1. Agenda

    Documents:

    10-22-18 SPECIAL MEETING AGENDA.PDF

2. Meeting Materials

    Documents:

    1 - 2019 BUDGET OVERVIEW.PDF
    2 - EXECUTIVE OFFICE.PDF
    3 - FINANCE AND ADMINISTRATION.PDF
    4 - COMMUNITY DEVELOPMENT.PDF
    5 - ECONOMIC DEVELOPMENT.PDF
    6 - 2019-2020 LAW ENFORCEMENT BUDGET PROPOSAL.PDF
    7 - PUBLIC WORKS.PDF
    8 - CAPITAL IMPROVEMENT PLAN.PDF

CITY OF STANWOOD
CITY COUNCIL SPECIAL MEETING

City Council Workshop
Monday, October 22, 2018 - 5:15 p.m.

Stanwood City Hall
10220 270th Street NW
Stanwood, WA 98292

AGENDA

Dinner 5:15 pm – 5:35 pm

1. Budget overview
    a. Budget Themes and Initiatives
    b. Economic forecast
    c. Revenue overview
    d. Fund Balance Analysis
    e. Debt Summary
2. Executive Office
3. Finance and Administration
4. Community Development
5. Economic Development
6. Law Enforcement
7. Public Works
    a. Buildings and Grounds
    b. Park Maintenance
    c. Street Maintenance
    d. Utility Funds
8. Capital Improvement Plan
9. Adjourn

Budget Overview

Council Budget Themes and Initiatives

The City Council established five budget themes to guide financial and staff resource investments for four years over the 2017-2018 and 2019-2020 Biennial Budgets. These themes include: Public Safety; Economic Development; Park and Recreation assets; Municipal Facilities and Financial Sustainability.

Budget themes are the concepts used by the Mayor and City Administration to prioritize the Council's investment in personnel and infrastructure to solve the key issues.

1. Public Safety – Continue evaluation of contracts for police and fire services. Invest in emergency preparedness. Using technology to increase public safety by leveraging limited tax dollars. Areas of focus include:
    - Proactively address School Safety
    - Reduce health-based risks for vulnerable residents
    - Leverage community partnerships with businesses, non-profits and volunteers
    - Prevent gang activity, drug use and homelessness in Stanwood
    - Improve disaster Prevention and Preparedness
2. Economic Development – Invest in public infrastructure to spur private development. Ensure that building and zoning codes align with desired use to attract and retain businesses. Implement incentives to attract desirable private development to the city. Assist property owners seeking to develop and redevelop in the floodplain. Evaluate the city's fee structure to ensure fees for services align with Council policies. Work with community partners to support a marketing campaign to attract new residents, businesses and visitors to Stanwood.
3. Park and Recreation – Continue public and private investment in park and recreation assets to improve the quality of life for Stanwood residents. Improve the City's recreation facilities to support economic development. Develop parks, trails and open spaces that connect Stanwood's neighborhoods to the business districts and surrounding communities. Increase public access to the water. Preserve natural resources and protect farmland surrounding the city.
4. City Facilities and Infrastructure – Maintain taxpayer owned municipal facility assets. Seek opportunities to remodel and/or reuse existing facilities efficiently to serve customers. Evaluate alternatives to flood proof or relocate essential public

facilities in the floodplain. Assess whether to surplus or redevelop city owned properties.

5. Financial Sustainability –Rebuild fund balances. Match one-time revenues with one-time expenses and ongoing revenues with ongoing expenses. Look for opportunities to reduce expenditures. Ensure rates for services and impact fees cover an appropriate portion of service costs, fund reserves and capital costs. Review current service levels for all programs to ensure they adequately reflect the council's budget themes and initiatives.

Economic Outlook

The general consensus among economists is for the national, regional and local economies to continue to grow over the biennial period. The budgetary estimates of revenue are conservatively based on this expectation, while the expenditure estimates are also conservatively estimated based on inflation also continuing to increase over the budget period. Inflation estimates translate to higher labor, benefits and fuel. The budget also anticipates the current trend of rising interests to continue, which impacts the city's borrowing costs. At the same time, the borrowing cost increases will be offset by increasing investment earnings.

Revenue Overview

This public hearing on property taxes and revenues required by RCW 84.55.120 is scheduled for Oct 25th, 2018 City Council Regular Meeting. Ordinances establishing property taxes for 2019 are also scheduled to be read, open for public comment and presented to Council for first reading at the October 25th meeting.

Revenue Discussion—Property tax

As part of the biennial budget amendment process, the city held a revenue hearing on November 9, 2017 and considered levy and EMS increases for 2018. At that time the city council did not adopt a property tax levy for 2018, but by Ordinance 1453 the city adopted the EMS levy for 2018. Because no ordinance for regular levy was adopted, the 2018 levy was equal to the 2017 levy, and the difference between this amount and the city's highest lawful levy is banked for future capacity. This leaves the city with 2019 tax levy options, including levy rates less than, greater than, or equal to, the 2018 tax levy. Several options are described below in Table One.

Staff recommends option five, which levies the banked capacity, and levy the increase authorized by voters in 2015. It is important to note that the 2015 levy lid lift was approved to fund increases in public safety costs. The cost of contracted fire and police services increases by $339,943 between 2017 and 2019, which exceeds the effect of a six percent lid lift and the banked capacity.

Table One

Year	Police	Fire	Total	Increase	Percent
2017	$1,665,549	$1,491,201	$3,156,750		
2018	$1,717,688	$1,674,600	$3,392,288		
2019	$1,771,855	$1,724,838	$3,496,693	$339,943	10.0%

Selection of option five will offset the public safety cost increase, but will also afford the opportunity to budget a transfer to the city's building fund, in support of the future, planned replacement of the police station, records room and city hall facility. The financial impact to the city of five representative options is outlined below:

Table Two

Regular Property Tax Levy Options			
		Levy rate, per $1,000 AV	Levy for typical residence $300,000
Option 1			
2017 levy plus 2018 new construction, i.e., no increase	$ 2,592,688	$ 2.712	$ 813.54
Option 2			
One percent increase	$ 2,674,163	$ 2.797	$ 839.11
Option 3			
One percent increase, plus banked capacity	$ 2,681,211	$ 2.804	$ 841.32
Option 4			
Six percent increase	$ 2,689,368	$ 2.813	$ 843.88
Option 5			
Six percent increase, plus banked capacity	$ 2,869,492	$ 3.001	$ 900.40

Contribution to City Building Fund	
Option One:	0
Option Two:	$ 81,475
Option Three:	$ 88,523
Option Four:	$ 96,680
Option Five:	$ 276,804

Option Five results in a 10.91% increase ($276,804) in the general property tax levy from $2,592,688 to $2,869,492. In addition, the Snohomish County Treasurer estimates that the city will have an additional estimated $18.8 million in new construction on the tax rolls, which will generate $55,548 in property taxes, and $3,268 in estimated refunds. The total property tax levy is estimated to be $2,869,492, which is less than the statutory maximum, as described in Table Three:

Table Three – *2019 Property Tax Levy*

Item	Amount
2018 Total Levy	$ 2,537,140
1% Levy Increase	$ 25,371
Est. New Construction ($18.8 million)	$ 55,548
Refunds	$ 3,268
Effect of Levy Lid Lift	$ 130,641
Banked Capacity	$ 117,524
Estimated 2019 Levy before cap	$ 2,869,492
Estimated 2019 Levy cap	$ 2,992,504
Estimated 2019 Levy Rate*	$ 3.00
*Amounts per Snohomish County Treasurer as of September 28, 2018 Preliminary Assessed Valuation $956,071,700	

From the regular property tax levy, $229,559 (8%) will be deposited directly to the street fund to balance its operating, while the remaining $2,639,932 (92%) will go to the general fund. The banked capacity of $117,524, additional levy lid lift amount of $130,641, as approved by the voters, will partially offset public safety contract increases as outlined above.

Emergency Medical Services (EMS) Levy

The EMS levy is an additional property tax of up to 50 cents per thousand dollars of assessed valuation to support emergency medical services. The levy is limited to a 1% increase ($3,868), which will result in a levy rate of $0.40/$1,000. The Snohomish County Treasurer estimates that new construction will generate an additional $8,469 in property taxes, and refunds of $403, for a total property tax levy of $386,804, as follows:

Table Four – *2019 EMS Levy*

Actual 2018 Levy		$ 386,804
1% Increase	$ 3,868	
New Construction	$ 8,468	
Est. Refunds	$ 403	
Subtotal		$ 12,739
2019 Levy before cap		$ 387,548
2019 EMS Levy cap		$ 386,804

The EMS levy was established to fund a portion of the fire and EMS services contract with North County Regional Fire Authority (North County). The formula used in the contract to pay North County is based on the maximum allowed fire services levy rate of $2.00 per $1,000 assessed value ($1.50 fire service + $$0.50 EMS = $2.00 / $1,000 AV total).

For the first five (5) years of the fire and EMS contract the annual rate remained at $1,279,400, which was based on $2.00 (maximum fire levy rate) times the city's 2012 AV, which was $639,696,397 ($639,696 X $2.00 = $1,279,400). The contract commenced April 1, 2012, so the annual fee of $1,279,400 remained constant through March 31, 2017, but has now increased dramatically as illustrated in Table One above.

Building Permits and Development Related Revenues

Development-related revenues are based on the number of permits the city expects to issue. In 2018, the city has received $116,790 (52 permits).

The city anticipates significant residential building activity to continue into the next biennium, and has estimated revenues due to other growth related activities (zoning fees, engineering fees, plan checking fees, environmental fees etc.) to generate approximately $270,000 in general fund revenue per year. These fees are used to offset the actual costs of providing community development services (matching one-time revenues to one-time expenditures).

In 2017, the City Council approved the reclassification of a Planner to a Construction Inspector, and authorized the increase of the position to full time. Further, the City Council authorized an additional full time Senior Planner, in order to keep up with the demand on Community Development Department services.

Other Assumptions That Affect Revenues

1. Increase in city population will help alleviate reductions to "state-shared" per-capita driven revenues. The most recent population estimate is 6,835, which is an increase of 150 over the prior year.

2. Built into the utility fund budgets are rate increases of 5% (Water) and 3.5% (Wastewater) and 22.5% for the Stormwater Utility. As a result, the budgeted 2019 utility tax revenues, which are based on a percentage of gross sales, have also been increased.

Table 5- *General Fund Revenue Summary*

Description	2017 Actual	2018 YTD	2019 Budget	2020 Budget	Percent of Budget	Comment
Operating Reserve	2,959,136	3,140,752	2,707,214	2,594,000	44%	includes $987,103 reserved amount (2 mos operating revenues)
Taxes (property, EMS, sales and utility)*	5,225,601	3,667,603	5,436,506	3,893,273	66%	beginning in 201, 8% of Property Tax Levy is budgeted to go to Street Fund
Licenses and Permits	253,694	287,465	339,950	332,150	6%	
State Revenues	150,265	85,837	162,595	172,595	3%	
Charges for Service	350,382	437,031	376,388	389,170	7%	
Fines and Forfeitures	24,215	11,539	25,400	25,400	0%	
Misc. Revenues	22,665	41,968	65,950	65,950	1%	
Total Revenues	6,026,822	4,531,443	6,406,789	4,878,538	82%	
Total Resources	8,985,958	7,672,195	9,114,003	7,472,538		

***NOTE--This forecast assumes Annexation into the Regional Fire Authority and related transfer of property tax.**

Sales Tax:

In the 2015-16 biennium, Sales tax exceeded budget significantly and contributed to a $508,000 general fund surplus that was transferred to the Building Improvement Fund, to prudently align one-time revenue with capital needs. Sales tax reacts quickly to economic downturns, so city policy is to budget it conservatively. Nevertheless, the city expects sales tax from construction for the 2017-2018 period to be approximately $520,000, and again, city fiscal policy directs this to be transferred to a one-time (capital) use.

The sales tax budgets for 2019 and 2020 are $1,300,000/year ($1,100,000 + $200,000 construction sales), note this is exclusive of sales tax related to the new high school, which is expected to begin in early 2020, and which has been budgeted to benefit the Park Improvement Fund.

Sales tax received through September 2018 was $1,121,348.21, which was 7.4 percent higher than the $1,031,466.01, collected through September 2017. The city budgeted $1,200,000 for sales tax revenues in 2018 in anticipation of continued strength in the economy and new construction. Sales tax from construction was 19 percent, which is slightly higher than 2017, in which 17.5 percent was from construction.

Utility Tax:

In 2017 and 2018, utility taxes made up approximately 20% of the City's general fund revenue. The 2019 and 2020 budgets include significant utility rate increases, which will increase utility tax revenue by approximately $15,000 per year.

Streets

Fund 101 - Street operations:

The street fund accounts for operating revenues and expenditures associated with the maintenance and repair of city streets. As of September 30, 2018, this fund had a cash operating reserve of $3,714, as a result of budgeted transfers to the equipment replacement fund. It is recommended to transfer $140,000 in both 2019 and 2020 from the Real Estate Excise Tax Fund, in order to sustain the planned contribution to the vehicle replacement fund. While the fund transfers decline in 2020, the fund will begin to see the effect of declining contribution from property taxes in 2020, as a result of the transfer of taxing authority to the Regional Fire Authority. Long term, the city must determine additional funding to support the street fund.

The motor vehicle fuel tax (MVFT) can be used for operations and is estimated at $146,000 in 2018. This is a conservative estimate, and is based on an analysis of previous year results and the city's share of the state's increase in fuel tax. A portion of the electricity utility tax ($38,000) will be transferred from the General Fund to cover about half of the city's street lighting expenses. In 2016, the city began dedicating 8% of property taxes to the street fund, which in 2019 will generate approximately $229,559 ($2,869,492 X 8%).

In addition, this year the city expects to receive about $340,000 from Transportation Benefit District (TBD) funds from the 0.2% increase in sales tax that was approved by voters in February 2013. These funds will be used to support street maintenance and repair projects and are accounted for in a separate fund (Fund 108).

Fund 102 - Street Impact Fee:

Traffic impact fees are paid by new development to mitigate the impacts of new development on the city's existing transportation network. Impact fees cannot be used for operating expenses. For 2018, Street Impact Fee revenue was budgeted at $77,506 based on the current transportation impact fee rate of $3,523.39 per single family unit. The city has issued 38 impact fee permits so far in 2018, collecting revenues of $130,494. In 2018, $125,000 was budgeted to be transferred to Fund 103, Street Construction, for various sidewalk projects.

In 2019, Street impact fees are estimated to be $211,403 based on the assumption of sixty single family residential permits (street impact fees are $3,523). This estimate is based on recent planning meetings.

Fund 103 Street Construction:

In 2018, the city expects to receive Transportation Improvement Board grants totaling $630,000 related to two street overlay projects and also one grant of $500,000 in support the 90th Street (Viking Way) projects, although this may occur in 2019.

Table 6– Street and Construction Fund Projects

Project	Budget 2018	YTD 9/30/2018	Remaining
New Sidewalk/ Trail Installation	70,000	18,858	51,142
Downtown Street & Sidewalk Imp.	20,000	-	20,000
276th St Sidewalk	50,000	-	50,000
Viking Way Construction	300,000	-	300,000
Viking Way Right of Way	-	26,302	(26,302)
Misc Capital Projects	25,000	11,581	13,419
Cedarhome Drive Overlay - TIB	300,000	19,969	280,031
92nd Ave Overlay - TIB	400,000	19,969	380,031
102nd Ave. Sidewalk	106,498		
92nd Ave. Sidewalk	72,228	18,858	
72nd Ave. Sidewalk	391,359	18,858	372,501
Total	1,735,085	134,395	1,440,822

104 Park Improvement:

The park improvement fund accounts for revenues (including park impact fees) and expenditures associated with city park capital improvements. As of September 30, 2018 this fund had a balance of $619,697.

To date this fund has received $855,000 in REET revenues to fund the acquisition of the Johnson Easement, Subsequently, the city received $500,000 reimbursement from the Snohomish County Conservation Futures. Expenditures were also for Ovenell cleanup, improvements at Heritage Park, and Hamilton planning. The fund also received rental revenue of $9,781.

105 Fire Impact:

The fire impact fund accounts for revenues (including fire impact fees) and expenditures associated with fire capital improvements and equipment. As of September 30, 2018 this fund had a balance of $77,842.

Based on the assumption of 60 residential building permits in 2019 and 2020, fire impact fees are budgeted at $12,000 in 2019 and 2020. The current fire impact fee is $200.00 per equivalent residential unit (ERU).

106 Park Impact Fees:

The park impact fee fund was established in 2015 to segregate park impact fee activity. Park impact fees were previously reported in fund 104, Park Improvement. As of September 30, 2018 this fund had a balance of $121,562, and has received park impact fee revenue of $4,582 (3 X $640.80 and 2 at the new rate of $1,330.00).

The current park impact fee is $1,330.00 per equivalent residential unit (ERU), and staff expects 60 building permits in 2019 and 2020.

107 Equipment Reserve:

The equipment reserve fund accounts for revenues and expenditures associated with machinery and equipment used to support city operations. As of September 30, 2018 this fund had a balance of $417,419.

The 2019 and 2019 budgets include transfers from the General Fund as directed in the vehicle and equipment replacement plan approved by council in 2018. The expenditure budget provides for $508,626 in 2019 and $188,000 in 2018.

108 Transportation Sales Tax

The Transportation Sales Tax fund was established to account for the 0.2% sales tax authorized by the Transportation Benefit District in 2013. As of September 30, 2018 this fund had a balance of $510,054. The city expects to receive about $340,000 from Transportation Benefit District (TBD) funds in both 2019 and 2020. These funds are used to support street maintenance and repair projects.

109 Contingency Fund:

The contingency fund was established as a “rainy day” fund to provide for unforeseen expenditures and emergencies. As of September 30, 2018 this fund had a balance of $313,439. The only budgeted revenue sources for the Contingency Fund are $27,000 annual transfers from the general fund and $5,400 interest.

Based on the current preliminary assessed valuation (2018 for 2019 levy) of $956.1 million, the city may not have more than $358,500 in its contingency fund ($956,100 X $0.375). The 2019 & 2020 budgeted transfers from the General Fund to the Contingency Fund, plus interest earnings, will maintain the contingency fund close to its maximum statutory level.

110 Building Improvement Fund:

The building improvement fund accounts for revenues and expenditures associated with the construction and improvement of city facilities. As of September 30, 2018 this fund had a balance of $888,730.

Table 7– Building Improvement Fund

Description	2017 Actual	2018 YTD	2019 Budget	2020 Budget	Comment
Beginning Fund Balance (Operating Reserve)	302,632	916,006	580,000	1,023,604	
Revenues					
Dept of Comm. - New CH Design	-	0	-		
Interest/miscellaneous	4,664	9,940	16,800	16,800	
Transfer in from GF	638,115		796,804		for new police station
Transfer in from REET 1					
Contributions & Donations	2,500				
Total Resources	947,911	925,946	1,393,604	1,040,404	
Expenditures					
New City Hall	4,814	15,543	300,000		
Library Improvements	19,891	-	-		
Fire Station Improvements	-	20,988	-		
Police Station Improvements	4,734	-	-		
Building Improvments	2,466	-	70,000		
Total Capital Projects	31,905	36,531	370,000	-	
Ending Balance	916,006	889,415	1,023,604	1,040,404	

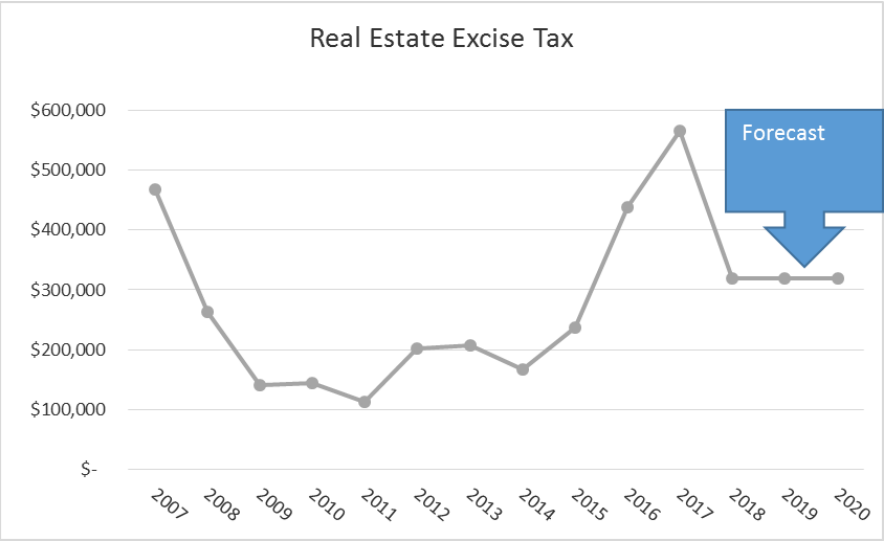
120/121 - Real Estate Excise Tax:

RCW 82.46 authorizes cities to collect a real estate excise tax levy of one quarter of one percent (0.25%) of the purchase price of real estate within city limits. The Growth Management Act authorizes the collection of another one quarter of one percent (0.25%) Both the first (REET 1) and second (REET 2) 0.25% are required to be used for financing capital facilities specified in local government capital facilities plans. As of September 30, 2018 these funds had balances of $319,230 and $597,527, respectively. Year to date in 2018, each fund has received $166,169.

In 2018, $855,000 is budgeted from the combined REET funds to the Parks Fund, to support the Johnson Farm acquisition. The acquisition cost in total was $814,000, and the city received a $500,000 conservation future grant from Snohomish County, thus the net cost to the REET funds was $314,000. The balance remaining in the Parks Fund is budgeted in 2019-2020 to fund redevelopment of Heritage Park in the form of matching funds.

Chart Four, on the following page provides a ten-year history of REET received, and the outlook for 2019-2020.

CHART 1—Ten-year historical REET



205 Debt Service:

The debt service provides for payment of the city's general obligation debt. As of September 30, 2018 this fund had a balance of $163,825. Per the 2019 property tax calculations, the levies for voted debt, which is posted as revenue to this fund, is $200,200 for the fire station, and in 2020 this amount will be $195,400.

Utility Operations

Fund 401 Sewer:

Table 8– Sewer Operating Fund

Description	2017 Actual	2018 YTD	2019 Budget	2020 Budget	Comment
Beginning Fund Balance (Operating Reserve)	1,161,454	1,603,352	1,200,000	464,612	Includes $264k restricted funds (60 days op. exp.)
Revenues					
Sewer Service Charges	1,940,195	1,665,848	1,917,806	2,061,666	3.5% & 6.5% rate increases
Interest and Misc	8,553	16,052	27,550	27,555	
Total Revenues	1,948,748	1,681,900	1,945,356	2,089,221	
Total Resources	3,110,202	3,285,252	3,145,356	2,553,833	
Expenditures					
Salaries*	378,492	249,547	412,363	453,778	
Benefits*	185,993	124,475	201,416	205,881	
Supplies*	40,003	17,148	44,880	46,002	
Charges for Services*	305,066	313,618	382,720	397,332	
Interfund Payments*	-	115,104	153,476	160,459	
Debt Service	577,296	576,762	576,227	576,692	
Equipment	-	3,220	25,000	25,000	
Transfer to Capital	-	112,500	550,000	150,000	
Transfer to Equipment reserve	20,000	372,745	334,662	134,226	
Total Expenditures	1,506,850	1,885,119	2,680,744	2,149,370	
Ending Balance	1,603,352	1,400,133	464,612	404,463	

Fund 401, Sewer, accounts for operating revenues and expenses of this utility. As of September 30, 2018 this fund had an operating cash reserve of $1,316,291. Service revenues are budgeted at $1,917,806 in 2019 and $2,061,666 in 2020 based on a 3.5% rate increase effective January 1st, 2019, and 7.5% on January 1st of 2020.

*Note that the Accounting for Interfund transfers to the utility funds (overhead allocation), was different in 2017. This change was required by the State Auditor's Office, essentially the instruction was to reduce expense line items by the amount of the overhead allocation. During this year's audit we determined it was more transparent to readers of the financial statements to go back to the prior accounting treatment and record this expense as a single line item.

410 Drainage:

Table 9– Drainage Operating Fund

Description	2017 Actual	2018 YTD	2019 Budget	2020 Budget	Comment
Beginning Fund Balance (Operating Reserve)	228,889	298,239	180,000	283,276	Includes $68k restricted funds (60 days op. exp.)
Revenues					
Drainage Service Charges	575,890	493,905	702,573	860,651	22.5% rate increases
Interest and Misc	1,833	3,013	5,100	5,100	
Total Revenues	577,723	496,918	707,673	865,751	
Total Resources	806,612	795,157	887,673	1,149,027	
Expenditures					
Salaries	189,139	132,840	173,220	192,043	
Benefits	80,820	56,984	72,537	73,475	
Supplies	10,451	7,334	11,720	12,021	
Charges for Services	92,963	61,760	78,373	83,675	
Interfund Payments	-	54,630	74,294	76,151	
Debt Service	-	-	-	-	
Equipment		-	-	-	
Transfer to Capital Fund	125,000	18,327	80,000	400,000	
Transfer to Equip reserve	10,000	227,336	114,253	52,562	
Total Expenditures	508,373	559,211	604,397	889,927	
Ending Balance	298,239	235,946	283,276	259,100	

Fund 410, Drainage, accounts for operating revenues and expenditures of this utility. As of September 30, 2018 this fund had a cash operating reserve of $235,946. Service revenues are budgeted at $702,573 in 2019, and $860,651 in 2020, with combined budgeted transfers to equipment replacement reserves of $166,818 and to fund construction fund of $480,000 during the next biennium.

421 Water:

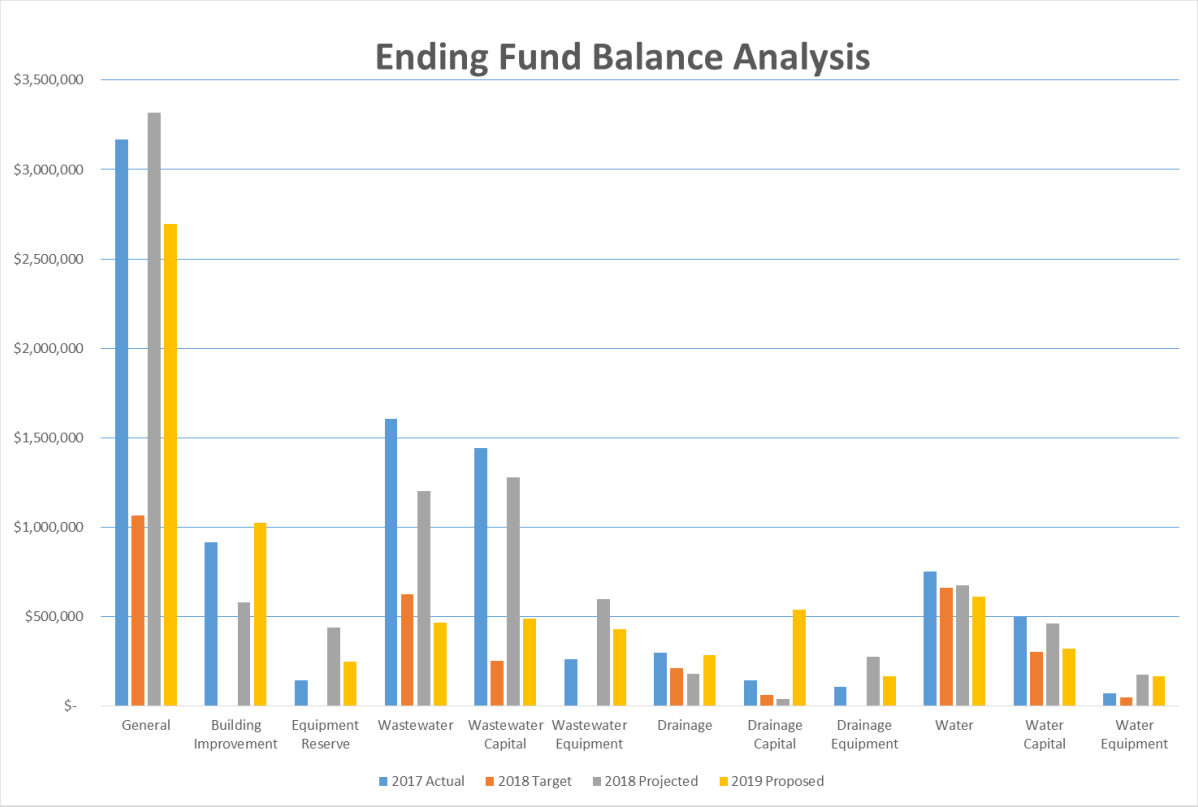
Table 10– Water Operating Fund

Description	2017 Actual	2018 YTD	2019 Budget	2020 Budget	Comment
Beginning Fund Balance (Operating Reserve)	434,390	752,861	675,000	612,068	Includes $195k restricted funds (60 days op. exp.)
Revenues					
Water Service Charges	1,864,463	1,498,602	1,853,053	1,899,204	5% & 3% increases
Interest and Misc	33,982	34,934	59,300	59,300	
Operating Transfer In	75,917	56,937	97,344	99,513	
Total Revenues	1,974,362	1,590,473	2,009,697	2,058,017	
Total Resources	2,408,752	2,343,334	2,684,697	2,670,085	
Expenditures					
Salaries	451,136	283,637	427,540	466,041	
Benefits	200,683	130,056	190,331	193,366	
Supplies	103,808	53,846	95,000	95,000	
Charges for Services	356,263	244,218	345,700	349,867	
Interfund Payments	-	139,602	186,135	186,135	
Debt Service	539,001	482,142	532,882	531,323	
Equipment		3,220	25,000	25,000	
Transfer to Capital Fund	-	-	200,000	400,000	transfer op surplus to capital
Transfer to Equip. reserve	5,000	175,723	70,041	63,292	
Total Expenditures	1,655,891	1,512,444	2,072,629	2,310,024	
Ending Balance	752,861	830,890	612,068	360,061	

Fund 421, Water, accounts for operating revenues and expenditures for this utility. As of September 30, 2018 this fund had a cash operating reserve of $691,287. Budgeted service revenue for 2019 and 2020 are $1,853,053 and $1,899,204, respectively, based on a water utility rate increase of 5% on January 1st 2019 and 3% on January 1st 2020.

ATTACHMENT A

Various city funds are required to maintain minimum reserves according to city fiscal policy. The Following chart summarize the current and projected fund balances resulting from the proposed 2019-2020 budget. The policy requirements are summarized in the table below.



Fund	Requirement	Description
001	General Operating Reserve	16.67 % budgeted Revenue1
109	Contingency Fund	limited to $0.375/$1,000 AV
401	Operating Reserve	60 days Operating Expenditures2
401	Revenue stabilization Reserve -- Sewer	25% revenue from rates
410	Operating Reserve	60 days Operating Expenditures2
410	Revenue stabilization Reserve -- Drainage	25% revenue from rates
421	Operating Reserve	60 days Operating Expenditures2
421	Revenue stabilization Reserve -- Water	25% revenue from rates
403	Capital contingency reserve--Sewer Construction	1% system fixed assets
411	Capital contingency reserve--Drainage Construction	1% system fixed assets
422	Capital contingency reserve--Water Construction	1% system fixed assets
451	Water Bond Reserve	Per bond covenant "Maximum Annual Debt Service"
452	Sewer Bond Reserve	Per bond covenant "One Year Debt Service"
457	Sewer Equipment Reserve	level sufficient to meet scheduled equip. replacement
458	Drainage Equipment Reserve	level sufficient to meet scheduled equip. replacement
459	Water Equipment Reserve	level sufficient to meet scheduled equip. replacement
Notes:	1. policy calculation of GF reserve excludes development review revenue	
	2. excluding principal payments on debt	
	3. Fund Balance in named fund	
	4. This target level is actually a "statutory maximum" see RCW 35A.33.145	

ATTACHMENT B

Summary of debt anticipated in the 2019-2020, and 2021-22 budgets

The recently completed utility rate studies anticipated the need for the utilities to borrow over the next several years in order to fund planned capital improvements. Borrowing is anticipated over a 20 year period, which is an appropriate funding mechanism when building long-lived assets. Staff is currently working with a financial advisor to assess the most cost-advantageous timeframe and packaging of this debt, balancing the rising interest rate environment with the advantage from combining the three utilities financing needs into cost effective issuances, while also minimizing the amount of time the debt is on the city's books. It appears likely the city could issue a combined utility revenue backed bond as early as the end of 2019, or the beginning of 2020.

In addition, the Capital Improvement Plan contemplates borrowing in approximately 2021 to finance construction of the new police station and records room, and possible the initial sitework comprising the entirety of the contemplated new city hall campus, given the efficiency of contracting and performing this work at one time, as opposed to phasing it.

Summary of Borrowing anticipated 2020 to 2023				
Fund	2020	2021	2022	2023
Wastewater	$ 500,000	$ 1,800,000	$ 350,000	$ -
Stormwater	$1,250,000	$ 1,064,300	$2,214,335	$700,000
Water	$1,300,000	$ 100,000	$ -	$ -
Totals	$3,050,000	$ 2,964,300	$2,564,335	$700,000
Building Fund		$ 6,000,000		

ATTACHMENT C

INVESTMENT REPORT

INVESTMENT PERFORMANCE - Q3 2018				
	July	August	Sept	Quarter Average
Amount Invested	$ 14,828,403	$ 15,138,842	$ 15,343,348	$ 15,103,531
Return (average percentage yield)	2.05%	2.05%	2.07%	2.06%
Benchmark*	1.58%	1.66%	1.74%	

*Per Finance Policy, Two Year Average of Two-Year Treasury Note

Investment Category	Amount	Current Allocation	September Rate
CASH			
Cash/Money Market	$ 1,008,562	6%	0
INVESTMENTS			
Washington Federal Public Funds	$ 2,149,428	13%	1.81%
Opus Public Checking	$ 759,486	5%	2.09%
WA State LGIP	$ 905,730	6%	2.06%
Snohomish County Inv. Pool	$ 2,026,980	12%	1.88%
U.S. Treasury Notes	$ 2,502,875	15%	1.54%
U.S. Agency Securities	$ 6,998,849	43%	2.40%
Total	$ 16,351,910		

Investment	Return (APY)	Balance	% of total balance	Weighted rate	
Washington Federal Public Funds	1.809%	$ 2,149,428	0.14	0.25%	0.25%
Opus Checking	2.090%	$ 759,486	0.05	0.10%	0.10%
WA LGIP	2.062%	$ 905,730	0.06	0.12%	0.12%
Snoh. County Inv. Pool	1.880%	$ 2,026,980	0.13	0.24%	0.24%
ResFundCorp	2.522%	$ 964,545	0.06	0.15%	0.15%
ResFundCorp	2.641%	$ 999,195	0.07	0.18%	0.18%
US Agency TVA	2.540%	$ 994,630	0.06	0.15%	0.15%
FHLMC	2.230%	$ 990,717	0.06	0.13%	0.13%
Fannie Mae	2.420%	$ 991,670	0.06	0.15%	0.15%
FHLB (6/4/2018)	2.570%	$ 993,009	0.07	0.18%	0.18%
US Treasury Note	1.480%	$ 1,000,580	0.07	0.10%	0.10%
US Treasury Note	1.560%	$ 1,001,817	0.07	0.11%	0.11%
US Treasury Note	1.590%	$ 500,478	0.03	0.05%	0.05%
FNMA	1.890%	$ 1,065,083	0.07	0.13%	0.13%
		$ 15,343,348		2.07%	2.07%

ATTACHMENT A

City of Stanwood, Washington
2019 Authorized Positions

Department	FTE Count	Department Total
EXECUTIVE		**1.00**
City Administrator	1.00	
FINANCE DEPARTMENT/CITY CLERK		**6.00**
Finance Director/City Clerk	1.00	
Senior Accountant	1.00	
Accounting Clerk	1.00	
Accounting Specialist	1.00	
Administrative Assistant	1.00	
Deputy City Clerk	1.00	
PUBLIC WORKS		**15.56**
Public Works Director	1.00	
City Engineer/Asst. Public Works Director	1.00	
Senior Planner	0.56	
Administrative Assistant	1.00	
Parks, Streets & Drainage Utility		
Lead Public Works Technician	1.00	
Public Works Technician	3.00	
Water Utility		
Lead Public Works Technician	1.00	
Public Works Technician	3.00	
WasteWater Utility		
Lead Wastewater Treatment Plant Operator	1.00	
Public Works Technician	4.00	
COMMUNITY DEVELOPMENT		**7.00**
Community Development Director	1.00	
Building Official	1.00	
Senior Planner	1.00	
Associate Planner	1.00	
Construction Inspector	1.00	
Permit Specialist	1.00	
POLICE DEPARTMENT		**2.00**
Records Specialist	2.00	
Total		**31.56**

Executive Office

MISSION:

The Executive Office is dedicated to carrying out the Stanwood community's vision that supports our small town charm and quality of life. We ensure excellent public service by providing leadership and direction to the city organization through policy implementation and performance management.

DESCRIPTION:

The City Administrator, under the direction of the Mayor, is responsible for executing the policies of the City established by the City Council in its ordinances, motions, and resolutions. The City Administrator leads, manages and oversees all city departments including police, fire, finance, personnel, community development, planning and permitting and all Public Works departments of streets, parks maintenance, water, sewer and storm water

While the Department provides leadership and direction to all departments, primary focus and services to the residents of Stanwood, include:

- City of Stanwood Legislative Agenda
- Economic Development Initiatives
  - Tourism
- Organizational Development
  - Performance Management
  - Personnel and Human Resources
- Public Engagement
  - Citizen Engagement
  - Communications
  - Public Information

COUNCIL BUDGET THEMES AND INITIATIVES:

The City Council established five budget themes to guide financial and staff resource investments for four years over the 2017-2018 and 2019-2020 Biennial Budgets. These themes include Public Safety; Economic Development; Park and Recreation assets; Municipal Facilities and Financial Sustainability.

Budget themes are the concepts used by the Executive Office to prioritize the Council's investment in personnel and infrastructure to solve the key issues.

1. **Public Safety** – Continue evaluation of contracts for police and fire services. Invest in emergency preparedness. Using technology to increase public safety by leveraging limited tax dollars. Areas of focus include:
   - Proactively address School Safety

- Reduce health based risks for vulnerable residents
- Leverage community partnerships with businesses, non-profits and volunteers
- Prevent gang activity, drug use and homelessness in Stanwood
- Improve disaster Prevention and Preparedness

2. **Economic Development** – Invest in public infrastructure to spur private development. Ensure that building and zoning codes align with desired use to attract and retain businesses. Implement incentives to attract desirable private development to the city. Assist property owners seeking to develop and redevelop in the floodplain. Evaluate the city's fee structure to ensure fees for services align with Council policies. Work with community partners to support a marketing campaign to attract new residents, businesses and visitors to Stanwood.

3. **Park and Recreation** – Continue public and private investment in park and recreation assets to improve the quality of life for Stanwood residents. Improve the City's recreation facilities to support economic development. Develop parks, trails and open spaces that connect Stanwood's neighborhoods to the business districts and surrounding communities. Increase public access to the water. Preserve natural resources and protect farmland surrounding the city.

4. **City Facilities and Infrastructure** – Maintain taxpayer owned municipal facility assets. Seek opportunities to remodel and/or reuse existing facilities efficiently to serve customers. Evaluate alternatives to flood proof or relocate essential public facilities in the floodplain. Assess whether to surplus or redevelop city owned properties.

5. **Financial Sustainability** –Rebuild fund balances. Match one-time revenues with one-time expenses and ongoing revenues with ongoing expenses. Look for opportunities to reduce expenditures. Ensure rates for services and impact fees cover an appropriate portion of service costs, fund reserves and capital costs. Review current service levels for all programs to ensure they adequately reflect the council's budget themes and initiatives.

2019-2020 MAJOR INITIATIVES:

1. Creation of the 2019 Stanwood Legislative Agenda and actively promote with Legislators during the upcoming session
2. See Economic Development Budget Overview
3. Continue organizational development initiatives by assessing and align resources to support budget themes and initiatives of all departments
4. Develop Performance Management Strategy and Outcome based programs

FINANCE DEPARTMENT

MISSION:

In a spirit of excellence, integrity and dedication, the Finance Department is committed to providing timely, accurate, clear and complete information and support to the other city departments, citizens and the community at large while maintaining a high level of compliance with all pertinent federal state and local rules and regulations.

DESCRIPTION:

Finance Department responsibilities include: accounts payable, accounts receivable, annual audit, payroll, insurance/risk management; utility billing; cash, debt and investment management; information systems; grant administration. The finance department establishes and maintains internal controls to protect City assets from loss and ensure accounting data compiled for financial statements are prepared in conformity with generally accepted accounting principles.

The Clerk's responsibilities include: prepare council agenda, issue legal notices; maintain permanent files for ordinances, resolutions and contracts; records retention; public record disclosure process.

2019-2020 MAJOR INITIATIVES

- Support the Executive Office with collective bargaining agreement negotiation plan
- Evaluate parks levy options
- Develop facility major maintenance financing schedule
- Policy Updates:
    - Asset Management (new policy)
    - Procurement (update for Single Audit, conflict of interest, delegation of authority)
    - Risk Management (new policy)
    - Travel policy
    - Information Technology Use policy
- Review telephone plans
- Evaluate options for electronic records management
- 2019 WCIA Audit- focus on parks and facility safety
- Assess feasibility of "MyBuildingpermit.com" (With Community Development)
- Improve/Automate Quarterly Finance Reporting
- (use Tableau for publishing)
- Detention Pond Policy (with Public Works)
- Procedure to Reconcile Iworq/BIAS (with Community Development)
- Plan and implement revenue bond issuance
- Review/audit all software licenses

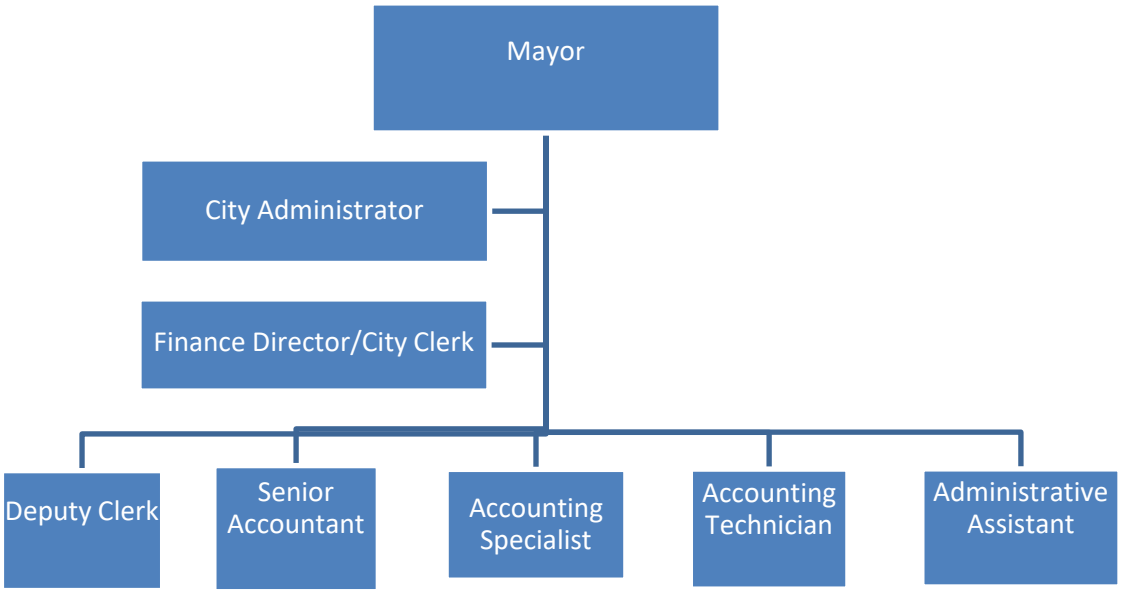
2017-2018 ACCOMPLISHMENTS:

Goal/Initiative	Status
Investments – achieve a minimum average rate of return equal to the two year average of 2-year treasuries (currently 0.3%) in accordance with adopted financial policy.	Finance has continued to meet this goal, see most recent Investment Report at Attachment C.
Explore BIAS system's automated system options including time-tracking (time-cards) and accounts payable processing for city staff and make recommendations.	In process, we have utilized automated Accounts Payable functions for recurring payments, and plan to investigate use of time tracking in 2019.
Write detailed procedures for managing grant expenditures; set up all grants in accounting software system (BIAS) so that annual federal and state reports (schedule 16) can be processed automatically at year end.	We have documented and standardized grant administration, but have not utilized Grant module in BIAS as the set up does not appear to add value based on required data set up.
Initiate electronic records management system.	Currently in discussion to utilize system purchased by Snohomish County and/or Sharepoint for document management.
Develop a schedule to annually fund and replace assets including city's fleet, facilities, furniture, and equipment.	Prepared and implemented vehicle and equipment replacement plan. Currently developing facility maintenance plan for the wastewater treatment plant.
Rebuild fund balances to adopted minimum standards	Fund Balances are currently healthy and the 2019-2020 budget maintains this status. See Chart at Attachment A.
Move essential public facilities out of the floodplain	The purchase of new city hall/police station/records room campus property is nearly complete. Financing options are scheduled for discussion during budget workshop.
Inventory and develop a schedule to annually fund and replace worn tax-payer owned assets including the city's fleet, facilities, furniture and fixtures.	Council approved a long-term vehicle and equipment replacement plan in May 2018 and approved budget amendment to fund the first year contribution. Per council direction, 2019 and 2020 contributions are included in proposed budget.
Ensure rates for services and impact fees cover an appropriate portion of service, fund reserves and capital costs	All three utilities recently underwent rate analyses and ordinance 1461 adopted six year rate schedules including both operating and capital. Park Impact Fees were assessed and increased effective January 1, 2018.
Evaluate a voter approved park bond and maintenance and operations levy	Extensive analysis was conducted outlining options including various metropolitan park district options. Current effort is to work with neighboring jurisdictions. Plan to also analyze a city-only parks levy.
Promote and support special events for families including touch-a-truck, summer concert series, movies-in-the-park, national night out, and light-up-your-holidays	Worked with Community Development and Chambers to coordinate events, with emphasis on financially assessing events needing city support and events which can stand alone.

Additional 2017-2018 ACCOMPLISHMENTS:

- Worked with Snohomish County Information Services to facilitate another new phone system
- Work with Snohomish County Information Services and Wave Cable to install new radio internet connection between city hall and public works shop and fiber optic cable between the public works shop and the treatment plant.
- Prepared 2016 and 2017 annual financial statements and submitted reports to State Auditor
- Prepare quarterly financial statements
- Replaced city hall and public works printers with more efficient models on shorter lease terms
- Cross-trained staff (note that out-sourcing the printing and mailing of utility statements in July 2017 has enabled greater backup)
    - Payroll
    - Accounts payable
    - Cash receipting
    - Utility Billing
    - Excise tax returns
    - Sales tax reporting
    - Bank reconciliation
- The department continues to provide customer service processing many passports; we may have hit a peak in 2017. City Hall (Finance and Community Development) processed 1,385 in 2017 and 868 issued through the end of the third quarter 2018.
- In 2017, 15,737 utility bills, 2,939 late notices, 159 shut offs incurred for delinquent payment were processed. To date in 2018, issued 11,883 utility bills 1,918 late notices, and 81 customers turned off for nonpayment.
- There were 85 contracts and agreements issued in 2017 for services and projects; 57 contracts have been issued year-to-date in 2018.

DEPARTMENT STAFFING:



Administration Budget Request

Administration Expenditure Summary				
	2017 Actual	2018 YTD To 9-30-18	2019 Proposed	2020 Proposed
Salaries & Wages	$ 190,294	$ 148,621	$ 213,479	$ 238,460
Overtime	$ 230	$ -	$ 1,080	$ 1,080
Social Security	$ 28,888	$ 23,854	$ 25,294	$ 27,570
Retirement	$ 43,027	$ 38,659	$ 55,367	$ 58,862
Medical Benefits	$ 4,406	$ 17,661	$ 21,035	$ 14,685
L & I	$ 1,456	$ 1,208	$ 1,488	$ 1,488
Awc Retro Program	$ 4,903	$ 1,376	$ 1,720	$ 1,720
Unemployment Insurance	$ 727	$ 747	$ 869	$ 919
Supplies	$ (7,577)	$ (6,863)	$ (6,734)	$ (6,734)
Small Equipment	$ 756	$ 25	$ 1,000	$ 1,000
Professional Services	$ (35,039)	$ (26,437)	$ (19,471)	$ (29,471)
CPG Grant - Clean Up Day	$ 1,626	$ 1,206	$ 1,800	$ 1,800
Communications	$ 2,218	$ 1,105	$ 2,500	$ 2,500
Advertising	$ 479	$ -	$ 500	$ 500
Operating Rentals	$ 18,432	$ 10,229	$ 16,500	$ 16,500
Repair/maintenance	$ 187	$ -	$ 4,000	$ 4,000
Miscellaneous	$ -	$ -	$ 200	$ 200
Meetings, Training & Travel	$ 3,046	$ 5,472	$ 5,500	$ 5,500
Credit Card Bank Fees-Admin/Fin	$ 1,909	$ 1,660	$ 1,400	$ 1,400
Dues	$ 1,165	$ 200	$ 1,100	$ 1,100
State Audit	$ 21,580	$ -	$ 14,000	$ 35,000
TOTALS	$ 282,713	$ 218,721	$ 342,627	$ 378,079

Council/Clerk Budget Request

Clerk and Council Expenditure Summary				
	2017 Actual	2018 YTD To 9-30-18	2019 Proposed	2020 Proposed
Salaries & Wages	$ 100,201	$ 76,553	$ 89,000	$ 92,237
Overtime	$ 150	$ -	$ 510	$ 510
Social Security	$ 7,636	$ 5,857	$ 5,553	$ 5,801
Retirement	$ 6,992	$ 5,391	$ 3,743	$ 4,016
Medical Benefits	$ 14,333	$ 15,311	$ 18,455	$ 18,446
L & I	$ 261	$ 329	$ 396	$ 396
Unemployment Insurance	$ 141	$ 121	$ 114	$ 120
Supplies	$ 821	$ 395	$ 1,200	$ 1,200
Small Equipment	$ -	$ -	$ 1,500	$ 1,500
Professional Services	$ 7,294	$ 4,930	$ 5,000	$ 5,000
Communications	$ 180	$ 198	$ 500	$ 500
Advertising	$ 4,075	$ 1,562	$ 4,000	$ 4,000
Repair/maintenance	$ 187	$ -	$ -	$ -
Miscellaneous	$ 50	$ (50)	$ 500	$ 500
Meetings, Training & Travel	$ 2,425	$ 917	$ 3,000	$ 3,000
Dues	$ 470	$ 210	$ 500	$ 500
Wellness Program	$ 368	$ 468	$ 750	$ 750
Election Services	$ 3,919	$ 1,243	$ 4,000	$ 4,000
Voter Registration	$ 8,315	$ 7,845	$ 9,000	$ 9,000
TOTALS	$ 157,818	$ 121,279	$ 147,721	$ 151,476

General Governmental Budget Request

General Governmental Expenditure Summary				
	2017 Actual	2018 YTD To 9-30-18	2019 Proposed	2020 Proposed
Salaries & Wages	$ 61,914	$ 56,604	$ 71,406	$ 82,309
Overtime	$ 627	$ 468	$ 467	$ 467
Social Security	$ 4,943	$ 4,336	$ 4,347	$ 5,019
Retirement	$ 7,657	$ 7,229	$ 9,186	$ 10,585
Medical Benefits	$ 16,085	$ 13,931	$ 17,051	$ 16,769
L & I	$ 1,136	$ 910	$ 1,133	$ 1,158
Unemployment Insurance	$ 127	$ 135	$ 144	$ 166
Supplies	$ 3,844	$ 1,405	$ 5,610	$ 5,750
Uniforms	$ 548	$ 212	$ 1,020	$ 1,046
Fuel	$ 3,607	$ 1,818	$ 2,040	$ 2,091
Small Tools	$ 42	$ 143	$ 306	$ 314
Professional Services	$ 12,767	$ 9,000	$ 15,300	$ 19,850
Communications	$ 557	$ 368	$ 408	$ 418
Utilities	$ 13,241	$ 10,737	$ 12,240	$ 12,546
Rental Expense	$ 262	$ -	$ 306	$ 314
Repairs/maintenance	$ 5,302	$ 1,621	$ 7,650	$ 7,841
Meetings, Training & Travel	$ 109	$ 264	$ 306	$ 314
Machinery & Equipment	$ -	$ 960	$ -	$ -
County Jail	$ 67,808	$ 33,327	$ 88,580	$ 91,237
Emergency Services-D.E.M.	$ 7,837	$ 6,210	$ 8,750	$ 9,013
Library Utilities	$ 11,413	$ 8,366	$ 12,000	$ 12,360
Library Repair/maintenance	$ 681	$ 145	$ 2,000	$ 2,000
Cascade Court	$ 13,186	$ 4,914	$ 16,000	$ 17,000
External Legal Services-Advice	$ 79,064	$ 37,809	$ 60,000	$ 60,000
External Legal Serv-Claims & Litig	$ -	$ 1,408	$ 12,500	$ 12,500
Public Defense/Pros Atty	$ 9,752	$ 25,709	$ 34,000	$ 34,000
TOTALS	$322,510	$228,031	$382,750	$405,067

Community Development

MISSION:

The Community Development Department is dedicated to carrying out the community's vision through consistent, courteous and personalized customer service, supporting economic vitality, protecting the environment and ensuring a great quality of life.

DESCRIPTION:

The Community Development Department plays a significant role in shaping the City's current environment by implementing the vision of the Mayor, City Council, residents and business community as outlined in the Comprehensive Plan. While guiding the physical development of the City, the Department also plans for Stanwood's future over the next 30 years.

The Department provides three primary services to the residents of Stanwood, including: Current, Long Range, and Parks Planning.

Current Planning	Long Range Planning	Parks & Arts
• Permitting • Business Licenses • Passports • Special Events Planning	• Comprehensive Planning • Municipal Code Amendments • Shoreline Master Planning • Floodplain Management	• Park Planning and Development

COUNCIL BUDGET THEMES AND INITIATIVES:

The Community Development Department work plans fit into all of the budget themes: public safety, economic development, park and recreation assets, city facilities and infrastructure, and financial sustainability.

1. Public Safety

Although public safety is usually thought of as police and fire services, the fundamental zoning authority of the city also resides under the legal umbrella of public health, safety and welfare, or as it is often called “the police power”. Code compliance, implementation of zoning regulations including topics such as use regulations, critical areas regulations, floodplain regulations, sign regulations, and nuisance are in this category.

The 2019/2020 goal is to continue to provide equitable implementation of city codes that provide for the general public safety and welfare.

- Finalize the Shoreline Master Plan Update
- Update the Comprehensive Plan and/or Development Regulations consistent with the annual Docket requests
- Provide information about building in the floodplain

2. Economic Development

The City reauthorized the Economic Development Board for an additional 4 year term to continue their community outreach efforts and to implement the Economic Development Action Plan. Staff will support the Executive Department in their efforts to improve a positive business climate and investment in the City.

3. Parks and Recreation

Providing a strong parks and recreation program is a high priority for the City. The 2019 / 2020 budget goals will continue the City’s efforts to improve recreational opportunities for the residents and visitors within the City of Stanwood.

- Improve the drainage system at Heritage Park
- Work with the Department of Fish and Wildlife to permit and construct a boat launch at Hamilton Park
- Continue working on the Integrated Planning Grant and adopt an updated Master Plan for Hamilton Park
- Begin 10% engineering design on the Ovenell and Johnson property
- Continue to pursue leasing of the BNSR corridor or apply for a Rails to Trails permit

4. City Facilities and Infrastructure

In 2018 the City purchased a 1.25 acre parcel with the intent to design and relocate the Police Station and City Hall out of the floodplain. The 2019/2020 goal is to assist in the planning, design and potential permitting for this facility.

- ❖ Begin the design and site planning for a new Police Station/City Hall
- ❖ Work with FEMA on addressing floodplain issues in the City

5. Financial Stability

Along with the continued goal to improve customer service in the permitting division, the department will contribute to the financial stability of the city by supporting the Finance Department in updating the City's fee structure to accurately reflect the City costs to conduct business.

- ❖ Evaluate fee structure for both planning and building permits
- ❖ Continue working with property owners to approve residential plats, multifamily projects, and commercial projects that improve the city's property tax base
- ❖ Determine other opportunities for cost saving

2019-2020 MAJOR INITIATIVES:

1. Update of the Shoreline Master Plan
2. Planning for Heritage, Hamilton and Ovenell Parks
3. Various Municipal code updates including: wireless communications facilities and street vacation ordinances
4. Continue work with FEMA on the proposal to address impacts on fish/FEMA Bi-Op Regulations (on going)

2017-2018 ACCOMPLISHMENTS:

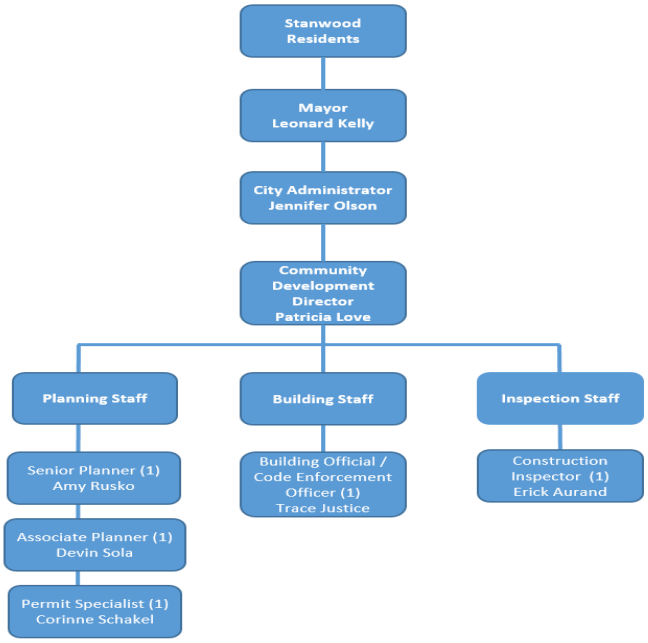
- Submitted two grant applications to the Recreation and Conservation Office
- Updated the Heritage Park Master Plan
- Completed the following ordinances
  - Tatoo Business Regulations
  - Bed and Breakfast Regulations
  - Light Industrial and General Industrial Performance Standards
- Hired a new Senior Planner and Planning Director
- Facilitated the purchase of the Police Station / City Hall property

Work Load Statistics	2017	2018 (through August 31st)
Total Permits	497	415
Total Single-Family Home Permits	32	34
Total Commercial Building Permits	28	29
Total Code Enforcement Cases	41	24
Total Customers Served at Counter (Approx.)	480	330
Planning Commission Total Hours	15	14.25
Planning Commission Total Meetings Held	15	12

DEPARTMENT STAFFING:

The department currently has six full time employees; additional planning support is provided by on-call consultants when needed to supplement or provide specialized technical assistance as needed. Those services include plan review and inspections, critical area environmental expertise, engineering or architectural services.

Position	Number of Employees
Director	1
Building Official / Code Enforcement Officer	1
Senior Planner	1
Associate Planner	1
Permit Specialist	1
Construction Inspector	1
Total Department Staff:	**6**



Plus On-Call Consultants As Needed.

2017 / 2018 REVENUE BY FUND TYPE:

General Fund Permit Revenue

Revenues	2017	2018 (through August 31st)
General Fund Land Use & Building Permit Revenue	$332,971	$385,040

Special Fund Revenue:

Revenues	2017	2018 (through August 31st)
Impact Fees (Traffic, Parks & Fire)	$342,816	$142,977
Utility Connection Fees (Water, Sewer & Drainage)	$56,900	$55,000
Plant Investment Fee (Water, Sewer & Drainage)	$340,072	$498,580

Community Development Department – General Fund Budget Table 1

	2018	2019	2020	
Community Development	Adopted	Proposed	Proposed	Notes
Salaries and Wages	500,500	416,764	425,215	
Taxes and Benefits	135,669	215,930	239,320	
Operating Supplies	800	3,500	2,000	
Fuel	650	300	300	
Small Equipment	1,000	5,100	3,500	New A-boards
Professional Services	105,000	105,000	65,000	Consultant Peer Review Services, Building Inspection Services, Economic Development Implementation
Economic Development	4,000	12,500	10,000	Discover Stanwood Camano Magazine
Tourism Promotion & Marketing	50,500	49,500	46,000	Stanwood Chamber, Tourism Grants, Glass Quest
Communications	2,000	2,000	2,000	
Advertising	2,500	2,500	2,500	Public Notices
Rentals		1,500	1,500	Wide format printer
Repairs & Maintenance	400	400	400	
Training & Travel	5,000	9,000	9,000	$5k ongoing; Added GIS Conference, APWA Conference & National Planning Conference
Dues	4,000	2,000	2,000	dues for staff certs
Printing	800	400	400	
Credit Card Fees	1,000	500	500	on-line banking services
Intergov't Services	2,500	4,000	4,000	ILA's: Alliance Housing Affordability, Snohomish County Tomorrow and Economic Alliance of Snohomish County
Total CD	816,319	830,894	813,635	

Economic Development

MISSION:

The Executive Office is dedicated to carrying out the community's vision of enhancing and supporting our economic vitality to ensure a great quality of life.

COUNCIL BUDGET THEMES AND INITIATIVES:

Economic Development is an overall budget theme in itself.

> *"Invest in public infrastructure to spur private development. Ensure that building and zoning codes align with desired use to attract and retain businesses. Implement incentives to attract desirable private development to the city. Assist property owners seeking to develop and redevelop in the floodplain. Evaluate the city's fee structure to ensure fees for services align with Council policies. Work with community partners to support a marketing campaign to attract new residents, businesses and visitors to Stanwood."*

The City Administrator leads our community economic development initiatives with support from all city departments and primary support from the Community Development Department. Additionally, the Economic Development work plan covers all of the budget themes: public safety, economic development, park and recreation assets, city facilities and infrastructure, and financial sustainability. The following are key initiatives that may be included in the 2019-2020 work plan:

2019-2020 MAJOR INITIATIVES:

Public Safety

- Provide guidance on equitable implementation of city codes that provide for the general public safety and welfare
- Support for programs that educate on commercial building and doing business in the the Floodplain

Economic Development

- Assessment of the Economic Development Plan and analysis of the Implementation Action Items
- Improve a positive business climate and investment in the City

- ❖ Expand Tourism related activities and promote the Stanwood Community and showcase our assets
    - o Awarded Snohomish County Tourism Grant for the Discover Stanwood Camano magazine
    - o Administer City Tourism Grants to Community
- ❖ Conduct feasibility study for attracting Hotel/Motel

Parks and Recreation

- ❖ Destination parks and recreation programs to be showcased and promoted in tourism and marketing materials

City Facilities and Infrastructure

- ❖ Support all departments in the design and site planning for a new Police Station/City Hall
- ❖ Gateway Sculpture at the High School

Financial Stability

- ❖ Assess city organization structure and staffing needs to ensure that proper resources are in place that support the successful achievement of goals
- ❖ Support for updating the City's fee structure to accurately reflect the City costs to conduct business
- ❖ Determine opportunities for cost savings through implementation of efficient processes

2017-2018 ACCOMPLISHMENTS:

- Successfully worked with the Chamber to distribute the Discover Stanwood Camano magazine, including obtaining a grant to place a large billboard ad in the international terminal at SeaTac Airport
- Allocated city funds of $10,000 and solicited School District commitment of $5,000 towards the Gateway Sculpture project at the High School
- Working with the Economic Development Committee to revise the city's Tourism & Events Grant Program, adopted Resolution 2018-13 on June 28th 2018.

Economic Development Budget – General Fund

See Community Development Budget Table 1 for specific line item allocations

	2018	2019	2020	
Community Development	Adopted	Proposed	Proposed	Notes
Salaries and Wages	500,500	416,194	416,194	
Taxes and Benefits	135,669	139,160	144,765	
Operating Supplies	800	3,500	2,000	
Fuel	650	300	300	
Small Equipment	1,000	5,100	3,500	New A-boards
Professional Services	105,000	105,000	65,000	Consultant Peer Review Services, Building Inspection Services, Economic Development Implementation
Economic Development	4,000	12,500	10,000	Discover Stanwood Camano Magazine
Tourism Promotion & Marketing	50,500	49,500	46,000	Stanwood Chamber, Tourism Grants, Glass Quest
Communications	2,000	2,000	2,000	
Advertising	2,500	2,500	2,500	Public Notices
Repairs & Maintenance	400	400	400	
Training & Travel	5,000	9,000	9,000	$5k ongoing; Added GIS Conference, APWA Conference & National Planning Conference
Dues	4,000	2,000	2,000	dues for staff certs
Printing	800	400	400	
Credit Card Fees	1,000	500	500	on-line banking services
Intergov't Services	2,500	4,000	4,000	ILA's: Alliance Housing Affordability, Snohomish County Tomorrow and Economic Alliance of Snohomish County
Total CD	816,319	752,054	708,559	

Law Enforcement

Police Department

MISSION:

Provide safe communities through dedication and professional service.

DESCRIPTION:

Law Enforcement Services within the City of Stanwood are provided in partnership with the Snohomish County Sheriff's Office. This service is provided as part of a stand-alone law enforcement contract. With a stand-alone contract, the city is able to maintain its own police department identity. This arrangement allows the city to benefit from a friendly, small-town police atmosphere backed up by the vast resources of the largest law enforcement agency in the county.

2019-2020 MAJOR GOALS:

- Promote safe and secure communities by reducing crime
    - Identify and target crimes, criminals, and conditions that cause the most harm
    - Pursue partnerships with the community to prevent crime
    - Increase DUI enforcement and traffic enforcement
    - Continue Most Harmful Criminal, Crimes, and Conditions (MHC) program
    - Maintain current contracts with drug task force, corrections, prosecution, defense, communications (SERS), and animal control
    - Start process with city to develop plans for new police department and city hall
    - Purchase and outfit police community engagement trailer for the city
    - Continue to partner with North County Regional Fire for training and simulation opportunities (school active shooter scenarios, pipeline failure, flooding, and mass casualty incidents)
- Deliver exceptional service
    - Full police services (24/7) within the City of Stanwood
    - RAVE 911 system with phone app for all city of Stanwood schools/employees
    - Partner with the city to plan and/or participate in city events such as Twin City Idlers car show, Touch a Truck, and National Night Out

- Plan community events such as Coffee with the Cops and partner with Stanwood-Camano Resource Center for their activities
- Continue to plan and organize the National Night Out event and grow it into the largest police planned event in the county
- Continue to maintain department Facebook and Twitter accounts to allow the department to maintain its community first relationship with the community

2019-2020 MAJOR GOALS (continued):

- Manage resources effectively and efficiently
  - Hire and train new police records specialist
  - Hire/replace school SRO and day shift patrol deputy due to their anticipated retirement
  - RSO Offender Watch software
  - Increase transient monitoring and assist transients with placement/resources using SCSO Office of Neighborhoods
  - Continue nuisance residence abatement initiative in conjunction with city code enforcement
  - Promote and maintain the employee wellness program

2017-2018 ACCOMPLISHMENTS:

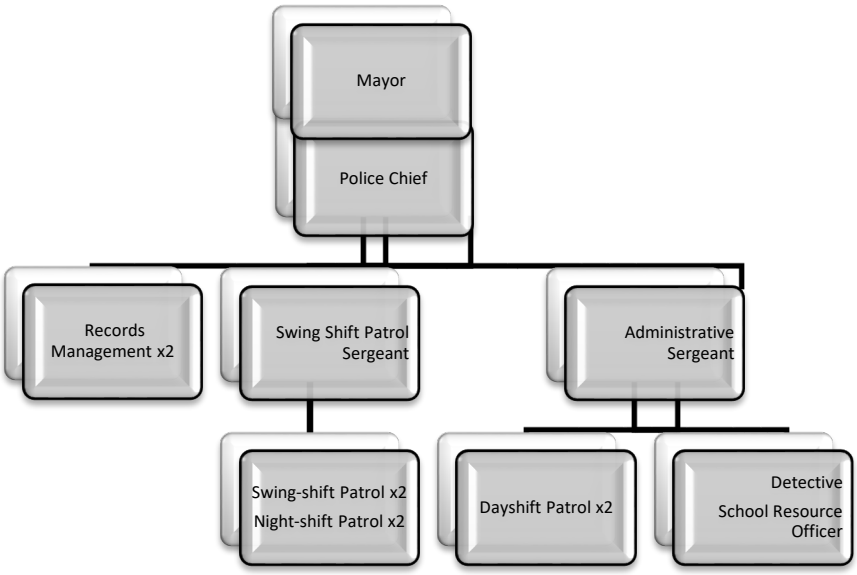
- Police department detective solved armed robbery spree in Stanwood and suspect received 87 month prison sentence. This, along with numerous other high profile case closures, resulted in Det. Martin being named the detective of the year for the Snohomish County Sheriff's Office
- Sgt. Sanders and Dep. Peckham named Red Cross hero award winners for their efforts to evacuate the Stanwood Senior Center while it was on fire
- Police department patrol deputies saved numerous people with Narcan applications
- Police department was outfitted with necessary law enforcement tools including bolt cutters, new ballistic shield, and halligan bar
- SRO outfitted with new breaching backpack for school security
- Patrol deputies outfitted and trained with new tactical first aid kits
- Conducted numerous active shooter drills with full school lockdown and multi-agency response
- Improve employee safety and security of police department with video surveillance system
- Active shooter training given to banks, newspaper office, and city personnel
- City personnel trained in personal self defense
- Member of the Stanwood YMCA Board

- Sponsored, planned, and held two National Night Out Against Crime events
- Weekly crime blotter posting via Facebook and Twitter

2018 KEY PERFORMANCE MEASURMENTS:

- Handled 5,022 calls for service through the end of August, 2018
- Calls for service and most tracked crimes are down slightly this year
- Records personnel continue to be very busy; year to date have had 20% increase in public disclosure requests, 37% increase in concealed pistol license applications, and 25% increase in fingerprinting requests
- Anticipate all records functions to increase in workload through the rest of the year

DEPARTMENT ORGANIZATIONAL CHART:



2019 / 2020 Budget Request:

The 2019/2020 law enforcement budget consists primarily of all costs associated with the Snohomish County Sheriff's Office contract agreement which includes full police services. The increase covers the cost of living increases from one year to the next. The budget also includes other contract costs to include dispatch services (Snohomish County 911), Snohomish County Radio system (SERS), Snohomish Regional Drug & Gang Task Force, public defense, prosecution, court costs and animal control. The police department continues to be staffed at a very basic and minimum staffing level. The public safety committee was presented with the cost proposal to add two deputies to patrol and bring the staffing level up to two deputies 24/7. There have been no additional conversations

about increasing the staffing level of the police department after that information was presented to the public safety committee.

The police budget will show increases in some line items. We have increased the training budget to accommodate the needs of the replacement records specialist by $500. There are also other increases that will be realized in our SERS and dispatch line items. These costs are set by the providers of these services and determined based on the quantity of our use. Due to the significant increase in new homes in the area and the increase in animal control calls, we have added $1,000 to our animal control budget for animal impounds.

It is of particular importance to note the SERS ballot measure for Snohomish County that will be on the ballot in Snohomish County in November. As has been discussed numerous times with council, the public safety committee and in house staff; the SERS system is at failure and is being replaced. IF, the ballot measure fails, the cost of the system will be spread out to the user agencies to fund. The City of Stanwood's share would be approximately $750,000.

Police Expenditure Summary				
	2017 Actual	2018 YTD To 9-30-18	2019 Proposed	2020 Proposed
Salaries & Wages	$ 125,648	$ 105,209	$ 129,254	$ 131,240
Overtime	$ -	$ -	$ -	$ -
Social Security	$ 9,518	$ 8,011	$ 7,377	$ 7,529
Retirement	$ 14,273	$ 13,373	$ 16,583	$ 16,838
Medical Benefits	$ 46,308	$ 47,381	$ 36,879	$ 36,869
L & I	$ 514	$ 462	$ 528	$ 528
Unemployment Insurance	$ 238	$ 250	$ 259	$ 262
Supplies	$ 1,362	$ 1,595	$ 1,800	$ 1,800
Supplies - Nat'l Night Out	$ 1,053	$ 1,477	$ 3,500	$ 3,500
Training Supplies	$ -	$ -	$ 275	$ 275
Fuel	$ -	$ -	$ 175	$ 175
Small Equipment	$ 43	$ -	$ -	$ -
Uniforms	$ -	$ -	$ 450	$ 450
Professional Services	$ 558	$ 336	$ 400	$ 400
Advertising	$ -	$ -	$ 500	$ 500
Rentals And Leases	$ 166	$ -	$ 500	$ 500
Utilities	$ 8,083	$ 5,257	$ 10,000	$ 10,000
Repair\maintenance	$ 60	$ 30	$ 1,000	$ 1,000
Miscellaneous	$ 121	$ 372	$ 1,000	$ 1,000
Dues	$ 140	$ 115	$ 700	$ 700
Meeting, Training & Travel	$ 1,034	$ 530	$ 2,000	$ 2,000
Narcotics Task Force	$ 438	$ 621	$ 1,807	$ 1,862
Intergovernmental Agreements	$ 1,665,549	$ 1,285,410	$ 1,771,855	$ 1,825,461
Sno Pac Dispatch	$ 86,953	$ 53,829	$ 93,256	$ 96,054
Sers Maint. & Operating	$ 20,854	$ 18,845	$ 28,467	$ 29,321
Animal Control	$ 1,850	$ 1,270	$ 3,000	$ 3,000
TOTALS	$ 1,984,761	$ 1,544,372	$ 2,111,565	$ 2,171,264

Public Works

Buildings and Grounds

MISSION:

The Mission of the City of Stanwood's Public Works Department is to provide high quality maintenance of the City's public works infrastructure in an economic and environmentally responsible manner while preserving and enhancing quality of life and public safety.

DESCRIPTION:

Buildings and Grounds is one of the two public works divisions that are part of the general fund budget.

The City of Stanwood owns, operates and maintains a variety of buildings housing government and non-profit services. City facilities include city hall, public works shop, wastewater treatment plant (WWTP), water treatment plant (WTP), parks maintenance shop, sewer lift stations, well houses, library, police station, fire station and community conference center.

2019-2020 MAJOR INITIATIVES:

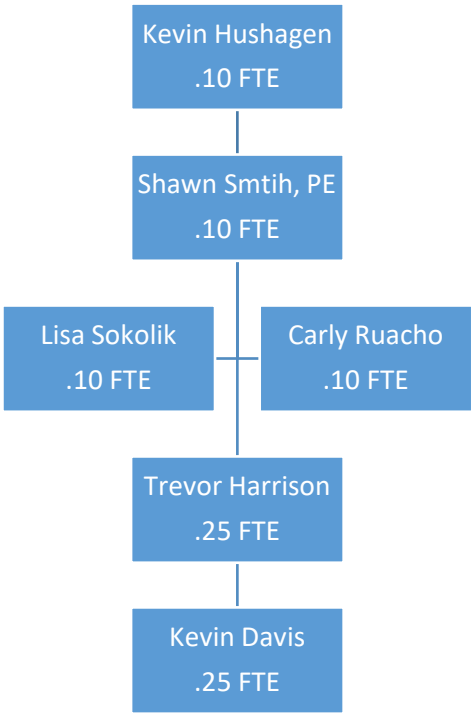
- Furnace replacement & air conditioning for City Hall
- Secure funding for new City Hall and Police Station
- Repair sidewalk around back door to Police Station

2017-2018 ACCOMPLISHMENTS:

- Fire Station painted
- Fixed HVAC at Fire Station
- Installed TV’s for security system at Police Station
- Installed benches and picnic tables at City Hall park
- Removed book shelves and repaired floor at Library
- Purchased property for new Police Station and City Hall.
- Maintained all City buildings.

DEPARTMENT STAFFING:

The 2019-20 budget includes minimal staffing to maintain Stanwood's building and grounds with approximately .90 full-time equivalent (FTE) appropriated staff to this department.



Building and Grounds – General Fund 2019-2020 Budget Request

As city facilities age there is a need to budget more money for repair and maintenance of the buildings.

BUILDINGS & GROUNDS				
	2017 Actual	2018 YTD To 9-30-18	2019 Proposed	2020 Proposed
Salaries & Wages	$ 61,914	$ 56,604	$ 71,406	$ 82,309
Overtime	$ 627	$ 468	$ 467	$ 467
Social Security	$ 4,943	$ 4,336	$ 4,347	$ 5,019
Retirement	$ 7,657	$ 7,229	$ 9,186	$ 10,585
Medical Benefits	$ 16,085	$ 13,931	$ 17,051	$ 16,769
L & I	$ 1,136	$ 910	$ 1,133	$ 1,158
Unemployment Insurance	$ 127	$ 135	$ 144	$ 166
Supplies	$ 3,844	$ 1,405	$ 5,610	$ 5,750
Uniforms	$ 548	$ 212	$ 1,020	$ 1,046
Fuel	$ 3,607	$ 1,818	$ 2,040	$ 2,091
Small Tools	$ 42	$ 143	$ 306	$ 314
Professional Services	$ 12,767	$ 9,000	$ 15,300	$ 19,850
Communications	$ 557	$ 368	$ 408	$ 418
Advertising	$ -	$ -	$ -	$ -
Utilities	$ 13,241	$ 10,737	$ 12,240	$ 12,546
Rental Expense	$ 262	$ -	$ 306	$ 314
Repairs/maintenance	$ 5,302	$ 1,621	$ 7,650	$ 7,841
Pw Building Repair	$ -	$ -	$ -	$ -
Meetings, Training & Travel	$ 109	$ 264	$ 306	$ 314
Machinery & Equipment	$ -	$ 960	$ -	$ -
TOTALS	$ 132,768	$ 110,142	$ 148,920	$ 166,957

Public Works

Park Maintenance

MISSION:

The Mission of the City of Stanwood's Public Works Department is to provide high quality maintenance of the City's public works infrastructure in an economic and environmentally responsible manner while preserving and enhancing quality of life and public safety.

DESCRIPTION:

The Public Works Parks division is part of the general fund budget.

The public works department maintains the city's parks, open spaces and trails with over 63 acres of active parks and open spaces, 3 miles of multi-use trails, and 12 acres of future parks.

The challenge in the coming years will be to operate and maintain existing park properties while acquiring land for a future neighborhood park. There is a strong community preference for adding a neighborhood park with sports fields to serve young families and their children. Also, there is a strong desire to build onto the existing trail system to create connectivity from one end of Stanwood to the other.

Maintaining the grounds of Ovenell Park and Hamilton Park, while design and development occurs over the next several years, will put additional burden on the minimally staffed parks department.

2019-2020 MAJOR INITIATIVES:

- Support search for property and funding to develop a community park in north east Stanwood to serve new development
- Support search for property and funding to develop a downtown park in east Stanwood
- Purchase and install security cameras at Church Creek Park
- Install alarm at Heritage Park
- Remove hazard trees at Church Creek Park
- Support Community Development in Master Planning all Parks and identify priorities and park maintenance levels of service

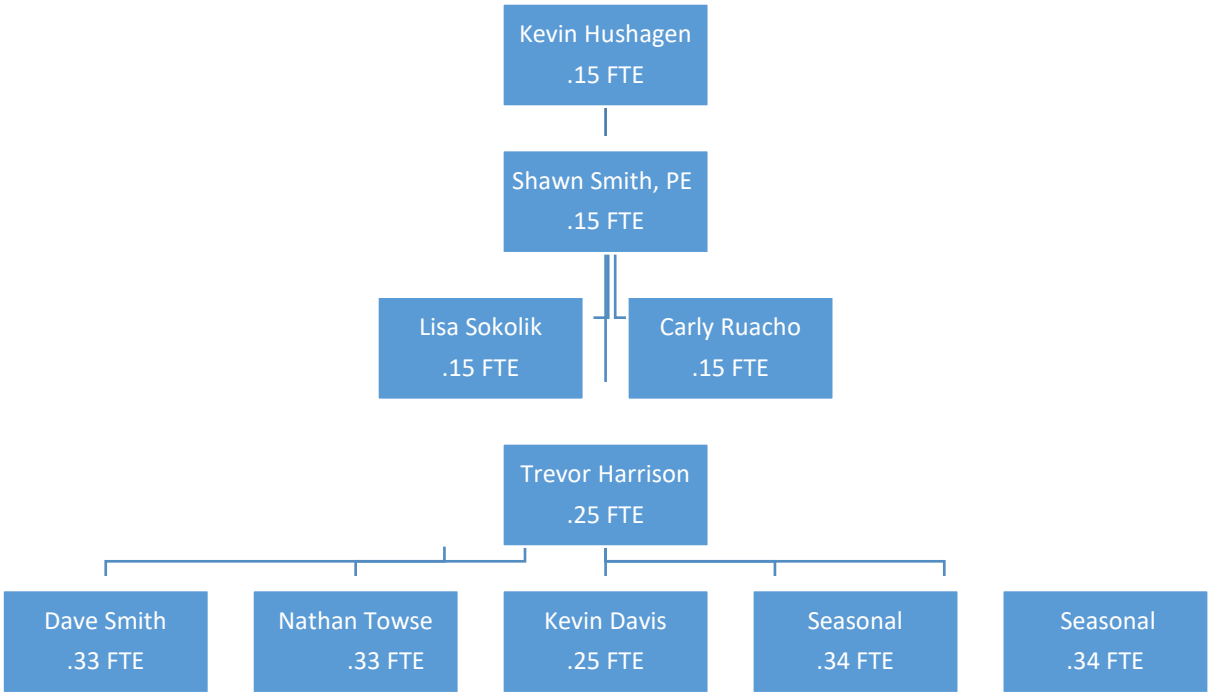
- Construct new baseball field at Heritage Park based on Heritage Park Master Plan completion
- Repair existing holes and add 9 holes to disc golf course in Church Creek Park
- Work with state to construct boat launch, parking and restrooms at Hamilton Park

2017-2018 ACCOMPLISHMENTS:

- Installed new bathroom at Church Creek Park
- Paved the access to the bathroom and baseball field at Church Creek Park
- Demolished old bathroom at Church Creek Park
- Demolished several buildings at Ovenell Park
- Installed power in Church Creek Park for Movies in the Park
- Installed bird blocks on backstops at Heritage Park
- Designed drainage fix and new baseball field at Heritage Park
- Cleared brush at Church Creek Park
- Purchased the Johnson Farm
- Added Picnic Table at Lions Park
- Secured funding for master plan at Hamilton Park
- Parks mowed weekly during spring, summer; two crew members work two full days to mow the city's parks.
- Trimming trees, repairing equipment and facilities are completed during the winter; crew also works in the street department street sweeping and working during snow and flood events.
- On-going work to attract a core group of individuals and service organizations to assist with maintaining and improving city parks

DEPARTMENT STAFFING:

The 2019-20 budget includes minimal staffing to maintain Stanwood's parks; there are approximately 1.76 full-time equivalent employees (FTE) appropriated for parks operation/maintenance staff from October to April. During the spring, summer and early fall (May-October), the city adds additional staff time (.68) for mowing parks and streetscapes.


Kevin Hushagen
.15 FTE
Shawn Smith, PE
.15 FTE
Lisa Sokolik
.15 FTE
Carly Ruacho
.15 FTE
Trevor Harrison
.25 FTE
Dave Smith
.33 FTE
Nathan Towse
.33 FTE
Kevin Davis
.25 FTE
Seasonal
.34 FTE
Seasonal
.34 FTE

Parks Maintenance – General Fund 2019-2020 Budget Request

Parks Operation & Maintenance				
	2017 Actual	2018 YTD To 9-30-18	2019 Proposed	2020 Proposed
Salaries & Wages	$ 128,929	$ 115,690	$ 140,145	$ 157,043
Overtime	$ 1,449	$ 871	$ 684	$ 684
Social Security	$ 9,930	$ 8,847	$ 8,532	$ 9,581
Retirement	$ 13,951	$ 13,209	$ 16,796	$ 18,952
Medical Benefits	$ 31,578	$ 27,141	$ 33,103	$ 32,678
L & I	$ 3,693	$ 3,007	$ 3,581	$ 3,618
Unemployment Insurance	$ 255	$ 271	$ 282	$ 315
Supplies	$ 9,929	$ 7,062	$ 10,200	$ 4,100
Fuel	$ 3,607	$ 3,334	$ 4,590	$ 4,705
Small Equipment	$ 42	$ 252	$ 1,020	$ 1,046
Uniforms	$ 412	$ 212	$ 1,020	$ 1,046
Professional Services	$ 529	$ 1,852	$ 2,550	$ 6,780
Summer Concert Series	$ 1,569	$ 3,059	$ 1,173	$ 1,202
Movies In The Park	$ 3,423	$ 3,590	$ 3,774	$ 3,868
Light Up Your Holidays	$ 506	$ -	$ 3,876	$ 3,973
CPG Grant - Clean Up Day	$ -	$ 19	$ 5,100	$ 5,228
Touch A Truck	$ 1,760	$ 95	$ 1,800	$ 1,845
Snow Goose/Glass Quest	$ 1,200	$ -	$ 2,550	$ 2,614
Haunted Halloween At Oven	$ -	$ -	$ 1,530	$ 1,568
Communications	$ 273	$ 648	$ 612	$ 627
Rent	$ -	$ -	$ 2,500	$ 2,500
Utilities	$ 12,965	$ 11,294	$ 14,280	$ 14,637
Repair/maintenance	$ 4,034	$ 2,602	$ 4,080	$ 4,182
Field Maint - User Fees	$ 3	$ 3,126	$ 4,000	$ 10,455
Meetings, Training & Travel	$ 504	$ 571	$ 1,326	$ 1,359
Credit Card Bank Fees-PW	$ -	$ -	$ 204	$ 209
TOTALS	$ 230,541	$ 206,751	$ 269,308	$ 294,815

Public Works

Street Maintenance

MISSION:

The Mission of the City of Stanwood's Public Works Department is to provide high quality maintenance of the City's public works infrastructure in an economic and environmentally responsible manner while preserving and enhancing quality of life and public safety.

DESCRIPTION:

Street operations, while having its own special revenue fund for operating and maintenance, is primarily supported by the general fund budget. The general fund and street fund typically share revenue sources including property taxes, sales taxes, and utility taxes. The only exception is the gas tax. In accordance with RCW47.24.040, all funds distributed to cities from the state motor vehicle fund (‘gas tax”) must be placed in a fund designated as the "city street fund."

The monies from this fund are to be used for salaries and wages, materials, supplies, equipment, purchase or condemnation of right of way, engineering or any other proper highway or street purpose in connection with the construction, alteration, repair, improvement, or maintenance of any city street or bridge, or viaduct or under passage along, upon or across such streets.

Also, in conjunction with the voter approved sales tax increase in February 2013, the City Council established a transportation benefit district (TBD) for managing the increased tax revenue. The TBD board has specifically requested that these revenues be spent on street improvement projects. Year to date for 2018 the TBD has $263,458 in TBD revenue. The 2019-20 TBD budget anticipates receiving $325,000 in sales tax revenue in 2019 & 300,000 2020.

The street fund supports snow removal, pothole patching, as well as bike path and trail repairs as needed. There are 4 members of the public works crew who, along with working in the parks, drainage, buildings and grounds are responsible for the maintenance of Stanwood streets and public rights of way. Each year the city contracts with Snohomish County to re-stripe pavement markings along city streets using Street Fund revenues. This funding also provides for concrete curb and gutter work, asphalt patching and localized repair and engineering studies.

2019-2020 MAJOR INITIATIVES:

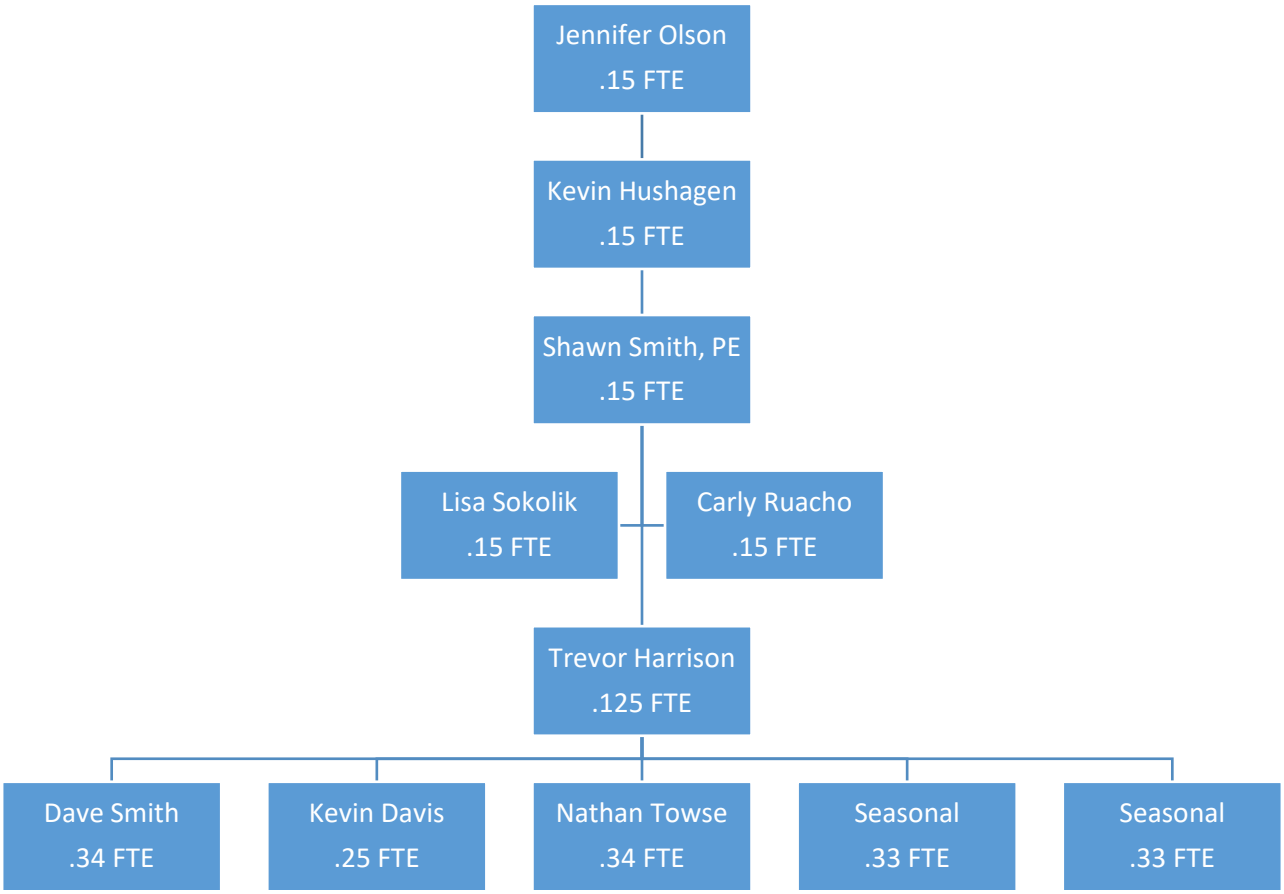
- Seek funding and construct berm/trail on SR532
- Repave 102nd Avenue from 270th Street to city limits
- Repave 276th Street from Cedarhome Dr. to city limits
- Repave 68th Avenue from 276th Street to city limits
- Repave 72nd Avenue from SR 532 to 276th Street
- Construct 90th Avenue and Viking Way
- Implement the Non-Motorized Transportation Plan by filling in sidewalk and walkway missing sections
- Evaluate replacing guardrail at Church Creek
- Viaduct flower bed design

2017-2018 ACCOMPLISHMENTS:

- Completed sidewalks for 68th Avenue Safe routes to school" project
- Sweep arterial and neighborhood streets monthly
- Install and remove holiday and seasonal banners as requested
- Identify and maintain city owned rights-of-way
- Contract with Snohomish County to stripe arterial streets
- Repave 271st from 94th to SR 532.
- Repave Cedarhome Drive from the Viaduct to 276th Street
- Repave Pioneer Hwy from SR 532 south to city limits
- Repave 92nd Avenue from 271st Street to Lovers Lane
- Paved shoulder of 85th Avenue near Pioneer Hwy.
- 90% Design for Viking Way/90th Avenue
- Stripe all cross walks and stop bars yearly
- Installed TBD signs along projects funded with TBD funds
- Streets swept weekly
- TIB funding secured to repave 92nd Avenue.
- TIB funding secured to repave Cedarhome Drive.
- TIB funding secured to repave 271st Street.
- TIB and CHAP funding secured to repave Pioneer Hwy.
- RTCC funding and State transportation funding of $1,937,750 secured for Viking Way/90th Avenue.

DEPARTMENT STAFFING:

The 2019-20 budget includes minimal staffing to maintain Stanwood's streets: there are approximately 1.81 full-time equivalent (FTE) appropriated staff to this department, and 0.66 FTE of seasonal help in the summer months. The staff in this department maintains streets, sidewalks and associated right of ways.



Street Operating Fund - 2019-2020 Budget Request

Streets Operation & Maintenance				
	2017 Actual	2018 YTD To 9-30-18	2019 Proposed	2020 Proposed
Salaries & Wages	$143,139	$124,943	$163,889	$182,459
Overtime	$ 1,461	$ 881	$ 688	$ 688
Social Security	$ 11,009	$ 9,557	$ 9,910	$ 11,214
Retirement	$ 15,331	$ 14,061	$ 19,812	$ 22,194
Medical Benefits	$ 32,118	$ 26,989	$ 35,241	$ 32,366
L & I	$ 3,500	$ 2,846	$ 3,426	$ 3,463
Unemployment Insurance	$ 285	$ 296	$ 329	$ 366
Supplies	$ 22,822	$ 20,070	$ 20,400	$ 20,910
Uniforms	$ 483	$ 212	$ 500	$ 1,045
Fuel	$ 3,607	$ 3,080	$ 4,000	$ 4,100
Small Tools & Equipment	$ 159	$ 252	$ 408	$ 418
Professional Services	$ 12,775	$ 10,447	$ 15,300	$ 19,849
Communications	$ 1,015	$ 720	$ 2,000	$ 2,000
Rentals	$ -	$ 731	$ 1,500	$ 1,537
Insurance	$ 19,653	$ 19,600	$ 19,992	$ 20,492
Utilities	$ 61,270	$ 41,404	$ 61,200	$ 62,730
Repair/maintenance	$ 22,185	$ 22,258	$ 22,000	$ 22,000
Miscellaneous	$ -	$ -	$ 204	$ 209
Meetings, Training & Travel	$ 1,011	$ 705	$ 1,020	$ 1,046
Dues	$ 207	$ 100	$ 102	$ 105
Sno Co PW Striping	$ 8,766	$ -	$ 15,300	$ 15,683
TOTALS	$360,798	$299,152	$397,221	$424,874

Utility Funds

Public Works Enterprise Fund Budget Summaries

Sewer

The City of Stanwood owns, operates and maintains the wastewater collection system as well as a 1.5 MGD wastewater treatment plant. The collection system consists of approximately 27 miles of sewer mains, 674 manholes and 8 sewer lift stations. The City WWTP also houses a State accredited lab in which we perform tests consistent with requirements in our NPDES permit.

In past years staffing has been an issue in the sewer department. In 2017-18, the staffing ranged between 2 and 4 full time employees. The department recently hired 1 technician that will once again fully staff the department. The proposed 2019-2020 budget for sewer will increase staff by one full-time equivalent (FTE) to 6.

2019-2020 Sewer Operating Revenues

The City completed a sewer rate study in 2013. Based on the study, the finance committee recommended annual 3.5% sewer rate increases for six consecutive years on each January 1st, January 2014 through 2019. The City updated the rate study in 2018. Based on the study, the finance committee recommended annual rate increases of 3.5%, 7.5%, 7.5%, 6.5%, 6.5%, and 1.5% annually from 2019 – 2024. On October 11, 2018 the city council adopted Ordinance Number 1461 which adopted these sewer rate increases. The annual sewer rate increases were adopted to achieve the following long term goals:

- Maintain minimum cash reserves of $264,000, per the city's financial policy
- Make capital improvements averaging $1,736,333 per year over the next six (6) years
- Fully staff sewer operations with 6.0 FTE, which includes one new employee.
- Fund sewer utility capital projects over the next six (6) years via modest rate increases and spending down capital reserves before additional borrowing is considered.

Sewer Utility Revenues

Description	2017 Actual	2018 YTD (9-30)	2019 Proposed	2020 Proposed
Beginning Balance	$ 1,161,454	$ 1,603,873	$ 1,200,000	$ 464,612
Revenues				
Charges for Services	$ 1,940,195	$ 1,697,952	$ 1,916,806	$ 2,061,666
Misc. Revenues	$ 9,074	$ 16,052	$ 27,550	$ 27,555
Total Revenues	$ 1,949,269	$ 1,714,004	$ 1,944,356	$ 2,089,221

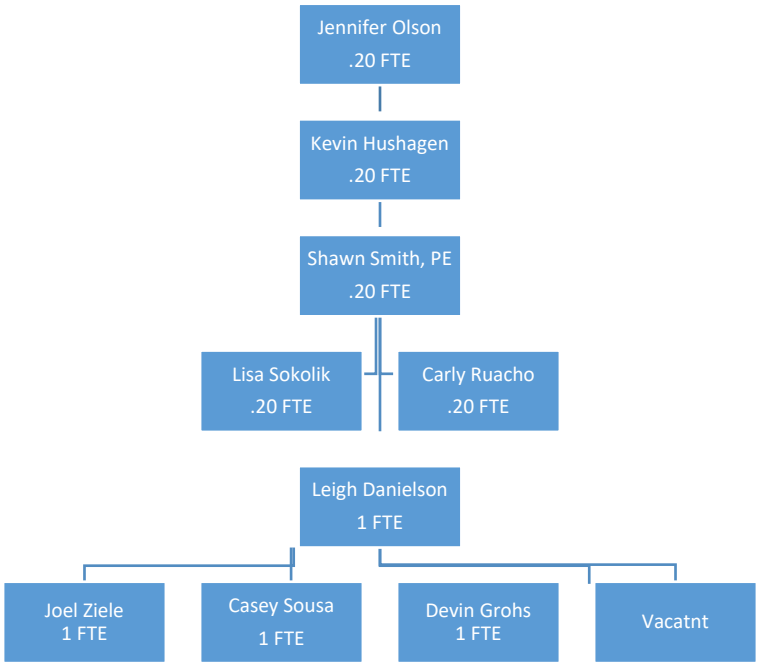
2019-2020 Sewer Operating Budget

The sewer operating budget is part of the city's enterprise fund budget. Revenues collected for this utility fund the maintenance and operation as well as the personnel to perform these duties. The total 2019-20 proposed sewer operating budget, including non-operating expenditures such as debt service and machinery and equipment, is $2,680,744 in 2019 and $2,148,370 in 2020, which allows for a projected ending cash balance of $464,612 in 2019 and $405,463 in 2020. Note this 2019-20 budget includes transfers of $700,000 to the Sewer Construction Fund.

Sewer Utility O& M Expenditures				
	2017 Actual	2018 YTD To 9-30-18	2019 Proposed	2020 Proposed
Salaries & Wages	$ 376,515	$ 246,397	$ 407,180	$ 448,595
Overtime	$ 1,977	$ 3,150	$ 5,183	$ 5,183
Social Security	$ 23,829	$ 18,991	$ 23,461	$ 26,474
Retirement	$ 36,437	$ 30,688	$ 52,654	$ 57,983
Medical Benefits	$ 116,699	$ 68,082	$ 113,565	$ 109,555
L & I	$ 8,426	$ 6,106	$ 10,911	$ 10,961
Unemployment Insurance	$ 603	$ 609	$ 825	$ 908
Supplies	$ 26,052	$ 10,990	$ 30,600	$ 31,365
Uniforms	$ 2,668	$ 1,290	$ 4,080	$ 4,182
Fuel	$ 8,820	$ 4,869	$ 7,650	$ 7,841
Small Equipment	$ 2,463	$ -	$ 2,550	$ 2,614
Professional Services	$ 67,167	$ 28,319	$ 61,200	$ 66,897
Communications	$ 10,984	$ 11,774	$ 20,400	$ 20,910
Advertising	$ 33	$ 463	$ 510	$ 523
Rentals	$ 3,438	$ 2,569	$ 4,000	$ 4,100
Insurance	$ 26,205	$ 30,840	$ 35,000	$ 35,875
Utilities	$ 119,362	$ 74,797	$ 150,000	$ 153,750
Repair/maintenance	$ 21,566	$ 121,572	$ 50,000	$ 51,250
B & O Tax	$ 37,286	$ 30,888	$ 37,740	$ 38,684
Meetings, Training & Travel	$ 6,412	$ 2,288	$ 9,180	$ 9,410
Credit Card Bank Fees	$ 4,731	$ 5,406	$ 5,000	$ 6,000
Dues	$ 310	$ 187	$ 510	$ 523
Interfund Payment For Servic	$ -	$ 115,104	$ 153,476	$ 160,459
Srf Principal-treatment Plan	$ 465,029	$ 465,029	$ 465,029	$ 465,029
Pwtf Principal-271st Trunkli	$ 106,921	$ 106,921	$ 106,921	$ 106,921
Pwtf Interest-271st Trunk Co	$ 5,346	$ 4,811	$ 4,277	$ 3,742
Machinery & Equipment	$ -	$ 3,220	$ 25,000	$ 25,000
Transfer To Equip Replaceme	$ 20,000	$ 372,745	$ 334,662	$ 134,226
Transfer Out To Sewer Const	$ -	$ 112,500	$ 550,000	$ 150,000
Permits	$ 7,574	$ 4,515	$ 9,180	$ 9,410
TOTALS	$ 1,506,851	$ 1,885,120	$ 2,680,744	$ 2,148,370

Department Staffing:

The 2019-20 budget includes approximately 5 full-time equivalent (FTE) dedicated staff to this department. This is still minimal staffing to maintain Stanwood's sewer system. The staff in this department maintains the treatment plant, the pump stations and the collection system.



2019-2020 Major Initiatives – Sewer

- Continue collection system cleaning
- Continue inspection of collection system by CCTV
- Complete I/I study
- Miscellaneous repairs from I/I study
- Replace Oxidation Ditch 1 Aerator VFD
- Replace WWTP washwater system pumps
- Update of telemetry system
- Replace/Update major wear items for UV system
- Complete SCADA system upgrade
- Purchase a van for the CCTV equipment
- New sewer main in Viking Way/90th Avenue
- New pump at main lift station
- New sewer main from Cedarhome lift station to Church Creek lift station
- New sewer main from 72nd Avenue to Pioneer Hwy.

2017-2018 Sewer Accomplishments

- Certification of new crew members to Wastewater Operator Group 1
- Biosolids removal from Stabilization Ponds
- Four Directional mixers installed in Stabilization Pond 1
- Cleaning of approximately 1/4 of sewer collection system
- CCTV Inspection of approximately 1/5 of sewer collection system
- Purchased two additional Flow Modules (6) total for I/I evaluation
- Replaced VFD at Main Pump Station
- Repair of MPS force main
- Mineral Point Lift Station
- 2016 and 2017 Outstanding Performance Award for Waste Water Treatment Plant from Department of Ecology
- Operations and Maintenance Manual update for WWTP
- Completed Sewer rate study

Water

The City owns, operates and maintains the entire water system to include source, treatment and distribution. The system consists of approximately 65 miles of water main, 5 reservoirs, 7 pressure zones, 11 pressure reducing stations, 2 booster pump stations, 2 well sites, spring source and WTP. We currently have 4 employees assigned to full time duties within the department. City staff will request maintaining the current staffing level, which includes 1,000 hours of seasonal help.

2019-2020 Water Operating Revenue

The City completed a water rate study in 2013. Based on the study, the finance committee recommended annual 5% water rate increases for six consecutive years on each January 1st, 2014 through 2019. The City updated the rate study in 2018. Based on the study, the finance committee recommended annual rate increases of 5%, 3%, 3%, 3%, 3%, and 1.5% annually from 2019 – 2024. On October 11, 2018 the city council adopted Ordinance Number 1461 which adopted these water rate increases. The annual water rate increases were adopted to achieve the following long term goals:

- Maintain minimum cash reserves of $195,000 per the city's financial policy
- Make capital improvements averaging $1,073,080 per year over the next six (6) years
- Fully staff water operations with 6.25 FTEs
- Fund water utility capital projects over the next six years via modest rate increases and spending down capital reserves before additional borrowing is considered.

Table 17 – Water Utility Revenues

Description	2017 Actual	2018 YTD (9-30)	2019 Proposed	2020 Proposed
Beginning Balance	$ 434,390	$ 752,861	$ 675,000	$ 612,068
Revenues				
Charges for Services	$ 1,864,463	$ 1,498,602	$ 1,853,053	$ 1,899,204
Misc. Revenues	$ 33,982	$ 34,934	$ 59,300	$ 59,300
Interfund Transfers	$ 75,917	$ 56,937	$ 97,344	$ 99,513
Total Revenues	$ 1,974,362	$ 1,590,473	$ 2,009,697	$ 2,058,017

2019-2020 Water Operating Budget:

The water operating budget is part of the city's enterprise fund budget. Revenues collected for this utility fund the maintenance and operation as well as the personnel to perform these duties.

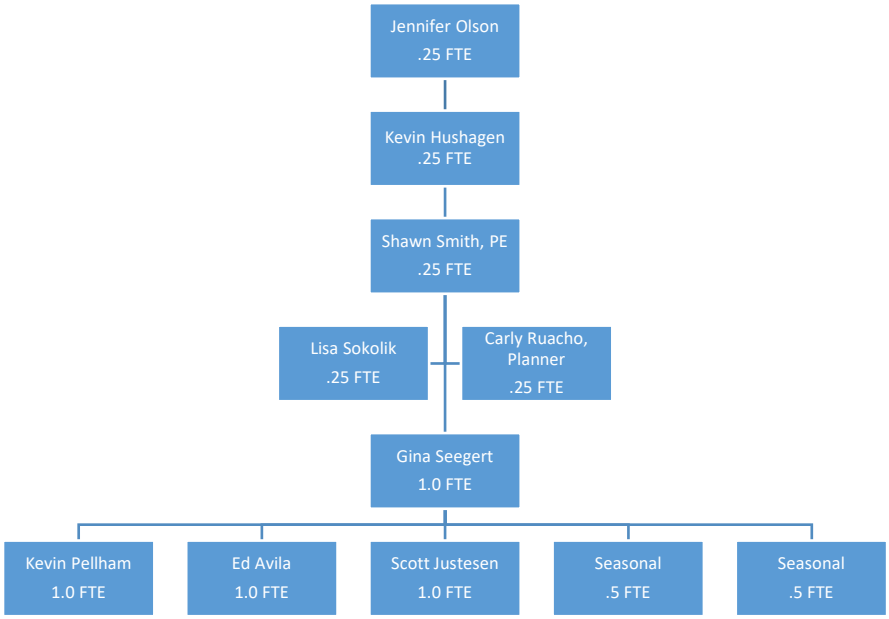
The total 2019-20 proposed water operating budget, including non-operating expenditures such as debt service and machinery and equipment, is $2,072,629 in 2019 and $2,010,024 in 2020, which allows for a projected ending cash balance of $612,068 in 2019 and $660,061 in 2020. Note this 2019-20 budget includes transfers of $300,000 to the Water Construction Fund.

Water Utility Expenditures

Water Utility O & M Expenditures				
	2017 Actual	2018 YTD To 9-30-18	2019 Proposed	2020 Proposed
Salaries & Wages	$ 444,973	$ 277,442	$ 419,876	$ 458,377
Overtime	$ 6,163	$ 6,185	$ 7,664	$ 7,664
Social Security	$ 27,660	$ 21,639	$ 25,426	$ 28,177
Retirement	$ 40,234	$ 34,270	$ 53,662	$ 58,612
Medical Benefits	$ 123,151	$ 67,334	$ 100,431	$ 95,626
L & I	$ 8,892	$ 6,146	$ 9,957	$ 10,019
Unemployment Insurance	$ 746	$ 667	$ 855	$ 932
Supplies	$ 35,781	$ 21,948	$ 40,000	$ 40,000
Uniforms	$ 3,836	$ 2,058	$ 5,000	$ 5,000
Chemicals	$ 9,374	$ 4,349	$ 10,000	$ 10,000
Fuel	$ 10,978	$ 6,983	$ 12,000	$ 12,000
Small Equipment	$ 5,642	$ 4,987	$ 8,000	$ 8,000
Meters/installs	$ 38,196	$ 13,520	$ 20,000	$ 20,000
Professional Services	$ 80,943	$ 27,047	$ 50,000	$ 54,167
Communications	$ 5,569	$ 5,105	$ 10,000	$ 10,000
Advertising	$ 33	$ 420	$ 600	$ 600
Rentals	$ 1,972	$ 1,962	$ 2,500	$ 2,500
Insurance	$ 26,205	$ 31,097	$ 35,000	$ 35,000
Utilities	$ 91,912	$ 63,089	$ 84,000	$ 84,000
Repair/maintenance	$ 49,094	$ 38,927	$ 50,000	$ 50,000
B & O Tax	$ 88,594	$ 65,253	$ 95,000	$ 95,000
Credit Card Bank Fees	$ 4,731	$ 5,406	$ 6,500	$ 6,500
Dues	$ 975	$ 187	$ 1,100	$ 1,100
Meetings, Training & Travel	$ 1,863	$ 1,871	$ 7,000	$ 7,000
Interfund Payments For Servi	$ -	$ 139,602	$ 186,135	$ 186,135
Operating Permit	$ 4,374	$ 3,854	$ 4,000	$ 4,000
Pwtf Principal-cedarhome Rsr	$ 139,519	$ 139,519	$ 139,519	$ 139,519
Pwtf Princ Water Trtmnt Plan	$ 172,385	$ 172,385	$ 172,385	$ 172,385
Pwtf Interest-cedarhome Rsrv	$ 6,278	$ 5,581	$ 4,883	$ 4,186
Pwtf Int Water Trtmnt Plant	$ 8,619	$ 7,757	$ 6,895	$ 6,033
Machinery & Equipment	$ -	$ 3,220	$ 25,000	$ 25,000
Trfr For System Rplcmnt-(422	$ -	$ -	$ 200,000	$ 100,000
Transfer To Water Equip REs	$ 5,000	$ 175,723	$ 70,041	$ 63,292
Transfer To WS Bond Res (451)	$ 212,200	$ 156,900	$ 209,200	$ 209,200
TOTALS	$ 1,655,892	$ 1,512,434	$ 2,072,629	$ 2,010,024

Department Staffing:

This is still minimal staffing to maintain Stanwood's water system. There are approximately 6.25 full-time equivalent (FTE) dedicated staff to this department. The staff in this department maintains all source, disinfection and distribution system.



2019-2020 Major Initiatives – Water

- Long term water supply study
- 297 zone reservoir design and construction
- Decommision Fure Well
- Viking Way water main
- Decommission Bryant Well 2
- Cedarhome generator
- Upgrade telemetry
- Water meter replacement
- Miscellaneous improvements
- Run side sewer to Cedarhome well
- Replace irrigation main at Heritage Park

2017-2018 Water Accomplishments

- Completed Water rate study
- New water main on 88th Ave.
- Replaced water meters in route 4
- Installed new restroom in Church Creek Park
- Inspected and cleaned all 5 reservoirs
- Moved several water meters out to right of way
- Tie services over to 10" main in 81st Drive and replace all bolts with stainless steel

Drainage

The City owns, operates and maintains the entire storm drainage system to include piping, approximately 1,554 catch basin, detention ponds, ditches, Irvine Slough and the Irvine Slough pump station.

Purpose of Drainage Utility

The purpose of the drainage utility operating fund is to promote quality of storm water in the city. The fund is used to maintain the City's storm water conveyance and treatment facilities and construct storm water capital projects.

A drainage utility is essentially a special assessment district set up to generate funding specifically for surface water management. Users within the district pay a drainage utility fee, and the revenue generated directly supports maintenance and upgrade of existing storm drainage systems; development of drainage plans, flood control measures, and the water-quality programs; administrative costs; and sometimes construction of major capital improvements. Unlike a surface water program that draws on the general tax fund or uses property taxes for revenue, the people who benefit are the ones who pay.

Surface water management within the City is governed by federal, state, regional, county and city laws including the Clean Water Act, Endangered Species Act, the Growth Management Act, Shoreline Management Act, State Environmental Policy Act, Stormwater Management Performance Standards and Puget Sound Water Quality Action Plan.

There are a number of state statutes that pertain either directly or indirectly to the City's authority to form a drainage utility. One of the more broad based statutes pertains to municipal utilities in general and states that a code city may provide utility service within and outside its city limits and this includes the exercise of all the powers to the extent authorized by law (RCW 35A.80.010).

2019-2020 Drainage Operating Revenues

The City completed a drainage rate study in 2018. Based on the study, the finance committee recommended annual rate increases of 22.5%, 22.5%, 22.5%, 9.25%, 9.25%, and 6.25% annually from 2019 – 2024. On October 11, 2018 the city council adopted Ordinance Number 1461 which adopted these drainage rate increases. The annual drainage rate increases were adopted to achieve the following long term goals:

- Maintain minimum cash reserves of $68,000 per the city's financial policy
- Make capital improvements averaging $2,227,531 per year over the next six (6) years
- Fully staff water operations with 6.25 FTEs
- Fund water utility capital projects over the next six years via modest rate increases and spending down capital reserves before borrowing is considered.

The drainage utility fee is based on the relative contribution of increased surface and storm water runoff from a given parcel to the storm water system.

The percentage of impervious surfaces on the parcel and the total parcel acreage is used to indicate the relative contribution of increased surface and storm water runoff from the parcel to the storm water system. The relative contribution of increased storm water runoff from each parcel will determine that parcel's share of the drainage utility fee revenue needs. The drainage utility fee revenue needs of the utility are based upon all or any part, as determined by the Council, of the cost of storm water services or to pay or secure the payment of all or any portion of any issue of general obligation or revenue bonds issued for such purpose.

Table 19 – Drainage Utility Revenues

Description	2017 Actual	2018 YTD (9-30)	2019 Proposed	2020 Proposed
Beginning Balance	$ 228,889	$ 298,239	$ 180,000	$ 283,276
Revenues				
Charges for Services	$ 575,890	$ 493,905	$ 702,573	$ 860,651
Misc. Revenues	$ 1,833	$ 3,013	$ 5,100	$ 5,100
Total Revenues	$ 577,723	$ 496,918	$ 707,673	$ 865,751

2019-2020 Drainage Operating Budget

Detention pond maintenance has been difficult to accomplish. The City has a combination of regular and seasonal employees to maintain the ponds during the summer months. The workload exceeds staffing levels. The 2019-20 budget includes funding for one part time seasonal employee.

The total 2019-20 proposed drainage operating budget, including non-operating expenditures such as machinery and equipment, is $604,399 for 2019 and $889,930 for 2020 which allows for a projected ending cash balance of $283,474 in 2019 and $259,495 in 2020. Note, this budget includes $480,000 in 2019-20 for transfer to the Drainage Capital Fund.

Table 20 – Drainage Utility Expenditures

Drainage Utility O& M Expenditures				
	2017 Actual	2018 YTD To 9-30-18	2019 Proposed	2020 Proposed
Salaries & Wages	$187,691	$131,969	$172,538	$191,359
Overtime	$ 1,449	$ 871	$ 684	$ 684
Social Security	$ 11,611	$ 10,091	$ 10,439	$ 11,763
Retirement	$ 16,265	$ 14,951	$ 20,918	$ 23,333
Medical Benefits	$ 48,941	$ 28,615	$ 37,204	$ 34,328
L & I	$ 3,702	$ 3,015	$ 3,630	$ 3,667
Unemployment Insurance	$ 300	$ 314	$ 346	$ 384
Supplies	$ 5,163	$ 1,817	$ 4,590	$ 4,705
Uniforms	$ 413	$ 213	$ 500	$ 520
Fuel	$ 3,607	$ 4,092	$ 5,100	$ 5,228
Small Equipment	$ 1,267	$ 1,211	$ 1,530	$ 1,568
Professional Services	$ 41,571	$ 16,839	$ 25,000	$ 29,167
Communications	$ 462	$ 742	$ 1,500	$ 1,500
Rentals	$ 855	$ 836	$ 510	$ 523
Insurance	$ 26,205	$ 25,855	$ 26,372	$ 27,031
Utilities	$ 7,199	$ 6,381	$ 8,670	$ 8,887
Repairs And Maintenance	$ 5,944	$ 1,710	$ 5,100	$ 5,228
Miscellaneous	$ -	$ 107	$ -	$ -
B & O Tax	$ 7,923	$ 6,627	$ 7,344	$ 7,528
Meetings, Training & Travel	$ 460	$ 604	$ 765	$ 784
Credit Card Bank Fees	$ 2,344	$ 2,059	$ 2,500	$ 2,400
Interfund Payment For Servic	$ -	$ 54,630	$ 74,294	$ 76,151
State Operating Permits	$ -	$ -	$ 612	$ 627
Transfer To DCF (411)	$125,000	$ 18,327	$ 80,000	$400,000
Trsfr To 458 Equip Repl	$ 10,000	$227,336	$114,253	$ 52,565
TOTALS	$508,373	$559,210	$604,399	$889,930

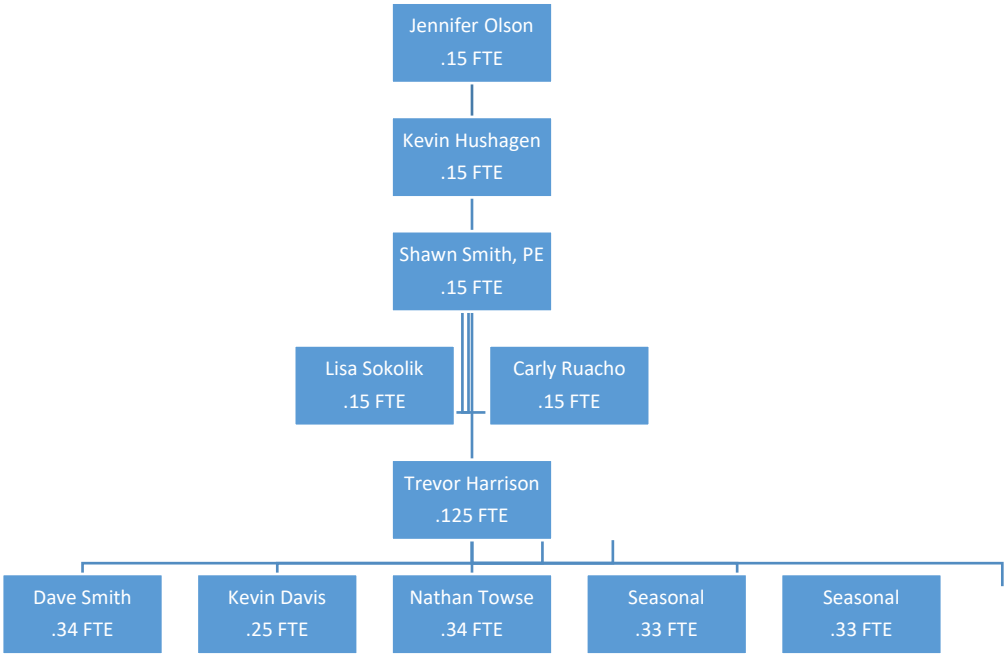
2019-2020 Major Initiatives – Drainage

- Secure funding and construct flood berm along SR 532
- Install drainage on 86th Drive.
- Remove trees from retention/detention ponds
- Draingage conveyance in Viking Way/90th Avenue
- Secure funding and construct phase 1 and 2 of Irvine Slough Stormwater Separation
- Design drainage improvements in West Stanwood

2017-2018 Drainage Accomplishments

- Mowed/trimmed all retention/detention ponds
- Replaced pipe behind movie theater
- Fencing removed from Lindstrom pond
- 30% design of Irvine Slough Stormwater Separation project
- Dredged Irvine Slough
- Re-built pump at Irvine Slough Lift Station
- Completed Drainage Rate Study
- Completed design of flood berm along SR 532

DEPARTMENT STAFFING:



Capital Improvement Project

Streets:

Viking Way/90th Avenue:

This project is for the construction of Viking Way from 88th Ave NW to the existing Viking Way constructed by Port Susan Market Place (Petco – Grocery Outlet), and 90th Avenue from Viking Way to 271st St NW. This will include full street with curbs, planter strips, sidewalks, street lighting, and also, new water main, sewer main, and storm drainage. Currently this project is at 90% design and in the process of right of way acquisition. The city has approximately $2,000,000 in grant funding for construction. This project is also on the sewer, water, and drainage sections of the CIP.

102nd Street Overlay:

This project would grind and overlay, stripe, and replace/add ADA ramps at crossings. The limits are from 270th St NW north to city limits. Staff has applied for a TIB grant for this work. TIB comes out with their project selections in November.

276th Street Overlay:

This project would grind and overlay, stripe and replace/add ADA ramps at crossings. The limits are from 80th Ave NW east to city limits. Staff has applied for a TIB grant for this work.

92nd Avenue Sidewalk:

This project would connect the sidewalk from 271st St NW to the Heritage Park trail. Currently 60% design is complete and right of way acquisition is beginning.

102nd Avenue Sidewalk:

This project would construct sidewalk from approximately 271st St NW north to city limits on the west side of the street. This funding is for design/planning work, with hopes of getting grant funding to construct.

273rd Place Sidewalk:

This project would construct sidewalk on one side of the road from 102nd Ave NW to 100th St NW. The funding would be for design and estimate.

72nd Avenue Sidewalk:

This project would construct sidewalk from 272nd St NW to 276th St NW on the west side of the street. This project is currently at 30% design. This funding is for design, right of way, and construction.

SR 532 Flood Berm/Bike & Pedestrian Path:

This project would construct a flood berm and path along SR 532 from 92nd Ave NW to 88th Ave NW. Currently this project is at 100% design. City staff hope to get state funding for construction. This project is also in the drainage section of the CIP.

90th Avenue – 271st Street to 272nd Street:

This project would construct sidewalk on one side of 90th Ave NW. This is in the city's non-motorized transportation plan.

276th Street Sidewalk – 70th Avenue to 73rd Avenue:

This project would construct sidewalk on the north side of 276th St NW. Currently the project is 30% design. Funding would be for design, right of way and construction.

272nd Place – 99th Avenue to 102nd Avenue Overlay:

This project would grind and overlay, stripe and replace/add ADA ramps at crossings. This project would be funded by the Transportation Benefit District (TBD).

68th Avenue Overlay:

This project would grind and overlay, stripe and replace/add ADA ramps at crossings from 276th St NW to city limits. Staff will be applying for TIB funding in 2019.

271st Street seal coat:

This project would seal coat existing asphalt from 94th Dr NW to the Viaduct. It would also include striping. This would connect to recently paved sections of 271st St NW on each end.

72nd Avenue Overlay:

This project would grind and overlay, stripe and replace/add ADA ramps at crossings from Pioneer Highway to SR 532. Staff will be applying for TIB funding in 2019.

Water:

Long Term Water Study:

This project will provide a study looking at long term water supply for the city. This funding will be only for the study.

297 Zone Reservoir:

This project would construct a new elevated reservoir next to the existing elevated reservoir. Recent water availability analysis have shown the city to be deficient in storage for currently proposed development. This funding will be for design in 2019 and construction in 2020.

Decommission Fure Well:

This project will decommission the Fure well, which has not been used by the city for several years. The Department of Health is requiring the city to do this work.

Cedarhome Generator:

The Cedarhome well does not have emergency power during power outages. This project will provide backup power if ever required.

Bryant Well Decommission:

This project will decommission the Bryant well number 2, which has not been used by the city for several years. The Department of Health is requiring the city to do this work.

Sewer:

Church Creek Collection System Construction (EX5B):

This project will construct a sewer main from the Church Creek Estates lift station, to 72nd Ave NW & SR 532. This will allow for the elimination of the Cedarhome and Church Creek Estates lift stations. Design will be in 2019 and construction will be in 2021. The new High School project will be installing a new sewer main under SR 532 to the existing system in 72nd Ave NW, which will allow this to happen.

UV Energy Efficient Upgrades:

This project will provide upgrades to the existing Ultra Violet disinfection system at the Waste Water Treatment Plant.

272nd /101st-99th (EX13)

This project will replace an old, undersized sewer main in 272nd Pl NW between 101st Ave NW and 99th Ave NW. Funding is for design in 2020.

Pioneer Highway/Cedarhome to 267th Street (EX17):

This project will replace an undersized sewer main in Pioneer Highway between Cedarhome Drive and 267th Pl NW. Funding is for design work in 2020. Sewer projects along Pioneer Highway are necessary due to the new gravity system that will replace the Cedarhome and Church Creek Estates lift stations.

Lower Pioneer Hwy Interceptor (EX18):

This project will replace undersized sewer main in Pioneer Highway from Fox Hill to 267th Pl NW. This project is at 30% design and funding is for design and construction in 2020.

72nd Avenue and 261st Street Interceptor (EX19):

This project will construct a new sewer line on 72nd Ave NW from 261st St NW south to Pioneer Highway and west to tie into an existing line approximately 1000 feet west of 72nd Ave NW. This will allow the city to not need to upsize the existing main that currently connects this system through private property. Currently design is at 30% and funding is for design and construction in 2019.

Telemetry System Upgrades (EX7):

This project will upgrade the existing telemetry system that connects the existing lift stations throughout the city to the SCADA system at the Waste Water Treatment Plant. The existing system is very old and no longer works at all locations.

Biosolids Processing Facility:

This project will look at options for handling the biosolids created from the Waste Water Treatment Process. This funding is for design in 2020 with construction currently proposed in 2024.

Main Lift Station Upgrades:

This project will upgrade the main lift station at 270th St NW and 94th Dr NW. All of the city's sewer flows to this lift station and is pumped under SR 532 to the Waste Water Treatment Plant. Recent sewer availability analysis show capacity deficiencies for currently proposed development.

Ultra Violet Disinfection:

This project will provide upgrades to the existing system. Improvements include a new wiper system that will allow the lights to be more effective and not require hand cleaning as often.

Smoke Testing/Camera/flow meter basin 1:

This project will help isolate locations of Inflow/Infiltration (I/I) of ground water and illegal connection to the sewer system. This will follow the current I/I study being completed using flow monitors.

Upper Pioneer Highway 85th to Cedarhome (EX16):

This project will analyze the deficiencies of the existing sewer main. The funding is for design to replace the undersized sewer main in 2020.

Drainage:

Irvine Slough Stormwater Separation:

This project is to separate downtown Stanwood from the Irvine Slough, to allow it to drain during times of high water or flooding. The first phase in 2019 will provide improvements to the existing lift station including a new pump, separation wall, and pipe to SR 532. Grant funding from Flood Plains by Design has been applied for in 2018. Phase 2 in 2020 will construct a new lift station at 92nd Avenue and SR 532, along with a force main and discharge structure to the Old Stillaguamish River Channel by the Waste Water Treatment Plant. Currently both phases are at 30% design.

101st, 102nd, 103rd Replacement:

This project will provide drainage improvements to these streets in West Stanwood. This existing system is incomplete and doesn't function properly. Funding is for design and construction in 2020.

Irvine Slough Erosion Control:

This project is for city staff to rent equipment to dredge Irvine Slough, from the lift station to 92nd Ave NW. This will allow the flap gates that connect downtown to Irvine Slough to operate. Currently, sediment will accumulate and block the gates from opening and/or closing. The permitting through the US Army Corps and the Washington Department of Ecology is in process.

City of Stanwood
6-Year Capital Improvement Plan
2019-2024

Street (102/103/677)		Budget 2019	2020	2021	2022	2023	2024
	Permits	60	60	26	20	20	20
Beginning Cash & Investments		$1,928,500	$1,564,555	$1,698,411	$238,448	$222,570	$315,253
Revenues							
Impact Fees	$3,523.39	$211,403	$211,403	$91,608	$70,468	$70,468	$70,468
WSDOT/Safe Routes to School							
DOC/Safe Routes to School							
FHWA - STP							
Bond Proceeds / Debt							
RTCC Grant		$1,437,500					
State Budget Direct Appropriation		$500,000					
TIB Grant		$720,000	$900,000				
Grants			$1,400,000	$1,300,000	$6,700,000	$6,500,000	$21,500,000
Transportation Sales Tax		$325,000	$300,000	$309,000	$318,270	$327,818	$337,653
Interest		$19,285	$15,646	$16,984	$2,384	$2,226	$3,153
Total Resources (includes BNC)		**$5,141,688**	**$4,391,604**	**$3,416,004**	**$7,329,570**	**$7,123,081**	**$22,226,526**
Expenditures:	**Proj Cost**						
New Sidewalk/Trail Installation	$420,000	$70,000	$70,000	$70,000	$70,000	$70,000	$70,000
Sidewalk Repair	$180,000	$50,000	$50,000	$20,000	$20,000	$20,000	$20,000
Miscellaneous	$150,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000
72nd (272nd - 276th) *	$2,200,000				$200,000	$2,000,000	
Pavement Inventory	$50,000		$50,000				
Viking Way / 90th *	$2,000,000	$2,000,000					
102nd Ave Ovelay *	$301,458	$301,458					
276th St.Overlay *	$530,675	$530,675					
SR532/Ovenell Access *	$3,500,000						$3,500,000
SR532/98th Hamilton Access *	$3,500,000						$3,500,000
284th St Improvements: 80th Ave to City Limits*	$6,220,000			$220,000	$6,000,000		
272nd St. Reconstruction (72nd Ave. to Pioneer Hwy)*	$4,000,000			$2,000,000			$2,000,000
102nd Ave Sidewalk *	$106,498		$106,498				
92nd Ave Sidewalk *	$150,000	$150,000					
273rd Pl. Sidewalk *	$175,452		$175,452				
72nd Ave Sidewalk *	$491,359	$100,000	$391,359				
101st Ave Reconstruction *	$2,640,000				$792,000	$1,848,000	
SR 532 Flood Berm/Bike Path *	$200,000		$200,000				
90th Ave 271st to 272nd *	$124,884		$124,884				
80th Ave Reconstruction *	$7,030,000					$2,109,000	$4,921,000
SR532 & 64th Roundabout *	$3,500,000						$3,500,000
284th St Sidewalk *	$185,880			$185,880			
98th Dr. Sidewalk 268th to 270th *	$123,240			$123,240			
270th St. Redesign Curbs 98th to 102nd *	$735,828					$735,828	
272nd St Sidewalk 72nd to 76th *	$533,436			$533,436			
276th St. Sidewalk 70th to 73rd *	$150,000	$150,000					
Cedarhome Dr. Sidewalk 271st to 276th *	$714,612						$714,612
WWTP Loop Trail *	$2,772,500						$2,772,500
Heritage Park Loop Trail *	$535,000						$535,000
Church Creek Park Loop Trail *	$411,750						$411,750
276th St. (Lover's Lane) Chip Seal	$200,000	$200,000					
272nd Pl. 99th to 102nd Overlay	$250,000		$250,000				
68th Avenue Overlay	$500,000		$500,000				
272st Street (94th to Viaduct) seal coat	$250,000		$250,000				
72nd Avenue SR532 to Pioneer Hwy Overlay	$500,000		$500,000				
Total Expenditures	**$45,332,572**	**$3,577,133**	**$2,693,193**	**$3,177,556**	**$7,107,000**	**$6,807,828**	**$21,969,862**
Ending Cash & Investments		**$1,564,555**	**$1,698,411**	**$238,448**	**$222,570**	**$315,253**	**$256,664**

*** Project also included in TIP**

Capital Projects – Parks

2019-2020 Budget

Heritage Park:

Heritage Park is a 43 acre sports field complex centrally located in the City's downtown area. The property contains a mix of baseball and soccer fields with associated recreational uses which include: a skate park, dog park, playground equipment, walking trails, bathrooms and open lawn for picnicking, horseshoes or kite flying. In 2019 / 2020 the ball field drainage system will be improved with the help of a Youth Athletics Fields grant from the Recreation and Conservation Office.

Hamilton:

Hamilton Park is a flat 2 acre parcel located on the Stillaguamish River adjacent to Stanwood's historic business district. The conceptual Master Plan for Hamilton includes water access, trails and viewing areas to enjoy the river and bird watching. In 2019 / 2020 a boat launch is expected to be built by the Department of Fish and Wildlife and the City will be finalizing the Master Plan with the help of an Integrated Planning Grant from the Department of Ecology.

Ovenell Park / Johnson Farm

Ovenell Park is a 15 acre riverfront park on the south side of SR 532 adjacent to the Camano Gateway Bridge and Johnson Farm is recently purchased 15 acre farm site on the north side of SR 532 Bridge. Master Planning and preliminary design will begin on the Ovenell Park and Johnson Farm properties in 2019 and 2020. Work will include progressing the conceptual design for the Ovenell site and while integrating the Johnson Farm property to create one larger fully connected park along the Stillaguamish River. Planning efforts will include evaluating: wetland restoration options, trails, use of the rail road spur, non-motorized boat access, and use of upland farm structures for the benefit of the community and to promote tourism.

Johnson Farm / Irving Sough Restoration

In addition to the 15 acre Johnson Farm property, a 187 acre conservation easement was purchased over the farmlands adjacent to the Johnson homestead. In 2018 the City applied for a Floodplains by Design grant to: improve drainage and reduce flooding impacts on the City of Stanwood, restore wetland ecology and implement stream enhancement projects. This work is part of a larger partnership with the Diking District 7, the Department of Fish and Wildlife and the Stillaguamish Tribe.

Church Creek Park

Church Creek Park is a 15 acre community park services the residents of northeastern Stanwood. The playground equipment in Church Creek Park is many years old and is in need of replacement. In addition, the City also received a request to consider adding a pickleball court in Church Creek Park. This budget request is to replace the playground equipment in the park and potentially replace the existing basketball court with a larger court that could be used as both a basketball and pickleball court.

New Neighborhood Park

The Comprehensive Plan includes a capital improvement project to purchase land in the Downtown Area for a neighborhood park. The 2019 budget includes a request to initiate this process by working with the Parks Trails Advisory Committee to identify potential park sites and programming needs of the facility.