 p.m.

2. Roll Call

City Clerk Sara Robinson called the roll with the following Councilmembers present: Rob Johnson, Darren Robb, Sid Roberts and Judy Williams. The meeting was quorate.

Motion by Councilmember Pearce, Second by Councilmember White to excuse Councilmember Shepro and Councilmember White. Motion carried unanimously.

Also present: Public Works Director Kevin Hushagen, Community Development Director Patricia Love, Fire Chief John Cermak, Police Chief Rob Martin, Assistant to the Administrator & Communications Manager Krista Hintz, Attorney Brett Vinson, City Administrator Jennifer Ferguson and City Clerk Sara Robinson.

3. Approval of the Agenda

Motion by Councilmember Roberts, second by Councilmember Williams to approve the agenda as amended. Motion carried unanimously.

4. Citizen Comments

The City did not receive written comments and one citizen who would like to verbally address the Mayor and City Council. Citizens who wished to speak verbally, were required registered on the City Website by 9:00 am today, must be visible on camera and identify them-self with name and address.

The City received one request for verbal comment-

Tim Schmitt – 27308 101st Ave- Topic: Police

It was not recognized that Mr. Schmitt was signed onto the Zoom meeting. Council decided to move forward.

5. Committee Reports

a. Salary Commission Meeting Minutes – June 23, 2021
b. Parks and Trails Advisory Committee Meeting Minutes – May 17, 2021

6. Consent Agenda

a. Approve Vouchers and Payroll Checks
b. Approve June 24, 2021 Regular City Council Meeting Minutes

Motion by Councilmember Williams, Second by Councilmember Pearce, to approve the Consent Agenda.
Motion carried unanimously.

7. New Business

a. Final Acceptance of the 276th St. Overlay and ADA Improvements – Reece Construction Contract

Public Works Director, Kevin Hushagen explained that this item is the final acceptance of the 276th St. Overlay and ADA Improvement project to allow for the start of the warranty and retainage release period. The project is now complete, and Reece Construction is seeking final acceptance. They completed the project under budget, for a total of $212,646.27. This project is partially funded with a grant by the Washington State Transportation Improvement Board (TIB). The grant was based on the total cost including design, construction, and inspection. The design came in under budget also. The approved contract was for $43,885.00 and the total spent was $34,443.61. City staff performed the inspection. The total contracted amount for the project (design and construction) was $319,104. The actual total came in at $247,090.

Motion by Councilmember Roberts, Second by Councilmember Shepro to authorize the Mayor to approve final acceptance of the 276th Street Overlay and ADA Improvement Project.

Motion carried unanimously.

b. Adopt Resolution 2021-05 Authorizing the City Administrator to Make Declarations

Mayor Callaghan and Jennifer Ferguson explained the presented item. The City issues tax-exempt, tax-advantaged and other obligations (“bonds”) from time to time for the purpose of financing its governmental activities. The City makes capital expenditures from time to time from money that is available but that is not (and is not reasonably expected to be) reserved, allocated on a long-term basis or otherwise set aside for those expenditures, and the City reasonably expects to be reimbursed for those expenditures from proceeds of bonds issued or incurred to finance those expenditures. United States Treasury Regulations Section 1.150-2 relating to the reimbursement of prior expenditures from proceeds of bonds requires, among other things, that not later than 60 days after payment of the original expenditure the City (or any person designated by the City to do so on its

behalf) declare a reasonable official intent to reimburse those original expenditures from proceeds of bonds (“official intent”). Reimbursement of capital expenditures from bond proceeds is necessary otherwise the City would need to find an alternative source of revenues to cover the cost of these capital investments. Bond Counsel has reviewed the resolution and approves as to form.
Council discussed the item.

Motion by Councilmember Roberts, Second by Councilmember Johnson to authorize the City Administrator to make declarations of official intent on behalf of the City to reimburse capital expenditures from future borrowings.
Motion carried unanimously.

c. Authorize the Mayor to Execute an Interlocal Agreement with Snohomish County for GIS and Imaging Support Services

Community Development Director, Patricia Love presented the request for an amendment to the existing Snohomish County Information Technology (IT) contract to add Geographic Information System (GIS) mapping and regional aerial imagery services to the city’s overall contracted services with the County. In 2020 Snohomish County commissioned an aerial flight of the entire County to obtain aerial photography in the quality necessary to use as base maps for GIS mapping purposes. The County reached out to all cities to determine their interest in participating in a cost sharing option to obtain copies for individual jurisdictional use. The County intents to update the aerial photography every two years so that the base maps can keep pace with construction and development. As part of the 2021 – 2022 Budget, staff included costs to obtain aerials for Stanwood and our urban growth areas. This work has been completed and the files are ready to be distributed. To finalize the transaction, an amendment to the City’s Interlocal Agreement is necessary to add the additional services to our existing IT contract.
In addition to obtaining aerial imagery, the contract amendment includes an hourly rate for GIS services to help the City with map preparation. This portion of the contract is an on-demand service as requested by the City and is charged as needed. Examples of mapping projects could include comprehensive or zoning map amendments, utility maps, or capital project maps
GIS mapping is an importation tool for Cities to analyze long range planning scenarios, manage and track infrastructure maintenance, and graphicly display information to the public. Having an accurate base map with updated aerial imagery is essential. Contracting these services with the County is an economical way for the city to have access to GIS services without having to hire additional staff.

Motion by Councilmember Williams, Second by Councilmember Pearce to authorize the Mayor to execute the Interlocal Agreement Amendment with Snohomish County for GIS services.
Motion carried unanimously.

8. Citizen Closing Comments – Removed via motion at the 3-26-2020 Meeting

9. Reports of Officers and Committees

a. Mayor's Report –
The Mayor did not have anything to report.

b. City Administrator's Report-
Jennifer Ferguson mentioned that the American Recovery Act funds will be discussed at the next City Council meeting as well as making a decision about resuming in-person meetings and where they will take place.

c. Councilmember Reports and Questions-
Councilmember Roberts spoke about Ordinance 909 regarding noise in the City Limits. He hopes that a revision of this is something that Council can work on soon.

Councilmember Johnson mentioned that it might be a good time to start the discussion about banning fireworks. He wasn't sure which committee it should start with, but he is in favor of getting the conversation started. The Pioneer Hills neighborhood will be in touch about having the City take over their retention pond.

Councilmember Williams wanted to remind everyone that there is a Summer Concert tomorrow, Friday Night Lights. It will be held in the lot across from the Legion and Rite Aid from 7:00 - 9:00 pm.

Councilmember Robb also spoke about the fireworks. He is thankful that the citizens dialed it back this year due to the dry weather . Thank you to everyone who enjoyed the 4^{th} with the safe and sane fireworks.

10. Adjourn to Executive Session to Discuss Possible Real Estate Acquisition under RCW 42.30.110 (1) (B).

The meeting was adjourned to Executive Session at 7:20 pm. The session is expected to last approximately 30 minutes with action to follow.

At 7:47 pm the Clerk was notified that the Council needed ten more minutes.

At 7:57 pm Council reconvened.

Patricia Love explained that there will be three motions.

Motion by Councilmember Roberts, second by Councilmember Williams to authorize the City to enter into a Purchase and Sale Agreement on the Sebranke property or other legal documentation as determined by the City Attorney to negotiate the purchase of the property.
Motion carried unanimously.

Motion by Councilmember Pearce, second by Councilmember Robb to authorize the City to enter into the Department of Ecology's Voluntary Clean Up Program for the Sebranke Property on 271st Street in downtown Stanwood.
Motion carried unanimously.

Motion by Councilmember Pearce, second by Councilmember Williams to authorize a minor amendment to the Maul Foster Alongi Contract in the amount of $5,500 to support the Voluntary Clean-up Program and the Purchase and Sale activities.
Motion carried unanimously.

Meeting Adjourned at 7:59 pm.

CITY OF STANWOOD	ATTEST:
______________________________	______________________________
Elizabeth Callaghan, Mayor	Sara Robinson, City Clerk

CITY OF STANWOOD
COUNCIL AGENDA STAFF REPORT

ITEM NUMBER:	8a
DATE:	July 22, 2021
SUBJECT:	Authorize the Mayor to Sign a Contract with Perteet Engineering for the Viking Way Phase 2 project
CONTACT PERSON:	Kevin Hushagen, Public Works Director
ATTACHMENTS:	A – Sample Contract

PURPOSE

The purpose of this agenda item is to authorize the mayor to sign a contract with Perteet Engineering for the Viking Way Phase 2 design and right of way work.

RECOMMENDATION

Authorize the Mayor to sign a contract with Perteet Engineering for the Viking Way Phase 2 design and right of way work.

BACKGROUND

Staff applied for grant funds through the Puget Sound Regional Council (PSRC) in 2018 for design and right of way funds for the Viking Way Phase 2 project. This project will extend Viking Way from its terminus near Petco to 92nd Avenue. This will require right of way purchase from the PUD property and will result in Viking Way lining up with the entrance to the QFC parking lot. It will then allow staff to close the existing entrance to Petco/Grocery Outlet. This will make 92nd Avenue a much safer street by reducing the amount of competing/conflicting left turns.

Staff advertised a request for qualifications for engineering services and only received 2. Perteet Engineering and Gray and Osborne Consulting. Staff and WSDOT Local Programs interviewed both teams and Perteet was the clear winner. They did the design and right of way work on the 90th Avenue (Viking Way Phase 1 project) and have by far the most knowledge of the site and the potential issues.

ANALYSIS

Fiscal Impact			
$67,500			
Fund(s):	Drainage Construction 595 10 63 08/09		
Amount:	$331,615.67	**Project Estimate:**	$500,000
Budget Authorized	**[x] Yes [ ] No**	**Amendment Required**	**[ ] Yes [x] No [ ] Monitor**

RECOMMENDATIONS

Staff Recommendation:

Staff recommends authorizing the Mayor to sign a contract with Perteet Engineering for the Viking Way Phase 2 design and right of way work in the amount of $331,615.67.

Committee/Board Recommendation:

This item has not been to the Public Works Committee.

COUNCIL OPTIONS

1.) Authorize Mayor to sign a contract with Perteet Engineering for the Viking Way Phase 2 design and right of way work in the amount of $331,615.67.
2.) Send to the Public Works Committee for discussion.

RECOMMENDED MOTION

MOTION TO AUTHORIZE THE MAYOR TO SIGN A CONTRACT WITH PERTEET ENGINEERING FOR THE VIKING WAY PHASE 2 DESIGN AND RIGHT OF WAY WORK, NOT TO EXCEED 331,615.67.

Local Agency A&E Professional Services Cost Plus Fixed Fee Consultant Agreement

Agreement Number:

Firm/Organization Legal Name (do not use dba's): Perteet, Inc.	
Address 2707 Colby Avenue, Suite 900, Everett, WA 98201	Federal Aid Number STPUS-9308(001)
UBI Number 601-288-065	Federal TIN or SSN Number 91-1505037
Execution Date	Completion Date July 31, 2022
1099 Form Required ☐ Yes ☑ No	Federal Participation ☑ Yes ☐ No
Project Title City of Stanwood Viking Way Extension Design - Phase 2	
Description of Work The overall objective of this project is to prepare a bid package for the Viking Way roadway extension, connecting the portion previous built in Phase 1 (90th Avenue NW Extension) on the east end to 92nd Avenue NW to the west. Elements of this project will include the details and plans for the roadway and intersection improvements, pedestrian amenity improvements, landscaping, public outreach, right-of-way plans and coordination, environmental permitting and documentation, and geotechnical explorations and design. See attached Exhibit "A", Scope of Services.	
☐ Yes ☑ No DBE Participation ☐ Yes ☑ No MBE Participation ☐ Yes ☑ No WBE Participation ☐ Yes ☑ No SBE Participation	Total Amount Authorized: $331,634.00 Management Reserve Fund: Maximum Amount Payable: $331,634.00

Index of Exhibits

Agreement Number:

THIS AGREEMENT, made and entered into as shown in the "Execution Date" box on page one (1) of this AGREEMENT, between the CITY OF STANWOOD ,
hereinafter called the "AGENCY," and the "Firm / Organization Name" referenced on page one (1) of this AGREEMENT, hereinafter called the "CONSULTANT."

WHEREAS, the AGENCY desires to accomplish the work referenced in "Description of Work" on page one (1) of this AGREEMENT and hereafter called the "SERVICES;" and does not have sufficient staff to meet the required commitment and therefore deems it advisable and desirable to engage the assistance of a CONSULTANT to provide the necessary SERVICES; and

WHEREAS, the CONSULTANT represents that they comply with the Washington State Statutes relating to professional registration, if applicable, and has signified a willingness to furnish consulting services to the AGENCY.

NOW, THEREFORE, in consideration of the terms, conditions, covenants, and performance contained herein, or attached and incorporated and made a part hereof, the parties hereto agree as follows:

I. General Description of Work

The work under this AGREEMENT shall consist of the above-described SERVICES as herein defined, and necessary to accomplish the completed work for this project. The CONSULTANT shall furnish all services, labor, and related equipment and, if applicable, sub-consultants and subcontractors necessary to conduct and complete the SERVICES as designated elsewhere in this AGREEMENT.

II. General Scope of Work

The Scope of Work and projected level of effort required for these SERVICES is described in Exhibit "A" attached hereto and by this reference made a part of this AGREEMENT. The General Scope of Work was developed utilizing performance based contracting methodologies.

III. General Requirements

All aspects of coordination of the work of this AGREEMENT with outside agencies, groups, or individuals shall receive advance approval by the AGENCY. Necessary contacts and meetings with agencies, groups, and/or individuals shall be coordinated through the AGENCY. The CONSULTANT shall attend coordination, progress, and presentation meetings with the AGENCY and/or such State, Federal, Community, City, or County officials, groups or individuals as may be requested by the AGENCY. The AGENCY will provide the CONSULTANT sufficient notice prior to meetings requiring CONSULTANT participation. The minimum required hours or days' notice shall be agreed to between the AGENCY and the CONSULTANT and shown in Exhibit "A."

The CONSULTANT shall prepare a monthly progress report, in a form approved by the AGENCY, which will outline in written and graphical form the various phases and the order of performance of the SERVICES in sufficient detail so that the progress of the SERVICES can easily be evaluated.

The CONSULTANT, any sub-consultants, and the AGENCY shall comply with all Federal, State, and local laws, rules, codes, regulations, and all AGENCY policies and directives, applicable to the work to be performed under this AGREEMENT. This AGREEMENT shall be interpreted and construed in accordance with the laws of the State of Washington.

Agreement Number:

Participation for Disadvantaged Business Enterprises (DBE) or Small Business Enterprises (SBE), if required, per 49 CFR Part 26, shall be shown on the heading of this AGREEMENT. If DBE firms are utilized at the commencement of this AGREEMENT, the amounts authorized to each firm and their certification number will be shown on Exhibit “B” attached hereto and by this reference made part of this AGREEMENT. If the Prime CONSULTANT is a DBE certified firm they must comply with the Commercial Useful Function (CUF) regulation outlined in the AGENCY’s “DBE Program Participation Plan” and perform a minimum of 30% of the total amount of this AGREEMENT. It is recommended, but not required, that non-DBE Prime CONSULTANTS perform a minimum of 30% of the total amount of this AGREEMENT.

In the absents of a mandatory DBE goal, a voluntary SBE goal amount of ten percent of the Consultant Agreement is established. The Consultant shall develop a SBE Participation Plan prior to commencing work. Although the goal is voluntary, the outreach efforts to provide SBE maximum practicable opportunities are not.

The CONSULTANT, on a monthly basis, shall enter the amounts paid to all firms (including Prime) involved with this AGREEMENT into the wsdot.diversitycompliance.com program. Payment information shall identify any DBE Participation.

All Reports, PS&E materials, and other data furnished to the CONSULTANT by the AGENCY shall be returned. All electronic files, prepared by the CONSULTANT, must meet the requirements as outlined in Exhibit “C – Preparation and Delivery of Electronic Engineering and other Data.”

All designs, drawings, specifications, documents, and other work products, including all electronic files, prepared by the CONSULTANT prior to completion or termination of this AGREEMENT are instruments of service for these SERVICES, and are the property of the AGENCY. Reuse by the AGENCY or by others, acting through or on behalf of the AGENCY of any such instruments of service, not occurring as a part of this SERVICE, shall be without liability or legal exposure to the CONSULTANT.

Any and all notices or requests required under this AGREEMENT shall be made in writing and sent to the other party by (i) certified mail, return receipt requested, or (ii) by email or facsimile, to the address set forth below:

If to AGENCY:
Name: Shawn Smith
Agency: City of Stanwood
Address: 10220 - 270th St. NW
City: Stanwood State: WA Zip: 98292
Email: shawn.smith@ci.stanwood.wa.us
Phone: (360) 629-9781
Facsimile: (360) 629-6294

If to CONSULTANT:
Name: Dustin DeKoekkoek
Agency: Perteet, Inc.
Address: 2707 Colby Avenue, Suite 900
City: Everett State: WA Zip: 98201
Email: dustin.dekoekkoek@perteet.com
Phone: (425) 252-7700
Facsimile: (425) 339-6018

IV. Time for Beginning and Completion

The CONSULTANT shall not begin any work under the terms of this AGREEMENT until authorized in writing by the AGENCY. All work under this AGREEMENT shall be completed by the date shown in the heading of this AGREEMENT titled “Completion Date.”

The established completion time shall not be extended because of any delays attributable to the CONSULTANT, but may be extended by the AGENCY in the event of a delay attributable to the AGENCY, or because of unavoidable delays caused by an act of GOD, governmental actions, or other conditions beyond the control of the CONSULTANT. A prior supplemental AGREEMENT issued by the AGENCY is required to extend the established completion time.

Agreement Number:

V. Payment Provisions

The CONSULTANT shall be paid by the AGENCY for completed SERVICES rendered under this AGREEMENT as provided hereinafter. Such payment shall be full compensation for SERVICES performed or SERVICES rendered and for all labor, materials, supplies, equipment, and incidentals necessary to complete SERVICES, specified in Section II, "Scope of Work". The CONSULTANT shall conform to all applicable portions of 48 CFR Part 31 (www.ecfr.gov). The estimate in support of the Cost Plus Fixed Fee amount is attached hereto as Exhibits "D" and "E" and by this reference made part of this AGREEMENT.

A. Actual Costs: Payment for all consulting services for this PROJECT shall be on the basis of the CONSULTANT'S actual cost plus a fixed fee. The actual cost shall include direct salary cost, indirect cost rate, and direct non-salary costs.

1. Direct (RAW) Labor Costs: The Direct (RAW) Labor Cost is the direct salary paid to principals, professional, technical, and clerical personnel for the time they are productively engaged in work necessary to fulfill the terms of this AGREEMENT. The CONSULTANT shall maintain support data to verify the direct salary costs billed to the AGENCY.

2. Indirect Cost Rate (ICR) Costs: ICR Costs are those costs, other than direct costs, which are included as such on the books of the CONSULTANT in the normal everyday keeping of its books. Progress payments shall be made at the ICR rates shown in attached Exhibits "D" and "E" of this AGREEMENT. Total ICR payment shall be based on Actual Costs. The AGENCY agrees to reimburse the CONSULTANT the actual ICR costs verified by audit, up to the Maximum Total Amount Payable, authorized under this AGREEMENT, when accumulated with all other Actual Costs.
   A summary of the CONSULTANT'S cost estimate and the ICR percentage is shown in Exhibits "D" and "E", attached hereto and by this reference made part of this AGREEMENT. The CONSULTANT (prime and all A&E sub-consultants) will submit to the AGENCY within six (6) months after the end of each firm's fiscal year, an ICR schedule in the format required by the AGENCY (cost category, dollar expenditures, etc.) for the purpose of adjusting the ICR rate for billings received and paid during the fiscal year represented by the ICR schedule. It shall also be used for the computation of progress payments during the following year and for retroactively adjusting the previous year's ICR cost to reflect the actual rate. The ICR schedule will be sent to Email: ConsultantRates@wsdot.wa.gov.
   Failure to supply this information by either the prime CONSULTANT or any of their A&E sub-consultants shall cause the AGENCY to withhold payment of the billed ICR costs until such time as the required information is received and an overhead rate for billing purposes is approved.
   The AGENCY's Project Manager and/or the Federal Government may perform an audit of the CONSULTANT'S books and records at any time during regular business hours to determine the actual ICR rate, if they so desire.

3. Direct Non-Salary Costs: Direct Non-Salary Costs will be reimbursed at the Actual Cost to the CONSULTANT. (excluding Meals, which are reimbursed at the per diem rates identified in this section) These charges may include, but are not limited to, the following items: travel, printing, long distance telephone, supplies, computer charges and fees of sub-consultants. Air or train travel will be reimbursed only to economy class levels unless otherwise approved by the AGENCY. The CONSULTANT shall comply with the rules and regulations regarding travel costs (excluding air, train, and rental car costs) in accordance with WSDOT's Accounting Manual M 13-82, Chapter 10 – Travel Rules and Procedures, and revisions thereto. Air, train, and rental car costs shall be reimbursed in accordance with 48 Code of Federal Regulations (CFR) Part 31.205-46 "Travel Costs." The billing for Direct Non-Salary Costs shall include an itemized listing of the charges directly identifiable with the PROJECT. The CONSULTANT shall maintain the original supporting documents in their office. Copies of the original supporting documents shall be supplied to the AGENCY upon request. All above charges must be necessary for the services provided under this AGREEMENT.

4. Fixed Fee: The Fixed Fee, which represents the CONSULTANT'S profit, is shown in attached Exhibits "D" and "E" of this AGREEMENT. This fee is based on the Scope of Work defined in this AGREEMENT and the estimated person-hours required to perform the stated Scope of Work. In the event the CONSULTANT enters into a supplemental AGREEMENT for additional work, the supplemental AGREEMENT may include provisions for the added costs and an appropriate additional fee. The Fixed Fee will be prorated and paid monthly in proportion to the percentage of work completed by the CONSULTANT and reported in the Monthly Progress Reports accompanying the billings. Any portion of the Fixed Fee earned but not previously paid in the progress payments will be covered in the final payment, subject to the provisions of Section IX entitled "Termination of Agreement."

5. Management Reserve Fund (MRF): The AGENCY may desire to establish MRF to provide the Agreement Administrator with the flexibility to authorize additional funds to the AGREEMENT for allowable unforeseen costs, or reimbursing the CONSULTANT for additional work beyond that already defined in this AGREEMENT. Such authorization(s) shall be in writing and shall not exceed the lesser of $100,000 or 10% of the Total Amount Authorized as shown in the heading of this AGREEMENT. The amount included for the MRF is shown in the heading of this AGREEMENT. This fund may not be replenished. Any changes requiring additional costs in excess of the MRF shall be made in accordance with Section XIII, "Extra Work."

6. Maximum Total Amount Payable: The Maximum Total Amount Payable by the AGENCY to the CONSULTANT under this AGREEMENT shall not exceed the amount shown in the heading of this AGREEMENT. The Maximum Total Amount Payable is comprised of the Total Amount Authorized, and the MRF. The Maximum Total Amount Payable does not include payment for Extra Work as stipulated in Section XIII, "Extra Work." No minimum amount payable is guaranteed under this AGREEMENT.

B. Monthly Progress Payments: The CONSULTANT may submit billings to the AGENCY for reimbursement of Actual Costs plus the ICR and calculated fee on a monthly basis during the progress of the work. Such billings shall be in a format approved by the AGENCY and accompanied by the monthly progress reports required under Section III, "General Requirements" of this AGREEMENT. The billings will be supported by an itemized listing for each item including Direct (RAW) Labor, Direct Non-Salary, and allowable ICR Costs to which will be added the prorated Fixed Fee. To provide a means of verifying the billed Direct (RAW) Labor costs for CONSULTANT employees, the AGENCY may conduct employee interviews. These interviews may consist of recording the names, titles, Direct (RAW) Labor rates, and present duties of those employees performing work on the PROJECT at the time of the interview.

C. Final Payment: Final Payment of any balance due the CONSULTANT of the gross amount earned will be made promptly upon its verification by the AGENCY after the completion of the work under this AGREEMENT, contingent, if applicable, upon receipt of all PS&E, plans, maps, notes, reports, electronic data and other related documents which are required to be furnished under this AGREEMENT. Acceptance of such Final Payment by the CONSULTANT shall constitute a release of all claims for payment, which the CONSULTANT may have against the AGENCY unless such claims are specifically reserved in writing and transmitted to the AGENCY by the CONSULTANT prior to its acceptance. Said Final Payment shall not, however, be a bar to any claims that the AGENCY may have against the CONSULTANT or to any remedies the AGENCY may pursue with respect to such claims.

   The payment of any billing will not constitute agreement as to the appropriateness of any item and at the time of final audit; all required adjustments will be made and reflected in a final payment. In the event that such final audit reveals an overpayment to the CONSULTANT, the CONSULTANT will refund such overpayment to the AGENCY within thirty (30) calendar days of notice of the overpayment. Such refund shall not constitute a waiver by the CONSULTANT for any claims relating to the validity of a finding by the AGENCY of overpayment. The CONSULTANT has twenty (20) working days after receipt of the final POST AUDIT to begin the appeal process to the AGENCY for audit findings.

Agreement Number:

D. Inspection of Cost Records: The CONSULTANT and their sub-consultants shall keep available for inspection by representatives of the AGENCY and the United States, for a period of six (6) years after receipt of final payment, the cost records and accounts pertaining to this AGREEMENT and all items related to or bearing upon these records with the following exception: if any litigation, claim or audit arising out of, in connection with, or related to this AGREEMENT is initiated before the expiration of the six (6) year period, the cost records and accounts shall be retained until such litigation, claim, or audit involving the records is completed.

   An interim or post audit may be performed on this AGREEMENT. The audit, if any, will be performed by the State Auditor, WSDOT's Internal Audit Office and/or at the request of the AGENCY's Project Manager.

VI. Sub-Contracting

The AGENCY permits subcontracts for those items of SERVICES as shown in Exhibit "A" attached hereto and by this reference made part of this AGREEMENT.

The CONSULTANT shall not subcontract for the performance of any SERVICE under this AGREEMENT without prior written permission of the AGENCY. No permission for subcontracting shall create, between the AGENCY and sub-consultant, any contract or any other relationship.

Compensation for this sub-consultant SERVICES shall be based on the cost factors shown on Exhibit "E" attached hereto and by this reference made part of this AGREEMENT.

The SERVICES of the sub-consultant shall not exceed its maximum amount payable identified in each sub-consultant cost estimate unless a prior written approval has been issued by the AGENCY.

All reimbursable direct labor, indirect cost rate, direct non-salary costs and fixed fee costs for the sub-consultant shall be negotiated and substantiated in accordance with section V "Payment Provisions" herein and shall be memorialized in a final written acknowledgement between the parties.

All subcontracts shall contain all applicable provisions of this AGREEMENT, and the CONSULTANT shall require each sub-consultant or subcontractor, of any tier, to abide by the terms and conditions of this AGREEMENT. With respect to sub-consultant payment, the CONSULTANT shall comply with all applicable sections of the STATE's Prompt Payment laws as set forth in RCW 39.04.250 and RCW 39.76.011.

The CONSULTANT, sub-recipient, or sub-consultant shall not discriminate on the basis of race, color, national origin, or sex in the performance of this AGREEMENT. The CONSULTANT shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the CONSULTANT to carry out these requirements is a material breach of this AGREEMENT, which may result in the termination of this AGREEMENT or such other remedy as the recipient deems appropriate.

VII. Employment and Organizational Conflict of Interest

The CONSULTANT warrants that they have not employed or retained any company or person, other than a bona fide employee working solely for the CONSULTANT, to solicit or secure this contract, and that it has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the CONSULTANT, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this contract. For breach or violation of this warrant, the AGENCY shall have the right to annul this AGREEMENT without liability or, in its discretion, to deduct from this AGREEMENT price or consideration or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

Any and all employees of the CONSULTANT or other persons while engaged in the performance of any work or services required of the CONSULTANT under this AGREEMENT, shall be considered employees of the CONSULTANT only and not of the AGENCY, and any and all claims that may arise under any Workmen's

Agreement Number:

Compensation Act on behalf of said employees or other persons while so engaged, and any and all claims made by a third party as a consequence of any act or omission on the part of the CONSULTANT's employees or other persons while so engaged on any of the work or services provided to be rendered herein, shall be the sole obligation and responsibility of the CONSULTANT.

The CONSULTANT shall not engage, on a full- or part-time basis, or other basis, during the period of this AGREEMENT, any professional or technical personnel who are, or have been, at any time during the period of this AGREEMENT, in the employ of the United States Department of Transportation or the AGENCY, except regularly retired employees, without written consent of the public employer of such person if he/she will be working on this AGREEMENT for the CONSULTANT.

VIII. Nondiscrimination

During the performance of this AGREEMENT, the CONSULTANT, for itself, its assignees, sub-consultants, subcontractors and successors in interest, agrees to comply with the following laws and regulations:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. Chapter 21 Subchapter V § 2000d through 2000d-4a)
- Federal-aid Highway Act of 1973 (23 U.S.C. Chapter 3 § 324)
- Rehabilitation Act of 1973 (29 U.S.C. Chapter 16 Subchapter V § 794)
- Age Discrimination Act of 1975 (42 U.S.C. Chapter 76 § 6101 *et. seq.*)
- Civil Rights Restoration Act of 1987 (Public Law 100-259)
- American with Disabilities Act of 1990 (42 U.S.C. Chapter 126 § 12101 *et. seq.*)
- 23 CFR Part 200
- 49 CFR Part 21
- 49 CFR Part 26
- RCW 49.60.180

In relation to Title VI of the Civil Rights Act of 1964, the CONSULTANT is bound by the provisions of Exhibit "F" attached hereto and by this reference made part of this AGREEMENT, and shall include the attached Exhibit "F" in every sub-contract, including procurement of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto.

IX. Termination of Agreement

The right is reserved by the AGENCY to terminate this AGREEMENT at any time with or without cause upon ten (10) days written notice to the CONSULTANT.

In the event this AGREEMENT is terminated by the AGENCY, other than for default on the part of the CONSULTANT, a final payment shall be made to the CONSULTANT for actual hours charged and any appropriate fixed fee percentage at the time of termination of this AGREEMENT, plus any direct non-salary costs incurred up to the time of termination of this AGREEMENT.

No payment shall be made for any SERVICES completed after ten (10) days following receipt by the CONSULTANT of the notice to terminate. If the accumulated payment made to the CONSULTANT prior to Notice of Termination exceeds the total amount that would be due when computed as set forth in paragraph two (2) of this section, then no final payment shall be due and the CONSULTANT shall immediately reimburse the AGENCY for any excess paid.

If the services of the CONSULTANT are terminated by the AGENCY for default on the part of the CONSULTANT, the above formula for payment shall not apply.

In the event of a termination for default, the amount to be paid to the CONSULTANT shall be determined by the AGENCY with consideration given to the actual costs incurred by the CONSULTANT in performing SERVICES to the date of termination, the amount of SERVICES originally required which was satisfactorily completed to date of termination, whether that SERVICE is in a form or a type which is usable to the AGENCY at the time of termination, the cost to the AGENCY of employing another firm to complete the SERVICES required and the time which may be required to do so, and other factors which affect the value to the AGENCY of the SERVICES performed at the time of termination. Under no circumstances shall payment made under this subsection exceed the amount, which would have been made using the formula set forth in paragraph two (2) of this section.

If it is determined for any reason that the CONSULTANT was not in default or that the CONSULTANT's failure to perform is without the CONSULTANT's or its employee's fault or negligence, the termination shall be deemed to be a termination for the convenience of the AGENCY. In such an event, the CONSULTANT would be reimbursed for actual costs and appropriate fixed fee percentage in accordance with the termination for other than default clauses listed previously.

The CONSULTANT shall, within 15 days, notify the AGENCY in writing, in the event of the death of any member, partner, or officer of the CONSULTANT or the death or change of any of the CONSULTANT's supervisory and/or other key personnel assigned to the project or disaffiliation of any principally involved CONSULTANT employee. The CONSULTANT shall also notify the AGENCY, in writing, in the event of the sale or transfer of 50% or more of the beneficial ownership of the CONSULTANT within 15 days of such sale or transfer occurring. The CONSULTANT shall continue to be obligated to complete the SERVICES under the terms of this AGREEMENT unless the AGENCY chooses to terminate this AGREEMENT for convenience or chooses to renegotiate any term(s) of this AGREEMENT. If termination for convenience occurs, final payment will be made to the CONSULTANT as set forth in the second and third paragraphs of this section.

Payment for any part of the SERVICES by the AGENCY shall not constitute a waiver by the AGENCY of any remedies of any type it may have against the CONSULTANT for any breach of this AGREEMENT by the CONSULTANT, or for failure of the CONSULTANT to perform SERVICES required of it by the AGENCY. Forbearance of any rights under the AGREEMENT will not constitute waiver of entitlement to exercise those rights with respect to any future act or omission by the CONSULTANT.

X. Changes of Work

The CONSULTANT shall make such changes and revisions in the completed work of this AGREEMENT as necessary to correct errors appearing therein, without additional compensation thereof. Should the AGENCY find it desirable for its own purposes to have previously satisfactorily completed SERVICES or parts thereof changed or revised, the CONSULTANT shall make such revisions as directed by the AGENCY. This work shall be considered as Extra Work and will be paid for as herein provided under section XIII "Extra Work."

XI. Disputes

Any disputed issue not resolved pursuant to the terms of this AGREEMENT shall be submitted in writing within 10 days to the Director of Public Works or AGENCY Engineer, whose decision in the matter shall be final and binding on the parties of this AGREEMENT; provided however, that if an action is brought challenging the Director of Public Works or AGENCY Engineer's decision, that decision shall be subject to judicial review. If the parties to this AGREEMENT mutually agree, disputes concerning alleged design errors will be conducted under the procedures found in Exhibit "J". In the event that either party deem it necessary to institute legal action or proceeding to enforce any right or obligation under this AGREEMENT, this action shall be initiated in the Superior Court of the State of Washington, situated in the county in which the AGENCY is located. The parties hereto agree that all questions shall be resolved by application of Washington law and that the parties have the right of appeal from such decisions of the Superior Court in accordance with the laws of the State of Washington. The CONSULTANT hereby consents to the personal jurisdiction of the Superior Court of the State of Washington, situated in the county in which the AGENCY is located.

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XII. Legal Relations

The CONSULTANT, any sub-consultants, and the AGENCY shall comply with all Federal, State, and local laws, rules, codes, regulations and all AGENCY policies and directives, applicable to the work to be performed under this AGREEMENT. This AGREEMENT shall be interpreted and construed in accordance with the laws of the State of Washington.

The CONSULTANT shall defend, indemnify, and hold The State of Washington (STATE) and the AGENCY and their officers and employees harmless from all claims, demands, or suits at law or equity arising in whole or in part from the negligence of, or the breach of any obligation under this AGREEMENT by, the CONSULTANT or the CONSULTANT's agents, employees, sub consultants, subcontractors or vendors, of any tier, or any other persons for whom the CONSULTANT may be legally liable; provided that nothing herein shall require a CONSULTANT to defend or indemnify the STATE and the AGENCY and their officers and employees against and hold harmless the STATE and the AGENCY and their officers and employees from claims, demands or suits based solely upon the negligence of, or breach of any obligation under this AGREEMENT by the STATE and the AGENCY, their agents, officers, employees, sub-consultants, subcontractors or vendors, of any tier, or any other persons for whom the STATE and/or the AGENCY may be legally liable; and provided further that if the claims or suits are caused by or result from the concurrent negligence of (a) the CONSULTANT or the CONSULTANT's agents, employees, sub-consultants, subcontractors or vendors, of any tier, or any other persons for whom the CONSULTANT is legally liable, and (b) the STATE and/or AGENCY, their agents, officers, employees, sub-consultants, subcontractors and or vendors, of any tier, or any other persons for whom the STATE and or AGENCY may be legally liable, the defense and indemnity obligation shall be valid and enforceable only to the extent of the CONSULTANT's negligence or the negligence of the CONSULTANT's agents, employees, sub-consultants, subcontractors or vendors, of any tier, or any other persons for whom the CONSULTANT may be legally liable. This provision shall be included in any AGREEMENT between CONSULTANT and any sub-consultant, subcontractor and vendor, of any tier.

The CONSULTANT shall also defend, indemnify, and hold the STATE and the AGENCY and their officers and employees harmless from all claims, demands, or suits at law or equity arising in whole or in part from the alleged patent or copyright infringement or other allegedly improper appropriation or use of trade secrets, patents, proprietary information, know-how, copyright rights or inventions by the CONSULTANT or the CONSULTANT's agents, employees, sub-consultants, subcontractors or vendors, of any tier, or any other persons for whom the CONSULTANT may be legally liable, in performance of the Work under this AGREEMENT or arising out of any use in connection with the AGREEMENT of methods, processes, designs, information or other items furnished or communicated to STATE and/or the AGENCY, their agents, officers and employees pursuant to the AGREEMENT; provided that this indemnity shall not apply to any alleged patent or copyright infringement or other allegedly improper appropriation or use of trade secrets, patents, proprietary information, know-how, copyright rights or inventions resulting from STATE and/or AGENCY's, their agents', officers' and employees' failure to comply with specific written instructions regarding use provided to STATE and/or AGENCY, their agents, officers and employees by the CONSULTANT, its agents, employees, sub-consultants, subcontractors or vendors, of any tier, or any other persons for whom the CONSULTANT may be legally liable.

The CONSULTANT's relation to the AGENCY shall be at all times as an independent contractor.

Notwithstanding any determination by the Executive Ethics Board or other tribunal, the AGENCY may, in its sole discretion, by written notice to the CONSULTANT terminate this AGREEMENT if it is found after due notice and examination by the AGENCY that there is a violation of the Ethics in Public Service Act, Chapter 42.52 RCW; or any similar statute involving the CONSULTANT in the procurement of, or performance under, this AGREEMENT.

The CONSULTANT specifically assumes potential liability for actions brought by the CONSULTANT's own employees or its agents against the STATE and /or the AGENCY and, solely for the purpose of this indemnification and defense, the CONSULTANT specifically waives any immunity under the state industrial insurance law, Title 51 RCW. This waiver has been mutually negotiated between the Parties.

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Unless otherwise specified in this AGREEMENT, the AGENCY shall be responsible for administration of construction contracts, if any, on the project. Subject to the processing of a new sole source, or an acceptable supplemental AGREEMENT, the CONSULTANT shall provide On-Call assistance to the AGENCY during contract administration. By providing such assistance, the CONSULTANT shall assume no responsibility for: proper construction techniques, job site safety, or any construction contractor's failure to perform its work in accordance with the contract documents.

The CONSULTANT shall obtain and keep in force during the terms of this AGREEMENT, or as otherwise required, the following insurance with companies or through sources approved by the State Insurance Commissioner pursuant to Title 48 RCW.

Insurance Coverage

A. Worker's compensation and employer's liability insurance as required by the STATE.

B. Commercial general liability insurance written under ISO Form CG 00 01 12 04 or its equivalent with minimum limits of one million dollars ($1,000,000.00) per occurrence and two million dollars ($2,000,000.00) in the aggregate for each policy period.

C. Business auto liability insurance written under ISO Form CG 00 01 10 01 or equivalent providing coverage for any "Auto" (Symbol 1) used in an amount not less than a one million dollar ($1,000,000.00) combined single limit for each occurrence.

Excepting the Worker's Compensation Insurance and any Professional Liability Insurance, the STATE and AGENCY, their officers, employees, and agents will be named on all policies of CONSULTANT and any sub-consultant and/or subcontractor as an additional insured (the "AIs"), with no restrictions or limitations concerning products and completed operations coverage. This coverage shall be primary coverage and non-contributory and any coverage maintained by the AIs shall be excess over, and shall not contribute with, the additional insured coverage required hereunder. The CONSULTANT's and the sub-consultant's and/or subcontractor's insurer shall waive any and all rights of subrogation against the AIs. The CONSULTANT shall furnish the AGENCY with verification of insurance and endorsements required by this AGREEMENT. The AGENCY reserves the right to require complete, certified copies of all required insurance policies at any time.

All insurance shall be obtained from an insurance company authorized to do business in the State of Washington. The CONSULTANT shall submit a verification of insurance as outlined above within fourteen (14) days of the execution of this AGREEMENT to:

Name: Shawn Smith
Agency: City of Stanwood
Address: 10220 - 270th St. N.W.
City: Stanwood State: WA Zip: 98292
Email: shawn.smith@ci.stanwood.wa.us
Phone: (360) 629-9781
Facsimile: (360) 629-6294

No cancellation of the foregoing policies shall be effective without thirty (30) days prior notice to the AGENCY.

The CONSULTANT's professional liability to the AGENCY, including that which may arise in reference to section IX "Termination of Agreement" of this AGREEMENT, shall be limited to the accumulative amount of the authorized AGREEMENT amount or one million dollars ($1,000,000.00), whichever is greater, unless the limit of liability is increased by the AGENCY pursuant to Exhibit H. In no case shall the CONSULTANT's professional liability to third parties be limited in any way.

The parties enter into this AGREEMENT for the sole benefit of the parties, and to the exclusion of any third party, and no third party beneficiary is intended or created by the execution of this AGREEMENT.

The AGENCY will pay no progress payments under section V "Payment Provisions" until the CONSULTANT has fully complied with this section. This remedy is not exclusive; and the AGENCY may take such other action as is available to it under other provisions of this AGREEMENT, or otherwise in law.

XIII. Extra Work

A. The AGENCY may at any time, by written order, make changes within the general scope of this AGREEMENT in the SERVICES to be performed.

B. If any such change causes an increase or decrease in the estimated cost of, or the time required for, performance of any part of the SERVICES under this AGREEMENT, whether or not changed by the order, or otherwise affects any other terms and conditions of this AGREEMENT, the AGENCY shall make an equitable adjustment in the: (1) maximum amount payable; (2) delivery or completion schedule, or both; and (3) other affected terms and shall modify this AGREEMENT accordingly.

C. The CONSULTANT must submit any "request for equitable adjustment," hereafter referred to as "CLAIM," under this clause within thirty (30) days from the date of receipt of the written order. However, if the AGENCY decides that the facts justify it, the AGENCY may receive and act upon a CLAIM submitted before final payment of this AGREEMENT.

D. Failure to agree to any adjustment shall be a dispute under the section XI "Disputes" clause. However, nothing in this clause shall excuse the CONSULTANT from proceeding with the AGREEMENT as changed.

E. Notwithstanding the terms and conditions of paragraphs (A.) and (B.) above, the maximum amount payable for this AGREEMENT, shall not be increased or considered to be increased except by specific written supplement to this AGREEMENT.

XIV. Endorsement of Plans

If applicable, the CONSULTANT shall place their endorsement on all plans, estimates, or any other engineering data furnished by them.

XV. Federal Review

The Federal Highway Administration shall have the right to participate in the review or examination of the SERVICES in progress.

XVI. Certification of the Consultant and the Agency

Attached hereto as Exhibit "G-1(a and b)" are the Certifications of the CONSULTANT and the AGENCY, Exhibit "G-2" Certification Regarding Debarment, Suspension and Other Responsibility Matters - Primary Covered Transactions, Exhibit "G-3" Certification Regarding the Restrictions of the Use of Federal Funds for Lobbying and Exhibit "G-4" Certificate of Current Cost or Pricing Data. Exhibit "G-3" is required only in AGREEMENT's over one hundred thousand dollars ($100,000.00) and Exhibit "G-4" is required only in AGREEMENT's over five hundred thousand dollars ($500,000.00.) These Exhibits must be executed by the CONSULTANT, and submitted with the master AGREEMENT, and returned to the AGENCY at the address listed in section III "General Requirements" prior to its performance of any SERVICES under this AGREEMENT.

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XVII. Complete Agreement

This document and referenced attachments contain all covenants, stipulations, and provisions agreed upon by the parties. No agent, or representative of either party has authority to make, and the parties shall not be bound by or be liable for, any statement, representation, promise or agreement not set forth herein. No changes, amendments, or modifications of the terms hereof shall be valid unless reduced to writing and signed by the parties as a supplement to this AGREEMENT.

XVIII. Execution and Acceptance

This AGREEMENT may be simultaneously executed in several counterparts, each of which shall be deemed to be an original having identical legal effect. The CONSULTANT does hereby ratify and adopt all statements, representations, warranties, covenants, and AGREEMENT's contained in the proposal, and the supporting material submitted by the CONSULTANT, and does hereby accept this AGREEMENT and agrees to all of the terms and conditions thereof.

XIX. Protection of Confidential Information

The CONSULTANT acknowledges that some of the material and information that may come into its possession or knowledge in connection with this AGREEMENT or its performance may consist of information that is exempt from disclosure to the public or other unauthorized persons under either chapter 42.56 RCW or other local, state or federal statutes ("State's Confidential Information"). The "State's Confidential Information" includes, but is not limited to, names, addresses, Social Security numbers, e-mail addresses, telephone numbers, financial profiles, credit card information, driver's license numbers, medical data, law enforcement records (or any other information identifiable to an individual), STATE and AGENCY source code or object code, STATE and AGENCY security data, non-public Specifications, STATE and AGENCY non-publicly available data, proprietary software, State security data, or information which may jeopardize any part of the project that relates to any of these types of information. The CONSULTANT agrees to hold the State's Confidential Information in strictest confidence and not to make use of the State's Confidential Information for any purpose other than the performance of this AGREEMENT, to release it only to authorized employees, sub-consultants or subcontractors requiring such information for the purposes of carrying out this AGREEMENT, and not to release, divulge, publish, transfer, sell, disclose, or otherwise make it known to any other party without the AGENCY's express written consent or as provided by law. The CONSULTANT agrees to release such information or material only to employees, sub-consultants or subcontractors who have signed a nondisclosure AGREEMENT, the terms of which have been previously approved by the AGENCY. The CONSULTANT agrees to implement physical, electronic, and managerial safeguards to prevent unauthorized access to the State's Confidential Information.

Immediately upon expiration or termination of this AGREEMENT, the CONSULTANT shall, at the AGENCY's option: (i) certify to the AGENCY that the CONSULTANT has destroyed all of the State's Confidential Information; or (ii) returned all of the State's Confidential Information to the AGENCY; or (iii) take whatever other steps the AGENCY requires of the CONSULTANT to protect the State's Confidential Information.

As required under Executive Order 00-03, the CONSULTANT shall maintain a log documenting the following: the State's Confidential Information received in the performance of this AGREEMENT; the purpose(s) for which the State's Confidential Information was received; who received, maintained and used the State's Confidential Information; and the final disposition of the State's Confidential Information. The CONSULTANT's records shall be subject to inspection, review, or audit upon reasonable notice from the AGENCY.

The AGENCY reserves the right to monitor, audit, or investigate the use of the State's Confidential Information collected, used, or acquired by the CONSULTANT through this AGREEMENT. The monitoring, auditing, or investigating may include, but is not limited to, salting databases.

Violation of this section by the CONSULTANT or its sub-consultants or subcontractors may result in termination of this AGREEMENT and demand for return of all State's Confidential Information, monetary damages, or penalties.

It is understood and acknowledged that the CONSULTANT may provide the AGENCY with information which is proprietary and/or confidential during the term of this AGREEMENT. The parties agree to maintain the confidentiality of such information during the term of this AGREEMENT and afterwards. All materials containing such proprietary and/or confidential information shall be clearly identified and marked as "Confidential" and shall be returned to the disclosing party at the conclusion of the SERVICES under this AGREEMENT.

The CONSULTANT shall provide the AGENCY with a list of all information and materials it considers confidential and/or proprietary in nature: (a) at the commencement of the term of this AGREEMENT; or (b) as soon as such confidential or proprietary material is developed. "Proprietary and/or confidential information" is not meant to include any information which, at the time of its disclosure: (i) is already known to the other party; (ii) is rightfully disclosed to one of the parties by a third party that is not acting as an agent or representative for the other party; (iii) is independently developed by or for the other party; (iv) is publicly known; or (v) is generally utilized by unaffiliated third parties engaged in the same business or businesses as the CONSULTANT.

The parties also acknowledge that the AGENCY is subject to Washington State and federal public disclosure laws. As such, the AGENCY shall maintain the confidentiality of all such information marked proprietary and/or confidential or otherwise exempt, unless such disclosure is required under applicable state or federal law. If a public disclosure request is made to view materials identified as "Proprietary and/or confidential information" or otherwise exempt information, the AGENCY will notify the CONSULTANT of the request and of the date that such records will be released to the requester unless the CONSULTANT obtains a court order from a court of competent jurisdiction enjoining that disclosure. If the CONSULTANT fails to obtain the court order enjoining disclosure, the AGENCY will release the requested information on the date specified.

The CONSULTANT agrees to notify the sub-consultant of any AGENCY communication regarding disclosure that may include a sub-consultant's proprietary and/or confidential information. The CONSULTANT notification to the sub-consultant will include the date that such records will be released by the AGENCY to the requester and state that unless the sub-consultant obtains a court order from a court of competent jurisdiction enjoining that disclosure the AGENCY will release the requested information. If the CONSULTANT and/or sub-consultant fail to obtain a court order or other judicial relief enjoining the AGENCY by the release date, the CONSULTANT shall waive and release and shall hold harmless and indemnify the AGENCY from all claims of actual or alleged damages, liabilities, or costs associated with the AGENCY's said disclosure of sub-consultants' information.

XX. Records Maintenance

During the progress of the Work and SERVICES provided hereunder and for a period of not less than six (6) years from the date of final payment to the CONSULTANT, the CONSULTANT shall keep, retain and maintain all "documents" pertaining to the SERVICES provided pursuant to this AGREEMENT. Copies of all "documents" pertaining to the SERVICES provided hereunder shall be made available for review at the CONSULTANT's place of business during normal working hours. If any litigation, claim or audit is commenced, the CONSULTANT shall cooperate with AGENCY and assist in the production of all such documents. "Documents" shall be retained until all litigation, claims or audit findings have been resolved even though such litigation, claim or audit continues past the six (6) year retention period.

For purposes of this AGREEMENT, "documents" means every writing or record of every type and description, including electronically stored information ("ESI"), that is in the possession, control, or custody of the CONSULTANT, including, without limitation, any and all correspondences, contracts, AGREEMENT 's, appraisals, plans, designs, data, surveys, maps, spreadsheets, memoranda, stenographic or handwritten notes, reports, records, telegrams, schedules, diaries, notebooks, logbooks, invoices, accounting records, work sheets, charts, notes, drafts, scribblings, recordings, visual displays, photographs, minutes of meetings, tabulations, computations, summaries, inventories, and writings regarding conferences, conversations or telephone conversations, and any and all other taped, recorded, written, printed or typed matters of any kind or description; every copy of the foregoing whether or not the original is in the possession, custody, or control of the CONSULTANT, and every copy of any of the foregoing, whether or not such copy is a copy identical to an original, or whether or not such copy contains any commentary or notation whatsoever that does not appear on the original.

For purposes of this AGREEMENT, “ESI” means any and all computer data or electronic recorded media of any kind, including “Native Files”, that are stored in any medium from which it can be retrieved and examined, either directly or after translation into a reasonably useable form. ESI may include information and/or documentation stored in various software programs such as: Email, Outlook, Word, Excel, Access, Publisher, PowerPoint, Adobe Acrobat, SQL databases, or any other software or electronic communication programs or databases that the CONSULTANT may use in the performance of its operations. ESI may be located on network servers, backup tapes, smart phones, thumb drives, CDs, DVDs, floppy disks, work computers, cell phones, laptops or any other electronic device that CONSULTANT uses in the performance of its Work or SERVICES hereunder, including any personal devices used by the CONSULTANT or any sub-consultant at home.

“Native files” are a subset of ESI and refer to the electronic format of the application in which such ESI is normally created, viewed, and /or modified.

The CONSULTANT shall include this section XX “Records Maintenance” in every subcontract it enters into in relation to this AGREEMENT and bind the sub-consultant to its terms, unless expressly agreed to otherwise in writing by the AGENCY prior to the execution of such subcontract.

In witness whereof, the parties hereto have executed this AGREEMENT as of the day and year shown in the “Execution Date” box on page one (1) of this AGREEMENT.

Signature	Date
Signature	Date

Any modification, change, or reformation of this AGREEMENT shall require approval as to form by the Office of the Attorney General.

Agreement Number:

Project No.

Agreement Number:

EXHIBIT A
SCOPE OF SERVICES
City of Stanwood
Viking Way Phase 2

INTRODUCTION

The overall objective of this project is to prepare a bid package for the Viking Way roadway extension, connecting the portion previous built in Phase 1 (90th Avenue NW Extension) on the east end to 92nd Avenue NW to the west. Elements of this project will include the details and plans for the roadway and intersection improvements, pedestrian amenity improvements, landscaping, public outreach, right-of-way plans and coordination, environmental permitting and documentation, and geotechnical explorations and design.

The proposed roadway extension and improvements on Viking Way include sidewalks, curb and gutter, and tree pits. Other project elements will include retaining walls, stormwater conveyance, illumination and, if required, detention and water quality treatment. Right-of-way, permanent, and construction easements will need to be acquired to construct the improvements. Environmental documentation and permitting will support NEPA and SEPA.

Federal funds will be used in the right-of-way, design, and/or construction phases of the project. Accordingly, the Consultant will use procedures outlined in the WSDOT Local Agency Guidelines (LAG Manual) during development of the project.

It is anticipated that overhead and underground utility relocations, per franchise agreement, may be required to accommodate the proposed improvements. Utilities may include Snohomish County Public Utility District (SnoPUD) power, Cascade Natural Gas, City water and sewer, telecommunications, and cable.

Consultant's services will be limited to those expressly set forth herein. If the service is not specifically identified herein, it is expressly excluded. Consultant will have no other obligations, duties, or responsibilities associated with the project except as expressly provided in this Agreement.

Transferring Budget within Contract Maximum: The level of effort is specified in the scope of services. The budget may be transferred between discipline tasks at the discretion of the Consultant, provided that the total contracted amount is not exceeded. The Consultant will have the flexibility to manage budget within a given discipline on a subtask level.

Services provided by the Consultant will consist of:

GENERAL SCOPE OF SERVICES

This Scope of Services describes the work elements to be accomplished by the Consultant as summarized under each Task. This scope consists of the following elements:

Task 1 – Project Management and Coordination
Task 2 – Public Outreach
Task 3 – Utility Coordination

Task 4 – Topographic Survey and Basemapping (1 Alliance Geomatics [1 Alliance])
Task 5 – Geotechnical Investigations and Report (HWA GeoSciences [HWA])
Task 6 – Environmental Documentation and Permitting (Perteet and HWA)
Task 7 – Storm Drainage Design
Task 8 – 30% Plans and Opinion of Costs
Task 9 – 60% PS&E
Task 10 – 90% PS&E
Task 11 – 100% PS&E
Task 12 – Final Ad-Ready Contract Documents
Task 13 – Maximum Extent Feasible (MEF) Documentation
Task 14 – Right-of-Way Plans (1 Alliance and Perteet)
Task 15 – Right-of-Way Acquisition (Universal Field Services [UFS])
Task 16 – Bid Support

Optional Services
With prior written approval by the City and written notice-to-proceed, work elements described in this scope of services as optional services (as directed) may be produced by the Consultant.

This Scope of Services is defined in the tasks below.

SCOPE OF SERVICES DEFINED

Task 1 – Project Management and Coordination

Overall project management and coordination work elements include:

1.1 Project Coordination with City

Consultant will coordinate with the City of Stanwood on a regular basis to keep the City's project manager informed about project progress, project issues and schedule. This work element will also include preparing an Action Items Log and a Record of Decision and keeping these updated throughout the duration of the project.

The Consultant will attend one (1) virtual project kickoff meeting with the City and up to twelve (12) virtual project status meetings with the City to occur up to once a month. These meetings under this work element will include the following participation by the Consultant team:

- Kickoff meeting will be attended by up to four (4) staff from the Perteet team.
- Up to twelve (12) meetings attended by Perteet with up to one (1) staff from the Perteet team.
- Kickoff meeting will include subconsultants HWA (up to two [2] staff), UFS (up to two [2] staff), 1 Alliance Geomatics (up to one [1] staff), and APS (up to one [1] staff).
- Subconsultant attendance at meetings related to design work will be included under those individual design tasks.
- The Consultant will prepare agendas and meeting notes/action items and distribute to attendees.

1.2 Project Schedule, Budget, and Team Management

The Consultant will develop an overall project schedule, which will include a detailed schedule by task, for the project phases, through bid advertisement for the full project. The Consultant will prepare a draft and final schedule for the City review, and then the Consultant will prepare two (2) schedule updates as the project progresses, when requested by the City. The Consultant will also manage the Consultant budgets, monitor staff and subconsultants, manage change and prepare amendments, and monitor work progress under this work element.

1.3 Progress Reports and Invoices

As part of the project, the Consultant will prepare monthly progress reports that describe the work items and percentage of work items that were accomplished during a given month, as well as a forecast of work to be completed over the following month. Progress report will include a status of budget spent and remaining. The monthly progress reports will also identify other issues or problems that may occur in any given month, if any. The Consultant will submit these monthly progress reports to the City's Project Manager with the monthly invoices. The Consultant Project Manager will notify City's Project Manager, in writing (memo format), of any out of scope and/or budgetary issues that are inconsistent with this Scope of Services.

Assumptions:

- This contract duration shall be no longer than 12 months
- Project kickoff meeting will be held at the City offices. Monthly meetings will be held virtually.
- Maximum of two (2) project schedule updates will be prepared.
- Meetings between Consultants will be conducted under other scope tasks.

Deliverables:

- Kickoff Meeting Agenda and Summary of Meeting Notes/Action Items.
- Project Work Plan and change management procedures submitted via e-mail in PDF format. One (1) project Work Plan will be submitted.
- Project Schedule (PDF format via Microsoft Project) and up to two (2) updates.
- Project Meeting Agendas for up to 12 meetings and notes/action items.
- Invoices and Progress Reports.

Task 2 – Public Outreach

2.1 Property/Business Owner Meetings

The Consultant and the City will meet with individual property owners as requested by the City. These meetings will be scheduled by the City and held at either City offices or at the project site. The meetings will be held to further understand the breadth of concerns and interests related to the project and how they would like to be engaged during design. Support will include developing questions, organizing the appropriate project materials, and documenting input received during the meetings.

Assumptions:

- Up to six (6) meetings to be held.
- Up to two (2) Consultant staff to attend each meeting.

Deliverables:

- Up to six (6) meeting agendas for each property/business owner meeting, submitted via e-mail in Microsoft Word format at least two (2) days before each meeting.
- Up to six (6) meeting minutes for each property/business owner meeting, submitted via e-mail in Microsoft Word format within three (3) working days after each meeting.

2.2 In-person Open House

The Consultant will participate in one open house. Support includes developing meeting materials, staffing the events, and documenting the input received.

The Open House will occur about four (4) months after Notice to Proceed. It will inform the public of the project's general goals, anticipated schedule, and to provide the opportunity for the public to provide direct feedback to the Consultant team and City staff.

The Consultant will prepare mailers for the Open House that will be mailed by the City. The Consultant will provide up the three (3) staff members for the Open House and prepare comments forms and sign-in sheets. The Consultant will provide draft text and design for newspaper display ads or articles, which the City will place. City staff will print and distribute the Open House announcement mailers and arrange for the meeting space. City staff and Consultant team members will attend the Open House to help answer questions and observe first-hand the responses from the public.

Assumptions:

- Up to one (1) in-person Open House will be attended by the Consultant team.
- Up to three (3) Consultant team members, including the Project Manager, will attend the Open House, for a total of four (4) hours per Consultant staff member.
- Any cost related to notification of the open houses will be paid by the City directly.
- The City will develop, print and distribute the Open House mailer announcements.

Deliverables:

- One (1) Draft Open House comment form in Microsoft Word format will be provided to the City via e-mail for review and comment.
- One (1) Final Open House comment form in Microsoft Word format will be provided to the City via e-mail and hard copy for use at the Open House.
- Summary of the Open House comments submitted to the City via e-mail in Microsoft Excel format.
- One (1) set of up to three (3) draft Open House display boards in PDF format will be prepared for the Open House and submitted to the City for review and comment.
- One (1) set of up to three (3) final Open House display boards, full size at 24" x 36", foam-core mounted for use at the Open House. Electronic copies in PDF format of each display board will be provided to the City for web posting.

Task 3 – Utility Coordination

The Consultant will assist the City in managing the utility coordination process for the project, which will include providing utility franchises (SnoPUD power, Cascade Natural Gas, Frontier, Wave) and City owned utilities (water and sewer) with project information, copies of each PS&E submittal, and identification of potential utility conflicts and relocations. The Consultant will coordinate and manage the potholing efforts through the design phase. The Consultant will also prepare and maintain a utility coordination log, and conflicts and resolution spreadsheet, both of which will be maintained and updated throughout the design phase of the project.

The Consultant will perform the utility impact assessment and coordinate on work elements as described below:

3.1 Utility Locates (APS)

The services of a professional sub-surface utility location purveyor will be procured in order to identify and mark underground utilities prior to commencement of the topographic survey. This will consist of surface identification and marking of the horizontal location.

Assumptions:

- If necessary, utility location purveyor will submit a traffic control plan and a right-of-way use permit from the City.

Deliverables:

- Existing utility locations identified on project existing basemap.

3.2 Utility Coordination and Data Collection

The Consultant will coordinate with the various public and private utilities along the corridor.

Services provided by the Consultant under this subtask will include:

- Preparing and maintaining a utility coordination contact log containing company addresses, contact staff, e-mail addresses, and phone numbers.
- Acquire and review record drawings of existing utilities within the project limits. The Consultant will request the utility companies to meet the Consultant in the field to confirm their facilities have been located correctly by APS.
- The Consultant will collaborate with 1 Alliance Geomatics in the field during basemapping efforts detailed in Task 4.
- The Consultant will review and confirm the existing basemapping delivered by 1 Alliance Geomatics under Task 4 is correct according to on-site coordination.
- The Consultant will request the utilities review the existing basemapping for the project and verify the locations and presence of the utilities. Discrepancies with the existing basemap will be coordinated by the Consultant with each utility, and changes to the basemap will be updated by the Consultant and/or 1 Alliance Geomatics.
- Coordinate and attending up to three (2) two (1) hour long separate meetings with specific utilities at the project site as needed. The Consultant will prepare meeting agendas and notes. Each on-site meeting will include up to two (2) hours for travel for each Consultant staff member.

- Prepare a Utility Conflicts Spreadsheet. Track potential utility conflicts and resolution of those conflicts throughout the project in the spreadsheet. This includes identification of pothole needs. This includes documentation of which facilities will be relocated prior to, or during, construction.
- Provide the utility owners with electronic (PDF) copies of the 30%, 60%, 90%, 100%, and Final plan sheets, as well as potential conflict locations.

Assumptions:

- Up to one (1) Consultant staff members will be present at the on-site meetings with the utility companies.
- Up to three (3) on-site meetings will be required with the utility companies.
- Up to one (1) Consultant staff member will be present at the on-site collaboration with 1 Alliance Geomatics for up to four (4) hours and two (2) hours for travel.
- The City will distribute internally the plans sets for City owned utilities for review.
- The City will prepare inter-local agency agreements between the City and the utility franchises for incorporation of relocations required by the proposed improvements. Examples of the services that could be included are: the adjustment of utilities, removal of abandoned structures and facilities, trenching, and traffic control.
- City will verify the terms of all franchise agreements, including the responsibilities for potholing and relocations of franchise owned utilities.
- The budget assigned for this work element will be limited to the amount designated for this work element.

It is assumed that the following utility franchises exist along the Viking Way corridor. These include:

- Power (SnoPUD)
- Communication and Fiber-optics (Frontier and Wave)
- Gas Distribution (Cascade Natural Gas)
- Water (City of Stanwood)
- Sanitary Sewer (City of Stanwood)
- Stormwater (City of Stanwood)

Deliverables:

- Utility contact log in Microsoft Excel format.
- Meeting minutes summarizing field notes and observations for up to three (3) on-site meetings with utility companies.
- Utility conflict and relocation spreadsheet in Microsoft Excel format – updated with potholing results for each meeting (electronic copy).
- Half size 30%, 60%, 90%, and Final PS&E plan sets sent to applicable utility franchises with conflicts noted (PDF format).
- CAD files for franchise use in preparing relocation design, if necessary (at 60%, 90%, and 100%).

3.3 Pothole Exploration

The Consultant will coordinate with the applicable utility franchises to perform potholing explorations during the 90% PS&E design phase. It is assumed that each utility franchise has an Agreement with the City and will use a utility locate service or its own forces for potholing of their own facilities.

“Pre-pothole” and “post-pothole” virtual meetings will be held. In the “pre-pothole” virtual meeting with vendors and franchises, expectations related to traffic control and restoration of pothole locations will be discussed. The “post-pothole” virtual meeting will be held as necessary to discuss the findings of the potholes with the utility owners and discuss any design and/or relocations approaches that may be necessary as a result of the potholing findings.

Services provided by the Consultant under this subtask will include:

- Coordinate and attend up to one (1) “pre-pothole” virtual meeting with applicable utility franchises, utility locate service vendor and City staff as well as one (1) “post-pothole” virtual meeting if needed, to discuss facility conflicts and relocations.
- Identifying potential utility conflicts and pothole locations based on the 90% plans (note: potholing will be accomplished by the utility franchises or designated utility locate service vendor).
- Manage pothole program on behalf of franchise utilities and City. The Consultant will identify potholing needs, on the utility conflicts spreadsheet, and also by preparing an exhibit of potholing locations. Prepare and maintain the utility coordination log, utility conflict and potholing plans, utility conflict and resolution matrix, and distribution of potholing results to utilities.
- Utilize APS for those pothole locations that will not be provided by a franchise utility. This Scope of Services assumes up to ten (10) pothole locations.

Assumptions:

- Utility potholing will be provided by a utility locate service (APS) under this contract.
- The “pre-pothole” virtual meeting will be up to one (1) hour with up to two (2) Consultant staff members present.
- The “post-pothole” virtual meeting will be up to two (2) hours with up to two (2) Consultant staff members present.
- The budget assigned for this work element will be limited to the amount designated for this work element.

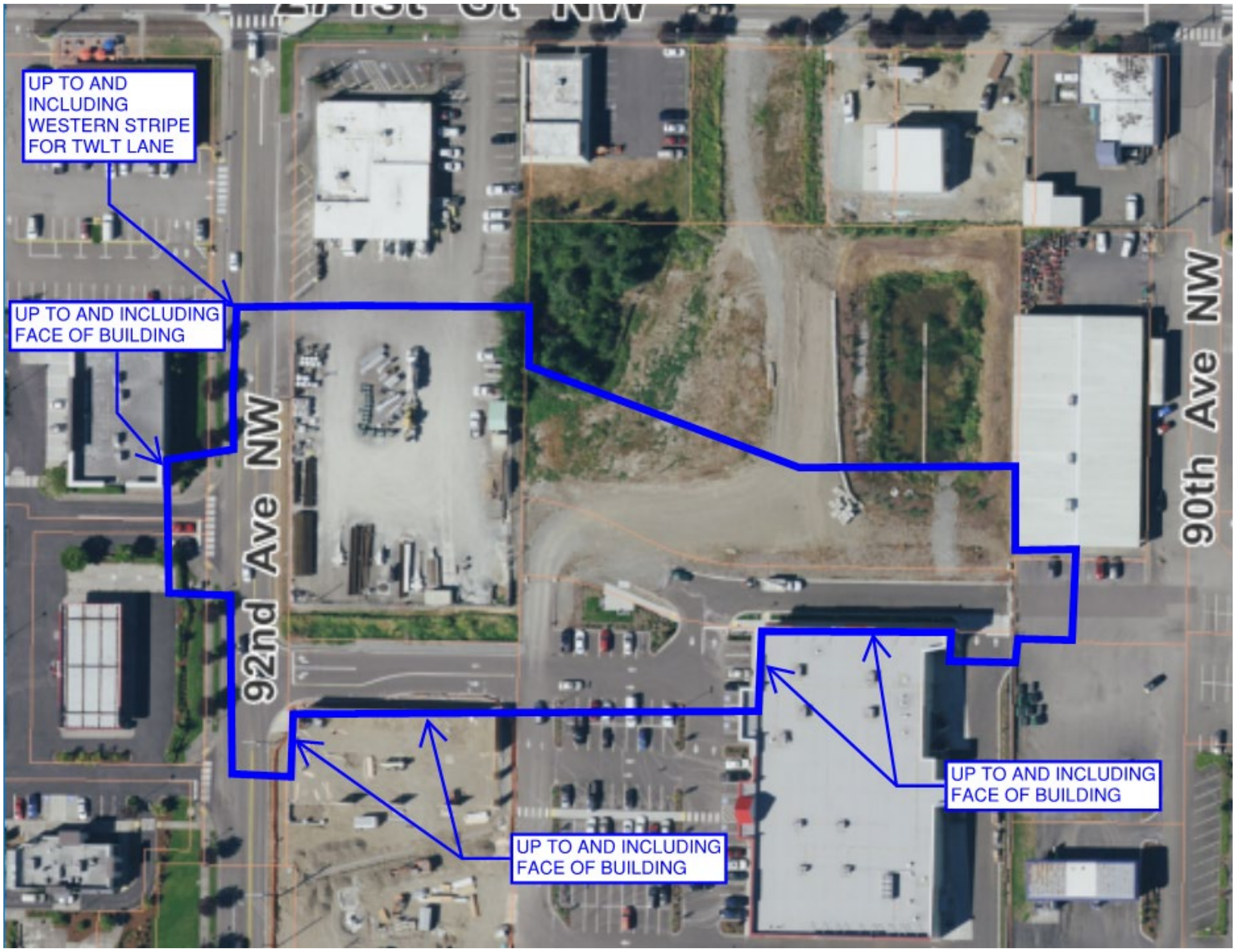
Deliverables:

- Meeting agendas and notes (two [2] potholing meetings) in PDF format to the City and applicable utility franchises
- Utility information updated according to pothole results at the 90% design phase.
- Pothole location exhibits and results log provided by APS.

Task 4 – Topographical Survey and Basemapping (1 Alliance Geomatics)

The intent of this task is to provide basemapping to support design improvements related to the Viking Way Phase 2 project. 1 Alliance surveyors will research and compute the underlying right-of-way alignment and margins, recover existing primary survey control, and establish secondary survey control from which detailed topographic mapping will be performed. The limits for this survey can be seen in Figure 1 below.

Figure 1. Surveying Limits.



Work Elements:

4.1 Research

Research will be performed to recover underlying and/or adjoining survey control data relevant to the subject survey corridor to assist with the determination of right-of-way alignments and as a check on control datum. Underlying and adjoining surveys will be researched and recovered from the Snohomish County Recorder's online records website which together with the City's available GIS information will be used to depict the position of property lines and easements within the survey limits. In addition, the City will order and provide as many as seven (7) title reports from a local title company for each of the land parcels adjoining and/or underlying the survey corridor.

4.2 Control Survey

GPS methods will be employed to establish Washington State Plane NAD 83(2011) horizontal datum and NAVD 88 vertical datum as the basis of coordinates and elevations. Existing survey control monuments within one-quarter mile of the project corridor, such as those referenced on the Washington Geodetic Survey website, will be located as part of the control survey. Existing street monuments underlying or closely adjoining the project corridor will located as will existing property corners. Auxiliary survey control will be established within the project limits as needed in order to perform the topographic survey.

4.3 Topographic Field Survey

A topographic survey sufficient for the development of one-foot contours will be conducted across the proposed project area as described. The survey will locate features as described below:

- Gravity systems, i.e. storm drain and sewer, shall be surveyed to the next downstream structure beyond the limits of the survey corridor.
- Sanitary sewer and storm drain structure inverts will be measured to the extent possible without entry into the structure, defined as confined space entry, which Consultant personnel are not certified to perform. Manhole structure diameter, pipe diameters and direction, manhole lid orientation (offset), and pipe material will be noted.
- Water valve manholes will be measured to bottom of structure and top of actuator nut.
- Utility vaults over 4.0' in width will be measured horizontally with a measure down to bottom of vault except where safety is a concern, for example electrical vaults with exposed contacts.
- Water meters will be located throughout the proposed corridor.
- Visible evidence of utility trenches such as patches in asphalt or concrete will be located with the width noted.
- Spot elevations will be collected at a maximum spacing of 50-feet within the existing road prism and 25-feet in areas outside of the prism with additional spots as required to adequately identify grade breaks and other topographic features.
- Sidewalks, curbs (with type noted), driveways, and curb ramps will be located as will pavement edges with type of paving noted.
- At curb ramps, spot elevations will be taken at top/bottom of ramp, all grade breaks and grade transitions, and at curb transitions.
- Fences and walls shall be described as to type and other identifiable features, i.e. 6' high chain-link, 4' high wooden, etc.
- Street channelization, crosswalks, and parking space lines will be located to reflect existing conditions.
- Lane markings, such as directional arrows and bike lanes will be located.
- Traffic signs will be located and labeled as to their type; i.e. stop, yield, bike lane, etc.
- Significant trees with a 6" or greater caliper when measured 4.5 feet above natural ground will be located with drip-line noted.
- Survey will also include, but not be limited to:
  - Grade breaks
  - Top and bottom of retaining walls
  - Top and bottom of curbs
  - Limits of shrubs, vegetation, and landscaping limits
  - Buildings and structures, with finish floor elevations
  - Fences and gates
  - Utility access points – cleanouts, hand-holes, traffic signal control vaults, etc.

- Irrigation control valves
- Traffic signal, power, telecommunication, and luminaire poles
- Fire hydrants
- Fire department connections and detector check vaults
- Sub-surface utility location marks as delineated by a professional locating service under Task 3.1
- Street monuments, existing property corners, and survey control points

4.4 Survey Basemapping

A topographic survey map will be prepared in AutoCAD Civil 3D format depicting all features located during the field survey as well as one-foot contours and computed parcel and right-of-way lines. More specifically:

- Basemap shall incorporate field-located utility appurtenances, sub-surface utility paint marks, and GIS or as-built information provided by the City.
- Surveyed points will be shown to the nearest 0.01' on hard surfaces and 0.1' on unpaved surfaces.
- Manholes:
  - Inverts will be shown for all pipes into or out of structures detailing pipe diameter and direction of pipe.
  - Manhole labels will also include nominal diameter of manhole as measured in the field.
  - Pipe connections shown on the plan will be to center of structure rather than center of access lid.
- Commercial meter vaults and other below grade structures 4'x4' and larger shall be shown to scale and bottom of vault elevation noted.
- Water line appurtenance symbols shall be per APWA standards and shown to a reasonable scale on plans.
- Lane striping and parking striping shall be shown as it appears in the field.
- Dashed striping shall be shown as a dashed line and solid striping as a continuous line.
- Breaks in lane striping, such as left turn lanes that have a break in the line to allow vehicles to enter the lane, shall show true location of where lane striping starts and stops.
- Traffic signals will be shown using standard traffic symbols for mast arms, lights, and pedestrian buttons.
- All line work will be in model space. Drawing units shall be US decimal feet.
- An electronic copy of the triangulated irregular network (TIN) will be provided.
- APWA CAD standards for layers and symbols will be used.

4.5 Survey QA/QC of Deliverables

An internal Consultant quality assurance/quality control review of deliverables will be conducted, as well as confirmation that comments received have been addressed. A record of comments received will be maintained. Response to each comment received will be tracked to confirm that they have been addressed

Assumptions:

- Right of entry will be secured by the City. City will take the lead on coordinating directly with right-of-entry for landowners refusing entry. In no case shall survey personnel enter private property prior to the right of entry being obtained.

- Consultant's personnel are not certified for confined space entry and as such utility manholes may only be measured from the surface. Invert elevations up to a depth of 25 feet will be measured with a vertically plumb survey rod, or if offset, with a "pipe mic" offset tool.
- The City will order and provide as many as seven (7) title reports for each of the land parcels adjoining and/or underlying the survey corridor.

Deliverables:

- A digital copy of the survey drawing, provided in AutoCAD Civil 3D format.
- LandXML files.
- Copies of field notes.
- Point list in asci or text format, comma delimited.

Task 5 – Geotechnical Investigations and Report (HWA GeoSciences)

This work will include the following subtasks:

- **Plan Field Exploration Program**
  HWA will plan an appropriate field exploration program and will coordinate with local drillers to determine the best drilling equipment for each exploration, given the site constraints and exploration objectives.
- **Generate Field Exploration Plan Memo**
  HWA will generate a field exploration memo that outlines our proposed field exploration program. This memo will be used to convey critical information to the City for permitting and approval processes. The memo will include a narrative explaining the type, depth, location, and timing of our proposed field explorations. A figure showing the locations of our proposed field explorations, laydown areas and access points will be provided. Traffic control plans will be included, as appropriate.
- **Conduct Utility Locates**
  Prior to conducting our field exploration program, HWA will mark our proposed boring locations and call for utility locates. Make an additional site visit to verify if the proposed locations of the borings are clear of utilities prior to mobilizing the drilling equipment.
- **Conduct Subsurface Explorations**
  Upon approval, HWA will conduct the proposed field exploration program, which will include a total of three (3) borings. Based on existing soil data for the project area, we expect to encounter thick deposits of soft compressible soils. Therefore, our exploration program will be focused on identifying the extent of these soils and their impact on the proposed design. Each of these borings will be drilled to a depth of 40 feet below ground surface. All exploration activities will be monitored full time by an HWA geotechnical engineer or geologist.
- **Generate Boring Logs and Conduct Laboratory Testing**
  Soil and laboratory test information will be presented on summary boring logs that will be generated upon completion of our exploration program. All of the soil samples retrieved from our explorations will be sealed in plastic bags and taken to our Bothell, Washington laboratory for further examination and testing. Selected soil samples will be tested to determine relevant engineering and index properties for our engineering analyses.
- **Evaluate Field and Laboratory Testing**
  Based on the exploration data and the laboratory test results of selected samples, HWA will generate estimates of the soil strength and other properties as needed.

- **Generate AASHTO Seismic Design Parameters**
  Based on the soils encountered along the alignment, Site Class for seismic design will be determined. The design spectral acceleration parameters will then be selected in accordance with the AASHTO Specifications for Road and Bridge.
- **Evaluate Liquefaction Potential**
  HWA will evaluate the susceptibility of the subsurface soils to liquefaction and assess the potential impacts to the proposed improvements.
- **Settlement Analysis**
  HWA will evaluate the potential for consolidation settlement due to the proposed improvements (increases in grade) and assess the potential impacts to the proposed improvements.
- **Settlement Mitigation Recommendations**
  HWA will provide recommendations to mitigate anticipated consolidation settlement.
- **Develop Retaining Wall Recommendations**
  HWA will evaluate the data derived from field investigations and laboratory testing to complete geotechnical engineering analyses to provide design recommendations for the proposed retaining walls. HWA assumes that modest retaining walls along the corridor will consist of SEW walls that are designed for internal stability by the contractor. For these walls, HWA will evaluate global stability and provide recommended soil input parameters to be include in the project specifications.
- **Pavement Design**
  HWA will evaluate the results of the geotechnical explorations to develop flexible pavement design recommendations. Evaluating existing pavement section strength (falling weight deflectometer [FWD] testing) is not included in this Agreement.
- **Stormwater Design Recommendation**
  HWA will evaluate grain size analyses data obtained during exploration of the near surface soils to determine if on-site infiltration of stormwater is feasible.
- **HWA QA/QC**
  HWA will have all design calculations and recommendations reviewed by a senior principal prior to distribution to the design team or the City.
- **Draft Geotechnical Engineering Report**
  HWA will generate a draft geotechnical engineering report that will contain the results of the geotechnical engineering investigation, including description of surface and subsurface conditions; a site plan showing exploration locations and other pertinent features; summary boring logs; and laboratory test results. The report will provide a narrative and geotechnical recommendations for each of the above-described geotechnical aspects of the project.
- **Respond to Geotechnical Related Review Comments**
  HWA shall provide written responses to review comments draft/final report.
- **Project Coordination Meetings**
  HWA will attend up to four (4) project coordination meetings via web.
- **Plan and Specification Assistance**
  HWA will conduct a plan review at the 60% and 90% milestones submittals to ensure that the geotechnical aspects of the project have been properly incorporated into the project plans. Also, HWA will assist the design team in the development of geotechnical related specifications. HWA expects that this will include retaining wall, settlement mitigation and pavement specification assistance.

- **Final Geotechnical Engineering Report**
  HWA will finalize the geotechnical report once we receive review comments from the design team and the City. Report will be finalized between 60 to 90 percent submittal.
- **Miscellaneous Engineering Support**
  Additional time will be allotted to account for design aspects introduced to the project at a later date that were not initially provided to HWA in this scope of work.
- **Task Project Management**
  HWA will provide task management to all geotechnical related aspects of the project. HWA will correspond with the City and the design team in the form of meetings, emails, fax, and telephone calls, as necessary. HWA will initiate the project and set up billing information in support of invoicing throughout the project and will prepare monthly invoices and progress reports for the duration of the design phase of the project.

Assumptions:

- All exploration locations will be within the City rights-of-way or private property for which rights of entry have been previously secured.
- Drilling will be accomplished during normal daylight workdays and hours, with at least a minimum eight (8) hours available per day for on-street work.
- Stormwater infiltration screening will be limited to grain size analysis. Infiltration field testing will be completed in future phases of work if required. No PIT tests or EPA falling head (percolation) tests will be completed as part of this scope of work.
- Traffic control and/or flagging will not be required.
- Utility locates will be comprehensive and accurate enough to allow reliable and safe location of borings. Vacuum extraction of borings is not included.
- The boring locations will be field located using handheld GPS and measurement from existing known features. Surveying of actual exploration locations is not included.
- Drill locations will be accessible by truck- or track-mounted drill rig.
- The geotechnical explorations proposed herein will not be used to assess site environmental conditions. However, visual or olfactory observations regarding potential contamination will be noted. Analysis, testing, storage, and handling of potentially contaminated soil and ground water at all geotechnical boring locations (either sampled or spoils from drilling) and any associated drill rig or equipment decontamination are beyond this scope of services. If contaminated soils and/or ground water are encountered, WSDOT will be notified, and the contaminated material will be properly contained on-site for disposal as mutually agreed upon without additional cost to the Consultant.
- All non-contaminated drilling spoils and related debris will be drummed on-site and transported off-site for disposal by the drilling subcontractor, unless otherwise mutually agreed upon.
- No monitoring wells will be installed.
- No cement concrete pavement is present below the surface asphalt, and therefore coring will not be required prior to drilling the proposed borings.
- All required street use permits will be provided by the City.

Task 6 – Environmental Documentation and Permitting

The Consultant will provide environmental documentation and permitting assistance for required federal, state, and local permits, as required by the various resource agencies.

6.1 Background Information Review and Analysis

The Consultant will obtain project and resource information relevant to the environmental context of the project action, inclusive of resource agency database review of available information on historical/cultural resources, Ecology facilities, priority/threatened/endangered species, and information from the design team applicable to the environmental context to begin document preparation or exclusion documentation/consideration.

Assumptions:

- No permits or documents outside of this task are assumed.
- Environmental review will be adequately addressed with documents provided under this task and associated with other in-scope documents.

Deliverables:

- Project and resource information relevant to the environmental context of the project.

6.2 WSDOT Coordination

A Categorical Exclusion (CE) form will be preliminarily drafted and an online meeting will be scheduled by the Consultant with the City and WSDOT staff to consider categorical exclusions and the extent of any requested supplemental documentation for: hazmat review, noise analysis, environmental justice, cultural resources, endangered species, and other CE classification categories under WSDOT NEPA CE review.

Ongoing WSDOT coordination will also include updates to federal funding documents such as the Local Agency Agreement, Project Prospectus, and shared funding calculations.

Assumptions:

- One (1) online meeting will be attended with WSDOT staff, City staff, and Consultant staff (assumed to include the project manager or lead engineer, the environmental planning lead, and the right-of-way consultant).
- The meeting may occur at or before the 30% design level and project guidance will be based on preliminary design knowledge.
- It is assumed that an air analysis will not be required for this project.
- Ongoing WSDOT coordination will be limited to the hours budgeted for this task.

Deliverables:

- Meeting notes/comments provided to City via email after site meeting.

6.3 NEPA CE Form

The Consultant will prepare a draft and final CE form for submittal to WSDOT at the 60% design level inclusive of discipline memos.

Assumptions:

- Coordination will occur with WSDOT after submittal to respond to review comments. One (1) revision to the CE form is assumed.
- Once WSDOT agrees the CE form and other supporting documents under this task are complete, they will request the CE be signed by the City for final submittal.

Deliverables:

- Draft and final CE form to City and WSDOT with attachments.
- Review correspondence via email.

6.4 SEPA Checklist

The Consultant will prepare a draft and final SEPA checklist for City use at the 60% design level inclusive of NEPA discipline memos and related project documents under this scope of work as supporting information.

Assumptions:

- SEPA determination will result in a DS or MDNS.
- City will provide one (1) consolidated review on the draft checklist prior to being finalized by the Consultant.
- City will address SEPA public notice requirements.
- SEPA will not be appealed.

Deliverables:

- Draft and final SEPA checklist.
- Correspondence via email.

6.5 Cultural Resources Area of Potential Effect (APE) Screening Memo

The Consultant will coordinate with WSDOT and review available database information from the Washington State Department of Archaeology and Historic Preservation (DAHP) to determine the presence and potential impacts to cultural resources. The Consultant will initiate the review by preparing written documentation of any historic sites or structures within the area of potential effect (APE) of a project and will prepare a summary memo for WSDOT review as part of the ECS documentation.

Assumptions:

- The APE Memo will be prepared for WSDOT review with the CE form and is customarily prepared at the 60% design level.
- Due to the developed (and prior land disturbance) completion of an archeological survey is not assumed to be required by WSDOT or through tribal consultation. If an archeological survey is required, it can be coordinated by the Consultant under a supplemental scope and fee.

- No records research at DAHP is budgeted. If necessary, that level of consultation will be considered additional work and will require a supplemental scope and fee.

Deliverables:

- Draft and final APE Memo in electronic format for Client and WSDOT review.

6.6 Environmental Justice (EJ)

The Consultant will prepare an Environmental Justice (EJ) Memo utilizing current available census data and currently available school data and other available information. This screening level analysis will identify any concentrations of low income and minority populations in the context of the project action for NEPA review. The analysis will identify if there is any potential for disproportionately adverse effects/impacts on identified low income and minority populations.

Assumptions:

- If additional analysis beyond this scope for Environmental Justice is requested during WSDOT review, such work will be considered as an additional service beyond this scope of work and will necessitate a supplemental scope and fee.
- Title VI requirements for any for any EJ actions would be coordinated, conducted, and documented by the City.

Deliverables:

- Draft and final EJ Memo in electronic format for Client review before submittal to WSDOT.
- Production and submittal of EJ Memo and supporting documents to WSDOT and resubmittal to address to minor comments.

6.7 (Biological Assessment) BA No-Effect Letter

The Consultant will complete a biological assessment No-Effect Checklist as part of CE form with database review to describe the project's likely avoidance of effects on species that are listed as threatened or endangered under the Endangered Species Act. NOAA Fisheries, USFWS, WDFW, and WDNR databases will be consulted, and a field visit will be made in conjunction with other efforts. Based on information the location of the project in Downtown Stanwood, the lack of streams and wetlands in or directly adjacent to the project area, the existing impervious nature of the developed environment. This information will be submitted to WSDOT for review and forwarded for federal resource agency concurrence with the CE Form.

Assumptions:

- If additional analysis beyond this scope for a Biological Assessment is requested during WSDOT review, such work will be considered as an additional service beyond this scope of work and will necessitate a supplemental scope and fee.

Deliverables:

- Draft and final checklist in electronic format for Client review before submittal to WSDOT.
- Production and submittal of checklist and supporting documents to WSDOT and resubmittal to address to minor comments if necessary.

6.8 NPDES (NOI)

A Notice of Intent (NOI) will be prepared at the final design level and is required in order to obtain a Construction Stormwater General Permit from the State Department of Ecology.

Assumptions:

- Permit fees will be paid by the Client.
- The Contractor will prepare the Stormwater Pollution Prevention Plan (SWPPP). The SWPPP is required in order to obtain a Construction Stormwater General Permit from the Washington State Department of Ecology.

Deliverables:

- Draft and final NOI form in electronic format for Client review before submittal to Ecology.

6.9 Hazardous Materials Screening Memo (HWA)

The primary objective of the Hazardous Materials Technical Memorandum is to evaluate the project area, with focus on the historic and current use of the properties adjacent to the proposed project corridor, for obvious evidence of existing and potential hazardous materials conditions. The Hazardous Material Technical Memorandum will be completed in support of the National Environmental Policy Act (NEPA) documentation for the project.

The memorandum will identify existing and potentially hazardous materials conditions; assess the impacts that existing hazardous materials might have on the project; and identify measures to mitigate potential impacts. The memorandum will be including the following elements:

- Regulatory database review
- Historical aerial photograph review
- Site reconnaissance
- Review of reports documenting previous investigations (if available from Department of Ecology and/or the City)
- Prepare a hazardous materials technical memorandum

A Hazardous Materials Technical Memorandum is not considered to be a Phase I ESA that adheres to the American Society for Testing and Materials (ASTM) standards. If the Hazardous Materials Technical Memorandum analysis reveals issues that could impact the project area, more detailed investigations, which may include Phase I ESAs or Phase II ESAs, may be recommended. If further investigation is recommended, a scope of work and cost estimate will be provided at that time.

The Hazardous Materials Technical Memorandum scope of work does not include any specific testing or analysis to determine the presence or absence of any physical, radiological, or biological hazard or condition, including, but not limited to: wetlands, endangered species issues, asbestos containing materials, lead-based paint, lead in drinking water, or radon.

Assumptions:

- This scope assumes a brief hazardous materials technical memorandum will suffice for permitting requirements and does not include a full Phase 1 or subsequent discipline reports.

- City will provide one (1) consolidated review on the draft Hazmat memo prior to being finalized by the Consultant team for WSDOT submittal.

Deliverables:

- Draft and final Hazmat Memo (PDF).
- Correspondence via email.

Task 7 – Storm Drainage Design

Overall task management and coordination work elements include:

7.1 Design Criteria

The 2005 Department of Ecology Stormwater Management Manual for Western Washington and the City's Street and Utility Standards will be used as the drainage design manuals for this project. Prior to beginning project drainage design, a Storm Drainage Design Criteria matrix will be prepared summarizing all drainage related requirements and standards.

Assumptions:

- The Storm Drainage Design Criteria matrix will be shared with the City of Stanwood for review and concurrence before the Consultant proceeds with detailed design work.

Deliverables:

- One (1) PDF copy of the Storm Drainage Design Criteria matrix, to be included in the appendix of the Drainage Report.

7.2 Off-Site Analysis

The Consultant will conduct a downstream analysis extending ¼ mile downstream/down-gradient of the project limits. The downstream analysis will include a review of recent drainage complaint documentation provided by the City (if it exists) and a visual assessment of the downstream route to identify evidence of erosion, flooding, sedimentation, or flow constriction points. A visual above-ground inspection, where practical, will be conducted for the downstream drainage conveyance system associated with the project. Representative photographs will be taken, and an assessment of the downstream effects will be performed. The assessment of the downstream effects is to be a qualitative evaluation based upon engineering judgment. The Consultant will prepare a written description of the downstream system conditions and provide a map showing downstream routes. This task does not include detailed hydraulic analysis or computations of the downstream section, but it can be provided as an additional service.

The Consultant will perform a visual inspection of the upstream contributing basin area of the site and provide an estimate of the area draining to the site based on available mapping data and site visit observation. This task does not include a detailed review of upstream basin boundary or land use assessment and any detailed hydraulic analysis or computations associated with the upstream basin, but it can be provided as an additional service.

Assumptions:

- The site consists of a single TDA and therefore the Consultant will analyze up to one (1) downstream route.

- The downstream route field investigation is assuming the Consultant has permission to enter private properties to conduct the work. If the downstream route field investigation requires access onto private property, right of entry permissions will be obtained by the City of Stanwood.

Deliverables:

- Off-Site Analysis Write-up, to be included in a section of the Drainage Report, see Task 7.8.

7.3 Site Assessment

Consultant will prepare site assessment maps showing existing drainage features, drainage patterns, and soil conditions within the Viking Way corridor. The site assessment maps will be assembled based upon new topographic survey mapping, City records, and City maps. Off-site information that is outside of the new survey limits will be acquired from GIS mapping, City records, and City maps. The site assessment mapping will include:

- Land use types and areas
- Topographic plans within the road project right-of-way, including enclosed drainage
- Topographic mapping outside of road project right-of-way but within project area of interest (electronic GIS)
- Watershed and stream basin information (electronic GIS)
- Wetlands, streams, and other critical areas (if applicable)
- Relevant Basin Plans that may have impact on drainage design (supplied by City, if available)
- Soil types – Natural Resources Conservation Service (NRCS)

The Consultant will prepare maps identifying existing and proposed impervious areas. This is used for threshold determination in accordance with the drainage standards, and to identify mitigation needs for flow control and water quality treatment. TDA boundaries, based on roadway high points and conveyance system configuration, will be identified on these maps. The Consultant will prepare a summary of area tables for pre-project and post-project conditions.

This work element includes updating the proposed impervious area maps after 60% plans are complete, if there are significant changes to the roadway design that warrants an update.

Deliverables:

- Existing Drainage Condition Maps (approximately two [2] 11”x17” sheets, to be included in the Drainage Report, Task 7.8).
- Downstream Routes/Upstream Areas Exhibit (one [1] 11”x17” sheet, to be included in the Drainage Report, Task 7.8).
- Soils Map (one [1] 11”x17” sheet, to be included in the Drainage Report, Task 7.8).
- Existing Impervious Area Maps (approximately two [2] 11”x17” sheet, to be included in the Drainage Report, Task 7.8).
- Proposed Impervious Area Maps (approximately two [2] 11”x17” sheets, to be included in the Drainage Report, Task 7.8).
- Tables identifying the different types of impervious surfaces (to be included in the Drainage Report, Task 7.8).

7.4 Water Quality Treatment and Flow Control Calculations

Due to the conversion of existing gravel and dirt surfaces to impervious surfaces, water quality and flow control systems may be required. Consultant will prepare sizing calculations for the proposed water quality treatment and flow control facilities.

Assumptions:

- The hydrologic analysis conducted as part of this work element will be done using WWHM Version 4 or MGSFlood, both continuous simulation modeling software accepted by the Washington State Department of Ecology.

Deliverables:

- Water Quality Treatment and Flow Control calculations (to be included in the Drainage Report, Task 7.8).

7.5 Conveyance Calculations

Consultant will prepare storm pipe conveyance capacity calculations for new storm drain conveyance systems within the project area limits as follows:

- 60% PS&E: Prepare preliminary pipe sizing and backwater calculations, using StormShed 3G or an equivalent backwater calculation software program and the Rational Method.
- Final PS&E: Prepare final pipe capacity and backwater calculations, using StormShed 3G or an equivalent backwater calculation software program and the Rational Method.

Assumptions:

- Conveyance calculations will be performed for new storm drain conveyance systems only. Existing storm drain conveyance systems will not be analyzed.
- Gutter flow calculations will not be performed.

Deliverables:

- Conveyance Calculations (to be included in the Drainage Report, Task 7.8).

7.6 Drainage Report

Consultant will assemble a draft (60%) and final Drainage Report. The Drainage Report will include a written assessment and summary of the surface water design features on the project, summary tables, flow control and water quality treatment calculations, pipe capacity calculations, drainage basin maps, and supporting exhibits.

Independent QA/QC reviews of the Drainage Report will be conducted for each submittal (60% and 90%). QA/QC reviews will be conducted by senior staff.

Deliverables:

- Draft Drainage Report at 60% PS&E (electronic copy, PDF).
- Final Drainage Report at 90% PS&E (two [2] comb bound hard copies, and an electronic copy on CD in Word/Excel [editable] and PDF formats).

Task 8 – 30% Design, Plans, and Opinion of Costs

The Consultant will prepare 30% design level construction plans and opinion of costs and submit them to the City for review and comment. The Consultant will attend one (1) comment review meeting with the City staff and provide the City with written responses to the City's comments. Responses will be provided on the commented documents provided by the City. The plans will be prepared to a level of competency presently maintained by practicing professionals in the field of transportation engineering in the Puget Sound Region.

The 30% design effort will include the development of the preliminary roadway design, including the horizontal and vertical alignment, curb and gutter, tree pit and sidewalk layout, preliminary wall profiles, preliminary driveway profiles, paving sections, channelization, preliminary horizontal storm drainage layout, preliminary horizontal utility (sanitary sewer and water) layout, illumination layout, and preliminary 30% opinion of costs.

8.1 Design Criteria Matrix

The Consultant will prepare a design matrix documenting the design criteria and standards that will be used as the basis for the PS&E design. Draft and final matrices will be prepared.

Assumptions:

- Concurrence will be reached on the Design Criteria elements with the City before 30% PS&E design begins.

Deliverables:

- Draft and Final Design Matrix (PDF Format).

8.2 30% Plans

It is anticipated that the 30% plans will consist of the following sheets (12 sheets):

- Cover Sheet w/Vicinity Map and Index (1 sheet)
- Legend and Abbreviations (1 sheet)
- Survey Control & Construction Alignment Plan (1 sheet)
- Typical Roadway Sections (1 sheet)
- Preliminary Roadway Plan and Profile (2 sheets; showing channelization, illumination, and landscaping layouts)
- Preliminary Driveway Profiles (1 sheet)
- Preliminary Drainage Plan and Details (3 sheets)
- Preliminary Wall Plan and Profile (2 sheets)

Deliverables:

- Electronic copy of the preliminary project footprint Roll Plot at 1-inch = 20-feet scale in PDF format via e-mail.
- Electronic copy of the 30% plan set (half-size [11" x 17"]) in PDF format via e-mail.

8.3 30% Opinion of Costs

The Consultant will calculate 30% design level quantities and prepare an opinion of construction costs based upon the approved 30% construction plans and current unit bid prices. A contingency will be included to accommodate additional construction costs not yet specifically identified. The opinion of costs for the project, including contingencies, will be compared to available construction funding to verify that sufficient funds are available.

Assumptions:

- Proposed potable water and sanitary sewer pipe sizing. If included, will be provided to the Consultant by the City.

Deliverables:

- Electronic copy of the 30% opinion of cost summary submitted in PDF format via e-mail.

In providing opinions of probable construction cost, the City understands that the Consultant has no control over the cost or availability of labor, equipment or materials, market conditions or the Contractor's method of pricing, and that the Consultant's opinions of probable construction costs are made on the basis of the Consultant's professional judgment and experience. The Consultant makes no warranty, express or implied, that the bids or the negotiated cost of the work will not vary from the Consultant's opinion of probable construction cost.

8.4 Preliminary Design and P&E QA/QC of Deliverables

An internal Consultant quality assurance/quality control review of deliverables will be conducted, as well as confirmation that comments received have been addressed. A record of comments received will be maintained. Response to each comment received will be tracked to confirm that they have been addressed.

Task 9 – 60% Plans, Specifications, and Opinion of Costs

The Consultant will prepare 60% plans, specifications, and opinion of costs for the construction contract, and incorporate applicable comments received from the City based on the 30% submittal deliverables. The plans, specifications, opinion of cost, and Decision Record, will be submitted to the City for review and comment.

9.1 Response to 30% Comments

The Consultant will attend one (1) comment review meeting with the City staff and provide the City with written responses to the City's comments. Responses will be provided on the comment documents provided by the City.

Assumptions:

- 30% plan review comments from City staff will be consolidated by the City and conflicting comments will be resolved by City staff prior to transmitting to the Consultant.
- The Consultant's responses will be provided on the original comment document the City provided to the Consultant.
- Up to two (2) Consultant team members will attend one (1) virtual comment review meeting.

Deliverables:

- Written responses to 30% comments (PDF).

9.2 60% Plans

It is anticipated that the 60% plans will consist of the following sheets (36 sheets):

- Cover Sheet w/Vicinity Map and Index (1 sheet)
- Legend and Abbreviations (1 sheet)
- Survey Control and Construction Alignment Plan (1 sheet)
- Draft Right-of-Way Plans (2 sheets; included with Task 14)
- Site Preparation and Temporary Erosion and Sediment Control (TESC) Plan (2 sheets)
- Typical Roadway Sections (2 sheets)
- Roadway Plan and Profile (2 sheets)
- Curb Ramp Details (2 sheets)
- Driveway Profiles (1 sheet)
- Miscellaneous Details (2 sheets)
- Drainage Plan (2 sheets)
- Drainage Profiles (2 sheets)
- Drainage Details (1 sheet)
- Wall Plan and Profile (3 sheets)
- Wall Details (1 sheet)
- Channelization and Signing Plan and Details (3 sheets)
- Illumination Plan (2 sheets)
- Illumination Details (1 sheet)
- Preliminary Landscape and Irrigation Details (1 sheet)
- Traffic Control Plan (2 sheets)
- Pedestrian Traffic Control Plan (2 sheets)

Assumptions:

- Note that 60% Plans will not include curb return elevations, curb ramp details, construction sequencing plans. These will be provided at 90% level.
- The Consultant will review illumination as-builts and identify potential illumination service connection points and coordinate service points with SnoPUD.
- Irrigation for the proposed tree pits will be contractor designed.
- Water and sewer main design will not be required. Minor adjustments or modifications will be shown on other sheets.

Deliverables:

- Electronic copy of the 60% plan set (half-size [11” x 17”]) in PDF format via e-mail

9.3 60% Opinion of Costs

The Consultant will calculate 60% level quantities and opinion of construction costs based upon the approved 60% construction plans and current unit bid prices. The Consultant will address applicable 30% review comments and make revisions as necessary.

Deliverables:

- Electronic copy of the 60% opinion of cost summary submitted in PDF format via e-mail

9.4 60% Specifications

The Consultant will prepare Contract Provisions ("Specifications") for the 60% submittal. These will include Special Provisions for the items of work that are not covered by the current WSDOT/APWA Standard Specifications, including Stanwood General Requirements. Bid forms will not be included in the 60% submittal.
Assumptions:

- It is assumed that the City will provide the Consultant with any Stanwood General Special Provisions and Requirements to be used on the project.
- It is assumed that the City will provide the Consultant with their standard, current, boilerplate contract language ("front end docs") to be used for the project.

Deliverables:

- Electronic copy of the 60% specifications in Microsoft Word format via e-mail.

9.5 60% PS&E QA/QC and Constructability Review of Deliverables

An internal Consultant quality assurance/quality control review of deliverables will be conducted, as well as confirmation that comments received have been addressed. A record of comments received will be maintained. Response to each comment received will be tracked to confirm that they have been addressed.

The Consultant will also perform a preliminary constructability review of the 60 PS&E under this task, including a site visit. This will be done by a member of the Consultant's construction inspection team.

Task 10 – 90% Plans, Specifications, and Opinion of Costs

The Consultant will prepare 90% plans, specifications, and opinion of costs for the construction contract, and incorporate applicable comments received from the City based on the 60% submittal deliverables. The plans, specifications, and opinion of cost will be submitted to the City for review and comment.

10.1 Response to 60% Comments

The Consultant will attend one (1) comment review meeting with the City staff and provide the City with written responses to the City's comments. Responses will be provided on the commented documents provided by the City.

Assumptions:

- 60% plan review comments from City staff will be consolidated by the City and conflicting comments will be resolved by City staff prior to transmitting to the Consultant.

- The Consultant's responses will be provided on the original comment document the City provided to the Consultant.
- Up to two (2) Consultant team members will attend one (1) virtual comment review meeting.

Deliverables:

- Written responses to 60% comments (PDF).

10.2 90% Plans

It is anticipated that the 90% plans will consist of the following sheets (44 sheets):

- Cover Sheet w/Vicinity Map and Index (1 sheet)
- Legend and Abbreviations (1 sheet)
- Survey Control and Construction Alignment Plan (1 sheet)
- Right of Way Plans (2 sheets; included with Task 14)
- Site Preparation and Temporary Erosion and Sediment Control (TESC) Plan (2 sheets)
- Typical Roadway Sections (2 sheets)
- Roadway Plan and Profile (2 sheets)
- Curb Ramp Details (2 sheets)
- Driveway Profiles (1 sheet)
- Miscellaneous Details (2 sheets)
- Drainage Plan (2 sheets)
- Drainage Profiles (2 sheets)
- Drainage Details (2 sheet)
- Wall Plan and Profile (3 sheets)
- Wall Sections and Details (3 sheets)
- Channelization and Signing Plan (2 sheets)
- Channelization and Signing Details (2 sheets)
- Illumination Plan (2 sheets)
- Illumination Details (1 sheet)
- Landscape Details (1 sheet)
- Traffic Control Plans and Details (3 sheets)
- Pedestrian Traffic Control Plans and Details (3 sheets)
- Construction Phasing Plans (1 sheet)

Deliverables:

- Electronic copy of the 90% plan set (half-size [11" x 17"]) in PDF format via e-mail.

10.3 90% Opinion of Costs

The Consultant will calculate 90% level quantities and opinion of construction costs based upon the approved 90% construction plans and current unit bid prices. The Consultant will address applicable 60% review comments and make revisions as necessary.

Deliverables:

- Electronic copy of the 90% opinion of cost summary submitted in PDF format via e-mail.

10.4 90% Specifications

The Consultant will prepare 90% level specifications based upon the 90% design. The Consultant will address applicable 60% review comments and make revisions as necessary. Bid forms will not be completed at the 90% submittal.

Deliverables:

- Electronic copy of the 90% specifications in Microsoft Word format via e-mail.

10.5 90% PS&E QA/QC and Constructability Review of Deliverables

An internal Consultant quality assurance/quality control review of deliverables will be conducted, as well as confirmation that comments received have been addressed. A record of comments received will be maintained. Response to each comment received will be tracked to confirm that they have been addressed.

The Consultant will also perform a preliminary constructability review of the 60% PS&E under this task, including a site visit. This will be done by a member of the Consultant's construction inspection team.

Task 11 – 100% Plans, Specifications, and Opinion of Costs

The Consultant will revise the 90% plans, specifications, and opinion of cost estimate based on the City's comments and WSDOT review comments and prepare a 100% PS&E package. This submittal will include the preparation of the Bid Schedule to be included in the Specifications. The fee effort for this task includes a review of the current Standard Specifications for changes from the 2021 Standard Specifications and an update of the Special Provisions and WSDOT GSPs (due to the long schedule duration of the development of this project and more frequent publications of the Standard Specifications, it is assumed the 2022 Standard Specifications will need to be used).

The Consultant will provide WSDOT with a 100% set of bid documents for review. The Consultant will also submit the 100% PS&E package, including the Bid Schedule, to the City for a 100% check print before assembling the contract documents. 100% comments will be delivered electronically and incorporated into the 100% bid documents. It is assumed that the 100% review comments will be minor in nature and not reflect any significant changes to design. If there are significant changes to the design or Plans, this would be considered an additional service, and a supplement to the Agreement would be required.

Assumptions:

- It is assumed that the 100% review comments will be minor in nature and not reflect any significant changes to design.

11.1 Response to 90% Comments

The Consultant will attend one (1) comment review virtual meeting with the City staff and provide the City with written responses to the City's comments. Responses will be provided on the commented documents provided by the City.

Assumptions:

- 90% plan review comments from City staff will be consolidated by the City and conflicting comments will be resolved by City staff prior to transmitting to the Consultant.
- The Consultant's responses will be provided on the original comment document the City provided to the Consultant.
- Up to one (1) Consultant team member will attend one (1) comment review virtual meeting with the City.

Deliverables:

- Written responses to 90% comments.

11.2 100% Plans

The Plan sheets will be the same as those identified under the 90% design phase.

Deliverables:

- Electronic copy of the 100% plan set (full-size [22" x 34"]) in PDF format via e-mail.

11.3 100% Opinion of Costs

The Consultant will calculate 100% level quantities and opinion of construction costs based upon the approved 100% construction plans and current unit bid prices. The Consultant will address applicable 90% review comments and make revisions as necessary.

Deliverables:

- Electronic copy of the opinion of cost summary submitted in PDF format via electronic e-mail.

11.4 100% Specifications

The Consultant will prepare the 100% Specifications based upon the 100% design. The Consultant will address applicable 90% review comments and make revisions as necessary. Bid forms will be filled out with the project quantities with this submittal.

Deliverables:

- Electronic copy of the 100% bid documents Contract Specifications, including the Bid Schedule, submitted in PDF format via electronic e-mail.

11.5 100% PS&E QA/QC Review of Deliverables

An internal Consultant quality assurance/quality control review of deliverables will be conducted, as well as confirmation that comments received have been addressed. A record of comments received will be maintained. Response to each comment received will be tracked to confirm that they have been addressed.

Task 12 – Final Ad-Ready Contract Documents

The Consultant will finalize the 100% plans, specifications, and opinion of cost estimate based on the City's comments and WSDOT review comments and prepare final, ad-ready Bid Documents. It is assumed that 100% review comments will be minor in nature and not reflect any changes to the design.

The Consultant will provide WSDOT with a final set of bid documents for approval.

Assumptions:

- The fee effort for this task assumes the City will provide one (1) set of compiled and consolidated comments reflective of all City and WSDOT comments from the 100% check set submittal. It is assumed that pre-final review comments will be minor in nature and not reflect any changes to design. If additional comments are made, or if any comments are made that alter the design, and it is determined that addressing them would cause significant changes to the plans, this may be considered additional work to be included in a supplement.
- Prior to bid advertisement, the Consultant may make minor revisions to the Plans, Specifications, and Opinion of Costs. It is assumed that the drainage and ADA standards applying to this project will not be changed.
- The City will provide Builders Exchange with a camera-ready or electronic plan set for purposes of their scanning and contract document distribution during bidding.
- The City will provide Builders Exchange with a camera-ready or electronic set of Contract Specifications for purposes of their scanning and contract document distribution during bidding.
- WSDOT comments that are to be incorporated into the contract documents that are a significant change to the design or finalization of the ad-ready contract documents will be considered an additional service and may need a supplement to this Agreement.

Deliverables:

- Electronic copy of the final plans; half size (11" x 17") and full size (22" x 34") signed plans, in PDF format via e-mail.
- Electronic copy of the opinion of cost summary submitted in PDF format via e-mail.
- Electronic copy of the final bid documents Contract Specifications, including the Bid Schedule, submitted in PDF format via e-mail.
- Written responses to the 100% review comments.

Task 13 – Maximum Extent Feasible (MEF) Documentation

13.1 Coordination with WSDOT

The Consultant will coordinate with WSDOT regarding acceptance and the determination of compliancy of pedestrian facilities. This includes virtual meeting, phone, and e-mail coordination.

The Consultant will also coordinate with WSDOT regarding a courtesy review of the MEF documentation, and regarding pedestrian facility design questions from WSDOT.

Deliverables:

- WSDOT concurrence regarding curb ramp design.

13.2 Design MEF Documentation

When full ADA accessibility criteria cannot be met by the pedestrian facility improvements, an MEF Document must be prepared as part of the project documentation. The Consultant will prepare a designed conditions MEF document for the project. Justification will be provided as part of the documentation.

Work Elements:

The Consultant will prepare design MEF documentation for the City's documentation. The MEF documentation is anticipated to include the following elements:

- Project Description – this will be a general description of the overall project.
- Design Standards – this will be a general statement identifying the guidelines/manuals used and the criteria to be met for pedestrian facilities.
- Summary of Facilities and Evaluation – this will be a short summary of the facilities that will be evaluated, including a general statement that the project design was intended to be compliant, then identifying specific elements that are non-compliant and a justification for the reason(s) why.
- Summary of proposed design and compliancy for curb ramps, pedestrian crossings, driveways, and sidewalks, as applicable.
- The Consultant will provide a draft MEF Document for the City to review. The Consultant will incorporate the review comments into a final MEF Document.

This task provides for the preparation of the design MEF document, which will reflect the Consultant's designed improvements, and will be provided to the City. Upon completion of construction, it is recommended that the design MEF document be modified to reflect the constructed improvements as the constructed MEF document. This Scope of Services does not include work to revise the design MEF document and produce the constructed MEF document.

Assumptions:

- The Revised Draft Guidelines for Accessible Public Rights-of-Way (PROWAG), 2011 (2011 PROWAG) will be the design guidelines and measurement of compliancy for pedestrian facilities, as determined by WSDOT.
- Detailed information for every pedestrian facility (for example, each curb ramp with every slope measurement, dimensions, etc.) will not be provided in the MEF.
- Existing non-compliant curb ramps are generally non-compliant in most or all of the elements (such as dimensions, landings, slope); therefore, a detailed overview of the individual existing elements will not be provided for each curb ramp, but there will be a general statement of "non-compliancy" for each ramp, as necessary.

Deliverables:

- One (1) electronic copy of the Draft MEF Document in PDF format.

- One (1) electronic copy of the Final MEF Document in PDF format.

Task 14 – Right-of-Way Plans

The purpose of this task is to provide right-of-way plans and include right-of-way resolution and easements identification. This task includes research of the existing right-of-way within the project area. right-of-way research may include obtaining plats, records of survey, right-of-way deeds, Snohomish County records, and other publicly available information. The Consultant will resolve existing right-of-way within the project area.

It is estimated that up to seven (7) title reports will be needed to determine the City's right-of-way boundaries as well as determine potential right-of-way acquisition areas and easements.

14.1 Research and Title Report Review (1 Alliance Geomatics)

Includes online research of publicly available information typically found on county websites and the receipt and review of title reports and associated documents.

Assumptions:

- Title reports will be provided by the City.

Deliverables:

- Review of title reports.

14.2 Field Cadastral Survey Control (1 Alliance Geomatics)

This subtask includes the research, recovery, and measurements necessary to validate and calculate the field monuments associated with cadastral (or boundary) surveying efforts.

Deliverables:

- Finalize control.

14.3 Office Calculations and Determinations (1 Alliance Geomatics)

This subtask includes the processing of field measurements for the use in boundary and/or right-of-way determinations.

Deliverables:

- Process data.

14.4 Legal Descriptions and Depictions (1 Alliance Geomatics)

The Legal Descriptions and Depictions work element includes the efforts necessary to draft the depictions and write the legal descriptions required by the engineer for property takes and/or easements.

Assumptions:

- Title Reports will be provided by the City.

- One (1) draft and one (1) revised, final Right-of-Way Acquisition Legal Description and Depiction is anticipated.
- One (1) draft and one (1) revised, final Temporary Construction Easement Legal Description and Depiction per parcel is anticipated.

Deliverables:

- Up to one (1) Draft and Final Right-of-Way Acquisition Legal Descriptions and Depictions.
- Up to eight (8) Draft and Final Temporary Construction Easement Legal Descriptions and Depictions.

14.5 Right-of-Way Plans (Perteet)

Under this work element, the Consultant will prepare draft and final right-of-way plans. The Consultant will create right-of-way alignments and prepare right-of-way plan based upon data provided under Task 4 and Subtasks 14.1 to 14.4.

- Draft right-of-way plans will be prepared once the 60% design plans have been submitted to the City, and 60% review comments have been received by the Consultant.
- Final right of-way plans will be completed once negotiations have been finalized with the property owners.

Assumptions:

- Right-of-way plans are intended for the City's records. Parcel exhibits will be prepared for the appraisals, for negotiations with property owners, and for final acquisition documents. Parcel exhibits will be prepared under a separate task under this Scope of Services.

Deliverables:

- One (1) set of Draft and Final of the Right-of-Way Plans, full size (22" x 34"), in PDF format.

Task 15 – Right-of-Way Acquisition (UFS)

It is understood federal funds are participating in the right-of-way phase of the project. Therefore, all right-of-way activities will be completed per the City's WSDOT approved right-of-way acquisition policies and procedures, WSDOT's Local Agency Guidelines – Section 25 (Right of Way Procedures) and the federal Uniform Relocation Assistance and Real Property Acquisitions Policies Act (URA).

15.1 Preparation and Administration

Upon Notice to Proceed, UFS staff will attend a kickoff meeting with Perteet/City in person or via video conference to obtain additional project information, including available contact information for property owners; discuss material and information needed from the City (Legal Descriptions, Exhibits, Staking, etc.), along with any additional information that will assist in the right-of-way acquisition process. We will also attend up to six (6) progress meetings either by conference call or in person and provide up to six (6) monthly progress and tracking reports when invoicing.

UFS will provide sample templates of all acquisition documents (offer letters, deeds, easements, right of entries, consents, etc.) for the City's review and approval for project use. All forms and documents will comply with City's standards and in accordance with statutory requirements. The City's pre-approved documents will be used when provided. UFS will maintain acquisition records in accordance with statutory, regulatory and policy requirements.

It is understood coordination with the City will be necessary to finalize and obtain the project legal descriptions and acquisition exhibits for all the real property rights to be acquired. It is assumed these items will be provided by the City prior to completing subtask 15.6 below.

For each parcel impacted, prepare acquisition files to include fair offer letters, a standard diary form indicating all contacts with owner(s), recording and ancillary documents, and other items necessary to complete the work.

Deliverables:

- Attend Project Kickoff Meeting (3 UFS staff).
- Attend six (6) Progress Meetings (2 UFS staff).
- Provide six (6) Monthly Progress Reports.
- Coordinate City approval of acquisition forms and documents for project use.
- Prepare parcel acquisition files.

15.2 Title-Ownership Review

UFS will order title reports and/or any updates and title supplements of all impacted properties. The title company will invoice the City directly. Upon receipt of title reports, UFS staff will conduct initial reviews of each report to assess future complications at closing and potential conflicts from utility encumbrances, etc., that may pose obstacles or delays to the acquisition closing process. Parcel Title Summary and Risk Analysis Memos will be prepared for each larger parcel shown in Table A.

Assumption:

- Three (3) Stanwood Towne Center LLC parcels are considered one (1) larger parcel.

Deliverables:

- Prepare up to five (5) Parcel Title Summary Memos.

15.3 Public Outreach

UFS will assist the City in preparation of an "Introduction Informational Letter" for delivery by the City to each property owner shown in Table A below. The letter will describe the purpose of the project; the project schedule; identify the City's consultants and the role each firm will perform on the project.

Deliverables:

- Sample "Introduction Informational Letter."

15.4 Right of Entry

UFS prepare and present a right of entry document to each property owner shown in Table A below. The form will allow for surveyors, utility locators, environmental specialists, geotechnical, engineers, and other professionals to make entry onto the property to aid in development of design, permits, and planning documents.

Deliverables:

- Up to five (5) Right of Entries

15.5 Preliminary Right-of-Way Acquisition Cost Estimate

Based on advanced design of the roadway and upon direction by the City and design team, UFS will complete a right-of-way cost estimate to include related itemized costs similar to WSDOT's new Right of Way Funding Estimate (form 005b). Estimates of related costs will include just compensation to individual property owners; appraisal and appraisal fees; acquisition negotiation service fees; relocation assistance service fees; relocation costs; title and escrow fees; property management (if any); statutory evaluation allowance; and incidental expenses (condemnation, etc.). We will also consult with a WSDOT approved appraiser for research of comparable land sales and input relating to damages of a property owner's remaining use if any.

Assumptions:

- The five (5) larger parcels shown in Table A will be included in the estimate. The City owned parcel will be excluded.

Deliverables:

- One (1) Preliminary Right-of-Way Funding Estimate.

15.6 FHWA Funds Authorization for ROW

Shortly after the right-of-way plans and the RWFE have been submitted to WSDOT and assuming NEPA clearance has been obtained, the City would typically receive a letter from FHWA through WSDOT Local Programs authorizing the use of federal funds to acquire right-of-way. This letter of authorization is required for the City to receive federal funding participation and reimbursement for costs incurred with Appraisal, Appraisal Review, AOS Valuations, and Acquisition Negotiations.

Deliverable:

- N/A – For informational purposes only.

15.7 Appraisal/Appraisal Review/Administrative Offer Summary Worksheets

Upon completion of the RWFE, receipt of the "Obligation Letter" and as directed by the City, the real property valuation process can begin. With results of the RWFE and in consideration of the City's appraisal waiver limit of $25,000, UFS will coordinate with the City and Perteet to determine which parcels will require AOS Worksheets, Appraisals, and Appraisal Review reports and hire a duly qualified Appraisal subconsultant. All AOS worksheets, Appraisal, and Appraisal Review reports will be completed in accordance with the Uniform Standards of Professional Appraisal Practices, Washington State Department of Transportation (WSDOT) Local Agency Guidelines, the WSDOT Right of Way Manual (in particular, Chapters 4 and 5), and the URA. The total number of AOS worksheets, Appraisal and Appraisal Review reports are subject to project design revisions and property owner requests when administrative offers are made. It is assumed four (4) parcels will result in AOS worksheets and one (1) parcel will result in Appraisal and Appraisal Reviews. UFS will attend all Appraisal inspections to ensure property owners understand the real property rights being appraised and to ascertain owner or tenant owned improvements.

Completed AOS worksheets, Appraisals, and Appraisal Reviews will be submitted to the City for review and written approval establishing the amount of Just Compensation to the property owner. The City will be required to provide concurrence and written approvals of the estimated amounts of just compensation determined in each AOS worksheet and Appraisal report.

Deliverables:

- AOS Worksheets – four (4) each.
- Appraisal reports – one (1) each.
- Appraisal Review reports – one (1) each.

15.8 Relocation Assistance

Provide Relocation Assistance and Advisory Services to Public Utility District No. 1 of Snohomish County resulting from the partial acquisition for the project. Relocation services shall be provided using procedures specified by the City of Stanwood and in accordance with the Federal Uniform Relocation Assistance and Real Property Acquisitions Act (URA), and the Washington State Department of Transportation Right of Way Manual. The scope of work is established and based upon a project site visit conducted on June 14, 2021.

Universal Field Services will Provide:

Preparation and Administration

- Meet with the City to obtain project background information.
- Conduct reviews of relevant relocation information previously obtained by the City during community meetings, etc.
- Using the City's existing forms, prepare draft relocation documents. Universal will provide samples as necessary.
- Prepare tracking and status report formats.
- Prepare relocation parcel files to include general and eligibility notices, diaries, moving cost estimates, claim forms, and other items necessary for relocations.
- Prepare and update a relocation schedule outlining timeframes for various tasks, including an estimated vacate date for each parcel.

Relocation Assistance and Advisory Services

- Relocation Plan
    - Develop a relocation plan based on personal interviews with potential displacees and prepare property inventories.
    - Research available replacement properties to transfer utility equipment and material to.
    - Identify special needs of displaced occupants; problematic relocations and provide suggested resolutions for each.
- General Notice/Notice of Eligibility
    - Inform displaced occupants of their potential displacement and eligibility for relocation assistance.
    - Secure business moving estimates. Prepare eligibility notice to include an explanation of displacees relocation benefits and 90-day assurances.
- Conduct Replacement Site Search
    - Coordinate with move planners and monitor moves for businesses.

- File Claims and Parcel Close-out
  - Assist displacees in filing relocation claims with the City for payment.
  - Create and maintain necessary records to support audit of project.
  - Provide a closing report of any outstanding relocation claims or issues.
  - Close-out meeting(s) with City.

15.9 Present Offers/Negotiations

Upon receipt of written approvals from the City establishing the amounts of just compensation, Universal staff will prepare offer package(s) and promptly present offers to purchase all the required real property interests and negotiate in good faith to reach a settlement with each property owner(s). Offers will be presented in person when at all possible. If negotiations reach an impasse, Universal shall provide the City with written notification. If necessary, Universal will attempt to secure Administrative Settlements or Voluntary Possession and Use Agreements with the owner(s), allowing the project to move forward and allowing the property owner additional time to negotiate. As a last resort, if the owner is unwilling to agree to a Voluntary Possession and Use Agreement, the file will be transmitted to the City's legal staff for mediation or filing of a condemnation action. Universal will provide limited technical support for all mediation or condemnation as required.
Deliverables:

- Prepare Offer Packages – five (5) each.
- Present Offers/Conduct Negotiations.
- Completed parcel files and records of all right-of-way aAcquisition services.

15.10 Parcel Closing

Prior to sending a settled acquisition package to the City for payment and closing, Universal will request an update on each title report from the designated Title Company to ensure ownership has not changed and new encumbrances or exceptions have not been recorded. Upon review of updated title information and previously completed Parcel Title Summary and Risk Analysis Memo, Universal will provide advisory assistance to the City in determining the most appropriate method of closing each transaction.

Subject to the City's Title Clearing policies, the method of closing can be completed in-house or through a reputable escrow firm. Typically, the title company will provide escrow services.

In-House Closing – Generally for low risk and uncomplicated title clearing, this method is subject to the City's title clearing policies and amount of acceptable risk. The signed conveyance documents and payment vouchers will be transmitted to the City for approval and processing. Simultaneously, Universal will coordinate with recommendations to the City for taking title to certain exceptions and encumbrances.

Escrow Closing – Generally for higher risk and complicated title clearing, this method will also consider the City's title clearing policies. The signed conveyance documents together with escrow instructions will be transmitted to the City for approval and signature. Once City approval is received, the transaction package will be delivered to the designated escrow company for closing and recording. Albeit the escrow firm's responsibility, Universal will work with the Escrow and Title Company in their effort to remove unacceptable exceptions and to obtain title insurance policies for the City.

Assumptions:

- Title clearing of unacceptable encumbrances will be limited when offer to property owners are $10K-$25K.
- Title clearing for temporary rights only is not required.
- Title Clearing is not required when offers to property owners are $10,000 or less, subject to high priority liens.
- UFS will provide assistance for parcels closed through a reputable escrow firm.

Deliverables:

- Completed parcel files and records of all right-of-way acquisition services.

15.11 Right-of-Way Certification

Since there are federal funds participating in the project, right-of-way certification will be coordinated and completed through WSDOT Real Estate Services and Local Programs. Right-of-way acquisition files will be prepared and completed to the satisfaction of a WSDOT right-of-way review to support federal aid participation. UFS will further coordinate right-of-way activities with WSDOT's Olympia Region Local Agency Coordinator, Ms. Eva Betts, as needed throughout the project.
City will provide the following:

- Preliminary Commitments (Title Reports) for all parcels shown in Table A below. If requested, UFS will order title reports or any updates. The title company will bill the City directly.
- Approve designation of the escrow company used for this project. The escrow company will bill the City directly for all escrow services provided.
- Form approval, in electronic format, of all legal conveyance documents and forms prior to use (i.e., offer letters, purchase and sale agreements, escrow instructions, easements, deeds, etc.).
- Review and approval of all determinations of value, established by the project appraisers, and provide written authorization prior to offers being made to property owners.
- Payment of any and all compensation payments to property owners, recording fees, legal services, and any incidental costs which may arise necessary to complete each transaction.
- Send "Introduction Letters" to property owners as necessary.

Deliverables:

- Right-of-way certification form for WSDOT review and approval.
- Transmittal of parcel files to WSDOT for certification review and approval.

TABLE A

No.	Tax Parcel No.	Owner/Taxpayer	Partial Fee Simple	Slope Esmt	Temp Const Esmt	PPO Relocation	Valuation Type
1	32041900306000	Public Utility District No. 1 of Snohomish County	X	X	X	X	AR
2	32041900303800	PHTRE LP			X		AOS

3	32041900311100	Port Susan Marketplace LLC	X	AOS
4	32041900304100	Stillaguamish Properties LLC	X	AOS
5	32032400416200 32032400416300 32032400416600	Stanwood Towne Center LLC	X	AOS

Notes:

- AR (Appraisal/Appraisal Review); AOS (Administrative Offer Summary worksheet)
- *Parcels may be combined into the "Larger Parcel," potentially eliminating two (2) AOS reports. To be confirmed during the RWFE process.

Additional Tax Parcels or Real Property Rights not shown in Table A above will require an Amendment to this Scope of Work and related Fee Estimate.

15.12 Negotiations Support (by Design Team)

The design engineering team will provide support to the right-of-way agent (Universal Field Services) and the City during negotiations with property owners. This support will include up to two (2) meetings with property owners, and preparation of informal informational exhibits (one for each parcel) and materials to be used by the appraiser, project team, and property owners. The budget assigned for this work element will be limited to the amount designated for this work element.

Task 16 – Bid Support

The Consultant will support the City during the bidding phase of the project. The Consultant will respond to requests for clarifications and prepare Addendums. The budget assigned for this work element will be limited to the amount designated for this work element.

16.1 Provide Bid Clarifications

The Consultant will respond to Contractor questions as requested by the City during the bidding process. The Consultant will provide clarifications to the City, which may include Plan sheet revisions, Special Provision language, or information clarification.

Deliverables:

- Written clarifications to bid questions, including text and plan sheet revisions if applicable (email format).

16.2 Addenda

The Consultant will assist the City with preparing materials to be included with up to two (2) Addenda, as required.

Assumptions:

- The City will prepare addendums for distribution during the bidding process.
- The City will prepare the bid tabulation.
- The City will determine if the bids are responsive or not.

- The City will track bid questions and communicate with bidders.
- The City will produce bid sets.
- The City will review bid tabulations against the opinion of cost (engineer's estimate).
- The budget assigned for this work element will be limited to the amount designated for this work element.

Deliverables:

- Materials to be included with addenda, as requested, for up to two (2) Addenda.

Additional (Optional) Services

The Consultant may provide additional services as directed by the City which are not identified in this Scope of Services. Additional services shall not commence without written authorization and approval from the City and a supplement to the contract.

Services Not Included in this Scope of Services

1. Prepare gutter flow calculations and inlet capacity calculations in accordance with WSDOT protocols.
2. Prepare a Level 2 to Level 3 downstream analysis.
3. Prepare a backwater conveyance analysis for downstream pipe systems.
4. Prepare a summary of average annual pollutant loadings anticipated for the project, in accordance with the WSDOT Environmental Procedures Manual, Table 3, Method 1, for the environmental assessment of the project.
5. Drainage design above what is described in this scope of services.
6. Preparation of discipline reports or memos to support the NEPA process.
7. Construction management services.

Items to be furnished by the City

Information Provided by Others

The Client shall furnish, at the Client's expense, all information, requirements, reports, data, surveys, and instructions required by this Agreement. The Consultant may use such information, requirements, reports, data, surveys, and instructions in performing its services and is entitled to rely upon the accuracy and completeness thereof. Further, the Client agrees that the Consultant shall have no responsibility for any portion of the project designed by other consultants engaged by the Client.

The City shall furnish the following:

1. All available "As-Built" information, including for traffic signals and the existing illumination systems.
2. Updated underground utility information relative to the City-owned utilities.
3. Any applicable preliminary design reports, geotechnical reports, environmental reports, and identified up and downstream problems.
4. Updated City of Stanwood General Provisions.

Engineer and its consultants may reasonably use and rely upon information and design elements furnished by Owner or customarily furnished by others, including, but not limited to, other design professionals, specialty contractors, manufacturers, suppliers, and publishers of technical standards.

Design Criteria

As of the date this Agreement is signed, design file, reports, documents, and plans prepared as part of this Scope of Services, to the extent feasible, will be developed in accordance with the latest edition and amendments to the following documents:

1. Standard Specifications for Road, Bridge, and Municipal Construction, 2021 English Edition, published by WSDOT and the Washington State Chapter APWA
2. Standard Plans for Road, Bridge, and Municipal Construction, (M 21-10), published by WSDOT
3. "Design Manual" published by WSDOT
4. "Local Agency Guidelines" published by WSDOT
5. "Highway Runoff Manual" published by WSDOT
6. "Hydraulics Manual" published by WSDOT
7. AASHTO: A Policy on Geometric Design of Highways and Streets (2011 Edition)
8. 2009 Manual on Uniform Traffic Control Devices for Streets and Highways (MUTCD)
9. AASHTO Guide for the Development of Bicycle Facilities, 4th Edition
10. AASHTO Guide for the Design of Pavement Structures, 1993
11. The Revised Draft Guidelines for Accessible Public Rights-of-Way (PROWAG), November 23, 2005 (2005 PROWAG), as determined by WSDOT
12. City of Stanwood Street and Utility Standards
13. City of Stanwood Municipal Code
14. Department of Ecology (Ecology) 2005 "Stormwater Management Manual for Western Washington"

Changes in any design standards or requirements after services have begun may result in extra work and require a supplement to the Agreement.

No DBE Participation has been identified at this time.

Agreement Number:

Exhibit C
Preparation and Delivery of Electronic Engineering and Other Data

In this Exhibit the agency, as applicable, is to provide a description of the format and standards the consultant is to use in preparing electronic files for transmission to the agency. The format and standards to be provided may include, but are not limited to, the following:

I. Surveying, Roadway Design & Plans Preparation Section

   A. Survey Data

   B. Roadway Design Files

   C. Computer Aided Drafting Files

Agreement Number:

D. Specify the Agency’s Right to Review Product with the Consultant

E. Specify the Electronic Deliverables to Be Provided to the Agency

F. Specify What Agency Furnished Services and Information Is to Be Provided

Agreement Number:

II. Any Other Electronic Files to Be Provided

III. Methods to Electronically Exchange Data

A. Agency Software Suite

B. Electronic Messaging System

C. File Transfers Format

Exhibit D
Prime Consultant Cost Computations

See attached Exhibit D

Agreement Number:

Exhibit D

Consultant Fee Determination Summary

2707 Colby Avenue, Suite 900, Everett, WA 98201 | P 425.252.7700

Project: Stanwood - Viking Way Extension Design - Phase 2
Client: City of Stanwood

Hourly Costs Plus Fixed Fee Estimate

Classification	Hours	Rate	Amount
Principal	12.00	97.19	$1,166
Sr. Associate	34.00	68.00	$2,312
Sr. Associate	4.00	72.50	$290
Sr. Associate	35.00	74.00	$2,590
Sr. Engineer / Mgr	196.00	58.50	$11,466
Sr. Engineer / Mgr	24.00	64.50	$1,548
Lead Engineer / Mgr	360.00	49.00	$17,640
Engineer II	356.00	34.00	$12,104
Lead Technician/Designer	169.00	38.50	$6,507
Planner II	94.00	43.00	$4,042
Accountant	11.00	35.50	$391
Clerical	6.00	30.00	$180
Total Direct Salary Costs	**1,301.00**		**$60,236**
Overhead @		196.48%	$118,350
Fixed Fee @		30.00%	$18,071
Total Labor Costs			**$196,657**

Reimbursables

Expenses			Amount
Utility Location Service			$13,376.00
Reproduction - Reimbursed			$500.00
Total Expenses			**$13,876.00**

In-House Costs	Qty	Rate	Amount
Mileage - $.56	2,640	$0.560	$1,478.00
Total In-House Costs			**$1,478.00**

Subconsultants

Subconsultants	Cost	Markup	Amount
1 Alliance Geomatics, LLC	$29,997.00	1.00	$29,997.00
HWA GeoSciences Inc	$52,577.00	1.00	$52,577.00
Universal Field Services	$37,050.00	1.00	$37,050.00
Total Subconsultants	**$119,624.00**		**$119,624.00**
CONTRACT TOTAL			$331,634.00

Rates shown reflect the typical compensation rate of employees assigned to the billing category listed. Each category may have multiple employees assigned to that billing category and each employee may have a different hourly rate of pay. Employee compensation is subject to adjustment in June of each calendar year.

Prepared By: Dustin I DeKoekkoek Date: July 15, 2021

Exhibit E
Sub-consultant Cost Computations

The CONSULTANT shall not sub-contract for the performance of any work under this AGREEMENT without prior written permission of the AGENCY. Refer to section VI "Sub-Contracting" of this AGREEMENT.

See attached Exhibits:

E-1 1 Alliance Geomatics, LLC
E-2 HWA Geosciences, Inc.
E-3 Universal Field Services

Agreement Number:

Exhibit E-1

Subconsultant Fee Determination Summary Sheet

Subconsultant: 1 Alliance Geomatics, LLC

Project: City of Stanwood Viking Way Phase 2

Client: City of Stanwood/Perteet Inc.

DIRECT SALARY RATES

Classification	Hours		Rate		Cost
Principal Surveyor	1.75	x	$87.00	=	$152
Survey PM	15	x	$58.00	=	$870
Project Surveyor	93	x	$47.00	=	$4,371
CADD 5	19	x	$40.00	=	$760
CADD 4	40	x	$38.00	=	$1,520
Tech 5	40	x	$39.50	=	$1,580
Tech 3	40	x	$33.25	=	$1,330
Assist PM	2	x	$35.00	=	$70
Admin	2	x	$37.50	=	$75
			Direct Salary Costs	**=**	**$10,728**
			DSC X Overhead (133.05%)	=	$14,274
			DSC X Fee (30%)	=	$3,218
			TOTAL DIRECT SALARY X OH AND FF	**=**	**$28,221**

REIMBURSABLES

Mileage	$74
3D Laser Scanning	$1,702
TOTAL REIMBURSABLE COST =	**$ 1,776**

CONTRACT TOTAL	=	**$29,997**

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Exhibit E-2

Subconsultant Fee Determination Summary Sheet

Subconsultant: HWA GeoSciences, Inc.

Project: City of Stanwood Viking Way Phase 2

Client: City of Stanwood/Perteet Inc.

DIRECT SALARY RATES

Classification	Hours		Rate		Cost
Principal IX	2	x	$91.50	=	$183
Geotechnical Engineer VII	18	x	$72.50	=	$1,305
Geotechincal Engineer VII	16	x	$75.00	=	$1,200
Geotechincal Engineer V	78	x	$57.70	=	$4,501
Geologist V	17	x	$43.50	=	$740
Geotechincal Engineer I	93	x	$25.00	=	$2,325
Geologist II	32	x	$31.25	=	$1,000
CAD	6	x	$38.00	=	$228
Contracts Administrator	6	x	$39.00	=	$234
Clerical	3	x	$26.44	=	$79
			Direct Salary Costs	**=**	**$11,794**
			DSC X Overhead (194.86%)	=	$22,983
			DSC X Fee (30%)	=	$3,538
			TOTAL DIRECT SALARY X OH AND FF	**=**	**$38,315**

REIMBURSABLES

Mileage	$250
GPS Rental	$100
Water Level Rental	$30
Drilling Subcontractor	$5,500
Traffic Control	$300
Hazmat Data Acquisition	$350
Lab Testing	$7,732
TOTAL REIMBURSABLE COST =	**$ 14,262**

CONTRACT TOTAL	=	**$52,577**

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Exhibit E-3

Subconsultant Fee Determination Summary Sheet

Subconsultant: Universal Field Services, Inc.

Project: City of Stanwood Viking Way Phase 2

Client: City of Stanwood/Perteet Inc.

DIRECT SALARY RATES

Classification	Hours		Rate		Cost
QA	9.5	x	$61.75	=	$587
Project Manager	42.5	x	$53.00	=	$2,253
Sr. Right of Way Specialist	186	x	$46.00	=	$8,556
Sr. Relocation Specialist	45	x	$46.00	=	$2,070
Title/Escrow Specialist	27	x	$34.00	=	$918
Sr Administrative Specialist	30	x	$27.00	=	$810
			Direct Salary Costs	**=**	**$15,193**
			DSC X Overhead (51.05%)	=	$7,756
			DSC X Fee (30%)	=	$4,558
			TOTAL DIRECT SALARY X OH AND FF	**=**	**$27,507**

REIMBURSABLES

Mileage	$	151.20
Miscellaneous		$225
Appraisal		$7,300
Appraisal Review		$1,600
Administrative Fee		$267
TOTAL REIMBURSABLE COST =	**$**	**9,543**

CONTRACT TOTAL	=	**$37,050**

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APPENDIX A

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. **Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Acts and the Regulations relative to Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, ***(Title of Modal Operating Administration)***, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.

2. **Non-discrimination:** The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21. ***[Include Modal Operating Administration specific program requirements.]***

3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Acts and the Regulations relative to Non-discrimination on the grounds of race, color, or national origin. ***[Include Modal Operating Administration specific program requirements.]***

4. **Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Recipient or the ***(Title of Modal Operating Administration)*** to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the Recipient or the ***(Title of Modal Operating Administration)***, as appropriate, and will set forth what efforts it has made to obtain the information.

5. **Sanctions for Noncompliance:** In the event of a contractor's noncompliance with the Non- discrimination provisions of this contract, the Recipient will impose such contract sanctions as it or the ***(Title of Modal Operating Administration)*** may determine to be appropriate, including, but not limited to:

   a. withholding payments to the contractor under the contract until the contractor complies; and/or
   b. cancelling, terminating, or suspending a contract, in whole or in part.

6. **Incorporation of Provisions:** The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with respect to any subcontract or procurement as the Recipient or the ***(Title of Modal Operating Administration)*** may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the Recipient to enter into any litigation to protect the interests of the Recipient. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

APPENDIX E

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

Pertinent Non-Discrimination Authorities:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21.
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 et seq.), (prohibits discrimination on the basis of sex);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189) as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

Exhibit G
Certification Documents

Exhibit G-1(a)	Certification of Consultant
Exhibit G-1(b)	Certification of City of Stanwood
Exhibit G-2	Certification Regarding Debarment, Suspension and Other Responsibility Matters - Primary Covered Transactions
Exhibit G-3	Certification Regarding the Restrictions of the Use of Federal Funds for Lobbying
Exhibit G-4	Certificate of Current Cost or Pricing Data

Agreement Number:

Exhibit G-1(a) Certification of Consultant

I hereby certify that I am the duly authorized representative of the firm of Perteet, Inc.

whose address is 2707 Colby Avenue, Suite 900, Everett, WA 98201

and that neither the above firm nor I have:

a) Employed or retained for a commission, percentage, brokerage, contingent fee, or other consideration, any firm or person (other than a bona fide employee working solely for me or the above CONSULTANT) to solicit or secure this AGREEMENT;

b) Agreed, as an express or implied condition for obtaining this contract, to employ or retain the services of any firm or person in connection with carrying out this AGREEMENT; or

c) Paid, or agreed to pay, to any firm, organization or person (other than a bona fide employee working solely for me or the above CONSULTANT) any fee, contribution, donation, or consideration of any kind for, or in connection with, procuring or carrying out this AGREEMENT; except as hereby expressly stated (if any);

I acknowledge that this certificate is to be furnished to the
and the Federal Highway Administration, U.S. Department of Transportation in connection with this AGREEMENT involving participation of Federal-aid highway funds, and is subject to applicable State and Federal laws, both criminal and civil.

Perteet, Inc.

Consultant (Firm Name)

Signature (Authorized Official of Consultant)

Date

Agreement Number:

Exhibit G-1(b) Certification of

I hereby certify that I am the:

☐

☐ Other

of the City of Stanwood , and
or its representative has not been required, directly or indirectly as an express or implied condition in connection with obtaining or carrying out this AGREEMENT to:

a) Employ or retain, or agree to employ to retain, any firm or person; or

b) Pay, or agree to pay, to any firm, person, or organization, any fee, contribution, donation, or consideration of any kind; except as hereby expressly stated (if any):

I acknowledge that this certificate is to be furnished to the
and the Federal Highway Administration, U.S. Department of Transportation, in connection with this AGREEMENT involving participation of Federal-aid highway funds, and is subject to applicable State and Federal laws, both criminal and civil.

Signature

Date

Agreement Number:

Exhibit G-2 Certification Regarding Debarment, Suspension and Other Responsibility Matters - Primary Covered Transactions

I. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

A. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

B. Have not within a three (3) year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State anti-trust statues or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

C. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

D. Have not within a three (3) year period preceding this application / proposal had one or more public transactions (Federal, State and local) terminated for cause or default.

II. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Perteet, Inc.

Consultant (Firm Name)

Signature (Authorized Official of Consultant)

Date

Agreement Number:

Exhibit G-3 Certification Regarding the Restrictions of the Use of Federal Funds for Lobbying

The prospective participant certifies, by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or any employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative AGREEMENT, and the extension, continuation, renewal, amendment, or modification of Federal contract, grant, loan or cooperative AGREEMENT.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan or cooperative AGREEMENT, the undersigned shall complete and submit Standard Form - LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

   This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000.00, and not more than $100,000.00, for each such failure.

   The prospective participant also agrees by submitting his or her bid or proposal that he or she shall require that the language of this certification be included in all lower tier sub-contracts, which exceed $100,000, and that all such sub-recipients shall certify and disclose accordingly.

Perteet, Inc.

Consultant (Firm Name)

Signature (Authorized Official of Consultant)

Date

Agreement Number:

Exhibit G-4 Certificate of Current Cost or Pricing Data

This is to certify that, to the best of my knowledge and belief, the cost or pricing data (as defined in section 2.101 of the Federal Acquisition Regulation (FAR) and required under FAR subsection 15.403-4) submitted, either actually or by specific identification in writing, to the Contracting Officer or to the Contracting Officer's representative in support of Viking Way Extension Design Phase 2 * are accurate, complete, and current as of July 13, 2021 **.

This certification includes the cost or pricing data supporting any advance AGREEMENT's and forward pricing rate AGREEMENT's between the offer or and the Government that are part of the proposal.

Firm: Perteet, Inc.

Signature

Title

Date of Execution***: July 13, 2021

*Identify the proposal, quotation, request for pricing adjustment, or other submission involved, giving the appropriate identifying number (e.g. project title.)
**Insert the day, month, and year, when price negotiations were concluded and price AGREEMENT was reached.
***Insert the day, month, and year, of signing, which should be as close as practicable to the date when the price negotiations were concluded and the contract price was agreed to.

Agreement Number:

N/A

Exhibit H
Liability Insurance Increase

To Be Used Only If Insurance Requirements Are Increased

The professional liability limit of the CONSULTANT to the AGENCY identified in Section XII, Legal Relations and Insurance of this Agreement is amended to $.

The CONSULTANT shall provide Professional Liability insurance with minimum per occurrence limits in the amount of $.

Such insurance coverage shall be evidenced by one of the following methods:

- Certificate of Insurance.
- Self-insurance through an irrevocable Letter of Credit from a qualified financial institution.

Self-insurance through documentation of a separate fund established exclusively for the payment of professional liability claims, including claim amounts already reserved against the fund, safeguards established for payment from the fund, a copy of the latest annual financial statements, and disclosure of the investment portfolio for those funds.

Should the minimum Professional Liability insurance limit required by the AGENCY as specified above exceed $1 million per occurrence or the value of the contract, whichever is greater, then justification shall be submitted to the Federal Highway Administration (FHWA) for approval to increase the minimum insurance limit.

If FHWA approval is obtained, the AGENCY may, at its own cost, reimburse the CONSULTANT for the additional professional liability insurance required.

Notes: Cost of added insurance requirements: $.

- Include all costs, fee increase, premiums.
- This cost shall not be billed against an FHWA funded project.
- For final contracts, include this exhibit.

Agreement Number:

Exhibit I
Alleged Consultant Design Error Procedures

The purpose of this exhibit is to establish a procedure to determine if a consultant's alleged design error is of a nature that exceeds the accepted standard of care. In addition, it will establish a uniform method for the resolution and/or cost recovery procedures in those instances where the agency believes it has suffered some material damage due to the alleged error by the consultant.

Step 1 Potential Consultant Design Error(s) is Identified by Agency's Project Manager
At the first indication of potential consultant design error(s), the first step in the process is for the Agency's project manager to notify the Director of Public Works or Agency Engineer regarding the potential design error(s). For federally funded projects, the Region Local Programs Engineer should be informed and involved in these procedures. (Note: The Director of Public Works or Agency Engineer may appoint an agency staff person other than the project manager, who has not been as directly involved in the project, to be responsible for the remaining steps in these procedures.)

Step 2 Project Manager Documents the Alleged Consultant Design Error(s)
After discussion of the alleged design error(s) and the magnitude of the alleged error(s), and with the Director of Public Works or Agency Engineer's concurrence, the project manager obtains more detailed documentation than is normally required on the project. Examples include: all decisions and descriptions of work; photographs, records of labor, materials and equipment.

Step 3 Contact the Consultant Regarding the Alleged Design Error(s)
If it is determined that there is a need to proceed further, the next step in the process is for the project manager to contact the consultant regarding the alleged design error(s) and the magnitude of the alleged error(s). The project manager and other appropriate agency staff should represent the agency and the consultant should be represented by their project manager and any personnel (including sub-consultants) deemed appropriate for the alleged design error(s) issue.

Step 4 Attempt to Resolve Alleged Design Error with Consultant
After the meeting(s) with the consultant have been completed regarding the consultant's alleged design error(s), there are three possible scenarios:

- It is determined via mutual agreement that there is not a consultant design error(s). If this is the case, then the process will not proceed beyond this point.
- It is determined via mutual agreement that a consultant design error(s) occurred. If this is the case, then the Director of Public Works or Agency Engineer, or their representatives, negotiate a settlement with the consultant. The settlement would be paid to the agency or the amount would be reduced from the consultant's agreement with the agency for the services on the project in which the design error took place. The agency is to provide LP, through the Region Local Programs Engineer, a summary of the settlement for review and to make adjustments, if any, as to how the settlement affects federal reimbursements. No further action is required.
- There is not a mutual agreement regarding the alleged consultant design error(s). The consultant may request that the alleged design error(s) issue be forwarded to the Director of Public Works or Agency Engineer for review. If the Director of Public Works or Agency Engineer, after review with their legal counsel, is not able to reach mutual agreement with the consultant, proceed to Step 5.

Agreement Number:

Step 5 Forward Documents to Local Programs

For federally funded projects all available information, including costs, should be forwarded through the Region Local Programs Engineer to LP for their review and consultation with the FHWA. LP will meet with representatives of the agency and the consultant to review the alleged design error(s), and attempt to find a resolution to the issue. If necessary, LP will request assistance from the Attorney General's Office for legal interpretation. LP will also identify how the alleged error(s) affects eligibility of project costs for federal reimbursement.

- If mutual agreement is reached, the agency and consultant adjust the scope of work and costs to reflect the agreed upon resolution. LP, in consultation with FHWA, will identify the amount of federal participation in the agreed upon resolution of the issue.
- If mutual agreement is not reached, the agency and consultant may seek settlement by arbitration or by litigation.

Agreement Number:

The purpose of this exhibit is to describe a procedure regarding claim(s) on a consultant agreement. The following procedures should only be utilized on consultant claims greater than $1,000. If the consultant's claim(s) are a total of $1,000 or less, it would not be cost effective to proceed through the outlined steps. It is suggested that the Director of Public Works or Agency Engineer negotiate a fair and reasonable price for the consultant's claim(s) that total $1,000 or less.

This exhibit will outline the procedures to be followed by the consultant and the agency to consider a potential claim by the consultant.

Step 1 Consultant Files a Claim with the Agency Project Manager

If the consultant determines that they were requested to perform additional services that were outside of the agreement's scope of work, they may be entitled to a claim. The first step that must be completed is the request for consideration of the claim to the Agency's project manager.

The consultant's claim must outline the following:

- Summation of hours by classification for each firm that is included in the claim;
- Any correspondence that directed the consultant to perform the additional work;
- Timeframe of the additional work that was outside of the project scope;
- Summary of direct labor dollars, overhead costs, profit and reimbursable costs associated with the additional work; and
- Explanation as to why the consultant believes the additional work was outside of the agreement scope of work.

Step 2 Review by Agency Personnel Regarding the Consultant's Claim for Additional Compensation

After the consultant has completed step 1, the next step in the process is to forward the request to the Agency's project manager. The project manager will review the consultant's claim and will met with the Director of Public Works or Agency Engineer to determine if the Agency agrees with the claim. If the FHWA is participating in the project's funding, forward a copy of the consultant's claim and the Agency's recommendation for federal participation in the claim to the WSDOT Local Programs through the Region Local Programs Engineer. If the claim is not eligible for federal participation, payment will need to be from agency funds.

If the Agency project manager, Director of Public Works or Agency Engineer, WSDOT Local Programs (if applicable), and FHWA (if applicable) agree with the consultant's claim, send a request memo, including backup documentation to the consultant to either supplement the agreement, or create a new agreement for the claim. After the request has been approved, the Agency shall write the supplement and/or new agreement and pay the consultant the amount of the claim. Inform the consultant that the final payment for the agreement is subject to audit. No further action in needed regarding the claim procedures.

If the Agency does not agree with the consultant's claim, proceed to step 3 of the procedures.

Agreement Number:

Step 3 Preparation of Support Documentation Regarding Consultant's Claim(s)

If the Agency does not agree with the consultant's claim, the project manager shall prepare a summary for the Director of Public Works or Agency Engineer that included the following:

- Copy of information supplied by the consultant regarding the claim;
- Agency's summation of hours by classification for each firm that should be included in the claim;
- Any correspondence that directed the consultant to perform the additional work;
- Agency's summary of direct labor dollars, overhead costs, profit and reimbursable costs associated with the additional work;
- Explanation regarding those areas in which the Agency does/does not agree with the consultant's claim(s);
- Explanation to describe what has been instituted to preclude future consultant claim(s); and
- Recommendations to resolve the claim.

Step 4 Director of Public Works or Agency Engineer Reviews Consultant Claim and Agency Documentation

The Director of Public Works or Agency Engineer shall review and administratively approve or disapprove the claim, or portions thereof, which may include getting Agency Council or Commission approval (as appropriate to agency dispute resolution procedures). If the project involves federal participation, obtain concurrence from WSDOT Local Programs and FHWA regarding final settlement of the claim. If the claim is not eligible for federal participation, payment will need to be from agency funds.

Step 5 Informing Consultant of Decision Regarding the Claim

The Director of Public Works or Agency Engineer shall notify (in writing) the consultant of their final decision regarding the consultant's claim(s). Include the final dollar amount of the accepted claim(s) and rationale utilized for the decision.

Step 6 Preparation of Supplement or New Agreement for the Consultant's Claim(s)

The agency shall write the supplement and/or new agreement and pay the consultant the amount of the claim. Inform the consultant that the final payment for the agreement is subject to audit.

Agreement Number:

CITY OF STANWOOD
COUNCIL AGENDA STAFF REPORT

ITEM NUMBER: 8b

DATE: July 22, 2021

SUBJECT: PUD Transmission Line Project Mitigation Proposal

CONTACT PERSON: Patricia Love, Community Development Director

ATTACHMENTS: A – PUD Mitigation Proposal Letter

PURPOSE

The purpose of this agenda item is for Council consideration of a mitigation proposal by Snohomish County PUD for impacts to Heritage Park from their Transmission Line project.

BACKGROUND

Snohomish County PUD has submitted a permit application to Snohomish County to run a major transmission line facility along the south side Lover's Lane next to Heritage Park. This transmission line is part of their power system upgrades that will provide reliable power service to downtown Stanwood and Camano Island. Poles will vary in height from 80 to 95 feet and will carry high voltage transmissions lines and fiber optic cable. The existing power line on the north side of Lover's Lane will remain in place.

While all work and permanent facilities will be located within the existing Lover's Lane right-of-way, the project will have some long-term effects on the Heritage Park site and aesthetics. To minimize impacts to the park, PUD and the City have been working collaboratively on mitigation measures to achieve our mutual goals of implementing the Heritage Park Master Plan while providing reliable power service to the community.

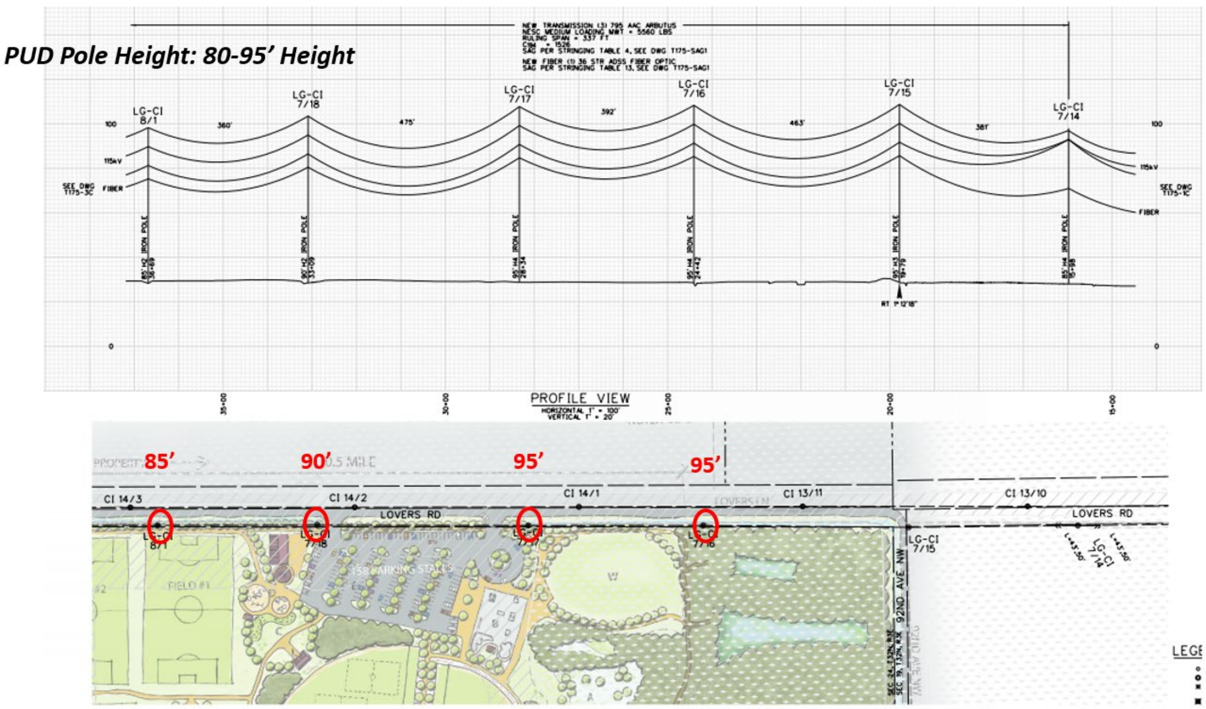
ANALYSIS

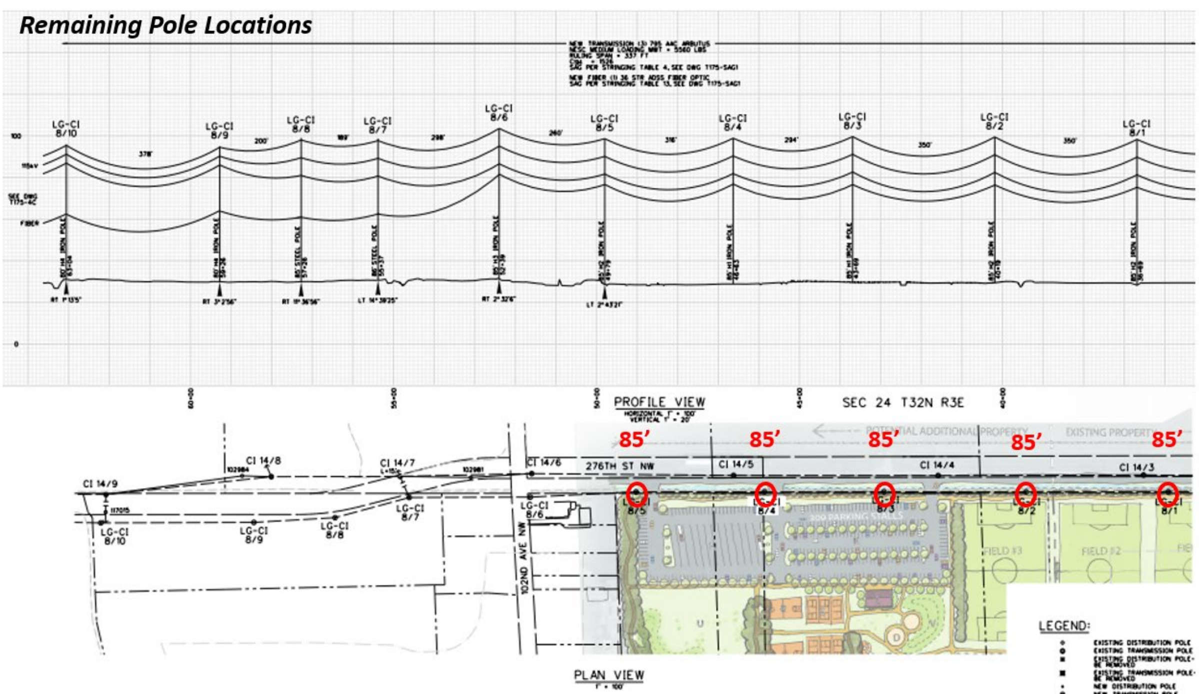
Snohomish County PUD is in the process of constructing several infrastructure upgrades to support future growth and reliability of PUD's electrical service to downtown Stanwood and Camano Island. Part of that work includes adding a new transmission line from their existing North Stanwood Substation to Camano Island. This new transmission line will run north to Lover's Lane and continue west through a portion of the agricultural fields west of Orchards Nursery. The line will then turn south towards SR 532 and run along the south side of the state highway in front of Ovenell Park. From there it will head west across the bridges to Camano Island.

Installation of the new transmission line along the south side of Lover's Lane (276th Street NW) will require the removal of the 16 poplar trees along the frontage of the Heritage Park parking lot. These trees are at least 60 feet tall and can grow to 80 to 120 feet in height depending on the species. Staff has been working with PUD on the following four (4) mitigation actions to reduce impacts on Heritage Park.

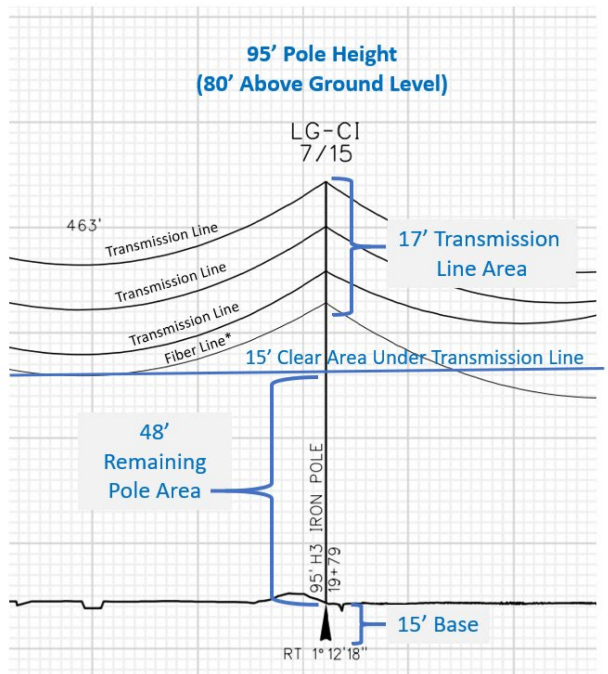
1. *Wind Break:*

Nine new poles will be located along the frontage of Heritage Park. To eliminate conflicts with the new transmission line, the 16 poplar trees along the parking lot frontage will need to be removed. These trees have been noted to act as a wind break during the spring and fall months. PUD has proposed to provide the City with tree vouchers that can be used to purchase new trees. Public Works would then plant the replacement trees where needed to provide better wind breaks for those using the ball fields.





2. *Tree Removal:*
To install the new transmission line, the 16 poplar trees along the frontage of the park on Lover's Lane will be removed. These trees act as a wind barrier, provide some shade in the summer months and provide a tree lined street frontage along the parking lot and entrance to the park.

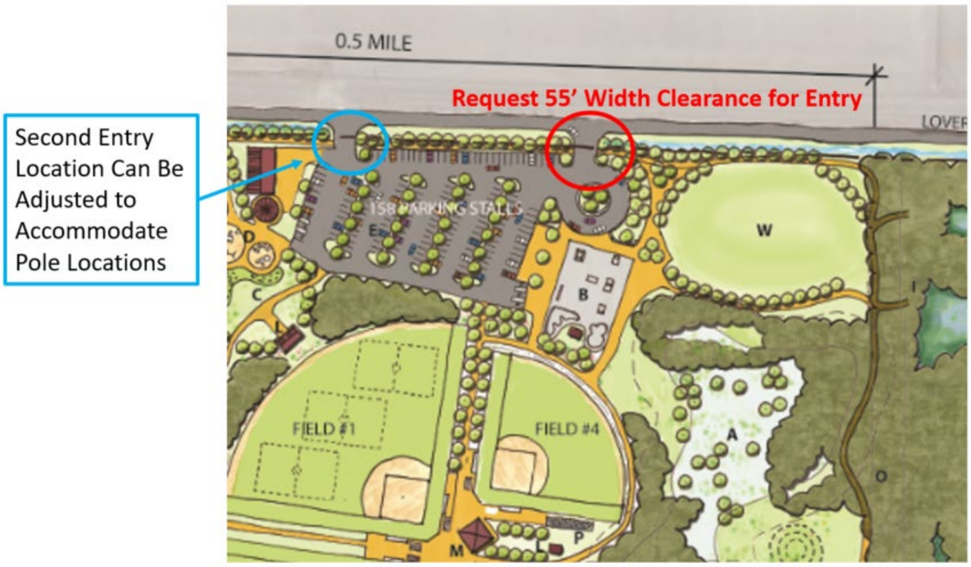


* Note: Fiber line to be moved to north side of Lover's Lane

The above graphic shows the pole height versus the 48-foot clear zone for trees under transmission lines. As mitigation for the removal of the trees, PUD has proposed to replant the frontage with street trees of the City choice along Lover's Lane and within the landscape strips of the parking lot. These mitigation measures are consistent with the Heritage Park Master Plan as shown below and could implement the beautification element of park sooner than planned.

As a note of clarification from the Community Development meeting, the fiber optic line is for PUD communications with the electric grid. This line will not be for internet service.

3. *Pole Spacing:*
As part of the beautification component of the park, it is envisioned that the existing driveway entrance will be widened. This affects PUD's pole placement along Lover's Lane. PUD has agreed to provide a 55-foot clear zone that will allow for widening and landscaping of the driveway entrance with additional space to add a Snow Goose park entry sign. The secondary entrance, as envisioned in the Master Plan, can be added at a later date that works with the final pole placement.



Heritage Park Entry:

Curb:	1'
Entry Lane:	12'
Landscape Center Island:	12'
Exit Lane:	12'
Curb:	1'
Entry Sign	15'
Total Unobstructed Entry:	53'

4. *Stanwood Port Susan Trail Alignment:*
The Heritage Park Master Plan envisions a pedestrian / multiuse trail along the entire frontage of the park. In addition, the Stanwood Non-Motorized Plan envisions a 5-mile looped trail system in downtown.

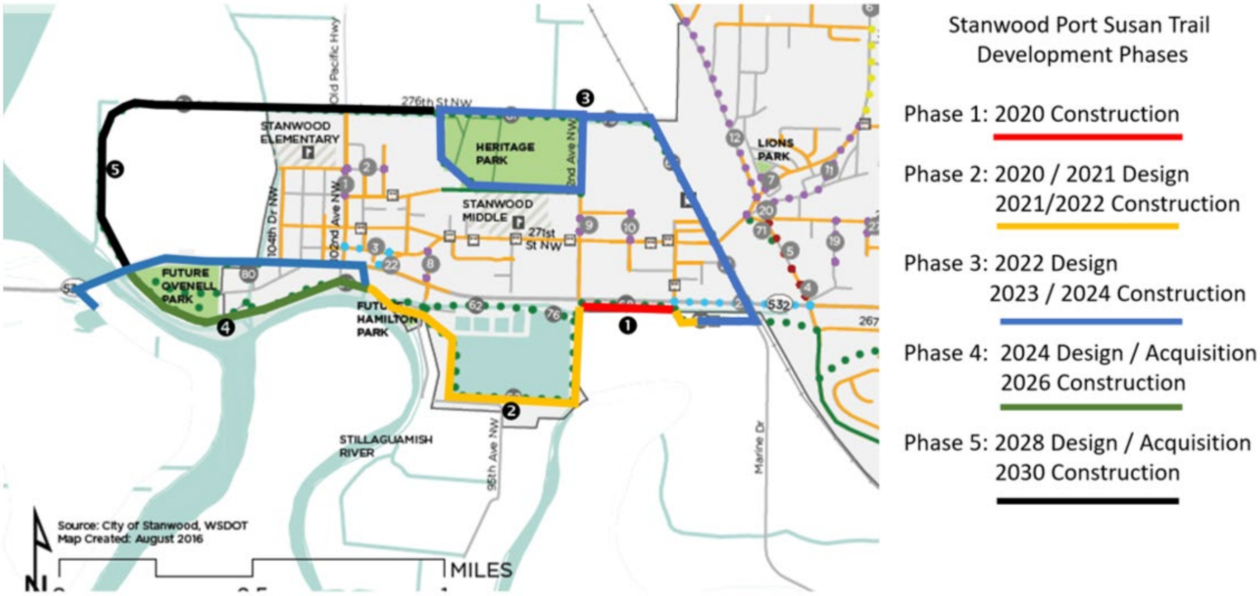
Placement of the poles could potentially hinder locating future segments of the Stanwood Port Susan Trail. To mitigate this impact, PUD agreed in concept to:

- Provide the City with a no-cost pedestrian easement over their property where the transmission line maintenance path will go; and
- Where the PUD has obtained an easement, versus actual ownership, PUD has agreed to work with the property owners and the City to obtain a secondary use easement to allow pedestrian access.

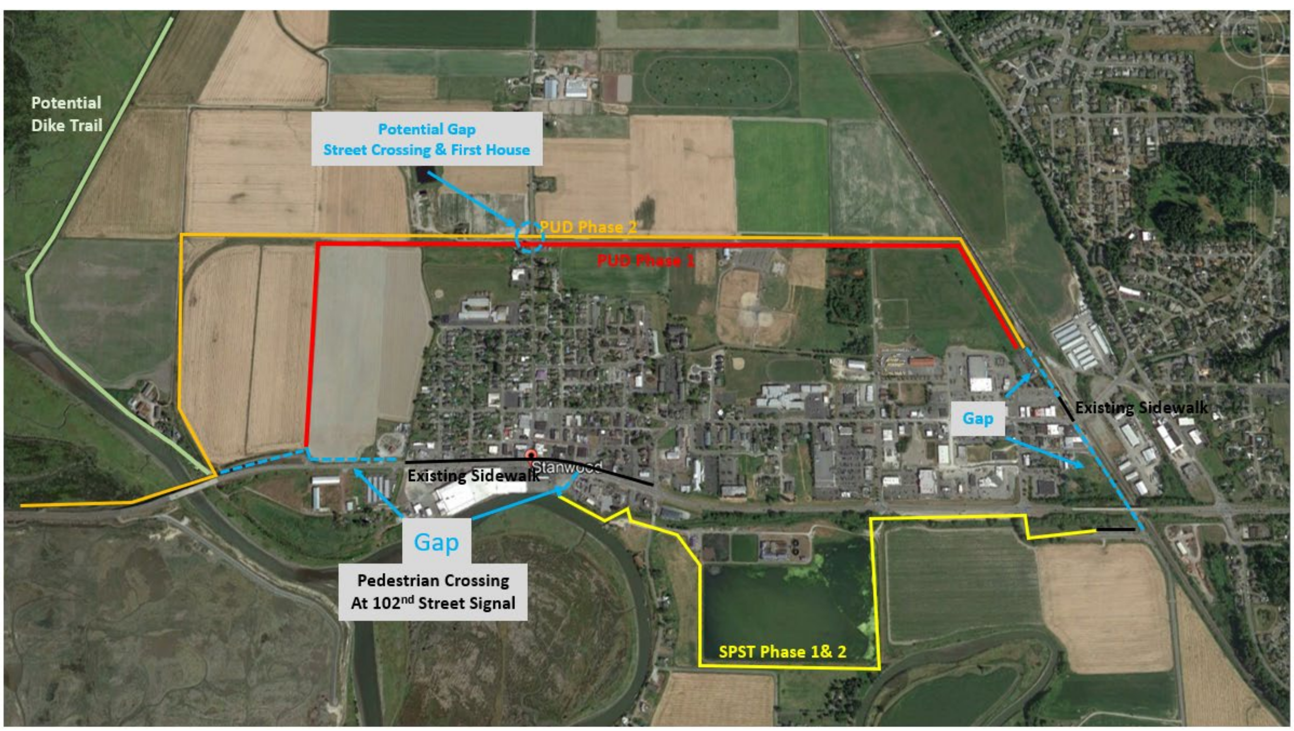
Obtaining permissions over existing easements for trail can be an involved and time intensive process, but which both the City and the PUD are open to pursuing outside of the permit process.

Below is a graphic showing the conceptual Stanwood Port Susan Trail alignment.

Stanwood Port Susan Trail
2015 Stanwood Non-Motorized Transportation Plan



Below is the alignment of the PUD transmission line project and potential future trail following the PUD Phase 1 or 2 line. With a potential partnership with PUD to obtain secondary use easements along their alignment route would result in the City obtaining nearly half of the 5-mile looped trail system. The PUD segment of the trail would be gravel, but the City would have the right to pave the trail in the future if desired.



Fiscal Impact			
Not Applicable: No Cost to the City beyond staff time to complete the mitigation agreement and planting time.			
Fund(s):			
Amount:	$	**Project Estimate:**	$ -
Budget Authorized	**[ ] Yes [ ] No**	**Amendment Required**	**[ ] Yes [ ] No** **[ ] Monitor**

RECOMMENDATIONS

Staff Recommendation:

The proposed mitigation measures provides a path forward for both PUD to complete their transmission line project and facilitates the City's implementation of the Heritage Park Master Plan.

Committee/Board Recommendation:

The mitigation proposal was reviewed by the Community Development Committee on July 8th and the Public Works Committee on July 12. However, due to absences, the Public Works Committee consisted of the same members of the Community Development Committee. The Committee was concerned about the loss of trees and its effect on the need for a windbreak at the park.

PUD provided additional information about the need to take out the poplar trees due to conflicts with the transmission line. The pole height figure shows that there is a 48-foot clear zone for street trees under the transmission lines. PUD does not allow poplar trees under their utility lines as they are fast growing trees that if not properly trimmed and maintained can cause fires and electrical hazards. Poplars also have very shallow root systems which in a storm event could cause damage to the poles and power lines.

As mitigation for the windbreak issue, PUD has offered to provide additional tree vouchers to the City. Type and location of trees would be selected by the City; Public Works has suggested that planting along the southwest area of the park could provide the best windbreak for park users.

CITY COUNCIL OPTIONS

1. Accept the PUD Transmission Line Mitigation Proposal as presented.
2. Modify the PUD Transmission Line Mitigation Proposal.
3. Reject the PUD Transmission Line Mitigation Proposal and request staff to continue working with PUD on mitigation options.

PROPOSED MOTION

MOTION TO ACCEPT THE PUD TRANSMISSION LINE MITIGATION PROPOSAL AS PRESENTED WHICH INCLUDES:

- **STREET TREE PLANTING ALONG THE PARKING LOT FRONTAGE AND WITHIN THE PARKING LOT OF HERITAGE PARK;**
- **MAINTAINING A 55-FOOT-WIDE CLEARACE ZONE AT THE EASTERN PARKING LOT ENTRANCE;**
- **PROVIDING TREE VOUCHERS TO THE CITY FOR WINDBREAK MITIGATION; AND**
- **WORKING WITH THE CITY IN GOOD FAITH TO PROVIDE AND OBTAIN PEDESTRIAN USE EASEMENTS ALONG THE ENTIRE ROUTE OF THE POWER LINE ALIGNMENT IN DOWNTOWN STANWOOD.**

Date: July 14, 2021

To: Jennifer Ferguson, City Administrator, City of Stanwood
Patricia Love, Community Development Department Director, City of Stanwood

From: Mark Flury, Sr. Manager, Transmission & Distribution Systems Operations & Engineering, PUD
Gordon Hayslip, Manager, Transmission, Engineering & Standards, PUD
Tom Hovde, Sr. Executive Accounts Manager, Customer & Energy Services, PUD

Subject: Memo Regarding Mitigation Actions Offered Related to Heritage Park

We appreciated meeting with City representatives on June 10 and June 23, 2021, with a focus on the City of Stanwood's (City) plans for Heritage Park and Snohomish County PUD's (PUD) plans to construct a new transmission line within the County Right of Way (ROW) at the southern edge of 276th Street Northwest (also known by its historical name of Lover's Lane) adjacent to the northern Heritage Park property line. This transmission line is a key component of the PUD's infrastructure upgrades to support both future load growth and reliability of the PUD's provision of electricity service to North Stanwood and Camano Island communities.

In order to construct the transmission line project in 2022, the PUD must move ahead with ordering poles and other material this summer. Accordingly, it is of vital importance that PUD secure County permits for this project to proceed. The City has confirmed providing comments to Snohomish County relative to City concerns about PUD's permit application to construct the transmission line in the above described ROW.

In meetings on the above noted dates each organization's representatives have discussed and agreed to the following mitigation actions to address the City's concerns regarding the transmission line's impacts on Heritage Park. Upon mutual acceptance of the mitigation actions and plans noted herein, it is our understanding that the City will contact Snohomish County to confirm that the City and PUD have addressed the City's concerns and the City now supports permit approval.

<u>Concern and Mitigation Action Area #1</u>: The PUD will remove existing poplar trees (including stump removal) that are in the proposed transmission line clearance zone on the northern edge of Heritage Park because of the faulting danger they represent to the transmission line. The following will be done to mitigate the impacts of removal of the trees:

a. PUD would provide tree replacement vouchers for trees planted under the to be constructed transmission. Additionally, a reasonable number of tree vouchers will be provided to the City for City planting in other Park areas for aesthetic mitigation. Prior to confirming a final version of this memo, the specific numbers of trees will be determined jointly by the City and the PUD.
b. PUD will plant low growing tree species selected by Stanwood from the PUD's approved species list with agreement between the parties as to species, size, number of trees and appropriate planting timing.
c. PUD will provide and plant tree species selected by Stanwood in divider swales between parking rows in the newly paved Heritage Park parking area. These are expected to be eventual shade providers. Additional tree vouchers

d. PUD would provide drought tolerant landscaping of the area under the transmission line in appropriate parts of the Park in keeping with Park guidelines.
e. PUD will negotiate with City on a shared limited commitment to provide temporary irrigation for the above described plantings for 2 or 3 years to help insure achieving desired plant growth.

<u>Concern and Mitigation Action Area #2</u>: The PUD will address the City's concern about transmission pole location and location of the fiber optic line as follows:

a. PUD will work with the City to establish pole locations that accommodate the Park's main entrance and the planned western entrance near the Park building. *(Illustration of the planned pole locations has been provided to the City and is referenced in the slide deck developed by Patricia Love.)*
b. The City has requested that the installation of the PUD's fiber optic line be constructed in a manner that least impacts tree growth. The PUD will install fiber optic line on these newly placed transmission poles on the southern line to provide maximum clearance for tree growth. After the upgrade of the existing transmission line on the northern side of 276th Street Northwest is completed the fiber optic line along the Heritage Park border will be moved to that northern line so that it does not impact tree growth in the Park area.

<u>Concern and Mitigation Action Area #3</u>: The PUD will address the City's concern about access to PUD maintenance pathway on PUD-owned property for City of Stanwood to use for its planned City loop trail (*During planned ongoing discussions on this topic we anticipate illustrations will be created by City and PUD showing appropriate sections noted below of the proposed trail route and attached to agreed upon limited access understanding documentation.)*

a. PUD agrees to work with the City in good faith to provide reasonable limited license or use permit to access and use the PUD's transmission line maintenance pathway that will be established under the transmission line on PUD-owned property to assist Stanwood in siting its loop trail in the Heritage Park and nearby area as shown in the attached illustration. The maintenance pathway will be wide enough for PUD maintenance vehicles and trail infrastructure will not impede its functional use for maintaining the transmission line. The PUD standard for surfacing the maintenance pathway is compacted rock and gravel. Any paving of pathway surface is the City's sole responsibility and shall be done in accordance with PUD standards that allows for continued PUD use to maintain its transmission line and associated facilities.

In summary the PUD extends its appreciation to the City of Stanwood for its cooperation in establishing this collaborative arrangement to support each organization meeting its goals and objectives. We believe the City's and the area's residents who are all also PUD ratepayers, customers and owners will mutually benefit from this collaboration.

CITY OF STANWOOD
COUNCIL AGENDA STAFF REPORT

ITEM NUMBER:	8c
DATE:	July 22, 2021
SUBJECT:	Ordinance 1498 – Providing for the issuance, sale and delivery of Water and Sewer Revenue Bonds, 2021
CONTACT PERSON:	Jennifer Ferguson, City Administrator
ATTACHMENTS:	A – Proposed Ordinance 1498 – First Reading B – Financial Advisor - D.A. Davidson presentation materials C – 2021-2026 CIP – Sewer Project Overviews D – 2021-2022 Biennial Budget Debt Financing Summary

PURPOSE

The purpose of this agenda item is for the City Council is to hold the first reading of Ordinance 1498 providing for the issuance, sale and delivery of Water and Sewer Revenue Bonds, 2021.

BACKGROUND

This bond issuance will finance sewer capital infrastructure improvements which include construction of the Pioneer Hwy Sewer Line, Church Creek Sewer Collection and Main Lift Station improvements, as well as refinance the 2011 Water Sewer Improvement Bonds for savings on interest expense. The new sewer projects are included in the city's approved 2021-2026 Capital Improvement Plan for construction in 2021 and 2022 (See Attachment C).

Proceeds of this bond issuance were included in the 2021-2022 biennial budget and $4,000,000 was appropriated to construct the improvements. The 2021-2022 biennial budget includes estimated new debt service to begin repayment and the final principal and interest costs will, if needed, be included in the mid-period biennial budget adjustment. See Attachment D for a summary of estimated debt financing needed within the 2021-2022 Biennial Budget for utility infrastructure improvements.

The 2021 Bond issue will also include a refinancing of the 2011 Water Sewer Revenue Bonds for savings on bond interest.

The upcoming FCS Group rate study, planned in 2022 will include the updated borrowing, results of the updated water and sewer master plan updates where revised utility capital investments will be identified.

Jim Nelson, D.A. Davidson, Inc., Senior Vice President will present an outline of the bond issuance process to the Mayor, City Council and staff. The draft Ordinance (See Attachment A) relates to contracting indebtedness; providing for the issuance, sale and delivery of Water and Sewer Revenue Bonds, 2021, to finance the costs of certain capital improvements included in the City's Capital Improvement Plan, provide for the Reserve Requirement, and pay the costs of issuance and sale of the Bonds; fixing the terms and covenants of the bonds; and providing for related matters.

CITY COUNCIL OPTIONS

1. Approve first reading of Ordinance 1498 providing for the issuance, sale and delivery of Water and Sewer Revenue Bonds, 2021.

2. Do not approve first reading of Ordinance 1498 providing for the issuance, sale and delivery of Water and Sewer Revenue Bonds, 2021 and direct staff to areas of concern.

RECOMMENDED MOTION

MOTION TO APPROVE FIRST READING OF ORDINANCE 1498 PROVIDING FOR THE ISSUANCE, SALE AND DELIVERY OF WATER AND SEWER REVENUE BONDS, 2021.

CITY OF STANWOOD, WASHINGTON

ORDINANCE NO. 1498

AN ORDINANCE of the City of Stanwood, Washington, relating to contracting indebtedness; providing for the issuance and fixing or setting parameters with respect to certain terms and covenants of water and sewer revenue bonds to provide funds to (1) pay or reimburse costs of certain improvements included in the City's Capital Improvement Plan, (2) refund certain of the City's outstanding Water & Sewer Revenue Bonds, 2011 and (3) pay costs of issuing and selling the bonds and the administrative costs of the refunding; appointing the City's designated representative to approve the final terms of the sale of the bonds; and providing for related matters.

Passed August 12, 2021

This document prepared by:

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CITY OF STANWOOD, WASHINGTON

ORDINANCE NO. 1498

AN ORDINANCE of the City of Stanwood, Washington, relating to contracting indebtedness; providing for the issuance and fixing or setting parameters with respect to certain terms and covenants of water and sewer revenue bonds to provide funds to (1) pay or reimburse costs of certain improvements included in the City's Capital Improvement Plan, (2) refund certain of the City's outstanding Water & Sewer Revenue Bonds, 2011 and (3) pay costs of issuing and selling the bonds and the administrative costs of the refunding; appointing the City's designated representative to approve the final terms of the sale of the bonds; and providing for related matters.

THE CITY COUNCIL OF THE CITY OF STANWOOD, WASHINGTON, DO ORDAIN AS FOLLOWS:

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

"*2011 Bonds*" means the Water and Sewer Revenue Bonds, 2011, authorized by the 2011 Ordinance in the original principal amount of $2,880,000.

"*2011 Ordinance*" means Ordinance No. 1300, authorizing the issuance, sale and delivery of the 2011 Bonds.

"*2019 Bond*" the Water and Sewer Revenue Bond, 2019, authorized by the 2019 Ordinance in the original principal amount of $3,239,000.

"*2019 Ordinance*" means Ordinance No. 1478, authorizing the issuance, sale and delivery of the 2019 Bond.

"*Acquired Obligations*" means any noncallable Government Obligations purchased to accomplish the refunding of the Refunded Bonds as authorized by this ordinance and in accordance with the 2011 Ordinance.

"*Annual Debt Service*" for any Parity Bonds for any calendar year means all the interest, plus all principal (including all mandatory redemption and sinking fund installments) payable in that year, less any interest payable from the proceeds of those Parity Bonds in that year, less any Tax Credit Subsidy Payments for those Parity Bonds scheduled to be received in that year. For purposes of calculating Annual Debt Service, Variable Interest Rate Bonds shall be assumed to bear interest at a fixed rate equal to (1) the highest rate borne during the preceding 24 months by any outstanding Variable Interest Rate Bonds or (2) if no Variable Interest Rate Bonds are outstanding at the time of calculation, the rate borne by other variable rate debt, the interest rate for which is determined by reference to an index comparable to the index to be used to determine the interest rate on those Variable Interest Rate Bonds.

"*Assessment Bonds*" means, at the time of calculation, that portion of all Parity Bonds then outstanding equal to (1) the aggregate principal amount of nondelinquent ULID Assessments then remaining to be collected and paid into the Bond Fund plus (2) the principal amount of ULID Assessments previously paid into and then on deposit in the Bond Fund.

"*Authorized Denomination*" means, unless otherwise specified in the Bond Purchase Agreement, $5,000 or any integral multiple thereof within a maturity of a Series.

"*Average Annual Debt Service*" means, at the time of calculation, the sum of the Annual Debt Service for each calendar year in which Parity Bonds are scheduled to be outstanding, divided by the integral number of those years.

"*Beneficial Owner*" means, with respect to a Bond, the owner of any beneficial interest in the Bond, and includes any person who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise has or shares (a) voting power that includes the power to vote, or to direct the voting of, the Bond, and/or (b) investment power that includes the power to dispose, or to direct the disposition of, the Bond.

"*Bond*" means each bond issued pursuant to and for the purposes provided in this ordinance.

"*Bond Counsel*" means the firm of Foster Garvey P.C., its successor or any other attorneys or firm of attorneys with a nationally recognized standing as bond counsel in the field of municipal finance selected by the City.

"*Bond Fund*" means that special fund of the City known as the Water and Sewer Revenue Bond Fund created pursuant to Section 10 of Ordinance No. 1300.

"*Bond Purchase Agreement*" means an offer to purchase a Series, setting forth certain terms and conditions of the issuance, sale and delivery of that Series, which offer is authorized to be accepted by the Designated Representative on behalf of the City, if consistent with this ordinance.

"*Bond Register*" means the books or records maintained by the Registrar for the purpose of identifying ownership of the Bond, which contains the name and mailing address of the Registered Owner.

"*Capital Improvement Plan*" means the capital improvement plans of the System described in the City's water system and sewer system comprehensive plans, including the purchase, acquisition or construction of such systems and improvements and any additions and betterments thereto.

"*City*" means the City of Stanwood, Washington, a municipal corporation duly organized and existing under the laws of the State.

"*City Administrator*" means the city administrator of the City or such other officer of the City who succeeds to substantially all of the responsibilities of that office.

"*City Contribution*" means legally available money of the City, in addition to Bond proceeds, necessary or advisable to accomplish the refunding of the Refunded Bonds, as determined by the Designated Representative.

"*City Council*" means the legislative authority of the City, as duly and regularly constituted from time to time.

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

"*Construction Fund*" means the Water and Sewer Revenue Bond Construction Fund created by Section 12 of Ordinance No. 1300.

"*Contract Resource Obligation*" means an obligation of the City, designated as a Contract Resource Obligation in accordance with Section 19, to make payments for water supply, sewer service, water or wastewater transmission, treatment or other commodity or utility service to another person or entity (including without limitation any Separate Utility System).

"*Coverage Requirement*" means, for any calendar year, Net Revenue in that calendar year, plus all nondelinquent ULID Assessments due in that calendar year, that is not less than the sum of (1) 1.00 times the Annual Debt Service in that calendar year for Assessment Bonds and (2) 1.25 times the Annual Debt Service in that calendar year for all Parity Bonds that are not Assessment Bonds.

"*Credit Facility*" means any bond insurance, collateral, security, letter of credit, guaranty, surety bond or similar credit enhancement providing for or securing the payment of all or part of the principal of and interest on any Parity Bonds that is issued by an institution which has been assigned a credit rating at the time of issuance in one of the two highest rating categories of each of at least two nationally recognized rating agencies (without regard to any gradations within a rating category). When the 2011 Bonds are no longer outstanding, "*Credit Facility*" shall mean any bond insurance, collateral, security, letter of credit, guaranty, surety bond or similar credit enhancement providing for or securing the payment of all or part of the principal of and interest on any Parity Bonds that is issued by an institution which has been assigned a credit rating at the time of issuance in one of the three highest categories (without regard to any gradations within a rating category) by either Moody's Investors Service, Inc., or S&P Global Ratings, their respective successors or any other nationally-recognized securities rating agencies rating Parity Bonds at the request of the City.

"*Designated Representative*" means the officer of the City appointed in Section 4 to serve as the City's designated representative in accordance with RCW 39.46.040.

"*DTC*" means The Depository Trust Company, New York, New York, or its nominee.

"*Final Terms*" means the terms and conditions for the sale of a Series, including the amount, date or dates, denominations, interest rate or rates (or mechanism for determining interest rate or rates), payment dates, final maturity, redemption or prepayment rights, price and other terms or covenants, including minimum savings for refunding bonds (if the refunding bonds are issued for savings purposes).

"*Fiscal Agent*" means the fiscal agent of the State, as the same may be designated by the State from time to time.

"*Future Parity Bond Authorizing Ordinance*" means an ordinance of the City authorizing the issuance of Future Parity Bonds.

"*Future Parity Bonds*" means any and all water and sewer revenue bonds of the City issued after the date of the issuance of the Bonds, the payment of the principal of and interest on which is secured by a lien and charge on Net Revenue, ULID Assessments and Tax Credit Subsidy Payments equal in rank with the lien and charge on Net Revenue, ULID Assessments and Tax Credit Subsidy Payments required to be paid into the Bond Fund to pay and secure the payment of the principal of and interest on the 2011 Bonds, the 2019 Bond and the Bond.

"*Government Obligations*" means direct, noncallable obligations of, or obligations the payment of principal of and interest on which are unconditionally guaranteed by, the United States of America.

"*Gross Revenue*" means all earnings and revenues received by the City from the operation of the System, including: (1) revenues from the sale, lease or furnishing of commodities, services, properties or facilities; (2) earnings from the investment of money in the Bond Fund, the Construction Fund and any other fund of the System; and (3) connection and capital improvement charges collected by the System. Gross Revenue does not include: (1) ULID Assessments; (2) Tax Credit Subsidy Payments; (3) proceeds of Parity Bonds or any other borrowings; (4) earnings or proceeds from any investments in a trust, defeasance or escrow fund created to defease or refund obligations relating to the System or held in a special account for the purpose of paying a rebate to the United States Government under the Code; (5) income and revenue that may not legally be pledged for revenue bond debt service; (6) federal grants, state grants and gifts from any source that are allocated to capital projects; (7) payments received under any Credit Facility or Reserve Insurance; (8) insurance or condemnation proceeds used for the replacement of capital projects or equipment; and (9) when the 2011 Bonds are no longer outstanding, earnings of a Separate Utility System.

"*Independent Utility Consultant*" means a licensed professional engineer, an independent certified public accountant, or a financial consultant, experienced in the design, construction, operation or financing of municipal utilities.

"*Issue Date*" means, with respect to a Bond, the date of initial issuance and delivery of the Bond to the Purchaser in exchange for the purchase price of the Bond.

"*Letter of Representations*" means the Blanket Issuer Letter of Representations between the Issuer substantially in the form on file with the Issuer, as it may be amended from time to time, and any successor or substitute letter relating to the operational procedures of the Securities Depository.

"*Maximum Annual Debt Service*" means, at the time of calculation, the maximum amount of Annual Debt Service in any calendar year in which Parity Bonds are scheduled to be outstanding.

"*MSRB*" means the Municipal Securities Rulemaking Board.

"*Net Revenue*" means, for any calendar year, Gross Revenue in that calendar year, less Operation and Maintenance Costs in that calendar year, less deposits into the Rate Stabilization Account allocated to that calendar year, plus withdrawals from the Rate Stabilization Account allocated to that calendar year.

"*Official Statement*" means an offering document, disclosure document, private placement memorandum, or similar disclosure document provided to purchasers and potential purchasers in connection with the initial offering of a Series in conformance with Rule 15c2-12 or other applicable regulations of the SEC.

"*Operation and Maintenance Costs*" means all reasonable expenses incurred by the City in causing the System to be operated and maintained in good repair, working order and condition, including: (1) costs incurred in connection with the acquisition of water or the securing of water rights; (2) payments made to any public or private entity for water treatment, sewage treatment and disposal service or other utility service; (3) pro-rata allocations or charges for the City's administration expenses that represent a reasonable distribution and share of actual costs; (4) payments of premiums for insurance on the System; (5) taxes levied or imposed by the State; and (6) when the 2011 Bonds are no longer outstanding, payments made in respect of any Contract Resource Obligation. Operation and Maintenance Costs do not include: (1) depreciation; (2) taxes levied or imposed by the City or payments made to the City in lieu of taxes; (3) capital additions to and capital replacements of the System; and (4) when the 2011 Bonds are no longer outstanding, any other non-cash gains or losses with respect to any real or personal property, investment or agreement that the City may be required to recognize under generally accepted accounting principles.

"Outstanding Parity Bonds" means the outstanding 2011 Bonds maturing in years 2021 through 2031, inclusive, and the outstanding principal of the 2019 Bond.

"*Outstanding Parity Bond Ordinances*" means the 2011 Ordinance and the 2019 Ordinance.

"*Owner*" means, without distinction, the Registered Owner and the Beneficial Owner.

"*Parity Bond Authorizing Ordinances*" means the 2011 Ordinance, the 2019 Ordinance, this ordinance and any Future Parity Bond Authorizing Ordinance.

"*Parity Bonds*" means the Outstanding Parity Bonds, the Bonds and any Future Parity Bonds.

"Parity Conditions" means the conditions for issuing Future Parity Bonds set forth in Section 17.

"*Principal and Interest Account*" means the account of that name created in the Bond Fund pursuant to Section 10 of Ordinance No. 1300.

"*Projects*" means such water and sewer improvements of the System and other projects that are included from time to time in the Capital Improvement Plan, and includes: (1) acquisition, construction and installation of all necessary furniture, equipment, apparatus, accessories, fixtures and appurtenances; (2) acquisition of real property and all appurtenant improvements, structures and interests therein; (3) costs related to the issuance, sale and delivery of Bonds issued for purposes of carrying out the Projects; and (4) incidental costs incurred in connection with carrying out and accomplishing the foregoing.

"*Purchaser*" means D.A. Davidson & Co., Seattle, Washington or such other corporation, firm, association, partnership, trust, bank, financial institution or other legal entity or group of entities selected by the Designated Representative to serve as purchaser in a private placement or underwriter or placement agent in a negotiated sale of any Series of Bonds.

"*Rate Stabilization Account*" means the Rate Stabilization Account created pursuant to Section 15 of Ordinance No.1300.

"*Rating Agency*" means any nationally recognized rating agency then maintaining a rating on the Bonds at the request of the City.

"*Record Date*" means, unless otherwise specified in the Bond Purchase Agreement, the Registrar's close of business on the 15th day of the month preceding an interest payment date. With respect to redemption or prepayment of a Bond prior to its maturity, "Record Date" means the Registrar's close of business on the date on which the Registrar prepares the notice of redemption or prepayment.

"*Redemption Date*" means the date fixed by the Designated Representative for the payment and redemption of the Refunded Bonds.

"*Refunded Bonds*" means those Refunding Candidates selected by the Designated Representative and identified in a Refunding Plan to be refunded with the proceeds of the Bonds issued to carry out the Refunding Plan.

"*Refunding Candidates*" means the outstanding 2011 Bonds maturing or subject to mandatory redemption on December 1 in the years 2021 through 2031, inclusive.

"*Refunding Plan*" means (as further described in the Refunding Trust Agreement):

(1) the deposit with the Refunding Trustee of proceeds of the Bonds issued to carry out the Refunding Plan (together with the City Contribution, if necessary) sufficient to acquire the Acquired Obligations and establish a beginning cash balance;

(2) the receipt by the Refunding Trustee of the maturing principal of and interest on the Acquired Obligations, and the application of such amounts (together with any other cash held by it) to pay principal of and interest on the Refunded Bonds when due up to and including the Redemption Date, and the call, payment and redemption of the Refunded Bonds on the Redemption Date at a price equal to the principal amount to be redeemed plus any accrued interest; and

(3) the payment of the costs of issuance, sale and deliver of those Bonds and the costs of carrying out the foregoing elements of the Refunding Plan, if payment of such costs is so specified in the Refunding Trust Agreement.

"*Refunding Trust Agreement*" means a refunding trust or escrow agreement between the City and the Refunding Trustee, dated the Issue Date, providing for the carrying out of the Refunding Plan.

"*Refunding Trustee*" means U.S. Bank National Association of Seattle, Washington, serving as refunding trustee or escrow agent, or any successor trustee or escrow agent.

"*Registered Owner*" means, with respect to a Bond, the person in whose name that Bond is registered on the Bond Register. For so long as the City utilizes the book-entry only system for the Bonds under the Letter of Representations, Registered Owner shall mean the Securities Depository.

"*Registrar*" means, with respect to each Bond, the Fiscal Agent or any other bond registrar selected by the City for the Bond.

"*Reserve Account*" means the account of that name created in the Bond Fund pursuant to Section 10 of Ordinance No. 1300.

"*Reserve Insurance*" means any bond insurance, letter of credit, guaranty, surety bond or similar credit enhancement device obtained by the City that is issued by an institution which has been assigned a credit rating at the time of issuance in one of the two highest rating categories of each of at least two nationally recognized rating agencies (without regard to any gradations within a rating category) and is not cancelable on less than three years' notice. When the 2011 Bonds are no longer outstanding, "*Reserve Insurance*" shall mean any bond insurance, letter of credit, guaranty, surety bond or similar credit enhancement device obtained by the City to provide for part or all of the Reserve Requirement, if any, for any Parity Bonds that is issued by an institution which has been assigned a credit rating at the time of issuance in one of the three highest categories (without regard to any gradations within a rating category) by either Moody's Investors Service, Inc., or S&P Global Ratings, their respective successors or any other nationally-recognized securities rating agencies rating Parity Bonds at the request of the City.

"*Reserve Requirement*" means the lesser of Maximum Annual Debt Service for all Parity Bonds secured by the Reserve Account or 125% of Average Annual Debt Service for all Parity Bonds secured by the Reserve Account, but in no event greater 10% of the original proceeds of each series of Parity Bonds secured by the Reserve Account (adjusted to account for any redemption or defeasance). When the 2011 Bonds are no longer outstanding, the Reserve Requirement for the 2019 Bond shall be reduced to zero, the Reserve Requirement for the Bonds shall be zero and the Reserve Requirement for any Future Parity Bonds shall be the amount specified in the applicable Future Parity Bond Authorizing Ordinance, which may be zero.

"*Rule 15c2-12*" means Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934, as amended.

"*SEC*" means the United States Securities and Exchange Commission.

"*Securities Depository*" means DTC, any successor thereto, any substitute securities depository selected by the City that is qualified under applicable laws and regulations to provide the services proposed to be provided by it, or the nominee of any of the foregoing.

"*Separate Utility System*" means any water supply, sewer service, water or wastewater transmission, treatment or other commodity or utility service or facilities that may be created, acquired or constructed by the City as provided in Section 18.

"*Series of Bonds*" or "*Series*" means a series of Bonds issued pursuant to this ordinance.

"*State*" means the State of Washington.

"*System*" means the water system and system of sanitary sewage disposal of the City and all betterments and extensions thereof made at any time and shall include any utility systems hereafter combined with the System.

"*System of Registration*" means the system of registration for the Bonds forth in Ordinance No. 631 and this ordinance.

"*Tax Credit Subsidy Bond*" means any Parity Bond that is designated by the City as a "build America bond," "recovery zone economic development bond" or other tax credit bond pursuant to the Code, and with respect to which the City is eligible to receive a tax credit payment from the United States Treasury.

"*Tax Credit Subsidy Payment*" means the tax credit payment the City is entitled to receive from the United States Treasury in respect of any Tax Credit Subsidy Bond.

"*Term Bond*" means each of the 2011 Bonds maturing in 2023, 2025, 2028 and 2031, each Bond subject to mandatory sinking fund redemption or prepayment and designated as a Term Bond in the Bond Purchase Agreement, and any other Parity Bonds designated as term bonds in or pursuant to the applicable Future Parity Bond Authorizing Ordinance.

"*ULID*" means utility local improvement district.

"*ULID Assessments*" means all assessments levied and collected in any ULID of the City created for the acquisition or construction of additions to and extensions and betterments of the System if such assessments are pledged to be paid into the Bond Fund (less any prepaid assessments permitted by law to be paid into a construction fund or account). ULID Assessments include installments thereof and any interest or penalties that may be due thereon.

"*Undertaking*" means an undertaking to provide continuing disclosure entered into pursuant to Section 23.

"*Variable Interest Rate*" means a variable interest rate or rates to be borne by a series of Parity Bonds or any one or more maturities within a series of Parity Bonds. The method of computing such a variable interest rate shall be specified in the applicable Parity Bond Authorizing Ordinance, which ordinance also shall specify either (1) the particular period or periods of time or manner of determining such period or periods of time for which each value of such variable interest rate shall remain in effect or (2) the time or times upon which any change in such variable interest rate shall become effective.

"*Variable Interest Rate Bonds*" means, for any period of time, Parity Bonds that bear a Variable Interest Rate during that period, except that Parity Bonds the interest rate or rates on which shall have been fixed for the remainder of the term thereof no longer shall be deemed to be Variable Interest Rate Bonds.

"*Water-Sewer Funds*" means collectively the City's previously established water fund and sewer fund.

Section 2. Recitals and Findings. The City takes note of the following facts and makes the following findings and determinations:

(a) Pursuant to Ordinance No. 937, passed by the City Council on December 18, 1995, the City combined its water system and sewer system into the System.

(b) The City has determined that it is necessary and in the best interests of the City to carry out the Capital Improvement Plan.

(c) The City is in need of carrying out the Projects, the estimated cost of which is $________, and the City does not have available sufficient funds to pay the cost. The life of the Projects to be acquired or constructed with the proceeds of the Bonds exceeds the term of the Bonds.

(d) Pursuant to the Outstanding Parity Bond Ordinances, the City reserved the right to issue additional water and sewer revenue bonds of the City secured by a lien and charge on the Net Revenue and ULID Assessments on a parity with the Outstanding Parity Bonds if the Parity Conditions are met.

(e) With respect to the Parity Conditions: (1) all payments required by the Outstanding Parity Bonds are provided for in this ordinance or have been provided for or made into the Bond Fund, and no deficiency exists in such fund; and (2) all other conditions set forth in the Parity Conditions will have been met and satisfied before the Bonds are delivered to the Purchaser.

(f) Pursuant to the 2011 Ordinance, the City issued and sold the 2011 Bonds and reserved the right to redeem the 2011 Bonds maturing on or after December 1, 2023 in whole or in part on any date on or after December 1, 2021 at a price of par plus accrued interest, if any, to the date of redemption. The Refunding Candidates currently are outstanding in the principal amount of $1,855,000 and bear interest at the rate of 4.00% per annum.

(g) Pursuant to chapters 35.41, 35.67, 39.44, 39.46 and 39.53 and 39.106 RCW, the City is authorized to issue revenue bonds to carry out the Projects and the Refunding Plan.

(h) For the purposes of providing funds to pay or reimburse costs of carrying out the Projects and carrying out the Refunding Plan, it is in the best interests of the City and the ratepayers of the System to issue, sell and deliver the Bonds to the Purchaser, pursuant to the terms set forth in the Bond Purchase Agreement as approved by the Designated Representative consistent with this ordinance.

Section 3. Purpose and Authorization of Bonds. The City specifies, adopts and orders the Capital Improvement Plan and the carrying out of the Projects. The City is authorized to issue, sell and deliver the Bonds to pay or reimburse costs of the Projects and to carry out the Refunding Plan.

Section 4. Appointment of Designated Representative; Description of Bonds. The City Administrator is appointed as the Designated Representative of the City and is authorized and directed to conduct the sale of the Bonds, in the manner and upon the terms deemed most advantageous to the City, and to approve the Final Terms of each Series of Bonds, with such additional terms and covenants as the Designated Representative deems advisable, within the parameters set forth in Exhibit A, which is attached to this ordinance and incorporated by this reference

Section 5. Registrar; Registration and Transfer of Bonds.

(a) *Registration of Bonds*. Each Bond shall be issued only in registered form as to both principal and interest and the ownership of each Bond shall be recorded on the Bond Register.

(b) *Registrar; Duties*. Unless otherwise specified in the Bond Purchase Agreement, the Fiscal Agent is appointed as initial Registrar. The Registrar shall keep, or cause to be kept, sufficient books for the registration and transfer of the Bonds, which shall be open to inspection by the City at all reasonable times. The Registrar is authorized, on behalf of the City, to authenticate and deliver Bonds transferred or exchanged in accordance with the provisions of the Bonds and this ordinance, to serve as the City's paying agent for the Bonds, and to carry out all of the Registrar's powers and duties under this ordinance and the System of Registration. The Registrar shall be responsible for its representations contained in the Certificate of Authentication on each Bond. The Registrar may become an Owner with the same rights it would have if it were not the Registrar and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as members of, or in any other capacity with respect to, any committee formed to protect the rights of Owners.

(c) *Bond Register; Transfer and Exchange*. The Bond Register shall contain the name and mailing address of each Registered Owner and the principal amount and number of each Bond held by each Registered Owner. A Bond surrendered to the Registrar may be exchanged for a Bond or Bonds in any Authorized Denomination of an equal aggregate principal amount and of the same Series, maturity and interest rate. A Bond may be transferred only if endorsed in the manner provided thereon and surrendered to the Registrar. Any exchange or transfer shall be without cost to the Owner or transferee. The Registrar shall not be obligated to exchange any Bond or transfer registered ownership during the period between the applicable Record Date and the maturity date or date fixed for redemption or prepayment.

(d) *Securities Depository; Book-Entry Only Form*. If a Bond is to be issued in book-entry only form, DTC shall be appointed as initial Securities Depository and the Bond initially shall be registered in the name of Cede & Co., as the nominee of DTC. Each Bond registered in the name of the Securities Depository shall be held fully immobilized in book-entry only form by the Securities Depository in accordance with the provisions of the Letter of Representations. Registered ownership of any Bond registered in the name of the Securities Depository may not be transferred except: (i) to any successor Securities Depository; (ii) to any substitute Securities Depository appointed by the City; or (iii) to any person as provided in this ordinance if the Bond is no longer to be held in book-entry only form. Upon the resignation of the Securities Depository, or upon a termination of the services of the Securities Depository by the City, the City may appoint a substitute Securities Depository. If (i) the Securities Depository resigns and the City does not appoint a substitute Securities Depository, or (ii) the City terminates the services of the Securities Depository, the Bonds no longer shall be held in book-entry only form and the registered ownership of each Bond may be transferred to any person as provided in this ordinance.

Neither the City nor the Registrar shall have any obligation to participants of any Securities Depository or the persons for whom they act as nominees regarding accuracy of any records maintained by the Securities Depository or its participants. Neither the City nor the Registrar shall be responsible for any notice that is permitted or required to be given to the Registered Owner of a Bond registered in the name of the Securities Depository except such notice as is required to be given by the Registrar to the Securities Depository.

Section 6. Form and Execution of Bonds.

(a) *Form of Bonds; Signatures and Seal*. Each Bond shall be prepared in a form consistent with the provisions of this ordinance and State law. Each Bond shall be signed by the Mayor and the City Clerk, either or both of whose signatures may be manual or in facsimile, and the seal of the City or a facsimile reproduction thereof shall be impressed or printed thereon. If any officer whose manual or facsimile signature appears on a Bond ceases to be an officer of the City authorized to sign bonds before the Bond bearing his or her manual or facsimile signature is authenticated by the Registrar, or issued or delivered by the City, that Bond nevertheless may be authenticated, issued and delivered and, when authenticated, issued and delivered, shall be as binding on the City as though that person had continued to be an officer of the City authorized to sign bonds. Any Bond also may be signed on behalf of the City by any person who, on the actual date of signing of the Bond, is an officer of the City authorized to sign bonds, although he or she did not hold the required office on its Issue Date.

(b) *Authentication*. Only a Bond bearing a Certificate of Authentication in substantially the following form, manually signed by the Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this ordinance: "Certificate Of Authentication. This Bond is one of the fully registered City of Stanwood, Washington, [Name of Issue], described in the Bond Ordinance." The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Bond so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this ordinance.

Section 7. Payment of Bonds. Principal of and premium, if any, and interest on each Bond shall be payable in lawful money of the United States of America. Principal of and premium, if any, and interest on each Bond registered in the name of the Securities Depository are payable in the manner set forth in the Letter of Representations. Unless otherwise specified in the Bond Purchase Agreement, principal of and premium, if any, and interest on each Bond not registered in the name of the Securities Depository are payable by electronic transfer on the payment date, or by check or draft of the Registrar mailed on the interest payment date to the Registered Owner at the address appearing on the Bond Register on the Record Date. The City is not required to make electronic transfers except pursuant to a request by a Registered Owner in writing received on or prior to the Record Date and at the sole expense of the Registered Owner. Principal of each Bond not registered in the name of the Securities Depository is payable only upon presentation and surrender of the Bond by the Registered Owner to the Registrar. The Bonds are not subject to acceleration under any circumstances.

Section 8. Redemption Provisions.

(a) *Optional Redemption*. The Bonds shall be subject to redemption at the option of the City on terms acceptable to the Designated Representative, as set forth in the Bond Purchase Agreement, consistent with the parameters set forth in Exhibit A.

(b) *Mandatory Redemption*. Each Bond that is designated as a Term Bond in the Bond Purchase Agreement, consistent with the parameters set forth in Exhibit A and except as set forth below, shall be called for redemption at a price equal to the stated principal amount to be redeemed, plus accrued interest, on the dates and in the amounts as set forth in the Bond Purchase Agreement. If a Term Bond is redeemed under the optional redemption provisions, defeased or purchased by the City and surrendered for cancellation, the principal amount of the Term Bond so redeemed, defeased or purchased (irrespective of its actual redemption or purchase price) shall be credited against one or more scheduled mandatory redemption installments for that Term Bond. The City shall determine the manner in which the credit is to be allocated and shall notify the Registrar in writing of its allocation prior to the earliest mandatory redemption date for that Term Bond for which notice of redemption has not already been given.

(c) *Selection of Bonds for Redemption; Partial Redemption*. If fewer than all of the outstanding Bonds are to be redeemed at the option of the City, the City shall select the Series and maturities to be redeemed. If fewer than all of the outstanding Bonds of a maturity of a Series are to be redeemed, unless otherwise specified in the Bond Purchase Agreement or the Official Statement, the Securities Depository shall select Bonds registered in the name of the Securities Depository to be redeemed in accordance with the Letter of Representations, and the Registrar shall select all other Bonds to be redeemed randomly in such manner as the Registrar shall determine. All or a portion of the principal amount of any Bond that is to be redeemed may be redeemed in any Authorized Denomination. If less than all of the outstanding principal amount of any Bond is redeemed, upon surrender of that Bond to the Registrar, there shall be issued to the Registered Owner, without charge, a new Bond (or Bonds, at the option of the Registered Owner) of the same Series, maturity and interest rate in any Authorized Denomination in the aggregate principal amount to remain outstanding.

(d) *Notice of Redemption*. Notice of redemption of each Bond registered in the name of the Securities Depository shall be given in accordance with the Letter of Representations. Notice of redemption of each other Bond, unless waived by the Registered Owner, shall be given by the Registrar not less than 20 nor more than 60 days prior to the date fixed for redemption by first-class mail, postage prepaid, to the Registered Owner at the address appearing on the Bond Register on the Record Date. The requirements of the preceding sentence shall be satisfied when notice has been mailed as so provided, whether or not it is actually received by an Owner. In addition, the redemption notice shall be mailed or sent electronically within the same period to the MSRB (if required under the Undertaking), to each Rating Agency, and to such other persons and with such additional information as the City Administrator shall determine, but these additional mailings shall not be a condition precedent to the redemption of any Bond.

(e) *Rescission of Optional Redemption Notice*. In the case of an optional redemption, the notice of redemption may state that the City retains the right to rescind the redemption notice and the redemption by giving a notice of rescission to the affected Registered Owners at any time prior to the scheduled optional redemption date. Any notice of optional redemption that is so rescinded shall be of no effect, and each Bond for which a notice of optional redemption has been rescinded shall remain outstanding.

(f) *Effect of Redemption*. Interest on each Bond called for redemption shall cease to accrue on the date fixed for redemption, unless either the notice of optional redemption is rescinded as set forth above, or money sufficient to effect such redemption is not on deposit in the Bond Fund or in a trust account established to refund or defease the Bond.

(g) *Purchase of Bonds*. The City reserves the right to purchase any or all of the Bonds offered to the City at any time at any price acceptable to the City plus accrued interest to the date of purchase.

Section 9. Failure to Pay Bonds. If the principal of any Bond is not paid when the Bond is properly presented at its maturity or date fixed for redemption, the City shall, unless otherwise specified in the Bond Purchase Agreement, be obligated to pay, but only from the sources pledged by this ordinance, interest on that Bond at the same rate provided in the Bond from and after its maturity or date fixed for redemption until that Bond, both principal and interest, is paid in full or until sufficient money for its payment in full is on deposit in the Bond Fund or in a trust account established to refund or defease the Bond, and the Bond has been called for payment by giving notice of that call to the Registered Owner.

Section 10. Application of Bond Proceeds – Projects. The Construction Fund has been previously created as a special fund of the City designated the Water and Sewer Revenue Bond Construction Fund. Proceeds of the Bonds issued for purposes of carrying out the Projects received by the City shall be deposited in the Construction Fund and used to pay or reimburse costs of the Projects; provided, such proceeds necessary to pay costs of issuance, sale and delivery of those Bonds may be deposited with the Refunding Trustee to pay such costs. Until needed to pay costs of the Projects, the City may invest proceeds on deposit in the Construction Fund temporarily in any legal investment, and the investment earnings may be retained in the Construction Fund and be spent for the purposes of that fund, except that earnings subject to a federal tax or rebate requirement may be withdrawn from the Construction Fund and used for those tax or rebate purposes.

Section 11. Application of Bond Proceeds – Refunding Plan.

(a) *Appointment of the Refunding Trustee*. Pursuant to RCW 39.53.070, the Refunding Trustee is hereby appointed to serve as trustee to oversee the safekeeping and application of the Bond proceeds delivered to it, such appointment to be effective as of the date the Bond Purchase Agreement is executed and delivered by the Designated Representative.

(b) *Selection of Refunded Bonds*. The Designated Representative is authorized and directed to select from the Refunding Candidates the Refunded Bonds. The Designated Representative may choose to refund fewer than all of the Refunding Candidates. The Refunded Bonds, as selected by the Designated Representative, shall be identified in the Refunding Plan set forth in the Refunding Trust Agreement.

(c) *Use of Bond Proceeds; Acquisition of Acquired Obligations*. On the Issue Date, sufficient proceeds of the sale of Bonds issued to carry out the Refunding Plan, together with any City Contribution, shall be deposited with the Refunding Trustee and used to discharge the obligations of the City relating to the Refunded Bonds under the 2011 Ordinance by providing for the payment of the amounts required to be paid by the Refunding Plan. To the extent practicable, such obligations shall be discharged fully by the Refunding Trustee's simultaneous purchase of the Acquired Obligations, bearing such interest and maturing as to principal and interest in such amounts and at such times so as to provide, together with a beginning cash balance, if necessary, for the payment of the amount required to be paid by the Refunding Plan. The Acquired Obligations shall be listed and more particularly described in a schedule attached to the Refunding Trust Agreement. The Designated Representative is authorized and directed to approve the Acquired Obligations, if any, to be purchased.

Any proceeds of Bonds issued to carry out the Projects deposited with the Refunding Trustee and not used to pay the costs of issuance of those Bonds shall be returned to the City for deposit in the Construction Fund. Any proceeds of Bonds issued to carry out the Refunding Plan or other money deposited with the Refunding Trustee not needed to carry out the Refunding Plan shall be returned to the City for deposit in the Principal and Interest Account to pay interest on such Bonds on the next upcoming interest payment date.

(d) *Administration of Refunding Plan*. The Refunding Trustee is authorized and directed to purchase the Acquired Obligations and to make the payments required to be made pursuant to the Refunding Plan from the Acquired Obligations and money deposited with the Refunding Trustee pursuant to this ordinance and the Refunding Trust Agreement. All Acquired Obligations and money deposited with the Refunding Trustee and any income therefrom shall be held irrevocably, invested and applied in accordance with the provisions of the 2011 Ordinance, this ordinance, chapter 39.53 RCW and other applicable laws of the State and the Refunding Trust Agreement. All necessary and proper fees, compensation and expenses of the Refunding Trustee and all other costs incidental to the setting up of the escrow to accomplish the Refunding Plan and costs related to the issuance, sale and delivery of the Bonds, including bond printing, rating agency fees, verification fees, Bond Counsel's fees and other related expenses, shall be paid out of the proceeds of the Bonds.

(e) *Authorization for Refunding Trust Agreement*. To carry out the Refunding Plan, the Designated Representative is authorized and directed to execute and deliver to the Refunding Trustee the Refunding Trust Agreement setting forth the duties, obligations and responsibilities of the Refunding Trustee in connection with the payment, redemption and retirement of the Refunded Bonds as provided herein and stating that the provisions for payment of the fees, compensation and expenses of the Refunding Trustee set forth therein are satisfactory to it.

(f) *Call for Redemption of the Refunded Bonds*. The Designated Representative is authorized to call or cause to be called the Refunded Bonds for redemption on their applicable Redemption Dates at par, plus accrued interest. Such call for redemption shall be irrevocable after the delivery of the Bonds issued to carry out the Refunding Plan to the Purchaser. The Refunding Trustee is authorized and directed to give or cause to be given such notices as required, at the times and in the manner required, pursuant to the ordinances authorizing the issuance of the Refunded Bonds and the Refunding Trust Agreement to carry out the Refunding Plan.

(g) *Additional Findings with Respect to Refunding*. Prior to the execution and delivery of the Bond Purchase Agreement, the Designated Representative shall determine, on behalf of the City, that the issuance, sale and delivery of the Bonds issued to carry out the Refunding Plan will effect a net present value savings to the City and its ratepayers as set forth in Exhibit A. The City Council finds and determines that such net present value savings is a substantial savings and that achieving such net present value savings by issuing those Bonds is in the best interest of the City and in the public interest. In making the finding and determination that the issuance, sale and delivery of those Bonds will effect such net present value savings, the Designated Representative shall give consideration to the fixed maturities of those Bonds and the Refunded Bonds, the costs related to the issuance, sale and delivery of those Bonds and the known earned income from the investment of the proceeds of the issuance and sale of those Bonds and the City Contribution, if any, used in the Refunding Plan pending payment and redemption of the Refunded Bond.

The Designated Representative further shall find and determine that the money to be deposited with the Refunding Trustee to carry out the Refunding Plan will discharge and satisfy the obligations of the City under the 2011 Ordinance, and the pledges, charges, trusts, covenants and agreements of the City therein made or provided for as to the Refunded Bonds, and that the Refunded Bonds will no longer be deemed to be outstanding under the 2011 Ordinance immediately upon the deposit of such money with the Refunding Trustee.

Section 12. Bond Fund; Payments to Bond Fund.

(a) There has previously been created a special fund known as the Water and Sewer Revenue Bond Fund (the "Bond Fund"), which fund is divided into two accounts: the Principal and Interest Account and the Reserve Account. The City Administrator may create such accounts and subaccounts in the Bond Fund as may be convenient for the payment of Parity Bonds as long as the maintenance of such accounts or subaccounts does not conflict with the rights of the owners of Parity Bonds. The City shall set aside and pay into the Bond Fund all ULID Assessments and Tax Credit Subsidy Payments upon their receipt and, out of the Net Revenue, certain fixed amounts without regard to any fixed proportion, namely:

(i) Into the Principal and Interest Account, on or before each date on which principal of or interest on the Bonds are due, the amount, together with other money on deposit therein, sufficient to pay such principal and interest; and

(ii) Into the Reserve Account, at the times required by this ordinance, the amount necessary to make the amount on deposit therein equal to the Reserve Requirement, if any.

(b) When the total amount in the Bond Fund equals the total amount of principal of and interest due on all outstanding Parity Bonds, no further payment need be made into the Bond Fund. If the City fails to set aside and pay into the Bond Fund the amounts set forth above, the Registered Owner may bring action against the City and compel such setting aside and payment.

(c) Except as otherwise expressly provided in this ordinance, the Reserve Account shall be maintained at all times at not less than the Reserve Requirement. The City may provide for all or any part of the Reserve Requirement through Reserve Insurance. In the event that there is a deficiency in the Principal and Interest Account that prevents making any payment of principal of and interest on Parity Bonds when due, that deficiency shall be made up from the Reserve Account, first, by the withdrawal of cash therefrom, second, from the proceeds of the sale of investments held therein, and third, from pro rata draws on each Reserve Insurance credited thereto. Any deficiency created in the Reserve Account by reason of any such withdrawal shall then be made up from Net Revenue available in accordance with the flow of funds set forth in Section 15, ULID Assessments and Tax Credit Subsidy Payments, first, to reinstate each Reserve Insurance, pro rata, and second, to make up any remaining deficiency. When the 2011 Bonds are no longer outstanding, the preceding sentence shall be replaced with the following: "Any deficiency created in the Reserve Account by reason of any such withdrawal shall then be made up in not more than 12 approximately equal monthly installments from Net Revenue available in accordance with the flow of funds set forth in Section 15, ULID Assessments and Tax Credit Subsidy Payments, first, to reinstate each Reserve Insurance, pro rata, and second, to make up any remaining deficiency." The money in the Reserve Account may be applied to pay or provide for the payment when due of the last outstanding Parity Bonds. Any money in the Reserve Account in excess of the Reserve Requirement may be withdrawn and deposited in the Water-Sewer Funds of the City to be applied in accordance with the flow of funds set forth in Section 15. When the 2011 Bonds are no longer outstanding, any Future Parity Bond Authorizing Ordinance may establish a separate debt service reserve account in the Bond Fund for such Future Parity Bonds, specify the Reserve Requirement for such Future Parity Bonds and provide any terms and conditions for such debt service reserve account.

(d) The City may provide for the purchase for cancellation, redemption or defeasance of Parity Bonds by the use of money on deposit in any account in the Bond Fund so long as the money remaining in those accounts is sufficient to satisfy the required deposits in those accounts for the remaining Parity Bonds.

(e) All money in the Bond Fund may be kept in cash or invested in legal investments maturing or subject to redemption or repurchase at the option of the City, (i) for investments in the Principal and Interest Account, not later than the dates when the funds are required for the payments therefrom, and (ii) for investments in the Reserve Account, not later than five years from the date the investments are first acquired. Earnings from investments in the Principal and Interest Account shall be retained therein. Earnings from investments in the Reserve Account shall be retained therein until the amount therein is equal to the Reserve Requirement and thereafter may be withdrawn and deposited in the Water-Sewer Funds of the City to be applied in accordance with the flow of funds set forth in Section 15. In computing the amount on hand in the Reserve Account, Reserve Insurance shall be valued at the lesser of the face amount thereof or the amount available thereunder, and all other investments shall be valued at market at least annually and on the business day following (i) any redemption or defeasance of Parity Bonds and (ii) any withdrawal therefrom to make up any deficiency in the Principal and Interest Account. Any deficiency in the Reserve Account resulting from the valuation of investments held therein shall be made up in approximately equal installments within six months after the date of that valuation.

(f) Notwithstanding any other provision of this Section, so long as there is no deficiency in the Bond Fund, any earnings in the Bond Fund that are subject to federal arbitrage rebate requirements may be withdrawn from the Bond Fund for deposit in a separate account created for the purpose of complying with those rebate requirements.

(g) The City may create sinking fund accounts or other accounts in the Bond Fund for the payment or securing the payment of Parity Bonds so long as the maintenance of those accounts does not conflict with the rights of the owners of Parity Bonds.

Section 13. Finding as to Sufficiency of Revenue; Pledge and Lien Position.

(a) The City Council finds and determines that the Gross Revenue and benefits to be derived from the operation and maintenance of the System at the rates to be charged for water and sewer services from the System will be more than sufficient to meet all Operation and Maintenance Costs and to permit the setting aside into the Bond Fund out of the Gross Revenue of amounts sufficient to pay the principal of and interest on the Bond when due. The City Council declares that in fixing the amounts to be paid into the Bond Fund under this ordinance it has exercised due regard for Operation and Maintenance Costs and for the Gross Revenue previously pledged and has not obligated the City to set aside and pay into the Bond Fund a greater amount of Gross Revenue than in its judgment will be available over and above such Operation and Maintenance Costs and the amount of Gross Revenue previously pledged.

(b) The money in the Bond Fund and the Net Revenue, ULID Assessments and Tax Credit Subsidy Payments are pledged to the payment of the Parity Bonds, and such pledge shall constitute a lien and charge upon the money in the Bond Fund and the Net Revenue, ULID Assessments and Tax Credit Subsidy Payments prior and superior to any other charges whatsoever. The Parity Bonds and interest thereon shall be a valid claim of the owners of Parity Bonds only as against the Bond Fund and the Net Revenue, ULID Assessments and Tax Credit Subsidy Payments pledged thereto, and shall not constitute an indebtedness of the City within the meaning of State constitutional provisions and limitations. The Bonds do not constitute an obligation of the State, either general or special, or a general obligation of the City, but are special obligations of the City. No Owner shall have any claim against the State arising from the Bonds. Tax revenues may not be used directly or indirectly to secure or guarantee the payment of the principal of or interest on the Bonds.

Section 14. Covenants. The City covenants and agrees with the Purchaser as follows:

(a) *ULID Assessments and Tax Credit Subsidy Payments.* All ULID Assessments and Tax Credit Subsidy Payments shall be paid into the Bond Fund upon receipt and may be deposited into the Principal and Interest Account or the Reserve Account without being particularly allocated to the payment of the principal of and interest on any particular Parity Bonds.

(b) *Operation and Maintenance.* The City will at all times maintain, preserve and keep the properties of the System in good repair, working order and condition, will make all necessary and proper additions, betterments, renewals and repairs thereto, and improvements, replacements and extensions thereof, and will at all times operate or cause to be operated the properties of the System and the business in connection therewith in an efficient manner and at a reasonable cost.

(c) *Establishment and Collection of Rates and Charges.* The City will establish, maintain and collect rates and charges for all services and facilities provided by the System which will be fair and nondiscriminatory, and will adjust those rates and charges from time to time so that:

(i) The Gross Revenue will at all times be sufficient to (A) pay all Operation and Maintenance Costs on a current basis, (B) pay when due all amounts that the City is obligated to pay into the Bond Fund and the accounts therein, and (C) pay when due all taxes, assessments or other governmental charges lawfully imposed on the System or the revenue therefrom or all payments in lieu thereof and any and all other amounts which the City may now or hereafter become obligated to pay from the Gross Revenue by law or contract; and

(ii) The Net Revenue (together with any ULID Assessments deposited in the Bond Fund) in each calendar year will satisfy the Coverage Requirement.

(d) *Sale or Disposition of the System.* The City will not sell or otherwise dispose of the System in its entirety unless, simultaneously with such sale or other disposition, all Parity Bonds are redeemed and retired, or defeased under the Parity Bond Authorizing Ordinances. The City will not sell, lease, mortgage or in any manner encumber or otherwise dispose of more than five percent of the assets of the System, including all additions and improvements thereto and extensions thereof at any time made, that are used, useful or material in the operation of the System, unless provision is made for the replacement thereof or for payment into the Bond Fund of the greatest of the following:

(i) An amount that is in the same proportion to the net amount of Parity Bonds then outstanding (defined as the total amount of those Parity Bonds less the amount of cash and investments in the Bond Fund and accounts therein) that the Gross Revenue of the System from the portion of the System sold or disposed of for the preceding calendar year bears to the total Gross Revenue of the System for that year;

(ii) An amount that is in the same proportion to the net amount of Parity Bonds then outstanding (as defined above) that the Net Revenue from the portion of the

System sold or disposed of for the preceding calendar year bears to the total Net Revenue for that year; or

(iii) An amount that is in the same proportion to the net amount of Parity Bonds then outstanding (as defined above) that the depreciated cost value of the portion of the System sold or disposed of bears to the depreciated cost value of the entire System immediately prior to such sale or disposition.

Notwithstanding any other provision of this subsection: the City in its discretion may sell or otherwise dispose of any of the works, plant, properties or facilities of the System or any real or personal property comprising a part of the same that have become unserviceable, inadequate, obsolete or unfit to be used in the operation of the System, or no longer necessary, material to or useful to the operation of the System, without making any deposit into the Bond Fund; and the City may transfer any portion or all of the System to another municipal corporation so long as the Net Revenue, ULID Assessments and Tax Credit Subsidy Payments for the portion of the System so transferred are used for payment of principal of and interest on Parity Bonds prior to any other purpose.

(e) *Liens Upon the System.* The City will not at any time create or permit to accrue or to exist any lien or other encumbrance or indebtedness upon the Gross Revenue, or any part thereof, prior or superior to the lien thereon for the payment of the Parity Bonds, and will pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien or charge upon the Gross Revenue, or any part thereof, prior to or superior to the lien of the Parity Bonds, or which might impair the security of the Parity Bonds.

(f) *Books and Accounts.* The City will keep proper and separate accounts and records in which complete and separate entries shall be made of all transactions relating to the System, and will furnish any owner of Parity Bonds upon written request complete operating and income statements of the System in reasonable detail covering any fiscal year not more than six months after the close of such fiscal year. Upon written request of any owner of Parity Bonds, the City also will furnish a copy of the most recently completed audit of the City's accounts by the State Auditor.

(g) *No Free Service.* Except to aid the poor or infirm, to provide for resource conservation or to provide for the proper handling of hazardous materials, the City will not furnish or supply or permit the furnishing or supplying of any service or facility in connection with the operation of the System free of charge to any person, firm or corporation, public or private, other than the City.

(h) *Collection of Delinquent Accounts.* The City will determine all accounts that are delinquent and will take necessary action to enforce payment of such accounts.

(i) *Insurance.* The City at all times will carry fire and extended coverage and such other forms of insurance with responsible insurers and with policies payable to or on behalf of the City and any additional insureds on such of the buildings, equipment, works, plants, facilities and properties of the System and against such claims for damages as are ordinarily carried by municipal or privately owned utilities engaged in the operation of like systems, or will implement and maintain a self insurance or an insurance pool program with reserves adequate, in the reasonable judgment of the City, to protect the System and the owners of Parity Bonds against loss.

Section 15. Flow of Funds. All ULID Assessments and Tax Credit Subsidy Payments shall be paid into the Bond Fund as provided by Section 12. The Gross Revenue shall be deposited in the Water-Sewer Funds of the City and used for the following purposes only in the following order of priority:

(a) To pay Operation and Maintenance Costs;

(b) To deposit sufficient amounts in the Principal and Interest Account of the Bond Fund to pay principal (including all mandatory redemption and sinking fund installments) of and interest on Parity Bonds when due;

(c) To make all payments required to be made into the Reserve Account of the Bond Fund when due and to make all payments required to be made pursuant to a reimbursement agreement in connection with a Credit Facility or Reserve Insurance, except that if there is not sufficient money to make all payments under reimbursement agreements, the payments will be made on a pro rata basis;

(d) To make all payments required to be made into any revenue bond, note, warrant or other revenue obligation redemption fund, debt service account or reserve account created to pay or secure the payment of the principal of and interest on any revenue bonds, notes, warrants or other obligations of the City secured by a lien or charge on the Net Revenue subordinate to the lien or charge thereon that secures the payment of the principal of and interest on the Parity Bonds;

(e) To make necessary additions, betterments and improvements and repairs to or extensions and replacements of the System, to retire by redemption or purchase in the open market any outstanding revenue obligations or other obligations of the System, to make deposits into the Rate Stabilization Account, or to provide for any other lawful City purpose.

The City may transfer any money from any funds or accounts of the System legally available therefor, except bond redemption funds, refunding escrow funds, defeasance or other trust funds, to meet the required payments to be made into the Bond Fund.

Section 16. Rate Stabilization Account. The Rate Stabilization Account has previously been created and established within the Water-Sewer Funds. The City may at any time, in accordance with the flow of funds set forth in Section 15, deposit into the Rate Stabilization Account Net Revenue and any other money available to be used for that purpose, excluding proceeds of any Future Parity Bonds. No deposit shall be made into the Rate Stabilization Account to the extent that such deposit would prevent the City from meeting the Coverage Requirement in the applicable calendar year. The City may at any time withdraw money from the Rate Stabilization Account for inclusion in the Net Revenue, except that withdrawals from the Rate Stabilization Account allocable to any calendar year may not exceed the Annual Debt Service for all Parity Bonds for that year. Deposits into or withdrawals from the Rate

Stabilization Account made within 90 days after the end of a calendar year may be allocated to either the current or preceding calendar year. Earnings from investments in the Rate Stabilization Account shall be retained in that account and shall not be included in Net Revenue unless and until withdrawn from that account as provided in this Section.

Section 17. Provisions for Future Parity Bonds. The City reserves the right to issue Future Parity Bonds for purposes of the System or to refund any outstanding Parity Bonds if the following conditions are met and complied with at the time of the issuance of those Future Parity Bonds.

(a) There shall be no deficiency in the Bond Fund and no event of default with respect to any Parity Bonds shall have occurred and be continuing.

(b) The Future Parity Bond Authorizing Ordinance shall provide that all assessments and interest thereon that may be levied in any ULID created for the purpose of paying, in whole or in part, the principal of and interest on those Future Parity Bonds, shall be paid directly into the Bond Fund, except for any prepaid assessments permitted by law to be paid into a construction fund or account.

(c) The Future Parity Bond Authorizing Ordinance shall provide for the payment of the principal thereof and interest thereon out of the Bond Fund.

(d) The Future Parity Bond Authorizing Ordinance shall provide for the payment of amounts into the Bond Fund to meet mandatory redemption requirements applicable to any Term Bonds to be issued and for regular payments to be made for the payment of the principal of such Term Bonds on or before their maturity, or, as an alternative, the mandatory redemption of those Term Bonds prior to their maturity date from money in the Principal and Interest Account.

(e) The Future Parity Bond Authorizing Ordinance shall provide for the deposit into the Reserve Account of the amount, if any, necessary to make the balance therein equal to the Reserve Requirement upon the issuance of those Future Parity Bonds either (i) on the date of issuance of those Future Parity Bonds, from Future Parity Bond proceeds, other money legally available for that purpose and Reserve Insurance or (ii) within five years after the date of issuance of those Future Parity Bonds, in approximately equal annual payments, from Net Revenue available in accordance with the flow of funds set forth in Section 15, ULID Assessments and Tax Credit Subsidy Payments.

(f) There shall be on file with the City either:

(i) a certificate of the City Administrator, the chief finance officer of the City or the director of the public works department of the City, or any officer who succeeds to substantially all of the responsibilities of any of those offices, demonstrating that during any 12 consecutive calendar months out of the preceding 24 calendar months (which period shall be treated as a calendar year for purposes of this subsection), Net Revenue (together with any ULID Assessments deposited in the Bond Fund) for that 12 month period satisfied the Coverage Requirement for (A) all Parity Bonds outstanding at the time of calculation, less (B) any Parity Bonds outstanding at the time of calculation that will be refunded or defeased by the Future Parity Bonds to be issued, plus (C) those

Future Parity Bonds (assuming that the Annual Debt Service for those Future Parity Bonds for that 12 month period is the Average Annual Debt Service for those Future Parity Bonds); or

(ii) a certificate of an Independent Utility Consultant that in his or her opinion the Net Revenue (together with any nondelinquent ULID Assessments scheduled to be deposited into the Bond Fund) will satisfy the Coverage Requirement for each of the five calendar years following the earlier of (A) the end of the period during which interest on those Future Parity Bonds is to be paid from Future Parity Bond proceeds or, if no interest is so to be paid, the calendar year in which those Future Parity Bonds are issued, and (B) the date on which substantially all new facilities financed with those Future Parity Bonds are expected to commence operations, in each case with such Net Revenue further adjusted as provided in paragraphs (1) through (5) below. That certificate may take into account the following adjustments:

(1) Any changes in rates in effect and being charged, or rates expected to be charged in accordance with a program of specific rates, rate levels or increases in overall rate revenue approved by ordinance or resolution;

(2) Net Revenue from customers of the System who have become customers during the preceding calendar year, and the estimated Net Revenue from any customers to be connected to the System who have paid all required connection charges, adjusted to reflect a full year's Net Revenue from those customers;

(3) The estimated Net Revenue from customers anticipated to be served by new facilities financed in substantial part by those Future Parity Bonds;

(4) The estimated Net Revenue from any person, firm, corporation or municipal corporation under any executed contract for services provided by the System, which Net Revenue has not otherwise been included; and

(5) Estimated deposits into and withdrawals from the Rate Stabilization Account.

If Future Parity Bonds proposed to be so issued are for the sole purpose of refunding outstanding Parity Bonds, such certification of coverage shall not be required if the amount required for the payment of the principal and interest in each year for the refunding bonds is not increased more than $5,000 over the amount for that same year required for the bonds (or the portion of that bond issue) to be refunded thereby, and if the maturities of such refunding bonds are not extended beyond the maturities of the bonds to be refunded thereby.

Nothing contained herein shall prevent the City from issuing Future Parity Bonds to refund maturing Parity Bonds, money for the payment of which is not otherwise available, or revenue bonds that are secured by a lien or charge on the Net Revenue subordinate to the lien or charge thereon that secures the Parity Bonds, or from pledging the payment of ULID assessments into a bond redemption fund created for the payment of the principal of and interest on those subordinate lien bonds as long as such ULID assessments are levied for improvements constructed from the proceeds of those subordinate lien bonds.

Section 18. Separate Utility Systems. When the 2011 Bonds are no longer outstanding, the City may at any time create, acquire, construct, finance, own and operate one or more systems for water supply, sewer service, water or wastewater transmission, treatment or other commodity or utility service, which systems are separate from and in addition to the System. The revenue of that Separate Utility System, and any utility local improvement district assessments payable solely with respect to improvements to that Separate Utility System, shall not be included in the Gross Revenue and may be pledged to the payment of revenue obligations issued to purchase, construct, condemn or otherwise acquire or expand that Separate Utility System. Neither the Gross Revenue nor the Net Revenue may be pledged to the payment of any obligations of a Separate Utility System except that the Net Revenue may be pledged on a basis subordinate to the lien of the Parity Bonds.

Section 19. Contract Resource Obligations. When the 2011 Bonds are no longer outstanding, the City may at any time enter into one or more Contract Resource Obligations for the acquisition, from facilities to be constructed or improved by the use of payments under such Contract Resource Obligations, of water supply, sewer service, water or wastewater transmission, treatment or other commodity or utility service relating to the System, as follows:

(a) The City may agree under a contract containing a Contract Resource Obligation that all payments in respect of that Contract Resource Obligation (including payments prior to the time that water or wastewater service is being provided, or during a suspension or after termination of supply or service) shall be deemed an Operating and Maintenance Expense, so long as the payments required to be made under the Contract Resource Obligation are not subject to acceleration and the following additional requirements are met at the time such obligation is designated as a Contract Resource Obligation:

(i) No event of default has occurred and is continuing under the terms of any debt obligation of the City in respect of the System; and

(ii) The City has obtained a certificate of an Independent Utility Consultant stating that in its professional opinion: (1) the payments to be made by the City in connection with the Contract Resource Obligation are reasonable for the service rendered; (2) the source of any new supply, and any facilities to be constructed to provide the supply or transmission, are sound from a supply or planning standpoint, are technically and economically feasible in accordance with prudent utility practice, and are likely to provide service no later than a date set forth in the certification; and (3) the Net Revenue will be sufficient to satisfy the Coverage Requirement for each of the five calendar years following the calendar year in which the Contract Resource Obligation is incurred, where the calculation of Net Revenue (A) takes into account the adjustments permitted in connection with a coverage certification given under the conditions for Future Parity Bonds and (B) adjusts the Operating and Maintenance Expenses by the consultant's estimate of the payments to be made in accordance with the Contract Resource Obligation.

(b) Nothing in this Section prevents the City from entering into agreements for the acquisition of water supply, water supply, sewer service, water or wastewater transmission, treatment or other commodity or utility service relating to the System from then-existing facilities and from treating those payments as an Operating and Maintenance Expense. Nothing in this Section prevents the City from entering into other agreements for the acquisition of water supply, sewer service, water or wastewater transmission, treatment or other commodity or utility service relating to the System from facilities to be constructed and from agreeing to make payments with respect thereto, such payments constituting obligations that are secured by a lien or charge on the Net Revenue subordinate to the lien or charge that secures the Parity Bonds until such time as the facilities are placed in service.

Section 20. Tax Matters.

(a) *Preservation of Tax Exemption for Interest on the Bond*. The City covenants that it will take all actions necessary to prevent interest on the Bonds from being included in gross income for federal income tax purposes, and it will neither take any action nor make or permit any use of proceeds of the Bonds or other funds of the City treated as proceeds of the Bonds at any time during the term of the Bonds which will cause interest on the Bonds to be included in gross income for federal income tax purposes. The City also covenants that it will, to the extent the arbitrage rebate requirements of Section 148 of the Code are applicable to the Bonds, take all actions necessary to comply (or to be treated as having complied) with those requirements in connection with the Bonds.

(b) *Post-Issuance Compliance*. The City Administrator is authorized and directed to review, update and implement, on behalf of the City, written procedures to facilitate compliance by the City with the covenants in this Section and the applicable requirements of the Code that must be satisfied after the Issue Date to prevent interest on the Bonds from being included in gross income for federal income tax purposes.

(c) *Designation of Bonds as "Qualified Tax-Exempt Obligations."* The Designated Representative may designate a Series as "qualified tax-exempt obligations" for the purposes of Section 265(b)(3) of the Code, if the following conditions are met:

(i) the Series does not constitute "private activity bonds" within the meaning of Section 141 of the Code;

(ii) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds and other obligations not required to be included in such calculation) that the City and any entity subordinate to the City (including any entity that the City controls, that derives its authority to issue tax-exempt obligations from the City, or that issues tax-exempt obligations on behalf of the City) will issue during the calendar year in which the Series is issued will not exceed $10,000,000; and

(iii) the amount of tax-exempt obligations, including the Series, designated by the City as "qualified tax-exempt obligations" for the purposes of Section 265(b)(3) of the Code during the calendar year in which the Series is issued does not exceed $10,000,000.

Section 21. Refunding or Defeasance of the Bonds. The City may issue refunding bonds pursuant to State law or use money available from any other lawful source to carry out a refunding or defeasance plan, which may include (a) paying when due the principal of and interest on any or all of the Bonds (the "defeased Bonds"); (b) redeeming the defeased Bonds prior to their maturity; and (c) paying the costs of the refunding or defeasance. If the City sets aside in a special trust fund or escrow account irrevocably pledged to that redemption or defeasance (the "trust account"), money and/or Government Obligations maturing at a time or times and bearing interest in amounts sufficient to redeem, refund or defease the defeased Bonds in accordance with their terms, then all right and interest of the Owners of the defeased Bonds in the covenants of this ordinance and in the funds and accounts obligated to the payment of the defeased Bonds, shall cease and become void. Thereafter, the Owners of defeased Bonds shall have the right to receive payment of the principal of and interest on the defeased Bonds solely from the trust account and the defeased Bonds shall be deemed no longer outstanding. In that event, the City may apply money remaining in any fund or account (other than the trust account) established for the payment or redemption of the defeased Bonds to any lawful purpose, subject only to the rights of the Owners of any other Parity Bonds then outstanding.

Unless otherwise specified by the City in a refunding or defeasance plan, notice of refunding or defeasance shall be given, and selection of Bonds for any partial refunding or defeasance shall be conducted, in the manner prescribed in this ordinance for the redemption of Bonds.

Section 22. Sale and Delivery of the Bonds.

(a) *Manner of Sale of Bonds; Delivery of Bonds.* The Designated Representative is authorized to sell the Bonds in one or more Series by negotiated sale to the Purchaser based on the assessment of the Designated Representative of market conditions, pursuant to the terms of this ordinance and the parameters for Final Terms set forth in Exhibit A and in consultation with appropriate City officials and staff, Bond Counsel and other advisors. In accepting the Final Terms, the Designated Representative shall take into account those factors that, in the judgment of the Designated Representative, may be expected to result in the lowest true interest cost to the City. The Bond Purchase Agreement for each Series of Bonds shall set forth the Final Terms for such Series of Bonds. The Designated Representative is authorized to execute the Bond Purchase Agreement on behalf of the City, so long as the terms provided therein are consistent with the terms of this ordinance.

(b) *Preparation, Execution and Delivery of the Bonds.* The Bonds will be prepared at City expense and will be delivered to the Purchaser in accordance with the Bond Purchase Agreement, together with the approving legal opinion of Bond Counsel regarding the Bonds.

Section 23. Official Statement; Continuing Disclosure.

(a) *Preliminary Official Statement Deemed Final.* The Designated Representative shall review and, if acceptable, approve the preliminary Official Statement prepared in connection with the sale of the Bonds to be sold to the public. For the sole purpose of the Purchaser's compliance with paragraph (b)(1) of Rule 15c2-12, if applicable, the Designated Representative is authorized to deem that preliminary Official Statement final as of its date, except for the omission of information permitted to be omitted by Rule 15c2-12. The City approves the distribution to potential purchasers of the Bonds of a preliminary Official Statement that has been approved by the Designated Representative and been deemed final, if applicable, in accordance with this subsection.

(b) *Approval of Final Official Statement.* The City approves the preparation of a final Official Statement for the Bonds to be sold to the public in the form of the preliminary Official Statement that has been approved and deemed final in accordance with subsection (a), with such modifications and amendments as the Designated Representative deems necessary or desirable, and further authorizes the Designated Representative to execute and deliver such final Official Statement to the Purchaser, if required under Rule 15c2-12. The City authorizes and approves the distribution by the Purchaser of the final Official Statement so executed and delivered to purchasers and potential purchasers of the Bonds.

(c) *Undertaking to Provide Continuing Disclosure.* If necessary to meet the requirements of paragraph (b)(5) of Rule 15c2-12, as applicable to the Purchaser acting as a participating underwriter for the Bonds, the Designated Representative is authorized to execute a written undertaking to provide continuing disclosure for the benefit of holders of the Bonds in substantially the form attached as Exhibit B.

(d) *Disclosure Procedure*. The Designated Representative is authorized to adopt, amend and implement, on behalf of the City, written procedures to assist the City in its compliance with securities laws and promote best practices regarding disclosure.

Section 24. Supplemental Ordinances. The City Council from time to time and at any time may pass an ordinance or ordinances supplemental to this ordinance which supplemental ordinance or ordinances thereafter shall become a part of this ordinance, for any one or more of the following purposes:

(a) To add to the covenants and agreements of the City in this ordinance such other covenants and agreements thereafter to be observed, which shall not adversely affect the interests of owners of Parity Bonds, or to surrender any right or power herein reserved to or conferred upon the City.

(b) To make such provisions for the purpose of curing any ambiguities or of curing, correcting or supplementing any defective provision contained in this ordinance in regard to matters or questions arising under such ordinances as the City Council may deem necessary or desirable and not inconsistent with such ordinances and which shall not materially adversely affect the interest of owners of Parity Bonds.

(c) To comply with any future federal law or interpretation to preserve the exclusion of interest on any tax-exempt Parity Bonds from gross income for federal income tax purposes and the entitlement of the City to receive from the United States Treasury the Tax Credit Subsidy Payments scheduled to be received for any Tax Credit Subsidy Bonds.

When the 2011 Bonds and the 2019 Bond are no longer outstanding, the entirety of this Section 24 shall be replaced with the following:

(a) *This ordinance shall not be amended or supplemented in any respect subsequent to the issuance of the Bonds, except as provided in and in accordance with and subject to the provisions of this Section.*

(b) *The City, from time to time, and at any time, without the consent of or notice to the Owners, may adopt supplemental ordinances as follows:*

(i) *To cure any formal defect, omission, inconsistency, or ambiguity in this ordinance in a manner not materially adverse to the interests of registered owners of the Parity Bonds;*

(ii) *To grant, confer, or impose upon the Registrar (with its consent) for the benefit of the Registered Owners any additional rights, remedies, powers, authority, security, liabilities, or duties that may lawfully be granted, conferred, or imposed and that are not contrary to or inconsistent with this ordinance as theretofore in effect;*

(iii) *To add to the covenants and agreements of, and limitations and restrictions upon, the City in this ordinance, other covenants, agreements, limitations, and restrictions to be observed by the City that are not contrary or inconsistent with this ordinance as theretofore in effect;*

(iv) *To confirm, as further assurance, any pledge under, and the subjection to any claim, lien, or pledge created or to be created by this ordinance of any other money, securities, or funds;*

(v) *To amend or supplement this ordinance in any other respect that is not materially adverse to the interests of the registered owners of the Parity Bonds;*

(vi) *Because of change in federal law or rulings, to maintain the exclusion from gross income of the interest on the Tax-Exempt Parity Bonds from federal income taxation; and*

(vii) *To add to the covenants and agreements of, and limitations and restrictions upon, the City in this ordinance, other covenants, agreements, limitations and restrictions to be observed by the City in connection with the acquisition of Bond Insurance or any Reserve Security and which are not materially adverse to the interests of registered owners of the Parity Bonds.*

Not less than 15 days before the City adopts any such supplemental ordinance pursuant to this subsection, there shall have been delivered an opinion of Bond Counsel stating that such supplemental ordinance is authorized or permitted by this ordinance and, upon the execution and delivery thereof, will be valid and binding upon the City in accordance with its terms and will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Tax-Exempt Bonds.

(c) *Except for any supplemental ordinance adopted pursuant to subsection (b) of this Section:*

(i) *This ordinance shall not be amended or supplemented in any respect subsequent to the issuance of the Bonds unless the registered owners of a majority in principal amount of the outstanding Parity Bonds have consented to its adoption by the City.*

(ii) *The City may adopt any supplemental ordinance deemed necessary or desirable by the City for the purpose of amending or supplementing, in any particular, any of the terms or provisions contained in this ordinance only if the following conditions are satisfied within two years prior to the adoption of the supplemental ordinance:*

> (1) *The Registrar causes notice of the proposed supplemental ordinance to be given by first-class mail, postage prepaid, to all registered owners of the Parity Bonds, to any provider of Credit Facility or any Reserve Insurance, and to each nationally recognized rating agency then maintaining a rating on the Parity Bonds at the request of the City. Such notice shall briefly set forth the nature of the proposed supplemental ordinance and shall state that a copy thereof is on file with the City for inspection by all registered owners of Parity Bonds.*
>
> (2) *There have been delivered to the Registrar (i) the required consents, in writing, of the registered owners of the Parity Bonds, and (ii) an opinion of Bond Counsel stating that such supplemental ordinance is authorized or permitted by this ordinance and, upon the execution and delivery thereof, will be valid and binding upon the City in accordance with its terms and will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Tax-Exempt Bonds.*
>
> (3) *Registered owners of Parity Bonds may be deemed to have notice of and have consented to the adoption of any supplemental ordinance so long as (i) the ordinance authorizing the issuance of the Parity Bonds includes the nature of the proposed supplemental ordinance and states that registered owners of the Parity Bonds will be deemed to have consented to its adoption and (ii) the preliminary official statement, if any, and the final official statement, if any, for the Parity Bonds include the nature of the proposed supplemental ordinance and state that registered owners of the Parity Bonds will be deemed to have consented to its adoption.*
>
> (4) *An underwriter of Future Parity Bonds, either in its capacity as an underwriter or remarketing agent, or as agent for or in lieu of registered owners of the Parity Bonds, may consent to the adoption of a supplemental ordinance.*

(iii) *Without the consent of the registered owners of all outstanding Parity Bonds as herein provided, no supplemental ordinance shall permit or be construed as permitting: (i) a change in the times, amounts, or currency of payment of the principal of or interest on any outstanding Parity Bond, or a reduction in the principal amount or redemption or prepayment price of any outstanding Parity Bond, or a change in the method of determining the rate of interest thereon; or (ii) a preference of priority of any*

Parity Bond over any other Parity Bond; or (iii) a reduction in the aggregate principal amount of Parity Bonds, the consent of the registered owners of which is required for the adoption of any such supplemental ordinance.

(iv) *If registered owners of not less than the percentage of Parity Bonds required by this subsection have consented to the adoption of a supplemental ordinance as herein provided, no owner of Parity Bonds shall have any right to object to the adoption of such supplemental ordinance, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the City or the Registrar from adopting the same or from taking any action pursuant to the provisions thereof.*

(d) *Upon the adoption of any supplemental ordinance pursuant to the provisions of this Section, this ordinance shall be, and be deemed to be, amended and supplemented in accordance therewith, and the respective rights, duties, and obligations under this ordinance of the City, the Registrar, and all owners of Parity Bonds shall thereafter be determined, exercised, and enforced under this ordinance subject in all respects to such amendments and supplements.*

Section 25. General Authorization and Ratification. The Mayor, the City Administrator, the City Clerk, other appropriate officers of the City and Bond Counsel are severally authorized to take such actions and to create, accept, execute, send, use and rely upon such documents, records and signatures (including in tangible medium, manual, facsimile or electronic form, under any security procedure or platform, and notwithstanding any other City ordinance, resolution, rule or policy) as in their judgment may be necessary or desirable to carry out the transactions contemplated in connection with this ordinance, and to do everything necessary for the prompt delivery of each Series of Bonds to the Purchaser thereof and for the proper application, use and investment of the proceeds of the Bonds. All actions taken prior to the effective date of this ordinance in furtherance of the purposes described in this ordinance and not inconsistent with the terms of this ordinance are ratified and confirmed in all respects.

Section 26. Severability. The provisions of this ordinance are declared to be separate and severable. If a court of competent jurisdiction, all appeals having been exhausted or all appeal periods having run, holds any provision of this ordinance to be invalid or unenforceable as to any person or circumstance, such offending provision shall, if feasible, be deemed to be modified to be within the limits of enforceability or validity. However, if the offending provision cannot be so modified, it shall be null and void with respect to the particular person or circumstance, and all other provisions of this ordinance in all other respects, and the offending provision with respect to all other persons and all other circumstances, shall remain valid and enforceable.

Section 27. Rules of Interpretation. In this ordinance, unless the context or use otherwise requires:

(a) The terms "hereby," "hereof," "hereto," "herein" and any similar terms refer to this ordinance as a whole and not to any particular section, paragraph, clause or subdivision of this ordinance, and the term "heretofore" means before the date of this ordinance;

(b) All pronouns in this ordinance include all other pronouns, and words importing the singular number mean and include the plural number and vice versa;

(c) The terms: (i) “includes” and “including” are not limiting; (ii) “or” is not exclusive; and (iii) “person” or “persons” include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(d) The cover page, the table of contents and any headings preceding the text of the several sections and paragraphs of this ordinance, and any marginal notes appended to copies hereof, are solely for convenience of reference and do not constitute a part of this ordinance, nor do they affect its meaning, construction or effect; and

(e) All references herein to “sections,” “paragraphs, “clauses” and other subdivisions are to the corresponding sections, paragraphs, clauses or subdivisions hereof.

Section 28. Effective Date of Ordinance. This ordinance takes effect and will be in full force and effect from and after its passage and five days following its publication as required by law.

PASSED by the City Council and APPROVED by the Mayor of the City of Stanwood, Washington, at an open public meeting thereof, this 12th day of August, 2021.

CITY OF STANWOOD, WASHINGTON

____
Elizabeth Callaghan, Mayor

ATTEST:

____
Sara Robinson, City Clerk

APPROVED AS TO FORM:

____
Foster Garvey P.C., Bond Counsel

EXHIBIT A
DESCRIPTION OF THE BONDS

(a)	Principal Amount.	The Bonds may be issued in one or more Series and shall not exceed the aggregate principal amount of $8,000,000.
(b)	Date or Dates.	Each Bond shall be dated its Issue Date, which date may not be later than one year after the effective date of this ordinance.
(c)	Denominations, Name, etc.	The Bonds shall be issued in Authorized Denominations and shall be numbered separately in the manner and shall bear any name and additional designation as deemed necessary or appropriate by the Designated Representative.
(d)	Interest Rate(s).	Each Bond shall bear interest at a fixed rate per annum (computed on the basis of a 360-day year of twelve 30-day months) from the Issue Date or from the most recent date for which interest has been paid or duly provided for, whichever is later. One or more rates of interest may be fixed for the Bonds. No rate of interest for any Bond may exceed 5.00%, and the true interest cost to the City for each Series of the Bonds may not exceed 4.50%.
(e)	Payment Dates.	Interest shall be payable semiannually on dates acceptable to the Designated Representative, commencing no later than one year following the Issue Date. Principal payments shall commence on a date acceptable to the Designated Representative and shall be payable at maturity or in mandatory redemption installments on dates acceptable to the Designated Representative.
(f)	Final Maturity.	Each Series shall mature no later than the date that is thirty one years after the Issue Date of that Series.
(g)	Redemption Rights.	The Designated Representative may approve in the Bond Purchase Agreement provisions for the optional and mandatory redemption of Bonds, subject to the following: (1) Optional Redemption. Any Bond may be designated as being (A) subject to redemption at the option of the City prior to its maturity date on the dates and at the prices set forth in the Bond Purchase Agreement; or (B) not subject to redemption prior to its maturity date. If a Bond is subject to optional redemption prior to its maturity, it must be subject to such redemption on one or more dates occurring not more than 10½ years after the Issue Date. (2) Mandatory Redemption. Any Bond may be designated as a Term Bond, subject to mandatory redemption prior to its maturity on the dates and in the amounts set forth in the Bond Purchase Agreement.
(h)	Price.	The purchase price for each Series of the Bonds may not be less than 95% or more than 145% of the stated principal amount of that Series.

(i)	Section 265(b)(3) Designation.	Pursuant to the provisions of this ordinance, the Designated Representative may designate any qualifying Series of Bonds as "qualified-tax exempt obligations" for purposes of Section 265(b)(3) of the Code.
(j)	Selection of Refunded Bonds.	Under the terms and conditions of this ordinance, the Designated Representative is authorized to select the Refunded Bonds to be refunded under the Refunding Plan. Refunded Bonds, as selected by the Designated Representative, shall be identified in the applicable Bond Purchase Agreement and/or the applicable Refunding Trust Agreement.
(k)	Allocation of Bonds.	For any combined Series of Bonds, the Designated Representative is authorized to allocate the maturing principal amounts to the Bonds issued to carry out the Projects and the Bonds issued to carry out the Refunding Plan in such manner as will comply with applicable requirements of the Code, meet restrictions of State law and effectuate any other allocation deemed necessary or advisable for accounting and debt administration purposes.
(l)	Minimum Savings.	Each Series of Bonds issued to carry out the Refunding Plan shall produce a minimum net present value savings to the City and its ratepayers of ____% (as a percentage of the Refunded Bonds refunded by such Series). Net present value savings means the aggregate of (i) annual debt service on the Refunded Bonds, less (ii) annual debt service on those Bonds (including expenses related to costs of issuance of those Bonds) discounted to the Issue Date using the yield on the applicable Series of Bonds that includes such Bonds as the discount rate, plus (iii) excess cash, if any distributed to the City on the Issue Date, and less (iv) the amount of the City Contribution, if any, made on such Issue Date.
(m)	Other Terms and Conditions.	(1) The Designated Representative may determine whether it is in the City's best interest to provide for bond insurance or other credit enhancement; and may accept such additional terms, conditions and covenants as he or she may determine are in the best interests of the City, consistent with this ordinance. (2) The Designated Representative must have determined that the Parity Conditions have been met and satisfied as of the Issue Date of the Bonds.

[Form of]
UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE

City of Stanwood, Washington
Water and Sewer Revenue [and Refunding] Bonds, 20__

The City of Stanwood, Washington (the "City"), makes the following written Undertaking for the benefit of holders of the above-referenced bonds (the "Bonds"), for the sole purpose of assisting the Purchaser in meeting the requirements of paragraph (b)(5) of Rule 15c2-12, as applicable to a participating underwriter for the Bonds. Capitalized terms used but not defined below shall have the meanings given in Ordinance No. ____ of the City (the "Bond Ordinance").

(a) Undertaking to Provide Annual Financial Information and Notice of Listed Events. The City undertakes to provide or cause to be provided, either directly or through a designated agent, to the MSRB, in an electronic format as prescribed by the MSRB, accompanied by identifying information as prescribed by the MSRB:

(i) Annual financial information and operating data of the type included in the final official statement for the Bonds and described in paragraph (b)(i) ("annual financial information");

(ii) Timely notice (not in excess of 10 business days after the occurrence of the event) of the occurrence of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notice of Proposed Issue (IRS Form 5701 – TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; (7) modifications to rights of holders of the Bonds, if material; (8) bond calls (other than scheduled mandatory redemptions of Term Bonds), if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the City, as such "Bankruptcy Events" are defined in Rule 15c2-12; (13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or the change of name of a trustee, if material; (15) incurrence of a financial obligation of the City or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City or obligated person, any of which affect security holders, if material; and (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the City or obligated person, any of which reflect financial difficulties. The term "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "financial obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Rule 15c2-12.

(iii) Timely notice of a failure by the City to provide the required annual financial information described in paragraph (b)(i) on or before the date specified in paragraph (b)(ii).

(b) Type of Annual Financial Information Undertaken to be Provided. The annual financial information that the City undertakes to provide in paragraph (a):

(i) Shall consist of (1) annual financial statements prepared (except as noted in the financial statements) in accordance with applicable generally accepted accounting principles applicable to local governmental units of the State such as the City, as such principles may be changed from time to time; (2) a statement of authorized, issued and outstanding debt secured by Net Revenue; and (3) [general customer statistics, which may be cross referenced to sections of the Official Statement, when available];

(ii) Shall be provided not later than the last day of the ninth month after the end of each fiscal year of the City (currently, a fiscal year ending December 31), as such fiscal year may be changed as required or permitted by State law, commencing with the City's fiscal year ending December 31, 20__; and

(iii) May be provided in a single or multiple documents, and may be incorporated by specific reference to documents available to the public on the Internet website of the MSRB or filed with the SEC.

If not submitted as part of the annual financial information described in paragraph (b)(i) above, the City will provide or cause to be provided to the MSRB audited financial statements, when and if available.

(c) Amendment of Undertaking. This Undertaking is subject to amendment after the primary offering of the Bonds without the consent of any holder of any Bond, or of any broker, dealer, municipal securities dealer, participating underwriter, Rating Agency or the MSRB, under the circumstances and in the manner permitted by Rule 15c2-12. The City will give notice to the MSRB of the substance (or provide a copy) of any amendment to the Undertaking and a brief statement of the reasons for the amendment. If the amendment changes the type of annual financial information to be provided, the annual financial information containing the amended financial information will include a narrative explanation of the effect of that change on the type of information to be provided.

(d) Beneficiaries. This Undertaking shall inure to the benefit of the City and the holder of each Bond, and shall not inure to the benefit of or create any rights in any other person.

(e) Termination of Undertaking. The City's obligations under this Undertaking shall terminate upon the legal defeasance or redemption of all of the Bonds. In addition, the City's obligations under this Undertaking shall terminate if the provisions of Rule 15c2-12 that require the City to comply with this Undertaking become legally inapplicable in respect of the Bonds for any reason, as confirmed by an opinion of Bond Counsel delivered to the City, and the City provides timely notice of such termination to the MSRB.

(f) Remedy for Failure to Comply with Undertaking. As soon as practicable after the City learns of any failure to comply with this Undertaking, the City will proceed with due diligence to cause such noncompliance to be corrected. No failure by the City or other obligated person to comply with this Undertaking shall constitute a default in respect of the Bonds. The sole remedy of any holder of a Bond shall be to take action to compel the City or other obligated person to comply with this Undertaking, including seeking an order of specific performance from an appropriate court.

(g) Designation of Official Responsible to Administer Undertaking. The Finance Officer or his or her designee is the person designated, in accordance with the Bond Ordinance, to carry out the Undertaking in accordance with Rule 15c2-12, including, without limitation, the following actions:

(i) Preparing and filing the annual financial information undertaken to be provided in paragraph (a)(i);

(ii) Determining whether any failure to provide the annual financial information undertaken to be provided in paragraph (a)(i) has occurred and providing any notice undertaken to be provided in paragraph (a)(iii);

(iii) Determining whether any event specified in items (1)-(16) of paragraph (a)(ii) has occurred, assessing its materiality, where necessary, with respect to the Bonds, and preparing and disseminating any notice undertaken to be provided in paragraph (a)(ii) of its occurrence;

(iv) Determining whether any person other than the City is an "obligated person" within the meaning of Rule 15c2-12 with respect to the Bonds, and obtaining from such person an undertaking to provide any annual financial information and notice of listed events for that person required under Rule 15c2-12;

(v) Selecting, engaging and compensating designated agents and consultants, including but not limited to financial advisors and legal counsel, to assist and advise the City in carrying out this Undertaking; and

(vi) Effecting any necessary amendment of this Undertaking.

CERTIFICATION

I, the undersigned, City Clerk of the City of Stanwood, Washington (the "City"), certify as follows:

1. The attached copy of Ordinance No. ____ (the "Ordinance") is a full, true and correct copy of the Ordinance duly passed at a regular meeting of the City Council of the City held at its regular meeting place on August 12, 2021 (the "Meeting"), as that Ordinance appears on the minute book of the City.

2. The Ordinance will be in full force and effect five days after publication in the City's official newspaper.

3. Pursuant to various proclamations and orders issued by the Governor of the State of Washington, options were provided for the public to attend the Meeting remotely, including by telephonic access and, as available, internet access, which options provided the ability for all persons attending the Meeting remotely to hear each other at the same time.

4. The Meeting was duly convened and held in all respects in accordance with law, the public was notified of the access options for remote attendance via the City's website, a quorum was present throughout the meeting through telephonic and/or internet means of remote access, and a sufficient number of members of the City Council so present voted in the proper manner for the passage of the Ordinance.

Dated: August 12, 2021.

CITY OF STANWOOD, WASHINGTON

____

Sara Robinson, City Clerk

CITY OF STANWOOD

Bond Financing Update

July 22, 2021 7:00 PM
(via Zoom conference call)

Jim Nelson
Senior Vice President
Phone: (206) 389-4062
Cell: (206) 713-9354
Email: jnelson@dadco.com

D|A|DAVIDSON
FIXED INCOME CAPITAL MARKETS
Columbia Center
701 Fifth Ave., Suite 4050
Seattle, WA 98104
www.davidsoncompanies.com/ficm

BOND MARKET INTEREST RATE TREND

Source: The Bond Buyer

Bond Buyer 20-Year General Obligation Index*
(10 year history) *As of 7/9/2021*

**The "20-Bond G.O. Index" is comprised of 20 different issuers whose bonds have an average rating of AA/Aa2 that mature in the 20th year, non bank-qualified.*

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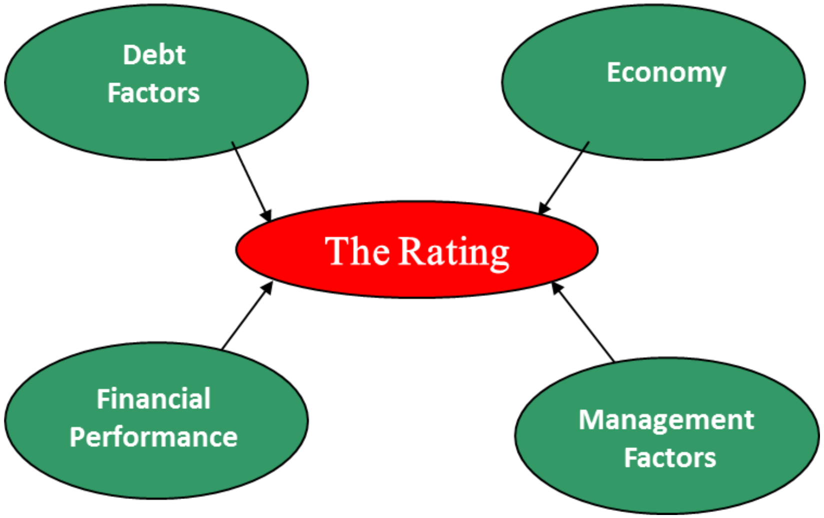
BOND RATING

A rating helps to achieve a lower interest cost.

A higher bond rating results in lower interest rates.



Source: D.A. Davidson & Co.

	S&P	Moody's
Highest/Best Quality	AAA	Aaa
High Investment Grade	AA+ AA AA-	Aa1 Aa2 Aa3
Medium Investment Grade	A+ A A-	A1 A2 A3
Low Investment Grade	BBB+ BBB BBB-	Baa1 Baa2 Baa3

Source: S&P Global Ratings and Moody's Investors Service

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SUMMARY OF ESTIMATED PAYMENTS

As of July 15, 2021

20-Year Financing

Fund Net Proceeds	Avg. Annual Payment (1)	Estimated True Interest Cost % (1)
$4,000,000	$242,543	1.77%
$4,250,000	$257,252	1.77%
$4,500,000	$272,332	1.77%

25-Year Financing

Fund Net Proceeds	Avg. Annual Payment (1)	Estimated True Interest Cost % (1)
$4,000,000	$211,837	2.17%
$4,250,000	$225,155	2.17%
$4,500,000	$237,965	2.17%

(1) Preliminary and subject to change.

(2) Assumes a rating of AA-, bank-qualified, NOT fund a Bond Reserve Fund deposit

(3) Assumes Dated and Delivered 9/29/2021. First interest payment 12/1/2021. First principal payment 12/1/2021.

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ESTIMATED REFINANCING SAVINGS

Current Refunding of the City of Stanwood's 2011 Water & Sewer Revenue Bonds

Assumes Delivery Date of 9/29/2021, rated AA-, bank-qualified

Year	Principal (1)	Interest (1)	Annual Payments (1)	2011 Water & Sewer Revenue Bonds, 4.00%, 2022-2031	Annual Savings (1)	
2021	$20,000	$7,259	$27,259	$34,400	$7,141	
2022	120,000	41,550	161,550	213,800	52,250	
2023	125,000	37,950	162,950	213,000	50,050	
2024	130,000	34,200	164,200	212,000	47,800	
2025	130,000	30,300	160,300	210,800	50,500	
2026	135,000	26,400	161,400	209,400	48,000	
2027	140,000	22,350	162,350	212,800	50,450	
2028	145,000	18,150	163,150	210,800	47,650	
2029	150,000	13,800	163,800	213,600	49,800	
2030	150,000	9,300	159,300	211,000	51,700	
2031	160,000	4,800	164,800	213,200	48,400	
Total	$1,405,000	$246,059	$1,651,059	$2,154,800	$503,741	(2)
Est. True Interest Cost (1):			**1.00%**		($213,800)	less Reserve Fund
Est. Net Present Value Dollar Savings (1):			$259,122		$289,941	(3)
Est. Net Present Value Savings % (1) (4):			**15.07%**			

(1) Preliminary and subject to change.

(2) Estimated gross savings includes liquidating the Bond Reserve Fund.

(3) Estimated net savings deducts the Bond Reserve Fund contribution.

(4) A refunding bond should achieve a net present value savings percentage of 5.00% or greater.

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SCHEDULE GOING FORWARD

Steps	Target Dates	Action
1	July 11	Distribute 1st draft of Bond Ordinance for review & comments.
2	July 22	Present overview of the Revenue Bonds and draft Bond Ordinance to the City Council.
3	July 28	Distribute draft of Preliminary Official Statement ("POS") for review & comments.
4	August 12	Approval of the Bond Ordinance by the City Council.
5	August 23	Rehearsal Conference Call to prepare for Rating Presentation to S&P Global Ratings.
6	August 23	Rating Presentation Conference Call with City staff and S&P rating analysts.
7	August 26	Release the POS and begin marketing bonds to prospective investors.
8	**September 16**	**Set the final interest rates.**
9	September 29	Bond Closing and distribution of funds.

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Required Disclosure Pursuant to MSRB Rule G-23: An underwriter's primary role will be to purchase as principal, or arrange for the placement of the securities in a commercial arm's length transaction with the issuer, and may have financial and other interests that differ from those of the issuer. In its capacity as underwriter and not as financial advisor, an underwriter may provide incidental financial advisory services at the issuer's request, including advice regarding the structure, timing, terms and other similar matters concerning the issuance. However, an underwriter does not assume any financial advisory or fiduciary responsibilities with respect to the issuer.

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City of Stanwood
Multi-Year Capital Project

Project:	Pioneer Hwy Main Line Replacement	**Project Overview:**
Tracking Fund:	403 Sewer	Install new upsized sewer mains in Pioneer Highway along Fox Hill and from SR532 to the viaduct
Department:	Public Works - Wastewater	
Project Manager:	Shawn Smith	**Justification:**
Year Identified:	2019	Increased capacity for future growth
Completion Year:	2021	
Strategic or Master Plan Reference:	Sewer Master Plan	**Detailed Project Description:**
Program Reference:	N/A	One portion of this project replaces and upsizes 650 lineal feet of 8-inch sewer line to 15-inch along the northwest side of the Fox Hill development. The other portion replaces and upsizes the sewer main from SR532 to the viaduct. The third section replaces the pipe from 86th Dr. to the viaduct.
Project Priority:	N/A	
Project Score:	N/A	
Asset Category:	Collection	
Address/Location:	Pioneer Hwy	
Related Projects(s):	N/A	

Operating Impacts:

Capital Budget	**Previous Years**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**Total**
Sources/Funding	**Appropriated to Date**	**Budget**	**Projection**	**Projection**	**Projection**	**Projection**	**Projection**	**Projection**	**Overall Project Sources**
Transfer in - Plant Investment Fees	$ 19,190	$ 200,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 219,190
Debt - Utilities	$ -	$ -	$ 900,000	$ -	$ -	$ -	$ -	$ -	$ 900,000
Developer Funded	$ -	$ -	$ -	$ 1,700,000	$ -	$ -	$ -	$ -	$ 1,700,000
Total Sources	**$ 19,190**	**$ 200,000**	**$ 900,000**	**$ 1,700,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 2,819,190**
Uses/Costs	**Appropriated to Date**	**Budget**	**Projection**	**Projection**	**Projection**	**Projection**	**Projection**	**Projection**	**Overall Project Uses**
Design, Engineering & Permitting	$ 19,190	$ 200,000	$ -	$ 200,000	$ -	$ -	$ -	$ -	$ 419,190
Construction	$ -	$ -	$ 900,000	$ 1,500,000	$ -	$ -	$ -	$ -	$ 2,400,000
Total Uses	**$ 19,190**	**$ 200,000**	**$ 900,000**	**$ 1,700,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 2,819,190**
Capital Sources Over (Under) Uses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Project Updates:

City of Stanwood
Multi-Year Capital Project

Project:	Church Creek Collection
Tracking Fund:	403 Sewer
Department:	Public Works - Wastewater
Project Manager:	Shawn
Year Identified:	2020
Completion Year:	2021
Strategic or Master Plan Reference:	Sewer Master Plan
Program Reference:	N/A
Project Priority:	N/A
Project Score:	N/A
Asset Category:	Collection
Address/Location:	Church Creek Park
Related Projects(s):	

Project Overview:

Install gravity sewer from the lift station in Church Creek Estates through Church Creek Park, through the Vine Street property and connect to the newly installed line under SR532.

Justification:

Detailed Project Description:

In an effort to eventually take two lift stations off line (Cedarhome and Church Creek Estates), this project installs a gravity line from the existing lift station in Church Creek Estates across Church Creek Park, through the Vine Street property and ties into the new line the school installed underneath SR532.

Operating Impacts:

Capital Budget	Previous Years	2020	2021	2022	2023	2024	2025	2026	Total
Sources/Funding	**Appropriated to Date**	**Budget**	**Projection**	**Projection**	**Projection**	**Projection**	**Projection**	**Projection**	**Overall Project Sources**
Transfer in - Plant Investment Fees	$ -	$ 150,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 150,000
Debt - Utilities	$ -	$ -	$ 1,025,000	$ -	$ -	$ -	$ -	$ -	$ 1,025,000
Total Sources	**$ -**	**$ 150,000**	**$ 1,025,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 1,175,000**
Uses/Costs	**Appropriated to Date**	**Budget**	**Projection**	**Projection**	**Projection**	**Projection**	**Projection**	**Projection**	**Overall Project Uses**
Design, Engineering & Permitting	$ -	$ 150,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 150,000
Construction	$ -	$ -	$1,025,000	$ -	$ -	$ -	$ -	$ -	$ 1,025,000
Total Uses	**$ -**	**$ 150,000**	**$ 1,025,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 1,175,000**
Capital Sources Over (Under) Uses	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Project Updates:

City of Stanwood
Multi-Year Capital Project

Project:	Main Lift Station Upgrades
Tracking Fund:	403 Sewer
Department:	Public Works - Wastewater
Project Manager:	Shawn Smith
Year Identified:	2015
Completion Year:	2022
Strategic or Master Plan Reference:	Sewer Master Plan
Program Reference:	N/A
Project Priority:	N/A
Project Score:	N/A
Asset Category:	Lift Station
Address/Location:	Public Works Facilities
Related Projects(s):	

Project Overview:

This project upgrades the electrical controls and components, installs new pumps and adds a fourth pump, designs a redundant force main to the WWTP and designs upgrades to the fine screen at the

Justification:

Detailed Project Description:

The project includes the installation of new electrical controls and components, replacing the three existing pumps and adding a fourth, piping water to the pumps for their cooling jackets, designing a new/redundant force main from the station under SR532 and to the WWTP and design and analysis for upgrading the fine screen at the headworks to the WWTP.

Operating Impacts:

Capital Budget	Previous Years	2020	2021	2022	2023	2024	2025	Horizon Years	Total
Sources/Funding	**Appropriated to Date**	**Budget**	**Projection**	**Projection**	**Projection**	**Projection**	**Projection**	**Projection**	**Overall Project Sources**
Transfer in - Plant Investment Fees	$ 91,350	$ 300,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 391,350
Debt - Utilities	$ -	$ -	$ 1,922,000		$ -	$ -	$ -	$ -	$ 1,922,000
Total Sources	**$ 91,350**	**$ 300,000**	**$ 1,922,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 2,313,350**
Uses/Costs	**Appropriated to Date**	**Budget**	**Projection**	**Projection**	**Projection**	**Projection**	**Projection**	**Projection**	**Overall Project Uses**
Design, Engineering & Permitting	$ 91,350	$ 300,000	$ 122,000	$ -	$ -	$ -	$ -	$ -	$ 513,350
Construction	$ -	$ -	$1,800,000		$ -	$ -	$ -	$ -	$ 1,800,000
Total Uses	**$ 91,350**	**$ 300,000**	**$1,922,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 2,313,350**
Capital Sources Over (Under) Uses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Project Updates:

Debt Financing Analysis

Unfunded Capital Projects	2021	2022	2023	2024	2025	2026	Horizon Years	Total Debt by Asset Type	Potential Funding Sources for Debt Service	Estimated New Debt Service 2021-2022
Debt-Transportation	$ -	$ -	$ 6,170,000	$ -	$ 6,725,000	$ -	$ 1,000,000	**$ 13,895,000**	Transportation Benefit District (TBD) Sales Tax - Requires ballot measure to extend the current TBD	
Debt-Parks & Trails	$ -	$ 4,489,000				$ -	$ -	**$ 4,489,000**	Metro Parks District (MPD); or Park Benefit District (TBD) - Requires ballot measure to add in new levy or add in new sales tax; or Issue debt in 2022- 20-year term	298,000
Debt-Utilities	$6,847,000		$ 6,000,000		$ 2,000,000	$ -	$ -	**$ 14,847,000**	Utility Revenue Bonds - Requires updated rate study to be completed in 2023 for 2024-2029 Rates	450,000
Total Unfunded	**$ 6,847,000**	**$ 4,489,000**	**$ 12,170,000**	**$ -**	**$ 8,725,000**	**$ -**	**$ 1,000,000**	**$ 33,231,000**		
Transportation-								**$ 13,895,000**		
SR532 Intersection				$ 2,700,000		$ 2,975,000				
106th Bypass			$ 500,000	$ 2,470,000						
Main 270th-271st						$ 3,250,000				
City Beautification				$ 500,000	$ 500,000		$ 1,000,000			
Utilities-								$ 14,847,000		
Sewer Pioneer Hwy Main Line	$ 900,000									
Sewer Church Creek	$ 1,025,000									
Sewer Main Lift Station	$ 1,922,000	$ -								
Sewer Treatment Plant		$ 2,000,000	$ 2,000,000							
Drainage IS4		$ 1,000,000	$ 2,000,000	$ 2,000,000	$ 2,000,000	$ -				
Parks & Trails-								$ 4,489,000		
Ovenell					$ 1,000,000					
Port Susan Trail	$ -	$ 734,000	$ 450,000	$ 200,000	$ 1,105,000					
Downtown Park				$ 1,000,000						

CITY OF STANWOOD
COUNCIL AGENDA STAFF REPORT

ITEM NUMBER:	8c
DATE:	July 22, 2021
SUBJECT:	DISCUSSION: Public Meetings and Public Offices
CONTACT PERSON:	Jennifer Ferguson, City Administrator
ATTACHMENTS:	A – Emergency Declaration Resolution 2020-05 B – March 9, 2020 Mayor Proclamation C – Governor Proc 20-28.15 updated D – Governor COVID19 Misc Venue Guidance updated E – Public Meetings – New Location Options Matrix

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PURPOSE

The purpose of this agenda item is for Council discussion regarding public meetings and public offices post COVID-19 pandemic and the reopening of the State of Washington.

BACKGROUND

In March 2020, the COVID-19 pandemic caused the shut down of the State of Washington, closed Stanwood public offices and forced the conduct of city council business and all public meetings into a virtual framework. The Mayor and City Council enacted emergency declarations (See Attachment A & B) The Open Public Meetings Act (OPMA) was amended by the Governor through Proclamation 20-28 and over the course of the last year was updated from time to time. Additionally, the Governor's Office provided guidance sheets for the government and business sectors on what was expected if they were to remain open, if eligible. On June 30, 2021, the Governor fully re-opened the State and Governor Proclamation 20-28 and public office guidance sheets were updated (See Attachment C & D). City Council meetings may now be conducted in person, with certain requirements and public offices may open, again following guidance.

In March 2021, the City learned that the (current) location where in person Council meetings are held that being the Stanwood Camano School District Administration Building Board Room was no longer available to the City Council. In order for the City Council to return to in-person public meetings a location must be selected, and the location must allow for the City Council to conduct the meeting according to the Governor Proclamation 20-28 updated.

Administration staff developed a potential City Council meeting site list for Council consideration. (See Attachment E).

City Offices have been open to the public, on a limited hours basis since mid-April 2021 when the Governor moved all counties to phase 3 of the re-opening plan. On June 30, 2021, the State fully reopened however, city offices have remained open for limited hours and city staff have continued to offer city business and customer services online as has been the case since the March 2020 state shut down

COUNCIL DISCUSSION QUESTIONS

1. When does the City Council want to return to in-person City Council meetings?
2. Will all Councilmembers want to attend council meetings in person or do some want to attend virtually?
3. Where would the City Council like to hold public meetings?
4. Does the City Council want to fully reopen city offices or continue offering limited public office hours and online services?
5. How will the City comply with current OPMA Gov Proc 20-28 to allow for both in-person and virtual attendance by the public?
6. When does the City Council want to remove the Stanwood emergency declaration enacted March 26, 2020?

RESOLUTION NO. 2020-05
CITY OF STANWOOD, WASHINGTON

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANWOOD, WASHINGTON, AUTHORIZING THE USE OF EMERGENCY PROCUREMENT PROCEDURES CONSISTENT WITH STATE LAW AND TO ADOPT PROCEDURES FOR HOLDING PUBLIC MEETINGS THAT ARE CONSISTENT WITH STATE LAW WHILE REDUCING THE RISK OF EXPOSURE AND SPREAD OF CONTAGIOUS VIRUSES THROUGH SOCIAL INTERACTIONS.

WHEREAS, the Revised Code of Washington (RCW) Chapter 38.52 authorizes the Mayor to exercise emergency powers; and

WHEREAS, Stanwood Municipal Code (SMC) Section 9.08.020, empowers the Mayor to proclaim a state of emergency when an incident, whether natural or man-made, requires immediate responsive action to protect life and property; and

WHEREAS, the novel coronavirus (COVID-19) is a respiratory disease that may result in serious illness or death and is easily transmissible from person to person; and

WHEREAS, on January 31, 2020, the United States Department of Public Health and Human Services Secretary Alex Azar declared a public emergency for the novel coronavirus (COVID-19) beginning on January 27, 2020; and

WHEREAS, on February 29, 2020, Governor Jay Inslee declared a state of emergency exists in all counties in the State of Washington due to the number of confirmed cases of COVID-19 in the State; and

WHEREAS, on March 2, 2020, the Snohomish County Department of Emergency Management, Snohomish County Emergency Coordination Center, began coordinating information and resources across county government to support the Snohomish Health District in alleviating the impacts to people, property, and infrastructure, and is assessing the magnitude and long-term effects of the incident with the Snohomish Health District; and

WHEREAS, on March 4, 2020, by Health Officer's Order No. 20-056, the Snohomish County Health Officer proclaimed a countywide public health emergency for COVID-19; and

WHEREAS, on March 4, 2020, Snohomish County Executive Dave Somers signed a proclamation of emergency due to the number of confirmed cases of COVID-19 in the County, thus enabling the County government to take extraordinary measures; and

WHEREAS, on March 11, 2020 Governor Jay Inslee issued an additional Emergency Proclamation ordering that all events that takes place in King, Snohomish, and Pierce counties with more than 250 people are prohibited by the state. The order applies to gatherings for social, spiritual and recreational activities. These include but are not limited to: community, civic, public, leisure, faith-based, or sporting events; parades; concerts; festivals; conventions; fundraisers and similar activities; and

WHEREAS, the health, safety and welfare of City residents, businesses, visitors and staff is of utmost importance to the City and additional future measures may be needed to protect the community; and

WHEREAS, the City may require additional assistance in the future, and a formal declaration of emergency allows additional resources to flow to the City in a timely fashion; and

WHEREAS, existing conditions related to the COVID-19 warrant the proclamation of emergency, as defined by SMC Section 9.08.020, and Revised Code of Washington (RCW) Section 38.52.010; and

WHEREAS, RCW 36.40.180, RCW 38.52.070(2), and RCW 39.04.280(3), authorize the waiver of the requirements of competitive bidding and public notice with reference to any contract relating to the City's lease or purchase of supplies, equipment, personal services or public works as defined by RCW 39.04.010, or to any contract for the selection and award of professional and/or technical consultant contracts in emergency situations;

WHEREAS, there is an emergency present which necessitates the utilization of emergency powers granted pursuant to chapter 38.52 RCW, SMC; 9.08.020, and other relevant provisions of state and federal law; and

WHEREAS, on March 9, 2020 Mayor Kelley signed an Emergency Proclamation declaring a state of emergency exits; and

WHEREAS, the Open Public Meetings Act, chapter 42.30 RCW, requires Cities to take action in an open public meeting where members of the public are able to attend such meetings without any conditions placed on attendance; and

WHEREAS, due to the multiple declarations of emergency adopted as set forth herein, the public's ability to attend public meetings must be balanced with the need to limit continued exposure, or risk of exposure, through social interaction to the COVID-19 virus;

WHEREAS, the Attorney General has issued guidance to public agencies attempting to comply with the OPMA and reducing and limiting the risk of social exposure indicating that using a remote speakerphone available at an agency meeting location (agency office or other designated physical location) where the public can attend to listen to the discussion, using a phone call- in numbers the public can use, or real time streaming of the meeting online, or GoToMeeting, or similar remote means for the public to listen to the discussion would be appropriate under existing Emergency Proclamation(s);

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

Section 1. That the Emergency Proclamation signed by Mayor Kelley dated March 9, 2020, which among other things waived competitive bidding requirements is hereby ratified and confirmed and all acts consistent with and prior to the adoption of this Resolution are further ratified and confirmed.

Section 2. City Staff are hereby directed to incorporate procedures for conducting public meetings that are consistent with the Open Public Meetings Act as set forth in chapter 42.30 RCW while balancing the requirement of public viewing and participation with need to limit the social interactions that could increase the risk of exposure to the COVID-19 virus. Such procedures may include using a remote speakerphone available at an agency meeting location (agency office or other designated physical location) where the public can attend to listen to the discussion, using a phone call- in numbers the public can use, or real time streaming of the meeting online, or GoToMeeting, or similar remote means for the public to listen to the discussion.

APPROVED AND ADOPTED this 26 day of March, 2020.

____
Mayor _________

ATTEST:

____
City Clerk

APPROVED AS TO FORM:

____
City Attorney Grant K. Weed

City of Stanwood
Declaration for Citywide Emergency

WHEREAS, the City is supporting a regional response to the COVID-19 outbreak and,

WHEREAS, there is an emergency present which necessitates activation of the City of Stanwood Emergency Operations Plan and the Snohomish County Comprehensive Emergency Management Plan and utilization of emergency powers grants pursuant to RCW 38.52; and

WHEREAS, the City recognizes the need for additional assistance and resources.

NOW THEREFORE, I, Leonard Kelley, as a result of the outbreak of COVID-19, do hereby proclaim that a State of Emergency exists within the City of Stanwood.

Designated departments are authorized under RCW 38.52.070(2) to enter into contracts and incur obligations necessary to combat such an emergency. Each designated department is authorized to exercise powers vested in this resolution, in light of demands of extreme emergency situation, without regard to time consuming procedures and formalities prescribed by law (excepting mandatory constitutional requirements).

DATED this 9th day of MARCH 2020

Leonard Kelley

Leonard Kelley
Mayor

STATE OF WASHINGTON
OFFICE OF GOVERNOR JAY INSLEE

**PROCLAMATION BY THE GOVERNOR
AMENDING AND EXTENDING
PROCLAMATIONS 20-05 and 20-28, et seq.**

**20-28.15
Open Public Meetings Act and Public Records Act Proclamations**

WHEREAS, on February 29, 2020, I issued Proclamation 20-05, proclaiming a State of Emergency for all counties throughout the state of Washington as a result of the coronavirus disease 2019 (COVID-19) outbreak in the United States and confirmed person-to-person spread of COVID-19 in Washington State; and

WHEREAS, as a result of the continued worldwide spread of COVID-19, its significant progression in Washington State, and the high risk it poses to our most vulnerable populations, I have subsequently issued several amendatory proclamations, exercising my emergency powers under RCW 43.06.220 by prohibiting certain activities and waiving and suspending specified laws and regulations; too

WHEREAS, to enable public meetings to occur while maintaining the social distancing and limitations on in-person interactions necessary to curtail the spread of COVID-19, on March 24, 2020, I issued Proclamation 20-28, prohibiting in-person meetings and waiving and suspending laws and rules concerning RCW 42.56, the Public Records Act, and RCW 42.30, the Open Public Meetings Act that hindered conducting public meetings remotely; and

WHEREAS, under the provisions of RCW 43.06.220(4), the statutory waivers and suspensions of Proclamation 20-28, et seq., have been periodically extended by the leadership of the Washington State Senate and House of Representatives, and which I have acknowledged and similarly extended the prohibitions therein in subsequent sequentially numbered proclamations, which proclamations also contained modifications and guidance regarding the waivers, suspensions, and prohibitions; and

WHEREAS, on January 15, 2021, under the provisions of RCW 43.06.220(4), the statutory waivers and suspensions of Proclamation 20-21, et seq., were extended by Senate Concurrent Resolution 8402 until the termination of the state of emergency pursuant to RCW 43.06.210, or until rescinded, whichever occurs first; and

WHEREAS, to fully extend Proclamations 20-28, et seq., it is also necessary for me to extend the prohibitions provided therein; and

WHEREAS, the Washington State Military Department Emergency Management Division, through the State Emergency Operations Center, continues coordinating resources across state government to address the impacts and long-term effects of the emergencies on Washington State and its people.

NOW, THEREFORE, I, Jay Inslee, Governor of the state of Washington, as a result of the above-noted situation, and under Chapters 38.08, 38.52, and 43.06 RCW, do hereby proclaim that a State of Emergency continues to exist in all counties of Washington State, that Proclamation 20-05 and all amendments thereto remain in effect as otherwise amended, and that Proclamations 20-28, et seq., are amended to (1) recognize the extension of statutory waivers and suspensions therein by the Washington State Legislature until termination of the state of emergency pursuant to RCW 43.06.210, or until rescinded, and (2) similarly extend the prohibitions therein until termination of the state of emergency pursuant to RCW 43.06.210, or until rescinded, whichever occurs first.

I again direct that the plans and procedures of the *Washington State Comprehensive Emergency Management Plan* be implemented throughout state government. State agencies and departments are directed to continue utilizing state resources and doing everything reasonably possible to support implementation of the *Washington State Comprehensive Emergency Management Plan* and to assist affected political subdivisions in an effort to respond to and recover from the COVID-19 pandemic and wildfires.

I continue to order into active state service the organized militia of Washington State to include the National Guard and the State Guard, or such part thereof as may be necessary in the opinion of The Adjutant General to address the circumstances described above, to perform such duties as directed by competent authority of the Washington State Military Department in addressing the outbreak. Additionally, I continue to direct the Department of Health, the Washington State Military Department Emergency Management Division, and other agencies to identify and provide appropriate personnel for conducting necessary and ongoing incident related assessments.

Violators of this order may be subject to criminal penalties pursuant to RCW 43.06.220(5).

Signed and sealed with the official seal of the state of Washington on this 19th day of January, A.D., Two Thousand and Twenty-One at Olympia, Washington.

By:

/s/
Jay Inslee, Governor

BY THE GOVERNOR:

/s/
Secretary of State

Miscellaneous Venues
COVID-19 Requirements

As of June 30, 2021 the following apply to governing bodies of public agencies opting to host in-person public meetings under the Open Public Meetings Act, as permitted under Emergency Proclamation 20-28, et seq.:

- No restrictions on capacity.
- No physical distancing requirements.
- Follow current applicable face covering requirements as outlined in: Proclamation 20-25, et seq., Secretary of Health Order 20-03.2, and LNI Publication F414-179.

City of Stanwood
Council Meeting Room
Site Comparison & Selection

Site Name	Location	Cost	Occupancy	Dias Tables-Chairs	Separate Room	Kitchen	Podium	Audio	ADA	Parking	Meeting Time Conflicts	Other	Notes
		Site Conditions/Amenities											
Community Resource Center	9612 271st St NW	$ 840 per mo	180	Yes	Yes	Yes	Yes	Y	Y	Limited & Street	No		Set up and Take down to be done by City - Key Provided
Port Susan Middle School	7506 267th St NW	$240 mo+ Janitor OT Pay approx $160=$400	Cafeteria	Yes	Yes	No	Yes	Y	Y	Y	No	**Not available until Sept**	
Stanwood Middle School	9405 271st St NW	$240 mo+ Janitor OT Pay approx $160=$400	Cafeteria	Yes	Yes	No	Yes	Y	Y	Y	No		Janitor to do all set up and take down as well as open and close the building
Floyd Nygaard	10200 271st Street NW	$600 per mo	300	Yes	Yes	Yes	Yes	Y	Y	Limited & Street	No		Set up and Take down to be done by the City - Key provided
Stanwood High School	**Not available**												
YMCA	**Not available**												
Stanwood Cohost	**Not available**												