

- Meetings may be viewed on the [City of Anacortes website](#), on the City of Anacortes [YouTube](#) Channel, or on TV [Channel 10](#).
- The public may also watch, listen to, or participate in the meeting live by visiting <https://us02web.zoom.us/j/89255646791> or by telephoning 1-253-215-8782 and entering Meeting ID 892 5564 6791.
- The public is encouraged to comment via email to cityclerk@cityofanacortes.org or via written comment addressed to City Clerk, P.O. Box 547, Anacortes, WA 98221. Public comments received by the [City Clerk](#) prior to 3:00 p.m. the day of the meeting will become part of the record for the meeting, just as if presented in person.
- Complete guidelines for virtual participation in Anacortes City Council meetings are available [here](#). View the quick video example for connecting to the meeting [here](#).



Anacortes City Council
Municipal Building Council Chambers
904 6th Street

November 20, 2023
6:00 PM

PRELIMINARY AGENDA
[Packet Materials](#) / [Watch Meeting](#)

1. **Call to Order**
2. **Pledge of Allegiance**
3. **Announcements and Committee Reports**
 - a. Economic Development Committee (Report)
 - b. Housing Affordability and Community Services Committee (Report)
 - c. Public Works Committee (Report)
 - d. Parks and Recreation Committee (Report)
4. **Public Comment**
5. **Consent Agenda**
 - a. Minutes of November 13, 2023 (Action)
 - b. Approval of claims in the amount of \$561,107.76 (Action)
 - c. Special Event Application: Anacortes Christmas Tree Lighting Ceremony (Action)
6. **Public Hearings**
 - a. * Public Hearing: 2024 Revenue Sources, Including an Increase in the Property Tax Levy (Discussion/Possible Action)
 - b. Ordinance 4061: Setting the 2024 Property Tax Levy (Discussion/Possible Action)
 - c. * Public Hearing: Ordinance 4063 - Evans Vacation Petition (Discussion/Action)
7. **Other Business**
 - a. Ordinance 4062: An Ordinance Adopting New AMC Chapter 2.08 Regarding Appointive Officers of the City (Discussion/Action)
 - b. * Interlocal Agreement: Fidalgo Pool and Fitness Center (Discussion/Possible Action)
 - c. * Resolution 3137: Fidalgo Pool and Fitness Center (Discussion/Possible Action)

Per Resolution 3051, citizens wishing to comment on items not on the agenda may do so under Public Comment. Citizens wishing to comment on items indicated with an asterisk () may do so as those items are considered by Council during the course of the meeting.*

The City of Anacortes is committed to making public meetings available and accessible to all members of the community.
For assistance with special needs, please contact the City Clerk at 360-299-1960 in advance of the meeting.

- d. Contract Award: AMI Mono Pole Antenna Installation - Water Meter Reading Project #21-137-WTR-002 (Discussion/Action)
 - e. * Public Works Committee Recommendations (Discussion)
8. **Adjournment**

Per Resolution 3051, citizens wishing to comment on items not on the agenda may do so under Public Comment. Citizens wishing to comment on items indicated with an asterisk () may do so as those items are considered by Council during the course of the meeting.*

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Anacortes City Council

Municipal Building Council Chambers
904 Sixth Street

November 20, 2023
6:00 p.m.

PUBLIC COMMENT SIGN IN SHEET

Per Resolution 3051, citizens wishing to comment on items not on the agenda may do so under the Public Comment portion of the agenda. Citizens wishing to comment on agenda items indicated with an asterisk (*) may do so as those items are considered by Council during the course of the meeting. Citizens wishing to speak will please sign in at the back of the Council Chambers prior to the start of the meeting. The Mayor may limit comments to those who have signed in and may limit the time allotted to each speaker to facilitate the orderly progress of the meeting. These rules are intended to promote an orderly system of holding a public hearing or meeting, to give every person who wishes to speak an opportunity to be heard, and to ensure that no individual is embarrassed by exercising his or her right to free speech.

Please print your name legibly so we can recognize you correctly in the minutes. Thank you!

Name	Topic
✓ JUDY BILLINGS	Mayor Miller
✓ Donna Manning	Mayor Miller
✓ Suzanne Rohrer	Mayor Miller.
?	SYMANICS ON CITIZENS
BOB EVANS	
CONNIE MILLER	FIDALGO
CONNIE RUSSELL	ANNE FIDALGO
MARLENE SAGE	SANAS WAR
BARBARA SMART	6th St. J
ROB PETERSON	7th St.

Continue on back of sheet as needed

Anacortes City Council Minutes - November 13, 2023

Call to Order

Mayor Matt Miller called to order the Anacortes City Council meeting of November 13, 2023 at 6:00 p.m. Councilmembers Jeremy Carter, Ryan Walters, Anthony Young, Christine Cleland-McGrath, Bruce McDougall and Amanda Hubik were present. Councilmember Carolyn Moulton participated in the meeting remotely via Zoom.

Pledge of Allegiance

The assembly joined in the Pledge of Allegiance.

Announcements and Committee Reports

Mayor Miller thanked the port staff and the community for the Veterans Day celebration, provided an update on the R Avenue construction project, mentioned Washington State Ferries' responsibility to provide the state office of financial management with alternative service options and recommendations by December 15th, and reminded the public of information sources to help safely prepare for winter storms.

Finance Committee

Mr. Walters reported from the Finance Committee meeting held the previous Thursday. The topics discussed included reconciliation of the overlay fund for pavement management through code amendment, the health of the solid waste fund, possibly purchasing yard waste trucks, and the emergency medical services fund being collapsed into the general fund.

Housing Affordability and Community Services Committee

Ms. Cleland-McGrath reported from the Housing Affordability and Community Services Committee meeting held November 8th. The topics discussed included meeting state expectations for housing units, possible development of Sharpes Corner, and a presentation about a Vancouver, Washington 99-year ground lease.

Planning Committee

Mr. Walters reported from the Planning Committee meeting held earlier in the evening. The topics discussed included the required number of housing units under state legislation, the idea of changing the multi-family housing height code from 600 square feet to 650 square feet, and the multi-family tax exemption program as a tool to get more housing built.

Public Safety Committee

Ms. Cleland-McGrath reported from the Public Safety Committee meeting held November 7th. The Fire/Emergency Medical Services (EMS) topics discussed included a hiring update, expected delivery of the ladder truck in April 2024, and the consolidation of the EMS fund into the general fund. Police topics included a hiring update for current openings and the additional openings created under the public safety levy, and funding for a virtual reality training system.

Port / City Liaison Committee

Mr. Carter reported from the Port / City Liaison Committee meeting held November 7th. The topics discussed included a plan for replacing the executive director in early 2024, storage of items that were held in the Transit Shed, and a port pledge to help with items needed in a temporary events center that would be managed by the city.

Samish Indian Nation Quarterly Meeting

Mayor Miller reported on the Samish Indian Nation Quarterly meeting held November 9th. The topics discussed included the Tommy Thompson Trail and Trestle replacement grant, city assistance with going out to bid for the Samish Early Learning Center, and ongoing cooperation with the Museum and Parks and Recreation departments for signage for local parks and monuments.

Anacortes Museum Advisory Board: Reappointments

Mayor Miller recommended the reappointment of Deane Brazas, Gib Moore, Pat Dunn and Tom Kuhn to the Anacortes Museum Advisory Board.

Mr. Walters moved, seconded by Mr. Carter, to approve the reappointment of Deane Brazas, Gib Moore, Pat Dunn and Tom Kuhn to the Anacortes Museum Advisory Board. The motion carried unanimously by voice vote.

Historic Preservation Board: Reappointment

Mayor Miller recommended the reappointment of Bob Ross to the Historic Preservation Board.

Mr. Walters moved, seconded by Ms. Hubik, to approve the reappointment of Bob Ross to the Historic Preservation Board. The motion carried unanimously by voice vote.

Public Comment

Mayor Miller invited the public to comment on any item not on the agenda.

Public comment was given as follows:

Evan Saxton of Anacortes addressed the passage of Ordinance 4062, the mayor's duties and conduct during the November 6th City Council meeting, the separation of powers, and the leadership abilities of councilmembers and the mayor.

Meredith McIlmoyle, Director of the Anacortes Arts Festival announced that the City of Anacortes has been officially designated as a creative district by the state of Washington.

Consent Agenda

Mr. Young moved, seconded by Ms. Hubik, to approve the following Consent Agenda items. The motion carried unanimously by voice vote.

a. Minutes of November 6, 2023

b. Approval of claims in the amount of \$2,172,428.68

The following vouchers/checks were approved for payment:

EFT numbers: 107799 through 107844, total \$1,850,494.51

Check numbers: 107845 through 107868, total \$271,285.97

Wire transfer numbers: 334493 through 334898, total \$50,648.20

c. Contract Award: Municipal Court A/V Upgrade Project #23-301-FAC-001

Public Hearings

Continued Public Hearing: 2024 Revenue Sources, Including an Increase in the Property Tax Levy

Mayor Miller announced that the continued public hearing on revenue sources remains open and that no public comment had yet been received. Mayor Miller invited members of the audience to comment on this agenda item. No one present wished to address the Council.

Other Business

Downtown Event Venue Discussion

Mr. Walters opened the discussion by outlining the situation regarding the closure of the Transit Shed at the end of 2023 and the need to find a replacement venue. He detailed options including a pole building / tent at the Depot, a tent at the Majestic Inn and Spa, and a portion of the Integra Building as an indoor event space. He invited the public to comment on those options and others that have yet to be considered. Mr. Young added that there is a cost associated with not having an events venue for 300 people or more and discussed how to make

the community aware of the economic impact of possibly losing those events to other locations. He pointed out that most large events have found alternate venues with three or four exceptions for 2024, adding that it will be important to identify viable alternatives for late 2024 and on. Ms. Cleland-McGrath pointed out that this will be an expensive, though temporary, solution to the loss of the Transit Shed as a large event venue. She encouraged community feedback to best solve the problem over the next three years. Mayor Miller added that his 2024 budget proposal does not include any funds for the follow-on event center and pointed out that there are competing proposals for a solution.

Planning, Community, and Economic Development Director, John Coleman, and Parks and Recreation Director, Jonn Lunsford, introduced the Anacortes Senior Activity Center meeting room and the Depot Arts Center as city facilities capable of holding events. Mr. Coleman provided further details on the Depot Arts Center temporary tent options, referring to a slide presentation that was added to the packet materials for the meeting.

Discussion topics included:

- Size of the tent, heating options and associated costs.
- Urgency of the matter, Lodging Tax Advisory Committee (LTAC) fund restrictions, and community needs.
- Suitable locations for a tent with 6,000 to 7,000 square feet area to accommodate an event with 400 people.
- Legal considerations for placing the venue at the Majestic Inn and Spa.
- Majestic Inn proposal.
- Defining the three principal variables of community objectives, venue location, and venue management.
- A summary of the Philips building - indoor event during winter months and shoulder seasons with restrooms, heating and lighting.
- Setup and takedown costs for temporary tents,
- Price matching costs of the Transit Shed.
- Affordability of events for organizations.
- Parking for events and traffic control.
- Availability of the Transit Shed calendar for advanced planning purposes.
- Part-time use of multiple venues.
- Farmers Market equities.
- Tent orientation at the Depot.
- An inclusive table of events and organizations.
- LTAC meeting on Thursday November 16th.
- Programming considerations for the various parts of the Depot.
- Additional costs for add-ons such as heat and lighting in a temporary tent venue.

Mayor Miller invited members of the audience to comment on this agenda item.

Public comment was given as follows:

Brenda Ramsdell, President of the Anacortes Youth Sports Coalition Auction, spoke about the amount of community non-profit funds associated with the event venue. She added that a replacement venue is desperately needed and organizations are experiencing distress, and expressed support for a temporary tent as an alternative option.

Abby Biederman, Vice President of the Anacortes Youth Sports Coalition, stressed that immediate action is needed to ensure access to needed donor funding, which would be ensured with an appropriately sized venue.

Russ Olivier, Vice President of Operations for the Majestic Inn and Spa, outlined the options including renting or buying the tent and the possible locations, catering, and event management. He also pointed out fire code considerations related to temporary structures that would need to be addressed.

Jesica Kiser, President and Chief Executive Officer of the Anacortes Chamber of Commerce, defined the needs for their events, including 10,000 square feet of event space, a tourist draw (e.g. view of the water), and an additional area for eating and registration. She then mentioned the pros and cons of the three venue options: the Philips Building, the Majestic Inn parking lot, and the Depot Arts Center.

Lindy Reno of the Anacortes Rotary Club expressed support for the Depot as an event venue.

Marta McClintock of the Anacortes Schools Foundation commented that the best option is the Depot. She stressed that the fire code considerations are of extreme importance.

Joe Mulcahy of Anacortes spoke in support of a temporary tent space at the Depot.

Katie Earley, Executive Director of Friends of the Forest, voiced support for the Depot as the first choice of the temporary events center, but asked for clarification regarding the availability of the space with the tent included.

Meredith McIlmoyle, Executive Director of the Anacortes Arts Festival, supported the Philips Building because it is heated, lighted and on Commercial Avenue. She acknowledged that a tent meets the size requirements, but is difficult to heat and secure.

Kathleen Lorence-Flanagan of Anacortes asked if the involved organizations had been polled so that the city and others can know their requirements. She added that the MJB plan includes an events center that would not necessarily be used in the same manner as the Transit Shed.

Ward MacKenzie of Anacortes asked about the business plan for an event center. He added that criteria must be established for what the follow-on event center will be based on what the intermediate solution will be for the next 2-3 years, including cost, location, and funding sources.

Brenda Ramsdell added that a tent can be heated with six propane heaters, there are several local security providers, flooring is optional, and loading and unloading can be accomplished south of the Depot plaza area. She pointed out that there would be additional parking located in the Port's North Basin lot and that a single event space is preferable to one with separate spaces.

Rosemary Walter of Anacortes spoke about the effects of multiple events on the neighborhood residents in the vicinity of the Depot.

Leslie Symonds of Anacortes pointed out that each organization would need to communicate its own needs to the tent provider and that the city or another entity would only manage the scheduling.

2024 Budget Review - General Governmental

Finance Director, Steve Hoglund, opened the discussion for the 2024 budget review for General Government, presenting the 2024 Combined Budget on the city's website and referring to a slide presentation that was added to the packet materials for the meeting.

Discussion topics included:

- Inclusion of a salary schedule as an attachment to the budget ordinance.

Administrative Services - Emily Schuh

- Salary and benefits for human resources.
- The 'per node' charge.
- Number of public defense cases.

Planning, Community and Economic Development - John Coleman

- Revenues from grants.

Legal - Darcy Swetnam

- Incorrect node count and security concerns.

Fire / Emergency Medical Services - Bill Harris

- Equipment rental and replacement funds do not include ladder truck funding.
- Radios that can communicate with law enforcement.

Parks and Recreation - Jonn Lunsford

- Where Washington Park revenues are located for Council reference.

Library - Jeff Vogel

- Level of service and hours of operation.

Mayor Miller invited members of the audience to comment on this agenda item. No one present wished to address the Council.

Security Agreement with U.S. Commerce Department Economic Development Administration #23-013-FBR-004

Administrative Services Director, Emily Schuh, introduced the security agreement with the US Department of Commerce Economic Development Administration #23-013-FBR-004, referring to a slide presentation that was added to the packet materials for the meeting.

BRUCE MCDOUGALL moved, seconded by AMANDA HUBIK, to authorize the mayor to execute the security agreement with US Department of Commerce Economic Development Administration #23-013-FBR-004. Vote: Ayes - JEREMY CARTER, ANTHONY YOUNG, RYAN WALTERS, CHRISTINE CLELAND-MCGRATH, CAROLYN MOULTON, BRUCE MCDOUGALL, AMANDA HUBIK. Nays - None. Result: Passed

Adjournment

There being no further business, at approximately 9:35 p.m. the Anacortes City Council meeting of November 13, 2023 was adjourned.

The following claims against the City of Anacortes have been preaudited and certified by the Clerk-Treasurer as ready for City Council approval at the November 20, 2023 City Council meeting:

[Download this file in OpenDocument spreadsheet format.](#)

Invoice Doc #	Invoice Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
335160	10/9/2023	B17470215	SHI INTERNATIONAL CORP.	ADDITIONAL LICENSES FOR CITY STAFF AND VOLUNTEERS	\$ 4,856.40	infosys
335188	10/16/2023	10/16/2023	NORTHWEST PARKING EQUIPMENT	WA PARK PAYSTATION MAINTENANCE	\$ 121.21	parks1
335269	10/17/2023	1790899037	CASCADE DENTAL, LLC	DENTAL SERVICES, I JOHNSON, LEOFF1 RETIREE	\$ 436.00	hr
335162	10/25/2023	39151	SKAGIT PUBLISHING LLC	PUBLISH AA-435045	\$ 113.68	finance
335163	10/25/2023	39152	SKAGIT PUBLISHING LLC	PUBLISH AA-437243	\$ 60.90	pw1
334974	10/27/2023	420000447821	PUGET SOUND ENERGY INC	MARCH'S POINT NEW POLE-TRESTLE CAMERA	\$ 247.98	parks1
335191	10/30/2023	ReimbSalas	SALAS, DANIEL	REC EVENT SUPPLIES	\$ 130.03	parks1
334921	10/31/2023	0173	SKAGIT COUNTY SOLID WASTE FUND	OCTOBER TONNAGE HAULED	\$ 97,090.76	dshop
335250	10/31/2023	1001041	WBE TECHNOLOGIES LLC	EDA FIBER EXPANSION - MATERIALS - PARTIAL BID ITEM 12. BID ITEM 13	\$ 44,621.06	fiber
335251	10/31/2023	1001043	WBE TECHNOLOGIES LLC	EDA FIBER EXPANSION - MATERIALS - PARTIAL BID ITEM 12	\$ 71,677.44	fiber
335249	10/31/2023	1001052	WBE TECHNOLOGIES LLC	EDA FIBER EXPANSION - MATERIALS - PARTIAL BID ITEM 12	\$ 14,335.49	fiber
335159	10/31/2023	12379	PETDATA, INC	PETDATA LICENSING FEES OCT	\$ 500.00	finance
335214	10/31/2023	12P38919	MOTOR TRUCKS, INC	PARTS FOR VEHICLE #609	\$ 544.00	dshop
335206	10/31/2023	12P39263	MOTOR TRUCKS, INC	PARTS FOR VEHICLE #213	\$ 175.48	dshop
335213	10/31/2023	12P39293	MOTOR TRUCKS, INC	PARTS FOR VEHICLE #513	\$ 89.37	dshop
334918	10/31/2023	200000666863	PUGET SOUND ENERGY INC	LIBRARY 10TH STREET LED 10/3-10/31/2023	\$ 11.82	publib
334919	10/31/2023	200000667218	PUGET SOUND ENERGY INC	LIBRARY 10TH & M ST 10/3-10/31/2023	\$ 24.73	publib
335266	10/31/2023	231191	BLYTHE MECHANICAL, INC	HVAC ON-CALL REPAIR SERVICES - LIBRARY HVAC REPAIR	\$ 1,946.43	pw1
335185	10/31/2023	252482	LAKESIDE INDUSTRIES, INC.	DOG PARK MAINTENANCE SUPPLIES	\$ 511.23	parks1
335215	10/31/2023	40917	WESTERN SYSTEMS REFUSE &	CAMERA REPAIR	\$ 1,703.76	dshop

Invoice Doc #	Invoice Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
335197	10/31/2023	48793	PACIFIC SECURITY	SECURITY DETAIL OCTOBER 2023	\$ 612.50	court
335158	10/31/2023	CL67970	REISNER DISTRIBUTOR INC	VEHICLE FUEL - OCTOBER	\$ 33,502.76	finance
335247	11/1/2023	1001055	WBE TECHNOLOGIES LLC	EDA FIBER EXPANSION - MATERIALS - PARTIAL BID ITEM 1	\$ 51,582.08	fiber
335182	11/1/2023	140905	VENTEK INTERNATIONAL	WA PARK PAYSTATION MONITORING 11/1-11/30/23	\$ 135.00	parks1
335181	11/1/2023	2402324	WASHINGTON STATE PATROL	SENIOR CENTER BACKGROUND CHECK	\$ 11.00	parks1
335036	11/1/2023	386000156	US BANK NA - CUSTODY TREAS DIV	INVESTMENT FEES 10/1-10/31/23	\$ 58.00	finance
335164	11/1/2023	39321	SKAGIT PUBLISHING LLC	PUBLISH AA-437311	\$ 755.16	parks1
335256	11/1/2023	39322	SKAGIT PUBLISHING LLC	PUBLISH AA-440703	\$ 142.10	plan
335257	11/1/2023	39323	SKAGIT PUBLISHING LLC	PUBLISH AA-441296	\$ 97.44	finance
335268	11/2/2023	120943	VECA ELECTRIC & TECHNOLOGIES	UNIT-PRICED ELECTRICAL SERVICES 2023-2025 - INTAKE STATION VFD FANS	\$ 3,265.55	pw1
335267	11/2/2023	120969	VECA ELECTRIC & TECHNOLOGIES	UNIT-PRICED ELECTRICAL SERVICES 2023-2025 - CKT FOR POLICE CAMERAS LIGHT	\$ 4,944.94	pw1
335226	11/2/2023	2306	LAW OFFICE OF CARA LORENZO	PUB DEF CONFL	\$ 6.50	pubdef
335227	11/2/2023	2307	LAW OFFICE OF CARA LORENZO	PUB DEF CONFL	\$ 30.00	pubdef
335228	11/2/2023	2308	LAW OFFICE OF CARA LORENZO	PUB DEF CONFL	\$ 7.50	pubdef
335229	11/2/2023	2309	LAW OFFICE OF CARA LORENZO	PUB DEF CONFL	\$ 112.50	pubdef
335230	11/2/2023	2310	LAW OFFICE OF CARA LORENZO	PUB DEF CONFL	\$ 315.00	pubdef
335231	11/2/2023	2311	LAW OFFICE OF CARA LORENZO	PUB DEF CONFL	\$ 7.50	pubdef
335232	11/2/2023	2312	LAW OFFICE OF CARA LORENZO	PUB DEF CONFL	\$ 120.00	pubdef
335233	11/2/2023	2313	LAW OFFICE OF CARA LORENZO	PUB DEF CONFL	\$ 405.00	pubdef
335234	11/2/2023	2314	LAW OFFICE OF CARA LORENZO	PUB DEF CONFL	\$ 37.50	pubdef
335235	11/2/2023	2315	LAW OFFICE OF CARA LORENZO	PUB DEF CONFL	\$ 7.50	pubdef
335236	11/2/2023	2316	LAW OFFICE OF CARA LORENZO	PUB DEF CONFL	\$ 22.50	pubdef
335237	11/2/2023	2317	LAW OFFICE OF CARA LORENZO	PUB DEF CONFL	\$ 120.00	pubdef
335238	11/2/2023	2318	LAW OFFICE OF CARA LORENZO	PUB DEF CONFL	\$ 30.00	pubdef
335262	11/2/2023	39573	SKAGIT PUBLISHING LLC	PUBLISH SVH-439594	\$ 204.44	pw1
335277	11/2/2023	9334643046	GRAYBAR ELECTRIC COMPANY, INC	12-FIBER DROP CABLE	\$ 3,749.55	fiber
335239	11/2/2023	INV3290353	CARDIO PARTNERS INC.	FA/CPR/AED/BBP TRAINING - 2023-06-16	\$ 720.00	dwwtp
335245	11/2/2023	INV3290354	CARDIO PARTNERS INC.	FA/CPR/AED/BBP TRAINING - 2023-06-30	\$ 720.00	dwwtp

Invoice Doc #	Invoice Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
335261	11/2/2023	INV3290355	CARDIO PARTNERS INC.	FA/CPR/AED/BBP TRAINING - 2023-07-14	\$ 720.00	dwwtp
335212	11/3/2023	12P39410	MOTOR TRUCKS, INC	PARTS FOR VEHICLE #213	\$ 236.79	dshop
335225	11/3/2023	240130	NATIONAL BAND AND TAG CO.	DOG TAGS FOR 2024 (SHIPPED TO PETDATA)	\$ 229.00	apd
335224	11/3/2023	240131	NATIONAL BAND AND TAG CO.	DOG TAGS FOR 2024 (SHIPPED TO CITY OF ANACORTES)	\$ 257.84	apd
335242	11/3/2023	INV064835	TRAFFIC SAFETY SUPPLY CO. INC	SUPPLIES FOR STREET DEPT	\$ 786.38	dshop
335217	11/6/2023	1174	SKAGIT SHOOTING RANGE, LLC	USE OF RANGE FOR FIREARMS TRAINING	\$ 597.30	apd
335205	11/6/2023	12P39348	MOTOR TRUCKS, INC	PARTS FOR VEHICLE #514	\$ 759.58	dshop
335190	11/6/2023	14894508	PAPE MACHINERY INC.	PARTS FOR EQUIP #714	\$ 107.83	dshop
334923	11/6/2023	2009104	MILES SAND & GRAVEL CO.	RESTOCK CITY BUNKERS	\$ 848.64	dshop
335222	11/6/2023	220013286491	PUGET SOUND ENERGY INC	APD 10/6-11/3/23	\$ 2,615.60	apd
334973	11/6/2023	220013286525	PUGET SOUND ENERGY INC	HEART OF ANACORTES 10/6-11/3/23	\$ 110.94	pw1
334977	11/6/2023	220015523313	PUGET SOUND ENERGY INC	CAR CHARGING STATION: 10/6-11/3/23	\$ 35.65	dshop
334978	11/6/2023	220021901958	PUGET SOUND ENERGY INC	1958 PW TSUNAMI WARNING SKYLINE WAY 10/6-11/3/23	\$ 10.89	dwwtp
335252	11/6/2023	23411.08-1	GRAY & OSBORNE INC	ON-CALL STORMWATER-RELATED ENVIRONMENTAL SERVICES - 10/8/23-11/4/23	\$ 1,173.71	pw1
335248	11/6/2023	45291	ZUMAR INDUSTRIES, INC.	SUPPLIES FOR STREET DEPT	\$ 1,877.25	dshop
335219	11/6/2023	533652	PROFORCE LAW ENFORCEMENT	FIREARMS WITH HOLSTERS	\$ 5,777.87	apd
335243	11/6/2023	53718	SCRAP-IT	RV JUNK DISPOSAL	\$ 1,004.78	dshop
335271	11/7/2023	200000667101	PUGET SOUND ENERGY INC	LIBRARY 1220 10TH 10/7-11/6/2023	\$ 4,611.27	publib
335035	11/7/2023	220013297076	PUGET SOUND ENERGY INC	1100 STATE ROUTE 20 10/7-11/6/23	\$ 14.46	finance
335040	11/7/2023	220013297498	PUGET SOUND ENERGY INC	CASINO DRIVE UNDER TWIN BRIDGE: 10/7-11/6/23	\$ 16.58	dshop
335041	11/7/2023	220022355618	PUGET SOUND ENERGY INC	5618 TSUNAMI SIREN 10/7-11/6/23- 500 T AVENUE	\$ 10.89	dwwtp
334980	11/7/2023	234855	CONTROL FACTORS-SEATTLE INC	MAINTENANCE SUPPLIES - INCINERATOR	\$ 1,494.09	dwwtp
335199	11/7/2023	INV00189034	USA BLUE BOOK	ROSS PH STORAGE SOLUTION X 2	\$ 249.19	dwwtp
335200	11/7/2023	INV00189215	USA BLUE BOOK	RAVEN NITRILE GLOVES X 12	\$ 425.20	dwwtp
335203	11/7/2023	ReimbJames-Sherman	JAMES-SHERMAN, CAMERON	REIMBURSE CJS FOR SAFETY BOOTS	\$ 126.71	dwwtp

Invoice Doc #	Invoice Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
335180	11/8/2023	137297	CENTAUR AWARDS INC	REC PROGRAM SUPPLIES	\$ 980.76	pkrec
335220	11/8/2023	2023Q3-3	SKAGIT COUNTY INFORMATION	SKAGIT COUNTY IS - SPILLMAN 2023 OTR 3	\$ 34,706.56	apd
335039	11/8/2023	23-31672	EDGE ANALYTICAL, INC	LAB TESTING SIDE STREAM NITROGEN MONTHLY	\$ 242.25	dwwtp
335042	11/8/2023	234859	CONTROL FACTORS-SEATTLE INC	MAINTENANCE SUPPLIES - INCINERATOR	\$ 182.26	dwwtp
335264	11/8/2023	39717	SKAGIT PUBLISHING LLC	PUBLISH AA-444697	\$ 125.86	plan
335218	11/8/2023	533886	PROFORCE LAW ENFORCEMENT	TASER MAGS	\$ 522.24	apd
334976	11/8/2023	I6563028	HD FOWLER COMPANY INC	UTILITY LOCATE MARKING PAINT	\$ 640.01	wdist
334975	11/8/2023	L157485	STATE AUDITOR'S OFFICE	ACCOUNTABILITY AUDIT 22-22	\$ 62,243.71	finance
335192	11/8/2023	ReimbFlores	FLORES JR, ODILON	BOOT REIMBURSEMENT	\$ 200.00	dwwtp
335156	11/9/2023	1354	SKAGIT COUNTY PUBLIC HEALTH	3RD QTR CITY SHARE OF LIQUOR TAX	\$ 6,368.65	finance
335204	11/9/2023	200024889996	PUGET SOUND ENERGY INC	WTP INTAKE ELECTRICITY 10/11/23-11/8/23	\$ 3,570.75	dwwtp
335189	11/9/2023	2009488	MILES SAND & GRAVEL CO.	RESTOCKING CITY BUNKERS	\$ 636.48	dshop
335207	11/9/2023	23-31849	EDGE ANALYTICAL, INC	WATER ANALYSIS - BULK WATER WEEKLY	\$ 658.00	dwwtp
335208	11/9/2023	23-32494	EDGE ANALYTICAL, INC	WATER ANALYSIS - BULK WATER WEEKLY	\$ 658.00	dwwtp
335210	11/9/2023	23-33880	EDGE ANALYTICAL, INC	WATER ANALYSIS - BACT FINISHED	\$ 19.00	dwwtp
335209	11/9/2023	23-33970	EDGE ANALYTICAL, INC	WATER ANALYSIS - TCR SOUTH INTOWN	\$ 133.00	dwwtp
335255	11/9/2023	231354	T-SHIRTS BY DESIGN	PRIDE IN SERVICE AWARDS	\$ 1,544.96	hr
335187	11/9/2023	9334742150	GRAYBAR ELECTRIC COMPANY, INC	DEPOT PLAZA ELECTRICAL LIDS	\$ 2,734.62	parks1
335194	11/9/2023	978 800 0000 1	CASCADE NATURAL GAS CORP.	STA 3: 10/12-11/8/23	\$ 74.03	medic
335171	11/9/2023	I6565926	HD FOWLER COMPANY INC	MAINTENANCE SUPPLIES - INCINERATOR	\$ 463.93	dwwtp
335172	11/9/2023	I6566655	HD FOWLER COMPANY INC	MAINTENANCE SUPPLIES - INCINERATOR	\$ 245.12	dwwtp
335034	11/9/2023	INV2718892	COPIERS NORTHWEST, INC	CANON/IRC5560I FINANCE/OPS/WWTP 10/8-11/7/23	\$ 477.63	finance
335193	11/10/2023	0660297-IN	REISNER DISTRIBUTOR INC	MAINTENANCE SUPPLIES	\$ 235.01	dwwtp
335211	11/10/2023	23-33198	EDGE ANALYTICAL, INC	WATER ANALYSIS - BULK WATER WEEKLY	\$ 658.00	dwwtp
335161	11/10/2023	8498 30 030 0111230	COMCAST	WTP 14489 RIVER BEND RD. - 11/19-12/18/23	\$ 143.01	finance

Invoice Doc #	Invoice Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
335196	11/10/2023	INV-003869	DEPARTMENT OF ECOLOGY	OLD PLANT CLEANUP - ACCOUNT 1T000606 ECY-013605	\$ 99.58	dwtp
335258	11/12/2023	20619	ANCHOR QEA, LLC	A AVENUE LANDFILL MATTER NO. 200	\$ 1,139.50	legal
335246	11/13/2023	20232282	SYSTEMS DESIGN WEST, LLC	AMBULANCE SERVICE BILLING OCT 2023	\$ 3,552.04	finance
335253	11/13/2023	210692A-IN	LAND TITLE AND ESCROW CO	PREPARATION OF A CONDITION OF TITLE GUARANTEE	\$ 1,144.64	pw1
335167	11/13/2023	22-154-ENG-0011	WELCH BROTHERS CONSTRUCTION	RETAINAGE RELEASE	\$ 13,475.37	pw1
335174	11/13/2023	23-181-FAC-0021	IDEAL HOME IMPROVEMENT SOLUTIO	RETAINAGE RELEASE	\$ 350.00	pw1
335244	11/13/2023	45406	ZUMAR INDUSTRIES, INC.	SUPPLIES FOR STREET DEPT	\$ 1,037.95	dshop
335263	11/13/2023	INV00194389	USA BLUE BOOK	SAMPLE CELLS FOR COLORIMETER	\$ 293.96	dwtp
335198	11/13/2023	LTAC Anacortes Pride	ANACORTES PRIDE	AWARDED LTAC FUNDS FOR ANACORTES PRIDE PARADE 2023	\$ 1,340.00	plan
335259	11/14/2023	1655568	WALTON BEVERAGE COMPANY, INC	OPS: BREAKROOM SUPPLIES	\$ 229.00	dshop
335275	11/14/2023	BINV0010907	GOBLE SAMPSON ASSOCIATES, INC	HYPO CHEM PUMP TUBING X 8	\$ 2,561.04	dwtp
335265	11/14/2023	PSW00156209	N C POWER SYSTEMS CO	2023 ANNUAL CAT GENERATOR TESTING AND SERVICING	\$ 38,422.68	pw1
330908	11/16/2023	272767	CIVICPLUS, INC.	CIVICCLERK / CP MEDIA - 11/16/23-11/15/24	\$ 11,479.93	legal
335176	11/23/2023	23-187-WTR-0011	LOUIS NUTTER SR	RETAINAGE RELEASE	\$ 2,500.00	pw1
	Total				\$ 561,107.76	



City Council Agenda Bill

Meeting Date: November 20, 2023 **Agenda Item:** 5.c.

Agenda Item Title: Special Event Application: Anacortes Christmas Tree Lighting Ceremony

Staff Contact(s): Stephanie Snyder

<u>Approved for Submittal to Council by</u>	<u>Action Type</u>
Stephanie Snyder	Motion
John Coleman	

Item Summary: Anacortes Christmas Tree lighting ceremony in the Anacortes Chamber parking lot with elementary and high school choirs, Fidalgo Danceworks and hot cocoa

Budget Impact:
None

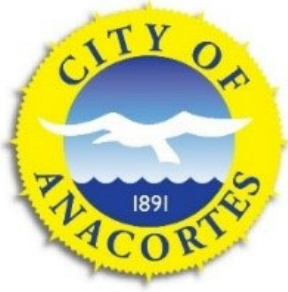
Previous Action:

Recommended Motion: Approve

Alternative Actions: Disapprove

Attachments (listed in order presented):

1. Coastal Christmas Tree Lighting



Special Event Application Processing

Administrator adds this event to the City Council agenda, creates the agenda bill, downloads the reviewed application and any attachments using the link in the email, and uploads those attachments in CivicClerk to go into the City Council packet.

View Anacortes Municipal Code [Chapter 7.04, Special Events](#)

Application

Application Date *

11/1/2023

Event Name *

Coastal Christmas Tree Lighting

Event Type

- ☐ Street Fair / Festival
- ☐ Athletic Event
- ☐ Parade
- ☐ Rally / Demonstration
- ☐ Filming
- ☒ Other identified in AMC 7.04.010

Anacortes Christmas Tree Lighting Ceremony

Applicant/Organization Name *

Anacortes Chamber of Commerce

Mailing Address *

819 Commercial Ave, Suite F Anacortes, WA 98221

Event Contact Person *

Bethany Hackbarth

Event Contact Email *

bethany@anacortes.org

Event Contact Phone *

3602937911

Event Website

Estimated Number of Participants/Attendees *

200

Event Description *

Anacortes Christmas Tree lighting ceremony in the chamber parking lot with elementary and high school choirs, Fidalgo Danceworks, hot cocoa and more!

Will food vendors participate in this event? *

All Food Vendors must be inspected by the Fire Marshall on site prior to the start of the event.

☐ Yes ☒ No

Date Event Starts *

12/1/2023

Time Event Starts *

6:00:00 PM

Date Event Ends *

12/1/2023

Time Event Ends *

7:00:00 PM

Date Street Closure Starts *

Include requested closures before and after the event hours if required for set up and tear down.

12/1/2023

Time Street Closure Starts *

4:00:00 PM

Date Street Closure Ends *

12/1/2023

Time Street Closure Ends *

8:00:00 PM

Event Location *

List end points of each street that will be closed (e.g. 6th Street from O Ave to Q Ave). Also include location and dimensions of any structures that will be erected and locations of the event that will not be on city street right of way.

9th and Commercial, from R to O.

Parking Location

List any public parking areas that the event requests to use for dedicated event parking, including handicapped parking.

Event Map (optional)

Upload one or more maps of the event

[road closure map 2023.jpg](#)

35.47KB

Indemnification Agreement *

Upload scan of SIGNED indemnification agreement

[doc00864520231101123541.pdf](#)

324.03KB

Download the Indemnification Agreement [here](#).

Signage

Street closure signs will be provided by the City of Anacortes. Applicants must contact City staff one week prior to the event to arrange sign delivery. Event sponsor personnel are responsible for placing street closure signs, which may not be posted more than 72 hours prior to the approved closure, must

be removed immediately following the event, and must be returned to city staff the first business day following the event.

Insurance

The applicant may be required to provide public liability insurance subject to the provisions of AMC 7.04.100. Applicants will be notified following application approval of insurance requirements for the specific event.

Electronic Signature Agreement

By checking the "I agree" box below, you agree and acknowledge that 1) your application will not be signed in the sense of a traditional paper document, 2) by signing in this alternate manner, you authorize your electronic signature to be valid and binding upon you to the same force and effect as a handwritten signature, and 3) you may still be required to provide a traditional signature at a later date.

I state that I am over the age of 18, that I agree to assume responsibility for the above-described event and to abide by all conditions stipulated by the approval of the application. *

☒ Yes

Signature

Bethany Hackbarth

Admin Review

Council Meeting Date *

Target date for presentation to City Council; no later than 30 days prior to event

11/20/2023

Staff Review Deadline *

Staff review/approval required no later than 7 days prior to City Council meeting to allow packet preparation

11/13/2023

Administrator comments and conditions of approval

Insurance Certificate

Insurance certificate may be required by staff or as a condition of Council approval

Departmental Review

Building Department will provide the following services for this event:

Building Department concerns, objections, or conditions of approval *

None

Fire Department will provide the following services for this event:

N/A

Fire Department concerns, objections, or conditions of approval *

None

Parks Department will provide the following services for this event:

Parks Department concerns, objections, or conditions of approval *

None

Police Department will provide the following services for this event:

routine police patrols

Police Department concerns, objections, or conditions of approval *

None

Public Works Department will provide the following services for this event:

Public Works Department concerns, objections, or conditions of approval *

None

Departmental attachments

Upload any staff memos, guidelines, or requirements that will be in effect for this event.



SPECIAL EVENT INDEMNIFICATION AGREEMENT

The undersigned applicant, by signing below, certifies that the applicant is the authorized officer of the sponsoring organization and agrees as follows:

Pursuant to Anacortes Municipal Code Title 7.04.090, the undersigned applicant agrees to defend, indemnify and hold the City of Anacortes, its agents, employees and officers, harmless from any and all claims, injuries, suits, damages, losses, demands and judgments including the attorneys' fees and other costs of their defense, arising out of in whole or in part, the activities, omissions or appliances of the applicant, his employees, agents, volunteers or otherwise, except any claims arising from the sole negligence of the City. The applicant further agrees to comply with all provisions of pertinent laws, rules and regulations, and agrees that any failure to so comply may lead to revocation of an applicant's permit. This Indemnification Agreement constitutes substantial adequate consideration in return for the City's issuance of a special event permit.

Date: 11/01/23

Bethany Hackbarth - Chamber
Name and Title – Printed

Name and Title – Printed

Bethany Hackbarth
Signature

Signature





City Council Agenda Bill

Meeting Date: November 20, 2023 **Agenda Item:** 6.a.

Agenda Item Title: Public Hearing: 2024 Revenue Sources, Including an Increase in the Property Tax Levy

Staff Contact(s): STEVE HOGLUND

Approved for Submittal to Council by STEVE HOGLUND **Action Type** Public Hearing

Item Summary: The public hearing on revenue sources was opened on October 23rd, which included the City's Property Tax levy. Advertisements for public comment were made at that time. No comments on the City's 2024 revenue sources have been received. A full 2024 budget revenue report is available on the [City's online budget portal](#).

Budget Impact:
\$8,407,536 in estimated property tax levy for FY 2024

Previous Action: A Public Hearing on Revenue sources, including the City's property tax levy, was opened on October 23rd, and continued through the November 6th and 13th meetings.

Recommended Motion: NA

Alternative Actions: NA

Attachments (listed in order presented): None



City Council Agenda Bill

Meeting Date: November 20, 2023 **Agenda Item:** 6.b.

Agenda Item Title: Ordinance 4061: Setting the 2024 Property Tax Levy

Staff Contact(s): STEVE HOGLUND

<u>Approved for Submittal to Council by</u>	<u>Action Type</u>
GREG FRANCIOCH	Ordinance
STEVE HOGLUND	
DARCY SWETNAM	

Item Summary: Following the public hearing as required by state law, council is required to set the property tax levy for 2024.

Budget Impact:

Previous Action: Public hearing on revenue sources on October 23rd, continued to November 6th.

Recommended Motion: I move to adopt ordinance 4061 setting the 2024 property tax levy.

Alternative Actions: Do not adopt, direct staff to rebalance budget without levy increase.

Attachments (listed in order presented):

1. Ord 4061 2024 Property Tax Levy

ORDINANCE NO. 4061

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ANACORTES,
SETTING THE CITY'S YEAR 2024 PROPERTY TAX LEVY

WHEREAS, the City Council of the City of Anacortes does attest that the population of the City of Anacortes is more than ten thousand; and

WHEREAS, pursuant to RCW 84.55 the City Council approved Resolution 3103 on December 5, 2022 which authorized a public vote for a one time permanent levy lid lift to be held at a special election on April 25, 2023 special election, and

WHEREAS, the lid lift amount authorized by the City Council was for a one-time permanent levy lid lift of .36240 per \$1,000 of assessed value which increased the property tax levy rate to a new total of 1.34335 per \$1,000 of value, and

WHEREAS, the voters of the City of Anacortes did approve by a 67.74% majority of voters as certified by Skagit County Elections Department on May 5, 2023, a one-time permanent levy lid lift of .36240 per \$1,000 of assessed value to a total new rate of 1.34335 per \$1,000 of value, and

WHEREAS, in previous budget years the City Council's consideration of property tax was limited to a 1% property tax increase over the prior year's actual levy, the property tax levy for budget year 2024 must be implemented at the millage approved by the voters; and

WHEREAS, pursuant to RCW 84.55.120 the City has held a public hearing on October 23, 2023, on the City's 2024 revenue sources, which include an increase in property tax which is from the one-time levy lid lift approved by the voters which fixed the new property tax rate at 1.34335 per \$1,000 in assessed value, and

WHEREAS, after hearing and after duly considering all relevant evidence and testimony presented, the City Council has determined that the City of Anacortes requires an increase in property tax revenue from the previous year which will be determined by the new property tax rate of 1.34335 per \$1,000 of value.

NOW THEREFORE, the City of Anacortes does ordain:

Section 1: the City Council of the City of Anacortes does hereby fix and establish for 2024 a property tax rate as determined by the City of Anacortes voters at 1.34335 per \$1,000 of assessed value, which will establish a levy for 2024 in the amount of \$8,827,912.

Section 2: Effective date. This Ordinance shall take effect from and after five (5) days after its passage and publication, as required by law.

ADOPTED, at the regular meeting of the City Council of the City of Anacortes, this 20th day of November 2023, by a majority of the members.

City of Anacortes, Washington

BY:

Matt Miller, Mayor

ATTEST:

Steven D. Hoglund, City Clerk

APPROVED AS TO FORM:

Darcy Swetnam, WSBA #40530
City Attorney



City Council Agenda Bill

Meeting Date: November **Agenda Item:** 6.c.
20, 2023

Agenda Item Title: Public Hearing: Ordinance 4063 - Evans Vacation Petition

Staff Contact(s): DARCY SWETNAM

<u>Approved for Submittal to Council by</u>	<u>Action Type</u>
GREG FRANCIOCH	Public Hearing
DARCY SWETNAM	

Item Summary: City of Anacortes Vacation of right-of-way proposed at the intersection of 34th Street and O Avenue, North side for Parcels P-57150 and P-57179. A petition has been filed to vacate the street shown above. This area will become an easement for storm water conveyance to an area that is currently deficient. This easement will provide for a shorter distance to install a storm water conveyance system that will provide storm water access to the neighborhood in the future.

Budget Impact:

Previous Action: None

Recommended Motion: I move we adopt Ordinance 4063 vacating right-of-way in exchange for a utility easement as described in the attached petition.

Alternative Actions: Decline to adopt ordinance.

Attachments (listed in order presented):

1. 231115 PW - Evans Vacation Ord
2. Petition For Street of Alley Vacation - Completed - Bob Evans
3. Appraisal
4. Maps and Legal Descriptions
5. Evans Vacation

ORDINANCE NO. 4063

**AN ORDINANCE VACATING A RIGHT-OF-WAY OF CERTAIN PORTIONS OF
O AVENUE ABUTTING PARCELS P-57150 AND P-57179**

**THE CITY COUNCIL OF THE CITY OF ANACORTES DOES HEREBY ORDAIN AS
FOLLOWS:**

WHEREAS, at the October 02, 2023 City Council meeting, a resolution was passed to set a hearing date for November 20, 2023, to consider a petition to vacate right-of-way (ROW) on O Avenue; and

WHEREAS, per AMC Chapter 12.50 Street and Alley Vacation the City Council, by motion, elected to forgo review by the board of Adjustments (AMC 12.50.060(F)); and

WHEREAS, the City Council held a public hearing on said proposal on November 20, 2023, and approved the requested vacation; and

WHEREAS, the City Council hereby finds that a vacation of the requested area will provide a significant benefit to the public in the form of more cost effective utility connections in the adjacent area; and

WHEREAS, the City Council hereby finds that the requested area of public right-of-way is neither currently required for public use or public access nor anticipated to be needed for public use or access in the future; and

WHEREAS, the City hereby finds no possible future public uses which may require the requested area of right-of-way; and;

WHEREAS, the City Council has considered all objections to the proposed vacation; and

WHEREAS, the City Council hereby finds that the proposed alternative compensation of an approximately 10,240 square foot easement meets the requirements of AMC Chapter 12.50; now therefore,

**THE CITY COUNCIL OF THE CITY OF ANACORTES, DOES HEREBY ORDAIN
AS FOLLOWS:**

SECTION 1. Findings of Fact and Conclusions of Law.

All of the recitals are hereby adopted as findings and conclusions.

SECTION 2. Vacations.

The street and alley right-of-way area within the City of Anacortes described in Exhibit A should be and are hereby vacated.

SECTION 2. Compensation.

Compensation for the vacation shall be in the form of an easement from the Petitioner to the City for public utility purposes. The easement area to be conveyed to the City as compensation is approximately described in Exhibit B. The easement shall be on a form approved by the City Attorney and the final legal description of the easement area shall be prepared by a Professional Land Surveyor and must include no less than 10,240 square feet.

SECTION 4. Effective Date: This ordinance shall take effect 5 (five) days after execution and recording of the easement described in Section 2 above and publication as required by law.

PASSED AND APPROVED this 20th day of November, 2023.

CITY OF ANACORTES:

BY: _____
Matt Miller, Mayor

ATTEST:

Steven D. Hoglund, City Clerk Treasurer

APPROVED AS TO FORM:

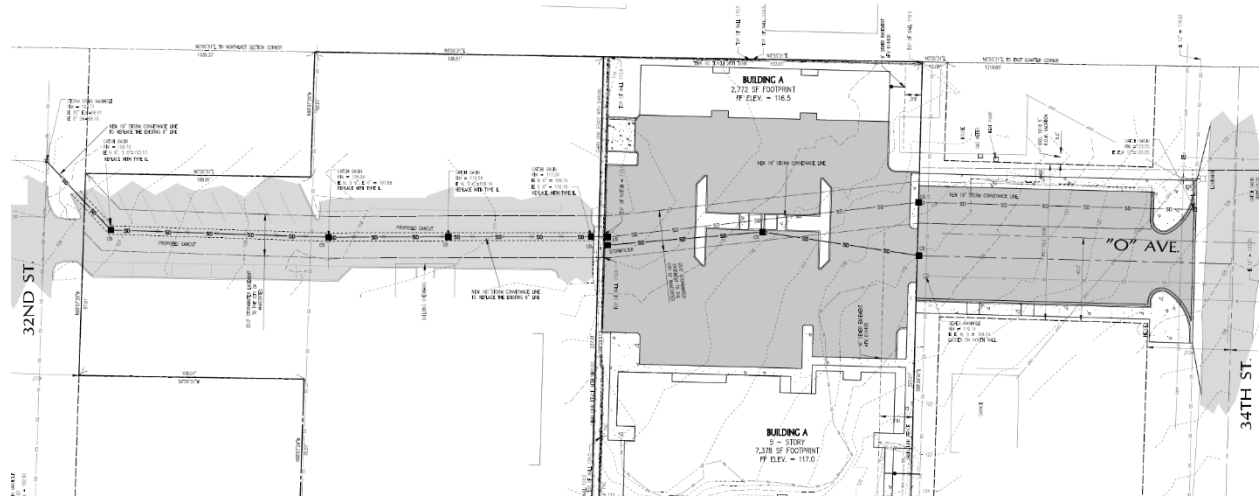
Darcy J. Swetnam, WSBA #40530
City Attorney

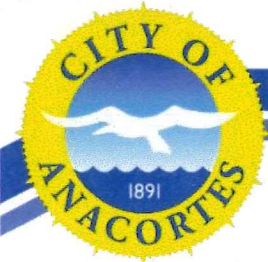
EXHIBIT A

THE VACATION OF ALL OF THE WEST 75 FEET OF O AVENUE FROM THE NORTH LINE OF 34TH STREET, THENCE NORTHERLY ALONG O AVENUE TO THE NORTH LINE OF LOT 10, BLOCK 6 EXTENDED TO LOT 1, BLOCK 1 OF MARY EUBANK'S ADDITION TO THE CITY OF ANACORTES.

EXHIBIT B

A 20-FOOT-WIDE TRACT OF LAND BEING 10 FEET EITHER SIDE OF THE PIPE AS CONSTRUCTED.





City of Anacortes Street or Alley Vacations

Please be aware that vacations are granted at the discretion of the Anacortes City Council. This petition must be accompanied by a filing fee of \$480.00 pursuant to unified fee schedule for City of Anacortes Vacation of right-of-way. The petitioner will also be responsible for the actual cost of an appraisal. Completed petition packets should be submitted to the Permit Counter at City Hall or to alexandrah@cityofanacortes.org. Incomplete packets will not be considered. You will be contacted by the City via the email you provide in this packet with a time and place of a hearing on a resolution to propose the vacation of the identified street or alley.

For consideration a completed application must include:

- A completed Petition of Street and Alley Vacation (this packet).
- A copy of the receipt showing the filing fee of \$480.00 has been paid.
- An appraisal of the proposed property to be vacated.
- The applicant should provide a list of property owners within 300' and mailing labels for the Public Notification mailing.
- Provide a vicinity map, a plat map, survey map, and legal description of the Street, Alley, or Public Easement to be vacated prepared and certified by a professional engineer or professional land surveyor, registered in the State of Washington. The Survey map must be prepared and certified by a professional engineer or professional land surveyor, registered in the State of Washington **and** include all utilities, easements and the parcels abutting the street or alley.

If the proposed vacation abuts a body of water please contact the Public Works Department before completing the form vacations abutting bodies of water are also subject to RCW 36.87.130

Petition for Street or Alley Vacation

Representative for the petitioners (Per AMC 15.20.020)

Name of the Person Filing the Petition:

Robert Evans

Address (including City/State/Zip):

207 East Park Drive, Anacortes, WA 98221

Phone number: _____

Email: Bob@evanschapel.com

Tax Parcel Number: P57150

Size in square feet of proposed vacation: 8,000 sf

CITY OF ANACORTES
Received this 30 day
of August, 2023
at 11:17 AM/PM
Stump
City Clerk

Does your petition request a vacation of an area of right-of-way that is less than the full width of the right of way (e.g. only the east half of the 80ft right of way)? If so, please describe

No

Does your proposed vacation abut a body of salt or fresh water? Explain.

No

List of abutting property owners

Property abutting the area to be vacated will include property on both sides of the street or alley, even if the petition does not propose to vacate the full width of the street or alley. Include additional sheets if necessary.

Notes to abutting property owner: By signing this, you are affirming you **do not object** to the proposed street or alley vacation. Owners of abutting property may be obligated to pay compensation for the vacated right-of-way per the provisions of AMC 12.50.100.

Property Owner #1. I am the owner of the below listed parcel and I do not object to the proposed vacation described in this petition.

Name: Robert Evans

Signature of Property Owner(s):

Karen D. Evans
Robert L. Evans

Tax parcel number: P57150

Robert L. Evans Karen D. Evans

PO Box 3009

Anacortes

WA

98221

Mailing Address of Property Owner

City

State

Zip

Property Owner #2. I am the owner of the below listed parcel and I do not object to the proposed vacation described in this petition.

Name: Karen Evans

Signature of Property Owner(s):

Karen D. Evans

Tax parcel number: P57150 & P57179

Karen D. Evans

1020 34th Street

Anacortes

WA

98221

Mailing Address of Property Owner

City

State

Zip

Property Owner #3. I am the owner of the below listed parcel and I do not object to the proposed vacation described in this petition.

Robert Evans for
Name: COHO B and J, LLC Signature of Property Owner(s): _____

Tax parcel number: P31941 & P31942

<u>207 Ease Park Drive</u>	<u>Anacortes</u>	<u>WA</u>	<u>98221</u>
Mailing Address of Property Owner	City	State	Zip

The Following questions are used by the City Council in their determination of a proposed street or alley vacation.

1. Will this vacation provide a significant benefit to the public? Explain.
Yes, see attached.

2. Is this street or alley currently required for public use or public access or is it intended for public use or access in the future? Please described the street or alley's current use.
The existing ROW provides access to the adjoining properties.

3. Would a new and different public way would be more useful to the public? Why?
No

4. Is it possible that future public uses will require the right of way?
No

5. Have there been any objections to the proposed vacation?
No

Has the proposed area of vacation been part of a dedicated public right-of-way for twenty-five years or more? yes

Answer to Question 1., Page 3, Application for Vacations

Yes, the benefit to the public (city) will be significant. The city has a pressing need to supply stormwater drainage to 34th Street and O Ave and south.

By Providing an easement for a storm drain from 34th Street to 32nd Street, the cost to install a storm drain to service 34th Street and south is approximately \$250,000. If the only other route available, which is down 34th to R Ave and then to 32nd St, is used, the cost to the city is approximately \$1,200,000. This is a savings of **\$950,000.** to the city.

The attached appraisal shows the value of the vacation at \$40,000. The cost of the vacation to the applicant is \$40,000. (AMC 12.50.100)

The appraised value of the easements from 34th St to 32nd St, granted by the applicant, is \$71,600.

This leaves a credit of \$31,600. to the applicant.

The applicant is willing to trade, at no additional cost to the city, the required easements for the vacation, providing the city is willing to replace the existing basins and reconnect all existing drains to the new basins and stormwater line when the city installs the new line.

A 20-foot easement will be provided across P31942, P31941, P31944, and P31945.

Attached is a site plan showing the vacations and pathway easement for the city's stormwater drain.

Real property may be conveyed in partial satisfaction of or in lieu of the required compensation for the vacation of a street or alley. Are you proposing alternative compensation?

Yes, We are proposing to grant a storm easement to the City. The easement will be available for the City to construct the stormwater bypass, to convey the runoff from 34th Street to an exist. storm manhole in 32nd Street. See attached appraisal, listing the appraised value of the ROW as \$40,000, the loss in value to the property owners due to the new easement as \$71,600. We would propose a net zero trade and allow the City to construct the new storm system within the new easement.

A fee was paid in accordance with the current Fee Schedule required for a Street or Alley Vacation
Application/Petition on _____

☐ Copy of the receipt attached

City Clerk Signature: _____

Date of Receipt: _____

Petitioner Signature: _____

Date of Receipt: _____



August 29, 2023

Legend

☒ County Boundary

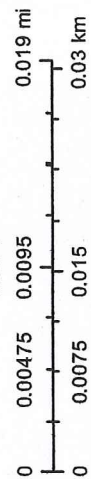
☐ Tax Parcels

Pre Tax Account Property

Eldon Brown

hand file

1:564



Data Accuracy Warning: All GIS data was created from available public records and existing map sources. Map features have been adjusted to achieve a best-fit registration. While great care was taken in this process, maps from different sources rarely agree as to the precise location of geographic features. Map discrepancies can be as great as 300 feet.

APPRAISAL REPORT

**NHN O Avenue Vacation
Anacortes, WA 98221**



Prepared for:

Robert W. Evans
207 E. Park Drive
Anacortes, WA 98221

Date of Inspection: April 21, 2023

Prepared By:

HEWITT APPRAISAL SERVICE

1317 Alpine View Drive
Mount Vernon, WA 98274
Telephone: (360) 428-4758
Fax: (360) 424-8707

Appraiser:

Wayland D. (Dan) Hewitt, SRA
WA General Certification. # 1101648

HEWITT APPRAISAL SERVICE

Dan Hewitt, SRA

June 20, 2023

Mr. Robert W. Evans
207 E. Park Drive
Anacortes, WA 98221

RE: NHN O Avenue Vacation
Anacortes, WA 98221

Dear Mr. Evans:

At your request, an appraisal of the above cited property using a narrative report format has been prepared. This assignment has been completed in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) and the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA).

The purpose of this appraisal is to estimate the fee simple interest in the subject property. The intended use of the appraisal is to assist the client in determining value of the real estate for the purpose of acquiring a strip of unopened public street. The parcel is scheduled to enhance access to a property to the north and allow for an easement to install a storm drainage line extension by the City of Anacortes.

The subject property consists of an undeveloped city street and has no structural improvements. The street is located at the intersection of 34th Street and O Avenue in Anacortes, Washington. It is 8,000 square feet in size (80' x 100', not including a 10' alley across the north line) and is zoned C; Commercial, with potential uses in concert with the local Anacortes general commercial area. However, a pending agreement between the buyer/client and the City of Anacortes is that the street area of the parcel will not be considered a buildable site or receive lot certification as the intent is to attach the parcel to the larger acquisition to help create and enhance access and storm drainage connection to and through four parcels to the north which are owned by the ordering client. The remaining street site area will be amalgamated to adjoining parcels. The vacated street will also have a future storm drainage easement placed roughly in the center 20 feet of the street (2,000 sf gross easement area). The easement will continue northward through an alley and four additional parcels and connect at 32nd Street. One of the four parcels (P31942) will suffer a future loss in development utility due to the easement location across that parcel. This appraisal is intended to set forth a market value of the street parcel and estimate any loss in value due to the storm drainage easement and loss in development rights to P31942. Based on the analysis completed, we have estimated the fee simple interest of the subject property, as of April 21, 2023, is:

FORTY THOUSAND DOLLARS
\$40,000 "As is" – (\$71,600 Loss to Easement Value)



1317 Alpine View Drive Mount Vernon, WA 98274
Ph: (360) 428-4758; Fax: (360) 424-8707; Cell: (360) 770-5446
worth-it@comcast.net

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SUMMARY OF SALIENT FACTS

Client: Mr. Robert W. Evans

Intended Use: Estimate fair market value for the purposes of purchasing a portion of a public street to be vacated with easement for a storm drainage connection.

Intended Users: This report is intended to be used by Robert W. Evans and the City of Anacortes. No other parties are authorized or intended to use this report.

Purpose of the Appraisal: The purpose of this narrative appraisal report is to provide an opinion of the market value of the subject property in fee simple estate in "As Is" condition.

Property Appraised: A portion of a street right of way to be vacated located at the intersection of O Avenue and 34th Street in Anacortes, WA 98221

Project Scope: Vacant street and storm drainage easement in Anacortes, Washington.

Date of Inspection: April 21, 2023

Completion Date of Report: June 20, 2023 (per revisions and corrections)

Tax I.D. #'s N/A; The property has no current legal description as it is a publicly owned city street. It is situated between two tax parcels: #P57150 on the west and P57179 on the east in Anacortes, WA. (City owned: no tax I.D. number).

Zoning: C; Commercial

Land Area: .2020 acres; 8,000 sf

Purchase Price: N/A

Owner: City of Anacortes

Highest and Best Use
As Vacant: Street
As Improved or Proposed: Street

Hypothetical Conditions: Assumes 20' wide by 100' long future storm drainage installation under street parcel with easement and drainage easement extension over four parcels to the north

Values: "As is" Fee Simple Estate: **\$40,000**

Loss in Value to Easement
and Non-Buildability: **(\$71,600)**

REPORT ORGANIZATION:

This report is designed to inform the reader of all factors influencing the value of the subject property in a clear and concise manner. An Appraisal Summary is provided to the reader for quick reference to salient conclusions regarding the valuation of the property. Initially, an overview of the subject regional market area, market trends and a neighborhood location analysis is performed. The property is then described physically and a highest and best use for the property is determined. Highest and Best Use establishes the premise upon which the property is valued.

The valuation section describes the various methods of valuing the subject property and includes all pertinent information regarding comparable properties and the applications of this information in arriving at the individual value conclusions. The various valuation methods are then evaluated and reconciled into a final estimate of value for the property. An addendum is provided which illustrates important data about the market, site and improvements and includes photographs of the subject and comparables as well as location maps to aid the reader.

INTENDED USE OF THE APPRAISAL:

The purpose of the appraisal is to provide the appraiser's best estimate of the market value of the subject property. The appraisal is designed to be used by the client for consideration of determining the market value of the property for the purposes of purchasing a portion of a city-owned street to be vacated and opened for an ingress/egress use in favor of the property to the north and without prior written approval of the author, the use of this report is limited to this decision-making. All other uses are expressly prohibited. Reliance on this report by anyone other than the designated client for a purpose other than that set forth above is prohibited. The author's responsibility is limited to the client.

INTENDED USER OF THE APPRAISAL:

The intended user of the appraisal is Robert W. Evans and the City of Anacortes.

ASSUMPTIONS AND LIMITING CONDITIONS:

The appraisal is based upon the assumptions and limiting conditions as outlined in the enclosures.

PROPERTY RIGHTS APPRAISED:

The property rights appraised consist of the unencumbered fee simple interest of all present and future benefits, which may be derived from the property's present or possible use.

EFFECTIVE DATE OF APPRAISAL:

The effective date of appraisal is April 21, 2023, which is also the date of physical inspection.

COMPLIANCE AND COMPETENCY PROVISION:

This appraisal report has been prepared in compliance with the Uniform Standards of Professional Practice (USPAP) as revised January 1, 2020 and originally adopted by the Appraisal Standards Board of the Appraisal Foundation on August 9, 1990. The appraiser has years of experience in appraising single

family, multi-family and commercial properties and has the appropriate knowledge and experience to competently complete this report. Refer to the addendum of this report for a statement of qualifications of the appraiser.

DEFINITION OF MARKET VALUE:

The purpose of the appraisal is to estimate the market value of the subject property, in fee simple title on April 21, 2023. Market value is defined as:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently and knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of sale as of a specified date and passing of title from seller to buyer under conditions whereby:

- a. Buyer and seller are typically motivated;
- b. both parties are well informed or well advised, and each acting in what he considers their best interests;
- c. a reasonable period of time is allowed for exposure in the open market;
- d. payment is made in terms of U.S. dollars or in terms of financial arrangements comparable thereto; and
- e. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (1)

This definition is in compliance with the OCC (Office of the Comptroller of the Currency), FDIC (Federal Deposit and Insurance Corporation), FIRREA (Federal Institutions Reform, Recovery and Enforcement Act of 1989), the Federal Reserve System (FRS), National Credit Union Administration (NCUA) and USPAP (Uniform Standards of Professional Appraisal Practice) as adopted by the Appraisal Foundation and the Appraisal Institute.

APPRAISAL DEVELOPMENT, SCOPE AND REPORTING PROCESS:

In preparing this appraisal, the appraiser:

1. physically inspected the subject site
2. gathered information on building costs, comparable land sales using the NW MLS, Realist and the Commercial Broker Association (CBA)
3. confirmed and analyzed the data and applied the Sales Comparison Approach. The Cost and Income approaches were not used as they are not considered reliable valuation methods for vacant land appraisal.

The subject property is valued in its unencumbered fee simple estate interest in "as is" condition. This narrative Appraisal Report is a brief recapitulation of the appraiser's data, analyses, and conclusions. Additional supporting documentation is retained in the appraiser's file for this appraisal report.

(1) *The Appraisal of Real Estate* 12th Ed. (Chicago, Appraisal Institute, 2001), p 22

ASSESSMENT AND TAX INFORMATION:

The subject property is a portion of a city-owned street, which is intended to be vacated and opened for ingress and egress and storm drainage extension in favor of and across two additional properties to the north, owned by the ordering client. Being publicly owned by the city, it therefore has no tax I.D. number and no real estate taxes are assessed.

OWNERSHIP HISTORY:

The subject property is currently owned by the City of Anacortes, whose address of record is:

904 6th Street
Anacortes, WA 98221.

PERSONAL PROPERTY:

No personal property, manufacturing equipment or business equipment was included in the value estimate.

SALES AND LISTING HISTORY:

The subject property has not sold or been listed for sale during the three-year period prior to the effective date of the appraisal.

LEGAL DESCRIPTION:

See the attached addendum section for the complete legal description.

PRIOR APPRAISAL:

The subject property has not previously been inspected or appraised by this appraiser. I have performed no other services, as an appraiser, or in any other capacity regarding the property that is the subject of this report in the three-year period immediately preceding acceptance of this assignment. (per USPAP, rev. January 1, 2020).

MARKETING TIME AND EXPOSURE TIME:

Exposure time is "the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market." The exposure time for the subject is estimated to be at least 8 to 10 months.

Marketing time is "an opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal." A reasonable marketing time period for the subject property is estimated to be 8 to 10 months as the potential purchasers are a limited group of investors in the current market.

HYPOTHETICAL CONDITION:

The subject street property and the four parcels directly to the north are projected to be encumbered by a future 20' wide easement for a storm drainage line extension. This constitutes a Hypothetical Condition, which is defined as follows:

HYPOTHETICAL CONDITION: a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

Hypothetical conditions must only be used under certain circumstances:

1. Use of the hypothetical condition is clearly required for legal purposes, for purposes of reasonable analysis, or for purposes of comparison
2. Use of the hypothetical condition results in a credible analysis, and
3. The appraiser complies with the disclosure requirements set forth in USPAP for hypothetical conditions.

MARKET, LAND AND IMPROVEMENTS ANALYSIS

REGIONAL AND STATEWIDE ANALYSIS:

The subject property is located in an established neighborhood in the western part of the city of Anacortes in Skagit County, state of Washington. Washington State is located in the northwest corner of the contiguous 48 United States. The northwest corner of the United States is commonly referred to as the Pacific Northwest region. This area includes the states of Washington, Oregon, Idaho and western portions of Montana.

Regional Characteristics

The multi-state region of the Pacific Northwest is primarily supported by four major metropolitan population centers: Seattle and Spokane in Washington State, Portland in the northwest corner of the state of Oregon and Boise, the capital of the state of Idaho. These four cities are linked by two major interstate freeways, which facilitate trade throughout the region. Interstate 90 links Seattle with Spokane and Boise to the east. Interstate five runs north and south and links Seattle with Vancouver, B.C. in Canada to the north and Portland, Oregon to the south. The Cascade Mountain Range runs north and south through the western part of the states of Washington and Oregon creating a unified cultural and sociological group. It also blocks incoming weather patterns from the onshore ocean flow. East of the mountains in Washington, Idaho and Oregon is a more arid climate and a more agricultural based economy. Spokane and Boise act as trading hubs for product moving to and from the coastal cities of Seattle and Portland and have busy commercial and industrial distribution centers. Rail and trucking are the primary movers of goods, however, each of the cities have major airports for passenger and freight conveyance. The Rocky Mountain Range through Montana and into Utah is the eastern boundary of the region.

Factors such as employment, per capita income, health care and education levels are considered to be on a par with other healthy regions of the United States. Current social issues in the region include preservation and enhancement of environmental conditions, traffic and linkage problems in the major metropolitan areas, (especially in Seattle) and taxes. Washington State has a sales tax on goods and services but no state income tax. Oregon has no sales tax, but does have a state income tax. This can have some effect on trade in the southwestern part of Washington and the northern part of Oregon.

The region is supported by a diverse base of employment which includes aircraft manufacturing, forest product processing, high tech manufacturing and R & D, bio-technology, agriculture, textiles, oil, steel and aluminum processing, recreational opportunities, overseas and intercontinental shipping, retailing and internet businesses. The broad diversity of these major employment bases contributes to a healthy climate for employment levels, income stability, educational levels, housing affordability and overall quality of life.

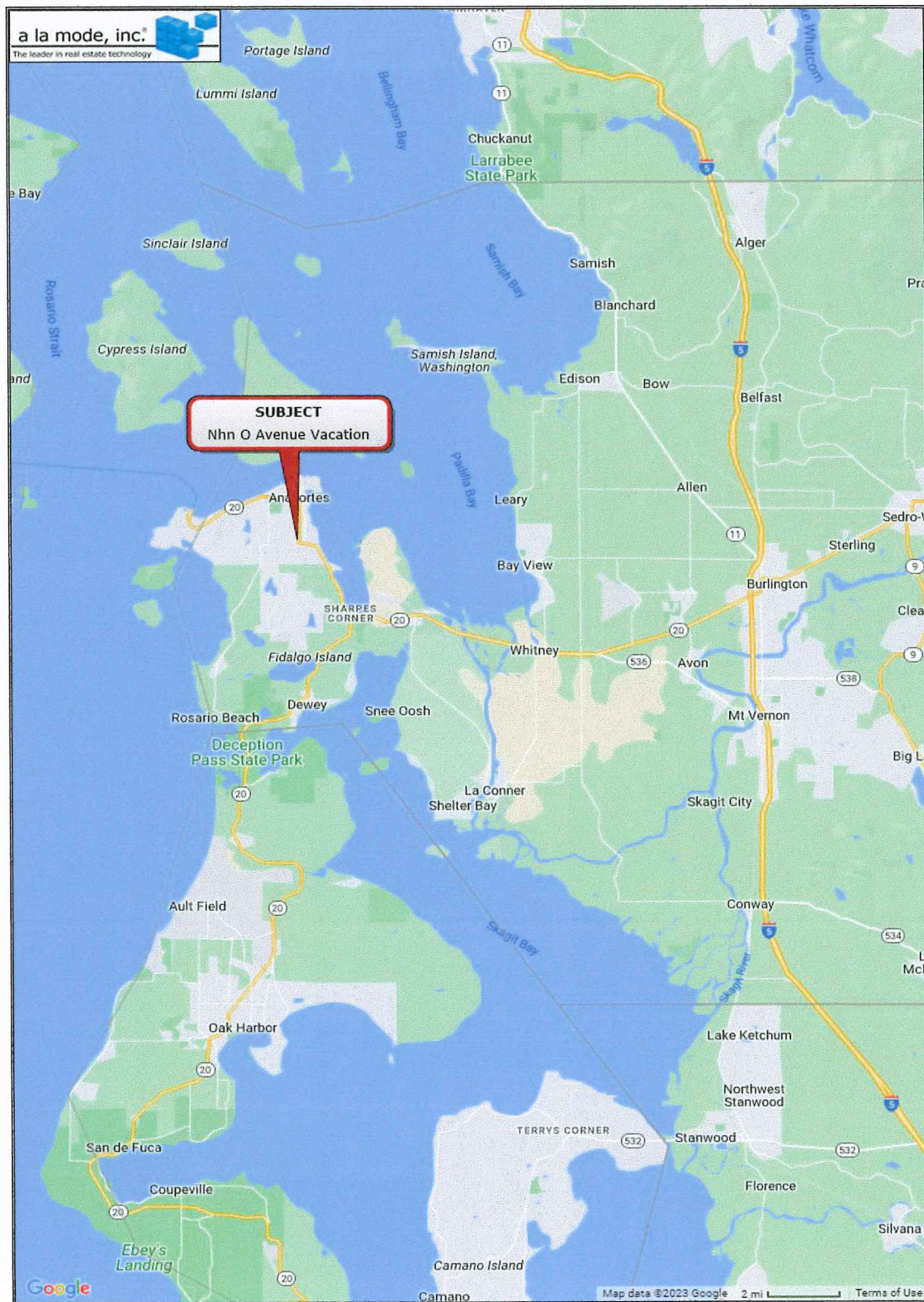
Geographic Characteristics

Washington State is comprised of 71,298 square miles with an average of 109.83 persons per square mile. The most northwesterly corner of Washington State is often referred to as the Puget Sound Region. Puget Sound is bordered in the east by the Cascade Mountain Range, in the west by the Olympic Peninsula, San Juan Islands and Pacific Ocean. The southern boundary extends to the Olympia area and the northern boundary is the Canadian-U.S. border. It is approximately 45 miles south of this northern border that Skagit County and Anacortes are located.

Population Characteristics

Washington State reports a population of 7,830,827 people as of 2018 according to the U.S. Census. The median age of the population is estimated at 37.6 years. About 50.4% of the population consists of males and 49.6% females. Ninety percent of the population is native to the United States and about 53 percent of those were born in Washington State. About 10 percent of the population is foreign-born.

REGIONAL MAP



NHN O Avenue Vacation Anacortes, WA 98221

The following chart illustrates the age breakdown of the state population:

AGE	Under 18	18 – 24	25 – 44	45 – 64	65 and Over
% OF POP.	25%	9%	30%	25%	11%

A trend toward an aging population is noted in the chart above. In addition, a significant lag in the 18-24 age group was also noted.

Educational Characteristics

Educational attainment is noted in the following chart: (Percentages are rounded.)

EDUCATION	PERCENT
Less than H.S. Diploma/GED	10%
H.S. Diploma/Equivalent	28%
Some College/No Degree	25%
Associate Degree	8%
Bachelor's Degree	20%
Graduate or Professional Degree	10%

Approximately 90 percent of the population 25 years and older have completed high school or its equivalent and 46.79 percent of the population have a Bachelor's degree or higher. About 1.5 million people are enrolled in schools with college enrollment totaling 361,000.

Housing Characteristics

Housing in Washington State consists of 3,314,390 housing units. The vast majority (49%) of the households are occupied by married-couple families, with other families (15%), people living alone (28%) and other non-family households (7%) making up the other 51 percent of household composition.

Washington State typically expresses a relatively low degree of geographic mobility from year to year which implies a high degree of population stability. The statewide median value of owner-occupied housing in 2023 was \$593,600, with Anacortes having the highest rate of pricing growth in the state. In 202, households had an average of 2.5 persons per household unit. These statistics appear to indicate some of the effects of the previous recession, however, signs are pointing to a more stable housing supply and occupancy level supported by economic characteristics as outlined below.

Economic Characteristics

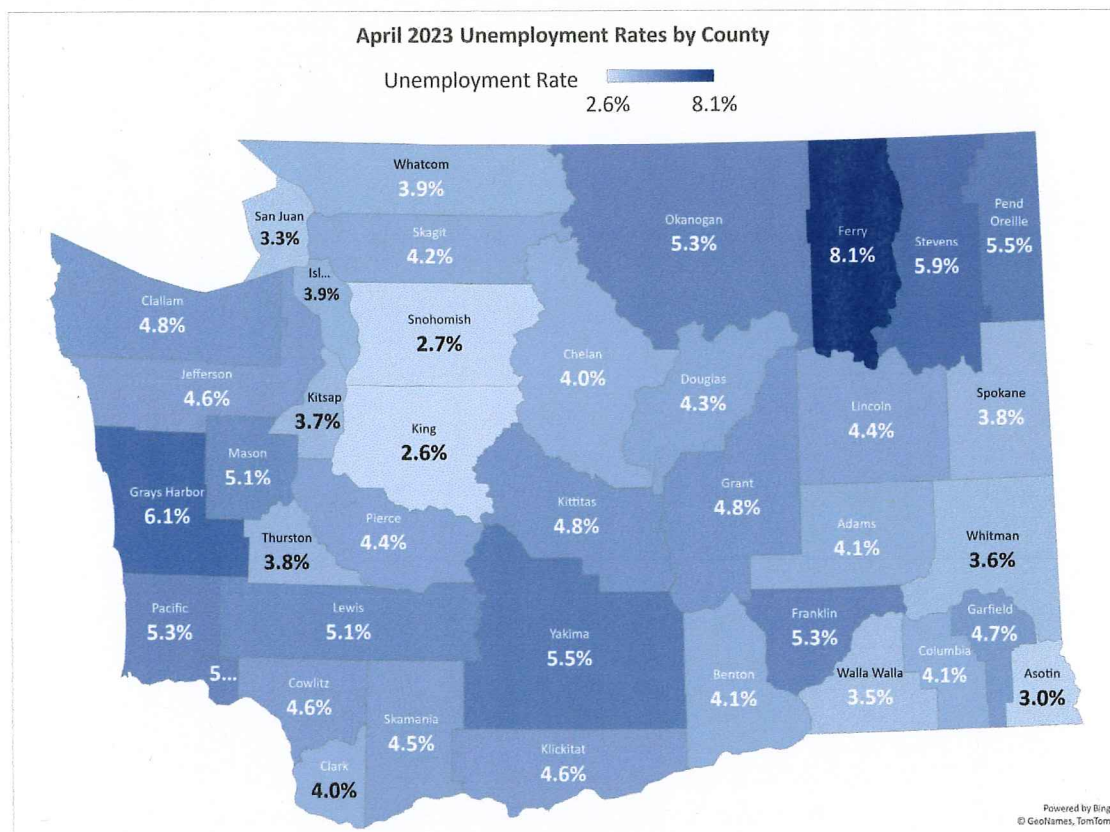
Puget Sound is important to Washington State in many ways. First, it is characterized by a large, protected waterway with access to the Pacific Ocean. Secondly, the large, deep-water port cities of Seattle, Tacoma, Everett and Bellingham are located here, facilitating international trade and providing a general economic base for the region. This economic base includes forestry, agriculture, importing and exporting and a sizable manufacturing contingent; aerospace technology (Boeing), computer technology and internet businesses (Microsoft, Amazon.com, Real Networks, etc.), oil refineries (Arco, Shell and Tesoro). The electricity that supplies these industries comes from both hydroelectric dams and nuclear power. Military bases for aircraft and naval vessels also find the Northwest's protective water and mountains to be strategically advantageous.

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Notable concerns in these base industries include Georgia-Pacific in Bellingham and Weyerhaeuser in Everett as primary processors of forestry products. Boeing operates large plants in Everett, Seattle and Renton, and INTALCO, which manufactures aluminum products in Bellingham, are large manufacturing concerns.

Other manufacturing includes boat building, food processing and metal fabrication. Support industries including tourism and large retailing corporations round out the economic climate. Military defense is an increasingly important entity in the Puget Sound Region and appears to be rapidly adding to the population and economic growth of the area. In addition, support industries of banking, hotel and restaurant services, auto sales and repair and other needed services are well represented in the Pacific Northwest.

Employment in the state has typically run in the 93% to 94% range year to year. National unemployment is at 3.4% as of April 2023, which is up from 3.6% in April 2023. Current unemployment rate in Washington State is at 4.3% as of February 2019, up from 4.1% in April 2022 according the Washington State Employment Security Dept. website. (1) Unemployment in Skagit County is at now at 4.2% in April 2023 according to the Washington State Employment Security Dept. website. Though a slight uptick in rate was noted for year over year percentages, the overall trend indicates improving unemployment rates coming off the historical highs for the past several years, mostly due to the Covid-19 pandemic. Private, non-farm employment in Washington State as of February 2023 was 4,057,300 persons.



- 1) Washington State Employment Security Dept. *Employment Situation Report; April 2023*

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A slightly lower unemployment rate is noted for Skagit County versus the rest of the state (4.2% for Skagit County versus 4.3% statewide) and is following the state and national trends with declining unemployment rates.

Transportation and Linkages

As previously noted, several major linkages facilitate movement of goods in the region. Interstate 5 runs north to south from Vancouver, B.C. through Bellingham, Everett, Seattle, Tacoma and south through Portland, Oregon. Several major highways cross the Cascade Mountain range to access eastern Washington, most notably Interstate 90 that links Seattle with Spokane. Rail and bus services also expedite the movement of goods. Major parks and national forest areas are located throughout western Washington, including the North Cascades, Mount Rainier, Mount St. Helens and Olympic National Forest and Parks. Other recreational pursuits include snow and water sports, expanding opportunities for golf as well as professional spectator sports. In the 1990's, Washington State witnessed one of the fastest rates of expansion of new golf course construction in the country.

Some inferences can also be determined from the competing adjacent markets of King and Skagit counties. Boeing's presence in south Everett, Microsoft's location in Redmond and Amazon in Seattle and on the eastside, embodies support to many industrial concerns in Snohomish, Skagit and Island counties. Less expensive land and a slightly lower cost of living in northern Snohomish County make the location attractive to smaller industrial and office development. High tax rates and traffic congestion also make the outlying counties increasingly attractive. However, transportation issues inherent in the broader county locations create linkage issues for manufacturers in both materials receiving and finished product shipping.

These factors contribute to the enhancement of Skagit County economically and demographically and indicate that controlled growth is occurring. This, in turn, indicates stable factors for real estate values and the real estate market in the future for the region.

SKAGIT COUNTY ANALYSIS

Geographical Location and Physical Characteristics

Mount Vernon is the county seat of Skagit County and is also the largest city in the county, both in terms of population and in land area. Skagit County comprises a land area of 1,735 square miles and is characterized by the fertile farmland of the Skagit River delta at the western half portion with the eastern half dominated by foothills and peaks of the Cascade Mountain Range. The Skagit River runs nearly the entire length of the county from east to west and empties into Skagit Bay, which is part of greater Puget Sound. This is the principal drainage system for the county's rainfall and has provided a fertile delta of productive agricultural land. Sedro Woolley is located upriver, ten miles east of Mount Vernon and Burlington, the two principal cities in the county. Anacortes is located on Fidalgo Island to the west and is the location for the subject property.

Skagit County enjoys a temperate climate with mild temperatures and adequate balance of rainfall and sunshine. Winter temperatures typically average around 30 degrees Fahrenheit while summer temperatures range into the mid 70's. Rainfall can average between 35 and 45 inches, with the mountainous eastern region receiving the large portion of rain. Snowfall is occasional during the winter but does not usually contribute adversely to operational factors.

Skagit County's location offers access to recreational amenities such as parks, lakes and the San Juan Islands to the west.

Population Characteristics

According to the Economic Development Association of Skagit County, the population of Skagit County in July 2022 was 131,179. It is now estimated at 133,309. These findings imply that Skagit County is viewed as a desirable place to live and work and a population influx trend is expected to continue for the foreseeable future. The current median age of the population is 41.6 years, slightly higher than the statewide average. Males comprise 49.5 percent of the population and females comprise 50.5 percent. Age group breakdowns basically mirror those in the preceding chart of the statewide age groups.

The above chart differs slightly from the U.S. Government census figures previously quoted, but is useful in illustrating the gradual increase in population in the county over the past ten years. Particularly noteworthy is the increase in the Concrete market over the past three years. Much of this is due to the more affordable housing prices found here. Demand for housing in the Sedro Woolley and upriver market increased as prices in Burlington and Mount Vernon continued to rise to less affordable levels.

Housing Characteristics

Skagit County housing consists of 50,546 units as of 2022 compared to 3,314,390 for the entire state.

The most recent available data from the NW MLS indicates Skagit County to have experienced declining market from late 2008 following a very active market in the previous three year period. The market rebounded significantly as the county recovered from the recession.

Mortgage lending interest rates play a key role in maintaining affordable housing. Lower than typical interest rates from 2014 to 2018 and newer, more flexible lending practices were two prime reasons for rising home values across the nation. Skagit County definitely followed the trend. Interest rates currently range in the 6.0% to 7.5% bracket for 30 year fixed rate conventional loans with 20% LTV's. Adjustable rate mortgages were very popular alternatives to higher fixed rate loans over the last three or four years as they offered a lower interest rate entry point, especially for new home purchasers. These loans are under increasing scrutiny, however, and are on the decline, which is transmitting into more difficulty in generating entry-level home buyer financing.

Conventional loans are the bulk of the lending products offered, but FHA loans with 3%, or even no down and 100% VA loans are still part of the lending landscape. Some buyers have rationalized the no or low equity position of the purchase as a temporary condition, with expectations of rising values creating a situation where the home can be refinanced into one loan product in the future. If nothing else, these home buyers, especially first-time buyers, will cite the advantage of owning their real estate versus continuing to rent housing, as rents continue to rise.

Economic - Financial Factors

Fertile farmland to the west and forested hillsides to the east constitute Skagit County's major economic bases of food and wood production respectively. These industries are enhanced by a capable network of roads and highways which facilitate transportation of goods and people. Most primary and secondary roads are asphalted; two are most notable. State Highway 20 enters the county via a mountain pass in the east through Sedro Woolley and Lyman and connects with Whidbey Island and the San Juans through Anacortes in the west.

Interstate 5 begins at the Canadian border, 40 miles to the north and proceeds south, 70 miles to Seattle and beyond; passing through Burlington and Mount Vernon in the approximate western center of the county and offering the fastest link with communities outside the county.

The major industries of the Skagit Valley are supplemented by all necessary support services and this diversification provides some degree of stability during times when outside economic events become factors in local markets. Curtailing of timber industry production due to housing supply situations was supported by agricultural and fishing efforts in the recent past. Agricultural activities include dairy farming as well as harvesting of food crops such as peas, wheat, corn and berries.

Skagit County is closely tied to Whatcom County to the north and Snohomish County to the south for larger industrial employment opportunities. Island County is located west of Skagit County, where the Whidbey Island Naval Air Station accounts for the largest employment base along with county and city governments. The marine industry, fishing and the refineries are the economic bases of the Anacortes area in Skagit County. Government services in the county seat of Mount Vernon provide employment all over the county. The top 10 largest employers in Skagit County are:

Skagit County Top Employers: 2021

2021 Rank	2020 Rank	Company Name	2021 Total Headcount
1	1	Skagit Regional Health	2256
2	2	Mount Vernon School District	1147†
3	3	Draper Valley Farms	1038†
4	6	Janicki	751
5	4	Skagit County Government	714
6	8	Shell Puget Sound Refinery	600
7	7	Sedro Woolley School District	489†
8	9	Skagit Valley Casino Resort	450**
9	10	Burlington Edison School District	435†
10	11	Swinomish Casino	398.5†
11	13	Tesoro Refinery	390†
12	-	Skagit Valley College	374
13	12	Fred Meyer	350
14	16	Peace Health United General Medical Center	349**
15	5	Island Hospital	309
16	-	Washington State Department of Transportation	237
17	-	Hexcel	225
18	14	Skagit Horticulture LLC (Formerly Skagit Gardens)	200**
19		Haggen	175
20	15	Dakota Creek Industries Inc.	166
21	-	Skagit Valley Food Coop	158
22	19	PACCAR Technical Center	150**

*Based on 2019 numbers

†Based on 2020 numbers

**Estimated from 3rd party sources.

Not all companies contacted agree to have their employment numbers published. If an omission is believed to have occurred, or if you have questions about this list, please contact the Center for Economic and Business Research at Western Washington University by phone at 360-650-3909 or by e-mail at cebr@wwu.edu.

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Flower bulb farms have also experienced steady growth in the county and are assuming an additionally larger role of successfully catering to spring and summer tourism activities.

Both agriculture and timber employment increases during the spring and summer months. Manufacturing firms such as Texaco and Shell operate oil refining concerns in Anacortes, together with municipal and county government activities and support industries such as trucking, retailing and processing, contribute to year round employment stability.

Political - Governmental Factors

All four major cities in the county are governed according to a mayor/city council form of government. Each incorporated city retains its own police and fire protection and individually plan comprehensively for growth direction and usage factors. Such planning includes zoning regulations, building codes and educational opportunities. Governmental activities are supported by the populace and are generally considered successful in their endeavors by their constituents.

County and Port Commissioners have expressed conservative attitudes toward industrialization, especially in regard to rapid or uncontrolled growth. Recent activities by groups such as the Economic Development Association of Skagit County (EDASC) are operated under a careful mandate of the voters to encourage development which will incorporate into the area in a manner which protects the environment and heritage of the region. This non-profit association was largely responsible for attracting SUGIYO, USA to the Anacortes area in order to operate an imitation seafood processing plant, resulting in increased employment.

Property taxes fund the majority of governmental services. Gradually rising levy rates do not appear to affect the real estate values.

Political-Governmental services appear to adequately protect and serve the citizens in an affordable manner and citizens appear satisfied with the quality and quantity of their governmental activities. These satisfactions enhance the local quality of life and contribute to the market's favorable attitude toward real estate and its value.

Sociological - Locational Factors

Skagit County offers an enticing lifestyle with scenic countryside and a less stressful, less hectic pace than that of other locations. Social disturbances are rare and a high degree of social conformance contributes to a "comfort zone" which appeals to families as a stable environment.

Educational facilities range from Skagit Valley College, a two-year community college to twenty-two elementary schools and six high schools. These institutions offer accredited, well-rounded educational opportunities as well as successful extra-curricular sports and music programs.

Three general hospitals, with an adequate supply of physicians, surgeons and specialists are complemented by "911" emergency medical services. Other public institutions include libraries, museums, emergency management and parks and recreations boards, which offer widely utilized sports, culture and craft programs. Additionally, a county fair is organized each August, a tulip festival each April, and various arts, crafts and other cultural events regularly occur. Professional sports and other cultural opportunities exist within short transportation distances.

A large, regional shopping mall was constructed along the I-5 freeway at Burlington and at one time could draw shopping traffic from as far away as Vancouver, B.C. However, the mall has waned in popularity in recent years and many stores have closed.

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The Bayview Airport and Greyhound Bus lines provide service between Bellingham and Seattle-Tacoma International Airport.

Overall market factors for real estate in the Skagit County area appear favorable due to the location of the county along the I-5 corridor. As stated in the interest rate analysis, market interest rates have risen since the long-time lows after the end of recession and appear to be stable for the foreseeable future. This is both due to policies of the Fed as well as liquidity issues in the secondary mortgage market. Other than the tightening of the finance industry, no adverse influences of a market wide scale are noted.

Demographic analysis indicates Skagit County and Anacortes to be a healthy, growing region and community providing a good place to live and work. Indications are that the area will continue to expand in population and opportunities. The demonstrated ability of its citizens to control and direct growth, while adequately maintaining a high level of service and opportunity, insures that the area's future is optimistic. No factors which would adversely affect property values were evident.

CITY AND NEIGHBORHOOD ANALYSIS:

The subject property is situated in the City of Anacortes, Washington. Anacortes is located on Fidalgo Island. Fidalgo Island is bounded by Guemes Channel on the north, Rosario Strait on the west, Deception Pass on the south and the Swinomish Slough on the east. Fidalgo Island is reached via State highway 20 six to seven miles west of the Interstate 5 freeway at Burlington and provides a link from Skagit County to the San Juan Islands to the west and Whidbey Island via Deception Pass bridge to the south. The present city has evolved from a port city in the early 1900's, which then handled shipping activities along Guemes Channel involving ship building, logging, textiles, fish processing canneries and sawmills to a technologically advanced community spanning oil refining, boating, tourism and arts and crafts opportunities, all with a decidedly marine flavor.

Today, Anacortes is characterized by a desirable small-town atmosphere and lifestyle. While the marine location still creates a major economic base for the city, Anacortes has managed to diversify, capitalizing on the burgeoning tourism trade enjoyed by the county and the recent awareness of the scenic beauty in the area. Highway 20 provides the primary east-west and north-south access through Fidalgo Island from Burlington to the east to Whidbey Island to the south and westward to the San Juan Islands and Canada via state-run ferry system. The population of Anacortes as of July 2022 was listed at 18,003 persons, up from 17,637 in 2020. This evidences about 2.1 percent growth rate, in line with Skagit County but still a faster rate of growth than that of the State of Washington. Female population is 51.2 percent while males constitute 48.8 percent. Anacortes has approximately 7,734 occupied housing units as of 2022, with an average household size of 2.24 persons. Residential development centers primarily around the areas west of the Commercial Avenue business corridor as well as in sporadic pocket neighborhoods all over Fidalgo Island. In the 1970's and 1980's, the Skyline subdivision on the west end of Fidalgo Island was constructed. Hundreds of single family and condominium housing units attracted large numbers of retired persons to the area. The subdivision offered good marine and island views along with a marina basin for hundreds of boats and very easy boating access to the San Juan Islands. Today, new housing construction has picked back up after the recovery from the Great Recession which started in 2008 and lasted until about 2014. Anacortes has demonstrated a stable pattern of population and housing growth.

Anacortes enjoys major employment from several diverse base industries. Most notable are the two oil refineries east of the city on March's Point, Shell and Tesoro, which were built in the late 1950's. Trident Seafoods, Sugio, USA and Seabear are large seafood processors. The mills and canneries of the early 1900's gave way in the last half of the 1990's to new marinas and shipyards.

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A number of marinas, both private and city-owned, play host to hundreds of pleasure boats year-round. In fact, pleasure boating is a large and well-received component of the port city because Anacortes offers protected moorages and easy access to the San Juan Islands, one of the most desirable boating archipelagos in the world. This unique marine tourism provides good support to the local marine trade as well as supermarkets and arts and craft retailing in Anacortes. Boating and water related recreation are common links for Anacortes. Everything from dive shops to kayak tours and whale watching can be found. An annual Waterfront Festival and Arts and Crafts Festival are held each year as well as a new Jazz Festival for 2004. Anacortes is proud of its number of authors, photographers, painters and other artisans who live in the area.

The primary commercial neighborhood of Anacortes is the downtown commercial business district, characterized by a combination of retail, medical, banking, food services and other commercial and governmental land usages. Commercial Avenue runs north from Highway 20 through the middle of town to Guemes Channel at its north end. This avenue creates a central business corridor through the middle of the city with similar commercial uses spreading to several blocks each side of Commercial Avenue. Property uses along this corridor include restaurants, banks, parking areas and mixed use commercial and retail buildings. To the north is Guemes Channel with boat building and marine supply being the primary commercial and industrial uses. Land uses are primarily residential to the east and west of the downtown business corridor with scattered commercial uses such as auto repair and restaurants as well as other convenience stores and places of worship. Upcoming revitalization of the industrial marine areas east of R Avenue are poised to enhance the city with new condominiums, retail, restaurant and hospitality services. The location of these different properties is considered homogenous by the market and illustrates the varied composition of the commercial business district of Anacortes.

Recent retail and commercial office space have under gone some correction activity over the past ten to twenty years as market participants experienced a transition of office space from the downtown core (Old Town) to larger commercial parcels south of the 12th Street line. These parcels were considered more desirable by the market because they are located closer to the residential areas of the city than the downtown core and because downtown space values were pressuring upward. Higher vacancy rates occurred during this time for the Commercial Avenue area from 3rd Street to 12th Street and what new businesses did try to get started had trouble making ends meet and either closed or relocated to less expensive rental space. Eventually, newer, higher tech office space was built over the past several years in the southern part of the Commercial Avenue corridor to accommodate high profile office space needs in the market. Business such as title companies, banks, real estate offices and larger professional firms bought land and built what they needed in the southern part of the city. The downtown core was then forced to revitalize itself somewhat and prices stabilized. The downtown core area has gradually begun to fill back up with trendy retail shops, taverns, restaurants and some professional offices, which require being closer to City Hall and the Post Office. Now, the downtown core has entered a resurgence period and is becoming positioned to continue a direction of stable growth. The demand for the supply of affordable office and retail space in the downtown corridor now appears to be in relative balance, with a falling vacancy rate and an improving stability of the incoming tenant population.

The subject property is located about one mile south of the downtown commercial business district and is situated just west of the Commercial Avenue corridor at 34th Street. The immediate neighborhood is defined as that area situated west of Commercial Avenue, with 12th Street and Oakes Avenue to the north, D Avenue to the west and 41st Street to the south. Most of this area is used to support single and multi-family residential land uses, which are considered homogenous by the market, with various commercial land uses, located closer to the Commercial Avenue corridor.

A popular elementary school is located a short distance south of the subject.

SITE ANALYSIS:

The primary subject parcel is comprised of the north 100' of the unopened O Avenue at its intersection with 34th Street on the south. This section of O Avenue is proposed to be acquired by the appraisal client in order to enhance and improve the existing ingress/egress, sidewalks and utility access for the serving the properties directly to the north. The City of Anacortes also plans to install a new storm drainage extension down the middle of the vacated street and across the four additional properties directly to the north (P31941, P31942, P31944 and P31945) as a preferable alternative to an expensive connection to a hook-up some distance to the east near R Avenue. The existing street is situated between two single family lots with parcels P57150 adjacent to the west and P57179 adjacent to the east of the street. The existing street portion will be amalgamated by ½ to each adjoining parcel on the east and west (P57150 and P57179), both of which are owned by the ordering client, in accordance with City zoning requirements. The existing street is noted as 80 feet wide by 100 feet long, plus an additional 10 foot wide alleyway, or 8,800 square feet (.2020 ac). However, the 10 foot alley will not be transferred to the property owners, but will remain in ownership by the City of Anacortes and remain open for public alley use, including over and across by the eventual owners of the street and current owners of the properties to the north. As the street parcel will be amalgamated to each adjoining parcel, it will not be a buildable site or receive a lot certification per an agreement with the City of Anacortes, which is the grantor of the parcel.

The subject street parcel has no improvements at the current time. Two single family residences are situated on each side of the street, to the east and west. Access to and from 34th Street at the south end of the street is noted. 34th Street and the O Avenue extension are public, asphalt and gravel roads, respectively, and have been city maintained in the past. The parcel has a mostly level topography and can be accessed from the north side of 41st Street. The soil of the surrounding area typically appears capable of adequate load bearing conditions. The site is located in Zone X, above the 100 year flood plain according to FEMA Flood Hazard Panel #530317-0040-A dated September 17, 2003

Though a future storm drainage line will be laid under the existing street, the site is not currently improved with any utility services. Utility services are available to the general neighborhood as follows:

Water:	City of Anacortes
Natural Gas:	Available through Cascade Natural Gas
Electricity:	Puget Sound Energy
Sewer:	City of Anacortes
Sanitation:	Waste Management
Telephone:	Verizon

No adverse site factors were noted.

ZONING:

The subject property is zoned C; Commercial and the comprehensive plan calls for continued use as a commercial, single and multi-family residential area in concert with, and in support of, the surrounding uses around the subject property. The C zoning is designed to permit various commercial uses which support the surrounding single, multi-family and higher density condominium uses. An overview of the zoning code is included in the Addenda of this report for reference.

DESCRIPTION OF IMPROVEMENTS:

The subject site is an unopened city street, intended to be eventually vacated and has no current structural improvements. The redefined roadway will not be allowed to be built upon per agreement and will have a 50 foot wide easement for street, sidewalks and utilities, including the storm drainage line, which is assumed to be installed down roughly the middle of the street. The new drainage line will be protected by

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easement rights in favor of the City of Anacortes. Additionally, the drainage line and its easement over the aforementioned parcels to the north will allow for an improved connection to 34th Street. The remaining 30 feet of street width (after accounting for sidewalks and landscaping) will be used for ingress and egress to and from 34th Street in favor of the four properties to the north as well as to each of the properties on the west and east sides of the O Avenue extension. Content of the terms of the easement document was not made known to the appraiser, as some elements are still to be determined.

In addition, the 20' wide drainage easement will continue northward from the north end of the O Avenue extension and, in as yet an exact undetermined location, cross parcel #'s P31941, P31942, P31944 and P31945 in order to couple with the 32nd Street connection point. The total length of the drainage line and corresponding easement is estimated to be about 512 feet in length or 10,240 square feet. Part of the drainage line placement over P31942 will inhibit potential uses for residential or commercial development uses as the easement cannot be built over. The lot will likely be relegated to parking area only due to the reduction in usable site area. This creates a loss to that parcel, which is discussed in the foregoing value analysis. Refer to the attached Easement Location map for an illustration of the proposed location of the easement in relation to the parcels.

HIGHEST AND BEST USE ANALYSIS

HIGHEST AND BEST USE ANALYSIS

The highest and best use concept is based upon traditional and accepted appraisal theory and reflects the attitudes of typical buyers and sellers, recognizing that value is predicated on future benefits with consideration given to the wealth maximization of the owner in concert with community goals.

The Dictionary of Real Estate Appraisal, 12th Edition defines highest and best use as: "the reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria that highest and best use must meet are legal permissibility, physical possibility, financial feasibility and maximum profitability." (1)

The concept of highest and best use represents the premise upon which value is based. In order to insure the most reliable usage of this concept, highest and best use of the property as if vacant is typically considered separately from highest and best use as if improved. Highest and best use as if vacant allows for the consideration of the site as if vacant and available to be put to its highest and best use, within the context of the four tests noted above, even if the property is actually improved with existing improvements which are not in concert with highest and best use as vacant.

It is to be recognized that in cases where a site has existing improvements on it, the highest and best use may very well be determined to be different from the existing use. Implied within this definition is recognition of the contribution of that specific use to community environment or to community development goals in addition to maximizing the value to the individual property owners. The use must be legally allowable and physically accomplishable, there must be a profitable demand for such use, and it must return to the land the highest net return for the longest period of time.

HIGHEST AND BEST USE AS THOUGH VACANT

Legally Permissible

Though the subject parcel is an unopened city street, it is zoned C; Commercial; in the city of Anacortes, Washington. This zoning allows various types of commercial uses within the city limits which require typical density development in support of the R-2A, R-3 and R-4 zoning which surround the subject commercial area. The allowable uses are outlined in the Zoning section of this report. None of these requirements are considered overly restrictive by the market. No changes to the zoning code are expected as the zoning has existed for a significant time and has a long history of acceptance by the market. No unusual public or private legal limitations were identified.

Physically Possible

The physical characteristics of the site are discussed in the site description section of this report. This mostly level, .1837 acre (8,000 sf) site is an unopened city street, which would present physical limitations for development on its own. The street parcel is intended to be vacated and split by ½ to each of the two parcels adjoining on the east and west and used to create a north-south access right of way in favor of four larger parcels to the north, owned by the clients of the appraiser. In addition, the lot will have an easement for an eventual storm drainage line to be installed by the City of Anacortes, which will continue to the north over four other parcels. This would appear to be a most reasonable use as the street is not likely to be needed in its present configuration. It is most easily accessed from the north side of 34th Street and is an extension of O Avenue to the south. The site is located above the limits of the 100 year flood plain and appears to be capable of adequate load bearing conditions. Access to all necessary utilities is readily available. No other unusual easements were identified as pertinent to the site. The lot configuration and location of the street is most conducive to vacation in favor of creating access and supporting a future storm drainage installation.

(1) The Dictionary of Real Estate Appraisal, 12th Edition (Chicago: Appraisal Institute, 2001) p. 305.

Financially Feasible

No financial limitations regarding improvement of the subject site appear. The Anacortes residential market area indicates the capability to support the improvement of the subject property to a highest and best use with appropriate financial reward. This is borne out by a number of market factors:

- other competing and supportive commercial, single and multi-family uses are found in the Anacortes market with successful operating histories
- vacancy rates of improved properties have remained relatively stable indicating minimal risk of sudden vacancy issues to investors and developers
- market activity of sales of similar vacant sites prove that investors and owner-users of such properties are willing to commit capital to competing development ventures
- market activities of tenants indicate willingness to pay market rates for the rights to occupy commercial, single and multi-family residential properties in the Anacortes market
- support and direction for continued commercial and residential activities is provided by allowances in zoning and demonstrated by the adoption of the current comprehensive plan

Therefore, it is considered that virtually no other potential uses could be employed for this site, if vacant, with better financial reward than by vacating the street in favor of a new access to 34th Street for the properties to the north and a new storm drainage easement to serve the properties in the immediate neighborhood, making the layout of the existing unopened street unnecessary.

Maximum Productivity

As noted above, the subject parcel is a vacated street which is not being fully used. As the surrounding land is in need of additional access and the storm drainage easement will be able to be installed at a much lower expense than current alternatives, the street is not anticipated to contribute or be deemed to be best used as at the current time versus a vacation for access and drainage line. This projected use is noted as very compatible with current civic needs and constitutes a superior highest and best use of the street as it exists now. Market conditions and trend analysis do not indicate any other preferable uses for the site other than to expand the anticipated access and drainage line installation. This is due to the combination of the aforementioned legal, physical and financially feasible characteristics of the site.

RECONCILIATION OF HIGHEST AND BEST USE AS VACANT

As noted above, the subject parcel can be evaluated by determining the marketability opportunities of the subject site. Considering the location, zoning, size and shape and surrounding land uses, as well as the location along O Avenue, the financial feasibility of the property, and maximum productivity, its highest and best use as if vacant is as a vacation of the existing street use in favor of creating access to the properties to the north and installation of a storm drainage line in conformance with community needs.

HIGHEST AND BEST USE AS THOUGH IMPROVED

Highest and best use of property as though improved is defined as "the use that should be made of an improved property in light of the existing improvements and the ideal improvement described at the conclusion of the analysis of highest and best use as though vacant." (2) An existing property should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one.

The subject property has no structural improvements and the Highest and Best Use as Vacant is determined to be the highest and best use for the subject parcel.

VALUATION ANALYSIS

APPROACHES USED IN VALUATION PROCESS

The valuation of the subject property requires the consideration of three different approaches to the value estimate. The three basic approaches considered are: the Cost Approach, the Income Approach, and the Sales Comparison Approach. These three approaches are different in character, but related somewhat in the known facts that are required to arrive at an estimate of value from each. The final estimate of value is derived through a correlation process in which the appraiser weighs one approach against the other to determine the relative merits of each after coming to a conclusion.

COST APPROACH: This method involves valuing the subject site and the subject improvements separately. Vacant land sales of properties considered similar to the subject are analyzed to arrive at an indication of the value of the subject site as if vacant. The replacement cost new of the improvements is then estimated. Once the cost new of the improvements is estimated, the next step is subtracting the accrued depreciation, if any, which is measured in three categories (physical deterioration, functional obsolescence, and external obsolescence). The figure then is the net depreciated value to which site value is added along with site improvements to arrive at an estimated value by the cost approach.

THE INCOME APPROACH: This approach measures the subject value as based on the income earning potential of the property. Valuation by the Income Approach is based on the capitalization of projected net operating income to an estimate of market value. Net operating income is projected on the basis of the subject's gross rent potential, less vacancy and expenses. Valuation is completed by applying an overall capitalization rate to the projected net operating income stream.

THE SALES COMPARISON APPROACH: This valuation method involves the process of comparing the subject property with sales of similar use properties. Comparisons are made using physical elements of comparison. Each comparable sale is adjusted towards the subject for differences between that property and the subject property. The resulting adjusted range of value of the comparable sales is reconciled for a value indication for the subject property.

All three approaches were considered in the valuation of the subject property. However, only the Sales Comparison Approach was deemed applicable to this vacant land tract of unopened city street. The Income and Cost Approaches were not considered applicable to a vacant land appraisal such as the subject property.

Estimated Land Value

Six sales comparison procedures are recognized as appropriate valuation methods for vacant land. All six methods utilize various procedures derived from the three basic approaches to value. The six procedures are noted as follows:

1. Sales Comparison Method:

The Sales Comparison Method is the most common technique used in valuing vacant land or land which is being considered as if vacant for highest and best use analysis. Recent sales of comparable properties are identified, analyzed and compared to the subject in order to determine the most probable sale price of the subject as defined in the definition of market value. When reliable comparable sales exist in the market, this is considered the method most reflective of current market conditions and most indicative of the method the market uses when valuing vacant land.

2. The Land Residual Method

This technique is useful when reliable sales data is unavailable in the market. The site is typically valued as if improved to its highest and best use and then the cost of the improvements is deducted leaving a residual which can be attributed to the land. Another method involves determining a specific component of value, such as water or street frontage or large acreage parcels where the value is predominantly situated in a smaller part of the overall acreage. The site is valued with the primary consideration and then the extra (or residual) land is valued as an "as is" contribution to value to the whole parcel.

3. Allocation

Allocation can be used in specific categories of real estate. This method identifies a ratio of land value to improvement value. While this method is usually considered less reliable, it is useful when comparable sales data is unavailable or as a backup or testing method used in concert with one or more of the other recognized methods.

4. Extraction

This variation of the sales comparison method involves the extraction of the land value from the sale price of an improved comparable sale. This is done by determining the depreciated value of the improvements and identifying a residual value attributable to the land. In rural areas where comparable sales are scarcer and improvements more easily analyzed and extracted, this method serves well.

5. Subdivision Development

This method is also most valuable when comparable sales are scarce. It involves a feasibility study of finished subdivision lots but is limited to use when the highest and best use determination is for a proposed subdivision.

6. Ground Rent Capitalization

When ground rent is paid for the right to use and occupy land, the income stream can be capitalized into an estimate of land value by using an appropriate, market derived rate of return.

Since reliable sales of vacant land were identified, the Sales Comparison method was deemed the most reliable procedure with which to value the subject land.

The Land Residual, Allocation, Subdivision Development and Ground Rent Capitalization methods were not used as reliable sales of vacant residential land parcels were identified.

SALES COMPARISON APPROACH

The subject's Anacortes market area was researched for sales and listings of vacant, unimproved residentially zoned land parcels considered to provide an estimate of the subject's land value. The subject property is unique in its locational appeal, as it is zoned Commercial, but is located several blocks away from the more intense commercial land uses of the Commercial Avenue corridor and is, in fact, surrounded by mostly residential zonings. Several residential lots were found from the past year or so and represent the most recent sales of parcels with competitive R-2, R-2a, R-3, R-4 and R-4a zonings. No sales of vacant commercial lots from the past 3 years were identified. Commercial lot sales from the CBD, Commercial Avenue corridor or Old Town would not have been considered comparable as they are situated in areas in which take better advantage of commercial activity, as opposed to the subject location, which is essentially residential in nature. The following residential lot parcels are used to determine a set of prices per square foot, which is then reconciled and applied to the subject parcel.

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LAND SALE #1



Address:	Lot 22 Kansas Anacortes, WA 98221
Location:	Average
Tax I.D. /Parcel #:	P58248
Sale Date:	03/11/2022
Sale Price:	\$170,000
Auditor's File No.:	202203110107
Financing:	Cash
Seller:	Chb Inc.
Purchaser:	East Village Homes, LLC
Site Size:	7,500 sf (.1722 ac)
Zoning:	R-2A; Residential
Utilities:	Available
Last Sale:	N/A

Comments: Sloping lot off Kansas Street overlooking Guemes Channel. Zoned R-2, but has a smaller site size. NW MLS site size is incorrect; appraiser verified.

Price per square foot is \$22.66.

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LAND SALE #2



Address:	NHN 36 th Street Anacortes, WA 98221
Location:	Average
Tax I.D. /Parcel #:	P57176
Sale Date:	03/07/2022
Sale Price:	\$173,000
Auditor's File No.:	202203070134
Financing:	Cash
Seller:	Charles an Peggy Voss
Purchaser:	Brannon Mucke and Kathryn Himing
Site Size:	5,227 sf (.12 ac)
Zoning:	R-3; Medium Density Residential
Utilities:	Available
Last Sale:	N/A

Comments: Level corner lot which is smaller than the subject. Located two blocks south of the subject. R-3 zoning, but very similar locational appeal. Currently appears to be used as garden space since the sale.

Price per square foot is \$33.10

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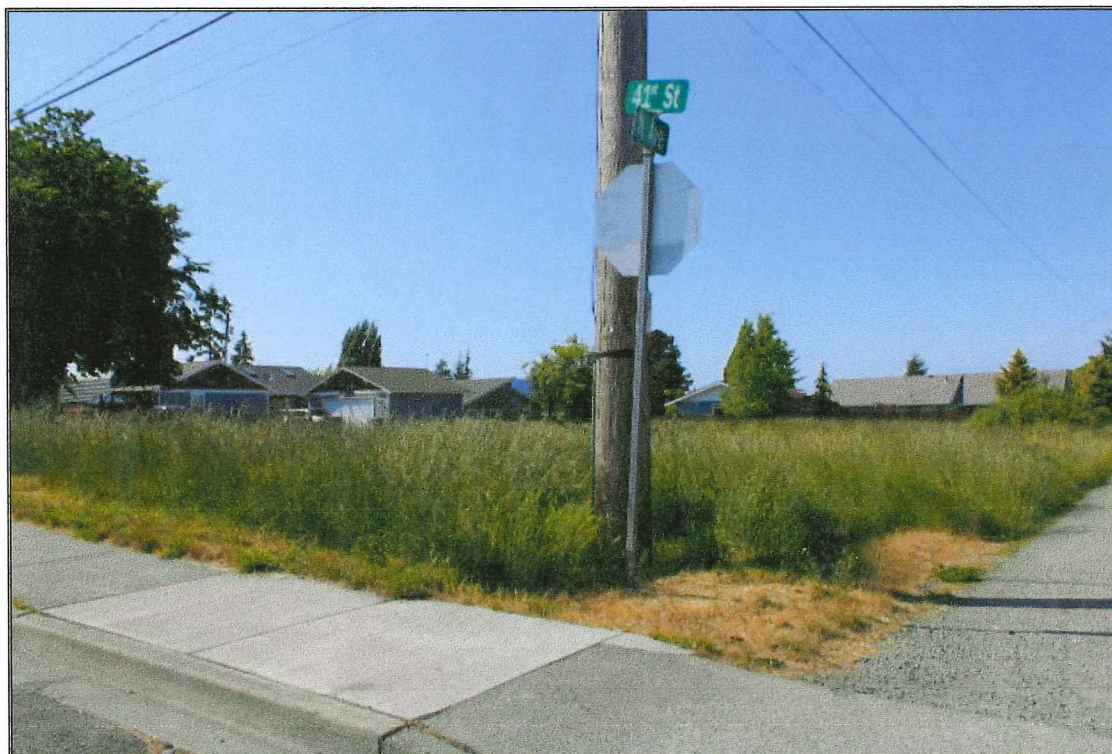
LAND SALE #3



Address:	NHN 2 nd Street Anacortes, WA 98221
Location:	Average
Tax I.D. /Parcel #:	P58384
Sale Date:	02/16/2022
Sale Price:	\$135,000
Auditor's File No.:	202202160101
Financing:	Conv.
Seller:	Jones Nelson
Purchaser:	Thaddeus Douglas
Site Size:	9,148 sf (.21 ac)
Zoning:	R2-A; Residential
Utilities:	Available
Last Sale:	07/22/2019; \$105,000
Comments:	Level lot with R-2-A zoning. Undeveloped street for access.
	Price per square foot is \$14.76

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LAND SALE #4



Address:	4018 N Avenue Anacortes, WA 98221 (Corner of N Avenue and 41 st St)
Location:	Average
Tax I.D. /Parcel #:	P57013
Sale Date:	09/08/2021
Sale Price:	\$169,000
Auditor's File No.:	202109080108
Financing:	Cash
Seller:	Myrtle L. Olsen
Purchaser:	Martin S. and Mark S. Kenzer
Site Size:	8,443 sf (.19 ac)
Zoning:	R-2A; Residential
Utilities:	Available
Last Sale:	02/07/2007; \$199,719
Comments:	Level lot with R-2 zoning. Very near subject, being several blocks to the south, but it is an older sale. Site size taken from survey map. Price per square foot is \$20.02

LAND LISTING #1



Address: NHN 18th Street Anacortes, WA 98221
Location: Average
Tax I.D. /Parcel #: P31911
List Date: 04/17/2023
List Price: \$159,000
Seller: Robert O. Clumpner
Site Size: 15,000 sf (.344 ac)
Zoning: Public; SF Residential may be allowed
Utilities: Available
Last sale: None

Comments: Sloping lot at the east end of an 18th Street extension north of the subject. The lot extends into a city park and is partly zoned R-3 and mostly P; Public, though a single family residence is reportedly allowed. No utilities were on site, but were available at the street. This listing is larger in site size versus the other sales. It had only been listed for several days prior to the inspection of the subject property.

Price per square foot is \$10.60

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The following grids illustrate the results of the foregoing land sales analysis. The sales are noted as follows:

ADDRESS	SALE DATE	ZONING	SALE PRICE	SQUARE FOOTAGE	PRICE PER SF
Lot 22 Kansas Avenue Anacortes WA	03/11/2022	R-2A	\$170,000	7,500 sf	\$22.67 sf
NHN 36 th Street Anacortes WA	03/07/2022	R-3	\$173,000	5,227 sf	\$33.10 sf
NHN 2 nd Street Anacortes WA	02/16/2022	R2-A	\$135,000	9,148 sf	\$14.76 sf
4018 N Avenue Anacortes, WA 98221	09/08/2021	R-2A	\$169,000	8,443 sf	\$20.02 sf

The following grid illustrates the analysis of the active listings:

ADDRESS	LIST DATE	ZONING	LIST PRICE	SQUARE FOOTAGE	PRICE PER SF
NHN 18 th Street Anacortes WA	04/17/2023	R-3; P	\$159,000	15,000 sf	\$10.60 sf

The attributes of the subject site were considered, such as its location on an extension of O Avenue, C zoning and the surrounding land uses, as well as its 8,000 square foot site size. In addition, it is notable that the new, privately-owned street portion of the subject site will not be allowed to be built upon as it is being used to further develop the existing access from the property to the north as an extension southward to 34th Street. Development of the subject parcel (i.e. a single family residence in accordance with the surrounding land uses) would also probably create the potential for a landlocked situation for the parcels to the north, which would violate laws. The City of Anacortes has plans to use the street right of way to install a storm drainage extension under a 20' wide easement under the street, which would reportedly save a great deal of financial resources versus using another route. Thus, the value of the subject street parcel is appraised and then a deduction for the non-buildability over the street portion in order to protect the easement rights is also calculated. A reduction in lot value to P31942 is also estimated, as that parcel will suffer from non-buildability due to the forthcoming storm drainage easement.

The accepted manner to value properties involved in unusual situations such as condemnations, vacations, and easements is to determine market-derived values of competing lots and apply a meaningful unit of comparison to the subject property. Once that is determined, other valuation criteria can be applied to the value of the parcel to reflect losses or benefits to the attributes of the estimated value of subject, for items such as wetlands, access enhancement, and in this case an underground easement for a newer storm drainage line extension.

Buildable lot sales with similar zonings from the past several years indicated a range from \$14.67 to \$33.10 per square foot. The listing has a larger site size and indicates a \$10.60 per square foot asking price. Several of the sales are smaller in size, which tends to reflect a higher price per square foot than lots with more similar square footage as the subject. A more reliable central tendency toward \$10 per square foot is considered more reasonable for valuing a street, which is intended to become a future access road and not be built on like a traditional residential building lot.

However, the subject parcel is currently a public street and cannot be built upon as it is scheduled to be amalgamated to the adjoining properties to the east and west to the north for access purposes and will have a sewer line installed. It is important to note again that although the site is zoned Commercial, a Highest

NHN O Avenue Vacation Anacortes, WA 98221

and Best Use determination takes into account that the parcel is located well away from typical commercial opportunities and would not be a likely candidate for use as a commercial enterprise, especially as it is mostly surrounded by single family land uses with various R zonings in the immediate neighborhood. An access road or street would conform to the current Commercial zoning, but using commercially zoned lot sales would certainly result in an overstatement of value of the subject parcel in its current state and location.

Therefore, the price per square foot indications must be discounted to recognize the loss in perceived market value due to the lack of ability to obtain a building permit over the existing 8,000 square foot street parcel, which would be the driving force to motivate a potential purchaser of any of the comparable sale and/or listing lots. No sales of non-buildable lots in the past several years were found within Anacortes.

However, the appraiser has had appraisal experience in appraising parcels around greater Skagit County with no ability to obtain a building permit for various reasons over the past ten years.

These appraisals included lots from a partially completed residential subdivision near Concrete which had no water rights to any of the lots. The lots were originally listed for sale at buildable market prices, but were eventually cut in half and are still listed for sale, now as recreational lots.

A lakefront lot with no septic perk or approval was also appraised south of Anacortes.

Past appraisals of salt waterfront lots with septic denials in north Island County were also recalled.

Lots in the Cape Horn subdivision east of Sedro Woolley with floodway locations and recreational use only were also appraised.

In each of these appraisal cases, the values of the non-buildable parcels were determined to be about ½ of what comparable buildable parcels were selling for. This has seemed to hold true over time, during the very active market and during the periods of recession as well. It also holds true for various parcels in various locations and for various detrimental conditions, which create non-buildability situations.

Therefore, since the comparable values noted above are lots which have no building restrictions, a discount of 50% is considered reasonable to apply uniformly to the otherwise fair market values of the comparable prices per square foot. As such, the subject tract would be reconciled at \$5.00 per square foot. This would represent a reasonable price for a street parcel that can be used to create or enhance access to a property, with no ability to be built upon the 50 foot-wide opening.

Thus, \$5.00 per square foot times 8,000 square feet equals: **\$40,000** rounded.

Easement Valuation:

The subject property will be encumbered by an easement for the purposes of constructing an underground storm drainage line extension, which will be reportedly installed in a 20' wide easement space under the center of the entire 100' of the access road (2,000 sf easement area). In addition, the easement line will continue northward, potentially across four other parcels, which may create some uses with those parcels. Total length of the combined easements is estimated at 512 feet by 20 feet, or 10,240 square feet. Legal terms of the easement are being determined, but an assumption is made that the easement will be in favor of the City of Anacortes in perpetuity and provide for access rights for maintenance and prohibit the construction of any improvements on the subject property.

Extensive research was performed to determine prices paid for various easements in the Anacortes market area. While a number of easement transactions (Cascade Natural Gas, Puget Sound Energy and City of Anacortes fiber optic easements, etc.) were identified from the past several years, no deeds or other documentation indicated any monetary value for the easement rights between any of the parties.

Therefore, consideration was given to the unusual aspects of the exchange of real property rights in this specific transfer. The aspects of the property rights transfer are itemized as follows:

1. The owner of the properties to the north of the subject street parcel desires to acquire fee simple ownership rights of the O Avenue extension in order to provide enhanced ingress and egress to 34th Street in favor of their ownership of the properties to the north. While the currently existing unopened public street serves the properties directly adjacent to the west and east, acquisition will eventually better serve the properties to the north as well. The new street will be privately-owned after acquisition.
2. The City of Anacortes desires to install a storm drainage line extension through the center of the existing street, protected by a 20 foot-wide by 100 foot-long easement (2,000 sf gross easement area) for the installation and future monitoring and maintenance of the line. Installing the drainage line roughly through the center of the subject street is preferable and beneficial to the City of Anacortes, as it will be substantially less expensive to install it along the subject's O Avenue extension than to connect using other, much more distant and expensive routes.
3. Surrendering the easement rights over the subject parcel will mandate that no structural improvements shall be constructed over the top of the easement, or the subject street parcel as a whole, effectively rendering the property as non-buildable to the future owners. The owners of the adjacent lots to the east and west will amalgamate the non-street parts of the 8,000 sf street area,
4. The 20 foot drainage easement will continue north over the four aforementioned parcels in order to connect with another line along 32nd Street.
5. Parcel P31942 will lose a portion of its fee simple ownership rights as the proposed drainage easement will run north-south over a western portion of the parcel. This results in a reduced site area, which possibly could have supported development in some fashion (SF residences, tiny houses, etc.) and will now most likely be relegated to parking in support of future development of the other parcels to the west, which are currently owned by the appraisal client.

No sales of storm drainage, sewer or water line easements were found in the past several years considered comparable to the subject property. Four sales and one listing of buildable lots with competitive zonings to the subject's general neighborhood were analyzed to determine a range of price per square foot for comparable properties. A wide range of price per square foot was observed due to the various nature of the lot sizes and locations. However, a definitive trend of larger parcels selling for lower price per square foot values and smaller lot parcels selling for higher price per square foot was observed.

The easements over the subject street parcel is not expected to significantly limit the future right-of-way utility of the street parcel in any manner differently than how it has been used in the past, although the subject street might be slightly reconfigured and/or resurfaced after completion of the installation of the new drainage line.

Conclusion:

The net effective result of the proposed transaction is that the new owner acquires a desirable, privately-owned enhancement of the access route at a certain perceived value, which is amalgamated to two adjoining properties already in ownership, but which suffers diminution in value due to loss of that certain part of the fee simple ownership rights by surrendering of the easement rights to the City as well a delay in use over an unknown period time while the new drainage line is constructed. The City of Anacortes resolves an arguable surplus land situation, while simultaneously creating a path forward to extend a much-needed storm drainage line at a greatly reduced cost compared to alternative routes.

NHN O Avenue Vacation Anacortes, WA 98221

The subject street parcel value is estimated at \$40,000, as is. While the city's actual drainage construction costs and exact parameters of the installation are not yet available, it is highly likely that the combination of storm drainage installation cost savings to the city, the resolution of a surplus land issue and the subsequent acquiring of the easement rights for the drainage line are superior to the overall as is value of the existing street property.

In a similar manner to the O Avenue street extension, one of the properties to the north (P31942) will suffer a future loss in utility as a result of the new drainage line extension easement over the western portion of the lot. According to the legal description, Lot P31942 has dimensions of 40' along the north and south lines and 153' along the east and west lines, or an overall site size of 6,120 square feet. The new drainage easement will reduce the full utility of the parcel, resulting a loss attributable to the easement. The lot will likely be relegated to use as parking for the adjoining parcels owned by the appraisal clients, who intend to develop the parcel to the west sometime in the future. The loss is considered very similar in overall effect to the O Avenue extension. Assuming a value of \$10.00 per square foot for the unencumbered lot would equate to a site value of \$61,200. Thus, a reduction in value for loss of development rights due to the easement to \$5.00 per square foot is applied to the site size of P31942 as follows: 6,120 square feet times \$5.00 equals a loss of fee simple ownership rights of \$30,600.

Thus, the loss in value to the subject parcels attributable to the surrendering of the drainage easement rights in favor of the City of Anacortes is estimated at \$4.00 per square foot of total easement area, or 10,240 x \$4.00 equals \$40,960, or \$41,000 rounded. In addition, loss of primary development rights to P31942 results in a loss to that parcel of \$30,600. Total loss equals: \$71,600.

ANALYSIS OF VALUE CONCLUSIONS

Indicated values "As is"

Cost Approach:	NOT USED
Income Capitalization Approach:	NOT USED
Sales Comparison Approach:	\$ 40,000
Loss Attributable to Easement:	<u>(\$71,600)</u>
Remainder Value:	\$ 31,600

The analysis and reconciliation of all approaches to value is the final step in the appraisal process. This procedure requires the evaluation and weighing of each approach to value and determining the reliability and relevance of each process to the question of market value for the subject property.

The Cost Approach and Income Approaches were not used as they are not reliable methods for valuing vacant land parcels such as the subject.

The Sales Comparison Analysis was considered the most applicable method for valuing the subject property. Market research identified comparable sales and a listing considered competitive with the subject for size, location, zoning and potential use. However, the subject will not be buildable, and must surrender part of the bundle of fee simple rights in the form of a storm drainage line, therefore, an equitable discount was applied to the reconciled price per square foot. In addition, the proposed drainage easement continues northward over additional properties, creating a degree of loss in value to the property owners.

Therefore, after considering the attributes of the subject property and the merits of the three approaches to value, the Sales Comparison Approach is considered the most applicable valuation method for the subject property.

Thus, the final current appraised value of the subject street property, as defined, is:

FORTY THOUSAND DOLLARS
\$40,000

Loss in value due to easement rights: -(\$71,600)

April 21, 2023
Effective Date

Dan Hewitt, SRA WA Cert. #1101648

6-20-2023
Date Signed

ASSUMPTIONS AND LIMITING CONDITIONS

1. This Appraisal Report is intended to comply with the reporting standards set forth under Standard Rule 2-2 (b) of the Uniform Standards of Professional Appraisal Practice. As such, it might not include full discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.
2. No responsibility is assumed for legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated in this report.
3. The property is appraised free and clear of any or all liens and encumbrances unless otherwise stated in this report.
4. Responsible ownership and competent property management are assumed unless otherwise stated in this report.
5. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
6. All engineering is assumed to be correct. Any plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
7. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable, unless stated in the report. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
8. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in this report.
9. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless nonconformity has been stated, defined, and considered in this appraisal report.
10. It is assumed that all required licenses, certificates of occupancy or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report are based.
11. Any sketch in this report may show approximate dimensions and is included to assist the reader in visualizing the property. Maps and exhibits found in this report are provided for reader references purposes only. No guarantee as to accuracy is expressed or implied unless otherwise stated in this report. No survey has been made for the purpose of this report.
12. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless otherwise stated in this report.

13. The appraiser is not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraiser that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The appraiser's value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraiser's descriptions and resulting comments are the result of the routine observations made during the appraisal process.
14. Unless otherwise stated in this report, the subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value, marketability, or utility.
15. Any proposed improvements are assumed to be completed in a good, workmanlike manner in accordance with the submitted plans & specifications.
16. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
17. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event, only with proper written qualification and only in its entirety.
18. Neither all nor any part of the contents of this report, especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected, shall be disseminated to the public through advertising, public relations, news sales, or other media without prior written consent and approval of the appraiser.

CERTIFICATION:

The undersigned certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my/our personal, unbiased professional analyses, opinions, and conclusions.
3. The undersigned have no present or prospective interest in the property that is the subject of this report and have no personal interest or bias with respect to the parties involved.
4. The undersigned state that compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
5. This appraisal was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
6. The analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
7. The undersigned have made a personal inspection of the property that is the subject of this report.
8. No one provided significant professional assistance to the person signing this report.
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. As of the date of this report, the undersigned have completed the requirements of the continuing education program of the Appraisal Institute.



April 21, 2023
Effective Date

Dan Hewitt, SRA WA Cert. #1101648

6-20-2023
Date Signed

QUALIFICATIONS OF APPRAISER

Wayland D. (Dan) Hewitt, SRA
Res: 1317 Alpine View Drive. Mount Vernon, WA 98274
(360) 428-4758; (360) 770-5446 Cell

EDUCATION:

<u>SCHOOL</u>	<u>DATES</u>	<u>DEGREE RECEIVED</u>
Mount Vernon H. S.	1972-75	Diploma
Skagit Valley College	1975-77	A. A. Liberal Arts
University of Washington	1977-79	None
Washington State University	1979-81	B. A. Communications

PROFESSIONAL AND BUSINESS EXPERIENCE:

Actively appraising full time: May 1986 to present
Qualified as expert witness in Skagit and Island Counties

APPRAISAL EDUCATION AND EXPERIENCE:

Seminars and meetings: Seattle Chapter of the Appraisal Institute
SREA Course 101: Nov. 1986; SREA Course 102: May 1987
Manufactured Home Seminar: Washington Mutual; 1992
How to Value Income Property: Palmer, Pietka & Groth; May 1992
Appraiser's Legal Liabilities: Appraisal Institute; Nov. 1992
Small Residential Income Property Report: Appraisal Institute; Nov 1992
Basic Income Capitalization-Course 310: Appraisal Institute; Mar 1994
FHA Appraising; April 1995; Lee & Grant
Real Estate Law: Sept. 1996; Mykut School
Residential Appraising; Oct. 1998; Mykut School
FHA Refresher Course; Sept. 1999;
HUD Update Class; Sept. 1999; Lincoln Graduate Center
What's It Worth?; May 2000; Mykut School
Standards of Professional Practice and Conduct Part C: Nov. 2000; Appraisal Institute
Course 520; Highest and Best Use; March 2002; Appraisal Institute
Course 400; USPAP Update; Oct. 2004; Appraisal Institute
Course 420; Business Practices and Ethics; Oct. 2004; Appraisal Institute
Course 510; Advanced Income Capitalization; June 2005; Appraisal Institute
USPAP Update; Oct. 2006; Appraisal Institute
Scope of Appraisal; Oct. 2006; Appraisal Institute
Analyzing Operating Income Statements; Nov. 2006; Appraisal Institute
Commercial Real Estate Forecast; Nov. 2006; Appraisal Institute
USPAP Update (2 Day); May 2008; Appraisal Institute
Report Writing and Valuation Analysis; June 2008; Appraisal Institute
Advanced Sales Comparison and Cost Approach; Sept 2008; Appraisal Institute
Business Practices and Ethics; Oct. 2008; Appraisal Institute
Advanced Applications; Jan. 2009; Appraisal Institute
Valuation of Easements and Other Divided Partial Interests; Sept. 2010; Appraisal Institute
Common Errors and Misconceptions In Yellow Book Assignments; Sept. 2010; Appraisal Institute
USPAP 7 hr Update; Oct. 2010; Appraisal Institute

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USPAP 7 hr Update; Jan. 2012; Appraisal Institute
Loss Prevention Program for Real Estate Appraisers; July 2012; LIA
Appraising and Analyzing Industrial and Flex Buildings for Mortgage Underwriting; Nov. 2012; McKissock
Supervising Appraisal Trainees: Field Preparation; Nov. 2012; Mykut
USPAP 7 hr Update; Jan. 2014; Appraisal Institute
2-4 Family Review; Feb. 2014; Appraisal Institute
Water Rights; June 2015; Appraisal Institute
USPAP 7 hr Update; Jan. 2016; Appraisal Institute
All Residential-All Day; Appraisal Institute; May 2016; Appraisal Institute
Marshall and Swift Cost Approach-Commercial; June 2016; Appraisal Institute
Marshall and Swift Cost Approach-Residential; June 2016; Appraisal Institute
Fall Conference; Oct. 2016; Appraisal Institute
Business Practices and Ethics; March 2017; Appraisal Institute
All Residential All Day; May 2017; Appraisal Institute
Supervisory Appraiser/Trainee Appraiser; Oct 2017; Appraisal Institute
Fall Conference; Oct. 2017; Appraisal Institute
USPAP 7 hr Update; Jan. 2018; Appraisal Institute
Fall Conference; Oct 2018; Appraisal Institute
USPAP Update; Jan. 2020; Appraisal Institute
The Appraisal of Medical Office Buildings; June 2020; Appraisal Institute
Sales Comparison: A Fresh Approach; Oct 2020; Columbia Institute
FHA and VA Today; Nov 2020; Columbia Institute;
Business Practices and Ethics; April 2022; Appraisal Institute
Measure It Right! Using the ANSI Z765-2021 Standard for Residential Properties; Apr 2022; Appraisal Institute
Appraising Energy Efficient Residential Properties; Jul 2022; Calypso Continuing Education
Appraising Condos, Co-Ops and PUDS; Jul 2022; Appraisal Institute
Supporting Your Adjustments, Methods for Residential Appraisers; Oct 2022; McKissock

DESIGNATIONS AND CERTIFICATIONS HELD:

Awarded Senior Residential Appraiser Designation (SRA) May 1990
Washington State Certified General Real Estate Appraiser
Cert # 1101678; Exp: 11-26-2024; Professional Memberships: Appraisal Institute

APPRAISAL AREAS AND PROPERTY TYPES:

All of Skagit, Island, Whatcom and San Juan Counties
Available for independent fee appraisal assignments for all property types including single family residential, multi-family residential, manufactured housing, vacant land, waterfront, commercial and multi-purpose properties.

PHOTOGRAPHS

SUBJECT PHOTOGRAPHS

SUBJECT FRONT VIEW; O AVENUE LOOKING SOUTHERLY



SUBJECT ADDITIONAL FRONT VIEW; O AVENUE LOOKING NORTHERLY



SUBJECT PHOTOGRAPHS

34TH STREET LOOKING WESTERLY

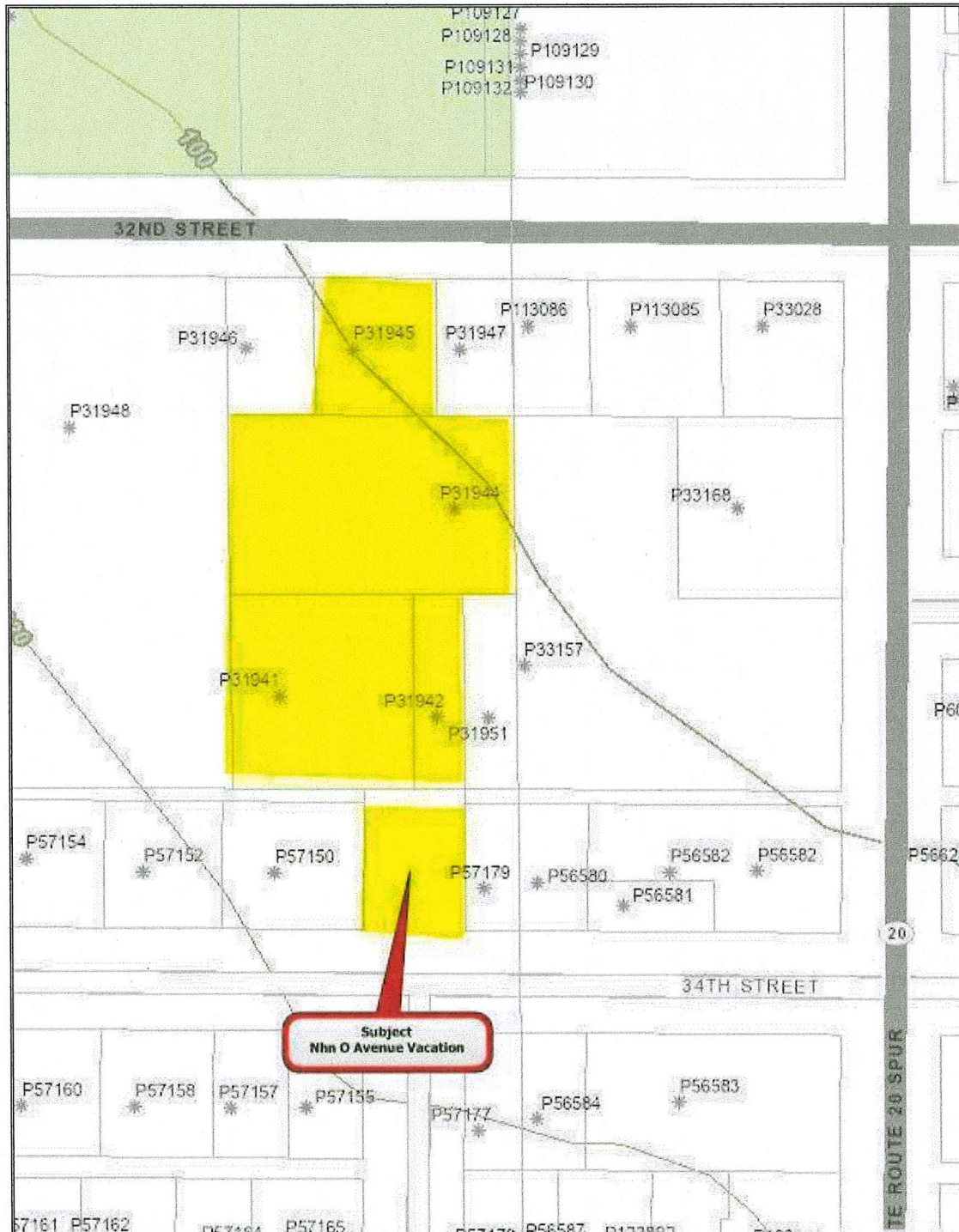


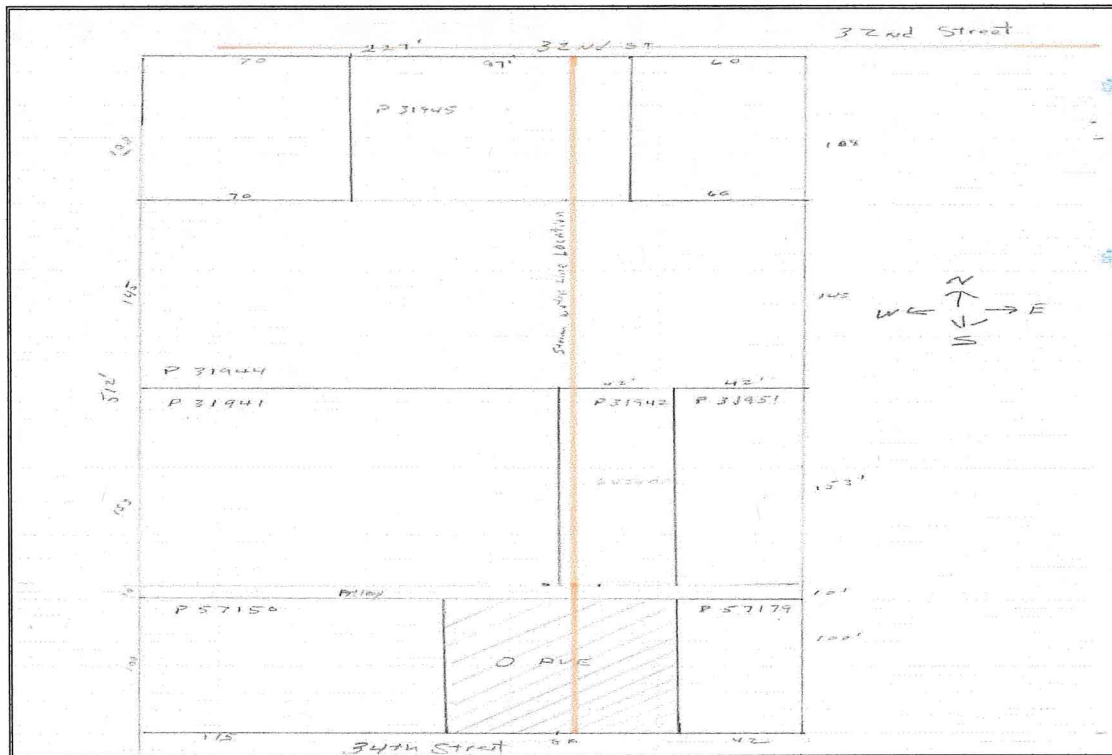
34TH STREET LOOKING EASTERLY



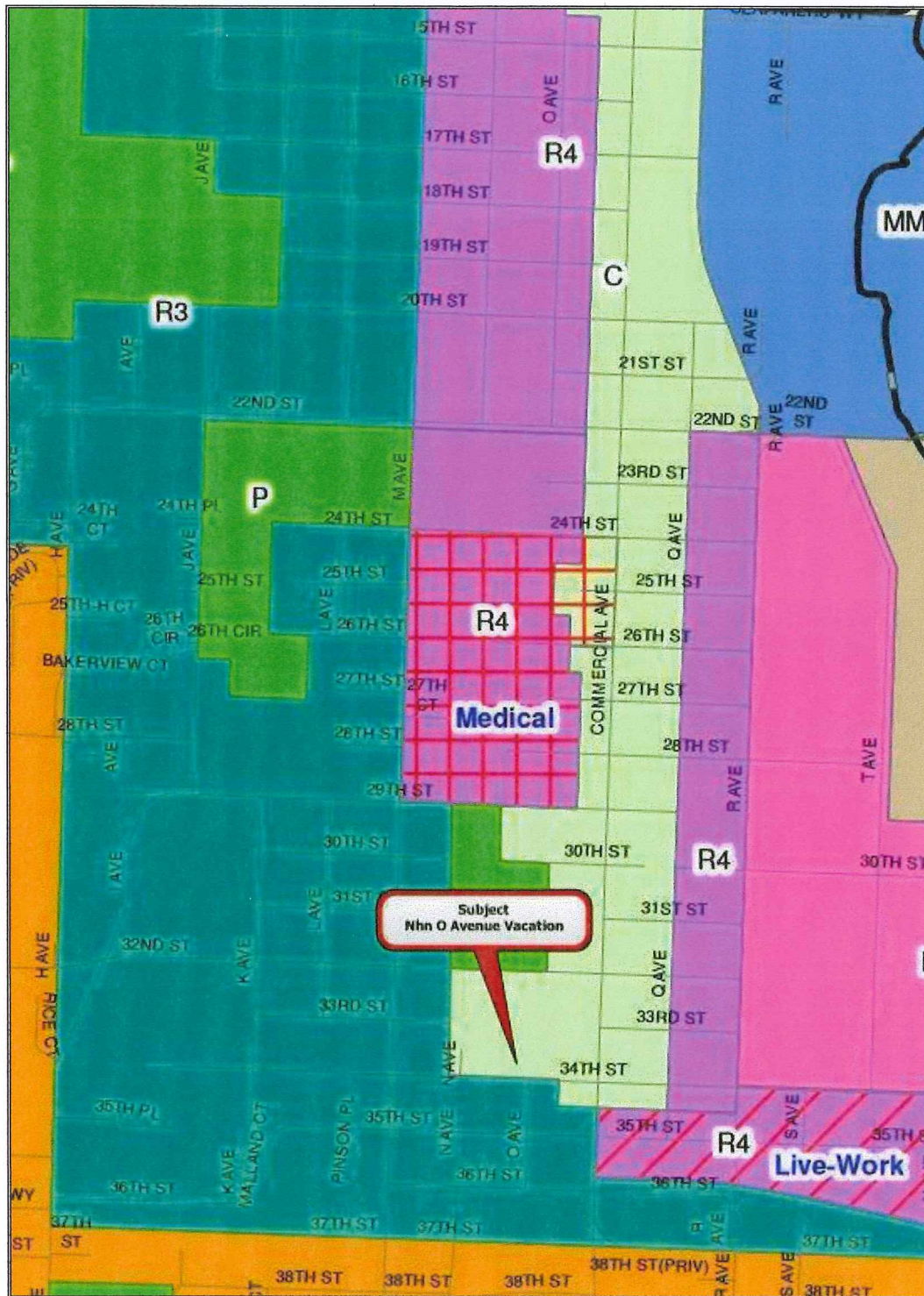
MAPS

PLAT MAP

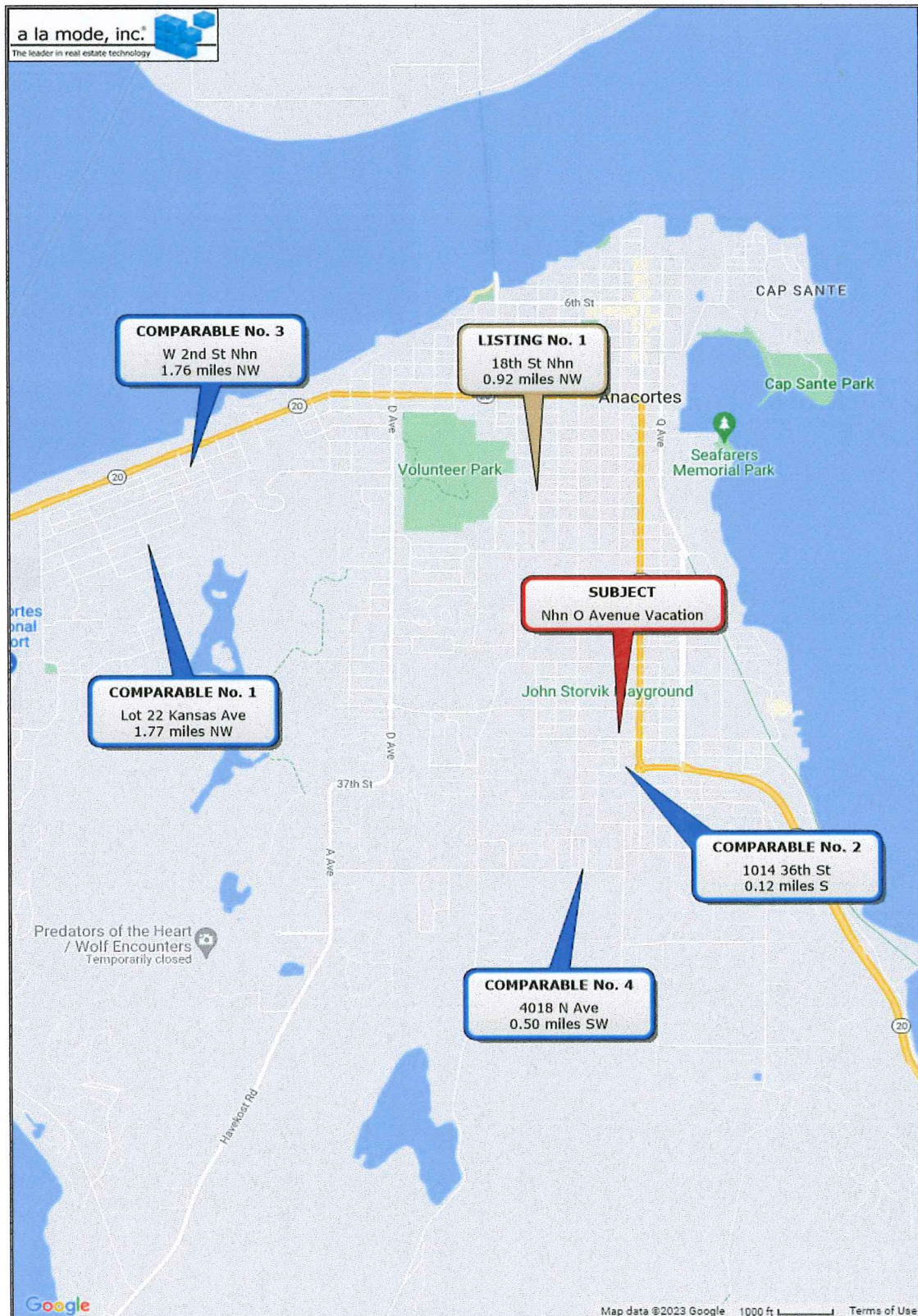




ZONING MAP



LOCATION MAP



ADDENDA

NHN O Avenue Vacation Anacortes, WA 98221

APPRAISER'S CERTIFICATION



(R/7/19)

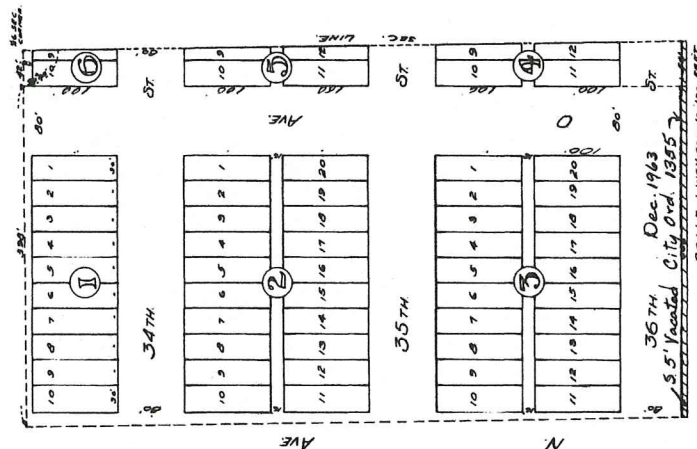
ZONING CODE

B. *Commercial (C).*

1. This designation provides for a wide variety of general-service and retail commercial uses, and mixed uses serving local and regional residents and the traveling public.
2. Use of this zone is appropriate for areas designated commercial in the comprehensive plan.



MRS. MARY EUBANK'S FIRST ADDITION TO THE CITY OF ANACORTES



LEGEND

This addition is situated in the northeast part of the southeast quarter of the northeast quarter of section twenty-five (25) to thirty-five (35) north of Range one (1) east N.M. The east boundary is the east line of aforesaid section 25. The north boundary is the north boundary of the north line of the south half of aforesaid northeast quarter of said section 25, and is approximately indicated on the map by the angle measurement of 50°28' in the NE. corner of the map and by the line of dashes on the north. The south boundary is the south line of 36th St and the west boundary is a line commencing at a point twenty six and two thirds (26 2/3) rods west of the southeast corner of aforesaid northeast quarter of said section 25 and running north to the north boundary of this tract. The part of said line which is used as west boundary of this tract is approximately indicated on the map by the line of dashes on the west. The length of the south line of 36th St on this plot or addition is 440 ft. more or less and 50 is the length of the north boundary of the tract. The distance along the north boundary of plot from the east side of O. Ave. to the northwest corner of fractional block 6 is to the north boundary of addition is 11.75 ft. (11 3/4 ft.). The distance along the south line of 36th St from the east line of O. Ave. to sec. line is fifty-four (54) ft. Lots are each 100 ft. long. Full lots are each 30 ft. wide 34th, 35th and 36th Sts and O. Ave. are each 80 ft. wide. Alleys south of 34th St. are each 10 ft. wide. The width of N. Ave. on this plot is governed by the distance between its east line and the west boundary of Addition. The width of the Alley north of Blocks 1 and 6 is governed by the distance between its south line and the North boundary of Addition.

DEDICATION

We Mary E. H. Eubank sometimes written Mary E. Eubank and Paul C. Eubank, her husband of Anacortes, Shaghit Co. Washington, owners of the tract plotted in Mrs. Mary Eubank's First Addition to the City of Anacortes, Wash. do hereby jointly and severally declare and certify that we and each of us have laid out and plotted the same into lots, blocks, streets, avenues and alleys as shown by this plat and above legend and do dedicate the streets, avenues and alleys to the use of the Public forever.

Signed, sealed and
Delivered in presence
of H. P. Downs
W. B. Decatur.

Mary E. H. Eubank. L.S.
Paul C. Eubank. L.S.

ACKNOWLEDGMENT

State of Washington } ss. On this seventh day of March A.D. 1960 before me, H. P. Downs, County of Shaghit } a County Auditor in and for said County and State personally appeared Mary E. H. Eubank and Paul C. Eubank, her husband to me known to be the individuals who are described in and who executed the foregoing certificate and this plat, and acknowledged to me, each for herself and himself that they and each of them signed and sealed the said certificate and this plat as the free and voluntary deed and act of them and each of them for the uses and purposes therein mentioned. I also note in the foregoing certificate the interlineation and to dedicate the streets, avenues and alleys to the use of the Public forever. Witness my hand and official seal the day and year in this Certificate first above written.

H. P. Downs
Auditor of Shaghit County, Washington.



Recorded at request of Mary E. H. Eubank. Mar. 7th 1960 at 2 o'clock P.M.
H. P. Downs
County Recorder

Sound Development Group
ENGINEERING, SURVEYING & LAND DEVELOPMENT SERVICES
P.O. Box 1705 • 1111 Cleveland Avenue, Suite 202

SHEET REVISIONS:		APPROVALS:	
NO.	DATE	DESCRIPTION	FORN/P/STG/STG
1	04.04.23	Civil Plans	FORN/P/STG/STG
2	08.30.23	Revocation Exempt	FORN/P/STG/STG

**CALL 48 HOURS
BEFORE YOU DIG
1.800.424.5555**

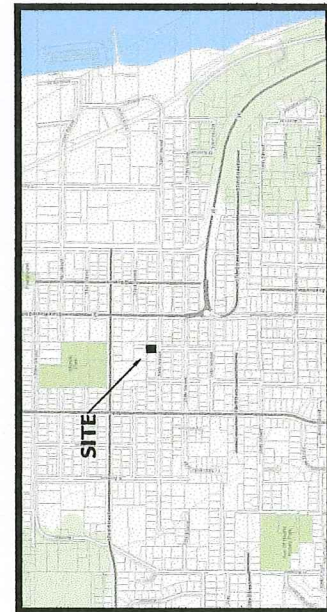
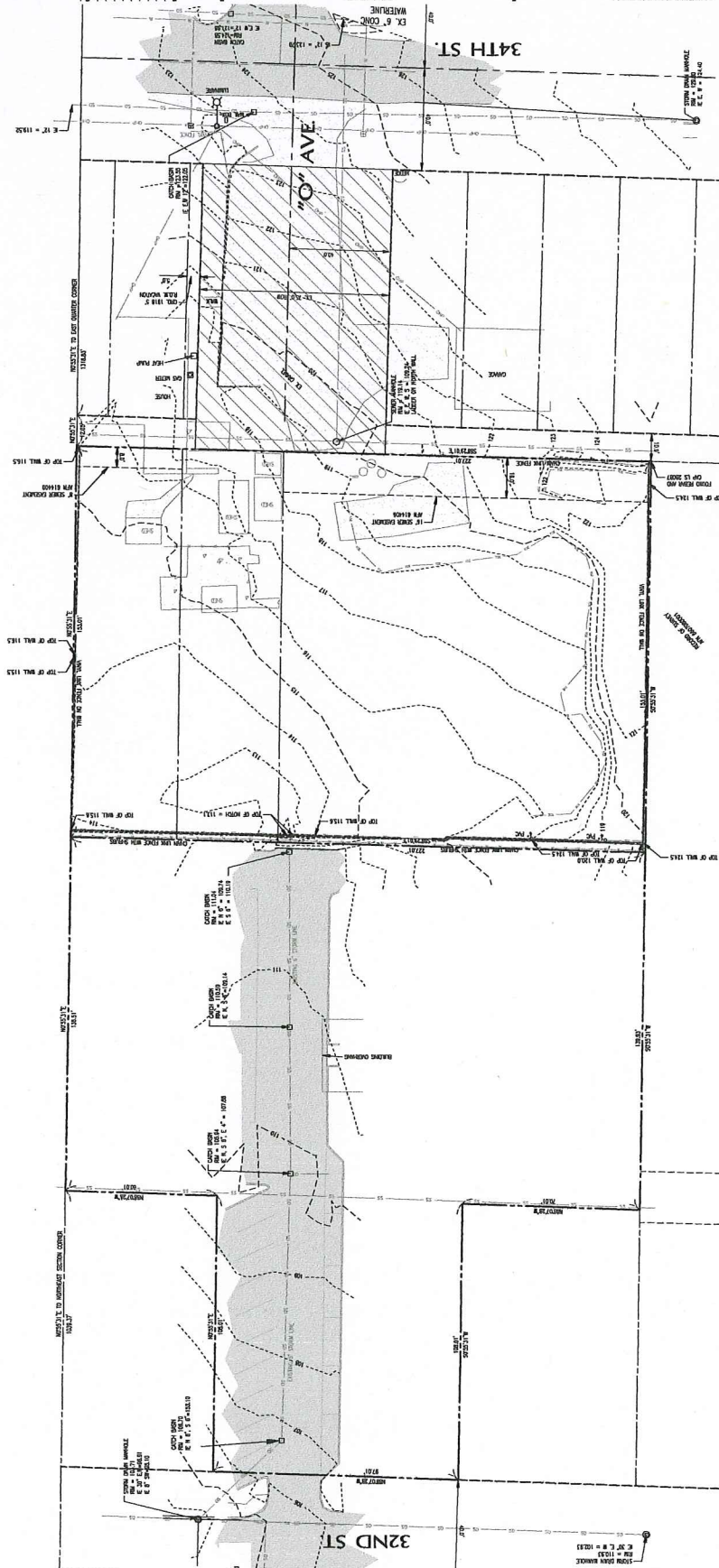
**O AVENUE
MULTI-FAMILY
FOR
UNDERWOOD & ASSOC., LLC**

EXISTING CONDITIONS

SHEET DESCRIPTION:

SCALE:	1" = 20'
DRAWN BY:	T.ZEMPEL
DESIGNED BY:	T.ZEMPEL
DATE:	06.30.23
JOB NUMBER:	22068
DWG NAME:	22068.PLN.DWG
SHEET NUMBER:	

1 OF 1



VICINITY MAP

LEGEND

	EXISTING RIGHT OF WAY LINE
	EXISTING PROPERTY LINE
	EXISTING STORM DRAIN
	EXISTING TYPE 2 CB
	EXISTING TYPE 1 CB
	EXISTING SANITARY SINKER
	EXIST. SANITARY SINKER FORCED
	EXISTING SANITARY MANHOLE
	EXISTING WATERLINE
	EXISTING WATER VALVE
	EXISTING FIRE HYDRANT
	EXISTING GAS LINE
	EXISTING FENCE
	EXISTING FENCE
	EXISTING EDGE OF ASPHALT
	EXISTING CURB & GUTTER
	EXISTING CONCRETE
	EXISTING ASPHALT
	EXISTING DRIVEWAY

[illegible]

EXHIBIT ____

THE VACATION OF ALL OF THE WEST 75 FEET OF O AVENUE FROM THE NORTH LINE OF 34TH STREET,
THENCE NORTHERLY ALONG O AVENUE TO THE NORTH LINE OF LOT 10, BLOCK 6 EXTENDED TO LOT 1,
BLOCK 1 OF MARY EUBANK'S ADDITION TO THE CITY OF ANACORTES.

ORDINANCE NO. 1918

AN ORDINANCE vacating all of the east 5 feet of O Avenue from the north line of 34th Street along O Avenue to the north line of Lot 10, Block 6 of Mary Eubank's Addition to the City of Anacortes, if extended,

WHEREAS, a petition praying for the vacation of the below described property was filed with the City Clerk by owners of more than two-thirds of the property abutting upon that portion of said property sought to be vacated; and

WHEREAS, the City Council by resolution fixed the time and place for hearing of said petition, and more than twenty (20) days prior to the date of said hearing notice of the same was duly published and posted according to law; and

WHEREAS, said hearing was duly held and it appears to be in the best interest of the City of Anacortes to grant said petition,

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

Section 1. The vacation of all of the east 5 feet of O Avenue from the north line of 34th Street along O Avenue to the south line of Lot 10, Block 6 of Mary Eubank's Addition to the City of Anacortes, if extended,

Section 2. This ordinance shall not become effective until the owners of the property abutting upon the above described property shall compensate the City of Anacortes in an amount which equals one-half of the appraised value of the area so vacated,

Section 3. This ordinance shall not be published until the payments specified in Section 2 have been made and shall become effective and be in force from and after five days after its publication, as provided by law.

DATED this 1st day of August, 1983.

CITY OF ANACORTES, WASHINGTON

L.S.

By

James Rice
James Rice, Mayor

ATTEST:

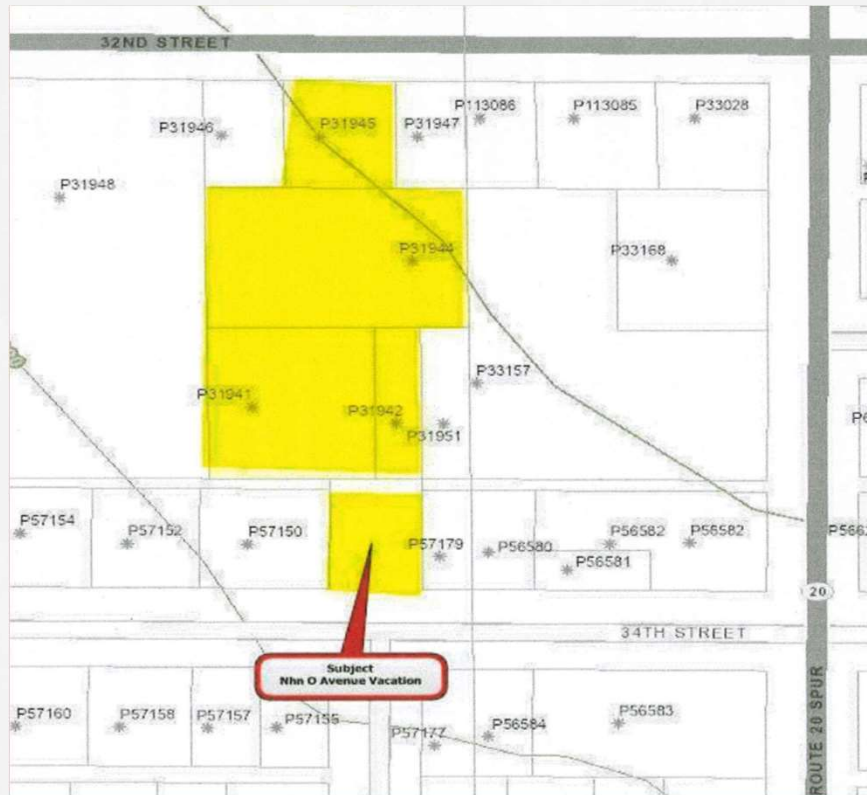
George Khtalan
George Khtalan, City Clerk

(CORPORATE SEAL)

Approved as to form:

Steve Mansfield
Steve Mansfield, City Attorney

*Published
to be published
after receipt of money
after receipt of money*



Petition for Vacation of Portions of O Avenue

Bob Evans

Vacations History

The general authority for the vacation of public streets is provided in Chapter 35.79 of the Revised Code of Washington.

- The power of the city to vacate as set out in the statutes was explained and refined in Young v. Nichols, 152 Wash. 306, 308 (1929), where the court said:

The power of a city, in this state at least, to vacate such of its streets or parts of its streets as it chooses, is unquestioned.....But in all instances, the order of the vacation must have within it some element of public use, and even where the order serves a public use, it cannot be exercised against the will of abutting property owners adversely affected, unless the damages they suffer thereby are in some way compensated. (Emphasis Added)

- The requirement of some element of “public use” was extended to “public benefit” in Banchero v. City Council, 2 Wn. App. 519, 529 (1970):

It is suggested that one challenging a street vacation on the ground that it is not for a public use need not be an abutting property owner. If the vacation does not benefit the public, the public is the injured party, and any member of the public may seek redress.

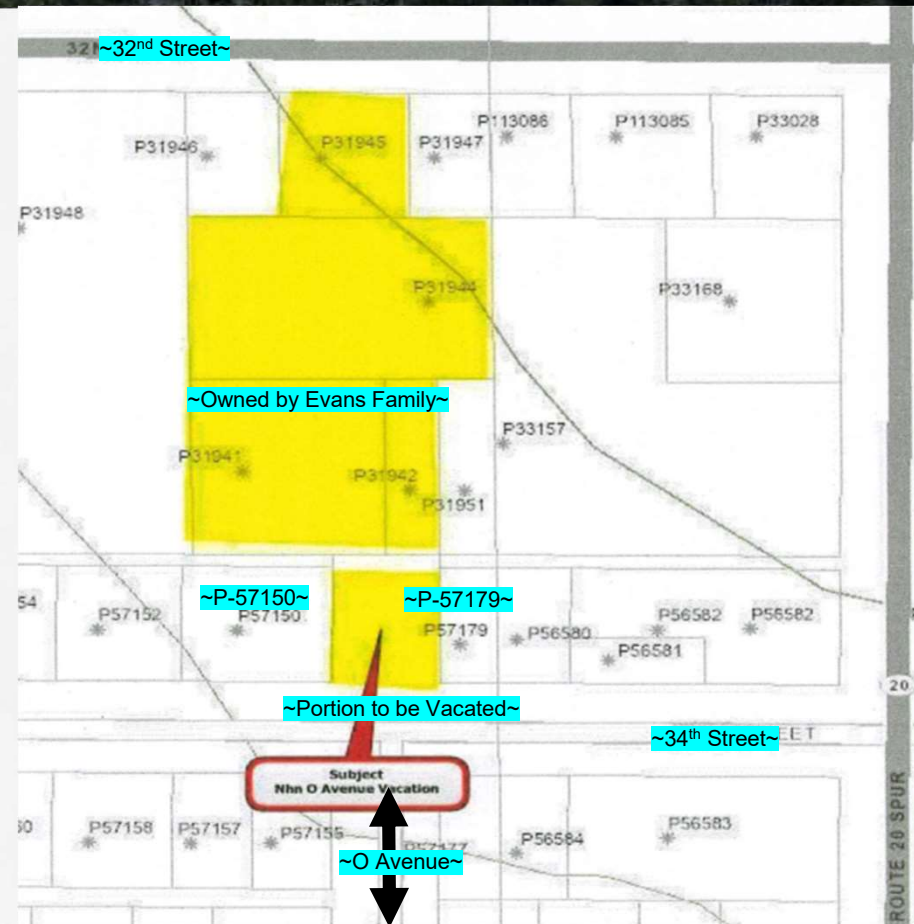
Nature of Vacation

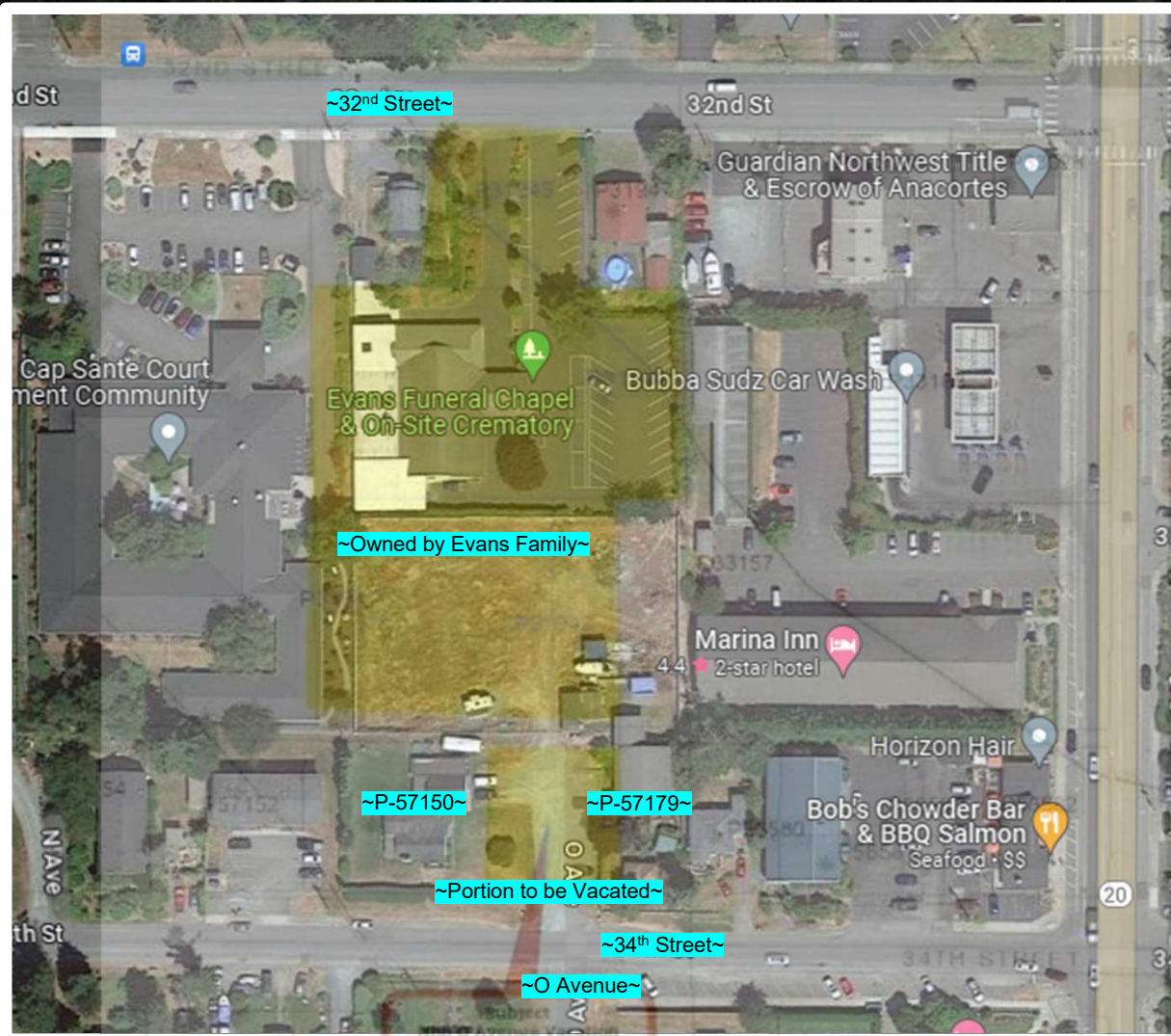
- Initiation of proceedings to effect a street vacation may be by petition by and on behalf of abutting owners or the legislative body of the city may initiate by resolution. RCW 35.79.010
- Anacortes Municipal Code Chapter 12.50 governs vacation procedures in Anacortes.
- On August 31, 2023, a petition to vacate portions of O Avenue was submitted to the City Clerk by Bob Evans.
- On October 2, 2023, Resolution #3129 setting a public hearing on the vacation for November 20, 2023 was heard and approved by City Council.

Summary of Vacation

Vacation of right-of-way proposed at the intersection of 34th Street and O Avenue, between Parcels P57150 and P57179, both owned by the Evans Family.

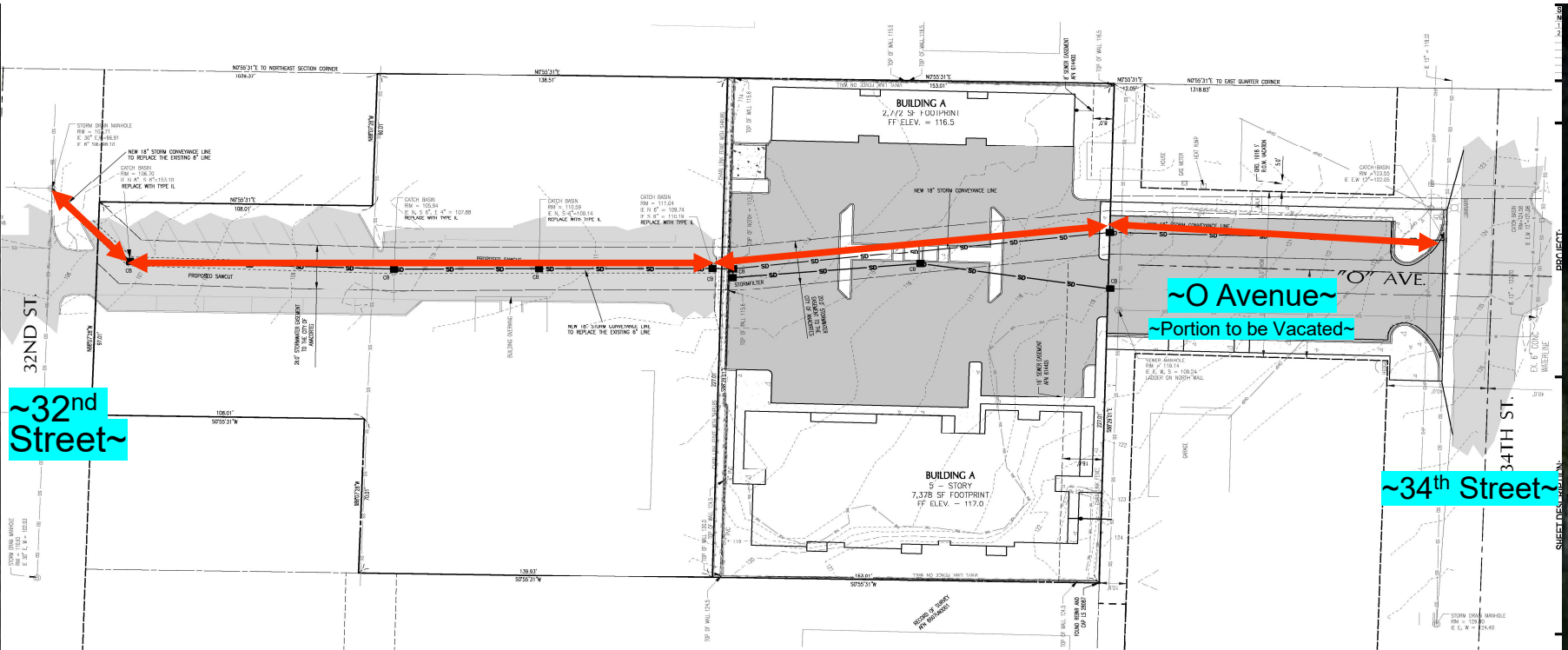
In return, a 20-foot wide storm water easement, being 10-feet either side of the pipe as constructed, will be granted to the City of Anacortes in which to construct, operate, maintain, repair, replace and enlarge said sewer conveyance pipe and necessary appurtenances thereto for the purposes of serving this subdivision and other property, together with the right to enter upon the Lots, Tracts and spaces at all times for the purposes herein stated.





Map and Legal Description

THE VACATION OF ALL OF THE WEST 75 FEET OF O AVENUE FROM THE NORTH LINE OF 34TH STREET, THENCE NORTHERLY ALONG O AVENUE TO THE NORTH LINE OF LOT 10, BLOCK 6 EXTENDED TO LOT 1, BLOCK 1 OF MARY EUBANK'S ADDITION TO THE CITY OF ANACORTES



Public Benefit

- The City has a pressing need to supply stormwater drainage to 34th Street and O Avenue and south.
- By providing an easement for a storm drain from 34th Street to 32nd Street, the cost to install a storm drain to service 34th Street and south is approximately \$250,000.00. The cost of an alternative route down 34th Street to R avenue and then to 32nd Street will cost the city approximately \$1,200,000.00.
- Providing the easement will save the city an approximate amount of \$950,000.00.

Relevant Code Sections

- § 12.50.130 (A) Requires compensation before a vacation is effective
- §12.50.135(A) allows for conveyance of property in lieu of payment, with a credit provided for the value of the transferred property
- §12.50.110 provides the criteria for granting a vacation, which include:
 1. Whether a change of use or vacation will better serve the public;
 2. Whether the street is no longer required for public use or public access;
 3. Whether substituting a different public way would be more useful to the public;
 4. Whether it will be more likely needed in the future; and
 5. Whether objections are made by abutting property owners, other governmental agencies, or members of the public.

Mechanics of Vacation

- The ordinance will not become effective until the owners of the property abutting upon the described property shall compensate the City of Anacortes in an amount which equals the full fair market value of the area to be vacated.
- The appraisal submitted values the vacation at \$40,000.00.
- The approximate appraised value of the easements from 34th Street to 32nd Street is \$71,600.00.
- The easement shall be on a form approved by the City Attorney and the final legal description of the easement area shall be prepared by a Professional Land Surveyor and must include no less than 10,240 square feet. §12.50.110



Questions?



City Council Agenda Bill

Meeting Date: November 20, 2023 **Agenda Item:** 7.a.

Agenda Item Title: Ordinance 4062: An Ordinance Adopting New AMC Chapter 2.08 Regarding Appointive Officers of the City

Staff Contact(s): CHRISTINE CLELAND-MCGRATH, RYAN WALTERS

Approved for Submittal to Council by **Action Type**

GREG FRANCIOCH
DARCY SWETNAM
STEVE HOGLUND
DARCY SWETNAM

Resolution

Item Summary: Per RCW 35A.12.130, on November 15, 2023, the mayor informed the City Council of his objections and veto of Ordinance 4062 Adopting New AMC Chapter 2.08 Regarding Appointive Officers of the City. The City Council intends to reconsider the ordinance. A vote of the majority plus one is required to override the mayor's veto.

Budget Impact:

Previous Action: On [November 6, 2023](#), the City Council approved Ordinance 4062 Adopting New AMC Chapter 2.08 Regarding Appointive Officers of the City by a vote of 6-1. On November 15, 2023, Mayor Miller vetoed Ordinance 4062 and informed the Council of his [objections](#).

Recommended Motion:

Alternative Actions:

Attachments (listed in order presented):

1. Veto of Ordinance 4062 Adopting New AMC Chapter 2.08 Regarding Appointive Officers of the City



MATT MILLER, MAYOR CITY OF ANACORTES

November 15, 2023

Anacortes City Council

Re: Veto of Ordinance 4062 Adopting New AMC Chapter 2.08 Regarding Appointive Officers of the City

Dear City Council,

Per RCW 35A.12.130 I am writing to provide you with notice of veto of Ordinance 4062. I am issuing the notice of veto to highlight for the public at large, for whom I answer to, that this Ordinance was prepared hastily and with little input from the Executive branch of this government.

In addition to my 30+ years of public/private sector leadership and management experience, my directors have well over 150 years combined. I am disappointed the Council took deliberate action to exclude many of those well thought out recommendations.

My specific objections to the Ordinance are as follows:

2.08.010 "Appointed Officers"

"A. 4." "City Engineer" – Remove. Rationale -City Engineer has never been a Council confirmed position and many times contracts have been used to fill the role. This position could be a union position and has statutory obligations. This is also a "for cause" versus "at will" employee. There continues to be a statewide and acute shortage of civil engineers. A public confirmation process would only hinder recruiting a position.

"E." "No person may serve simultaneously as more than one appointed officer." Remove. Rationale - This is a common, if not routine practice in ours and many other municipalities. A recent example is that the Library Director covers for Museum Director while the other is on leave or vacation, which provides seamless management without generating collective bargaining issues or significant temporary pay increases. In many municipalities, the City Engineer also happens to be the Public Works Director.

"G." "No position of, or any position substantially similar to, "City Administrator" may be created without amendment of this chapter. Remove. Rationale – This does not make sense. "Similar to" is open to wide interpretations, this only seems to undermine good management practice of eliminating "silos" and "stovepipes" that are counter to team effectiveness. Current success of our Fiber project is testament to this.

Maintaining and improving the quality-of-life, reflecting community expectations through a focus on public participation and employee-mayor-council teamwork dedicated to serving our citizens in a professional, efficient and courteous manner.

2.08.030 "Interim Appointments - Vacancies"

B. "up to three months" Change "three" to "six." Rationale – Consistency with other municipalities. As this is also the first of its kind ordinance for Anacortes, it should provide more flexibility versus less.

2.08.05 "Employment Contracts"

"B."The compensation for each employee appointive officer is that established each year in the annual budget or salary ordinance of the city." Remove. Rationale – This will limit any flexibility in employee scope of work, midyear changes, reclassification, counter to personnel manual and union contracts. Will breed a culture of bureaucracy and stagnation.

In conclusion and in the future, I hope we can work together in a more collaborative way. I was elected in a good part for my substantial management experience, and I continue to apply that experience for the good governance of our city. My door has continued to be open for any Councilmember. The feedback I have received from community members is a concern about the haste of this ordinance. This veto would not have been necessary if we had remembered a key element of our city's mission – "mayor-council teamwork." Our mutual constituency deserves this.

Sincerely,



Matt Miller
Mayor

Ordinance No. 4062

**An Ordinance Adopting New AMC Chapter 2.08
Regarding Appointive Officers of the City**

Whereas RCW 35A.12.090 provides that “the mayor shall have the power of appointment and removal of all appointive officers and employees subject to any applicable law, rule, or regulation relating to civil service;”

Whereas RCW 35A.12.090 also provides that “Confirmation by the city council of appointments of officers and employees shall be required only when the city charter, or the council by ordinance, provides for confirmation of such appointments;”

Whereas RCW 35A.12.090 also provides that “Appointive offices shall be without definite term unless a term is established for such office by law, charter or ordinance.”

Whereas RCW 35A.12.020 sets the minimum appointive officers of a city, including the city attorney, clerk, treasurer, and chief law enforcement officer, and authorizes expansion of that list by ordinance;

Whereas mayors of Anacortes have historically submitted permanent appointments of department heads for confirmation by the City Council but no standards for interim appointments have been established;

Whereas City Council desires to formalize that procedure and ensure transparency in appointments of important city officials;

Now, therefore, the City Council of the City of Anacortes does ordain as follows:

- Section 1. New Chapter 2.08 is added to the Anacortes Municipal Code as shown in Exhibit A.
- Section 2. Consistent with RCW 35A.12.130, this ordinance takes effect five days after passage, approval, and publication.

PASSED and APPROVED this 6th day of November, 2023.

CITY OF ANACORTES:

VETO

Matt Miller, Mayor

Attest:

Steven D. Hoglund
Steven D. Hoglund, City Clerk-Treasurer

Approved as to Form:

Darcy Swetnam
Darcy Swetnam, City Attorney

Exhibit A

Chapter 2.08 Appointive Officers.....	3
2.08.010 Purpose.....	3
2.08.020 Appointive Officers.....	3
2.08.030 Interim Appointments—Vacancies.....	4
2.08.040 Council Notification and Review of Appointments.....	4
2.08.050 Employment and Contracts.....	4

Chapter 2.08 Appointive Officers

2.08.010 Purpose

The purpose of this chapter is to establish the list of City officers, the appointment of whom requires confirmation by the City Council, and to provide procedures for review and approval of such appointments.

2.08.020 Appointive Officers

- A. The following are hereby known as “appointive officers” of the City of Anacortes:
1. Administrative Services Director
 2. City Attorney
 3. City Clerk/Treasurer and Finance Director
 4. City Engineer
 5. Fire Chief
 6. Police Chief, who is the chief law enforcement officer of the City per RCW 35A.12.020
 7. Human Resources and Labor Relations Director
 8. Library Director, subject to the recruitment process established in AMC 2.58.030
 9. Municipal Judge
 10. Museum Director
 11. Director of the Parks and Recreation Department
 12. Director of the Planning, Community, & Economic Development Department
 13. Director of the Public Works Department

- B. Except as provided in subsection C, the mayor's appointment of appointive officers is subject to confirmation by the City Council per AMC 2.08.040.
- C. Per agreement with Skagit County, judges and court commissioners of Skagit County District Court rotate as municipal judge for the City of Anacortes. If that relationship is ended, appointment of the City's municipal judge will also require City Council confirmation.
- D. No appointment requiring City Council confirmation may begin prior to receiving City Council confirmation.
- E. No person may serve simultaneously as more than one appointive officer.
- F. Per RCW 35A.12.090, all appointments of appointive officers must be made on the basis of ability and training or experience of the appointee in the duties they are to perform.
- G. No position of, or any position substantially similar to, "City Administrator" may be created without amendment of this chapter.

2.08.030 Interim Appointments—Vacancies

- A. In the event of a vacancy in the position of an appointive officer, no person may perform the functions and duties of the appointive officer without an appointment confirmed by City Council or an interim appointment consistent with this section.
- B. The mayor is authorized to make an interim appointment of an appointive officer for a period up to three months without submitting the appointment for City Council confirmation.
- C. The mayor is authorized to make an interim appointment of an appointive officer for any other limited time period, subject to City Council confirmation.

2.08.040 Council Notification and Review of Appointments

- A. The City Council must be timely notified upon the appointment, interim appointment, separation, or notice of separation of any appointive officer.
- B. A vote for City Council confirmation on the appointment may not be scheduled less than ten days after notification of such appointment is made.
- C. City Councilmembers must be afforded the opportunity to review the appointive officer's employment application prior to any scheduled vote on confirmation.

2.08.050 Employment and Contracts

- A. The mayor is authorized to enter into employment contracts or personal services contracts for any appointive officer. Consistent with AMC Chapter 1.30, all employment contracts are in all

respects subject to prior review and approval by the City Council, and no such contract is valid prior to approval by the City Council.

- B. The compensation for each employee appointive officer is that established each year in the annual budget or salary ordinance of the city.
- C. All employee appointive officers are subject to the personnel policies adopted by the City Council.



City Council Agenda Bill

Meeting Date: November 20, 2023 **Agenda Item:** 7.b.

Agenda Item Title: Interlocal Agreement: Fidalgo Pool and Fitness Center

Staff Contact(s): DARCY SWETNAM

<u>Approved for Submittal to Council by</u>	<u>Action Type</u>
GREG FRANCIOCH	Contract Award
DARCY SWETNAM	

Item Summary: This Interlocal Agreement is between the City and the Fidalgo Parks and Recreation District. The ILA clarifies that the City will request the County place on an upcoming special election ballot a proposition to create a metropolitan parks district. The District will cover all election-related costs incurred by the City and prepare all election materials. This agreement accompanies Resolution 3137, which immediately follows on the agenda.

Budget Impact:
None

Previous Action: None

Recommended Motion: I move we authorize the Mayor to sign Interlocal Agreement with the Fidalgo Parks and Recreation District for allocation of election-related responsibilities.

Alternative Actions: Decline to proceed with ballot proposition

Attachments (listed in order presented):

1. 231120 - Fidalgo Pool ILA
2. Metropolitan Proposal

**INTERLOCAL COOPERATION ACT AGREEMENT
FOR ALLOCATION OF ELECTION-RELATED RESPONSIBILITIES REGARDING
A BALLOT PROPOSITION FOR THE FORMATION OF A METROPOLITAN PARK
DISTRICT.**

THIS AGREEMENT (“Agreement”) dated this _____ day of _____, 2023, is made and entered into by and between the City of Anacortes , a municipal corporation of the State of Washington (“CITY”); and the Fidalgo Park and Recreation District, a municipal corporation of the State of Washington (“DISTRICT”), pursuant to the authority of the Interlocal Cooperation Act at Chapter 39.34 of the Revised Code of Washington (“RCW”).

WITNESSETH:

WHEREAS, the District owns and operates the Fidalgo Pool and Fitness Center (“FPFC”), which is located within the City of Anacortes; and

WHEREAS, the FPFC provides a health benefit to both the citizens of Anacortes and to the people living in the unincorporated areas surrounding the City of all ages, but has reached the end of its expected useful life and needs to be updated; and

WHEREAS, in evaluating alternative options to update the facility, the Board of Park Commissioners of the District has elected to pursue the formation of a metropolitan park district, organized under Chapter 35.61 RCW, for the purpose of conveying or otherwise transferring ownership of the FPFC to the metropolitan park district; and

WHEREAS, the District has requested and recommended that the City adopt a resolution to place a proposition on an upcoming ballot which would authorize the formation of a metropolitan park district pursuant to RCW 35.61.020; and

WHEREAS, the City and the District (each, a “Party”) now wish to identify the responsibilities of each of the Parties in pursuing the ballot proposition;

NOW, THEREFORE, for and in consideration of the promises set forth hereafter, the City and the District hereby agree as follows:

1. City Ballot Resolution. The City hereby agrees to prepare a ballot proposition resolution for consideration by the City Council, which would request the Skagit County Board of County Commissioners to call and conduct a special election in the manner provided by law in 2024 for the purpose of submitting to the voters of the proposed metropolitan park district, for their approval or rejection, a proposition (“Proposition”) authorizing the formation of the metropolitan park district.

2. Election Materials. If the Proposition is placed before the voters of the proposed metropolitan park district, the District agrees to prepare all election materials required to be prepared by the City for submission to the Skagit County Auditor, including but not limited to any explanatory statement and for and against committee appointments for the Proposition. Materials will be provided to or otherwise coordinated with the Skagit County elections office directly by the District.
3. Election Costs. The District agrees to pay the City's share of all election costs and expenses related to the Proposition, including but not limited to direct election expenses assessed by Skagit County on the City and any other costs incurred by the City related to the Proposition ("City Costs"). The District shall make every reasonable effort to pay all City Costs directly to Skagit County on behalf of the City. If the City pays any City Costs, the District shall reimburse the City for such City Costs within 30 days after the City's written request for reimbursement.
4. Miscellaneous Provisions:
 - A. Duration and Termination of this Agreement. This Agreement shall continue in full force and effect until such time as the City has accepted performance of all obligations of the District in this Agreement.
 - B. Waiver. No officer, employee, or agent of the City or the District has the power, right, or authority to waive any of the conditions or provisions of this Agreement. No waiver of any breach of this Agreement shall be held to be a waiver of any other or subsequent breach. Failure of either Party to enforce any of the provisions of this Agreement or to require performance of any of the provisions herein, shall in no way be construed to be a waiver of such provisions, nor in any way affect the validity of this Agreement or any part hereof, or the right of the City or the District to hereafter enforce each and every such provision.
 - C. No Partnership or Joint Venture. No separate legal or administrative entity, joint board, partnership and/or joint venture exists between the Parties, and no separate legal or administrative entity, joint board, partnership and/or joint venture is created by and between the Parties by virtue of this Agreement. No agent, employee, contractor, subcontractor, consultant, volunteer, and/or other representative of the Parties shall be deemed an agent, employee, contractor, subcontractor, consultant, volunteer, or other representative of the other Party.
 - D. Integration. This Agreement contains all of the terms and conditions agreed upon by the City and the District. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind either of the Parties. The Parties have read and understand all of this Agreement, and now state that no representation, promise, or agreement not expressed in this Agreement has been made to induce the Parties to execute this Agreement.

- E. Severability. In the event any provision of this Agreement shall be declared by a court of competent jurisdiction to be invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining provisions shall not, in any way, be affected or impaired thereby.
- F. Execution of Agreement. This Agreement shall become effective upon the last Party to sign this Agreement after it is duly authorized by the City Council of the City and the Board of Park Commissioners of the District.

IN WITNESS WHEREOF, the City of Anacortes and the Fidalgo Park and Recreation District have executed this Agreement by their duly authorized officials pursuant to all requirements of law.

CITY OF ANACORTES

By: _____
Matt Miller, Mayor

Attest: _____
Steven D. Hoglund, City Clerk Treasurer

Approved as to form:

Darcy Swetnam, City Attorney, WSBA #40530

**FIDALGO PARK AND RECREATION
DISTRICT**

By: _____
Rob Peterson, Executive Director

Attest: _____

Approved as to form:

FIDALGO
POOL
& FITNESS CENTER



Metropolitan Park District

Current Status



- Fidalgo Pool and Fitness is a Park and Recreation District separate from the city
- Formed in 1975
- Includes all of Fidalgo Island, excluding the Swinomish Indian Reservation
- Funded by Levy (6 year) and User Fees
- Led by 5 Elected Commissioners

About Us



- Our facility is a place where the community stays fit, recovers from health issues, and socializes.
- We have swimmers as young as 6 months old; our oldest patron is 98.
- People have learned to walk again through aquatic therapy and maintained their health through our strength training equipment and programs.
- We service the School District's swim teams and their meets plus two FPFC swim teams.

About Us



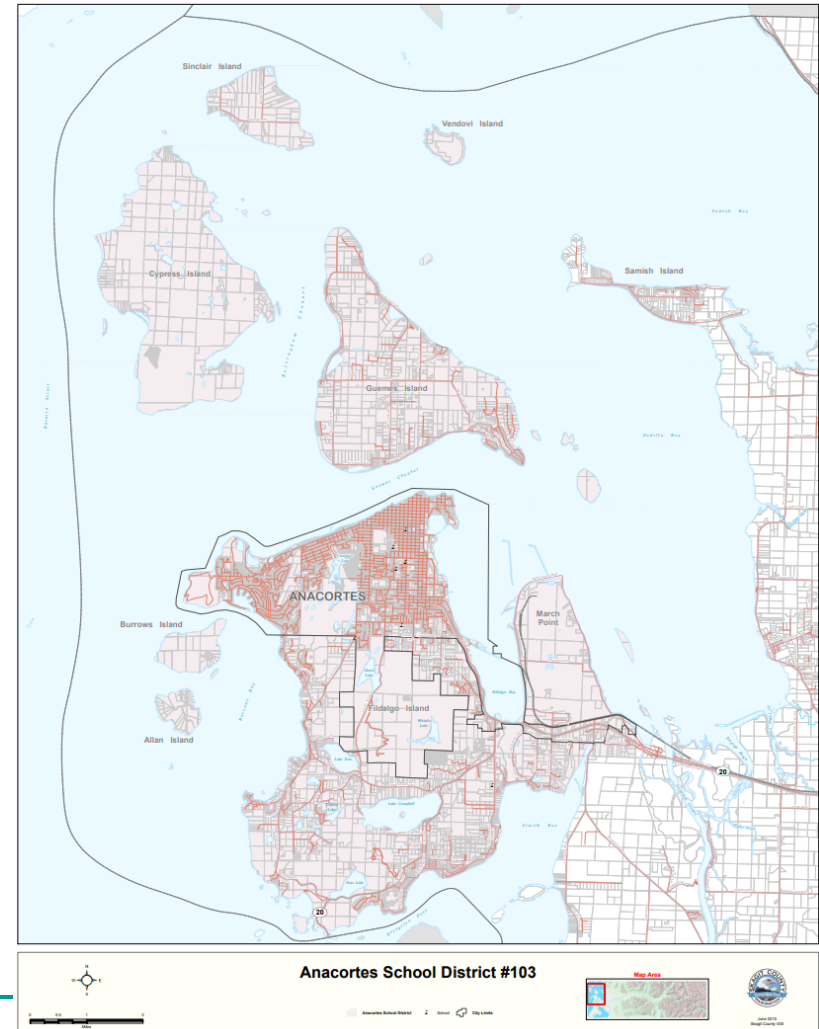
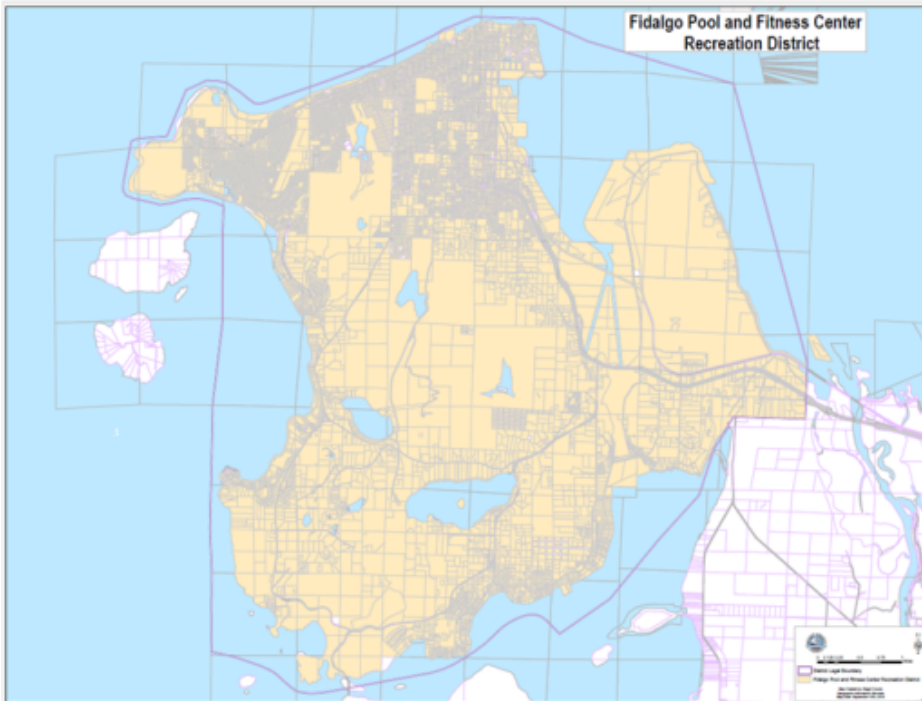
- On any given day, up to a dozen patrons with canes, walkers and wheelchairs use the fitness center and pool.
- An average of 400 youth ranging from 6 months to teen age years learn to swim here annually; an imperative safety measure to protect our children from water injuries.
- Events at Fidalgo Pool & Fitness Center generate business at local hotels, grocery stores, shops and restaurants.

Proposal



- Metropolitan Park District separate from the city to replace the current District
- Same boundaries as the Anacortes School District.
- Funded by Levy and User Fees
- Led by 5 Elected Commissioners

Boundary Comparison



What will it do

- District still separate from the City
- Allow financial stability
 - Maintain services
 - Financing options
- Keep leadership and oversight
- Realign boundaries

What it wont do

- Will not Fund new facility
 - Will Require Approval of Voters
- Change the way the district is managed
- Add a new Taxing District

FIDALGO POOL & FITNESS CENTER



Questions?



City Council Agenda Bill

Meeting Date: November 20, 2023 **Agenda Item:** 7.c.

Agenda Item Title: Resolution 3137: Fidalgo Pool and Fitness Center

Staff Contact(s): MATT MILLER, DARCY SWETNAM

<u>Approved for Submittal to Council by</u>	<u>Action Type</u>
GREG FRANCIOCH	Resolution
STEVE HOGLUND	
DARCY SWETNAM	

Item Summary: This Resolution requests the County to place a proposition on an upcoming special election ballot to create a metropolitan parks district. This Resolution accompanies an Interlocal Agreement with the Fidalgo Parks and Recreation District for allocation of election-related responsibilities. The Fidalgo Parks and Recreation District Board have requested the City proceed with the Resolution to allow it to proceed with a transition to a metropolitan parks district.

Budget Impact:
None

Previous Action: I move we adopt Resolution 3137 Requesting the Skagit County Board of Commissioners to authorize a ballot proposition for the formation of a metropolitan park district.

Recommended Motion:

Alternative Actions: Decline to adopt the Resolution.

Attachments (listed in order presented):

1. 231120 Res 3137 Fidalgo Pool

RESOLUTION 3137

A RESOLUTION OF THE CITY OF ANACORTES, WASHINGTON, REQUESTING THE SKAGIT COUNTY BOARD OF COUNTY COMMISSIONERS TO AUTHORIZE A BALLOT PROPOSITION FOR THE FORMATION OF A METROPOLITAN PARK DISTRICT TO THE VOTERS

Whereas the Fidalgo Parks and Fitness Center (“FPFC”) is located within the City of Anacortes, but is owned and operated by Fidalgo Parks and Recreation District (“FPRD”), and

Whereas FPFC provides a health benefit to both the citizens of Anacortes and to the people living in the unincorporated areas surrounding the City ages 0 to 100+, and

Whereas the FPFC facility has reached the end of its expected useful life and needs to be updated and this would be the first step in finding a replacement and provide for sustained, continuous funding to operate FPFC, and

Whereas FPFC is a multi-generational facility that serves as the center of our community, one that builds social capital, strengthens the community, enhances the quality of life, and forges relationships between people, and

Whereas after consideration of various alternatives, the Board of Commissioners of FPRD has recommended the formation of a Metropolitan Park District, organized under RCW Chapter 35.61 to own and operate FPFC, and

Whereas there are 23 other metropolitan park districts currently in the state to provide stable funding for recreation, and

Whereas City of Anacortes has accepted this recommendation and wishes to put the question of formation to the voters; and

Whereas the Parties have negotiated an Interlocal Agreement to allocate costs and responsibilities for election-related obligations, which will be presented to City Council on the same night as this Resolution.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ANACORTES, DOES HEREBY RESOLVE AS FOLLOWS:

Section One. Request for Special Election. The City of Anacortes, Washington, hereby requests that the Skagit County Board of County Commissioners, through the Skagit County Auditor, call a special election in the year 2024, for the purpose of placing on the ballot the following proposition regarding formation of a Metropolitan Park District:

PROPOSITION 1: Skagit County and the City of Anacortes jointly propose the creation of the Fidalgo Metropolitan Recreation District with boundaries coterminous with the Anacortes School District. If approved this proposition would create a metropolitan park district with the powers provided in chapter 35.61 RCW. The District shall be

governed by a five-member board of commissioners to be elected at large. If approved the new district would replace the existing Fidalgo Parks and Recreation District.

[] For the formation of a metropolitan park district to be governed by a five-member board of commissioners to be elected at large.

[] Against the formation of a metropolitan park district.

Section Two. Boundaries of the Fidalgo Metropolitan Recreation District. The boundaries of the Fidalgo Metropolitan Recreation District shall encompass the same boundaries as the Anacortes School District, as fully described in Attachment A, attached hereto, and incorporated by reference.

Section Three. Severability. If any section, sentence, clause or phrase of this Resolution should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Resolution, and in no way affects the validity of other provisions of this Resolution or of the levy or collection of the regular property taxes as so authorized herein.

Section Four. Effective Date. This Resolution takes effect immediately from and after its passage.

The foregoing resolution was ADOPTED by the City Council of the City of Anacortes, Washington, at a regular, open public meeting thereof this 20th day of November 2023.

CITY OF ANACORTES:

Matt Miller, Mayor

ATTEST:

Steven D. Hoglund, City Clerk Treasurer

APPROVED AS TO FORM:

Darcy Swetnam, City Attorney WSBA #40530

Boundaries:

Beginning at the meander corner between Sections 2 and 3, Township 34 N, R 2 E.W.M.; thence S 1/2 mile, more or less, along the Section line to the NE corner of Section 10, said Township and Range; thence, W, along the N line of Section 10, one (1) mile, more or less, to the NW corner of Lot 4, in said Section 10; S and SW, through Similk Bay to a point on the Skagit-Island County line, said point being directly opposite the SW corner of Skagit Island; thence, NW and W, following the Skagit-Island County line, to the Skagit-San Juan County line; thence, N, along the said Skagit-San Juan County line, to an intersection with the Skagit-Whatcom County line; thence, E along the said Skagit-Whatcom County line to a point five (5) miles W of the shore line of Bellingham Bay, said point lying about two (2) miles N of Vendovi Island; thence, SE, through Bellingham Bay and Padilla Bay, W of Point William and E of Hat Island, to a point in Padilla Bay known as Corner No. 2, Plat of the Associated Oyster Lands; thence, SW to the meander corner between Sections 2 and 3, Township 34 N, Range 2 E.W.M., being the point of beginning of this description.



City Council Agenda Bill

Meeting Date: November 20, 2023 **Agenda Item:** 7.d.

Agenda Item Title: Contract Award: AMI Mono Pole Antenna Installation - Water Meter Reading Project #21-137-WTR-002

Staff Contact(s): Andrew Rheaume, BRIAN MCDANIEL

<u>Approved for Submittal to Council by</u>	<u>Action Type</u>
TIFFANY MATSON	Contract Award
TIFFANY MATSON	

Item Summary: City staff seeks City Council consent to award a contract in the amount of \$281,313.28 to Sioux Falls Tower Specialists Inc., DBA VIKOR to perform the AMI Mono Pole Antenna Installation. This project installs four water meter reading antennas at four city owned locations. The antennas will be used to remotely read water meters, which will improve the accuracy and efficiency of the City's water billing system.

Background:

1. **History:** The installation of these water meter reading antennas is a necessary step in modernizing the City's water billing system. Remote meter reading will improve the accuracy of customer bills and reduce the need for manual meter reading. This will save the city money and improve customer service.
2. **Key Terms:**
 - Contract is for a fixed price of \$281,313.28.
 - All physical construction activities shall be completed by December 31, 2023.
3. **Competitive Bidding:** On September 20, 2023 the City [solicited bids](#) for the subject project and on October 3, 2023 a bid opening was conducted and no responsive bids were received. Per [RCW 35.23.352](#) the City "may enter into a contract without any further call" and staff recommends contracting with Sioux Falls Tower Specialists Inc.

Budget Impact:

Contractor	Sioux Falls Tower Specialists Inc., DBA VIKOR
Contract Amount	\$281,313.28
Earmarked Funds	\$500,000.00
BARS #	401.740.594.34.63
Budget Amendment Required?	No
Start Date	Notice to Proceed
End Date	December 31, 2023

Previous Action: N/A

Recommended Motion: I move that City Council authorize the Mayor to sign contract 21-137-WTR-002 with Sioux Falls Tower Specialists Inc., DBA VIKOR in the amount of \$281,313.28 to perform the AMI Mono Pole Antenna Installation.

Alternative Actions: Not award the contract.

Attachments (listed in order presented):

1. 21-137-WTR-002



CONTRACT #21-137-WTR-002
Between
THE CITY OF ANACORTES
AND
SIOUX FALLS TOWER SPECIALISTS INC.

AMI MONO POLE ANTENNA INSTALLATION

This Contract is between the City of Anacortes, Washington, a Municipal Corporation (herein after referred to as "City") and Sioux Falls Tower Specialists Inc., DBA VIKOR, a private company at 4300 N Northview Ave, Sioux Falls, SD 57107 (herein after referred to as "Contractor").

1. **Scope of Work.** The Contractor shall do all work and furnish all tools, materials, equipment, and transportation required for the AMI Mono Pole Antenna Installation at four (4) City reservoir sites, in accordance with and as described in the Invitation for Bid entitled the same and dated September 20, 2023, Project No. 21-137-WTR-002. Incorporated by reference, and made a part hereof, are the Invitation for Bid aforementioned, and plan sets BP22-1129, 12.12.2022 and AMI-D-COV.DWG, Nov. 4, 2022.

2. **Price and Payment Terms.** The price per each water reservoir site is \$64,640.00 w/o sales tax, for a Total Contract Price of **Two Hundred Eighty-One Thousand Three Hundred Thirteen Dollars and Twenty-Eight Cents (\$281,313.28)**, which includes \$22,753.28 in 8.8% sales tax.

3. **Time of Completion.** All physical construction activities shall be completed by December 31, 2023. The Contractor shall supply the materials within the specified period of time after Notice to Proceed has been issued by the City.

4. **Project Management.** Coordination and scheduling of the work, materials, and equipment shall be made with the Project Manager, Brian McDaniel (360) 360-428-1598.

5. **Contract Requirements:** As detailed in the General Provisions, Contractor must have a valid contractor license number, insurance, and City of Anacortes business license. **Prevailing Wage Law Applies.** Forms Needed: 1) Proof of Insurance with Additional Insured Endorsements; 2) Intent to Pay Prevailing Wage; 3) Affidavit of Wages Paid; 4) Performance Bond; 5) Payment Bond; 6) Certification of Compliance with Wage Payment Statutes.

6. **Contract Documents:** The attached General Provisions and the referenced Invitation to Bid and plan sets are included in this Contract Agreement.

The parties acknowledge that there has been an opportunity to negotiate the terms and conditions of this Agreement and agree to each bind itself, its partners, successors, assigns, and legal representatives to the other party hereto, in respect of all covenants, agreements, and obligations contained in the Contract Documents. Each of the persons signing below on behalf of any party hereby represents and warrants that they are signing with full and complete authority to bind the party on whose behalf of whom they are signing, to each and every term of this Agreement.

Owner:

City of Anacortes

Mayor

Date

Contractor:

Sioux Falls Tower Specialists Inc.,
DBA VIKOR

Date

Contractor License #

1. WASHINGTON STATE PREVAILING WAGES: Washington State Prevailing Wages apply to all Work. The Contractor and any of its Subcontractors are required to pay their laborers and mechanics minimum wage in compliance with Washington State Prevailing Wage Laws. Before any payment is made by the City of Anacortes of any sums under this contract, the contractor and each subcontractor must provide the City with a copy of the statement of *Intent to Pay Prevailing Wages* approved by the Washington State Department of Labor and Industries (L&I) (*ONE (1) filed per contractor and each subcontractor per contract*). Following contract completion, the City will not release any funds retained, according to the provisions of RCW 60.28.010, until the contractor and each subcontractor has provided the City a copy of the *Affidavit of Wages Paid* approved by L&I (*ONE (1) filed per contractor and each subcontractor per contract*). L&I provides the wage forms. ***All costs associated with such fees shall be included in the Contract price as part of the fixed costs of overhead for this Contract, including any anticipated subcontractor filing fees. Any change in the fee by L&I will not be grounds for revision in the Contract Amount. The City will only pay for the actual cost charged by L&I for the filing of the intent and affidavit.***

For contracts in excess of \$10,000, the contractor must post in a conspicuous place at the job site, a copy of the statement of *Intent to Pay Prevailing Wages* approved by L&I and the address and phone number of the Industrial Statistician where complaints or inquiries may be made. The City will refer any dispute regarding the prevailing rate of wage to L&I for arbitration.

The State of Washington prevailing wage rates applicable for this public works project, which is located in Skagit County, may be found at the following website address of the Department of Labor and Industries: <https://secure.lni.wa.gov/wagelookup/>. The prevailing wage schedule in effect for the work under the contract will be the one in effect upon the date of execution of the contract. A copy of the applicable prevailing wage rates are also available for viewing at the office of the City, located at 904 6th Street, Anacortes, WA. Upon request, the City will mail a hard copy of the applicable prevailing wages for this project.

At least once a month Contractor must file weekly certified payroll reports online with the Washington Department of Labor and Industries as required by RCW 39.12.120.

2. Performance and Payment Bonds. The City is required by RCW 39.08.010, with limited exceptions, to obtain both a Performance and a Payment bond for each public works project. The City requires separate Performance and Payment bonds for 100% of the contract amount furnished on bond forms standardized by the City Attorney's office. The bonds must meet the following provisions:

- Be for the full amount of the project, including tax.
- Name City of Anacortes as the obligee.
- List the correct Project Name and Project Number.
- Be signed by both the surety (the Attorney in Fact) and the Contractor.
- Be issued by a surety authorized to do business in the State of Washington (listed on the Insurance Commissioners website) and which meets the AM Best Rating required in the Contract Documents. If no requirement exists, a minimum of AM Best Rating A-7 or better will be required.

Release of Bonds - Bonds will not be released until the project has been completed and finally accepted.

Performance Bonds – Performance Bonds will be released at the end of the warranty period or twelve months after the date of final acceptance, whichever is later. The City may at its option release the bond once all the conditions of RCW 39.08.010-1a have been discharged.

Payment Bonds – Payment Bonds will be released either 45 days after final acceptance of the project or upon receipt of releases from the Washington Department of Revenue, Washington Employment Security Department, and the Washington Department of Labor and Industries, whichever is later. Release is contingent on the fact that no claims against the bond have been filed prior to the 45 day mark. If claims have been filed against the bond, it will not be released until the claims have been resolved.

Exceptions – On projects \$150,000 and under, the Contractor can, in lieu of providing a performance and payment bond, request to have the City withhold 10% of monies earned on the project for a period of 30 days after final acceptance of the completed work or until receipt of all necessary releases from the Washington Department of Revenue, Washington Employment Security Department, and the Washington Department of Labor and Industries and settlement of any liens filed under Chapter 60.28 RCW, whichever is later. This exception is dependent on pre-approval by the City Attorney, and the City reserves the right to reject requests to waive the bond requirements.

3. Retainage. Pursuant to RCW Chapter 60.28, a sum of five percent (5%) of the monies earned by the Contractor will be retained. The Contractor may elect to execute a Retainage Bond. The bond must be furnished on a bond form standardized by the City Attorney's office and issued by a surety currently authorized by the State Insurance Commissioner to do business in Washington State. Retainage will be released 45 days after Final Acceptance, provided that the following has occurred:

1. All liens placed against the project have been released.
2. For projects over \$35,000, releases from the Washington Department of Revenue, Washington Employment Security Department, and the Washington Department of Labor and Industries have been received.

Note: If the City has approved the Contractor's request to waive the bond requirements, the City will withhold a total of

10% of the monies earned for a period of 30 days after Final Acceptance of the completed work, or until receipt of all necessary releases from the Washington Department of Revenue, Washington Employment Securities Department, and the Washington Department of Labor and Industries, and settlement of any liens filed under Chapter 60.28 RCW, whichever is later.

4. Final Acceptance. Final Acceptance is defined as the date on which the City accepts the Work as complete, as indicated by notice issued by the City. For the purposes of the retainage statute (RCW 60.28.011), "completion of all contract work" is the same as the date of Final Acceptance. The following events must occur before the City will issue Final Acceptance:

- a. The physical Work on the project must be complete and accepted by the Project Manager; and
- b. The Contractor must submit to the City, and secure City approval of, all documentation required by the Contract and required by law, including but not limited to:
 - i. Invoices for all Work;
 - ii. Copies of the "Affidavit of Prevailing Wages Paid" as approved by L&I for the Contractor and all Subcontractors; and
 - iii. Any additional documentation required by the Contract.

5. Penalties for Noncompliance. If Contractor does not provide "Affidavit of Prevailing Wages Paid" to the City, the City may withhold any or all payments until required documentation is received. In addition, failure to provide "Intent to Pay Prevailing Wage" or "Affidavit of Wages Paid" may result in other sanctions as provided by State laws (RCW 39.12.050) and/or Federal regulations (29 CFR 5.12).

6. Subcontracts. The Contractor shall not subcontract the Scope of Work ("Work") unless the Project Manager approves in writing. If the Project Manager requests, the Contractor shall provide proof that the Subcontractor has the experience, ability, and equipment the Work requires. "Subcontractor" means an individual, partnership, firm, corporation, or joint venture who is sublet part of the Contract by the Contractor. Each request to subcontract shall include the following information (i) a description of the supplies or services to be subcontracted, (ii) identification of the type of subcontract to be used (iii) identification of the proposed subcontractor, (iv) proposed subcontract price, (v) identification of the percentage of work to be performed by subcontract. Approval of subcontract shall not:

- a. Relieve the Contractor of any responsibility to carry out the Contract,
- b. Relieve the Contractor of any obligations or liability under the Contract and the Contractor's bond,
- c. Create any contract between the City and the Subcontractor, or
- d. Convey to the Subcontractor any rights against the City.

As required by RCW 39.06.020, the Contractor must verify responsibility criteria for each first tier subcontractor, and a subcontractor of any tier that hires other subcontractors must verify responsibility criteria for each of its subcontractors. Verification is to include that, at the time of subcontract execution, each subcontractor meets the responsibility criteria listed in RCW 39.04.350(1) and additionally - if applicable - possesses an electrical contractor license or an elevator contractor license. This verification requirement, as well as the responsibility criteria, must be included in every public works contract and subcontract of every tier. Contractor remains fully responsible for obligations, services, and functions performed by its subcontractors to the same extent as if such obligations, services, and functions were performed by Contractor's employees, and for purposes of the Agreement such work will be deemed work performed by Contractor. The Contractor shall give immediate written notice of any action or suit filed and prompt notice of any claim made against the Contractor by any subcontractor or vendor that, in the opinion of the Contractor, may result in litigation related in any way to this contract, with respect to which the Contractor may be entitled to reimbursement from the City.

If dissatisfied with any part of the subcontracted Work, the Project Manager may request in writing that the Subcontractor be removed. The Contractor shall comply with this request at once and shall not employ the Subcontractor for any further Work under the Contract.

7. Job Safety Requirements Compliance. The Contractor, and its subcontractors of any tier, shall comply with all Washington Dept. of Labor & Industries and Occupational Safety & Health Administration (OSHA) safety standards, as well as comply with all current and future executive proclamations, regulations, requirements and/or related guidance issued by the Office of the Governor of Washington State and Office of the Mayor of the City of Anacortes as it may relate to City of Anacortes projects.

8. Taxes. The City will pay sales and use taxes imposed on goods or services acquired hereunder as required by law. The Contractor must pay all other taxes including, but not limited to: Business and Occupation Tax, taxes based on the Contractor's gross or net income, or personal property to which the City does not hold title. The City is exempt from Federal Excise Tax. Where applicable the City shall furnish a Federal Excise Tax Exemption certificate.

9. Invoicing. All invoices shall at a minimum include: Company Name, Invoice Date, Due Date (30 days), Invoice Number, **Agreement Number**, and Price. The Contractor must allow 30 calendar days from receipt of the invoice for payment. **If requested by the City the Contractor shall provide a cost breakdown of charges.** Invoices may be sent by US mail to City of Anacortes, Accounts Payable, PO Box 547, Anacortes, WA 98221, or by email to accountspayable@cityofanacortes.org. Contractors may complete a City furnished ACH/EFT form to receive electronic payments directly to their financial institution. The City shall notify the Contractor within fifteen (15) calendar days from

receipt of invoice if there are any objections or disputes with the invoice. The Contractor shall then resubmit a new invoice less the disputed amount and payment shall be made within 30 calendar days. Any disputed amounts may be submitted under the Disputes clause contained herein.

10. Withholding Payment. In the event the City determines that the Contractor has failed to perform any obligation under this Contract within the times set forth in this Contract, then the City may withhold from amounts otherwise due and payable to Contractor the amount determined by the City as necessary to cure the default, until the Contracting Officer determines that such failure to perform has been cured. Withholding under this clause shall not be deemed a breach entitling Contractor to terminate or damages, provided that the City promptly gives notice in writing to the Contractor of the nature of the default or failure to perform, and in no case more than 8 days after it determines to withhold amounts otherwise due. A determination of the City Attorney set forth in such notice to the Contractor of the action required and/or the amount required to cure any alleged failure to perform shall be deemed conclusive, except to the extent that the Contractor acts within the times and in strict accord with the provisions of the Disputes clause of this Contract. The City may act in accordance with any determination of the City Attorney which has become conclusive under this clause, without prejudice to any other remedy under the Contract, to take all or any of the following actions: (1) cure any failure or default, (2) to pay any amount so required to be paid and to charge the same to the account of the Contractor, (3) to set off any amount so paid or incurred from amounts due to become due the Contractor. In the event the Contractor obtains relief upon a claim under the Disputes clause, no penalty or damages shall accrue to Contractor by reason of good faith withholding by the City under this clause.

11. Final Payment: Waiver of Claim. The contractor's acceptance of final payment (excluding withheld retainage) shall constitute a waiver of claims, except those previously and properly made and identified by the contractor as unsettled at the time request for final payment is made.

12. Required Use of Finished Compost Product. If the project includes the use of a product created with "composted material" as defined in RCW 70A.205.015(3) the Contractor must purchase finished compost products from entities that: 1) produce compost locally within Skagit County; 2) are certified by a nationally recognized organization; 3) are permitted by the local health jurisdiction; and 4) produce finished compost products derived from municipal solid waste compost programs while meeting quality standards adopted by the Department of Transportation or adopted by rule by the Department of Ecology. The Contractor will obtain pre-approval from the PM of the proposed compost material vendor and will submit receipts with their invoice(s).

13. Inspection.

A. Of the Work: All materials furnished and work done shall be subject to inspection. The City Project Manager administering the Contract shall at all times have access to the work wherever it is in progress or being performed, and the Contractor shall provide proper facilities for such access and inspection. Such inspection shall not relieve the Contractor of the responsibility of performing the work correctly, utilizing the best labor and materials in strict accordance with the Specifications of the Contract. All material or work approved and later found to be defective shall be replaced without cost to the City.

B. Project Manager's Authority: The Project Manager shall have power to reject materials or workmanship which do not fulfill the requirements of these Specifications, but in case of dispute the Contractor may appeal to the City Attorney whose decision shall be final. The Contract shall be carried out under the general control of the representative of the City administering the Contract, who may exercise such control over the conduct of the work as may be necessary, in their opinion, to safeguard the interest of the City. The Contractor shall comply with any and all orders and instructions given by the representative of the particular Department administering the Contract in accordance with the terms of the Contract. Nothing herein contained, however, shall be taken to relieve the Contractor of their obligations or responsibilities under the Contract.

14. New and Unused. All units, equipment, parts and material shall be new, unused, manufacturer's current model year and in current production and shall meet any current applicable regulations and/or codes. All materials shall have physical and chemical properties to withstand the intended purpose. Equipment design shall have sufficient excess capacity for durability and safety.

15. Warranty. The Contractor shall return to the project and repair or replace all defects in workmanship and material discovered within one year after Final Acceptance of the Work, including any necessary labor and materials. The Contractor shall start work to remedy any such defects within 7 calendar days of receiving City's written notice of a defect, and shall complete such work within the time stated in the City's notice. In case of an emergency, where damage may result from delay or where loss of services may result, such corrections may be made by the City's own forces or another contractor, in which case the cost of corrections shall be paid by the Contractor. In the event the Contractor does not accomplish corrections within the time specified, the work will be otherwise accomplished and the cost of same shall be paid by the Contractor. For one year after acceptance of any corrections by the City the Contractor shall be responsible for correcting all defects in workmanship and materials in the corrected work. In addition, the Contractor shall obtain and submit to the City any necessary documentation to secure any extended manufacturer's warranty and warranty terms. This guarantee is supplemental to and does not limit or affect the requirements that the Contractor's work comply with the requirements of the Contract or impact any other legal rights or remedies of the City.

16. Indemnification / Hold Harmless. The Contractor shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or in connection with the performance of this Agreement, except for injuries and damages caused by the sole negligence of the City. However, should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Contractor and the City, its officers, officials, employees, and volunteers, the Contractor's liability hereunder shall be only to the extent of the Contractor's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Contractor's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

17. Insurance.

A. Insurance Term: The Contractor shall procure and maintain insurance, as required in this Section, without interruption from commencement of the Contractor's work through the term of the contract and for thirty (30) days after the Physical Completion date, unless otherwise indicated herein.

B. No Limitation: The Contractor's maintenance of insurance, its scope of coverage and limits as required herein shall not be construed to limit the liability of the Contractor to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

C. Minimum Scope of Insurance: The Contractor's required insurance shall be of the types and coverage as stated below:

1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be at least as broad as Insurance Services Office (ISO) form CA 00 01.
2. Commercial General Liability insurance shall be as least as broad as ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors, products-completed operations, stop gap liability, personal injury and advertising injury, and liability assumed under an insured contract. The Commercial General Liability insurance shall be endorsed to provide a per project general aggregate limit using ISO form CG 25 03 05 09 or an equivalent endorsement. There shall be no exclusion for liability arising from explosion, collapse or underground property damage. **The City of Anacortes and its officers, elected officials, employees, agents, and volunteers shall be named as an additional insured** under the Contractor's Commercial General Liability insurance policy with respect to the work performed for the City using ISO Additional Insured endorsement CG 20 10 10 01 and Additional Insured-Completed Operations endorsement CG 20 37 10 01 or substitute endorsements providing at least as broad coverage.
3. Worker's Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

D. Minimum Amounts of Insurance: The Contractor shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
2. Commercial General Liability insurance shall be written with limits no less than \$2,000,000 each occurrence, \$2,000,000 general aggregate and \$2,000,000 products-completed operations aggregate limit.

E. City Full Availability of Contractor Limits: If the Contractor maintains higher insurance limits than the minimums shown above, the City shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Contractor, irrespective of whether such limits maintained by the Contractor are greater than those required by this contract or whether any certificate of insurance furnished to the City evidences limits of liability lower than those maintained by the Contractor.

F. Other Insurance Provision: The Contractor's Automobile Liability and Commercial General Liability insurance policies are to contain, or be endorsed to contain, that they shall be primary insurance as respect the City. Any insurance, self-insurance, or self-insured pool coverage maintained by the City shall be excess of the Contractor's insurance and shall not contribute with it.

G. Acceptability of Insurers: Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

H. Verification of Coverage: The Contractor shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsements, evidencing the insurance requirements of the Contractor within 10 days of contract execution and before scheduling of the work. Upon request by the City, the Contractor shall furnish certified copies of all required insurance policies, including endorsements, required in this contract and evidence of all subcontractors' coverage. Failure of the City to demand such verification of coverage with these insurance requirements or failure of the City to identify a deficiency from the insurance documentation provided shall not be construed as a waiver of Contractor's obligation to maintain such insurance.

Verification of coverage shall include:

1. An ACORD certificate or a form determined by the City to be equivalent.
2. Copies of all endorsements naming the City as additional insured, showing the policy number. The Contractor may submit a copy of any blanket additional insured clause from its policies instead of a separate endorsement.
3. Any other amendatory endorsements to show the coverage required herein.
4. **A notation of coverage enhancements on the Certificate of Insurance shall not satisfy these requirements – actual endorsements must be submitted.**

I. Subcontractors' Insurance: The Contractor shall cause each and every Subcontractor to provide insurance coverage that complies with all applicable requirements of the Contractor-provided insurance as set forth herein, except the Contractor shall have sole responsibility for determining the limits of coverage required to be obtained by Subcontractors. The Contractor shall ensure that the City is an additional insured on each and every Subcontractor's Commercial General liability insurance policy using an endorsement at least as broad as ISO CG 20 10 10 01 for ongoing operations and CG 20 37 10 01 for completed operations.

J. Notice of Cancellation: The Contractor shall provide the City and all Additional Insureds for this work with written notice of any policy cancellation within two (2) business days of their receipt of such notice.

K. Failure to Maintain Insurance: Failure on the part of the Contractor to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five business days notice to the Contractor to correct the breach, immediately terminate the contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due the Contractor from the City.

18. Acceptance. Contractor acknowledges and agrees that these General Provisions are incorporated in, and are a part of, each purchase order or other agreement relating to the provision of goods and/or related services by Contractor. These General Provisions supersede all conflicting or additional terms pre-printed on any purchase order, quote, invoice, or otherwise set forth on any release, acknowledgement, confirmation, requisition, work order, shipping instruction, specification and similar document or communication.

19. Registered or Licensed Contractor. The City is prohibited by RCW 39.06.010 from executing an Agreement with a Contractor who is not registered or licensed as required by the laws of the state. In addition, Anacortes Municipal Code requires that every person engaging in business within the city limits of Anacortes register their business with the state and include a City of Anacortes Endorsement. Businesses from outside city limits with a gross annual income of \$2,000 in Anacortes are also required to obtain a city endorsement. Business licenses and city endorsements can be obtained through the State of Washington Department of Revenue (DOR) Business Licensing Service (BLS) at bls.dor.wa.gov.

20. Standard Title VI / Non-Discrimination Assurances. During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest agrees to the clauses in "Appendix A" and "Appendix E" of the Standard Title VI Assurances (USDOT1050.2A), which are hereby incorporated by reference and made a part hereof.

21. Contractor is an Independent Contractor. The parties intend that an independent Contractor relationship will be created by this Agreement. No agent, employee or representative of the Contractor shall be deemed to be an agent, employee or representative of the City for any purpose. Contractor shall be solely responsible for all acts of its agents, employees, representatives and Subcontractors during the performance of this Agreement.

22. No Third-Party Beneficiary Rights. This Agreement is not intended to and shall not be construed to give any Third Party any interest or rights (including, without limitation, any Third-Party beneficiary rights) with respect to or in connection with any agreement or provision contained herein or contemplated hereby, except as otherwise expressly provided for in this Agreement.

23. The City's Right to Terminate Agreement.

A. Termination for Default: If the Contractor defaults by failing to perform any of the obligations of the Agreement or becomes insolvent or is declared bankrupt or commits any act of bankruptcy or insolvency or makes an assignment for the benefit of creditors, the City may, by depositing written notice to the Contractor in the U.S. mail, postage prepaid, terminate the Agreement, and at the City's option, obtain performance of the work elsewhere. If the Agreement is terminated for default, the Contractor shall not be entitled to receive any further payments under the Agreement until the Scope of Services under this Agreement has been fully performed. Any extra cost or damage to the City resulting from such default(s) shall be deducted from any money due or coming due to the Contractor. The Contractor shall bear any extra expenses incurred by the City in completing the work, including all increased costs for completing the work, and all damage sustained, or which may be sustained by the City by reason of such default. If a notice of termination for default has been issued and it is later determined for any reason that the Contractor was not in default, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to the Termination for Public Convenience paragraph hereof.

B. Termination for Public Convenience: The City may terminate the Agreement in whole or in part whenever the City determines, in its sole discretion that such termination is in the best interests of the City. Whenever the Agreement is

terminated in accordance with this paragraph, the Contractor shall be entitled to payment for actual work performed at unit Agreement prices for completed items of work through the date of termination. If the City exercises its option under this Paragraph, the City shall not be responsible for payment for loss of anticipated profit on deleted or uncompleted work. Termination of this Agreement by the City at any time during the term, whether for default or convenience, shall not constitute a breach of Agreement by the City.

24. Changes/Additional Work. The City may engage Contractor to perform services in addition to those listed in this Agreement, and Contractor will be entitled to additional compensation for authorized additional services or materials. The City shall not be liable for additional compensation until and unless any and all additional work and compensation is approved in advance in writing and signed by both parties to this Agreement. If conditions are encountered which are not anticipated in the Scope of Services, the City understands that a revision to the Scope of Services and fees may be required. Provided, however, that nothing in this paragraph shall be interpreted to obligate the Contractor to render or the City to pay for services rendered in excess of the Scope of Services unless or until a modification to this Agreement is approved in writing by both parties.

25. Non-waiver. Waiver by the City of any provision of this Agreement or any time limitation provided for in this Agreement shall not constitute a waiver of any other provision.

26. Covenant Against Contingent Fees. The Contractor warrants that they have not employed or retained any company or person, other than a bona fide employee working solely for the Contractor, to solicit or secure this Agreement, and that they have not paid or agreed to pay any company or person, other than a bona fide employee working solely for the Contractor, any fee, commission, percentage, brokerage fee, gifts, or any other consideration contingent upon or resulting from the award of making of this Agreement. For breach or violation of this warranty, the City shall have the right to annul this Agreement without liability or, in its discretion to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

27. Disputes

A. General: Differences between the Contractor and the City, arising under and by virtue of this Agreement shall be brought to the attention of the City at the earliest possible time in order that such matters may be settled or other appropriate action promptly taken. The provisions of this Clause shall survive the expiration or termination of this Agreement.

B. Notice of Potential Claims: The Contractor shall not be entitled to additional compensation which otherwise may be payable, or to extension of time for (1) any act or failure to act by the City, or (2) the happening of any event or occurrence, unless the Contractor has given the City a written Notice of Potential Claim within 10 days of the commencement of the act, failure, or event giving rise to the claim, and before final payment by the City. The written Notice of Potential Claim shall set forth the reasons for which the Contractor believes additional compensation or extension of time is due, the nature of the cost involved, and insofar as possible, the amount of the potential claim. Contractor shall keep full and complete daily records of the Work performed, labor and all costs and additional time claimed to be additional.

C. Detailed Claim: The Contractor shall not be entitled to claim any such additional compensation, or extension of time, unless within 30 days of the accomplishment of the portion of the work from which the claim arose, and before final payment by the City, the Contractor has given the City a detailed written statement of each element of cost or other compensation requested and of all elements of additional time required, and copies of any supporting documents evidencing the amount or the extension of time claimed to be due.

D. Dispute Resolution: In the event of a dispute between the City and the Contractor arising out of this Agreement, or any obligation hereunder the dispute shall first be referred to the representatives designated by the City and the Contractor to have oversight over the administration of this Agreement. Said representatives shall meet within thirty (30) calendar days of receipt of detailed claim, and the parties shall make a good faith effort to achieve a resolution of the dispute. In the event the parties are unable to resolve the dispute under the procedure set forth above, then the parties hereby agree that the matter shall be referred to mediation. The parties shall mutually agree upon a mediator to assist them in resolving their differences. Any expenses incidental to mediation shall be borne equally by the parties. If either party is dissatisfied with the outcome of the mediation, that party may then pursue any available judicial remedies.

28. Force Majeure. Neither party shall be liable to the other or deemed in breach or default for any failure or delay in performance under this Agreement during the time and to the extent its performance is prevented by reasons of Force Majeure. For the purposes of this Agreement, Force Majeure means an occurrence that is beyond the reasonable control of and without fault or negligence of the party claiming force majeure and which, by exercise of due diligence of such party, could not have been prevented or overcome. Force Majeure shall include natural disasters, including fire, flood, earthquake, windstorm, avalanche, mudslide, and other similar events; acts of war or civil unrest when an emergency has been declared by appropriate governmental officials; acts of civil or military authority; freight embargoes; epidemics; pandemics; quarantine restrictions; labor strikes; boycotts; terrorist acts; riots; insurrections; explosions; and nuclear accidents. A party claiming suspension or termination of its obligations due to force majeure shall give the other party prompt written notice of the impediment and its effect on the ability to perform, with such notice to be provided no more than two (2) working days after the force majeure event or reasonable discovery of the event's impact on performance. Failure to provide such notice shall preclude recovery under this provision. Such delay shall cease as soon as practicable

and written notification of same shall be provided. The time of completion shall be extended by Agreement modification for a period of time equal to the time that the results or effects of such delay prevented the delayed party from performing in accordance with this Agreement. Rights Reserved: The City reserves the right to cancel the Agreement and/or purchase materials, equipment or services from the best available source during the time of force majeure, and Contractor shall have no recourse against the City.

29. Governing Law. This Agreement shall be governed by and construed under the laws of the State of Washington. Any action brought under the Agreement or relating to the Project shall be brought in the Superior Court of the State of Washington in Skagit County Washington.

30. Compliance with Laws. The Contractor in the performance of this Agreement shall comply with all applicable Federal, State or local laws and ordinances, including regulations for licensing, certification and operation of facilities, programs and accreditation, and licensing of individuals, and any other standards or criteria as described in the Agreement to assure quality of services. Contractor will follow all applicable laws and requirements for excavation and disposal of material.

31. Severability. If any term or condition of this Agreement or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application. To this end, the terms and conditions of this Agreement are declared severable.

32. Survival of Contract Termination. The provisions of the following paragraphs, the provisions of the non collusion affidavit, and the liability of the Contractor for default during the term of the Contract shall survive, notwithstanding the termination or invalidity of this Contract for any reason: Taxes; Warranty; The City's Right to Terminate Contract; Governing Law; Indemnification / Hold Harmless; Disputes.

33. Notices. Receipt of any notice shall be deemed effective three days after deposit of written notice in the U.S. mail, with proper postage and properly addressed. Notices shall be sent to the following addresses:

CITY:

City of Anacortes
Tiffany Matson
904 6th Street
PO Box 547
Anacortes, WA 98221

CONTRACTOR:

Sioux Falls Tower Specialists Inc., DBA VIKOR
Jaymie Love
4300 N Northview Ave
Sioux Falls, SD 57107

APPENDIX A

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

1. **Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Acts and the Regulations relative to Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, Washington State Department of Transportation, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Non-discrimination:** The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21.
3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Acts and the Regulations relative to Non-discrimination on the grounds of race, color, or national origin.
4. **Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Recipient or the Washington State Department of Transportation to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the Recipient or the Washington State Department of Transportation, as appropriate, and will set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of a contractor's noncompliance with the Non-discrimination provisions of this contract, the Recipient will impose such contract sanctions as it or the Washington State Department of Transportation may determine to be appropriate, including, but not limited to:
 - a. withholding payments to the contractor under the contract until the contractor complies; and/or
 - b. cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with respect to any subcontract or procurement as the Recipient or the Washington State Department of Transportation may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the Recipient to enter into any litigation to protect the interests of the Recipient. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

APPENDIX E

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

Pertinent Non-Discrimination Authorities:

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



City Council Agenda Bill

Meeting Date: November 20, 2023 **Agenda Item:** 7.e.

Agenda Item Title: Public Works Committee Recommendations

Staff Contact(s): Andrew Rheume

Approved for Submittal to Council by **Action Type**

Sidney Neel
Andrew Rheume

Discussion

Item Summary: The City of Anacortes Public Works Committee consisting of three council members, the Public Works Director, and Public Works Division Managers, met on 11/6/23 from 5PM-6PM to discuss parking and traffic issues submitted by constituents and staff. The issues and recommendations will be presented for discussion, and if the Committee's recommended code changes are approved, a parking code amendment will be drafted and presented to City Council for a vote to codify.

Budget Impact:

Previous Action:

Recommended Motion:

Alternative Actions:

Attachments (listed in order presented):

1. COA PW Committee Parking and Traffic Recommendations 11-7-23
2. Public Works Committee Parking and Traffic Recommendations



November 7, 2023

Subject: City of Anacortes Public Works Committee Parking and Traffic Requests Recommendations

The City of Anacortes Public Works Committee consists of three council members, the Public Works Director, and Public Works Division Managers. The Public Works Committee met on 11/6/23 from 5PM-6PM to discuss parking and traffic issues submitted by constituents and staff. The following issues and recommendations will be presented as a discussion item at a City Council meeting, and if the Committee's recommended code changes are approved, a parking code amendment will be drafted and presented to City Council for a vote to codify.

The following list provides the parking issue and the Committees recommendation:

1. Sands Way: Request to change parking to 2 hours due to lack of parking spots.
 - a. Recommendation: No action recommended. The road is 36 feet wide, which allows for two driving lanes, and two parking lanes. Over 90 parking spots on the road.
2. Coho Lane request: request to add no trailer parking on Coho Lane.
 - a. Recommendation: Add Coho Lane, Geer Lane, Pacific Ave, Sunset Ave, and Strom Place to the "no trailer parking" section of AMC 10.12.
3. 17th Street and Georgia Ave. request: Add no parking signs from the intersection of 17th and Georgia to the straightaway on 17th Street.
 - a. Recommendation: No action on code change or signage. Road width at this area does not allow enough space for parking. Will monitor the area for people parking on this stretch of road. If the issue persists, it can be revisited.
4. Cay Way request: change the code from 72-hour parking to 24-hour parking and add signage to the street.
 - a. Recommendation: No action on code change or signage, and forward issue to Anacortes Police Department for parking enforcement.
5. 6th Street (between T Ave and Market Street) request: add diagonal parking to the north side of 6th Street.
 - a. Initial recommendation during committee meeting: Measure street width to determine if there is enough space for diagonal parking. If there is enough space, add this portion of 6th Street to the diagonal parking section of AMC 10.12.
 - i. Measurement of the road determined the right of way is adequate for parallel parking, but there is not enough right of way to add diagonal parking. Adding diagonal parking would project out into the westbound lane to a point close to the existing center line. We could shift the eastbound lanes over to the curb edge on the south to make the diagonal spots fit, but then we would lose 10 spots. (23 with diagonal and 33 existing with parallel).
 - b. New recommendation after road measurement: Decline the request for diagonal parking. Leave the existing parallel parking.



6. 6th Street (from K Ave to L Ave) request:

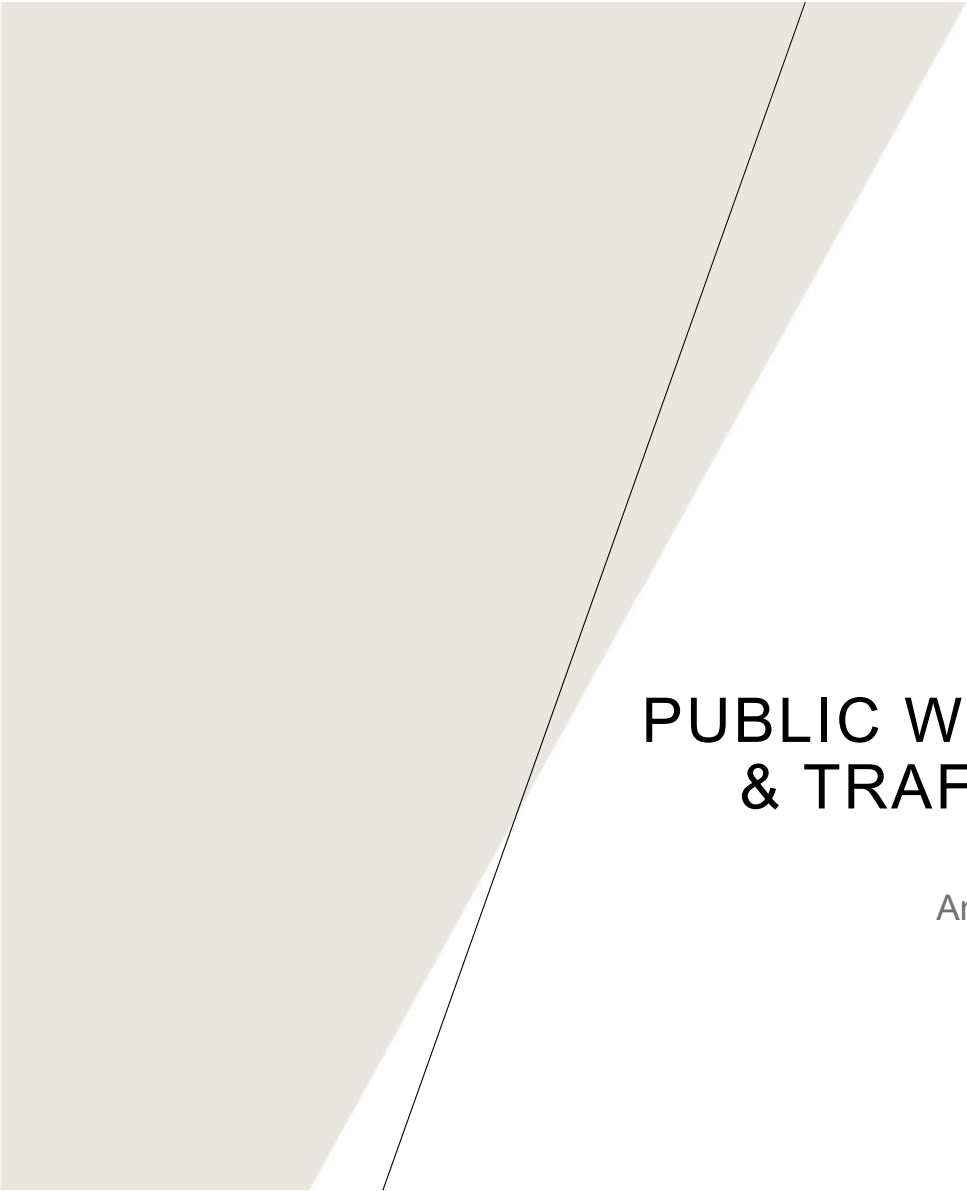
Extend the Guemes Ferry holding lane further down along this block of 6th Street and cross hatch the driveways.

- a. Initial recommendation during committee meeting: Measure road width, and if width allows for ferry lane extension, amend AMC 10.12 to extend Guemes Ferry holding lane from K Ave to L Ave.
 - i. Measurement of this area has concluded that there is not enough room to add a ferry lane from K Ave to L Ave and keep the same parallel parking as blocks to the west. There is 3' less of right of way. Being that it is a designated truck route, you need 11' minimum for the route lanes, this leaves you with only 6' of ferry lane.
 - b. New recommendation after toad measurement: Take no action on extending the ferry lane from K Ave to L Ave.
7. Market Street request: Add all of Market Street to no parking zone.
- a. Recommendation: Work with the Port of Anacortes on adding Market Street to no parking section of AMC 10.12. If in agreement, add Market Street to AMC 10.12.
8. Intersection of 32nd Street and Commercial Avenue request: Change the 32nd Street eastbound and westbound inside lanes to left turn only onto northbound and southbound Commercial Avenue, change signal to have left turn only signal, and change 32nd Street outside lanes to straight or right turn only.
- a. Recommendation: This change would require WSDOT to change the function of this intersection, creating longer signal wait times for traffic on SR20 Spur. Staff will reach out to WSDOT to explore if WSDOT would consider this change and what information/traffic study would be necessary to make this change.

Please contact me if you have any questions or concerns regarding these recommendations.

Thank you,

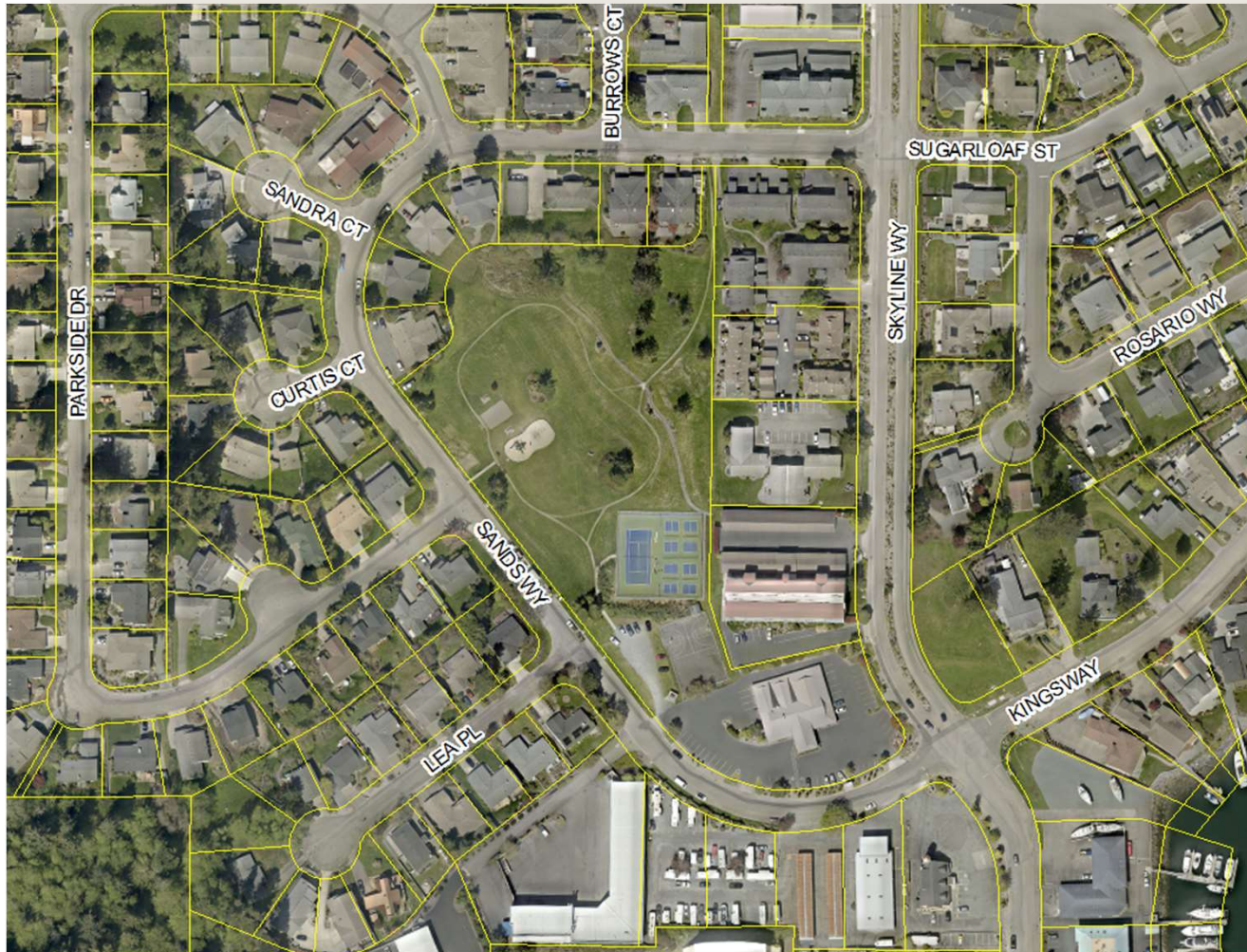
Sidney Neel
Public Works Administrator
City of Anacortes



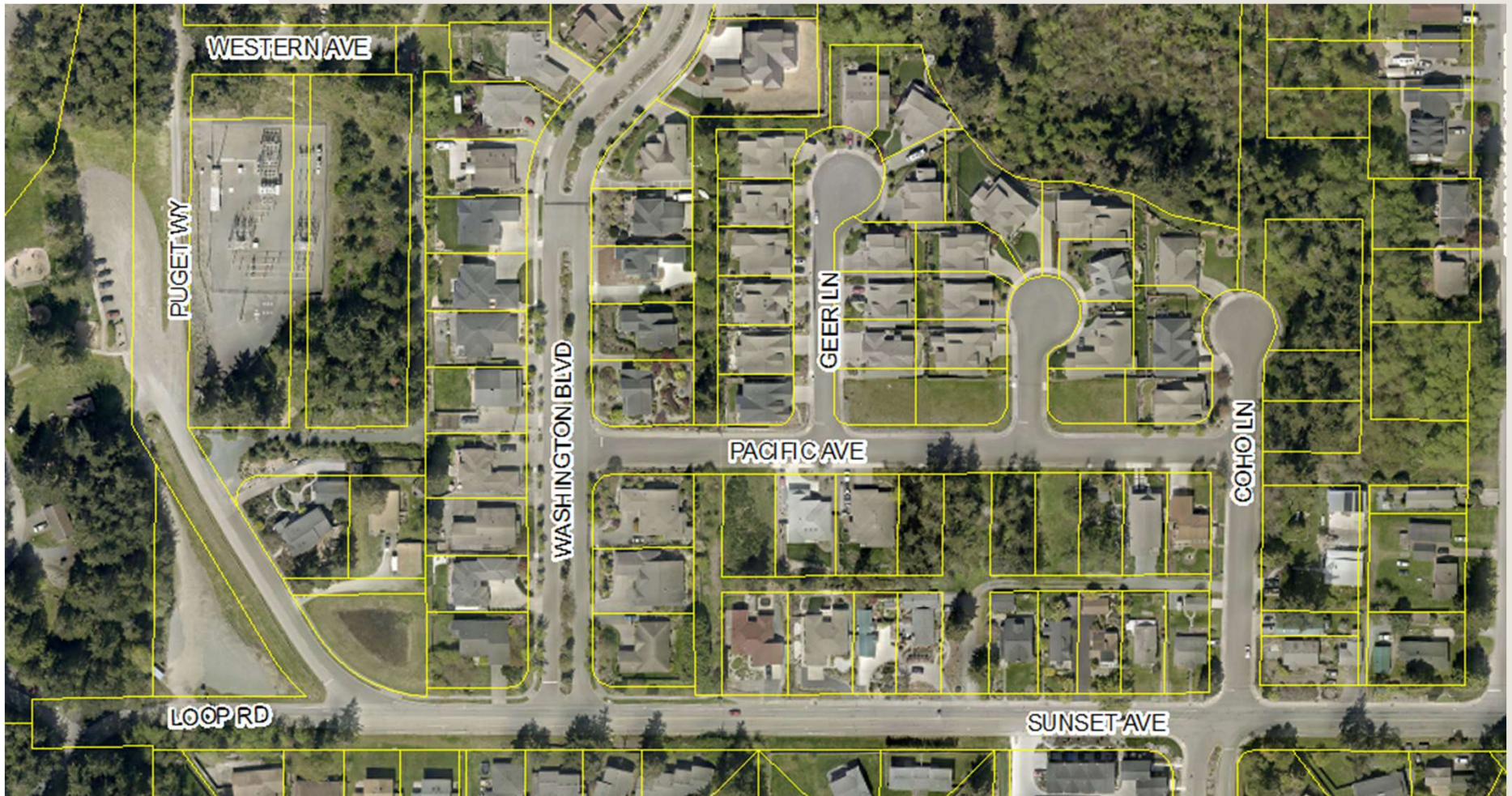
PUBLIC WORKS COMMITTEE PARKING & TRAFFIC RECOMMENDATIONS

Andy Rheume, Public Works Director

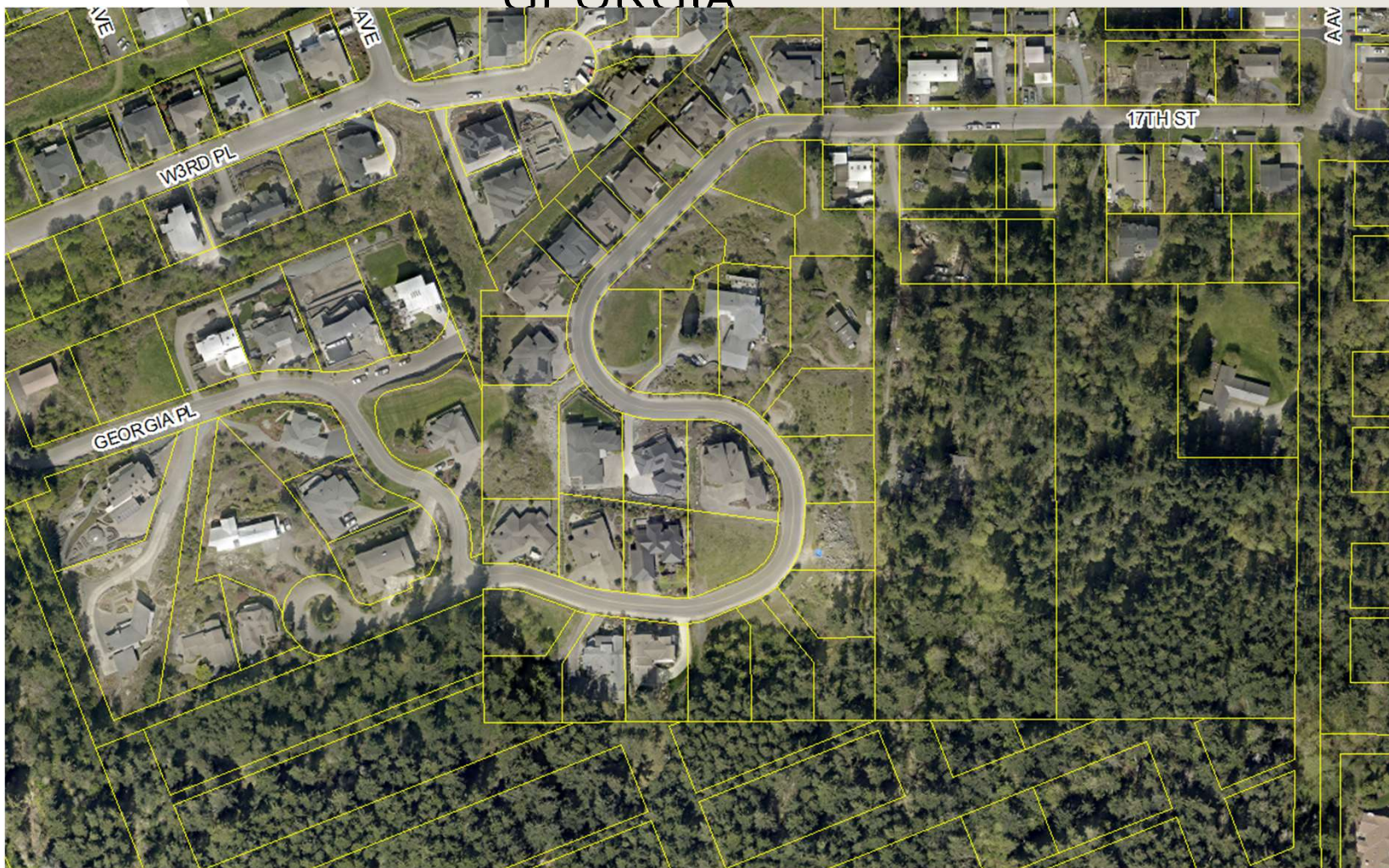
SANDS WAY



COHO LANE



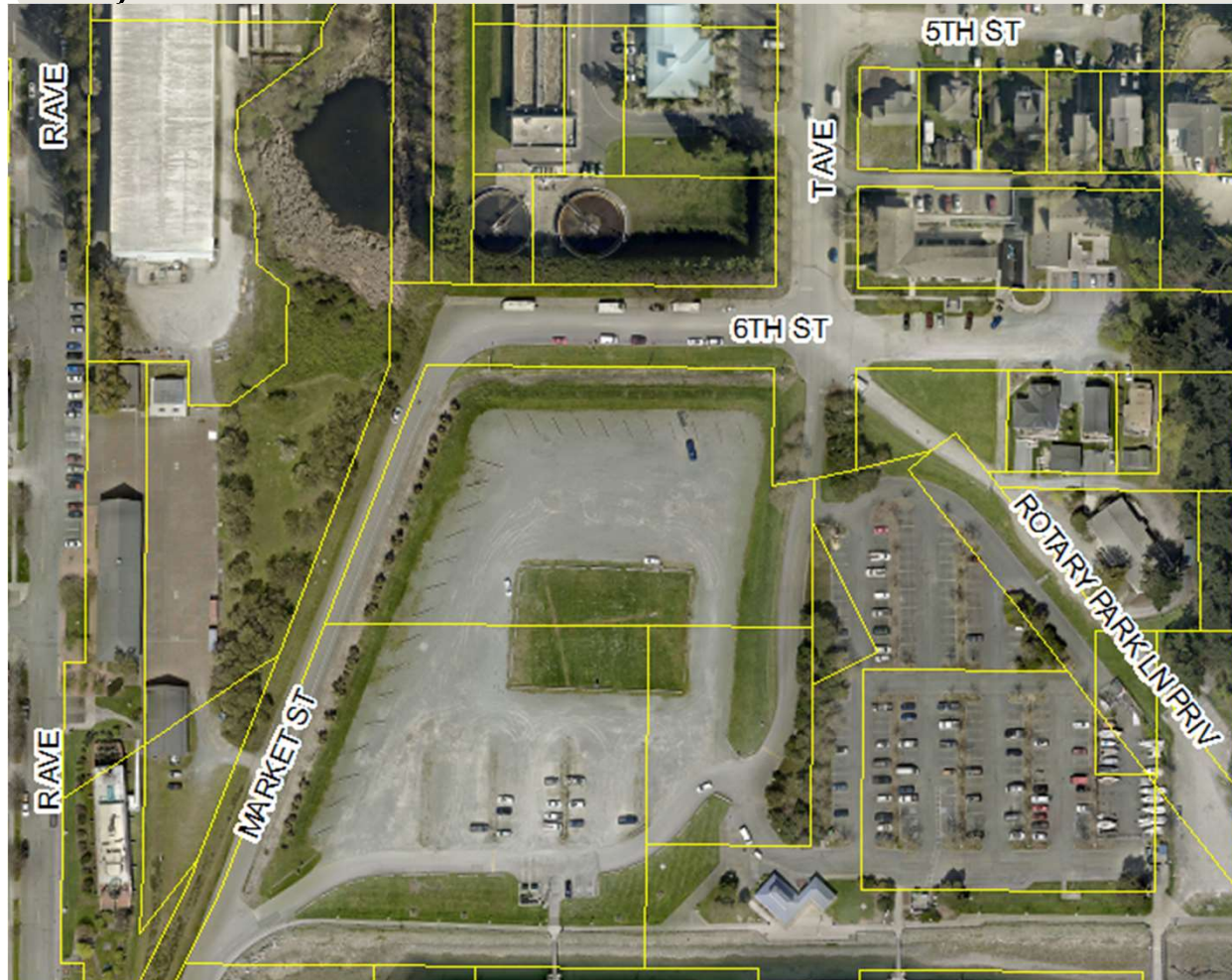
17TH AND GEORGIA



CAY WAY



6TH STREET (BETWEEN MARKET ST. AND T AVE.)



6TH STREET (FROM K AVE. TO L AVE.)



MARKET STREET



32ND ST. AND COMMERCIAL AVE. INTERSECTION

