

CITY OF STANWOOD
City Council Special Workshop Meeting
Thursday, October 13, 2022 – 5:00 p.m.
Stanwood-Camano School District Admin. Bldg. Board Room
26920 Pioneer Highway, Stanwood
and via Zoom Online & Telephone

MINUTES

Call to Order

Mayor Sid Roberts called the meeting to order at 5:01 p.m.

Attendance

Councilmembers present: Dani Gaumond, Marcus Metz, Darren Robb, Tim Pearce, Steve Shepro, Andreena Bergman, and Tim Schmitt.

Also present: City Administrator Shawn Smith, Community Development Director Patricia Love, Finance Director David Hammond, Public Works Director Kevin Hushagen, Finance Manager Wendy Dowhower, Assistant to the Administrator and Communications Manager Krista Hintz, Utility Supervisor Leigh Danielson via zoom and City Clerk Lisa Sokolik.

1. Budget 2023 - 2024

On August 11, 2022, at the Special Workshop, the preliminary capital budget was discussed and at the September 22, 2022, Special Workshop the preliminary operating budgets, were discussed. Tonight, operating and capital budgets were brought together for a discussion of the preliminary budget for 2023-2024.

Finance Director David Hammond led the discussion, focusing on:

- The capital improvement plan funding and the general fund.
- An update of the ARPA first tranche designations approved by council.
- The ARPA second tranche.
- The assumptions that are being relied upon for the budget.
- The calendar of the adoption of the capital improvement plan and the biennial budget.
- Options to address funding gaps.

Hammond asked Council for feedback on the Capital Improvement Plan (CIP); remove some projects or look at funding options, as the city cannot afford to do all projects as it's structured right now.

To levy property tax, an ordinance will need to be mailed to the assessor's office by November 30th. Councilmember Shepro asked if the city can levy a property tax next year or in six months. Hammond answered a levy can only be done once a year.

Mayor Roberts said that there are a lot of good projects on the CIP, but in order to do all of them Council will need to discuss and decide to either raise revenue (taxes) or remove projects. He asked Council to discuss and ask staff questions.

Stanwood Special Workshop Meeting Minutes – October 13, 2022

Council discussed and asked questions about the proposed CIP.

The workshop handout is attached to these minutes.

A Special Workshop will be added to the Council's calendar for November 3, 2022, time to be determined.

Adjourn

Mayor Roberts Adjourned the meeting at 6:40 p.m.

CITY OF STANWOOD



Sid Roberts, Mayor

ATTEST:



Lisa Sokolik, City Clerk

**Stanwood City Council
Special Workshop Meeting
October 13, 2022
Budget 2023-24**



Parks, Facilities & Floodwall Project Costs Added in the Draft 2023-2028 Capital Improvement Program



Additional Project Costs in 2023-2027 Capital Improvement Plan							
Project:	2023	2024	2025	2026	2027	2028	Total
Cedarhome new park	\$ 70,000						
Church Creek	\$ 90,000	\$ 650,000	\$ 80,000	\$ 217,650	\$ (239,400)	\$ 329,400	\$ 1,127,650
Ovenell Park	\$ (250,000)	\$ (355,000)	\$ (1,500,000)				\$ (2,105,000)
Downtown Park							\$ -
Johnson Farm	\$ 485,000		\$ 50,000	\$ 200,000			\$ 735,000
Hamilton							\$ -
Port Susan Trail	\$ 500,000			\$ 200,000	\$ 200,000		\$ 900,000
Heritage Park	\$ 200,000	\$ 300,000	\$ 1,750,000	\$ 1,750,000			\$ 4,000,000
Raplee Property	\$ 85,000	\$ 60,000	\$ 550,000				\$ 695,000
Civic Hall/Police Station Remodels	\$ 890,000						\$ 890,000
Floodwall	\$ 150,000						\$ 150,000
Subtotal	\$ 2,220,000	\$ 655,000	\$ 930,000	\$ 2,367,650	\$ (39,400)	\$ 329,400	\$ 6,462,650
City Beautification	\$ 35,000	\$ 35,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 190,000
Twin City Mile	\$ 1,784,000	\$ 739,000	\$ 1,500,000	\$ 742,000	\$ 3,710,000	\$ 1,730,000	\$ 10,205,000
2022-2027 CIP City Beautification	\$ 405,000	\$ 155,000	\$ 530,000	\$ 530,000	\$ 1,020,000		\$ 2,640,000
2022-2027 Main Street Corridor				\$ 3,450,000			\$ 3,450,000
net City Beautification Increase	\$ 1,414,000	\$ 619,000	\$ 1,000,000	\$ (3,208,000)	\$ 2,720,000	\$ 1,760,000	\$ 4,305,000
Increases, by year	\$ 3,634,000	\$ 1,274,000	\$ 1,930,000	\$ (840,350)	\$ 2,680,600	\$ 2,089,400	
Total increase, 2023-2028		\$ 10,767,650					

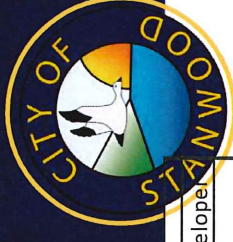
Parks, Facilities, Floodwall And Twin City Mile
Project Costs in 2023-2028
Capital Improvement Program,
Detailed by Funding Source



Total 2023-2028 Projected use of:									
Project:	Debt	REET 1	REET 2	Park Impact	General *	Grant	TBF	Traffic Impact	Developer
Cedarhome new park				\$ 70,000					
Church Creek	\$ -	\$ 250,000			\$ 250,000				
Ovenell Park	\$ -	\$ -	\$ -	\$ -	\$ -				
Downtown Park	\$ 1,000,000				\$ 100,000				
Johnson Farm		\$ 200,000			\$ 335,000	\$ 200,000			
Hamilton		\$ 250,000			\$ 250,000	\$ 500,000			
Port Susan Trail	\$ 1,305,000	\$ 1,100,000			\$ 1,033,000	\$ 805,000			
Heritage Park	\$ 3,400,000	\$ 800,000	\$ 200,000	\$ 200,000	\$ 200,000				
Raplee Property					\$ 145,000	\$ 550,000			
Civic Hall/Police Station Remodels					\$ 890,000				
Floodwall					\$ 714,000				
Subtotal Parks	\$ 5,705,000	\$ 2,600,000	\$ 200,000	\$ 270,000	\$ 3,917,000	\$ 2,055,000			
City Beautification									
Twin City Mile	\$ 5,221,000		\$ 190,000		\$ 1,684,000	\$ 3,000,000	\$ 300,000		
SubTotal by Source-Before Streets	\$ 10,926,000	\$ 2,600,000	\$ 390,000	\$ 270,000	\$ 5,601,000	\$ 5,055,000	\$ 300,000		

Streets & Sidewalks Project Costs in 2023-2028

Capital Improvement Program, Detailed by Funding Source



*Sum of
Funds
103, 104
and 110
and GF
Surplus
2021-22

	Debt	REET 1	REET 2	Park Impact	General *	Grant	TBF	Traffic Impact	Developer
Street Projects in 2023-2028									
Westside Overlays					\$ 387,337	\$	\$ 387,337		
Viking Way Phase 2						\$ 890,000		\$ 146,000	
Sidewalk: Cedarhome Drive NW			\$ 150,612				\$ 500,000	\$ 64,000	
Sidewalk: 98th Dr. NW					\$ 35,920		\$ 75,000	\$ 12,320	
Sidewalk: 272nd St NW					\$ 168,000		\$ 75,000	\$ 27,000	
Sidewalk: 72nd AVE NW		\$ 45,000			\$ 102,500		\$ 100,000	\$ 27,500	
Sidewalk: 92nd Ave NW		\$ 140,000			\$ 111,000		\$ 100,000	\$ 39,000	
Sidewalk 284th ST NW-South					\$ 92,280		\$ 75,000	\$ 18,600	
Overlay and ADA Improvements						\$ 2,340,500	\$ 296,300		
80th Ave NW Reconstruction Phase 1			\$ 880,000				\$ 100,000	\$ 420,000	\$ 5,000,000
80th Ave NW Reconstruction Phase 2									
Ovenell Entrance/106th Bypass						\$ 3,500,000			
SR532 Hamilton Entrance Intersection						\$ 3,500,000			
64th and SR532 Intersection						\$ 4,200,000			
284th Street NW Improvements						\$ 622,000		\$ 1,000,000	\$ 4,078,000
101st Ave Reconstruction & Overlay						\$ 2,640,000			
Subtotal Streets	\$ -	\$ -	\$ 1,215,612	\$ -	\$ 897,037	\$ 17,692,500	\$ 1,708,637	\$ 1,754,420	\$ 9,078,000
Subtotal Parks, Facilities & Floodwall	\$ 5,705,000	\$ 2,600,000	\$ 200,000	\$ 270,000	\$ 3,917,000	\$ 2,055,000	\$ -	\$ -	\$ -
Total By Funding Source	\$ 10,926,000	\$ 2,600,000	\$ 1,605,612	\$ 270,000	\$ 6,498,037	\$ 22,747,500	\$ 2,008,637	\$ 1,754,420	\$ 9,078,000
Available January 2023		\$ 1,376,650	\$ 1,287,216	\$ 39,608	\$ 5,902,542		\$ 450,000	\$ 980,000	
Available Annually		\$ 250,000	\$ 250,000	\$ 50,000			\$ 500,000	\$ 150,000	
Available over 2023-28		\$ 1,500,000	\$ 1,500,000	\$ 300,000			\$ 3,000,000	\$ 900,000	
Total Available	\$ -	\$ 2,876,650	\$ 2,787,216	\$ 339,608	\$ 5,902,542	\$ -	\$ 3,450,000	\$ 1,880,000	
Gap and Surplus by Source	\$ (10,926,000)	\$ 276,650	\$ 1,181,604	\$ 69,608	\$ (595,495)	\$ (22,747,500)	\$ 1,441,363	\$ 125,580	

2021 Citizen Survey of Priorities

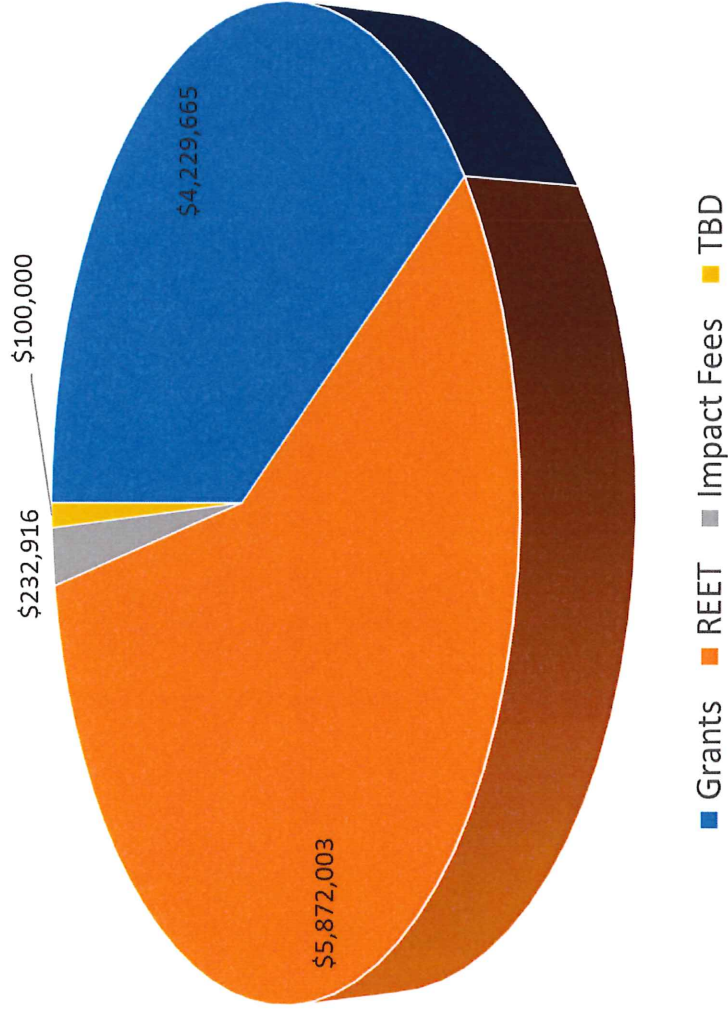


- **Build Safe Streets**
 - Develop multi-modal, safe and aesthetically pleasing city streets and support our WSDOT partnership to improve SR532 intersections
- **Water and Sewer Systems**
 - To ensure that cost-effective, high-quality water and sewer service is available, or can be provided, to serve the projected population and employment growth with the City.
- **Drainage and Flood Protection**
 - Protect life and property from storm, river, flood, and excess surface waters. Assure compliance with federal and state storm-water management and water quality requirements. Encourage the preservation and enhancement of natural drainage systems.
- **City Beautification**
 - Preserve the community's historic rural, small-town character while promoting the region as a family-friendly place to live, work and play. The project will celebrate the beauty of the area and promote buying locally.
- **Support a Sustainable Local Economy**
 - Focus economic development efforts on continually building a sustainable local economy by supporting existing businesses, recruiting new business and promote our tourism industry.
- **Enhance Parks and Recreation**
 - Improve our existing parks and trails, especially along the waterfront and develop recreational opportunities for the community and visitors
- **Public Engagement Opportunity**
 - Continually enhance connectivity and public engagement tools for residents, business and visitors through diverse communication channels that include alternative meeting formats

Parks Construction Funding Ten-Year History



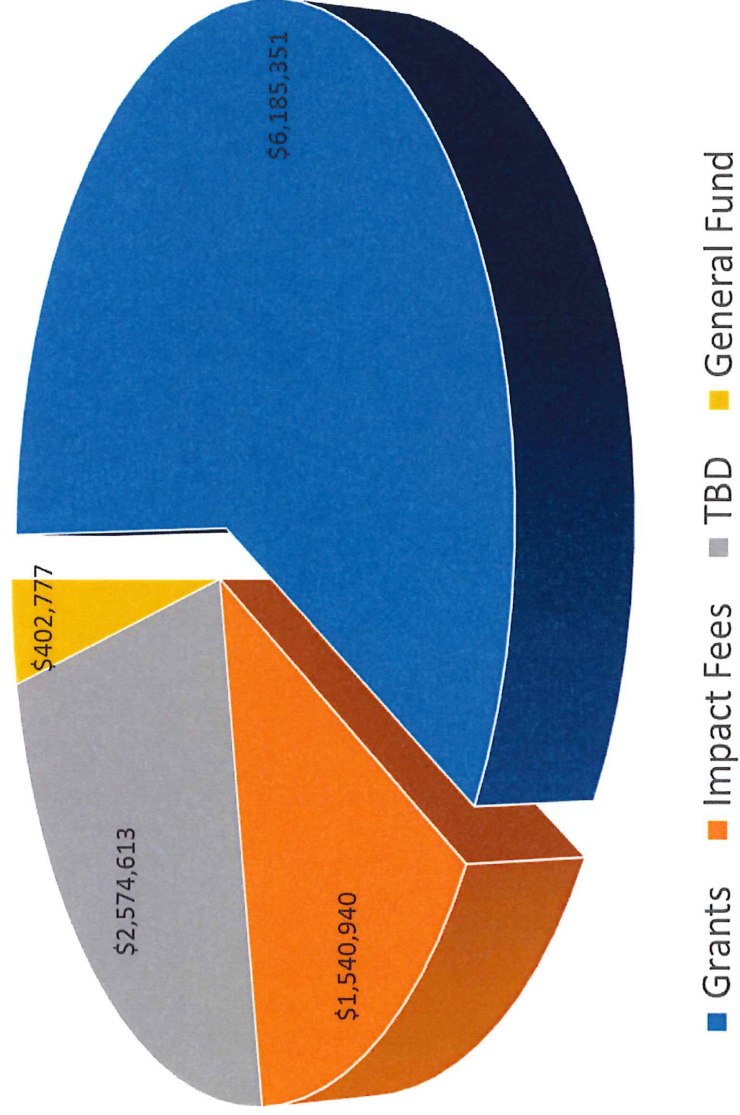
Parks Construction Funding by Source



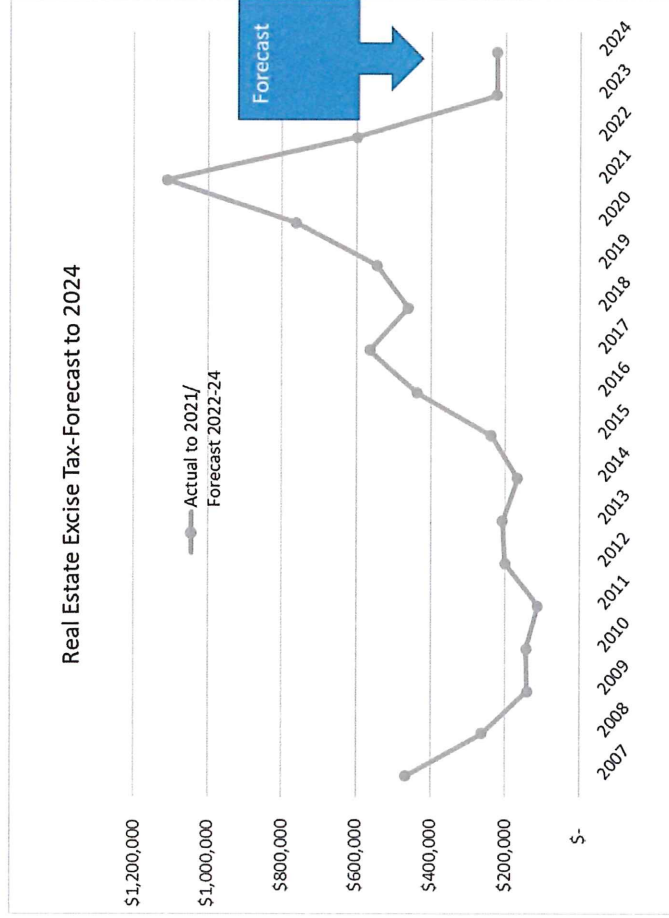
Street Construction Funding Ten-Year History



Street Construction Funding by Source



Real Estate Excise Tax History and Outlook





General Fund Revenue & Expenditure History and Biennium Forecast

	2021	2022	2023	2024	Percentage Changes		
Beginning Fund Balance	\$ 4,428,700	\$ 4,094,795	\$ 4,242,863	\$ 2,222,244	2021-22	2022-23	2023-24
General Fund Revenue							
Property tax	\$ 1,826,734	\$ 1,954,000	\$ 2,032,948	\$ 2,064,249	7.0%	4.0%	1.5%
Sales tax	\$ 2,523,758	\$ 2,397,825	\$ 2,275,911	\$ 2,328,184	-5.0%	-5.1%	2.3%
Utility tax	\$ 1,187,067	\$ 1,158,250	\$ 1,201,360	\$ 1,254,144	-2.4%	3.7%	4.4%
Licenses & permits	\$ 510,985	\$ 375,115	\$ 377,130	\$ 386,558	-26.6%	0.5%	2.5%
Charges for Services	\$ 388,009	\$ 398,045	\$ 313,800	\$ 321,645	2.6%	-21.2%	2.5%
State pass-through	\$ 1,398,640	\$ 1,292,346	\$ 265,619	\$ 265,571	-7.6%	-79.4%	0.0%
Fines & Misc.	\$ 123,471	\$ 80,885	\$ 76,125	\$ 77,526	-34.5%	-5.9%	1.8%
Less: ARPA	\$ 7,958,664	\$ 7,656,466	\$ 6,542,893	\$ 6,697,877	-3.8%	-14.5%	2.4%
	\$ 1,018,070	\$ 1,018,070					
	\$ 6,940,594	\$ 6,638,396	\$ 6,542,893	\$ 6,697,877	-4.4%	-1.4%	2.4%
General Fund Expenditure	2021	2022	2023	2024	2021-22	2022-23	2023-24
Operating Expenditures:							
Salaries and Wages	\$ 1,352,689	\$ 1,464,870	\$ 1,590,891	\$ 1,671,842	8.3%	8.6%	5.1%
Personnel Benefits	\$ 520,807	\$ 645,727	\$ 658,014	\$ 691,604	24.0%	1.9%	5.1%
Supplies	\$ 39,088	\$ 69,644	\$ 75,425	\$ 81,067	78.2%	8.3%	7.5%
Services	\$ 448,427	\$ 679,110	\$ 728,403	\$ 710,976	51.4%	7.3%	-2.4%
Professional Services	\$ 910,824	\$ 489,989	\$ 818,019	\$ 540,985	-46.2%	66.9%	-33.9%
Police Services Contract	\$ 1,880,685	\$ 1,944,372	\$ 2,111,430	\$ 2,248,673	3.4%	8.6%	6.5%
Capital	\$ 13,500	\$ 25,000	\$ 25,000	\$ 26,250	85%	0%	5%
Operating Subtotal	\$ 5,166,020	\$ 5,318,712	\$ 6,007,182	\$ 5,971,397	3.0%	12.9%	-0.6%
Transfers Out:							
Streets	\$ 300,000	\$ 340,000	\$ 340,000	\$ 340,000	13.3%	0.0%	0.0%
Equipment	\$ 110,710	\$ 90,343	\$ 80,165	\$ 70,000	-18.4%	-11.3%	-12.7%
Tourism	\$ 43,750	\$ 90,000	\$ 91,000	\$ 91,000	105.7%	1.1%	0.0%
Contingency	\$ 34,313	\$ 50,000	\$ 138,000	\$ 40,000	45.7%	176.0%	-71.0%
Water (Hydrant Reimb.)	\$ 100,000	\$ 100,000	\$ 104,000	\$ 109,200	0.0%	4.0%	5.0%
Ordinary Transfers Out Subtotal	\$ 588,773	\$ 670,343	\$ 753,165	\$ 650,200	13.9%	12.4%	-13.7%
Operating and Ordinary Transfers	\$ 5,754,793	\$ 5,989,055	\$ 6,760,347	\$ 6,621,597	4%	13%	-2%

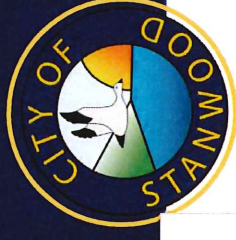


Extraordinary Transfers and One-Time Costs

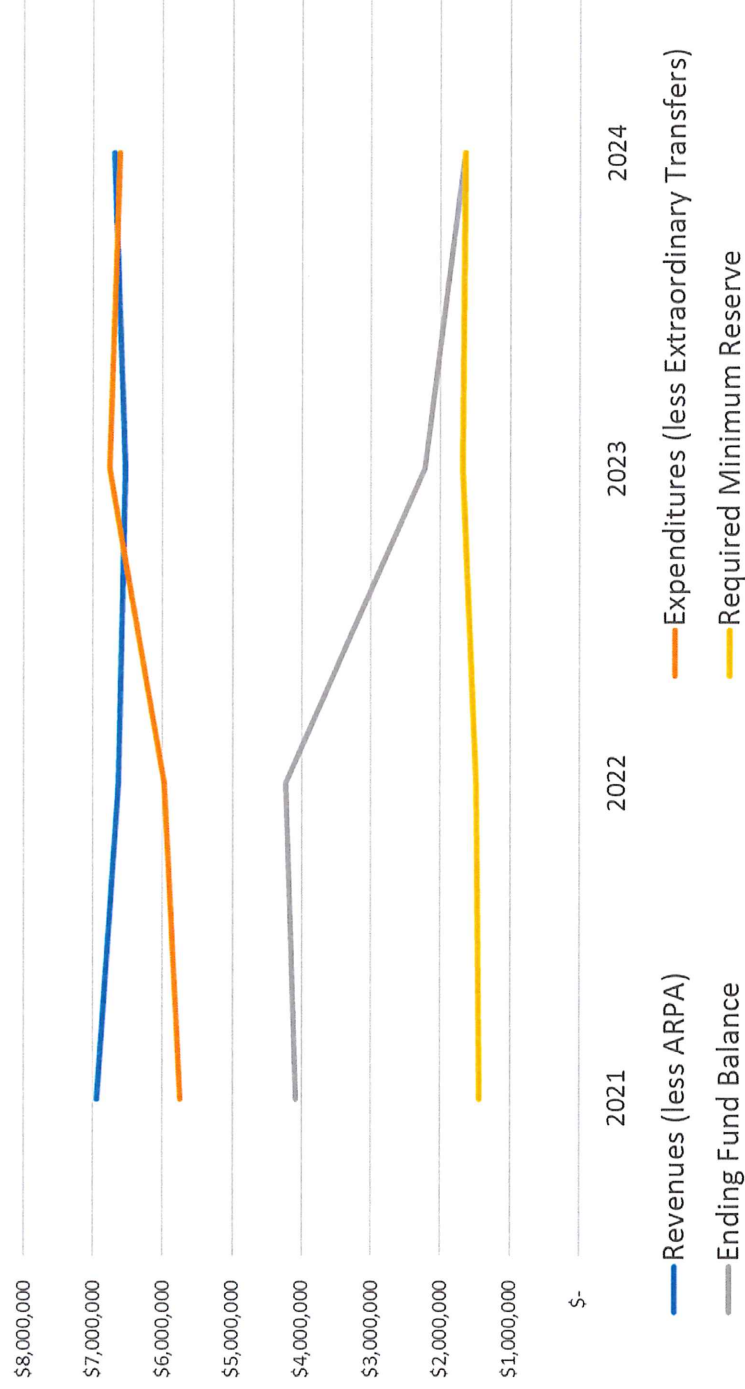
Extraordinary Transfers	2021	2022	2023	2024
Floodwall		\$ 564,000	\$ 150,000	
Street Construction		\$ 285,000	\$ 300,000	
Parks Construction	\$ 449,003		\$ 300,000	
Facilities Capital	\$ 1,500,000		\$ 300,000	
Transfers Out Total	\$ 2,537,776	\$ 1,519,343	\$ 1,803,165	\$ 650,200
Total Expenditures	\$ 7,703,796	\$ 6,838,055	\$ 7,810,347	\$ 6,621,597
Ending Fund Balance	\$ 4,094,795	\$ 4,242,863	\$ 2,222,244	\$ 1,648,324
Required Minimum Reserve	\$ 1,438,698	\$ 1,497,264	\$ 1,690,087	\$ 1,655,399

One-Time General Fund Costs 2022, and Proposed for 2023-24 Biennium				
	2022	2023	2024	
Senior Center	\$ 25,000			
Resource Center		\$ 50,000		
Food Bank Paving		\$ 40,000		
Crosswalks	\$ 50,000	\$ 50,000		
Special Events	\$ 10,000	\$ 10,000	\$ 10,000	
City Beautification	\$ 285,000			
Storefront Improvement Program		\$ 100,000	\$ 100,000	
RFA Ambulance	\$ 150,000			
Public Works Security	\$ 25,000	\$ 20,000		
Flood Wall	\$ 564,000	\$ 150,000		
Event Stage	\$ 30,000			
Records Request Software	\$ 3,290			
Budget Software Implementation	\$ 5,600			
Digital Records Management	\$ 126,000	\$ 180,000	\$ 120,000	
Park & Rec Feasibility Study	\$ 25,000			
Municipal Code update	\$ 30,000	\$ 115,000	\$ 115,000	
Comprehensive Plan	\$ 200,000	\$ 220,000	\$ 80,000	
	\$ 1,530,912	\$ 937,023	\$ 427,024	\$ 2,894,959

2023-24 Biennium General Fund Outlook



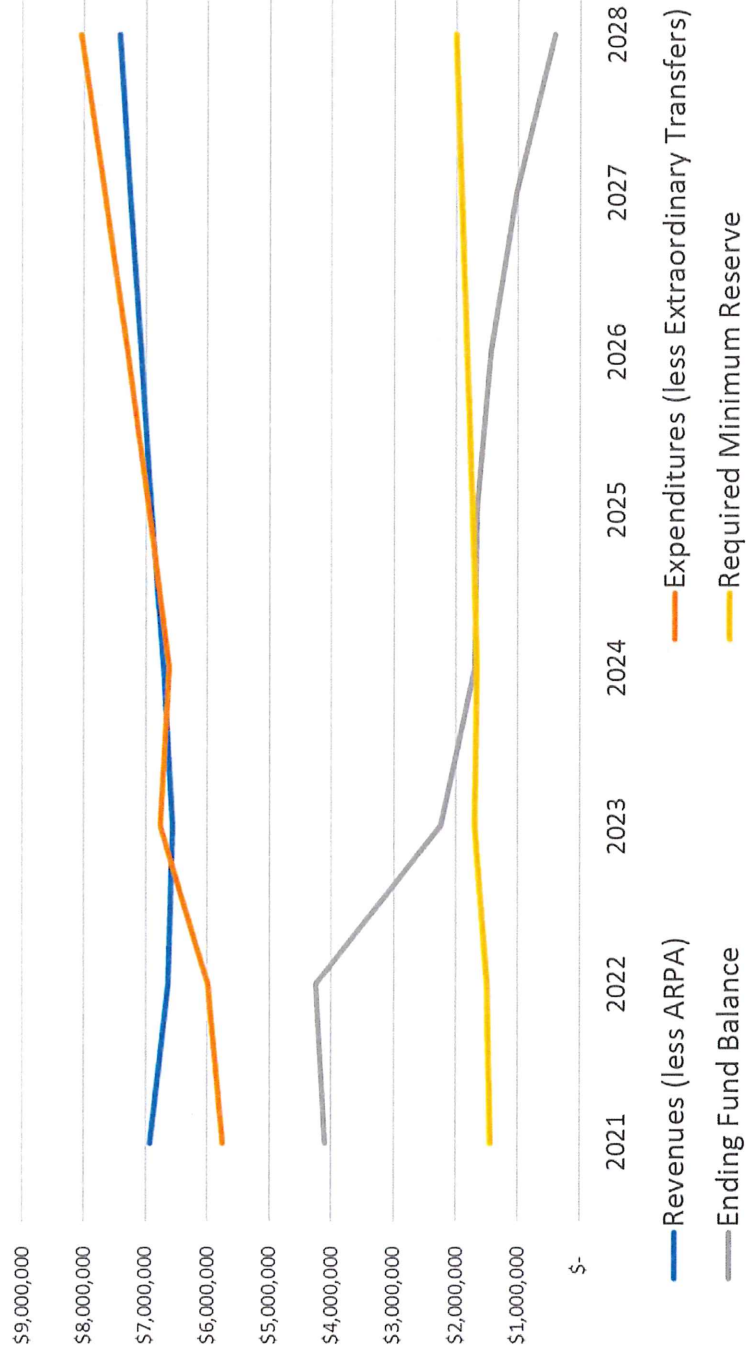
General Fund Revenue, Expenditure, Ordinary Transfers, Ending Fund Balance
Compared to Required Minimum Fund Balance



Six-Year General Fund Outlook



General Fund Revenue, Expenditure, Ordinary Transfers, Ending Fund Balance
Compared to Required Minimum Fund Balance

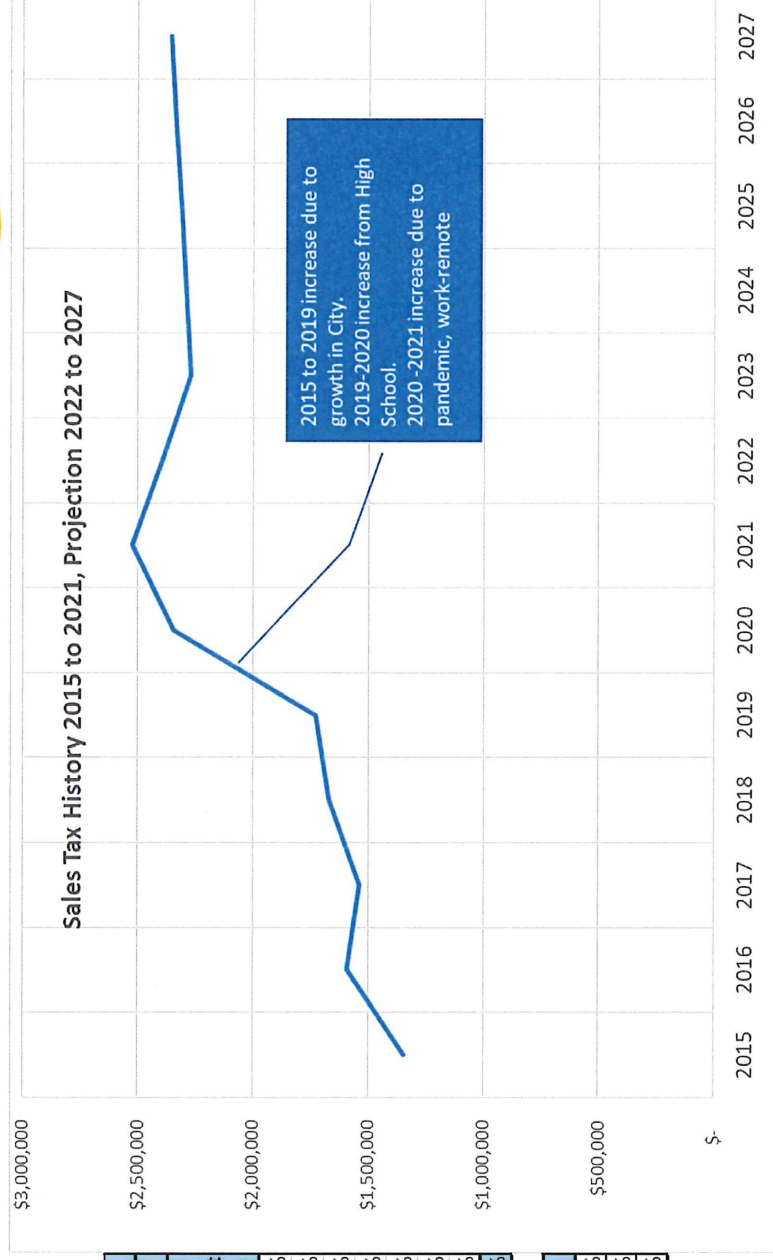


Sales Tax reflects economy is holding steady amidst higher prices.

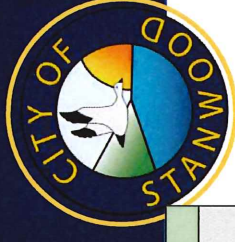


2022 through September					
Retail Sales Tax					
Industry Category	2022 YTD	2021 Same Period	Dollar Change	Dollar Change	Percent Change
Convenience & Grocers	\$ 80,153	\$ 76,286	\$ 3,867	\$ 3,867	5.1%
Auto/RV Dealer	\$ 151,118	\$ 151,551	\$ (433)	\$ (433)	-0.3%
Department Store	\$ 90,011	\$ 86,993	\$ 3,018	\$ 3,018	3.5%
Specialty Retail	\$ 434,592	\$ 442,296	\$ (7,705)	\$ (7,705)	-1.7%
Restaurants	\$ 219,561	\$ 192,050	\$ 27,511	\$ 27,511	14.3%
Building & Construction	\$ 415,073	\$ 461,723	\$ (46,650)	\$ (46,650)	-10.1%
All Other Sales & Use Tax	\$ 385,238	\$ 352,437	\$ 32,801	\$ 32,801	9.3%
Total	\$1,775,746	\$1,763,336	\$ 12,411	\$ 12,411	0.7%

Other Sales Taxes					
Criminal Justice	\$ 142,335	\$ 117,174	\$ 25,161	\$ 25,161	21.5%
Affordable Housing	\$ 9,324	\$ 14,276	\$ (4,952)	\$ (4,952)	-34.7%
Transportation Benefit District	\$ 417,740	\$ 414,835	\$ 2,905	\$ 2,905	0.7%

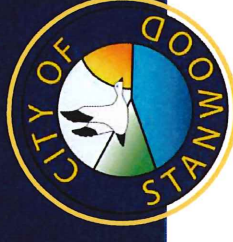


Council Designations of ARPA Funds—Report on First Tranche, Page 1



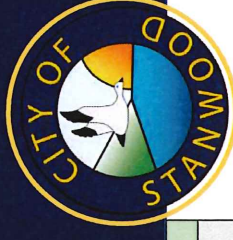
Proposed ARPA Designated Work					
Department	Project Title	Project Description	Community Priority	Estimated Cost	Status Update
Public Works	FloodWall	Construct a removable floodwall on Florence Road to prevent flooding of downtown Stanwood during flood events.	Drainage and Flood Protection	\$ 564,000	Soil borings have been completed and awaiting a geotech report. Once that report is finalized the pier design can be completed.
Finance/IT	Budget Software	Implementation of ClearGov Software to provide budgeting, planning, forecasting and budget information presentation software services	Enhance Public Engagement	\$ 5,600	Implementation in Process for both the Capital Improvement Plan and the 2023-24 operational budgets.
Finance/IT	Public Records Request Software	One-time implementation costs for Public Records Request Processing Software. This work will improve employee efficiency when processing citizen records requests by automating workflows. These requests are often made to learn about city government and also to gather information about property development. The Police Dept. processes approx. 400 requests per year, while the Clerk's Office processes about 115. Failure to comply with the Public Records Act carries significant financial penalty and this purchase will help ensure compliance with the Public Records Act.	Enhance Public Engagement	\$ 3,290	Implementation in Process-seven users (in Community Development and Clerk's Office) have licenses and are able to search and access scanned building permits. As more city records are digitized, more users will be added.
City-wide	Regional Fire Authority Revenue Loss	The Regional Fire Authority (RFA) has requested assistance with the purchase of an ambulance. The RFA experienced a decline in transportation fees during the pandemic with limited ability to reduce costs of staffing the service. At the same time, the RFA had budgeted purchase of an ambulance, and was able to complete the purchase. The RFA has also requested revenue loss mitigation from Snohomish County, however the county did not provide in the first phase of ARPA funding.	Promoting Public Safety	\$ 150,000	Paid to RFA, Ambulance on order.
City-wide	Lincoln Hill Retirement Community/Senior Center	This request comes from the Lincoln Hill Retirement Community/Senior Center, to partially replace revenue lost during the pandemic. The biggest impact has been Economic, as we have basically been "closed" and cannot hold fundraisers, rent rooms, programs fees, etc. that normally would give us income. Just our car show alone, we lost \$8000 in income. Our income has been reduced by at least \$25,000 due to covid and not being able to operate fundraisers, room rentals, had to close the Thrift Store (\$90,000 a year income).	Promoting Public Safety	\$ 25,000	Paid to Lincoln Hill

Council Designations of ARPA Funds—Report on First Tranche, Page 2



Proposed ARPA Designated Work					
Department	Project Title	Project Description	Community Priority	Estimated Cost	Status Update
Community Development	Brick Road Gateway	Expand the City Beautification budget to design and construct a gateway feature in the triangle entrance to the brick road at 270th and Camano Street (or near there). The City would work with our local landscape architect to establish project parameters for the gateway project and then use our partnership with the Stanwood Camano Arts Advocacy Commission to design and construct the feature. This would result in two gateways drawing residents and tourist off of SR 532 and into the downtown shopping district: 88th Avenue Arch currently under design and the Triangle Gateway area. The Gateway Feature will be designed so that it can be moved as needed to accommodate any future changes in the brick road.	Expand Tourism and Promoting Economic Growth	\$ 50,000	TCM Steering Committee is scheduled to discuss and select site on 9/29/22. Then a meeting with the Stanwood Camano Arts Advocacy Commission will be scheduled to discuss a design contract.
Community Development	Special Event Support	Many of the yearly special events held in Stanwood were canceled the last two years due to Covid-19. In 2021 downtown businesses gathered together to hold the Halloween and Light Up Your Holiday events and while these were very successful events, staff and Councilmembers heard that some businesses could not participate due to the financial impact Covid 19 had on their businesses. This request is to establish a small fund to help support the 2022 special events as a city contribution. City contributions would be dispersed in \$1,000 to \$2,500 amounts depending on requests showing what amenities could be added to elevate the event and participation. Funds can be used for on-site furnishings such as heaters, benches, tents, lights, or other types of equipment to enhance the public enjoyment of the event. Suggested events could include the Summer Concert Series, Light Up Your Holidays, Halloween Ghoul's Night, Community Parade, and Farmers Market.	Expand Tourism and Promoting Economic Growth	\$ 10,000	2022 Events supported: • Pickers Market, May 2022: \$750 • Twin City Idlers Car Show, June 2022: \$1206 Upcoming events who should be applying: • Pickers Market, October 2022 • Ghoul's Night Out, October 2022 • Light up Your Holidays, December 2022
Community Development	Event Stage and Tent	Purchase a portable stage, trailer and tent for special events such as the summer concert series, hometown holidays, touch a truck, national night out. The stage would be used by the city as well as event organizers. The existing "gypsy wagon" is reaching the end of its life span and not very useful as it is too small to accommodate some of the bands the City / Chamber would like to attract to Stanwood. The tent will cover the stage if it rains or provide shade. To help pay for the costs the city could charge a "rental fee" for special events or it could be marketed as a city contribution towards special events.	Expand Tourism and Promoting Economic Growth	\$ 30,000	Meeting with the new Stanwood Commerce Alliance is scheduled to determine if the "gypsy wagon" can be retrofitted along with the purchase of portable stage. RFP is being prepared as the state purchasing lists do not have portable stages that fits the City's needs.
Community Development	Municipal Code Update	The City has initiated the Stanwood Municipal Code Update project, which will update all 17 Titles of the Municipal Code by eliminating outdated and redundant provisions, modernizing the text in a reader friendly format and updating the code to be current with state and federal law. A request for proposals has been advertised and two firms submitted proposals; interviews to select the consulting firm took place on March 3, 2022. The Council appropriated \$200,000 for this project in the 2022 budget. Much of this work was going to be overseen by the Senior Planner. However, the City has not been able to fill this position, so additional consulting time / costs will be needed.	Enhance Public Engagement	\$ 50,000	Municipal Code Project is progressing. First drafts of Titles 1, 2 and 4 are expected by October 10.

Council Designations of ARPA Funds—Report on First Tranche, Page 3



Proposed ARPA Designated Work					Status Update
Department	Project Title	Project Description	Community Priority	Estimated Cost	Status Update
Community Development	City Beautification Project – Power Installation	Expand the City Beautification budget to install power to city owned light and banner poles in the downtown area. The City's holiday decorations can only be installed on city owned poles. Many of these poles do not have power capabilities for holiday decorations. Businesses and Councilmembers have requested that we upgrade the power grid in the downtown area so that we can install a lighted holiday tree and decorations along the Twin City Mile and other streets in the downtown area. This request along with \$50,000 in the 2022 budget for holiday decorations would be used to install the power needed.	Expand Tourism and Promoting Economic Growth	\$ 50,000	Power has been installed at City Hall and the Camano Street Triangle. A power installation plan and cost estimates has been prepared for 88th Avenue and 92nd Avenue. Power along 271st will be installed with the individual project.
Public Works	Flashing crosswalk signs	Purchase and install pedestrian activated flashing crosswalk signs at 72nd Ave and 272nd St to allow safe crossing for citizens to access schools, shopping center and the YMCA. Currently there is only sidewalk on the east side of 72nd Avenue at this intersection. Students walking to school, citizens going to the Hagen shopping center or using the YMCA facilities cross to connect with the sidewalk on the west side. This is a high traffic area that, especially during the fall and winter months with shorter daylight hours, has been identified as a candidate for a lighted crossing.	Promoting Public Safety	\$ 15,000	Signs have been installed.
Public Works	Flashing crosswalk signs	With the continued and increased use of the Food Bank more citizens are crossing 102nd Avenue to the parking lot on the east side of the road. Staff would purchase and install pedestrian activated flashing crosswalk signs at 102nd Ave and 271st St to allow safe crossing for citizens using the food bank and other services. 102nd Avenue is a high traffic road and the City has received requests to provide a safer way for citizens to cross.	Promoting Public Safety	\$ 15,000	Signs have been installed.
Clerk	Digitization of Building Permits	This request is to support the digitization of building permit files. The city currently maintains eighty-two boxes of building permit files. These records are required to be maintained for the life of the building plus six years. Planning for future records storage is impacted significantly by this requirement. Further, this is our most frequent record requested by the public, thus staff time involved in locating and providing these records is significant, whereas if they were digitized they would be easily located.	Enhance Public Engagement	\$ 50,000	Contractor has nearly completed this scanning project.
Public Works	Physical Security Improvements	This project would fund upgrades to the physical security of the Public Works Shop, including gate access.	Protecting the Environment	\$ 25,000	Contract in place, work scheduled to begin November.
			Total	\$ 1,042,890	
			Available	\$ 1,018,070	
			Undesignated	\$ (24,820)	

Council Designations of ARPA Funds—Second Tranche, Page 1



Proposed ARPA Designated Work				
Department	Project Title	Project Description	Community Priority	Estimated Cost
City-wide	Grant writer	To assist preparing FEMA Building Resilient Infrastructure and Communities grant, which is part of the Biden Administration Infrastructure Bill.	Support a Sustainable Local Economy	\$ 30,000
City-wide	Paving Food Bank Lot	The Food Bank provides support to the city and has requested financial assistance to pave the gravel parking lot. This is a positive for the city also, in that the gravel lot creates a maintenance problem.	City Beautification	\$ 40,000
City-wide	Port Susan Trail Waterfront Access Acquisition	Property may be purchased to provide river access along a stretch of the Port Susan Trail.	Enhance Parks and Recreation	\$ 365,000
Drainage	Johnson Farm Remediation and Demolition	To prepare for the reconstruction of the Skagit Bay Dike and development of the walking trail, environmental remediation and building demolition are necessary.	Drainage and Flood Protection	\$ 265,000
Drainage	Additional Costs Associated with Flood Wall	Council previously designated \$564,000 toward the design and construction of the removable flood wall. As design progresses anticipated project costs have increased, including materials costs.	Drainage and Flood Protection	\$ 150,000
City-wide	Community Resource Center	The Community Resource Center provides support to the city in many ways, and has requested financial assistance for several capital improvements they hope to make at their facility to improved accessibility, security and safety. These focus on supporting those living with developmental or physical challenges; projects include upgraded restroom doors (to included push button access), exterior and interior lighting upgrades, replacement of exterior doors, and replacement of aging folding tables and chairs and AV equipment.	Support a Sustainable Local Economy	\$ 50,000
Public Works	Flashing crosswalk signs	Staff recommend purchase and install pedestrian activated flashing crosswalk signs at 72 nd and 272 nd , 102 nd and 271 st and mid-block on 271 st between 84 th and 88 th to allow safe crossing for citizens using the food bank and other services. 72 nd is a high traffic road and the City has received requests to provide a safer way for citizens to cross.	Build Safe Streets	\$ 50,000

Council Designations of ARPA Funds—Second Tranche, Page 2



Proposed ARPA Designated Work				
Department	Project Title	Project Description	Community Priority	Estimated Cost
Community Development	Special Event Support	This request is to continue to support special events with city contributions in 2023 and 2024. City contributions would be dispersed in \$1,000 to \$2,500 amounts depending on what amenities could be added to elevate the event and participation. Funds can be used for on-site furnishings such as heaters, benches, tents, lights, or other types of equipment to enhance the public enjoyment of the event. Suggested events could include the Summer Concert Series, Light Up Your Holidays, Halloween Ghouls Night, Community Parade, and Farmers	Expand Tourism and Promoting Economic Growth	\$ 20,000
Public Works	Physical Security Improvements	This project would fund increased cost of upgrades to the physical security of the Public Works Shop, including gate access, and add Heritage Park.	Protecting the Environment	\$ 20,000
City-wide	Code Publishing Platform Upgrade	The City of Stanwood uses Code Publishing to host the City's Municipal Code on the internet. Code Publishing now offers a new platform that improves customer usability of code which includes easy code references, hover features over important definitions, better graphic and table features, and tracts historic legislative changes for easy reference. With the Municipal Code project, staff is requesting to upgrade our contract with Code Publishing to move to their new platform.	Support a Sustainable Local Economy	\$ 6,500
			Total	\$ 996,500
			Available	\$ 1,018,070
			Undesignated	\$ 21,570



General Fund Outlook Depends on Many Assumptions

Significant Assumptions:

- TBD Sales Tax Levy Renewal Passes
- Fund Rainy Day Reserve with \$75,000 (less than Statutory Maximum of \$138,000)
- One Percent Property Tax Increase
- Salary and benefit increases within range
- Fifty Percent of Construction Sales Tax Allocated to Street Construction may not be possible
- Conservative Building Permit Forecast
- Continued General Fund Support to Street Operations - \$340,000 (allows TBD Tax 100% to Capital)
- City Engineer & Senior Planner Positions Remain Vacant
- Municipal Code and Comprehensive Plan Updates Complete in 2024
- Records Digitization continues in 2025-26
- Police Services Contract renewal for 2024 is within 6.5% increase (9% in 2023)



Options to address funding gaps:

- Levy Banked Property Tax Capacity
- Excess Property Tax Levy
- Public Safety Sales Tax
- TBD Sales Tax
- Reduced Levels of Service Capital Improvement Plan Changes

Budget and Capital Improvement Plan Calendar



Property tax public hearing and ordinance 1 st reading	November 10
Budget public hearing, 1 st reading of budget ordinance	November 10
Capital Improvement Plan, public hearing, 1 st reading	November 10
Property tax ordinance second reading & adoption	November 21
Second reading and adoption of the 2023-24 Biennial Budget	November 21
Capital Improvement Plan, 2 nd reading & adoption	November 21