

Our mission is to maintain and improve the quality of life reflecting community expectations through a focus on public participation and employees-mayor-council teamwork.



**Anacortes City Council
NOTICE OF SPECIAL MEETING**

February 25, 2019
5:00 p.m.

Municipal Building Council Chambers
904 6th Street

NOTICE IS HEREBY GIVEN that the regular Anacortes City Council meeting of February 25, 2019 will begin at 5:00 p.m.

The Planning Committee meeting scheduled for 5:00 p.m. on February 25, 2019 has been cancelled.

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**Distribution: City Council
Media**



Anacortes City Council
Municipal Building Council Chambers
904 6th Street

February 25, 2019
5:00 p.m.

PRELIMINARY AGENDA

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

1. **Call to Order**
2. **Pledge of Allegiance**
3. **Announcements and Committee Reports**
 - a. Parks & Recreation Committee
 - b. Councilmember Liz Lovelett
4. **Public Comment**
5. **Consent Agenda (Action)**
 - a. Approval of Claims in the amount of: \$273,597.41
 - b. Contract Award: Slurry Seal 2019 19-008-TRN-001
 - c. Contract Award: 2019-2020 Janitorial Services #19-022-FAC-001
 - d. Amendment 1 to Interlocal Agreement C20180481: Skagit County, Emergency Medical Services System Delivery Agreement
6. **Public Hearings**
 - a. * Public Hearing: Ordinance 3037: Vacating the Alley in Block 31 "Map of the City of Anacortes" (Discussion/Possible Action)
7. **Other Business**
 - a. * Resolution 2035: Anacortes Maritime Strategic Plan (Discussion/Possible Action)
 - b. * Resolution 2032: Ratifying TBD Vehicle License Tab Repeal and Transportation Sales Tax (Discussion/Possible Action)
 - c. Ordinance 3038: Establishing AMC Chapter 19.68, Wireless Service Facilities and Ordinance 3039: Establishing AMC Chapter 5.38, Public Utility and Telecommunications Right-of-Way Use (Action)
 - d. Contract Award: Water System Earthquake Early Warning System - Phase 1 & 2, #19-038-WTR-001 (Action)
 - e. * Resolution 2036: Adopting Unified Fee Schedule with Revised Sewer Rates (Discussion/Possible Action)
 - f. * Ordinance 3036: Municipal Code Chapter 1.30, Contracting (Discussion/Possible Action)
 - g. * Resolution 2030: Purchasing Policy (Discussion/Possible Action)
8. **Adjournment**

Per Resolution 1949, 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.*



Anacortes City Council

Proposed Agenda Items for the Next Eight Weeks Beginning March 4, 2019

Subjects listed below have been tentatively suggested for consideration by the Anacortes City Council on the dates indicated. Items may be added to, removed from or rearranged on this list. Routine business such as approval of minutes and vouchers are not included. The complete Preliminary Agenda for each meeting is published at 3:00 on the Wednesday prior to the meeting. Published Agendas are subject to change and may be updated following the posting period. For additional information on agenda topics, please contact the City Clerk's office at 360-299-1960 to be directed to the sponsoring staff member.

March 4, 2019

- Interlocal 267 Amendment 1 with Skagit County - BLS OTEP Training Hub
- Public Hearing: Ordinance 3030: Fire Impact Fees (Discussion/Possible Action)
- Ordinance 3035: Safety Suggestion Incentive Program for Employees (Discussion/Possible Action)
- Contract Award: WTP SCADA Systems Upgrade - Engineering Services Phase 1 #19-031-WTR-001 (Action)
- Executive Session (30 Minutes) : Potential Litigation or Litigation per RCW 42.30.110 (i)

March 11, 2019

- Contract Award: Emergency Management Services 19-015-IDS-001
- Planning Commission Recommendation: Development Regulations and Zoning Map Amendments (Discussion)
- Presentation: Museum Newspapers Exhibit Opening March 13 (Discussion)

March 18, 2019

- Planning Commission Recommendation: Development Regulations and Zoning Map Amendments (Discussion)

March 25, 2019

- Planning Commission Recommendation: Development Regulations and Zoning Map Amendments (Discussion)

April 1, 2019

April 8, 2019

April 15, 2019

April 22, 2019

Upcoming City Council Committee Meetings

The public is welcome to attend City Council Committee Meetings.

- Planning - CANCELLED, Monday, Feb 25, 2019, 5:00 PM, Main Conference Room, City Hall
- Public Works, Monday, Mar 4, 2019, 5:00 PM, Main Conference Room, City Hall
- Port/City Liaison, Tuesday, Mar 5, 2019, 8:30 AM, Port of Anacortes
- Planning, Monday, Mar 11, 2019, 5:00 PM, Main Conference Room, City Hall
- Skagit County Law & Justice Council, Wednesday, Mar 13, 2019, 8:15 AM, Mount Vernon
- Finance, Wednesday, Mar 13, 2019, 5:00 PM, Main Conference Room, City Hall
- Public Works, Monday, Mar 18, 2019, 5:00 PM, Main Conference Room, City Hall

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 February 25, 2019 City Council meeting:
[Download this file in OpenDocument spreadsheet format.](#)

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
245505	12/5/2018	2365	ELOGGER INC.	WWTP ELECTRONIC LOG BOOK	\$ 24,700.00	dwwtp
245343	1/4/2019	19-00280	EDGE ANALYTICAL, INC	WATER SAMPLES	\$ 24.00	wdist
245504	1/10/2019	0043161-IN	TMG SERVICES, INC	WWTP DEOX 2000 SERVICE VISIT	\$ 1,342.42	dwwtp
245503	1/16/2019	1/16/19	MCCOOL CONSTRUCTION CO	2101 COMMERCIAL AVE SIDEWALK IMPROVEMENTS	\$ 2,604.00	pw1
245342	1/18/2019	19-02272	EDGE ANALYTICAL, INC	WATER SAMPLES	\$ 20.00	wdist
245437	1/18/2019	760	GCR TIRES & SERVICES	SUPPLIES- VEH #511	\$ 295.27	dshop
244507	1/18/2019	B09536543	SHI INTERNATIONAL CORP.	ADOBE LICENSES	\$ 2,446.24	infosys
245389	1/24/2019	43681	ADGRAPHIX, LLC	POLICE CAR GRAPHIC PACKAGES	\$ 310.00	dshop
245552	1/25/2019	148200	INFOSEND, INC.	JANUARY 2019 STATEENT PROCESSING	\$ 3,482.04	finance
244937	1/29/2019	4-674-02405	FEDEX	ESPRI SHIPMENTS X 2	\$ 492.25	dwwtp
245393	1/29/2019	102057	THE HOSE SHOP, INC	TUBING	\$ 13.02	dwwtp
245355	1/31/2019	243	BOYS & GIRLS CLUBS	JANUARY - LUNCH PROGRAM SERVICE PROVISION	\$ 540.00	finance
245294	1/31/2019	3885547	KORTERUD, WAYNE D	EYEWARE AND FRAMES COPAY, LEOFF1 RETIREE DOS: 1/31/19	\$ 379.96	hr
245440	1/31/2019	1855653	MWH CONSTRUCTORS INC	BLUE HERON CIRCLE RESERVOIR - CONSTRUCTION MGMNT SRVCS 8/6/18-1/31/19	\$ 19,421.39	pw1
245509	1/31/2019	IN930265	NOANET	PHASE 3 AND CBD FIBER NETWORK OPS, GIS, AND ENGINEERING SUPPORT	\$ 4,835.00	hr
245516	1/31/2019	IN930266	NOANET	CBD ENGINEERING SUPPORT - TRAVEL EXPENSES	\$ 113.37	pw1
245535	1/31/2019	0000643587	OCLC, INC	CATALOGING, ILL, FIRSTSEARCH/WORLDCAT DISCOVERY	\$ 358.15	publib
245529	1/31/2019	4425	PUBLIC SAFETY TESTING, INC	PRE-EMPLOYMENT PSYCHOLOGICAL EXAM; MOWRER	\$ 434.00	apd
245519	1/31/2019	29127	REICHHARDT & EBE ENGINEERING	SHIP HARBOR & SR20 INTERSECTION - JAN 2019	\$ 2,303.33	pw1
245442	1/31/2019	1185	SKAGIT CONSERVATION DISTRICT	NPDES II OUTREACH & EDUCATION - JANUARY 2019	\$ 1,585.05	pw1
245449	1/31/2019	0173	SKAGIT COUNTY SOLID WASTE FUND	JANUARY TONNAGE HAULED	\$ 74,881.94	dshop
245540	1/31/2019	601220-0	SKIDMORE PHARMACY INC.	LIDDLE, COPAY, LOEFF1 RETIREE	\$ 7.00	hr
245541	1/31/2019	601217-0	SKIDMORE PHARMACY INC.	OLEARY, COPAY, LEOFF1 RETIREE	\$ 25.44	hr
245542	1/31/2019	601218-0	SKIDMORE PHARMACY INC.	STRICKERT, BOB, PHARMACY COPAY, LEOFF2 RETIREE	\$ 3.00	hr
245161	1/31/2019	114-8007385	UNITED SITE SERVICES, INC	2100 PENNSYLVANIA AVE PORTA-POTTIE RENTAL 1/1/19-1/31/19	\$ 139.60	dwwtp

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
245444	1/31/2019	206252	WIDENER & ASSOCIATES	SK RIVER 42" WATER LINE - DESIGN ASSISTANCE & PERMITTING - JAN 2019	\$ 2,385.60	pw1
245533	2/1/2019	200000667101	PUGET SOUND ENERGY INC	LIBRARY 1220 10TH 12/7/2018 - 1/5/2019	\$ 2,312.09	publib
245507	2/2/2019	January 2019	BROOKS MIDDLETON ARCHITECT	FIRE STATION 3 UPGRADES - DESIGN - JANUARY 2019	\$ 3,271.25	medic
245351	2/4/2019	0736466	FERGUSON ENTERPRISES, INC	INTAKE VALVES	\$ 1,142.59	dwtpt
245428	2/4/2019	11323237	HACH COMPANY	STABICAL TURBIDITY STANDARD X 4	\$ 629.03	dwtpt
245479	2/4/2019	43000087764	LES SCHWAB TIRE CENTERS	CHAINS- VEH #100	\$ 112.25	dshop
245340	2/4/2019	92780	SKAGIT RIVER STEEL &	STEEL- WATER DEPT	\$ 35.65	wdistcc
245160	2/4/2019	S20183120	SUPERIOR SYSTEMS, INC	INTAKE REPAIRS	\$ 2,831.85	dwtpt
245392	2/4/2019	102183	THE HOSE SHOP, INC	O-RINGS	\$ 8.95	dwtpt
245295	2/4/2019	R40335867	YOURMEMBERSHIP.COM, INC.	ALA JOB POSTING, LIBRARIAN	\$ 325.00	hr
245508	2/5/2019	18606.00-5	GRAY & OSBORNE INC	2MG RESERVOIRS INSPECTION AND ANALYSIS - 1/6/19-2/2/19	\$ 530.81	pw1
245427	2/5/2019	11325178	HACH COMPANY	CL17 FREE CHLORINE REAGENT SETS X 11	\$ 735.52	dwtpt
245354	2/5/2019	007J8956	HARRINGTON INDUSTRIAL	GAUGE GUARD FOR HYPO	\$ 311.91	dwtpt
245302	2/5/2019	ReimbJordan	JORDAN, LANCE	REIMBURSEMENT FOR MILEAGE	\$ 23.20	dshop
245299	2/5/2019	220015523313	PUGET SOUND ENERGY INC	CAR CHARGING STATION 1/5-2/4/19	\$ 81.49	dshop
245285	2/5/2019	2019	SKAGIT COUNTY DISTRICT COURT	1ST QTR JUDICIAL SERVICES	\$ 17,268.50	court
245446	2/5/2019	1269450	SURETY PEST CONTROL	OPS: MONTHLY PEST MAINTENANCE	\$ 65.10	dshop
245532	2/6/2019	INV-US-40482	ENVISIONWARE INC	SOFTWARE AND SUPPORT SERVICES	\$ 1,025.00	publib
245489	2/6/2019	TB-190440289	GOOD TO GO!	TOLL FEE FOR CITY VEHICLE	\$ 16.00	dshop
245487	2/6/2019	08392	LOWE'S BUSINESS ACCOUNT/GEMB	TIE-DOWN STRAPS, HEATER	\$ 99.07	dwtpt
245163	2/6/2019	2353	NW COMMUNICATIONS, INC	MOUNT CONSTITUTION REPEATER SITE RENTAL SEPT 2018 - FEB. 2019	\$ 1,041.60	dwtpt
245445	2/6/2019	638	POHLI, INC	2019 WTP LAB EQUIPMENT PREVENTATIVE MAINTENANCE - JAN 2019	\$ 1,420.98	dwtpt
245447	2/6/2019	220013297498	PUGET SOUND ENERGY INC	CASINO DR UNDER TWIN BRIDGES- ELECTRICITY	\$ 75.73	dshop
245518	2/7/2019	1061309	BUILDERS EXCHANGE OF	HOSTING OF BID DOCS FOR 2019 WATERLINE AND SLURRY SEAL 2019	\$ 90.00	pw1
245482	2/7/2019	84000227410	LES SCHWAB TIRE CENTERS	CHAINS- VEH #053	\$ 101.21	dshop
245289	2/7/2019	2/7/19	WELCH, REBECCA	2/7/2019 JURY SUPPLIES	\$ 48.23	court
245347	2/8/2019	19-03941	EDGE ANALYTICAL, INC	WTP BAC T ANALYSIS	\$ 49.00	dwtpt
245348	2/8/2019	19-04603	EDGE ANALYTICAL, INC	TCR BOOSTERS	\$ 165.00	dwtpt
245344	2/8/2019	0739399	FERGUSON ENTERPRISES, INC	WATER PARTS	\$ 18,168.33	wdist
245436	2/8/2019	101740137	RICOH USA, INC	S/N C32029555 CITY HALL COPIER 3RD 02/01-02/28/19	\$ 377.30	finance
245448	2/8/2019	0236771-IN	SIRENNET.COM	PARTS- VEH #210	\$ 318.01	dshop
245506	2/8/2019	808257	USA BLUE BOOK	WTP LAB GRADUATED CYLINDERS X 2	\$ 19.64	dwtpt
245345	2/8/2019	1747809	WASHINGTON TRACTOR, INC	WATER PUMP	\$ 1,643.46	wdist

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
245390	2/9/2019	78001	LAKESIDE INDUSTRIES, INC.	ROCK SALES	\$ 183.32	dshop
245349	2/9/2019	000099E018069	UNITED PARCEL SERVICE, INC	WATER SAMPLE SHIPMENTS TO ESPRI X 2	\$ 700.81	dwtpt
245426	2/11/2019	8498 30 017 0464628	COMCAST	WA PARK INTERNET 2/21-3/20/19	\$ 106.12	finance
245164	2/11/2019	1105028113	FERRELLGAS, LP	WTP PROPANE	\$ 71.74	dwtpt
245502	2/11/2019	300000305007	PUGET SOUND ENERGY INC	SKYLINE ST LIGHTS / METER VAULTS	\$ 459.23	dshop
245515	2/11/2019	300000290027	PUGET SOUND ENERGY INC	WTP RESERVOIR & PUMP STATION (1/5-2/4/19)	\$ 3,695.12	dwtpt
245526	2/11/2019	300000290035	PUGET SOUND ENERGY INC	ELECTRICITY	\$ 599.06	museum
245281	2/11/2019	B09504490	SHI INTERNATIONAL CORP.	MICROSOFT SELECT PLUS AGREEMENT	\$ 5,817.01	infosys
245435	2/11/2019	P10590-09	SONSRAY MACHINERY, LLC	PARTS- VEH #403	\$ 266.49	dshop
245534	2/11/2019	386664	SUN BADGE CO.	NEW BADGES FOR PROMOTIONS AND NEW OFFICERS	\$ 599.50	apd
245352	2/12/2019	12218	DALCO INC	PORTABLE DIESEL HEATER REPAIR	\$ 254.90	dwtpt
245276	2/12/2019	9020577002	LANGUAGE LINE SERVICES	INTERPRETER SERVICES	\$ 7.69	court
245278	2/12/2019	26717	PACIFIC SECURITY	SECURITY FOR COURT PROCEEDINGS JAN 2019	\$ 595.00	court
245443	2/12/2019	11672	SKILLINGS CONNOLLY, INC	WWTP SAMPLING AND ANALYSIS PLAN (SAP) - 12/26/18-1/25/19	\$ 1,015.56	dwtpt
245275	2/12/2019	20382	THE LANGUAGE EXCHANGE INC	INTERPRETER SERVICES FOR COURT	\$ 600.00	court
245429	2/13/2019	19-04966	EDGE ANALYTICAL, INC	BAC T ANALYSIS	\$ 15.00	dwtpt
245438	2/13/2019	1200172646	HDR ENGINEERING, INC	SANITARY SEWER STORAGE STUDY - 12/20/18-2/2/19	\$ 17,893.15	pw1
245434	2/13/2019	3-111197	LOUIS AUTO GLASS INC.	WINDSHIELD- VEH #510	\$ 326.11	dshop
245522	2/13/2019	001-425663	PISTON SERVICE OF ANACORTES	MISC FILTERS- SHOP STOCK	\$ 233.25	dshop
245425	2/13/2019	3832.83	SCOTT RICHARDS INSURANCE, INC	RENEW POLCIY GENERAL LIABILITY	\$ 3,832.83	finance
245481	2/13/2019	1150623	SKAGIT PUBLISHING LLC	PUBLISH AA-1865898 AA-1865907 AA-1865964	\$ 328.86	finance
245536	2/13/2019	386946	SUN BADGE CO.	NEW SERGEANT BADGE	\$ 108.75	apd
245346	2/13/2019	331 0447484	UNIFIRST CORPORATION	WTP LAUNDRY SERVICE	\$ 59.49	dwtpt
245386	2/14/2019	1991113559	ARAMARK	APD NYLON MATS CLEANED	\$ 16.28	apd
245433	2/14/2019	1991113566	ARAMARK	OPS: MAT CLEANING 02/14/19	\$ 33.05	dshop
245439	2/14/2019	1991113565	ARAMARK	OPS & PARKS LAUNDRY SVC FOR	\$ 69.19	finance
245430	2/14/2019	19-04847	EDGE ANALYTICAL, INC	BAC T ANALYSIS	\$ 49.00	dwtpt
245537	2/14/2019	WABUR209083	FASTENAL COMPANY	CLAMPS X 50	\$ 177.72	dwtpt
245530	2/14/2019	132836	FIDALGO ANIMAL MEDICAL CENTER	K9 T-BONE WELLNESS EXAM	\$ 24.96	apd
245500	2/14/2019	007J9054	HARRINGTON INDUSTRIAL	CHECK VALVES X 3	\$ 181.39	dwtpt
245385	2/14/2019	REIMB	HATCHER, TYLER	K9 HANDLER TRAINING PER DIEM; OFC HATCHER (WEEK 1-3)	\$ 676.00	apd
244514	2/14/2019	B09527038	SHI INTERNATIONAL CORP.	IT COMPUTER ITEMS	\$ 1,497.30	infosys
245391	2/14/2019	COA0219	SYSTEMS DESIGN WEST, LLC	AMBULANCE BILLING JANAURY	\$ 3,711.50	finance

Invoice Doc #	Transaction Date	Invoice #	Vendor Full Name	Description	Total Amount	Approval Queue
245525	2/14/2019	813499	USA BLUE BOOK	FLOAT SWITCH X 2	\$ 191.93	dwtp
245490	2/15/2019	0498-JAN19	CAMPBELL LAW FIRM	PUB DEF CONFL	\$ 83.00	court
245491	2/15/2019	0454-JAN19	CAMPBELL LAW FIRM	PUB DEF CONFL	\$ 144.50	court
245492	2/15/2019	0414-JAN19	CAMPBELL LAW FIRM	PUB DEF CONFL	\$ 25.50	court
245494	2/15/2019	0447-JAN19	CAMPBELL LAW FIRM	PUB DEF CONFL	\$ 17.00	court
245495	2/15/2019	0475-JAN19	CAMPBELL LAW FIRM	PUB DEF CONFL	\$ 42.50	court
245496	2/15/2019	0240-JAN19	CAMPBELL LAW FIRM	PUB DEF CONFL	\$ 68.00	court
245497	2/15/2019	0520-JAN19	CAMPBELL LAW FIRM	PUB DEF CONFL	\$ 603.50	court
245499	2/15/2019	19-05215	EDGE ANALYTICAL, INC	TCR BOOSTERS	\$ 165.00	dwtp
245431	2/15/2019	6002037414	ENDRESS + HAUSER, INC	SCRUBBER PH PROBE	\$ 780.45	dwwtp
245517	2/15/2019	GIS-8713	GEOGRAPHIC INFORMATION	GIS SUPPORT THROUGH 1/31/19	\$ 651.00	pw1
245485	2/15/2019	SIGURD JAN19	JULIE C. WALTERS	PUB DEF CONFL	\$ 306.00	court
245488	2/15/2019	PUB DEF JAN19	JULIE C. WALTERS	PUB DEF COVER	\$ 221.00	court
245483	2/15/2019	6-37 JAN19	SKAGIT COUNTY INVESTIGATIONS	PUB DEF INVEST	\$ 206.25	court
245484	2/15/2019	6-38 JAN19	SKAGIT COUNTY INVESTIGATIONS	PUB DEF INVEST	\$ 123.75	court
245523	2/16/2019	812-1428	GCR TIRES & SERVICES	SERVICE- VEH #511, #512, #514	\$ 199.64	dshop
245528	2/16/2019	00005W5A83079	UNITED PARCEL SERVICE, INC	UPS SHIPPING CHARGES WEEK ENDING 2-16-19	\$ 9.26	apd
245493	2/18/2019	C28404	ACE HARDWARE	SAFETY GLASSES X 2	\$ 25.37	dwtp
245498	2/18/2019	19-05227	EDGE ANALYTICAL, INC	BLUE HERON FLUORIDE ANALYSIS	\$ 24.00	dwtp
245527	2/18/2019	021819	FIDALGO CLEANING	APD CLEANING & SUPPLIES	\$ 700.00	apd
245353	2/18/2019	B09537782	SHI INTERNATIONAL CORP.	ACROBAT PRO - PLANNING	\$ 401.75	plan
245531	2/19/2019	800343	BAYSHORE OFFICE PRODUCTS INC	OFFICE SUPPLIES	\$ 9.73	court
245521	2/19/2019	18-006-TRN-0021	LARRY BROWN CONSTRUCTION INC	RETAINAGE RELEASE	\$ 2,866.50	pw1
245524	2/19/2019	300000300008	PUGET SOUND ENERGY INC	ENERGY BILL FOR WWTP AND PUMP STATIONS	\$ 23,265.53	dwwtp
245538	2/19/2019	1150124	SKAGIT PUBLISHING LLC	POSITION AD, PW STREET MAINTENANCE	\$ 714.39	hr
245510	2/19/2019	808438	USA BLUE BOOK	WTP LAB GRADUATED CYLINDERS X 4	\$ 60.66	dwtp

Total **\$273,597.41**



City Council Contract Agenda Bill

Meeting Date: 2/25/2019 **Agenda Item:** 5b

Subject: Contract Award – Slurry Seal 2019 19-008-TRN-001

Staff Contact: Fred Buckenmeyer

Approved for Submittal to Council by:
Darcy Swetnam, City Attorney

Action Type: Contract Award

Summary Statement: City staff seeks City Council consent to award a contract in the amount of \$203,203.00 to Intermountain Slurry Seal, Inc to perform the Slurry Seal 2019 Project. The project provides for the preparation and installation of Slurry Seal Type II to existing asphalt streets, pavement marking removal and replacement, street surface preparation, herbicide application, vegetation trimming, minor structural patching, street sweeping and other work, all in accordance with the Contract Plans, Contract Provisions, and the Standard Specifications. The project is located: City of Anacortes, Sections 23 and 24, T35N, R1E, W.M. Skagit County, Residential streets are an area bounded by D Avenue, 12TH Street/Oakes Avenue (State Route 20), Anacoppermine Road, West 8TH Street, and 17TH Street.

Background:

1. **History:** This slurry seal project is an element of the City's pavement management program. The strategy is to preserve and improve residential roads that are in average to better-than-average condition by protecting them with a sealant to prolong the life of road surfaces by approximately 7 years. This is an inexpensive treatment, allowing the City to attend to other road maintenance priorities without the concern that these roads will fall to an expensive level of maintenance need in the meantime. This contract provides for the preparation and installation of Slurry Seal Type II to existing asphalt streets. The particular roads are chosen from a continuously updated pavement condition report showing where the most concentrated need is, in order to mobilize contractors most efficiently.
2. **Key Terms:**
 - Total contract price of \$203,203.00, sales tax does not apply per Rule 171.
 - Work shall begin within Ten (10) Calendar days from the date of the Notice to Proceed. Physical Completion shall be achieved within Sixty (60) Working days after the work commences. (We plan to issue the Notice to Proceed on July 8th, 2019.)
3. **Competitive Bidding:** On January 23, 2019 the City solicited bids for the subject project and on February 14, 2019 a bid opening was conducted and 4 bids were received. The Engineer's estimate for the project was \$212,000.00. Intermountain Slurry Seal, Inc was determined to be the lowest responsible bidder. Bid results are provided as an attachment hereto.

Previous Council/Committee Action: N/A

Competing Viewpoints Considered: N/A

Recommended Motion: I move that City Council authorize the Mayor to sign contract 19-008-TRN-001 with Intermountain Slurry Seal, Inc in the amount of \$203,203.00 to perform the Slurry Seal 2019 Project.

Alternative Actions: Not award the contract and rebid or cancel the project

Attachments: Bid Results, Vicinity Map, Contract 19-008-TRN-001

Contractor	Intermountain Slurry Seal, Inc
Contract Amount	\$203,203.00
Earmarked Funds	\$1,815,000.00 for Annual Roadway Overlay/Sealing Maintenance
BARS #	104.720.542.30.41
Budget Amendment Required?	No
Start Date	Notice to Proceed
End Date	60 working days

CITY OF ANACORTES

WASHINGTON



PUBLIC WORKS CONSTRUCTION PROJECT BID TABULATION

SLURRY SEAL 2019 PW-19-008-TRN-001				Blackline		Intermountain Slurry Seal		Valley Slurry Seal International		Telfer Pavement Technologies	
ITEM	DESCRIPTION	QTY	UNIT	UNIT \$	TOTAL \$	UNIT \$	TOTAL \$	UNIT \$	TOTAL \$	UNIT \$	TOTAL \$
1	Mobilization	1	LS	\$ 15,000.00	\$ 15,000.00	\$ 20,000.00	\$ 20,000.00	\$ 12,000.00	\$ 12,000.00	\$ 30,000.00	\$ 30,000.00
2	S.P.C.C Plan	1	LS	\$ 1,500.00	\$ 1,500.00	\$ 2,000.00	\$ 2,000.00	\$ 1,453.20	\$ 1,453.20	\$ 1,500.00	\$ 1,500.00
3	Project Temporary Traffic Control	1	LS	\$ 9,000.00	\$ 9,000.00	\$ 22,296.94	\$ 22,296.94	\$ 8,400.00	\$ 8,400.00	\$ 29,000.00	\$ 29,000.00
4	Shoulder & Street Preparation	1	LS	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 5,250.00	\$ 5,250.00	\$ 18,000.00	\$ 18,000.00
5	Street Sweeping	1	LS	\$ 10,000.00	\$ 10,000.00	\$ 12,500.00	\$ 12,500.00	\$ 15,000.00	\$ 15,000.00	\$ 17,000.00	\$ 17,000.00
6	Removal of Pavement Markings	341	SF	\$ 15.00	\$ 5,115.00	\$ 3.00	\$ 1,023.00	\$ 14.70	\$ 5,012.70	\$ 14.00	\$ 4,774.00
7	Slurry Seal, Type 2	74,978	SY	\$ 2.03	\$ 152,205.34	\$ 1.85	\$ 138,709.30	\$ 2.55	\$ 191,193.90	\$ 2.45	\$ 183,696.10
8	Paint Line, 4 Inch	1,616	LF	\$ 3.00	\$ 4,848.00	\$ 0.36	\$ 581.76	\$ 2.10	\$ 3,393.60	\$ 2.00	\$ 3,232.00
9	Plastic Stop Line	341	SF	\$ 15.00	\$ 5,115.00	\$ 12.00	\$ 4,092.00	\$ 12.60	\$ 4,296.60	\$ 12.00	\$ 4,092.00
					\$ 204,783.34		\$ 203,203.00		\$ 246,000.00		\$ 291,294.10

CITY OF ANACORTES

PUBLIC WORKS

ENGINEERING

15 JANUARY 2019 G.H.C.

1 INCH = 1 MILE

SLURRY SEAL 2019

PW-19-008-TRN

GUEMAS ISLAND

GUEMAS CHANNEL

ROSARIO
STRAIT

PROJECT AREA

12TH ST

CAP SANTE

OAKES AVE

CONTRACTOR STAGING
2004 R-AVENUE

FIDALGO
BAY

MARCHES PT

FIDALGO
HEAD

BURROWS
BAY

FIDALGO ISLAND

20 SPUR

20

20

SIMILK
BAY



0 MILE 1
GRAPHIC SCALE

DECEPTION PASS

VICINITY MAP



CONTRACT 19-008-TRN-001

This Contract is between the City of Anacortes, Washington, a Municipal Corporation (herein after referred to as "City") and Intermountain Slurry Seal, Inc., a private contractor at 1120 Terminal Way, Reno, NV 98502 (herein after referred to as "Contractor").

WITNESSETH:

That in consideration of the terms and conditions contained herein and attached and made a part of this agreement, the OWNER and CONTRACTOR hereto covenant and agree as follows:

I. WORK.

The Contractor shall do all work and furnish all tools, materials, equipment, and transportation required for the construction of **Slurry Seal 2019, Project Number PW-19-008-TRN-001** in accordance with and as described in the City of Anacortes document entitled "**Plans, Specifications, and Contract Documents – Slurry Seal 2019**" which is hereby incorporated by reference and made a part hereof, and shall perform any changes to the work in accord with the Contract Documents.

II. ENGINEER.

Unless otherwise specifically stated, the word "Engineer" shall be understood to mean the OWNER'S Project Manager or the OWNER'S authorized representative who will perform the Contract Administration and field inspection responsibilities.

III. CONTRACT TIMES AND LIQUIDATED DAMAGES.

A. Contract Times:

1. Unless modified by the proposal, work shall start within **Ten (10) Calendar** days from the date of the Notice to Proceed. Physical Completion as defined in section 1-08.5 of the Special Provisions shall be achieved within **Sixty (60) Working** days after the work commences. The Contract Time shall commence upon issuance of the Notice to Proceed.

B. Liquidated Damages:

1. If said work is not completed within the time specified for Physical Completion, the Contractor agrees to pay the Owner the sum specified in Section 1-08.9 of the Standard Specifications for each and every working day said work remains incomplete after expiration of the specified time, as liquidated damages.

IV. CONTRACT PRICE.

The OWNER, hereby promises and agrees with the Contractor to retain and does retain the Contractor to provide the materials and to do and cause to be done the above-described work and to complete and finish the same according to the plans and specifications contained in document entitled "**Plans, Specifications, and Contract Documents – Slurry Seal 2019**", and the terms and conditions herein contained, and hereby the OWNER contracts to pay CONTRACTOR for completion of the Work and in accordance to the same and the attached bid schedule, which is included as an Exhibit to this Agreement based upon the Unit Prices shown. The total contract price is **Two Hundred Three Thousand Two Hundred Three Dollars (\$203,203.00)**.

A. Interest:

1. Moneys not paid when due as provided in the General Conditions shall bear interest at the maximum rate allowed by law at the place of the Project.

V. CONTRACTOR REPRESENTATIONS.

In order to induce OWNER to enter in this Agreement, CONTRACTOR'S representations are as set forth as follows:

- A. CONTRACTOR has familiarized him/herself with the nature and extent of the Contract Document, scope of Work, site conditions, locality, general nature of work to be performed by OWNER or others at the site that relates to Work required by the Contract Documents and local conditions and federal, state, and local laws and Regulations that in any manner may affect cost, progress, performance, or furnishing of Work.
- B. CONTRACTOR has carefully studied and examined the supplement, referred to above, which pertain to the conditions (subsurface or physical) to or contiguous to the site which may affect cost, progress, performance, or furnishing of said Work as CONTRACTOR deems necessary for the performance and furnishing of the Work at the Contract Price, within the Contract Times, and in accordance with other terms and conditions of the Contract Documents, including specifically the provisions of the 2012 WSDOT Specifications; and no additional or supplementary examinations, investigations, explorations, tests, reports, or similar information or data are or will be required by CONTRACTOR for such purposes.
- C. CONTRACTOR has reviewed and checked information and data shown or indicated in the Contract Documents with respect to existing Underground Facilities at or contiguous to the site and has included costs as defined by WSDOT Specifications.
- D. CONTRACTOR has correlated information known to CONTRACTOR and results of such observations, familiarizations, examination, investigations, explorations, tests, and studies with Contract Documents.
- E. CONTRACTOR has given OWNER written notice of conflicts, errors, ambiguities or discrepancies that it has discovered in the Contract Documents and the written resolution thereof by OWNER is acceptable to CONTRACTOR, and the Contract Documents are generally sufficient to indicate and convey understanding of terms and conditions for performing and furnishing Work.

VI. CONTRACT DOCUMENTS.

- A. Contract Documents that comprise the entire Agreement between OWNER and CONTRACTOR concerning Work are defined in the WSDOT Specifications.
- B. Exhibits to this Agreement include:
 - 1. Conformed Bid Form signed by CONTRACTOR.
 - 2. Executed Performance Bond
 - 3. Executed Payment Bond.
 - 4. Required documents submitted by the CONTRACTOR prior to the execution of Agreement as identified in the "Instruction to Bidders".

VII. MISCELLANEOUS

- A. No assignment by a party hereto of any rights under or interests in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound, and specifically but without limitation moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment. No assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.
- B. OWNER and CONTRACTOR each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect of all covenants, agreements, and obligations contained in the Contract Documents.
- C. It is further provided that no liability shall attach to the City of Anacortes, Washington, by reason of entering into this contract, except as expressly provided herein.

IN WITNESS WHEREOF the Contractor has executed this instrument on the day and year first below written and the Authorized Official has caused this instrument to be executed by and in the name of the City of Anacortes the day and year first above written.

INTERMOUNTAIN SLURRY SEAL, INC.

CITY OF ANACORTES

Signature

MAYOR

Printed

Date

Title

Date



City Council Contract Agenda Bill

Meeting Date: 2/25/2019 **Agenda Item:** 5c

Subject: Contract Award – 2019-2020 Janitorial Services 19-022-FAC-001

Staff Contact: Fred Buckenmeyer

Approved for Submittal to Council by:
Darcy Swetnam, City Attorney

Action Type: Contract Award

Summary Statement: City staff seeks City Council consent to award a contract in the amount of \$135,736.00 to NW Cleaners to perform the 2019-2020 Janitorial Services. The work provided for contract includes routine janitorial cleaning at 4 city facilities, deep cleaning of the Washington Park public restrooms, stripping and waxing of the Senior Activity Center's hard floors, and as-needed janitorial cleaning of the Senior Activity Center and City Hall when city staff is unavailable due to illness or vacations.

Background:

1. **History:** Services required at the Operations Facility, Library, Fire Station 1, and Water Treatment Plant include, but are not limited to, basic vacuuming, dusting, trash removal, mopping, surface cleaning, and cleaning of restrooms and break rooms. Additionally, deep cleaning of the Washington Park bathrooms is needed 1 to 2 times per year, the stripping and waxing of the hard floors at the Senior Activity Center is needed 2 times per year, and as-needed janitorial services are needed to clean the Senior Activity Center and City Hall when city staff is unavailable. The recommended vendor will provide these cleaning services and cleaning products required for the work. The City will provide paper products and trash liners.
2. **Key Terms:**
 - The contract term is for 2 years – from 1/1/19-12/31/20.
 - Contract is for a fixed price of \$67,868.00 per year, for a two year total of \$135,736.00.
 - Prevailing wages apply and at the end of the first contract year the Contactor shall adjust the prevailing wages paid to its employees to recognize and follow the most recent increases promulgated by L&I, if any. The contract price will be adjusted to reflect any changes in prevailing wage labor costs.
3. **Competitive Bidding:** This work is considered a Purchased Service and not subject to formal bidding requirements. The Project Manager evaluated options and selected NW Cleaners to perform the work.

Previous Council/Committee Action: N/A

Competing Viewpoints Considered: N/A

Recommended Motion: I move that City Council authorize the Mayor to sign contract 19-022-FAC-001 with NW Cleaners in the amount of \$135,736.00 to perform the 2019-2020 Janitorial Services.

Alternative Actions: Not award the contract

Attachments: Contract 19-022-FAC-001

Contractor	NW Cleaners
Contract Amount	\$135,736.00
Budget Amendment Required?	No
Start Date	1/1/2019
End Date	12/31/2020

FACILITY	BARS #	EARMARKED FUNDS PER YEAR
Operations Facility	501.790.548.31.41	2019: \$18,000; 2020: \$18,000
Library	103.440.572.50.41	2019: \$26,244; 2020: \$27,294
Fire Station 1	001.320.522.51.41	2019: \$16,000; 2020: \$16,000
Water Treatment Plant	401.730.534.10.41	2019: \$12,000; 2020: \$12,360
Washington Park	107.410.576.30.41	2019: \$15,000; 2020: \$15,000
Senior Activity Center	001.713.575.50.41	2019: \$15,000; 2020: \$15,000
City Hall	001.713.518.30.41	2019: \$10,000; 2020: \$10,000



Contract 19-022-FAC-001
Between
THE CITY OF ANACORTES
and
NW CLEANERS

2019-2020 JANITORIAL SERVICES

This Agreement, hereinafter referred to as "Agreement", made and entered into between the City of Anacortes, hereinafter referred to as the "City", and NW Cleaners hereinafter referred to as the "Contractor";

WHEREAS, the City requires the janitorial services of the Contractor;

NOW, THEREFORE, in consideration of mutual benefits accruing, it is agreed by and between the parties hereto as follows:

1. **Scope of Work.** Under this Agreement, the Contractor shall provide janitorial services at City of Anacortes facilities, as detailed in Exhibit A Scope of Work, which is hereby incorporated by reference and made a part hereof. Work shall be performed on the schedule listed in Exhibit A and scheduled in advance with the Project Manager, Mr. Mac Jackson who may be contacted at (360) 299-1961 or jacksonm@cityofanacortes.org.

2. **Price.** Pricing shall be fixed as specified in Exhibit A, which is hereby incorporated by reference and made a part hereof. The contract amount per year is \$67,868.00, for a two-year total aggregated contract amount of **One Hundred Thirty-Five Thousand Seven Hundred Thirty-Six Dollars (\$135,736.00)**. However, pricing is subject to a Prevailing Wage adjustment as indicated in this contract. This includes all labor and materials for the project. Before any payment is made by the City of Anacortes of sums under this contract, the contractor must provide a copy of the statement of Intent to Pay Prevailing Wage approved by the Department of Labor and Industries.

3. **Period of Performance.** The period of performance is from January 1, 2019 through December 31, 2020. The specific janitorial schedules for each facility are listed in Exhibit A.

4. **Contractor Work Hours.** Janitorial service will occur after business hours and shall not interfere with regular daily operations at the facilities. Contractor will perform weekly services according to the schedules listed per location in Exhibit A. Contractor is not obligated to perform services on a City of Anacortes recognized holiday. If Contractor is scheduled to provide weekly service that falls on a holiday recognized by the City, Contractor must prearrange service with the Project Manager to either work the day before or the day after the holiday in question.

5. **Subcontracts.** The Contractor shall give notice reasonably in advance of placing any subcontract; preferably the Contractor shall identify subcontracts before subcontracted work begins. "Subcontract" means any contract entered into by a subcontractor to furnish supplies or services for performance of the prime Contractor or a subcontractor. It includes, but is not limited to, purchase orders, and changes and modifications to purchase orders. The following information shall be included (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. Unless consent or approval specifically provides otherwise, consent by the City shall not constitute a determination –

- (1) of the acceptability of any subcontract terms or conditions;
- (2) of the allowability of any cost under this contract; or
- (3) to relieve the Contractor of any responsibility for performing this Contract.

The Contractor shall give immediate written notice, reference Clause Notices, 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.

6. **Invoicing.** All invoices shall include: Company Name, Invoice Date, Due Date (30 days), Invoice Number, Invoice Period, Project Title, Agreement Number and Price, or Amended Price. The Contractor must invoice MONTHLY for quantities delivered during the invoice period. Invoices should 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.

7. **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.

8. **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.

9. **Final Payment: Waiver Of Claim** The contractor's acceptance of final payment 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.

10. **WASHINGTON STATE PREVAILING WAGES**

- a) Before any payment can be made by the City, Contractor must file a "Statement of Intent to Pay Prevailing Wages" with L&I and provide a copy of the L&I approved Intent to the City Contract Specialist. Contractor will pay promptly, when due, all wages accruing to its employees. Intents will be filed annually by the Contractor at the start date of each new contract year.
- b) Before full or partial payment of the final invoice for the Contract year expiring can be made to the Contractor, an "Affidavit of Wages Paid" must be filed with L&I by the Contractor within fifteen (15) days of all work performed during the Contract year just completed. A copy of the L&I approved Affidavit must be provided to the City Contract Specialist. Affidavits will be filed annually by the Contractor to cover wages paid for the contract year just expired.
- c) For the first year of the Contract, Contractor shall pay its workers the applicable prevailing wage rates in effect upon the date of execution of the contract. At the end of the first contract year, and each successive year thereafter, Contractor shall adjust the prevailing wages paid to its employees to recognize and follow the most recent increases promulgated by L&I, if any. L&I updates prevailing wage rates every March and September. Any adjusted rates shall be reflected on the Intent filed for the new contract year.
- d) Subsequent to any prevailing wage adjustments, the Contract Price shall be adjusted on each anniversary date to reflect any changes in labor cost based on the most recent prevailing wage rates. For any adjustment in the established Contract Price due to Contractor wage revisions, Contractor must submit the cost of wage increases to City for adjustment of the rates that will be paid to the Contractor for work in the new contract year. Prior to City issuing a Modification to adjust contract pricing, Contractor must submit sufficient cost details to City documenting the number of hours, or expected hours, to be worked by employees receiving the new prevailing wage rate, if any, and a formula for determining the resulting increase in the overall contract prices. City is not liable for rate increases proposed by the Contractor that are not consistent with the original Contractor estimates.
- e) In compliance with WAC 296-127, Contractor is required to pay L&I the appropriate filing fee with each Intent and Affidavit submitted to that department for certification. These fees are incidental to the Contract.
- f) 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 the Department of Labor and Industries and the address and phone number of the Industrial Statistician where complaints or inquires may be made. The City will refer any dispute regarding the prevailing rate of wage to the Department of Labor and Industries 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://fortress.wa.gov/lni/wagelookup/prvwagelookup.aspx>. 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.

11. **Non-exclusive Agreement.** Nothing in this Agreement shall preclude the City from performing or obtaining the services covered by this Agreement through sources other than the Contractor.

12. **Ownership and Use of Documents.** All finished and unfinished documents and material prepared by the Contractor with funds paid by the City pursuant to the terms of this Agreement shall become the property of the City and shall be forwarded to the City upon its request. Documents and materials shall include but not be limited to plans, specifications, reports, electronic and non-electronic data, and other design documents prepared by the Contractor. Pursuant to RCW 42.56.70, all information and documents produced under this Agreement may be subject to public disclosure.

13. **Warranties.** Contractor warrants that articles supplied under this Agreement to specifications herein and are fit for the purpose for which such goods are ordinarily employed, except that if a particular purpose is stated, the material must also be fit for that particular purpose. The Contractor shall warrant all materials and workmanship delivered under any resulting contract to be free from defects, damage, or failure for a minimum of ninety (90) days after the date of final acceptance and without cost to the City for labor, materials, parts, installation, or any other costs except where longer periods of warranty of guarantees are specified.

14. **Worksite Safety**

- a) Contractor agrees to comply with all applicable federal, State, local laws, ordinances, and regulations, as may be amended, for the safety of persons or property while performing any work under the Contract and for the handling and disposal of all hazardous wastes. Industry standards and applicable laws and regulations of authorities having jurisdiction include, but are not limited to: the Washington Industrial Safety and Health Act of 1973 (WISHA); the federal Occupational Safety and Health Acts of 1970 (OSHA); the Resource Conservation and Recovery Act; the Washington Hazardous Waste Management Act; the Department of Labor & Industries; the Environmental Protection Agency; and the Department of Ecology governing the generation, storage, treatment, transportation or disposal of hazardous wastes.
- b) Contractor further agrees to indemnify and hold harmless City from damages assessed against City because of Contractor's failure to comply with the Acts and the standards issued thereunder.
- c) **Employer Chemical Hazard Communication Rule:** [WAC 296-800-170](#) requires all employers in Washington State to inform and train their employees on the hazards of chemicals in the workplace or in foreseeable emergencies. For purposes of performance under this Contract, any toxic substance that may be harmful to the end user while being used or stored on City property must:
 - i. Be properly labeled with the: (1) identity of the hazardous material; (2) appropriate hazardous warnings; and (3) name and address of the chemical manufacturer, importer or responsible party.
 - ii. Be accompanied by a Safety Data Sheet (SDS) which shall be provided to the City Project Manager, or designee. Copies of the Contractor's SDS inventory shall also be located where chemicals are stored.
- d) Contractor shall not introduce or use any new product without the express written permission of the City Project Manager. Contractor shall request permission to use new substances by providing an SDS sheet or label data for all proposed chemicals, and an explanation as to the purpose of the chemical application, method of application, and intended schedule of application. If new products are approved for use, then they shall be:
 - i. Restricted in their applications so as to meet current and local law;
 - ii. Mixed and otherwise handled where an accidental spill will not enter surface or ground water and will not contaminate the soil.
- e) In any emergency affecting the safety of persons or property, Contractor shall act, at his/her discretion, to prevent threatened injury, damage, or loss.

15. **Work Standards.** The following standards will be used by the Project Manager in evaluating completed janitorial service:

- a) **Damp Mopping:** A satisfactorily damp mopped floor is without dirt, dust, marks, film, streaks, debris or standing water.
- b) **Dusting:** Properly dusted surfaces are free of all dirt and dust, streaks, lint and cobwebs. Dusting will be accomplished with properly treated cloths.

- c) Finished Floor – Application: A floor is satisfactorily “finished” when all old wax/polish has been completely stripped and sufficient coats of sealer and wax/polish have been properly applied with enough drying time between each coat to assure no streaking, bubbling, or yellowing.
- d) Finished Floor – Scrubbing and Buffing: All finished floors will be scrubbed and spray buffed sufficiently for maximum gloss, removal of surface dirt, and have a uniform appearance. Only non-skid and City approved spray-buff products shall be used.
- e) Finished Floor – Stripping: Is accomplished when floor surfaces have all finish removed down to the flooring materials, including in corners and edges, is free of all dirt, stains, deposits, debris, cleaning solution and standing water, and the floor has a uniform appearance when dry. Plain water rinse and pick-up must follow finish removal operation immediately.
- f) Glass Cleaning: Glass surfaces are clean when no deposits, streaks, film, or stains remain and there is a uniformly bright appearance. Wipe any overspray from adjacent surfaces.
- g) Metal Cleaning: Metal surfaces are clean when no deposits, tarnish, film, or streaks remain and there is a uniformly bright appearance. Remove any cleaner overlap/overspray from adjacent non-metal surfaces to prevent discoloring or damage.
- h) Spot Cleaning – General: An adequately spot-cleaned surface is free of all deposits, stains, and is substantially free of cleaning marks.
- i) Spot Cleaning – Carpets: A carpet “spot” is any stain, deposit, gum or spill or spill within a maximum one foot square area that can be removed or rubbed out with a cleaning solution not requiring machinery extraction. Spot cleaning should diminish or completely remove the spot until regular carpet cleaning is scheduled or required. Care will be taken to use a product that will not harm the carpet fibers.
- j) Sweeping and Vacuuming: Properly swept and vacuumed floors are free of all topical dirt, grit, lint and debris, except embedded dirt and grit.
- k) Surface Cleaning: Properly cleaned surfaces of all walls, ceilings, exposed pipes and equipment will have a uniformly clean appearance free from dirt, stains, streaks, lint and cleaning marks. Painted surfaces must not be unduly damaged. Hard finish wainscot or glazed ceramic tile surfaces must be bright, free of film and deposits.

16. 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 his or her 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 his/her obligations or responsibilities under the Contract.

17. 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.

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.

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. **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 \$1,000,000 each occurrence, \$2,000,000 general aggregate and \$2,000,000 products-completed operations aggregate limit.

E. Public Entity Full Availability of Contractor Limits

If the Contractor maintains higher insurance limits than the minimums shown above, the Public Entity 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 Public Entity 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 before commencement 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.

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.

20. 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, a City of Anacortes business license is required for any business working inside the city limits whose annual value of products, gross proceeds of sales, or gross income of the business in the city is more than \$2,000. Business licenses can be obtained through the State of Washington Department of Revenue (DOR) Business Licensing Service (BLS) at bls.dor.wa.gov.

21. Discrimination Prohibited. During the performance of this Agreement, the Contractor and subcontractors shall not discriminate in violation of any applicable federal, state and/or local law or regulation on the basis of age, sex, race, creed, religion, color, national origin, marital status, disability, honorably discharged veteran or military status, pregnancy, sexual orientation, gender identity, or any other classification protected under federal, state, or local law. This provision shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, selection for training, and the provision of services under this Agreement. Contractor agrees to comply with the applicable provisions of State and Federal Equal Employment Opportunity and Nondiscrimination statutes and regulations.

22. 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.

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 all work called for 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. An equitable adjustment in the Agreement price for partially completed items of work will be made, but such adjustment shall not include provision 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 he has 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 he has 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 Contracting Agent or 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 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.** Definition: Except for payment of sums due, neither party shall be liable to the other or deemed in default under this Agreement if and to the extent that such party's performance of this Agreement is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the party affected and could not have been avoided by exercising reasonable diligence. Force majeure shall include acts of God, war, riots, strikes, fire, floods, epidemics, or other similar occurrences. Notification: If either party is delayed by force majeure, said party shall provide written notification within forty-eight (48) hours. The notification shall provide evidence of the force majeure to the satisfaction of the other party. 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, 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; The City's Right to Terminate; Governing Law; Defense & Indemnity Agreement; Disputes.

33. **Notices.** Notices shall be sent to the following address:

CITY:

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

CONTRACTOR:

NW Cleaners
Rick Tolson
PO Box 804
Anacortes, WA 98221

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.

The parties acknowledge that there has been an opportunity to negotiate the terms and conditions of this Agreement and agree to be bound accordingly;

CITY OF ANACORTES

NW CLEANERS

By _____
Laurie Gere, Mayor

By _____

Date _____

Printed Name _____

Date _____

CONTRACT 19-022-FAC-001
2019-2020 JANITORIAL SERVICES
EXHIBIT A

SCOPE OF WORK PER FACILITY AND SERVICE TYPE

- Cleaning products provided by NW Cleaners
- Paper products and trash liners provided by the City

Overall Summary:

Routine Janitorial Cleaning

Location	Street Address	City	Frequency	Cost of Complete Service Per Month	Cost Per Calendar Year
1. Operations Facility	2201 37 th Street	Anacortes	1x per wk	\$625.00	\$7,500.00
2. Library	1220 10 th Street	Anacortes	General =3x per wk Restrooms = 7x per wk	\$2,388.00	\$28,656.00
3. Fire Station I	1016 13 th Street	Anacortes	1x per wk	\$538.00	\$6,456.00
4. Water Treatment Plant	14489 River Bend Rd	Mount Vernon	2x per wk	\$988.00	\$11,856.00
Total					\$54,468.00

Washington Park Public Restrooms

Location	Street Address	City	Frequency	Cost of Complete Service Per Ea	Cost Per Calendar Year
5a. Washington Park – Lower Bathrooms	6300 Sunset Ave	Anacortes	2x per year	\$500.00	\$1,000.00
5b. Washington Park – Upper Bathrooms	6300 Sunset Ave	Anacortes	1x per year	\$400.00	\$400.00
Total					\$1,400.00

Strip and Wax of Hard Floors

Location	Street Address	City	Frequency	Cost of Complete Service Per Ea	Cost Per Calendar Year
6. Senior Activity Center	1701 22 nd Street	Anacortes	2x per year	\$2,500.00	\$5,000.00
Total					\$5,000.00

As Needed Janitorial Cleaning

Location	Street Address	City	Frequency	Cost of Complete Service Per Ea	Not-To-Exceed Cost Per Calendar Year
7. Senior Activity Center	1701 22 nd Street	Anacortes	As needed	\$115.00	\$3,500.00
8. City Hall	904 6 th Street	Anacortes	As needed	\$125.00	\$3,500.00
Total					\$7,000.00

Work Details:

Location 1: Operations Facility, 2201A 37th St, Anacortes, WA 98221

Cost: \$625.00 per month

1 x Weekly Janitorial Service for the following:

Entrance:

- Clean reception area including dust hard top surface, disinfect computer keyboards, and phones
- Clean entrance door windows
- HEPA vacuum entrance and reception areas

Bathrooms/Locker Rooms:

- Sanitize bathrooms fixtures
- Toilets, urinals, and sinks cleaned and sanitized
- Clean and disinfect counter tops and mirrors Disinfect toilet handles, doorknobs, and light switches
- Refill paper products, as needed
- HEPA vacuum and mop floors

Offices:

- High/low dusting, sanitize keyboard, phones, 10 key
- Surface clean desktops, shelves, and ledges
- HEPA vacuum all office carpet & hard floors

Conference Room:

- High/low dusting, sanitize keyboard, 10 key, etc.
- Surface clean desktops, shelves, and ledges
- HEPA vacuum all office carpet & hard floors

Break Room:

- Wipe down kitchenette area, including sink, microwave, and exterior cabinets
- High/low dust and surface clean
- Surface clean and disinfect table tops and other surfaces
- HEPA vacuum and mop hard floors

Work room(s):

- High/low dusting
 - Surface clean countertops/tables
 - Sanitize work surfaces/stations/tables
 - HEPA vacuum and neutral pH wet mop
-

Location 2: Anacortes Public Library, 1220 10th St, Anacortes, WA 98221

Cost: \$2,388.00 per month

3 x Weekly Janitorial Service for the following:

Entrance:

- Clean reception area. Dust hard top surface, disinfect computer keyboards, and phones
- Clean entrance door windows
- HEPA vacuum entrance and reception areas

Offices:

- High/low dusting, sanitize keyboard, phones, 10 key
- Surface clean desktops, shelves, and ledges
- HEPA vacuum all office carpet & hard floors

Conference Rooms:

- High/low dusting, sanitize keyboard, 10 key
- Surface clean desktops, shelves, and ledges
- HEPA vacuum all office carpet & hard floors

Cubicles:

- High/low dusting, sanitize keyboard, phones, 10 key
- Surface clean desktops, shelves, and ledges
- HEPA vacuum all office carpet & hard floors.

Kitchenette:

- Wipe down kitchenette area, including sink, microwave, and exterior cabinets
- High/low dust and surface clean
- Surface clean and disinfect table tops
- HEPA vacuum and mop hard floors

Work Room(s):

- High/low dusting
- Surface clean countertops/tables
- Sanitize work surfaces/stations/tables
- HEPA vacuum and neutral pH wet mop

7 x Weekly Public Restroom Cleaning Four Bathrooms:

- Sanitize bathrooms fixtures
- Toilets, and sinks cleaned and sanitized
- Clean and disinfect counter tops and mirrors
- Disinfect toilet handles, doorknobs, and light switches
- Refill paper products, as needed
- HEPA vacuum and mop floors

Location 3: Fire Station 1, 1016 13th St, Anacortes, WA 98221

Cost: \$538.00 per month

1 x Weekly Janitorial Service for the following:

Entrance:

- Clean reception area. Dust hard top surface, disinfect computer keyboards, and phones.
- Clean entrance door windows
- HEPA vacuum entrance and reception areas

Bathrooms:

- Sanitize bathrooms fixtures
- Toilets, and sinks cleaned and sanitized.
- Clean and disinfect counter tops and mirrors Disinfect toilet handles, doorknobs, and light switches.
- Refill paper products, as needed.
- HEPA vacuum and mop floors

Offices:

- High/low dusting, sanitize keyboard, phones, 10 key
- Surface clean desktops, shelves, and ledges
- HEPA vacuum all office carpet & hard floors.

Conference Rooms:

- High/low dusting, sanitize keyboard, 10 key
- Surface clean desktops, shelves, and ledges
- HEPA vacuum all office carpet & hard floors

Cubicles:

- High/low dusting, sanitize keyboard, phones, 10 key
- Surface clean desktops, shelves, and ledges
- HEPA vacuum all office carpet & hard floors.

Conference Rooms:

- High/low dusting, sanitize keyboard, 10 key
- Surface clean desktops, shelves, and ledges

Kitchenette:

- Wipe down kitchenette area, including sink, microwave, and exterior cabinets
- High/low dust and surface clean
- Surface clean and disinfect table tops and other surfaces
- HEPA vacuum and mop hard floors

Work Room(s):

- High/low dusting
- Surface clean countertops/tables
- Sanitize work surfaces/stations/tables.
- HEPA vacuum and neutral pH wet mop

Location 4: Water Treatment Plant, 14489 River Bend Rd, Mount Vernon, WA 98273

Cost: \$988.00 per month

2 x Weekly Janitorial Service for the following:

Lobby Entrance:

- Clean entrance area
- Dust hard counter top surface
- Clean entrance door windows
- Wipe down all LCD computer monitors with microfiber to remove dust
- HEPA vacuum entrance and reception areas

Bathrooms/Locker Rooms:

- Sanitize bathrooms fixtures
- Toilets and sinks cleaned and sanitized
- Clean and disinfect counter tops and mirrors
- Disinfect toilet handles, doorknobs, and light switches
- Clean showers as needed
- Refill paper products as needed
- HEPA vacuum and mop floors

Conference Room:

- High/low dusting, sanitize keyboard, phones, 10 key
- Surface clean desktops, shelves, and ledges
- HEPA vacuum all office carpet & hard floors

Kitchenette/Break Room:

- Wipe down kitchenette area including sink, microwave, and exterior cabinets
- High/low dust and surface clean
- Surface clean and disinfect table tops and other surfaces
- HEPA vacuum and mop hard floors

Work room(s):

- High/low dusting
- Surface clean countertops/tables

- Sanitize work surfaces/stations/tables
- HEPA vacuum and wet mop as needed

Additional Common Areas:

- Wipe hand rails as needed
 - HEPA vacuum / wet mop stairs as needed
 - Clean entry glass as needed
 - Neutral pH wet mop hallway floors
-

Location 5: Washington Park, 6300 Sunset Ave, Anacortes, WA 98221

Public Restroom Deep Cleaning

5a. Lower Restrooms – twice a year for \$500.00 per cleaning

5b. Upper Restrooms – once a year for \$400.00 per cleaning

- Clean and disinfect all plumbing fixtures
 - Wipe down all dispensers
 - Wipe down walls and ceilings
 - Sweep and neutral pH wet mop floors
-

Location 6: Anacortes Senior Activity Center, 1701 22nd St, Anacortes, WA 98221

Biannual Strip and Wax of Hard Floors, \$2,500.00 each

Strip and Wax of VCT and vinyl floors, once in the Spring and once in the Fall as scheduled with the Project Manager.

Location 7: Anacortes Senior Activity Center, 1701 22nd St, Anacortes, WA 98221

Cost: \$115.00 per cleaning, with a yearly not-to-exceed amount of \$3,500.00

As Needed and Scheduled by the Project Manager:

Lobby Entrance:

- Clean entrance area
- Dust hard counter top surface
- Clean entrance door windows
- Wipe down all LCD computer monitors with microfiber to remove dust
- HEPA vacuum entrance and reception areas

Bathrooms:

- Sanitize bathrooms fixtures
- Toilets, and sinks cleaned and sanitized
- Clean and disinfect counter tops and mirrors
- Disinfect toilet handles, doorknobs, and light switches
- Clean showers as needed
- Refill paper products, as needed
- HEPA vacuum and mop floors

Great Rooms:

- High/low dusting, sanitize keyboard, phones, 10 key
- Surface clean desktops, shelves, and ledges
- HEPA vacuum all office carpet & hard floors.

Kitchen:

- Empty garbage and recycle
- HEPA vacuum and mop hard floors

Work Room(s) / Offices:

- High/low dusting
- Surface clean countertops/tables
- Sanitize work surfaces/stations/tables
- HEPA vacuum and wet mop as needed

Additional Common Areas:

- Wipe hand rails as needed
 - HEPA vacuum
 - Clean entry glass as needed
 - Neutral pH wet mop hallway floors
-

Location 8: City Hall, 904 6th St, Anacortes, WA 98221

Cost: \$125.00 per cleaning, with a yearly not-to-exceed amount of \$3,500.00

As Needed and Scheduled by the Project Manager:

Lobby Entrance:

- Clean entrance area
- Dust hard counter top surface
- Clean entrance door windows
- Wipe down all LCD computer monitors with microfiber to remove dust.
- HEPA vacuum entrance and reception areas

Bathrooms:

- Sanitize bathrooms fixtures
- Toilets, and sinks cleaned and sanitized
- Clean and disinfect counter tops and mirrors
- Disinfect toilet handles, doorknobs, and light switches
- Refill paper products, as needed.
- HEPA vacuum and mop floors

Conference Rooms:

- High/low dusting, sanitize keyboard, phones, 10 key
- Surface clean desktops, shelves, and ledges
- HEPA vacuum all office carpet & hard floors.

Kitchens:

- Empty garbage and recycle
- HEPA vacuum and mop hard floors

Work Room(s) / Offices:

- High/low dusting
- Surface clean countertops/tables
- Sanitize work surfaces/stations/tables.
- HEPA vacuum and wet mop as needed

Additional Common Areas:

- Wipe hand rails as needed
- HEPA vacuum
- Clean entry glass as needed
- Neutral pH wet mop hallway floors



City Council Contract Agenda Bill

Meeting Date: 2/25/2019

Agenda Item: 5d

Subject: Amendment #1 to Interlocal Agreement C20180481 with Skagit County

Staff Contact: Chief David Oliveri

Approved for Submittal to Council by:
Darcy Swetnam, City Attorney

Action Type: Interlocal Agreement

Summary Statement: City staff seeks City Council consent to execute Amendment #1 to Interlocal Agreement C20180481 with Skagit County. This amendment provides the transfer of Central Valley Ambulance Authority assets to the City.

Background: On January 1, 2019 Central Valley Ambulance Authority was dissolved and its county owned assets were and are being transferred to the newly contracted ambulance service providers, as well as existing ambulance service providers (Anacortes Fire Department and Aero Skagit EMS) which have new contracts with Skagit County EMS. This is an amendment to the ambulance service contract allowing those Central Valley Ambulance Authority assets to be transferred.

Key Terms:

- No increase in cost or term.
- Transfers two assets from Central Valley Ambulance Authority to the City.

Previous Council/Committee Action: Interlocal Agreement [C20180481](#) was approved at the [10/2/18](#) council meeting.

Competing Viewpoints Considered: N/A

Recommended Motion: I move that City Council authorize the Mayor to execute Amendment #1 to Interlocal Agreement C20180481 between City of Anacortes and Skagit County.

Alternative Actions: N/A

Attachments: C20180481 Amendment #1

AMENDMENT # 1
ORIGINAL AGREEMENT # C20180481

Aero Skagit, a not for profit, the City of Anacortes, the City of Burlington, the City of Mount Vernon and the City of Sedro-Woolley, hereinafter called "Parties", and Skagit County, hereinafter called "County", agree to amend Agreement No. C20180481, as set forth below under "Terms of Amendment".

TERMS OF AMENDMENT: # 1

The Following shall be added to EXHIBIT "B" Compensation portion of this Contract.

For startup cost, the following Party shall be compensated a onetime payment of \$235,000.

A. Aero Skagit

For startup costs, the following Parties shall be compensated with the equipment listed below:

B. City of Anacortes:

Asset	Manufacturer	Description	Serial Number
24457	ZOLL	X SERIES	AR18K035940
24069	INTUBRITE	6630 EDGE PLUS	2500E 23133

C. City of Burlington:

Asset	Manufacturer	Description	Serial Number
24433	ZOLL	X SERIES	AR18K035947
24461	INTUBRITE	6630 Edge	23883
24019	INTUBRITE	VIDEO LARYGOSCOPE 6600 EDGE SERIES	2500E-20329

D. City of Mount Vernon:

Asset	Manufacturer	Description	Serial Number
24434	ZOLL	X SERIES	AR18K035995
24462	INTUBRITE	6630 Edge	23931

E. City of Sedro-Woolley:

Asset	Manufacturer	Description	Serial Number
24435	ZOLL	X SERIES	AR18K036040
24378	INTUBRITE	LY3663OR EDGE	23851

All other terms and conditions of the original contract shall remain in effect.
Date: _____, 2019.

Aero Skagit

Signature of Authorized Signatory

Print name

Mailing Address:
P.O Box 705
Concrete, WA 98237

Telephone No. (360) 853-8831
Fed. Tax ID # 91-1200257
Contractor Lic. #. 600 087 833

Date: _____, 2019.

City of Anacortes

Mayor

Approved as to form:

City Attorney

Approved as to budget and Attest:

Finance Director

Date: _____, 2019.

City of Burlington

Mayor

Fire Chief

Attest:

Budget and Accounting Director

Approved as to form:

City Attorney

Date: _____, 2019.

City of Mount Vernon

Mayor

Attest:

Finance Director

Department Director

Approved as to form:

City Attorney

Date: _____, 2019.

City of Sedro-Woolley

Mayor

Attest:

Deputy Clerk

Approved as to form:

City Attorney

DATED this _____ day of _____, 2019.

**BOARD OF COUNTY COMMISSIONERS
SKAGIT COUNTY, WASHINGTON**

Lisa Janicki, Chair

Ron Wesen, Commissioner

Attest:

Kenneth A. Dahlstedt, Commissioner

Clerk of the Board

For contracts under \$5,000:
Authorization per Resolution R20030146

Recommended:

County Administrator

Department Head

Approved as to form:

Civil Deputy Prosecuting Attorney

Approved as to indemnification:

Risk Manager

Approved as to budget:

Budget & Finance Director

2019-02-21

Dear Mr. Hohmann and Members of the Council:

Thank you for inviting me to comment on the Port's request that the City vacate the alley in Block 31. I own a residential property 270 feet southwest of this alley. I am generally very supportive of the Port and its place in our community, and I also believe in strong public accountability.

I believe that it is fundamentally un-American for a government entity to give preferential treatment to any person or organization, even if it is another arm of the government. Therefore, when the city receives a request to surrender a public asset or to waive a code or a law—e.g. zoning changes, vehicle parking variances, right-of-way vacations, etc.—I believe that two conditions should both be met before the request is granted:

1. Either the grantee must prove that their project cannot be accomplished without this particular concession, or the grantee must prove that the assets and obligations to be conceded could not offer any future utility to the grantor.
2. The grantee must also prove that the economic and social benefit of the project to the grantor and its stakeholders (viz. the general public) would equal or exceed the fair economic and social value of the asset or concession within a reasonable timeframe (i.e. 10 to 30 years). These proposed benefits could include direct compensation, a net increase in tax revenue, or less tangible claims with credible substantiation.

To that end, I have some questions that I personally would expect to be answered, but more importantly, I hope that you might also expect them to be answered prior to making your decision.

1. Has the Port made clear its intention for the alley and the land surrounding it?
2. Has the Port made a convincing case for the necessity to vacate the alley in order to realize its plan?
3. Does the Port's plan promote the greater good of the community such that it constitutes a positive return on the City's forfeiture of value and utility within a reasonable timeframe?
4. Do the terms of the vacation include a binding commitment to this particular plan?
5. Does the binding commitment include a reasonable timeframe over which to realize the plan?
6. Does the Port's plan fit the City's mission, vision, values, and goals?
7. Would the majority of the public find the Port's plan beneficial and reasonable?
8. Has the City fully evaluated the costs and risks of vacating this alley? Has the City determined or calculated the amount of compensation and benefits that would be required to offset these costs and risks? Does the proposed project and its associated revenue streams offer sufficient recompense to offset these costs and risks?
9. Would custody revert to the City if the Port failed to follow through on its proposal?

In order for this decision to withstand the test of time, inevitable twists of fate, and the unrelenting scrutiny of the public, it seems to me that the City ought to be able to answer all of these questions affirmatively and confidently, in cooperation with the Port, before vacating this alley.

Sincerely,



Brent J. Morrison, P.E.
1109 3rd St.



City Council Agenda Bill

Meeting Date: 2/25/2019 **Agenda Item:** 6a

Subject: Port of Anacortes Vacation, Alley in Block 31 "Map of the City of Anacortes"

Staff Contact: Buckenmeyer

Approved for Submittal to Council by	
	Laurie Gere, Mayor
	Steve Hoglund, Finance Director
X	Darcy Swetnam, City Attorney

Action Type	
X	Ordinance No. 3037
	Code Revision?
	Resolution No. _____
	Contract
X	Public Hearing
	Staff Report

Summary Statement: Public Hearing to consider the vacation of the following City Right-of-way: The alley in Block 31, Map of the City of Anacortes.

Background:

This is a public hearing to consider the vacation of City Right-of-way. The right-of-way being considered for vacation is the Alley in Block 31, map of the City of Anacortes. This is an unopened, platted, alley running from Commercial Avenue to "O" Avenue in the block between 2nd Street and 3rd Street. This is the block containing the Olson Building and the Marine Supply and Hardware Building. The building currently occupied by the Bike Spot sits upon the platted alley.

The property adjacent to the alley is currently entirely owned by the Port of Anacortes. The Port of Anacortes currently has a Purchase and Sale agreement with the Anacortes Housing Authority to sell the Olson Building and Lots 19 and 20 of the Block. The Port initiated this right-of-way vacation petition prior to completing the sale to the Housing Authority in order to complete this vacation while they own the whole of Block 31 and to allow for future commercial development flexibility of the block.

Proposed compensation for the alley vacation would consist of a 30' by 100' parcel, being Lot 18 of said Block 31, deeded by Quit Claim deed to the City. As a part of the right-of-way vacation application process the Port of Anacortes provided an appraisal for both the Alley property and Lot 18 in accordance with AMC 12.50.140. The appraised value of the alley property is \$48,000. The required compensation for the alley vacation per AMC 12.50.130(A) is seventy-five percent of this value equaling \$36,000. The appraised value of Lot 18 for alternative compensation to the City per AMC 12.50.135 is \$30,000. The additional \$6000 of compensation for the alley is proposed to be offset by the public benefit of affordable housing for low income households provided by the whole proposal.

The application then proposes that the City dedicate Lot 18 to the Anacortes Housing Authority in accordance with RCW 39.33.015. RCW 39.33.015 allows a municipality to transfer surplus public property for the public benefit of affordable housing for low income households.

Please see additional application materials submitted by the Port of Anacortes attached.

Budget Impact	
Amount Budgeted	n/a
Budget Account (BARS)	n/a
Proposed Expenditure	n/a
Budget Amendment Required?	n/a
Revenue Source	n/a

Proposed Contract	
Contractor	n/a
Amount	n/a
Start Date	n/a
End Date	n/a

Previous Council/Committee Action: Approval of [Resolution 2031](#) setting the Public Hearing date of Feb. 25, 2019.

Competing Viewpoints Considered:

Recommended Motion: I move to approve Ordinance No. 3037 vacating the alley in Block 31 Map of the City of Anacortes.

Alternative Actions:

Attachments (listed in order presented):

1. Ordinance #3037 ready for approval and signature.
2. Survey map of Block 31 and proposed alley vacation.
3. GIS Vicinity Map
4. Statement of Purpose submitted by the Port of Anacortes.
5. Port of Anacortes Petition for Vacation Authorization Action Item.
6. Appraisal for Alley Property.
7. Appraisal for Lot 18.
8. Copy of RCW 39.33.015.
9. Draft Quit Claim Deed ready for Port of Anacortes signature and notarization.
10. Draft Quit Claim Deed to Housing Authority ready for signature and notarization.
11. Public Comments as of February 20, 2019.

RETURN TO:

City of Anacortes
P.O. Box 547
Anacortes, WA 98221

ORDINANCE NO. 3037

**AN ORDINANCE VACATING A RIGHT-OF-WAY OF CERTAIN PORTIONS OF
THE ALLEY IN BLOCK 31, MAP OF THE CITY OF ANACORTES**

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

WHEREAS, at the January 28, 2019, City Council meeting a resolution was passed to set a hearing date for February 25, 2019, to consider a petition to vacate right-of-way (ROW) in certain portions of the alley in Block 31, Map of the City of Anacortes; and

WHEREAS, the Port of Anacortes has approached the City with a plan to remodel the historic Olson Building in conjunction with the Anacortes Housing Authority to develop affordable housing for Anacortes residents. To make the proposed project financially viable, the Anacortes Housing Authority requires additional land to add units; 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, AMC Chapter 12.50.135 allows for Alternative Compensation, provided that where the conveyance of real property is made in fee for non-street purposes, the full fair market value of the property is credited to the required compensation payment for the vacated area (AMC 12.50.135(B)); and

WHEREAS, the required compensation payment for the area to be vacated is \$36,000, which represents seventy-five percent of the appraised value per AMC Section 12.50.130(A); and

WHEREAS, the full fair market value of the property provided as alternative compensation pursuant to AMC 12.50.135 is \$30,000; and

WHEREAS, the vacated property described herein is not required for the needs of the City and the project proposed by the Port of Anacortes provides for public benefit pursuant to Section 39.33.015 of the Revised Code of Washington; and

WHEREAS, the City Council held a public hearing on said proposal on February 25, 2019, and agreed to approve the proposal as set-forth below; now, therefore

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

SECTION 1. The following described right-of-way on streets and alleys located in the City of Anacortes should be and are hereby vacated:

The alley in Block 31, "Map of the City of Anacortes", as per Plat recorded in Volume 2 of Plats, page 4, records of Skagit County, Washington.

Situate in the County of Skagit, State of Washington.

SECTION 2. In-lieu compensation, based on AMC Section 12.50.135, shall be by means of a Quit Claim Deed, from the Port of Anacortes to the City of Anacortes, for the following parcel of land, which Council hereby finds satisfies the alternative compensation requirements in AMC Section 12.50.135 in part and is authorized by RCW Section 39.33.015 in part:

Lot 18, Block 31, "Map of the City of Anacortes", as per Plat recorded in Volume 2 of Plats, page 4, records of Skagit County, Washington.

Less any portion of the vacated alley in said Block 31 which would attach by operation of law.

Situate in the County of Skagit, State of Washington.

SECTION 3. Per RCW 39.33.015 for the public benefit of affordable housing for low income households the City of Anacortes shall by means of a Quit Claim Deed, transfer, at no cost, the property described in Section 2 above to the Anacortes Housing Authority.

SECTION 4. Effective Date: This ordinance shall take effect from and after 5 (five) days after its passage and publication as required by law.

PASSED AND APPROVED this 25th day of February, 2019.

CITY OF ANACORTES:

BY: _____
Laurie Gere, Mayor

ATTEST:

Steve D. Hoglund, City Clerk Treasurer

APPROVED AS TO FORM:

Darcy J. Swetnam, WSBA #40530
City Attorney

LEGAL DESCRIPTION - ALLEY VACATION

A STRIP OF LAND LOCATED WITHIN A PORTION OF THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 35 NORTH, RANGE 2 EAST, W.M., BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE 16 FOOT ALLEY LOCATED IN BLOCK 31, "MAP OF THE CITY OF ANACORTES" AS PER PLAT RECORDED IN VOLUME 2 OF PLATS, PAGE 4, RECORDS OF SKAGIT COUNTY, WASHINGTON.

BASIS OF BEARING

N 1°53'13" E BETWEEN THE MONUMENTED CENTERLINE OF "O" AVENUE

[DATUM: NAD83--(2011)]

INSTRUMENT NOTE

THIS SURVEY WAS ACCOMPLISHED BY FIELD TRAVERSE WITH A "TRIMBLE S6", AND A TRIMBLE R8 DUAL FREQUENCY GPS RECEIVER, STANDARD ERROR DISTANCE +/- 2CM (+ 1 PPM), AND MEETS OR EXCEEDS STANDARDS AS SET FORTH IN W.A.C. CH. 332-130.

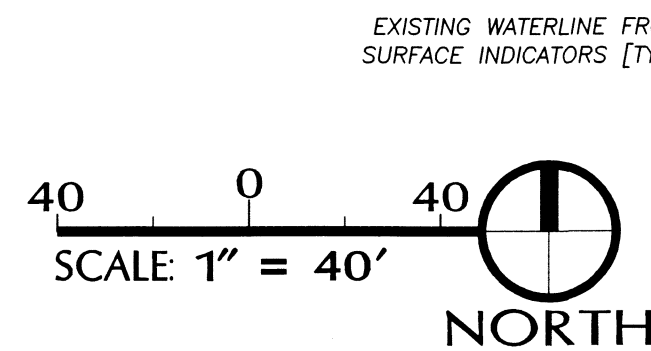
RESEARCH

PLATS UNDER ROS UNDER
P1. MOC ANACORTES ROS 1. AFN 9612190052
ROS 2. AFN 9210140061
ROS 3. AFN 8508270029
ROS 4. AFN 9803040088
ROS 5. AFN 200011290063
ROS 6. AFN 8708210031

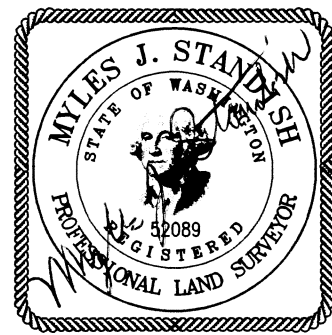
P1. MAP OF THE CITY OF ANACORTES, VOLUME 2 OF PLATS AT PAGE 4 RECORDS OF SKAGIT COUNTY, WASHINGTON

CITY OF ANACORTES ORDINANCE ORDER NUMBER: _____
AUDITOR FILE NUMBER FOR SAME: _____

PARCEL	PRINCIPAL PETITIONER	AREA PRIOR TO VACATION	ASSOCIATED AREA OF ALLEY TO BE VACATED
P55035	PORT OF ANACORTES	20,986.3± SF	1,679.8± SF
P55036	PORT OF ANACORTES	8994.8± SF	719.5± SF
P55037	PORT OF ANACORTES	8994.9± SF	719.5± SF
P55038	PORT OF ANACORTES	2998.2± SF	239.8± SF
P55039	PORT OF ANACORTES	2998.2± SF	239.8± SF
P55040	PORT OF ANACORTES	14990.1± SF	1199.1± SF



EASEMENTS GRANTED FOR THE EXISTING UTILITIES RECORDED UNDER AUDITOR FILE NUMBER _____



SURVEYOR'S CERTIFICATE

THIS MAP CORRECTLY REPRESENTS A SURVEY MADE BY ME OR UNDER MY DIRECTION IN CONFORMANCE WITH THE REQUIREMENTS OF THE SURVEY RECORDING ACT AT THE REQUEST OF PORT OF ANACORTES, IN JANUARY, 2019

Myles J. Standish DATE: 1-25-19
MYLES J. STANDISH PLS
REGISTERED PROFESSIONAL LAND
SURVEYOR CERTIFICATE NO. 52089

RECORD OF SURVEY

FOR CITY OF ANACORTES - PORT OF ANACORTES

A PORTION OF THE NW/4 OF THE SW/4 OF SECTION 18, TOWNSHIP 35 N, RANGE 1 E, W.M. ALLEY VACATION BLOCK 31

AUDITORS CERTIFICATE

FILED FOR RECORD THIS _____ DAY OF _____, 2019
AT _____ M., AT THE REQUEST OF SOUND DEVELOPMENT GROUP, LLC, WITHIN THE RECORDS OF SKAGIT COUNTY WASHINGTON, UNDER AUDITORS FILE NUMBER _____

SKAGIT COUNTY AUDITOR

DEPUTY

CALCULATED FROM RECORD

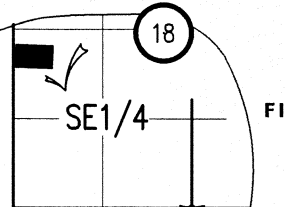
INDICATES THE NEW LOT LINE APPROPRIATED BY OPERATION OF THE ALLEY VACATION AND THE COMMON ADJOINING LOT LINES IN BLOCK 31 OF MAP OF THE CITY OF ANACORTES

DASHED LINE INDICATES EXISTING 16' ALLEY AND THE COMMON ADJOINING LOT LINES IN BLOCK 31 OF MAP OF THE CITY OF ANACORTES

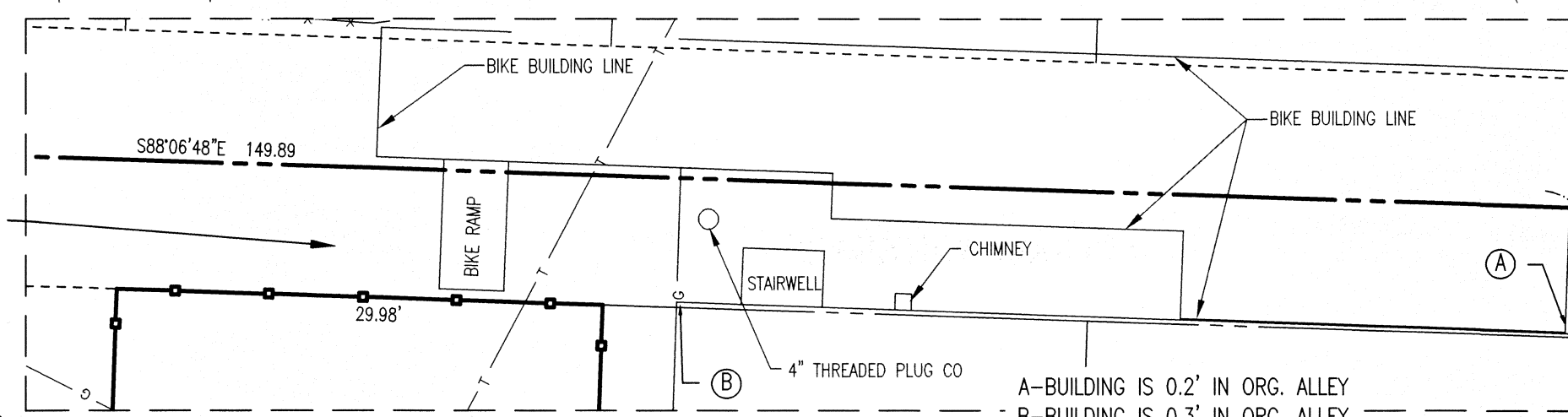
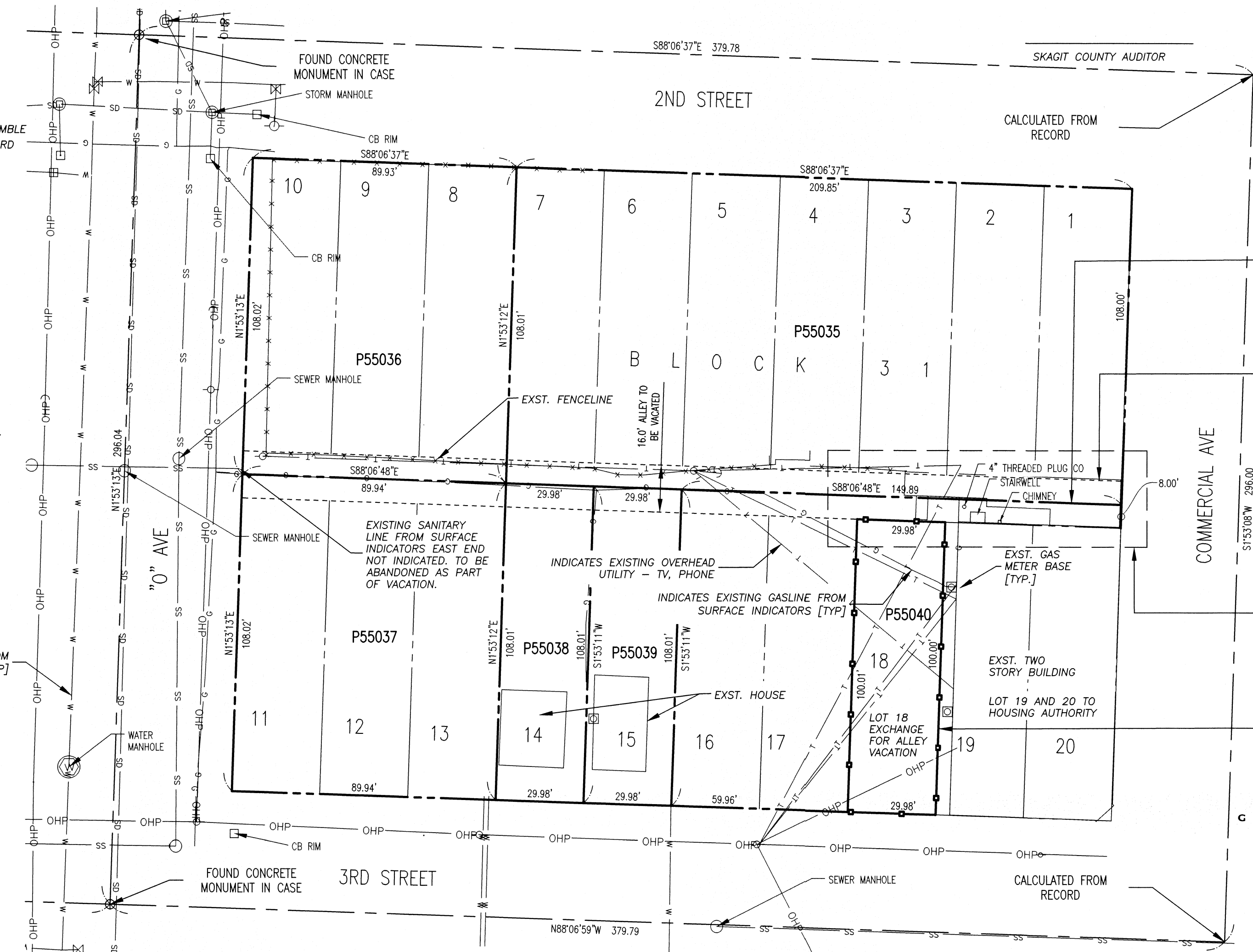
SEE DETAIL BELOW

"BOX-DASHED LINE" INDICATES THE PROPERTY TO BE EXCHANGED FOR THE VACATION OF THE ALLEY OF BLOCK 31

INDEX MAP
G U E M E S C H A N N E L



SECTION 18 TWP.35 N., RGE.1 E., W.M.



DETAIL 1"=10'

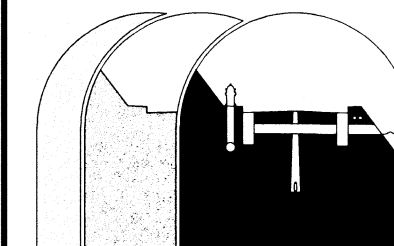
RECORD OF SURVEY

IN A PORTION OF BLOCK 31 OF "MAP OF CITY OF ANACORTES" IN THE NW 1/4 OF THE SW 1/4 SECTION 18, TOWNSHIP 35 NORTH, RANGE 1 EAST, W.M., COUNTY OF SKAGIT, STATE OF WASHINGTON

ALLEY VACATION BLOCK 31
OWNER

CITY OF ANACORTES - PORT OF ANACORTES

DATE: 01.25.2019 BY: J.STANDISH/M.WARE SCALE: AS NOTED
PROJECT NO. 18102 F.B.:

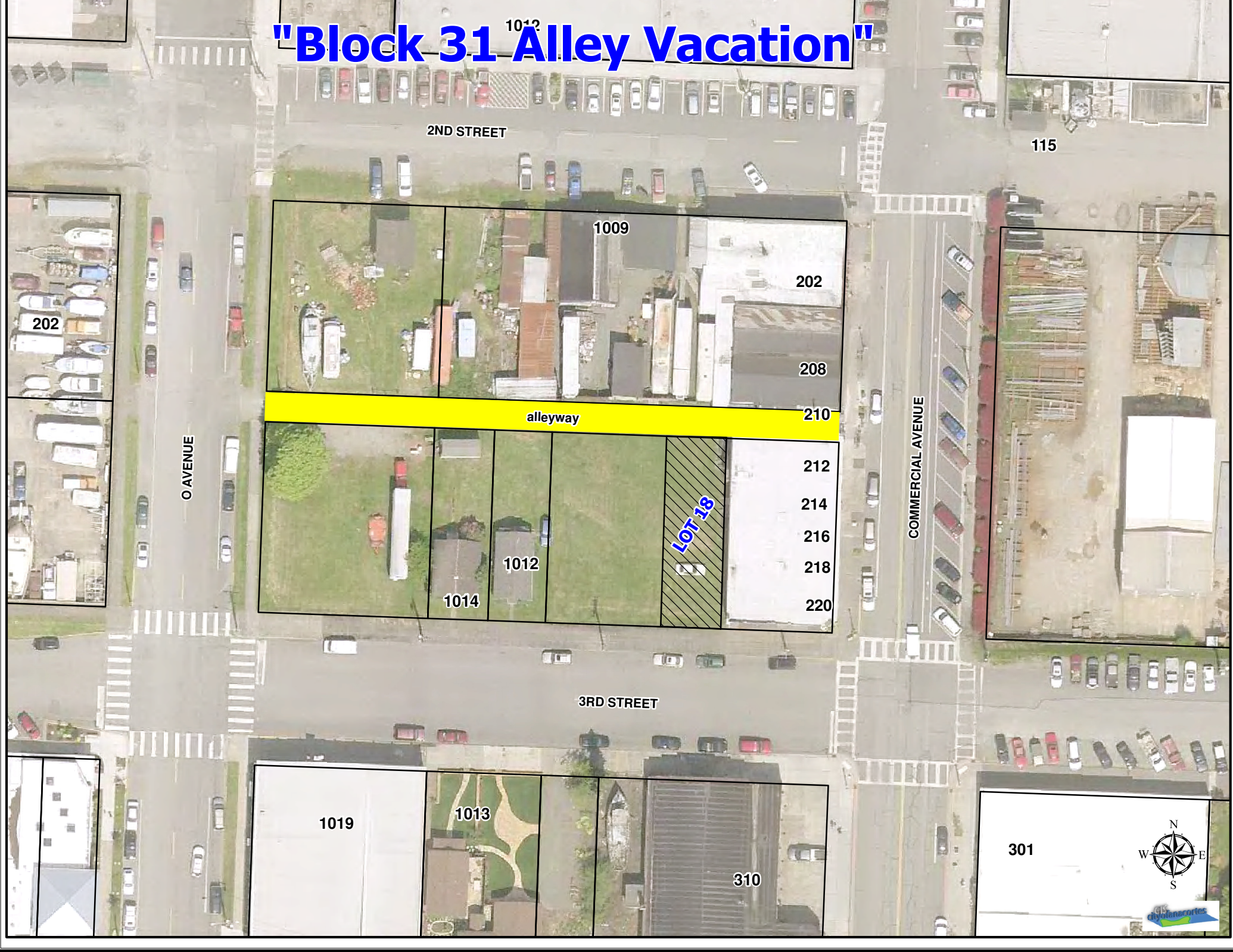


Sound Development Group

ENGINEERING, SURVEYING & LAND DEVELOPMENT SERVICES

P.O. Box 1705 • 1111 Cleveland Avenue, Suite 202
Mount Vernon, WA 98273
Tel: 360-404-2010 Fax: 360-404-2013

"Block 31 Alley Vacation"



2ND STREET

115

202

1009

202

208

alleyway

210

O AVENUE

212

214

216

218

220

COMMERCIAL AVENUE

LOT 18

1012

1014

3RD STREET

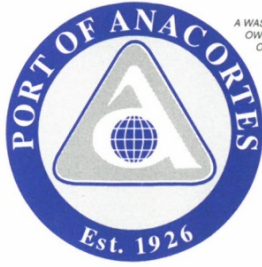
1019

1013

310

301





A WASHINGTON PUBLIC PORT
OWNED BY THE RESIDENTS
OF THE LOCAL COMMUNITY

100 COMMERCIAL AVENUE • ANACORTES, WA 98221 USA
(360) 293-3134 • FAX (360) 293-9608 • WWW.PORTOFANACORTES.COM

Statement of Purpose: Right of Way Vacation

The Port of Anacortes is the owner of the 200 Block, otherwise known as Block 31, Map of the City of Anacortes, having obtained it in 2015 from the Demopoulos family for support of the Marine Terminal as indicated in the Port's Comprehensive Plan. The Port seeks to vacate the alley right-of-way in this block to create one contiguous parcel. This will better position the Port for future development of the block and serve our Mission of fostering economic development.

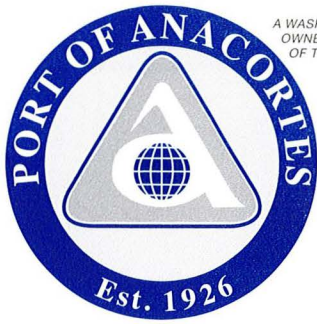
The Port recognizes that development of workforce housing is an important component of economic development within the Port District. In accordance with RCW 53.08.090, the Port Commission held a public hearing on December 3, 2018, and deleted the Olson Building and Adjacent Lot from its Comprehensive Plan. The Commission then declared the Olson Property and Adjacent Lot as surplus and, as such, available for sale or conveyance. The Anacortes Housing Authority expressed its desire to obtain the Olson Property and Adjacent Lot to fulfill its mission of workforce housing.

The Port, as a public entity will receive fair value in transferring the Olson Building and the property on which it is located to the Anacortes Housing Authority by allowing for the most cost effective and efficient rehabilitation or reconstruction of the Olson Building and providing for a transfer of liability arising from the condition of the Olson Building. As the Adjacent Lot has value separate from the Olson Building, the Port as a public entity would need to receive fair value for that Lot. The City expressed a desire to obtain the Adjacent Lot in support of the Anacortes Housing Authority.

The Port and the Anacortes Housing Authority have executed a Purchase and Sale Agreement for the Olson Building and the property on which it is located, comprising Lots 19 and 20 of Block 31. Under the current proposal, in lieu of payment to the City for vacating the 4,800 sf alley right-of-way, the Port would convey Lot 18, a 3,000 sf parcel of land behind the Olson building, to the City for affordable housing. The City would then convey that property to the Anacortes Housing Authority. This series of agreements will meet the requirements of providing all parties with "true and fair value" as that term is defined in RCW 43.09.210, relevant case law, and attorney general opinion, by allowing for the best possible and most efficient use of the property for workforce housing.

The vacation of the alley will better serve the public by providing the opportunity for that property's use in economic development, a greater use than presently exists, as well as making possible the transfer of the Adjacent Lot, Lot 18, to the City in support of workforce housing. The development of the alley property in the 200 Block for industry will bring additional jobs and commerce to Anacortes. The alley has been unused throughout its history and has never served as a point of public use or access, making the change of the property for economic development a higher and better use. In addition to the alley being unused, there is an existing business, The Bike Spot, currently occupying the alley where it fronts Commercial Avenue. Vacation of the alley allows this active business to continue in its location without issue.

The Port appreciates the cooperation of the City and the Anacortes Housing Authority in working together to obtain objectives that benefit our community and appreciates the opportunity to further address and provide background to our petition to vacate the alley in the 200 Block with this Statement of Purpose.



100 COMMERCIAL AVENUE • ANACORTES, WA 98221 USA
(360) 293-3134 • FAX (360) 293-9608 • WWW.PORTOFANACORTES.COM

ACTION ITEM

REQUEST FOR COMMISSION ACTION

**SUBJECT: EXECUTIVE DIRECTOR AUTHORIZATION - PETITION FOR VACATION
OF THE ALLEY IN THE MARINE SUPPLY & HARDWARE BLOCK**

This item is seeking Commission authorization for the Executive Director to petition the City of Anacortes to vacate the alley that runs East-West from "O" Avenue to Commercial Avenue between 2nd and 3rd Streets, known as the Marine Supply & Hardware block, negotiate terms of the vacation equitable to all parties, and execute any documents concerning the alley vacation.

BACKGROUND:

The Port obtained ownership of the Marine Supply & Hardware block in 2015 and took possession of the property in December 2016. The purchase of the block was included in the Port's 2008 Comprehensive Plan as among properties the Port wished to obtain in support of the Marine Terminal.

Within this block of property is a 16 foot by 300 foot (4,800 square feet) alley right-of-way (see page 4 of attached Petition for Vacation). In order to maximize the use of the entire block of property, the Port seeks to petition the City to vacate the unused right-of-way so that the property may be one contiguous parcel.

DISCUSSION:

In order for a City right-of-way to be vacated, formal petition to the City must be made. Typically, a right-of-way vacation requires a payment to the City of Anacortes in an amount equal to 50% of the fair market value of the land, as determined by an appraisal provided at the petitioners cost. However, the Port's petition would request to exchange the vacation for a 3,000 square foot parcel of land on the same block to be dedicated to the Anacortes Housing Authority for affordable housing. This is pursuant to discussions with the Anacortes Housing Authority and the City of Anacortes regarding a partnership between our entities that would enable a transition of the Olson Building to the Anacortes Housing Authority.

If the petition is approved by City Council and the vacation appears imminent, Port staff will bring additional actions for Commission consideration. This would include an amendment to the Port's Comprehensive Plan to allow the disposition of property, and other actions required to facilitate exchange between the City and the Port for the possible disposition of the Olson Building to the Anacortes Housing Authority.

ATTACHMENTS:

- City of Anacortes Petition for Alley Vacation

FINANCIAL IMPLICATIONS:

Vacation of this alley will create one contiguous parcel that will increase future development options and thereby has the potential to increase revenue.

There may be some costs related to the vacation, including additional compensation beyond the exchange of property, boundary survey, and title insurance reports. Those costs are anticipated to be well within Executive Director's Delegated Authority of \$30,000 for non-budgeted items.

STAFF RECOMMENDATION:

Port Staff recommends the Commission authorize the Executive Director to petition the City to vacate the alley in the Marine Supply & Hardware block, negotiate terms equitable to all parties, and execute any required documents.

This section to be completed by Port Staff

Prepared By: Julie Johnson Lindsey
Julie Johnson Lindsey
Executive Assistant

Date: 10/24/18

Reviewed By: Brenda Treadwell
Brenda Treadwell
Director of Planning, Properties & Environmental

Date: 10/26/18

Approved By: Daniel C. Worra
Daniel C. Worra
Executive Director

Date: 10/26/18

SUGGESTED MOTION:

"I MOVE THAT WE AUTHORIZE THE EXECUTIVE DIRECTOR TO PETITION THE CITY OF ANACORTES TO VACATE THE ALLEY IN THE MARINE SUPPLY & HARDWARE BLOCK, NEGOTIATE TERMS EQUITABLE TO ALL PARTIES, AND EXECUTE ANY REQUIRED DOCUMENTS."

This section to be completed by Port Commission Secretary

DATE ACTION TAKEN 11/1/18

Approved ✓

Disapproved

Deferred To

Other

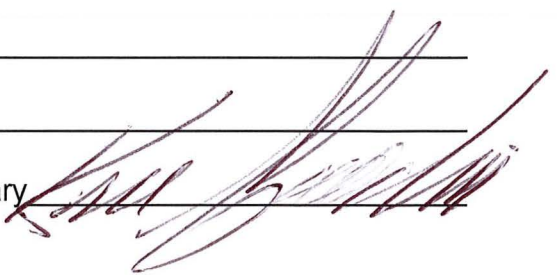
Motion By K. Goodwin

Second By J. Pope

Unanimous: Yes ✓ No

Incorporated Into Minutes

Notes:

Secretary 



Valbridge
PROPERTY ADVISORS

Appraisal Report

Anacortes Land Exchange Alley Vacation
Alley between 2nd and 3rd Street
Anacortes, Skagit County, Washington 98221

Report Date: February 18, 2019



FOR:

Port of Anacortes
Ms. Brenda Treadwell
Director of Planning, Properties and Environmental
100 Commercial Avenue
Anacortes, WA 98221

Valbridge Property Advisors | Puget Sound

18728 Bothell Way NE, Suite B
Bothell, WA 98011
425-450-4040 phone
425-949-7109 fax
valbridge.com

Valbridge File Number:
19-0017-002



18728 Bothell Way NE, Suite B
Bothell, WA 98011
425-450-4040 phone
425-949-7109 fax
valbridge.com

February 18, 2019

S. Murray Brackett, MAI
Senior Managing Director
mbrackett@valbridge.com

Christina J. Lovell
Associate Appraiser
clovell@valbridge.com

Ms. Brenda Treadwell
Director of Planning, Properties and Environmental
Port of Anacortes
100 Commercial Avenue
Anacortes, WA 98221

RE: Appraisal Report
Anacortes Land Exchange Alley Vacation
Alley between 2nd and 3rd Street
Anacortes, Skagit County, Washington 98221

Dear Ms. Treadwell:

In accordance with your request, we have performed an appraisal of the proposed alley vacation referenced above. This appraisal report sets forth the pertinent data gathered, the techniques employed, and the reasoning leading to our value opinions. This letter of transmittal is not valid if separated from the appraisal report.

The subject property, as referenced above, consists of a 16-foot-wide unopened alley right-of-way totaling 4,800 square feet. It is situated adjacent to "O" Avenue to the west and Commercial Avenue to the East, between 2nd and 3rd Streets in Anacortes, WA.

We developed our analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; and the requirements of our client as we understand them.

The client in this assignment is Port of Anacortes and the intended users of this report are the Port of Anacortes, the City of Anacortes and no others. The sole intended use is to assist the client by providing an opinion of market value for the to-be-vacated alley in connection with a proposed land exchange between the client and the City. The value opinions reported herein are subject to the definitions, assumptions, limiting conditions, and certifications contained in this report.

The findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions, the use of which might have affected the assignment results:

Extraordinary Assumptions:

- None.

Hypothetical Conditions:

- The Anacortes Planning Commission is drafting revisions to its zoning code. The opinion of value provided in this report is based upon the hypothetical condition that such revisions, as noted in the third draft dated December 8, 2018, have been codified.

Based on the analysis contained in the following report, our value conclusions are summarized as follows:

Value Conclusions

Component	As Is
Value Type	Market Value
Property Rights Appraised	Fee Simple
Effective Date of Value	January 22, 2019
Value Conclusion	\$48,000

Respectfully submitted,
Valbridge Property Advisors | Puget Sound



S. Murray Brackett, MAI
Senior Managing Director
Washington License #27011-1100853
11/22/2019



Christina J. Lovell, Associate
Washington License #27011-1001951
04/18/2020

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Summary of Salient Facts

Summary of Salient Facts

Property Identification

Property Name	Anacortes Land Exchange Alley Vacation
Property Address	Alley between 2nd and 3rd Street
	Anacortes, Skagit County, Washington 98221
Tax Parcel Number	N/A
Property Owner	City of Anacortes

Site

Zoning	Manufacturing and Shipping (MS)
Primary Land Area (sf)	4,800 sf
Primary Land Area (ac)	0.110 acres

Valuation Opinions

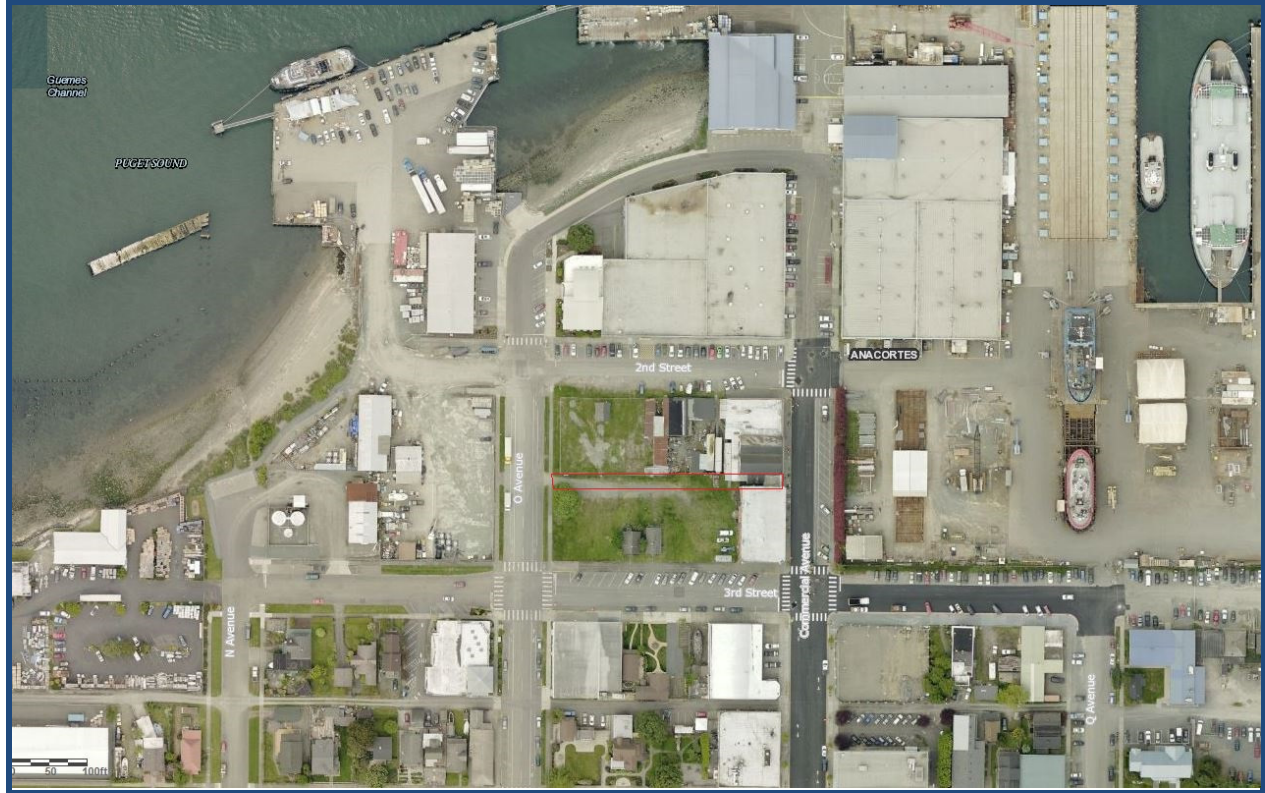
Highest & Best Use - As Vacant	Assemblage with Abutting Onwerships
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Value Conclusions

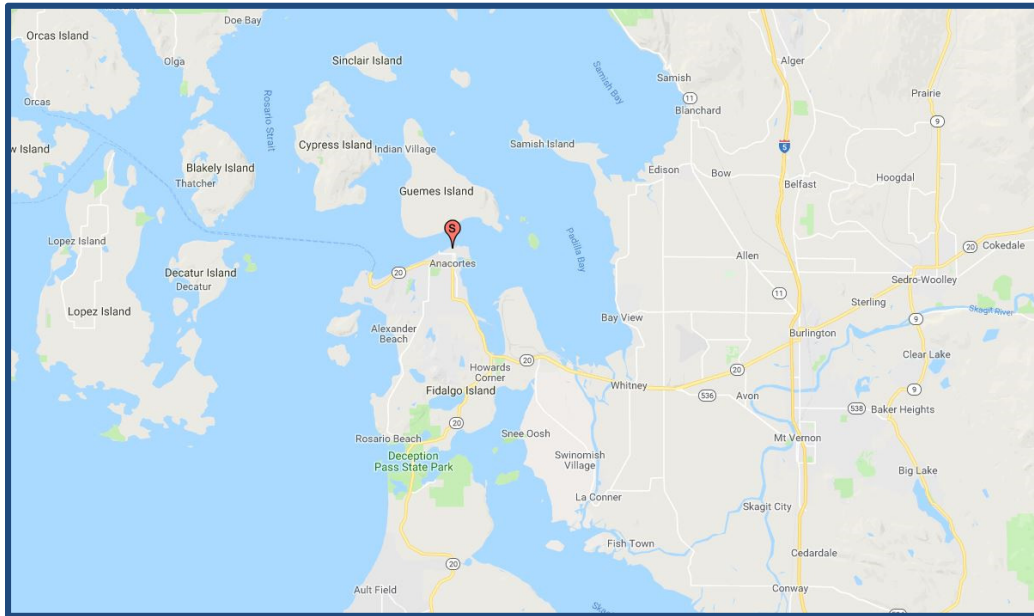
Component	As Is
Value Type	Market Value
Property Rights Appraised	Fee Simple
Effective Date of Value	January 22, 2019
Value Conclusion	\$48,000

Aerial Views

AERIAL VIEW



Location Map



Introduction

Client and Intended Users of the Appraisal

The client in this assignment is Port of Anacortes and the sole intended users of this report are the Client and the City of Anacortes. Under no circumstances shall any of the following parties be entitled to use or rely on the appraisal or this appraisal report:

- i. The borrower(s) on any loans or financing relating to or secured by the subject property,
- ii. Any guarantor(s) of such loans or financing; or
- iii. Principals, shareholders, investors, members or partners in such borrower(s) or guarantors.

Intended Use of the Appraisal

The sole intended use of this report is to assist the client by providing an opinion of market value for an alley vacation, in connection with a proposed land exchange between the client and the City of Anacortes.

Real Estate Identification

The subject property is the 16-foot alley between 2nd and 3rd Streets, abutting O Avenue to the west and Commercial Avenue to the east in Anacortes, Skagit County, Washington. The subject property is further identified by exhibits and mapping contained in this report.

Legal Description

Neither a title report nor a legal description for the alley right-of-way were provided however the property is identified as the 16-foot alley located on Block 31, "Map of the City of Anacortes," as per Plat recorded in Volume 2 of Plats, Pages 4-7, records of Skagit County, Washington.

Use of Real Estate as of the Effective Date of Value

As of the effective date of value, the subject is undeveloped land.

Use of Real Estate as Reflected in this Appraisal

The opinion of value for the subject as is reflects use as vacant land.

Ownership of the Property

The subject is an unopened and/or unutilized alley right-of-way. Ownership is assumed to be vested in the City of Anacortes.

History of the Property

The subject has been owned by the City of Anacortes for many years, ostensibly since the original platting. We have no information regarding any historical transfers of ownership.

Listings/Offers/Contracts

To our knowledge, there are no known listings, contracted offers of purchase, though there is an agreement between the City of Anacortes and the Port of Anacortes regarding a property exchange of the subject property for an adjacent lot. There are no current leases of the subject site.

Type and Definition of Value

The appraisal problem is to develop an opinion of the market value of the subject property. "Market Value," as used in this appraisal, is defined as "the most probable price that 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 a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- *Buyer and seller are typically motivated.*
- *Both parties are well informed or well advised, each acting in what they consider their own best interests;*
- *A reasonable time is allowed for exposure in the open market;*
- *Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
- *The price represents the normal consideration for the property sold unaffected by special or creative financing or sale concessions granted by anyone associated with the sale."*¹

The value conclusions apply to the value of the subject property under the market conditions presumed on the effective date of value.

Please refer to the Glossary in the Addenda section for additional definitions of terms used in this report.

Valuation Scenarios and Effective Dates of Value

Per the scope of our assignment we developed opinions of value for the subject property under the following scenarios of value:

Valuation Scenario	Effective Date of Value
As Is Market Value	January 22, 2019

We completed an appraisal inspection of the subject property on January 22, 2019.

Property Rights Appraised

The appraisal value assumes fee simple title and by City of Anacortes. The fee simple interest is defined as:²

¹ Source: Code of Federal Regulations, Title 12, Banks and Banking, Part 722.2-Definitions

² From *The Appraisal of Real Estate*, Fourteenth Edition, 2013, Appraisal Institute, page 5

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Date of Report

The date of this report is February 18, 2019, which is the same date as the letter of transmittal.

List of Items Requested but Not Provided

- Title report.

Assumptions and Conditions of the Appraisal

This appraisal assignment and the opinions reported herein are subject to the General Assumptions and Limiting Conditions contained in the report and the following extraordinary assumptions and/or hypothetical conditions, the use of which might have affected the assignment results.

Extraordinary Assumptions

- None.

Hypothetical Conditions

- The Anacortes Planning Commission is drafting revisions to its zoning code. The opinion of value provided in this report is based upon the hypothetical condition that such revisions, as noted in the third draft dated December 8, 2018, have been codified.

Scope of Work

The elements addressed in the Scope of Work are (1) the extent to which the subject property is identified, (2) the extent to which the subject property is inspected, (3) the type and extent of data researched, (4) the type and extent of analysis applied, (5) the type of appraisal report prepared, and (6) the inclusion or exclusion of items of non-realty in the development of the value opinion. These items are discussed as below.

Extent to Which the Property Was Identified

The three components of the property identification are summarized as follows:

- Legal Characteristics - The subject was legally identified via Skagit County Assessor information, Skagit County iMap, and mapping provided by the Client.
- Economic Characteristics - Economic characteristics of the subject property were identified via numerous published sources, as well as a comparison to properties with similar locational and physical characteristics.
- Physical Characteristics - The subject was physically identified via physical inspection and GIS mapping.

Extent to Which the Property Was Inspected

We inspected the subject on January 22, 2019.

Type and Extent of Data Researched

We researched and analyzed: (1) market area data, (2) property-specific market data, (3) zoning and land-use data, and (4) current data on comparable listings and transactions.

Type and Extent of Analysis Applied (Valuation Methodology)

We observed surrounding land use trends, the condition of any improvements, demand for the subject property, and relevant legal limitations in concluding a highest and best use. We then valued the subject based on that highest and best use conclusion.

Appraisers develop an opinion of property value with specific appraisal procedures which typically reflect three distinct methods of data analysis: the cost approach, sales comparison approach, and income capitalization approach. In the case of the subject, however, our task is to develop an opinion of market value for a proposed alley vacation and have utilized the Across-the-fence (ATF) methodology. Further discussion of the extent of our analysis and ATF methodology is provided later in the valuation section.

Appraisal Conformity and Report Type

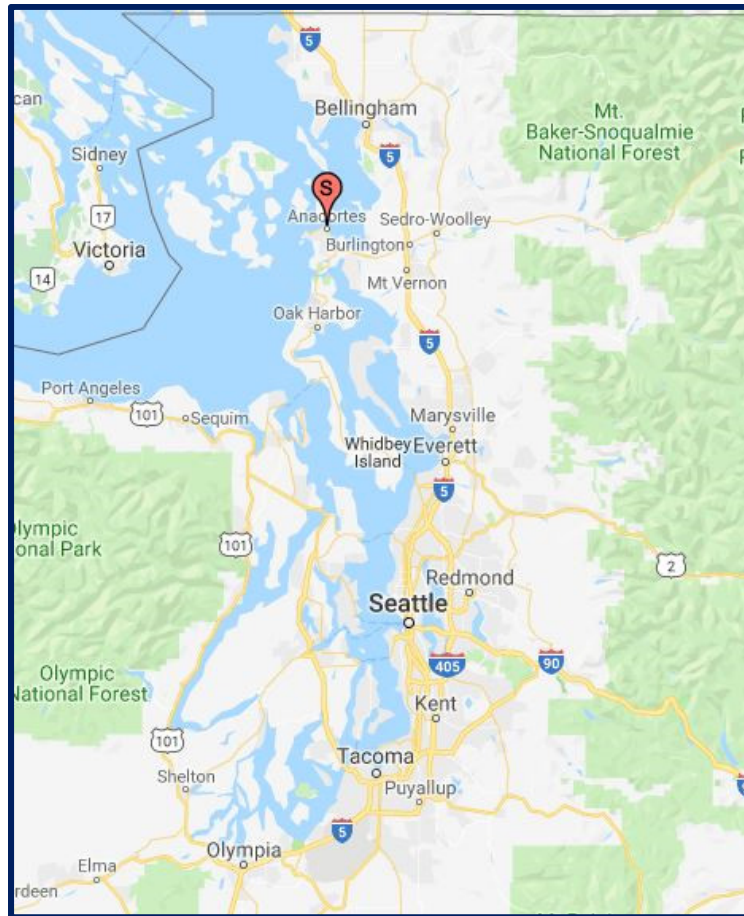
We developed our analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; and the requirements of our client as we understand them. This is an Appraisal Report as defined by the Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2a.

Personal Property/FF&E

All items of non-realty are excluded from this analysis. The opinion of market value developed herein is reflective of real estate only.

Regional and Market Area Analysis

REGIONAL MAP



Overview

The subject is located in Anacortes, in Skagit County. It is part of the Mount Vernon-Anacortes MSA, which essentially consists of Skagit County itself.

The fertile lowlands of western Skagit County, which lie between Puget Sound and the Cascade Mountains, consist mainly of deltas created by the Skagit and Samish rivers. The high and rugged Cascades are the location of the North Cascades National Park, a picturesque protected wilderness area.

The total county area is 1,731 square miles, of which 40±% is in federal ownership, 12±% in Washington State ownership, and the remaining 48±% is privately owned. The eastern portion of Skagit County is largely forested, with much of the area within the Mount Baker-Snoqualmie National Forest and North Cascades National Park. Population in eastern Skagit County is sparse; approximately 50% of the people live in the westernmost portion.

Skagit Valley is known as one of the most fertile valleys in the United States. Leading crops are peas, strawberries and sweet corn, and other crops include broccoli, cucumbers, potatoes, carrots, seeds,

and colorful flower bulbs. Other major industries in Skagit County are food processing, tourism, oil refining and commercial fishing. Port of Skagit County tenants include Paine Field-based International Aero and Hexcel Corporation. Bayview Airport, also known as Skagit Regional Airport, is located approximately one mile north of State Route 20 and eight miles east of Anacortes. In addition to general aviation facilities and a 5,745-foot long runway, its business park houses tenants such as AT&T Broadband, Hexcel Corporation, Eddyline Kayaks, Nordic Tugs and Olympic Pipeline Co.

The emergence of Skagit County as a regional retail trade center has added diversity to the economic base. Since 1989, several anchored shopping centers and Wal-Mart, Lowe's Home Improvement, Costco Wholesale and Home Depot outlets have opened in Burlington and Mount Vernon.

Tourism is prominent because of the wide variety of recreational facilities available in the county, from the waters of Puget Sound to the Cascades. Anacortes is known for numerous protected bays as well as state and federally-owned marine parks providing summer playgrounds for pleasure boaters. In addition, there are a number of resorts and recreational facilities in the islands to serve non-boating tourists. The Cascade Mountains provide areas for hiking, skiing, fishing and wild game hunting.

Population

Population characteristics relative to the subject property are presented in the following table.

Population

Area	2000	2010	Annual % Change 2000 - 10	Estimated 2018	Projected 2023	Annual % Change 2018 - 23
United States	281,421,906	308,745,538	1.0%	330,088,686	343,954,683	0.8%
Washington	5,894,121	6,724,540	1.4%	7,452,102	7,950,929	1.3%
Mount Vernon-Anacortes	102,979	116,901	1.4%	124,183	130,505	1.0%
Skagit County, WA	102,979	116,901	1.4%	124,183	130,505	1.0%
Anacortes City, WA	14,514	15,778	0.9%	17,049	18,064	1.2%

Source: Site-to-Do-Business (STDB Online)

Transportation

Interstate Highway 5 provides the primary highway access to the Greater Seattle area and connects the region with British Columbia to the north. Ferry service extends the state highway system westward and provides a route from Anacortes to the larger islands of San Juan County, as well as Canada's Vancouver Island. Railroad freight service is available by BNSF Railway and the port facilities at Anacortes provide ocean cargo service. The Shell and Tesoro refineries at March's Point, near Anacortes, add to the Skagit County employment base.

State Route 20 (North Cascades Highway) is an east-west route that extends from U.S. Highway 101 near Port Townsend on the Olympic Peninsula to near the Idaho border. The highway runs diagonally through the town of Burlington and follows the Skagit River to the rural community of Marblemount, where it climbs and crosses the Cascades. State Route 9 runs north-south along the Cascade foothills

to the east of Mount Vernon and Burlington, extending from State Route 522 near Woodinville to the Canadian border.

Employment

King, Pierce, Snohomish, Skagit, and Thurston counties are the most populated counties within Washington State and comprise what is commonly referred to as the central Puget Sound Region. Two-thirds of the total jobs in the Puget Sound region are located in King County. Overall, Skagit County is relatively rural in nature as compared to neighboring Snohomish and King Counties, and while the county is best known for its agriculture, manufacturing has historically been the largest contributor to Skagit County's real gross domestic product. As shown below, service industry, retail and manufacturing sectors collectively provide over 70% of jobs in this region.

Employment by Industry - Mount Vernon/Anacortes

Industry	2018 Estimate	Percent of Employment
Agriculture/Mining	2,128	3.80%
Construction	4,536	8.10%
Manufacturing	6,217	11.10%
Wholesale trade	1,288	2.30%
Retail trade	6,833	12.20%
Transportation/Utilities	2,464	4.40%
Information	560	1.00%
Finance/Insurance/Real Estate Services	2,800	5.00%
Services	26,211	46.80%
Public Administration	2,856	5.10%
Total	56,006	99.8%

Source: Site-to-Do-Business (STDB Online)

Unemployment

The following table exhibits current and past unemployment rates as obtained from the Bureau of Labor Statistics. Overall, the Region boasts a higher-than-average unemployment rate as compared to statewide and national statistics.

Unemployment Rates

Area	YE 2011	YE 2012	YE 2013	YE 2014	YE 2015	YE 2016	YE 2017	2018 YTD
United States	8.5%	7.9%	6.7%	5.6%	5.0%	4.7%	4.1%	3.7%
Washington	7.4%	6.6%	5.8%	5.6%	4.9%	4.7%	4.3%	4.3%
Mount Vernon-Anacortes	10.7%	9.5%	8.2%	7.2%	7.2%	6.2%	5.8%	5.1%
Skagit County, WA	10.7%	9.5%	8.2%	7.2%	7.2%	6.2%	5.8%	5.1%
*Mount Vernon, WA	10.9%	9.8%	8.2%	7.7%	7.7%	6.2%	6.1%	5.1%

**Unemployment data provided for Mount Vernon, WA*

Source: Bureau of Labor Statistics - Year End - National & State Seasonally Adjusted

Median Household Income

Total median household income for the region is presented in the following table. Overall, the subject's MSA and county compare favorably to the state and the country.

Median Household Income

Area	Estimated 2018	Projected 2023	Annual % Change 2018 - 23
United States	\$58,100	\$65,727	2.6%
Washington	\$68,734	\$79,382	3.1%
Mount Vernon-Anacortes	\$64,106	\$75,911	3.7%
Skagit County, WA	\$64,106	\$75,911	3.7%
Anacortes City, WA	\$69,857	\$80,810	3.1%

Source: Site-to-Do-Business (STDB Online)

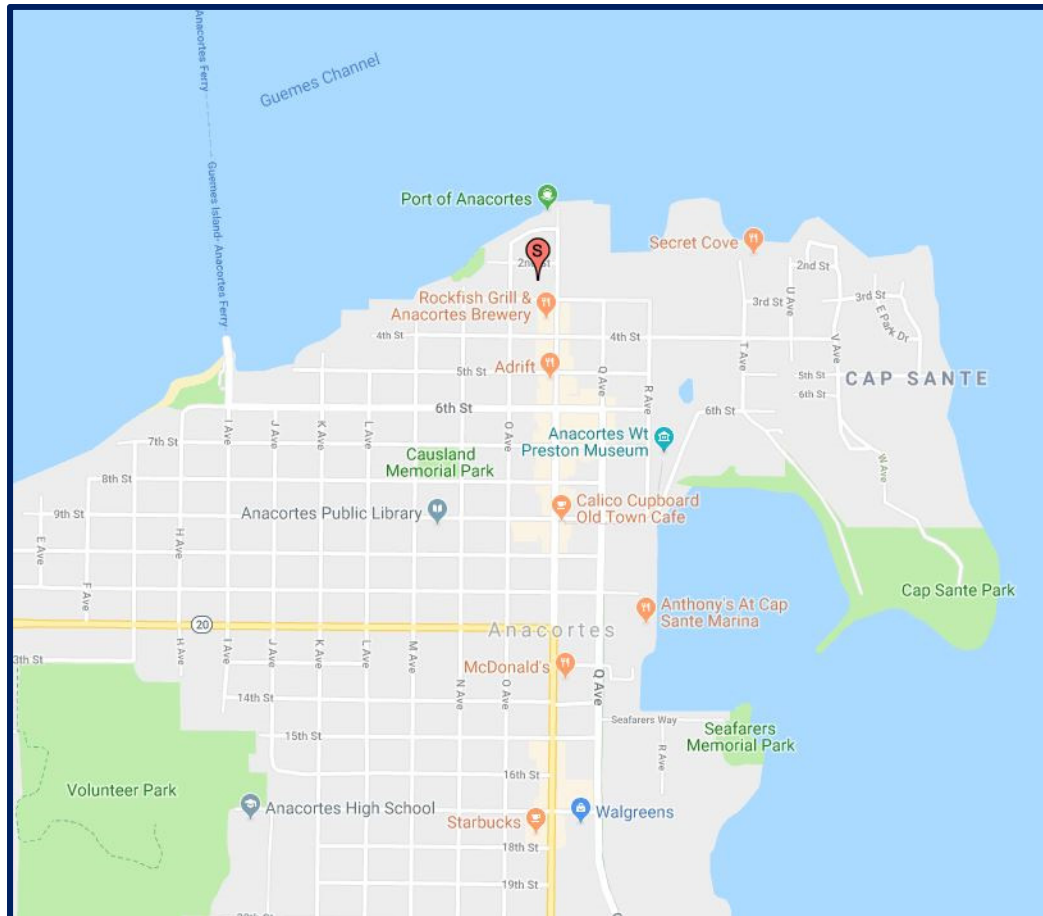
Conclusions

Despite slower growth as compared to Snohomish and King Counties to the south, Skagit County is a highly desirable place to live due to its recreational opportunities, physical features and relatively close proximity to Bellingham and Everett.

Trends in the Seattle area tend to have a ripple effect on the local market of other counties in the Puget Sound area and improving economic conditions in the region have favorably affected Skagit County, as well, particularly for those looking for a more affordable cost of living. Though growth in Skagit County is slower than that of Snohomish and King Counties to the south, it nonetheless appears to indicate a favorable outlook for the region and modestly increasing real estate values over the long term.

City and Neighborhood Analysis

NEIGHBORHOOD MAP



Overview

The subject is located in Anacortes in Skagit County. The subject site is located in downtown Anacortes on the northern tip of Fidalgo Island, which is roughly 15 miles west of Mount Vernon. Fidalgo Island is separated from the mainland by a narrow channel known as the Swinomish Channel. Since Anacortes is the nearest city, it is known as the "Gateway to the San Juan Islands." Many boaters from the region moor their boats at Anacortes to take advantage of the short run to the San Juans. Three major marinas provide over 2,000 boat slips, as well as boat repair, brokerage, fuel, charters, and supplies.

Anacortes is the second largest city in Skagit County, behind Mount Vernon. Both Anacortes and Skagit County have seen steady growth since the recession. Anacortes is the only incorporated city on Fidalgo island. The local economy has historically been based on seafood and timber, and there are several seafood processing plants on the island. The Port facilities include deepwater docks that allow the shipment of logs, lumber, sulfur, and petroleum coke. There are also two oil refineries (Shell and Tesoro) that refine Alaskan oil.

Because of its unique location near the San Juan Islands with a deepwater port, rail service, and 4-lane access to Interstate 5 (I-5), Anacortes is expected to continue the established growth trend. Employment growth is expected to remain marine-oriented, although tourism should also increase.

Demographics

The following table depicts the area demographics in Anacortes within a one-, three-, and five-mile radius from the subject.

Neighborhood Demographics

Radius	1 mile	3 miles	5 miles
Population Summary			
2000 Population	2,687	12,501	16,415
2010 Population	2,624	13,575	17,918
2018 Population	2,699	14,559	19,255
2023 Population Estimate	2,795	15,380	20,352
Annual % Change (2018 - 2023)	0.7%	1.1%	1.1%
Housing Unit Summary			
2000 Housing Units	1,325	5,738	7,714
% Owner Occupied	50.4%	61.2%	63.2%
% Renter Occupied	41.4%	29.4%	26.1%
2010 Housing Units	1,446	6,840	9,258
% Owner Occupied	45.2%	56.1%	58.3%
% Renter Occupied	45.3%	31.4%	27.8%
2018 Housing Units	1,480	7,235	9,827
% Owner Occupied	44.3%	55.7%	57.8%
% Renter Occupied	45.7%	31.8%	28.2%
2023 Housing Units	1,522	7,587	10,321
% Owner Occupied	45.6%	56.8%	58.9%
% Renter Occupied	44.5%	30.8%	27.4%
Annual % Change (2018 - 2023)	0.6%	1.0%	1.0%
Income Summary			
2018 Median Household Income	\$52,784	\$67,175	\$71,334
2023 Median Household Income Estimate	\$62,829	\$78,234	\$82,236
Annual % Change	3.5%	3.1%	2.9%
2018 Per Capita Income	\$35,834	\$38,087	\$41,108
2023 Per Capita Income Estimate	\$42,547	\$43,926	\$47,606
Annual % Change	3.5%	2.9%	3.0%

Source: Site-to-Do-Business (STDB Online)

Transportation Access

The area is accessed by a spur of State Route 20 (SR-20), a 4-lane, divided highway that connects Mount Vernon with Anacortes, and provides access to the ferry terminal. SR-20 turns south and crosses the bridge over Deception Pass onto Whidbey Island, where ferry service is available to

Mukilteo on the mainland. Rail service is available, connecting to the main Burlington Northern lines at Mount Vernon. Air service is provided by both the Anacortes Airport and the Skagit/Bayview Regional Airport. Access to the area is considered average.

Neighborhood Land Use

The subject neighborhood is located in area consisting of marine-oriented industrial land uses, as well as some light commercial as the subject property abuts the Anacortes central business district.

Conclusions

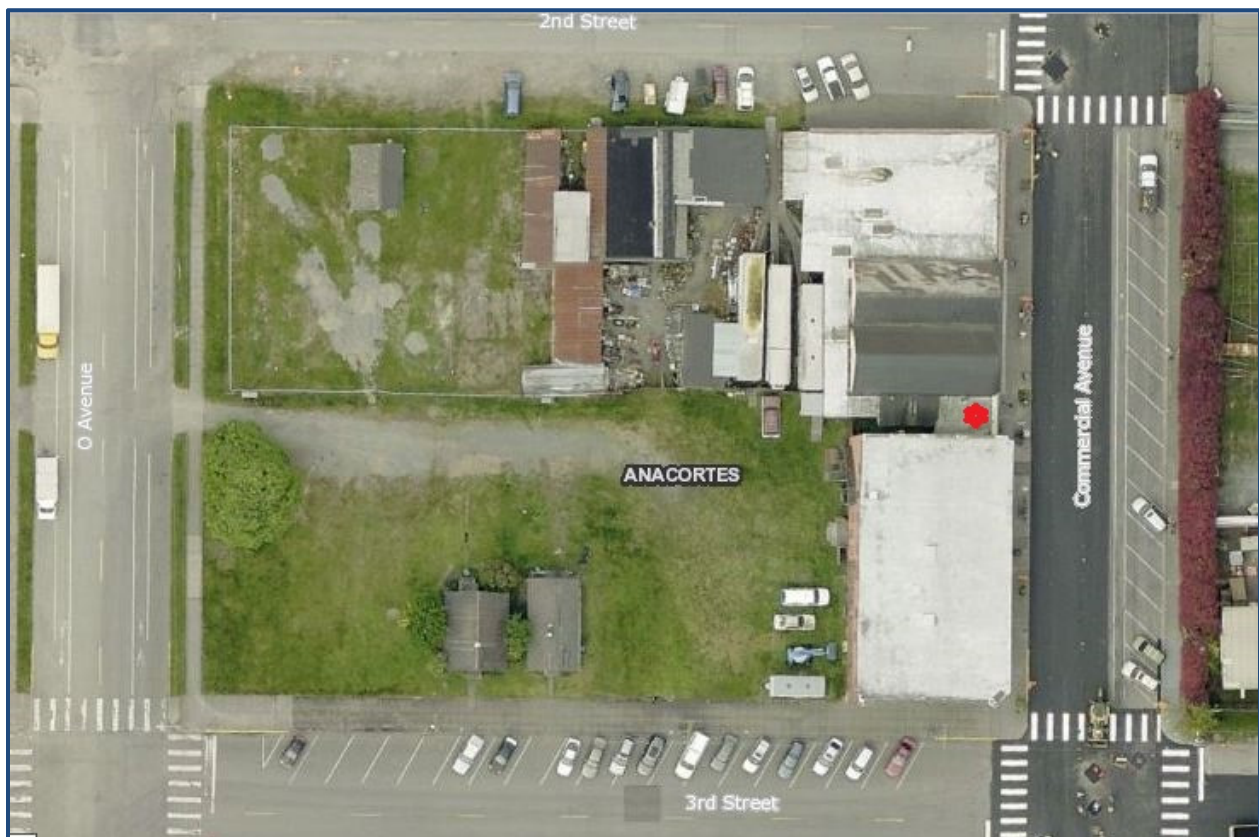
There is some growth in Anacortes, though at a slower rate than would be found in nearby Mount Vernon/Burlington. Overall, we would expect the market to remain relatively stable over the near term.

Site Description

The subject site is a 4,800-square-foot undeveloped alley right-of-way between 2nd and 3rd Streets and extending from "O" Avenue to Commercial Avenue.

Easements/Encroachments

No title report for the proposed vacation area was provided, therefore we are unaware of any easements. It does appear that existing structures may encroach on the eastern portion of the proposed vacation area and no encroachment issue is reflected in our conclusion. Please see the aerial below.



Flood Zone Data

Flood Map Panel/Number: 5303170040A

Flood Map Date: 09-17-2003

Flood Zone: X - Zone X is the flood insurance rate zone that corresponds to areas outside the 1% annual chance floodplain, areas of 1% annual chance sheet flow flooding where average depths are less than 1 foot, areas of 1% annual chance stream flooding where the contributing drainage area is less than 1 square mile, or areas protected from the 1% annual chance flood by levees. No Base Flood Elevations or depths are shown within this zone. Insurance purchase is not required in these zones.

Other Site Conditions

No wetlands or unusual site conditions were noted at the time of inspection. We have not been provided with a soils report; however, according to the USDA Web Soil Survey, the subject's soils consist of Clallam-Urban Land complex 0%-8% slopes. Such soils are moderately well-drained, with moderately rapid permeability, formed in glacial till over very compact glacial till. Such soils are typically found on glaciated hills at elevations of 25 to 1,800 feet. They are found in a mild marine climate and have cool, dry summers and cool, moist winters.

Adjacent Land Uses

The subject is located on the southern boundary of the Manufacturing and Shipping district and is surrounded by primarily marine-oriented industrial uses except to the south which abuts Anacortes' central business district with light commercial uses.

Zoning Designation

Zoning Jurisdiction:	City of Anacortes
Zoning Classification:	MS, Manufacturing and Shipping
General Plan Designation:	Industrial
Permitted Uses:	Manufacturing, storing, and shipment of goods, research and development, offices, maritime administration and public meeting space, building and repair of boats and ships, boat and marine equipment sales and services, public parks, piers, wharfs, dry docks and related facilities, as well as commercial, private and public parking.
Zoning Comments:	According to the City of Anacortes' zoning code, the manufacturing and shipping district is primarily intended to accommodate manufacturing and shopping uses that can utilize the deep waters of the Guemes Channel. Secondly, the MS district provides for uses supplementary to and compatible with the primary uses noted above.

There is no maximum density in this zone.

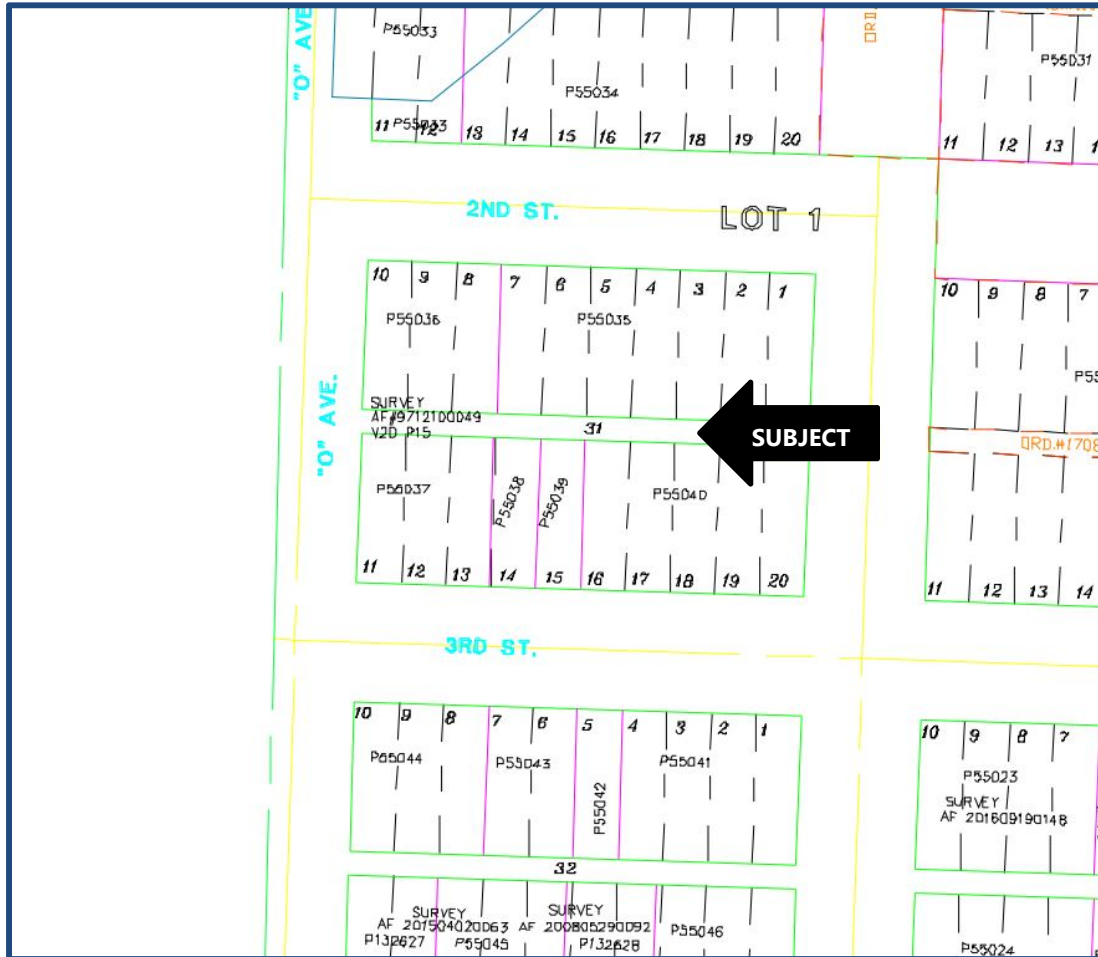
Setbacks: 10 feet from a street right-of-way line and 10 feet from adjacent property lines.

Maximum lot coverage: 60% except that ship and boat building and repair may be up to 75%.

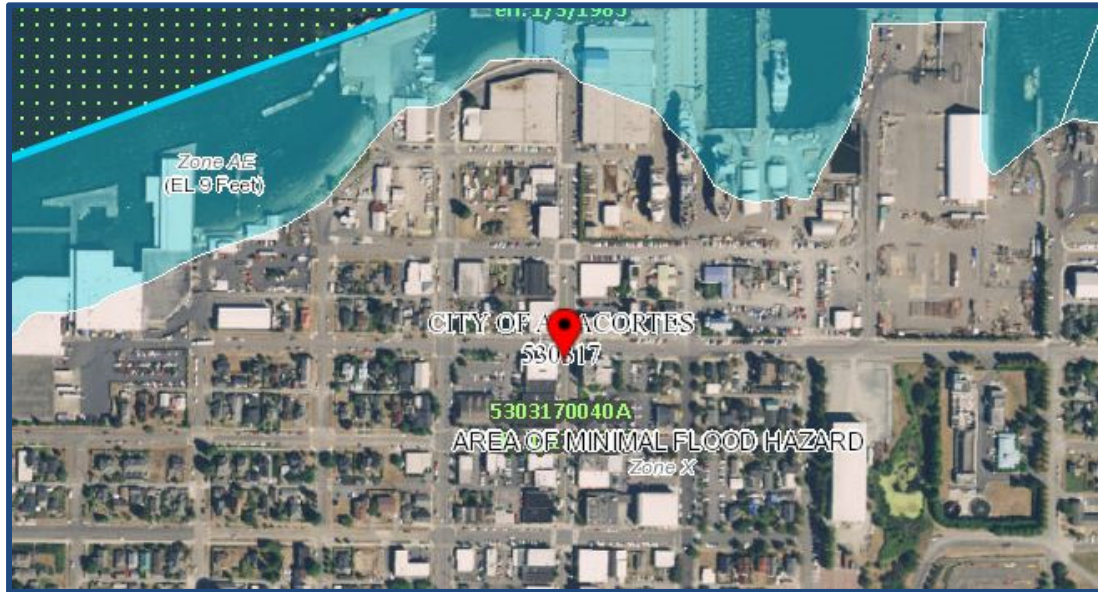
Maximum building height: 50 feet

The Anacortes Planning Commission has drafted an update to the existing zoning code which would allow for live/work and multifamily residential as additional conditional uses.

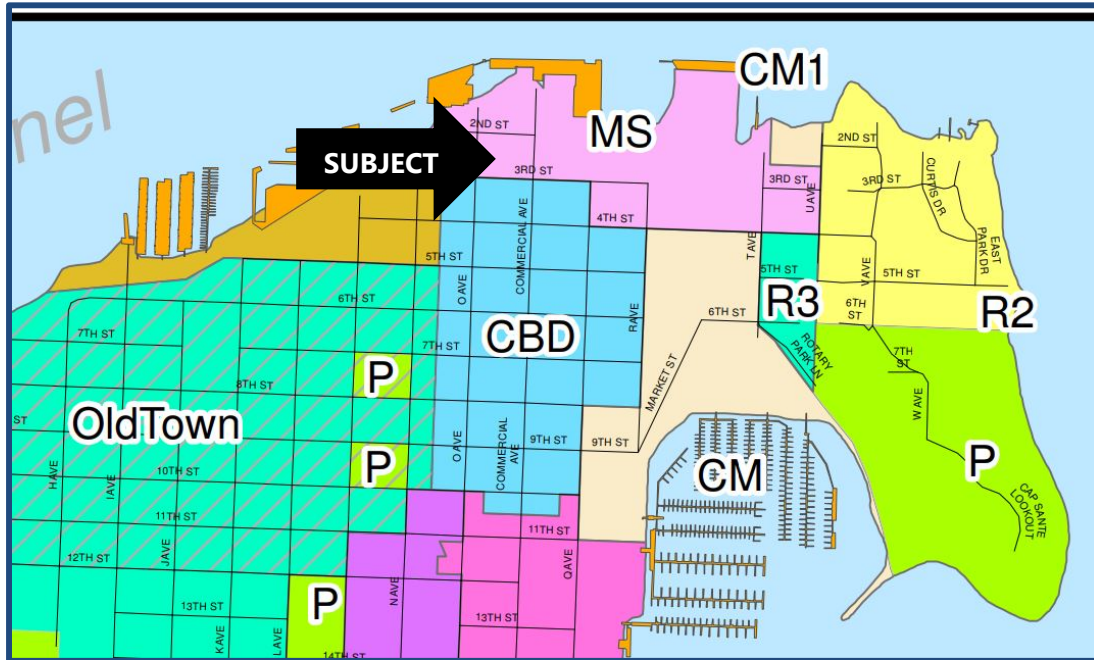
TAX/PLAT MAP



FLOOD MAP



ZONING MAP



Subject Photos



Alley facing west



Alley facing east



Commercial Avenue



O Avenue facing north

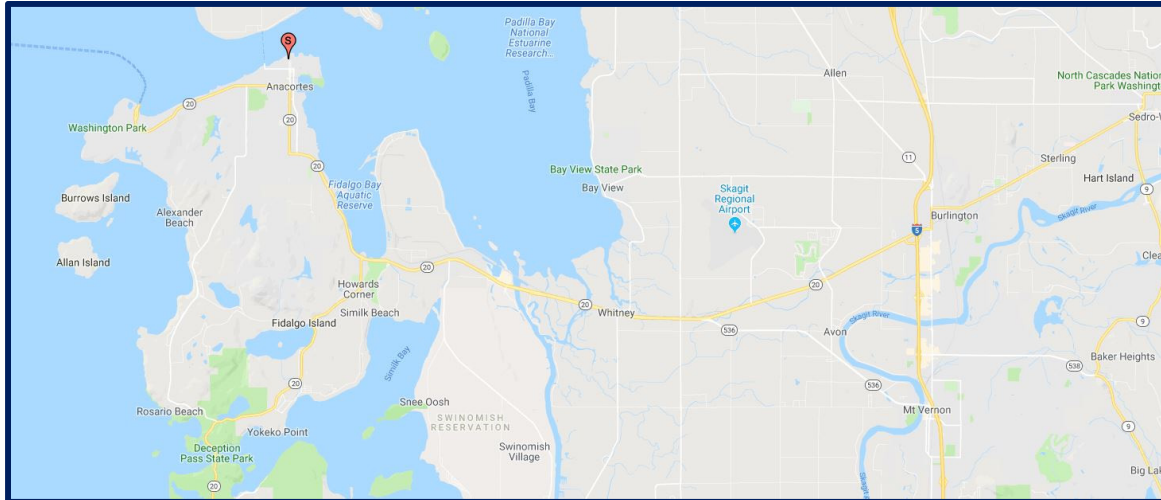
Assessment and Tax Data

Assessment Methodology

Washington State requires that all real property be taxed at 100% fair market value; however, the subject is a city-owned right-of-way and is therefore not assessed or taxed. All abutting properties are currently owned by the Port of Anacortes, which is another tax-exempt agency. Based upon the opinion of market value provided in this report, as well as the levy rate applied nearby taxable property, we estimate property taxes for the subject property would be approximately \$500.

Market Analysis

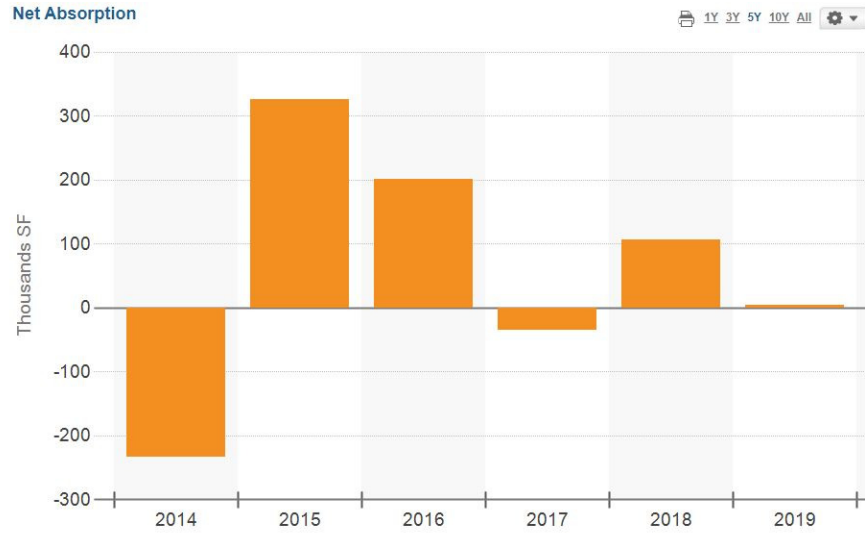
MARKET AREA MAP



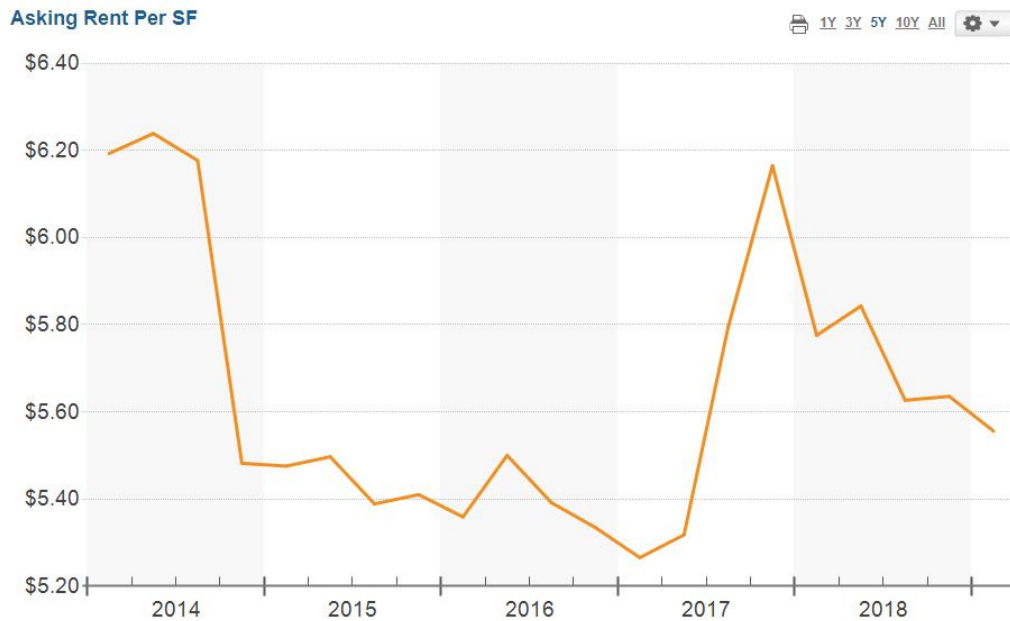
Recent surveys and information obtained from CoStar Inc. provides analytical data for industrial properties in Skagit County. The report indicates the market was characterized by decreasing vacancy rates overall from late 2011 through the beginning of 2019, with a slight uptick in the latter half of 2018. Currently, the vacancy rate seems to be holding steady at 8.8% with an availability rate of 7.9%.



Net absorption of industrial space was a positive 107,000 square feet at year-end 2018 with no new inventory under construction at present.



Asking rents have generally decreased throughout 2018 and currently sit at \$5.56 per square foot in the current quarter.



Overall, the industrial market in the Skagit County market is relatively stable and has not seen the same growth experienced in larger business centers such as Everett and Seattle to the south.

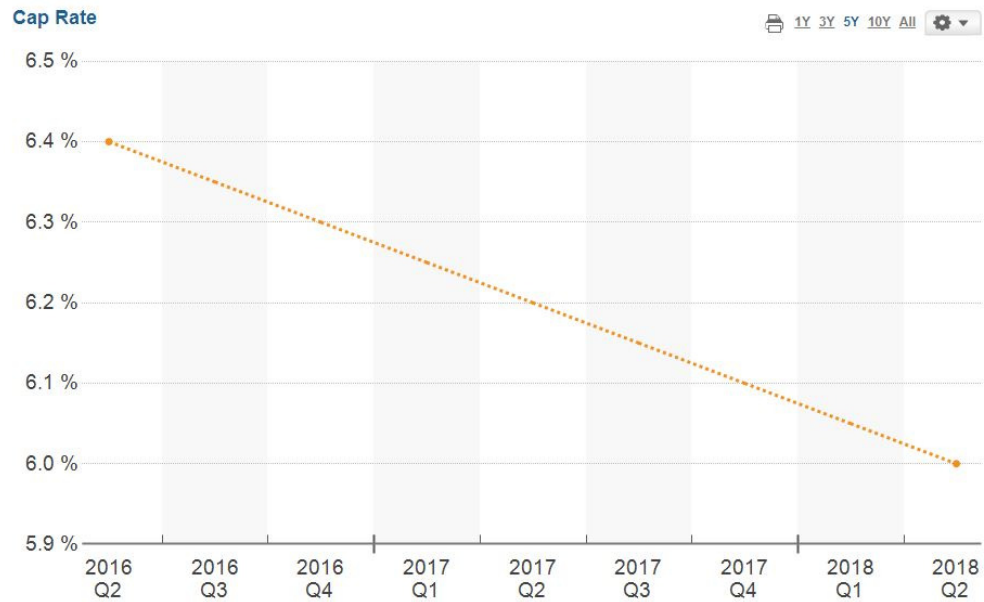
The following chart summarizes Cap rate information for the Puget Sound Region Industrial market

Cap Rate Trends

Puget Sound Industrial

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
8.11%	8.43%	8.20%	6.61%	6.69%	6.83%	6.32%	6.35%	6.19%	5.81%	5.35%

As can be seen, Cap rates in 2018 are generally down from a high of 8.43% in 2010. Rates in Skagit County are somewhat higher than the Puget Sound average:



Highest and Best Use

The Highest and Best Use of a property is the use that is legally permissible, physically possible, and financially feasible which results in the highest value. An opinion of the highest and best use results from consideration of the criteria noted above under the market conditions or likely conditions as of the effective date of value. Determination of highest and best use results from the judgment and analytical skills of the appraiser. It represents an opinion, not a fact. In appraisal practice, the concept of highest and best use represents the premise upon which value is based.

Analysis of Highest and Best Use As If Vacant

The primary determinants of the highest and best use of the property as if vacant, we examine the potential for (1) near term development, (2) a subdivision of the site, (3) an assemblage of the site with other land, or (4) holding the land as an investment.

Legally Permissible

The subject site is zoned MS, Manufacturing and Shipping, an industrial zone. The right-of-way bifurcates the abutting parcels and the site is too small for independent industrial development. Parking is a permitted use under MS zoning; however assemblage with abutting parcels would allow for larger-scale industrial uses. The valuation assumes fee title by the City of Anacortes. This is a public use with limited market value and restrictions on use of the parcel to either public alley or vacation and assemblage with abutting lands.

Physically Possible

Elements such as availability of utilities, known hazards (flood, environmental, etc.), and other potential influences are described in the Site Description and have been considered. As previously discussed, the subject is comprised of an undeveloped right-of-way remnant with little utility other than for assemblage.

Financially Feasible

As demonstrated by nearby properties, the area tends to support marine-oriented industrial and office uses. While the site has limited physically usable area in itself, the highest and best use is concluded to be for assemblage with abutting ownerships.

Maximally Productive

Among the financially feasible uses, the use that results in the highest value (the maximally productive use) is the highest and best use. Considering these factors, the maximally productive use as though vacant is for assemblage.

Conclusion of Highest and Best Use As If Vacant

The conclusion of the highest and best use as if vacant is for assemblage.

Analysis of Highest and Best Use as Improved

N/A

Most Probable Buyer

As of the date of value, the most probable buyer of the subject property is an abutting property owner looking for assemblage opportunities.

Land Valuation

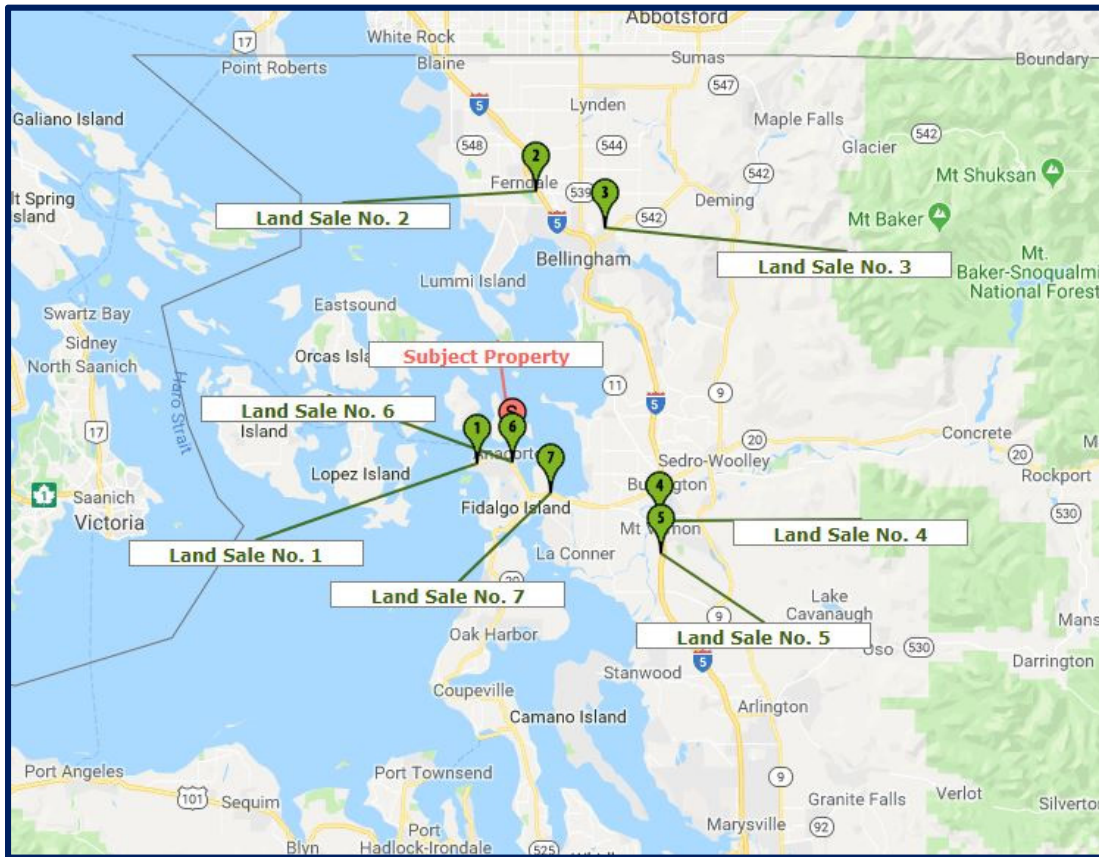
Methodology

The Real Estate community has long-recognized the ATF methodology for valuing corridors and street vacations. The methodology evaluates the abutting properties, essentially as a proxy for the subject, since it is assumed direct comparables are not available. The concept of ATF attempts to recognize the value of a corridor property that was ostensibly assembled from abutting properties to create an economic unit that benefits from a unique size, shape and the element of connectivity between two points. The premium for such assemblage is often the subject of debate (as it may be tied to business value) however the underlying premise that the abutting lands are suitable as the valuation foundation is generally acknowledged by appraisers. As such, the following is a table summarizing each sale comparable and a map illustrating the location of each in relation to the subject. Details of each comparable can be found in the Addenda.

Land Sales Alley Vacation

Sale	Property Address	City	Sale Date	Analysis		\$/sf	Zoning
				Price	Size (sf)		
1	Marine-Oriented Land <i>5xxx Ferry Terminal Road</i>	Anacortes	February-18	\$20,000	4,643	\$4.31	CM
2	Former Boat Repair <i>5375 Labounty Road</i>	Ferndale	September-17	\$362,000	42,689	\$8.48	C3/MXD
3	Bellingham Industrial <i>4114 Marblemount Lane</i>	Bellingham	May-17	\$386,000	38,542	\$10.02	PI
4	Mount Vernon Industrial Land <i>205 W. Fir Street</i>	Mount Vernon	October-16	\$600,000	120,661	\$4.97	M1
5	Mount Vernon Site <i>319 Eleanor Lane - Lot 3</i>	Mount Vernon	December-15	\$580,000	91,912	\$6.31	C-L
6	Commercial Vacant Land <i>2419 Commercial Avenue</i>	Anacortes	August-14	\$300,000	12,000	\$25.00	CBD
7	Anacortes Manufacturing Site <i>12375 Reservation Road</i>	Anacortes	December-13	\$275,000	108,900	\$2.53	HM
Subject Property							
	<i>Alley between 2nd and 3rd St</i>	Anacortes			4,800		MS

MARKET AREA MAP



The subject is zoned MS, or Manufacturing and Shipping which involves some requirements for marine-oriented industrial use. It was necessary to expand our search criteria to include older sales, properties throughout Skagit County and parts of Whatcom County, and properties with general industrial and/or commercial zoning without the marine component. In order to analyze the comparable properties, it is necessary to fully understand the differences between zones, thus we have prepared the following matrix which identifies permitted uses under each zone.

Zoning Matrix - Permitted Uses

Anacortes Land Exchange

Anacortes				Mount Vernon		Ferndale	Bellingham
MS	CM	CBD	HM	M1	C-L	C-3/MXD	PI (10)
Manufacturing, storing and shipment of goods, research and development, offices, maritime administration, building and repair of boats and ships, boat and marine equipment sales and services, dry docks and related facilities, wharfs.	Boat moorage, marinas, ship and boat building and repair, boat and marine equipment sales and services, small scale retail shops, eating and drinking establishments, offices, boatels, hotels, motels, movie theaters.	Retail, personal service, offices, financial institutions, restaurants, bed-and-breakfasts, hotels/motels, museums and art galleries, multi-family above the first floor.	Industrial, research and development, office, repair, warehouse, processing, shipping terminal uses.	Gas stations, retail, cold storage, some retail, warehouse and distribution, restaurants, transportation system terminals, veterinary care, hazardous waste treatment.	Restaurants, retail, personal services, banks and financial institutions, hotels/motels, parking garages, research facilities, laboratories, light manufacturing, warehousing.	Restaurants, retail, personal services, automotive repair, general service, spa, eating and drinking establishments, mixed-use residential/commercial with residential on upper floors only, office, medical/dental clinics, financial institutions, research and development, hotel/motel, general retail, wholesale and grocery store.	Warehousing, wholesaling of chemicals, manufacturing of chemicals, retail sales, offices, eating and/or drinking establishments, personal services, laboratories, automotive repair, education, animal care, agricultural nurseries, animal hospitals, transportation construction.

Those zones which allow for additional commercial/retail uses and/or potential for mixed residential/commercial use will typically generate a higher premium than would general industrial or manufacturing properties, and those which are industrially-zoned with a marine-oriented use limitation. While the subject's zone does allow for a number of *conditional* commercial uses, including multifamily residential, such approval would have to be granted by the controlling jurisdiction – in this case, the City of Anacortes – and is not guaranteed. With that said, the subject property does have some commercial potential, but as a conditional use only, a knowledgeable buyer would certainly consider that a risk while considering a purchase.

Discussion of Sales

Sale 1 is located near the ferry terminal and outside of downtown Anacortes. It has sloped topography and no legal access. The property was purchased with the intent to assemble it with abutting properties. Its zone, while marine-oriented, does allow for more commercial use as compared to the subject's industrial nature. It is considered inferior overall as the lack of legal access presents a potential significant hurdle to development for the buyer. Sale 2 is a level parcel located in Ferndale which was previously improved by a shop building which burnt down. The former building was used for boat repair. The underlying zone allows for a wide variety of uses, including mixed-use residential and commercial, though the neighborhood does not appear to be transitioning in this direction at this time. Overall, it is considered slightly inferior to the subject. Sale 3 is in Bellingham which is considered to be a superior location and in an established industrial neighborhood. It is relatively similar to the subject. Sale 4 is a previously-developed site just north of downtown Mount Vernon which is located in a manufacturing zone and is considered to be slightly inferior to the subject property overall. Sale 5 is located south of downtown Mount Vernon in a zone which allows for some light manufacturing and industrial uses, as well as retail, hotels, and personal services. The neighborhood, however, has several existing manufacturing facilities, auto repair, and boat and RV sales lots. Overall, Sale 5 is considered inferior to the subject. Sale 6 is a commercially-zoned lot south of the subject along Commercial Avenue with excellent commercial exposure and an underlying zone which allows for a wide variety of uses – far superior to the subject property. Finally, Sale 8 is an older industrial sale located outside of downtown Anacortes and south of SR-20. It has significant wetlands on-site and is considered significantly inferior.

Summary and Conclusions

The subject is located in a marine-oriented zone which allows for primarily industrial and office uses. While its proximity to the waterfront might otherwise be considered a benefit, the marine-oriented use limitations and current industrial nature of the waterfront does have a significant impact on the subject property. The subject's block abuts the central business district zone which allows for a number of additional commercially-focused uses which, as evidenced by Sale 6, draw a premium over industrial land. Sales 1, 4, 5 and 7 are considered inferior to the subject, and Sale 2 only slightly inferior. Sale 3 is considered relatively similar overall, and Sale 6 is considered significantly superior. In consideration of all of the above, we conclude a value of \$10.00 per square foot for the subject property. As noted above, there are a number of conditional uses which may be allowed on the subject property, and consideration has been given to its close-in location, abutting the CBD zone. However, commercial uses are conditional only under the current zoning designation, and approval of a conditional use is not guaranteed; thus, any prospective buyer would consider this risk with any potential purchase of the subject property.

Valuation Summary

The indicated values from the approaches used and our concluded market values for the subject property are summarized in the following table.

Value Conclusions

Component	As Is
Value Type	Market Value
Property Rights Appraised	Fee Simple
Effective Date of Value	January 22, 2019
Value Conclusion	\$48,000

Our findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions which might have affected the assignment results:

Extraordinary Assumptions:

- None.

Hypothetical Conditions:

- The Anacortes Planning Commission is drafting revisions to its zoning code. The opinion of value provided in this report is based upon the hypothetical condition that such revisions, as noted in the third draft dated December 8, 2018, have been codified.

Analysis of Recent Transactions

N/A

Analysis of Prior Appraisals

N/A

Exposure Time and Marketing Periods

Based on statistical information about days on market, escrow length, and marketing times gathered through national investor surveys, sales verification, and interviews of market participants, marketing and exposure time estimates of nine and twelve months, respectively, are considered reasonable and appropriate for the subject property.

General Assumptions and Limiting Conditions

This appraisal is subject to the following general assumptions and limiting conditions:

1. The legal description – if furnished to us – is assumed to be correct.
2. No responsibility is assumed for legal matters, questions of survey or title, soil or subsoil conditions, engineering, availability or capacity of utilities, or other similar technical matters. The appraisal does not constitute a survey of the property appraised. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management unless otherwise noted.
3. Unless otherwise noted, the appraisal will value the property as though free of contamination. Valbridge Property Advisors | Puget Sound will conduct no hazardous materials or contamination inspection of any kind. It is recommended that the client hire an expert if the presence of hazardous materials or contamination poses any concern.
4. The stamps and/or consideration placed on deeds used to indicate sales are in correct relationship to the actual dollar amount of the transaction.
5. Unless otherwise noted, it is assumed there are no encroachments, zoning violations or restrictions existing in the subject property.
6. The appraiser is not required to give testimony or attendance in court by reason of this appraisal, unless previous arrangements have been made.
7. Unless expressly specified in the engagement letter, the fee for this appraisal does not include the attendance or giving of testimony by Appraiser at any court, regulatory or other proceedings, or any conferences or other work in preparation for such proceeding. If any partner or employee of Valbridge Property Advisors | Puget Sound is asked or required to appear and/or testify at any deposition, trial, or other proceeding about the preparation, conclusions or any other aspect of this assignment, client shall compensate Appraiser for the time spent by the partner or employee in appearing and/or testifying and in preparing to testify according to the Appraiser's then current hourly rate plus reimbursement of expenses.
8. The values for land and/or improvements, as contained in this report, are constituent parts of the total value reported and neither is (or are) to be used in making a summation appraisal of a combination of values created by another appraiser. Either is invalidated if so used.
9. The dates of value to which the opinions expressed in this report apply are set forth in this report. We assume no responsibility for economic or physical factors occurring at some point at a later date, which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors and are subject to change with future conditions. Appraiser is not responsible for determining whether the date of value requested by Client is appropriate for Client's intended use.
10. The sketches, maps, plats and exhibits in this report are included to assist the reader in visualizing the property. The appraiser has made no survey of the property and assumed no responsibility in connection with such matters.

11. The information, estimates and opinions, which were obtained from sources outside of this office, are considered reliable. However, no liability for them can be assumed by the appraiser.
12. Possession of this report, or a copy thereof, does not carry with it the right of publication. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to property value, the identity of the appraisers, professional designations, reference to any professional appraisal organization or the firm with which the appraisers are connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval.
13. No claim is intended to be expressed for matters of expertise that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers. We claim no expertise in areas such as, but not limited to, legal, survey, structural, environmental, pest control, mechanical, etc.
14. This appraisal was prepared for the sole and exclusive use of the client for the function outlined herein. Any party who is not the client or intended user identified in the appraisal or engagement letter is not entitled to rely upon the contents of the appraisal without express written consent of Valbridge Property Advisors | Puget Sound and Client. The Client shall not include partners, affiliates, or relatives of the party addressed herein. The appraiser assumes no obligation, liability or accountability to any third party.
15. Distribution of this report is at the sole discretion of the client, but third-parties not listed as an intended user on the face of the appraisal or the engagement letter may not rely upon the contents of the appraisal. In no event shall client give a third-party a partial copy of the appraisal report. We will make no distribution of the report without the specific direction of the client.
16. This appraisal shall be used only for the function outlined herein, unless expressly authorized by Valbridge Property Advisors | Puget Sound.
17. This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.
18. Unless otherwise noted in the body of this report, this appraisal assumes that the subject property does not fall within the areas where mandatory flood insurance is effective. Unless otherwise noted, we have not completed nor have we contracted to have completed an investigation to identify and/or quantify the presence of non-tidal wetland conditions on the subject property. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
19. The flood maps are not site specific. We are not qualified to confirm the location of the subject property in relation to flood hazard areas based on the FEMA Flood Insurance Rate Maps or other surveying techniques. It is recommended that the client obtain a confirmation of the subject property's flood zone classification from a licensed surveyor.
20. If the appraisal is for mortgage loan purposes 1) we assume satisfactory completion of improvements if construction is not complete, 2) no consideration has been given for rent loss during rent-up unless noted in the body of this report, and 3) occupancy at levels consistent with our "Income and Expense Projection" are anticipated.
21. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.

22. Our inspection included an observation of the land and improvements thereon only. It was not possible to observe conditions beneath the soil or hidden structural components within the improvements. We inspected the buildings involved, and reported damage (if any) by termites, dry rot, wet rot, or other infestations as a matter of information, and no guarantee of the amount or degree of damage (if any) is implied. Condition of heating, cooling, ventilation, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. Should the client have concerns in these areas, it is the client's responsibility to order the appropriate inspections. The appraiser does not have the skill or expertise to make such inspections and assumes no responsibility for these items.
23. This appraisal does not guarantee compliance with building code and life safety code requirements of the local jurisdiction. It is assumed that all required licenses, consents, 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 conclusion contained in this report is based unless specifically stated to the contrary.
24. When possible, we have relied upon building measurements provided by the client, owner, or associated agents of these parties. In the absence of a detailed rent roll, reliable public records, or "as-built" plans provided to us, we have relied upon our own measurements of the subject improvements. We follow typical appraisal industry methods; however, we recognize that some factors may limit our ability to obtain accurate measurements including, but not limited to, property access on the day of inspection, basements, fenced/gated areas, grade elevations, greenery/shrubbery, uneven surfaces, multiple story structures, obtuse or acute wall angles, immobile obstructions, etc. Professional building area measurements of the quality, level of detail, or accuracy of professional measurement services are beyond the scope of this appraisal assignment.
25. We have attempted to reconcile sources of data discovered or provided during the appraisal process, including assessment department data. Ultimately, the measurements that are deemed by us to be the most accurate and/or reliable are used within this report. While the measurements and any accompanying sketches are considered to be reasonably accurate and reliable, we cannot guarantee their accuracy. Should the client desire more precise measurement, they are urged to retain the measurement services of a qualified professional (space planner, architect or building engineer) as an alternative source. If this alternative measurement source reflects or reveals substantial differences with the measurements used within the report, upon request of the client, the appraiser will submit a revised report for an additional fee.
26. In the absence of being provided with a detailed land survey, we have used assessment department data to ascertain the physical dimensions and acreage of the property. Should a survey prove this information to be inaccurate, upon request of the client, the appraiser will submit a revised report for an additional fee.
27. If only preliminary plans and specifications were available for use in the preparation of this appraisal, and a review of the final plans and specifications reveals substantial differences upon request of the client the appraiser will submit a revised report for an additional fee.

28. Unless otherwise stated in this report, the value conclusion is predicated on the assumption that the property is free of contamination, environmental impairment or hazardous materials. Unless otherwise stated, the existence of hazardous material was not observed by the appraiser and the appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required for discovery. The client is urged to retain an expert in this field, if desired.
29. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey of the property to determine if it is in conformity with the various requirements of the ADA. It is possible that a compliance survey of the property, together with an analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this could have a negative effect on the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in developing an opinion of value.
30. This appraisal applies to the land and building improvements only. The value of trade fixtures, furnishings, and other equipment, or subsurface rights (minerals, gas, and oil) were not considered in this appraisal unless specifically stated to the contrary.
31. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated, unless specifically stated to the contrary.
32. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute prediction of future operating results. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance.
33. Any estimate of insurable value, if included within the scope of work and presented herein, is based upon figures developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from our estimate and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. As such, we strongly recommend that the Client obtain estimates from professionals experienced in establishing insurance coverage. This analysis should not be relied upon to determine insurance coverage and we make no warranties regarding the accuracy of this estimate.
34. The data gathered in the course of this assignment (except data furnished by the Client) shall remain the property of the Appraiser. The appraiser will not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to the appraiser. Notwithstanding the foregoing, the Appraiser is authorized by the client to disclose all or any portion of the appraisal and related appraisal data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable the appraiser to comply with the Bylaws and Regulations of such Institute now or hereafter in effect.

35. You and Valbridge Property Advisors | Puget Sound both agree that any dispute over matters in excess of \$5,000 will be submitted for resolution by arbitration. This includes fee disputes and any claim of malpractice. The arbitrator shall be mutually selected. If Valbridge Property Advisors | Puget Sound and the client cannot agree on the arbitrator, the presiding head of the Local County Mediation & Arbitration panel shall select the arbitrator. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that, by agreeing to binding arbitration, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury. In the event that the client, or any other party, makes a claim against Valbridge Property Advisors | Puget Sound or any of its employees in connections with or in any way relating to this assignment, the maximum damages recoverable by such claimant shall be the amount actually received by Valbridge Property Advisors | Puget Sound for this assignment, and under no circumstances shall any claim for consequential damages be made.
36. Valbridge Property Advisors | Puget Sound shall have no obligation, liability, or accountability to any third party. Any party who is not the "client" or intended user identified on the face of the appraisal or in the engagement letter is not entitled to rely upon the contents of the appraisal without the express written consent of Valbridge Property Advisors | Puget Sound. "Client" shall not include partners, affiliates, or relatives of the party named in the engagement letter. Client shall hold Valbridge Property Advisors | Puget Sound and its employees harmless in the event of any lawsuit brought by any third party, lender, partner, or part-owner in any form of ownership or any other party as a result of this assignment. The client also agrees that in case of lawsuit arising from or in any way involving these appraisal services, client will hold Valbridge Property Advisors | Puget Sound harmless from and against any liability, loss, cost, or expense incurred or suffered by Valbridge Property Advisors | Puget Sound in such action, regardless of its outcome.
37. The Valbridge Property Advisors office responsible for the preparation of this report is independently owned and operated by Valbridge Property Advisors | Puget Sound. Neither Valbridge Property Advisors, Inc., nor any of its affiliates has been engaged to provide this report. Valbridge Property Advisors, Inc. does not provide valuation services, and has taken no part in the preparation of this report.
38. If any claim is filed against any of Valbridge Property Advisors, Inc., a Florida Corporation, its affiliates, officers or employees, or the firm providing this report, in connection with, or in any way arising out of, or relating to, this report, or the engagement of the firm providing this report, then (1) under no circumstances shall such claimant be entitled to consequential, special or other damages, except only for direct compensatory damages, and (2) the maximum amount of such compensatory damages recoverable by such claimant shall be the amount actually received by the firm engaged to provide this report.
39. This report and any associated work files may be subject to evaluation by Valbridge Property Advisors, Inc., or its affiliates, for quality control purposes.
40. Acceptance and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and limiting conditions.

Certification – S. Murray Brackett, MAI

I 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 personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. I have performed no (or the specified) services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. I have made a personal inspection of the property that is the subject of this report. (If more than one person signs this certification, the certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraised property.)
10. No one provided significant real property appraisal assistance to the person signing this certification, unless otherwise noted.
11. 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 Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, I have completed the continuing education program for Designated Members of the Appraisal Institute.

In my opinion the market value of the subject property, as of January 22, 2019, is:

Value Conclusions

Component	As Is
Value Type	Market Value
Property Rights Appraised	Fee Simple
Effective Date of Value	January 22, 2019
Value Conclusion	\$48,000

Date of Value: January 22, 2019



WA State Cert. No. 27011-1100853

Certification – Christina J. Lovell, Associate Appraiser

I 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 personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. I have performed no (or the specified) services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
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12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, I have completed the Standards and Ethics Education Requirements for Practicing Affiliates of the Appraisal Institute.
14. As of the date of this report, I have not completed the continuing education program for Practicing Affiliates of the Appraisal Institute.

In my opinion the market value of the subject property, as of January 22, 2019, is:

Value Conclusions

Component	As Is
Value Type	Market Value
Property Rights Appraised	Fee Simple
Effective Date of Value	January 22, 2019
Value Conclusion	\$48,000



Date of Value: January 22, 2019

WA State Cert. No. 27011-1001951

Addenda

Comparable Data

Statement of Purpose

Manufacturing and Shipping Zoning Information

Glossary

Qualifications

- S. Murray Brackett, MAI
- Christina Lovell, Associate Appraiser

Information on Valbridge Property Advisors

Office Locations

Comparable Data

LAND SALE NO. 1



Ferry Terminal Road



Plat Map

Property Identification

Property ID	10624205
Property Type	Commercial Land
Property Name	Unimproved Land
Address	NHN Ferry Terminal Road
City, State Zip	Anacortes, Washington 98221
County	Skagit
Location Description	East side of Ferry Terminal Road (State Route 20 spur), north of Y from mainline.
Section, Township, Range	22 35 1E
Tax ID	P58127
Latitude and Longitude	48.500985 -122.678245

Sale Data

Seller	Jack H. Hinshaw, Margery G. Hinshaw, Catherine R. Hinshaw, Carolyn L. Hinshaw, David H. Hinshaw
Buyer	B & R Investment Group, LLC
Sale Date	02-11-2018
Sale Price	\$20,000
Analysis Price	\$20,000
Deed Type	Statutory Warranty Deed
Reference No.	20180216-0123
Property Rights Transferred	Fee Simple
Market Time	120
Financing	Cash sale
Verified By	Kelly Hao
Verification With	Robert Hyde, Windermere RE Anacortes
Verification Date	08-31-2018

Land Data

Land Size	0.10659 acres or 4,643 SF
Topography	Sloped
Front Footage	Ferry Terminal Road
Utilities	All available
Access	No legal access
In Flood Plain?	No
Zoning Code	Commercial Marine Marine Related Commercial Use
Site Description	All utilities available. Steeply sloping brush and lightly treed, triangular-shaped site with no access.

Indicators

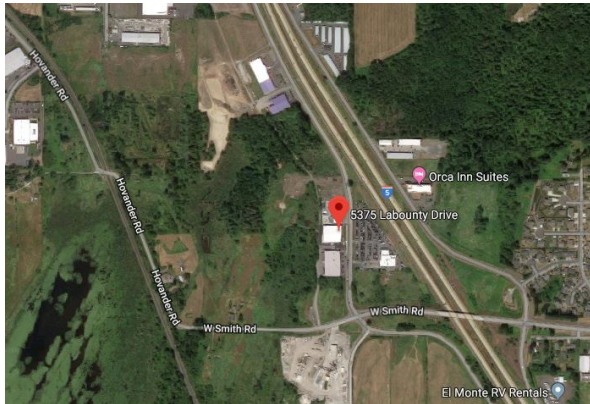
Analysis Price/Gross Acre	\$187,635 per Acre
Analysis Price/Gross SF	\$4.31 per SF

Property Remarks

Steeply sloping brush and lightly treed, triangular-shaped site with no access. According to the broker, the buyer was a developer who plans on trying to purchase adjacent parcels for both access and future commercial use. May do a coffee stand to begin; however, cannot have access along Ferry Terminal Road frontage.

Comp ID No. 10624205

LAND SALE NO. 2



Property Identification

Property ID	10812013
Property Type	Land
Property Name	Unimproved Land
Address	5375 Labounty Road
City, State Zip	Ferndale, Washington 98248
County	Whatcom
Tax ID	390228117082
Latitude and Longitude	48.835879 -122.568726

Sale Data

Seller	Timothy Furre
Buyer	Cougar Mountain Real Estate Company
Sale Date	09-12-2017
Sale Price	\$362,000
Analysis Price	\$362,000
Deed Type	Statutory Warranty Deed
Reference No.	2017091750
Property Rights Transferred	Fee Simple
Verified By	Christina Lovell
Verification With	Jim Sands
Verification Date	02-15-2019

Land Data

Land Size	0.98001 acres or 42,689 SF
Utilities	Access to all public utilities
Zoning Code	C3/MXD

Indicators

Analysis Price/Gross Acre	\$369,384 per Acre
Analysis Price/Gross SF	\$8.48 per SF

Property Remarks

This is the sale of a previously developed site. The former improvements were destroyed in a fire. The property sold previously in 2016 for \$295,000, and the buyer in that transaction cleaned up the property and intended to develop it. In 2017 that owner chose not to develop and re-sold it for \$362,000, or \$8.48 per square foot. The underlying zone allows for mixed-use development; however, it is an existing industrial neighborhood and does not appear to be transitioning that way at this time.

Comp ID No. 10812013

LAND SALE NO. 3



Property Identification

Property ID	10624226
Property Type	Industrial Land
Property Name	Industrial Zoned Site
Address	4114 Marblemount Lane
City, State Zip	Bellingham, Washington 98226
County	Whatcom
Tax ID	380309047040
Latitude and Longitude	48.790477 -122.440676

Sale Data

Seller	John and Lori Walton
Buyer	Walker Property LLC
Sale Date	05-30-2017
Sale Price	\$386,000
Analysis Price	\$386,000
Deed Type	Statutory Warranty Deed
Reference No.	2017-0503815
Property Rights Transferred	Fee Simple
Conditions of Sale	Arm's Length
Verified By	Mary Hamel
Verification With	Ken Reinschmidt
Verification Date	09-02-2018

Land Data

Land Size	0.88000 acres or 38,333 SF
Topography	Level
Front Footage	157.00 Marblemount Lane
Depth (Feet)	260.00
Shape	Rectangular
Access	Good
In Flood Plain?	No



Indicators

Analysis Price/Front Foot	\$2,458.60
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This is a 2017 sale of a industrial zoned lot located in the Walton Industrial park. Other business in the park include the Back of the Pacific Headquarters, Northwest Energy, Bellingham Auto and a multi-tenant office building. The property has all public utilities located in its fronting street.

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LAND SALE NO. 4



Property Identification

Property ID	10619257
Property Type	Industrial Land
Property Name	Industrial Redevelopment Site
Address	205 W. Fir Street
City, State Zip	Mount Vernon, Washington 98273
County	Skagit
Location Description	East of I-5, slightly north of downtown and riverwalk area
Tax ID	26114, 26132, 26134, 26161
Latitude and Longitude	48.428758 -122.337372

Sale Data

Seller	Skagit Farmer's Supply
Buyer	Waheguru Holdings
Sale Date	10-27-2016
Sale Price	\$600,000
Analysis Price	\$600,000
Deed Type	Statutory Warranty Deed
Reference No.	201611040105
Property Rights Transferred	Unknown
Verified By	D. Quinn
Verification With	Broker, Learned
Verification Date	09-13-2016

Sale Remarks

This is the sale of a 2.77-acre industrial site located just north of downtown Mount Vernon. It is comprised of 4 parcels, with the rail corridor forming the eastern boundary. The Skagit River is located roughly 800' to the west, with Interstate 5 intervening. The site was previously improved with older shell warehouse structures.

Land Data

Land Size	2.77000 acres or 120,661 SF
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Topography	Mostly level
Front Footage	225.00 W Fir Street
Depth (Feet)	725.00
Utilities	previously developed site
Shape	Irregular
Access	direct
In Flood Plain?	530158-0001 B
Zoning Code	M1 Manufacturing 1

Indicators

Analysis Price/Gross Acre	\$216,606 per Acre
Analysis Price/Gross SF	\$4.97 per SF
Analysis Price/Front Foot	\$2,666.67

Property Remarks

The property consists of 4 parcels of industrial land totaling 2.77 acres. Existing improvements in the form of shell warehouses, do not contribute to value, according to the Broker.

Comp ID No. 10619257

LAND SALE NO. 5



Property Identification

Property ID	10619270
Property Type	Land
Property Name	Industrial Building Site
Address	319 Eleanor Lane - Lot 3
City, State Zip	Mount Vernon, Washington 98273
County	Skagit
Tax ID	P124755
Latitude and Longitude	48.388441 -122.334428

Sale Data

Seller	REO Family Properties LLC
Buyer	HP Mobile Wash, Inc.
Sale Date	12-31-2015
Sale Price	\$580,000
Analysis Price	\$580,000
Deed Type	Warranty Deed
Reference No.	201512310059
Property Rights Transferred	Fee Simple
Market Time	559
Conditions of Sale	Arm's Length
Verified By	D. Quinn
Verification With	Broker, Axthelm
Verification Date	09-15-2016

Sale Remarks

This is the 2015 year end sale of a 2.11-acre parcel of land located in south Mount Vernon. It is zoned Commercial/Light Industrial and sold for \$580,000 or \$6.32 per square foot of land. The purchaser utilized commercial financing and has subsequently constructed a car wash facility.

Land Data

Land Size	2.11000 acres or 91,912 SF
------------------	----------------------------

Topography	Level
Front Footage	230.00
Depth (Feet)	407.00
Utilities	all available in street
Shape	Rectangular
Access	Average
In Flood Plain?	100-year floodplain with shallow flooding of 1-3 feet 530151 0425 C
Zoning Code	C-L Commercial Light Industrial

Indicators

Analysis Price/Gross Acre	\$274,882 per Acre
Analysis Price/Gross SF	\$6.31 per SF
Analysis Price/Front Foot	\$2,521.74

Property Remarks

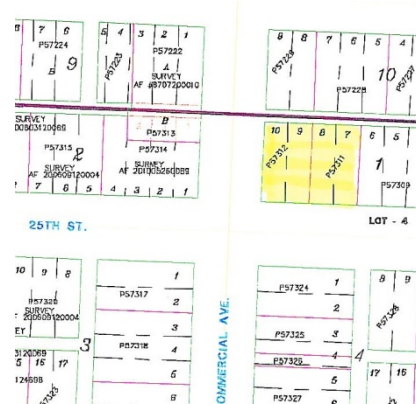
Flat site in newer light industrial park, with good access to Interstate 5, in south Mount Vernon. The Broker indicated the site would need fill, but was otherwise all usable. All utilities were available in the fronting street, including storm sewer system.

Comp ID No. 10619270

LAND SALE NO. 6



sale 3



plat 3

Property Identification

Property ID	10616695
Property Type	Commercial Land
Property Name	Vacant land
Address	2419 Commercial Avenue
City, State Zip	Anacortes, Washington 98221
County	Skagit
Location Description	Northeast corner of Commercial Avenue and 25th Street.
Tax ID	P57311, P57312
Latitude and Longitude	48.502316 -122.612449

Sale Data

Seller	Olav Edvardsen Trust
Buyer	Joey and Holly Goss
Sale Date	08-06-2014
Sale Price	\$300,000
Analysis Price	\$300,000
Deed Type	Statutory Warranty Deed
Property Rights Transferred	Fee Simple
Market Time	605
Verified By	Jim Dodge
Verification With	John Prosser, agent
Verification Date	05-21-2015

Sale Remarks

Assemblage from two separate owners at \$150,000 each. Second seller is Samuel Humble as trustee of Virginia Humble Trust (Lots 7 & 8), \$150,000, A.F. #201408110078.

Land Data

Land Size	0.27548 acres or 12,000 SF
Topography	Mostly level
Front Footage	100.00 100' on Commercial Avenue

Utilities	All available
Shape	Mostly Rectangular
Access	Public streets
In Flood Plain?	No
Zoning Code	commercial
Site Description	A strip retail building is under construction.

Indicators

Analysis Price/Gross Acre	\$1,089,000 per Acre
Analysis Price/Gross SF	\$25.00 per SF
Analysis Price/Front Foot	\$3,000.00

Property Remarks

Level corner tract with good frontage and visibility on primary arterial. A small strip retail building is under construction as of April 2015.

Comp ID No. 10616695

LAND SALE NO. 7



Property Identification

Property ID	10615440
Property Type	Commercial Land
Property Name	Skagit County Commercial Land
Address	12375 Reservation Road
City, State Zip	Anacortes, Washington 98221
County	Skagit
Location Description	Intersection of SR 20 & Reservations Road
Section, Township, Range	03-34-02
Tax ID	P19726, P19704
Latitude and Longitude	48.463782 -122.542357

Sale Data

Seller	Jean Harlow
Buyer	Christopher M. Lawrence
Sale Date	12-27-2013
Sale Price	\$275,000
Analysis Price	\$275,000
Deed Type	Warranty Deed
Reference No.	201312270043
Property Rights Transferred	Fee Simple
Market Time	2143
Financing	Cash to seller
Verified By	M. Brackett
Verification With	Broker, L. Edgeman
Verification Date	06-23-2014

Land Data

Land Size	5.91000 acres or 257,440 SF
Front Footage	400.00 Reservation Road
Utilities	power; city water and sewer available
Shape	Irregular

Access	Direct
In Flood Plain?	No
Zoning Code	MH Manufacturing
Site Description	Initial reconnaissance by the buyer indicated roughly 2.5 acres of usable land, which was the basis of the purchase price. Subsequent wetland study resulted in a reduced usable area of 1.7 acres
Encumbrances Description	Typical utility and 10,000 sf billboard easement

Indicators

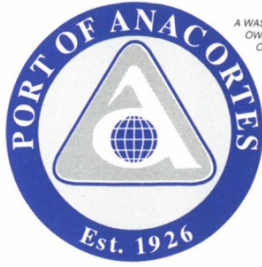
Analysis Price/Gross Acre	\$46,531 per Acre
Analysis Price/Gross SF	\$1.07 per SF
Analysis Price/Front Foot	\$687.50

Property Remarks

This is the December 2013 sale of 5.91 acres of commercial land located at the intersection of State Route 20 and Reservation Road, in Anacortes, WA. The property had been on the market for over 4 years. The broker indicated substantial wetlands were on the site, but not delineated prior to the sale. The broker noted that the buyer estimated roughly 2.5 acres of usable land. No fill was to be required for development, but subsequent wetland studies yielded just 1.7 acres of usable land. The sale sold for \$275,000 cash, with no conditions or concessions.

Comp ID No. 10615440

Statement of Purpose



A WASHINGTON PUBLIC PORT
OWNED BY THE RESIDENTS
OF THE LOCAL COMMUNITY

100 COMMERCIAL AVENUE • ANACORTES, WA 98221 USA
(360) 293-3134 • FAX (360) 293-9608 • WWW.PORTOFANACORTES.COM

Statement of Purpose: Right of Way Vacation

The Port of Anacortes is the owner of the 200 Block, otherwise known as Block 31, Map of the City of Anacortes, having obtained it in 2015 from the Demopoulos family for support of the Marine Terminal as indicated in the Port's Comprehensive Plan. The Port seeks to vacate the alley right-of-way in this block to create one contiguous parcel. This will better position the Port for future development of the block and serve our Mission of fostering economic development.

The Port recognizes that development of workforce housing is an important component of economic development within the Port District. In accordance with RCW 53.08.090, the Port Commission held a public hearing on December 3, 2018, and deleted the Olson Building and Adjacent Lot from its Comprehensive Plan. The Commission then declared the Olson Property and Adjacent Lot as surplus and, as such, available for sale or conveyance. The Anacortes Housing Authority expressed its desire to obtain the Olson Property and Adjacent Lot to fulfill its mission of workforce housing.

The Port, as a public entity will receive fair value in transferring the Olson Building and the property on which it is located to the Anacortes Housing Authority by allowing for the most cost effective and efficient rehabilitation or reconstruction of the Olson Building and providing for a transfer of liability arising from the condition of the Olson Building. As the Adjacent Lot has value separate from the Olson Building, the Port as a public entity would need to receive fair value for that Lot. The City expressed a desire to obtain the Adjacent Lot in support of the Anacortes Housing Authority.

The Port and the Anacortes Housing Authority have executed a Purchase and Sale Agreement for the Olson Building and the property on which it is located, comprising Lots 19 and 20 of Block 31. Under the current proposal, in lieu of payment to the City for vacating the 4,800 sf alley right-of-way, the Port would convey Lot 18, a 3,000 sf parcel of land behind the Olson building, to the City for affordable housing. The City would then convey that property to the Anacortes Housing Authority. This series of agreements will meet the requirements of providing all parties with "true and fair value" as that term is defined in RCW 43.09.210, relevant case law, and attorney general opinion, by allowing for the best possible and most efficient use of the property for workforce housing.

The vacation of the alley will better serve the public by providing the opportunity for that property's use in economic development, a greater use than presently exists, as well as making possible the transfer of the Adjacent Lot, Lot 18, to the City in support of workforce housing. The development of the alley property in the 200 Block for industry will bring additional jobs and commerce to Anacortes. The alley has been unused throughout its history and has never served as a point of public use or access, making the change of the property for economic development a higher and better use. In addition to the alley being unused, there is an existing business, The Bike Spot, currently occupying the alley where it fronts Commercial Avenue. Vacation of the alley allows this active business to continue in its location without issue.

The Port appreciates the cooperation of the City and the Anacortes Housing Authority in working together to obtain objectives that benefit our community and appreciates the opportunity to further address and provide background to our petition to vacate the alley in the 200 Block with this Statement of Purpose.

Manufacturing and Shipping Zoning Information

Chapter 17.17

MANUFACTURING AND SHIPPING DISTRICT (MS)

Sections:

- 17.17.010 Purpose.**
- 17.17.020 Permitted uses.**
- 17.17.030 Permitted accessory uses.**
- 17.17.040 Conditional uses.**
- 17.17.050 Minimum lot size.**
- 17.17.060 Minimum setback requirements.**
- 17.17.070 Maximum density.**
- 17.17.080 Maximum land coverage.**
- 17.17.090 Maximum building height.**
- 17.17.100 Off-street parking and landscaping requirements.**
- 17.17.110 Basic design standards.**

17.17.010 Purpose.

The manufacturing and shipping district (MS) is primarily intended to accommodate manufacturing and shipping uses that can utilize the deep waters of the Guemes Channel. Secondly, the MS district provides for uses supplementary to and compatible with the primary uses. (Ord. 2794 § 1 (Att. A), 2008; Ord. 2521 Att. A § 3, 2000)

17.17.020 Permitted uses.

Manufacturing, storing, and shipment of goods, research and development, offices, maritime administration and public meeting space, building and repair of boats and ships, boat and marine equipment sales and services, public parks, piers, wharfs, dry docks and related facilities, commercial parking, private parking, and public parking. (Ord. 2812 § 1 (Att. A), 2010; Ord. 2794 § 1 (Att. A), 2008; Ord. 2521 Att. A § 3, 2000)

17.17.030 Permitted accessory uses.

Caretaker or security residences serving a permitted use; cafeteria; uses customarily incidental to the permitted principal use; and accessory retail sales. (Ord. 2794 § 1 (Att. A), 2008; Ord. 2521 Att. A § 3, 2000)

17.17.040 Conditional uses.

Neighborhood grocery stores; restaurants; public and private recreational facilities; marinas together with related uses such as boat sales and small-scale retail sales and specialty shops; and land coverage in excess of the specified maximum. Any building with more than two hundred thousand square feet of total floor space, otherwise permitted in the underlying zone. (Ord. 2917 § 4, 2013; Ord. 2794 § 1 (Att. A), 2008; Ord. 2706 § 2, 2005; Ord. 2521 Att. A § 3, 2000)

17.17.050 Minimum lot size.

No minimum. (Ord. 2794 § 1 (Att. A), 2008; Ord. 2521 Att. A § 3, 2000)

17.17.060 Minimum setback requirements.

The minimum setback requirements of the manufacturing and shipping district are:

- A. No building or other structure other than a fence shall be built closer than ten feet from the street right-of-way lines.
- B. No building or structure, other than a fence, shall be closer than ten feet from adjacent property lines. (Ord. 2794 § 1 (Att. A), 2008; Ord. 2521 Att. A § 3, 2000)

17.17.070 Maximum density.

No maximum. (Ord. 2794 § 1 (Att. A), 2008; Ord. 2521 Att. A § 3, 2000)

17.17.080 Maximum land coverage.

The maximum coverage of a lot by buildings is sixty percent, except that ship and boat building and repair may be up to seventy-five percent. The city may consider and approve lot coverage in excess of these percentages through the conditional use process. (Ord. 2794 § 1 (Att. A), 2008; Ord. 2521 Att. A § 3, 2000)

17.17.090 Maximum building height.

Maximum building height is to be fifty feet. Temporary equipment used in the primary permitted use and not constituting a building or permanent enclosure, such as cranes or scaffolding, may exceed this maximum height. The administrator may authorize construction of fabric enclosures or temporary structures to contain particulates or shelter a vessel under construction which exceed fifty feet in height, provided that the permit is for a specified

length of time for a specific project, and they are taken down at the conclusion of the specific work for which they were erected. (Ord. 2794 § 1 (Att. A), 2008; Ord. 2521 Att. A § 3, 2000)

17.17.100 Off-street parking and landscaping requirements.

Off-street parking shall be provided in the manufacturing and shipping district with a minimum of one parking space for each one and one-half employees on the largest shift, and in accordance with specifications in Chapter [17.46](#), Parking. (Ord. 2794 § 1 (Att. A), 2008; Ord. 2521 Att. A § 3, 2000)

17.17.110 Basic design standards.

The following requirements shall apply to a building or complex of buildings exceeding fifty thousand square feet in gross floor area, because of the potential for a large structure to overwhelm and dominate this section of the city, to the detriment of existing uses and smaller businesses:

- A. To visually modulate the vast expanses of parking required for a large building, an added two percent of the parking lot areas shall be developed in landscaping, in addition to the basic parking lot landscaping requirement for this zone. The landscaping plan for the project must be approved by the planning commission.
- B. Parking shall be broken into several smaller parking lots, and buildings shall have entrances on more than one side, to reduce walking distances and to reduce the apparent expanse of the parking lots.
- C. To visually modulate the greater size of the building, all sides of the building shall either meet the building standards for being within twenty feet of a pedestrian area or shall be partially screened by landscaped areas not less than five feet in width, with at least one tree for each thirty feet of facade length. (Ord. 2794 § 1 (Att. A), 2008; Ord. 2592 Att. A § 12, 2002)

The Anacortes Municipal Code is current through Ordinance 3028, passed September 24, 2018.

Disclaimer: The city attorney's office has the official version of the Anacortes Municipal Code. Users should contact the city attorney's office for ordinances passed subsequent to the ordinance cited here.

City Website: www.cityofanacortes.org

City Telephone: (360) 293-1900

[Code Publishing Company](#)

Glossary

Definitions are taken from The Dictionary of Real Estate Appraisal, 6th Edition (Dictionary), the Uniform Standards of Professional Appraisal Practice (USPAP), and Building Owners and Managers Association International (BOMA).

Absolute Net Lease

A lease in which the tenant pays all expenses including structural maintenance, building reserves, and management; often a long-term lease to a credit tenant. (Dictionary)

Amortization

The process of retiring a debt or recovering a capital investment, typically through scheduled, systematic repayment of the principal; a program of periodic contributions to a sinking fund or debt retirement fund. (Dictionary)

As Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. (Dictionary)

Base Rent

The minimum rent stipulated in a lease. (Dictionary)

Base Year

The year on which escalation clauses in a lease are based. (Dictionary)

Building Common Area

In office buildings, the areas of the building that provide services to building tenants but which are not included in the office area or store area of any specific tenant. These areas may include, but shall not be limited to, main and auxiliary lobbies, atrium spaces at the level of the finished floor, concierge areas or security desks, conference rooms, lounges or vending areas, food service facilities, health or fitness centers, daycare facilities, locker or shower facilities, mail rooms, fire control rooms, fully enclosed courtyards outside the exterior walls, and building core and service areas such as fully enclosed mechanical or equipment rooms. Specifically excluded from building common area are floor common areas, parking space, portions of loading docks outside the building line, and major vertical penetrations. (BOMA)

Building Rentable Area

The sum of all floor rentable areas. Floor rentable area is the result of subtracting from the gross measured area of a floor the major vertical penetrations on that same floor. It is generally fixed for the life of the building and is rarely affected by changes in corridor size or configuration. (BOMA)

Certificate of Occupancy (COO)

A formal written acknowledgment by an appropriate unit of local government that a new construction or renovation project is at the stage where it meets applicable health and safety codes and is ready for commercial or residential occupancy. (Dictionary)

Common Area Maintenance (CAM)

The expense of operating and maintaining common areas; may or may not include management charges and usually does not include capital expenditures on tenant improvements or other improvements to the property. (Dictionary)

The amount of money charged to tenants for their shares of maintaining a [shopping] center's common area. The charge that a tenant pays for shared services and facilities such as electricity, security, and maintenance of parking lots. Items charged to common area maintenance may include cleaning services, parking lot sweeping and maintenance, snow removal, security and upkeep. (ICSC – International Council of Shopping Centers, 4th Ed.)

Condominium

A multiunit structure, or a unit within such a structure, with a condominium form of ownership. (Dictionary)

Conservation Easement

An interest in real estate restricting future land use to preservation, conservation, wildlife habitat, or some combination of those uses. A

conservation easement may permit farming, timber harvesting, or other uses of a rural nature as well as some types of conservation-oriented development to continue, subject to the easement. (Dictionary)

Contributory Value

A type of value that reflects the amount a property or component of a property contributes to the value of another asset or to the property as a whole.

The change in the value of a property as a whole, whether positive or negative, resulting from the addition or deletion of a property component. Also called deprival value in some countries. (Dictionary)

Debt Coverage Ratio (DCR)

The ratio of net operating income to annual debt service ($DCR = NOI/Im$), which measures the relative ability of a property to meet its debt service out of net operating income; also called *debt service coverage ratio (DSCR)*. A larger *DCR* typically indicates a greater ability for a property to withstand a reduction of income, providing an improved safety margin for a lender. (Dictionary)

Deed Restriction

A provision written into a deed that limits the use of land. Deed restrictions usually remain in effect when title passes to subsequent owners. (Dictionary)

Depreciation

In appraisal, a loss in property value from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the market value of the improvement on the same date.

In accounting, an allocation of the original cost of an asset, amortizing the cost over the asset's life; calculated using a variety of standard techniques. (Dictionary)

Disposition Value

The most probable price that a specified interest in property should bring under the following conditions:

- Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
- The property is subjected to market conditions prevailing as of the date of valuation;
- Both the buyer and seller are acting prudently and knowledgeably;
- The seller is under compulsion to sell;
- The buyer is typically motivated;
- Both parties are acting in what they consider to be their best interests;
- An adequate marketing effort will be made during the exposure time;
- Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto; and

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. (Dictionary)

Easement

The right to use another's land for a stated purpose. (Dictionary)

EIFS

Exterior Insulation Finishing System. This is a type of exterior wall cladding system. Sometimes referred to as dry-vit.

Effective Date

The date on which the appraisal or review opinion applies. (SVP)

In a lease document, the date upon which the lease goes into effect. (Dictionary)

Effective Gross Income (EGI)

The anticipated income from all operations of the real estate after an allowance is made for vacancy and collection losses and an addition is made for any other income. (Dictionary)

Effective Rent

Total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions; the rent that is effectively paid by a tenant net of financial concessions provided by a landlord. (TIs). (Dictionary)

EPDM

Ethylene Propylene Diene Monomer Rubber. A type of synthetic rubber typically used for roof coverings. (Dictionary)

Escalation Clause

A clause in an agreement that provides for the adjustment of a price or rent based on some event or index. e.g., a provision to increase rent if operating expenses increase; also called *escalator clause*, *expense recovery clause* or *stop clause*. (Dictionary)

Estoppel Certificate

A signed statement by a party (such as a tenant or a mortgagee) certifying, for another's benefit, that certain facts are correct, such as that a lease exists, that there are no defaults, and that rent is paid to a certain date. (Black's) In real estate, a buyer of rental property typically requests estoppel certificates from existing tenants. Sometimes referred to as an *estoppel letter*. (Dictionary)

Excess Land

Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately. (Dictionary)

Excess Rent

The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the landlord (lessor) and may reflect unusual management, unknowledgeable or unusually motivated parties, a lease execution in an earlier, stronger rental market, or an agreement of the parties. (Dictionary)

Expense Stop

A clause in a lease that limits the landlord's expense obligation, which results in the lessee paying operating expenses above a stated level or amount. (Dictionary)

Exposure Time

The time a property remains on the market.

The estimated length of time that 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;

Comment: Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market. (Dictionary)

Extraordinary Assumption

An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis. (USPAP)

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. (Dictionary)

Floor Common Area

In an office building, the areas on a floor such as washrooms, janitorial closets, electrical rooms, telephone rooms, mechanical rooms, elevator lobbies, and public corridors which are available primarily for the use of tenants on that floor. (BOMA)

Full Service (Gross) Lease

A lease in which the landlord receives stipulated rent and is obligated to pay all of the property's

operating and fixed expenses; also called a *full service lease*. (Dictionary)

Furniture, Fixtures, and Equipment (FF&E)

Business trade fixtures and personal property, exclusive of inventory. (Dictionary)

Going-Concern Value

An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the *market value of the going concern* or *market value of the total assets of the business*. (Dictionary)

Gross Building Area (GBA)

Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved.

Gross leasable area plus all common areas.

For residential space, the total area of all floor levels measured from the exterior of the walls and including the superstructure and substructure basement; typically does not include garage space. (Dictionary)

Gross Measured Area

The total area of a building enclosed by the dominant portion (the portion of the inside finished surface of the permanent outer building wall which is 50 percent or more of the vertical floor-to-ceiling dimension, at the given point being measured as one moves horizontally along the wall), excluding parking areas and loading docks (or portions of same) outside the building line. It is generally not used for leasing purposes and is calculated on a floor by floor basis. (BOMA)

Gross Up Method

A method of calculating variable operating expenses in income-producing properties when less than 100% occupancy is assumed. Expenses reimbursed based on the amount of occupied space, rather than on the total building area, are described as "grossed up." (Dictionary)

Gross Retail Sellout

The sum of the separate and distinct market value opinions for each of the units in a condominium, subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent the value of all the units as though sold together in a single transaction; it is simply the total of the individual market value conclusions. Also called the *aggregate of the retail values*, *aggregate retail selling price* or *sum of the retail values*. (Dictionary)

Ground Lease

A lease that grants the right to use and occupy land. Improvements made by the ground lessee typically revert to the ground lessor at the end of the lease term. (Dictionary)

Ground Rent

The rent paid for the right to use and occupy land according to the terms of a ground lease; the portion of the total rent allocated to the underlying land. (Dictionary)

HVAC

Heating, ventilation, air conditioning (HVAC) system. A unit that regulates the temperature and distribution of heat and fresh air throughout a building. (Dictionary)

Highest and Best Use

The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.

The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)

[The] highest and most profitable use for which the property is adaptable and needed or likely

to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions) (Dictionary)

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. (USPAP)

Industrial Gross Lease

A type of modified gross lease of an industrial property in which the landlord and tenant share expenses. The landlord receives stipulated rent and is obligated to pay certain operating expenses, often structural maintenance, insurance and real property taxes, as specified in the lease. There are significant regional and local differences in the use of this term. (Dictionary)

Insurable Value

A type of value for insurance purposes. (Typically this includes replacement cost less basement excavation, foundation, underground piping and architect's fees). (Dictionary)

Investment Value

The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market. (Dictionary)

Just Compensation

In condemnation, the amount of loss for which a property owner is compensated when his or her property is taken. Just compensation should put the owner in as good a position pecuniarily as he or she would have been if the property had not been taken. (Dictionary)

Leased Fee Interest

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires. (Dictionary)

Leasehold Interest

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease. (Dictionary)

Lessee (Tenant)

One who has the right to occupancy and use of the property of another for a period of time according to a lease agreement. (Dictionary)

Lessor (Landlord)

One who conveys the rights of occupancy and use to others under a lease agreement. (Dictionary)

Liquidation Value

The most probable price that a specified interest in property should bring under the following conditions:

- Consummation of a sale within a short time period.
- The property is subjected to market conditions prevailing as of the date of valuation.
- Both the buyer and seller are acting prudently and knowledgeably.
- The seller is under extreme compulsion to sell.
- The buyer is typically motivated.
- Both parties are acting in what they consider to be their best interests.
- A normal marketing effort is not possible due to the brief exposure time.
- Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.

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. (Dictionary)

Loan to Value Ratio (LTV)

The ratio between a mortgage loan and the value of the property pledged as security, usually expressed as a percentage. (Dictionary)

Major Vertical Penetrations

Stairs, elevator shafts, flues, pipe shafts, vertical ducts, and the like, and their enclosing walls. Atria, lightwells and similar penetrations above the finished floor are included in this definition. Not included, however, are vertical penetrations built for the private use of a tenant occupying office areas on more than one floor. Structural columns, openings for vertical electric cable or telephone distribution, and openings for plumbing lines are not considered to be major vertical penetrations. (BOMA)

Market Rent

The most probable rent that a property should bring in a competitive and open market reflecting the conditions and restrictions of a specified lease agreement, including the rental adjustment and revaluation, permitted uses, use restrictions, expense obligations; term, concessions, renewal and purchase options and tenant improvements (TIs). (Dictionary)

Market Value

The most probable price that 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 a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;

- Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and

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. (Dictionary)

Marketing Time

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. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of the Appraisal Foundation)

Master Lease

A lease in which the fee owner leases a part or the entire property to a single entity (the master lease) in return for a stipulated rent. The master lessee then leases the property to multiple tenants. (Dictionary)

Modified Gross Lease

A lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property's operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense responsibility must always be specified. In some markets, a modified gross lease may be called a *double net lease*, *net net lease*, *partial net lease*, or *semi-gross lease*. (Dictionary)

Operating Expense Ratio

The ratio of total operating expenses to effective gross income (TOE/EGI); the complement of the net income ratio, i.e., $OER = 1 - NIR$ (Dictionary)

Option

A legal contract, typically purchased for a stated consideration, that permits but does not require the holder of the option (known as the *optionee*) to buy, sell, or lease real estate for a stipulated period of time in accordance with specified terms; a unilateral right to exercise a privilege. (Dictionary)

Partial Interest

Divided or undivided rights in real estate that represent less than the whole, i.e., a fractional interest such as a tenancy in common, easement, or life interest. (Dictionary)

Pass Through

A tenant's portion of operating expenses that may be composed of common area maintenance (CAM), real property taxes, property insurance, and any other expenses determined in the lease agreement to be paid by the tenant. (Dictionary)

Potential Gross Income (PGI)

The total income attributable to property at full occupancy before vacancy and operating expenses are deducted. (Dictionary)

Prospective Future Value Upon Completion

A prospective market value may be appropriate for the valuation of a property interest related to a credit decision for a proposed development or renovation project. According to USPAP, an appraisal with a prospective market value reflects an effective date that is subsequent to the date of the appraisal report. ... The prospective market value –as completed- reflects the property's market value as of the time that development is expected to be complete. (Dictionary)

Prospective Future Value Upon Stabilization

A prospective market value may be appropriate for the valuation of a property interest related to a credit decision for a proposed development or renovation project. According to USPAP, an appraisal with a prospective market value reflects an effective date that is subsequent to the date of the appraisal report ...The prospective market value – as stabilized – reflects the property's market value as of the time the property is projected to achieve stabilized occupancy. For an income-producing property, stabilized occupancy is the occupancy level that a property is expected to achieve after the property is exposed to the market for lease over a reasonable period of time and at comparable terms and conditions to other similar properties. (Dictionary)

Replacement Cost

The estimated cost to construct, at current prices as of a specific date, a substitute for a building or other improvements, using modern materials and current standards, design, and layout. (Dictionary)

Reproduction Cost

The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all of the deficiencies, superadequacies, and obsolescence of the subject building. (Dictionary)

Retrospective Value Opinion

A value opinion effective as of a specified historical date. The term *retrospective* does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion." (Dictionary)

Sandwich Leasehold Estate

The interest held by the sandwich leaseholder when the property is subleased to another party; a type of leasehold estate. (Dictionary)

Sublease

An agreement in which the lessee in a prior lease conveys the right of use and occupancy of a property to another, the sublessee, for a specific period of time, which may or may not be coterminous with the underlying lease term. (Dictionary)

Subordination

A contractual arrangement in which a party with a claim to certain assets agrees to make his or her claim junior, or subordinate, to the claims of another party. (Dictionary)

Surplus Land

Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel. (Dictionary)

TPO

Thermoplastic polyolefin, a resilient synthetic roof covering.

Triple Net (Net Net Net) Lease

An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management; also called *NNN lease*, *net net net lease*, or *fully net lease*. (Dictionary)

(The market definition of a triple net lease varies; in some cases tenants pay for items such as roof repairs, parking lot repairs, and other similar items.)

Usable Area

The measured area of an office area, store area, or building common area on a floor. The total of all the usable areas for a floor shall equal floor usable area of that same floor. (BOMA)

Value-in-Use

The value of a property assuming a specific use, which may or may not be the property's highest and best use on the effective date of the appraisal. Value in use may or may not be equal to market value but is different conceptually. (Dictionary)

VTAB

Value of the Total Assets of a Business. The value of a going concern (i.e. the business enterprise). (Dictionary)



Qualifications

ANACORTES LAND EXCHANGE ALLEY VACATION
ADDENDA

Qualifications of S. Murray Brackett, MAI

Senior Managing Director

Valbridge Property Advisors | Puget Sound

Education

Bachelor of Arts in Business Administration, Western Washington University, 1985, with an emphasis on real estate.

Professional Education

Appraisal Courses: All appraisal courses required for MAI designation.

Seminars and Continuing Education (abbreviated summary of coursework):

- Easement Valuation
- UASFLA Seminar (Yellow Book)
- Real Estate Law
- Appraising From Blueprints
- Complexities of Predevelopment Land
- The Appraiser as Expert Witness
- Litigation Skills for the Appraiser
- The New Frontier of Takings Law
- Partial Acquisitions Workshop
- Condemnation Appraisal & Mock Trial
- Conservation Easement Appraisal - Certificate Course

Professional Affiliation

Member, Appraisal Institute. Received MAI Designation May 2, 1997 (Member No. 11,258)

Past President (2003), Seattle Chapter of the Appraisal Institute

Member, International Right-of-Way Association

Associate Member, Washington Airport Manager's Association

Appraisal Experience

Senior Managing Director and Principal with *Valbridge Property Advisors|Puget Sound*. Responsibilities include the full range of residential, retail, commercial and industrial real estate valuation. Retail experience includes the full range of properties from single sites to large neighborhood retail complexes. Office and Industrial properties exceeding 100,000 square feet have been prepared for various purposes. Appraisals have been prepared on such diverse properties such as airport-related facilities, park lands, subdivisions and golf courses, as well as traditional commercial and industrial improved property. Improved and Unimproved valuations have been performed for acquisitions in fee, leased fee and leasehold interests, partial takings, and various partial interests including the following: conservation easements, utility easements, subsurface easements, air-rights/aviation easements, and minority interests. Numerous Appraisals have been prepared for use in litigation, including eminent domain dispute resolution, condemnation and inverse condemnations. UASFLA-compliant Appraisals have been prepared for a wide variety of agencies on a wide range of property types.

S. MURRAY BRACKETT, MAI (cont.)

Qualified as an expert witness in King, Kitsap and Pierce County Superior Courts, US District Court, and Federal Bankruptcy Court. Geographic experience includes assignments in Washington, California, Oregon, Idaho, Nebraska, Iowa, Kansas, South Dakota, Alaska, and British Columbia.

Other Experience

Instructor: Instructor, Income Property Appraisal, Lk Wa. Voc-Tec.
Qualified Level 3 Facilitator, IRWA

Presentations: October 2003 - WPMA Conference – “The Valuation of Non-Water Dependent Properties.”

September, 2009 - Valuation of Airport Properties, WAMA

December 9, 2010 - AI-Seattle Fall R.E. Conference – Panelist/presenter for Appraisal Issues relating to Partial Acquisitions in Eminent Domain cases.

Representative Client ListCities/Counties

Cities of Bellevue, Burien, Kirkland, Seattle, Kent, Everett, Renton, Auburn, Arlington, Anacortes, Tacoma, Mount Vernon, North Bend, Snoqualmie, Lake Forest Park, Kenmore, Bothell, Lynnwood, Port Angeles, Maple Valley, Puyallup, Woodinville and SeaTac. Counties of King, Snohomish, Pierce, Kitsap, Thurston, and Skagit.

Government

Ports of Seattle, Everett, Olympia, Grays Harbor, Bremerton, Port Angeles, and Friday Harbor. Washington State Parks, WSDOT (Approved Appraiser List), DNR, Federal Aviation Administration, Internal Revenue Service, King County DNR, GSA, U.S. Navy, San Juan County Land Bank, Northshore School District, Snohomish School District, Sound Transit, USACE.

Financial Institutions

Bank of America, U.S. Bancorp, Key Bank, Wells Fargo Trust, Commerce Bank, Homestreet Bank, Umpqua (Banner) Bank, Charter Bank, Union Bank.

Airports

Sea-Tac International Airport, Renton Municipal, Auburn Municipal, Snohomish County Airport (Paine Field), Arlington Municipal, Bellingham International, Olympia Airport, William Fairchild (Port Angeles), Spokane Int'l, Centralia/Chehalis, Bremerton National, Pullman Airport, and Friday Harbor Airport.

Corporations and Non Profits

Weyerhaeuser Company, WRECO, Tramco, Plum Creek, McDonalds Corporation, Gull Industries, Puget Sound Energy, Development Services of America (DSA), FSA, Winmar Company, Jr. Achievement, Lowe Enterprises, PACCAR, Inc., The Trust for Public Land, Cascade Land Conservancy, Fletcher General Construction, Manke Lumber Company, Simpson Timber Company, New Ventures Group, OTAK, American Forest Resources, HDR, Inc., Hancock Natural Resources Group, Sierra Pacific Industries, Quadrant, Port Blakely Communities, Lowe Enterprises, Parsons Brinckerhoff, CH2M-Hill.

S. MURRAY BRACKETT, MAI (cont.)Attorneys

Hillis, Clark, Martin & Peterson; Kenyon Disend; Perkins Coie; Tousley Brain; Inslee Best; Graham and Dunn; Chmelik, Sitkin & Davis; Foster Pepper; Short Cressman; Davis Wright & Tremaine; Betts Patterson; Karr Tuttle Campbell; Anderson Hunter; Riddell Williams; Williams Kastner; Krutch Lindell; Curran Mendoza; Williams and Williams; and King County Prosecuting Attorney.

State Certification Number - General: 27011-1100853 **Expiration:** 11/21/19

(Revised 11/21/17)

Qualifications of Christina J. Lovell

Associate Appraiser

Valbridge Property Advisors | Puget Sound

Experience

Christina has been involved in various facets of the real estate industry for nearly 15 years, with experience as a Commercial Real Estate Paralegal and Transaction Manager for a large, national law firm, a Right-of-Way Agent for an electric and gas utility company, and appraisal work as an Accredited Real Property Appraiser for the Clallam County Assessor's Office, and an Associate for a small residential firm. Appraisal assignments have included work on commercial and industrial properties, conservation easements, and right-of-way projects in King, Snohomish, Skagit, Okanogan, and Kittitas Counties.

Education

Marylhurst University, Marylhurst, Oregon:

Bachelor of Science

Business Management with a focus in Real Estate and Finance

Edmonds Community College, Lynnwood, Washington:

Associate of Technical Arts

Paralegal Studies

Appraisal Institute:

Basic Appraisal Principles	General Appraiser Income Approach, I
Basic Appraisal Procedures	General Appraiser Income Approach, II
USPAP	Market Analysis and Highest and Best Use

International Right-of-Way Association:

Principles of Land Acquisition

Organizations:

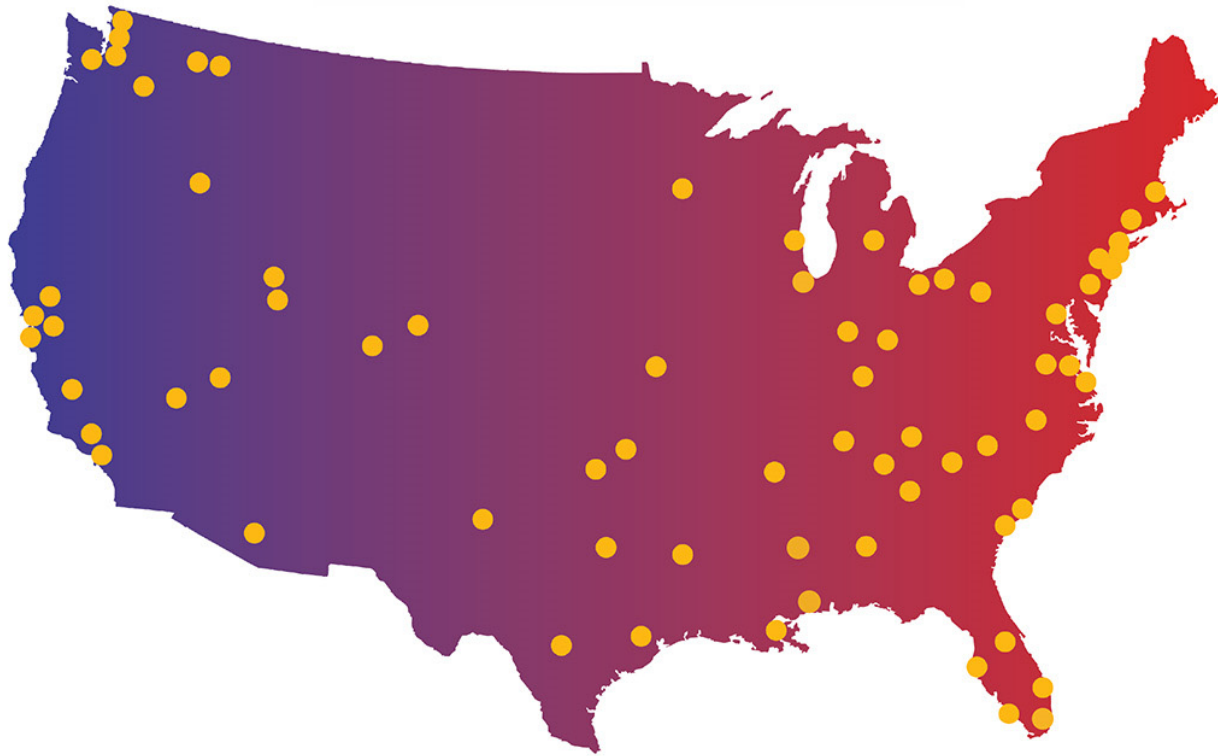
Appraisal Institute: Practicing Affiliate

State Registered Real Estate Appraiser Trainee: 1001951

Expiration: 04/18/20



Valbridge
PROPERTY ADVISORS



FAST FACTS

COMPANY INFORMATION

- Valbridge is the largest independent national commercial real estate valuation and advisory services firm in North America.
 - Total number of MAI-designated appraisers (200+ on staff)
 - Total number of office locations (70+ across U.S.)
 - Total number of staff (675+ strong)
- Valbridge covers the entire U.S. from coast to coast.
- Valbridge services all property types, including special-purpose properties.
- Valbridge provides independent valuation services. We are not owned by a brokerage firm or investment company.
- Every Valbridge office is led by a senior managing director who holds the MAI designation of the Appraisal Institute.
- Valbridge is owned by our local office leaders.
- Valbridge welcomes single-property assignments as well as portfolio, multi-market and other bulk-property engagements.

Valbridge Property Advisors, Inc.

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Suite 102
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324 N. Mullan Road
Spokane Valley, WA 99206
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WISCONSIN

12660 W. North Avenue
Brookfield, WI 53005
262.782.7990



Valbridge
PROPERTY ADVISORS

Appraisal Report

Anacortes Land Exchange Lot 18
Lot 18 3rd Street
Anacortes, Skagit County, Washington 98221

Report Date: February 18, 2019



FOR:

Port of Anacortes
Ms. Brenda Treadwell
Director of Planning, Properties and Environmental
100 Commercial Avenue
Anacortes, WA 98221

Valbridge Property Advisors | Puget Sound

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Valbridge File Number:
19-0017-001



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February 18, 2019

S. Murray Brackett, MAI
Senior Managing Director
mbrackett@valbridge.com

Christina J. Lovell
Associate Appraiser
clovell@valbridge.com

Ms. Brenda Treadwell
Director of Planning, Properties and Environmental
Port of Anacortes
100 Commercial Avenue
Anacortes, WA 98221

RE: Appraisal Report
Anacortes Land Exchange Lot 18
Lot 18 3rd Street
Anacortes, Skagit County, Washington 98221

Dear Ms. Treadwell:

In accordance with your request, we have performed an appraisal of the property referenced above. This appraisal report sets forth the pertinent data gathered, the techniques employed, and the reasoning leading to our value opinions. This letter of transmittal is not valid if separated from the appraisal report.

The subject property, as referenced above, is located on 3rd Street in Anacortes, WA, and is further identified as a portion of Assessor's Parcel Number (APN) P55040.

We developed our analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; and the requirements of our client as we understand them.

The client in this assignment is Port of Anacortes and the intended users of this report are the Port of Anacortes, the City of Anacortes and no others. The sole intended use is to assist the client by providing an opinion of market value for the subject property in connection with a proposed land exchange between the client and the City. The value opinions reported herein are subject to the definitions, assumptions, limiting conditions, and certifications contained in this report.

The findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions, the use of which might have affected the assignment results:

Extraordinary Assumptions:

- None.

Hypothetical Conditions:

- The subject property is currently a portion of a larger tax lot (P55040) which includes Lots 19 and 20 and the improvements thereon. At the request of the client, the opinion of market value provided in this report is based upon the hypothetical condition that the subject property is an individual, saleable tax lot – separate from improved lots 19 and 20.
- The Anacortes Planning Commission is drafting revisions to its zoning code. The opinion of value provided in this report is based upon the hypothetical condition that such revisions, as noted in the third draft dated December 18, 2018, have been codified.

Based on the analysis contained in the following report, our value conclusions are summarized as follows:

Value Conclusions

Component	As Is
Value Type	Market Value
Property Rights Appraised	Fee Simple
Effective Date of Value	January 22, 2019
Value Conclusion	\$30,000

Respectfully submitted,
Valbridge Property Advisors | Puget Sound



S. Murray Brackett, MAI
Senior Managing Director
Washington License #27011-1100853
11/22/2019



Christina J. Lovell, Associate
Washington License #27011-1001951
04/18/2020

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Summary of Salient Facts

Summary of Salient Facts

Property Identification

Property Name	Anacortes Land Exchange Lot 18
Property Address	Lot 18 3rd Street
	Anacortes, Skagit County, Washington 98221
Tax Parcel Number	Ptn: 55040
Property Owner	City of Anacortes

Site

Zoning	Manufacturing and Shipping (MS)
Primary Land Area (sf)	3,000 sf
Primary Land Area (ac)	0.069 acres

Valuation Opinions

Highest & Best Use - As Vacant	Assemblage with Abutting Ownerships
--------------------------------	-------------------------------------

Value Conclusions

Component	As Is
Value Type	Market Value
Property Rights Appraised	Fee Simple
Effective Date of Value	January 22, 2019
Value Conclusion	\$30,000

Aerial and Front Views

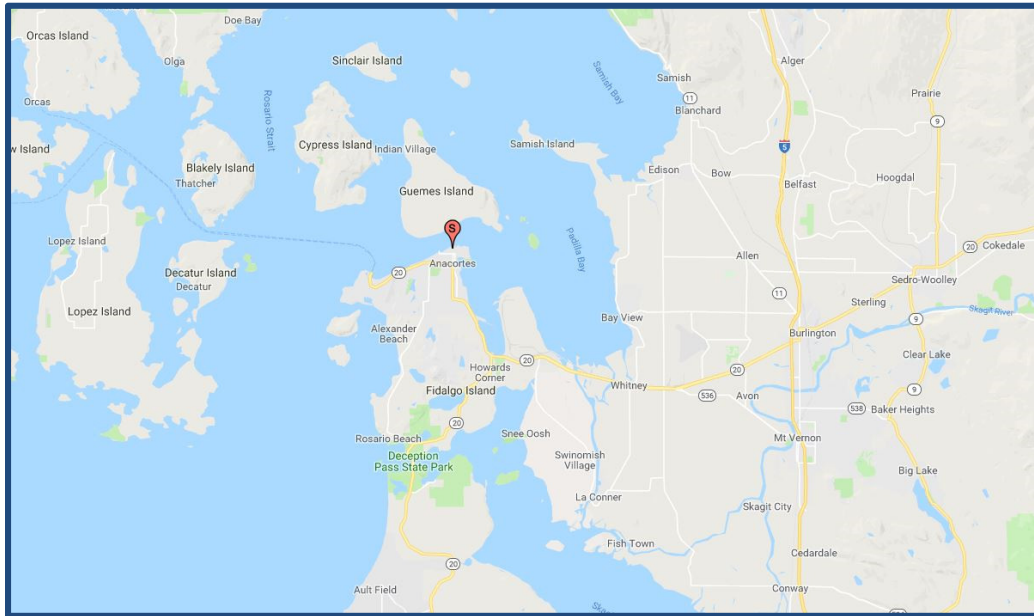
AERIAL VIEW



FRONT VIEW



Location Map



Introduction

Client and Intended Users of the Appraisal

The client in this assignment is Port of Anacortes and the sole intended users of this report are the Client and the City of Anacortes. Under no circumstances shall any of the following parties be entitled to use or rely on the appraisal or this appraisal report:

- i. The borrower(s) on any loans or financing relating to or secured by the subject property,
- ii. Any guarantor(s) of such loans or financing; or
- iii. Principals, shareholders, investors, members or partners in such borrower(s) or guarantors.

Intended Use of the Appraisal

The sole intended use of this report is to assist the client by providing an opinion of market value for the subject property in connection with a proposed land exchange between the client and the City.

Real Estate Identification

The subject property located on 3rd Street between O Avenue to the west and Commercial Avenue to the east in Anacortes, Skagit County, Washington. The subject property is further identified by exhibits and mapping contained in this report.

Legal Description

We have not been provided with a title report for the subject property; however, according to assessor information, the subject's legal description is: Lot 18 Block 31, "Map of the City of Anacortes," as per Plat recorded in Volume 2 of Plats, Pages 4-7, records of Skagit County, Washington.

Use of Real Estate as of the Effective Date of Value

As of the effective date of value, the subject is undeveloped land.

Use of Real Estate as Reflected in this Appraisal

The opinion of value for the subject as is reflects use as vacant land.

Ownership of the Property

We have not been provided a title report for the subject property. According to Skagit County Assessor's information, the subject property is owned by the Port of Anacortes.

History of the Property

The subject was purchased by the Port of Anacortes on November 25, 2014 from TS Anacortes Enterprises LLC according to the Statutory Warranty Deed dated November 25, 2014 and recorded on March 25, 2015 under Recording No. 201503250019. The purchase price was \$2,200,000 and included an entire city block. According to the Port of Anacortes, the purchase price was not based on an appraisal and is believed to be above market.

Listings/Offers/Contracts

To our knowledge, there are no known listings, contracted offers of purchase, though there is an agreement between the City of Anacortes and the Port of Anacortes regarding a property exchange of the subject property for an adjacent lot. There are no current leases of the subject site.

Type and Definition of Value

The appraisal problem is to develop an opinion of the market value of the subject property. "Market Value," as used in this appraisal, is defined as "the most probable price that 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 a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- *Buyer and seller are typically motivated.*
- *Both parties are well informed or well advised, each acting in what they consider their own best interests;*
- *A reasonable time is allowed for exposure in the open market;*
- *Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
- *The price represents the normal consideration for the property sold unaffected by special or creative financing or sale concessions granted by anyone associated with the sale."*¹

The value conclusions apply to the value of the subject property under the market conditions presumed on the effective date of value.

Please refer to the Glossary in the Addenda section for additional definitions of terms used in this report.

Valuation Scenarios and Effective Dates of Value

Per the scope of our assignment we developed opinions of value for the subject property under the following scenarios of value:

Valuation Scenario	Effective Date of Value
As Is Fee Simple Market Value	January 22, 2019

We completed an appraisal inspection of the subject property on January 22, 2019.

Property Rights Appraised

The appraisal value assumes fee simple title and by the Port of Anacortes. The fee simple interest is defined as:²

¹ Source: Code of Federal Regulations, Title 12, Banks and Banking, Part 722.2-Definitions

² From *The Appraisal of Real Estate*, Fourteenth Edition, 2013, Appraisal Institute, page 5

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Date of Report

The date of this report is February 18, 2019, which is the same date as the letter of transmittal.

List of Items Requested but Not Provided

- Title report.

Assumptions and Conditions of the Appraisal

This appraisal assignment and the opinions reported herein are subject to the General Assumptions and Limiting Conditions contained in the report and the following extraordinary assumptions and/or hypothetical conditions, the use of which might have affected the assignment results.

Extraordinary Assumptions

- None.

Hypothetical Conditions

- The subject property is currently a portion of a larger tax lot (P55040) which includes Lots 19 and 20 and the improvements thereon. At the request of the client, the opinion of market value provided in this report is based upon the hypothetical condition that the subject property is an individual, saleable tax lot – separate from improved lots 19 and 20.
- The Anacortes Planning Commission is drafting revisions to its zoning code. The opinion of value provided in this report is based upon the hypothetical condition that such revisions, as noted in the third draft dated December 8, 2018, have been codified.

Scope of Work

The elements addressed in the Scope of Work are (1) the extent to which the subject property is identified, (2) the extent to which the subject property is inspected, (3) the type and extent of data researched, (4) the type and extent of analysis applied, (5) the type of appraisal report prepared, and (6) the inclusion or exclusion of items of non-realty in the development of the value opinion. These items are discussed as below.

Extent to Which the Property Was Identified

The three components of the property identification are summarized as follows:

- Legal Characteristics - The subject was legally identified via Skagit County Assessor information, Skagit County iMap, and mapping provided by the Client.
- Economic Characteristics - Economic characteristics of the subject property were identified via numerous published sources, as well as a comparison to properties with similar locational and physical characteristics.
- Physical Characteristics - The subject was physically identified via physical inspection and GIS mapping.

Extent to Which the Property Was Inspected

We inspected the subject on January 22, 2019.

Type and Extent of Data Researched

We researched and analyzed: (1) market area data, (2) property-specific market data, (3) zoning and land-use data, and (4) current data on comparable listings and transactions.

Type and Extent of Analysis Applied (Valuation Methodology)

We observed surrounding land use trends, the condition of any improvements, demand for the subject property, and relevant legal limitations in concluding a highest and best use. We then valued the subject based on that highest and best use conclusion.

Appraisers develop an opinion of property value with specific appraisal procedures which typically reflect three distinct methods of data analysis: the cost approach, sales comparison approach, and income capitalization approach. In the case of the subject, however, our task is to develop an opinion of market value for a small lot considered unbuildable on its own and with a highest and best use of assemblage, and thus have utilized the Across-the-fence (ATF) methodology. Further discussion of the extent of our analysis and ATF methodology is provided later in the valuation section.

approach is provided later in the respective valuation sections.

Appraisal Conformity and Report Type

We developed our analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal

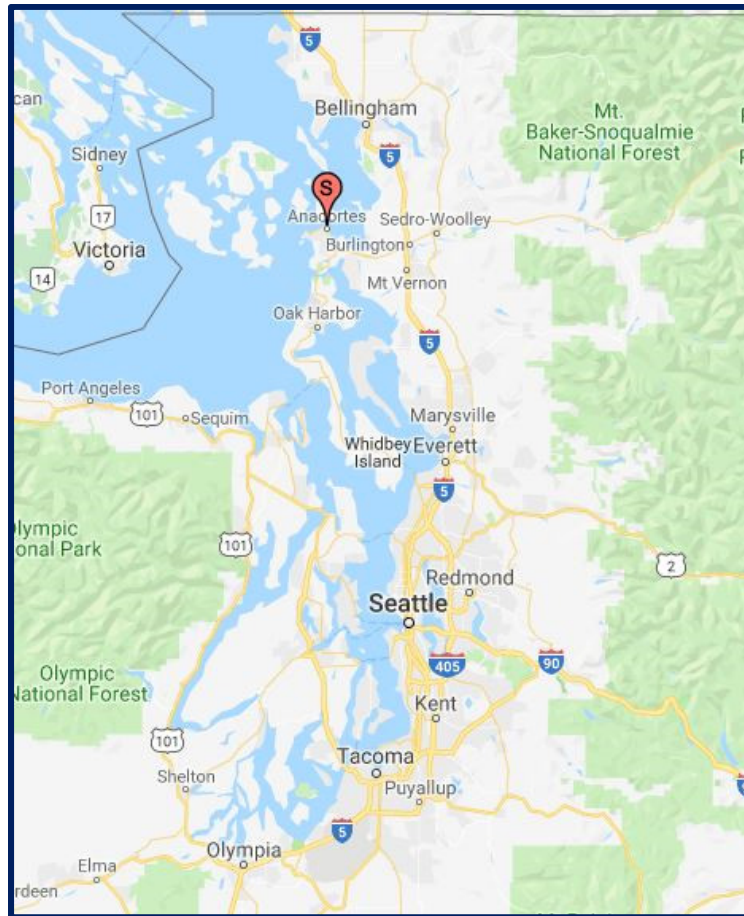
Institute; and the requirements of our client as we understand them. This is an Appraisal Report as defined by the Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2a.

Personal Property/FF&E

All items of non-realty are excluded from this analysis. The opinion of market value developed herein is reflective of real estate only.

Regional and Market Area Analysis

REGIONAL MAP



Overview

The subject is located in Anacortes, in Skagit County. It is part of the Mount Vernon-Anacortes MSA, which essentially consists of Skagit County itself.

The fertile lowlands of western Skagit County, which lie between Puget Sound and the Cascade Mountains, consist mainly of deltas created by the Skagit and Samish rivers. The high and rugged Cascades are the location of the North Cascades National Park, a picturesque protected wilderness area.

The total county area is 1,731 square miles, of which 40±% is in federal ownership, 12±% in Washington State ownership, and the remaining 48±% is privately owned. The eastern portion of Skagit County is largely forested, with much of the area within the Mount Baker-Snoqualmie National Forest and North Cascades National Park. Population in eastern Skagit County is sparse; approximately 50% of the people live in the westernmost portion.

Skagit Valley is known as one of the most fertile valleys in the United States. Leading crops are peas, strawberries and sweet corn, and other crops include broccoli, cucumbers, potatoes, carrots, seeds,

and colorful flower bulbs. Other major industries in Skagit County are food processing, tourism, oil refining and commercial fishing. Port of Skagit County tenants include Paine Field-based International Aero and Hexcel Corporation. Bayview Airport, also known as Skagit Regional Airport, is located approximately one mile north of State Route 20 and eight miles east of Anacortes. In addition to general aviation facilities and a 5,745-foot long runway, its business park houses tenants such as AT&T Broadband, Hexcel Corporation, Eddyline Kayaks, Nordic Tugs and Olympic Pipeline Co.

The emergence of Skagit County as a regional retail trade center has added diversity to the economic base. Since 1989, several anchored shopping centers and Wal-Mart, Lowe's Home Improvement, Costco Wholesale and Home Depot outlets have opened in Burlington and Mount Vernon.

Tourism is prominent because of the wide variety of recreational facilities available in the county, from the waters of Puget Sound to the Cascades. Anacortes is known for numerous protected bays as well as state and federally-owned marine parks providing summer playgrounds for pleasure boaters. In addition, there are a number of resorts and recreational facilities in the islands to serve non-boating tourists. The Cascade Mountains provide areas for hiking, skiing, fishing and wild game hunting.

Population

Population characteristics relative to the subject property are presented in the following table.

Population

Area	2000	2010	Annual % Change 2000 - 10	Estimated 2018	Projected 2023	Annual % Change 2018 - 23
United States	281,421,906	308,745,538	1.0%	330,088,686	343,954,683	0.8%
Washington	5,894,121	6,724,540	1.4%	7,452,102	7,950,929	1.3%
Mount Vernon-Anacortes	102,979	116,901	1.4%	124,183	130,505	1.0%
Skagit County, WA	102,979	116,901	1.4%	124,183	130,505	1.0%
Anacortes City, WA	14,514	15,778	0.9%	17,049	18,064	1.2%

Source: Site-to-Do-Business (STDB Online)

Transportation

Interstate Highway 5 provides the primary highway access to the Greater Seattle area and connects the region with British Columbia to the north. Ferry service extends the state highway system westward and provides a route from Anacortes to the larger islands of San Juan County, as well as Canada's Vancouver Island. Railroad freight service is available by BNSF Railway and the port facilities at Anacortes provide ocean cargo service. The Shell and Tesoro refineries at March's Point, near Anacortes, add to the Skagit County employment base.

State Route 20 (North Cascades Highway) is an east-west route that extends from U.S. Highway 101 near Port Townsend on the Olympic Peninsula to near the Idaho border. The highway runs diagonally through the town of Burlington and follows the Skagit River to the rural community of Marblemount, where it climbs and crosses the Cascades. State Route 9 runs north-south along the Cascade foothills

to the east of Mount Vernon and Burlington, extending from State Route 522 near Woodinville to the Canadian border.

Employment

King, Pierce, Snohomish, Skagit, and Thurston counties are the most populated counties within Washington State and comprise what is commonly referred to as the central Puget Sound Region. Two-thirds of the total jobs in the Puget Sound region are located in King County. Overall, Skagit County is relatively rural in nature as compared to neighboring Snohomish and King Counties, and while the county is best known for its agriculture, manufacturing has historically been the largest contributor to Skagit County's real gross domestic product. As shown below, service industry, retail and manufacturing sectors collectively provide over 70% of jobs in this region.

Employment by Industry - Mount Vernon/Anacortes

Industry	2018 Estimate	Percent of Employment
Agriculture/Mining	2,128	3.80%
Construction	4,536	8.10%
Manufacturing	6,217	11.10%
Wholesale trade	1,288	2.30%
Retail trade	6,833	12.20%
Transportation/Utilities	2,464	4.40%
Information	560	1.00%
Finance/Insurance/Real Estate Services	2,800	5.00%
Services	26,211	46.80%
Public Administration	2,856	5.10%
Total	56,006	99.8%

Source: Site-to-Do-Business (STDB Online)

Unemployment

The following table exhibits current and past unemployment rates as obtained from the Bureau of Labor Statistics. Overall, the Region boasts a higher-than-average unemployment rate as compared to statewide and national statistics.

Unemployment Rates

Area	YE 2011	YE 2012	YE 2013	YE 2014	YE 2015	YE 2016	YE 2017	2018 YTD
United States	8.5%	7.9%	6.7%	5.6%	5.0%	4.7%	4.1%	3.7%
Washington	7.4%	6.6%	5.8%	5.6%	4.9%	4.7%	4.3%	4.3%
Mount Vernon-Anacortes	10.7%	9.5%	8.2%	7.2%	7.2%	6.2%	5.8%	5.1%
Skagit County, WA	10.7%	9.5%	8.2%	7.2%	7.2%	6.2%	5.8%	5.1%
*Mount Vernon, WA	10.9%	9.8%	8.2%	7.7%	7.7%	6.2%	6.1%	5.1%

**Unemployment data provided for Mount Vernon, WA*

Source: Bureau of Labor Statistics - Year End - National & State Seasonally Adjusted

Median Household Income

Total median household income for the region is presented in the following table. Overall, the subject's MSA and county compare favorably to the state and the country.

Median Household Income

Area	Estimated 2018	Projected 2023	Annual % Change 2018 - 23
United States	\$58,100	\$65,727	2.6%
Washington	\$68,734	\$79,382	3.1%
Mount Vernon-Anacortes	\$64,106	\$75,911	3.7%
Skagit County, WA	\$64,106	\$75,911	3.7%
Anacortes City, WA	\$69,857	\$80,810	3.1%

Source: Site-to-Do-Business (STDB Online)

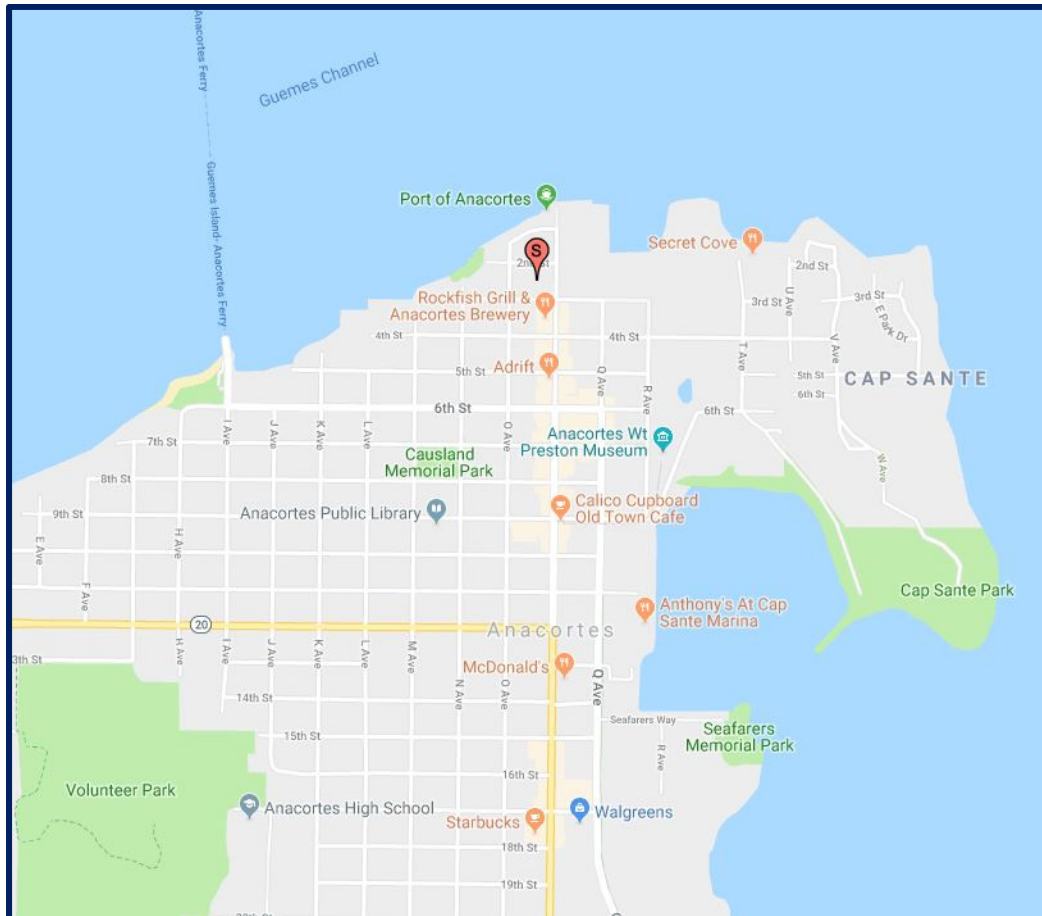
Conclusions

Despite slower growth as compared to Snohomish and King Counties to the south, Skagit County is a highly desirable place to live due to its recreational opportunities, physical features and relatively close proximity to Bellingham and Everett.

Trends in the Seattle area tend to have a ripple effect on the local market of other counties in the Puget Sound area and improving economic conditions in the region have favorably affected Skagit County, as well, particularly for those looking for a more affordable cost of living. Though growth in Skagit County is slower than that of Snohomish and King Counties to the south, it nonetheless appears to indicate a favorable outlook for the region and modestly increasing real estate values over the long term.

City and Neighborhood Analysis

NEIGHBORHOOD MAP



Overview

The subject is located in Anacortes in Skagit County. The subject site is located in downtown Anacortes on the northern tip of Fidalgo Island, which is roughly 15 miles west of Mount Vernon. Fidalgo Island is separated from the mainland by a narrow channel known as the Swinomish Channel. Since Anacortes is the nearest city, it is known as the "Gateway to the San Juan Islands." Many boaters from the region moor their boats at Anacortes to take advantage of the short run to the San Juans. Three major marinas provide over 2,000 boat slips, as well as boat repair, brokerage, fuel, charters, and supplies.

Anacortes is the second largest city in Skagit County, behind Mount Vernon. Both Anacortes and Skagit County have seen steady growth since the recession. Anacortes is the only incorporated city on Fidalgo island. The local economy has historically been based on seafood and timber, and there are several seafood processing plants on the island. The Port facilities include deepwater docks that allow the shipment of logs, lumber, sulfur, and petroleum coke. There are also two oil refineries (Shell and Tesoro) that refine Alaskan oil.

Because of its unique location near the San Juan Islands with a deepwater port, rail service, and 4-lane access to Interstate 5 (I-5), Anacortes is expected to continue the established growth trend. Employment growth is expected to remain marine-oriented, although tourism should also increase.

Demographics

The following table depicts the area demographics in Anacortes within a one-, three-, and five-mile radius from the subject.

Neighborhood Demographics

Radius	1 mile	3 miles	5 miles
Population Summary			
2000 Population	2,687	12,501	16,415
2010 Population	2,624	13,575	17,918
2018 Population	2,699	14,559	19,255
2023 Population Estimate	2,795	15,380	20,352
Annual % Change (2018 - 2023)	0.7%	1.1%	1.1%
Housing Unit Summary			
2000 Housing Units	1,325	5,738	7,714
% Owner Occupied	50.4%	61.2%	63.2%
% Renter Occupied	41.4%	29.4%	26.1%
2010 Housing Units	1,446	6,840	9,258
% Owner Occupied	45.2%	56.1%	58.3%
% Renter Occupied	45.3%	31.4%	27.8%
2018 Housing Units	1,480	7,235	9,827
% Owner Occupied	44.3%	55.7%	57.8%
% Renter Occupied	45.7%	31.8%	28.2%
2023 Housing Units	1,522	7,587	10,321
% Owner Occupied	45.6%	56.8%	58.9%
% Renter Occupied	44.5%	30.8%	27.4%
Annual % Change (2018 - 2023)	0.6%	1.0%	1.0%
Income Summary			
2018 Median Household Income	\$52,784	\$67,175	\$71,334
2023 Median Household Income Estimate	\$62,829	\$78,234	\$82,236
Annual % Change	3.5%	3.1%	2.9%
2018 Per Capita Income	\$35,834	\$38,087	\$41,108
2023 Per Capita Income Estimate	\$42,547	\$43,926	\$47,606
Annual % Change	3.5%	2.9%	3.0%

Source: Site-to-Do-Business (STDB Online)

Transportation Access

The area is accessed by a spur of State Route 20 (SR-20), a 4-lane, divided highway that connects Mount Vernon with Anacortes, and provides access to the ferry terminal. SR-20 turns south and crosses the bridge over Deception Pass onto Whidbey Island, where ferry service is available to

Mukilteo on the mainland. Rail service is available, connecting to the main Burlington Northern lines at Mount Vernon. Air service is provided by both the Anacortes Airport and the Skagit/Bayview Regional Airport. Access to the area is considered average.

Neighborhood Land Use

The subject neighborhood is located in area consisting of marine-oriented industrial land uses, as well as some light commercial as the subject property abuts the Anacortes central business district.

Conclusions

There is some growth in Anacortes, though at a slower rate than would be found in nearby Mount Vernon/Burlington. Overall, we would expect the market to remain relatively stable over the near term.

Site Description

The subject site is a 3,000-square-foot lot located on 3rd Street between "O" Avenue and Commercial Avenue.

Site Characteristics

Gross Land Area:	0.069 acres or 3,000 SF
Shape:	Rectangular
Average Depth:	100 feet
Topography:	Primarily level with gentle slope from south to north.
Drainage:	Appears adequate
Grade:	At or below road grade
Utilities:	All public utilities available
Off-Site Improvements:	None
Interior or Corner:	Interior
Signalized Intersection:	No traffic signal at, or near, the site
Excess Land:	None
Surplus Land:	None

Easements/Encroachments

No title report for the subject property was provided, therefore we are unaware of any easements. We reserve the right to alter our opinion of value should a title report be provided at a later date including information to the contrary.

Flood Zone Data

Flood Map Panel/Number:	5303170040A
Flood Map Date:	09-17-2003
Flood Zone:	X - Zone X is the flood insurance rate zone that corresponds to areas outside the 1% annual chance floodplain, areas of 1% annual chance sheet flow flooding where average depths are less than 1 foot, areas of 1% annual chance stream flooding where the contributing drainage area is less than 1 square mile, or areas protected from the 1% annual chance flood by levees. No Base Flood Elevations or depths are shown within this zone. Insurance purchase is not required in these zones.

Other Site Conditions

No wetlands or unusual site conditions were noted at the time of inspection. We have not been provided with a soils report; however, according to the USDA Web Soil Survey, the subject's soils consist of Clallam-Urban Land complex 0%-8% slopes. Such soils are moderately well-drained, with moderately rapid permeability, formed in glacial till over very compact glacial till. Such soils are

typically found on glaciated hills at elevations of 25 to 1,800 feet. They are found in a mild marine climate and have cool, dry summers and cool, moist winters.

Adjacent Land Uses

The subject is located on the southern boundary of the Manufacturing and Shipping district and is surrounded by primarily marine-oriented industrial uses except to the south which abuts Anacortes' central business district with light commercial uses.

Site Ratings

Access: 3rd Street

Visibility: Good

Zoning Designation

Zoning Jurisdiction: City of Anacortes

Zoning Classification: MS, Manufacturing and Shipping

General Plan Designation: Industrial

Permitted Uses: Manufacturing, storing, and shipment of goods, research and development, offices, maritime administration and public meeting space, building and repair of boats and ships, boat and marine equipment sales and services, public parks, piers, wharfs, dry docks and related facilities, as well as commercial, private and public parking.

Zoning Comments: According to the City of Anacortes' zoning code, the manufacturing and shipping district is primarily intended to accommodate manufacturing and shopping uses that can utilize the deep waters of the Guemes Channel. Secondly, the MS district provides for uses supplementary to and compatible with the primary uses noted above.

There is no maximum density in this zone.

Setbacks: 10 feet from a street right-of-way line and 10 feet from adjacent property lines.

Maximum lot coverage: 60% except that ship and boat building and repair may be up to 75%.

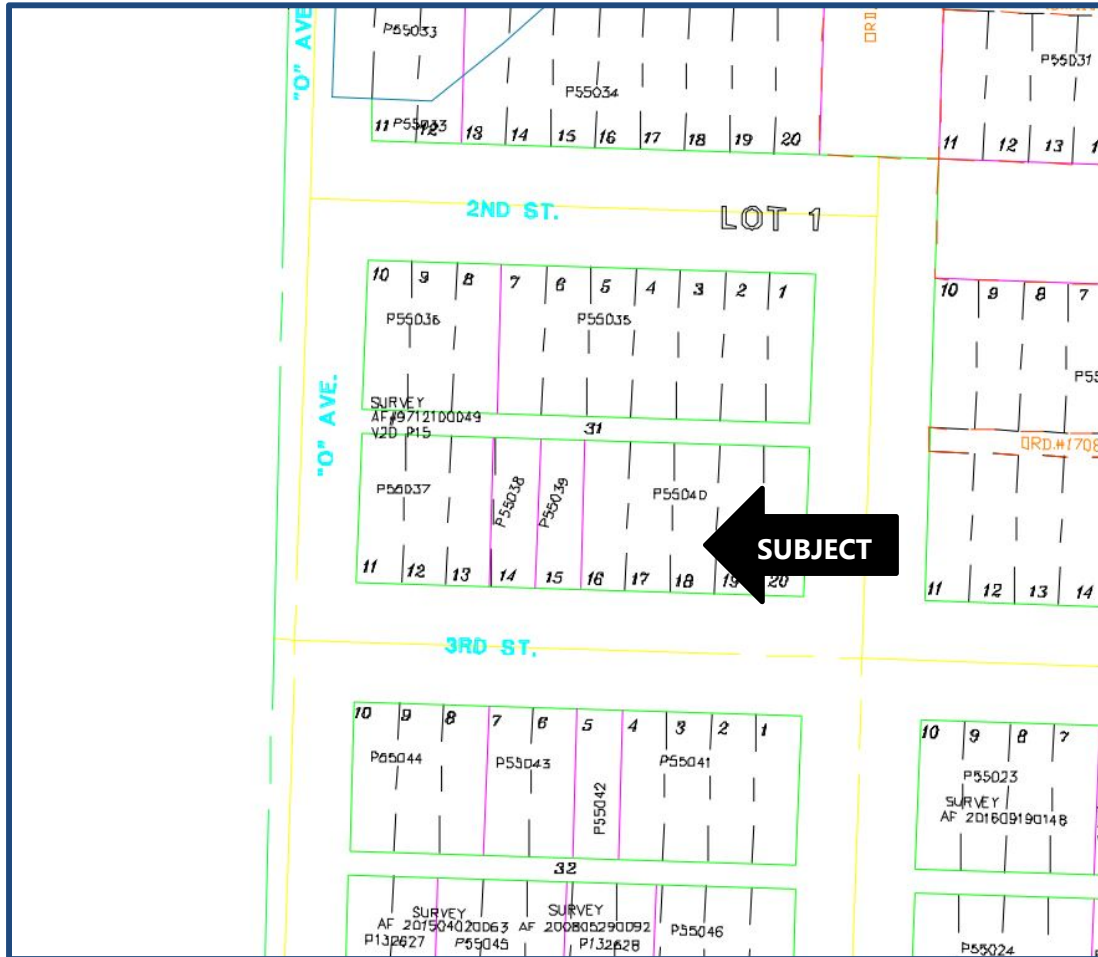
Maximum building height: 50 feet

The Anacortes Planning Commission has drafted an update to the existing zoning code which would allow for live/work and multifamily residential as additional conditional uses.

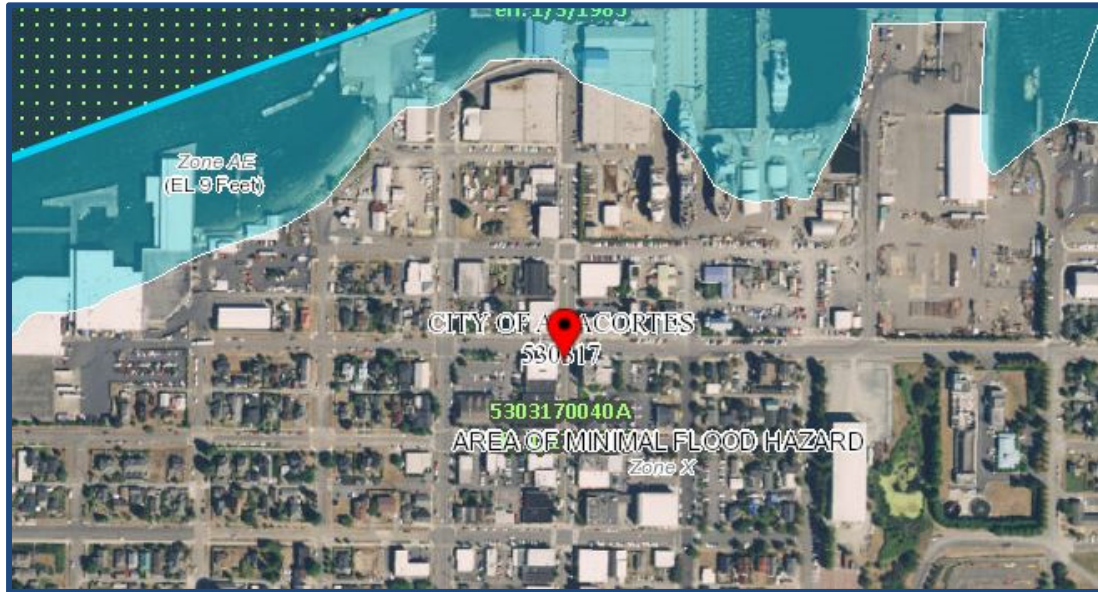
Analysis/Comments on Site

The subject is located on a paved public street with significant public street parking in front of the site and nearby. It is a small, rectangularly-shaped city lot abutting Anacortes' central business district but is zoned for industrial use. The size of the site would be suitable for a number of uses; however, it is considered small for most industrial uses with setbacks which render it unbuildable. Please see additional discussion in our Highest and Best Use analysis below.

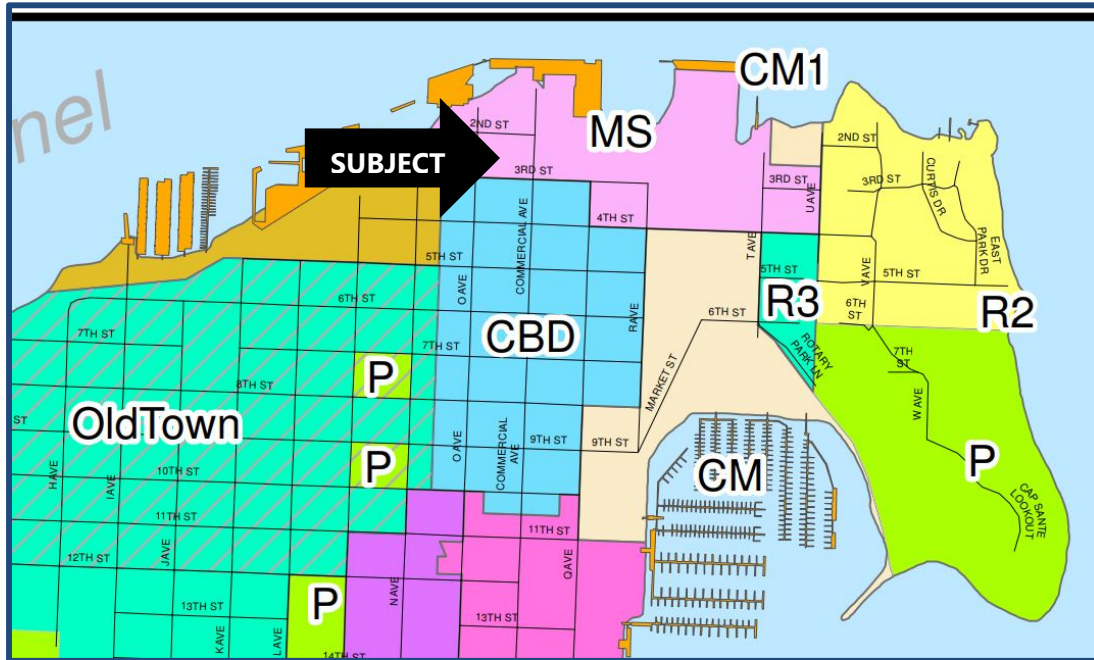
TAX/PLAT MAP



FLOOD MAP



ZONING MAP



Subject Photos



Front of Lot 18



3rd Street facing west



Commercial Avenue



O Avenue facing north

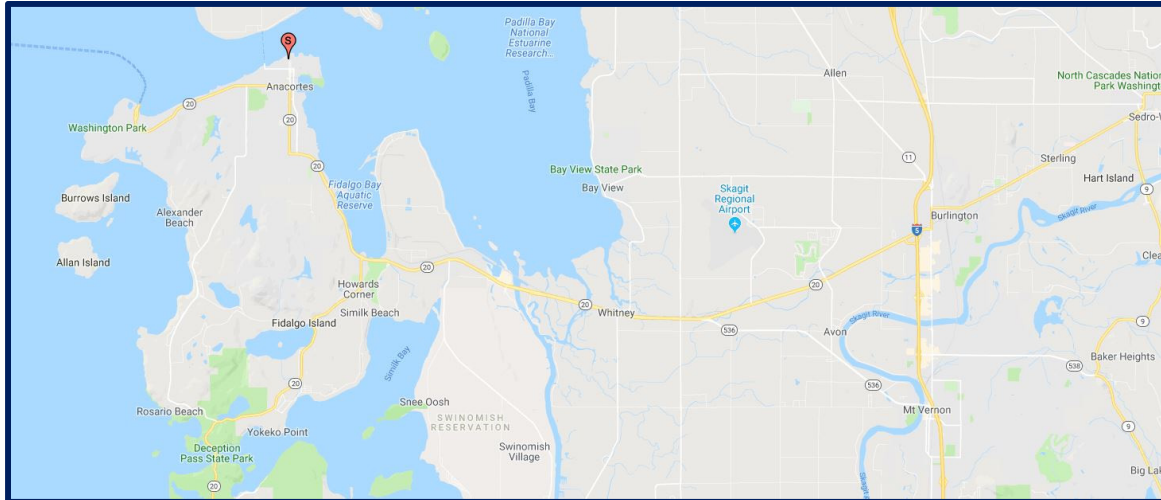
Assessment and Tax Data

Assessment Methodology

Washington State requires that all real property be taxed at 100% fair market value. The subject is owned by the Port of Anacortes, which is a tax-exempt agency. Based upon the opinion of market value provided in this report, as well as the levy rate applied nearby taxable property, we estimate property taxes for the subject property would be: \$300 annually.

Market Analysis

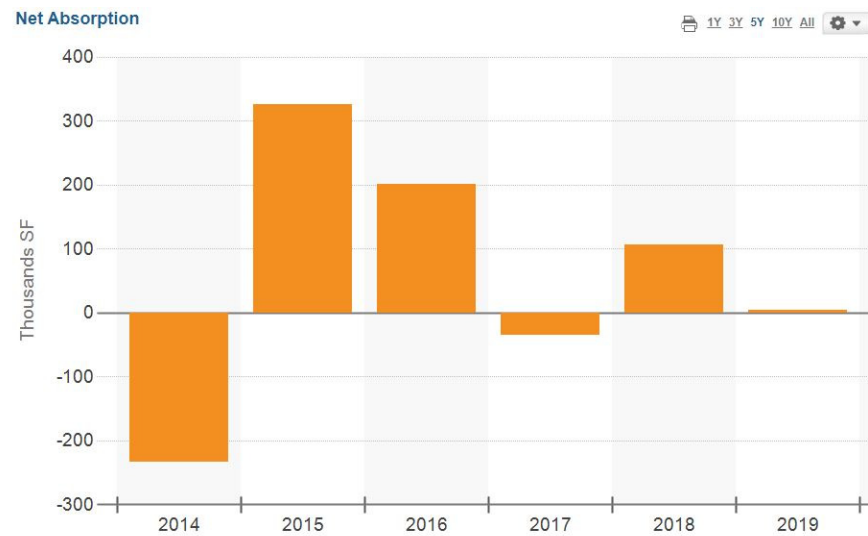
MARKET AREA MAP



Recent surveys and information obtained from CoStar Inc. provides analytical data for industrial properties in Skagit County. The report indicates the market was characterized by decreasing vacancy rates overall from late 2011 through the beginning of 2019, with a slight uptick in the latter half of 2018. Currently, the vacancy rate seems to be holding steady at 8.8% with an availability rate of 7.9%.



Net absorption of industrial space was a positive 107,000 square feet at year-end 2018 with no new inventory under construction at present.



Asking rents have generally decreased throughout 2018 and currently sit at \$5.56 per square foot in the current quarter.



Overall, the industrial market in the Skagit County market is relatively stable and has not seen the same growth experienced in larger business centers such as Everett and Seattle to the south.

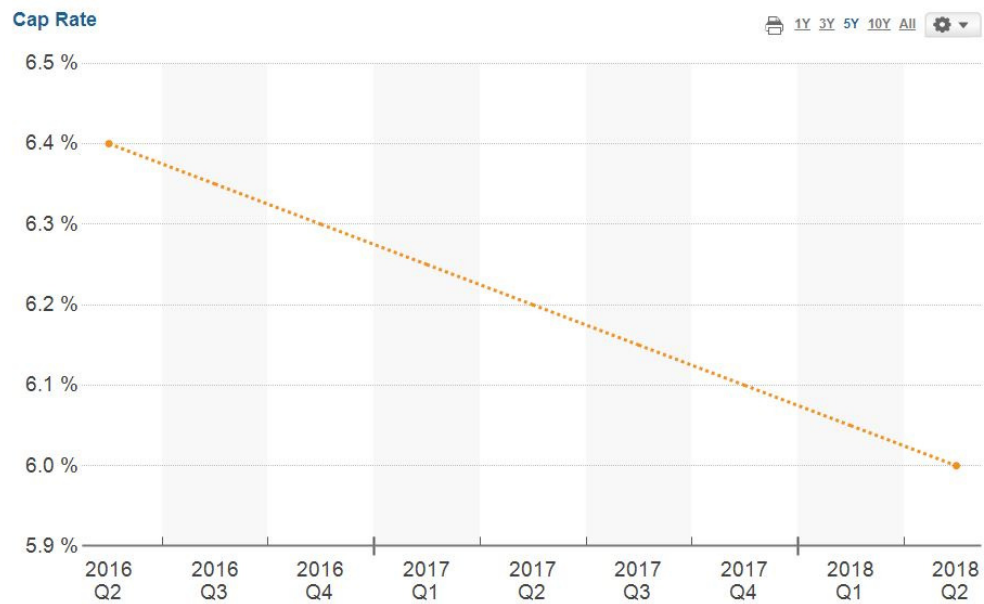
The following chart summarizes Cap rate information for the Puget Sound Region Industrial market

Cap Rate Trends

Puget Sound Industrial

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
8.11%	8.43%	8.20%	6.61%	6.69%	6.83%	6.32%	6.35%	6.19%	5.81%	5.35%

As can be seen, Cap rates in 2018 are generally down from a high of 8.43% in 2010. Rates in Skagit County are somewhat higher than the Puget Sound average:



Highest and Best Use

The Highest and Best Use of a property is the use that is legally permissible, physically possible, and financially feasible which results in the highest value. An opinion of the highest and best use results from consideration of the criteria noted above under the market conditions or likely conditions as of the effective date of value. Determination of highest and best use results from the judgment and analytical skills of the appraiser. It represents an opinion, not a fact. In appraisal practice, the concept of highest and best use represents the premise upon which value is based.

Analysis of Highest and Best Use As If Vacant

The primary determinants of the highest and best use of the property as if vacant, we examine the potential for (1) near term development, (2) a subdivision of the site, (3) an assemblage of the site with other land, or (4) holding the land as an investment.

Legally Permissible

The subject site is zoned MS, Manufacturing and Shipping, an industrial zone. The subject is too small for independent industrial development. Parking is a permitted use under MS zoning; however, assemblage with abutting parcels would allow for larger-scale industrial uses. There are no known easements, encroachments, covenants or other use restrictions that would unduly limit or impede development of the subject property.

Physically Possible

Elements such as availability of utilities, known hazards (flood, environmental, etc.), and other potential influences are described in the Site Description and have been considered. The subject is essentially a remnant with little utility other than for assemblage.

Financially Feasible

As demonstrated by nearby properties, the area tends to support marine-oriented industrial and office uses. While the site has limited physically usable area in itself, the highest and best use is concluded to be assemblage with abutting ownerships.

Maximally Productive

Among the financially feasible uses, the use that results in the highest value (the maximally productive use) is the highest and best use. Considering these factors, the maximally productive use as though vacant is for assemblage.

Conclusion of Highest and Best Use As If Vacant

The conclusion of the highest and best use as if vacant is for assemblage.

Analysis of Highest and Best Use as Improved

N/A

Most Probable Buyer

As of the date of value, the most probable buyer of the subject property is an abutting property owner looking for assemblage opportunities.

Land Valuation

Methodology

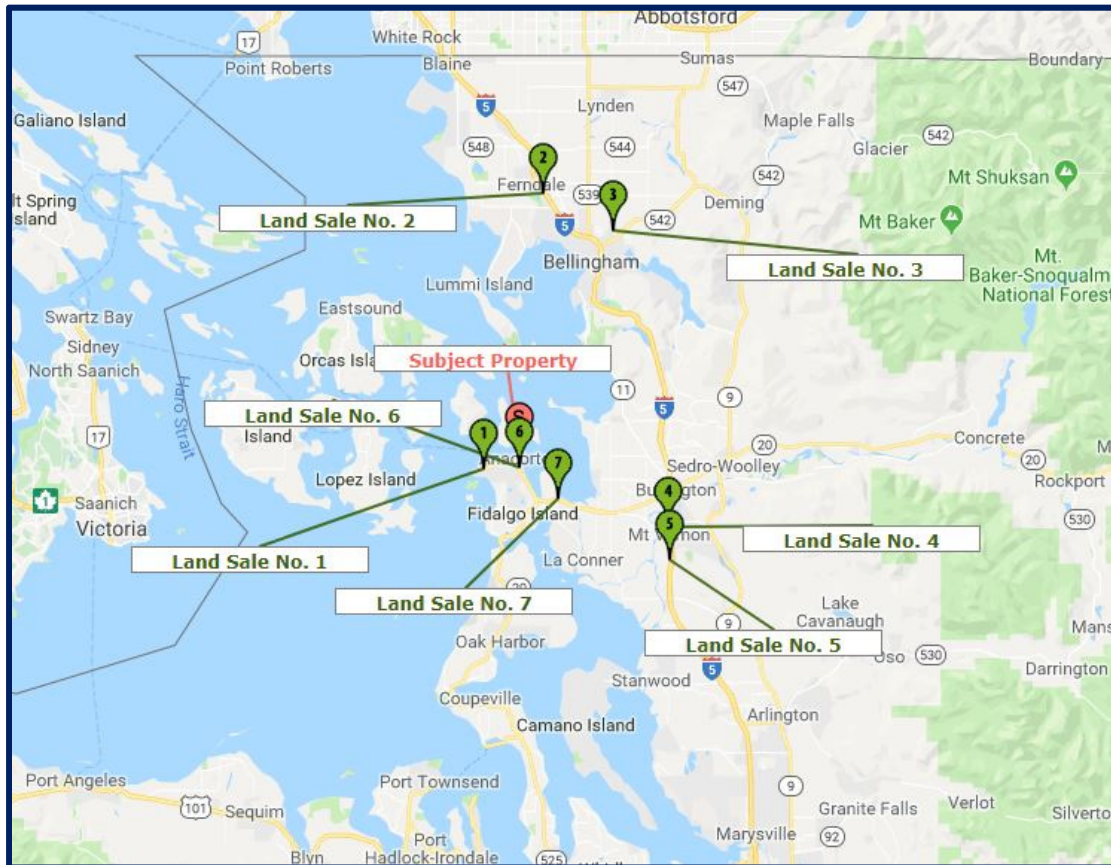
The Real Estate community has long-recognized the ATF methodology for valuing remnants. The methodology evaluates the abutting properties, essentially as a proxy for the subject, since it is assumed direct comparables are not available. The concept of ATF attempts to recognize the value of a corridor property that was ostensibly assembled from abutting properties to create an economic unit that benefits from a unique size, shape and the element of connectivity between two points. The premium for such assemblage is often the subject of debate (as it may be tied to business value); however, the underlying premise that the abutting lands are suitable as the valuation foundation is generally acknowledged by appraisers. As such, the following is a table summarizing each sale comparable and a map illustrating the location of each in relation to the subject. Details of each comparable can be found in the Addenda.

Land Sales

Lot 18

Sale	Property Address	City	Sale Date	Analysis		\$/sf	Zoning
				Price	Size (sf)		
1	Marine-Oriented Land <i>5xxx Ferry Terminal Road</i>	Anacortes	February-18	\$20,000	4,643	\$4.31	CM
2	Former Boat Repair <i>5375 Labounty Road</i>	Ferndale	September-17	\$362,000	42,689	\$8.48	C3/MXD
3	Bellingham Industrial <i>4114 Marblemount Lane</i>	Bellingham	May-17	\$386,000	38,542	\$10.02	PI
4	Mount Vernon Industrial Land <i>205 W. Fir Street</i>	Mount Vernon	October-16	\$600,000	120,661	\$4.97	M1
5	Mount Vernon Site <i>319 Eleanor Lane - Lot 3</i>	Mount Vernon	December-15	\$580,000	91,912	\$6.31	C-L
6	Commercial Vacant Land <i>2419 Commercial Avenue</i>	Anacortes	August-14	\$300,000	12,000	\$25.00	CBD
7	Anacortes Manufacturing Site <i>12375 Reservation Road</i>	Anacortes	December-13	\$275,000	108,900	\$2.53	HM
Subject Property							
	Lot 18	Anacortes			3,000		MS

MARKET AREA MAP



The subject is zoned MS, or Manufacturing and Shipping which involves some requirements for marine-oriented industrial use. It was necessary to expand our search criteria to include older sales, properties throughout Skagit County and parts of Whatcom County, and properties with general industrial and/or commercial zoning without the marine component. In order to analyze the comparable properties, it is necessary to fully understand the differences between zones, thus we have prepared the following matrix which identifies permitted uses under each zone.

Zoning Matrix - Permitted Uses
Anacortes Land Exchange

<u>Anacortes</u>				<u>Mount Vernon</u>		<u>Ferndale</u>	<u>Bellingham</u>
MS	CM	CBD	HM	M1	C-L	C-3/MXD	PI (10)
Manufacturing, storing and shipment of goods, research and development, offices, maritime administration, building and repair of boats and ships, boat and marine equipment sales and services, dry docks and related facilities, wharfs.	Boat moorage, marinas, ship and boat building and repair, boat and marine equipment sales and services, small scale retail shops, eating and drinking establishments, offices, boatels, hotels, motels, movie theaters.	Retail, personal service, offices, financial institutions, restaurants, bed-and-breakfasts, hotels/motels, museums and art galleries, multi-family above the first floor.	Industrial, research and development, office, repair, warehouse, processing, shipping terminal uses.	Gas stations, retail, cold storage, some retail, warehouse and distribution, restaurants, transportation system terminals, veterinary care, hazardous waste treatment.	Restaurants, retail, personal services, banks and financial institutions, hotels/motels, parking garages, research facilities, laboratories, light manufacturing, warehousing.	Restaurants, retail, personal services, automotive repair, general service, spa, eating and drinking establishments, mixed-use residential/commercial with residential on upper floors only, office, medical/dental clinics, financial institutions, research and development, hotel/motel, general retail, wholesale and grocery store.	Warehousing, wholesaling of chemicals, manufacturing of chemicals, retail sales, offices, eating and/or drinking establishments, personal services, laboratories, automotive repair, education, animal care, agricultural nurseries, animal hospitals, transportation construction.

Those zones which allow for additional commercial/retail uses and/or potential for mixed residential/commercial use will typically generate a higher premium than would general industrial or manufacturing properties, and those which are industrially-zoned with a marine-oriented use limitation. While the subject's zone does allow for a number of *conditional* commercial uses, including multifamily residential, such approval would have to be granted by the controlling jurisdiction – in this case, the City of Anacortes – and is not guaranteed. With that said, the subject property does have some commercial potential, but as a conditional use only, a knowledgeable buyer would certainly consider that a risk while considering a purchase.

Discussion of Sales

Sale 1 is located near the ferry terminal and outside of downtown Anacortes. It has sloped topography and no legal access. The property was purchased with the intent to assemble it with abutting properties. Its zone, while marine-oriented, does allow for more commercial use as compared to the subject's industrial nature. It is considered inferior overall as the lack of legal access presents a potential significant hurdle to development for the buyer. Sale 2 is a level parcel located in Ferndale which was previously improved by a shop building which burnt down. The former building was used for boat repair. The underlying zone allows for a wide variety of uses, including mixed-use residential and commercial, though the neighborhood does not appear to be transitioning in this direction at this time. Overall, it is considered slightly inferior to the subject. Sale 3 is in Bellingham which is considered to be a superior location and in an established industrial neighborhood. It is relatively similar to the subject. Sale 4 is a previously-developed site just north of downtown Mount Vernon which is located in a manufacturing zone and is considered to be slightly inferior to the subject property overall. Sale 5 is located south of downtown Mount Vernon in a zone which allows for some light manufacturing and industrial uses, as well as retail, hotels, and personal services. The neighborhood, however, has several existing manufacturing facilities, auto repair, and boat and RV sales lots. Overall, Sale 5 is considered inferior to the subject. Sale 6 is a commercially-zoned lot south of the subject along Commercial Avenue with excellent commercial exposure and an underlying zone which allows for a wide variety of uses – far superior to the subject property. Finally, Sale 8 is an older industrial sale located outside of downtown Anacortes and south of SR-20. It has significant wetlands on-site and is considered significantly inferior.

Summary and Conclusions

The subject is located in a marine-oriented zone which allows for primarily industrial and office uses. While its proximity to the waterfront might otherwise be considered a benefit, the marine-oriented use limitations and current industrial nature of the waterfront does have a significant impact on the subject property. The subject's block abuts the central business district zone which allows for a number of additional commercially-focused uses which, as evidenced by Sale 6, draw a premium over industrial land. Sales 1, 4, 5, and 7 are considered inferior to the subject, and Sale 2 only slightly inferior. Sale 3 is considered relatively similar overall, and Sale 6 is considered significantly superior. In consideration of all of the above, we conclude a value of \$10.00 per square foot for the subject property. As noted above, there are a number of conditional uses which may be allowed on the subject property, and consideration has been given to its close-in location, abutting the CBD zone. However, commercial uses are conditional only under the current zoning designation, and approval of a conditional use is not guaranteed; thus, any prospective buyer would consider this risk with any potential purchase of the subject property.

Valuation Summary

The indicated values from the approaches used and our concluded market values for the subject property are summarized in the following table.

Value Conclusions

Component	As Is
Value Type	Market Value
Property Rights Appraised	Fee Simple
Effective Date of Value	January 22, 2019
Value Conclusion	\$30,000

Our findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions which might have affected the assignment results:

Extraordinary Assumptions:

- None.

Hypothetical Conditions:

- The subject property is currently a portion of a larger tax lot (P55040) which includes Lots 19 and 20 and the improvements thereon. At the request of the client, the opinion of market value provided in this report is based upon the hypothetical condition that the subject property is an individual, saleable tax lot – separate from improved lots 19 and 20.
- The Anacortes Planning Commission is drafting revisions to its zoning code. The opinion of value provided in this report is based upon the hypothetical condition that such revisions, as noted in the third draft dated December 8, 2018, have been codified.

Analysis of Recent Transactions

The subject property was sold in November 2014 for \$2,200,000. Our final opinion of market value is likely inconsistent with the recent transfer as it sold as an assemblage with abutting properties, including improvements. As noted above, the Port of Anacortes did not obtain an appraisal prior to the sale and confirms that the sales price was likely higher than market value.

Analysis of Prior Appraisals

N/A

Exposure Time and Marketing Periods

Based on statistical information about days on market, escrow length, and marketing times gathered through national investor surveys, sales verification, and interviews of market participants, marketing and exposure time estimates of nine and twelve months, respectively, are considered reasonable and appropriate for the subject property.

General Assumptions and Limiting Conditions

This appraisal is subject to the following general assumptions and limiting conditions:

1. The legal description – if furnished to us – is assumed to be correct.
2. No responsibility is assumed for legal matters, questions of survey or title, soil or subsoil conditions, engineering, availability or capacity of utilities, or other similar technical matters. The appraisal does not constitute a survey of the property appraised. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management unless otherwise noted.
3. Unless otherwise noted, the appraisal will value the property as though free of contamination. Valbridge Property Advisors | Puget Sound will conduct no hazardous materials or contamination inspection of any kind. It is recommended that the client hire an expert if the presence of hazardous materials or contamination poses any concern.
4. The stamps and/or consideration placed on deeds used to indicate sales are in correct relationship to the actual dollar amount of the transaction.
5. Unless otherwise noted, it is assumed there are no encroachments, zoning violations or restrictions existing in the subject property.
6. The appraiser is not required to give testimony or attendance in court by reason of this appraisal, unless previous arrangements have been made.
7. Unless expressly specified in the engagement letter, the fee for this appraisal does not include the attendance or giving of testimony by Appraiser at any court, regulatory or other proceedings, or any conferences or other work in preparation for such proceeding. If any partner or employee of Valbridge Property Advisors | Puget Sound is asked or required to appear and/or testify at any deposition, trial, or other proceeding about the preparation, conclusions or any other aspect of this assignment, client shall compensate Appraiser for the time spent by the partner or employee in appearing and/or testifying and in preparing to testify according to the Appraiser's then current hourly rate plus reimbursement of expenses.
8. The values for land and/or improvements, as contained in this report, are constituent parts of the total value reported and neither is (or are) to be used in making a summation appraisal of a combination of values created by another appraiser. Either is invalidated if so used.
9. The dates of value to which the opinions expressed in this report apply are set forth in this report. We assume no responsibility for economic or physical factors occurring at some point at a later date, which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors and are subject to change with future conditions. Appraiser is not responsible for determining whether the date of value requested by Client is appropriate for Client's intended use.
10. The sketches, maps, plats and exhibits in this report are included to assist the reader in visualizing the property. The appraiser has made no survey of the property and assumed no responsibility in connection with such matters.

11. The information, estimates and opinions, which were obtained from sources outside of this office, are considered reliable. However, no liability for them can be assumed by the appraiser.
12. Possession of this report, or a copy thereof, does not carry with it the right of publication. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to property value, the identity of the appraisers, professional designations, reference to any professional appraisal organization or the firm with which the appraisers are connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval.
13. No claim is intended to be expressed for matters of expertise that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers. We claim no expertise in areas such as, but not limited to, legal, survey, structural, environmental, pest control, mechanical, etc.
14. This appraisal was prepared for the sole and exclusive use of the client for the function outlined herein. Any party who is not the client or intended user identified in the appraisal or engagement letter is not entitled to rely upon the contents of the appraisal without express written consent of Valbridge Property Advisors | Puget Sound and Client. The Client shall not include partners, affiliates, or relatives of the party addressed herein. The appraiser assumes no obligation, liability or accountability to any third party.
15. Distribution of this report is at the sole discretion of the client, but third-parties not listed as an intended user on the face of the appraisal or the engagement letter may not rely upon the contents of the appraisal. In no event shall client give a third-party a partial copy of the appraisal report. We will make no distribution of the report without the specific direction of the client.
16. This appraisal shall be used only for the function outlined herein, unless expressly authorized by Valbridge Property Advisors | Puget Sound.
17. This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.
18. Unless otherwise noted in the body of this report, this appraisal assumes that the subject property does not fall within the areas where mandatory flood insurance is effective. Unless otherwise noted, we have not completed nor have we contracted to have completed an investigation to identify and/or quantify the presence of non-tidal wetland conditions on the subject property. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
19. The flood maps are not site specific. We are not qualified to confirm the location of the subject property in relation to flood hazard areas based on the FEMA Flood Insurance Rate Maps or other surveying techniques. It is recommended that the client obtain a confirmation of the subject property's flood zone classification from a licensed surveyor.
20. If the appraisal is for mortgage loan purposes 1) we assume satisfactory completion of improvements if construction is not complete, 2) no consideration has been given for rent loss during rent-up unless noted in the body of this report, and 3) occupancy at levels consistent with our "Income and Expense Projection" are anticipated.
21. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.

22. Our inspection included an observation of the land and improvements thereon only. It was not possible to observe conditions beneath the soil or hidden structural components within the improvements. We inspected the buildings involved, and reported damage (if any) by termites, dry rot, wet rot, or other infestations as a matter of information, and no guarantee of the amount or degree of damage (if any) is implied. Condition of heating, cooling, ventilation, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. Should the client have concerns in these areas, it is the client's responsibility to order the appropriate inspections. The appraiser does not have the skill or expertise to make such inspections and assumes no responsibility for these items.
23. This appraisal does not guarantee compliance with building code and life safety code requirements of the local jurisdiction. It is assumed that all required licenses, consents, 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 conclusion contained in this report is based unless specifically stated to the contrary.
24. When possible, we have relied upon building measurements provided by the client, owner, or associated agents of these parties. In the absence of a detailed rent roll, reliable public records, or "as-built" plans provided to us, we have relied upon our own measurements of the subject improvements. We follow typical appraisal industry methods; however, we recognize that some factors may limit our ability to obtain accurate measurements including, but not limited to, property access on the day of inspection, basements, fenced/gated areas, grade elevations, greenery/shrubbery, uneven surfaces, multiple story structures, obtuse or acute wall angles, immobile obstructions, etc. Professional building area measurements of the quality, level of detail, or accuracy of professional measurement services are beyond the scope of this appraisal assignment.
25. We have attempted to reconcile sources of data discovered or provided during the appraisal process, including assessment department data. Ultimately, the measurements that are deemed by us to be the most accurate and/or reliable are used within this report. While the measurements and any accompanying sketches are considered to be reasonably accurate and reliable, we cannot guarantee their accuracy. Should the client desire more precise measurement, they are urged to retain the measurement services of a qualified professional (space planner, architect or building engineer) as an alternative source. If this alternative measurement source reflects or reveals substantial differences with the measurements used within the report, upon request of the client, the appraiser will submit a revised report for an additional fee.
26. In the absence of being provided with a detailed land survey, we have used assessment department data to ascertain the physical dimensions and acreage of the property. Should a survey prove this information to be inaccurate, upon request of the client, the appraiser will submit a revised report for an additional fee.
27. If only preliminary plans and specifications were available for use in the preparation of this appraisal, and a review of the final plans and specifications reveals substantial differences upon request of the client the appraiser will submit a revised report for an additional fee.

28. Unless otherwise stated in this report, the value conclusion is predicated on the assumption that the property is free of contamination, environmental impairment or hazardous materials. Unless otherwise stated, the existence of hazardous material was not observed by the appraiser and the appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required for discovery. The client is urged to retain an expert in this field, if desired.
29. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey of the property to determine if it is in conformity with the various requirements of the ADA. It is possible that a compliance survey of the property, together with an analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this could have a negative effect on the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in developing an opinion of value.
30. This appraisal applies to the land and building improvements only. The value of trade fixtures, furnishings, and other equipment, or subsurface rights (minerals, gas, and oil) were not considered in this appraisal unless specifically stated to the contrary.
31. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated, unless specifically stated to the contrary.
32. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute prediction of future operating results. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance.
33. Any estimate of insurable value, if included within the scope of work and presented herein, is based upon figures developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from our estimate and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. As such, we strongly recommend that the Client obtain estimates from professionals experienced in establishing insurance coverage. This analysis should not be relied upon to determine insurance coverage and we make no warranties regarding the accuracy of this estimate.
34. The data gathered in the course of this assignment (except data furnished by the Client) shall remain the property of the Appraiser. The appraiser will not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to the appraiser. Notwithstanding the foregoing, the Appraiser is authorized by the client to disclose all or any portion of the appraisal and related appraisal data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable the appraiser to comply with the Bylaws and Regulations of such Institute now or hereafter in effect.

35. You and Valbridge Property Advisors | Puget Sound both agree that any dispute over matters in excess of \$5,000 will be submitted for resolution by arbitration. This includes fee disputes and any claim of malpractice. The arbitrator shall be mutually selected. If Valbridge Property Advisors | Puget Sound and the client cannot agree on the arbitrator, the presiding head of the Local County Mediation & Arbitration panel shall select the arbitrator. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that, by agreeing to binding arbitration, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury. In the event that the client, or any other party, makes a claim against Valbridge Property Advisors | Puget Sound or any of its employees in connections with or in any way relating to this assignment, the maximum damages recoverable by such claimant shall be the amount actually received by Valbridge Property Advisors | Puget Sound for this assignment, and under no circumstances shall any claim for consequential damages be made.
36. Valbridge Property Advisors | Puget Sound shall have no obligation, liability, or accountability to any third party. Any party who is not the "client" or intended user identified on the face of the appraisal or in the engagement letter is not entitled to rely upon the contents of the appraisal without the express written consent of Valbridge Property Advisors | Puget Sound. "Client" shall not include partners, affiliates, or relatives of the party named in the engagement letter. Client shall hold Valbridge Property Advisors | Puget Sound and its employees harmless in the event of any lawsuit brought by any third party, lender, partner, or part-owner in any form of ownership or any other party as a result of this assignment. The client also agrees that in case of lawsuit arising from or in any way involving these appraisal services, client will hold Valbridge Property Advisors | Puget Sound harmless from and against any liability, loss, cost, or expense incurred or suffered by Valbridge Property Advisors | Puget Sound in such action, regardless of its outcome.
37. The Valbridge Property Advisors office responsible for the preparation of this report is independently owned and operated by Valbridge Property Advisors | Puget Sound. Neither Valbridge Property Advisors, Inc., nor any of its affiliates has been engaged to provide this report. Valbridge Property Advisors, Inc. does not provide valuation services, and has taken no part in the preparation of this report.
38. If any claim is filed against any of Valbridge Property Advisors, Inc., a Florida Corporation, its affiliates, officers or employees, or the firm providing this report, in connection with, or in any way arising out of, or relating to, this report, or the engagement of the firm providing this report, then (1) under no circumstances shall such claimant be entitled to consequential, special or other damages, except only for direct compensatory damages, and (2) the maximum amount of such compensatory damages recoverable by such claimant shall be the amount actually received by the firm engaged to provide this report.
39. This report and any associated work files may be subject to evaluation by Valbridge Property Advisors, Inc., or its affiliates, for quality control purposes.
40. Acceptance and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and limiting conditions.

Certification – S. Murray Brackett MAI

I 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 personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. I have performed no (or the specified) services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. I have made a personal inspection of the property that is the subject of this report. (If more than one person signs this certification, the certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraised property.)
10. No one provided significant real property appraisal assistance to the person signing this certification, unless otherwise noted.
11. 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 Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, I have completed the continuing education program for Designated Members of the Appraisal Institute.

In my opinion the market value of the subject property, as of January 22, 2019, is:

Value Conclusions

Component	As Is
Value Type	Market Value
Property Rights Appraised	Fee Simple
Effective Date of Value	January 22, 2019
Value Conclusion	\$30,000

January 22, 2019
Date of Value: _____



WA State Cert. No. 27011-1100853

Certification – Christina J. Lovell, Associate Appraiser

I 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 personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. I have performed no (or the specified) services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
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11. 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 Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, I have completed the Standards and Ethics Education Requirements for Practicing Affiliates of the Appraisal Institute.
14. As of the date of this report, I have not completed the continuing education program for Practicing Affiliates of the Appraisal Institute.

In my opinion the market value of the subject property, as of January 22, 2019, is:

Value Conclusions

Component	As Is
Value Type	Market Value
Property Rights Appraised	Fee Simple
Effective Date of Value	January 22, 2019
Value Conclusion	\$30,000

Date of Value: January 22, 2019


WA State Cert. No. 27011-1001951

Addenda

Comparable Data

Statement of Purpose

Manufacturing and Shipping Zoning Information

Qualifications

- S. Murray Brackett, MAI
- Christina Lovell, Associate Appraiser

Information on Valbridge Property Advisors

Office Locations

Comparable Data

LAND SALE NO. 1



Ferry Terminal Road



Plat Map

Property Identification

Property ID	10624205
Property Type	Commercial Land
Property Name	Unimproved Land
Address	NHN Ferry Terminal Road
City, State Zip	Anacortes, Washington 98221
County	Skagit
Location Description	East side of Ferry Terminal Road (State Route 20 spur), north of Y from mainline.
Section, Township, Range	22 35 1E
Tax ID	P58127
Latitude and Longitude	48.500985 -122.678245

Sale Data

Seller	Jack H. Hinshaw, Margery G. Hinshaw, Catherine R. Hinshaw, Carolyn L. Hinshaw, David H. Hinshaw
Buyer	B & R Investment Group, LLC
Sale Date	02-11-2018
Sale Price	\$20,000
Analysis Price	\$20,000
Deed Type	Statutory Warranty Deed
Reference No.	20180216-0123
Property Rights Transferred	Fee Simple
Market Time	120
Financing	Cash sale
Verified By	Kelly Hao
Verification With	Robert Hyde, Windermere RE Anacortes
Verification Date	08-31-2018

Land Data

Land Size	0.10659 acres or 4,643 SF
Topography	Sloped
Front Footage	Ferry Terminal Road
Utilities	All available
Access	No legal access
In Flood Plain?	No
Zoning Code	Commercial Marine Marine Related Commercial Use
Site Description	All utilities available. Steeply sloping brush and lightly treed, triangular-shaped site with no access.

Indicators

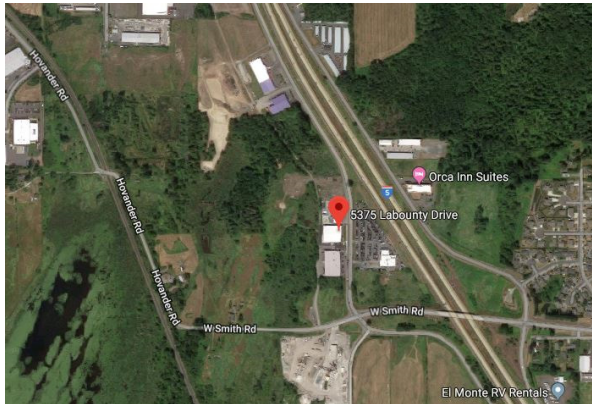
Analysis Price/Gross Acre	\$187,635 per Acre
Analysis Price/Gross SF	\$4.31 per SF

Property Remarks

Steeply sloping brush and lightly treed, triangular-shaped site with no access. According to the broker, the buyer was a developer who plans on trying to purchase adjacent parcels for both access and future commercial use. May do a coffee stand to begin; however, cannot have access along Ferry Terminal Road frontage.

Comp ID No. 10624205

LAND SALE NO. 2



Property Identification

Property ID	10812013
Property Type	Land
Property Name	Unimproved Land
Address	5375 Labounty Road
City, State Zip	Ferndale, Washington 98248
County	Whatcom
Tax ID	390228117082
Latitude and Longitude	48.835879 -122.568726

Sale Data

Seller	Timothy Furre
Buyer	Cougar Mountain Real Estate Company
Sale Date	09-12-2017
Sale Price	\$362,000
Analysis Price	\$362,000
Deed Type	Statutory Warranty Deed
Reference No.	2017091750
Property Rights Transferred	Fee Simple
Verified By	Christina Lovell
Verification With	Jim Sands
Verification Date	02-15-2019

Land Data

Land Size	0.98001 acres or 42,689 SF
Utilities	Access to all public utilities
Zoning Code	C3/MXD

Indicators

Analysis Price/Gross Acre	\$369,384 per Acre
Analysis Price/Gross SF	\$8.48 per SF

Property Remarks

This is the sale of a previously developed site. The former improvements were destroyed in a fire. The property sold previously in 2016 for \$295,000, and the buyer in that transaction cleaned up the property and intended to develop it. In 2017 that owner chose not to develop and re-sold it for \$362,000, or \$8.48 per square foot. The underlying zone allows for mixed-use development; however, it is an existing industrial neighborhood and does not appear to be transitioning that way at this time.

Comp ID No. 10812013

LAND SALE NO. 3



Property Identification

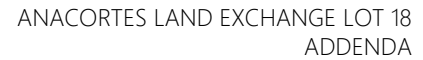
Property ID	10624226
Property Type	Industrial Land
Property Name	Industrial Zoned Site
Address	4114 Marblemount Lane
City, State Zip	Bellingham, Washington 98226
County	Whatcom
Tax ID	380309047040
Latitude and Longitude	48.790477 -122.440676

Sale Data

Seller	John and Lori Walton
Buyer	Walker Property LLC
Sale Date	05-30-2017
Sale Price	\$386,000
Analysis Price	\$386,000
Deed Type	Statutory Warranty Deed
Reference No.	2017-0503815
Property Rights Transferred	Fee Simple
Conditions of Sale	Arm's Length
Verified By	Mary Hamel
Verification With	Ken Reinschmidt
Verification Date	09-02-2018

Land Data

Land Size	0.88000 acres or 38,333 SF
Topography	Level
Front Footage	157.00 Marblemount Lane
Depth (Feet)	260.00
Shape	Rectangular
Access	Good
In Flood Plain?	No



Indicators

Analysis Price/Front Foot	\$2,458.60
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This is a 2017 sale of an industrial zoned lot located in the Walton Industrial park. Other business in the park include the Back of the Pacific Headquarters, Northwest Energy, Bellingham Auto and a multi-tenant office building. The property has all public utilities located in its fronting street.

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LAND SALE NO. 4



Property Identification

Property ID	10619257
Property Type	Industrial Land
Property Name	Industrial Redevelopment Site
Address	205 W. Fir Street
City, State Zip	Mount Vernon, Washington 98273
County	Skagit
Location Description	East of I-5, slightly north of downtown and riverwalk area
Tax ID	26114, 26132, 26134, 26161
Latitude and Longitude	48.428758 -122.337372

Sale Data

Seller	Skagit Farmer's Supply
Buyer	Waheguru Holdings
Sale Date	10-27-2016
Sale Price	\$600,000
Analysis Price	\$600,000
Deed Type	Statutory Warranty Deed
Reference No.	201611040105
Property Rights Transferred	Unknown
Verified By	D. Quinn
Verification With	Broker, Learned
Verification Date	09-13-2016

Sale Remarks

This is the sale of a 2.77-acre industrial site located just north of downtown Mount Vernon. It is comprised of 4 parcels, with the rail corridor forming the eastern boundary. The Skagit River is located roughly 800 feet to the west, with Interstate 5 intervening. The site was previously improved with older shell warehouse structures.

Land Data

Land Size	2.77000 acres or 120,661 SF
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Topography	Mostly level
Front Footage	225.00 W Fir Street
Depth (Feet)	725.00
Utilities	Previously developed site
Shape	Irregular
Access	Direct
In Flood Plain?	530158-0001 B
Zoning Code	M1 Manufacturing 1

Indicators

Analysis Price/Gross Acre	\$216,606 per Acre
Analysis Price/Gross SF	\$4.97 per SF
Analysis Price/Front Foot	\$2,666.67

Property Remarks

The property consists of 4 parcels of industrial land totaling 2.77 acres. Existing improvements in the form of shell warehouses, do not contribute to value, according to the Broker.

Comp ID No. 10619257

LAND SALE NO. 5



Property Identification

Property ID	10619270
Property Type	Land
Property Name	Industrial Building Site
Address	319 Eleanor Lane - Lot 3
City, State Zip	Mount Vernon, Washington 98273
County	Skagit
Tax ID	P124755
Latitude and Longitude	48.388441 -122.334428

Sale Data

Seller	REO Family Properties LLC
Buyer	HP Mobile Wash, Inc.
Sale Date	12-31-2015
Sale Price	\$580,000
Analysis Price	\$580,000
Deed Type	Warranty Deed
Reference No.	201512310059
Property Rights Transferred	Fee Simple
Market Time	559
Conditions of Sale	Arm's Length
Verified By	D. Quinn
Verification With	Broker, Axthelm
Verification Date	09-15-2016

Sale Remarks

This is the 2015 year end sale of a 2.11-acre parcel of land located in south Mount Vernon. It is zoned Commercial/Light Industrial and sold for \$580,000, or \$6.32 per square foot of land. The purchaser utilized commercial financing and has subsequently constructed a car wash facility.

Land Data

Land Size	2.11000 acres or 91,912 SF
------------------	----------------------------

Topography	Level
Front Footage	230.00
Depth (Feet)	407.00
Utilities	All available in street
Shape	Rectangular
Access	Average
In Flood Plain?	100-year floodplain with shallow flooding of 1-3 feet 530151 0425 C
Zoning Code	C-L Commercial Light Industrial

Indicators

Analysis Price/Gross Acre	\$274,882 per Acre
Analysis Price/Gross SF	\$6.31 per SF
Analysis Price/Front Foot	\$2,521.74

Property Remarks

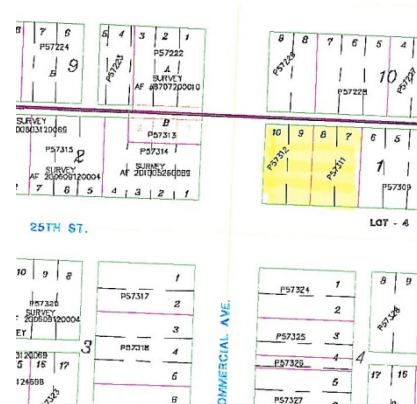
Flat site in newer light industrial park, with good access to Interstate 5, in south Mount Vernon. The Broker indicated the site would need fill, but was otherwise all usable. All utilities were available in the fronting street, including storm sewer system.

Comp ID No. 10619270

LAND SALE NO. 6



sale 3



plat 3

Property Identification

Property ID	10616695
Property Type	Commercial Land
Property Name	Vacant land
Address	2419 Commercial Avenue
City, State Zip	Anacortes, Washington 98221
County	Skagit
Location Description	Northeast corner of Commercial Avenue and 25th Street.
Tax ID	P57311, P57312
Latitude and Longitude	48.502316 -122.612449

Sale Data

Seller	Olav Edvardsen Trust
Buyer	Joey and Holly Goss
Sale Date	08-06-2014
Sale Price	\$300,000
Analysis Price	\$300,000
Deed Type	Statutory Warranty Deed
Property Rights Transferred	Fee Simple
Market Time	605
Verified By	Jim Dodge
Verification With	John Prosser, agent
Verification Date	05-21-2015

Sale Remarks

Assemblage from two separate owners at \$150,000 each. Second seller is Samuel Humble as trustee of Virginia Humble Trust (Lots 7 & 8), \$150,000, A.F. #201408110078.

Land Data

Land Size	0.27548 acres or 12,000 SF
Topography	Mostly level
Front Footage	100.00 100' on Commercial Avenue

Utilities	All available
Shape	Mostly Rectangular
Access	Public streets
In Flood Plain?	No
Zoning Code	Commercial
Site Description	A strip retail building is under construction.

Indicators

Analysis Price/Gross Acre	\$1,089,000 per Acre
Analysis Price/Gross SF	\$25.00 per SF
Analysis Price/Front Foot	\$3,000.00

Property Remarks

Level corner tract with good frontage and visibility on primary arterial. A small strip retail building is under construction as of April 2015.

Comp ID No. 10616695

LAND SALE NO. 7



Property Identification

Property ID	10615440
Property Type	Commercial Land
Property Name	Skagit County Commercial Land
Address	12375 Reservation Road
City, State Zip	Anacortes, Washington 98221
County	Skagit
Location Description	Intersection of SR 20 & Reservations Road
Section, Township, Range	03-34-02
Tax ID	P19726, P19704
Latitude and Longitude	48.463782 -122.542357

Sale Data

Seller	Jean Harlow
Buyer	Christopher M. Lawrence
Sale Date	12-27-2013
Sale Price	\$275,000
Analysis Price	\$275,000
Deed Type	Warranty Deed
Reference No.	201312270043
Property Rights Transferred	Fee Simple
Market Time	2143
Financing	Cash to seller
Verified By	M. Brackett
Verification With	Broker, L. Edgeman
Verification Date	06-23-2014

Land Data

Land Size	5.91000 acres or 257,440 SF
Front Footage	400.00 Reservation Road
Utilities	Power; city water and sewer available
Shape	Irregular

Access	Direct
In Flood Plain?	No
Zoning Code	MH Manufacturing
Site Description	Initial reconnaissance by the buyer indicated roughly 2.5 acres of usable land, which was the basis of the purchase price. Subsequent wetland study resulted in a reduced usable area of 1.7 acres
Encumbrances Description	Typical utility and 10,000 sf billboard easement

Indicators

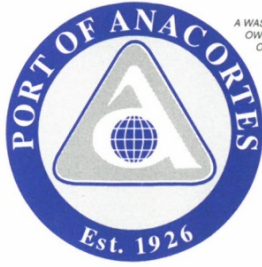
Analysis Price/Gross Acre	\$46,531 per Acre
Analysis Price/Gross SF	\$1.07 per SF
Analysis Price/Front Foot	\$687.50

Property Remarks

This is the December 2013 sale of 5.91 acres of commercial land located at the intersection of State Route 20 and Reservation Road, in Anacortes, WA. The property had been on the market for over 4 years. The broker indicated substantial wetlands were on the site, but not delineated prior to the sale. The broker noted that the buyer estimated roughly 2.5 acres of usable land. No fill was to be required for development, but subsequent wetland studies yielded just 1.7 acres of usable land. The sale sold for \$275,000 cash, with no conditions or concessions.

Comp ID No. 10615440

Statement of Purpose



A WASHINGTON PUBLIC PORT
OWNED BY THE RESIDENTS
OF THE LOCAL COMMUNITY

100 COMMERCIAL AVENUE • ANACORTES, WA 98221 USA
(360) 293-3134 • FAX (360) 293-9608 • WWW.PORTOFANACORTES.COM

Statement of Purpose: Right of Way Vacation

The Port of Anacortes is the owner of the 200 Block, otherwise known as Block 31, Map of the City of Anacortes, having obtained it in 2015 from the Demopoulos family for support of the Marine Terminal as indicated in the Port's Comprehensive Plan. The Port seeks to vacate the alley right-of-way in this block to create one contiguous parcel. This will better position the Port for future development of the block and serve our Mission of fostering economic development.

The Port recognizes that development of workforce housing is an important component of economic development within the Port District. In accordance with RCW 53.08.090, the Port Commission held a public hearing on December 3, 2018, and deleted the Olson Building and Adjacent Lot from its Comprehensive Plan. The Commission then declared the Olson Property and Adjacent Lot as surplus and, as such, available for sale or conveyance. The Anacortes Housing Authority expressed its desire to obtain the Olson Property and Adjacent Lot to fulfill its mission of workforce housing.

The Port, as a public entity will receive fair value in transferring the Olson Building and the property on which it is located to the Anacortes Housing Authority by allowing for the most cost effective and efficient rehabilitation or reconstruction of the Olson Building and providing for a transfer of liability arising from the condition of the Olson Building. As the Adjacent Lot has value separate from the Olson Building, the Port as a public entity would need to receive fair value for that Lot. The City expressed a desire to obtain the Adjacent Lot in support of the Anacortes Housing Authority.

The Port and the Anacortes Housing Authority have executed a Purchase and Sale Agreement for the Olson Building and the property on which it is located, comprising Lots 19 and 20 of Block 31. Under the current proposal, in lieu of payment to the City for vacating the 4,800 sf alley right-of-way, the Port would convey Lot 18, a 3,000 sf parcel of land behind the Olson building, to the City for affordable housing. The City would then convey that property to the Anacortes Housing Authority. This series of agreements will meet the requirements of providing all parties with "true and fair value" as that term is defined in RCW 43.09.210, relevant case law, and attorney general opinion, by allowing for the best possible and most efficient use of the property for workforce housing.

The vacation of the alley will better serve the public by providing the opportunity for that property's use in economic development, a greater use than presently exists, as well as making possible the transfer of the Adjacent Lot, Lot 18, to the City in support of workforce housing. The development of the alley property in the 200 Block for industry will bring additional jobs and commerce to Anacortes. The alley has been unused throughout its history and has never served as a point of public use or access, making the change of the property for economic development a higher and better use. In addition to the alley being unused, there is an existing business, The Bike Spot, currently occupying the alley where it fronts Commercial Avenue. Vacation of the alley allows this active business to continue in its location without issue.

The Port appreciates the cooperation of the City and the Anacortes Housing Authority in working together to obtain objectives that benefit our community and appreciates the opportunity to further address and provide background to our petition to vacate the alley in the 200 Block with this Statement of Purpose.

Manufacturing and Shipping Zoning Information

Chapter 17.17

MANUFACTURING AND SHIPPING DISTRICT (MS)

Sections:

- 17.17.010 Purpose.**
- 17.17.020 Permitted uses.**
- 17.17.030 Permitted accessory uses.**
- 17.17.040 Conditional uses.**
- 17.17.050 Minimum lot size.**
- 17.17.060 Minimum setback requirements.**
- 17.17.070 Maximum density.**
- 17.17.080 Maximum land coverage.**
- 17.17.090 Maximum building height.**
- 17.17.100 Off-street parking and landscaping requirements.**
- 17.17.110 Basic design standards.**

17.17.010 Purpose.

The manufacturing and shipping district (MS) is primarily intended to accommodate manufacturing and shipping uses that can utilize the deep waters of the Guemes Channel. Secondly, the MS district provides for uses supplementary to and compatible with the primary uses. (Ord. 2794 § 1 (Att. A), 2008; Ord. 2521 Att. A § 3, 2000)

17.17.020 Permitted uses.

Manufacturing, storing, and shipment of goods, research and development, offices, maritime administration and public meeting space, building and repair of boats and ships, boat and marine equipment sales and services, public parks, piers, wharfs, dry docks and related facilities, commercial parking, private parking, and public parking. (Ord. 2812 § 1 (Att. A), 2010; Ord. 2794 § 1 (Att. A), 2008; Ord. 2521 Att. A § 3, 2000)

17.17.030 Permitted accessory uses.

Caretaker or security residences serving a permitted use; cafeteria; uses customarily incidental to the permitted principal use; and accessory retail sales. (Ord. 2794 § 1 (Att. A), 2008; Ord. 2521 Att. A § 3, 2000)

17.17.040 Conditional uses.

Neighborhood grocery stores; restaurants; public and private recreational facilities; marinas together with related uses such as boat sales and small-scale retail sales and specialty shops; and land coverage in excess of the specified maximum. Any building with more than two hundred thousand square feet of total floor space, otherwise permitted in the underlying zone. (Ord. 2917 § 4, 2013; Ord. 2794 § 1 (Att. A), 2008; Ord. 2706 § 2, 2005; Ord. 2521 Att. A § 3, 2000)

17.17.050 Minimum lot size.

No minimum. (Ord. 2794 § 1 (Att. A), 2008; Ord. 2521 Att. A § 3, 2000)

17.17.060 Minimum setback requirements.

The minimum setback requirements of the manufacturing and shipping district are:

- A. No building or other structure other than a fence shall be built closer than ten feet from the street right-of-way lines.
- B. No building or structure, other than a fence, shall be closer than ten feet from adjacent property lines. (Ord. 2794 § 1 (Att. A), 2008; Ord. 2521 Att. A § 3, 2000)

17.17.070 Maximum density.

No maximum. (Ord. 2794 § 1 (Att. A), 2008; Ord. 2521 Att. A § 3, 2000)

17.17.080 Maximum land coverage.

The maximum coverage of a lot by buildings is sixty percent, except that ship and boat building and repair may be up to seventy-five percent. The city may consider and approve lot coverage in excess of these percentages through the conditional use process. (Ord. 2794 § 1 (Att. A), 2008; Ord. 2521 Att. A § 3, 2000)

17.17.090 Maximum building height.

Maximum building height is to be fifty feet. Temporary equipment used in the primary permitted use and not constituting a building or permanent enclosure, such as cranes or scaffolding, may exceed this maximum height. The administrator may authorize construction of fabric enclosures or temporary structures to contain particulates or shelter a vessel under construction which exceed fifty feet in height, provided that the permit is for a specified

length of time for a specific project, and they are taken down at the conclusion of the specific work for which they were erected. (Ord. 2794 § 1 (Att. A), 2008; Ord. 2521 Att. A § 3, 2000)

17.17.100 Off-street parking and landscaping requirements.

Off-street parking shall be provided in the manufacturing and shipping district with a minimum of one parking space for each one and one-half employees on the largest shift, and in accordance with specifications in Chapter [17.46](#), Parking. (Ord. 2794 § 1 (Att. A), 2008; Ord. 2521 Att. A § 3, 2000)

17.17.110 Basic design standards.

The following requirements shall apply to a building or complex of buildings exceeding fifty thousand square feet in gross floor area, because of the potential for a large structure to overwhelm and dominate this section of the city, to the detriment of existing uses and smaller businesses:

- A. To visually modulate the vast expanses of parking required for a large building, an added two percent of the parking lot areas shall be developed in landscaping, in addition to the basic parking lot landscaping requirement for this zone. The landscaping plan for the project must be approved by the planning commission.
- B. Parking shall be broken into several smaller parking lots, and buildings shall have entrances on more than one side, to reduce walking distances and to reduce the apparent expanse of the parking lots.
- C. To visually modulate the greater size of the building, all sides of the building shall either meet the building standards for being within twenty feet of a pedestrian area or shall be partially screened by landscaped areas not less than five feet in width, with at least one tree for each thirty feet of facade length. (Ord. 2794 § 1 (Att. A), 2008; Ord. 2592 Att. A § 12, 2002)

The Anacortes Municipal Code is current through Ordinance 3028, passed September 24, 2018.

Disclaimer: The city attorney's office has the official version of the Anacortes Municipal Code. Users should contact the city attorney's office for ordinances passed subsequent to the ordinance cited here.

City Website: www.cityofanacortes.org

City Telephone: (360) 293-1900

[Code Publishing Company](#)

Glossary

Definitions are taken from The Dictionary of Real Estate Appraisal, 6th Edition (Dictionary), the Uniform Standards of Professional Appraisal Practice (USPAP), and Building Owners and Managers Association International (BOMA).

Absolute Net Lease

A lease in which the tenant pays all expenses including structural maintenance, building reserves, and management; often a long-term lease to a credit tenant. (Dictionary)

Amortization

The process of retiring a debt or recovering a capital investment, typically through scheduled, systematic repayment of the principal; a program of periodic contributions to a sinking fund or debt retirement fund. (Dictionary)

As Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. (Dictionary)

Base Rent

The minimum rent stipulated in a lease. (Dictionary)

Base Year

The year on which escalation clauses in a lease are based. (Dictionary)

Building Common Area

In office buildings, the areas of the building that provide services to building tenants but which are not included in the office area or store area of any specific tenant. These areas may include, but shall not be limited to, main and auxiliary lobbies, atrium spaces at the level of the finished floor, concierge areas or security desks, conference rooms, lounges or vending areas, food service facilities, health or fitness centers, daycare facilities, locker or shower facilities, mail rooms, fire control rooms, fully enclosed courtyards outside the exterior walls, and building core and service areas such as fully enclosed mechanical or equipment rooms. Specifically excluded from building common area are floor common areas, parking space, portions of loading docks outside the building line, and major vertical penetrations. (BOMA)

Building Rentable Area

The sum of all floor rentable areas. Floor rentable area is the result of subtracting from the gross measured area of a floor the major vertical penetrations on that same floor. It is generally fixed for the life of the building and is rarely affected by changes in corridor size or configuration. (BOMA)

Certificate of Occupancy (COO)

A formal written acknowledgment by an appropriate unit of local government that a new construction or renovation project is at the stage where it meets applicable health and safety codes and is ready for commercial or residential occupancy. (Dictionary)

Common Area Maintenance (CAM)

The expense of operating and maintaining common areas; may or may not include management charges and usually does not include capital expenditures on tenant improvements or other improvements to the property. (Dictionary)

The amount of money charged to tenants for their shares of maintaining a [shopping] center's common area. The charge that a tenant pays for shared services and facilities such as electricity, security, and maintenance of parking lots. Items charged to common area maintenance may include cleaning services, parking lot sweeping and maintenance, snow removal, security and upkeep. (ICSC – International Council of Shopping Centers, 4th Ed.)

Condominium

A multiunit structure, or a unit within such a structure, with a condominium form of ownership. (Dictionary)

Conservation Easement

An interest in real estate restricting future land use to preservation, conservation, wildlife habitat, or some combination of those uses. A

conservation easement may permit farming, timber harvesting, or other uses of a rural nature as well as some types of conservation-oriented development to continue, subject to the easement. (Dictionary)

Contributory Value

A type of value that reflects the amount a property or component of a property contributes to the value of another asset or to the property as a whole.

The change in the value of a property as a whole, whether positive or negative, resulting from the addition or deletion of a property component. Also called deprival value in some countries. (Dictionary)

Debt Coverage Ratio (DCR)

The ratio of net operating income to annual debt service ($DCR = NOI/Im$), which measures the relative ability of a property to meet its debt service out of net operating income; also called *debt service coverage ratio (DSCR)*. A larger *DCR* typically indicates a greater ability for a property to withstand a reduction of income, providing an improved safety margin for a lender. (Dictionary)

Deed Restriction

A provision written into a deed that limits the use of land. Deed restrictions usually remain in effect when title passes to subsequent owners. (Dictionary)

Depreciation

In appraisal, a loss in property value from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the market value of the improvement on the same date.

In accounting, an allocation of the original cost of an asset, amortizing the cost over the asset's life; calculated using a variety of standard techniques. (Dictionary)

Disposition Value

The most probable price that a specified interest in property should bring under the following conditions:

- Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
- The property is subjected to market conditions prevailing as of the date of valuation;
- Both the buyer and seller are acting prudently and knowledgeably;
- The seller is under compulsion to sell;
- The buyer is typically motivated;
- Both parties are acting in what they consider to be their best interests;
- An adequate marketing effort will be made during the exposure time;
- Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto; and

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. (Dictionary)

Easement

The right to use another's land for a stated purpose. (Dictionary)

EIFS

Exterior Insulation Finishing System. This is a type of exterior wall cladding system. Sometimes referred to as dry-vit.

Effective Date

The date on which the appraisal or review opinion applies. (SVP)

In a lease document, the date upon which the lease goes into effect. (Dictionary)

Effective Gross Income (EGI)

The anticipated income from all operations of the real estate after an allowance is made for vacancy and collection losses and an addition is made for any other income. (Dictionary)

Effective Rent

Total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions; the rent that is effectively paid by a tenant net of financial concessions provided by a landlord. (TIs). (Dictionary)

EPDM

Ethylene Propylene Diene Monomer Rubber. A type of synthetic rubber typically used for roof coverings. (Dictionary)

Escalation Clause

A clause in an agreement that provides for the adjustment of a price or rent based on some event or index. e.g., a provision to increase rent if operating expenses increase; also called *escalator clause*, *expense recovery clause* or *stop clause*. (Dictionary)

Estoppel Certificate

A signed statement by a party (such as a tenant or a mortgagee) certifying, for another's benefit, that certain facts are correct, such as that a lease exists, that there are no defaults, and that rent is paid to a certain date. (Black's) In real estate, a buyer of rental property typically requests estoppel certificates from existing tenants. Sometimes referred to as an *estoppel letter*. (Dictionary)

Excess Land

Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately. (Dictionary)

Excess Rent

The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the landlord (lessor) and may reflect unusual management, unknowledgeable or unusually motivated parties, a lease execution in an earlier, stronger rental market, or an agreement of the parties. (Dictionary)

Expense Stop

A clause in a lease that limits the landlord's expense obligation, which results in the lessee paying operating expenses above a stated level or amount. (Dictionary)

Exposure Time

The time a property remains on the market.

The estimated length of time that 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;

Comment: Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market. (Dictionary)

Extraordinary Assumption

An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis. (USPAP)

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. (Dictionary)

Floor Common Area

In an office building, the areas on a floor such as washrooms, janitorial closets, electrical rooms, telephone rooms, mechanical rooms, elevator lobbies, and public corridors which are available primarily for the use of tenants on that floor. (BOMA)

Full Service (Gross) Lease

A lease in which the landlord receives stipulated rent and is obligated to pay all of the property's

operating and fixed expenses; also called a *full service lease*. (Dictionary)

Furniture, Fixtures, and Equipment (FF&E)

Business trade fixtures and personal property, exclusive of inventory. (Dictionary)

Going-Concern Value

An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the *market value of the going concern* or *market value of the total assets of the business*. (Dictionary)

Gross Building Area (GBA)

Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved.

Gross leasable area plus all common areas.

For residential space, the total area of all floor levels measured from the exterior of the walls and including the superstructure and substructure basement; typically does not include garage space. (Dictionary)

Gross Measured Area

The total area of a building enclosed by the dominant portion (the portion of the inside finished surface of the permanent outer building wall which is 50 percent or more of the vertical floor-to-ceiling dimension, at the given point being measured as one moves horizontally along the wall), excluding parking areas and loading docks (or portions of same) outside the building line. It is generally not used for leasing purposes and is calculated on a floor by floor basis. (BOMA)

Gross Up Method

A method of calculating variable operating expenses in income-producing properties when less than 100% occupancy is assumed. Expenses reimbursed based on the amount of occupied space, rather than on the total building area, are described as "grossed up." (Dictionary)

Gross Retail Sellout

The sum of the separate and distinct market value opinions for each of the units in a condominium, subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent the value of all the units as though sold together in a single transaction; it is simply the total of the individual market value conclusions. Also called the *aggregate of the retail values*, *aggregate retail selling price* or *sum of the retail values*. (Dictionary)

Ground Lease

A lease that grants the right to use and occupy land. Improvements made by the ground lessee typically revert to the ground lessor at the end of the lease term. (Dictionary)

Ground Rent

The rent paid for the right to use and occupy land according to the terms of a ground lease; the portion of the total rent allocated to the underlying land. (Dictionary)

HVAC

Heating, ventilation, air conditioning (HVAC) system. A unit that regulates the temperature and distribution of heat and fresh air throughout a building. (Dictionary)

Highest and Best Use

The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.

The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)

[The] highest and most profitable use for which the property is adaptable and needed or likely

to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions) (Dictionary)

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. (USPAP)

Industrial Gross Lease

A type of modified gross lease of an industrial property in which the landlord and tenant share expenses. The landlord receives stipulated rent and is obligated to pay certain operating expenses, often structural maintenance, insurance and real property taxes, as specified in the lease. There are significant regional and local differences in the use of this term. (Dictionary)

Insurable Value

A type of value for insurance purposes. (Typically this includes replacement cost less basement excavation, foundation, underground piping and architect's fees). (Dictionary)

Investment Value

The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market. (Dictionary)

Just Compensation

In condemnation, the amount of loss for which a property owner is compensated when his or her property is taken. Just compensation should put the owner in as good a position pecuniarily as he or she would have been if the property had not been taken. (Dictionary)

Leased Fee Interest

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires. (Dictionary)

Leasehold Interest

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease. (Dictionary)

Lessee (Tenant)

One who has the right to occupancy and use of the property of another for a period of time according to a lease agreement. (Dictionary)

Lessor (Landlord)

One who conveys the rights of occupancy and use to others under a lease agreement. (Dictionary)

Liquidation Value

The most probable price that a specified interest in property should bring under the following conditions:

- Consummation of a sale within a short time period.
- The property is subjected to market conditions prevailing as of the date of valuation.
- Both the buyer and seller are acting prudently and knowledgeably.
- The seller is under extreme compulsion to sell.
- The buyer is typically motivated.
- Both parties are acting in what they consider to be their best interests.
- A normal marketing effort is not possible due to the brief exposure time.
- Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.

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. (Dictionary)

Loan to Value Ratio (LTV)

The ratio between a mortgage loan and the value of the property pledged as security, usually expressed as a percentage. (Dictionary)

Major Vertical Penetrations

Stairs, elevator shafts, flues, pipe shafts, vertical ducts, and the like, and their enclosing walls. Atria, lightwells and similar penetrations above the finished floor are included in this definition. Not included, however, are vertical penetrations built for the private use of a tenant occupying office areas on more than one floor. Structural columns, openings for vertical electric cable or telephone distribution, and openings for plumbing lines are not considered to be major vertical penetrations. (BOMA)

Market Rent

The most probable rent that a property should bring in a competitive and open market reflecting the conditions and restrictions of a specified lease agreement, including the rental adjustment and revaluation, permitted uses, use restrictions, expense obligations; term, concessions, renewal and purchase options and tenant improvements (TIs). (Dictionary)

Market Value

The most probable price that 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 a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;

- Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and

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. (Dictionary)

Marketing Time

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. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of the Appraisal Foundation)

Master Lease

A lease in which the fee owner leases a part or the entire property to a single entity (the master lease) in return for a stipulated rent. The master lessee then leases the property to multiple tenants. (Dictionary)

Modified Gross Lease

A lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property's operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense responsibility must always be specified. In some markets, a modified gross lease may be called a *double net lease*, *net net lease*, *partial net lease*, or *semi-gross lease*. (Dictionary)

Operating Expense Ratio

The ratio of total operating expenses to effective gross income (TOE/EGI); the complement of the net income ratio, i.e., $OER = 1 - NIR$ (Dictionary)

Option

A legal contract, typically purchased for a stated consideration, that permits but does not require the holder of the option (known as the *optionee*) to buy, sell, or lease real estate for a stipulated period of time in accordance with specified terms; a unilateral right to exercise a privilege. (Dictionary)

Partial Interest

Divided or undivided rights in real estate that represent less than the whole, i.e., a fractional interest such as a tenancy in common, easement, or life interest. (Dictionary)

Pass Through

A tenant's portion of operating expenses that may be composed of common area maintenance (CAM), real property taxes, property insurance, and any other expenses determined in the lease agreement to be paid by the tenant. (Dictionary)

Potential Gross Income (PGI)

The total income attributable to property at full occupancy before vacancy and operating expenses are deducted. (Dictionary)

Prospective Future Value Upon Completion

A prospective market value may be appropriate for the valuation of a property interest related to a credit decision for a proposed development or renovation project. According to USPAP, an appraisal with a prospective market value reflects an effective date that is subsequent to the date of the appraisal report. ... The prospective market value –as completed- reflects the property's market value as of the time that development is expected to be complete. (Dictionary)

Prospective Future Value Upon Stabilization

A prospective market value may be appropriate for the valuation of a property interest related to a credit decision for a proposed development or renovation project. According to USPAP, an appraisal with a prospective market value reflects an effective date that is subsequent to the date of the appraisal report ...The prospective market value – as stabilized – reflects the property's market value as of the time the property is projected to achieve stabilized occupancy. For an income-producing property, stabilized occupancy is the occupancy level that a property is expected to achieve after the property is exposed to the market for lease over a reasonable period of time and at comparable terms and conditions to other similar properties. (Dictionary)

Replacement Cost

The estimated cost to construct, at current prices as of a specific date, a substitute for a building or other improvements, using modern materials and current standards, design, and layout. (Dictionary)

Reproduction Cost

The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all of the deficiencies, superadequacies, and obsolescence of the subject building. (Dictionary)

Retrospective Value Opinion

A value opinion effective as of a specified historical date. The term *retrospective* does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion." (Dictionary)

Sandwich Leasehold Estate

The interest held by the sandwich leaseholder when the property is subleased to another party; a type of leasehold estate. (Dictionary)

Sublease

An agreement in which the lessee in a prior lease conveys the right of use and occupancy of a property to another, the sublessee, for a specific period of time, which may or may not be coterminous with the underlying lease term. (Dictionary)

Subordination

A contractual arrangement in which a party with a claim to certain assets agrees to make his or her claim junior, or subordinate, to the claims of another party. (Dictionary)

Surplus Land

Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel. (Dictionary)

TPO

Thermoplastic polyolefin, a resilient synthetic roof covering.

Triple Net (Net Net Net) Lease

An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management; also called *NNN lease*, *net net net lease*, or *fully net lease*. (Dictionary)

(The market definition of a triple net lease varies; in some cases tenants pay for items such as roof repairs, parking lot repairs, and other similar items.)

Usable Area

The measured area of an office area, store area, or building common area on a floor. The total of all the usable areas for a floor shall equal floor usable area of that same floor. (BOMA)

Value-in-Use

The value of a property assuming a specific use, which may or may not be the property's highest and best use on the effective date of the appraisal. Value in use may or may not be equal to market value but is different conceptually. (Dictionary)

VTAB

Value of the Total Assets of a Business. The value of a going concern (i.e. the business enterprise). (Dictionary)



Qualifications

ANACORTES LAND EXCHANGE LOT 18
ADDENDA

Qualifications of S. Murray Brackett, MAI

Senior Managing Director

Valbridge Property Advisors | Puget Sound

Education

Bachelor of Arts in Business Administration, Western Washington University, 1985, with an emphasis on real estate.

Professional Education

Appraisal Courses: All appraisal courses required for MAI designation.

Seminars and Continuing Education (abbreviated summary of coursework):

- Easement Valuation
- UASFLA Seminar (Yellow Book)
- Real Estate Law
- Appraising From Blueprints
- Complexities of Predevelopment Land
- The Appraiser as Expert Witness
- Litigation Skills for the Appraiser
- The New Frontier of Takings Law
- Partial Acquisitions Workshop
- Condemnation Appraisal & Mock Trial
- Conservation Easement Appraisal - Certificate Course

Professional Affiliation

Member, Appraisal Institute. Received MAI Designation May 2, 1997 (Member No. 11,258)

Past President (2003), Seattle Chapter of the Appraisal Institute

Member, International Right-of-Way Association

Associate Member, Washington Airport Manager's Association

Appraisal Experience

Principal with Valbridge Property Advisors | Puget Sound. Responsibilities include the full range of residential, commercial and industrial real estate valuation. Appraisals have been prepared on such diverse properties such as airports and airport-related facilities, park lands, subdivisions and golf courses, as well as typical commercial and industrial improved property. Airport work has included valuation of entire airports to assist in determining lease rates, valuation of adjacent properties for airport expansion, aviation related improved properties and aviation easements. Improved and Unimproved valuations have been performed for acquisitions in fee, leased fee and leasehold interests, partial takings, as well as various partial interests including the following: conservation easements, utility easements, subsurface easements, air-rights/aviation easements, and minority interests. Numerous Appraisals have been prepared for use in litigation, including eminent domain dispute resolution, condemnation and inverse condemnations. UASFLA-compliant Appraisals have been prepared for a wide variety of agencies on a wide range of property types.

S. MURRAY BRACKETT, MAI (cont.)

Qualified as an expert witness in King, Kitsap and Pierce County Superior Courts, US District Court, and Federal Bankruptcy Court. Geographic experience includes assignments in Washington, California, Oregon, Idaho, Nebraska, Iowa, Kansas, South Dakota, Alaska, and British Columbia.

Other Experience

Instructor: Instructor, Income Property Appraisal, Lk Wa. Voc-Tec.
Qualified Level 3 Facilitator, IRWA

Presentations: October 2003 - WPMA Conference – “The Valuation of Non-Water Dependent Properties.”

September, 2009 - Valuation of Airport Properties, WAMA

December 9, 2010 - AI-Seattle Fall R.E. Conference – Panelist/presenter for Appraisal Issues relating to Partial Acquisitions in Eminent Domain cases.

Representative Client ListCities/Counties

Cities of Bellevue, Burien, Kirkland, Seattle, Kent, Everett, Renton, Auburn, Arlington, Anacortes, Tacoma, North Bend, Snoqualmie, Lake Forest Park, Kenmore, Bothell, Lynnwood, Port Angeles, Maple Valley, Puyallup, Woodinville and SeaTac. Counties of King, Snohomish, Pierce, Kitsap, Thurston, and Skagit.

Government

Ports of Seattle, Everett, Olympia, Grays Harbor, Bremerton, Port Angeles, and Friday Harbor. Washington State Parks, WSDOT (Approved Appraiser List), DNR, Federal Aviation Administration, Internal Revenue Service, King County DNR, GSA, U.S. Navy, San Juan County Land Bank, Northshore School District, Snohomish School District, Sound Transit, USACE.

Financial Institutions

Bank of America, U.S. Bancorp, Key Bank, Wells Fargo Trust, Commerce Bank, Homestreet Bank, Banner Bank, Charter Bank, Union Bank.

Airports

Sea-Tac International Airport, Renton Municipal, Auburn Municipal, Snohomish County Airport (Paine Field), Arlington Municipal, Bellingham International, Olympia Airport, William Fairchild (Port Angeles), Spokane Int'l, Centralia/Chehalis, Bremerton National, Pullman Airport, and Friday Harbor Airport.

Corporations and Non Profits

Weyerhaeuser Company, WRECO, Tramco, Plum Creek, McDonalds Corporation, Gull Industries, Puget Sound Energy, Development Services of America (DSA), FSA, Winmar Company, Jr. Achievement, Lowe Enterprises, PACCAR, Inc., The Trust for Public Land, Cascade Land Conservancy, Fletcher General Construction, Manke Lumber Company, Simpson Timber Company, New Ventures Group, OTAK, American Forest Resources, HDR, Inc., Hancock Natural Resources Group, Sierra Pacific Industries, Quadrant, Port Blakely Communities, Lowe Enterprises, Parsons Brinckerhoff, CH2M-Hill.

S. MURRAY BRACKETT, MAI (cont.)Attorneys

Hillis, Clark, Martin & Peterson; Kenyon Disend; Perkins Coie; Tousley Brain; Inslee Best; Graham and Dunn; Chmelik, Sitkin & Davis; Foster Pepper; Short Cressman; Davis Wright & Tremaine; Betts Patterson; Karr Tuttle Campbell; Anderson Hunter; Riddell Williams; Williams Kastner; Krutch Lindell; Curran Mendoza; Williams and Williams; and King County Prosecuting Attorney.

State Certification Number - General: 27011-1100853 **Expiration:** 11/21/19

(Revised 11/22/17)

Qualifications of Christina J. Lovell

Associate Appraiser

Valbridge Property Advisors | Puget Sound

Experience

Christina has been involved in various facets of the real estate industry for nearly 15 years, with experience as a Commercial Real Estate Paralegal and Transaction Manager for a large, national law firm, a Right-of-Way Agent for an electric and gas utility company, and appraisal work as an Accredited Real Property Appraiser for the Clallam County Assessor's Office, and an Associate for a small residential firm. Appraisal assignments have included work on commercial and industrial properties, conservation easements, and right-of-way projects in King, Snohomish, Skagit, Okanogan, and Kittitas Counties.

Education

Marylhurst University, Marylhurst, Oregon:

Bachelor of Science

Business Management with a focus in Real Estate and Finance

Edmonds Community College, Lynnwood, Washington:

Associate of Technical Arts

Paralegal Studies

Appraisal Institute:

Basic Appraisal Principles	General Appraiser Income Approach, I
Basic Appraisal Procedures	General Appraiser Income Approach, II
USPAP	Market Analysis and Highest and Best Use

International Right-of-Way Association:

Principles of Land Acquisition

Organizations:

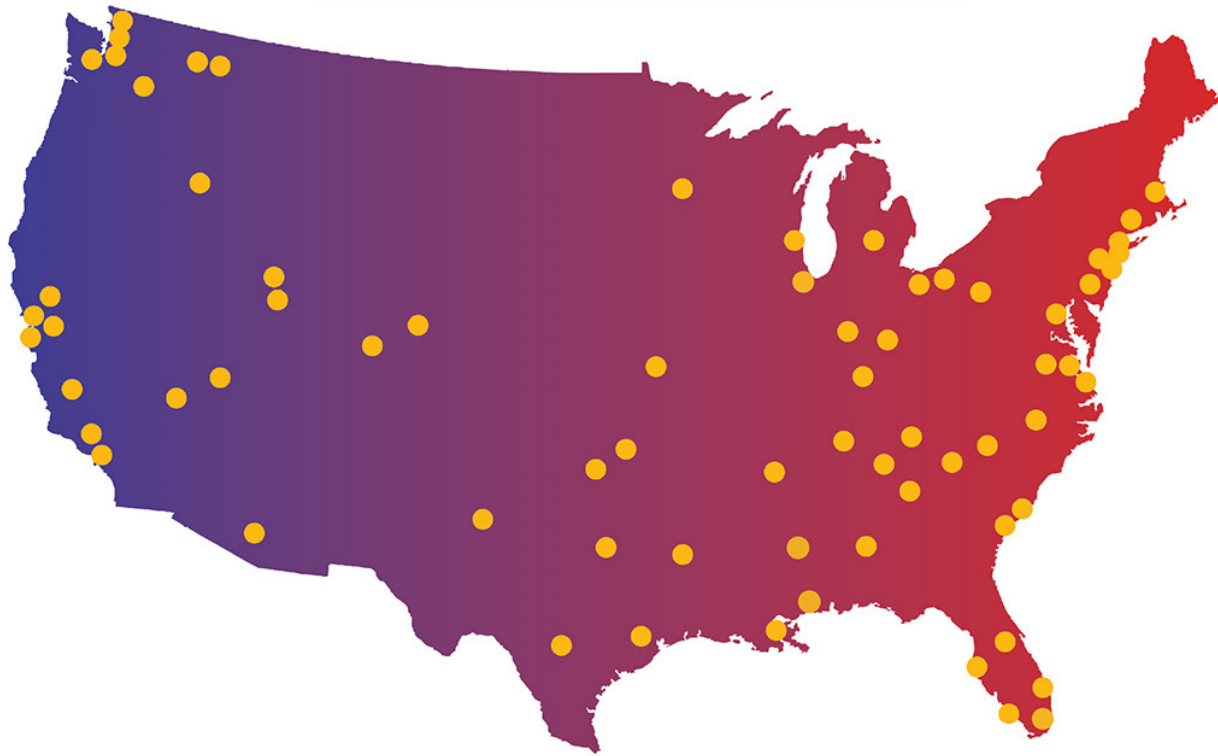
Appraisal Institute: Practicing Affiliate

State Registered Real Estate Appraiser Trainee: 1001951

Expiration: 04/18/20



Valbridge
PROPERTY ADVISORS



FAST FACTS

COMPANY INFORMATION

- Valbridge is the largest independent national commercial real estate valuation and advisory services firm in North America.
 - Total number of MAI-designated appraisers (200+ on staff)
 - Total number of office locations (70+ across U.S.)
 - Total number of staff (675+ strong)
- Valbridge covers the entire U.S. from coast to coast.
- Valbridge services all property types, including special-purpose properties.
- Valbridge provides independent valuation services. We are not owned by a brokerage firm or investment company.
- Every Valbridge office is led by a senior managing director who holds the MAI designation of the Appraisal Institute.
- Valbridge is owned by our local office leaders.
- Valbridge welcomes single-property assignments as well as portfolio, multi-market and other bulk-property engagements.

Valbridge Property Advisors, Inc.

2240 Venetian Court • Naples, FL 34109 • Phone: (888) 981-2029

www.valbridge.com





Valbridge

PROPERTY ADVISORS

ALABAMA

4732 Woodmere Boulevard
Montgomery, AL 36106
334.277.5077

200 Cahaba Park Circle
Suite 213
Birmingham, AL 35242
205.440.2998

ARIZONA

6061 E. Grant Road
Suite 121
Tucson, AZ 85712
520.321.0000

CALIFORNIA

4915 Calloway Drive
Suite 101
Bakersfield, CA 93312
661.587.1010

1370 N. Brea Boulevard
Suite 255
Fullerton, CA 92835
714.449.0852

2813 Coffee Road
Suite E-2
Modesto, CA 95355
209.569.0450

99 S. Lake Avenue
Suite 21
Pasadena, CA 91101
626.744.0428

3353 Bradshaw Road
Suite 213
Sacramento, CA 95827
916.361.2509

55 South Market Street
Suite 1210
San Jose, CA 95113
408.279.1520

3160 Crow Canyon Place
Suite 245
San Ramon, CA 94583
925.327.1660

COLORADO

7445 E. Peakview Avenue
Centennial, CO 80111
303.443.9600

5345 Arapahoe Avenue
Suite 7
Boulder, CO 80303
303.443.9600

23272 Two Rivers Road
Unit 101
Basalt, CO 81621
970.340.1016

1099 Main Avenue
Suite 311
Durango, CO 81301
970.340.1016

CONNECTICUT

15 Concord Street
Glastonbury, CT 06033
860.246.4606

17 Covewood Drive
Norwalk, CT 06853
203.286.6520

FLORIDA

2240 Venetian Court
Naples, FL 34109
239.514.4646

301 Almeria Avenue,
Suite 350
Coral Gables, FL 33134
305.639.8029

603 Hillcrest Street
Orlando, FL 32803
407.839.3626

2711 Poinsettia Avenue
West Palm Beach, FL 33407
561.833.5331

GEORGIA

2675 Paces Ferry Road
Suite 145
Atlanta, GA 30339
678.644.4853

IDAHO

1459 Tyrell Lane
Suite B
Boise, ID 83706
208.336.1097

1875 N. Lakewood Drive
Suite 100
Coeur d'Alene, ID 83814
208.292.2965

ILLINOIS

566 W. Lake Street
Suite 240
Chicago, IL 60661
312.288.8687

INDIANA

820 Fort Wayne Avenue
Indianapolis, IN 46204
317.687.2747

KANSAS

10990 Quivira Road
Suite 100
Overland Park, KS 66210
913.451.1451

KENTUCKY

9000 Wessex Place
Suite 306
Louisville, KY 40222
502.585.3651

LOUISIANA

512 North Causeway Boulevard
Metairie, LA 70001
504.207.7730

MARYLAND

11100 Dovedale Court
Marriottsville, MD 21104
443.333.5522

MASSACHUSETTS

260 Bear Hill Road
Suite 106
Waltham MA 02451
781.790.5645

MICHIGAN

1420 Washington Blvd.
Suite 301
Detroit, MI 48226
313.986.3313.

2127 University Park Drive
Suite 390
Okemos, MI 48864
517.336.0001

MINNESOTA

222 South 9th Street
Suite 825
Minneapolis, MN 55402
612.253.0650

275 East 4th Street,
Suite 325
St. Paul, MN 55101
651.983.2408

MISSISSIPPI

1010 Ford Street
Gulfport, MS 39507
228.604.1900

737 Highway 51
Suite 1C
Madison, MS 39110
601.853.0736

MISSOURI

10990 Quivira Road
Suite 100
Overland Park, KS 66210
913.451.1451

NEVADA

3034 S. Durango Drive
Suite 100
Las Vegas, NV 89117
702.242.9369

NEW JERSEY

2740 Route 10 West, Suite 204
Morris Plains, NJ 07950
973.970.9333

3500 Route 9 South, Suite 202
Howell, NJ 07731
732.807.3113

NEW YORK

424 West 33rd Street
Suite 630
New York, NY 10001
212.268.1113

NORTH CAROLINA

412 E. Chatham Street
Cary, NC 27511
919.859.2666

4530 Park Road, Suite 100
Charlotte, NC 28209
704.376.5400

OHIO

1655 W. Market Street
Suite 130
Akron, OH 44313
330.899.9900

OHIO (Cont'd)

8291 Beechmont Ave.,
Suite B
Cincinnati, OH 45255
513.785.0820

1422 Euclid Avenue
Suite 616
Cleveland, OH 44115
216.367.9690

OKLAHOMA

5909 NW Expressway
Suite 104
Oklahoma City, OK 73132
405.603.1553

6666 South Sheridan Road
Suite 104
Tulsa, OK 74133
918.712.9992

PENNSYLVANIA

150 S. Warner Road
Suite 440
King of Prussia, PA 19406
215.545.1900

4701 Baptist Road
Suite 304
Pittsburgh, PA 15227
412.881.6080

SOUTH CAROLINA

11 Cleveland Court
Greenville, SC 29607
864.233.6277

920 Bay Street
Suite 26
Beaufort, SC 29902
843.342.2302

1250 Fairmont Avenue
Mt. Pleasant, SC 29464
843.881.1266

TENNESSEE

112 Westwood Place
Suite 300
Brentwood, TN 37027
615.369.0670

701 Broad Street
Suite 209
Chattanooga, TN 37402
423.285.8435

213 Fox Road
Knoxville, TN 37922
865.522.2424

756 Ridge Lake Blvd
Suite 225
Memphis, TN 38120
901.753.6977

TEXAS

High Point Center
12225 Greenville Avenue
Suite 490
Dallas, TX 75243
214.446.1611

974 Campbell Road
Suite 204
Houston, TX 77024
713.467.5858

2731 81st Street
Lubbock, TX 79423
806.744.1188

TEXAS (Cont'd)

9901 IH-10 West
Suite 1035
San Antonio, TX 78230
210.227.6229

UTAH

260 South 2500 West
Suite 301
Pleasant Grove, UT 84062
801.492.9328

1100 East 6600 South
Suite 201
Salt Lake City, UT 84121
801.262.3388

20 North Main
Suite 304
St. George, UT 84770
435.773.6300

VIRGINIA

656 Independence Parkway
Suite 220
Chesapeake, VA 23320
757.410.1222

4914 Fitzhugh Avenue
Suite 102
Richmond, VA 23230
804.672.4473

5107 Center Street
Unit 2B
Williamsburg, VA 23188
757.345.0010

WASHINGTON

18728 Bothell Way, NE
Suite B
Bothell, WA 98011
425.450.0040

2927 Colby Avenue
Suite 100
Everett, WA 98201
425.258.2611

419 Berkeley Avenue
Suite A
Fircrest, WA 98466
253.274.0099

8378 W. Grandridge Boulevard
Suite 110-D
Kennewick, WA 99336
509.221.1540

506 Second Avenue
Suite 1001
Seattle, WA 98104
206.209.3016

324 N. Mullan Road
Spokane Valley, WA 99206
509.747.0999

WISCONSIN

12660 W. North Avenue
Brookfield, WI 53005
262.782.7990

RCW 39.33.015**Transfer, lease, disposal of public property for affordable housing.**

(1) Any state agency, municipality, or political subdivision, with authority to dispose of surplus public property, may transfer, lease, or other disposal of such property for a public benefit purpose, consistent with and subject to this section. Any such transfer, lease, or other disposal may be made to a public, private, or nongovernmental body on any mutually agreeable terms and conditions, including a no cost transfer, subject to and consistent with this section. Consideration must include appraisal costs, debt service, all closing costs, and any other liabilities to the agency, municipality, or political subdivision. However, the property may not be so transferred, leased, or disposed of if such transfer, lease, or disposal would violate any bond covenant or encumber or impair any contract.

(2) A deed, lease, or other instrument transferring or conveying property pursuant to subsection (1) of this section must include:

(a) A covenant or other requirement that the property shall be used for the designated public benefit purpose; and

(b) Remedies that apply if the recipient of the property fails to use it for the designated public purpose or ceases to use it for such purpose.

(3) To implement the authority granted by this section, the governing body or legislative authority of a municipality or political subdivision must enact rules to regulate the disposition of property for public benefit purposes. Any transfer, lease, or other disposition of property authorized under this section must be consistent with existing locally adopted comprehensive plans as described in RCW **36.70A.070**.

(4) This section is deemed to provide a discretionary alternative method for the doing of the things authorized herein, and shall not be construed as imposing any additional condition upon the exercise of any other powers vested in any state agency, municipality, or political subdivision.

(5) No transfer, lease, or other disposition of property for public benefit purposes made pursuant to any other provision of law prior to June 7, 2018, may be construed to be invalid solely because the parties thereto did not comply with the procedures of this section.

(6) The transfer at no cost, lease, or other disposal of surplus real property for public benefit purposes is deemed a lawful purpose of any state agency, municipality, or political subdivision, for which accounts are kept on an enterprise fund or equivalent basis, regardless of the primary purpose or function of such agency.

(7) This section does not apply to the sale or transfer of any state forestlands, any state lands or property granted to the state by the federal government for the purposes of common schools or education, or subject to a legal restriction that would be violated by compliance with this section.

(8) For purposes of this section:

(a) "Public benefit" means affordable housing for low-income and very low-income households as defined in RCW **43.63A.510**, and related facilities that support the goals of affordable housing development in providing economic and social stability for low-income persons; and

(b) "Surplus public property" means excess real property that is not required for the needs of or the discharge of the responsibilities of the state agency, municipality, or political subdivision.

[**2018 c 217 § 3.**]

When recorded return to:
City of Anacortes
P.O. Box 547
Anacortes, WA 98221

QUIT CLAIM DEED

The Grantors: the Port of Anacortes, Washington municipal corporation

For and in consideration of vacation of a portion of public right-of-way

conveys and quit claims to the City of Anacortes, a Washington municipal corporation

the following described real estate, situated in the County of Skagit, State of Washington together with all after acquired title of the grantor(s) therein:

Lot 18, "Map of the City of Anacortes", as per Plat recorded in Volume 2 of Plats, page 4, records of Skagit County, Washington.

Less any portion of the vacated alley in said Block 31 which would attach by operation of law.

Situate in the County of Skagit, State of Washington.

Tax Account Number: Ptn. P55040

DATED: _____

Name

Title

STATE OF WASHINGTON)
COUNTY OF SKAGIT.....) SS

On this ___th day of _____ 2019, before, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the _____ of the PORT OF ANACORTES, that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said entity, for the uses and purposes therein mentioned , and on oath stated that said individual is authorized to execute said instrument.

IN WITNESS WHEREOF I have hereunto given my hand and official seal this _____th day of _____, 2019.

Notary Public in and for the State of _____,
Residing at _____.
My appointment expires _____.

Accepted By:

City of Anacortes

When recorded return to:
City of Anacortes
P.O. Box 547
Anacortes, WA 98221

QUIT CLAIM DEED

The Grantors: the City of Anacortes, a Washington municipal corporation

For and in consideration of the public benefit of affordable housing for low income households per RCW 39.33.015

conveys and quit claims to the Anacortes Housing Authority, a Washington municipal corporation

the following described real estate, situated in the County of Skagit, State of Washington together with all after acquired title of the grantor(s) therein:

Lot 18, "Map of the City of Anacortes", as per Plat recorded in Volume 2 of Plats, page 4, records of Skagit County, Washington.

Less any portion of the vacated alley in said Block 31 which would attach by operation of law.

Situate in the County of Skagit, State of Washington.

Tax Account Number: Ptn. P55040

DATED: _____

By: _____
Laurie Gere, Mayor

Attest:

By: Steve Hoglund, City Clerk/Treasurer

Approved as to form:

By: _____
Darcy Swetnam, WSBA #40530
City Attorney

[illegible]

On this ____th day of _____ 2019, before, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Laurie Gere, to me known to be the Mayor of the CITY OF ANACORTES, that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said entity, for the uses and purposes therein mentioned , and on oath stated that said individual is authorized to execute said instrument.

IN WITNESS WHEREOF I have hereunto given my hand and official seal this _____th day of _____, 2019.

Notary Public in and for the State of _____,
Residing at _____.
My appointment expires _____.

Public Hearing on February 25, 2019
Petition submitted by the Port of Anacortes

My name is Daniel Paris and I own the property 1019, 1017 and 1013 3rd St.. I am unable to attend the Public Hearing on the 25th and wish to make my voice heard in writing on the Vacation Petition for the alley way on Block 31.

I seems to me vacating the alley would put more strain on the Fire and Medical response in and around block 31 along with the many events that take place throughout the year. Also, if vacated it would be a forever decision that would most likely be impossible to regaining the alley way again. The alley way is owned by the City of Anacortes is therefore should remain for another on hundred plus years as should our Old Town which seems to be disappearing at a fast pace. I therefore very much do not want to see the Alley or Old Town abandoned.

Sincerely,

A handwritten signature in black ink that reads "Daniel Paris". The signature is written in a cursive style with a large, looping initial 'D'.

Daniel Paris



City Council Agenda Bill

Meeting Date: 2/25/2019

Agenda Item: 7a

Subject: Resolution 2035 adopting the Anacortes Maritime Strategic Plan 2018

Staff Contact: Don Measamer

Approved for Submittal to Council by	
X	Laurie Gere, Mayor
	Steve Hoglund, Finance Director
	Darcy Swetnam, City Attorney
X	Don Measamer

Action Type	
	Ordinance No.
	Code Revision?
	Resolution No. 2035
	Contract
	Public Hearing
	Staff Report

Summary Statement: Resolution 2035 adopting the Maritime Strategic Plan.

Background: In September 2016, the City of Anacortes, Port of Anacortes, and the Economic Development Alliance of Skagit County (EDASC), initiated discussions to develop a new comprehensive strategic plan for promoting and expanding a sustainable maritime economy in Anacortes and Skagit County, while preserving the authentic maritime culture of Anacortes. These discussions produced the draft Anacortes Maritime Strategic Plan 2018, which City Council reviewed on Tuesday, February 19, 2019. Council approved the draft and will approve Resolution 2035 to adopt the Maritime Strategic Plan on Monday, February 25, 2019.

Budget Impact	
Amount Budgeted	
Budget Account (BARS)	
Proposed Expenditure	
Budget Amendment Required?	
Revenue Source	

Proposed Contract	
Contractor	
Amount	
Start Date	
End Date	

Previous Council/Committee Action: Council review [February 19, 2019](#)

Competing Viewpoints Considered: N/A

Recommended Motion: Move to approve Resolution 2035 to adopt the Anacortes Maritime Strategic Plan

Alternative Actions: N/A

Attachments (listed in order presented): Resolution 2035 to adopt the attached Anacortes Maritime Strategic Plan

**RESOLUTION 2035
ADOPTING THE
ANACORTES MARITIME STRATEGIC PLAN 2018**

WHEREAS, in September 2016, the City of Anacortes and Port of Anacortes, together with the Economic Development Alliance of Skagit County (EDASC), initiated discussions to develop a new comprehensive strategic plan for promoting and expanding a sustainable maritime economy in Anacortes and Skagit County, while preserving the authentic maritime culture of Anacortes; and

WHEREAS, in 2017, the City, Port, and EDASC conducted an extensive set of interviews with a diverse range of local maritime sector manufacturers, services providers, retail businesses, property owners, educational institutions, and non-governmental organizations to assess the characteristics, strengths, challenges, and opportunities facing the maritime sector in Anacortes; and

WHEREAS, these interviews were augmented by discussions of the Skagit County Maritime Industry Cluster Working Group convened by EDASC during 2016 and 2017, which incorporated a broader cross-section of countywide maritime industry stakeholders; and

WHEREAS, based on input by the citizen stakeholders, City and Port staff, and members of EDASC, City staff prepared the draft Anacortes Maritime Strategic Plan 2018 for the City of Anacortes and Skagit County; and

WHEREAS, this strategy is timely as it coincides with the launch in December 2017 of the Governor's *Washington Maritime BLUE: 2050 Vision for Accelerating Innovation* project; and

WHEREAS, the Plan draft was presented to the Anacortes City Council on February 19, 2019; and

WHEREAS, the City Council has determined that it is in the best interests of the City to adopt the Plan.

NOW, THEREFORE IT IS HEREBY RESOLVED BY THE ANACORTES CITY COUNCIL to authorize the adoption of the Anacortes Maritime Strategic Plan 2018, as the official act and deed of the City of Anacortes.

PASSED and APPROVED on this 25th day of February, 2019.

CITY OF ANACORTES

By _____
Laurie Gere, Mayor

ATTEST:

Steven Hoglund, City Clerk

APPROVED AS TO FORM:

Darcy Swetnam, WSBA #40530
City Attorney



ANACORTES MARITIME STRATEGIC PLAN 2018



ACKNOWLEDGEMENT

The Maritime Strategic Plan would not have come together as it did without the invaluable information provided by the individuals and members of our maritime community. The strategies of this Plan were put together after meeting with members of this vibrant community that have first-hand knowledge of what it will take to maintain, support and grow our incredible maritime heritage and community.

We conducted extensive outreach to approximately 123 individuals and businesses who work within our community's maritime industry and were able to meet with approximately 46 individuals. We realize that time constraints did not allow more participation but will continue to work with all of the businesses and individuals as we finalize this important strategic plan.

We extend a sincere thank you and acknowledge the following participants; their assistance provided the information to develop a well thought out plan to help us support the maritime industries through the coming years.

Andy Culbertson	Culbertson Marine
Andy Schwenk	Northwest Rigging
Andy Stewart	Emerald Marine Carpentry
Ann Avary	Northwest Career & Technical Academy
Austin Taylor	Deception Pass Tours
Bill Shaw, Ph.D.	Naval Post Grad School
Bret Andrich	Global Diving
Brooke DeWitt	Marine Service Center
Bud LeMieux	
Cap Sante Marine	
Chris Long	Jolly Mon Charters
Chuck Albertson	Pacific Marine Center
Chuck Seaman	MJB
Dan Crooks	San Juan Marine Freight Co. LLC
David Motherwell	Anacortes Yachts and Ships
Dianna Chonka	North Harbor Diesel & Yacht Service
Dick Nelson	Dakota Creek Industries
Doug Lombard	Marine Service Center
Erika McPhee-Shaw	Shannon Point Marine Center, WWU
Jeff Paxson	Marine Detail Specialist
Jim Raard	Marine Service Center
Jimmy Blais	MJB, Gary Merlino Construction
John Hackstadt	Best Day Yacht Sales
John Lovric & Florence Lovric	Lovric's Sea-Craft Inc.
John Ripley	BananaBelt Boats & Yachts
John Wilkinson	Anacortes Yacht Club
Joshua Berger	Department of Commerce
Kelly Larkin	Skyline Marine Center
Lynnette Brower	Northwest Career & Technical Academy

Mark Bunzel	Burrows Bay Associates
Mark Turner	Oracle
Mary LaFleur	ALT Insurance Group
Michael Roff	North Island Boat
Mystic Sea Charters	Mystic Sea Charters
Nordic Yachts Northwest	Nordic Yachts Northwest
Norm Havercroft	Marine Documentation Service
Pacific Marine Center	Pacific Marine Center
Paul Sorenson	BSD Associates
Peter Schrappen	Northwest Marine Trade Association
Phoebe Barnard, Ph.D.	Pacific Biodiversity Institute
Richard Wright	R&S Management
Russ Meixner	West Yachts LLC
Shane Aggergaard	Island Adventures Whale Watching
Stephanie Hamilton	Anacortes Chamber of Commerce
Terry Merritt	Island Transport Ferry

ANACORTES MARITIME STRATEGIC PLAN 2018

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Anacortes Maritime Strategy

BACKGROUND

In September 2016, the City of Anacortes and Port of Anacortes, together with the Economic Development Alliance of Skagit County (EDASC), initiated discussions to develop a new comprehensive strategic plan for promoting and expanding a sustainable maritime economy in Anacortes and Skagit County, while preserving the authentic maritime culture of Anacortes. During 2017, the executive teams of the City, Port, and EDASC met and conducted an extensive set of interviews with a diverse range of local maritime sector manufacturers, services providers, retail businesses, property owners, educational institutions, and non-governmental organizations, among others, to assess the characteristics, strengths, challenges, and opportunities facing the maritime sector in Anacortes (interview questions listed in Appendix C). These interviews were augmented by discussions of the Skagit County Maritime Industry Cluster Working Group convened by EDASC during 2016 and 2017, which incorporated a broader cross-section of countywide maritime industry stakeholders. This draft strategic plan is an outcome of these discussions and interviews.

OUTLINING THE NEEDS

The maritime industry is one of the oldest, most historically important, and economically impactful sectors in Washington State and in Anacortes. It encompasses a broad, diverse range of businesses and trades, including: shipbuilding, repair, and maintenance; recreational boating and boat building; maritime logistics and shipping; commercial fishing and seafood products; maritime support services; and passenger water transportation.

In Washington State, employment across these six maritime industry categories totaled 69,500 direct jobs in 2015, which paid over \$4.7 billion in wages. The average salary for these jobs was \$67,000, above the state average of \$56,700 (not including benefits). Every maritime industry job in Washington supports 1.8 jobs elsewhere in the economy; for every \$1 million in revenue, 11 jobs are supported elsewhere in the economy. Moreover, the industry is growing: industry-wide revenues have grown 2.4 percent per year from 2012 to 2015, with the largest growth rate found in maritime logistics and shipping at 5.2 percent.¹

Anacortes has a long history and rich culture related to the maritime industry. In the six maritime subsectors identified above, Anacortes had an estimated 1,186 jobs across 43 employers in 2016, which paid over \$59 million in wages with an average salary of \$49,863, according to data from the Washington State Employment Security Department.² The city hosts a diverse range of marine manufacturers, along with one of the leading recreational boating marinas in Washington State.

Anacortes is a natural center in Puget Sound for the maritime industry, with unique, superb assets that position it as one of the most competitive locations in the Pacific Northwest for sustained and future growth in this sector. These include:

- The Port of Anacortes, one of only eight deep water ports in Washington State, which can accommodate new Panamax vessels with additional dredging. The port ranked 49th among U.S. ports (and 5th among Washington State ports) in total trade by cargo tonnage during 2016, with 10.7 million tons, ranking 34th for total domestic trade (8.3 million tons) and 36th in total exports (2.2 million tons).³
- Concentrated access to a diverse, highly skilled maritime sector workforce.

¹ *Washington State Maritime Sector Economic Impact Study. 2017 Update (April 2017)*, http://www.maritimefederation.com/uploads/2/9/9/6/29962189/cai.wmf.maritime_cluster_study_2017_update.2017_0413.pdf.

² See Appendix B for more information.

³ According to data collected by the American Association of Port Authorities.

- Skagit Valley College and the Northwest Career and Technical Academy Marine Technology Center in Anacortes, which hosts Washington State's designated Center of Excellence for Marine Manufacturing & Technology, and offers the only comprehensive marine technology program on the U.S. West Coast.
- Two marine research facilities—Western Washington University's Shannon Point Marine Center and Walla Walla University's Rosario Beach Marine Laboratory, with close proximity to a third facility, the Padilla Bay Natural Estuarine reserve.
- One of the most scenic locations of any Pacific Northwest community, Anacortes is a leading destination for marine-related tourism in the Pacific Northwest. It is the primary point of access to the San Juan Islands, and Fidalgo Island itself offers some of Washington State's finest marine recreation opportunities.
- A location convenient to Interstate 5; close proximity to greater Seattle, Vancouver, and Victoria; and strategically situated for Alaska-related maritime logistics and operations.

The sustained growth of the maritime sector is of great importance for Anacortes's continued prosperity and economic development. Anacortes is well-positioned to offer a cost-competitive location for maritime businesses being priced out of other Pacific Northwest locations. Its desirable quality of life and tourism attractions are being enhanced by new investments in infrastructure and projects such as the Guemes Channel Trail that increase public access to the waterfront. There is broad community and local political support for a robust, diversified maritime industry sector. Moreover, the emerging needs for next generation vessels and Pacific fishing fleet recapitalization offers immense opportunities for Anacortes, which is already home to world-class shipbuilders and repair and maintenance services.

At the same time, there are concerns about the future prospects of the industry in Anacortes, and indeed Washington State. In particular, marine manufacturers describe difficulties finding workers trained with the necessary technical skills, while young people in Anacortes and Skagit County are increasingly pursuing career paths that do not include the maritime industry. Retaining existing businesses is taking on increasing importance, with challenges including the regulatory environment and burdens; infrastructure constraints and limitations; and business succession planning for business owners approaching retirement, among others.

This strategy is intended to serve as a blueprint of guiding objectives and tangible actions that the City and Port, along with EDASC and members of the broader local and regional community, can take to strengthen the foundations of the maritime industry in Anacortes. These actions will advance its sustained growth, retain existing businesses, attract new industry, train a world-class workforce, and enhance its role as a tourism destination.

This strategy is timely as it coincides with the launch in December 2017 of the Governor's *Washington Maritime BLUE: 2050 Vision for Accelerating Innovation* project. This strategy aims to make Washington State home to the nation's most sustainable maritime industry by 2050, leading the United States in the maritime shift towards decarbonization, clean technology innovation, and best management practices. These practices will support a strong maritime economy with living wage jobs, a healthy environment and resilient communities. Mayor Laurie Gere is serving on the Governor's Maritime Innovation Advisory Council overseeing development of this strategy, and the Port of Anacortes and EDASC are actively involved in related activities. Through the Anacortes Maritime Strategy, Anacortes and Skagit County can take a leading role within this statewide effort and position itself as Washington's primary location for the future maritime industry.

GOALS OF THIS STRATEGY

Goal 1: Build public support for and engagement in development of a thriving, sustainable Anacortes maritime sector.

Goal 2: Position Anacortes as the Pacific Northwest’s center for the emerging future maritime industry.

Goal 3: Establish Anacortes as a state-wide and national center for maritime workforce development, education, and research and development.

Goal 4: Establish Anacortes as a regional and international destination for marine-related tourism.

GOALS

Goal 1: Build public support for and engagement in development of a thriving, sustainable Anacortes maritime sector.

Objective	Actions: Near Term (0-3 Years)	Actions: Mid-Term (4-7 Years)	Actions: Long-Term (8-10 Years)
LEAD ORGANIZATIONS: City of Anacortes, Port of Anacortes			
Increase public access to waterfront	1 Improve Washington Park Boat Ramp/Boat Dock, and increase access to industrial and commercial boat ramp at Fidalgo Bay 2 Review management practices for access to industrial and commercial boat ramp at Fidalgo Bay	1 Complete Guemes Channel Trail project 2 Develop public boat ramp on Fidalgo Bay	1 Explore feasibility of community boatyard in Anacortes
Increase public awareness and understanding of the value of the maritime industry to the city and regional economy	1 Publish joint communications by Mayor and Port Executive Director about increased alignment and how this will support a strategic approach by Anacortes towards the maritime industry	1 Conduct longer-term, ongoing communication efforts in community to highlight the importance of the maritime industry to the Anacortes economy 2 Develop a vision for a “sustainable marine community” that extends along Fidalgo Bay from Cap Sante Marina to Anacortes	

Objective	Actions: Near Term (0-3 Years)	Actions: Mid-Term (4-7 Years)	Actions: Long-Term (8-10 Years)
		Marina, incorporating Seafarers Park, waterfront trails, existing and new marinas, and residential and commercial space	
Build alignment and cooperation among Anacortes and Skagit County stakeholders in the maritime industry	1 Convene joint meeting(s) of City and Port to present Anacortes Maritime Strategy to the public		
LEAD ORGANIZATION: City of Anacortes, Port of Anacortes, Anacortes Chamber of Commerce, EDASC, businesses, state and federal regulatory agencies, etc.			
	2 Engage Anacortes Chamber Marine Trades Committee, EDASC Skagit Maritime Industry Working Group, and others to build synergies across Skagit County's maritime sector		
LEAD ORGANIZATION: City of Anacortes			
Ensure Anacortes remains a livable community, including for the marine trades workforce		1 Offer a diverse range of affordable housing options in Anacortes to enable the local marine industry workforce to live within the city if they choose	
LEAD ORGANIZATIONS: City of Anacortes, Port of Anacortes			
			1 Conduct research on potential impacts of sea-level rise on Anacortes and economic implications, and develop action plan for preparing for these changes

Goal 2: Position Anacortes as the Pacific Northwest’s center for the emerging future maritime industry.

Objective	Actions: Near-Term (0-3 Years)	Actions: Mid-Term (4-7 Years)	Actions: Long-Term (8-10 Years)
LEAD ORGANIZATIONS: Anacortes Chamber of Commerce, Port of Anacortes, City of Anacortes, EDASC			
Support and retain existing maritime industry businesses, and facilitate their growth	1 Continue support of local maritime-related businesses through facilitation with local, state, and federal officials	1 Identify and implement regulatory zoning, and policy changes that will ensure optimal use of industrial/commercial lands for maritime-related business	
	2 Benchmark similar U.S. communities and identify best practices, including regulatory, that will support Anacortes in maintaining a competitive edge		
LEAD ORGANIZATIONS: Port of Anacortes, City of Anacortes			
		2 Enhance infrastructure, including installation of travel lifts and cargo loading/unloading facilities	
LEAD ORGANIZATIONS: Anacortes Chamber of Commerce, EDASC			
	3 Support local maritime sector businesses with succession planning, access to finance and capital, and in addressing other challenges to ensure their retention in Anacortes		

Goal 2: Position Anacortes as the Pacific Northwest's center for the emerging future maritime industry.

Objective:	Actions: Near-Term (0-3 Years)	Actions: Mid-Term (4-7 Years)	Actions: Long-Term (8-10 Years)
LEAD ORGANIZATIONS: Port of Anacortes, City of Anacortes, state & federal regulatory agencies, EDASC			
	4 Work with local maritime sector businesses to further understand regulatory constraints and work with various agencies to advance business interests in a way that balances regulatory interests		
LEAD ORGANIZATIONS: City of Anacortes			
	5 Develop a municipal fiber optic broadband system within the city limits to provide more opportunities and essential infrastructure for the maritime industry		
LEAD ORGANIZATIONS: EDASC, Anacortes Chamber of Commerce, business community, higher education institutions			
Build new synergies among local maritime industry businesses	1 Increase spirit of cooperation and enhanced communication among existing businesses	1 Foster opportunities that bring together Anacortes marine manufacturers with leading Skagit County advanced composites manufacturers, including around carbon fiber recycling	1 Develop consortiums of local businesses to work jointly on bids for larger projects, such as in fields like maintenance, repair and operations (MRO)

Goal 2: Position Anacortes as the Pacific Northwest’s center for the emerging future maritime industry.

Objective:	Actions: Near-Term (0-3 Years)	Actions: Mid-Term (4-7 Years)	Actions: Long-Term (8-10 Years)
LEAD ORGANIZATIONS: EDASC with Port of Anacortes, City of Anacortes, Anacortes Chamber of Commerce, Marine Trades Committee			
Attract new maritime businesses, with focus on green/sustainable businesses and innovative technologies	1 Conduct comprehensive inventory of maritime sector assets in Anacortes and Skagit County in order to identify industry gaps to fill, including industrial and commercial properties potentially available for marine industry-related development	1 Strategically address and prepare for emergent technologies—including autonomous shipping, artificial intelligence, and electronic operational platforms—to strengthen Anacortes’ position as a national center for maritime workforce development, education, and research and development	
LEAD ORGANIZATIONS: Port of Anacortes, City of Anacortes, EDASC, business community, Anacortes Chamber of Commerce			
	2 Promote Anacortes as an ideal location for marine industries, including at leading industry trade shows. Focus on green, renewable energy-related industries, and cutting-edge technologies	1 Work together to attract new business to Anacortes that fill supply chain gaps to support the needs of local manufacturers	
LEAD ORGANIZATIONS: City of Anacortes, Port of Anacortes, EDASC, consultant to conduct study			
Establish Anacortes as a central location for retrofitting the Pacific fishing fleet	1 Promote local businesses that perform vessel maintenance and recapitalization	1 Commission an analysis of how to position Anacortes as central location for vessel maintenance and recapitalization	

Goal 2: Position Anacortes as the Pacific Northwest’s center for the emerging future maritime industry.

Objective:	Actions: Near-Term (0-3 Years)	Actions: Mid-Term (4-7 Years)	Actions: Long-Term (8-10 Years)
LEAD ORGANIZATIONS: City of Anacortes, Port of Anacortes			
Increase Anacortes’s role within state, regional, and national-level initiatives advancing the maritime industry	1 Participate and take leadership within Governor’s Washington Maritime Blue Strategy initiative		
LEAD ORGANIZATIONS: Port of Anacortes, EDASC			
	2 Increase collaboration among Pacific Northwest Ports and identify particular niches on which Anacortes should focus		
LEAD ORGANIZATIONS: EDASC			
	3 Initiate conversations with counterparts in Canada to discuss issues of mutual interest related to the maritime sector, including tourism, traffic, and infrastructure. Identify whether there are potential opportunities for cooperation related to these priorities, such as information sharing, advocacy, or other projects		
LEAD ORGANIZATIONS: City of Anacortes, local Tribal leaders, state agencies as appropriate (Washington State Dept. of Commerce, Ecology, Fish & Wildlife, Governor’s Office)			
	4 Engage with regional Tribes for discussion and coordination on issues of mutual interest related to Anacortes and Skagit County maritime sector		

Goal 2: Position Anacortes as the Pacific Northwest’s center for the emerging future maritime industry.

Objective:	Actions: Near-Term (0-3 Years)	Actions: Mid-Term (4-7 Years)	Actions: Long-Term (8-10 Years)
LEAD ORGANIZATIONS: City of Anacortes, Port of Anacortes, EDASC, businesses			
Position Anacortes strategically as a leading support center for business operations and logistics in Alaska and the Arctic	1 Develop comprehensive understanding of business linkages between Anacortes, northwestern Washington, and Alaska, with focus on mutual interest with Alaskan business and government leaders around which future cooperation may be of value	1 Identify 1-3 niche areas in which Anacortes can take leadership related to Alaska and the Arctic, and pursue related strategies	
LEAD ORGANIZATIONS: EDASC			
	2 Keep abreast of trends in Alaska and the Arctic that could create opportunities or present issues for Anacortes businesses. Engage with federal government and other organizations as appropriate		
LEAD ORGANIZATIONS: Port of Anacortes			
Increase value and volume of exports through the Port of Anacortes		1 Identify and pursue funding to enhance infrastructure to enable expanded trade and exports	

Goal 2: Position Anacortes as the Pacific Northwest’s center for the emerging future maritime industry.

Objective:	Actions: Near-Term (0-3 Years)	Actions: Mid-Term (4-7 Years)	Actions: Long-Term (8-10 Years)
LEAD ORGANIZATIONS: Port of Anacortes, EDASC			
	1 Conduct analysis of short and long-term seaport/cargo and logistics opportunities for Port of Anacortes	2 Investigate where land constraints for storage and infrastructure at Port of Anacortes Marine Terminal could be met through potential partnership with the Port of Skagit or other locations within Anacortes and Skagit County	
	2 Develop marketing strategy to position the Port of Anacortes’s deep water terminal as a strategic location for access to the Asia-Pacific and Alaska/Arctic		
	3 Create Foreign Trade Zone after analysis of business demand		

Goal 3: Establish Anacortes as a state-wide and national center for maritime workforce development, education, and research and development.

Objective	Actions: Near-Term (0-3 Years)	Actions: Mid-Term (4-7 Years)	Actions: Long-Term (8-10 Years)
LEAD ORGANIZATIONS: Skagit Valley College, Skagit STEM Network, Anacortes School District, Northwest Career and Technical Academy, Anacortes Chamber of Commerce			
Increase interest among K-12 students in careers in marine trades	1 Develop and implement targeted outreach program(s) in Anacortes aimed to encourage K-12 students to explore careers in marine trades as part of the Skagit STEM Network's program of work and Marine Technology Center. As part of this, work to encourage greater participation of historically under-represented people and communities in maritime sector employment opportunities		
LEAD ORGANIZATIONS: Skagit Valley College, Skagit STEM Network, local businesses, EDASC, Anacortes Chamber of Commerce Marine Trades Group, Northwest Career and Technical Academy			
Encourage businesses to develop and support marine trades sector training programs locally		1 Increase participation by local employers and workers in marine trades mentoring and apprenticeship programs	

Goal 3: Establish Anacortes as a state-wide and national center for maritime workforce development, education, and research and development.

Objectives:	Actions: Near-Term (0-3 Years)	Actions: Mid-Term (4-7 Years)	Actions: Long-Term (8-10 Years)
LEAD ORGANIZATIONS: City of Anacortes, Port of Anacortes, EDASC			
Expand maritime research and development activities in Anacortes	Through engagement with potential business expansion leads, identify research activities that could take place locally that would help to make Anacortes an attractive location		Attract national- or international-level R&D facility to locate in Anacortes
LEAD ORGANIZATIONS: Northwest Innovation Resource Center, Maritime Innovation Center (Seattle), Skagit Valley College, local businesses			
Foster entrepreneurship and innovative businesses in Anacortes in marine trades		- Establish maritime industry-focused makerspace-type facility in Anacortes - Identify niche technologies where Skagit County based organizations can collaborate to develop and commercialize improved technologies for maritime products	Establish regional satellite for the Maritime Innovation Center being established in Seattle, with particular focus on workforce training and development

Goal 4: Establish Anacortes as a regional and international destination for marine-related tourism.

Objective	Action: Near-Term (0-3 Years)	Actions: Mid-Term (4-7 Years)	Actions: Long-Term (8-10 Years)
LEAD ORGANIZATIONS: Northwest Marine Trade Association, Port of Anacortes, Anacortes Chamber of Commerce, Marine Trades Committee, EDASC			
Increase number of recreational boating visitors to Anacortes	1 Continue to hold successful Anacortes boat shows		
LEAD ORGANIZATIONS: Port of Anacortes, Anacortes Chamber of Commerce Marine Trades Committee, EDASC			
	2 Promote Anacortes as a destination for recreational boat purchases, services, and moorage at Seattle Boat Show		
LEAD ORGANIZATIONS: City of Anacortes, Port of Anacortes, Anacortes Chamber of Commerce			
	3 Increase “shoulder season” transient moorage at Cap Sante Marina through strategic promotions and partnerships with event producers		
LEAD ORGANIZATIONS: Anacortes Chamber of Commerce, Anacortes Small Boat Center, Anacortes School District, Local Boating Organizations			
Encourage increased interest in marine recreation and make it more accessible	1 Using existing research or conducting a new survey, measure views of young adults to identify specific experiences they are looking for related to maritime sector	1 Develop introduction to marine recreation-type experiences targeted at K-12 students, university students, et al, that are affordable, and facilitate opportunities to get them engaged	

Goal 4: Establish Anacortes as a regional and international destination for marine-related tourism.

Objectives:	Actions: Near Term (0-3 Years)	Actions: Mid-Term (4-7 Years)	Actions: Long-Term (8-10 Years)
LEAD ORGANIZATIONS: Anacortes Chamber of Commerce, countywide tourism organizations, EDASC, Industry Cluster Working Groups			
Strengthen Anacortes's position as a leading destination for marine recreation-related activities	1 Develop and implement marketing and promotional outreach campaign of Anacortes for marine-related recreation and tourism, with a unified message and focus on eco-tourism assets	1 Develop Anacortes as a major small cruise ship port	
LEAD ORGANIZATIONS: Port of Anacortes, City of Anacortes, EDASC, Skagit County, Washington State Department of Commerce			
	2 Continue planning and development Events Center at Cap Sante Marina to increase tourism and hospitality assets in Anacortes (e.g. hotel, events center, restaurants)	2 Complete development of Events Center at Cap Sante Marina	
LEAD ORGANIZATIONS: Washington State Department of Transportation, Anacortes Chamber of Commerce, City of Anacortes, EDASC			
			1 Ensure completed remodel of the Anacortes Ferry Terminal supports local businesses and addresses traffic/ access issues, etc.
LEAD ORGANIZATIONS: City of Anacortes, Port of Anacortes, EDASC			
		3 Address any required infra-structure needs to allow access by float planes during summer months	

Goal 4: Establish Anacortes as a regional and international destination for marine-related tourism.

Objectives:	Actions: Near Term (0-3 Years)	Actions: Mid-Term (4-7 Years)	Actions: Long-Term (8-10 Years)
LEAD ORGANIZATIONS: City of Anacortes, Port of Anacortes, Anacortes Chamber of Commerce, Local Boating Organizations			
Strengthen Anacortes's position as a leading destination for marine recreation-related activities		4 Make Fidalgo Bay a premier destination for sailboat racing	

This Maritime Strategic Plan is approved by the City of Anacortes on this 25th day of February, 2019, and fully supported by City of Anacortes Mayor Laurie Gere, Port of Anacortes Executive Director Dan Worra, and Executive Director of the Economic Development Alliance of Skagit County CEO John Sternlicht.

Mayor Laurie Gere, City of Anacortes

Executive Director Dan Worra, Port of
Anacortes

CEO John Sternlicht, EDASC

APPENDIX

Appendix A: Maritime Industry Definitions

The *Washington State Maritime Sector Economic Impact Study (April 2017 Updated Edition)*, prepared for the Washington Maritime Federation and Workforce Development Council of King County by Community Attributes, Inc. (CAI), defines the maritime sector to include the NAICS codes listed below. In the 2017 update, which examined 2015 industry data, a goal of the Washington Maritime Federation was to realign the definition of the industry in order to more accurately represent the full range of maritime sector activities taking place in Washington State. In addition to NAICS codes, CAI conducted custom analysis for subsectors that were not adequately defined by NAICS codes alone; to do this, methods included assembling a list of businesses in the subsector through interviews, industry association member lists, and other supplemental sources. A full explanation of the study methodologies is included in the report.

Ship and Boat Building, Repair and Maintenance

- Ship building and repairing (336611)
- Boat building (336612)
- Puget Sound Naval Shipyard (Custom)

Recreational Boating and Boat Building

- Recreational Boat Building (Custom)
- Charter Fishing (Custom)
- Marinas (713930)
- Boat dealers (441222)
- Scenic and sightseeing transportation, water (487210)

Commercial Fishing and Seafood Products

- Finfish farming and fish hatcheries (112511)
- Shellfish farming (112512)
- Finfish fishing (114111)
- Shellfish fishing (114112)
- Seafood product preparation and packaging (311710)
- Fish and seafood merchant wholesalers (424460)

Maritime Logistics and Shipping

- Deep sea freight transportation (483111)
- Coastal and great lakes freight transport. (483113)
- Inland water freight transportation (483211)
- Support activities for rail transportation (488210)
- Port and harbor operations (488310)
- Marine cargo handling (488320)
- Navigational services to shipping (488330)
- Freight transportation arrangement (488510)
- Refrigerated warehousing and storage (493120)
- Rail (custom)
- Trucking and Drayage (custom)
- Warehousing (custom)

Passenger Water Transportation

- Deep sea passenger transportation (483112)
- Coastal and great lakes passenger transport. (483114)
- Inland water passenger transportation (483212)

- Other support activities for water transport. (488390)

Maritime Support Services

- Geotechnical & Environmental (Custom)
- Naval Architecture (Custom)
- Law (Custom)
- Accounting (Custom)
- Associations (Custom)
- Education (Custom)
- Marine Construction and Engineering (Custom)
- Maritime Insurance (Custom)
- Other support (Custom)

Appendix B: Anacortes Maritime Sector Employment, 2016

Source: Washington State Employment Security Department

Notes: The below data includes all NAICS codes covered in Appendix A specific to the Anacortes, WA zip code (98221). It does not include data for categories in Appendix A listed as “custom.”

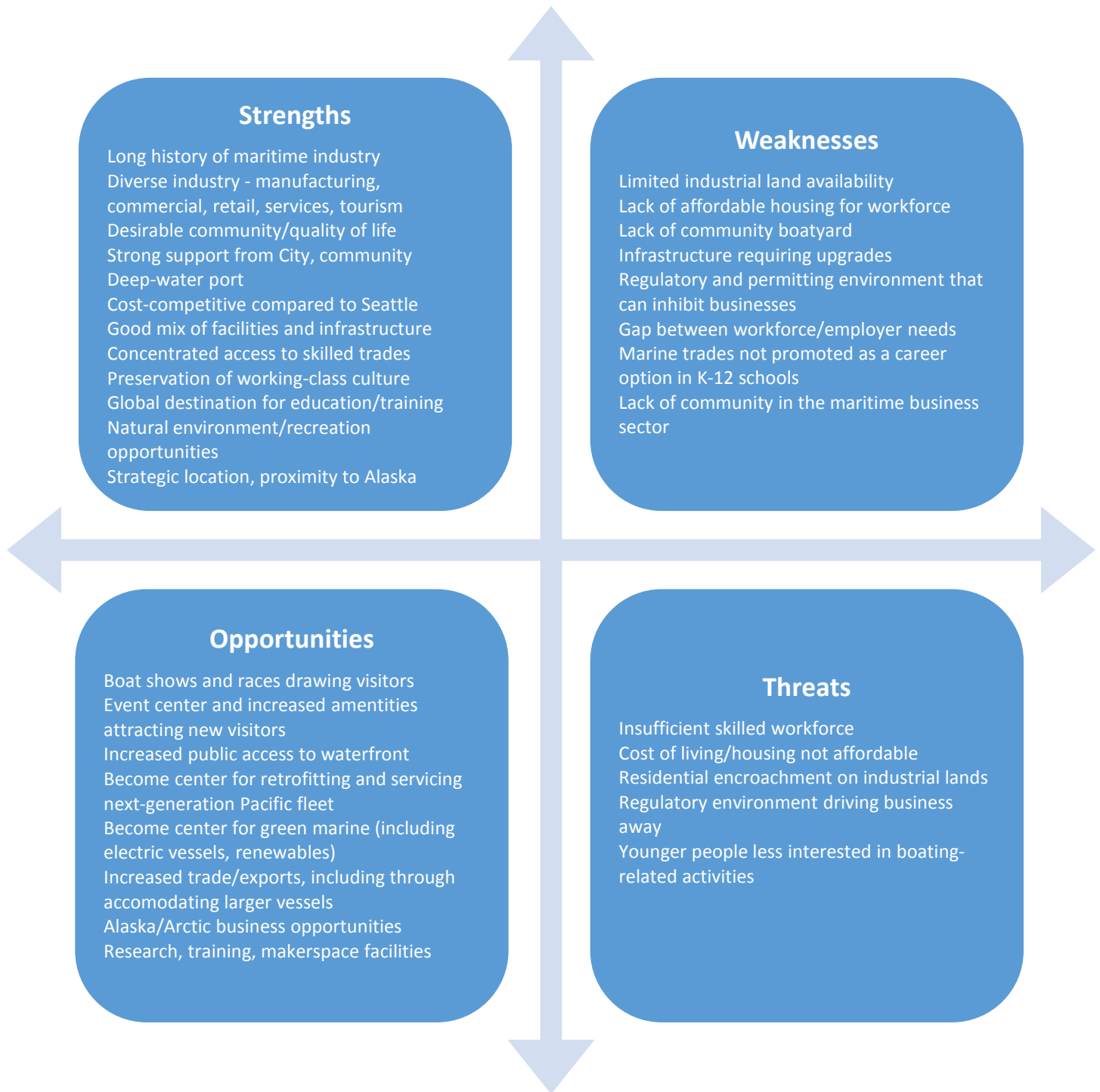
Average annual employment and wage, 2016	employers	employment	wage	average wage
Total	43	1,186	\$59,133,514	\$49,863
Total Ship and Boat Building, Repair & Maintenance	6	386	\$24,977,645	\$64,653
Total Recreational Boating & Boat Building	14	102	\$3,530,407	\$34,697
713930 - Marinas	4	47	\$1,793,867	\$38,371
441222 – Boat Dealers	4	26	\$953,080	\$36,657
487210 – Scenic and Sightseeing Transportation, Water	6	29	\$783,460	\$27,016
Total Commercial Fishing & Seafood Products	11	504	\$18,764,989	\$37,220
Total Maritime Logistics & Shipping	8	159	\$10,170,859	\$64,001
Total Passenger Water Transportation	4	35	\$1,689,614	\$48,622

Appendix C: Maritime Sector Interview Questions

Anacortes Maritime Industry Strategic Plan

Conversation Starting Questions for Industry Leaders & Stakeholders

1. What are Anacortes's strengths in the maritime industry? Do you have suggestions to maximize/build on that strength?
2. How do you see Anacortes as different from other communities with robust maritime industries?
3. What obstacles to growth do you see for maritime industries in Anacortes?
4. What opportunities for your industry do you foresee?
5. Are there specific regulations or regulatory entities that prohibit growth?
6. What industry trends do you see developing locally, statewide, and nationally?
7. What specific skills/training needs does your business have? Short term? Long term?
8. Do you have future expansion or hiring plans? Short term? Long term? What does that look like?
9. What role do you think local government (City/Port/County) could play in advancing your business and industry interests?
10. Do you have any infrastructure needs (boat lift/launch, boat yard space)?
11. Would it be helpful to your interests to have a complete database of marine related businesses?
12. Are there other businesses within Anacortes that are complementary to yours? Suppliers? Technicians? Builders? If not, would it be beneficial to attract such businesses to town?
13. What are your thoughts on the goals of the Anacortes Maritime Strategy described in the letter? Do you feel this are appropriate goals? Are there other big-picture issues you might suggest? Which goal(s) do you feel are relevant to your business?
14. What advice would you give Port/City/EDASC as we explore this industry and seek ways address obstacles and explore opportunities?





City Council Agenda Bill

Meeting Date: 2/25/2019

Agenda Item: 7b

Subject: Transportation Benefit District, fee repeal and sales tax implementation

Staff Contact: Steve Hoglund

Approved for Submittal to Council by	
x	Laurie Gere, Mayor
x	Steve Hoglund, Finance Director
x	Darcy Swetnam, City Attorney

Action Type	
	Ordinance No.
	Code Revision?
x	Resolution No. 2032
	Contract
	Public Hearing
	Staff Report

Summary Statement: In the 2018 General Election the voters of the City of Anacortes approved a 2/10ths sales tax increase, and Council previously resolved to repeal the existing vehicle licensing fee if the tax was approved.

Background: In 2015 a \$20 vehicle license fee was approved by City Council and implemented to provide resources for pavement management, which has generated an average of \$334,180 in the three full years it has been in place. The 2/10ths sales tax is expected to generate closer to \$1M annually.

Budget Impact	
Amount Budgeted	
Budget Account (BARS)	
Proposed Expenditure	
Budget Amendment Required?	
Revenue Source	

Proposed Contract	
Contractor	
Amount	
Start Date	
End Date	

Previous Council/Committee Action: Resolutions [1895](#), [2017](#), and [2018](#); Ordinances [2926](#), [2928](#), and [2967](#).

Competing Viewpoints Considered: The City needs more money for pavement management so the existing \$20 fee should be left in place and Resolution 2032 should not be authorized.

Recommended Motion: I move to adopt Resolution 2032 ratifying the repeal of the \$20 vehicle license fee.

Alternative Actions: Don't authorize Resolution 2032, leave vehicle license fee in place.

Attachments (listed in order presented): Resolution 2032, PowerPoint presentation

CITY OF ANACORTES, WASHINGTON

RESOLUTION NO. 2032

A RESOLUTION of the City of Anacortes, ratifying the removal and repeal of the \$20 vehicle licensing fee formerly adopted by the Anacortes Transportation Benefit District resolution number 2014-01.

WHEREAS, on July 21, 2014 the City Council of the City of Anacortes adopted Ordinance 2926 to establish the Anacortes Transportation Benefit District, and

WHEREAS, on August 18, 2014 the Anacortes Transportation Benefit District adopted resolution 2014-01 setting a \$20 vehicle license fee consistent with RCW 36.73.065 to be collected on vehicles registered within the District, the revenues from which were to be used consistent with Resolution 1895 adopted by the Anacortes City Council on July 21, 2014, and

WHEREAS, on July 16, 2018 City Council of the City of Anacortes adopted Resolution 2018 repealing Resolution 1895 and intending on repealing the \$20 TBD fee if a .2% sales tax increase was authorized by Anacortes voters, and

WHEREAS, on July 9, 2018 City Council of the City of Anacortes adopted Resolution 2017 authorizing a vote on a .2% sales tax increase, and

WHEREAS, on November 6, 2018 a majority of voters authorized said .2% sales tax increase, and

WHEREAS, on December 26, 2018, the City executed and submitted a Mutual Termination to Inter Agency Agreement between the Washington State Department of Licensing and Anacortes Tax Benefit District, with such termination to be effective April 1, 2019, effectively ending the \$20 car tab fee as of the date of termination;

NOW, THEREFORE, THE ANACORTES CITY COUNCIL DOES RESOLVE:

To ratify the City's Mutual Termination to Inter Agency Agreement between the Washington State Department of Licensing and Anacortes Tax Benefit District, which will effectively repeal the \$20 Anacortes Transportation Benefit District vehicle licensing fee, with an effective date of April 1, 2019.

PASSED AND APPROVED by the City Council this _____ day of February, 2019.

CITY OF ANACORTES

Laurie Gere, Mayor

Approved as to form and legality:

Darcy Swetnam, WSBA #40530
City Attorney

Attest:

Steven D. Hoglund, City Clerk/Treasurer

ANACORTES TRANSPORTATION BENEFIT DISTRICT RECAP

- July 9, 2018 – Council adopts resolution 2017 authorizing a .002 sales tax.

Section 3. Ballot Proposition. The Skagit County Auditor as ex officio supervisor of elections in Skagit County, Washington is hereby requested to call and conduct such election to be held within the District on November 6, 2018 and to submit to the qualified electors of the District for their approval or rejection a **proposition to impose a sales and use tax to be levied in the amount of two-tenth of one percent (0.2%)** of the selling price in the case of a sales tax or value of the article used in the case of the use tax. The sales and use tax authorized by this section is in addition to any other taxes authorized by law and shall be collected from those persons who are taxable by the State of Washington under Chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the boundaries of the District and shall be imposed for a period of not more than ten years from its first date of collection. Upon approval of the voters of the proposition hereinafter set forth the District may use proceeds of such sales and use tax for the purposes described in this resolution. The Finance Director, acting as the City Clerk, is hereby authorized and directed to certify no later than August 7, 2018, to the Elections Supervisor a copy of this resolution and following proposition to be submitted to the qualified electors at that election, in substantially the following form:



ANACORTES TRANSPORTATION BENEFIT DISTRICT RECAP

- July 16, 2018 - Council adopts resolution 2018 updating Pavement Management Plan

1. Resolution 1895, setting initial pavement management funding targets, is repealed.
2. The City Council adopts a target expenditure amount of \$1.8 million annually for pavement management projects, to be spent exclusively on professional services, i.e. overlays, similar pavement management work, and other work necessary to implement pavement management projects. This amount may be an average over several years.
3. The City Council intends that a portion of the annual pavement management be spent on upgrades to the worst residential streets.
4. If the Transportation Benefit District sales tax increase is approved by city voters in November 2018, the City Council intends to repeal the \$20 vehicle license fee currently in place once the new sales tax revenue stream is meeting the pavement management funding requirement.
5. As the City Council considers adoption of the annual or biennial budget, it will consider using the following revenue sources to fund the pavement management program in descending order of priority:
 - a. Transportation Benefit District revenue
 - b. Prilled sulfur revenue (currently unfunded through 2022)
 - c. Solid Waste Utility Tax (two thirds (66%) of the full assessed amount (12%))
 - d. Real Estate Excise Tax (spending all REET eligible for pavement management projects)
 - e. General revenues



ANACORTES TRANSPORTATION BENEFIT DISTRICT RECAP

- November 6, 2018 – General Election, .2% TBD sales tax increase

➤ Certified results:

Anacortes Transportation Benefit District Sales and Use Tax for Transportation Improvements

Choice	Party	Vote by mail		Total	
Yes		5353	54.91%	5353	54.91%
No		3630	37.23%	3630	37.23%
Cast Votes:		8983	92.14%	8983	92.14%
Undervotes:		765	7.85%	765	7.85%
Overvotes:		1	0.01%	1	0.01%
Uncertified write-ins:		0	0.00%	0	0.00%
Unresolved write-ins:		0	0.00%	0	0.00%



Next Steps: Sales Tax implementation and TBD Fee repeal

- Department of Revenue requires 75 day advance notice for change in sales tax.
- Late December paperwork submitted to implement .2% effective 4/1/2019
- First TBD sales tax will be receipted in June 2019.



Next Steps: Sales Tax implementation and TBD Fee repeal

- In recognition of Resolution 2018 TBD paperwork was submitted to Department of Licensing to terminate TBD fee effective 4/1/2019.
- A Resolution to ratify termination of the TBD fee is included in tonight's material.





**ORDINANCE 3038: WIRELESS
SERVICE FACILITIES
ORDINANCE 3039: PUBLIC
UTILITY AND
TELECOMMUNICATIONS RIGHT-
OF-WAY USE**

February 25, 2019





BACKGROUND

TIMELINE

- August 28, 2017: established six month moratorium on the receipt and processing of applications to site wireless towers and antennas and on the receipt and processing of applications for telecommunications franchises.
- February 20, 2018: extended the moratorium for an additional six months
- August 27, 2018: extended moratorium for an additional six months
- January 3, 2019: Stakeholder meeting with Planning Commission
- January 16, 2019: Public hearing opened on wireless drafts
- January 30, 2019: Public hearing closed and Planning Commission recommended approval to Council as amended.
- February 28, 2019: Moratorium expires

Problems with Current AMC Sections

- Current provisions in the AMC do not account for
 - New technology
 - Recent types of requests received by the City
 - Recent federal and state case law
- Don't address wireless facilities in ROW
 - E.G. Towers in residential zones must be set back 100% of their height or 200 feet – what about placement in ROW?
- Don't anticipate new small cell technology
 - Placement of antennae and appurtenances on existing poles
 - Requests for replacement of current poles with taller poles (e.g. replace 45' pole with 80' pole)
- Procedural rules for master permits and permits need to be updated to comply with federal and state law



PROPOSED CODE UPDATES



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ORD 3038: AMC 19.68: Wireless Service Facilities

- Governs Wireless Service Facilities (WSF)
- Types of permit processes
 - WSF permit: Type 1 (Administrative Ministerial Action)
 - WCUP permit: Type 3-HE (Hearing examiner)
 - Small Wireless Facilities
 - Based on location of facility
- Establishes shot clocks consistent with FCC Order
- Differentiates between substantial and nonsubstantial changes to existing facilities
- Clarifies relevant application and criteria based on type of facility/permit process
- Provides visibility and performance standards for facilities based on type and location

ORD 3039: AMC 5.38: Public Utility and Telecommunications Right-of-Way Use

- Provides for two types of permits:
 - Master Permits
 - Authorizes general use of City ROW
 - Good for 5 years
 - Compensation based on City's cost
 - Construction Permit
 - Allows project-specific work in ROW
- Provides timeline for project review consistent with FCC Order
- Provides risk mitigation for City
 - Security fund
 - Performance bonds
 - Insurance Requirements
 - Indemnification
 - Correction, revocation process

Questions from Last Time

- What in the draft requires visual compatibility with neighborhood?
 - Section 19.68.200: Visibility and performance standards:
 - Equipment, Cabinets, Shelters, and Undergrounding: Must be **architecturally compatible** with existing buildings
 - Appearance and Screening:
 - Compatible with existing neighborhood, blend with surrounding setting, screened from surrounding uses
 - Design/configuration must minimize visual intrusion
 - Private property facilities must be screened through trees
 - Stealth structure must be designed to resemble an object commonly found in the area
 - Landscaping:
 - required around facilities; minimum 4 feet wide
 - Towers must be landscaped with buffer that screens view from residences
 - Existing landscaping must be preserved to the maximum extent possible

THANK YOU!

Thank You!



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City Council Agenda Bill

Meeting Date: 2/25/2019

Agenda Item: 7c

Subject: Ordinance 3038: Establishing AMC 19.68, Wireless Service Facilities and Ordinance 3039: Establishing AMC Ch. 5.38, Public Utility and Telecommunications Right-of-Way Use

Staff Contact: Darcy Swetnam, Don Measamer

Approved for Submittal to Council by	
	Laurie Gere, Mayor
	Steve Hoglund, Finance Director
X	Darcy Swetnam, City Attorney
X	Don Measamer

Action Type	
X	Ordinance No. 3038 & 3039
X	Code Revision?
	Resolution No.
	Contract
	Public Hearing
	Staff Report

Summary Statement: On January 30, 2019, the Anacortes Planning Commission held a public hearing and subsequently recommended to City Council approval of proposed amendments to the Anacortes Municipal Code relating to siting of wireless service facilities within the City. The Planning Commission's recorded motion and recommendation is attached.

[AMC 19.16.090 Review by City Council](#) outlines the options for City Council's consideration and action on the Planning Commission's recommendation. The City Council may take final action with no further process in any of the following (applicable) situations:

- When the development regulation to be adopted by the city council conforms substantially to the proposal as made available for public comment.
- Pursuant to RCW 36.70A.035, when any of the following are true:
 - The proposed change is within the scope of the alternatives available for public comment.
 - The proposed change only corrects typographical errors, corrects cross-references, makes address or name changes, or clarifies language of a proposed ordinance or resolution without changing its effect.
 - When the action is to preserve the status quo and reject any and all changes in their entirety.

Background: See attached.

Previous Council/Committee Action: Adoption of Ordinances [3010](#), [3020](#), and [3027](#) relating to adoption of and extending a moratorium on the receipt and processing of applications to site wireless communications towers and antennas pursuant to [Ch. 17.63](#) of the Anacortes Municipal Code and on the receipt and processing of applications for telecommunications franchises or master permits pursuant to [Ch. 5.36](#) of the AMC. The moratorium terminates on February 28, 2019. Council reviewed ordinances on [February 19](#).

Competing Viewpoints Considered: See attached.

Recommended Motion: I move to adopt Ordinance 3038 Establishing AMC Chapter 5.38, Public Utility and Telecommunications Right-of-Way Use and Ordinance 3039 Establishing AMC Ch. 19.68, Wireless Service Facilities.

Alternative Actions: Do not adopt the ordinance and preserve the status quo; allow additional public comment opportunity per AMC 19.16.090.C; substantially modify the proposal and adopt Council's own findings of fact and reasons for action per AMC 19.16.090.D.

Attachments (listed in order presented): Draft Ordinances 3038 [revised from February 19, 2019] & 3039; Planning Commission Recorded Motion; Draft Minutes from 1/3/19 & 1/16/19 PC meetings (only video available for [1/30/19 PC meeting](#)); public comments received during public comment period.

CITY OF ANACORTES

ORDINANCE NO. 3038

**AN ORDINANCE OF THE CITY OF ANACORTES, WASHINGTON, ADOPTING A
NEW CODE CHAPTER 19.68 ENTITLED “WIRELESS SERVICE FACILITIES”,
REGULATING THE PLACEMENT AND FORM OF WIRELESS SERVICE
FACILITIES, AND REPEALING ATTACHMENT A, CHAPTER 17.63 OF
ORDINANCE NO. 2794**

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

Section 1. Preamble.

1. WHEREAS, the Telecommunications Act, 47 U.S.C. § 332, preserves local government zoning authority over the placement, construction, and modification of personal wireless services.
2. WHEREAS, Washington state law preserves local governments’ ability to regulate the placement of wireless facilities through their local zoning or police power, under RCW 35.99.040.
3. WHEREAS, the City code does not currently provide for colocation of wireless facilities under Section 6409 of the Middle Class Tax Relief and Job Creation Act of 2012, 47 U.S.C. § 1455(a).
4. WHEREAS, the City code does not currently provide for zoning or aesthetic criteria, shot clocks, or colocation procedures for small wireless facilities under Federal Communications Commission Order No. FCC 18-133.
5. WHEREAS, the City code does not currently provide a State Environmental Policy Act exemption for certain wireless services facilities under WAC 197-11-800(25).
6. WHEREAS, the City finds that a substantial amount of time was spent by applicants (and the City) deciphering the siting requirements pertaining to wireless facilities under the City’s prior code section 17.68, and seeks to streamline the application and review process by enacting this new code section, 19.68.
7. WHEREAS, the City has received proposed changes to the new code section from citizens and agencies (including the City);
8. WHEREAS, the proposed new code section has been the subject of public hearings before the Planning Commission and subject to SEPA review;

9. WHEREAS, notice of the possible adoption of these changes has been provided to the State;
10. WHEREAS, the City Council has determined that it is in the best interest of the City to adopt a new code section that regulates the placement and form of wireless service facilities within the City of Anacortes and to repeal Chapter 17.63 of Attachment A, Ordinance No. 2794.

Section 2. Repealer.

Attachment A, Chapter 17.63, of Ordinance No. 2794, entitled “AN ORDINANCE OF THE CITY OF ANACORTES MUNICIPAL CODE ENTITLED “ZONING”, ADDING A NEW CHAPTER 17.27 ENTITLED “OLD TOWN OVERLAY DISTRICT,” AND REPEALING ORDINANCE 2776 ENTITLED “AN ORDINANCE ADOPTING INTERIM ZONING PROHIBITING MULTIFAMILY UNITS IN THE R3 ZONE, NORTH OF 12TH, EAST OF “D” AVENUE, AND WEST OF COMMERCIAL AVENUE DURING CALENDAR YEAR 2008” ” as codified at chapter 17.63 of the City code, is hereby repealed.

Section 3. New Chapter of AMC, 19.68.

A new chapter, 19.68 of the AMC, is adopted to read as follows:

WIRELESS SERVICE FACILITIES

Sections:

19.68.010	Purpose.
19.68.020	Applicability.
19.68.030	Definitions.
19.68.040	Permit required.
19.68.050	Substantial Change.
19.68.060	Non-Substantial Change.
19.68.070	Optional Pre-application.
19.68.080	Eligible Facilities Request applications.
19.68.090	Permit application – Small Wireless Facility.
19.68.100	Permit application – all other Wireless Facilities.
19.68.110	Permit approval process.
19.68.120	Permit review – general criteria.
19.68.130	Permit review – supplemental criteria for conditional uses.
19.68.140	Completeness review.
19.68.150	Timeframe for review.
19.68.160	Construction.
19.68.170	Appeals. 20
19.68.180	Prohibited Locations.
19.68.190	Permitted locations.
19.68.200	Visibility and performance standards.
19.68.210	Requirements for colocations.

19.68.220	Requirements for Non-Substantial Changes.
19.68.230	Maintenance of facilities.
19.68.240	Testing of facilities required – Radio-frequency (RF) emissions.
19.68.250	Testing of facilities required – Noise emissions.
19.68.260	Security fencing.
19.68.270	Abandonment of facilities.
19.68.280	Signs.
19.68.290	Lighting standards.
19.68.300	SEPA.

19.68.010 Purpose.

The purposes of this chapter are as follows:

- A. Establish development regulations consistent with the City’s Comprehensive Plan;
- B. Protect property values and promote tourism through protection of scenic vistas of the mountains, tree-covered hillsides, the waterfront, and tourist-related zones and areas;
- C. Facilitate the use of public property and structures for wireless service facilities to reduce the impact of such facilities upon residential and other property;
- D. Maintain the quality of life associated with the aesthetic character of the City’s surroundings;
- E. Provide adequate sites for locating wireless service facilities in areas where the adverse impact on the community is minimal;
- F. Provide facilities and infrastructure to provide wireless communications service to City residents, businesses, and others when in Anacortes;
- G. Encourage optimal colocation and sharing of new and existing facilities, and minimize the total number of towers throughout the community;
- H. Encourage use of most appropriate technology and prompt removal of outdated or abandoned wireless service facilities;
- I. Encourage the location of wireless service facilities upon alternative support structures;
- J. Require that the design of wireless service facilities incorporate camouflage, disguise, screening and concealment technology so that such facilities blend into their surroundings;
- K. Avoid the potential damage to adjacent properties from tower failure by engineering and careful siting of tower structure;
- L. Enhance the ability of the providers of wireless services to provide such services to the community quickly, effectively, and efficiently; and

M. Provide a level, nondiscriminatory competitive environment and thereby encouraging increased competition among providers of functionally equivalent wireless services.

19.68.020 Applicability.

- A. Except as otherwise provided herein, the placement of any wireless service facility at any location within the City is subject to the provisions of this chapter.
- B. The standards and process requirements of this chapter supersede all other review process and approval criteria, setback, height or landscaping requirements of this title.
- C. Except as provided herein, all wireless telecommunication service facilities must comply with the provisions of this chapter.

19.68.030 Definitions.

A. A definitions.

“Antenna” means any exterior transmitting or receiving device mounted on a tower, building or structure and used in communications that radiates or captures electromagnetic waves, digital signals, analog signals, radio frequencies (excluding radar signals), wireless telecommunications signals or other communication signals.

B. B definitions.

“Base station” means a structure or equipment at a fixed location that enables FCC-licensed or authorized wireless communications between user equipment and a communications network. The term does not encompass a “Tower” or any equipment associated with a Tower.

- The term includes, but is not limited to, equipment associated with wireless communications services such as private, broadcast, and public safety services, as well as unlicensed wireless services and fixed wireless services such as microwave backhaul.
- The term includes, but is not limited to, radio transceivers, antennas, coaxial or fiber-optic cable, regular and backup power supplies, and comparable equipment, regardless of technological configuration (including Distributed Antenna Systems and small-cell networks).
- The term includes any structure other than a tower that supports or houses equipment that has been reviewed and approved under the applicable zoning or siting process, or under another State or local regulatory review process, even if the structure was not built for the sole or primary purpose of providing such support.
- The term does not include any structure that does not support or house equipment for wireless telecommunications services.

C. C definitions.

“Camouflage” means a palette of techniques used to disguise, hide and conceal a wireless service facility from public view by blending its appearance into elements of the visual background. The term connotes the use of paint, landscaping, building materials and artificial screens in patterns that merge with the elements in the background environment.

“Colocation” for the purposes of Eligible Facilities Requests means the placement or installation of wireless facilities on existing structures that include a wireless facility or a wireless support structure, including water towers and other buildings or structures. The term includes the placement, replacement, or modification of wireless facilities within an approved equipment compound.

“Colocation” for the purpose of applications to site Small Wireless Facilities and other wireless facilities, excluding Eligible Facilities Requests, means:

- Mounting or installing an antenna facility on a pre-existing structure, and/or
- Modifying a structure for the purpose of mounting or installing an antenna facility on that structure.

D. D definitions.

“Director” means the Director of Planning, Community, and Economic Development.

E. E definitions.

“Electrical transmission tower” means a structure that physically supports high voltage overhead power lines. The term does not include a utility pole.

“Eligible Facilities Request” or “EFR”. Any request for modification of an existing tower or base station that does not substantially change the physical dimension of such tower or base station, involving:

- Colocation of new transmission equipment;
- Removal of transmission equipment; or
- Replacement of transmission equipment.

“Eligible Support Structure.” Any tower or base station, provided that it exists at the time the relevant EFR application is filed with the state or local government.

“Equipment Cabinet” means an **enclosure that** is mounted above base flood elevation or placed on a concrete slab that contains improvements, personal property, and facilities to operate its wireless services including: radio receivers, transmitters, related facilities, and/or related cables and utility lines, location-based power sources, the electrical meter and any other necessary equipment.

“Equipment Shelter” means an enclosed structure, shed or box at the base of a mount to store improvements, personal property, and facilities to operate its wireless services including: radio

receivers, transmitters, related facilities, and/or cabinets, related cables and utility lines, location-based power sources, the electrical meter and any other necessary equipment.

“Existing.” Any tower or base station is existing for purposes of this chapter if it has been reviewed and approved under the applicable zoning or siting process, or under another State or local regulatory review process, provided that a tower that has not been reviewed and approved because it was not permitted when it was built, but was lawfully constructed, is existing for purposes of this chapter.

F. F definitions.

“Facilities” means all of the towers, equipment, fixtures, antennas, equipment cabinets, equipment shelters, and other appurtenances necessary to furnish and deliver wireless services, including but not limited to utility poles and monopoles with cross arms or without cross arms, wires, lines, conduits, cables, communication and signal lines and equipment, braces, guys, anchors, vaults, and all attachments, appurtenances, and appliances necessary or incidental to the distribution and use of wireless services. Facilities include “Small Wireless Facilities” as defined below.

“FCC” or “Federal Communications Commission” means the federal agency, or its lawful successor, authorized to regulate and oversee wireless telecommunications carriers, services and providers.

G. G definitions.

H. H definitions.

I. I definitions.

J. J definitions.

K. K definitions.

L. L definitions.

“Lattice tower” means a type of mount that is self-supporting with multiple legs and cross bracing of structural steel.

M. M definitions.

“Monopole” means a type of mount that is self-supporting with a single shaft of wood, steel or concrete and a platform or racks for panel antennas arrayed at the top. A monopole includes self-supporting mounts that provide light (or light poles).

N. N definitions.

O. O definitions.

P. P definitions.

“Public street” means any highway, street, road, alley or other public way for motor vehicle travel within the city and under the jurisdiction and control of the city which has been acquired, established, dedicated or devoted to street purposes.

Q. Q definitions.

R. R definitions.

“Right(s)-of-way” means all public streets and associated property granted or reserved for, or dedicated to, public use for street purposes, together with public property granted or reserved for, or dedicated to, public use for walkways, sidewalks, bikeways and horse trails, whether improved or unimproved, including any air rights, subsurface rights or easements related thereto.

S. S definitions.

“Service provider” means every corporation, company, association, joint stock association, firm, partnership, person, city, town, or other legal entity owning, operating, or managing any facilities used to provide and providing wireless telecommunications services for hire, sale, or resale to the general public. Service provider includes the legal successor to any such corporation, company, association, joint stock association, firm, partnership, person, city, town, or other legal entity.

“Site” means the current boundaries of the leased or owned property surrounding the facility and any access or utility easements currently related to the site, and for other eligible support structures, further restricted to that area in proximity to the structure and to other transmission equipment already deployed on the ground.

“Small Wireless Facility” encompasses facilities that meet the following conditions:

The facilities—

- are mounted on structures 50 feet or less in height including their antennas,
- are mounted on structures no more than 10 percent taller than other adjacent structures, or
- do not extend existing structures on which they are located to a height of more than 50 feet or by more than 10 percent, whichever is greater;

Each antenna associated with the deployment, excluding associated antenna equipment, is no more than three cubic feet in volume;

All other wireless equipment associated with the structure, including the wireless equipment associated with the antenna and any pre-existing associated equipment on the structure, is no more than 28 cubic feet in volume;

The facilities do not require antenna structure registration under Federal law;

The facilities are not located on Tribal lands, where Tribal lands means all lands within the exterior boundaries of any Indian reservation and all dependent Indian communities; and

The facilities do not result in human exposure to radiofrequency radiation in excess of the applicable safety standards specified under Federal law pertaining to wireless facilities.

“Stealththing” means designing facilities to be architecturally incorporated into the surrounding community’s environs while minimizing aesthetic impacts. Examples of stealththing include, but are not limited to, steeples, windmills, water towers, flag poles, light poles, or chimneys.

T. T definitions.

“Telecommunications” means the transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received.

“Tower” means any structure that is designed and constructed primarily for the purpose of supporting one or more antennas for telephone, radio, and similar communication purposes, including self-supporting lattice towers, guyed towers, or monopole towers. The term includes radio and television transmission towers, microwave towers, common-carrier towers, cellular telephone towers, alternative tower structures, and the like. The term includes the structure and any support thereto.

“Transmission equipment” means equipment that disseminates information by wire, radio, optic cable, electromagnetic, or similar means for any FCC-licensed or authorized wireless telecommunication service, including, but not limited to, radio transceivers, antennas, coaxial or fiber-optic cable, and regular and backup power supply. The term includes equipment associated with wireless telecommunications services including, but not limited to, private, broadcast, and public safety services, as well as unlicensed wireless services and fixed wireless services such as microwave backhaul.

U. U definitions.

“Utility pole” means a pole privately owned or installed by a utility company for the purpose of electrical transmission.

V. V definitions.

W. W definitions.

“Wireless” means communications using radio frequency or optical emissions to complete one or more communications paths in whole or in part among originating and receiving points without other tangible physical connection, including without limitation, radio and unguided optical waves, and the apparatus used for such transmission.

“Wireless support structure” means a freestanding structure that is designed to support or is capable of supporting wireless facilities. The term does not include a utility pole, monopole, or tower.

“Wireless telecommunications service” or “wireless service” means the transmission of information by wire, radio, optic cable, electromagnetic, or similar means for hire, sale or resale

to the general public. For the purpose of this subsection, “information” means knowledge or intelligence represented by any form of writing, signs, signals, pictures, sounds, or any other symbols. For the purpose of this chapter, wireless telecommunications service excludes the over-the-air transmission of broadcast television or broadcast radio signals and excludes “cable services,” “cable communications systems” and “CATV systems” as defined in Chapter 5.44.

19.68.040 Permit required.

A. New Facilities. A wireless service facility (WSF) permit or wireless conditional use permit (WCUP) is required prior to the site preparation, construction, or installation of any new wireless service facility. The permit required in each zone is specified in AMC 19.68.190.

B. Colocating Facilities. A wireless service facility (WSF) permit or wireless conditional use permit (WCUP) is required in every zone prior to the colocation of any wireless service facility and is required for modifications that qualify as a Substantial Change. Colocations involving modifications under subsection (C) below are exempt from this requirement.

C. Non-Substantial Change. A modification to an existing facility that involves the addition, removal, and/or replacement of transmission equipment that meets the criteria for a Non-Substantial Change as set forth in 19.68.060 must submit an Eligible Facility Request application. A WSF or WCUP will not be required for these types of modifications.

D. Substantial Change. A modification to an existing facility that involves the addition, removal, and/or replacement of transmission equipment that is a Substantial Change as defined in 19.68.050 is subject to the requirements for new facilities or colocations as applicable.

E. No wireless service facility permit may be issued under this chapter unless the applicant demonstrates compliance with the terms, conditions and performance standards set forth in this chapter. Any WCUP must also meet the criteria for said use permits set forth in Section 19.68.130.

F. A building permit is also required for any new wireless facility or collocating facility.

19.68.050 Substantial Change.

A. “Substantial Change” for purposes of this Chapter means a modification to an existing facility that meets any of the following criteria.

Criteria 1:

(1) For towers outside of public rights-of-way, if the modification increases the height of the tower by the greater of: (a) more than 10%, or (b) by the height of one additional antenna array, with separation from the nearest existing antenna not to exceed 20 feet; or

(2) For those towers in the rights-of-way and for all base stations, if the modification increases the height of the tower or base station by the greater of: (a) 10% or (b) 10 feet.

Criteria 2:

(1) For towers outside of public rights-of-way, if the modification involves adding an appurtenance to the body of the tower that protrudes from the edge of the tower the greater of: (a) 20 feet, or (b) the width of the tower structure at the level of the appurtenance; or

(2) For other eligible support structures, if the modification protrudes from the edge of the structure more than 6 feet;

Criteria 3:

(1) For any eligible wireless support structure, if the installation includes more than the standard number of new equipment cabinets, not to exceed 4; or

(2) For towers in the public rights-of-way and base stations, if the modification involves installation of any new equipment cabinets on the ground if there are no pre-existing ground cabinets associated with the structure, or else involves installation of ground cabinets that are more than 10% larger in height or overall volume than any other ground cabinets associated with the structure.

Criterion 4:

For any eligible support structure, if the modification entails any excavation or deployment outside the current site;

Criterion 5:

For any eligible support structure, if the modification defeats the existing concealment elements of the tower, base station, or any other wireless support structure.

Criterion 6:

For any eligible support structure, if the modification violates any of the conditions of approval (besides modification allowed under criteria #1-5 associated with prior approval(s)).

19.68.060 Non-Substantial Change.

A. “Non-substantial Change” means a modification that meets all of the following criteria:

Criteria 1:

(1) For towers outside of public rights-of-way, if the modification does not increase the height of the tower by the greater of: (i) more than 10%, or (ii) by the height of one additional antenna array, with separation from the nearest existing antenna not to exceed 20 feet; or

(2) For those towers in the rights-of-way and for all base stations, if the modification does not increase the height of the tower or base station by the lesser of: (i) 10% or (ii) 10 feet.

Criteria 2:

(1) For towers outside of public rights-of-way, if the modification does not protrude from the edge of the tower by the greater of: (i) 20 feet, or (ii) the width of the tower structure at the level of the appurtenance; or

(2) For those towers in the rights-of-way and for all base stations, if the modification does not protrude from the edge of the structure more than 6 feet;

Criteria 3:

(1) For any eligible support structure, if the installation includes new equipment cabinets, the modification does not include the installation of more than 4 equipment cabinets; or

(2) For towers in the public rights-of-way and base stations, if the modification does not involve the installation of any new equipment cabinets on the ground if there are no pre-existing ground cabinets associated with the tower, and does not involve the installation of ground cabinets that are more than 10% larger in height or overall volume than any other ground cabinets associated with the tower.

Criterion 4:

For any eligible support structure, if the modification does not entail any excavation or deployment outside the current site.

Criterion 5:

For any eligible support structure, if the modification does not defeat the existing concealment elements of the tower or base station or other wireless support structure.

Criterion 6:

For any eligible support structure, if the modification does not violate any of the conditions of approval (besides modification allowed under criteria #1-5 associated with prior approval(s).

19.68.070 Optional Pre-application.

A. An optional pre-application may be submitted up to 30 days prior to the submission of an Eligible Facilities Request application, or a permit application associated with a Small Wireless Facility or other wireless facility. The information submitted along with a pre-application may include the following information:

1. The name and address of the applicant;
2. Identification of all carriers using the facility;
3. The type of facility proposed;
4. If the applicant is not the owner or person in control of the eligible support structure or site, an attestation that the owner or person in control of the eligible support structure and/or site has consented to the proposed facility modification. If the eligible support structure is to be located

within a public right-of-way, the applicant must also attest that the applicant has authorization to install, maintain, and operate transmission equipment in, under and above the public right-of-way.

5. A stamped report by a state of Washington registered professional engineer demonstrating compliance with existing structural, electrical, and safety codes, and describing the general structural capacity of the eligible facility, small wireless facility, or other wireless facility.
6. Detailed site plan and drawings.
7. Dimensioned elevation drawings of the existing tower or structure showing the existing and proposed antennas, and equipment structures (at 1/8" = 1' or comparable scale).
8. Copies of the land use or building permit approval that authorized the original installation of the tower or wireless facilities on the structure;
9. If new equipment cabinets, generators, or any other ground equipment components are being proposed, an assessment of noise that shows compliance with City and/or Federal noise standards.
10. A description of compliance with the applicable visibility and performance standards set forth in section 19.68.200.
11. A stamped report by a state of Washington registered professional engineer demonstrating compliance with radio-frequency emissions standards.

19.68.080 Eligible Facilities Request applications.

A. For the purposes of this section, a complete application includes:

1. The name and address of the applicant;
2. Identification of all carriers using the facility;
3. An assertion that the proposed facilities modification is subject to review under Section 6409 of the Spectrum Act.
4. If the applicant is not the owner or person in control of the eligible support structure or site, an attestation that the owner or person in control of the eligible support structure and/or site has consented to the proposed facility modification. If the eligible support structure is to be located within a public right-of-way, the applicant must also attest that the applicant has authorization to install, maintain, and operate transmission equipment in, under and above the public right-of-way.
5. If the proposed modification will alter the exterior dimensions or appearance of the eligible support structure, the applicant shall include a detailed visual simulation depicting how the eligible support structure will appear after the proposed modification is complete, and particularly, how concealment or stealth will be extended with the modification. The visual

simulation shall depict to scale the eligible support structure in relation to the trees, landscaping and other structures adjacent to, or in the immediate vicinity of, the eligible support structure.

6. If the applicant proposes a modification to a tower, an attestation that the proposed modifications will comply with existing structural, electrical, and safety codes, and a description of the general structural capacity of the tower with the proposed modification.

7. If the applicant proposes a modification to a base station, an attestation that the proposed modifications will comply with existing structural, electrical, and safety codes.

8. If the applicant proposes a modification requiring alteration to the eligible support structure, excavation, installation of new equipment cabinets, or other activities impacting or altering the land, existing structures, fencing or landscaping, the applicant must submit a detailed site plan and drawings, showing the point of true north, and an appropriate scale depicting:

- a. the location, elevation, and dimensions of the existing eligible support structure;
 - b. the location, elevation, and dimensions of the existing transmission equipment;
 - c. the location, elevation and dimensions of the transmission equipment, if any, proposed to be collocated or that will replace existing transmission equipment;
 - d. the location, elevation and dimensions of any proposed new equipment cabinets and the intended use of each;
 - e. any proposed modification to the eligible support structure;
 - f. the location of existing structures on the site, including fencing, screening, trees, and other significant site features; and
 - g. the location of any areas where excavation is proposed showing the elevations, depths, and width of the proposed excavation and materials and dimensions of the equipment to be placed in the area excavated.
9. If excavation or deployment is proposed outside the current site of the tower or base station, a description of the boundaries of the site together with a scale drawing based on an accurate traverse, with angular and lineal dimensions showing the tower or base station with respect to the site. The city may require a survey by a land surveyor licensed in the state of Washington when, in the judgment of the approval authority, a survey is reasonably necessary to verify the boundaries of the site.
10. If the applicant proposes a modification that will protrude from the edge of a non-tower eligible support structure, record drawings, as-built plans, or the equivalent, showing at a minimum the edge of the eligible support structure at the location of the proposed modification.
11. Copies of the land use or building permit approval that authorized the original installation of the tower or wireless facilities on the structure, or any subsequent approval(s) granting modification to the tower or wireless facilities on the structure, if available;

12. If new equipment cabinets, generators, or any other ground equipment components are being proposed, an assessment of noise that shows compliance with City and/or Federal noise standards.

13. A stamped report by a state of Washington registered professional engineer demonstrating compliance with Federal radio-frequency emissions standards for wireless facilities.

B. Waiver of Submittal Requirement. The approval authority may waive any submittal requirement upon determination that the required submittal, or part thereof, is not reasonably related to the non-substantial change criteria. A waiver, to be effective, must be in writing and signed by the approval authority.

C. Eligible facilities for review under this section include Non-Substantial Changes to the physical dimensions of the base structure or tower, involving (i) colocation of new transmission equipment; (ii) removal of transmission equipment; or (iii) replacement of transmission structure.

D. Within the applicable timeframe for review set forth in Section 19.68.150, the City must approve the application unless it determines that the application involves a Substantial Change. If the City determines that the application involves a Substantial Change, the applicant must submit the appropriate Permit application required, if any, under the requirements in Section 19.68.100.

19.68.090 Permit application – Small Wireless Facility.

A. Application. A complete application for a wireless service facility permit or wireless conditional use permit must include the following information and materials on a form provided by the Director. Applications for Small Wireless Facilities may be submitted in batches of applications, which may encompass up to five separate applications filed at the same time, each for one or more sites, or a single application covering up to five sites, unless the City agrees to a larger number based upon its capacity to review additional applications. For the purposes of this section, a complete application includes:

1. The name and address of the applicant;
2. Identification of all carriers using the facility;
3. If the applicant is not the owner or person in control of the eligible support structure or site, an attestation that the owner or person in control of the eligible support structure and/or site has consented to the proposed facility modification. If the eligible support structure is to be located within a public right-of-way, the applicant must also attest that the applicant has authorization to install, maintain, and operate transmission equipment in, under and above the public right-of-way.
4. An attestation that the Permittee will comply with existing structural, electrical, and safety codes, and a description of the general structural capacity of the new small wireless facility or the facility upon which the small wireless facility is to be colocated.
5. A description of compliance with: the applicable visibility and performance standards set forth in section 19.68.200. This includes, but is not limited to:

a. A scaled Site plan clearly indicating the location, type and height of the proposed facility, or colocation, on-site land uses and zoning, adjacent land uses and zoning, comprehensive plan classification of the Site, proposed means of access, setbacks from property lines, spacing between tower(s) and other wireless facilities, elevation drawings of the proposed tower and any other structures, topography of the site, and proposed parking;

b. If the proposed Small Wireless Facility siting involves a colocation that will alter the exterior dimensions or appearance of an existing facility, applicant shall include a detailed visual simulation depicting how the existing facility will appear after the proposed modification is complete, and particularly, how concealment or stealth will be extended, if applicable. The visual simulation shall depict to scale the existing facility with any colocation in relation to the trees, landscaping and other structures adjacent to, or in the immediate vicinity of, the eligible support structure.

c. Legal description of the parent tract and leased parcel (if applicable);

d. If new equipment cabinets, generators, or any other ground equipment components are being proposed:

i. an assessment of noise that shows compliance with City and/or Federal noise standards;

ii. a description of the method of concealment of equipment components, such as: whether such components will be located within an existing building, within an architecturally compatible addition to an existing building, or within a new building which is architecturally compatible with other buildings on the site and adjoining properties; located underground; or within an equipment cabinet or shelter;

iii. if equipment is proposed to be concealed within an equipment cabinet or shelter that will be located above ground, a description of the landscaping and screening, if technically feasible.

e. Any engineering report(s) required to show feasibility of meeting the applicable criteria in this section as applicable;

(6) A stamped report by a state of Washington registered professional engineer or an assessment demonstrating compliance with Federal radio-frequency emissions standards applicable to wireless facilities.

B. Waiver of Submittal Requirement. The approval authority may waive any submittal requirement upon determination that the required submittal, or part thereof, would materially inhibit wireless service. A waiver, to be effective, must be in writing and signed by the approval authority.

C. Fee. Every application for a small wireless service facility permit or wireless conditional use permit must be accompanied by an application fee which will be set by the City Council in its unified fee schedule, to reimburse the City for the costs of reviewing the application, including any third-party review required by the City, and fees equal to the a reasonable approximation of the objectively reasonable costs for the attachment to or use of property owned or controlled by the City.

19.68.100 Permit application – all other Wireless Facilities.

A. Application. A complete application for a wireless service facility permit or wireless conditional use permit for wireless facilities other than Small Wireless Facilities and Eligible Support Structures or EFRs must include the following information and materials on a form provided by the Director. For the purposes of this section, a complete application includes:

1. The name and address of the applicant;
2. Identification of all carriers using the facility;
3. If the applicant is not the owner or person in control of the eligible support structure or site, an attestation that the owner or person in control of the eligible support structure and/or site has consented to the proposed facility modification. If the eligible support structure is to be located within a public right-of-way, the applicant must also attest that the applicant has authorization to install, maintain, and operate transmission equipment in, under and above the public right-of-way.
4. A description of compliance with: the applicable visibility and performance standards set forth in section 19.68.200. This includes, but is not limited to:
 - a. A scaled Site plan clearly indicating the location, type and height of the proposed facility, or colocation, on-site land uses and zoning, adjacent land uses and zoning, comprehensive plan classification of the Site, proposed means of access, setbacks from property lines, spacing between tower(s) and other structures, elevation drawings of the proposed tower and any other structures, topography of the site, and proposed parking;
 - b. Legal description of the parent tract and leased parcel;
 - c. A landscape plan showing specific landscape materials;
 - d. Method of fencing, the finished color and/or the method of camouflage and illumination.
5. A description of compliance with the additional requirements in this Chapter for collocating and/or for conditional uses, if applicable.
6. If new equipment cabinets, generators, or any other ground equipment components are being proposed:(i) an assessment of noise that shows compliance with City and/or Federal noise standards.
7. A stamped report by a state of Washington registered professional engineer demonstrating compliance with radio-frequency emissions standards as set forth in Section 19.68.240.

B. New facilities. In addition to the application materials delineated in subsection (A) above, an application for a new wireless facility must provide:

1. A notarized statement by the applicant as to whether construction of a new facility will accommodate collocating of additional antennas for future users.

2. An explanation of how the proposed new facility at the proposed location is necessary to do one of the following: fill a significant gap in service, to introduce new services, to densify a network, or to otherwise improve service capabilities.
 3. A description of the suitability of the use of existing facilities, including towers or other structures to provide the services to be provided through the use of the proposed new facility.
 4. Any other engineering report(s) required to show feasibility of meeting the applicable criteria in subsections (A) and/or (B) as applicable;
- C. Third Party Review. The City may require the applicant to submit its materials to a third-party for review, as may be reasonably necessary to determine compliance with this Chapter, such as an engineer or architect, by way of example only.
- D. Fee. Every application for a wireless service facility permit or wireless conditional use permit must be accompanied by an application fee which will be set by the City Council in its unified fee schedule, to reimburse the City for the costs of reviewing the application, including any third-party review required by the City, and fees equal to the a reasonable approximation of the objectively reasonable costs for the attachment to or use of property owned or controlled by the City.

19.68.110 Permit approval process.

- A. Wireless service facility permit (WSF). The review process for wireless service facility permit applications is that for a Type 1 (Administrative Ministerial Action) as delineated in Table 19.20.030-1 AMC.
- B. Wireless conditional use permit (WCUP). The review process for wireless conditional use permit applications is that for a Type 3-HE review, delineated in Table 19.20.030-1 AMC. The criteria for a conditional use permit as set forth in Chapter 19.36 of the City's code does not apply.
- C. The only applicable sections of Chapter 19.20 for the purposes of this Chapter are sections 19.20.140 (Application – Notice), 19.20.150 (Application – Department Review), 19.20.160 (Public hearings and meetings), 19.20.170 (Public hearing – notice), and 19.20.190 (Decision – Notice). The appeal section in this chapter supersedes the appeal sections in Chapter 19.20.
- C. This permit approval process does not apply to Eligible Facility Requests.

19.68.120 Permit review – general criteria.

- A. In evaluating a permit application under this Chapter, the decision-maker must examine the following criteria:
1. Whether all requisite licenses, certificates, and authorizations from applicable Federal, State, and local agencies have been obtained by the applicant;

2. Whether the applicant has shown that its proposed facility or colocation meets the standards and criteria set forth in this Chapter, including the visibility and performance criteria set forth in Section 19.68.200;

3. Whether the applicant has shown that its proposed facility meets any additional requirements in this Chapter for colocating and/or wireless conditional uses, if applicable.

B. For a new wireless facility or a new Small Wireless Facility, whether it is necessary to introduce new services, to densify a network, or to otherwise improve service capabilities.

C. Decision. After considering all information submitted, and the record on file and from any hearing, the decision-maker will decide whether to grant, deny, or grant the permit with conditions, and must issue a written decision containing findings of fact supported by substantial evidence, based on the criteria above.

D. Issued permit. Any wireless service facility permit that is issued under this Chapter must contain the location, nature, and extent of approved use, together with all conditions that are imposed. A copy of the permit will be kept on file and reviewed annually by the administering City official. If, at any time, the use no longer complies with the stated conditions, the owner will be declared in violation of this chapter.

19.68.130 Permit review – supplemental criteria for conditional uses.

A. In addition to the general criteria for approval uses set forth in this Chapter, the following criteria apply to all permits denominated as conditional uses:

1. The applicant must demonstrate that visual, noise, and other impacts associated with the proposed facility have been minimized to the maximum extent possible using existing concealment technology, site design, noise abatement techniques, concealment, disguise, camouflage, and/or the use of architecturally compatible improvements to existing structures where permitted, and/or underground placement of ancillary equipment. In evaluating the site design, consideration will be given to whether the facility will blend into the surrounding topography, tree coverage, foliage, and other natural features and whether locating the facility in alternative locations upon the subject property, or reasonably available properties, would better conceal the facility through use of existing natural and built features;

2. The applicant must demonstrate compatibility of the proposed structure with the height and mass of existing buildings and structures in the area.

3. The applicant must demonstrate that the design of the proposed facility complies with the purpose and intent of this chapter, including, but not limited to, the visibility and performance standards set forth in AMC 19.68.200 which most closely match the proposed facility;

4. The applicant must demonstrate that alternative locations, including other colocations and alternative support structures, are not available for the proposed facility;

5. The applicant must demonstrate that the proposed facility is not in conflict with the health and safety of the community;

6. The applicant must demonstrate that the proposed facility will be supported by adequate public facilities or services and will not adversely affect public services to the surrounding area or conditions can be established to mitigate adverse impacts on such facilities.

B. In evaluating any proposed wireless service facility denominated as a conditional use, the Director may, at the expense of the applicant, retain an outside consultant to review the technical, design and other materials submitted by the applicant in conjunction with the proposal.

19.68.140 Completeness review.

A. Completeness Review. Applications must be reviewed for completeness within thirty days of receipt, except for applications to site Small Wireless Facilities, which must be reviewed for completeness within ten days of receipt. If the application is not reviewed for completeness within the applicable timeframe, it will be deemed complete.

B. Tolling. For applications to site Small Wireless Facilities, the review period resets once an applicant submits its additional materials. For all other applications deemed incomplete, the review period is tolled for up to sixty days. Once an applicant submits additional materials, the review timeframe begins to run again. If the applicant does not submit the required materials, the City may deny the application.

C. Submittal of Additional Materials. If an applicant submits additional materials, the Director must provide notice within 10 days as to any additional materials identified in the original notice that were not provided with the supplemental materials. Second or subsequent notices of incompleteness may not specify missing documents or information that was not delineated in the original notice of incompleteness. For second or subsequent notices of incompleteness, the review timeframe will be tolled for all applications including for siting Small Wireless Facilities. If the applicant does not submit the required materials, the City may deny the application.

D. Failure to act. If the decision-maker fails to approve or deny a request seeking approval for either a wireless service facility permit or wireless conditional use permit within the applicable timeframe for review, accounting for any tolling, the request is deemed granted. The deemed grant does not become effective until the applicant notifies the applicable reviewing authority in writing after the review period has expired that the application has been deemed granted.

19.68.150 Timeframe for review.

The timeframe for review of an application for a wireless facility permit or wireless conditional use permit begins to run when an application is submitted, not when the application is deemed complete.

	Modifications that are not Substantial.	Colocating Wireless Facilities	New Wireless Facility	Colocating Small Wireless Facilities	New Small Wireless Facility
Timeframe	Approval required within sixty (60) days from receipt of	Written decision due within ninety (90) days from	Written decision due within one hundred and fifty (150) days from	Written decision due within sixty (60) days from	Written decision due within ninety (90) days from

	submission of application	submission of application	submission of application.	submission of application	submission of application.
Notes	If the City finds that the application involves a Substantial Change, the City may process the application as one for a new facility or deny the application.	This provision does not apply to Small Wireless Facilities.	This provision does not apply to Small Wireless Facilities.		

19.68.160 Construction.

A. Construction within two years. Construction or substantial progress toward construction of a facility for which a permit has been issued pursuant to this chapter must be undertaken within two years after approval of the permit. Substantial progress toward construction includes, but is not limited to: the letting of bids, making of contracts, and purchase of materials involved in development.

B. Tolling. In determining whether the two-year period has run, time during which litigation has been pending related to the construction of the facility must not be included.

C. Extension and termination. The city may, at its discretion, extend the two-year period for a reasonable time, based on factors including the inability to expeditiously obtain other required governmental permits prior to the commencement of construction. If a facility for which a permit has been granted has not been completed within three years after the approval of a permit the City must review the permit upon the expiration of three years, and upon a showing of good cause for the delay, either (a) extend the permit for one year; or (b) terminate the permit.

19.68.170 Appeals.

Appeals may be commenced on an action by the decision-maker on a permit application, within thirty (30) days of such act or failure to act, in any court of competent jurisdiction. This section supersedes the City's administrative appeal process set forth in Section 19.20.210.

19.68.180 Prohibited Locations.

A. Lattice and guyed wire towers are not permitted in any zoning district.

B. Commercial advertising including billboards and business identification signs may not be used as alternative antenna support structures.

19.68.190 Permitted locations.

New wireless service facilities, which includes new Small Wireless Facilities are permitted as follows, with the type of permit indicated. For those facilities located within a "right-of-way", a

master permit and construction permit for such use is required under the provisions of Chapter 5.38. The zones referred to below are defined in the City's general zoning code.

Type of Facility	Residential Zones (R1, R2, R2A, R3, R3A, R4, R4A, OT)	Mixed Use Zones (CBD, C, MMU, CM, CM2, P)	Industrial Zones (LM, LM1, MS, HM, I, AZ)
Monopole	Permitted with WCUP	Permitted with WSF, except permitted with WCUP in P and except not permitted in CBD	Permitted with WSF
Utility Poles	Permitted with WCUP	Permitted with WSF, except permitted with WCUP in P, and except not permitted in CBD	Permitted with WSF
Electric Transmission Towers	Permitted with WSF, except permitted with WCUP in OT.	Permitted with WSF, except permitted with WCUP in P and except not permitted in CBD	Permitted with WSF
Water Tank Mounted	Permitted with WSF, except permitted with WCUP in OT	Permitted with WSF	Permitted with WSF
Playfield, Ballfield and Stadium Light Mounted Facilities	Permitted with WCUP	Permitted with WSF	Permitted with WSF
Building Attached	Permitted with WSF, only on buildings with nonresidential uses, and except permitted with WCUP in OT	Permitted with WSF	Permitted with WSF
Stealth Support Structure	Permitted with WSF, except permitted with WCUP in OT	Permitted with WSF, except permitted with WCUP in P	Permitted with WSF
Small Wireless Facility on an existing or replacement structure	Permitted with WSF	Permitted with WSF	Permitted with WSF
Other Types Not Listed	Permitted with WCUP	Permitted with WCUP	Permitted with WCUP

19.68.200 Visibility and performance standards.

All wireless service facilities locating within Anacortes must comply with the following standards:

A. Standards for all types of facilities:

General	1. All portions of the facility must be the minimum size necessary to support operation of the facility, as certified by the provider's licensed engineer. Where multiple facilities are proposed to be located in close proximity, they may be required to be consolidated in one equipment housing structure.
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	2. Owners and operators must provide information regarding the opportunity for the co-location of facilities. Provision for future co-location may be required if technically feasible and where opportunities for smaller facilities with fewer impacts are limited due to topography, lack of existing above ground structures or other circumstances.
Antennas (including Small Wireless Facilities)	1. In general, an antenna array must either be flush mounted within 12 inches of the support structure, or within 12 inches of the face of the building it is attached to; or be contained in a canister that is a continuation of the support structure and is centered on top of the support structure; or be placed pursuant to the City's adopted design standards, subject to the concealment requirements below. 2. All antennas or arrays must be a color and material that matches the support structure. 3. Roof-mounted installation is permitted when the City's adopted design and the Appearance and Screening requirements below have been met. The antennas, mounting brackets and any concealment structures are exempt from the height limit of the underlying zone to the extent that the total height of such facilities does not increase the overall building height by 18 feet, or 50 percent of the original building height, whichever is less.
Equipment Cabinets, Shelters, and Undergrounding	1. All equipment necessary for the operation of the facility must be concealed, either within an existing building, within an architecturally compatible addition to an existing building, or within a new building which is architecturally compatible with other buildings on the site and adjoining properties; or located underground with exceptions as stated in Chapter AMC 15.32, and excepting equipment cabinets and shelters, which may be located above ground, and landscaped and screened pursuant to the City's typical landscaping requirements. 2. This section does not apply to antennas or other facilities that are required to remain above-ground in order to be functional, or if it would otherwise materially inhibit wireless service. 3. Underground shelters are not allowed where such shelters would interfere with existing uses of public land including, but not limited to, public rights-of-way. Equipment enclosures less than or equal to five cubic feet, with no single dimension over three feet, may be mounted directly on a monopole or utility pole. These dimension limitations do not apply to Small Wireless Facilities. 4. Equipment cabinets and shelters are permitted upon abutting private property and may be located within public rights-of-way, pursuant to the applicable requirements and obtaining the appropriate permits specified in Chapter AMC XX.XX. 5. The size of equipment cabinets and shelters must be minimized to the greatest extent possible. 6. Prefabricated concrete and metal structures for equipment enclosures are not permitted unless treated with a facade giving the appearance of masonry or wood siding and are compatible with the existing neighborhood and surrounding setting.
Appearance and Screening	The following standards must be met to ensure the facility minimizes its visual impact: 1. Design and configurations must be compatible with the existing neighborhood, blend in with the surrounding setting, and/or are screened from surrounding uses and properties. 2. Design and configurations must minimize visual intrusion of the facility on surrounding uses and properties. Such techniques may include, for example: containing transmission and power cables and other conduit within any support structure, locating facilities underground, or otherwise screening the facility; minimizing the lateral projection of antenna arrays to the greatest extent technically feasible; and integrating antenna arrays into the design of any structure to which they are attached. 3. Facilities on private property must be screened through the use of mature trees that are a minimum of 20 feet tall and planted to screen at least 80 percent of the area around the facility, if technically feasible. 4. For stealth supported structures, the structure must be designed to resemble an object that would be commonly found in the area, including, but not limited to, a flagpole, a clock or bell tower, a tree that is a native conifer species, or a silo. Antennas, to the maximum extent feasible, must be concealed by the stealth support structure, or must not be easily recognized. To determine feasibility, the applicant must submit an engineer's report regarding the feasibility of concealing the antennas.

Noise	Noise reduction measures must comply with the City and/or Federal noise regulations, whichever demonstrates the least amount of noise impact for the nearest residential dwelling(s) at any time of day or night, as measured from the closest point from the exterior of the dwelling to the wireless facility. Such requirements are exempt during testing of alternative power sources (i.e., power generators or similar emergency power sources).
Landscaping	1. Facilities and/or equipment cabinets must be surrounded with a minimum of four feet wide landscaping, in the applicable zones set forth in the City's general zoning provisions, if technically feasible. 2. Towers must be landscaped with a buffer of plant materials that effectively screens the view of the tower compound from properties used for residences, if technically feasible. In some cases, natural growth around the property perimeter may provide a sufficient buffer. 3. Existing mature tree growth and natural land forms on the site must be preserved to the maximum extent possible.
Setbacks	1. In residential zones, towers, antennas, monopoles, and other wireless facilities and equipment pertaining thereto must not be closer than the greater of 20' or 100% of the tower height from the adjoining lot line. 2. In non-residential zones, facilities must comply with the setback requirements set forth in the applicable zoning code, Chapter 17 AMC, and meet or exceed the City or Federal noise regulations, whichever demonstrates the least amount of noise impact for the nearest residential dwelling(s), as measured from the closest point from the exterior of the dwelling to the facility. 3. The setback may be reduced if the applicant uses noise abatement techniques, such as decorative noise walls, to achieve equivalent or greater reduction of visual and noise impacts from the facility. 4. For co-locations, new equipment associated with the facility must be placed no closer to existing residential uses than any existing equipment enclosure on the subject property. 5. These setback requirements do not apply to SWF's in the ROW.
Spacing	1. In residential zones, towers and their antennas must not be closer than 200' or 100% of the tower height from the nearest residential dwelling(s), as measured from the closest point from the exterior of the dwelling to the facility. 2. In non-residential zones, there are no spacing requirements. 3. The minimum spacing requirements herein will not apply if they have the effect of materially inhibiting wireless service.

B. Standards for specific types of facilities:

New Monopoles (including Small Wireless Facilities) and Stealth Wireless Support Structures	Any wireless service provider which proposes to construct a new monopole or stealth supported facility must provide, as part of its permit application, written findings from a qualified engineer which demonstrate that: 1. Either there are no other facilities reasonably available for colocation; or 2. Any existing facilities reasonably available are not technologically suitable for use by the applicant; and 3. The proposed monopole has been designed in a manner that will allow for the colocation of at least one additional antenna array on the structure, if technically feasible. 4. The height of the monopole may not exceed 120 feet or the height of similar structures permitted in the zone within which it is located, whichever is greater.
Colocating Monopoles or Utility Poles Within Public Rights-of-Way	1. More than one facility may be colocated on any monopole, subject to the permits and technical feasibility. 2. Monopoles located within public rights-of-way must be located a minimum of 500 feet apart; a shorter distance may be approved if the applicant submits an engineering analysis and equipment specifications that demonstrate the reduced distance is necessary to provide adequate coverage and/or capacity.

	3. Where a utility located upon a monopole requires vertical separation between its facilities and the antenna(s), the structure/pole and antenna may be raised or replaced with a taller structure to accommodate the minimum separation requirement, not to exceed 20 feet in the public right-of-way. Any additions must be constructed of similar materials, and have surface treatments which match the color and texture of the original facility.
Electric Transmission Towers or Utility Poles Outside Public Rights-of-Way	Where a utility located upon the support structure (such as electric transmission tower) requires vertical separation between its facilities and the antenna(s), the structure/pole and antenna may be raised by a mount or replaced with a taller structure to accommodate the minimum separation requirement, not to exceed 30 feet. Any additions must be constructed of similar materials, and have surface treatments which match the color and texture of the original facility.
Playfield, Ballfield and Stadium Light Mounted Facilities	Only one facility is permitted on any playfield, ballfield, or stadium light. Where lighted signs and illuminated areas are permitted, such illuminating devices must be shaded and directed so as not to be visible from any residentially zoned property.
Building Attached	The equipment for roof-mounted antennas within the OT zone must be located within the same building on which the antennas are located. This provision will not apply to Small Wireless Facilities if it has the effect of materially inhibiting the provision of service.

19.68.210 Requirements for colocations.

A. All wireless facilities colocating within the City of Anacortes must meet the following standards. This section does not apply to Eligible Facilities Requests.

B. Colocations (as defined in Section 19.68.030(5)) are permitted on existing monopoles and stealth support structure facilities, so long as the colocation maintains the appearance of the existing structure, and do not interfere with the City's placement of cameras or other public safety uses.

C. The height of the existing facility may be increased by the minimum vertical separation necessary between the facilities, not to exceed 20 feet; except for towers and utility poles outside public rights-of-way, the height of which may be increased by up to 30 feet to accommodate the minimum separation requirement. The height of the existing facility with all increases in height due to colocations may not exceed the general height limitation for similar structures or buildings within the zone in which it is permitted or 120 feet, whichever is greater.

D. Existing monopoles and antenna support structures may be replaced to accommodate colocation. Monopoles and stealth support structures must, to the maximum extent feasible, be located within 20 feet of the existing structure within the public right-of-way, or within 30 feet of the existing structure outside of the public right-of-way, and maintain the design of the original structure, including any stealth or camouflage components. To determine feasibility, the applicant must submit an engineer's report regarding the feasibility of a proposed replacement.

E. All antenna support structures permitted pursuant to the terms of this chapter or otherwise located within the City of Anacortes must be made available for use by the owner or initial user thereof, together with as many other wireless service providers as can be technically colocated thereon. The owner of an antenna support structure may charge a reasonable fee for the colocation of additional facilities upon said structure which does not exceed the fair market value

for the space occupied by said colocated facilities. If the City is the owner, it may not charge a fee that exceeds a reasonable approximation of the objectively reasonable costs associated with siting a Small Wireless Facility on the antenna support structure.

F. Colocating facilities must meet all other visibility and performance standards in Section 19.68.200.

19.68.220 Requirements for Non-Substantial Changes.

All modifications to wireless service facilities to the existing facility, including Small Wireless Facilities, that are Non-Substantial, must comply with the following standards:

- A. No modification may violate the City or Federal noise regulations.
- B. No modification may violate the Federal radio-frequency emission standards.
- C. No modification may violate setback or other lot coverage or height requirements in this Chapter.

19.68.230 Maintenance of facilities.

The owner and/or operator of all wireless service facilities must maintain their facilities in a good and safe condition and in a manner which complies with all applicable Federal, State, and local requirements.

19.68.240 Testing of facilities required – Radio-frequency (RF) emissions.

- A. All wireless service facilities must comply with applicable Federal Communications Commission (FCC) regulations regarding radio-frequency emissions. All tests must be performed by or under the supervision of a professional engineer competent to perform such testing and interpret the data gathered.
- B. Reports or similar support documents must be submitted for all facilities confirming compliance with all applicable FCC regulations. Compliance reports are required when requested by the Director.
- C. If at any time radio-frequency emission tests show that a facility exceeds any of the standards established by the FCC, the owner or operator thereof must immediately discontinue use of the facility and notify the Director. Use of such facilities may not resume until the owner or operator demonstrates that corrections have been completed which reduce the radio-frequency emissions to levels permitted by the FCC.

19.68.250 Testing of facilities required – Noise emissions.

- A. The owner or operator of a wireless service facility must conduct tests necessary to demonstrate compliance with all applicable local regulations regarding the noise emissions of the facility when notified in writing by the Director that a noise complaint has been received regarding the facility. All such tests must be performed by or under the supervision of a licensed environmental noise consultant competent to perform such tests and interpret the data gathered.

B. When such a report is required, a report, certified by a licensed environmental noise consultant, setting forth the observed noise levels at the property line of the property upon which the facility is located must be submitted. The report must account for background noise and other noise sources and demonstrate the noise levels emitted by the facility, including any air conditioning or ventilation equipment contained therein. Such report must address standards set forth within noise reduction measures within noise provisions in Section 17.54.010 AMC or the standards set forth with the Federal Interagency Committee on Urban Noise, whichever demonstrates the least amount of noise impact for the nearest residential dwelling(s), at any time of day or night, as measured from the closest point from the exterior of the dwelling to the wireless facility.

C. The Director may retain a technical expert in environmental noise measurement to verify the noise measurements and certification. The cost of such a technical expert must be borne by the owner or operator of the facility, if said facility fails to comply with applicable State or local noise standards.

(D) This section does not apply during the testing of alternative power sources (i.e., power generators).

19.68.260 Security fencing.

All wireless service facilities must be protected from unauthorized entry. The perimeter of all wireless service facilities, other than small wireless facilities in the ROW, which include an antenna support structure must be secured with security fencing which does not exceed seven feet in height. Wireless service facilities that do not include an antenna support structure must be protected from unauthorized entry through appropriate means approved by the Director or his or her designee on a case-by-case basis consistent with the purpose of protecting the public health, safety, and welfare.

19.68.270 Abandonment of facilities.

Any antenna support structure that has had no antennas mounted upon it for a period of six months, or if the antennas mounted thereon are not operated for a period of six months, will be considered abandoned, and the owner thereof must remove such structure and any accompanying equipment and enclosure within 90 days after receipt of a notice from the Director to do so. The Director may extend this time period to a maximum of six additional months. The owner or operator of all wireless service facilities must, when requested by the Director, submit a written report, signed under penalty of perjury, which demonstrates whether or not there has been a cessation in use of the facility for a period of six months during the prior year. If a facility and associated equipment are not removed within 90 days after receipt of a notice from the Hearing Examiner requiring said removal, the Hearing Examiner may seek and obtain a court order directing such removal and imposing a lien upon the real property upon which such wireless service facility is situated in an amount equal to the cost of removal. In the event that more than one wireless service provider is using the antenna support structure, the antenna support structure will not be considered abandoned until all such users cease using the structure as provided in this section.

19.68.280 Signs.

A. Except as approved as part of a plan to conceal, disguise, or camouflage a wireless service facility, no signs, symbols, flags, banners, or similar devices must be placed on, attached to, painted, or inscribed upon any antenna support structure or alternative antenna support structure. Notwithstanding the foregoing, an applicant and/or land owner may place not more than four signs measuring 12 by 18 inches upon or near a wireless service facility which:

1. state that trespassers will be prosecuted;
2. list the names and telephone numbers of persons to be contacted in the event of an emergency;
3. identify the applicant and/or land owner or person responsible for operating the wireless facility; and/or
4. contain information necessary and convenient for the person operating the wireless service facility to identify the wireless service facility.

B. Nothing in this section may be construed to prohibit the placement of safety or warning signs upon any portion of the wireless service facility which are required by law or which are designed to apprise emergency response personnel and the employees and agents of wireless service providers of particular hazards associated with equipment located upon the wireless service facility.

19.68.290 Lighting standards.

Except as specifically required by Federal Aviation Administration (FAA) or FCC regulations, antenna support structures cannot be illuminated. However, equipment enclosures may be illuminated for security reasons when compatible with the surrounding neighborhood.

19.68.300 SEPA.

Integration of environmental review. An application for a wireless service facility permit or wireless conditional use permit that is subject to the State Environmental Policy Act (SEPA) must be reviewed per AMC Chapter 18.04 concurrently with the review of the permit reviewed under this Chapter, except where exempted by that chapter. If there is a conflict between this Chapter and development regulations in other Chapters, the provisions of this Chapter will apply.

Section 4. Severability.

The provisions of this ordinance are separate and severable. If a court of competent jurisdiction, all appeals having been exhausted or all appeal periods having run, holds any provision of this ordinance invalid or unenforceable as to any person or circumstance, the offending provision, if feasible, is modified to be within the limits of enforceability or validity. If the offending provision cannot be modified, it is null and void with respect to the particular person or circumstance. All other provisions of this ordinance in all other respects, and the offending provision with respect to all other persons and all other circumstances, remain valid and enforceable.

Section 5. Corrections.

Upon approval of the Mayor and the City Attorney, the Clerk is authorized to make necessary corrections to this ordinance, including the correction of (1) clerical errors, (2) references to other local, state or federal laws, codes, rules or regulations, and (3) ordinance numbering and section and subsection numbering.

Section 6. Ratification.

All actions taken prior to the effective date of this ordinance in furtherance of and not inconsistent with the provisions of this ordinance are ratified and confirmed in all respects.

Section 7. Effective Date.

This ordinance will take effect five days after its passage, approval, and publication.

Passed by the City Council of the City of Anacortes, Washington at a regular meeting thereof, this 11th day of February, 2019.

Mayor

Approved as to form:

City Attorney

Attest:

Clerk

CITY OF ANACORTES

ORDINANCE NO. 3039

AN ORDINANCE OF THE CITY OF ANACORTES, WASHINGTON, ADOPTING A NEW CHAPTER OF CODE, 5.38, ENTITLED “PUBLIC UTILITY AND WIRELESS TELECOMMUNICATIONS RIGHT-OF-WAY USE” RELATING TO THE REGULATION OF WIRELESS TELECOMMUNICATION FACILITIES AND PUBLIC UTILITIES LOCATING IN THE PUBLIC RIGHT-OF-WAY

THE CITY COUNCIL OF THE CITY OF ANACORTES, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Preamble.

1. WHEREAS, under state law, the City may require a master permit for telecommunications service providers RCW 35.99.030(1) (“Cities and towns may require a service provider to obtain a master permit.”); RCW 35.99.010(6) (defining service provider as “every corporation, company, association, joint stock association, firm, partnership, person, city, or town owning, operating, or managing any facilities used to provide and providing telecommunications or cable television service for hire, sale, or resale to the general public.”); RCW 35.99.010(3) (defining master permit as including franchises).
2. WHEREAS, The City code does not currently provide for permitting telecommunications service providers in the right-of-way other than cable communications systems, Chapter 5.44 RCW.
3. WHEREAS, the City code does not currently provide for a master permit to recover reasonable costs associated with small cell deployments in the right-of-way, to comply with shot clocks associated with such deployments, and to set other terms for such deployments under Federal Communications Commission Order No. FCC-18-133.
4. WHEREAS, RCW 35.99.030(5)(b) authorizes the City “to require that facilities are installed and maintained within the right-of-way in such a manner and at such points so as not to inconvenience the public use of the right-of-way or to adversely affect the public health, safety, and welfare.”
5. WHEREAS, this Ordinance is adopted consistent with federal and state laws and the City's police power to regulate for the benefit of the public safety, health and welfare.
6. WHEREAS, the City has received proposed changes to the new code section from citizens and agencies (including the City);
7. WHEREAS, the proposed new code section has been the subject of public hearings before the Planning Commission and subject to SEPA review;

8. WHEREAS, notice of the possible adoption of these changes has been provided to the State;
9. WHEREAS, the City Council has determined that it is in the best interest of the City to adopt a new code section that pertains to regulating wireless service facilities and public utilities locating in the public right-of-way.

Section 2. New Section of AMC, 5.38.

A new section, 5.38, of the AMC is adopted to read as follows:

**PUBLIC UTILITY AND TELECOMMUNICATIONS
RIGHT-OF-WAY USE**

Sections:

- | | |
|----------|---|
| 5.38.010 | Purpose. |
| 5.38.020 | Applicability. |
| 5.38.030 | Definitions. |
| 5.38.040 | Master permit and construction permit required. |
| 5.38.050 | Optional pre-application. |
| 5.38.060 | Construction permit application. |
| 5.38.070 | Master permit application. |
| 5.38.080 | Completeness review. |
| 5.38.090 | Timeframe for review. |
| 5.38.100 | Construction permit approval. |
| 5.38.110 | Master permit approval. |
| 5.38.120 | Compensation to the City. |
| 5.38.130 | Nondiscrimination. |
| 5.38.140 | Amendment of Permit. |
| 5.38.150 | Renewal application – Master Permit. |
| 5.38.160 | Renewal approval. |
| 5.38.170 | Terms of use and occupancy. |
| 5.38.180 | Specifications. |
| 5.38.190 | Exceptions. |
| 5.38.200 | Security fund. |
| 5.38.210 | Performance bond. |
| 5.38.220 | Insurance. |
| 5.38.230 | Hold harmless/indemnity. |
| 5.38.240 | Inspections. |
| 5.38.250 | Revocation of master permits and construction permits. |
| 5.38.260 | Correction and discontinuance of a Master Permit. |
| 5.38.270 | Correction and discontinuance of a Construction Permit. |
| 5.38.280 | Removal. |
| 5.38.290 | Displacement for public use. |
| 5.38.300 | Additional ducts or conduits. |
| 5.38.310 | Joint use of poles. |
| 5.38.320 | City use for noncommercial government communication. |

5.38.330	Appearance.
5.38.340	Moving of building(s) and/or equipment.
5.38.350	Billings and collections.
5.38.360	Liability.
5.38.370	Tree trimming.
5.38.380	Underground facilities.
5.38.390	Joint trenching.
5.38.400	Notice of tariff changes.
5.38.410	One-call locator.
5.38.420	Violation – Penalties.

5.38.010 Purpose.

The purpose of this chapter is to provide for the regulation of the use of public right-of-way by any business, service, or person which is engaged in supplying the public with some commodity or service which is of public consequence and need, such as public and private utilities, wireless telecommunications or transportation service.

5.38.020 Applicability.

The provisions of this chapter apply to all public utility and wireless carriers which occupy, use, construct, or maintain utility or telecommunications facilities within public right-of-way of the City.

To the extent the provision of any current franchise or other written agreement with a public utility or wireless carrier conflicts with any provision of this chapter, the applicable provision of the franchise or other written agreement prevails.

5.38.030 Definitions.

For the purposes of this chapter, the following terms, phrases, and words have the meanings set forth below unless the context clearly indicates otherwise. When not inconsistent with the context, words used in the present tense include the future tense, words in the plural number include the singular number, and words in the singular number include the plural number.

A. A definitions.

“Act” means a decision to grant, condition, or deny the use condition, or deny a permit, which may be subject to administrative appeal, or a notification to the applicant in writing of the amount of time that will be required to make the decision and the reasons for this time period.

B. B definitions.

“Base station” means: a structure or equipment at a fixed location that enables FCC-licensed or authorized wireless communications between user equipment and a communications network. The term does not encompass a “Tower” or any equipment associated with a Tower.

- The term includes, but is not limited to, equipment associated with wireless communications services such as private, broadcast, and public safety services, as well as unlicensed wireless services and fixed wireless services such as microwave backhaul.
- The term includes, but is not limited to, radio transceivers, antennas, coaxial or fiber-optic cable, regular and backup power supplies, and comparable equipment, regardless of technological configuration (including Distributed Antenna Systems and small-cell networks).
- The term includes any structure other than a tower that supports or houses equipment that has been reviewed and approved under the applicable zoning or siting process, or under another State or local regulatory review process, even if the structure was not built for the sole or primary purpose of providing such support.
- The term does not include any structure that does not support or house equipment for wireless telecommunications services.

C. C definitions.

“City Engineer” means the City Engineer of the City of Anacortes, Washington acting in his or her official capacity, and his or her designee(s).

“Complex project” means a construction project involving, by way of example only: adding, installing, or relocating numerous conduits, wires, lines, poles, pipes, cables, communication and signal lines, braces, guys, anchors, vaults, pedestals, antennas, and/or other structures, equipment and appurtenances to a public utility or wireless facility; navigating intricate or complicated facility or land ownership issues; determining whether significant environmental impact(s) exist; and/or the analysis of highly technical structural or engineering information or reports.

D. D definitions.

E. E definitions.

“Emergency” means a condition of imminent danger to the health, safety, and welfare of property or persons located within the City, including, but not limited to, damage to persons or property from natural consequences, such as storms, earthquakes, riots or wars.

F. F definitions.

“Facilities” means all of the towers, equipment, fixtures, antennas, equipment cabinets, equipment shelters, and other appurtenances necessary to furnish and deliver wireless services, including but not limited to utility, monopoles, and street poles with cross arms or without cross arms, wires, lines, conduits, cables, communication and signal lines and equipment, braces, guys, anchors, vaults, and all attachments, appurtenances, and appliances necessary or incidental to the distribution and use of wireless services. Facilities include “Small Wireless Facilities” as defined below.

G. G definitions.

H. H definitions.

I. I definitions.

J. J definitions.

K. K definitions

L. L definitions.

M. M definitions.

“Master permit” means the agreement whereby the City of Anacortes may grant general permission to a service provider to enter, use, and occupy the right-of-way for the purpose of locating facilities. This definition is not intended to limit, alter, or change the extent of the existing authority of the City of Anacortes to require a franchise, nor does it change the status of a service provider asserting an existing statewide grant based on a predecessor telephone or telegraph company’s existence at the time of the adoption of the Washington State Constitution to occupy the right-of-way. A master permit does not include cable television franchises or permits.

N. N definitions.

O. O definitions.

“Overhead facilities” means utility poles, utility facilities and wireless facilities located above the surface of the ground, including the underground supports and foundations for such facilities.

P. P definitions.

“Permittee” means the public utility, service provider, or other person authorized under a master permit or construction permit under the provisions of this Chapter.

“Person” means and includes corporations, companies, associations, joint stock companies or associations, firms, partnerships, limited liability companies and individuals and includes their lessors, trustees and receivers.

“Public improvement” as used herein, means all work, construction, alterations, repair or improvements within public right-of-way, executed at the cost or under contract of the City, or caused to be performed by any person or entity as a condition or requirement of an approval or permit for zoning, land use, construction, or development if dedicated or required to be dedicated to the public use, benefit or enjoyment.

“Public right-of-way” means any highway, street, alley, other public right-of-way, or easement for motor vehicle under the jurisdiction and control of the City which has been acquired, established, dedicated or devoted to such purposes, but only to the extent of the City’s right, title, interest or authority to grant a permit to occupy and use such streets and easements for wireless and utility facilities.

“Public utility” as used herein, means a company or entity engaged in any business or service regularly supplying the public with some commodity or service which is a public need and consequence, such as natural gas, electricity, water or sanitary sewer, including any business subject to regulation as to rates and service by the Utilities and Transportation Commission under the provisions of RCW Title 81.

Q. Q definitions.

R. R definitions.

S. S definitions.

“Service provider” means every corporation, company, association, joint stock association, firm, partnership, person, city, or town owning, operating, or managing any facilities used to provide and providing wireless service for hire, sale, or resale to the general public. Service provider includes the legal successor to any such corporation, company, association, joint stock association, firm, partnership, person, city, or town.

“Small Wireless Facility” encompasses facilities that meet the following conditions:

- The facilities—
 - are mounted on structures 50 feet or less in height including their antennas as defined in section 1.1320(d), or
 - are mounted on structures no more than 10 percent taller than other adjacent structures, or
 - do not extend existing structures on which they are located to a height of more than 50 feet or by more than 10 percent, whichever is greater;
- Each antenna associated with the deployment, excluding associated antenna equipment (as defined in the definition of antenna in section 1.1320(d)), is no more than three cubic feet in volume;
- All other wireless equipment associated with the structure, including the wireless equipment associated with the antenna and any pre-existing associated equipment on the structure, is no more than 28 cubic feet in volume;
- The facilities do not require antenna structure registration under Federal regulations;
- The facilities are not located on Tribal lands, which means all lands within the exterior boundaries of any Indian reservation and all dependent Indian communities; and
- The facilities do not result in human exposure to radiofrequency radiation in excess of the applicable safety standards specified in section 1.1307(b).

“Surplus space” means that portion of the usable space on a utility pole which has the necessary clearance from other pole users, as required by Federal or State orders and regulations, to allow its use by a public utility or wireless carrier for a pole attachment. “Surplus space” also includes usable space within underground conduits and ducts when the necessary clearance from other users, as required by Federal or State orders and regulations, can be achieved;

T. T definitions.

U. U definitions.

“Underground facilities” means utility and wireless telecommunications facilities located under the surface of the ground, excluding the underground foundations or supports for overhead facilities;

“Usable space” means the total distance between the top of a utility pole and the lowest possible attachment point that provides the minimum allowable vertical clearance as specified in any Federal or State orders and regulations;

“Utility easement” means any easement owned by the City and acquired, established, dedicated or devoted for public utility purposes; and

“Utility facilities” as used herein means all conduit, wires, lines, poles, pipes, cables, communication and signal lines, braces, guys, anchors, vaults, pedestals, antennas, and all other structures, equipment and appurtenances thereto owned, operated or maintained by a public utility and used to furnish utility services.

V. V definitions.

W. W definitions.

“Wireless support structure” or “support structure” means a freestanding structure that is designed to support or is capable of supporting wireless facilities. The term does not include a utility pole, monopole, street pole, or tower.

“Wireless telecommunications carrier” or “wireless carrier” means and includes every corporation, company, association, joint stock association, partnership and person, their lessees, trustees or receivers appointed by any court whatsoever, and every city or town owning, operating, or managing any facilities used to provide wireless telecommunications for hire, resale to the general public within this State;

“Wireless telecommunications” or “wireless” means the transmission of information by wire, radio, optic cable, electromagnetic, or similar means for hire, sale or resale to the general public. For the purpose of this subsection, “information” means knowledge or intelligence represented by any form of writing, signs, signals, pictures, sounds, or any other symbols. For the purpose of this chapter, wireless telecommunications service excludes the over-the-air transmission of broadcast television or broadcast radio signals and excludes “cable services,” “cable communications systems” and “CATV systems” as defined in Chapter 5.44.

X. X definitions.

Y. Y definitions.

Z. Z definitions.

5.38.040 Master permit and construction permit required.

A. It is unlawful to construct, place, maintain, or operate any pipes, ducts, utility tunnels, vaults, maintenance holes, poles, fixtures, wires, utility facilities, wireless facilities, or any other appurtenances necessary for the purpose of providing wireless service, or to conduct any public utility business, on, over, or under the public right-of-way, without obtaining a master permit from the Council.

B. It is unlawful to construct, repair, or maintain any pipes, ducts, utility tunnels, vaults, maintenance holes, poles, fixtures, wires, utility facilities, wireless facilities, or any other appurtenances, necessary for the purpose of providing wireless service, or to conduct any public utility business or to go upon any such public right-of-way to perform any work therein on, under, or over public right-of-way, without obtaining a construction permit from the City Engineer. The City Engineer may exempt certain activities from the requirements of this section that do not materially affect the public right-of-way; provided, however, that if the City Engineer denies an applicant's request for such an exemption, no appeal is permitted.

5.38.050 Optional pre-application.

A. An applicant may submit materials up to thirty (30) days in advance of an application for a construction permit or master permit. The information submitted along with a pre-application may include the following information:

1. The name and address of the applicant;
2. Identification of all carriers using the facility;
3. The type of facility proposed;
4. Preliminary engineering plans, specifications, and maps of the facilities to be located within the public right-of-way;
5. Detailed construction plans demonstrating compliance with all applicable City codes and construction specifications, including the City's Engineering Standards;
6. A brief description of non-confidential, nonproprietary utility or wireless telecommunications services that are or will be offered or provided by the applicant over its facilities;
7. A brief description of non-confidential, nonproprietary transmission medium that will be used to offer or provide such services;
8. An accurate map showing the location of any existing utilities and/or wireless telecommunications facilities in the City that the applicant intends to use or lease;

9. If installation of overhead facilities is proposed, evidence that Surplus Space is available for locating the facilities on existing utility poles along the proposed route;
10. The area or areas of the City the applicant desires to serve and a schedule for building out (offering service to) the entire area covered by the master permit;
11. Proof of compliance with the other provisions of this Chapter, including but not limited to the indemnity, insurance, and bond requirements; and/or
12. Information to establish that the applicant has obtained all other governmental approvals and permits to construct and operate the facilities, and to offer or provide the services, including, but not limited to, evidence that the applicant has registered with the Washington Utilities and Transportation Commission.

5.38.060 Construction permit application.

A. To obtain a construction permit, the applicant must file an application with the City Engineer.

B. A complete application must include the following information and materials:

1. The names, residences, and business addresses of all officers and directors of the applicant.
2. Detailed construction plans demonstrating compliance with all applicable City codes and construction specifications, including the City's Engineering Standards.
3. If the applicant is constructing wireless facilities on another service provider's facilities, a notarized statement that the applicant has permission to use a third party's facility(ies), or a signed agreement with the service provider to that effect.
4. The location of the applicant's overhead and underground facilities in the public right-of-way along the proposed route and the area proposed to be served by cable.
5. Preliminary engineering plans, specifications, and maps of the facilities to be located within the public right-of-way, in sufficient detail to identify the location and route of the proposed facilities within the public right-of-way, the location of the applicant's existing facilities within the right-of-way, if any, and the specific trees, structures, facilities, and/or obstructions, if any, that the applicant proposes to temporarily or permanently remove or relocate.
6. If underground installation in existing ducts or conduits within the public right-of-way is proposed, information in sufficient detail to identify: the excess capacity currently available in such ducts or conduits before installation of the facilities; and the excess capacity, if any, that will exist in such ducts or conduits after installation of the facilities.
7. If underground installation within new ducts or conduits to be constructed within the public right-of-way is proposed: the location proposed for the new ducts or conduits; and the excess capacity that will exist in such ducts or conduits after installation of the facilities.
8. A preliminary construction schedule and completion date.

9. A detailed statement describing the actual equipment and operational standards proposed by the applicant.

10. A statement or schedule setting forth all proposed classifications of rates and charges to be set, including installation and service charges, which must remain in effect for at least twelve months after the City grants a master permit.

11. Proof of compliance with the other provisions of this Chapter, including but not limited to the indemnity, insurance, and bond requirements.

12. Any other reasonable information requested by the City Engineer or its designee, or required by any other provision of any other ordinance of the City.

13. An application fee to be set by the City Council in its unified fee schedule to allow the City to recover the costs of reviewing the application, including the costs of any third-party review.

C. Applications for Small Wireless Facilities may be submitted in batches, which may encompass up to five separate applications filed at the same time, each for one or more sites, or a single application covering up to five sites, unless the City agrees to a larger number based upon its capacity to review additional applications.

D. Third Party Review. The City may require the applicant to submit its materials to a third-party for review, as may be reasonably necessary to determine compliance with this Chapter, such as an engineer or architect, by way of example only.

5.38.070 Master permit application.

A. To obtain a master permit, the applicant must file an application with the City clerk.

B. The Council must examine each complete application submitted for review and approval to determine if it complies with the applicable provisions of this chapter. Other departments that have authority over the proposed use or activity may be required to review and approve or disapprove the application based on site-specific criteria, such as that in 19.68 AMC. The Council may inspect the public right(s)-of-way proposed for use to determine any facts which may aid in determining whether a master permit should be approved.

C. A complete application must include the following information and materials:

1. The identity of the applicant, including all affiliates of the applicant who will be authorized to work in the right-of-way under the agreement;

2. If the applicant is constructing wireless facilities on another service provider's facilities, a notarized statement that the applicant has permission to use such facilities, or a signed agreement with the service provider to that effect.

3. If the application involves a Small Wireless Facility, preliminary engineering plans showing all dimensions of the wireless facility.

4. A brief description of non-confidential, nonproprietary utility or wireless telecommunications services that are or will be offered or provided by the applicant over its facilities;
 5. A brief description of non-confidential, nonproprietary transmission medium that will be used to offer or provide such services;
 6. An accurate map showing the location of any existing utilities and/or wireless telecommunications facilities in the City that the applicant intends to use or lease;
 7. If installation of overhead facilities is proposed, evidence that Surplus Space is available for locating the facilities on existing utility poles along the proposed route;
 8. Preliminary engineering plans, specifications, and maps of the facilities to be located within the public right-of-way, in sufficient detail to identify the location and route of the proposed facilities within the public right-of-way, the location of the applicant's existing facilities within the right-of-way, if any, and the specific trees, structures, facilities, and/or obstructions, if any, that the applicant proposes to temporarily or permanently remove or relocate.
 9. The area or areas of the City the applicant desires to serve and a schedule for building out (offering service to) the entire area encompassed by the master permit;
 10. Information to establish that the applicant has obtained all other governmental approvals and permits to construct and operate the facilities, and to offer or provide the services, including, but not limited to, evidence that the applicant has registered with the Washington Utilities and Transportation Commission;
 11. Proof of compliance with the other provisions of this Chapter, including but not limited to the indemnity, insurance, and bond requirements.
 12. An application fee to be set by the Council in its unified fee schedule which allows the City to recover its actual administrative expenses that are directly related to receiving and approving a permit and license, to inspecting plans and construction, or to the preparation of a detailed statement.
- D. Applications for Small Wireless Facilities may be submitted in batches, which may encompass up to five separate applications filed at the same time, each for one or more sites, or a single application covering up to five sites, unless the City agrees to a larger number based upon its capacity to review additional applications.
- E. Third Party Review. The City may require the applicant to submit its materials to a third-party for review, as may be reasonably necessary to determine compliance with this Chapter, such as an engineer or architect, by way of example only.

5.38.080 Completeness review.

A. Completeness Review. Applications for a master permit or construction permit must be reviewed for completeness within thirty days of receipt, except for applications associated with Small Wireless Facilities, which must be reviewed for completeness within ten days of receipt.

If the application is not reviewed for completeness within the applicable timeframe, it will be deemed complete.

B. Tolling.

1. For applications for a master permit or construction permit for a Small Wireless Facilities, the review period resets once an applicant submits its additional materials.
2. For all other applications deemed incomplete, the review period is tolled for up to sixty days. Once an applicant submits additional materials, the review timeframe begins to run again.
3. If the applicant does not submit the required materials within the required timeframe, the City may deny the application.

C. Submittal of Additional Materials.

1. If an applicant submits additional materials, the Director must provide notice within ten (10) days as to any additional materials identified in the original notice that were not provided with the supplemental materials.
2. Second or subsequent notices of incompleteness may not specify missing documents or information that was not delineated in the original notice of incompleteness. For second or subsequent notices of incompleteness, the review timeframe will be tolled for all applications including those pertaining to Small Wireless Facilities.
3. If the applicant does not submit the required materials, the City may deny the application.

D. Failure to act. If the Director fails to approve or deny a request seeking approval for either a wireless service facility permit or conditional use permit within the applicable timeframe for review, accounting for any tolling, the request is deemed granted. The deemed grant does not become effective until the applicant notifies the applicable reviewing authority in writing after the review period has expired that the application has been deemed granted.

5.38.090 Timeframe for review.

The timeframe for review of an application for a master permit or a construction permit begins to run when an application is submitted, not when the application is deemed complete. The timeframe for submitting and reviewing master permits and construction permits is the same, unless otherwise specified.

	Colocating Wireless Facilities	Colocating Small Wireless Facility	New Small Wireless Facility	New Wireless Facilities	Construction Permit – All Wireless Facilities	Master Permit Renewal – All Wireless Facilities
Application Submission	Master use and construction permit applications should each be submitted 90 days prior to	Master use and construction permit applications should each be submitted 60 days prior to	Master use and construction permit applications should each be submitted 90 days prior to	Master use and construction permit applications should each be submitted at least 120 days	Applications for complex projects should be submitted at least 60 days prior to the planned use,	A Permittee may submit an application for renewal no more than 180 days and no less than 120

	Colocating Wireless Facilities	Colocating Small Wireless Facility	New Small Wireless Facility	New Wireless Facilities	Construction Permit – All Wireless Facilities	Master Permit Renewal – All Wireless Facilities
	planned use.	planned use.	planned use.	prior to planned use.	and in no case less than 30 days prior to the planned use.	days before expiration of the current master permit.
Timeframe for decision (from receipt of complete application)	Written decision due within 90 days.	Written decision due within 60 days.	Written decision due within 90 days.	Written decision due within 120 days.	City Engineer must Act within a reasonable time, generally not to exceed 30 days, and in no case can he or she exceed the timeframes for review set forth in this table.	Written Decision due within 90 days.

5.38.100 Construction permit approval.

A. The City Engineer shall review construction permits as follows:

Optional Pre-Application Meeting	Yes
Notice of Application	No
Comment Period	None
Recommendation By	None
Pre-Decision Open-Record Hearing	No
Closed-Record Decision Hearing	No
Decision By	City Engineer
Notice of Decision	No

B. In the event that the City Engineer finds that the construction permit application conforms to the requirements of this chapter and applicable construction standards adopted by the City, the City Engineer must approve the construction permit, and may impose such conditions thereon as are reasonably necessary to protect the public health, welfare and safety, to mitigate any impacts resulting from the use, and to facilitate the orderly management of other utility and wireless facilities within the public right-of-way.

C. In the event that the City Engineer denies an application for a construction permit, the decision must be in writing and set forth the reasons for said denial, and must be based on substantial evidence in the written record. The City may not deny a construction permit on the basis of a failure to obtain a master permit. Following approval by the City Engineer, construction permits will be issued by the City clerk.

D. The City Engineer has the discretion to approve a blanket construction permit for a period of up to one year, when the applicant seeks approval to perform construction or maintenance that is of a repetitive or similar nature.

E. In evaluating a construction permit application under this chapter, the City Engineer must, in addition to the criteria set forth in AMC XX.XX.050(2), determine whether the proposed construction is consistent with all construction standards adopted by the City.

F. The duration of a construction permit will be for one year unless revoked or modified under the provisions of this chapter. The City Engineer must approve a construction schedule specifying the dates, times, and duration during which construction activity is permitted within the public right-of-way.

G. The construction permit incorporates the relevant terms and conditions of this chapter by reference.

H. The City Engineer has the power to regulate the construction and enforce construction permit conditions and the requirements of this chapter. The City Engineer must keep a record of the construction permit and the work done thereunder.

I. A service provider adversely affected by a final action denying a construction permit may commence an action within thirty (30) days to seek relief, in any competent court of jurisdiction.

5.38.110 Master permit approval.

A. The City Council shall review the master permit application as follows:

Optional Pre-Application Meeting	Yes
Notice of Application	Yes
Comment Period	14 days
Recommendation By	None
Pre-Decision Open-Record Hearing	Yes, before City Council
Closed-Record Decision Hearing	No

Decision By	City Council
Notice of Decision	Yes

B. In the event the Council finds that master permit application conforms to the requirements of this chapter and the criteria for approval set forth in subsection (2) of this section, the Council must approve the master permit, and may impose conditions that are reasonably necessary to protect the public health, welfare, and safety and to mitigate any impacts resulting from the use. The Council will provide the reasons for a denial in writing, supported by substantial evidence contained in the written record based on the criteria set forth below. Following approval, the applicant and the Council must enter into a written agreement setting forth the particular terms under which the applicant has been granted the right to occupy and use the public ways of the City.

C. In evaluating a master permit application under this chapter, the Council will, consistent with Federal and State law, examine the following criteria:

1. Whether all requisite licenses, certificates, and authorizations from applicable Federal, State, and local agencies have been obtained by the applicant;
2. The capacity of the public right-of-way to accommodate additional utility and wireless telecommunications facilities if the master permit is granted;
3. The effect, if any, on public health, safety and welfare if the master permit is granted;
4. The availability of reasonable alternate routes and/or locations in the right-of-way for the proposed facilities;
5. Whether denial of the use of the right-of-way would materially inhibit or limit the ability of the service provider to compete in a fair and balanced regulatory environment.
6. Applicable Federal, State, and local statutes, regulations, ordinances, and policies related to utility, wireless telecommunications, and other facilities, including City construction standards;
7. Such other factors as may demonstrate that the grant to use the public right-of-way will serve the community interest.
8. The duration of a master permit is five years unless revoked or modified under the provisions of this chapter.
9. No master permit granted under this chapter confers any exclusive right, privilege, license, or franchise to occupy or use the public right-of-way of the City for delivery of wireless services or any other purposes. Further, no master permit may be construed as a right, title or interest in the public ways, but is the right solely to use and occupy the public right-of-ways for the limited purposes and terms stated within the grant. No master permit may be construed as a warranty of title.

5.38.120 Compensation to the City.

The City may fix a fair and reasonable compensation to be paid annually for the use of the right-of-way granted to the applicant under a master permit that is a reasonable approximation of the City's costs, including the costs of third-party review, if any; provided, that the City and an applicant may agree to the compensation to be paid; and provided that the compensation fixed or agreed upon is consistent with RCW 35.21.860.

5.38.130 Nondiscrimination.

A Permittee which purports to serve the general public must make its wireless telecommunication services available to any customer within its permitted area who requests such service, without discrimination as to the terms, conditions, rates or charges for the permittee's services; provided, however, that nothing in this title prohibits a Permittee from making reasonable classifications among differently situated customers.

5.38.140 Amendment of Permit.

Except as otherwise provided within a master permit agreement, a new master permit agreement and grant is required for any wireless carrier or service provider that seeks to extend the area covered by the master permit or to locate its wireless facilities in public rights-of-way in the City which are not included in a master permit previously granted under this chapter. If ordered by the city to locate or relocate its wireless telecommunications facilities in public rights-of-way not included in a previously granted master permit, the City must grant a master permit amendment without further application.

5.38.150 Renewal application – Master Permit.

A. A Permittee may activate a formal process for renewal, by submitting an application for renewal, a completed master permit renewal application with the city clerk. The application must include the following:

1. The information required under AMC 5.38.070;
2. Any information required under the master permit agreement between the City and the applicant;
3. All deposits or charges required under this Chapter; and
4. An application fee to be set by Council.

5.38.160 Renewal approval.

A. The City must issue a written determination granting or denying the renewal application in whole or in part. If the renewal request is denied, the written determination must include substantial evidence of the reason(s) for denial, based on the standards set forth below. Prior to granting or denying renewal of a master permit under this Chapter, the Council must conduct a public hearing and make a decision based on the following criteria:

1. The continuing capacity of the public right-of-way to accommodate the applicant's existing facilities;
2. The applicant's compliance with the requirements of this title and the master permit agreement;
3. Applicable federal, state, and local wireless telecommunications laws, rules and policies; and
4. Such other factors that may demonstrate that the continued grant to use the public right-of-way will serve the community interest.

B. The Council may not deny a renewal application based on violations of the master permit unless the applicant has been given notice and an opportunity to cure.

C. Any service provider whose proposal for renewal has been denied by the City, or has been otherwise adversely affected by a failure of the City to act, may appeal such final decision or failure to act within 120 days in any Court of competent jurisdiction.

5.38.170 Terms of use and occupancy.

A. The use and occupancy of public right-of-way in the City by any person constructing, maintaining or operating wireless, utility, or other facilities must conform to the terms and conditions of this chapter.

B. Existing facilities installed or maintained by a telecommunications carrier, public utility or other entity over, under or across public right-of-way within the City in accordance with an expired franchise agreement or other City-issued permit may be operated by the wireless carrier or public utility at the locations at which such facilities exist; provided, however, that maintenance, repair, relocation, and/or expansion of such facilities are not permitted unless and until the public utility or telecommunications carrier, or other entity obtains all permits and approvals required by this chapter.

C. All work by a wireless carrier, public utility, or other entity in the public right-of-way must comply with all construction standards and specifications adopted by the City as now exist or are hereafter amended, including but not limited to those set forth in Chapters 15.32 and 19.68 AMC.

5.38.180 Specifications.

A. All work to be performed under a construction permit issued under this chapter must conform to all applicable City codes, ordinances, and standards adopted by the City. In case of any conflict, the most stringent provision applies.

B. No wireless, utility, other facilities, or work related thereto may protrude into or over any portion of a public right-of-way opened to vehicle or pedestrian travel in such a manner as to create a risk of endangering the use of such place by vehicles or pedestrian travel. In addition, in the event the requested construction permit involves encroachment or partial obstruction of a

sidewalk or other walkway open to the public, a minimum of five feet of unobstructed sidewalk or other walkway must be maintained at all times.

C. During any period of any relocation, construction or maintenance of its facilities within the public right-of-way, a wireless telecommunications carrier, public utility or other person must conduct their activities so as not to unreasonably interfere with the free passage of traffic or the use of adjoining property. Such person must, at all times, post and maintain proper barricades and comply with all applicable safety regulations during such period of construction as required by the ordinances of the City and the laws of the State of Washington, including RCW 39.04.180, for the construction of trench safety systems.

D. An applicant must, within 10 business days of completion of work, submit at no cost to the City, current and accurate as-built drawings showing the location of any facilities installed or constructed within the public right-of-way under a permit issued pursuant to this chapter or otherwise. As-builts must show all of the applicant's facilities in the right-of-way including but not limited to wireless telecommunications facilities, utility facilities, power poles, guy poles and anchors, overhead transformers, pad-mounted transformers, submersible transformers, conduit, substation (with its name) pedestals, pad-mounted junction boxes, vaults, switch cabinets, and meter boxes.

5.38.190 Exceptions.

A. A construction permit is not required when public utilities, wireless carriers, or City contractors are responding to emergencies that require work in the public right-of-way, such as water or sewer main breaks, gas leaks, downed power lines, or similar emergencies; provided, however, that the Council must be notified by the responding utility, carrier, or contractor verbally or in writing, on the next business day following onset of the emergency. Nothing in this section relieves a responding public utility, carrier, or contractor from the requirement of obtaining a construction permit after beginning emergency work in a public right-of-way.

B. A construction permit fee is not required for City-sponsored capital improvement projects for water, sewer, drainage, or road construction maintenance, including associated work required by a public utility.

5.38.200 Security fund.

A. Prior to commencement of any activities approved under a master permit, the Permittee must establish a permanent security fund with the City by depositing the amount of \$50,000, or such greater amount as deemed necessary by the Council, with the City in cash, an unconditional letter of credit, or other instrument acceptable to the City, which fund must be maintained at the sole expense of the Permittee so long as any of the Permittee's utility or wireless facilities are located within the public right-of-way of the City.

B. The fund must serve as security for the full and complete performance of the terms and conditions of this chapter and master permit, including any costs, expenses, damages, or loss the City pays or incurs, including civil penalties, because of any failure attributable to the Permittee to comply with the codes, ordinances, rules, regulations, or permits of the City.

C. The fund may be used to repair the public right-of-way, return it to its original condition, or to complete a project within the right-of-way if the Permittee ceases work mid-way through construction, or abandons its facility(ies) and appurtenances thereto.

D. Before any sums are withdrawn from the security fund, the City must give written notice to the Permittee:

1. Describing the act, default or failure to be remedied, or the damages, costs or expenses which the City has incurred by reason of the Permittee's act or default;
2. Providing a reasonable opportunity for the Permittee to first remedy the existing or ongoing default or failure, if applicable;
3. Providing a reasonable opportunity for the Permittee to pay any monies due the City before the City withdraws the amount thereof from the security fund, if applicable; and
4. That the Permittee will be given an opportunity to review the act, default or failure described in the notice with the City or his or her designee.

E. Permittees are required to replenish the security fund within 14 days after written notice from the City that there is a deficiency in the amount of the fund.

F. Upon Permittee's removal of all facilities from the right of way and expiration of the agreement, permits and/or licenses, the city must refund the balance remaining in this fund, including any accrued interest within 14 days.

5.38.210 Performance bond.

A performance bond written by a corporate surety acceptable to the City Engineer equal to at least 150 percent of the estimated cost of removing the Permittee's facilities and restoring the public right-of-way to their pre-construction condition must be deposited before the construction permit is issued. Said bond is required to remain in full force until 60 days after completion of the construction and/or improvements within the public right-of-way, and must warrant all such restoration work for a period of two years following completion and/or termination of the construction. Those Permittees performing annual work within the rights-of-way may provide an annual performance bond, in an amount approved by the City Engineer, at the beginning of each year to cover all excavations. The purpose of this bond is to guarantee the removal of partially completed and/or nonconforming facilities and to fully restore the public right-of-way to the pre-construction condition. The City Engineer may use the funds from the performance bond to complete removal and fully restore the public right-of-way to its pre-construction condition if the Permittee fails to do so.

5.38.220 Insurance.

Unless otherwise provided in a master permit or construction permit, each Permittee must, as a condition of the master permit and construction permit, secure and maintain the following liability insurance policies insuring both the Permittee, its agents, representatives, employees, contractors or subcontractors, and the City and its elected and appointed officers, officials,

agents, employees, representatives, engineers, consultants, and volunteers as co-insureds against any claims which may arise from or in connection with the exercise of the rights, privileges, and authority granted to the Permittee under the permit(s):

A. Comprehensive Commercial General Liability Insurance. Commercial General Liability Insurance on an “occurrence” basis including coverage for Premises and Operations Liability, Products and Completed Operations, Contractual Liability, Independent Contractors, Stop Gap/Employer’s Liability, Broad Form Property Damage, Explosion, Collapse and Underground Hazards, and Personal Injury Liability. Such insurance will provide limits of not less than two million dollars (\$2,000,000) per occurrence and ten million dollars (\$10,000,000) in the aggregate. Coverage limits can be achieved with a combination of the primary and umbrella/excess policies. Products/Completed Operations Liability Insurance will be provided for a period of at least six years after completion and/or termination of construction. Any deductible or self-insured retention must be disclosed and is subject to approval of the City. The policy for the Permittee must include without limitation coverage for hazards commonly referred to as “XCU” and contain a severability of interests provision.

B. Automobile Liability Insurance. A policy of Automobile Liability, including coverage for Permittee’s owned, non-owned, leased or hired vehicles providing a minimum limit for Bodily Injury and Property Damage of five million dollars (\$5,000,000) per combined single limit each accident. The limit can be achieved with a combination of the primary and umbrella/excess policies.

C. Workers Compensation Insurance. Statutory Worker’s Compensation and Employers Liability insurance as prescribed by applicable law.

D. City as an Additional Insured on Policies. The Commercial General Liability and Automobile Liability and Umbrella/Excess Liability insurance policies required must name the City of Anacortes as an additional insured on a primary and non-contributory basis on Forms CG 20 26 and CG 20 37 or their equivalents for a public body. Carriers furnishing insurance are required to waive all rights of subrogation against the City. The Permittee must obtain the written agreement on the part of each insurance company to notify the City at least forty-five (45) days prior to cancellation or non-renewal of any such insurance, except ten (10) days’ notice of cancellation due to non-payment of premium.

E. Evidence of Insurance. With respect to each policy, Permittee must provide the City prior to commencement of the Work, proof that it has procured the requisite insurance, including copies of any applicable policies, declaration pages, and/or endorsements. PERMITTEE IS NOT ENTITLED TO COMMENCE WORK AUTHORIZED UNDER ITS PERMIT(S) UNTIL THE CITY HAS RECEIVED AND APPROVED THE CERTIFICATE OF INSURANCE.

F. Errors and Omissions. Permittee must maintain throughout the period of the applicable permit and for a period of six (6) years thereafter, a standard professional errors and omissions insurance policy of a form and with an insurance company satisfactory to the City. Permittee’s insurance policies must incorporate a provision requiring giving written notice to the City at least sixty (60) days prior to any cancellation, non-renewal or material modification of the policies. Permittee’s professional errors and omissions insurance will be in the minimum amount of

\$1,000,000 including contractual liability, with all coverage retroactive to the earlier of the date of the applicable permit or the commencement of design services in relation to the permit(s).

G. Compliance by contractors and subcontractors. Permittee is required to ensure that each of its contractors and subcontractors complies with all requirements in this Section; provided that Permittee must require its contractors and subcontractors to maintain commercially reasonable limits of insurance, given the contractor's and subcontractor's scope of work. Permittee must provide evidence of insurance of contractors and subcontractors upon request by the City.

H. In addition, each such insurance policy must contain an endorsement which provides that the policy may not be cancelled, reduced in coverage, nor the intention not to renew be stated until 60 days after receipt by the City of a written notice to that effect. Within 30 days after receipt of such notice by the City, and in no event later than 15 days prior to the cancellation or nonrenewal, the Permittee must obtain and furnish to the City replacement insurance policies meeting the requirements of this section.

5.38.230 Hold harmless/indemnity.

A. The Permittee must, to the fullest extent permitted by law, indemnify, defend and hold harmless the City, and its elected and appointed officers, officials, agents, employees, representatives, engineers, consultants, and volunteers as co-insureds (collectively the "Indemnified Parties" or individually, each an "Indemnified Party"), from and against any and all claims, liability, penalties, fines, costs, damages, losses and causes of action, arising out of or resulting from, or alleged to arise out of, relate to, or to result from the performance or non-performance of any construction performed at the instance of Permittee, or performance or non-performance of any services performed at the instance of Permittee (hereinafter singularly and collectively referred to as "Indemnity Claims"), but only to the extent directly or indirectly caused by the negligence or willful misconduct of Permittee, its contractors, subcontractors or supplier of any tier, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable. Permittee, at its sole expense, must promptly dispose of Indemnity Claims, defend all lawsuits and similar proceedings filed against an Indemnified Party on the account of Indemnity Claims, pay all awards and judgments rendered against an Indemnified Party in connection therewith, and reimburse each Indemnified Party for all reasonable expenses incurred by such Indemnified Party in connection with Indemnity Claims and lawsuits and arbitrations and similar proceedings including, but not limited to, attorneys' fees, expert witness fees, court costs, arbitration costs and all other reasonable costs (not limited to statutory costs).

B. If Indemnity Claims are caused or alleged to be caused in part by any joint or concurrent negligent act (either active or passive) or omission by an Indemnified Party, Permittee will indemnify, defend and hold harmless such Indemnified Party, as provided above, from such Indemnity Claims to the extent such Indemnity Claims arise out of or result from the negligence or willful misconduct of Permittee or its contractors, subcontractors or suppliers of any tier, or anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, or anyone whose acts Permittee may be responsible or liable. In no event will Permittee be obligated to indemnify an Indemnified Party for Indemnity Claims which arise out of or result from the sole negligence of such Indemnified Party or its agents, servants or independent contractors who are directly responsible to such Indemnified Party, excluding Permittee.

C. In addition, the City may require that any person, public utility, or wireless carrier accepting such a master permit or construction permit provide the City with additional indemnification, such as an indemnification from a parent company.

D. The indemnification provided for herein does not apply to injuries to persons or damage to property caused by or resulting from the sole negligence of the City, its agents or employees.

E. For the sole purpose of effecting the indemnification obligations herein, the Permittee, by accepting a master permit, specifically and expressly waives any immunity that may be granted it under any applicable Workers' Compensation Act, disability benefit acts or other employee benefit acts.

5.38.240 Inspections.

All work performed within public right-of-way is subject to periodic inspection by the Council to assure compliance with any conditions attached to the permit, the requirements of this chapter, and the requirements of any applicable City code or standard.

5.38.250 Revocation of master permits and construction permits.

A. Following a notice of violation and opportunity to cure, the Council may revoke or suspend any approval issued under this chapter for cause, in accordance with existing tariff or applicable State law whenever:

1. The work does not proceed in accordance with the plans as approved or the conditions of approval, is not in compliance with the requirements of this chapter, other City ordinances, resolutions, or State law;
2. The service provider fails to provide adequate service or otherwise fails to comply with the terms of its master permit or construction permit;
3. The service provider has made a misrepresentation of material fact in applying for such approval;
4. The Council determines that inadequate measures are being taken to protect the public, adjoining property, public right-of-way, or wireless telecommunications, utility or other facilities in such public right-of-way, or that any excavation or fill endangers or will endanger the public, adjoining property, public right-of-way, or wireless telecommunications or utility facilities in such public right-of-way.

B. Upon suspension or revocation of an approval under this chapter, all permit-related activities of the public right-of-way must cease, except as authorized or directed by the Council.

5.38.260 Correction and discontinuance of a Master Permit.

A. Whenever the Council determines that any condition on any public right-of-way is in violation of a master permit or any other provision of this chapter related thereto, or exists without a master permit, the Council may order the correction or discontinuance of such condition or any activity causing such condition.

B. The Council also has all powers and remedies available under State law and this chapter, to secure the correction or discontinuance of any condition specified in this section.

C. The Council is authorized to use any or all of the following methods in ordering correction or discontinuance of any such conditions or activities as it determines appropriate:

1. Serving of oral or written directives to Permittee or other responsible person requesting immediate correction or discontinuance of the specified condition;
2. Service of a written notice of violation, ordering correction or discontinuance of a specific condition or activity within thirty (30) days
3. Service of a written notice to remove an object or facility within twenty-four (24) hours and summary removal if the object or thing is a hazard to public safety, with notice of such removal to the owner, if known;
4. Revocation of previously granted master permit(s) where Permittee or other responsible person has failed or refused to comply with requirements imposed by the City related to such permits; or
5. Issuance of an order to immediately stop work until authorization is received from the City to proceed.

D. Any utility or wireless facility, or any other object or thing which occupies any public right-of-way without a master permit or in violation of the master permit conditions is a nuisance both public and private.

E. All expenses incurred by the Council, including attorney's fees and legal expenses, in abating the condition or any portion thereof constitutes a civil debt owing to the Council jointly and severally by such persons who have been given notice or who own the object or thing or placed it in the public right-of-way, which debt is collectible in the same manner as any other civil debt.

5.38.270 Correction and discontinuance of a Construction Permit.

A. Whenever the City Engineer determines that any condition on any public right-of-way is in violation of a construction permit or any other provision of this chapter related thereto, or exists without a construction permit, the City Engineer may order the correction or discontinuance of such condition or any activity causing such condition.

B. The City Engineer also has all powers and remedies available under State law and this chapter, to secure the correction or discontinuance of any condition specified in this section.

C. The City Engineer is authorized to use any or all of the following methods in ordering correction or discontinuance of any such conditions or activities as it determines appropriate:

1. Serving of oral or written directives to Permittee or other responsible person requesting immediate correction or discontinuance of the specified condition;
2. Service of a written notice of violation, ordering correction or discontinuance of a specific condition or activity within thirty (30) days;

3. Service of a written notice to remove an object or facility within twenty-four (24) hours and summary removal if the object or thing is a hazard to public safety, with notice of such removal to the owner, if known;

4. Revocation of previously granted construction permit(s) where Permittee or other responsible person has failed or refused to comply with requirements imposed related to such permits; or

5. Issuance of an order to immediately stop work until authorization is received from the City to proceed.

D. Any utility or wireless facility, or any other object or thing which occupies any public right-of-way without a construction permit or in violation of construction permit conditions is a nuisance both public and private.

E. All expenses incurred by the City Engineer, including attorney's fees and legal expenses, in abating the condition or any portion thereof constitutes a civil debt owing to the City Engineer jointly and severally by such persons who have been given notice or who own the object or thing or placed it in the public right-of-way, which debt is collectible in the same manner as any other civil debt.

5.38.280 Removal.

Any person accepting a master permit or construction permit pursuant to this chapter for the installation of any utility or wireless carriers must remove such facilities when they are no longer required, or if the master or construction permit has been revoked as provided in this chapter. Such removal must occur within 90 days of receiving notice from the Council ordering such removal. Unless otherwise approved by the City in writing, no person is permitted to abandon utility or wireless facilities within a public right-of-way, and then only under such conditions as may be prescribed by the Council.

5.38.290 Displacement for public use.

A. A wireless carrier, public utility, or other person under order of the Council must, upon a minimum 60 days' written notice, move or adjust its underground or overhead facilities located within the public right-of-way which interfere with any public improvement authorized or ordered by the City. The relocation must be done at the expense of the telecommunications carrier, public utility, or other person, subject to the exceptions in RCW 35.99.060(d) and existing tariffs, which may require the City to pay for displacement in certain circumstances. The actual number of days must be specified by the Council in the Council's order.

B. When a public improvement is required to accommodate or allow development or other activity by a party other than the City, then a wireless telecommunications carrier, public utility or other person which moves or adjusts its facilities is entitled to recover its associated costs and expenses from such other party.

C. Such persons must indemnify, hold harmless, and pay the costs of defending the City against claims or liabilities for delays on public improvement projects caused by their failure to relocate their facilities in a timely manner unless caused by circumstances beyond their control.

5.38.300 Additional ducts or conduits.

Any person constructing underground ducts or conduits pursuant to this chapter must, upon request, provide the City with additional ducts for its use. Such additional ducts or conduits must be of a size and configuration specified by the City and be dedicated to the City. The City has the right to use the ducts and conduits for any purpose, including but not limited to leasing them to other entities, subject to the following provisions.

A. The City must enter into a contract with the service provider consistent with RCW 80.36.150, and the incremental costs of adding the ducts and conduits under this section will be borne by the City. If the City makes the additional duct or conduit and related access structures available to any other entity for the purposes of providing wireless services for hire, sale, or resale to the general public, the rates to be charged, as set forth in the contract with the entity that constructed the conduit or duct, must recover at least the fully allocated costs of the service provider. The service provider must state both contract rates in the contract.

B. Except as otherwise agreed by the City and the service provider, the City agrees that he requested additional duct or conduit space and related access structures will not be used by the City to provide wireless service for hire, sale, or resale to the general public.

C. The City will not require that the additional duct or conduit space be connected to the access structures and vaults of the service provider.

D. The value of the additional duct or conduit requested by the City will not be considered a public works construction contract.

E. This section does not apply to the provision of an institutional network by a cable television provider under federal law.

5.38.310 Joint use of poles.

A. All wireless facilities permitted pursuant to the terms of this chapter or otherwise located within the City of Anacortes must be made available for use by the owner or initial user thereof, together with as many other wireless service providers as can be technically collocated thereon.

B. Nothing contained within this chapter prevents the owner of such poles from charging a reasonable pole attachment fee that does not exceed the fair market value for the space occupied by said collocated facilities; except that if the owner is the City, it may not charge more than the reasonable approximation of its reasonable costs.

5.38.320 City use for noncommercial government communication.

Any person erecting or maintaining poles within public right-of-way allows the City the right, free of charge, to attach, maintain and operate traffic and traffic safety signals, as noncommercial governmental communication and signals, wires and/or fixtures within available surplus space on the poles erected and so maintained.

5.38.330 Appearance.

Any person erecting or maintaining poles under authority of this chapter must ensure that its poles are maintained in a manner that does not significantly distract from the visual appearance of the pole. Such maintenance may include cleaning, replacement, painting or repainting of the pole. Wooden utility poles are not required to be painted.

5.38.340 Moving of building(s) and/or equipment.

Any person maintaining overhead wireless or utility facilities in public right-of-way must, upon seven days' notice from the Council, disconnect or move said facilities to allow for the moving of building(s) and/or equipment across or along any such public right-of-way; provided, however, that the advance notice may be reduced to 24 hours if the facilities are below the minimum clearance set by law or regulation or in the case of an emergency. The cost of moving such facilities must be in accordance with existing tariffs or applicable State law, and borne as follows: (1) by the owner of the facilities if: (a) the wires, cables or appurtenances are below the minimum vertical clearance required by State law, City ordinance, or rules of the Council, (b) above the surface of the public right-of-way, or (c) no adjustment would be necessary if the minimum clearance had been maintained; or (2) by the person desiring to move the building(s) and/or equipment under all other circumstances.

5.38.350 Billings and collections.

The Council, jointly with the Finance Director, may establish procedures pertaining to the billing and collection of fees and charges adopted pursuant to this chapter.

5.38.360 Liability.

The Council and other employees charged with the enforcement and administration of this chapter, acting for the City in good faith and without malice in the discharge of their duties, do not thereby render themselves liable personally for damages that may accrue to persons or property as a result of an act required or by reason of an act or omission in the discharge of such duties.

5.28.370 Tree trimming.

Any wireless carrier or public utility required by State statute or regulation to trim or remove trees which may interfere with their facilities must ensure that their tree trimming activities protect the appearance, integrity and health of the trees to the extent reasonably possible. The wireless carrier or public utility must prepare and maintain a tree trimming schedule to ensure compliance with this provision and to avoid exigent circumstances where tree cutting, trimming or removal is necessary to protect the public safety or continuity of service without the regard for the appearance, integrity or health of the trees that planned maintenance would otherwise allow. The wireless carrier or public utility must submit the schedule to the City Engineer. Except where exigent circumstances do not permit, the wireless carrier or public utility must give the owner the property on which the trees are located at least five days' advance written notice of the tree trimming. Tree trimming on any City streets must comply with the standards developed by the City's street tree advisory committee.

5.38.380 Underground facilities.

A. The undergrounding requirements of this section apply where the wireless telecommunications carrier, public utility, or other person's facilities consist of cable or any other facilities which are capable of being placed underground. This section does not apply to antennas or other facilities, which are required to remain above-ground, in order to be functional.

B. In any area of the City in which there are no aerial facilities other than antennas or other facilities required to remain above-ground in order to be functional or otherwise for the provision of wireless services, or in any public right-of-way in which all wireless telecommunications wires and cables, and electric power wires, cables, 15,000 volts and lower, and other aerial facilities capable of undergrounding have been placed underground, no person is permitted to erect poles or to run or suspend wires, cables or other facilities thereon, but must lay such wires, cables or other facilities underground in the manner required by the City pursuant to this section, and Chapters 15.32 and 19.68 AMC, if applicable.

C. If utility or street improvement projects are anticipated within the same public right-of-way within 12 months of a Permittee's proposed construction, the City may permit interim installation of above-ground facilities. In the event that the City does not require the undergrounding of such facilities at the time of initial installation, the City may, at any time in the future, require the conversion of such above-ground and/or aerial facilities to underground installation at the carrier, utility, or other person's expense, with exceptions as set forth in RCW 35.99.060(d).

D. The City must allow new electric power lines and cables operating above 15,000 volts to be constructed above-ground when location within the City right-of-way is approved by the City Engineer.

E. Whenever a service provider or public utility undertakes an undergrounding project in any area of the City, it must underground their above-ground facilities in the manner specified by the City, concurrently and together with the other affected carriers, utilities, and other persons in the affected area. The location of any such relocated and underground facilities must be approved by the Council. Such service provider must underground their facilities at no cost to the City, except as provided in RCW 35.99.060(d).

F. In the event that the City undertakes any public improvement which would otherwise require, in the discretion of the Council, the relocation of carrier, utility, or other person's above-ground facilities, the Council may, by written notice to such persons, direct that any such facilities be converted to underground facilities. Any such conversion must be done subject to and in accordance with applicable schedules and tariffs on file with the WUTC or such other regulatory agency having jurisdiction.

5.38.390 Joint trenching.

Recognizing that trenching and excavation within public right-of-way can significantly degrade the quality and longevity of street surfacing and seriously inconvenience the public, all Permittees must afford other wireless carriers, public utilities, and the City an opportunity to share in the use of their excavations and trenches within public right-of-way. In the event that

the City, a wireless carrier, or a public utility desires to share in a Permittee's excavation, it must provide a written request to do so. Joint use of excavations are subject to the following conditions:

- A. Such joint use may not unreasonably delay the work of the party causing the excavation to be made;
- B. Any party desiring to share in an excavation may be required to pay the fair and reasonable pro rata cost of said excavation. Such joint use must be arranged and accomplished on terms and conditions satisfactory to both parties; and
- C. Either party may deny such request for safety reasons.

5.38.400 Notice of tariff changes.

A Permittee must, when making application for any changes in tariffs affecting the provisions of this chapter or any approval issued hereunder, notify the City in writing of the application and provide the Council with a copy of the submitted application. The Permittees must further provide the Council with a copy of any actual approved tariff change affecting any approval issued pursuant to this chapter.

5.38.410 One-call locator.

All carriers, utilities, Permittees, and other persons must, before commencing any construction within a public right-of-way, comply with all of the requirements set forth in Chapter 19.122 RCW, the one-call locator service.

5.38.420 Violation – Penalties.

- A. No person may violate or fail to comply with this chapter.
- B. A violation of or failure to comply with any provision of this chapter is a civil infraction subject to the enforcement provisions of Chapter 1.24 AMC.
- C. A violation or failure to comply with any provision of this chapter, including any order of the Council authorized by this chapter, is, in addition to any other remedies, grounds for the Council to revoke the underlying permit issued to the Permittee, if any, and grounds for the denial of any additional permits under this chapter until the Permittee is in full compliance with the provisions of this chapter.
- D. Violation of a stop-work order issued pursuant to AMC XX.XX.250 or 260 constitutes a gross misdemeanor, punishable by not more than 90 days in jail and a fine not exceeding \$1,000, or both.

Section 3. Severability.

The provisions of this ordinance are separate and severable. If a court of competent jurisdiction, all appeals having been exhausted or all appeal periods having run, holds any provision of this ordinance invalid or unenforceable as to any person or circumstance, the

offending provision, if feasible, is modified to be within the limits of enforceability or validity. If the offending provision cannot be modified, it is null and void with respect to the particular person or circumstance. All other provisions of this ordinance in all other respects, and the offending provision with respect to all other persons and all other circumstances, remain valid and enforceable.

Section 4. Corrections.

Upon approval of the Mayor and the City Attorney, the Clerk is authorized to make necessary corrections to this ordinance, including the correction of (1) clerical errors, (2) references to other local, state or federal laws, codes, rules or regulations, and (3) ordinance numbering and section and subsection numbering.

Section 5. Ratification.

All actions taken prior to the effective date of this ordinance in furtherance of and not inconsistent with the provisions of this ordinance are ratified and confirmed in all respects.

Section 6. Effective Date.

This ordinance will take effect five days after its passage, approval, and publication.

Passed by the City Council of the City of Anacortes, Washington at a regular meeting thereof, this 11th day of February, 2019.

Mayor

Approved as to form:

City Attorney

Attest:

Clerk



Anacortes Planning Commission Recorded Motion Regarding Amendments to the Wireless Service Facilities and Public Utility & Telecommunications Right-Of-Way Use Regulations

Proposal name:	Amendments to regulations governing Wireless Service Facilities and Public Utility & Telecommunications Right Of Way Use
File Number:	PLN-2018-0004
Documents available at:	https://www.anacorteswa.gov/1022/Wireless-Code-Update
Public hearing body:	Anacortes Planning Commission
Public hearing date:	January 16, 2019 & January 30, 2019
PC deliberations:	January 30, 2019

After considering the written and spoken comments and considering the record before it, the Planning Commission enters the following findings of fact, reasons for action, and recommendations to the Anacortes City Council.

Findings of Fact and Reasons for Action

1. There have been recent changes to the mandates of the Telecommunications Act of 1996, the Middle Class Tax Relief and Job Creation Act of 2012, and other applicable federal and state laws and rules promulgated by the Federal Communication Commission that require the City of Anacortes to update its wireless service facilities regulations.
2. Specifically, the Federal Communications Commission (FCC) issued its *Declaratory Ruling and Third Report and Order*, FCC 18-133 ("Order FCC 18-133"), with the intent to streamline the deployment of Fourth Generation (4G) and Fifth Generation (5G) mobile communication system infrastructure, including small cell facilities, across the country.
3. The City's existing regulations governing "wireless telecommunications towers and antennas" in Chapter 17.63 Anacortes Municipal Code (AMC) and those governing franchise agreements for use of public rights-of-way are out of date as they relate to "small cell" technology and federal regulations.
4. The Anacortes City Council adopted Ordinance 3010 on August 28, 2017 establishing a moratorium on the receipt and processing of applications to site wireless

communications towers and antennas pursuant to AMC Ch. 17.63, and on the receipt and processing of applications for telecommunications franchises or master permits pursuant to AMC Ch. 5.36. The moratorium was extended by Ordinance 3020, adopted on February 20, 2018, and Ordinance 3027, adopted on August 27, 2018.

5. It is necessary and beneficial for the health, safety and welfare of the community to update the regulations for siting of wireless services facilities, including requirements for siting in the public right-of-way.
6. It is important to accommodate the growing need and demand for wireless services while protecting the character of the City of Anacortes and its neighborhoods.
7. On February 1, 2018, City staff hosted a meeting with wireless industry stakeholders and members of the public to obtain input on potential updates to the wireless service facilities regulations.
8. On December 19, 2018, a notice of public meeting and public hearing was printed in the Anacortes American.
9. On January 3, 2019, Planning Commission hosted a special meeting with wireless industry stakeholders and members of the public to obtain feedback on proposed draft amendments to the wireless service facilities regulations, establishing AMC Chapter 19.68 Wireless Service Facilities and AMC Chapter 5.38 Public Utility and Telecommunications Right-Of-Way Use.
10. SEPA environmental review of the draft amendments was completed and a Determination of Nonsignificance (DNS) issued on January 9, 2019. The comment period for the threshold determination ended on January 23, 2019.
11. The City notified the State of Washington of its intent to adopt amendments to its development regulations on January 9, 2019. The expedited review was complete on January 24, 2019, and no comments from state agencies were received.
12. The Planning Commission held a public hearing to take oral and/or written comments on the proposed amendments on January 16, 2019.
13. The Planning Commission considered public testimony and written comments received during the comment period. Concerns were expressed regarding the definition "colocation" in the context of Small Wireless facilities. The definitions were revised to include a definition consistent with Order FCC 18-133. Concerns were also expressed regarding the ability of the City to meet the shot-clock requirements given the permit process for Small Wireless Facilities both in the Telecommunications and Right-of-Way code sections. In response to these concerns, the Planning Commission amended its code provisions to ensure a more streamlined review in both sections for Small Wireless Facilities. Concerns were also expressed regarding the applicability of certain aesthetic requirements to Small Wireless Facilities. The Planning Commission addressed such concerns by applying only those aesthetic criteria that are technically feasible to Small Wireless Facilities. The Planning Commission disagreed based on a legal analysis of Order FCC 18-133 that no aesthetic criteria should apply to Small Wireless Facilities. The

Planning Commission also addressed concerns regarding the requirement of an engineering report to show the capacity of a Small Wireless Facility. The Planning Commission changed this provision to require instead a description of the capacity..

14. The Planning Commission held a second public hearing on January 30, 2019 and recommended changes to the draft regulations based on additional public comments received. One such recommended change was to remove the requirement that a service provider prove that a new facility would fill a significant gap in service. Other recommended changes were made to address concerns regarding the applicability of certain provisions to small wireless facilities.

15. The Planning Commission considered all other relevant matters including staff recommendations and analysis, legal advice, and consistency with the Anacortes Comprehensive Plan, including the following applicable policies:

Policy U-1.1. *Work with utility providers to ensure that reliable, quality services are provided at reasonable, equitable rates in all areas of the city.*

Policy U-1.2. *Support the timely expansion and maintenance of utility infrastructure in order to meet the evolving needs of the community.*

Policy U-1.3. *Encourage the use of new technologies that will enhance the quality of services and that are financially feasible.*

Policy U-2.6. *Encourage the joint use of utility corridors and facilities, provided that such use is consistent with limitations as may be prescribed by applicable law and prudent utility practice, in order to pool utilities to ensure utility needs are appropriately considered and to facilitate coordination of trenching activities.*

Policy U-3.1. *Minimize impacts to the community associated with construction, operation and maintenance activities of utility providers, such as loud noises, service outages, transportation disruptions and public safety hazards.*

Policy U-3.3. *Minimize visual impacts to the community associated with the siting and design of utility infrastructure, for instance by regulating light and glare, screening and landscaping, and location of above-ground facilities.*

In addition, in its siting provisions, the City took into account the land use designations specified in Table LU-1.

Conclusion

Based upon a review of the public testimony, input from wireless industry stakeholders, the staff recommendations and analysis, and legal advice, the Planning Commission finds that the proposed amendments establishing AMC Chapter 19.68 Wireless Service Facilities and AMC Chapter 5.38 Public Utility and Telecommunications Right-Of-Way Use comply with the federal and state regulations pertaining to wireless facilities and small cell facilities. In addition, upon review of the Anacortes Comprehensive Plan, including the above listed policies, the Planning Commission finds that the amendments are in compliance with the City of Anacortes' local regulations and policies.

Recommendation

The Planning Commission recommends that the City Council adopt the proposed amendments establishing AMC Chapter 19.68 Wireless Service Facilities (Attachment A) and AMC Chapter 5.38 Public Utility and Telecommunications Right-Of-Way Use (Attachment B).

This recorded motion approved January 30, 2019:

Commission Vote	Support	Oppose	Absent	Abstain
Jeremy McNett, Chair	X			
Amber Moffitt	X			
Christine Cleland-McGrath, Vice Chair	X			
Jeff Mount	X			
Andrea Doll	X			
Jeff Graf		X		
Ward MacKenzie			X	
Total	5	1	1	0

ANACORTES PLANNING COMMISSION
ANACORTES, WASHINGTON



Jeremy McNett, Planning Commission Chair

2/6/2019

Date

Chapter 19.68**WIRELESS SERVICE FACILITIES**

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19.68.010 Purpose.

The purposes of this chapter are as follows:

- A. Establish development regulations consistent with the City's Comprehensive Plan;
- B. Protect property values and promote tourism through protection of scenic vistas of the mountains, tree-covered hillsides, the waterfront, and tourist-related zones and areas;
- C. Facilitate the use of public property and structures for wireless service facilities to reduce the impact of such facilities upon residential and other property;
- D. Maintain the quality of life associated with the aesthetic character of the City's surroundings;
- E. Provide adequate sites for locating wireless service facilities in areas where the adverse impact on the community is minimal;
- F. Provide facilities and infrastructure to provide wireless communications service to City residents, businesses, and others when in Anacortes;
- G. Encourage optimal colocation and sharing of new and existing facilities, and minimize the total number of towers throughout the community;
- H. Encourage use of most appropriate technology and prompt removal of outdated or abandoned wireless service facilities;
- I. Encourage the location of wireless service facilities upon alternative support structures;
- J. Require that the design of wireless service facilities incorporate camouflage, disguise, screening and concealment technology so that such facilities blend into their surroundings;
- K. Avoid the potential damage to adjacent properties from tower failure by engineering and careful siting of tower structure;
- L. Enhance the ability of the providers of wireless services to provide such services to the community quickly, effectively, and efficiently; and
- M. Provide a level, nondiscriminatory competitive environment and thereby encouraging increased competition among providers of functionally equivalent wireless services.

19.68.020 Applicability.

- A. Except as otherwise provided herein, the placement of any wireless service facility at any location within the City is subject to the provisions of this chapter.
- B. The standards and process requirements of this chapter supersede all other review process and approval criteria, setback, height or landscaping requirements of this title.
- C. Except as provided herein, all wireless telecommunication service facilities must comply with the provisions of this chapter.

19.68.030 Definitions.

A. A definitions.

“Antenna” means any exterior transmitting or receiving device mounted on a tower, building or structure and used in communications that radiates or captures electromagnetic waves, digital signals, analog signals, radio frequencies (excluding radar signals), wireless telecommunications signals or other communication signals.

B. B definitions.

“Base station” means a structure or equipment at a fixed location that enables FCC-licensed or authorized wireless communications between user equipment and a communications network. The term does not encompass a “Tower” or any equipment associated with a Tower.

- The term includes, but is not limited to, equipment associated with wireless communications services such as private, broadcast, and public safety services, as well as unlicensed wireless services and fixed wireless services such as microwave backhaul.
- The term includes, but is not limited to, radio transceivers, antennas, coaxial or fiber-optic cable, regular and backup power supplies, and comparable equipment, regardless of technological configuration (including Distributed Antenna Systems and small-cell networks).
- The term includes any structure other than a tower that supports or houses equipment that has been reviewed and approved under the applicable zoning or siting process, or under another State or local regulatory review process, even if the structure was not built for the sole or primary purpose of providing such support.
- The term does not include any structure that does not support or house equipment for wireless telecommunications services.

C. C definitions.

“Camouflage” means a palette of techniques used to disguise, hide and conceal a wireless service facility from public view by blending its appearance into elements of the visual background. The term connotes the use of paint, landscaping, building materials and artificial screens in patterns that merge with the elements in the background environment.

“Colocation” for the purposes of Eligible Facilities Requests means the placement or installation of wireless facilities on existing structures that include a wireless facility or a wireless support structure, including water towers and other buildings or structures. The term includes the placement, replacement, or modification of wireless facilities within an approved equipment compound.

“Colocation” for the purpose of applications to site Small Wireless Facilities and other wireless facilities, excluding Eligible Facilities Requests, means:

- Mounting or installing an antenna facility on a pre-existing structure, and/or
- Modifying a structure for the purpose of mounting or installing an antenna facility on that structure.

D. D definitions.

“Director” means the Director of Planning, Community, and Economic Development.

“Electrical transmission tower” means a structure that physically supports high voltage overhead power lines. The term does not include a utility pole.

E. E definitions.

“Eligible Facilities Request” or “EFR”. Any request for modification of an existing tower or base station that does not substantially change the physical dimension of such tower or base station, involving:

- Colocation of new transmission equipment;

- Removal of transmission equipment; or
- Replacement of transmission equipment.

“Eligible Support Structure.” Any tower or base station, provided that it exists at the time the relevant EFR application is filed with the state or local government.

“Equipment Cabinet” means an enclosure that is mounted above base flood elevation or placed on a concrete slab that contains improvements, personal property, and facilities to operate its wireless services including: radio receivers, transmitters, related facilities, and/or related cables and utility lines, location-based power sources, the electrical meter and any other necessary equipment.

“Equipment Shelter” means an enclosed structure, shed or box at the base of a mount to store improvements, personal property, and facilities to operate its wireless services including: radio receivers, transmitters, related facilities, and/or cabinets, related cables and utility lines, location-based power sources, the electrical meter and any other necessary equipment.

“Existing.” Any tower or base station is existing for purposes of this chapter if it has been reviewed and approved under the applicable zoning or siting process, or under another State or local regulatory review process, provided that a tower that has not been reviewed and approved because it was not permitted when it was built, but was lawfully constructed, is existing for purposes of this chapter.

F. F definitions.

“Facilities” means all of the towers, equipment, fixtures, antennas, equipment cabinets, equipment shelters, and other appurtenances necessary to furnish and deliver wireless services, including but not limited to utility poles and monopoles with cross arms or without cross arms, wires, lines, conduits, cables, communication and signal lines and equipment, braces, guys, anchors, vaults, and all attachments, appurtenances, and appliances necessary or incidental to the distribution and use of wireless services. Facilities include “Small Wireless Facilities” as defined below.

“FCC” or “Federal Communications Commission” means the federal agency, or its lawful successor, authorized to regulate and oversee wireless telecommunications carriers, services and providers.

G. G definitions.

H. H definitions.

I. I definitions.

J. J definitions.

K. K definitions.

L. L definitions.

“Lattice tower” means a type of mount that is self-supporting with multiple legs and cross bracing of structural steel.

M. M definitions.

“Monopole” means a type of mount that is self-supporting with a single shaft of wood, steel or concrete and a platform or racks for panel antennas arrayed at the top. A monopole includes self-supporting mounts that provide light (or light poles).

N. N definitions.

O. O definitions.

P. P definitions.

“Public street” means any highway, street, road, alley or other public way for motor vehicle travel within the city and under the jurisdiction and control of the city which has been acquired, established, dedicated or devoted to street purposes.

Q. Q definitions.

R. R definitions.

“Right(s)-of-way” means all public streets and associated property granted or reserved for, or dedicated to, public use for street purposes, together with public property granted or reserved for, or dedicated to, public use for walkways, sidewalks, bikeways and horse trails, whether improved or unimproved, including any air rights, subsurface rights or easements related thereto.

S. S definitions.

“Service provider” means every corporation, company, association, joint stock association, firm, partnership, person, city, town, or other legal entity owning, operating, or managing any facilities used to provide and providing wireless telecommunications services for hire, sale, or resale to the general public. Service provider includes the legal successor to any such corporation, company, association, joint stock association, firm, partnership, person, city, town, or other legal entity.

“Site” means the current boundaries of the leased or owned property surrounding the facility and any access or utility easements currently related to the site, and for other eligible support structures, further restricted to that area in proximity to the structure and to other transmission equipment already deployed on the ground.

“Small Wireless Facility” encompasses facilities that meet the following conditions:

The facilities—

- are mounted on structures 50 feet or less in height including their antennas,
- are mounted on structures no more than 10 percent taller than other adjacent structures, or
- do not extend existing structures on which they are located to a height of more than 50 feet or by more than 10 percent, whichever is greater;

Each antenna associated with the deployment, excluding associated antenna equipment, is no more than three cubic feet in volume;

All other wireless equipment associated with the structure, including the wireless equipment associated with the antenna and any pre-existing associated equipment on the structure, is no more than 28 cubic feet in volume;

The facilities do not require antenna structure registration under Federal law;

The facilities are not located on Tribal lands, where Tribal lands means all lands within the exterior boundaries of any Indian reservation and all dependent Indian communities; and

The facilities do not result in human exposure to radiofrequency radiation in excess of the applicable safety standards specified under Federal law pertaining to wireless facilities.

“Stealththing” means designing facilities to be architecturally incorporated into the surrounding community’s environs while minimizing aesthetic impacts. Examples of stealththing include, but are not limited to, steeples, windmills, water towers, flag poles, light poles, or chimneys.

T. T definitions.

“Telecommunications” means the transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received.

“Tower” means any structure that is designed and constructed primarily for the purpose of supporting one or more antennas for telephone, radio, and similar communication purposes, including self-supporting lattice towers, guyed towers, or monopole towers. The term includes radio and television transmission towers, microwave towers, common-carrier towers, cellular telephone towers, alternative tower structures, and the like. The term includes the structure and any support thereto.

“Transmission equipment” means equipment that disseminates information by wire, radio, optic cable, electromagnetic, or similar means for any FCC-licensed or authorized wireless telecommunication service, including, but not limited to, radio transceivers, antennas, coaxial or fiber-optic cable, and regular and backup power supply. The term includes equipment associated with wireless telecommunications services including, but not limited to, private, broadcast, and public safety services, as well as unlicensed wireless services and fixed wireless services such as microwave backhaul.

U. U definitions.

“Utility pole” means a pole privately owned or installed by a utility company for the purpose of electrical transmission.

V. V definitions.

W. W definitions.

“Wireless” means communications using radio frequency or optical emissions to complete one or more communications paths in whole or in part among originating and receiving points without other tangible physical connection, including without limitation, radio and unguided optical waves, and the apparatus used for such transmission.

“Wireless support structure” means a freestanding structure that is designed to support or is capable of supporting wireless facilities. The term does not include a utility pole, monopole, or tower.

“Wireless telecommunications service” or “wireless service” means the transmission of information by wire, radio, optic cable, electromagnetic, or similar means for hire, sale or resale to the general public. For the purpose of this subsection, “information” means knowledge or intelligence represented by any form of writing, signs, signals, pictures, sounds, or any other symbols. For the purpose of this chapter, wireless telecommunications service excludes the over-the-air transmission of broadcast television or broadcast radio signals and excludes “cable services,” “cable communications systems” and “CATV systems” as defined in Chapter 5.44.

19.68.040 Permit required.

A. New Facilities. A wireless service facility (WSF) permit or wireless conditional use permit (WCUP) is required prior to the site preparation, construction, or installation of any new wireless service facility. The permit required in each zone is specified in AMC 19.68.190.

B. Colocating Facilities. A wireless service facility (WSF) permit or wireless conditional use permit (WCUP) is required in every zone prior to the colocation of any wireless service facility and is required for modifications that qualify as a Substantial Change. Colocations involving modifications under subsection (C) below are exempt from this requirement.

C. Non-Substantial Change. A modification to an existing facility that involves the addition, removal, and/or replacement of transmission equipment that meets the criteria for a Non-Substantial Change as set forth in 19.68.060 must submit an Eligible Facility Request application. A WSF or WCUP will not be required for these types of modifications.

D. Substantial Change. A modification to an existing facility that involves the addition, removal, and/or replacement of transmission equipment that is a Substantial Change as defined in 19.68.050 is subject to the requirements for new facilities or colocations as applicable.

E. No wireless service facility permit may be issued under this chapter unless the applicant demonstrates compliance with the terms, conditions and performance standards set forth in this chapter. Any WCUP must also meet the criteria for said use permits set forth in Section 19.68.130.

F. A building permit is also required for any new wireless facility or collocating facility.

19.68.050 Substantial Change.

A. “Substantial Change” for purposes of this Chapter means a modification to an existing facility that meets any of the following criteria.

Criteria 1:

(1) For towers outside of public rights-of-way, if the modification increases the height of the tower by the greater of: (a) more than 10%, or (b) by the height of one additional antenna array, with separation from the nearest existing antenna not to exceed 20 feet; or

(2) For those towers in the rights-of-way and for all base stations, if the modification increases the height of the tower or base station by the greater of: (a) 10% or (b) 10 feet.

Criteria 2:

(1) For towers outside of public rights-of-way, if the modification involves adding an appurtenance to the body of the tower that protrudes from the edge of the tower the greater of: (a) 20 feet, or (b) the width of the tower structure at the level of the appurtenance; or

(2) For other eligible support structures, if the modification protrudes from the edge of the structure more than 6 feet;

Criteria 3:

(1) For any eligible wireless support structure, if the installation includes more than the standard number of new equipment cabinets, not to exceed 4; or

(2) For towers in the public rights-of-way and base stations, if the modification involves installation of any new equipment cabinets on the ground if there are no pre-existing ground cabinets associated with the structure, or else involves installation of ground cabinets that are more than 10% larger in height or overall volume than any other ground cabinets associated with the structure.

Criterion 4:

For any eligible support structure, if the modification entails any excavation or deployment outside the current site;

Criterion 5:

For any eligible support structure, if the modification defeats the existing concealment elements of the tower, base station, or any other wireless support structure.

Criterion 6:

For any eligible support structure, if the modification violates any of the conditions of approval (besides modification allowed under criteria #1-5 associated with prior approval(s).

19.68.060 Non-Substantial Change.

A. “Non-substantial Change” means a modification that meets all of the following criteria:

Criteria 1:

(1) For towers outside of public rights-of-way, if the modification does not increase the height of the tower by the greater of: (i) more than 10%, or (ii) by the height of one additional antenna array, with separation from the nearest existing antenna not to exceed 20 feet; or

(2) For those towers in the rights-of-way and for all base stations, if the modification does not increase the height of the tower or base station by the lesser of: (i) 10% or (ii) 10 feet.

Criteria 2:

(1) For towers outside of public rights-of-way, if the modification does not protrude from the edge of the tower by the greater of: (i) 20 feet, or (ii) the width of the tower structure at the level of the appurtenance; or

(2) For those towers in the rights-of-way and for all base stations, if the modification does not protrude from the edge of the structure more than 6 feet;

Criteria 3:

(1) For any eligible support structure, if the installation includes new equipment cabinets, the modification does not include the installation of more than 4 equipment cabinets; or

(2) For towers in the public rights-of-way and base stations, if the modification does not involve the installation of any new equipment cabinets on the ground if there are no pre-existing ground cabinets associated with the tower, and does not involve the installation of ground cabinets that are more than 10% larger in height or overall volume than any other ground cabinets associated with the tower.

Criterion 4:

For any eligible support structure, if the modification does not entail any excavation or deployment outside the current site.

Criterion 5:

For any eligible support structure, if the modification does not defeat the existing concealment elements of the tower or base station or other wireless support structure.

Criterion 6:

For any eligible support structure, if the modification does not violate any of the conditions of approval (besides modification allowed under criteria #1-5 associated with prior approval(s).

19.68.070 Optional Pre-application.

A. An optional pre-application may be submitted up to 30 days prior to the submission of an Eligible Facilities Request application, or a permit application associated with a Small Wireless Facility or other wireless facility. The information submitted along with a pre-application may include the following information:

1. The name and address of the applicant;
2. Identification of all carriers using the facility;
3. The type of facility proposed;
4. If the applicant is not the owner or person in control of the eligible support structure or site, an attestation that the owner or person in control of the eligible support structure and/or site has consented to the proposed facility modification. If the eligible support structure is to be located within a public right-of-way, the applicant must also

attest that the applicant has authorization to install, maintain, and operate transmission equipment in, under and above the public right-of-way.

5. A stamped report by a state of Washington registered professional engineer demonstrating compliance with existing structural, electrical, and safety codes, and describing the general structural capacity of the eligible facility, small wireless facility, or other wireless facility.
6. Detailed site plan and drawings.
7. Dimensioned elevation drawings of the existing tower or structure showing the existing and proposed antennas, and equipment structures (at 1/8" = 1' or comparable scale).
8. Copies of the land use or building permit approval that authorized the original installation of the tower or wireless facilities on the structure;
9. If new equipment cabinets, generators, or any other ground equipment components are being proposed, an assessment of noise that shows compliance with City and/or Federal noise standards.
10. A description of compliance with the applicable visibility and performance standards set forth in section 19.68.200.
11. A stamped report by a state of Washington registered professional engineer demonstrating compliance with radio-frequency emissions standards.

19.68.080 Eligible Facilities Request applications.

A. For the purposes of this section, a complete application includes:

1. The name and address of the applicant;
2. Identification of all carriers using the facility;
3. An assertion that the proposed facilities modification is subject to review under Section 6409 of the Spectrum Act.
4. If the applicant is not the owner or person in control of the eligible support structure or site, an attestation that the owner or person in control of the eligible support structure and/or site has consented to the proposed facility modification. If the eligible support structure is to be located within a public right-of-way, the applicant must also attest that the applicant has authorization to install, maintain, and operate transmission equipment in, under and above the public right-of-way.
5. If the proposed modification will alter the exterior dimensions or appearance of the eligible support structure, the applicant shall include a detailed visual simulation depicting how the eligible support structure will appear after the proposed modification is complete, and particularly, how concealment or stealth will be extended with the modification. The visual simulation shall depict to scale the eligible support structure in relation to the trees, landscaping and other structures adjacent to, or in the immediate vicinity of, the eligible support structure.
6. If the applicant proposes a modification to a tower, an attestation that the proposed modifications will comply with existing structural, electrical, and safety codes, and a description of the general structural capacity of the tower with the proposed modification.
7. If the applicant proposes a modification to a base station, an attestation that the proposed modifications will comply with existing structural, electrical, and safety codes.
8. If the applicant proposes a modification requiring alteration to the eligible support structure, excavation, installation of new equipment cabinets, or other activities impacting or altering the land, existing structures, fencing

or landscaping, the applicant must submit a detailed site plan and drawings, showing the point of true north, and an appropriate scale depicting:

- a. the location, elevation, and dimensions of the existing eligible support structure;
 - b. the location, elevation, and dimensions of the existing transmission equipment;
 - c. the location, elevation and dimensions of the transmission equipment, if any, proposed to be collocated or that will replace existing transmission equipment;
 - d. the location, elevation and dimensions of any proposed new equipment cabinets and the intended use of each;
 - e. any proposed modification to the eligible support structure;
 - f. the location of existing structures on the site, including fencing, screening, trees, and other significant site features; and
 - g. the location of any areas where excavation is proposed showing the elevations, depths, and width of the proposed excavation and materials and dimensions of the equipment to be placed in the area excavated.
9. If excavation or deployment is proposed outside the current site of the tower or base station, a description of the boundaries of the site together with a scale drawing based on an accurate traverse, with angular and lineal dimensions showing the tower or base station with respect to the site. The city may require a survey by a land surveyor licensed in the state of Washington when, in the judgment of the approval authority, a survey is reasonably necessary to verify the boundaries of the site.
10. If the applicant proposes a modification that will protrude from the edge of a non-tower eligible support structure, record drawings, as-built plans, or the equivalent, showing at a minimum the edge of the eligible support structure at the location of the proposed modification.
11. Copies of the land use or building permit approval that authorized the original installation of the tower or wireless facilities on the structure, or any subsequent approval(s) granting modification to the tower or wireless facilities on the structure, if available;
12. If new equipment cabinets, generators, or any other ground equipment components are being proposed, an assessment of noise that shows compliance with City and/or Federal noise standards.
13. A stamped report by a state of Washington registered professional engineer demonstrating compliance with Federal radio-frequency emissions standards for wireless facilities.

B. Waiver of Submittal Requirement. The approval authority may waive any submittal requirement upon determination that the required submittal, or part thereof, is not reasonably related to the non-substantial change criteria. A waiver, to be effective, must be in writing and signed by the approval authority.

C. Eligible facilities for review under this section include Non-Substantial Changes to the physical dimensions of the base structure or tower, involving (i) collocation of new transmission equipment; (ii) removal of transmission equipment; or (iii) replacement of transmission structure.

D. Within the applicable timeframe for review set forth in Section 19.68.150, the City must approve the application unless it determines that the application involves a Substantial Change. If the City determines that the application involves a Substantial Change, the applicant must submit the appropriate Permit application required, if any, under the requirements in Section 19.68.100.

19.68.090 Permit application – Small Wireless Facility.

A. Application. A complete application for a wireless service facility permit or wireless conditional use permit must include the following information and materials on a form provided by the Director. Applications for Small Wireless

Facilities may be submitted in batches of applications, which may encompass up to five separate applications filed at the same time, each for one or more sites, or a single application covering up to five sites, unless the City agrees to a larger number based upon its capacity to review additional applications. For the purposes of this section, a complete application includes:

1. The name and address of the applicant;
2. Identification of all carriers using the facility;
3. If the applicant is not the owner or person in control of the eligible support structure or site, an attestation that the owner or person in control of the eligible support structure and/or site has consented to the proposed facility modification. If the eligible support structure is to be located within a public right-of-way, the applicant must also attest that the applicant has authorization to install, maintain, and operate transmission equipment in, under and above the public right-of-way.
4. An attestation that the Permittee will comply with existing structural, electrical, and safety codes, and a description of the general structural capacity of the new small wireless facility or the facility upon which the small wireless facility is to be colocated.
5. A description of compliance with: the applicable visibility and performance standards set forth in section 19.68.200. This includes, but is not limited to:
 - a. A scaled Site plan clearly indicating the location, type and height of the proposed facility, or colocation, on-site land uses and zoning, adjacent land uses and zoning, comprehensive plan classification of the Site, proposed means of access, setbacks from property lines, spacing between tower(s) and other wireless facilities, elevation drawings of the proposed tower and any other structures, topography of the site, and proposed parking;
 - b. If the proposed Small Wireless Facility siting involves a colocation that will alter the exterior dimensions or appearance of an existing facility, applicant shall include a detailed visual simulation depicting how the existing facility will appear after the proposed modification is complete, and particularly, how concealment or stealth will be extended, if applicable. The visual simulation shall depict to scale the existing facility with any colocation in relation to the trees, landscaping and other structures adjacent to, or in the immediate vicinity of, the eligible support structure.
 - c. Legal description of the parent tract and leased parcel (if applicable);
 - d. If new equipment cabinets, generators, or any other ground equipment components are being proposed:
 - i. an assessment of noise that shows compliance with City and/or Federal noise standards;
 - ii. a description of the method of concealment of equipment components, such as: whether such components will be located within an existing building, within an architecturally compatible addition to an existing building, or within a new building which is architecturally compatible with other buildings on the site and adjoining properties; located underground; or within an equipment cabinet or shelter;
 - iii. if equipment is proposed to be concealed within an equipment cabinet or shelter that will be located above ground, a description of the landscaping and screening, if technically feasible.
 - e. Any engineering report(s) required to show feasibility of meeting the applicable criteria in this section as applicable;
- (6) A stamped report by a state of Washington registered professional engineer or an assessment demonstrating compliance with Federal radio-frequency emissions standards applicable to wireless facilities.

B. Waiver of Submittal Requirement. The approval authority may waive any submittal requirement upon determination that the required submittal, or part thereof, would materially inhibit wireless service. A waiver, to be effective, must be in writing and signed by the approval authority.

C. Fee. Every application for a small wireless service facility permit or wireless conditional use permit must be accompanied by an application fee which will be set by the City Council in its unified fee schedule, to reimburse the City for the costs of reviewing the application, including any third-party review required by the City, and fees equal to the a reasonable approximation of the objectively reasonable costs for the attachment to or use of property owned or controlled by the City.

19.68.100 Permit application – all other Wireless Facilities.

A. Application. A complete application for a wireless service facility permit or wireless conditional use permit for wireless facilities other than Small Wireless Facilities and Eligible Support Structures or EFRs must include the following information and materials on a form provided by the Director. For the purposes of this section, a complete application includes:

1. The name and address of the applicant;
2. Identification of all carriers using the facility;
3. If the applicant is not the owner or person in control of the eligible support structure or site, an attestation that the owner or person in control of the eligible support structure and/or site has consented to the proposed facility modification. If the eligible support structure is to be located within a public right-of-way, the applicant must also attest that the applicant has authorization to install, maintain, and operate transmission equipment in, under and above the public right-of-way.
4. A description of compliance with: the applicable visibility and performance standards set forth in section 19.68.200. This includes, but is not limited to:
 - a. A scaled Site plan clearly indicating the location, type and height of the proposed facility, or colocation, on-site land uses and zoning, adjacent land uses and zoning, comprehensive plan classification of the Site, proposed means of access, setbacks from property lines, spacing between tower(s) and other structures, elevation drawings of the proposed tower and any other structures, topography of the site, and proposed parking;
 - b. Legal description of the parent tract and leased parcel;
 - c. A landscape plan showing specific landscape materials;
 - d. Method of fencing, the finished color and/or the method of camouflage and illumination.
5. A description of compliance with the additional requirements in this Chapter for collocating and/or for conditional uses, if applicable.
6. If new equipment cabinets, generators, or any other ground equipment components are being proposed:(i) an assessment of noise that shows compliance with City and/or Federal noise standards.
7. A stamped report by a state of Washington registered professional engineer demonstrating compliance with radio-frequency emissions standards as set forth in Section 19.68.240.

B. New facilities. In addition to the application materials delineated in subsection (A) above, an application for a new wireless facility must provide:

1. A notarized statement by the applicant as to whether construction of a new facility will accommodate collocating of additional antennas for future users.
2. An explanation of how the proposed new facility at the proposed location is necessary to do one of the following: fill a significant gap in service, to introduce new services, to densify a network, or to otherwise improve service capabilities.

3. A description of the suitability of the use of existing facilities, including towers or other structures to provide the services to be provided through the use of the proposed new facility.

4. Any other engineering report(s) required to show feasibility of meeting the applicable criteria in subsections (A) and/or (B) as applicable;

C. Third Party Review. The City may require the applicant to submit its materials to a third-party for review, as may be reasonably necessary to determine compliance with this Chapter, such as an engineer or architect, by way of example only.

D. Fee. Every application for a wireless service facility permit or wireless conditional use permit must be accompanied by an application fee which will be set by the City Council in its unified fee schedule, to reimburse the City for the costs of reviewing the application, including any third-party review required by the City, and fees equal to the a reasonable approximation of the objectively reasonable costs for the attachment to or use of property owned or controlled by the City.

19.68.110 Permit approval process.

A. Wireless service facility permit (WSF). The review process for wireless service facility permit applications is that for a Type 1 (Administrative Ministerial Action) as delineated in Table 19.20.030-1 AMC.

B. Wireless conditional use permit (WCUP). The review process for wireless conditional use permit applications is that for a Type 3-HE review, delineated in Table 19.20.030-1 AMC. The criteria for a conditional use permit as set forth in Chapter 19.36 of the City's code does not apply.

C. The only applicable sections of Chapter 19.20 for the purposes of this Chapter are sections 19.20.140 (Application – Notice), 19.20.150 (Application – Department Review), 19.20.160 (Public hearings and meetings), 19.20.170 (Public hearing – notice), and 19.20.190 (Decision – Notice). The appeal section in this chapter supersedes the appeal sections in Chapter 19.20.

C. This permit approval process does not apply to Eligible Facility Requests.

19.68.120 Permit review – general criteria.

A. In evaluating a permit application under this Chapter, the decision-maker must examine the following criteria:

1. Whether all requisite licenses, certificates, and authorizations from applicable Federal, State, and local agencies have been obtained by the applicant;

2. Whether the applicant has shown that its proposed facility or colocation meets the standards and criteria set forth in this Chapter, including the visibility and performance criteria set forth in Section 19.68.200;

3. Whether the applicant has shown that its proposed facility meets any additional requirements in this Chapter for collocating and/or wireless conditional uses, if applicable.

B. For a new wireless facility or a new Small Wireless Facility, whether it is necessary to introduce new services, to densify a network, or to otherwise improve service capabilities.

C. Decision. After considering all information submitted, and the record on file and from any hearing, the decision-maker will decide whether to grant, deny, or grant the permit with conditions, and must issue a written decision containing findings of fact supported by substantial evidence, based on the criteria above.

D. Issued permit. Any wireless service facility permit that is issued under this Chapter must contain the location, nature, and extent of approved use, together with all conditions that are imposed. A copy of the permit will be kept on file and reviewed annually by the administering City official. If, at any time, the use no longer complies with the stated conditions, the owner will be declared in violation of this chapter.

19.68.130 Permit review – supplemental criteria for conditional uses.

A. In addition to the general criteria for approval uses set forth in this Chapter, the following criteria apply to all permits denominated as conditional uses:

1. The applicant must demonstrate that visual, noise, and other impacts associated with the proposed facility have been minimized to the maximum extent possible using existing concealment technology, site design, noise abatement techniques, concealment, disguise, camouflage, and/or the use of architecturally compatible improvements to existing structures where permitted, and/or underground placement of ancillary equipment. In evaluating the site design, consideration will be given to whether the facility will blend into the surrounding topography, tree coverage, foliage, and other natural features and whether locating the facility in alternative locations upon the subject property, or reasonably available properties, would better conceal the facility through use of existing natural and built features;
2. The applicant must demonstrate compatibility of the proposed structure with the height and mass of existing buildings and structures in the area.
3. The applicant must demonstrate that the design of the proposed facility complies with the purpose and intent of this chapter, including, but not limited to, the visibility and performance standards set forth in AMC 19.68.200 which most closely match the proposed facility;
4. The applicant must demonstrate that alternative locations, including other colocations and alternative support structures, are not available for the proposed facility;
5. The applicant must demonstrate that the proposed facility is not in conflict with the health and safety of the community;
6. The applicant must demonstrate that the proposed facility will be supported by adequate public facilities or services and will not adversely affect public services to the surrounding area or conditions can be established to mitigate adverse impacts on such facilities.

B. In evaluating any proposed wireless service facility denominated as a conditional use, the Director may, at the expense of the applicant, retain an outside consultant to review the technical, design and other materials submitted by the applicant in conjunction with the proposal.

19.68.140 Completeness review.

A. Completeness Review. Applications must be reviewed for completeness within thirty days of receipt, except for applications to site Small Wireless Facilities, which must be reviewed for completeness within ten days of receipt. If the application is not reviewed for completeness within the applicable timeframe, it will be deemed complete.

B. Tolling. For applications to site Small Wireless Facilities, the review period resets once an applicant submits its additional materials. For all other applications deemed incomplete, the review period is tolled for up to sixty days. Once an applicant submits additional materials, the review timeframe begins to run again. If the applicant does not submit the required materials, the City may deny the application.

C. Submittal of Additional Materials. If an applicant submits additional materials, the Director must provide notice within 10 days as to any additional materials identified in the original notice that were not provided with the supplemental materials. Second or subsequent notices of incompleteness may not specify missing documents or information that was not delineated in the original notice of incompleteness. For second or subsequent notices of incompleteness, the review timeframe will be tolled for all applications including for siting Small Wireless Facilities. If the applicant does not submit the required materials, the City may deny the application.

D. Failure to act. If the decision-maker fails to approve or deny a request seeking approval for either a wireless service facility permit or wireless conditional use permit within the applicable timeframe for review, accounting for any tolling, the request is deemed granted. The deemed grant does not become effective until the applicant notifies

the applicable reviewing authority in writing after the review period has expired that the application has been deemed granted.

19.68.150 Timeframe for review.

The timeframe for review of an application for a wireless facility permit or wireless conditional use permit begins to run when an application is submitted, not when the application is deemed complete.

	Modifications that are not Substantial.	Colocating Wireless Facilities	New Wireless Facility	Colocating Small Wireless Facilities	New Small Wireless Facility
Timeframe	Approval required within sixty (60) days from receipt of submission of application	Written decision due within ninety (90) days from submission of application	Written decision due within one hundred and fifty (150) days from submission of application.	Written decision due within sixty (60) days from submission of application	Written decision due within ninety (90) days from submission of application.
Notes	If the City finds that the application involves a Substantial Change, the City may process the application as one for a new facility or deny the application.	This provision does not apply to Small Wireless Facilities.	This provision does not apply to Small Wireless Facilities.		

19.68.160 Construction.

A. Construction within two years. Construction or substantial progress toward construction of a facility for which a permit has been issued pursuant to this chapter must be undertaken within two years after approval of the permit. Substantial progress toward construction includes, but is not limited to: the letting of bids, making of contracts, and purchase of materials involved in development.

B. Tolling. In determining whether the two-year period has run, time during which litigation has been pending related to the construction of the facility must not be included.

C. Extension and termination. The city may, at its discretion, extend the two-year period for a reasonable time, based on factors including the inability to expeditiously obtain other required governmental permits prior to the commencement of construction. If a facility for which a permit has been granted has not been completed within three years after the approval of a permit the City must review the permit upon the expiration of three years, and upon a showing of good cause for the delay, either (a) extend the permit for one year; or (b) terminate the permit.

19.68.170 Appeals.

Appeals may be commenced on an action by the decision-maker on a permit application, within thirty (30) days of such act or failure to act, in any court of competent jurisdiction. This section supersedes the City's administrative appeal process set forth in Section 19.20.210.

19.68.180 Prohibited Locations.

- A. Lattice and guyed wire towers are not permitted in any zoning district.
- B. Commercial advertising including billboards and business identification signs may not be used as alternative antenna support structures.

19.68.190 Permitted locations.

New wireless service facilities, which includes new Small Wireless Facilities are permitted as follows, with the type of permit indicated. For those facilities located within a “right-of-way”, a master permit and construction permit for such use is required under the provisions of Chapter 5.38. The zones referred to below are defined in the City’s general zoning code.

Type of Facility	Residential Zones (R1, R2, R2A, R3, R3A, R4, R4A, OT)	Mixed Use Zones (CBD, C, MMU, CM, CM2, P)	Industrial Zones (LM, LM1, MS, HM, I, AZ)
Monopole	Permitted with WCUP	Permitted with WSF, except permitted with WCUP in P and except not permitted in CBD	Permitted with WSF
Utility Poles	Permitted with WCUP	Permitted with WSF, except permitted with WCUP in P, and except not permitted in CBD	Permitted with WSF
Electric Transmission Towers	Permitted with WSF, except permitted with WCUP in OT.	Permitted with WSF, except permitted with WCUP in P and except not permitted in CBD	Permitted with WSF
Water Tank Mounted	Permitted with WSF, except permitted with WCUP in OT	Permitted with WSF	Permitted with WSF
Playfield, Ballfield and Stadium Light Mounted Facilities	Permitted with WCUP	Permitted with WSF	Permitted with WSF
Building Attached	Permitted with WSF, only on buildings with nonresidential uses, and except permitted with WCUP in OT	Permitted with WSF	Permitted with WSF
Stealth Support Structure	Permitted with WSF, except permitted with WCUP in OT	Permitted with WSF, except permitted with WCUP in P	Permitted with WSF
Small Wireless Facility on an existing or replacement structure	Permitted with WSF	Permitted with WSF	Permitted with WSF
Other Types Not Listed	Permitted with WCUP	Permitted with WCUP	Permitted with WCUP

19.68.200 Visibility and performance standards.

All wireless service facilities locating within Anacortes must comply with the following standards:

A. Standards for all types of facilities:

General	1. All portions of the facility must be the minimum size necessary to support operation of the facility, as certified by the provider's licensed engineer. Where multiple facilities are proposed to be located in close proximity, they may be required to be consolidated in one equipment housing structure. 2. Owners and operators must provide information regarding the opportunity for the co-location of facilities. Provision for future co-location may be required if technically feasible and where opportunities for smaller facilities with fewer impacts are limited due to topography, lack of existing above ground structures or other circumstances.
Antennas (including Small Wireless Facilities)	1. In general, an antenna array must either be flush mounted within 12 inches of the support structure, or within 12 inches of the face of the building it is attached to; or be contained in a canister that is a continuation of the support structure and is centered on top of the support structure; or be placed pursuant to the City's adopted design standards, subject to the concealment requirements below. 2. All antennas or arrays must be a color and material that matches the support structure. 3. Roof-mounted installation is permitted when the City's adopted design and the Appearance and Screening requirements below have been met. The antennas, mounting brackets and any concealment structures are exempt from the height limit of the underlying zone to the extent that the total height of such facilities does not increase the overall building height by 18 feet, or 50 percent of the original building height, whichever is less.
Equipment Cabinets, Shelters, and Undergrounding	1. All equipment necessary for the operation of the facility must be concealed, either within an existing building, within an architecturally compatible addition to an existing building, or within a new building which is architecturally compatible with other buildings on the site and adjoining properties; or located underground with exceptions as stated in Chapter AMC 15.32, and excepting equipment cabinets and shelters, which may be located above ground, and landscaped and screened pursuant to the City's typical landscaping requirements. 2. This section does not apply to antennas or other facilities that are required to remain above-ground in order to be functional, or if it would otherwise materially inhibit wireless service. 3. Underground shelters are not allowed where such shelters would interfere with existing uses of public land including, but not limited to, public rights-of-way. Equipment enclosures less than or equal to five cubic feet, with no single dimension over three feet, may be mounted directly on a monopole or utility pole. These dimension limitations do not apply to Small Wireless Facilities. 4. Equipment cabinets and shelters are permitted upon abutting private property and may be located within public rights-of-way, pursuant to the applicable requirements and obtaining the appropriate permits specified in Chapter AMC XX.XX. 5. The size of equipment cabinets and shelters must be minimized to the greatest extent possible. 6. Prefabricated concrete and metal structures for equipment enclosures are not permitted unless treated with a facade giving the appearance of masonry or wood siding and are compatible with the existing neighborhood and surrounding setting.
Appearance and Screening	The following standards must be met to ensure the facility minimizes its visual impact: 1. Design and configurations must be compatible with the existing neighborhood, blend in with the surrounding setting, and/or are screened from surrounding uses and properties. 2. Design and configurations must minimize visual intrusion of the facility on surrounding uses and properties. Such techniques may include, for example: containing transmission and power cables and other conduit within any support structure, locating facilities underground, or otherwise screening the facility; minimizing the lateral projection of antenna arrays to the

	greatest extent technically feasible; and integrating antenna arrays into the design of any structure to which they are attached. 3. Facilities on private property must be screened through the use of mature trees that are a minimum of 20 feet tall and planted to screen at least 80 percent of the area around the facility, if technically feasible. 4. For stealth supported structures, the structure must be designed to resemble an object that would be commonly found in the area, including, but not limited to, a flagpole, a clock or bell tower, a tree that is a native conifer species, or a silo. Antennas, to the maximum extent feasible, must be concealed by the stealth support structure, or must not be easily recognized. To determine feasibility, the applicant must submit an engineer's report regarding the feasibility of concealing the antennas.
Noise	Noise reduction measures must comply with the City and/or Federal noise regulations, whichever demonstrates the least amount of noise impact for the nearest residential dwelling(s) at any time of day or night, as measured from the closest point from the exterior of the dwelling to the wireless facility. Such requirements are exempt during testing of alternative power sources (i.e., power generators or similar emergency power sources).
Landscaping	1. Facilities and/or equipment cabinets must be surrounded with a minimum of four feet wide landscaping, in the applicable zones set forth in the City's general zoning provisions, if technically feasible. 2. Towers must be landscaped with a buffer of plant materials that effectively screens the view of the tower compound from properties used for residences, if technically feasible. In some cases, natural growth around the property perimeter may provide a sufficient buffer. 3. Existing mature tree growth and natural land forms on the site must be preserved to the maximum extent possible.
Setbacks	1. In residential zones, towers, antennas, monopoles, and other wireless facilities and equipment pertaining thereto must not be closer than the greater of 20' or 100% of the tower height from the adjoining lot line. 2. In non-residential zones, facilities must comply with the setback requirements set forth in the applicable zoning code, Chapter 17 AMC, and meet or exceed the City or Federal noise regulations, whichever demonstrates the least amount of noise impact for the nearest residential dwelling(s), as measured from the closest point from the exterior of the dwelling to the facility. 3. The setback may be reduced if the applicant uses noise abatement techniques, such as decorative noise walls, to achieve equivalent or greater reduction of visual and noise impacts from the facility. 4. For co-locations, new equipment associated with the facility must be placed no closer to existing residential uses than any existing equipment enclosure on the subject property. 5. These setback requirements do not apply to SWF's in the ROW.
Spacing	1. In residential zones, towers and their antennas must not be closer than 200' or 100% of the tower height from the nearest residential dwelling(s), as measured from the closest point from the exterior of the dwelling to the facility. 2. In non-residential zones, there are no spacing requirements. 3. The minimum spacing requirements herein will not apply if they have the effect of materially inhibiting wireless service.

B. Standards for specific types of facilities:

New Monopoles (including Small Wireless Facilities) and Stealth Wireless	Any wireless service provider which proposes to construct a new monopole or stealth supported facility must provide, as part of its permit application, written findings from a qualified engineer which demonstrate that: 1. Either there are no other facilities reasonably available for colocation; or 2. Any existing facilities reasonably available are not technologically suitable for use by the applicant; and
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Support Structures	3. The proposed monopole has been designed in a manner that will allow for the colocation of at least one additional antenna array on the structure, if technically feasible. 4. The height of the monopole may not exceed 120 feet or the height of similar structures permitted in the zone within which it is located, whichever is greater.
Colocating Monopoles or Utility Poles Within Public Rights-of-Way	1. More than one facility may be colocated on any monopole, subject to the permits and technical feasibility. 2. Monopoles located within public rights-of-way must be located a minimum of 500 feet apart; a shorter distance may be approved if the applicant submits an engineering analysis and equipment specifications that demonstrate the reduced distance is necessary to provide adequate coverage and/or capacity. 3. Where a utility located upon a monopole requires vertical separation between its facilities and the antenna(s), the structure/pole and antenna may be raised or replaced with a taller structure to accommodate the minimum separation requirement, not to exceed 20 feet in the public right-of-way. Any additions must be constructed of similar materials, and have surface treatments which match the color and texture of the original facility.
Electric Transmission Towers or Utility Poles Outside Public Rights-of-Way	Where a utility located upon the support structure (such as electric transmission tower) requires vertical separation between its facilities and the antenna(s), the structure/pole and antenna may be raised by a mount or replaced with a taller structure to accommodate the minimum separation requirement, not to exceed 30 feet. Any additions must be constructed of similar materials, and have surface treatments which match the color and texture of the original facility.
Playfield, Ballfield and Stadium Light Mounted Facilities	Only one facility is permitted on any playfield, ballfield, or stadium light. Where lighted signs and illuminated areas are permitted, such illuminating devices must be shaded and directed so as not to be visible from any residentially zoned property.
Building Attached	The equipment for roof-mounted antennas within the OT zone must be located within the same building on which the antennas are located. This provision will not apply to Small Wireless Facilities if it has the effect of materially inhibiting the provision of service.

19.68.210 Requirements for colocations.

A. All wireless facilities colocating within the City of Anacortes must meet the following standards. This section does not apply to Eligible Facilities Requests.

B. Colocations (as defined in Section 19.68.030(5)) are permitted on existing monopoles and stealth support structure facilities, so long as the colocation maintains the appearance of the existing structure, and do not interfere with the City's placement of cameras or other public safety uses.

C. The height of the existing facility may be increased by the minimum vertical separation necessary between the facilities, not to exceed 20 feet; except for towers and utility poles outside public rights-of-way, the height of which may be increased by up to 30 feet to accommodate the minimum separation requirement. The height of the existing facility with all increases in height due to colocations may not exceed the general height limitation for similar structures or buildings within the zone in which it is permitted or 120 feet, whichever is greater.

D. Existing monopoles and antenna support structures may be replaced to accommodate colocation. Monopoles and stealth support structures must, to the maximum extent feasible, be located within 20 feet of the existing structure within the public right-of-way, or within 30 feet of the existing structure outside of the public right-of-way, and maintain the design of the original structure, including any stealth or camouflage components. To determine feasibility, the applicant must submit an engineer's report regarding the feasibility of a proposed replacement.

E. All antenna support structures permitted pursuant to the terms of this chapter or otherwise located within the City of Anacortes must be made available for use by the owner or initial user thereof, together with as many other

wireless service providers as can be technically colocated thereon. The owner of an antenna support structure may charge a reasonable fee for the colocation of additional facilities upon said structure which does not exceed the fair market value for the space occupied by said colocated facilities. If the City is the owner, it may not charge a fee that exceeds a reasonable approximation of the objectively reasonable costs associated with siting a Small Wireless Facility on the antenna support structure.

F. Colocating facilities must meet all other visibility and performance standards in Section 19.68.200.

19.68.220 Requirements for Non-Substantial Changes.

All modifications to wireless service facilities to the existing facility, including Small Wireless Facilities, that are Non-Substantial, must comply with the following standards:

- A. No modification may violate the City or Federal noise regulations.
- B. No modification may violate the Federal radio-frequency emission standards.
- C. No modification may violate setback or other lot coverage or height requirements in this Chapter.

19.68.230 Maintenance of facilities.

The owner and/or operator of all wireless service facilities must maintain their facilities in a good and safe condition and in a manner which complies with all applicable Federal, State, and local requirements.

19.68.240 Testing of facilities required – Radio-frequency (RF) emissions.

- A. All wireless service facilities must comply with applicable Federal Communications Commission (FCC) regulations regarding radio-frequency emissions. All tests must be performed by or under the supervision of a professional engineer competent to perform such testing and interpret the data gathered.
- B. Reports or similar support documents must be submitted for all facilities confirming compliance with all applicable FCC regulations. Compliance reports are required when requested by the Director.
- C. If at any time radio-frequency emission tests show that a facility exceeds any of the standards established by the FCC, the owner or operator thereof must immediately discontinue use of the facility and notify the Director. Use of such facilities may not resume until the owner or operator demonstrates that corrections have been completed which reduce the radio-frequency emissions to levels permitted by the FCC.

19.68.250 Testing of facilities required – Noise emissions.

- A. The owner or operator of a wireless service facility must conduct tests necessary to demonstrate compliance with all applicable local regulations regarding the noise emissions of the facility when notified in writing by the Director that a noise complaint has been received regarding the facility. All such tests must be performed by or under the supervision of a licensed environmental noise consultant competent to perform such tests and interpret the data gathered.
- B. When such a report is required, a report, certified by a licensed environmental noise consultant, setting forth the observed noise levels at the property line of the property upon which the facility is located must be submitted. The report must account for background noise and other noise sources and demonstrate the noise levels emitted by the facility, including any air conditioning or ventilation equipment contained therein. Such report must address standards set forth within noise reduction measures within noise provisions in Section 17.54.010 AMC or the standards set forth with the Federal Interagency Committee on Urban Noise, whichever demonstrates the least

amount of noise impact for the nearest residential dwelling(s), at any time of day or night, as measured from the closest point from the exterior of the dwelling to the wireless facility.

C. The Director may retain a technical expert in environmental noise measurement to verify the noise measurements and certification. The cost of such a technical expert must be borne by the owner or operator of the facility, if said facility fails to comply with applicable State or local noise standards.

(D) This section does not apply during the testing of alternative power sources (i.e., power generators).

19.68.260 Security fencing.

All wireless service facilities must be protected from unauthorized entry. The perimeter of all wireless service facilities, other than small wireless facilities in the ROW, which include an antenna support structure must be secured with security fencing which does not exceed seven feet in height. Wireless service facilities that do not include an antenna support structure must be protected from unauthorized entry through appropriate means approved by the Director or his or her designee on a case-by-case basis consistent with the purpose of protecting the public health, safety, and welfare.

19.68.270 Abandonment of facilities.

Any antenna support structure that has had no antennas mounted upon it for a period of six months, or if the antennas mounted thereon are not operated for a period of six months, will be considered abandoned, and the owner thereof must remove such structure and any accompanying equipment and enclosure within 90 days after receipt of a notice from the Director to do so. The Director may extend this time period to a maximum of six additional months. The owner or operator of all wireless service facilities must, when requested by the Director, submit a written report, signed under penalty of perjury, which demonstrates whether or not there has been a cessation in use of the facility for a period of six months during the prior year. If a facility and associated equipment are not removed within 90 days after receipt of a notice from the Hearing Examiner requiring said removal, the Hearing Examiner may seek and obtain a court order directing such removal and imposing a lien upon the real property upon which such wireless service facility is situated in an amount equal to the cost of removal. In the event that more than one wireless service provider is using the antenna support structure, the antenna support structure will not be considered abandoned until all such users cease using the structure as provided in this section.

19.68.280 Signs.

A. Except as approved as part of a plan to conceal, disguise, or camouflage a wireless service facility, no signs, symbols, flags, banners, or similar devices must be placed on, attached to, painted, or inscribed upon any antenna support structure or alternative antenna support structure. Notwithstanding the foregoing, an applicant and/or land owner may place not more than four signs measuring 12 by 18 inches upon or near a wireless service facility which:

1. state that trespassers will be prosecuted;
2. list the names and telephone numbers of persons to be contacted in the event of an emergency;
3. identify the applicant and/or land owner or person responsible for operating the wireless facility; and/or
4. contain information necessary and convenient for the person operating the wireless service facility to identify the wireless service facility.

B. Nothing in this section may be construed to prohibit the placement of safety or warning signs upon any portion of the wireless service facility which are required by law or which are designed to apprise emergency response personnel and the employees and agents of wireless service providers of particular hazards associated with equipment located upon the wireless service facility.

19.68.290 Lighting standards.

Except as specifically required by Federal Aviation Administration (FAA) or FCC regulations, antenna support structures cannot be illuminated. However, equipment enclosures may be illuminated for security reasons when compatible with the surrounding neighborhood.

19.68.300 SEPA.

Integration of environmental review. An application for a wireless service facility permit or wireless conditional use permit that is subject to the State Environmental Policy Act (SEPA) must be reviewed per AMC Chapter 18.04 concurrently with the review of the permit reviewed under this Chapter, except where exempted by that chapter. If there is a conflict between this Chapter and development regulations in other Chapters, the provisions of this Chapter will apply.

Chapter 5.38**PUBLIC UTILITY AND TELECOMMUNICATIONS****RIGHT-OF-WAY USE***

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5.38.010 Purpose.

The purpose of this chapter is to provide for the regulation of the use of public right-of-way by any business, service, or person which is engaged in supplying the public with some commodity or service which is of public consequence and need, such as public and private utilities, wireless telecommunications or transportation service.

5.38.020 Applicability.

The provisions of this chapter apply to all public utility and wireless carriers which occupy, use, construct, or maintain utility or telecommunications facilities within public right-of-way of the City.

To the extent the provision of any current franchise or other written agreement with a public utility or wireless carrier conflicts with any provision of this chapter, the applicable provision of the franchise or other written agreement prevails.

5.38.030 Definitions.

For the purposes of this chapter, the following terms, phrases, and words have the meanings set forth below unless the context clearly indicates otherwise. When not inconsistent with the context, words used in the present tense include the future tense, words in the plural number include the singular number, and words in the singular number include the plural number.

(1) “Act” means a decision to grant, condition, or deny the use condition, or deny a permit, which may be subject to administrative appeal, or a notification to the applicant in writing of the amount of time that will be required to make the decision and the reasons for this time period.

(2) “Base station” means: a structure or equipment at a fixed location that enables FCC-licensed or authorized wireless communications between user equipment and a communications network. The term does not encompass a “Tower” or any equipment associated with a Tower.

(A) The term includes, but is not limited to, equipment associated with wireless communications services such as private, broadcast, and public safety services, as well as unlicensed wireless services and fixed wireless services such as microwave backhaul.

(B) The term includes, but is not limited to, radio transceivers, antennas, coaxial or fiber-optic cable, regular and backup power supplies, and comparable equipment, regardless of technological configuration (including Distributed Antenna Systems and small-cell networks).

(C) The term includes any structure other than a tower that supports or houses equipment that has been reviewed and approved under the applicable zoning or siting process, or under another State or local regulatory review process, even if the structure was not built for the sole or primary purpose of providing such support.

(D) The term does not include any structure that does not support or house equipment for wireless telecommunications services.

(3) “City Engineer” means the City Engineer of the City of Anacortes, Washington acting in his or her official capacity, and his or her designee(s).

(4) “Complex project” means a construction project involving, by way of example only: adding, installing, or relocating numerous conduits, wires, lines, poles, pipes, cables, communication and signal lines, braces, guys, anchors, vaults, pedestals, antennas, and/or other structures, equipment and appurtenances to a public utility or wireless facility; navigating intricate or complicated facility or land ownership issues; determining whether significant environmental impact(s) exist; and/or the analysis of highly technical structural or engineering information or reports.

(5) “Emergency” means a condition of imminent danger to the health, safety, and welfare of property or persons located within the City, including, but not limited to, damage to persons or property from natural consequences, such as storms, earthquakes, riots or wars.

(6) “Facilities” means all of the towers, equipment, fixtures, antennas, equipment cabinets, equipment shelters, and other appurtenances necessary to furnish and deliver wireless services, including but not limited to utility, monopoles, and street poles with cross arms or without cross arms, wires, lines, conduits, cables, communication and signal lines and equipment, braces, guys, anchors, vaults, and all attachments, appurtenances, and appliances necessary or incidental to the distribution and use of wireless services. Facilities include “Small Wireless Facilities” as defined below.

(7) “Master permit” means the agreement whereby the City of Anacortes may grant general permission to a service provider to enter, use, and occupy the right-of-way for the purpose of locating facilities. This definition is not intended to limit, alter, or change the extent of the existing authority of the City of Anacortes to require a franchise, nor does it change the status of a service provider asserting an existing statewide grant based on a predecessor telephone or telegraph company’s existence at the time of the adoption of the Washington State Constitution to occupy the right-of-way. A master permit does not include cable television franchises or permits.

(8) “Overhead facilities” means utility poles, utility facilities and wireless facilities located above the surface of the ground, including the underground supports and foundations for such facilities.

(9) “Permittee” means the public utility, service provider, or other person authorized under a master permit or construction permit under the provisions of this Chapter.

(10) “Person” means and includes corporations, companies, associations, joint stock companies or associations, firms, partnerships, limited liability companies and individuals and includes their lessors, trustees and receivers.

(11) “Public improvement” as used herein, means all work, construction, alterations, repair or improvements within public right-of-way, executed at the cost or under contract of the City, or caused to be performed by any person or entity as a condition or requirement of an approval or permit for zoning, land use, construction, or development if dedicated or required to be dedicated to the public use, benefit or enjoyment.

(12) “Public right-of-way” means any highway, street, alley, other public right-of-way, or easement for motor vehicle under the jurisdiction and control of the City which has been acquired, established, dedicated or devoted to such purposes, but only to the extent of the City’s right, title, interest or authority to grant a permit to occupy and use such streets and easements for wireless and utility facilities.

(13) “Public utility” as used herein, means a company or entity engaged in any business or service regularly supplying the public with some commodity or service which is a public need and consequence, such as natural gas, electricity, water or sanitary sewer, including any business subject to regulation as to rates and service by the Utilities and Transportation Commission under the provisions of RCW Title 81.

(14) “Service provider” means every corporation, company, association, joint stock association, firm, partnership, person, city, or town owning, operating, or managing any facilities used to provide and providing wireless service for hire, sale, or resale to the general public. Service provider includes the legal successor to any such corporation, company, association, joint stock association, firm, partnership, person, city, or town.

(15) “Small Wireless Facility” encompasses facilities that meet the following conditions:

(A) The facilities—

(1) are mounted on structures 50 feet or less in height including their antennas as defined in section 1.1320(d), or

(2) are mounted on structures no more than 10 percent taller than other adjacent structures, or

(3) do not extend existing structures on which they are located to a height of more than 50 feet or by more than 10 percent, whichever is greater;

(B) Each antenna associated with the deployment, excluding associated antenna equipment (as defined in the definition of antenna in section 1.1320(d)), is no more than three cubic feet in volume;

(C) All other wireless equipment associated with the structure, including the wireless equipment associated with the antenna and any pre-existing associated equipment on the structure, is no more than 28 cubic feet in volume;

(D) The facilities do not require antenna structure registration under Federal regulations;

(E) The facilities are not located on Tribal lands, which means all lands within the exterior boundaries of any Indian reservation and all dependent Indian communities; and

(F) The facilities do not result in human exposure to radiofrequency radiation in excess of the applicable safety standards specified in section 1.1307(b).

(16) “Surplus space” means that portion of the usable space on a utility pole which has the necessary clearance from other pole users, as required by Federal or State orders and regulations, to allow its use by a public utility or wireless carrier for a pole attachment. “Surplus space” also includes usable space within underground conduits and ducts when the necessary clearance from other users, as required by Federal or State orders and regulations, can be achieved;

(17) “Underground facilities” means utility and wireless telecommunications facilities located under the surface of the ground, excluding the underground foundations or supports for overhead facilities;

(18) “Usable space” means the total distance between the top of a utility pole and the lowest possible attachment point that provides the minimum allowable vertical clearance as specified in any Federal or State orders and regulations;

(19) “Utility easement” means any easement owned by the City and acquired, established, dedicated or devoted for public utility purposes; and

(20) “Utility facilities” as used herein means all conduit, wires, lines, poles, pipes, cables, communication and signal lines, braces, guys, anchors, vaults, pedestals, antennas, and all other structures, equipment and appurtenances thereto owned, operated or maintained by a public utility and used to furnish utility services.

(21) “Wireless support structure” or “support structure” means a freestanding structure that is designed to support or is capable of supporting wireless facilities. The term does not include a utility pole, monopole, street pole, or tower.

(22) “Wireless telecommunications carrier” or “wireless carrier” means and includes every corporation, company, association, joint stock association, partnership and person, their lessees, trustees or receivers appointed by any court whatsoever, and every city or town owning, operating, or managing any facilities used to provide wireless telecommunications for hire, resale to the general public within this State;

(23) “Wireless telecommunications” or “wireless” means the transmission of information by wire, radio, optic cable, electromagnetic, or similar means for hire, sale or resale to the general public. For the purpose of this subsection, “information” means knowledge or intelligence represented by any form of writing, signs, signals, pictures, sounds, or any other symbols. For the purpose of this chapter, wireless telecommunications service excludes the over-the-air transmission of broadcast television or broadcast radio signals and excludes “cable services,” “cable communications systems” and “CATV systems” as defined in Chapter 5.44.

5.38.040 Master permit and construction permit required.

(A) It is unlawful to construct, place, maintain, or operate any pipes, ducts, utility tunnels, vaults, maintenance holes, poles, fixtures, wires, utility facilities, wireless facilities, or any other appurtenances necessary for the purpose of providing wireless service, or to conduct any public utility business, on, over, or under the public right-of-way, without obtaining a master permit from the Council.

(B) It is unlawful to construct, repair, or maintain any pipes, ducts, utility tunnels, vaults, maintenance holes, poles, fixtures, wires, utility facilities, wireless facilities, or any other appurtenances, necessary for the purpose of providing wireless service, or to conduct any public utility business or to go upon any such public right-of-way to perform any work therein on, under, or over public right-of-way, without obtaining a construction permit from the City Engineer. The City Engineer may exempt certain activities from the requirements of this section that do not materially affect the public right-of-way; provided, however, that if the City Engineer denies an applicant's request for such an exemption, no appeal is permitted.

5.38.050 Optional pre-application.

An applicant may submit materials up to thirty (30) days in advance of an application for a construction permit or master permit. The information submitted along with a pre-application may include the following information:

- (1) The name and address of the applicant;
- (2) Identification of all carriers using the facility;
- (3) The type of facility proposed;
- (4) Preliminary engineering plans, specifications, and maps of the facilities to be located within the public right-of-way;
- (5) Detailed construction plans demonstrating compliance with all applicable City codes and construction specifications, including the City's Engineering Standards;
- (6) A brief description of non-confidential, nonproprietary utility or wireless telecommunications services that are or will be offered or provided by the applicant over its facilities;
- (7) A brief description of non-confidential, nonproprietary transmission medium that will be used to offer or provide such services;
- (8) An accurate map showing the location of any existing utilities and/or wireless telecommunications facilities in the City that the applicant intends to use or lease;
- (9) If installation of overhead facilities is proposed, evidence that Surplus Space is available for locating the facilities on existing utility poles along the proposed route;
- (10) The area or areas of the City the applicant desires to serve and a schedule for building out (offering service to) the entire area covered by the master permit;
- (11) Proof of compliance with the other provisions of this Chapter, including but not limited to the indemnity, insurance, and bond requirements; and/or
- (12) Information to establish that the applicant has obtained all other governmental approvals and permits to construct and operate the facilities, and to offer or provide the services, including, but not limited to, evidence that the applicant has registered with the Washington Utilities and Transportation Commission.

5.38.060 Construction permit application.

- (A) To obtain a construction permit, the applicant must file an application with the City Engineer.
- (B) A complete application must include the following information and materials:
- (1) The names, residences, and business addresses of all officers and directors of the applicant.

- (2) Detailed construction plans demonstrating compliance with all applicable City codes and construction specifications, including the City's Engineering Standards.
 - (3) If the applicant is constructing wireless facilities on another service provider's facilities, a notarized statement that the applicant has permission to use a third party's facility(ies), or a signed agreement with the service provider to that effect.
 - (4) The location of the applicant's overhead and underground facilities in the public right-of-way along the proposed route and the area proposed to be served by cable.
 - (5) Preliminary engineering plans, specifications, and maps of the facilities to be located within the public right-of-way, in sufficient detail to identify the location and route of the proposed facilities within the public right-of-way, the location of the applicant's existing facilities within the right-of-way, if any, and the specific trees, structures, facilities, and/or obstructions, if any, that the applicant proposes to temporarily or permanently remove or relocate.
 - (6) If underground installation in existing ducts or conduits within the public right-of-way is proposed, information in sufficient detail to identify: the excess capacity currently available in such ducts or conduits before installation of the facilities; and the excess capacity, if any, that will exist in such ducts or conduits after installation of the facilities.
 - (7) If underground installation within new ducts or conduits to be constructed within the public right-of-way is proposed: the location proposed for the new ducts or conduits; and the excess capacity that will exist in such ducts or conduits after installation of the facilities.
 - (8) A preliminary construction schedule and completion date.
 - (9) A detailed statement describing the actual equipment and operational standards proposed by the applicant.
 - (10) A statement or schedule setting forth all proposed classifications of rates and charges to be set, including installation and service charges, which must remain in effect for at least twelve months after the City grants a master permit.
 - (11) Proof of compliance with the other provisions of this Chapter, including but not limited to the indemnity, insurance, and bond requirements.
 - (12) Any other reasonable information requested by the City Engineer or its designee, or required by any other provision of any other ordinance of the City.
 - (13) An application fee to be set by the City Council in its unified fee schedule to allow the City to recover the costs of reviewing the application, including the costs of any third-party review.
- (C) Applications for Small Wireless Facilities may be submitted in batches, which may encompass up to five separate applications filed at the same time, each for one or more sites, or a single application covering up to five sites, unless the City agrees to a larger number based upon its capacity to review additional applications.
- (D) Third Party Review. The City may require the applicant to submit its materials to a third-party for review, as may be reasonably necessary to determine compliance with this Chapter, such as an engineer or architect, by way of example only.

5.38.070 Master permit application.

- (A) To obtain a master permit, the applicant must file an application with the City clerk.
- (B) The Council must examine each complete application submitted for review and approval to determine if it complies with the applicable provisions of this chapter. Other departments that have authority over the proposed use or activity may be required to review and approve or disapprove the application based on site-specific criteria, such

as that in 19.68 AMC. The Council may inspect the public right(s)-of-way proposed for use to determine any facts which may aid in determining whether a master permit should be approved.

(C) A complete application must include the following information and materials:

- (1) The identity of the applicant, including all affiliates of the applicant who will be authorized to work in the right-of-way under the agreement;
- (2) If the applicant is constructing wireless facilities on another service provider's facilities, a notarized statement that the applicant has permission to use such facilities, or a signed agreement with the service provider to that effect.
- (3) If the application involves a Small Wireless Facility, preliminary engineering plans showing all dimensions of the wireless facility.
- (4) A brief description of non-confidential, nonproprietary utility or wireless telecommunications services that are or will be offered or provided by the applicant over its facilities;
- (5) A brief description of non-confidential, nonproprietary transmission medium that will be used to offer or provide such services;
- (6) An accurate map showing the location of any existing utilities and/or wireless telecommunications facilities in the City that the applicant intends to use or lease;
- (7) If installation of overhead facilities is proposed, evidence that Surplus Space is available for locating the facilities on existing utility poles along the proposed route;
- (6) Preliminary engineering plans, specifications, and maps of the facilities to be located within the public right-of-way, in sufficient detail to identify the location and route of the proposed facilities within the public right-of-way, the location of the applicant's existing facilities within the right-of-way, if any, and the specific trees, structures, facilities, and/or obstructions, if any, that the applicant proposes to temporarily or permanently remove or relocate.
- (7) The area or areas of the City the applicant desires to serve and a schedule for building out (offering service to) the entire area encompassed by the master permit;
- (8) Information to establish that the applicant has obtained all other governmental approvals and permits to construct and operate the facilities, and to offer or provide the services, including, but not limited to, evidence that the applicant has registered with the Washington Utilities and Transportation Commission;
- (9) Proof of compliance with the other provisions of this Chapter, including but not limited to the indemnity, insurance, and bond requirements.
- (10) An application fee to be set by the Council in its unified fee schedule which allows the City to recover its actual administrative expenses that are directly related to receiving and approving a permit and license, to inspecting plans and construction, or to the preparation of a detailed statement.

(D) Applications for Small Wireless Facilities may be submitted in batches, which may encompass up to five separate applications filed at the same time, each for one or more sites, or a single application covering up to five sites, unless the City agrees to a larger number based upon its capacity to review additional applications.

(E) Third Party Review. The City may require the applicant to submit its materials to a third-party for review, as may be reasonably necessary to determine compliance with this Chapter, such as an engineer or architect, by way of example only.

5.38.080 Completeness review.

(A) Completeness Review. Applications for a master permit or construction permit must be reviewed for completeness within thirty days of receipt, except for applications associated with Small Wireless Facilities, which

must be reviewed for completeness within ten days of receipt. If the application is not reviewed for completeness within the applicable timeframe, it will be deemed complete.

(B) Tolling.

(1) For applications for a master permit or construction permit for a Small Wireless Facilities, the review period resets once an applicant submits its additional materials.

(2) For all other applications deemed incomplete, the review period is tolled for up to sixty days. Once an applicant submits additional materials, the review timeframe begins to run again.

(3) If the applicant does not submit the required materials within the required timeframe, the City may deny the application.

(C) Submittal of Additional Materials.

(1) If an applicant submits additional materials, the Director must provide notice within ten (10) days as to any additional materials identified in the original notice that were not provided with the supplemental materials.

(2) Second or subsequent notices of incompleteness may not specify missing documents or information that was not delineated in the original notice of incompleteness. For second or subsequent notices of incompleteness, the review timeframe will be tolled for all applications including those pertaining to Small Wireless Facilities.

(3) If the applicant does not submit the required materials, the City may deny the application.

(D) Failure to act. If the Director fails to approve or deny a request seeking approval for either a wireless service facility permit or conditional use permit within the applicable timeframe for review, accounting for any tolling, the request is deemed granted. The deemed grant does not become effective until the applicant notifies the applicable reviewing authority in writing after the review period has expired that the application has been deemed granted.

5.38.090 Timeframe for review.

The timeframe for review of an application for a master permit or a construction permit begins to run when an application is submitted, not when the application is deemed complete. The timeframe for submitting and reviewing master permits and construction permits is the same, unless otherwise specified.

	Colocating Wireless Facilities	Colocating Small Wireless Facility	New Small Wireless Facility	New Wireless Facilities	Construction Permit – All Wireless Facilities	Master Permit Renewal – All Wireless Facilities
Application Submission	Master use and construction permit applications should each be submitted 90 days prior to planned use.	Master use and construction permit applications should each be submitted 60 days prior to planned use.	Master use and construction permit applications should each be submitted 90 days prior to planned use.	Master use and construction permit applications should each be submitted at least 120 days prior to planned use.	Applications for complex projects should be submitted at least 60 days prior to the planned use, and in no case less than 30 days prior to the planned use.	A Permittee may submit an application for renewal no more than 180 days and no less than 120 days before expiration of the current master permit.
Timeframe for decision (from receipt of complete application)	Written decision due within 90 days.	Written decision due within 60 days.	Written decision due within 90 days.	Written decision due within 120 days.	City Engineer must Act within a reasonable time, generally not to exceed 30 days, and in no case can he or	Written Decision due within 90 days.

	Colocating Wireless Facilities	Colocating Small Wireless Facility	New Small Wireless Facility	New Wireless Facilities	Construction Permit – All Wireless Facilities	Master Permit Renewal – All Wireless Facilities
					she exceed the timeframes for review set forth in this table.	

5.38.100 Construction permit approval.

(1) The City Engineer shall review construction permits as follows:

Optional Pre-Application Meeting	Yes
Notice of Application	No
Comment Period	None
Recommendation By	None
Pre-Decision Open-Record Hearing	No
Closed-Record Decision Hearing	No
Decision By	City Engineer
Notice of Decision	No

(2) In the event that the City Engineer finds that the construction permit application conforms to the requirements of this chapter and applicable construction standards adopted by the City, the City Engineer must approve the construction permit, and may impose such conditions thereon as are reasonably necessary to protect the public health, welfare and safety, to mitigate any impacts resulting from the use, and to facilitate the orderly management of other utility and wireless facilities within the public right-of-way.

(3) In the event that the City Engineer denies an application for a construction permit, the decision must be in writing and set forth the reasons for said denial, and must be based on substantial evidence in the written record. The City may not deny a construction permit on the basis of a failure to obtain a master permit. Following approval by the City Engineer, construction permits will be issued by the City clerk.

(4) The City Engineer has the discretion to approve a blanket construction permit for a period of up to one year, when the applicant seeks approval to perform construction or maintenance that is of a repetitive or similar nature.

(5) In evaluating a construction permit application under this chapter, the City Engineer must, in addition to the criteria set forth in AMC XX.XX.050(2), determine whether the proposed construction is consistent with all construction standards adopted by the City.

(6) The duration of a construction permit will be for one year unless revoked or modified under the provisions of this chapter. The City Engineer must approve a construction schedule specifying the dates, times, and duration during which construction activity is permitted within the public right-of-way.

(7) The construction permit incorporates the relevant terms and conditions of this chapter by reference.

(8) The City Engineer has the power to regulate the construction and enforce construction permit conditions and the requirements of this chapter. The City Engineer must keep a record of the construction permit and the work done thereunder.

(9) A service provider adversely affected by a final action denying a construction permit may commence an action within thirty (30) days to seek relief, in any competent court of jurisdiction.

5.38.110 Master permit approval.

(1) The City Council shall review the master permit application as follows:

Optional Pre-Application Meeting	Yes
Notice of Application	Yes
Comment Period	14 days
Recommendation By	None
Pre-Decision Open-Record Hearing	Yes, before City Council
Closed-Record Decision Hearing	No
Decision By	City Council
Notice of Decision	Yes

(2) In the event the Council finds that master permit application conforms to the requirements of this chapter and the criteria for approval set forth in subsection (2) of this section, the Council must approve the master permit, and may impose conditions that are reasonably necessary to protect the public health, welfare, and safety and to mitigate any impacts resulting from the use. The Council will provide the reasons for a denial in writing, supported by substantial evidence contained in the written record based on the criteria set forth below. Following approval, the applicant and the Council must enter into a written agreement setting forth the particular terms under which the applicant has been granted the right to occupy and use the public ways of the City.

(3) In evaluating a master permit application under this chapter, the Council will, consistent with Federal and State law, examine the following criteria:

(a) Whether all requisite licenses, certificates, and authorizations from applicable Federal, State, and local agencies have been obtained by the applicant;

(b) The capacity of the public right-of-way to accommodate additional utility and wireless telecommunications facilities if the master permit is granted;

(c) The effect, if any, on public health, safety and welfare if the master permit is granted;

(d) The availability of reasonable alternate routes and/or locations in the right-of-way for the proposed facilities;

(e) Whether denial of the use of the right-of-way would materially inhibit or limit the ability of the service provider to compete in a fair and balanced regulatory environment.

(e) Applicable Federal, State, and local statutes, regulations, ordinances, and policies related to utility, wireless telecommunications, and other facilities, including City construction standards;

(f) Such other factors as may demonstrate that the grant to use the public right-of-way will serve the community interest.

(4) The duration of a master permit is five years unless revoked or modified under the provisions of this chapter.

(5) No master permit granted under this chapter confers any exclusive right, privilege, license, or franchise to occupy or use the public right-of-way of the City for delivery of wireless services or any other purposes. Further, no master permit may be construed as a right, title or interest in the public ways, but is the right solely to use and occupy the public right-of-ways for the limited purposes and terms stated within the grant. No master permit may be construed as a warranty of title.

5.38.120 Compensation to the City.

The City may fix a fair and reasonable compensation to be paid annually for the use of the right-of-way granted to the applicant under a master permit that is a reasonable approximation of the City's costs, including the costs of third-party review, if any; provided, that the City and an applicant may agree to the compensation to be paid; and provided that the compensation fixed or agreed upon is consistent with RCW 35.21.860.

5.38.130 Nondiscrimination.

A Permittee which purports to serve the general public must make its wireless telecommunication services available to any customer within its permitted area who requests such service, without discrimination as to the terms, conditions, rates or charges for the permittee's services; provided, however, that nothing in this title prohibits a Permittee from making reasonable classifications among differently situated customers.

5.38.140 Amendment of Permit.

Except as otherwise provided within a master permit agreement, a new master permit agreement and grant is required for any wireless carrier or service provider that seeks to extend the area covered by the master permit or to locate its wireless facilities in public rights-of-way in the City which are not included in a master permit previously granted under this chapter. If ordered by the city to locate or relocate its wireless telecommunications facilities in public rights-of-way not included in a previously granted master permit, the City must grant a master permit amendment without further application.

5.38.150 Renewal application – Master Permit.

(A) A Permittee may activate a formal process for renewal, by submitting an application for renewal, a completed master permit renewal application with the city clerk. The application must include the following:

- (1) The information required under AMC XX.XX.060;
- (2) Any information required under the master permit agreement between the City and the applicant;
- (3) All deposits or charges required under this Chapter; and
- (4) An application fee to be set by Council.

5.38.160 Renewal approval.

(A) The City must issue a written determination granting or denying the renewal application in whole or in part. If the renewal request is denied, the written determination must include substantial evidence of the reason(s) for denial, based on the standards set forth below. Prior to granting or denying renewal of a master permit under this Chapter, the Council must conduct a public hearing and make a decision based on the following criteria:

- (1) The continuing capacity of the public right-of-way to accommodate the applicant's existing facilities;
- (2) The applicant's compliance with the requirements of this title and the master permit agreement;
- (3) Applicable federal, state, and local wireless telecommunications laws, rules and policies; and
- (4) Such other factors that may demonstrate that the continued grant to use the public right-of-way will serve the community interest.

(B) The Council may not deny a renewal application based on violations of the master permit unless the applicant has been given notice and an opportunity to cure.

(C) Any service provider whose proposal for renewal has been denied by the City, or has been otherwise adversely affected by a failure of the City to act, may appeal such final decision or failure to act within 120 days in any Court of competent jurisdiction.

5.38.170 Terms of use and occupancy.

(A) The use and occupancy of public right-of-way in the City by any person constructing, maintaining or operating wireless, utility, or other facilities must conform to the terms and conditions of this chapter.

(B) Existing facilities installed or maintained by a telecommunications carrier, public utility or other entity over, under or across public right-of-way within the City in accordance with an expired franchise agreement or other City-issued permit may be operated by the wireless carrier or public utility at the locations at which such facilities exist; provided, however, that maintenance, repair, relocation, and/or expansion of such facilities are not permitted unless and until the public utility or telecommunications carrier, or other entity obtains all permits and approvals required by this chapter.

(C) All work by a wireless carrier, public utility, or other entity in the public right-of-way must comply with all construction standards and specifications adopted by the City as now exist or are hereafter amended, including but not limited to those set forth in Chapters 15.32 and 19.68 AMC.

5.38.180 Specifications.

(A) All work to be performed under a construction permit issued under this chapter must conform to all applicable City codes, ordinances, and standards adopted by the City. In case of any conflict, the most stringent provision applies.

(B) No wireless, utility, other facilities, or work related thereto may protrude into or over any portion of a public right-of-way opened to vehicle or pedestrian travel in such a manner as to create a risk of endangering the use of such place by vehicles or pedestrian travel. In addition, in the event the requested construction permit involves encroachment or partial obstruction of a sidewalk or other walkway open to the public, a minimum of five feet of unobstructed sidewalk or other walkway must be maintained at all times.

(C) During any period of any relocation, construction or maintenance of its facilities within the public right-of-way, a wireless telecommunications carrier, public utility or other person must conduct their activities so as not to unreasonably interfere with the free passage of traffic or the use of adjoining property. Such person must, at all times, post and maintain proper barricades and comply with all applicable safety regulations during such period of construction as required by the ordinances of the City and the laws of the State of Washington, including RCW 39.04.180, for the construction of trench safety systems.

(D) An applicant must, within 10 business days of completion of work, submit at no cost to the City, current and accurate as-built drawings showing the location of any facilities installed or constructed within the public right-of-way under a permit issued pursuant to this chapter or otherwise. As-builts must show all of the applicant's facilities in the right-of-way including but not limited to wireless telecommunications facilities, utility facilities, power poles,

guy poles and anchors, overhead transformers, pad-mounted transformers, submersible transformers, conduit, substation (with its name) pedestals, pad-mounted junction boxes, vaults, switch cabinets, and meter boxes.

5.38.190 Exceptions.

(A) A construction permit is not required when public utilities, wireless carriers, or City contractors are responding to emergencies that require work in the public right-of-way, such as water or sewer main breaks, gas leaks, downed power lines, or similar emergencies; provided, however, that the Council must be notified by the responding utility, carrier, or contractor verbally or in writing, on the next business day following onset of the emergency. Nothing in this section relieves a responding public utility, carrier, or contractor from the requirement of obtaining a construction permit after beginning emergency work in a public right-of-way.

(B) A construction permit fee is not required for City-sponsored capital improvement projects for water, sewer, drainage, or road construction maintenance, including associated work required by a public utility.

5.38.200 Security fund.

(A) Prior to commencement of any activities approved under a master permit, the Permittee must establish a permanent security fund with the City by depositing the amount of \$50,000, or such greater amount as deemed necessary by the Council, with the City in cash, an unconditional letter of credit, or other instrument acceptable to the City, which fund must be maintained at the sole expense of the Permittee so long as any of the Permittee's utility or wireless facilities are located within the public right-of-way of the City.

(B) The fund must serve as security for the full and complete performance of the terms and conditions of this chapter and master permit, including any costs, expenses, damages, or loss the City pays or incurs, including civil penalties, because of any failure attributable to the Permittee to comply with the codes, ordinances, rules, regulations, or permits of the City.

(C) The fund may be used to repair the public right-of-way, return it to its original condition, or to complete a project within the right-of-way if the Permittee ceases work mid-way through construction, or abandons its facility(ies) and appurtenances thereto.

(D) Before any sums are withdrawn from the security fund, the City must give written notice to the Permittee:

(1) Describing the act, default or failure to be remedied, or the damages, costs or expenses which the City has incurred by reason of the Permittee's act or default;

(2) Providing a reasonable opportunity for the Permittee to first remedy the existing or ongoing default or failure, if applicable;

(3) Providing a reasonable opportunity for the Permittee to pay any monies due the City before the City withdraws the amount thereof from the security fund, if applicable; and

(4) That the Permittee will be given an opportunity to review the act, default or failure described in the notice with the City or his or her designee.

(E) Permittees are required to replenish the security fund within 14 days after written notice from the City that there is a deficiency in the amount of the fund.

F. Upon Permittee's removal of all facilities from the right of way and expiration of the agreement, permits and/or licenses, the city must refund the balance remaining in this fund, including any accrued interest within 14 days.

5.38.210 Performance bond.

A performance bond written by a corporate surety acceptable to the City Engineer equal to at least 150 percent of the estimated cost of removing the Permittee's facilities and restoring the public right-of-way to their pre-construction condition must be deposited before the construction permit is issued. Said bond is required to remain in full force until 60 days after completion of the construction and/or improvements within the public right-of-way, and must warrant all such restoration work for a period of two years following completion and/or termination of the construction. Those Permittees performing annual work within the rights-of-way may provide an annual performance bond, in an amount approved by the City Engineer, at the beginning of each year to cover all excavations. The purpose of this bond is to guarantee the removal of partially completed and/or nonconforming facilities and to fully restore the public right-of-way to the pre-construction condition. The City Engineer may use the funds from the performance bond to complete removal and fully restore the public right-of-way to its pre-construction condition if the Permittee fails to do so.

5.38.220 Insurance.

Unless otherwise provided in a master permit or construction permit, each Permittee must, as a condition of the master permit and construction permit, secure and maintain the following liability insurance policies insuring both the Permittee, its agents, representatives, employees, contractors or subcontractors, and the City and its elected and appointed officers, officials, agents, employees, representatives, engineers, consultants, and volunteers as co-insureds against any claims which may arise from or in connection with the exercise of the rights, privileges, and authority granted to the Permittee under the permit(s):

(A) Comprehensive Commercial General Liability Insurance. Commercial General Liability Insurance on an "occurrence" basis including coverage for Premises and Operations Liability, Products and Completed Operations, Contractual Liability, Independent Contractors, Stop Gap/Employer's Liability, Broad Form Property Damage, Explosion, Collapse and Underground Hazards, and Personal Injury Liability. Such insurance will provide limits of not less than two million dollars (\$2,000,000) per occurrence and ten million dollars (\$10,000,000) in the aggregate. Coverage limits can be achieved with a combination of the primary and umbrella/excess policies.

Products/Completed Operations Liability Insurance will be provided for a period of at least six years after completion and/or termination of construction. Any deductible or self-insured retention must be disclosed and is subject to approval of the City. The policy for the Permittee must include without limitation coverage for hazards commonly referred to as "XCU" and contain a severability of interests provision.

(B) Automobile Liability Insurance. A policy of Automobile Liability, including coverage for Permittee's owned, non-owned, leased or hired vehicles providing a minimum limit for Bodily Injury and Property Damage of five million dollars (\$5,000,000) per combined single limit each accident. The limit can be achieved with a combination of the primary and umbrella/excess policies.

(C) Workers Compensation Insurance. Statutory Worker's Compensation and Employers Liability insurance as prescribed by applicable law.

(D) City as an Additional Insured on Policies. The Commercial General Liability and Automobile Liability and Umbrella/Excess Liability insurance policies required must name the City of Anacortes as an additional insured on a primary and non-contributory basis on Forms CG 20 26 and CG 20 37 or their equivalents for a public body. Carriers furnishing insurance are required to waive all rights of subrogation against the City. The Permittee must obtain the written agreement on the part of each insurance company to notify the City at least forty-five (45) days prior to cancellation or non-renewal of any such insurance, except ten (10) days' notice of cancellation due to non-payment of premium.

(E) Evidence of Insurance. With respect to each policy, Permittee must provide the City prior to commencement of the Work, proof that it has procured the requisite insurance, including copies of any applicable policies, declaration pages, and/or endorsements. PERMITTEE IS NOT ENTITLED TO COMMENCE WORK AUTHORIZED UNDER ITS PERMIT(S) UNTIL THE CITY HAS RECEIVED AND APPROVED THE CERTIFICATE OF INSURANCE.

(F) Errors and Omissions. Permittee must maintain throughout the period of the applicable permit and for a period of six (6) years thereafter, a standard professional errors and omissions insurance policy of a form and with an insurance company satisfactory to the City. Permittee's insurance policies must incorporate a provision requiring giving written notice to the City at least sixty (60) days prior to any cancellation, non-renewal or material modification of the policies. Permittee's professional errors and omissions insurance will be in the minimum amount of \$1,000,000 including contractual liability, with all coverage retroactive to the earlier of the date of the applicable permit or the commencement of design services in relation to the permit(s).

(G) Compliance by contractors and subcontractors. Permittee is required to ensure that each of its contractors and subcontractors complies with all requirements in this Section; provided that Permittee must require its contractors and subcontractors to maintain commercially reasonable limits of insurance, given the contractor's and subcontractor's scope of work. Permittee must provide evidence of insurance of contractors and subcontractors upon request by the City.

(H) In addition, each such insurance policy must contain an endorsement which provides that the policy may not be cancelled, reduced in coverage, nor the intention not to renew be stated until 60 days after receipt by the City of a written notice to that effect. Within 30 days after receipt of such notice by the City, and in no event later than 15 days prior to the cancellation or nonrenewal, the Permittee must obtain and furnish to the City replacement insurance policies meeting the requirements of this section.

5.38.230 Hold harmless/indemnity.

(A) The Permittee must, to the fullest extent permitted by law, indemnify, defend and hold harmless the City, and its elected and appointed officers, officials, agents, employees, representatives, engineers, consultants, and volunteers as co-insureds (collectively the "Indemnified Parties" or individually, each an "Indemnified Party"), from and against any and all claims, liability, penalties, fines, costs, damages, losses and causes of action, arising out of or resulting from, or alleged to arise out of, relate to, or to result from the performance or non-performance of any construction performed at the instance of Permittee, or performance or non-performance of any services performed at the instance of Permittee (hereinafter singularly and collectively referred to as "Indemnity Claims"), but only to the extent directly or indirectly caused by the negligence or willful misconduct of Permittee, its contractors, subcontractors or supplier of any tier, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable. Permittee, at its sole expense, must promptly dispose of Indemnity Claims, defend all lawsuits and similar proceedings filed against an Indemnified Party on the account of Indemnity Claims, pay all awards and judgments rendered against an Indemnified Party in connection therewith, and reimburse each Indemnified Party for all reasonable expenses incurred by such Indemnified Party in connection with Indemnity Claims and lawsuits and arbitrations and similar proceedings including, but not limited to, attorneys' fees, expert witness fees, court costs, arbitration costs and all other reasonable costs (not limited to statutory costs).

(B) If Indemnity Claims are caused or alleged to be caused in part by any joint or concurrent negligent act (either active or passive) or omission by an Indemnified Party, Permittee will indemnify, defend and hold harmless such Indemnified Party, as provided above, from such Indemnity Claims to the extent such Indemnity Claims arise out of or result from the negligence or willful misconduct of Permittee or its contractors, subcontractors or suppliers of any tier, or anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, or anyone whose acts Permittee may be responsible or liable. In no event will Permittee be obligated to indemnify an Indemnified Party for Indemnity Claims which arise out of or result from the sole negligence of such Indemnified Party or its agents, servants or independent contractors who are directly responsible to such Indemnified Party, excluding Permittee.

(C) In addition, the City may require that any person, public utility, or wireless carrier accepting such a master permit or construction permit provide the City with additional indemnification, such as an indemnification from a parent company.

(D) The indemnification provided for herein does not apply to injuries to persons or damage to property caused by or resulting from the sole negligence of the City, its agents or employees.

(E) For the sole purpose of effecting the indemnification obligations herein, the Permittee, by accepting a master permit, specifically and expressly waives any immunity that may be granted it under any applicable Workers' Compensation Act, disability benefit acts or other employee benefit acts.

5.38.240 Inspections.

All work performed within public right-of-way is subject to periodic inspection by the Council to assure compliance with any conditions attached to the permit, the requirements of this chapter, and the requirements of any applicable City code or standard.

5.38.250 Revocation of master permits and construction permits.

(A) Following a notice of violation and opportunity to cure, the Council may revoke or suspend any approval issued under this chapter for cause, in accordance with existing tariff or applicable State law whenever:

- (1) The work does not proceed in accordance with the plans as approved or the conditions of approval, is not in compliance with the requirements of this chapter, other City ordinances, resolutions, or State law;
- (2) The service provider fails to provide adequate service or otherwise fails to comply with the terms of its master permit or construction permit;
- (3) The service provider has made a misrepresentation of material fact in applying for such approval;
- (4) The Council determines that inadequate measures are being taken to protect the public, adjoining property, public right-of-way, or wireless telecommunications, utility or other facilities in such public right-of-way, or that any excavation or fill endangers or will endanger the public, adjoining property, public right-of-way, or wireless telecommunications or utility facilities in such public right-of-way.

(B) Upon suspension or revocation of an approval under this chapter, all permit-related activities of the public right-of-way must cease, except as authorized or directed by the Council.

5.38.260 Correction and discontinuance of a Master Permit.

(A) Whenever the Council determines that any condition on any public right-of-way is in violation of a master permit or any other provision of this chapter related thereto, or exists without a master permit, the Council may order the correction or discontinuance of such condition or any activity causing such condition.

(B) The Council also has all powers and remedies available under State law and this chapter, to secure the correction or discontinuance of any condition specified in this section.

(C) The Council is authorized to use any or all of the following methods in ordering correction or discontinuance of any such conditions or activities as it determines appropriate:

- (1) Serving of oral or written directives to Permittee or other responsible person requesting immediate correction or discontinuance of the specified condition;
- (2) Service of a written notice of violation, ordering correction or discontinuance of a specific condition or activity within thirty (30) days
- (3) Service of a written notice to remove an object or facility within twenty-four (24) hours and summary removal if the object or thing is a hazard to public safety, with notice of such removal to the owner, if known;
- (4) Revocation of previously granted master permit(s) where Permittee or other responsible person has failed or refused to comply with requirements imposed by the City related to such permits; or
- (5) Issuance of an order to immediately stop work until authorization is received from the City to proceed.

(D) Any utility or wireless facility, or any other object or thing which occupies any public right-of-way without a master permit or in violation of the master permit conditions is a nuisance both public and private.

(E) All expenses incurred by the Council, including attorney's fees and legal expenses, in abating the condition or any portion thereof constitutes a civil debt owing to the Council jointly and severally by such persons who have been given notice or who own the object or thing or placed it in the public right-of-way, which debt is collectible in the same manner as any other civil debt.

5.38.270 Correction and discontinuance of a Construction Permit.

(A) Whenever the City Engineer determines that any condition on any public right-of-way is in violation of a construction permit or any other provision of this chapter related thereto, or exists without a construction permit, the City Engineer may order the correction or discontinuance of such condition or any activity causing such condition.

(B) The City Engineer also has all powers and remedies available under State law and this chapter, to secure the correction or discontinuance of any condition specified in this section.

(C) The City Engineer is authorized to use any or all of the following methods in ordering correction or discontinuance of any such conditions or activities as it determines appropriate:

- (1) Serving of oral or written directives to Permittee or other responsible person requesting immediate correction or discontinuance of the specified condition;
- (2) Service of a written notice of violation, ordering correction or discontinuance of a specific condition or activity within thirty (30) days;
- (3) Service of a written notice to remove an object or facility within twenty-four (24) hours and summary removal if the object or thing is a hazard to public safety, with notice of such removal to the owner, if known;
- (4) Revocation of previously granted construction permit(s) where Permittee or other responsible person has failed or refused to comply with requirements imposed related to such permits; or
- (5) Issuance of an order to immediately stop work until authorization is received from the City to proceed.

(D) Any utility or wireless facility, or any other object or thing which occupies any public right-of-way without a construction permit or in violation of construction permit conditions is a nuisance both public and private.

(E) All expenses incurred by the City Engineer, including attorney's fees and legal expenses, in abating the condition or any portion thereof constitutes a civil debt owing to the City Engineer jointly and severally by such persons who have been given notice or who own the object or thing or placed it in the public right-of-way, which debt is collectible in the same manner as any other civil debt.

5.38.280 Removal.

Any person accepting a master permit or construction permit pursuant to this chapter for the installation of any utility or wireless carriers must remove such facilities when they are no longer required, or if the master or construction permit has been revoked as provided in this chapter. Such removal must occur within 90 days of receiving notice from the Council ordering such removal. Unless otherwise approved by the City in writing, no person is permitted to abandon utility or wireless facilities within a public right-of-way, and then only under such conditions as may be prescribed by the Council.

5.38.290 Displacement for public use.

(A) A wireless carrier, public utility, or other person under order of the Council must, upon a minimum 60 days' written notice, move or adjust its underground or overhead facilities located within the public right-of-way which interfere with any public improvement authorized or ordered by the City. The relocation must be done at the expense of the telecommunications carrier, public utility, or other person, subject to the exceptions in RCW 35.99.060(d) and existing tariffs, which may require the City to pay for displacement in certain circumstances. The actual number of days must be specified by the Council in the Council's order.

(B) When a public improvement is required to accommodate or allow development or other activity by a party other than the City, then a wireless telecommunications carrier, public utility or other person which moves or adjusts its facilities is entitled to recover its associated costs and expenses from such other party.

(C) Such persons must indemnify, hold harmless, and pay the costs of defending the City against claims or liabilities for delays on public improvement projects caused by their failure to relocate their facilities in a timely manner unless caused by circumstances beyond their control.

5.38.300 Additional ducts or conduits.

Any person constructing underground ducts or conduits pursuant to this chapter must, upon request, provide the City with additional ducts for its use. Such additional ducts or conduits must be of a size and configuration specified by the City and be dedicated to the City. The City has the right to use the ducts and conduits for any purpose, including but not limited to leasing them to other entities, subject to the following provisions.

(A) The City must enter into a contract with the service provider consistent with RCW 80.36.150, and the incremental costs of adding the ducts and conduits under this section will be borne by the City. If the City makes the additional duct or conduit and related access structures available to any other entity for the purposes of providing wireless services for hire, sale, or resale to the general public, the rates to be charged, as set forth in the contract with the entity that constructed the conduit or duct, must recover at least the fully allocated costs of the service provider. The service provider must state both contract rates in the contract.

(B) Except as otherwise agreed by the City and the service provider, the City agrees that he requested additional duct or conduit space and related access structures will not be used by the City to provide wireless service for hire, sale, or resale to the general public.

(C) The City will not require that the additional duct or conduit space be connected to the access structures and vaults of the service provider.

(D) The value of the additional duct or conduit requested by the City will not be considered a public works construction contract.

(E) This section does not apply to the provision of an institutional network by a cable television provider under federal law.

5.38.310 Joint use of poles.

(A) All wireless facilities permitted pursuant to the terms of this chapter or otherwise located within the City of Anacortes must be made available for use by the owner or initial user thereof, together with as many other wireless service providers as can be technically collocated thereon.

(B) Nothing contained within this chapter prevents the owner of such poles from charging a reasonable pole attachment fee that does not exceed the fair market value for the space occupied by said collocated facilities; except that if the owner is the City, it may not charge more than the reasonable approximation of its reasonable costs.

5.38.320 City use for noncommercial government communication.

Any person erecting or maintaining poles within public right-of-way allows the City the right, free of charge, to attach, maintain and operate traffic and traffic safety signals, as noncommercial governmental communication and signals, wires and/or fixtures within available surplus space on the poles erected and so maintained.

5.38.330 Appearance.

Any person erecting or maintaining poles under authority of this chapter must ensure that its poles are maintained in a manner that does not significantly distract from the visual appearance of the pole. Such maintenance may include cleaning, replacement, painting or repainting of the pole. Wooden utility poles are not required to be painted.

5.38.340 Moving of building(s) and/or equipment.

Any person maintaining overhead wireless or utility facilities in public right-of-way must, upon seven days' notice from the Council, disconnect or move said facilities to allow for the moving of building(s) and/or equipment across or along any such public right-of-way; provided, however, that the advance notice may be reduced to 24 hours if the facilities are below the minimum clearance set by law or regulation or in the case of an emergency. The cost of moving such facilities must be in accordance with existing tariffs or applicable State law, and borne as follows: (1) by the owner of the facilities if: (a) the wires, cables or appurtenances are below the minimum vertical clearance required by State law, City ordinance, or rules of the Council, (b) above the surface of the public right-of-way, or (c) no adjustment would be necessary if the minimum clearance had been maintained; or (2) by the person desiring to move the building(s) and/or equipment under all other circumstances.

5.38.350 Billings and collections.

The Council, jointly with the Finance Director, may establish procedures pertaining to the billing and collection of fees and charges adopted pursuant to this chapter.

5.38.360 Liability.

The Council and other employees charged with the enforcement and administration of this chapter, acting for the City in good faith and without malice in the discharge of their duties, do not thereby render themselves liable personally for damages that may accrue to persons or property as a result of an act required or by reason of an act or omission in the discharge of such duties.

5.28.370 Tree trimming.

Any wireless carrier or public utility required by State statute or regulation to trim or remove trees which may interfere with their facilities must ensure that their tree trimming activities protect the appearance, integrity and health of the trees to the extent reasonably possible. The wireless carrier or public utility must prepare and maintain a tree trimming schedule to ensure compliance with this provision and to avoid exigent circumstances where tree cutting, trimming or removal is necessary to protect the public safety or continuity of service without the regard for the appearance, integrity or health of the trees that planned maintenance would otherwise allow. The wireless carrier or public utility must submit the schedule to the City Engineer. Except where exigent circumstances do not permit, the wireless carrier or public utility must give the owner the property on which the trees are located at least five days' advance written notice of the tree trimming. Tree trimming on any City streets must comply with the standards developed by the City's street tree advisory committee.

5.38.380 Underground facilities.

(A) The undergrounding requirements of this section apply where the wireless telecommunications carrier, public utility, or other person's facilities consist of cable or any other facilities which are capable of being placed underground. This section does not apply to antennas or other facilities, which are required to remain above-ground, in order to be functional.

(B) In any area of the City in which there are no aerial facilities other than antennas or other facilities required to remain above-ground in order to be functional or otherwise for the provision of wireless services, or in any public right-of-way in which all wireless telecommunications wires and cables, and electric power wires, cables, 15,000

volts and lower, and other aerial facilities capable of undergrounding have been placed underground, no person is permitted to erect poles or to run or suspend wires, cables or other facilities thereon, but must lay such wires, cables or other facilities underground in the manner required by the City pursuant to this section, and Chapters 15.32 and 19.68 AMC, if applicable.

(C) If utility or street improvement projects are anticipated within the same public right-of-way within 12 months of a Permittee's proposed construction, the City may permit interim installation of above-ground facilities. In the event that the City does not require the undergrounding of such facilities at the time of initial installation, the City may, at any time in the future, require the conversion of such above-ground and/or aerial facilities to underground installation at the carrier, utility, or other person's expense, with exceptions as set forth in RCW 35.99.060(d).

(D) The City must allow new electric power lines and cables operating above 15,000 volts to be constructed above-ground when location within the City right-of-way is approved by the City Engineer.

(E) Whenever a service provider or public utility undertakes an undergrounding project in any area of the City, it must underground their above-ground facilities in the manner specified by the City, concurrently and together with the other affected carriers, utilities, and other persons in the affected area. The location of any such relocated and underground facilities must be approved by the Council. Such service provider must underground their facilities at no cost to the City, except as provided in RCW 35.99.060(d).

(F) In the event that the City undertakes any public improvement which would otherwise require, in the discretion of the Council, the relocation of carrier, utility, or other person's above-ground facilities, the Council may, by written notice to such persons, direct that any such facilities be converted to underground facilities. Any such conversion must be done subject to and in accordance with applicable schedules and tariffs on file with the WUTC or such other regulatory agency having jurisdiction.

5.38.390 Joint trenching.

Recognizing that trenching and excavation within public right-of-way can significantly degrade the quality and longevity of street surfacing and seriously inconvenience the public, all Permittees must afford other wireless carriers, public utilities, and the City an opportunity to share in the use of their excavations and trenches within public right-of-way. In the event that the City, a wireless carrier, or a public utility desires to share in a Permittee's excavation, it must provide a written request to do so. Joint use of excavations are subject to the following conditions:

(A) Such joint use may not unreasonably delay the work of the party causing the excavation to be made;

(B) Any party desiring to share in an excavation may be required to pay the fair and reasonable pro rata cost of said excavation. Such joint use must be arranged and accomplished on terms and conditions satisfactory to both parties; and

(C) Either party may deny such request for safety reasons.

5.38.400 Notice of tariff changes.

A Permittee must, when making application for any changes in tariffs affecting the provisions of this chapter or any approval issued hereunder, notify the City in writing of the application and provide the Council with a copy of the submitted application. The Permittees must further provide the Council with a copy of any actual approved tariff change affecting any approval issued pursuant to this chapter.

5.38.410 One-call locator.

All carriers, utilities, Permittees, and other persons must, before commencing any construction within a public right-of-way, comply with all of the requirements set forth in Chapter 19.122 RCW, the one-call locator service.

5.38.420 Violation – Penalties.

(A) No person may violate or fail to comply with this chapter.

(B) A violation of or failure to comply with any provision of this chapter is a civil infraction subject to the enforcement provisions of Chapter 1.24 AMC.

(C) A violation or failure to comply with any provision of this chapter, including any order of the Council authorized by this chapter, is, in addition to any other remedies, grounds for the Council to revoke the underlying permit issued to the Permittee, if any, and grounds for the denial of any additional permits under this chapter until the Permittee is in full compliance with the provisions of this chapter.

(D) Violation of a stop-work order issued pursuant to AMC XX.XX.250 or 260 constitutes a gross misdemeanor, punishable by not more than 90 days in jail and a fine not exceeding \$1,000, or both.



Planning Commission SPECIAL Meeting Minutes for January 3, 2019

This is not a verbatim transcript of the meeting and is written in an attempt to capture the general spirit of the discussion based upon notes and video observation by the author. To view the video recording of this meeting, click [here](https://www.anacorteswa.gov/700/Watch-Meetings), or go to <https://www.anacorteswa.gov/700/Watch-Meetings>.

Chair McNett called the Special Meeting of January 3, 2019 to order at approximately 3:00 p.m.

Roll Call

Members Present: Commissioners MacKenzie, McNett, Cleland-McGrath, Mount and Doll

Absent: Commissioners Moffitt and Graf

Minutes

No Minutes were presented

Correspondence

None

New Business

Public Meeting – Public Meeting with Planning Commissioners, Stakeholders and Staff – Wireless Telecommunications Draft Regulations

Ms. Darcy Swetnam, City Attorney, introduced the first draft of the wireless telecommunication regulations within the City of Anacortes. Ms. Swetnam provided a brief review on the changes to the regulations for wireless telecommunication including the need to updates due to new technology such as small cell deployment and updates in state and federal laws. In August 2017, Council adopted Ordinance 3010 which placed a moratorium on new applications for telecommunication facilities and franchise agreements within the City, with an additional extension that was set to expire February 2019. City staff has been working on the new regulations with outside counsel from the Foster Pepper law firm to develop the new sections of code. Ms. Swetnam then invited Ms. Tacy Hass, Foster Pepper, to present more detail on the draft regulations.

Ms. Hass provided an overview of the two draft sections that consist of wireless services facilities and the public utilities and telecommunications right of way use chapter. Ms. Hass compared the wireless service facility permit process to a zoning permit process and provided what type of facility is allowed within different zones with 2 different types of permits – a wireless service facilities permit and a conditional wireless use permit. Ms. Hass included that the application processes take into account the differentiation between complex and simple facilities and streamline requirements in the applications in consideration of timelines for review and provide visibility and performance standards.

Chair McNett then offered the floor to members of the audience for their input and questions.

Ms. Lila Vaga, Network Engineer, Verizon Wireless, discussed concerns relating to eligible facilities requests, small wireless facilities and macro facilities and their differences, co-location definitions. Ms. Vega also suggested a few language changes to more closely mirror the federal regulations and pointed out that some middle requirements such as landscape plans, fencing plans, etc., are really not truly appropriate to small wireless facilities or small cells which are located in the public right of way and most often do not have ground based equipment. She also expressed concern about the CUP process being required for small wireless facilities which is generally not be something that could be accomplished in the 60-90 day approval window set out in federal law and suggested administrative review instead. Ms. Vaga provided Verizon has worked with many jurisdictions throughout the Pacific Northwest and nationally regarding small cell wireless and wireless facilities in general and offered their assistance in the development of these regulations.

Ms. Linda Atkins, Davis Wright Tremaine, Seattle, WA, representing T-Mobile. Ms. Atkins provided their concerns include how the different types of facilities that have different federal legal requirements and different processing requirements have been lumped into one process. Ms. Atkins believes it would be very helpful to have a separate process for small wireless facilities which is what most jurisdictions around Puget Sound are following as they update their codes. Ms. Atkins provided some examples of concerns such as there is no provisions for batching small wireless facility permits. Batching is a more efficient way of deploying small wireless facilities at one time. Also, there is concern regarding prohibited locations such as in the Central Business District because the whole purpose of small cells is to provide additional capacity in areas where there is a lot of demand for data. This is typically your downtown areas and we have been finding over the last year most jurisdictions have been able to find a way to incorporate the ability to locate small wireless facilities in downtown areas in a way that is sensitive to the community need for aesthetics.

A representative of Crowne Castle, an infrastructure management company, echoed similar concerns of the previous stakeholders and specifically the opportunity or lack thereof to contribute as a stakeholder in some of the provisions of this ordinance and hope that some of the comments brought forth today will be considered heavily and perhaps even a greater opportunity for some red line comments to go into the draft. The application requirements, replacement as opposed to new technology and the requirement for photo simulations, landscape requirements, were among the concerns presented.

Amelia McNamara of Crowne Castle, expressed concerns about the permitting process.

Patrick Gallagher, 1406 Portallis Court, Anacortes, discussed multiple entities using the poles and the clutter on the landscape and whether these procedures would be followed by the City as it rolls out the fiber network.

Commissioners asked for clarification to understand better the difference between the normal cell towers and coverage provided by those and the newer technologies, spacing of clusters to address densities, placing utilities in vaults, on rooftops, aesthetic issues, whether the regulations have been written to accommodate changing regulations and continuous technology updates, how this will work with the City's installation of the new fiber network, among other discussions. Commissioners also discussed locations of equipment in various sites in residential, industrial, medical and commercial zones, the differences between monopoles and street poles.

Commissioner Doll asked for clarification on what adverse impacts may be when locating wireless services. Ms. Swetnam provided the intent of that is to maintain a balance within the community such as keeping the aesthetics of a neighborhood as intended.

Chair McNett called the meeting to a close at approximately 4:30 p.m.

To view materials related to the Draft Regulations for Wireless Telecommunications, click [here](https://www.anacorteswa.gov/1022/Wireless-Code-Update), or go to <https://www.anacorteswa.gov/1022/Wireless-Code-Update>.



Planning Commission Public Hearing Minutes for January 16, 2019

This is not a verbatim transcript of the meeting and is written in an attempt to capture the general spirit of the discussion based upon notes and video observation by the author. To view the video recording of this meeting, click [here](https://www.anacorteswa.gov/700/Watch-Meetings), or go to <https://www.anacorteswa.gov/700/Watch-Meetings>.

Chair McNett called the Public Hearing of January 16, 2019 to order at approximately 5:00 p.m.

Roll Call

Members Present: Commissioners Moffitt, MacKenzie, Graf, McNett, and Cleland-McGrath

Absent: Commissioners Mount and Doll

Minutes

No Minutes were presented

New Business

Public Hearing – Public Hearing Wireless Telecommunications Draft Regulations

Chair McNett opened the public hearing on the Wireless Telecommunications Draft Regulations.

Mr. Allen Barber, Verizon Wireless, 3245 158th Avenue SE, Bellevue, WA. Mr. Barber expressed some concerns including the provisions in the Ordinance chapter 19.68.30 and the definition around co-location, keeping in alignment with the federal law or the needs of the technology, the land use process to permit which he feels doesn't allow for the shot clocks of 60 and 90 days, and screening requirements.

Commissioner Graf questioned using history to predict what the impact is going to be on a permitting process as the current technology will be different from the new technology and believes the new regulations will cause more applications coming through to City staff. Commissioner Graf asked how this process and requirements compare to other communities.

Ms. Tacy Hass, Foster, Pepper, provided input on how a facility would be installed on a new pole in the right of way. New construction would require 3 permits which would include a construction permit. Ms. Hass provided that the code is geared towards encouraging co-location, although it is not always feasible to place more than one facility on the utility pole. That may be one of the challenges the City is going to face.

Ms. Hass provided in response to questions regarding overwhelming the planning department with numerous applications that we only allowed batching of up to 5 small cell facilities at one time just because the federal regulation does take into account the fact that while there is presumptions, if a city cannot reasonably review all the applications within a timeframe then there is some leeway.

Mr. Measamer, Director of Planning, Community and Economic Development, provided there have been maybe 5 applications over the past few years and that the industry has been really good about contacting and working with the City in advance so we can be prepared. These processes get more complicated in areas such as Skyline or other newer developments where facilities are underground and we are looking at potentially having a mono-pole or some other type of pole in the right of way or on private property in those areas.

Ms. Darcy Swetnam, City Attorney, provided there will be several processes that the providers are going to go through. Not all process will require a master permit every time a small cell node is deployed. Once a master permit is in place, that is essentially a franchise and if they decide they want to build a small cell node in a particular neighborhood, if they are not going to be digging up roadway, they will not need a construction permit. They would have to get some type of land use permit. Ms. Hass mentioned the optional pre-application process included in the regulations is designed to help move the process along quickly. If the industry group member are worried about the time it is going to take, they can submit materials that will be helpful in their review process.

Ms. Hass provided they did review other cities and there are some different approaches. Some have more regulations so it is a mixed bag and a lot of the local aspects including aesthetics vary quite a lot from city to city. Most communities have a master permit process where they address right of way issues and then a separate land use process for the siting of the actual project. The discretion is really in the process for the individual land use applications.

Commissioner MacKenzie believes that if part of the scale and engineering standards and some infrastructure were built into the master permit application, it should simplify the individual permitting process. Commissioner MacKenzie expressed concern about the types of poles and does not feel that there is differentiation between the types of facilities and asked if he will get a big cell tower on his neighbor's property or a tiny box that will be hidden on top of the pole.

Ms. Hass provided there are three different applications – one for non-substantial change; one for small wireless facilities; and one that covers the remainder. We worked to differentiate the criteria while also keeping some consistency just in terms of making sure that even though they are technically called small wireless facilities, they can be much bigger because of the equipment surrounding them. We also are making sure that equipment still meets the visibility criteria the City wants in place. Ms. Hass added the City can consider adding more language that is technically feasible to address some of these concerns because clearly you can't really screen a small cell that is up 30 feet on a pole. But you can do other things like making sure there is landscaping around the equipment or doing stealth type camouflage and making sure that it fits into the surrounding environment.

Commissioner MacKenzie asked how to differentiate the regulations to accommodate the different areas such as Old Town where very many poles exist and the impact would be lesser than compared to Skyline where there are few poles where the impact would be much greater.

Ms. Hass responded that is the reason for the 2 processes and they are determined by area as opposed to the type of facility.

Commissioner Cleland-McGrath expressed concern over installing poles in neighborhoods that have been developed to create beautiful views. Ms. Hass provided this will be an issue for the City to work with in the future but that she has not specifically seen any issues regarding this.

Chair McNett asked about the conditional use process and timelines and shot clocks; how will the City handle the deadlines. Will the hearing examiner drop everything to make sure the issues can be addressed right away or is the City considering eliminating the conditional use process based on recategorizing what fits in what box. Ms. Swetnam provided it is the City's intent to make the shot clock timelines and be able to work through the processes within those timelines and added that if the Planning Commission believes it is not the right fit for Anacortes, they could provide that recommendation to City Council.

Chair McNett reviewed the conditional use process and requested clarification as to whether the clock stops when an application is received and reviewed, during the comment period and while waiting for the applicant to respond. Ms. Swetnam provided that is correct although the clock does not stop during the public comment period.

Commissioner Moffitt asked how competing needs of multiple providers will be met for co-locations on a single pole. Ms. Swetnam provided that whoever applies for something first probably has the opportunity to use that pole, but recalled from the previous meeting when the Verizon rep indicated this was probably unlikely because of how these small cells are deployed right now.

Commissioner Cleland-McGrath asked in regard to long-term planning where there are no poles. Mr. Barber provided that a strategy that works in some cities is utilizing street lights. If there is no lighting then it is more of a challenge and you have to go with slim-line poles, small antennas to minimize the initial impact. Commissioner Cleland-McGrath asked if we have the verbiage in the regulations that says if there is not a pole that we encourage a light pole to be installed for these kinds of boxes.

Ms. Swetnam provided it is not currently included but the approach utilized through the application process gives the director some discretion. If it is a CUP process, the decision makers have some discretion to work with the applicant to try to make it visually appealing.

Mr. Bruce McDougal, Anacortes City Council Sysco Systems. Mr. McDougal asked for some clarification on density increases in the transition from 4G to 5G and whether they will be the same with no additional radios or equipment in the transition. Mr. Barber provided it would be significantly denser. Mr. McDougal and Mr. Barber discussed the differences in density on light poles of different heights and how many large cell poles in a town the size of Anacortes would need.

Commissioner MacKenzie asked if the master use permit included as much of the technical requirements as possible, would that alleviate some of the time crunches when processing the smaller permits that come along. He also asked how hard is it to modify a master use permit if the technology or hardware changes after they have been preapproved. Ms. Hass referred back to a previous discussion regarding the master use permit and that only one is required which allows use in the right of way; changes would really only occur if they are building something new in the right of way or constructing something new.

Ms. Swetnam provided she understands the concerns to create a more streamlined process and that is something that staff can discuss and see if that is possible. She added the challenge with that is we know that each of the providers has slightly different technology; they want to do different things and so it is really hard for us to anticipate in a master permit all of the types of applications that they are going to want to submit. If the carriers are going to put an application on top of an existing light pole or power pole, that is a very different request than putting in a new pole. Having a separate wireless service facility permit or CUP allows us to readdress the conditions and whether that specific project meets them, without having to anticipate. We want this to be a code that is robust enough that as the technology changes, we can roll with it instead of having to rewrite it and the concern would be that if we were overly prescriptive in a master permit process, we might be locking ourselves into a moment in time in terms of the technology.

Commissioner MacKenzie asked if there is a way to streamline the land use process. Ms. Hass provided that the goal is to balance both – deployment of these new facilities with preserving the historic and residential quality of neighborhoods. That is why there is the CUP versus a more streamlined administrative process.

Chair McNett believes it makes sense to process these administratively and the biggest concerns are the aesthetic impact in neighborhoods and streamlining the process. Chair McNett also shared that a major concern are the macro towers.

Commissioner Graf presented he is not fully convinced that we do not have an overly restrictive application process.

Mr. Measamer provided that we have a good starting point regarding the number of applications, types of applications, etc. Once an ordinance is approved by the City Council and we start working through the administration processes and various applications, if issues arise that need attention, we will come back to the Planning Commission and City Council with some recommended changes that might help everybody through the process.

With no further public comment, Chair McNett announced the public hearing will be continued to January 30, 2015 at 5 p.m. and closed the hearing at approximately 6 p.m.

To view materials related to the Draft Regulations for Wireless Telecommunications, click [here](https://www.anacorteswa.gov/1022/Wireless-Code-Update), or go to <https://www.anacorteswa.gov/1022/Wireless-Code-Update>.

From: [Swetnam, Darcy](#)
To: [Grage, Libby](#)
Subject: FW: Anacortes Wireless Update - Verizon Redlines
Date: Tuesday, January 8, 2019 1:17:26 PM

From: Vaga, Lelah H <lelah.vaga@verizonwireless.com>
Sent: Friday, January 4, 2019 3:42 PM
To: Swetnam, Darcy <darcys@cityofanacortes.org>
Cc: Devendra Maharaj <devendra.maharaj@verizonwireless.com>; Kim Allen <kim.allen@wirelesspolicy.com>
Subject: Fwd: Anacortes Wireless Update - Verizon Redlines

for some reason, this did not go out on my first attempt. Here it is again.

Hello Darcy - Thank you for the opportunity to address the planning commission yesterday. As requested, I am including our detailed redline of the proposed code here. The draft code moves generally in the right direction but has some technical and structural challenges for small wireless facilities that we would like to have an opportunity to discuss in detail with staff prior to the public meeting on 1/16/2019. We have found that more informal meetings with city staff, wireless industry representatives, and representatives of the local utilities can often help when resolving these issues. If you are interested in coordinating a meeting of that nature, we would be happy to assist.

The primary concerns that we have with the code are as follows:

- Sections 19.68.030-080--The code uses the Eligible Facilities Request process for the permitting of Small Wireless Facilities in the ROW, even though the federal rules and definitions are very different for these two types of wireless facilities. We would like to meet with staff and the consultants to propose separating the processes, standards, and submittal requirements for EFR's, SWF's and macros. Each type of facility has different aesthetic impacts and should be addressed separately to avoid confusion.
- We propose a definition of collocation that addresses the fact that there are different federal definitions of collocation for SWF's and EFR's.
- Sections 19.68.060-070--We suggest using the substantial change language from the Code of Federal Regulations for definitions and processes for EFR's.
- Section 19.68.080--Some of the submittal requirements like landscape plans and fencing plans do not work with SWF's in the ROW, which is why we would like to put these facilities in a separate section.
- Section 19.68.170-- We are concerned that the CUP process is required for some SWF's, which would make approval within the 60/90 day shot clocks from the recent FCC Order very problematic. Suggest administrative review for all SWF applications in all zones.
- Section 19.68.180--The limitation on equipment cabinet size to 5 CF with no side longer than 3 feet is unworkable and does not align with the FCC Order allowing a maximum of 28 cubic feet on the pole.

- The new chapter on Master Permit/Construction permit applications requires city council approval, which is not logistically feasible within the 60/90 day shot clocks. Suggest making these all administrative processes.
- With the holidays ensuing since we received the draft code, there has not been an opportunity to have internal risk management comment on the insurance and indemnity provisions proposed. Verizon will propose a self-insurance option.
- We understand that updates to the wireless code involve a lot of technical detail to make the code work for providers and the city. The goal is to work in partnership to develop a durable and efficient process to bring the enhanced service and coverage your residents and businesses need, while retaining the community's aesthetic values.

You had also asked about cities that have recently passed codes that work well. There has been a great deal of activity. As I had mentioned yesterday, Ogden Murphy Wallace has been leading the effort in many cities in Washington with regard to Wireless Codes. They were the lead firm in the Consortium of Washington Cities that formed a few years ago to research Small Cell wireless. Elana Zana and Scott Snyder lead those efforts and both are wonderful resources for more information. As to specific jurisdictions that have recently passed codes, Kennewick comes to mind as the most recent code passed to my knowledge, and as one of the few that are fully compliant with the most recent FCC order. Federal Way also passed an updated code this week, but it is an interim ordinance. Mount Lake Terrace is working through a code change process now for their permanent wireless code, and the drafts of that code that we have reviewed are also fully compliant with the current Federal Law.

Please let me know if we can be of any further assistance.

Lelah Vaga
Senior Manager of Municipal Engagement
Verizon Wireless
Mobile: 206-406-1294
lelah.vaga@verizonwireless.com

Chapter 19.68
WIRELESS SERVICE FACILITIES

Sections:

- 19.68.010 Purpose.
- 19.68.020 Applicability.
- 19.68.030 Definitions.
- 19.68.040 Permit required.
- 19.68.050 Substantial Change.
- 19.68.060 Non-substantial Change.
- 19.68.070 Optional Pre-application.
- 19.68.080 Eligible Facility Request application.
- 19.68.090 Permit application - Small Wireless Facility.
- 19.68.100 Permit application – All other Wireless Facilities.
- 19.68.110 Permit approval process.
- 19.68.120 Permit review – general criteria.
- 19.68.130 Permit review – additional criteria for conditional uses.
- 19.68.140 Completeness Review.
- 19.68.150 Timeframe for Review.
- 19.68.160 Construction.
- 19.68.170 Appeals
- 19.68.180 Prohibited locations
- 19.68.190 Permitted locations.
- 19.68.200 Visibility and performance Standards
- 19.68.210 Colocation standards
- 19.68.220 Requirements for non-Substantial Modifications.
- 19.68.230 Maintenance of facilities.
- 19.68.240 Testing of facilities required – Radio-frequency (RF) emissions.
- 19.68.250 Testing of facilities required – Noise emissions.
- 19.68.260 Security fencing.
- 19.68.270 Abandonment of facilities.
- 19.68.280 Signs.
- 19.68.290 Lighting standards.
- 19.68.300 SEPA.

19.68.010 Purpose.

The purposes of this chapter are as follows:

- (1) Establish development regulations consistent with the City's Comprehensive Plan;
- (2) Protect property values and promote tourism through protection of scenic vistas of the mountains, tree-covered hillsides, the waterfront, and tourist-related zones and areas;
- (3) Facilitate the use of public property and structures for wireless service facilities to reduce the impact of such facilities upon residential and other property;
- (4) Maintain the quality of life associated with the aesthetic character of the City's surroundings;
- (5) Provide adequate sites for locating wireless service facilities in areas where the adverse impact on the community is minimal;
- (6) Provide facilities and infrastructure to provide wireless communications service to City residents, businesses, and others when in Anacortes;

The Anacortes Municipal Code is current through Ordinance____ and legislation passed through _____[Date].

- (7) Encourage optimal colocation and sharing of new and existing facilities, and minimize the total number of towers throughout the community;
- (8) Encourage use of most appropriate technology and prompt removal of outdated or abandoned wireless service facilities;
- (9) Encourage the location of wireless service facilities upon alternative support structures;
- (10) Require that the design of wireless service facilities incorporate camouflage, disguise, screening and concealment technology so that such facilities blend into their surroundings;
- (11) Avoid the potential damage to adjacent properties from tower failure by engineering and careful siting of tower structure;
- (12) Enhance the ability of the providers of wireless services to provide such services to the community quickly, effectively, and efficiently; and
- (13) Provide a level, nondiscriminatory competitive environment and thereby encouraging increased competition among providers of functionally equivalent wireless services.

19.68.020 Applicability.

Except as otherwise provided herein, the placement of any wireless service facility at any location within the City is subject to the provisions of this chapter. The standards and process requirements of this chapter supersede all other review process and approval criteria, setback, height or landscaping requirements of this title. Except as provided herein, all wireless telecommunication service facilities must comply with the provisions of this chapter.

19.68.030. Definitions.

- (1) "Antenna" means any exterior transmitting or receiving device mounted on a tower, building or structure and used in communications that radiates or captures electromagnetic waves, digital signals, analog signals, radio frequencies (excluding radar signals), wireless telecommunications signals or other communication signals.
- (2) "Base station" means: a structure or equipment at a fixed location that enables FCC-licensed or authorized wireless communications between user equipment and a communications network. The term does not encompass a "Tower" or any equipment associated with a Tower.
 - (A) The term includes, but is not limited to, equipment associated with wireless communications services such as private, broadcast, and public safety services, as well as unlicensed wireless services and fixed wireless services such as microwave backhaul.
 - (B) The term includes, but is not limited to, radio transceivers, antennas, coaxial or fiber-optic cable, regular and backup power supplies, and comparable equipment, regardless of technological configuration (including Distributed Antenna Systems and small-cell networks).
 - (C) The term includes any structure other than a tower that supports or houses equipment that has been reviewed and approved under the applicable zoning or siting process, or under another State or local regulatory review process, even if the structure was not built for the sole or primary purpose of providing such support.
 - (D) The term does not include any structure that does not support or house equipment for wireless telecommunications services.
- (3) "Camouflage" means a palette of techniques used to disguise, hide and conceal a wireless service facility from public view by blending its appearance into elements of the visual background. The term connotes the use of paint, landscaping, building materials and artificial screens in patterns that merge with the elements in the background environment.

(4) "Colocation" for the purposes of Eligible Facilities Requests means the placement or installation of wireless facilities on existing structures that include a wireless facility or a wireless support structure, including water towers and other buildings or structures. The term includes the placement, replacement, or modification of wireless facilities within an approved equipment compound.

(5) ~~"Colocation"~~ for the purpose of applications to site Small Wireless Facilities and other wireless facilities, excluding Eligible Facilities Requests, means the mounting of antennas (including associated equipment such as wiring, cabling, cabinets, or backup power) on buildings, towers or other non-tower structures, ~~where there is an existing antenna on the building or structure, and where~~ One of the following criteria is met:

Commented [KA1]: The deleted language is inconsistent with the definition of colocation in the FCC Order, Para. 140.

~~(A) Non-Visible Antennas. The new antenna is not visible from any adjacent streets or surrounding public spaces and is added in the same vicinity as a pre-existing antenna;~~

~~(B) Visible Replacement Antennas. The new antenna is visible from adjacent streets or surrounding public spaces, provided that~~

~~(1) It is a replacement for a pre-existing antenna;~~

~~(2) The new antenna will be located in the same vicinity as the pre-existing antenna;~~

~~(3) The new antenna will be visible only from adjacent streets and surrounding public spaces that also afford views of the pre-existing antenna;~~

~~(4) The new antenna is not more than 3 feet larger in height or width (including all protuberances) than the pre-existing antenna; and~~

~~(5) No new equipment cabinets are visible from the adjacent streets or surrounding public spaces; or~~

~~(C) Other Visible Antennas. The new antenna is visible from adjacent streets or surrounding public spaces, provided that~~

~~(1) It is located in the same vicinity as a pre-existing antenna;~~

~~(2) The new antenna will be visible only from adjacent streets and surrounding public spaces that also afford views of the pre-existing antenna;~~

~~(3) The pre-existing antenna was not deployed pursuant to the exclusion in this paragraph;~~

~~(4) The new antenna is not more than three feet larger in height or width (including all protuberances) than the pre-existing antenna; and~~

~~(5) No new equipment cabinets are visible from the adjacent streets or surrounding public spaces;~~

~~(iii) The new antenna complies with all zoning conditions and historic preservation conditions applicable to existing antennas in the same vicinity that directly mitigate or prevent effects, such as camouflage or concealment requirements;~~

~~(iv) The deployment of the new antenna involves no new ground disturbance; and~~

~~(v) The deployment would otherwise require the preparation of an Environmental Assessment under Federal law solely because of the age of the structure.~~

(6) "Director" means the Director of Planning, Community, and Economic Development.

(7) "Electrical transmission tower" means a structure that physically supports high voltage overhead power lines. The term does not include a utility pole.

(8) "Eligible Facilities Request" or "EFR". Any request for modification of an existing tower or base station that does not substantially change the physical dimension of such tower or base station, involving:

(i) Colocation of new transmission equipment;

(ii) Removal of transmission equipment; or

(iii) Replacement of transmission equipment.

(9) "Eligible Support Structure." Any tower or base station, provided that it exists at the time the relevant EFR application is filed with the state or local government.

(10) "Equipment Cabinet" means an enclosure that is mounted above base flood elevation or placed on a concrete slab that contains improvements, personal property, and facilities to operate its wireless services including: radio receivers, transmitters, related facilities, and/or related cables and utility lines, location-based power sources, the electrical meter and any other necessary equipment.

(11) "Equipment Shelter" means an enclosed structure, shed or box at the base of a mount to store improvements, personal property, and facilities to operate its wireless services including: radio receivers, transmitters, related facilities, and/or cabinets, related cables and utility lines, location-based power sources, the electrical meter and any other necessary equipment.

(12) "Existing." Any tower or base station is existing for purposes of this chapter if it has been reviewed and approved under the applicable zoning or siting process, or under another State or local regulatory review process, provided that a tower that has not been reviewed and approved because it was not permitted when it was built, but was lawfully constructed, is existing for purposes of this chapter.

(13) "Facilities" means all of the towers, equipment, fixtures, antennas, equipment cabinets, equipment shelters, and other appurtenances necessary to furnish and deliver wireless services, including but not limited to utility, monopoles, and street poles with cross arms or without cross arms, wires, lines, conduits, cables, communication and signal lines and equipment, braces, guys, anchors, vaults, and all attachments, appurtenances, and appliances necessary or incidental to the distribution and use of wireless services. Facilities include "Small Wireless Facilities" as defined below.

(14) "FCC" or "Federal Communications Commission" means the federal agency, or its lawful successor, authorized to regulate and oversee wireless telecommunications carriers, services and providers.

(15) "Lattice tower" means a type of mount that is self-supporting with multiple legs and cross bracing of structural steel.

(16) "Monopole" means a type of mount that is self-supporting with a single shaft of wood, steel or concrete and a platform or racks for panel antennas arrayed at the top.

(17) "Public street" means any highway, street, road, alley or other public way for motor vehicle travel within the city and under the jurisdiction and control of the city which has been acquired, established, dedicated or devoted to street purposes.

(18) "Right(s)-of-way" means all public streets and associated property granted or reserved for, or dedicated to, public use for street purposes, together with public property granted or reserved for, or dedicated to, public use for walkways, sidewalks, bikeways and horse trails, whether improved or unimproved, including any air rights, subsurface rights or easements related thereto.

(19) "Service provider" means every corporation, company, association, joint stock association, firm, partnership, person, city, town, or other legal entity owning, operating, or managing any facilities used to provide and providing wireless telecommunications services for hire, sale, or resale to the general public. Service provider includes the legal successor to any such corporation, company, association, joint stock association, firm, partnership, person, city, town, or other legal entity.

(20) "Site" means the current boundaries of the leased or owned property surrounding the facility and any access or utility easements currently related to the site, and for other eligible support structures, further restricted to that area in proximity to the structure and to other transmission equipment already deployed on the ground.

(21) "Small Wireless Facility" encompasses facilities that meet the following conditions:

(A) The facilities—

- (1) are mounted on structures 50 feet or less in height including their antennas,
- (2) are mounted on structures no more than 10 percent taller than other adjacent structures, or
- (3) do not extend existing structures on which they are located to a height of more than 50 feet or by more than 10 percent, whichever is greater;

(B) Each antenna associated with the deployment, excluding associated antenna equipment, is no more than three cubic feet in volume;

(C) All other wireless equipment associated with the structure, including the wireless equipment associated with the antenna and any pre-existing associated equipment on the structure, is no more than 28 cubic feet in volume;

(D) The facilities do not require antenna structure registration under Federal law;

(E) The facilities are not located on Tribal lands, means all lands within the exterior boundaries of any Indian reservation and all dependent Indian communities; and

(F) The facilities do not result in human exposure to radiofrequency radiation in excess of the applicable safety standards specified under Federal law pertaining to wireless facilities.

(22) "Stealththing" means designing facilities to be architecturally incorporated into the surrounding community's environs while minimizing aesthetic impacts. Examples of stealththing include, but are not limited to, steeples, windmills, water towers, flag poles, light poles, or chimneys.

(23) Substantial Change" means a modification substantially changes the physical dimensions of an eligible support structure if it meets any of the following criteria:

For towers other than towers in the public rights-of-way, it increases the height of the tower by more than 10 percent or by the height of one additional antenna array with separation from the nearest existing antenna not to exceed 20 feet, whichever is greater; for other eligible support structures, it increases the height of the structure by more than 10 percent or more than 10 feet, whichever is greater;

For towers other than towers in the public rights-of-way, it involves adding an appurtenance to the body of the tower that would protrude from the edge of the tower more than 20 feet, or more than the width of the tower structure at the level of the appurtenance, whichever is greater; for other eligible support structures, it involves adding an appurtenance to the body of the structure that would protrude from the edge of the structure by more than six feet;

For any eligible support structure, it involves installation of more than the standard number of new equipment cabinets for the technology involved, but not to exceed four cabinets; or, for towers in the public rights-of-way and base stations, it involves installation of any new equipment cabinets on the ground if there are no preexisting ground cabinets associated with the structure, or else involves installation of ground cabinets that are more than 10 percent larger in height or overall volume than any other ground cabinets associated with the structure;

It entails any excavation or deployment outside the current site;

It would defeat the concealment elements of the eligible support structure; or

It does not comply with conditions associated with the siting approval of the construction or modification of the eligible support structure or base station equipment; provided, however, that this limitation does not apply to any modification that is noncompliant only in a manner that would not exceed the thresholds identified in subsections (g)(i) through (iv) of this section.

(24) "Telecommunications" means the transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received.

(25) "Transmission equipment" means equipment that disseminates information by wire, radio, optic cable, electromagnetic, or similar means for any FCC-licensed or authorized wireless telecommunication service,

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including, but not limited to, radio transceivers, antennas, coaxial or fiber-optic cable, and regular and backup power supply. The term includes equipment associated with wireless telecommunications services including, but not limited to, private, broadcast, and public safety services, as well as unlicensed wireless services and fixed wireless services such as microwave backhaul.

- (26) "Wireless telecommunications service" or "wireless service" means the transmission of information by wire, radio, optic cable, electromagnetic, or similar means for hire, sale or resale to the general public. For the purpose of this subsection, "information" means knowledge or intelligence represented by any form of writing, signs, signals, pictures, sounds, or any other symbols. For the purpose of this chapter, wireless telecommunications service excludes the over-the-air transmission of broadcast television or broadcast radio signals and excludes "cable services," "cable communications systems" and "CATV systems" as defined in Chapter 5.44.
- (27) "Tower" means any structure that is designed and constructed primarily for the purpose of supporting one or more antennas for telephone, radio, and similar communication purposes, including self-supporting lattice towers, guyed towers, or monopole towers. The term includes radio and television transmission towers, microwave towers, common-carrier towers, cellular telephone towers, alternative tower structures, and the like. The term includes the structure and any support thereto.
- (28) "Utility pole" means a pole privately owned or installed by a utility company for the purpose of electrical transmission.
- (29) "Wireless" means communications using radio frequency or optical emissions to complete one or more communications paths in whole or in part among originating and receiving points without other tangible physical connection, including without limitation, radio and unguided optical waves, and the apparatus used for such transmission.
- (30) "Wireless support structure" means a freestanding structure that is designed to support or is capable of supporting wireless facilities. The term does not include a utility pole, monopole, street pole, or tower.

19.68.040 Permit required.

(A) New Facilities. A wireless service facility (WSF) permit or wireless conditional wireless use permit (WCUP) is required prior to the site preparation, construction, or installation of any new wireless service facility. The permit required in each zone is specified in AMC 19.68.

(B) Colocating Facilities. A wireless service facility (WSF) permit or conditional wireless use permit (WCUP) is required in every zone prior to the colocation of any wireless service facility and is required for modifications that qualify as a Substantial Change. Colocations involving modifications under subsection (C) below are exempt from this requirement.

(C) Non-Substantial Change. A modification to an existing facility that involves the addition, removal, and/or replacement of transmission equipment that meets the criteria for a Non-Substantial Change as set forth in 19.68.060 must submit an Eligible Facility Request application. A WSF or WCUP will not be required for these types of modifications.

(D) Substantial Change. A modification to an existing facility that involves the addition, removal, and/or replacement of transmission equipment that is a Substantial Modification as defined in 19.68.050 is subject to the requirements for new facilities or colocations as applicable.

(E) No wireless service facility permit may be issued under this chapter unless the applicant demonstrates compliance with the terms, conditions and performance standards set forth in this chapter. Any WCUP must also meet the criteria for said use permits set forth in Section 19.68.130.

19.68.050. Substantial Change.

Commented [KA2]: Moved to definitions.

(A) "Substantial Change" for purposes of this Chapter means a modification to an existing facility that meets any of the following criteria:

Criteria 1:

(1) For towers outside of public rights of way, if the modification increases the height of the tower by the greater of: (i) more than 10%, or (ii) by the height of one additional antenna array, with separation from the nearest existing antenna not to exceed twenty feet; or

(2) For those towers in the rights of way and for all base stations, if the modification it increases the height of the tower or base station by the greater of: (i) 10% or (ii) 10 feet.

Criteria 2:

(1) For towers outside of public rights of way, if the modification involves adding an appurtenance to the body of the tower that protrudes from the edge of the tower the greater of: (i) 20 feet, or (ii) the width of the tower structure at the level of the appurtenance; or

(2) For other eligible support structures, if the modification protrudes from the edge of the structure more than 6 feet;

Criteria 3:

(1) For any eligible wireless support structure, if the installation includes more than the standard number of new equipment cabinets, not to exceed four; or

(2) For towers in the public rights of way and base stations, if the modification involves installation of any new equipment cabinets on the ground if there are no pre-existing ground cabinets associated with the structure, or else involves installation of ground cabinets that are more than 10% larger in height or overall volume than any other ground cabinets associated with the structure.

Criterion 4:

For any eligible support structure, if the modification entails any excavation or deployment outside the current site;

Criterion 5:

For any eligible support structure, if the modification defeats the existing concealment elements of the tower, base station, or any other wireless support structure.

Criterion 6:

For any eligible support structure, if the modification violates any of the conditions of approval (besides—modification allowed under criteria #1-5 associated with prior approval(s)).

19.68.060 Non-Substantial Change.

Commented [KA3]: Covered by definitions.

(A) "Non-substantial Change" means a modification that meets all of the following criteria:

Criteria 1:

(1) For towers outside of public rights-of-way, if the modification does not increase the height of the tower by the greater of: (i) more than 10%, or (ii) by the height of one additional antenna array, with separation from the nearest existing antenna not to exceed twenty feet; or

(2) For those towers in the rights-of-way and for all base stations, if the modification does not increase the height of the tower or base station by the lesser of: (i) 10% or (ii) 10 feet.

Criteria 2:

(1) For towers outside of public rights-of-way, if the modification does not protrude from the edge of the tower by the greater of: (i) 20 feet, or (ii) the width of the tower structure at the level of the appurtenance; or

(2) For those towers in the rights-of-way and for all base stations, if the modification does not protrude from the edge of the structure more than 6 feet;

Criteria 3:

(1) For any eligible support structure, if the installation includes new equipment cabinets, the modification does not include the installation of more than 4 equipment cabinets; or

(2) For towers in the public rights-of-way and base stations, if the modification does not involve the installation of any new equipment cabinets on the ground if there are no pre-existing ground cabinets associated with the tower, and does not involve the installation of ground cabinets that are more than 10% larger in height or overall volume than any other ground cabinets associated with the tower.

Criterion 4:

For any eligible support structure, if the modification does not entail any excavation or deployment outside the current site

Criterion 5:

For any eligible support structure, if the modification does not defeat the existing concealment elements of the tower or base station or other wireless support structure.

Criterion 6:

For any eligible support structure, if the modification does not violate any of the conditions of approval (besides—modification allowed under criteria #1-5 associated with prior approval(s)).

19.68.070. Optional Pre-application.

An optional pre-application may be submitted up to thirty (30) days prior to the submission of an Eligible Facilities Request application, or a permit application associated with a Small Wireless Facility or other wireless facility. The information submitted along with a pre-application may include the following information:

- (1) The name and address of the applicant;
- (2) Identification of all carriers using the facility;
- (3) The type of facility proposed;
- (4) If the applicant is not the owner or person in control of the eligible support structure or site, an attestation that the owner or person in control of the eligible support structure and/or site has consented to the proposed facility modification. If the eligible support structure is to be located within a public right-of-way, the applicant must also attest that the applicant has authorization to install, maintain, and operate transmission equipment in, under and above the public right-of-way.
- (5) A stamped report by a state of Washington registered professional engineer demonstrating compliance with existing structural, electrical, and safety codes, and describing the general structural capacity of the eligible facility, small wireless facility, or other wireless facility.
- (6) Detailed site plan and drawings.
- (7) Dimensioned elevation drawings of the existing tower or structure showing the existing and proposed antennas, and equipment structures (at 1/8" = 1' or comparable scale).
- (8) Copies of the land use or building permit approval that authorized the original installation of the tower or wireless facilities on the structure;
- (9) If new equipment cabinets, generators, or any other ground equipment components are being proposed, an assessment of noise that shows compliance with City and/or Federal noise standards.
- (10) A description of compliance with the applicable visibility and performance standards set forth in section 19.68.200.
- (11) A stamped report by a state of Washington registered professional engineer demonstrating compliance with radio-frequency emissions standards.

19.68.080. Eligible Facilities Request applications.

(A) For the purposes of this section, a complete application includes:

- (1) The name and address of the applicant;
- (2) Identification of all carriers using the facility;
- (3) An assertion that the proposed facilities modification is subject to review under Section 6409 of the Spectrum Act.
- (4) If the applicant is not the owner or person in control of the eligible support structure or site, an attestation that the owner or person in control of the eligible support structure and/or site has consented to the proposed facility modification. If the eligible support structure is to be located within a public right-of-way, the applicant must also attest that the applicant has authorization to install, maintain, and operate transmission equipment in, under and above the public right-of-way.

(5) If the proposed modification will alter the exterior dimensions or appearance of the eligible support structure, the applicant shall include a detailed visual simulation depicting how the eligible support structure will appear after the proposed modification is complete, and particularly, how concealment or stealth will be extended with the modification. The visual simulation shall depict to scale the eligible support structure in relation to the trees, landscaping and other structures adjacent to, or in the immediate vicinity of, the eligible support structure.

(6) If the applicant proposes a modification to a tower, a stamped report by a state of Washington registered professional engineer demonstrating that the proposed modifications will comply with existing structural, electrical, and safety codes, and describing the general structural capacity of the tower with the proposed modification.

(7) If the applicant proposes a modification to a base station, a stamped report by a state of Washington registered professional engineer demonstrating that the proposed modifications will comply with existing structural, electrical, and safety codes.

(8) If the applicant proposes a modification requiring alteration to the eligible support structure, excavation, installation of new equipment cabinets, or other activities impacting or altering the land, existing structures, fencing or landscaping, the applicant must submit a detailed site plan and drawings, showing the point of true north, and an appropriate scale depicting:

- (i) the location, elevation, and dimensions of the existing eligible support structure;
- (ii) the location, elevation, and dimensions of the existing transmission equipment;
- (iii) the location, elevation and dimensions of the transmission equipment, if any, proposed to be collocated or that will replace existing transmission equipment;
- (iv) the location, elevation and dimensions of any proposed new equipment cabinets and the intended use of each;
- (v) any proposed modification to the eligible support structure;
- (vi) the location of existing structures on the site, including fencing, screening, trees, and other significant site features; and
- (vii) the location of any areas where excavation is proposed showing the elevations, depths, and width of the proposed excavation and materials and dimensions of the equipment to be placed in the area excavated.

(9) If excavation or deployment is proposed outside the current site of the tower or base station, a description of the boundaries of the site together with a scale drawing based on an accurate traverse, with angular and lineal dimensions showing the tower or base station with respect to the site. The city may require a survey by a land surveyor licensed in the state of Washington when, in the judgment of the approval authority, a survey is reasonably necessary to verify the boundaries of the site.

(10) If the applicant proposes a modification that will protrude from the edge of a non-tower eligible support structure, record drawings, as-built plans, or the equivalent, showing at a minimum the edge of the eligible support structure at the location of the proposed modification.

(11) Copies of the land use or building permit approval that authorized the original installation of the tower or wireless facilities on the structure;

(12) If new equipment cabinets, generators, or any other ground equipment components are being proposed, an assessment of noise that shows compliance with City and/or Federal noise standards.

(13) A stamped report by a state of Washington registered professional engineer demonstrating compliance with Federal radio-frequency emissions standards for wireless facilities.

(B) Waiver of Submittal Requirement. The approval authority may waive any submittal requirement upon determination that the required submittal, or part thereof, is not reasonably related to the substantial change criteria. A waiver, to be effective, must be in writing and signed by the approval authority.

(C) Eligible facilities for review under this section include Non-Substantial Changes to the physical dimensions of the base structure or tower, involving (i) collocation of new transmission equipment; (ii) removal of transmission equipment; or (iii) replacement of transmission structure.

(D) Within the applicable timeframe for review set forth in Section 19.68.120, the City must approve the application unless it determines that the application involves a Substantial Modification. If the City determines that the application involves a Substantial Modification, the applicant must submit the appropriate Permit application required, if any, under the requirements in Section 19.68.080.

19.68.090 Permit application – Small Wireless Facility.

(A) Application. A complete application for a wireless service facility permit or ~~wireless conditional use permit~~ must include the following information and materials on a form provided by the Director. Applications for Small Wireless Facilities may be submitted in batches of applications, which may encompass up to five separate applications filed at the same time, each for one or more sites, *or* a single application covering up to five sites, unless the City agrees to a larger number based upon its capacity to review additional applications. For the purposes of this section, a complete application includes:

Commented [KA4]: The permits for a small wireless facility must be processed in 60 days for a colocation and 90 days for a new pole, including appeals. There is insufficient time for a conditional use permit process which requires notice and hearing.

(1) The name and address of the applicant;

(2) Identification of all carriers using the facility;

(3) If the applicant is not the owner or person in control of the eligible support structure or site, an attestation that the owner or person in control of the eligible support structure and/or site has consented to the proposed facility modification. If the eligible support structure is to be located within a public right-of-way, the applicant must also attest that the applicant has authorization to install, maintain, and operate transmission equipment in, under and above the public right-of-way.

(4) A stamped report by a state of Washington registered professional engineer demonstrating compliance with existing structural, electrical, and safety codes, and describing the general structural capacity of the new small wireless facility or the facility upon which the small wireless facility is to be colocated.

(5) A description of compliance with: the applicable visibility and performance standards set forth in section 19.68.200. This includes, but is not limited to:

(a) A scaled Site plan clearly indicating the location, type and height of the proposed facility, or colocation, on-site land uses and zoning, adjacent land uses and zoning, comprehensive plan classification of the Site, proposed means of access, setbacks from property lines, spacing between tower(s) and other wireless facilities, elevation drawings of the proposed tower and any other structures, topography of the site, and proposed parking;

(b) If the proposed Small Wireless Facility siting involves a colocation that will alter the exterior dimensions or appearance of an existing facility, applicant shall include a detailed visual simulation depicting how the existing facility will appear after the proposed modification is complete, and particularly, how concealment or stealth will be extended, if applicable. The visual simulation shall depict to scale the existing facility with any colocation in relation to the trees, landscaping and other structures adjacent to, or in the immediate vicinity of, the eligible support structure.

(c) Legal description of the parent tract and leased parcel (if applicable);

(d) If new equipment cabinets, generators, or any other ground equipment components are being proposed:

(i) an assessment of noise that shows compliance with City and/or Federal noise standards;

(ii) a description of the method of concealment of equipment components, such as: whether such components will be located within an existing building, within an architecturally compatible addition to an existing building, or within a new building which is architecturally compatible with other buildings on the site and adjoining properties; located underground; or within an equipment cabinet or shelter;

(iii) if equipment is proposed to be concealed within an equipment cabinet or shelter that will be located above ground, a description of the landscaping and screening.

(e) Any engineering report(s) required to show feasibility of meeting the applicable criteria in this section as applicable;

(6) A stamped report by a state of Washington registered professional engineer or an assessment demonstrating compliance with Federal radio-frequency emissions standards applicable to wireless facilities.

(B) Waiver of Submittal Requirement. The approval authority may waive any submittal requirement upon determination that the required submittal, or part thereof, would materially inhibit wireless service. A waiver, to be effective, must be in writing and signed by the approval authority.

(C) Fee. Every application for a small wireless service facility permit or wireless conditional use permit must be accompanied by an application fee which will be set by the City Council in its unified fee schedule, to reimburse the City for the costs of reviewing the application, including any third-party review required by the City, and fees equal to the a reasonable approximation of the objectively reasonable costs for the attachment to or use of property owned or controlled by the City.

19.68.100 Permit application – all other Wireless Facilities.

(A) Application. A complete application for a wireless service facility permit or wireless conditional use permit for wireless facilities other than Small Wireless Facilities and Eligible Support Structures or EFRs must include the following information and materials on a form provided by the Director. For the purposes of this section, a complete application includes:

(1) The name and address of the applicant;

(2) Identification of all carriers using the facility;

(3) If the applicant is not the owner or person in control of the eligible support structure or site, an attestation that the owner or person in control of the eligible support structure and/or site has consented to the proposed facility modification. If the eligible support structure is to be located within a public right-of-way, the applicant must also attest that the applicant has authorization to install, maintain, and operate transmission equipment in, under and above the public right-of-way.

(4) A description of compliance with: the applicable visibility and performance standards set forth in section 19.68.200. This includes, but is not limited to:

(a) A scaled Site plan clearly indicating the location, type and height of the proposed facility, or colocation, on-site land uses and zoning, adjacent land uses and zoning, comprehensive plan classification of the Site, proposed means of access, setbacks from property lines, spacing between tower(s) and other structures, elevation drawings of the proposed tower and any other structures, topography of the site, and proposed parking;

(b) Legal description of the parent tract and leased parcel;

(c) A landscape plan showing specific landscape materials;

(d) Method of fencing, the finished color and/or the method of camouflage and illumination.

(5) A description of compliance with the additional requirements in this Chapter for collocating and/or for conditional uses, if applicable.

(6) If new equipment cabinets, generators, or any other ground equipment components are being proposed:(i) an assessment of noise that shows compliance with City and/or Federal noise standards.

(7) A stamped report by a state of Washington registered professional engineer demonstrating compliance with radio-frequency emissions standards as set forth in Section 19.68.240.

(B) New facilities. In addition to the application materials delineated in subsection (A) above, an application for a new wireless facility must provide:

(1) A notarized statement by the applicant as to whether construction of a new facility will accommodate colocating of additional antennas for future users.

(2) An explanation of how the proposed new facility at the proposed location is necessary to do one of the following: fill a significant gap in service, to introduce new services, to densify a network, or to otherwise improve service capabilities.

(3) A description of the suitability of the use of existing facilities, including towers or other structures to provide the services to be provided through the use of the proposed new facility.

(4) Any other engineering report(s) required to show feasibility of meeting the applicable criteria in subsections (A) and/or (B) as applicable;

(C) Third Party Review. The City may require the applicant to submit its materials to a third-party for review, as may be reasonably necessary to determine compliance with this Chapter, such as an engineer or architect, by way of example only.

(D) Fee. Every application for a wireless service facility permit or wireless conditional use permit must be accompanied by an application fee which will be set by the City Council in its unified fee schedule, to reimburse the City for the costs of reviewing the application, including any third-party review required by the City, and fees equal to the a reasonable approximation of the objectively reasonable costs for the attachment to or use of property owned or controlled by the City.

19.68.110 Permit approval process.

(A) Wireless service facility permit (WSF). The review process for wireless service facility permit applications is that for a Type 1 (Administrative Ministerial Action) as delineated in Section 19.20.030 AMC.

(B) Wireless conditional use permit (WCUP). The review process for wireless conditional use permit applications is that for a Type 3-HE review, delineated in Section 19.20.030 AMC. The criteria for a conditional use permit as set forth in other provisions of the City's code does not apply.

(C) This permit approval process does not apply to Eligible Facility Requests.

19.68.120 Permit review - general criteria.

(A) In evaluating a permit application under this Chapter, the decision-maker must examine the following criteria:

(1) Whether all requisite licenses, certificates, and authorizations from applicable Federal, State, and local agencies have been obtained by the applicant;

(2) Whether the applicant has shown that its proposed facility or colocation meets the standards and criteria set forth in this Chapter, including the visibility and performance criteria set forth in Section 19.68.200;

(3) Whether the applicant has shown that its proposed facility meets any additional requirements in this Chapter for colocating and/or conditional uses, if applicable.

~~(B) For a new wireless facility or a new Small Wireless Facility, whether it is necessary to fill a significant gap in service, to introduce new services, to densify a network, or to otherwise improve service capabilities.~~

(C) Decision. After considering all information submitted, and the record on file and from any hearing, the decision-maker will decide whether to grant, deny, or grant the permit with conditions, and must issue a written decision containing findings of fact supported by substantial evidence, based on the criteria above.

(D) Issued permit. Any wireless service facility permit that is issued under this Chapter must contain the location, nature, and extent of approved use, together with all conditions that are imposed. A copy of the permit will be kept

Commented [KA5]: The FCC Order, which took effect 1/14/2019, specifically provides at Paras. 35-37 that a demonstration of need is not required.

on file and reviewed annually by the administering City official. If, at any time, the use no longer complies with the stated conditions, the owner will be declared in violation of this chapter.

19.68.130 Permit review - supplemental criteria for conditional uses.

(A) In addition to the general criteria for approval uses set forth in this Chapter, the following criteria apply to all permits denominated as conditional uses:

(1) The applicant must demonstrate that visual, noise, and other impacts associated with the proposed facility have been minimized to the maximum extent possible using existing concealment technology, site design, noise abatement techniques, concealment, disguise, camouflage, and/or the use of architecturally compatible improvements to existing structures where permitted, and/or underground placement of ancillary equipment. In evaluating the site design, consideration will be given to whether the facility will blend into the surrounding topography, tree coverage, foliage, and other natural features and whether locating the facility in alternative locations upon the subject property, or reasonably available properties, would better conceal the facility through use of existing natural and built features;

(2) The applicant must demonstrate compatibility of the proposed structure with the height and mass of existing buildings in the area.

(2) The applicant must demonstrate that the design of the proposed facility complies with the purpose and intent of this chapter, including, but not limited to, the visibility and performance standards set forth in AMC 19.68.200 which most closely match the proposed facility;

(3) The applicant must demonstrate that alternative locations, including other colocations and alternative support structures, are not available for the proposed facility;

(4) The applicant must demonstrate that the proposed facility is not in conflict with the health and safety of the community;

(5) The applicant must demonstrate that the proposed facility will be supported by adequate public facilities or services and will not adversely affect public services to the surrounding area or conditions can be established to mitigate adverse impacts on such facilities.

(B) In evaluating any proposed wireless service facility denominated as a conditional use, the Director may, at the expense of the applicant, retain an outside consultant to review the technical, design and other materials submitted by the applicant in conjunction with the proposal.

19.68.140 Completeness review.

(A) Completeness Review. Applications must be reviewed for completeness within thirty days of receipt, except for applications to site Small Wireless Facilities, which must be reviewed for completeness within ten days of receipt. If the application is not reviewed for completeness within the applicable timeframe, it will be deemed complete.

(B) Tolling. For applications to site Small Wireless Facilities, the review period resets once an applicant submits its additional materials. For all other applications deemed incomplete, the review period is tolled for up to sixty days. Once an applicant submits additional materials, the review timeframe begins to run again. If the applicant does not submit the required materials, the City may deny the application.

(C) Submittal of Additional Materials. If an applicant submits additional materials, the Director must provide notice within ten (10) days as to any additional materials identified in the original notice that were not provided with the supplemental materials. Second or subsequent notices of incompleteness may not specify missing documents or information that was not delineated in the original notice of incompleteness. For second or subsequent notices of incompleteness, the review timeframe will be tolled for all applications including for siting Small Wireless Facilities. If the applicant does not submit the required materials, the City may deny the application.

(D) Failure to act. If the decision-maker fails to approve or deny a request seeking approval for either a wireless service facility permit or conditional use permit within the applicable timeframe for review, accounting for any tolling, the request is deemed granted. The deemed grant does not become effective until the applicant notifies the applicable reviewing authority in writing after the review period has expired that the application has been deemed granted.

19.68.150 Timeframe for review.

The timeframe for review of an application for a wireless facility permit or wireless conditional use permit begins to run when an application is submitted, not when the application is deemed complete.

	Modifications that are not Substantial.	Colocating Wireless Facilities	New Wireless Facility	Colocating Small Wireless Facilities	New Small Wireless Facility
Timeframe	Approval required within sixty (60) days from receipt of submission of application	Written decision due within ninety (90) days from submission of application	Written decision due within one hundred and fifty (150) days from submission of application.	Written decision due within sixty (60) days from submission of application	Written decision due within ninety (90) days from submission of application.
Notes	If the City finds that the application involves a Substantial Change, the City may process the application as one for a new facility or deny the application.	This provision does not apply to Small Wireless Facilities.	This provision does not apply to Small Wireless Facilities.		

19.68.160 Construction.

(A) Construction within two years. Construction or substantial progress toward construction of a facility for which a permit has been issued pursuant to this chapter must be undertaken within two years after approval of the permit. Substantial progress toward construction includes, but is not limited to: the letting of bids, making of contracts, and purchase of materials involved in development.

(B) Tolling. In determining whether the two-year period has run, time during which litigation has been pending related to the construction of the facility must not be included.

(C) Extension and termination. The city may, at its discretion, extend the two-year period for a reasonable time, based on factors including the inability to expeditiously obtain other required governmental permits prior to the commencement of construction. If a facility for which a permit has been granted has not been completed within three years after the approval of a permit the City must review the permit upon the expiration of three years, and upon a showing of good cause for the delay, either (a) extend the permit for one year; or (b) terminate the permit.

19.68.170 Appeals.

Appeals may be commenced on an action by the decision-maker on a permit application, within thirty (30) days of such act or failure to act, in any court of competent jurisdiction. This section supersedes the City's administrative appeal process set forth in Section 19.20.210.

19.68.180 Prohibited Locations.

(A) Lattice and guyed wire towers are not permitted in any zoning district.

(B) Commercial advertising including billboards and business identification signs may not be used as alternative antenna support structures.

19.68.190 Permitted locations.

New wireless service facilities, which includes new Small Wireless Facilities are permitted as follows, with the type of permit indicated. For those facilities located within a "right-of-way", a master permit and construction permit for such use is required under the provisions of Chapter XX.XX. The zones referred to below are defined in the City's general zoning code.

Type of Facility	Residential Zones (R1, R2, R2A, R3, R3A, R4, R4A, OT)	Mixed Use Zones (CBD, C, MMU, CM, CM2, P)	Industrial Zones (LM, LM1, MS, HM, I, AZ)
Monopole	Permitted with WSF, except permitted with WCUP in OT	Permitted with WSF, except permitted with WCUP in P and except not permitted in CBD	Permitted with WSF
Electric Transmission Towers	Permitted with WSF, except permitted with WCUP in OT.	Permitted with WSF, except permitted with WCUP in P and except not permitted in CBD	Permitted with WSF
Utility Poles	Permitted with WCUP	Permitted with WSF, except permitted with WCUP in P, and except not permitted in CBD	Permitted with WSF
Water Tank Mounted	Permitted with WSF, except permitted with WCUP in OT	Permitted with WSF	Permitted with WSF
Playfield, Ballfield and Stadium Light Mounted Facilities	Permitted with WCUP	Permitted with WSF	Permitted with WSF
Building Attached	Permitted with WSF, only on buildings with nonresidential uses, and except permitted with WCUP in OT	Permitted with WSF	Permitted with WSF
Stealth Support Structure	Permitted with WSF, except permitted with WCUP in OT	Permitted with WSF, except permitted with WCUP in P	Permitted with WSF
Other Types Not Listed	Permitted with WCUP	Permitted with WCUP	Permitted with WCUP

Commented [KA6]: There is insufficient time under the federal shot clocks to use this process with small wireless facilities

19.68.200 Visibility and performance standards.

All wireless service facilities locating within Anacortes must comply with the following standards:

(A) Standards for all types of facilities:

General	1. All portions of the facility must be the minimum size necessary to support operation of the facility, as certified by the provider's licensed engineer. Where multiple facilities are proposed to be located in close proximity, they may be required to be consolidated in one equipment housing structure. 2. Owners and operators must provide information regarding the opportunity for the co-location of facilities. Provision for future co-location may be required if technically feasible and where opportunities for smaller facilities with fewer impacts are limited due to topography, lack of existing above ground structures or other circumstances. To determine feasibility, the applicant must submit an engineer's report regarding the feasibility of co-location.
Antennas	1. In general, an antenna array must either be flush mounted within 12 inches of the support structure, or within 12 inches of the face of the building it is attached to; or be contained in a canister that is a continuation of the support structure and is centered on top of the support structure; or be placed pursuant to the City's adopted design standards, subject to the concealment requirements below. 2. All antennas or arrays must be a color and material that matches the support structure. 3. Roof-mounted installation is permitted when the City's adopted design and the Appearance and Screening requirements below have been met. The antennas, mounting brackets and any concealment structures are exempt from the height limit of the underlying zone to the extent that the total height of such facilities does not increase the overall building height by 18 feet, or 50 percent of the original building height, whichever is less.
Equipment Cabinets, Shelters, and Undergrounding	1. All equipment necessary for the operation of the facility must be concealed, either within an existing building, within an architecturally compatible addition to an existing building, or within a new building which is architecturally compatible with other buildings on the site and adjoining properties; or located underground with exceptions as stated in Chapter AMC 15.32, and excepting equipment cabinets and shelters, which may be located above ground, and landscaped and screened pursuant to the City's typical landscaping requirements. 2. This section does not apply to antennas or other facilities that are required to remain above-ground in order to be functional, or if it would otherwise materially inhibit wireless service. 3. Underground shelters are not allowed where such shelters would interfere with existing uses of public land including, but not limited to, public rights-of-way. Equipment enclosures less than or equal to five cubic feet, with no single dimension over three feet, may be mounted directly on a street pole. These dimension limitations do not apply to Small Wireless Facilities. 4. Equipment cabinets and shelters are permitted upon abutting private property and may be located within public rights-of-way, pursuant to the applicable requirements and obtaining the appropriate permits specified in Chapter AMC XX.XX. 5. The size of equipment cabinets and shelters must be minimized to the greatest extent possible. 6. Prefabricated concrete and metal structures for equipment enclosures are not permitted unless treated with a facade giving the appearance of masonry or wood siding and are compatible with the existing neighborhood and surrounding setting.
Appearance and Screening	The following standards must be met to ensure the facility minimizes its visual impact: 1. Design and configurations must be compatible with the existing neighborhood, blend in with the surrounding setting, and/or are screened from surrounding uses and properties. 2. Design and configurations must minimize visual intrusion of the facility on surrounding uses and properties. Such techniques may include, for example: containing transmission and power cables and other conduit within any support structure, locating facilities underground, or otherwise screening the facility; minimizing the lateral projection of antenna arrays to the greatest extent

Commented [KA7]: Verizon requests an exception to this for small wireless facilities, as colocation is not possible and requiring an engineering certification for each pole is unduly burdensome.

	technically feasible; and integrating antenna arrays into the design of any structure to which they are attached. The applicant must submit an engineer's report regarding the feasibility of the lateral projection of antenna arrays. 3. Facilities on private property must be screened through the use of mature trees that are a minimum of 20 feet tall and planted to screen at least 80 percent of the area around the facility. 4. For stealth supported structures, the structure must be designed to resemble an object that would be commonly found in the area, including, but not limited to, a flagpole, a clock or bell tower, a tree that is a native conifer species, or a silo. Antennas, to the maximum extent feasible, must be concealed by the stealth support structure, or must not be easily recognized. To determine feasibility, the applicant must submit an engineer's report regarding the feasibility of concealing the antennas.
Noise	Noise reduction measures must comply with the City and/or Federal noise regulations, whichever demonstrates the least amount of noise impact for the nearest residential dwelling(s) at any time of day or night, as measured from the closest point from the exterior of the dwelling to the wireless facility. Such requirements are exempt during testing of alternative power sources (i.e., power generators or similar emergency power sources).
Landscaping	1. Facilities and/or equipment cabinets must be surrounded with a minimum of four feet wide landscaping, in the applicable zones set forth in the City's general zoning provisions, if technically feasible. 2. Towers must be landscaped with a buffer of plant materials that effectively screens the view of the tower compound from properties used for residences. In some cases, natural growth around the property perimeter may provide a sufficient buffer. 3. Existing mature tree growth and natural land forms on the site must be preserved to the maximum extent possible.
Setbacks	1. In residential zones, towers, antennas, monopoles, and other wireless facilities and equipment pertaining thereto must not be closer than the greater of 20' or 100% of the tower height from the adjoining lot line. 2. In non-residential zones, facilities must comply with the setback requirements set forth in the applicable zoning code, Chapter 17 AMC, and meet or exceed the City or Federal noise regulations, whichever demonstrates the least amount of noise impact for the nearest residential dwelling(s), as measured from the closest point from the exterior of the dwelling to the facility. 3. The setback may be reduced if the applicant uses noise abatement techniques, such as decorative noise walls, to achieve equivalent or greater reduction of visual and noise impacts from the facility. 4. For co-locations, new equipment associated with the facility must be placed no closer to existing residential uses than any existing equipment enclosure on the subject property.
Spacing	1. In residential zones, towers and their antennas must not be closer than 200' or 100% of the tower height from the nearest residential dwelling(s), as measured from the closest point from the exterior of the dwelling to the facility. 2. In non-residential zones, there are no spacing requirements. 3. The minimum spacing requirements herein will not apply if they have the effect of materially inhibiting wireless service.

Commented [KA8]: Verizon requests deleting this requirement, as it is unclear what is being requested.

(B) Standards for specific types of facilities:

New Monopoles and Stealth Wireless Support Structures	Any wireless service provider which proposes to construct a new monopole or stealth supported facility must provide, as part of its permit application, written findings from a qualified engineer which demonstrate that: 1. Either there are no other facilities reasonably available for colocation; or 2. Any existing facilities reasonably available are not technologically suitable for use by the applicant; and 3. The proposed monopole has been designed in a manner that will allow for the colocation of at least one additional antenna array on the structure.
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	4. The height of the monopole may not exceed 120 feet or the height of similar structures permitted in the zone within which it is located, whichever is greater.
Colocating Monopoles or Utility Poles Within Public Rights-of-Way	1. More than one facility may be colocated on any monopole, subject to the permits. 2. Monopoles located within public rights-of-way must be located a minimum of 500 feet apart; a shorter distance may be approved if the applicant submits an engineering analysis and equipment specifications that demonstrate the reduced distance is necessary to provide adequate coverage and/or capacity. 3. Where a utility located upon a monopole requires vertical separation between its facilities and the antenna(s), the structure/pole and antenna may be raised or replaced with a taller structure to accommodate the minimum separation requirement, not to exceed 20 feet in the public right-of-way. Any additions must be constructed of similar materials, and have surface treatments which match the color and texture of the original facility.
Electric Transmission Towers or Utility Poles Outside Public Rights-of-Way	Where a utility located upon the support structure (such as electric transmission tower) requires vertical separation between its facilities and the antenna(s), the structure/pole and antenna may be raised by a mount or replaced with a taller structure to accommodate the minimum separation requirement, not to exceed 30 feet. Any additions must be constructed of similar materials, and have surface treatments which match the color and texture of the original facility.
Playfield, Ballfield and Stadium Light Mounted Facilities	Only one facility is permitted on any playfield, ballfield, or stadium light. Where lighted signs and illuminated areas are permitted, such illuminating devices must be shaded and directed so as not to be visible from any residentially zoned property.
Building Attached	The equipment for roof-mounted antennas within the OT zone must be located within the same building on which the antennas are located. This provision will not apply to Small Wireless Facilities if it has the effect of materially inhibiting the provision of service.

19.68.210 Requirements for colocations.

(A) All wireless facilities colocating within the City of Anacortes must meet the following standards. This section does not apply to Eligible Facilities Requests.

(B) Colocations (as defined in Section 19.68.030(5)) are permitted on existing monopoles and stealth support structure facilities, so long as the colocation maintains the appearance of the existing structure, and do not interfere with the City's placement of cameras or other public safety uses.

(C) The height of the existing facility may be increased by the minimum vertical separation necessary between the facilities, not to exceed 20 feet; except for towers and utility poles outside public rights-of-way, the height of which may be increased by up to 30 feet to accommodate the minimum separation requirement. The height of the existing facility with all increases in height due to colocations may not exceed the general height limitation for similar structures or buildings within the zone in which it is permitted or 120 feet, whichever is greater.

(D) Existing monopoles and antenna support structures may be replaced to accommodate colocation. Monopoles and stealth support structures must, to the maximum extent feasible, be located within 20 feet of the existing structure within the public right-of-way, or within 30 feet of the existing structure outside of the public right-of-way, and maintain the design of the original structure, including any stealth or camouflage components. To determine feasibility, the applicant must submit an engineer's report regarding the feasibility of a proposed replacement.

(E) All antenna support structures permitted pursuant to the terms of this chapter or otherwise located within the City of Anacortes must be made available for use by the owner or initial user thereof, together with as many other wireless service providers as can be technically colocated thereon. The owner of an antenna support structure may charge a reasonable fee for the colocation of additional facilities upon said structure which does not exceed the fair

market value for the space occupied by said colocated facilities. If the City is the owner, it may not charge a fee that exceeds a reasonable approximation of the objectively reasonable costs associated with siting a Small Wireless Facility on the antenna support structure.

(F) Colocating facilities must meet all other visibility and performance standards in Section 19.68.200.

19.68.220 Requirements for Non-Substantial Changes.

All modifications to wireless service facilities to the existing facility, including Small Wireless Facilities, that are Non-Substantial, must comply with the following standards:

(A) No modification may violate the City or Federal noise regulations. A noise study must be submitted with any modification to antennas or equipment.

(B) No modification may violate the Federal radio-frequency emission standards.

(C) No modification may violate setback or other lot coverage or height requirements in this Chapter.

19.68.230 Maintenance of facilities.

The owner and/or operator of all wireless service facilities must maintain their facilities in a good and safe condition and in a manner which complies with all applicable Federal, State, and local requirements.

19.68.240 Testing of facilities required – Radio-frequency (RF) emissions.

(A) All wireless service facilities must comply with applicable Federal Communications Commission (FCC) regulations regarding radio-frequency emissions. All tests must be performed by or under the supervision of a professional engineer competent to perform such testing and interpret the data gathered.

(B) Reports or similar support documents must be submitted for all facilities confirming compliance with all applicable FCC regulations. Compliance reports are required when requested by the Director.

(C) If at any time radio-frequency emission tests show that a facility exceeds any of the standards established by the FCC, the owner or operator thereof must immediately discontinue use of the facility and notify the Director. Use of such facilities may not resume until the owner or operator demonstrates that corrections have been completed which reduce the radio-frequency emissions to levels permitted by the FCC.

19.68.250 Testing of facilities required – Noise emissions.

(A) The owner or operator of a wireless service facility must conduct tests necessary to demonstrate compliance with all applicable local regulations regarding the noise emissions of the facility when notified in writing by the Director that a noise complaint has been received regarding the facility. All such tests must be performed by or under the supervision of a licensed environmental noise consultant competent to perform such tests and interpret the data gathered.

(B) When such a report is required, a report, certified by a licensed environmental noise consultant, setting forth the observed noise levels at the property line of the property upon which the facility is located must be submitted. The report must account for background noise and other noise sources and demonstrate the noise levels emitted by the facility, including any air conditioning or ventilation equipment contained therein. Such report must address standards set forth within noise reduction measures within noise provisions in Section 17.54.010 AMC or the standards set forth with the Federal Interagency Committee on Urban Noise, whichever demonstrates the least amount of noise impact for the nearest residential dwelling(s), at any time of day or night, as measured from the closest point from the exterior of the dwelling to the wireless facility.

(C) The Director may retain a technical expert in environmental noise measurement to verify the noise measurements and certification. The cost of such a technical expert must be borne by the owner or operator of the facility, if said facility fails to comply with applicable State or local noise standards.

(D) This section does not apply during the testing of alternative power sources (i.e., power generators).

19.68.260 Security fencing.

All wireless service facilities must be protected from unauthorized entry. The perimeter of all wireless service facilities which include an antenna support structure must be secured with security fencing which does not exceed seven feet in height. Wireless service facilities that do not include an antenna support structure must be protected from unauthorized entry through appropriate means approved by the Director or his or her designee on a case-by-case basis consistent with the purpose of protecting the public health, safety, and welfare.

19.68.270 Abandonment of facilities.

Any antenna support structure that has had no antennas mounted upon it for a period of six months, or if the antennas mounted thereon are not operated for a period of six months, will be considered abandoned, and the owner thereof must remove such structure and any accompanying equipment and enclosure within 90 days after receipt of a notice from the Director to do so. The Director may extend this time period to a maximum of six additional months. The owner or operator of all wireless service facilities must, when requested by the Hearing Examiner, submit a written report, signed under penalty of perjury, which demonstrates whether or not there has been a cessation in use of the facility for a period of six months during the prior year. If a facility and associated equipment are not removed within 90 days after receipt of a notice from the Hearing Examiner requiring said removal, the Hearing Examiner may seek and obtain a court order directing such removal and imposing a lien upon the real property upon which such wireless service facility is situated in an amount equal to the cost of removal. In the event that more than one wireless service provider is using the antenna support structure, the antenna support structure will not be considered abandoned until all such users cease using the structure as provided in this section.

19.68.280 Signs.

Except as approved as part of a plan to conceal, disguise, or camouflage a wireless service facility, no signs, symbols, flags, banners, or similar devices must be placed on, attached to, painted, or inscribed upon any antenna support structure or alternative antenna support structure. Notwithstanding the foregoing, an applicant and/or land owner may place not more than four signs measuring 12 by 18 inches upon or near a wireless service facility which:

- (A) state that trespassers will be prosecuted;
- (B) list the names and telephone numbers of persons to be contacted in the event of an emergency;
- (C) identify the applicant and/or land owner or person responsible for operating the wireless facility; and/or
- (D) contain information necessary and convenient for the person operating the wireless service facility to identify the wireless service facility.

Nothing in this section may be construed to prohibit the placement of safety or warning signs upon any portion of the wireless service facility which are required by law or which are designed to apprise emergency response personnel and the employees and agents of wireless service providers of particular hazards associated with equipment located upon the wireless service facility.

19.68.290 Lighting standards.

Except as specifically required by Federal Aviation Administration (FAA) or FCC regulations, antenna support structures cannot be illuminated. However, equipment enclosures may be illuminated for security reasons when compatible with the surrounding neighborhood.

19.68.300 SEPA.

Integration of environmental review. An application for a wireless service facility permit or wireless conditional use permit that is subject to the State Environmental Policy Act (SEPA) must be reviewed per AMC Chapter 18.04 concurrently with the review of the permit reviewed under this Chapter, except where exempted by that chapter. If there is a conflict between this Chapter and development regulations in other Chapters, the provisions of this Chapter will apply.

Chapter XX.XX

PUBLIC UTILITY AND TELECOMMUNICATIONS

RIGHT-OF-WAY USE*

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XX.XX.010 Purpose.

The purpose of this chapter is to provide for the regulation of the use of public right-of-way by any business, service, or person which is engaged in supplying the public with some commodity or service which is of public consequence and need, such as public and private utilities, wireless telecommunications or transportation service.

XX.XX.020 Applicability.

The provisions of this chapter apply to all public utility and wireless carriers which occupy, use, construct, or maintain utility or telecommunications facilities within public right-of-way of the City.

To the extent the provision of any current franchise or other written agreement with a public utility or wireless carrier conflicts with any provision of this chapter, the applicable provision of the franchise or other written agreement prevails.

XX.XX.030 Definitions.

For the purposes of this chapter, the following terms, phrases, and words have the meanings set forth below unless the context clearly indicates otherwise. When not inconsistent with the context, words used in the present tense include the future tense, words in the plural number include the singular number, and words in the singular number include the plural number.

(1) "Act" means a decision to grant, condition, or deny the use condition, or deny a permit, which may be subject to administrative appeal, or a notification to the applicant in writing of the amount of time that will be required to make the decision and the reasons for this time period.

(2) "Base station" means: a structure or equipment at a fixed location that enables FCC-licensed or authorized wireless communications between user equipment and a communications network. The term does not encompass a "Tower" or any equipment associated with a Tower.

(A) The term includes, but is not limited to, equipment associated with wireless communications services such as private, broadcast, and public safety services, as well as unlicensed wireless services and fixed wireless services such as microwave backhaul.

(B) The term includes, but is not limited to, radio transceivers, antennas, coaxial or fiber-optic cable, regular and backup power supplies, and comparable equipment, regardless of technological configuration (including Distributed Antenna Systems and small-cell networks).

(C) The term includes any structure other than a tower that supports or houses equipment that has been reviewed and approved under the applicable zoning or siting process, or under another State or local regulatory review process, even if the structure was not built for the sole or primary purpose of providing such support.

(D) The term does not include any structure that does not support or house equipment for wireless telecommunications services.

(3) "City Engineer" means the City Engineer of the City of Anacortes, Washington acting in his or her official capacity, and his or her designee(s).

(4) "Complex project" means a construction project involving, by way of example only: adding, installing, or relocating numerous conduits, wires, lines, poles, pipes, cables, communication and signal lines, braces, guys, anchors, vaults, pedestals, antennas, and/or other structures, equipment and appurtenances to a public utility or wireless facility; navigating intricate or complicated facility or land ownership issues; determining whether significant environmental impact(s) exist; and/or the analysis of highly technical structural or engineering information or reports.

(5) "Emergency" means a condition of imminent danger to the health, safety, and welfare of property or persons located within the City, including, but not limited to, damage to persons or property from natural consequences, such as storms, earthquakes, riots or wars.

(6) "Facilities" means all of the towers, equipment, fixtures, antennas, equipment cabinets, equipment shelters, and other appurtenances necessary to furnish and deliver wireless services, including but not limited to utility, monopoles, and street poles with cross arms or without cross arms, wires, lines, conduits, cables, communication and signal lines and equipment, braces, guys, anchors, vaults, and all attachments, appurtenances, and appliances necessary or incidental to the distribution and use of wireless services. Facilities include "Small Wireless Facilities" as defined below.

(7) "Master permit" means the agreement whereby the City of Anacortes may grant general permission to a service provider to enter, use, and occupy the right-of-way for the purpose of locating facilities. This definition is not intended to limit, alter, or change the extent of the existing authority of the City of Anacortes to require a franchise, nor does it change the status of a service provider asserting an existing statewide grant based on a predecessor telephone or telegraph company's existence at the time of the adoption of the Washington State Constitution to occupy the right-of-way. A master permit does not include cable television franchises or permits.

(8) "Overhead facilities" means utility poles, utility facilities and wireless facilities located above the surface of the ground, including the underground supports and foundations for such facilities.

(9) "Permittee" means the public utility, service provider, or other person authorized under a master permit or construction permit under the provisions of this Chapter.

(10) "Person" means and includes corporations, companies, associations, joint stock companies or associations, firms, partnerships, limited liability companies and individuals and includes their lessors, trustees and receivers.

(11) "Public improvement" as used herein, means all work, construction, alterations, repair or improvements within public right-of-way, executed at the cost or under contract of the City, or caused to be performed by any person or entity as a condition or requirement of an approval or permit for zoning, land use, construction, or development if dedicated or required to be dedicated to the public use, benefit or enjoyment.

(12) "Public right-of-way" means any highway, street, alley, other public right-of-way, or easement for motor vehicle under the jurisdiction and control of the City which has been acquired, established, dedicated or devoted to such purposes, but only to the extent of the City's right, title, interest or authority to grant a permit to occupy and use such streets and easements for wireless and utility facilities.

(13) "Public utility" as used herein, means a company or entity engaged in any business or service regularly supplying the public with some commodity or service which is a public need and consequence, such as natural gas, electricity, water or sanitary sewer, including any business subject to regulation as to rates and service by the Utilities and Transportation Commission under the provisions of RCW Title 81.

(14) "Service provider" means every corporation, company, association, joint stock association, firm, partnership, person, city, or town owning, operating, or managing any facilities used to provide and providing wireless service for hire, sale, or resale to the general public. Service provider includes the legal successor to any such corporation, company, association, joint stock association, firm, partnership, person, city, or town.

(15) "Small Wireless Facility" encompasses facilities that meet the following conditions:

(A) The facilities—

- (1) are mounted on structures 50 feet or less in height including their antennas as defined in section 1.1320(d), or
- (2) are mounted on structures no more than 10 percent taller than other adjacent structures, or
- (3) do not extend existing structures on which they are located to a height of more than 50 feet or by more than 10 percent, whichever is greater;

- (B) Each antenna associated with the deployment, excluding associated antenna equipment (as defined in the definition of antenna in section 1.1320(d)), is no more than three cubic feet in volume;
- (C) All other wireless equipment associated with the structure, including the wireless equipment associated with the antenna and any pre-existing associated equipment on the structure, is no more than 28 cubic feet in volume;
- (D) The facilities do not require antenna structure registration under Federal regulations;
- (E) The facilities are not located on Tribal lands, which means all lands within the exterior boundaries of any Indian reservation and all dependent Indian communities; and
- (F) The facilities do not result in human exposure to radiofrequency radiation in excess of the applicable safety standards specified in section 1.1307(b).
- (16) "Surplus space" means that portion of the usable space on a utility pole which has the necessary clearance from other pole users, as required by Federal or State orders and regulations, to allow its use by a public utility or wireless carrier for a pole attachment. "Surplus space" also includes usable space within underground conduits and ducts when the necessary clearance from other users, as required by Federal or State orders and regulations, can be achieved;
- (17) "Underground facilities" means utility and wireless telecommunications facilities located under the surface of the ground, excluding the underground foundations or supports for overhead facilities;
- (18) "Usable space" means the total distance between the top of a utility pole and the lowest possible attachment point that provides the minimum allowable vertical clearance as specified in any Federal or State orders and regulations;
- (19) "Utility easement" means any easement owned by the City and acquired, established, dedicated or devoted for public utility purposes; and
- (20) "Utility facilities" as used herein means all conduit, wires, lines, poles, pipes, cables, communication and signal lines, braces, guys, anchors, vaults, pedestals, antennas, and all other structures, equipment and appurtenances thereto owned, operated or maintained by a public utility and used to furnish utility services.
- (21) "Wireless support structure" or "support structure" means a freestanding structure that is designed to support or is capable of supporting wireless facilities, including a monopole, base station, street pole, utility pole, self-supporting (lattice) tower, guy-wire support tower and any other similar structures. Any device (attachment device) used to attach a wireless facility to an existing structure or building (attachment structure) shall be excluded from the definition of and regulations applicable to support structures.
- (22) "Wireless telecommunications carrier" or "wireless carrier" means and includes every corporation, company, association, joint stock association, partnership and person, their lessees, trustees or receivers appointed by any court whatsoever, and every city or town owning, operating, or managing any facilities used to provide wireless telecommunications for hire, resale to the general public within this State;
- (23) "Wireless telecommunications" or "wireless" means the transmission of information by wire, radio, optic cable, electromagnetic, or similar means for hire, sale or resale to the general public. For the purpose of this subsection, "information" means knowledge or intelligence represented by any form of writing, signs, signals, pictures, sounds, or any other symbols. For the purpose of this chapter, wireless telecommunications service excludes the over-the-air transmission of broadcast television or broadcast radio signals and excludes "cable services," "cable communications systems" and "CATV systems" as defined in Chapter 5.44.

XX.XX.040 Master permit and construction permit required.

- (A) It is unlawful to construct, place, maintain, or operate any pipes, ducts, utility tunnels, vaults, maintenance holes, poles, fixtures, wires, utility facilities, wireless facilities, or any other appurtenances necessary for the purpose of

providing wireless service, or to conduct any public utility business, on, over, or under the public right-of-way, without obtaining a master permit from the Council.

(B) It is unlawful to construct, repair, or maintain any pipes, ducts, utility tunnels, vaults, maintenance holes, poles, fixtures, wires, utility facilities, wireless facilities, or any other appurtenances, necessary for the purpose of providing wireless service, or to conduct any public utility business or to go upon any such public right-of-way to perform any work therein on, under, or over public right-of-way, without obtaining a construction permit from the City Engineer. The City Engineer may exempt certain activities from the requirements of this section that do not materially affect the public right-of-way; provided, however, that if the City Engineer denies an applicant's request for such an exemption, no appeal is permitted.

XX.XX.050 Optional pre-application.

An applicant may submit materials up to thirty (30) days in advance of an application for a construction permit or master permit. The information submitted along with a pre-application may include the following information:

- (1) The name and address of the applicant;
- (2) Identification of all carriers using the facility;
- (3) The type of facility proposed;
- (4) Preliminary engineering plans, specifications, and maps of the facilities to be located within the public right-of-way;
- (5) Detailed construction plans demonstrating compliance with all applicable City codes and construction specifications, including the City's Engineering Standards;
- (6) A brief description of non-confidential, nonproprietary utility or wireless telecommunications services that are or will be offered or provided by the applicant over its facilities;
- (7) A brief description of non-confidential, nonproprietary transmission medium that will be used to offer or provide such services;
- (8) An accurate map showing the location of any existing utilities and/or wireless telecommunications facilities in the City that the applicant intends to use or lease;
- (9) If installation of overhead facilities is proposed, evidence that Surplus Space is available for locating the facilities on existing utility poles along the proposed route;
- (10) The area or areas of the City the applicant desires to serve and a schedule for building out (offering service to) the entire area covered by the master permit;
- (11) Proof of compliance with the other provisions of this Chapter, including but not limited to the indemnity, insurance, and bond requirements; and/or
- (12) Information to establish that the applicant has obtained all other governmental approvals and permits to construct and operate the facilities, and to offer or provide the services, including, but not limited to, evidence that the applicant has registered with the Washington Utilities and Transportation Commission.

XX.XX.060 Construction permit application.

- (A) To obtain a construction permit, the applicant must file an application with the City Engineer.
- (B) A complete application must include the following information and materials:

- (1) The names, residences, and business addresses of all officers and directors of the applicant.
 - (2) Detailed construction plans demonstrating compliance with all applicable City codes and construction specifications, including the City's Engineering Standards.
 - (3) If the applicant is constructing wireless facilities on another service provider's facilities, a notarized statement that the applicant has permission to use a third party's facility(ies), or a signed agreement with the service provider to that effect.
 - (4) The location of the applicant's overhead and underground facilities in the public right-of-way along the proposed route and the area proposed to be served by cable.
 - (5) Preliminary engineering plans, specifications, and maps of the facilities to be located within the public right-of-way, in sufficient detail to identify the location and route of the proposed facilities within the public right-of-way, the location of the applicant's existing facilities within the right-of-way, if any, and the specific trees, structures, facilities, and/or obstructions, if any, that the applicant proposes to temporarily or permanently remove or relocate.
 - (6) If underground installation in existing ducts or conduits within the public right-of-way is proposed, information in sufficient detail to identify: the excess capacity currently available in such ducts or conduits before installation of the facilities; and the excess capacity, if any, that will exist in such ducts or conduits after installation of the facilities.
 - (7) If underground installation within new ducts or conduits to be constructed within the public right-of-way is proposed: the location proposed for the new ducts or conduits; and the excess capacity that will exist in such ducts or conduits after installation of the facilities.
 - (8) A preliminary construction schedule and completion date.
 - (9) A detailed statement describing the actual equipment and operational standards proposed by the applicant.
 - (10) A statement or schedule setting forth all proposed classifications of rates and charges to be set, including installation and service charges, which must remain in effect for at least twelve months after the City grants a master permit.
 - (11) Proof of compliance with the other provisions of this Chapter, including but not limited to the indemnity, insurance, and bond requirements.
 - (12) Any other reasonable information requested by the City Engineer or its designee, or required by any other provision of any other ordinance of the City.
 - (13) An application fee to be set by the City Council in its unified fee schedule to allow the City to recover the costs of reviewing the application, including the costs of any third-party review.
- (C) Applications for Small Wireless Facilities may be submitted in batches, which may encompass multiple separate applications filed at the same time, each for one or more sites, *or* a single application covering multiple sites.
- (D) Third Party Review. The City may require the applicant to submit its materials to a third-party for review, as may be reasonably necessary to determine compliance with this Chapter, such as an engineer or architect, by way of example only.

XX.XX.070 Master permit application.

- (A) To obtain a master permit, the applicant must file an application with the City clerk.
- (B) The Council must examine each complete application submitted for review and approval to determine if it complies with the applicable provisions of this chapter. Other departments that have authority over the proposed use or activity may be required to review and approve or disapprove the application based on site-specific criteria, such

as that in 19.68 AMC. The Council may inspect the public right(s)-of-way proposed for use to determine any facts which may aid in determining whether a master permit should be approved.

(C) A complete application must include the following information and materials:

- (1) The identity of the applicant, including all affiliates of the applicant who will be authorized to work in the right-of-way under the agreement;
- (2) If the applicant is constructing wireless facilities on another service provider's facilities, a notarized statement that the applicant has permission to use such facilities, or a signed agreement with the service provider to that effect.
- (3) If the application involves a Small Wireless Facility, preliminary engineering plans showing all dimensions of the wireless facility.
- (4) A brief description of non-confidential, nonproprietary utility or wireless telecommunications services that are or will be offered or provided by the applicant over its facilities;
- (5) A brief description of non-confidential, nonproprietary transmission medium that will be used to offer or provide such services;
- (6) An accurate map showing the location of any existing utilities and/or wireless telecommunications facilities in the City that the applicant intends to use or lease;
- (7) If installation of overhead facilities is proposed, evidence that Surplus Space is available for locating the facilities on existing utility poles along the proposed route;
- (6) Preliminary engineering plans, specifications, and maps of the facilities to be located within the public right-of-way, in sufficient detail to identify the location and route of the proposed facilities within the public right-of-way, the location of the applicant's existing facilities within the right-of-way, if any, and the specific trees, structures, facilities, and/or obstructions, if any, that the applicant proposes to temporarily or permanently remove or relocate.
- (7) The area or areas of the City the applicant desires to serve and a schedule for building out (offering service to) the entire area encompassed by the master permit;
- (8) Information to establish that the applicant has obtained all other governmental approvals and permits to construct and operate the facilities, and to offer or provide the services, including, but not limited to, evidence that the applicant has registered with the Washington Utilities and Transportation Commission;
- (9) Proof of compliance with the other provisions of this Chapter, including but not limited to the indemnity, insurance, and bond requirements.
- (10) An application fee to be set by the Council in its unified fee schedule which allows the City to recover its actual administrative expenses that are directly related to receiving and approving a permit and license, to inspecting plans and construction, or to the preparation of a detailed statement.

(D) Applications for Small Wireless Facilities may be submitted in batches, which may encompass up to five separate applications filed at the same time, each for one or more sites, *or* a single application covering up to five sites.

(E) Third Party Review. The City may require the applicant to submit its materials to a third-party for review, as may be reasonably necessary to determine compliance with this Chapter, such as an engineer or architect, by way of example only.

XX.XX.080 Completeness review.

(A) Completeness Review. Applications for a master permit or construction permit must be reviewed for completeness within thirty days of receipt, except for applications associated with Small Wireless Facilities, which

must be reviewed for completeness within ten days of receipt. If the application is not reviewed for completeness within the applicable timeframe, it will be deemed complete.

(B) Tolling.

(1) For applications for a master permit or construction permit for a Small Wireless Facilities, the review period resets once an applicant submits its additional materials.

(2) For all other applications deemed incomplete, the review period is tolled for up to sixty days. Once an applicant submits additional materials, the review timeframe begins to run again.

(3) If the applicant does not submit the required materials within the required timeframe, the City may deny the application.

(C) Submittal of Additional Materials.

(1) If an applicant submits additional materials, the Director must provide notice within ten (10) days as to any additional materials identified in the original notice that were not provided with the supplemental materials.

(2) Second or subsequent notices of incompleteness may not specify missing documents or information that was not delineated in the original notice of incompleteness. For second or subsequent notices of incompleteness, the review timeframe will be tolled for all applications including those pertaining to Small Wireless Facilities.

(3) If the applicant does not submit the required materials, the City may deny the application.

(D) Failure to act. If the Director fails to approve or deny a request seeking approval for either a wireless service facility permit or conditional use permit within the applicable timeframe for review, accounting for any tolling, the request is deemed granted. The deemed grant does not become effective until the applicant notifies the applicable reviewing authority in writing after the review period has expired that the application has been deemed granted.

XX.XX.090 Timeframe for review.

The timeframe for review of an application for a master permit or a construction permit begins to run when an application is submitted, not when the application is deemed complete. The timeframe for submitting and reviewing master permits and construction permits is the same, unless otherwise specified.

	Colocating Wireless Facilities	Colocating Small Wireless Facility	New Small Wireless Facility	New Wireless Facilities	Construction Permit – All Wireless Facilities	Master Permit Renewal – All Wireless Facilities
Application Submission	Master use and construction permit applications should each be submitted 90 days prior to planned use.	Master use and construction permit applications should each be submitted 60 days prior to planned use.	Master use and construction permit applications should each be submitted 90 days prior to planned use.	Master use and construction permit applications should each be submitted at least 120 days prior to planned use.	Applications for complex projects should be submitted at least 60 days prior to the planned use, and in no case less than 30 days prior to the planned use.	A Permittee may submit an application for renewal no more than 180 days and no less than 120 days before expiration of the current master permit.
Timeframe for decision (from receipt of complete application)	Written decision due within 90 days.	Written decision due within 60 days.	Written decision due within 90 days.	Written decision due within 120 days.	City Engineer must Act within a reasonable time, generally not to exceed 30 days, and in no case can he or	Written Decision due within 90 days.

	Colocating Wireless Facilities	Colocating Small Wireless Facility	New Small Wireless Facility	New Wireless Facilities	Construction Permit – All Wireless Facilities	Master Permit Renewal – All Wireless Facilities
					she exceed the timeframes for review set forth in this table.	

XX.XX.100 Construction permit approval.

- (1) In the event that the City Engineer finds that the construction permit application conforms to the requirements of this chapter and applicable construction standards adopted by the City, the City Engineer must approve the construction permit, and may impose such conditions thereon as are reasonably necessary to protect the public health, welfare and safety, to mitigate any impacts resulting from the use, and to facilitate the orderly management of other utility and wireless facilities within the public right-of-way.
- (2) In the event that the City Engineer denies an application for a construction permit, the decision must be in writing and set forth the reasons for said denial, and must be based on substantial evidence in the written record. The City may not deny a construction permit on the basis of a failure to obtain a master permit. Following approval by the City Engineer, construction permits will be issued by the City clerk.
- (2) The City Engineer has the discretion to approve a blanket construction permit for a period of up to one year, when the applicant seeks approval to perform construction or maintenance that is of a repetitive or similar nature.
- (3) In evaluating a construction permit application under this chapter, the City Engineer must, in addition to the criteria set forth in AMC XX.XX.050(2), determine whether the proposed construction is consistent with all construction standards adopted by the City.
- (4) The duration of a construction permit will be for one year unless revoked or modified under the provisions of this chapter. The City Engineer must approve a construction schedule specifying the dates, times, and duration during which construction activity is permitted within the public right-of-way.
- (5) The construction permit incorporates the relevant terms and conditions of this chapter by reference.
- (6) The City Engineer has the power to regulate the construction and enforce construction permit conditions and the requirements of this chapter. The City Engineer must keep a record of the construction permit and the work done thereunder.
- (7) A service provider adversely affected by a final action denying a construction permit may commence an action within thirty (30) days to seek relief, in any competent court of jurisdiction.

XX.XX.110 Master permit approval.

- (1) In the event the Council finds that master permit application conforms to the requirements of this chapter and the criteria for approval set forth in subsection (2) of this section, the Council must approve the master permit, and may impose conditions that are reasonably necessary to protect the public health, welfare, and safety and to mitigate any impacts resulting from the use. The Council will provide the reasons for a denial in writing, supported by substantial evidence contained in the written record based on the criteria set forth below. Following approval, the applicant and the Council must enter into a written agreement setting forth the particular terms under which the applicant has been granted the right to occupy and use the public ways of the City.
- (2) In evaluating a master permit application under this chapter, the Council will, consistent with Federal and State law, examine the following criteria:

- (a) Whether all requisite licenses, certificates, and authorizations from applicable Federal, State, and local agencies have been obtained by the applicant;
 - (b) The capacity of the public right-of-way to accommodate additional utility and wireless telecommunications facilities if the master permit is granted;
 - (c) The effect, if any, on public health, safety and welfare if the master permit is granted;
 - (d) The availability of reasonable alternate routes and/or locations in the right-of-way for the proposed facilities;
 - (e) Whether denial of the use of the right-of-way would materially inhibit or limit the ability of the service provider to compete in a fair and balanced regulatory environment.
 - (f) Applicable Federal, State, and local statutes, regulations, ordinances, and policies related to utility, wireless telecommunications, and other facilities, including City construction standards;
 - (f) Such other factors as may demonstrate that the grant to use the public right-of-way will serve the community interest.
- (3) The duration of a master permit is five years unless revoked or modified under the provisions of this chapter.
- (4) No master permit granted under this chapter confers any exclusive right, privilege, license, or franchise to occupy or use the public right-of-way of the City for delivery of wireless services or any other purposes. Further, no master permit may be construed as a right, title or interest in the public ways, but is the right solely to use and occupy the public right-of-ways for the limited purposes and terms stated within the grant. No master permit may be construed as a warranty of title.

XX.XX.120 Compensation to the City.

The City may fix a fair and reasonable compensation to be paid annually for the use of the right-of-way granted to the applicant under a master permit that is a reasonable approximation of the City's costs, including the costs of third-party review, if any; provided, that the City and an applicant may agree to the compensation to be paid; and provided that the compensation fixed or agreed upon is consistent with RCW 35.21.860.

XX.XX.130 Nondiscrimination.

A Permittee which purports to serve the general public must make its wireless telecommunication services available to any customer within its permitted area who requests such service, without discrimination as to the terms, conditions, rates or charges for the permittee's services; provided, however, that nothing in this title prohibits a Permittee from making reasonable classifications among differently situated customers.

XX.XX.140 Amendment of Permit.

Except as otherwise provided within a master permit agreement, a new master permit agreement and grant is required for any wireless carrier or service provider that seeks to extend the area covered by the master permit or to locate its wireless facilities in public rights-of-way in the City which are not included in a master permit previously granted under this chapter. If ordered by the city to locate or relocate its wireless telecommunications facilities in public rights-of-way not included in a previously granted master permit, the City must grant a master permit amendment without further application.

XX.XX.150 Renewal application – Master Permit.

(A) A Permittee may activate a formal process for renewal, by submitting an application for renewal, a completed master permit renewal application with the city clerk. The application must include the following:

The City of Anacortes Municipal Code is current through Ordinance _____ and legislation passed through _____, 2018.

- (1) The information required under AMC XX.XX.060;
- (2) Any information required under the master permit agreement between the City and the applicant;
- (3) All deposits or charges required under this Chapter; and
- (4) An application fee to be set by Council.

XX.XX.160 Renewal approval.

(A) The City must issue a written determination granting or denying the renewal application in whole or in part. If the renewal request is denied, the written determination must include substantial evidence of the reason(s) for denial, based on the standards set forth below. Prior to granting or denying renewal of a master permit under this Chapter, the Council must conduct a public hearing and make a decision based on the following criteria:

- (1) The continuing capacity of the public right-of-way to accommodate the applicant's existing facilities;
- (2) The applicant's compliance with the requirements of this title and the master permit agreement;
- (3) Applicable federal, state, and local wireless telecommunications laws, rules and policies; and
- (4) Such other factors that may demonstrate that the continued grant to use the public right-of-way will serve the community interest.

(B) The Council may not deny a renewal application based on violations of the master permit unless the applicant has been given notice and an opportunity to cure.

(C) Any service provider whose proposal for renewal has been denied by the City, or has been otherwise adversely affected by a failure of the City to act, may appeal such final decision or failure to act within 120 days in any Court of competent jurisdiction.

XX.XX.170 Terms of use and occupancy.

(A) The use and occupancy of public right-of-way in the City by any person constructing, maintaining or operating wireless, utility, or other facilities must conform to the terms and conditions of this chapter.

(B) Existing facilities installed or maintained by a telecommunications carrier, public utility or other entity over, under or across public right-of-way within the City in accordance with an expired franchise agreement or other City-issued permit may be operated by the wireless carrier or public utility at the locations at which such facilities exist; provided, however, that maintenance, repair, relocation, and/or expansion of such facilities are not permitted unless and until the public utility or telecommunications carrier, or other entity obtains all permits and approvals required by this chapter.

(C) All work by a wireless carrier, public utility, or other entity in the public right-of-way must comply with all construction standards and specifications adopted by the City as now exist or are hereafter amended, including but not limited to those set forth in Chapters 15.32 and 19.68 AMC.

XX.XX.180 Specifications.

(A) All work to be performed under a construction permit issued under this chapter must conform to all applicable City codes, ordinances, and standards adopted by the City. In case of any conflict, the most stringent provision applies.

(B) No wireless, utility, other facilities, or work related thereto may protrude into or over any portion of a public right-of-way opened to vehicle or pedestrian travel in such a manner as to create a risk of endangering the use of such place by vehicles or pedestrian travel. In addition, in the event the requested construction permit involves

encroachment or partial obstruction of a sidewalk or other walkway open to the public, a minimum of five feet of unobstructed sidewalk or other walkway must be maintained at all times.

(C) During any period of any relocation, construction or maintenance of its facilities within the public right-of-way, a wireless telecommunications carrier, public utility or other person must conduct their activities so as not to unreasonably interfere with the free passage of traffic or the use of adjoining property. Such person must, at all times, post and maintain proper barricades and comply with all applicable safety regulations during such period of construction as required by the ordinances of the City and the laws of the State of Washington, including RCW 39.04.180, for the construction of trench safety systems.

(D) An applicant must, within 10 business days of completion of work, submit at no cost to the City, current and accurate as-built drawings showing the location of any facilities installed or constructed within the public right-of-way under a permit issued pursuant to this chapter or otherwise. As-builts must show all of the applicant's facilities in the right-of-way including but not limited to wireless telecommunications facilities, utility facilities, power poles, guy poles and anchors, overhead transformers, pad-mounted transformers, submersible transformers, conduit, substation (with its name) pedestals, pad-mounted junction boxes, vaults, switch cabinets, and meter boxes.

XX.XX.190 Exceptions.

(A) A construction permit is not required when public utilities, wireless carriers, or City contractors are responding to emergencies that require work in the public right-of-way, such as water or sewer main breaks, gas leaks, downed power lines, or similar emergencies; provided, however, that the Council must be notified by the responding utility, carrier, or contractor verbally or in writing, on the next business day following onset of the emergency. Nothing in this section relieves a responding public utility, carrier, or contractor from the requirement of obtaining a construction permit after beginning emergency work in a public right-of-way.

(B) A construction permit fee is not required for City-sponsored capital improvement projects for water, sewer, drainage, or road construction maintenance, including associated work required by a public utility.

XX.XX.200 Security fund.

(A) Prior to commencement of any activities approved under a master permit, the Permittee must establish a permanent security fund with the City by depositing the amount of \$50,000, or such greater amount as deemed necessary by the Council, with the City in cash, an unconditional letter of credit, or other instrument acceptable to the City, which fund must be maintained at the sole expense of the Permittee so long as any of the Permittee's utility or wireless facilities are located within the public right-of-way of the City.

(B) The fund must serve as security for the full and complete performance of the terms and conditions of this chapter and master permit, including any costs, expenses, damages, or loss the City pays or incurs, including civil penalties, because of any failure attributable to the Permittee to comply with the codes, ordinances, rules, regulations, or permits of the City.

(C) The fund may be used to repair the public right-of-way, return it to its original condition, or to complete a project within the right-of-way if the Permittee ceases work mid-way through construction, or abandons its facility(ies) and appurtenances thereto.

(D) Before any sums are withdrawn from the security fund, the City must give written notice to the Permittee:

- (1) Describing the act, default or failure to be remedied, or the damages, costs or expenses which the City has incurred by reason of the Permittee's act or default;
- (2) Providing a reasonable opportunity for the Permittee to first remedy the existing or ongoing default or failure, if applicable;
- (3) Providing a reasonable opportunity for the Permittee to pay any monies due the City before the City withdraws the amount thereof from the security fund, if applicable; and

(4) That the Permittee will be given an opportunity to review the act, default or failure described in the notice with the City or his or her designee.

(E) Permittees are required to replenish the security fund within 14 days after written notice from the City that there is a deficiency in the amount of the fund.

XX.XX.210 Performance bond.

A performance bond written by a corporate surety acceptable to the City Engineer equal to at least 150 percent of the estimated cost of removing the Permittee's facilities and restoring the public right-of-way to their pre-construction condition must be deposited before the construction permit is issued. Said bond is required to remain in full force until 60 days after completion of the construction and/or improvements within the public right-of-way, and must warrant all such restoration work for a period of two years following completion and/or termination of the construction. Those Permittees performing annual work within the rights-of-way may provide an annual performance bond, in an amount approved by the City Engineer, at the beginning of each year to cover all excavations. The purpose of this bond is to guarantee the removal of partially completed and/or nonconforming facilities and to fully restore the public right-of-way to the pre-construction condition. The City Engineer may use the funds from the performance bond to complete removal and fully restore the public right-of-way to its pre-construction condition if the Permittee fails to do so.

XX.XX.220 Insurance.

Unless otherwise provided in a master permit or construction permit, each Permittee must, as a condition of the master permit and construction permit, secure and maintain the following liability insurance policies insuring both the Permittee, its agents, representatives, employees, contractors or subcontractors, and the City and its elected and appointed officers, officials, agents, employees, representatives, engineers, consultants, and volunteers as co-insureds against any claims which may arise from or in connection with the exercise of the rights, privileges, and authority granted to the Permittee under the permit(s):

(A) Comprehensive Commercial General Liability Insurance. Commercial General Liability Insurance on an "occurrence" basis including coverage for Premises and Operations Liability, Products and Completed Operations, Contractual Liability, Independent Contractors, Stop Gap/Employer's Liability, Broad Form Property Damage, Explosion, Collapse and Underground Hazards, and Personal Injury Liability. Such insurance will provide limits of not less than two million dollars (\$2,000,000) per occurrence and ten million dollars (\$10,000,000) in the aggregate. Coverage limits can be achieved with a combination of the primary and umbrella/excess policies. Products/Completed Operations Liability Insurance will be provided for a period of at least six years after completion and/or termination of construction. Any deductible or self-insured retention must be disclosed and is subject to approval of the City. The policy for the Permittee must include without limitation coverage for hazards commonly referred to as "XCU" and contain a severability of interests provision.

(B) Automobile Liability Insurance. A policy of Automobile Liability, including coverage for Permittee's owned, non-owned, leased or hired vehicles providing a minimum limit for Bodily Injury and Property Damage of five million dollars (\$5,000,000) per combined single limit each accident. The limit can be achieved with a combination of the primary and umbrella/excess policies.

(C) Workers Compensation Insurance. Statutory Worker's Compensation and Employers Liability insurance as prescribed by applicable law.

(D) City as an Additional Insured on Policies. The Commercial General Liability and Automobile Liability and Umbrella/Excess Liability insurance policies required must name the City of Anacortes as an additional insured on a primary and non-contributory basis on Forms CG 20 26 and CG 20 37 or their equivalents for a public body. Carriers furnishing insurance are required to waive all rights of subrogation against the City. The Permittee must obtain the written agreement on the part of each insurance company to notify the City at least forty-five (45) days prior to cancellation or non-renewal of any such insurance, except ten (10) days' notice of cancellation due to non-payment of premium.

(E) Evidence of Insurance. With respect to each policy, Permittee must provide the City prior to commencement of the Work, proof that it has procured the requisite insurance, including copies of any applicable policies, declaration pages, and/or endorsements. PERMITTEE IS NOT ENTITLED TO COMMENCE WORK AUTHORIZED UNDER ITS PERMIT(S) UNTIL THE CITY HAS RECEIVED AND APPROVED THE CERTIFICATE OF INSURANCE.

(F) Errors and Omissions. Permittee must maintain throughout the period of the applicable permit and for a period of six (6) years thereafter, a standard professional errors and omissions insurance policy of a form and with an insurance company satisfactory to the City. Permittee's insurance policies must incorporate a provision requiring giving written notice to the City at least sixty (60) days prior to any cancellation, non-renewal or material modification of the policies. Permittee's professional errors and omissions insurance will be in the minimum amount of \$1,000,000 including contractual liability, with all coverage retroactive to the earlier of the date of the applicable permit or the commencement of design services in relation to the permit(s).

(G) Compliance by contractors and subcontractors. Permittee is required to ensure that each of its contractors and subcontractors complies with all requirements in this Section; provided that Permittee must require its contractors and subcontractors to maintain commercially reasonable limits of insurance, given the contractor's and subcontractor's scope of work. Permittee must provide evidence of insurance of contractors and subcontractors upon request by the City.

(H) In addition, each such insurance policy must contain an endorsement which provides that the policy may not be cancelled, reduced in coverage, nor the intention not to renew be stated until 60 days after receipt by the City of a written notice to that effect. Within 30 days after receipt of such notice by the City, and in no event later than 15 days prior to the cancellation or nonrenewal, the Permittee must obtain and furnish to the City replacement insurance policies meeting the requirements of this section.

XX.XX.230 Hold harmless/indemnity.

(A) The Permittee must, to the fullest extent permitted by law, indemnify, defend and hold harmless the City, and its elected and appointed officers, officials, agents, employees, representatives, engineers, consultants, and volunteers as co-insureds (collectively the "Indemnified Parties" or individually, each an "Indemnified Party"), from and against any and all claims, liability, penalties, fines, costs, damages, losses and causes of action, arising out of or resulting from, or alleged to arise out of, relate to, or to result from the performance or non-performance of any construction performed at the instance of Permittee, or performance or non-performance of any services performed at the instance of Permittee (hereinafter singularly and collectively referred to as "Indemnity Claims"), but only to the extent directly or indirectly caused by the negligence or willful misconduct of Permittee, its contractors, subcontractors or supplier of any tier, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable. Permittee, at its sole expense, must promptly dispose of Indemnity Claims, defend all lawsuits and similar proceedings filed against an Indemnified Party on the account of Indemnity Claims, pay all awards and judgments rendered against an Indemnified Party in connection therewith, and reimburse each Indemnified Party for all reasonable expenses incurred by such Indemnified Party in connection with Indemnity Claims and lawsuits and arbitrations and similar proceedings including, but not limited to, attorneys' fees, expert witness fees, court costs, arbitration costs and all other reasonable costs (not limited to statutory costs).

(B) If Indemnity Claims are caused or alleged to be caused in part by any joint or concurrent negligent act (either active or passive) or omission by an Indemnified Party, Permittee will indemnify, defend and hold harmless such Indemnified Party, as provided above, from such Indemnity Claims to the extent such Indemnity Claims arise out of or result from the negligence or willful misconduct of Permittee or its contractors, subcontractors or suppliers of any tier, or anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, or anyone whose acts Permittee may be responsible or liable. In no event will Permittee be obligated to indemnify an Indemnified Party for Indemnity Claims which arise out of or result from the sole negligence of such Indemnified Party or its agents, servants or independent contractors who are directly responsible to such Indemnified Party, excluding Permittee.

(C) In addition, the City may require that any person, public utility, or wireless carrier accepting such a master permit or construction permit provide the City with additional indemnification, such as an indemnification from a parent company.

(D) The indemnification provided for herein does not apply to injuries to persons or damage to property caused by or resulting from the sole negligence of the City, its agents or employees.

(E) For the sole purpose of effecting the indemnification obligations herein, the Permittee, by accepting a master permit, specifically and expressly waives any immunity that may be granted it under any applicable Workers' Compensation Act, disability benefit acts or other employee benefit acts.

XX.XX.240 Inspections.

All work performed within public right-of-way is subject to periodic inspection by the Council to assure compliance with any conditions attached to the permit, the requirements of this chapter, and the requirements of any applicable City code or standard.

XX.XX.250 Revocation of master permits and construction permits.

(A) Following a notice of violation and opportunity to cure, the Council may revoke or suspend any approval issued under this chapter for cause, in accordance with existing tariff or applicable State law whenever:

- (1) The work does not proceed in accordance with the plans as approved or the conditions of approval, is not in compliance with the requirements of this chapter, other City ordinances, resolutions, or State law;
- (2) The service provider fails to provide adequate service or otherwise fails to comply with the terms of its master permit or construction permit;
- (3) The service provider has made a misrepresentation of material fact in applying for such approval;
- (4) The Council determines that inadequate measures are being taken to protect the public, adjoining property, public right-of-way, or wireless telecommunications, utility or other facilities in such public right-of-way, or that any excavation or fill endangers or will endanger the public, adjoining property, public right-of-way, or wireless telecommunications or utility facilities in such public right-of-way.

(B) Upon suspension or revocation of an approval under this chapter, all permit-related activities of the public right-of-way must cease, except as authorized or directed by the Council.

XX.XX.260 Correction and discontinuance of a Master Permit.

(A) Whenever the Council determines that any condition on any public right-of-way is in violation of a master permit or any other provision of this chapter related thereto, or exists without a master permit, the Council may order the correction or discontinuance of such condition or any activity causing such condition.

(B) The Council also has all powers and remedies available under State law and this chapter, to secure the correction or discontinuance of any condition specified in this section.

(C) The Council is authorized to use any or all of the following methods in ordering correction or discontinuance of any such conditions or activities as it determines appropriate:

- (1) Serving of oral or written directives to Permittee or other responsible person requesting immediate correction or discontinuance of the specified condition;
- (2) Service of a written notice of violation, ordering correction or discontinuance of a specific condition or activity within thirty (30) days

- (3) Service of a written notice to remove an object or facility within twenty-four (24) hours and summary removal if the object or thing is a hazard to public safety, with notice of such removal to the owner, if known;
- (4) Revocation of previously granted master permit(s) where Permittee or other responsible person has failed or refused to comply with requirements imposed by the City related to such permits; or
- (5) Issuance of an order to immediately stop work until authorization is received from the City to proceed.

(D) Any utility or wireless facility, or any other object or thing which occupies any public right-of-way without a master permit or in violation of the master permit conditions is a nuisance both public and private.

(E) All expenses incurred by the Council, including attorney's fees and legal expenses, in abating the condition or any portion thereof constitutes a civil debt owing to the Council jointly and severally by such persons who have been given notice or who own the object or thing or placed it in the public right-of-way, which debt is collectible in the same manner as any other civil debt.

XX.XX.270 Correction and discontinuance of a Construction Permit.

(A) Whenever the City Engineer determines that any condition on any public right-of-way is in violation of a construction permit or any other provision of this chapter related thereto, or exists without a construction permit, the City Engineer may order the correction or discontinuance of such condition or any activity causing such condition.

(B) The City Engineer also has all powers and remedies available under State law and this chapter, to secure the correction or discontinuance of any condition specified in this section.

(C) The City Engineer is authorized to use any or all of the following methods in ordering correction or discontinuance of any such conditions or activities as it determines appropriate:

- (1) Serving of oral or written directives to Permittee or other responsible person requesting immediate correction or discontinuance of the specified condition;
- (2) Service of a written notice of violation, ordering correction or discontinuance of a specific condition or activity within thirty (30) days;
- (3) Service of a written notice to remove an object or facility within twenty-four (24) hours and summary removal if the object or thing is a hazard to public safety, with notice of such removal to the owner, if known;
- (4) Revocation of previously granted construction permit(s) where Permittee or other responsible person has failed or refused to comply with requirements imposed related to such permits; or
- (5) Issuance of an order to immediately stop work until authorization is received from the City to proceed.

(D) Any utility or wireless facility, or any other object or thing which occupies any public right-of-way without a construction permit or in violation of construction permit conditions is a nuisance both public and private.

(E) All expenses incurred by the City Engineer, including attorney's fees and legal expenses, in abating the condition or any portion thereof constitutes a civil debt owing to the City Engineer jointly and severally by such persons who have been given notice or who own the object or thing or placed it in the public right-of-way, which debt is collectible in the same manner as any other civil debt.

XX.XX.280 Removal.

Any person accepting a master permit or construction permit pursuant to this chapter for the installation of any utility or wireless carriers must remove such facilities when they are no longer required, or if the master or construction permit has been revoked as provided in this chapter. Such removal must occur within 90 days of receiving notice from the Council ordering such removal. Unless otherwise approved by the City in writing, no person is permitted to abandon utility or wireless facilities within a public right-of-way, and then only under such conditions as may be prescribed by the Council.

XX.XX.290 Displacement for public use.

(A) A wireless carrier, public utility, or other person under order of the Council must, upon a minimum 60 days' written notice, move or adjust its underground or overhead facilities located within the public right-of-way which interfere with any public improvement authorized or ordered by the City. The relocation must be done at the expense of the telecommunications carrier, public utility, or other person, subject to the exceptions in RCW 35.99.060(d) and existing tariffs, which may require the City to pay for displacement in certain circumstances. The actual number of days must be specified by the Council in the Council's order.

(B) When a public improvement is required to accommodate or allow development or other activity by a party other than the City, then a wireless telecommunications carrier, public utility or other person which moves or adjusts its facilities is entitled to recover its associated costs and expenses from such other party.

(C) Such persons must indemnify, hold harmless, and pay the costs of defending the City against claims or liabilities for delays on public improvement projects caused by their failure to relocate their facilities in a timely manner unless caused by circumstances beyond their control.

XX.XX.300 Additional ducts or conduits.

Any person constructing underground ducts or conduits pursuant to this chapter must, upon request, provide the City with additional ducts for its use. Such additional ducts or conduits must be of a size and configuration specified by the City and be dedicated to the City. The City has the right to use the ducts and conduits for any purpose, including but not limited to leasing them to other entities, subject to the following provisions.

(A) The City must enter into a contract with the service provider consistent with RCW 80.36.150, and the incremental costs of adding the ducts and conduits under this section will be borne by the City. If the City makes the additional duct or conduit and related access structures available to any other entity for the purposes of providing wireless services for hire, sale, or resale to the general public, the rates to be charged, as set forth in the contract with the entity that constructed the conduit or duct, must recover at least the fully allocated costs of the service provider. The service provider must state both contract rates in the contract.

(B) Except as otherwise agreed by the City and the service provider, the City agrees that he requested additional duct or conduit space and related access structures will not be used by the City to provide wireless service for hire, sale, or resale to the general public.

(C) The City will not require that the additional duct or conduit space be connected to the access structures and vaults of the service provider.

(D) The value of the additional duct or conduit requested by the City will not be considered a public works construction contract.

(E) This section does not apply to the provision of an institutional network by a cable television provider under federal law.

XX.XX.310 Joint use of poles.

(A) All wireless support structures permitted pursuant to the terms of this chapter or otherwise located within the City of Anacortes must be made available for use by the owner or initial user thereof, together with as many other wireless service providers as can be technically collocated thereon.

(B) Nothing contained within this chapter prevents the owner of such poles from charging a reasonable pole attachment fee that does not exceed the fair market value for the space occupied by said collocated facilities; except that if the owner is the City, it may not charge more than the reasonable approximation of its reasonable costs.

XX.XX.320 City use for noncommercial government communication.

Any person erecting or maintaining poles within public right-of-way allows the City the right, free of charge, to attach, maintain and operate traffic and traffic safety signals, as noncommercial governmental communication and signals, wires and/or fixtures within available surplus space on the poles erected and so maintained.

XX.XX.330 Appearance.

Any person erecting or maintaining poles under authority of this chapter must ensure that its poles are maintained in a manner that does not significantly distract from the visual appearance of the pole. Such maintenance may include cleaning, replacement, painting or repainting of the pole. Wooden utility poles are not required to be painted.

XX.XX.340 Moving of building(s) and/or equipment.

Any person maintaining overhead wireless or utility facilities in public right-of-way must, upon seven days' notice from the Council, disconnect or move said facilities to allow for the moving of building(s) and/or equipment across or along any such public right-of-way; provided, however, that the advance notice may be reduced to 24 hours if the facilities are below the minimum clearance set by law or regulation or in the case of an emergency. The cost of moving such facilities must be in accordance with existing tariffs or applicable State law, and borne as follows: (1) by the owner of the facilities if: (a) the wires, cables or appurtenances are below the minimum vertical clearance required by State law, City ordinance, or rules of the Council, (b) above the surface of the public right-of-way, or (c) no adjustment would be necessary if the minimum clearance had been maintained; or (2) by the person desiring to move the building(s) and/or equipment under all other circumstances.

XX.XX.350 Billings and collections.

The Council, jointly with the Finance Director, may establish procedures pertaining to the billing and collection of fees and charges adopted pursuant to this chapter.

XX.XX.360 Liability.

The Council and other employees charged with the enforcement and administration of this chapter, acting for the City in good faith and without malice in the discharge of their duties, do not thereby render themselves liable personally for damages that may accrue to persons or property as a result of an act required or by reason of an act or omission in the discharge of such duties.

XX.XX.370 Tree trimming.

Any wireless carrier or public utility required by State statute or regulation to trim or remove trees which may interfere with their facilities must ensure that their tree trimming activities protect the appearance, integrity and health of the trees to the extent reasonably possible. The wireless carrier or public utility must prepare and maintain a tree trimming schedule to ensure compliance with this provision and to avoid exigent circumstances where tree cutting, trimming or removal is necessary to protect the public safety or continuity of service without the regard for the appearance, integrity or health of the trees that planned maintenance would otherwise allow. The wireless carrier or public utility must submit the schedule to the City Engineer. Except where exigent circumstances do not permit, the wireless carrier or public utility must give the owner the property on which the trees are located at least five days' advance written notice of the tree trimming. Tree trimming on any City streets must comply with the standards developed by the City's street tree advisory committee.

XX.XX.380 Underground facilities.

(A) The undergrounding requirements of this section apply where the wireless telecommunications carrier, public utility, or other person's facilities consist of cable or any other facilities which are capable of being placed underground. This section does not apply to antennas or other facilities, which are required to remain above-ground, in order to be functional.

(B) In any area of the City in which there are no aerial facilities other than antennas or other facilities required to remain above-ground in order to be functional or otherwise for the provision of wireless services, or in any public right-of-way in which all wireless telecommunications wires and cables, and electric power wires, cables, 15,000 volts and lower, and other aerial facilities capable of undergrounding have been placed underground, no person is permitted to erect poles or to run or suspend wires, cables or other facilities thereon, but must lay such wires, cables or other facilities underground in the manner required by the City pursuant to this section, and Chapters 15.32 and 19.68 AMC, if applicable.

(C) If utility or street improvement projects are anticipated within the same public right-of-way within 12 months of a Permittee's proposed construction, the City may permit interim installation of above-ground facilities. In the event that the City does not require the undergrounding of such facilities at the time of initial installation, the City may, at any time in the future, require the conversion of such above-ground and/or aerial facilities to underground installation at the carrier, utility, or other person's expense, with exceptions as set forth in RCW 35.99.060(d).

(D) The City must allow new electric power lines and cables operating above 15,000 volts to be constructed above-ground when location within the City right-of-way is approved by the City Engineer.

(E) Whenever a service provider or public utility undertakes an undergrounding project in any area of the City, it must underground their above-ground facilities in the manner specified by the City, concurrently and together with the other affected carriers, utilities, and other persons in the affected area. The location of any such relocated and underground facilities must be approved by the Council. Such service provider must underground their facilities at no cost to the City, except as provided in RCW 35.99.060(d).

(F) In the event that the City undertakes any public improvement which would otherwise require, in the discretion of the Council, the relocation of carrier, utility, or other person's above-ground facilities, the Council may, by written notice to such persons, direct that any such facilities be converted to underground facilities. Any such conversion must be done subject to and in accordance with applicable schedules and tariffs on file with the WUTC or such other regulatory agency having jurisdiction.

XX.XX.390 Joint trenching.

Recognizing that trenching and excavation within public right-of-way can significantly degrade the quality and longevity of street surfacing and seriously inconvenience the public, all Permittees must afford other wireless carriers, public utilities, and the City an opportunity to share in the use of their excavations and trenches within public right-of-way. In the event that the City, a wireless carrier, or a public utility desires to share in a Permittee's excavation, it must provide a written request to do so. Joint use of excavations are subject to the following conditions:

(A) Such joint use may not unreasonably delay the work of the party causing the excavation to be made;

(B) Any party desiring to share in an excavation may be required to pay the fair and reasonable pro rata cost of said excavation. Such joint use must be arranged and accomplished on terms and conditions satisfactory to both parties; and

(C) Either party may deny such request for safety reasons.

XX.XX.400 Notice of tariff changes.

A Permittee must, when making application for any changes in tariffs affecting the provisions of this chapter or any approval issued hereunder, notify the City in writing of the application and provide the Council with a copy of the submitted application. The Permittees must further provide the Council with a copy of any actual approved tariff change affecting any approval issued pursuant to this chapter.

XX.XX.410 One-call locator.

All carriers, utilities, Permittees, and other persons must, before commencing any construction within a public right-of-way, comply with all of the requirements set forth in Chapter 19.122 RCW, the one-call locator service.

XX.XX.420 Violation – Penalties.

(A) No person may violate or fail to comply with this chapter.

(B) A violation of or failure to comply with any provision of this chapter is a civil infraction subject to the enforcement provisions of Chapter 1.24 AMC.

(C) A violation or failure to comply with any provision of this chapter, including any order of the Council authorized by this chapter, is, in addition to any other remedies, grounds for the Council to revoke the underlying permit issued to the Permittee, if any, and grounds for the denial of any additional permits under this chapter until the Permittee is in full compliance with the provisions of this chapter.

(D) Violation of a stop-work order issued pursuant to AMC XX.XX.250 or 260 constitutes a gross misdemeanor, punishable by not more than 90 days in jail and a fine not exceeding \$1,000, or both.



January 16, 2019

Via Email c/o Darcy Swetnam, City Attorney
darcys@cityofanacortes.org

Anacortes WA Planning Commission
Re: Anacortes WA Wireless Code Ordinance

Dear Commissioners,

Thank you for the opportunity to provide feedback on the wireless code update. Verizon appreciates the chance to provide information about the enormous increase in consumer demand for data capacity and cell service, as well as input on the technical requirements for the new small cell technology. Verizon supports the general direction and language of the draft code and is appreciative of the effort by staff to address the needs of the wireless industry. Because this is a permanent code and will significantly impact the delivery of wireless service to the residents, businesses and visitors to the city of Anacortes, Verizon would request an opportunity to meet with staff and industry representatives to go through the requested changes before the Commission makes its recommendation to Council.

This new technology is vital to address the coverage and capacity needs of Verizon's customers. More people are using more wireless devices to do more things than ever before, like streaming video and uploading images. In fact, wireless data usage tripled from 2013 to 2015 and is forecast to multiply seven-fold from 2015 to 2019.

Verizon is working to stay ahead of the demand by adding fiber optic capacity and small cells to connect people where they need it most. Small cell antennas are usually mounted on existing utility and street light poles. The low visual profile of small cells makes them an excellent solution for delivering capacity and coverage to residential neighborhoods. Small cells will also deliver connections for smart communities services to boost the flow and safety of vehicle traffic, manage resources like light, power and water and improve the quality of life of Verizon's customers. Moreover, this technology is key to preparing Verizon's network infrastructure so that it is capable of offering 5G wireless connections at speeds up to 100 times faster than today's wired broadband services.

In reviewing the draft, there are some provisions where Verizon has concerns that the ordinance does not reflect the recent changes in federal law and the technical requirements of this needed infrastructure:

1. 19.68.030. (5) Definitions--the definition is colocation is inconsistent with the definition in the FCC Order that took effect this week. Accelerating Wireless Broadband Deployment by Removing Barriers to Infrastructure Investment, Declaratory Ruling and Third Report and Order (September 26, 2018) ("Order") Verizon requests that the language from the Order be used.
2. 19.68.050 and 060--These sections contain additional definitions. Verizon requests that, for clarity, these sections be deleted and the FCC's definition of "substantial change" be added as subsection (23) to 19.68.050.
3. 19.68.090 and 19.68.190 require a conditional use permit for all small wireless facilities in residential zones. This involves a Type 3 process before the hearing examiner, with public notice. The permits for a small wireless facility must be processed within 60 days for a colocation and 90 days for a new pole, including appeals. There is insufficient time for a conditional use permit process which requires notice and hearing. Verizon requests that all small wireless facilities be processed administratively, in order to meet the federal shot clocks.
4. 19.68.120(B) requires a showing of need for the small wireless facility. The Order, at Paragraphs 35-37, says that such a showing may not be required. Verizon requests that this section be deleted.
5. 19.68.200 General (A)(2) Verizon requests an exception to this for small wireless facilities, as colocation is not possible and requiring an engineering certification for each pole is unduly burdensome.
6. 19.68.200 Appearance and Screening (A)(2) Verizon requests deleting this requirement, as it is unclear what is being requested.

Thank you for the opportunity to comment and we look forward to continuing to work with the city to develop a code that preserves the look and feel of your community, while providing an efficient, workable and federally compliant process to deliver the service your residents, visitors and businesses have come to expect. A Verizon Wireless representative will be at your meeting to provide testimony, answer questions and provide information, as needed.

Sincerely,



Kim Allen

Wireless Policy Group, LLC on behalf of Verizon Wireless

January 16, 2019

City of Anacortes Planning Commission
904 6th Street
P.O. Box 547
Anacortes, WA 98221

VIA EMAIL

Re: Public Hearing, January 16, 2019, Wireless Telecommunications Draft Regulations

Dear Planning Commission Members:

On behalf of T-Mobile, we are submitting these written comments on the proposed Wireless Telecommunications Draft Regulations. We appreciate the opportunity to comment on these proposed changes.

Regarding any wireless facility code update, T-Mobile has general concerns that (a) the code allow reasonable opportunities to site macro facilities to ensure that primary coverage meeting customer needs is able to be provided to all areas; (b) that facility upgrades that qualify for treatment as Eligible Facilities requests are expeditiously identified and allowed as required by federal law; (c) that a clear path for locating Small Wireless Facilities (small cells) in the public right of way on existing electrical utility poles and City street lights is made available, and that the process requirements and timeframes for approval of small cell applications are compliant with federal law, including the recent FCC September 2018 Order; and (d) that federal shot clocks for timely processing of wireless facility applications will be met.

The proposed draft Anacortes ordinance appears to be broadly aimed at covering these areas of concern. However, with respect to the details of some provisions, and as to the path for small cells, T-Mobile believes there is still work to be done on the ordinance draft. A few examples of areas of concern with the draft are:

1. Definitions. The proposed regulations contain a number of definitions that are complex and potentially confusing, with some potential discrepancies between the proposed definitions and federal law. For example, the definition of “Colocation” in Chapter 19.68 is divided into two tracks, one for Eligible Facilities Requests, and one for Small Wireless facilities and other wireless facilities. This latter definition is very complex, with multiple parts, a

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characteristic that raises concerns about whether the definition can be efficiently and correctly applied by applicants and staff working on applications.

In addition, although industry commented at the recent Planning Commission public meeting on the need to synchronize the “colocation” definition with federal law, the definition still seems to need some attention in this area, as under federal law “colocation” means placing a wireless facility on an existing structure *without* any requirement that there be an existing antenna on the structure; but proposed 19.68.030 (5) does not comply with federal law in this respect.¹ Synchronizing this aspect of the definition with federal law is important for proper application of the shot clocks established by federal law; this affects proposed 19.68.150, regarding colocation of small wireless facilities as well.

As another example, the definition of “wireless support structure” in 19.68.030 (29) is quite different (practically opposite) the definition of the same term in the definitions section of the right of way master use permit chapter. This creates confusion in understanding and administering the provisions of the two chapters.

2. Small Wireless Facilities. Small Wireless Facilities (“SWF”) are addressed in both Chapter 19.68 and in the proposed right of way master use permit chapter. There is no clear statement in either chapter as to whether SWF in the public right of way are subject to both chapters. Assuming that both chapters will apply, there are concerns about discrepancies or ambiguities in the definitions applicable in each chapter, see above. Additionally, the structure of the regulations as applied to SWF is not as clear as it could be as to what types of structures SWF will be allowed on, for example, electrical utility poles, city poles, or potentially new purpose built poles. Industry commented at the public meeting that separating SWF regulations from (a) macro regulations and (b) Eligible Facilities Request regulations would be extremely helpful. Most jurisdictions have separate sections to address these different types of facilities.

We note that in 19.68.120, concerning permit review criteria, there is still a requirement that a new SWF application provide a justification based on significant gap, new services, densification or other service justification for the application. This is not consistent with the FCC September Order, as was commented at the public meeting.

¹ In its final rule to implement the September 2018 Order, the FCC stated: “64. The Commission takes this opportunity to clarify that for purposes of the Section 332 shot clocks, attachment of facilities to existing structures constitutes collocation, regardless of whether the structure or the location has previously been zoned for wireless facilities. As the Commission stated in 2009, “an application is a request for collocation if it does not involve a ‘substantial increase in the size of a tower’ as defined in the Nationwide Programmatic Agreement (NPA) for the Collocation of Wireless Antennas.” The definition of “[c]ollocation” in the NPA provides for the “mounting or installation of an antenna on an existing tower, building or structure for the purpose of transmitting and/or receiving radio frequency signals for communications purposes, whether or not there is an existing antenna on the structure.”

3. Conditional Use Criteria.

In 19.68.130 (2), among the conditional use approval criteria, we note a requirement that a macro facility demonstrate compatibility with the height and mass of existing buildings in the area. Because macro facilities typically are taller than their surroundings in order to provide necessary primary coverage, this particular criterion may be too stringent.

Small Wireless Facility Information

Small Wireless Facilities (SWF” or “small cells”) are a particular type of wireless facility installation that are intended primarily to address network capacity needs and management of network traffic, particularly in areas of high demand or urban density. Unlike the traditional macro cell (tower) wireless facility which is designed to provide primary coverage to a defined geographical area, small cells are designed to work with macro sites to manage heavy wireless traffic in order to provide optimal network functionality and to ensure that wireless customers have access to the high quality and reliable wireless service they have come to expect.

In order to ensure that all wireless communications users have access to an optimal network, it is particularly important that regulations for permitting small cell deployment be flexible enough to accommodate a range of aesthetic solutions, and to allow for technological evolution. Each wireless carrier has small cell designs that are customized according to the carrier’s network frequency and design and its anticipated capacity needs. Further, all carriers’ technologies are continually evolving. Thus small cell design standards should avoid inadvertently forcing carriers to choose specific technologies or equipment, effectively discriminating among carrier technologies in violation of federal neutrality requirements.

For assistance in better understanding T-Mobile’s small cell equipment, we are submitting the attached informational packet with this letter to better inform the Planning Commission as to the form factor and typical integrated appearance of T-Mobile SWF equipment. T-Mobile’s SWF integrates antennas and equipment into a single unified enclosure which is compatible with a variety of street and utility poles, as illustrated in the packet.

Request for Additional Stakeholder Meeting(s) with Staff

The comments above are not exhaustive, but rather more illustrative of lingering issues, including structural issues, with the proposed regulations. The complexity of the regulations, particularly since this is a complete replacement for existing regulations, is a concern given the relatively short timeframes that have been provided for review and analysis of the draft prior to the public hearing. T-Mobile would reiterate earlier requests from industry representatives for a stakeholder meeting to be held with staff in order to work specifically on structural and other issues that remain with the proposed regulations. This approach has been successfully used in

January 16, 2019

Page 4

other jurisdictions to address complex drafting issues such as the ones presented with this Anacortes draft.

Thus, we would urge the Planning Commission to give direction to staff to have a continued dialogue with wireless service providers in the form of one or more stakeholder meetings, so that issues of common concern can be articulated to staff, and complex drafting issues can be better discussed.

Very truly yours,

Davis Wright Tremaine LLP

A handwritten signature in blue ink, appearing to read "Linda W. Atkins". The signature is fluid and cursive, with the first name "Linda" and last name "Atkins" clearly distinguishable.

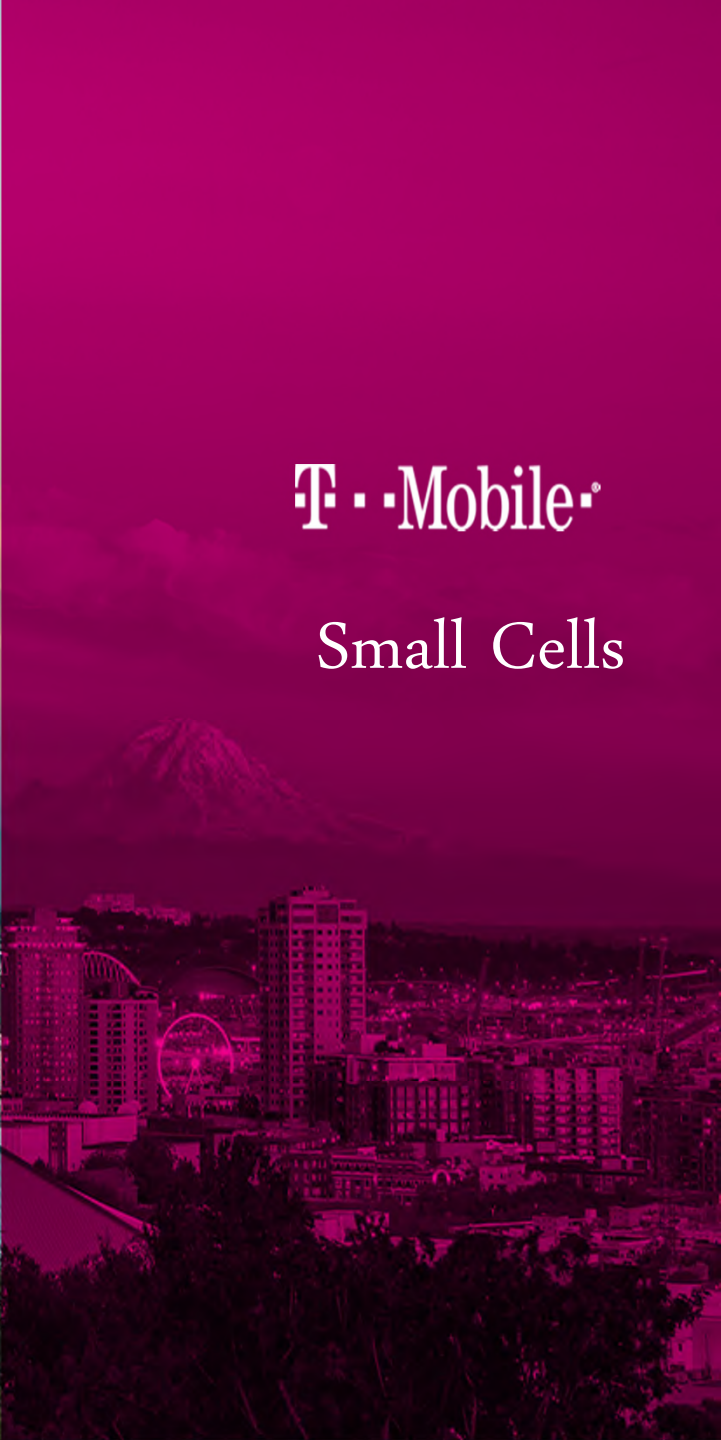
Linda White Atkins

cc: Don Measamer
Darcy Swetnam



T-Mobile

Small Cells



T-Mobile as a Company

**72.6
million**

Total
customers as
of Q4 2017

50,000+

employees
nationwide
(5,000+ in
Seattle metro)

19

straight
quarters 1
million plus net
customer
additions

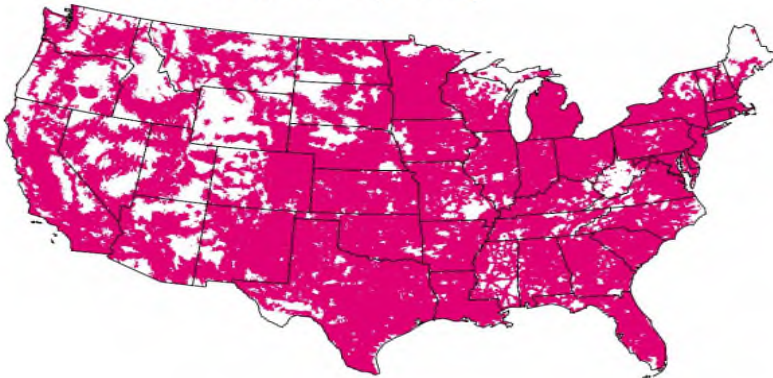
1,500

new T-Mobile
branded stores
in 2017

1,300

new MetroPCS
branded stores
in 2017

T-Mobile Coverage Map
(as of December 31, 2017)



**322 million LTE
POPs**

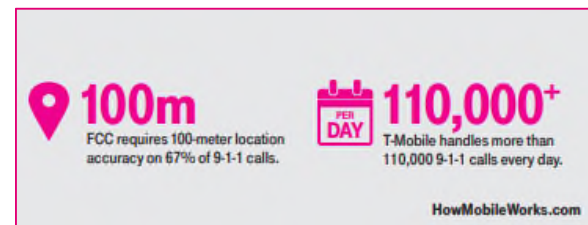
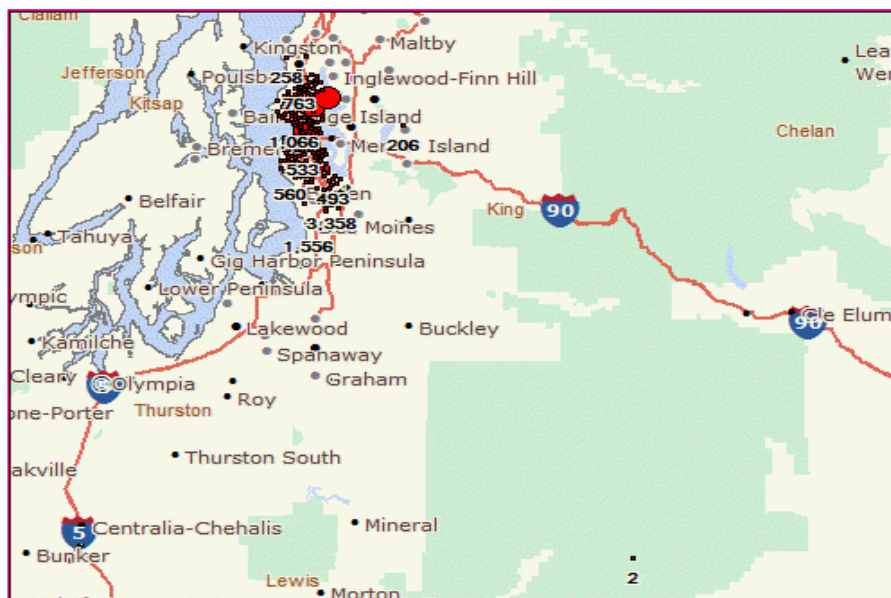


Wireless Infrastructure is Critical

- > 50% of households **wireless only**
- 70% of phone calls are initiated from a **mobile phone**
- 80% of adults use smartphones
- 70% of time spent on digital media is on a **mobile device**
- YOY growth in data usage is at least **1.5 X**



273,539 calls to T-Mobile's Network (2017-2018)



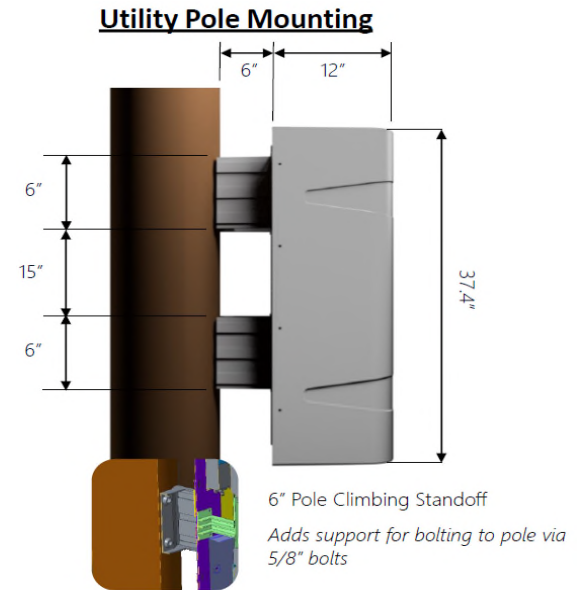
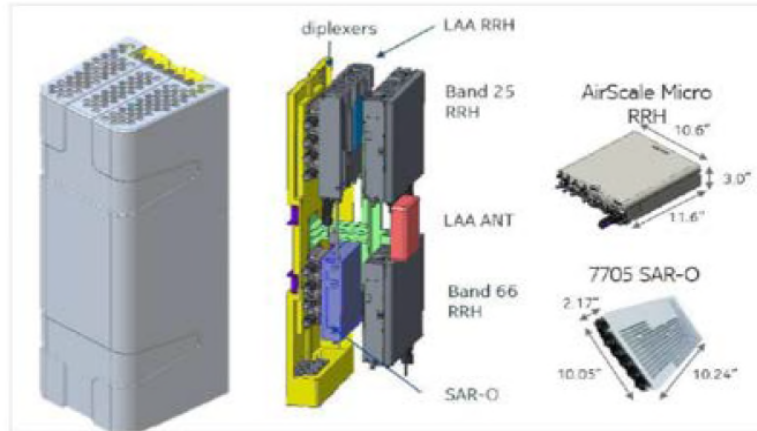
ENHANCED 9-1-1 LOCATION ACCURACY:



- Network requirements to meet these demands
 - **COVERAGE** – Rural, Suburban & Urban
 - **SPECTRUM** – Foundation of a wireless network
 - **CAPACITY** – Constant upgrading of technologies, software, hardware, & infrastructure
 - **DENSIFICATION** – Essential for 4G and 5G
- Local siting policies should consider
 - **ACCESS** – particularly in the right of way
 - **FLEXIBILITY** – allow for different types of designs by each carrier and future innovation
 - **STREAMLINING PROCESSES** – by exempting small cells from zoning review
 - **TIMEFRAMES** – provide predictable and timely permitting
 - **FEES** – require reasonable and non-discriminatory fees



T-Mobile's Small Cell Shroud



- Sleek design
- Creates uniformity
- Antennas and radios in close proximity for improved function (faster data speeds)
- Can blend with existing infrastructure



Las Vegas Installation

T-Mobile
NATIONAL DEVELOPMENT

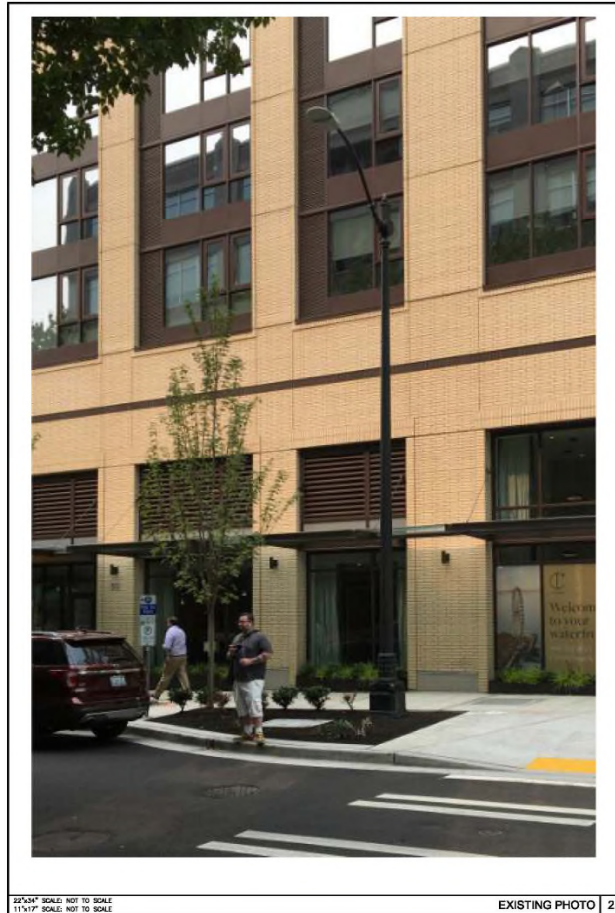


Seattle Photo Sims

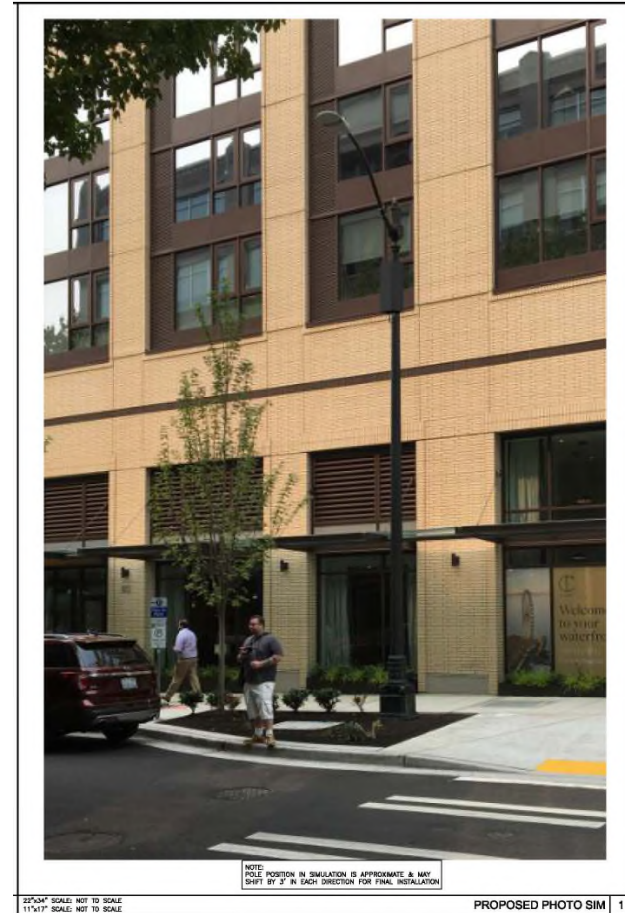
(Proposed)

T-Mobile
NATIONAL DEVELOPMENT

Existing



Proposed

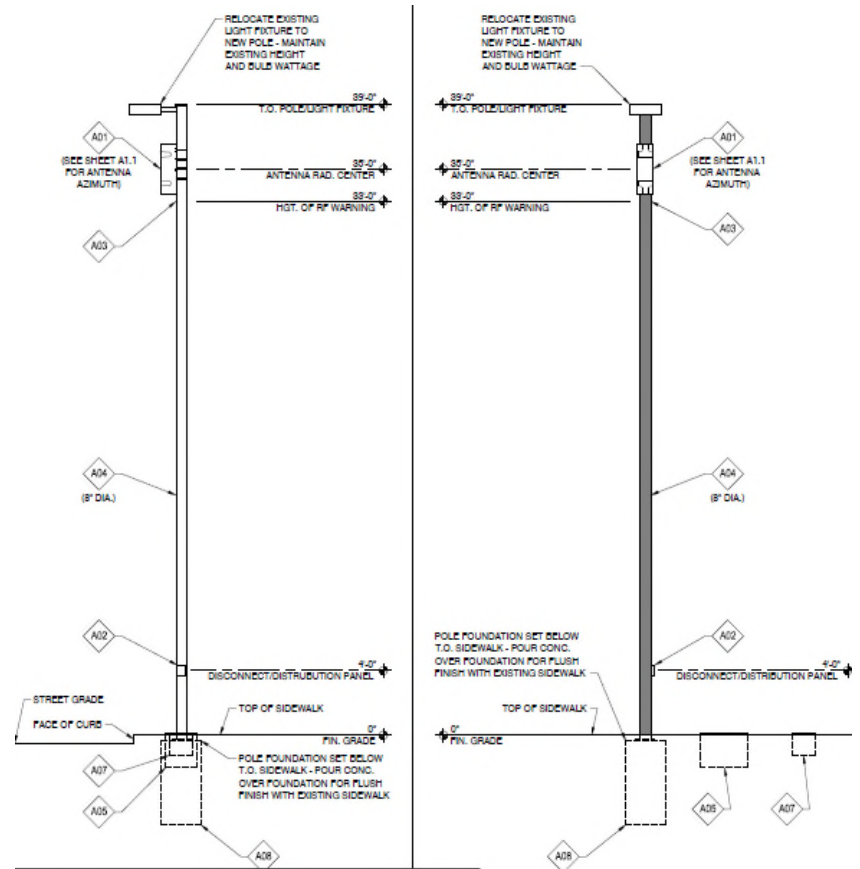


Bellevue Photo Sims

(Proposed)

Existing

Proposed



Issaquah Photo Sims

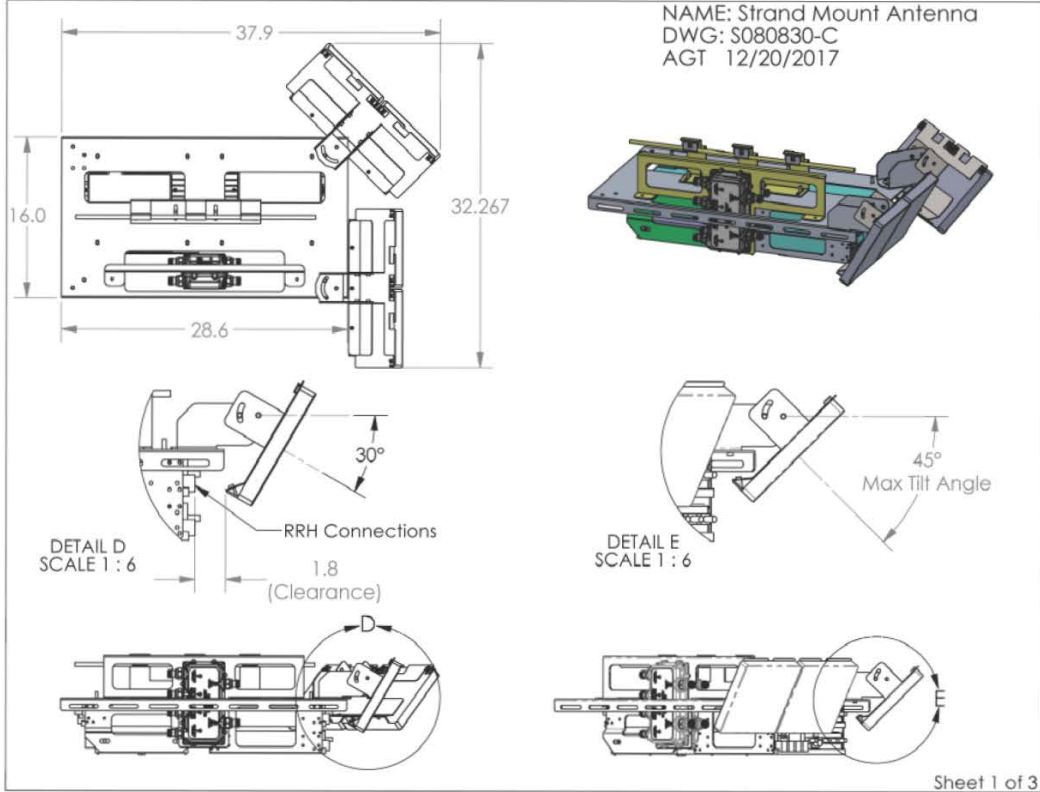
(Proposed)



T-Mobile's Strand-Mount Solution

W:\Antennas\Strand Mount Antenna\S080830\

NAME: Strand Mount Antenna
DWG: S080830-C
AGT 12/20/2017



Salt Lake City Installation

T-Mobile
NATIONAL DEVELOPMENT





January 30, 2019

Via Email c/o Darcy Swetnam, City Attorney
darcys@cityofanacortes.org

Anacortes WA Planning Commission
Re: Anacortes WA Wireless Code Ordinance

Dear Commissioners,

Thank you for the opportunity to provide continued feedback on the wireless code update. In reviewing the most recent draft, there are some provisions where Verizon has continuing concerns that the ordinance does not reflect the recent changes in federal law and the technical requirements of this needed infrastructure:

1. 19.68.050 and 060--These sections contain additional definitions. Verizon requests that, for clarity, these sections be deleted and the FCC's definition of "substantial change" be added as subsection (23) to 19.68.050.
2. 19.68.080(11) Eligible Facilities Request applications requires copies of the original permits for the tower. The last version also allowed use of later modification permits, as these documents also have the terms and conditions of the original permit and are more readily available for older towers. Verizon requests this language be restored.
3. 19.68.090 and 19.68.190 require a conditional use permit for all small wireless facilities in residential zones. This involves a Type 3 process before the hearing examiner, with public notice and a required community meeting before the hearing which would start the shot clock. Type 3 permits also have an appeal to the City Council. The permits for a small wireless facility must be processed within 60 days for a colocation and 90 days for a new pole, including appeals. There is insufficient time for a conditional use permit process which requires notice and hearing. Verizon requests that all small wireless facilities be processed administratively, in order to meet the federal shot clocks.
4. 19.68.190 Table--The table is internally inconsistent. Attachment of a SWF to any of the existing structures in the 1st column does not warrant the full CUP process, as discussed above. It is also not consistent with the row below that allows SWF's in all zones with a WSF.

January 30, 2019
Page 2

5. 19.68.120(B) requires a showing of need for the small wireless facility. The Order, at Paragraphs 35-40, says that such a showing may not be required. Verizon requests that this section be deleted.
6. 19.68.200 General (A)(2) Verizon requests an exception to this for small wireless facilities, as colocation is not possible and requiring an engineering certification for each pole to assert that is unduly burdensome.
7. 19.68.200 Appearance and Screening, Landscaping, Setbacks-- Verizon requests deleting these requirements for SWF's in the ROW, as they are traditional tower regulations that would materially inhibit, or in the case of a 20' setback from lot lines, prohibit SWF's in the ROW.
8. 5.38.200-Security Fund Verizon requests that this fund balance be refunded when the agreement expires, and all facilities have been removed.
9. 5.38.220-Insurance Verizon requests an option to self insure.

Thank you for the opportunity to comment and we look forward to continuing to work with the city to develop a code that preserves the look and feel of your community, while providing an efficient, workable and federally compliant process to deliver the service your residents, visitors and businesses have come to expect. I will be at your meeting to provide testimony, answer questions and provide information, as needed.

Sincerely,



Kim Allen
Wireless Policy Group, LLC on behalf of Verizon Wireless



Planning Commission Agenda Bill

Meeting Date: 1/30/2019 **Agenda Item:** [Click here to enter text.](#)

Subject: Wireless Code Updates: Public Hearing

Staff Contact: Darcy Swetnam, Don Measamer

Approved for Submittal to PC by	
	Laurie Gere, Mayor
x	Don Measamer, PCED Director
	Darcy Swetnam, City Attorney

Action Type	
x	Public Hearing
	Staff Report
	Discussion

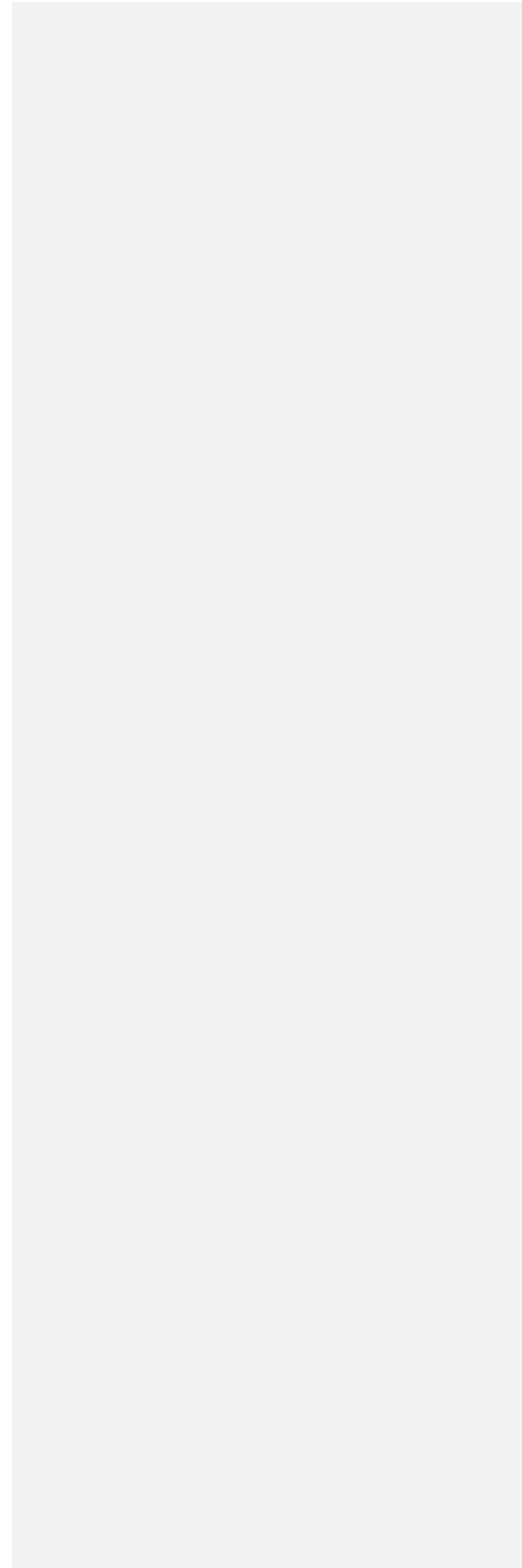
Summary Statement: The draft wireless service facilities and utility and telecommunication ROW use regulations have been revised based on additional public comment and feedback received at the January 16, 2019 public hearing. Upon closing the public hearing, staff recommends the Planning Commission make a motion to recommend approval of the draft regulations to City Council. A draft recommendation with findings of fact per AMC 19.16.080(C)(3) is forthcoming for the Planning Commission's review.

Background: Council adopted Ordinance 3010 on August 28, 2017, which placed a moratorium on new applications for telecommunications facilities and franchise agreements within the City rights-of-way for telecommunication purposes to allow time to rewrite these sections of the Anacortes Municipal Code. The initial six-month moratorium was extended for an additional six months on February 20, 2018, per Ordinance 3020. The moratorium will expire on February 28, 2019. Staff have worked with outside counsel to ensure the proposed draft complies with federal and state law and anticipates applications for small cell deployment in City rights-of-way.

Recommended Motion: I move to recommend to the City Council approval of draft AMC Ch. 19.68 Wireless Service Facilities and AMC 5.38 Public Utility and Telecommunications Right-of-Way Use.

Attachments:

- Revised DRAFT Ch. 19.68 Wireless Service Facilities
- Revised DRAFT Ch. 5.38 Public Utility and Telecommunications Right of Way Use



Chapter 19.68

WIRELESS SERVICE FACILITIES

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19.68.010 Purpose.

The purposes of this chapter are as follows:

- (1) Establish development regulations consistent with the City's Comprehensive Plan;
- (2) Protect property values and promote tourism through protection of scenic vistas of the mountains, tree-covered hillsides, the waterfront, and tourist-related zones and areas;
- (3) Facilitate the use of public property and structures for wireless service facilities to reduce the impact of such facilities upon residential and other property;
- (4) Maintain the quality of life associated with the aesthetic character of the City's surroundings;
- (5) Provide adequate sites for locating wireless service facilities in areas where the adverse impact on the community is minimal;
- (6) Provide facilities and infrastructure to provide wireless communications service to City residents, businesses, and others when in Anacortes;
- (7) Encourage optimal colocation and sharing of new and existing facilities, and minimize the total number of towers throughout the community;
- (8) Encourage use of most appropriate technology and prompt removal of outdated or abandoned wireless service facilities;
- (9) Encourage the location of wireless service facilities upon alternative support structures;
- (10) Require that the design of wireless service facilities incorporate camouflage, disguise, screening and concealment technology so that such facilities blend into their surroundings;
- (11) Avoid the potential damage to adjacent properties from tower failure by engineering and careful siting of tower structure;
- (12) Enhance the ability of the providers of wireless services to provide such services to the community quickly, effectively, and efficiently; and
- (13) Provide a level, nondiscriminatory competitive environment and thereby encouraging increased competition among providers of functionally equivalent wireless services.

19.68.020 Applicability.

Except as otherwise provided herein, the placement of any wireless service facility at any location within the City is subject to the provisions of this chapter. The standards and process requirements of this chapter supersede all other review process and approval criteria, setback, height or landscaping requirements of this title. Except as provided herein, all wireless telecommunication service facilities must comply with the provisions of this chapter.

19.68.030 Definitions.

- (1) "Antenna" means any exterior transmitting or receiving device mounted on a tower, building or structure and used in communications that radiates or captures electromagnetic waves, digital signals, analog signals, radio frequencies (excluding radar signals), wireless telecommunications signals or other communication signals.
- (2) "Base station" means: a structure or equipment at a fixed location that enables FCC-licensed or authorized wireless communications between user equipment and a communications network. The term does not encompass a "Tower" or any equipment associated with a Tower.

The Anacortes Municipal Code is current through Ordinance____ and legislation passed through_____[Date].

(A) The term includes, but is not limited to, equipment associated with wireless communications services such as private, broadcast, and public safety services, as well as unlicensed wireless services and fixed wireless services such as microwave backhaul.

(B) The term includes, but is not limited to, radio transceivers, antennas, coaxial or fiber-optic cable, regular and backup power supplies, and comparable equipment, regardless of technological configuration (including Distributed Antenna Systems and small-cell networks).

(C) The term includes any structure other than a tower that supports or houses equipment that has been reviewed and approved under the applicable zoning or siting process, or under another State or local regulatory review process, even if the structure was not built for the sole or primary purpose of providing such support.

(D) The term does not include any structure that does not support or house equipment for wireless telecommunications services.

(3) "Camouflage" means a palette of techniques used to disguise, hide and conceal a wireless service facility from public view by blending its appearance into elements of the visual background. The term connotes the use of paint, landscaping, building materials and artificial screens in patterns that merge with the elements in the background environment.

(4) "Colocation" for the purposes of Eligible Facilities Requests means the placement or installation of wireless facilities on existing structures that include a wireless facility or a wireless support structure, including water towers and other buildings or structures. The term includes the placement, replacement, or modification of wireless facilities within an approved equipment compound.

(5) "Colocation" for the purpose of applications to site Small Wireless Facilities and other wireless facilities, excluding Eligible Facilities Requests, means

(a) Mounting or installing an antenna facility on a pre-existing structure, and/or

(b) Modifying a structure for the purpose of mounting or installing an antenna facility on that structure.

(6) "Director" means the Director of Planning, Community, and Economic Development.

(7) "Electrical transmission tower" means a structure that physically supports high voltage overhead power lines. The term does not include a utility pole.

(8) "Eligible Facilities Request" or "EFR". Any request for modification of an existing tower or base station that does not substantially change the physical dimension of such tower or base station, involving:

(i) Colocation of new transmission equipment;

(ii) Removal of transmission equipment; or

(iii) Replacement of transmission equipment.

(9) "Eligible Support Structure." Any tower or base station, provided that it exists at the time the relevant EFR application is filed with the state or local government.

(10) "Equipment Cabinet" means an enclosure that is mounted above base flood elevation or placed on a concrete slab that contains improvements, personal property, and facilities to operate its wireless services including: radio receivers, transmitters, related facilities, and/or related cables and utility lines, location-based power sources, the electrical meter and any other necessary equipment.

(11) "Equipment Shelter" means an enclosed structure, shed or box at the base of a mount to store improvements, personal property, and facilities to operate its wireless services including: radio receivers, transmitters, related facilities, and/or cabinets, related cables and utility lines, location-based power sources, the electrical meter and any other necessary equipment.

(12) "Existing." Any tower or base station is existing for purposes of this chapter if it has been reviewed and approved under the applicable zoning or siting process, or under another State or local regulatory review process, provided that a tower that has not been reviewed and approved because it was not permitted when it was built, but was lawfully constructed, is existing for purposes of this chapter.

(13) "Facilities" means all of the towers, equipment, fixtures, antennas, equipment cabinets, equipment shelters, and other appurtenances necessary to furnish and deliver wireless services, including but not limited to utility, monopoles, and street poles with cross arms or without cross arms, wires, lines, conduits, cables, communication and signal lines and equipment, braces, guys, anchors, vaults, and all attachments, appurtenances, and appliances necessary or incidental to the distribution and use of wireless services. Facilities include "Small Wireless Facilities" as defined below.

(14) "FCC" or "Federal Communications Commission" means the federal agency, or its lawful successor, authorized to regulate and oversee wireless telecommunications carriers, services and providers.

(15) "Lattice tower" means a type of mount that is self-supporting with multiple legs and cross bracing of structural steel.

(16) "Monopole" means a type of mount that is self-supporting with a single shaft of wood, steel or concrete and a platform or racks for panel antennas arrayed at the top.

(17) "Public street" means any highway, street, road, alley or other public way for motor vehicle travel within the city and under the jurisdiction and control of the city which has been acquired, established, dedicated or devoted to street purposes.

(18) "Right(s)-of-way" means all public streets and associated property granted or reserved for, or dedicated to, public use for street purposes, together with public property granted or reserved for, or dedicated to, public use for walkways, sidewalks, bikeways and horse trails, whether improved or unimproved, including any air rights, subsurface rights or easements related thereto.

(19) "Service provider" means every corporation, company, association, joint stock association, firm, partnership, person, city, town, or other legal entity owning, operating, or managing any facilities used to provide and providing wireless telecommunications services for hire, sale, or resale to the general public. Service provider includes the legal successor to any such corporation, company, association, joint stock association, firm, partnership, person, city, town, or other legal entity.

(20) "Site" means the current boundaries of the leased or owned property surrounding the facility and any access or utility easements currently related to the site, and for other eligible support structures, further restricted to that area in proximity to the structure and to other transmission equipment already deployed on the ground.

(21) "Small Wireless Facility" encompasses facilities that meet the following conditions:

(A) The facilities—

(1) are mounted on structures 50 feet or less in height including their antennas,

(2) are mounted on structures no more than 10 percent taller than other adjacent structures, or

(3) do not extend existing structures on which they are located to a height of more than 50 feet or by more than 10 percent, whichever is greater;

(B) Each antenna associated with the deployment, excluding associated antenna equipment, is no more than three cubic feet in volume;

(C) All other wireless equipment associated with the structure, including the wireless equipment associated with the antenna and any pre-existing associated equipment on the structure, is no more than 28 cubic feet in volume;

(D) The facilities do not require antenna structure registration under Federal law;

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(E) The facilities are not located on Tribal lands, means all lands within the exterior boundaries of any Indian reservation and all dependent Indian communities; and

(F) The facilities do not result in human exposure to radiofrequency radiation in excess of the applicable safety standards specified under Federal law pertaining to wireless facilities.

(22) "Stealththing" means designing facilities to be architecturally incorporated into the surrounding community's environs while minimizing aesthetic impacts. Examples of stealththing include, but are not limited to, steeples, windmills, water towers, flag poles, light poles, or chimneys.

(23) "Telecommunications" means the transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received.

(24) "Transmission equipment" means equipment that disseminates information by wire, radio, optic cable, electromagnetic, or similar means for any FCC-licensed or authorized wireless telecommunication service, including, but not limited to, radio transceivers, antennas, coaxial or fiber-optic cable, and regular and backup power supply. The term includes equipment associated with wireless telecommunications services including, but not limited to, private, broadcast, and public safety services, as well as unlicensed wireless services and fixed wireless services such as microwave backhaul.

(25) "Wireless telecommunications service" or "wireless service" means the transmission of information by wire, radio, optic cable, electromagnetic, or similar means for hire, sale or resale to the general public. For the purpose of this subsection, "information" means knowledge or intelligence represented by any form of writing, signs, signals, pictures, sounds, or any other symbols. For the purpose of this chapter, wireless telecommunications service excludes the over-the-air transmission of broadcast television or broadcast radio signals and excludes "cable services," "cable communications systems" and "CATV systems" as defined in Chapter 5.44.

(26) "Tower" means any structure that is designed and constructed primarily for the purpose of supporting one or more antennas for telephone, radio, and similar communication purposes, including self-supporting lattice towers, guyed towers, or monopole towers. The term includes radio and television transmission towers, microwave towers, common-carrier towers, cellular telephone towers, alternative tower structures, and the like. The term includes the structure and any support thereto.

(27) "Utility pole" means a pole privately owned or installed by a utility company for the purpose of electrical transmission.

(28) "Wireless" means communications using radio frequency or optical emissions to complete one or more communications paths in whole or in part among originating and receiving points without other tangible physical connection, including without limitation, radio and unguided optical waves, and the apparatus used for such transmission.

(29) "Wireless support structure" means a freestanding structure that is designed to support or is capable of supporting wireless facilities. The term does not include a utility pole, monopole, street pole, or tower.

19.68.040 Permit required.

(A) New Facilities. A wireless service facility (WSF) permit or wireless conditional wireless use permit (WCUP) is required prior to the site preparation, construction, or installation of any new wireless service facility. The permit required in each zone is specified in AMC 19.68.

(B) Colocating Facilities. A wireless service facility (WSF) permit or conditional wireless use permit (WCUP) is required in every zone prior to the colocation of any wireless service facility and is required for modifications that qualify as a Substantial Change. Colocations involving modifications under subsection (C) below are exempt from this requirement.

(C) Non-Substantial Change. A modification to an existing facility that involves the addition, removal, and/or replacement of transmission equipment that meets the criteria for a Non-Substantial Change as set forth in 19.68.060

The Anacortes Municipal Code is current through Ordinance _____ and legislation passed through _____ [Date].

Commented [KA1]: Is there a subsection number missing here?

must submit an Eligible Facility Request application. A WSF or WCUP will not be required for these types of modifications.

(D) Substantial Change. A modification to an existing facility that involves the addition, removal, and/or replacement of transmission equipment that is a Substantial Change as defined in 19.68.050 is subject to the requirements for new facilities or colocations as applicable.

(E) No wireless service facility permit may be issued under this chapter unless the applicant demonstrates compliance with the terms, conditions and performance standards set forth in this chapter. Any WCUP must also meet the criteria for said use permits set forth in Section 19.68.130.

(F) A building permit is also required for any new wireless facility or collocating facility.

19.68.050 Substantial Change.

(A) "Substantial Change" for purposes of this Chapter means a modification to an existing facility that meets any of the following criteria.

Criteria 1:

(1) For towers outside of public rights-of-way, if the modification increases the height of the tower by the greater of: (i) more than 10%, or (ii) by the height of one additional antenna array, with separation from the nearest existing antenna not to exceed twenty feet; or

(2) For those towers in the rights-of-way and for all base stations, if the modification it increases the height of the tower or base station by the greater of: (i) 10% or (ii) 10 feet.

Criteria 2:

(1) For towers outside of public rights-of-way, if the modification involves adding an appurtenance to the body of the tower that protrudes from the edge of the tower the greater of: (i) 20 feet, or (ii) the width of the tower structure at the level of the appurtenance; or

(2) For other eligible support structures, if the modification protrudes from the edge of the structure more than 6 feet;

Criteria 3:

(1) For any eligible wireless support structure, if the installation includes more than the standard number of new equipment cabinets, not to exceed four; or

(2) For towers in the public rights-of-way and base stations, if the modification involves installation of any new equipment cabinets on the ground if there are no pre-existing ground cabinets associated with the structure, or else involves installation of ground cabinets that are more than 10% larger in height or overall volume than any other ground cabinets associated with the structure.

Criterion 4:

For any eligible support structure, if the modification entails any excavation or deployment outside the current site;

Criterion 5:

For any eligible support structure, if the modification defeats the existing concealment elements of the tower, base station, or any other wireless support structure.

Criterion 6:

The Anacortes Municipal Code is current through Ordinance____ and legislation passed through _____[Date].

For any eligible support structure, if the modification violates any of the conditions of approval (besides modification allowed under criteria #1-5 associated with prior approval(s)).

19.68.060 Non-Substantial Change.

(A) "Non-substantial Change" means a modification that meets all of the following criteria:

Criteria 1:

- (1) For towers outside of public rights-of-way, if the modification does not increase the height of the tower by the greater of: (i) more than 10%, or (ii) by the height of one additional antenna array, with separation from the nearest existing antenna not to exceed twenty feet; or
- (2) For those towers in the rights-of-way and for all base stations, if the modification does not increase the height of the tower or base station by the lesser of: (i) 10% or (ii) 10 feet.

Criteria 2:

- (1) For towers outside of public rights-of-way, if the modification does not protrude from the edge of the tower by the greater of: (i) 20 feet, or (ii) the width of the tower structure at the level of the appurtenance; or
- (2) For those towers in the rights-of-way and for all base stations, if the modification does not protrude from the edge of the structure more than 6 feet;

Criteria 3:

- (1) For any eligible support structure, if the installation includes new equipment cabinets, the modification does not include the installation of more than 4 equipment cabinets; or
- (2) For towers in the public rights-of-way and base stations, if the modification does not involve the installation of any new equipment cabinets on the ground if there are no pre-existing ground cabinets associated with the tower, and does not involve the installation of ground cabinets that are more than 10% larger in height or overall volume than any other ground cabinets associated with the tower.

Criterion 4:

For any eligible support structure, if the modification does not entail any excavation or deployment outside the current site

Criterion 5:

For any eligible support structure, if the modification does not defeat the existing concealment elements of the tower or base station or other wireless support structure.

Criterion 6:

For any eligible support structure, if the modification does not violate any of the conditions of approval (besides modification allowed under criteria #1-5 associated with prior approval(s)).

19.68.070 Optional Pre-application.

An optional pre-application may be submitted up to thirty (30) days prior to the submission of an Eligible Facilities Request application, or a permit application associated with a Small Wireless Facility or other wireless facility. The information submitted along with a pre-application may include the following information:

- (1) The name and address of the applicant;

The Anacortes Municipal Code is current through Ordinance____and legislation passed through_____[Date].

- (2) Identification of all carriers using the facility;
- (3) The type of facility proposed;
- (4) If the applicant is not the owner or person in control of the eligible support structure or site, an attestation that the owner or person in control of the eligible support structure and/or site has consented to the proposed facility modification. If the eligible support structure is to be located within a public right-of-way, the applicant must also attest that the applicant has authorization to install, maintain, and operate transmission equipment in, under and above the public right-of-way.
- (5) A stamped report by a state of Washington registered professional engineer demonstrating compliance with existing structural, electrical, and safety codes, and describing the general structural capacity of the eligible facility, small wireless facility, or other wireless facility.
- (6) Detailed site plan and drawings.
- (7) Dimensioned elevation drawings of the existing tower or structure showing the existing and proposed antennas, and equipment structures (at 1/8" = 1' or comparable scale).
- (8) Copies of the land use or building permit approval that authorized the original installation of the tower or wireless facilities on the structure;
- (9) If new equipment cabinets, generators, or any other ground equipment components are being proposed, an assessment of noise that shows compliance with City and/or Federal noise standards.
- (10) A description of compliance with the applicable visibility and performance standards set forth in section 19.68.200.
- (11) A stamped report by a state of Washington registered professional engineer demonstrating compliance with radio-frequency emissions standards.

19.68.080 Eligible Facilities Request applications.

- (A) For the purposes of this section, a complete application includes:
 - (1) The name and address of the applicant;
 - (2) Identification of all carriers using the facility;
 - (3) An assertion that the proposed facilities modification is subject to review under Section 6409 of the Spectrum Act.
 - (4) If the applicant is not the owner or person in control of the eligible support structure or site, an attestation that the owner or person in control of the eligible support structure and/or site has consented to the proposed facility modification. If the eligible support structure is to be located within a public right-of-way, the applicant must also attest that the applicant has authorization to install, maintain, and operate transmission equipment in, under and above the public right-of-way.
 - (5) If the proposed modification will alter the exterior dimensions or appearance of the eligible support structure, the applicant shall include a detailed visual simulation depicting how the eligible support structure will appear after the proposed modification is complete, and particularly, how concealment or stealth will be extended with the modification. The visual simulation shall depict to scale the eligible support structure in relation to the trees, landscaping and other structures adjacent to, or in the immediate vicinity of, the eligible support structure.
 - (6) If the applicant proposes a modification to a tower, an attestation that the proposed modifications will comply with existing structural, electrical, and safety codes, and a description of the general structural capacity of the tower with the proposed modification.

The Anacortes Municipal Code is current through Ordinance____ and legislation passed through _____[Date].

(7) If the applicant proposes a modification to a base station, an attestation that the proposed modifications will comply with existing structural, electrical, and safety codes.

(8) If the applicant proposes a modification requiring alteration to the eligible support structure, excavation, installation of new equipment cabinets, or other activities impacting or altering the land, existing structures, fencing or landscaping, the applicant must submit a detailed site plan and drawings, showing the point of true north, and an appropriate scale depicting:

- (i) the location, elevation, and dimensions of the existing eligible support structure;
- (ii) the location, elevation, and dimensions of the existing transmission equipment;
- (iii) the location, elevation and dimensions of the transmission equipment, if any, proposed to be collocated or that will replace existing transmission equipment;
- (iv) the location, elevation and dimensions of any proposed new equipment cabinets and the intended use of each;
- (v) any proposed modification to the eligible support structure;
- (vi) the location of existing structures on the site, including fencing, screening, trees, and other significant site features; and
- (vii) the location of any areas where excavation is proposed showing the elevations, depths, and width of the proposed excavation and materials and dimensions of the equipment to be placed in the area excavated.

(9) If excavation or deployment is proposed outside the current site of the tower or base station, a description of the boundaries of the site together with a scale drawing based on an accurate traverse, with angular and lineal dimensions showing the tower or base station with respect to the site. The city may require a survey by a land surveyor licensed in the state of Washington when, in the judgment of the approval authority, a survey is reasonably necessary to verify the boundaries of the site.

(10) If the applicant proposes a modification that will protrude from the edge of a non-tower eligible support structure, record drawings, as-built plans, or the equivalent, showing at a minimum the edge of the eligible support structure at the location of the proposed modification.

(11) Copies of the land use or building permit approval that authorized the original installation of the tower or wireless facilities on the structure, or any subsequent approval(s) granting modification to the tower or wireless facilities on the structure, if available.

(12) If new equipment cabinets, generators, or any other ground equipment components are being proposed, an assessment of noise that shows compliance with City and/or Federal noise standards.

(13) A stamped report by a state of Washington registered professional engineer demonstrating compliance with Federal radio-frequency emissions standards for wireless facilities.

(B) Waiver of Submittal Requirement. The approval authority may waive any submittal requirement upon determination that the required submittal, or part thereof, is not reasonably related to the non-substantial change criteria. A waiver, to be effective, must be in writing and signed by the approval authority.

(C) Eligible facilities for review under this section include Non-Substantial Changes to the physical dimensions of the base structure or tower, involving (i) collocation of new transmission equipment; (ii) removal of transmission equipment; or (iii) replacement of transmission structure.

(D) Within the applicable timeframe for review set forth in Section 19.68.120, the City must approve the application unless it determines that the application involves a Substantial Change. If the City determines that the application involves a Substantial Change, the applicant must submit the appropriate Permit application required, if any, under the requirements in Section 19.68.080.

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19.68.090 Permit application – Small Wireless Facility.

(A) Application. A complete application for a wireless service facility permit or wireless conditional use permit must include the following information and materials on a form provided by the Director. Applications for Small Wireless Facilities may be submitted in batches of applications, which may encompass up to five separate applications filed at the same time, each for one or more sites, *or* a single application covering up to five sites, unless the City agrees to a larger number based upon its capacity to review additional applications. For the purposes of this section, a complete application includes:

- (1) The name and address of the applicant;
- (2) Identification of all carriers using the facility;
- (3) If the applicant is not the owner or person in control of the eligible support structure or site, an attestation that the owner or person in control of the eligible support structure and/or site has consented to the proposed facility modification. If the eligible support structure is to be located within a public right-of-way, the applicant must also attest that the applicant has authorization to install, maintain, and operate transmission equipment in, under and above the public right-of-way.
- (4) An attestation that the Permittee will comply with existing structural, electrical, and safety codes, and a description of the general structural capacity of the new small wireless facility or the facility upon which the small wireless facility is to be colocated.
- (5) A description of compliance with: the applicable visibility and performance standards set forth in section 19.68.200. This includes, but is not limited to:
 - (a) A scaled Site plan clearly indicating the location, type and height of the proposed facility, or colocation, on-site land uses and zoning, adjacent land uses and zoning, comprehensive plan classification of the Site, proposed means of access, setbacks from property lines, spacing between tower(s) and other wireless facilities, elevation drawings of the proposed tower and any other structures, topography of the site, and proposed parking;
 - (b) If the proposed Small Wireless Facility siting involves a colocation that will alter the exterior dimensions or appearance of an existing facility, applicant shall include a detailed visual simulation depicting how the existing facility will appear after the proposed modification is complete, and particularly, how concealment or stealth will be extended, if applicable. The visual simulation shall depict to scale the existing facility with any colocation in relation to the trees, landscaping and other structures adjacent to, or in the immediate vicinity of, the eligible support structure.
 - (c) Legal description of the parent tract and leased parcel (if applicable);
 - (d) If new equipment cabinets, generators, or any other ground equipment components are being proposed:
 - (i) an assessment of noise that shows compliance with City and/or Federal noise standards;
 - (ii) a description of the method of concealment of equipment components, such as: whether such components will be located within an existing building, within an architecturally compatible addition to an existing building, or within a new building which is architecturally compatible with other buildings on the site and adjoining properties; located underground; or within an equipment cabinet or shelter;
 - (iii) if equipment is proposed to be concealed within an equipment cabinet or shelter that will be located above ground, a description of the landscaping and screening, if technically feasible.
 - (e) Any engineering report(s) required to show feasibility of meeting the applicable criteria in this section as applicable;
- (6) A stamped report by a state of Washington registered professional engineer or an assessment demonstrating compliance with Federal radio-frequency emissions standards applicable to wireless facilities.

(B) Waiver of Submittal Requirement. The approval authority may waive any submittal requirement upon determination that the required submittal, or part thereof, would materially inhibit wireless service. A waiver, to be effective, must be in writing and signed by the approval authority.

(C) Fee. Every application for a small wireless service facility permit or wireless conditional use permit must be accompanied by an application fee which will be set by the City Council in its unified fee schedule, to reimburse the City for the costs of reviewing the application, including any third-party review required by the City, and fees equal to the a reasonable approximation of the objectively reasonable costs for the attachment to or use of property owned or controlled by the City.

19.68.100 Permit application – all other Wireless Facilities.

(A) Application. A complete application for a wireless service facility permit or wireless conditional use permit for wireless facilities other than Small Wireless Facilities and Eligible Support Structures or EFRs must include the following information and materials on a form provided by the Director. For the purposes of this section, a complete application includes:

- (1) The name and address of the applicant;
- (2) Identification of all carriers using the facility;
- (3) If the applicant is not the owner or person in control of the eligible support structure or site, an attestation that the owner or person in control of the eligible support structure and/or site has consented to the proposed facility modification. If the eligible support structure is to be located within a public right-of-way, the applicant must also attest that the applicant has authorization to install, maintain, and operate transmission equipment in, under and above the public right-of-way.
- (4) A description of compliance with: the applicable visibility and performance standards set forth in section 19.68.200. This includes, but is not limited to:
 - (a) A scaled Site plan clearly indicating the location, type and height of the proposed facility, or colocation, on-site land uses and zoning, adjacent land uses and zoning, comprehensive plan classification of the Site, proposed means of access, setbacks from property lines, spacing between tower(s) and other structures, elevation drawings of the proposed tower and any other structures, topography of the site, and proposed parking;
 - (b) Legal description of the parent tract and leased parcel;
 - (c) A landscape plan showing specific landscape materials;
 - (d) Method of fencing, the finished color and/or the method of camouflage and illumination.
- (5) A description of compliance with the additional requirements in this Chapter for collocating and/or for conditional uses, if applicable.
- (6) If new equipment cabinets, generators, or any other ground equipment components are being proposed:(i) an assessment of noise that shows compliance with City and/or Federal noise standards.
- (7) A stamped report by a state of Washington registered professional engineer [or an assessment](#) demonstrating compliance with radio-frequency emissions standards as set forth in Section 19.68.240.

(B) New facilities. In addition to the application materials delineated in subsection (A) above, an application for a new wireless facility must provide:

- (1) A notarized statement by the applicant as to whether construction of a new facility will accommodate collocating of additional antennas for future users.

Commented [KA4]: Recognizes the fact that RF engineers are often highly skilled and trained individuals that are not PE's.

- (2) An explanation of how the proposed new facility at the proposed location is necessary to do one of the following: fill a significant gap in service, to introduce new services, to densify a network, or to otherwise improve service capabilities.
- (3) A description of the suitability of the use of existing facilities, including towers or other structures to provide the services to be provided through the use of the proposed new facility.
- (4) Any other engineering report(s) required to show feasibility of meeting the applicable criteria in subsections (A) and/or (B) as applicable;
- (C) Third Party Review. The City may require the applicant to submit its materials to a third-party for review, as may be reasonably necessary to determine compliance with this Chapter, such as an engineer or architect, by way of example only.
- (D) Fee. Every application for a wireless service facility permit or wireless conditional use permit must be accompanied by an application fee which will be set by the City Council in its unified fee schedule, to reimburse the City for the costs of reviewing the application, including any third-party review required by the City, and fees equal to the a reasonable approximation of the objectively reasonable costs for the attachment to or use of property owned or controlled by the City.

19.68.110 Permit approval process.

- (A) Wireless service facility permit (WSF). The review process for wireless service facility permit applications is that for a Type 1 (Administrative Ministerial Action) as delineated in Section 19.20.030 AMC.
- (B) Wireless conditional use permit (WCUP). The review process for wireless conditional use permit applications is that for a Type 3-HE review, delineated in Section 19.20.030 AMC. The criteria for a conditional use permit as set forth in other provisions of the City's code does not apply.
- (C) This permit approval process does not apply to Eligible Facility Requests.

19.68.120 Permit review – general criteria.

- (A) In evaluating a permit application under this Chapter, the decision-maker must examine the following criteria:
- (1) Whether all requisite licenses, certificates, and authorizations from applicable Federal, State, and local agencies have been obtained by the applicant;
- (2) Whether the applicant has shown that its proposed facility or colocation meets the standards and criteria set forth in this Chapter, including the visibility and performance criteria set forth in Section 19.68.200;
- (3) Whether the applicant has shown that its proposed facility meets any additional requirements in this Chapter for collocating and/or conditional uses, if applicable.
- (B) For a new wireless facility ~~or a new Small Wireless Facility~~, whether it is necessary to fill a significant gap in service, to introduce new services, to densify a network, or to otherwise improve service capabilities.
- (C) Decision. After considering all information submitted, and the record on file and from any hearing, the decision-maker will decide whether to grant, deny, or grant the permit with conditions, and must issue a written decision containing findings of fact supported by substantial evidence, based on the criteria above.
- (D) Issued permit. Any wireless service facility permit that is issued under this Chapter must contain the location, nature, and extent of approved use, together with all conditions that are imposed. A copy of the permit will be kept on file and reviewed annually by the administrating City official. If, at any time, the use no longer complies with the stated conditions, the owner will be declared in violation of this chapter.

Commented [KA5]: There is no requirement for a showing of need for SWF's in the right of way under the FCC Order, Paragraphs 35-40.

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19.68.130 Permit review – supplemental criteria for conditional uses.

(A) In addition to the general criteria for approval uses set forth in this Chapter, the following criteria apply to all permits denominated as conditional uses:

(1) The applicant must demonstrate that visual, noise, and other impacts associated with the proposed facility have been minimized to the maximum extent possible using existing concealment technology, site design, noise abatement techniques, concealment, disguise, camouflage, and/or the use of architecturally compatible improvements to existing structures where permitted, and/or underground placement of ancillary equipment. In evaluating the site design, consideration will be given to whether the facility will blend into the surrounding topography, tree coverage, foliage, and other natural features and whether locating the facility in alternative locations upon the subject property, or reasonably available properties, would better conceal the facility through use of existing natural and built features;

(2) The applicant must demonstrate compatibility of the proposed structure with the height and mass of existing buildings in the area.

(3) The applicant must demonstrate that the design of the proposed facility complies with the purpose and intent of this chapter, including, but not limited to, the visibility and performance standards set forth in AMC 19.68.200 which most closely match the proposed facility;

(4) The applicant must demonstrate that alternative locations, including other colocations and alternative support structures, are not available for the proposed facility;

(5) The applicant must demonstrate that the proposed facility is not in conflict with the health and safety of the community;

(6) The applicant must demonstrate that the proposed facility will be supported by adequate public facilities or services and will not adversely affect public services to the surrounding area or conditions can be established to mitigate adverse impacts on such facilities.

(B) In evaluating any proposed wireless service facility denominated as a conditional use, the Director may, at the expense of the applicant, retain an outside consultant to review the technical, design and other materials submitted by the applicant in conjunction with the proposal.

19.68.140 Completeness review.

(A) Completeness Review. Applications must be reviewed for completeness within thirty days of receipt, except for applications to site Small Wireless Facilities, which must be reviewed for completeness within ten days of receipt. If the application is not reviewed for completeness within the applicable timeframe, it will be deemed complete.

(B) Tolling. For applications to site Small Wireless Facilities, the review period resets once an applicant submits its additional materials. For all other applications deemed incomplete, the review period is tolled for up to sixty days. Once an applicant submits additional materials, the review timeframe begins to run again. If the applicant does not submit the required materials, the City may deny the application.

(C) Submittal of Additional Materials. If an applicant submits additional materials, the Director must provide notice within ten (10) days as to any additional materials identified in the original notice that were not provided with the supplemental materials. Second or subsequent notices of incompleteness may not specify missing documents or information that was not delineated in the original notice of incompleteness. For second or subsequent notices of incompleteness, the review timeframe will be tolled for all applications including for siting Small Wireless Facilities. If the applicant does not submit the required materials, the City may deny the application.

(D) Failure to act. If the decision-maker fails to approve or deny a request seeking approval for either a wireless service facility permit or conditional use permit within the applicable timeframe for review, accounting for any tolling, the request is deemed granted. The deemed grant does not become effective until the applicant notifies the

applicable reviewing authority in writing after the review period has expired that the application has been deemed granted.

19.68.150 Timeframe for review.

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The timeframe for review of an application for a wireless facility permit or wireless conditional use permit begins to run when an application is submitted, not when the application is deemed complete.

	Modifications that are not Substantial.	Colocating Wireless Facilities	New Wireless Facility	Colocating Small Wireless Facilities	New Small Wireless Facility
Timeframe	Approval required within sixty (60) days from receipt of submission of application	Written decision due within ninety (90) days from submission of application	Written decision due within one hundred and fifty (150) days from submission of application.	Written decision due within sixty (60) days from submission of application	Written decision due within ninety (90) days from submission of application.
Notes	If the City finds that the application involves a Substantial Change, the City may process the application as one for a new facility or deny the application.	This provision does not apply to Small Wireless Facilities.	This provision does not apply to Small Wireless Facilities.		

19.68.160 Construction.

(A) Construction within two years. Construction or substantial progress toward construction of a facility for which a permit has been issued pursuant to this chapter must be undertaken within two years after approval of the permit. Substantial progress toward construction includes, but is not limited to: the letting of bids, making of contracts, and purchase of materials involved in development.

(B) Tolling. In determining whether the two-year period has run, time during which litigation has been pending related to the construction of the facility must not be included.

(C) Extension and termination. The city may, at its discretion, extend the two-year period for a reasonable time, based on factors including the inability to expeditiously obtain other required governmental permits prior to the commencement of construction. If a facility for which a permit has been granted has not been completed within three years after the approval of a permit the City must review the permit upon the expiration of three years, and upon a showing of good cause for the delay, either (a) extend the permit for one year; or (b) terminate the permit.

19.68.170 Appeals.

Appeals may be commenced on an action by the decision-maker on a permit application, within thirty (30) days of such act or failure to act, in any court of competent jurisdiction. This section supersedes the City's administrative appeal process set forth in Section 19.20.210.

19.68.180 Prohibited Locations.

(A) Lattice and guyed wire towers are not permitted in any zoning district.

(B) Commercial advertising including billboards and business identification signs may not be used as alternative antenna support structures.

19.68.190 Permitted locations.

New wireless service facilities, which includes new Small Wireless Facilities are permitted as follows, with the type of permit indicated. For those facilities located within a "right-of-way", a master permit and construction permit for such use is required under the provisions of Chapter XX.XX. The zones referred to below are defined in the City's general zoning code.

Type of Facility	Residential Zones (R1, R2, R2A, R3, R3A, R4, R4A, OT)	Mixed Use Zones (CBD, C, MMU, CM, CM2, P)	Industrial Zones (LM, LM1, MS, HM, I, AZ)
Monopole	Permitted with WCUP	Permitted with WSF, except permitted with WCUP in P and except not permitted in CBD	Permitted with WSF
Utility Poles	Permitted with WCUP	Permitted with WSF, except permitted with WCUP in P, and except not permitted in CBD	Permitted with WSF
Electric Transmission Towers	Permitted with WSF, except permitted with WCUP in OT.	Permitted with WSF, except permitted with WCUP in P and except not permitted in CBD	Permitted with WSF
Water Tank Mounted	Permitted with WSF, except permitted with WCUP in OT	Permitted with WSF	Permitted with WSF
Playfield, Ballfield and Stadium Light Mounted Facilities	Permitted with WCUP	Permitted with WSF	Permitted with WSF
Building Attached	Permitted with WSF, only on buildings with nonresidential uses, and except permitted with WCUP in OT	Permitted with WSF	Permitted with WSF
Stealth Support Structure	Permitted with WSF, except permitted with WCUP in OT	Permitted with WSF, except permitted with WCUP in P	Permitted with WSF
Small Wireless Facility	Permitted with WSF	Permitted with WSF	Permitted with WSF
Other Types Not Listed	Permitted with WCUP	Permitted with WCUP	Permitted with WCUP

Commented [KA6]: Does this include SWF's on utility poles? Attachment of a SWF to any of the existing structures in the 1st column does not warrant the full CUP process. It is also not consistent with the row below that allows SWF's in all zones with a WSF.

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19.68.200 Visibility and performance standards.

All wireless service facilities locating within Anacortes must comply with the following standards:

(A) Standards for all types of facilities:

General	1. All portions of the facility must be the minimum size necessary to support operation of the facility, as certified by the provider's licensed engineer. Where multiple facilities are proposed to be located in close proximity, they may be required to be consolidated in one equipment housing structure. 2. Owners and operators must provide information regarding the opportunity for the co-location of facilities. Provision for future co-location may be required if technically feasible and where opportunities for smaller facilities with fewer impacts are limited due to topography, lack of existing above ground structures or other circumstances. To determine feasibility, the applicant must submit an engineer's report regarding the feasibility of co-location.
Antennas (including Small Wireless Facilities)	1. In general, an antenna array must either be flush mounted within 12 inches of the support structure, or within 12 inches of the face of the building it is attached to; or be contained in a canister that is a continuation of the support structure and is centered on top of the support structure; or be placed pursuant to the City's adopted design standards, subject to the concealment requirements below. 2. All antennas or arrays must be a color and material that matches the support structure. 3. Roof-mounted installation is permitted when the City's adopted design and the Appearance and Screening requirements below have been met. The antennas, mounting brackets and any concealment structures are exempt from the height limit of the underlying zone to the extent that the total height of such facilities does not increase the overall building height by 18 feet, or 50 percent of the original building height, whichever is less.
Equipment Cabinets, Shelters, and Undergrounding	1. All equipment necessary for the operation of the facility must be concealed, either within an existing building, within an architecturally compatible addition to an existing building, or within a new building which is architecturally compatible with other buildings on the site and adjoining properties; or located underground with exceptions as stated in Chapter AMC 15.32, and excepting equipment cabinets and shelters, which may be located above ground, and landscaped and screened pursuant to the City's typical landscaping requirements. 2. This section does not apply to antennas or other facilities that are required to remain above-ground in order to be functional, or if it would otherwise materially inhibit wireless service. 3. Underground shelters are not allowed where such shelters would interfere with existing uses of public land including, but not limited to, public rights-of-way. Equipment enclosures less than or equal to five cubic feet, with no single dimension over three feet, may be mounted directly on a street pole. These dimension limitations do not apply to Small Wireless Facilities. 4. Equipment cabinets and shelters are permitted upon abutting private property and may be located within public rights-of-way, pursuant to the applicable requirements and obtaining the appropriate permits specified in Chapter AMC XX.XX. 5. The size of equipment cabinets and shelters must be minimized to the greatest extent possible. 6. Prefabricated concrete and metal structures for equipment enclosures are not permitted unless treated with a facade giving the appearance of masonry or wood siding and are compatible with the existing neighborhood and surrounding setting.
Appearance and Screening	The following standards must be met to ensure the facility minimizes its visual impact: 1. Design and configurations must be compatible with the existing neighborhood, blend in with the surrounding setting, and/or are screened from surrounding uses and properties. 2. Design and configurations must minimize visual intrusion of the facility on surrounding uses and properties. Such techniques may include, for example: containing transmission and power cables and other conduit within any support structure, locating facilities underground, or otherwise screening the facility; minimizing the lateral projection of antenna arrays to the greatest extent technically feasible; and integrating antenna arrays into the design of any structure to

	which they are attached. The applicant must submit an engineer's report regarding the feasibility of the lateral projection of antenna arrays. 3. <u>New macro facility towers</u> on private property must be screened through the use of mature trees that are a minimum of 20 feet tall and planted to screen at least 80 percent of the area around the facility, if technically feasible. 4. For stealth supported structures, the structure must be designed to resemble an object that would be commonly found in the area, including, but not limited to, a flagpole, a clock or bell tower, a tree that is a native conifer species, or a silo. Antennas, to the maximum extent feasible, must be concealed by the stealth support structure, or must not be easily recognized. To determine feasibility, the applicant must submit an engineer's report regarding the feasibility of concealing the antennas.
Noise	Noise reduction measures must comply with the City and/or Federal noise regulations, whichever demonstrates the least amount of noise impact for the nearest residential dwelling(s) at any time of day or night, as measured from the closest point from the exterior of the dwelling to the wireless facility. Such requirements are exempt during testing of alternative power sources (i.e., power generators or similar emergency power sources).
Landscaping	1. Facilities <u>other than SWF's</u> and/or equipment cabinets must be surrounded with a minimum of four feet wide landscaping, in the applicable zones set forth in the City's general zoning provisions, if technically feasible. 2. Towers must be landscaped with a buffer of plant materials that effectively screens the view of the tower compound from properties used for residences. In some cases, natural growth around the property perimeter may provide a sufficient buffer. 3. Existing mature tree growth and natural land forms on the site must be preserved to the maximum extent possible.
Setbacks	1. In residential zones, towers, antennas, monopoles, and other wireless facilities and equipment pertaining thereto must not be closer than the greater of 20' or 100% of the tower height from the adjoining lot line. 2. In non-residential zones, facilities must comply with the setback requirements set forth in the applicable zoning code, Chapter 17 AMC, and meet or exceed the City or Federal noise regulations, whichever demonstrates the least amount of noise impact for the nearest residential dwelling(s), as measured from the closest point from the exterior of the dwelling to the facility. 3. The setback may be reduced if the applicant uses noise abatement techniques, such as decorative noise walls, to achieve equivalent or greater reduction of visual and noise impacts from the facility. 4. For co-locations, new equipment associated with the facility must be placed no closer to existing residential uses than any existing equipment enclosure on the subject property. 5. <u>These setback requirements do not apply to SWF's in the ROW.</u>
Spacing	1. In residential zones, towers and their antennas must not be closer than 200' or 100% of the tower height from the nearest residential dwelling(s), as measured from the closest point from the exterior of the dwelling to the facility. 2. In non-residential zones, there are no spacing requirements. 3. The minimum spacing requirements herein will not apply if they have the effect of materially inhibiting wireless service.

Commented [KA7]: What is required here? Is this for when more than 12 inches is needed?

Commented [KA8]: The term "facilities" includes SWF's and collocated wireless facilities which would not need the type of screening here, typically limited to new towers.

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Commented [KA9]: This type of landscaping is typically required for macro sites but, as originally worded, could apply to pole mounted SWF cabinets.

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(B) Standards for specific types of facilities:

New Monopoles (including Small Wireless Facilities) and Stealth Wireless Support	Any wireless service provider which proposes to construct a new monopole or stealth supported facility must provide, as part of its permit application, written findings from a qualified engineer which demonstrate that: 1. Either there are no other facilities reasonably available for colocation; or 2. Any existing facilities reasonably available are not technologically suitable for use by the applicant; and 3. The proposed monopole has been designed in a manner that will allow for the colocation of at least one additional antenna array on the structure, if technically feasible.
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The Anacortes Municipal Code is current through Ordinance____and legislation passed through_____[Date].

Structures	4. The height of the monopole may not exceed 120 feet or the height of similar structures permitted in the zone within which it is located, whichever is greater.
Colocating Monopoles or Utility Poles Within Public Rights-of-Way	1. More than one facility may be colocated on any monopole, subject to the permits and technical feasibility. 2. Monopoles located within public rights-of-way must be located a minimum of 500 feet apart; a shorter distance may be approved if the applicant submits an engineering analysis and equipment specifications that demonstrate the reduced distance is necessary to provide adequate coverage and/or capacity. 3. Where a utility located upon a monopole requires vertical separation between its facilities and the antenna(s), the structure/pole and antenna may be raised or replaced with a taller structure to accommodate the minimum separation requirement, not to exceed 20 feet in the public right-of-way. Any additions must be constructed of similar materials, and have surface treatments which match the color and texture of the original facility.
Electric Transmission Towers or Utility Poles Outside Public Rights-of-Way	Where a utility located upon the support structure (such as electric transmission tower) requires vertical separation between its facilities and the antenna(s), the structure/pole and antenna may be raised by a mount or replaced with a taller structure to accommodate the minimum separation requirement, not to exceed 30 feet. Any additions must be constructed of similar materials, and have surface treatments which match the color and texture of the original facility.
Playfield, Ballfield and Stadium Light Mounted Facilities	Only one facility is permitted on any playfield, ballfield, or stadium light. Where lighted signs and illuminated areas are permitted, such illuminating devices must be shaded and directed so as not to be visible from any residentially zoned property.
Building Attached	The equipment for roof-mounted antennas within the OT zone must be located within the same building on which the antennas are located. This provision will not apply to Small Wireless Facilities if it has the effect of materially inhibiting the provision of service.

19.68.210 Requirements for colocations.

(A) All wireless facilities colocating within the City of Anacortes must meet the following standards. This section does not apply to Eligible Facilities Requests.

(B) Colocations (as defined in Section 19.68.030(5)) are permitted on existing monopoles and stealth support structure facilities, so long as the colocation maintains the appearance of the existing structure, and do not interfere with the City's placement of cameras or other public safety uses.

(C) The height of the existing facility may be increased by the minimum vertical separation necessary between the facilities, not to exceed 20 feet; except for towers and utility poles outside public rights-of-way, the height of which may be increased by up to 30 feet to accommodate the minimum separation requirement. The height of the existing facility with all increases in height due to colocations may not exceed the general height limitation for similar structures or buildings within the zone in which it is permitted or 120 feet, whichever is greater.

(D) Existing monopoles and antenna support structures may be replaced to accommodate colocation. Monopoles and stealth support structures must, to the maximum extent feasible, be located within 20 feet of the existing structure within the public right-of-way, or within 30 feet of the existing structure outside of the public right-of-way, and maintain the design of the original structure, including any stealth or camouflage components. To determine feasibility, the applicant must submit an engineer's report regarding the feasibility of a proposed replacement.

(E) All antenna support structures permitted pursuant to the terms of this chapter or otherwise located within the City of Anacortes must be made available for use by the owner or initial user thereof, together with as many other wireless service providers as can be technically colocated thereon. The owner of an antenna support structure may charge a reasonable fee for the colocation of additional facilities upon said structure which does not exceed the fair

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market value for the space occupied by said colocated facilities. If the City is the owner, it may not charge a fee that exceeds a reasonable approximation of the objectively reasonable costs associated with siting a Small Wireless Facility on the antenna support structure.

(F) Colocating facilities must meet all other visibility and performance standards in Section 19.68.200.

19.68.220 Requirements for Non-Substantial Changes.

All modifications to wireless service facilities to the existing facility, including Small Wireless Facilities, that are Non-Substantial, must comply with the following standards:

(A) No modification may violate the City or Federal noise regulations. A noise study must be submitted with any modification to antennas or equipment, other than like for like replacements.

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(B) No modification may violate the Federal radio-frequency emission standards.

(C) No modification may violate setback or other lot coverage or height requirements in this Chapter.

19.68.230 Maintenance of facilities.

The owner and/or operator of all wireless service facilities must maintain their facilities in a good and safe condition and in a manner which complies with all applicable Federal, State, and local requirements.

19.68.240 Testing of facilities required – Radio-frequency (RF) emissions.

(A) All wireless service facilities must comply with applicable Federal Communications Commission (FCC) regulations regarding radio-frequency emissions. All tests must be performed by or under the supervision of a professional engineer competent to perform such testing and interpret the data gathered.

(B) Reports or similar support documents must be submitted for all facilities confirming compliance with all applicable FCC regulations. Compliance reports are required when requested by the Director.

(C) If at any time radio-frequency emission tests show that a facility exceeds any of the standards established by the FCC, the owner or operator thereof must immediately discontinue use of the facility and notify the Director. Use of such facilities may not resume until the owner or operator demonstrates that corrections have been completed which reduce the radio-frequency emissions to levels permitted by the FCC.

19.68.250 Testing of facilities required – Noise emissions.

(A) The owner or operator of a wireless service facility must conduct tests necessary to demonstrate compliance with all applicable local regulations regarding the noise emissions of the facility when notified in writing by the Director that a noise complaint has been received regarding the facility. All such tests must be performed by or under the supervision of a licensed environmental noise consultant competent to perform such tests and interpret the data gathered.

(B) When such a report is required, a report, certified by a licensed environmental noise consultant, setting forth the observed noise levels at the property line of the property upon which the facility is located must be submitted. The report must account for background noise and other noise sources and demonstrate the noise levels emitted by the facility, including any air conditioning or ventilation equipment contained therein. Such report must address standards set forth within noise reduction measures within noise provisions in Section 17.54.010 AMC or the standards set forth with the Federal Interagency Committee on Urban Noise, whichever demonstrates the least amount of noise impact for the nearest residential dwelling(s), at any time of day or night, as measured from the closest point from the exterior of the dwelling to the wireless facility.

(C) The Director may retain a technical expert in environmental noise measurement to verify the noise measurements and certification. The cost of such a technical expert must be borne by the owner or operator of the facility, if said facility fails to comply with applicable State or local noise standards.

(D) This section does not apply during the testing of alternative power sources (i.e., power generators).

19.68.260 Security fencing.

All wireless service facilities must be protected from unauthorized entry. The perimeter of all wireless service facilities, other than small wireless facilities in the ROW, which include an antenna support structure must be secured with security fencing which does not exceed seven feet in height. Wireless service facilities that do not include an antenna support structure must be protected from unauthorized entry through appropriate means approved by the Director or his or her designee on a case-by-case basis consistent with the purpose of protecting the public health, safety, and welfare.

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19.68.270 Abandonment of facilities.

Any antenna support structure that has had no antennas mounted upon it for a period of six months, or if the antennas mounted thereon are not operated for a period of six months, will be considered abandoned, and the owner thereof must remove such structure and any accompanying equipment and enclosure within 90 days after receipt of a notice from the Director to do so. The Director may extend this time period to a maximum of six additional months. The owner or operator of all wireless service facilities must, when requested by the Hearing Examiner, submit a written report, signed under penalty of perjury, which demonstrates whether or not there has been a cessation in use of the facility for a period of six months during the prior year. If a facility and associated equipment are not removed within 90 days after receipt of a notice from the Hearing Examiner requiring said removal, the Hearing Examiner may seek and obtain a court order directing such removal and imposing a lien upon the real property upon which such wireless service facility is situated in an amount equal to the cost of removal. In the event that more than one wireless service provider is using the antenna support structure, the antenna support structure will not be considered abandoned until all such users cease using the structure as provided in this section.

19.68.280 Signs.

Except as approved as part of a plan to conceal, disguise, or camouflage a wireless service facility, no signs, symbols, flags, banners, or similar devices must be placed on, attached to, painted, or inscribed upon any antenna support structure or alternative antenna support structure. Notwithstanding the foregoing, an applicant and/or land owner may place not more than four signs measuring 12 by 18 inches upon or near a wireless service facility which:

- (A) state that trespassers will be prosecuted;
- (B) list the names and telephone numbers of persons to be contacted in the event of an emergency;
- (C) identify the applicant and/or land owner or person responsible for operating the wireless facility; and/or
- (D) contain information necessary and convenient for the person operating the wireless service facility to identify the wireless service facility.

Nothing in this section may be construed to prohibit the placement of safety or warning signs upon any portion of the wireless service facility which are required by law or which are designed to apprise emergency response personnel and the employees and agents of wireless service providers of particular hazards associated with equipment located upon the wireless service facility.

19.68.290 Lighting standards.

Except as specifically required by Federal Aviation Administration (FAA) or FCC regulations, antenna support structures cannot be illuminated. However, equipment enclosures may be illuminated for security reasons when compatible with the surrounding neighborhood.

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19.68.300 SEPA.

Integration of environmental review. An application for a wireless service facility permit or wireless conditional use permit that is subject to the State Environmental Policy Act (SEPA) must be reviewed per AMC Chapter 18.04 concurrently with the review of the permit reviewed under this Chapter, except where exempted by that chapter. If there is a conflict between this Chapter and development regulations in other Chapters, the provisions of this Chapter will apply.

Chapter 5.38

PUBLIC UTILITY AND TELECOMMUNICATIONS

RIGHT-OF-WAY USE*

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5.38.010 Purpose.

The purpose of this chapter is to provide for the regulation of the use of public right-of-way by any business, service, or person which is engaged in supplying the public with some commodity or service which is of public consequence and need, such as public and private utilities, wireless telecommunications or transportation service.

5.38.020 Applicability.

The provisions of this chapter apply to all public utility and wireless carriers which occupy, use, construct, or maintain utility or telecommunications facilities within public right-of-way of the City.

To the extent the provision of any current franchise or other written agreement with a public utility or wireless carrier conflicts with any provision of this chapter, the applicable provision of the franchise or other written agreement prevails.

5.38.030 Definitions.

For the purposes of this chapter, the following terms, phrases, and words have the meanings set forth below unless the context clearly indicates otherwise. When not inconsistent with the context, words used in the present tense include the future tense, words in the plural number include the singular number, and words in the singular number include the plural number.

(1) "Act" means a decision to grant, condition, or deny the use condition, or deny a permit, which may be subject to administrative appeal, or a notification to the applicant in writing of the amount of time that will be required to make the decision and the reasons for this time period.

(2) "Base station" means: a structure or equipment at a fixed location that enables FCC-licensed or authorized wireless communications between user equipment and a communications network. The term does not encompass a "Tower" or any equipment associated with a Tower.

(A) The term includes, but is not limited to, equipment associated with wireless communications services such as private, broadcast, and public safety services, as well as unlicensed wireless services and fixed wireless services such as microwave backhaul.

(B) The term includes, but is not limited to, radio transceivers, antennas, coaxial or fiber-optic cable, regular and backup power supplies, and comparable equipment, regardless of technological configuration (including Distributed Antenna Systems and small-cell networks).

(C) The term includes any structure other than a tower that supports or houses equipment that has been reviewed and approved under the applicable zoning or siting process, or under another State or local regulatory review process, even if the structure was not built for the sole or primary purpose of providing such support.

(D) The term does not include any structure that does not support or house equipment for wireless telecommunications services.

(3) "City Engineer" means the City Engineer of the City of Anacortes, Washington acting in his or her official capacity, and his or her designee(s).

(4) "Complex project" means a construction project involving, by way of example only: adding, installing, or relocating numerous conduits, wires, lines, poles, pipes, cables, communication and signal lines, braces, guys, anchors, vaults, pedestals, antennas, and/or other structures, equipment and appurtenances to a public utility or wireless facility; navigating intricate or complicated facility or land ownership issues; determining whether significant environmental impact(s) exist; and/or the analysis of highly technical structural or engineering information or reports.

(5) "Emergency" means a condition of imminent danger to the health, safety, and welfare of property or persons located within the City, including, but not limited to, damage to persons or property from natural consequences, such as storms, earthquakes, riots or wars.

(6) "Facilities" means all of the towers, equipment, fixtures, antennas, equipment cabinets, equipment shelters, and other appurtenances necessary to furnish and deliver wireless services, including but not limited to utility, monopoles, and street poles with cross arms or without cross arms, wires, lines, conduits, cables, communication and signal lines and equipment, braces, guys, anchors, vaults, and all attachments, appurtenances, and appliances necessary or incidental to the distribution and use of wireless services. Facilities include "Small Wireless Facilities" as defined below.

(7) "Master permit" means the agreement whereby the City of Anacortes may grant general permission to a service provider to enter, use, and occupy the right-of-way for the purpose of locating facilities. This definition is not intended to limit, alter, or change the extent of the existing authority of the City of Anacortes to require a franchise, nor does it change the status of a service provider asserting an existing statewide grant based on a predecessor telephone or telegraph company's existence at the time of the adoption of the Washington State Constitution to occupy the right-of-way. A master permit does not include cable television franchises or permits.

(8) "Overhead facilities" means utility poles, utility facilities and wireless facilities located above the surface of the ground, including the underground supports and foundations for such facilities.

(9) "Permittee" means the public utility, service provider, or other person authorized under a master permit or construction permit under the provisions of this Chapter.

(10) "Person" means and includes corporations, companies, associations, joint stock companies or associations, firms, partnerships, limited liability companies and individuals and includes their lessors, trustees and receivers.

(11) "Public improvement" as used herein, means all work, construction, alterations, repair or improvements within public right-of-way, executed at the cost or under contract of the City, or caused to be performed by any person or entity as a condition or requirement of an approval or permit for zoning, land use, construction, or development if dedicated or required to be dedicated to the public use, benefit or enjoyment.

(12) "Public right-of-way" means any highway, street, alley, other public right-of-way, or easement for motor vehicle under the jurisdiction and control of the City which has been acquired, established, dedicated or devoted to such purposes, but only to the extent of the City's right, title, interest or authority to grant a permit to occupy and use such streets and easements for wireless and utility facilities.

(13) "Public utility" as used herein, means a company or entity engaged in any business or service regularly supplying the public with some commodity or service which is a public need and consequence, such as natural gas, electricity, water or sanitary sewer, including any business subject to regulation as to rates and service by the Utilities and Transportation Commission under the provisions of RCW Title 81.

(14) "Service provider" means every corporation, company, association, joint stock association, firm, partnership, person, city, or town owning, operating, or managing any facilities used to provide and providing wireless service for hire, sale, or resale to the general public. Service provider includes the legal successor to any such corporation, company, association, joint stock association, firm, partnership, person, city, or town.

(15) "Small Wireless Facility" encompasses facilities that meet the following conditions:

(A) The facilities—

- (1) are mounted on structures 50 feet or less in height including their antennas as defined in section 1.1320(d), or
- (2) are mounted on structures no more than 10 percent taller than other adjacent structures, or
- (3) do not extend existing structures on which they are located to a height of more than 50 feet or by more than 10 percent, whichever is greater;

- (B) Each antenna associated with the deployment, excluding associated antenna equipment (as defined in the definition of antenna in section 1.1320(d)), is no more than three cubic feet in volume;
- (C) All other wireless equipment associated with the structure, including the wireless equipment associated with the antenna and any pre-existing associated equipment on the structure, is no more than 28 cubic feet in volume;
- (D) The facilities do not require antenna structure registration under Federal regulations;
- (E) The facilities are not located on Tribal lands, which means all lands within the exterior boundaries of any Indian reservation and all dependent Indian communities; and
- (F) The facilities do not result in human exposure to radiofrequency radiation in excess of the applicable safety standards specified in section 1.1307(b).
- (16) "Surplus space" means that portion of the usable space on a utility pole which has the necessary clearance from other pole users, as required by Federal or State orders and regulations, to allow its use by a public utility or wireless carrier for a pole attachment. "Surplus space" also includes usable space within underground conduits and ducts when the necessary clearance from other users, as required by Federal or State orders and regulations, can be achieved;
- (17) "Underground facilities" means utility and wireless telecommunications facilities located under the surface of the ground, excluding the underground foundations or supports for overhead facilities;
- (18) "Usable space" means the total distance between the top of a utility pole and the lowest possible attachment point that provides the minimum allowable vertical clearance as specified in any Federal or State orders and regulations;
- (19) "Utility easement" means any easement owned by the City and acquired, established, dedicated or devoted for public utility purposes; and
- (20) "Utility facilities" as used herein means all conduit, wires, lines, poles, pipes, cables, communication and signal lines, braces, guys, anchors, vaults, pedestals, antennas, and all other structures, equipment and appurtenances thereto owned, operated or maintained by a public utility and used to furnish utility services.
- (21) "Wireless support structure" or "support structure" means a freestanding structure that is designed to support or is capable of supporting wireless facilities. The term does not include a utility pole, monopole, street pole, or tower.
- (22) "Wireless telecommunications carrier" or "wireless carrier" means and includes every corporation, company, association, joint stock association, partnership and person, their lessees, trustees or receivers appointed by any court whatsoever, and every city or town owning, operating, or managing any facilities used to provide wireless telecommunications for hire, resale to the general public within this State;
- (23) "Wireless telecommunications" or "wireless" means the transmission of information by wire, radio, optic cable, electromagnetic, or similar means for hire, sale or resale to the general public. For the purpose of this subsection, "information" means knowledge or intelligence represented by any form of writing, signs, signals, pictures, sounds, or any other symbols. For the purpose of this chapter, wireless telecommunications service excludes the over-the-air transmission of broadcast television or broadcast radio signals and excludes "cable services," "cable communications systems" and "CATV systems" as defined in Chapter 5.44.

5.38.040 Master permit and construction permit required.

- (A) It is unlawful to construct, place, maintain, or operate any pipes, ducts, utility tunnels, vaults, maintenance holes, poles, fixtures, wires, utility facilities, wireless facilities, or any other appurtenances necessary for the purpose of providing wireless service, or to conduct any public utility business, on, over, or under the public right-of-way, without obtaining a master permit from the Council.

(B) It is unlawful to construct, repair, or maintain any pipes, ducts, utility tunnels, vaults, maintenance holes, poles, fixtures, wires, utility facilities, wireless facilities, or any other appurtenances, necessary for the purpose of providing wireless service, or to conduct any public utility business or to go upon any such public right-of-way to perform any work therein on, under, or over public right-of-way, without obtaining a construction permit from the City Engineer. The City Engineer may exempt certain activities from the requirements of this section that do not materially affect the public right-of-way; provided, however, that if the City Engineer denies an applicant's request for such an exemption, no appeal is permitted.

5.38.050 Optional pre-application.

An applicant may submit materials up to thirty (30) days in advance of an application for a construction permit or master permit. The information submitted along with a pre-application may include the following information:

- (1) The name and address of the applicant;
- (2) Identification of all carriers using the facility;
- (3) The type of facility proposed;
- (4) Preliminary engineering plans, specifications, and maps of the facilities to be located within the public right-of-way;
- (5) Detailed construction plans demonstrating compliance with all applicable City codes and construction specifications, including the City's Engineering Standards;
- (6) A brief description of non-confidential, nonproprietary utility or wireless telecommunications services that are or will be offered or provided by the applicant over its facilities;
- (7) A brief description of non-confidential, nonproprietary transmission medium that will be used to offer or provide such services;
- (8) An accurate map showing the location of any existing utilities and/or wireless telecommunications facilities in the City that the applicant intends to use or lease;
- (9) If installation of overhead facilities is proposed, evidence that Surplus Space is available for locating the facilities on existing utility poles along the proposed route;
- (10) The area or areas of the City the applicant desires to serve and a schedule for building out (offering service to) the entire area covered by the master permit;
- (11) Proof of compliance with the other provisions of this Chapter, including but not limited to the indemnity, insurance, and bond requirements; and/or
- (12) Information to establish that the applicant has obtained all other governmental approvals and permits to construct and operate the facilities, and to offer or provide the services, including, but not limited to, evidence that the applicant has registered with the Washington Utilities and Transportation Commission.

5.38.060 Construction permit application.

(A) To obtain a construction permit, the applicant must file an application with the City Engineer.

(B) A complete application must include the following information and materials:

- (1) The names, residences, and business addresses of all officers and directors of the applicant.

- (2) Detailed construction plans demonstrating compliance with all applicable City codes and construction specifications, including the City's Engineering Standards.
- (3) If the applicant is constructing wireless facilities on another service provider's facilities, a notarized statement that the applicant has permission to use a third party's facility(ies), or a signed agreement with the service provider to that effect.
- (4) The location of the applicant's overhead and underground facilities in the public right-of-way along the proposed route and the area proposed to be served by cable.
- (5) Preliminary engineering plans, specifications, and maps of the facilities to be located within the public right-of-way, in sufficient detail to identify the location and route of the proposed facilities within the public right-of-way, the location of the applicant's existing facilities within the right-of-way, if any, and the specific trees, structures, facilities, and/or obstructions, if any, that the applicant proposes to temporarily or permanently remove or relocate.
- (6) If underground installation in existing ducts or conduits within the public right-of-way is proposed, information in sufficient detail to identify: the excess capacity currently available in such ducts or conduits before installation of the facilities; and the excess capacity, if any, that will exist in such ducts or conduits after installation of the facilities.
- (7) If underground installation within new ducts or conduits to be constructed within the public right-of-way is proposed: the location proposed for the new ducts or conduits; and the excess capacity that will exist in such ducts or conduits after installation of the facilities.
- (8) A preliminary construction schedule and completion date.
- (9) A detailed statement describing the actual equipment and operational standards proposed by the applicant.
- (10) A statement or schedule setting forth all proposed classifications of rates and charges to be set, including installation and service charges, which must remain in effect for at least twelve months after the City grants a master permit.
- (11) Proof of compliance with the other provisions of this Chapter, including but not limited to the indemnity, insurance, and bond requirements.
- (12) Any other reasonable information requested by the City Engineer or its designee, or required by any other provision of any other ordinance of the City.
- (13) An application fee to be set by the City Council in its unified fee schedule to allow the City to recover the costs of reviewing the application, including the costs of any third-party review.
- (C) Applications for Small Wireless Facilities may be submitted in batches, which may encompass up to five separate applications filed at the same time, each for one or more sites, *or* a single application covering up to five sites, unless the City agrees to a larger number based upon its capacity to review additional applications.
- (D) Third Party Review. The City may require the applicant to submit its materials to a third-party for review, as may be reasonably necessary to determine compliance with this Chapter, such as an engineer or architect, by way of example only.

5.38.070 Master permit application.

- (A) To obtain a master permit, the applicant must file an application with the City clerk.
- (B) The Council must examine each complete application submitted for review and approval to determine if it complies with the applicable provisions of this chapter. Other departments that have authority over the proposed use or activity may be required to review and approve or disapprove the application based on site-specific criteria, such

as that in 19.68 AMC. The Council may inspect the public right(s)-of-way proposed for use to determine any facts which may aid in determining whether a master permit should be approved.

(C) A complete application must include the following information and materials:

- (1) The identity of the applicant, including all affiliates of the applicant who will be authorized to work in the right-of-way under the agreement;
- (2) If the applicant is constructing wireless facilities on another service provider's facilities, a notarized statement that the applicant has permission to use such facilities, or a signed agreement with the service provider to that effect.
- (3) If the application involves a Small Wireless Facility, preliminary engineering plans showing all dimensions of the wireless facility.
- (4) A brief description of non-confidential, nonproprietary utility or wireless telecommunications services that are or will be offered or provided by the applicant over its facilities;
- (5) A brief description of non-confidential, nonproprietary transmission medium that will be used to offer or provide such services;
- (6) An accurate map showing the location of any existing utilities and/or wireless telecommunications facilities in the City that the applicant intends to use or lease;
- (7) If installation of overhead facilities is proposed, evidence that Surplus Space is available for locating the facilities on existing utility poles along the proposed route;
- (6) Preliminary engineering plans, specifications, and maps of the facilities to be located within the public right-of-way, in sufficient detail to identify the location and route of the proposed facilities within the public right-of-way, the location of the applicant's existing facilities within the right-of-way, if any, and the specific trees, structures, facilities, and/or obstructions, if any, that the applicant proposes to temporarily or permanently remove or relocate.
- (7) The area or areas of the City the applicant desires to serve and a schedule for building out (offering service to) the entire area encompassed by the master permit;
- (8) Information to establish that the applicant has obtained all other governmental approvals and permits to construct and operate the facilities, and to offer or provide the services, including, but not limited to, evidence that the applicant has registered with the Washington Utilities and Transportation Commission;
- (9) Proof of compliance with the other provisions of this Chapter, including but not limited to the indemnity, insurance, and bond requirements.
- (10) An application fee to be set by the Council in its unified fee schedule which allows the City to recover its actual administrative expenses that are directly related to receiving and approving a permit and license, to inspecting plans and construction, or to the preparation of a detailed statement.

~~(D)~~ Applications for Small Wireless Facilities may be submitted in batches, which may encompass up to five separate applications filed at the same time, each for one or more sites, *or* a single application covering up to five sites, unless the City agrees to a larger number based upon its capacity to review additional applications.

(E) Third Party Review. The City may require the applicant to submit its materials to a third-party for review, as may be reasonably necessary to determine compliance with this Chapter, such as an engineer or architect, by way of example only.

5.38.080 Completeness review.

(A) Completeness Review. Applications for a master permit or construction permit must be reviewed for completeness within thirty days of receipt, except for applications associated with Small Wireless Facilities, which

The City of Anacortes Municipal Code is current through Ordinance _____ and legislation passed through _____, 2018.

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must be reviewed for completeness within ten days of receipt. If the application is not reviewed for completeness within the applicable timeframe, it will be deemed complete.

(B) Tolling.

(1) For applications for a master permit or construction permit for a Small Wireless Facilities, the review period resets once an applicant submits its additional materials.

(2) For all other applications deemed incomplete, the review period is tolled for up to sixty days. Once an applicant submits additional materials, the review timeframe begins to run again.

(3) If the applicant does not submit the required materials within the required timeframe, the City may deny the application.

(C) Submittal of Additional Materials.

(1) If an applicant submits additional materials, the Director must provide notice within ten (10) days as to any additional materials identified in the original notice that were not provided with the supplemental materials.

(2) Second or subsequent notices of incompleteness may not specify missing documents or information that was not delineated in the original notice of incompleteness. For second or subsequent notices of incompleteness, the review timeframe will be tolled for all applications including those pertaining to Small Wireless Facilities.

(3) If the applicant does not submit the required materials, the City may deny the application.

(D) Failure to act. If the Director fails to approve or deny a request seeking approval for either a wireless service facility permit or conditional use permit within the applicable timeframe for review, accounting for any tolling, the request is deemed granted. The deemed grant does not become effective until the applicant notifies the applicable reviewing authority in writing after the review period has expired that the application has been deemed granted.

5.38.090 Timeframe for review.

The timeframe for review of an application for a master permit or a construction permit begins to run when an application is submitted, not when the application is deemed complete. The timeframe for submitting and reviewing master permits and construction permits is the same, unless otherwise specified.

	Colocating Wireless Facilities	Colocating Small Wireless Facility	New Small Wireless Facility	New Wireless Facilities	Construction Permit – All Wireless Facilities	Master Permit Renewal – All Wireless Facilities
Application Submission	Master use and construction permit applications should each be submitted 90 days prior to planned use.	Master use and construction permit applications should each be submitted 60 days prior to planned use.	Master use and construction permit applications should each be submitted 90 days prior to planned use.	Master use and construction permit applications should each be submitted at least 120 days prior to planned use.	Applications for complex projects should be submitted at least 60 days prior to the planned use, and in no case less than 30 days prior to the planned use.	A Permittee may submit an application for renewal no more than 180 days and no less than 120 days before expiration of the current master permit.
Timeframe for decision (from receipt of complete application)	Written decision due within 90 days.	Written decision due within 60 days.	Written decision due within 90 days.	Written decision due within 120 days.	City Engineer must Act within a reasonable time, generally not to exceed 30 days, and in no case can he or	Written Decision due within 90 days.

	Colocating Wireless Facilities	Colocating Small Wireless Facility	New Small Wireless Facility	New Wireless Facilities	Construction Permit – All Wireless Facilities	Master Permit Renewal – All Wireless Facilities
					she exceed the timeframes for review set forth in this table.	

5.38.100 Construction permit approval.

(1) The City Engineer shall review construction permits as follows:

Optional Pre-Application Meeting	Yes
Notice of Application	No
Comment Period	None
Recommendation By	None
Pre-Decision Open-Record Hearing	No
Closed-Record Decision Hearing	No
Decision By	City Engineer
Notice of Decision	No

(2) In the event that the City Engineer finds that the construction permit application conforms to the requirements of this chapter and applicable construction standards adopted by the City, the City Engineer must approve the construction permit, and may impose such conditions thereon as are reasonably necessary to protect the public health, welfare and safety, to mitigate any impacts resulting from the use, and to facilitate the orderly management of other utility and wireless facilities within the public right-of-way.

(3) In the event that the City Engineer denies an application for a construction permit, the decision must be in writing and set forth the reasons for said denial, and must be based on substantial evidence in the written record. The City may not deny a construction permit on the basis of a failure to obtain a master permit. Following approval by the City Engineer, construction permits will be issued by the City clerk.

(4) The City Engineer has the discretion to approve a blanket construction permit for a period of up to one year, when the applicant seeks approval to perform construction or maintenance that is of a repetitive or similar nature.

(5) In evaluating a construction permit application under this chapter, the City Engineer must, in addition to the criteria set forth in AMC XX.XX.050(2), determine whether the proposed construction is consistent with all construction standards adopted by the City.

(6) The duration of a construction permit will be for one year unless revoked or modified under the provisions of this chapter. The City Engineer must approve a construction schedule specifying the dates, times, and duration during which construction activity is permitted within the public right-of-way.

(7) The construction permit incorporates the relevant terms and conditions of this chapter by reference.

(8) The City Engineer has the power to regulate the construction and enforce construction permit conditions and the requirements of this chapter. The City Engineer must keep a record of the construction permit and the work done thereunder.

(9) A service provider adversely affected by a final action denying a construction permit may commence an action within thirty (30) days to seek relief, in any competent court of jurisdiction.

5.38.110 Master permit approval.

(1) The City Council shall review the master permit application as follows:

Optional Pre-Application Meeting	Yes
Notice of Application	Yes
Comment Period	14 days
Recommendation By	None
Pre-Decision Open-Record Hearing	Yes, before City Council
Closed-Record Decision Hearing	No
Decision By	City Council
Notice of Decision	Yes

(2) In the event the Council finds that master permit application conforms to the requirements of this chapter and the criteria for approval set forth in subsection (2) of this section, the Council must approve the master permit, and may impose conditions that are reasonably necessary to protect the public health, welfare, and safety and to mitigate any impacts resulting from the use. The Council will provide the reasons for a denial in writing, supported by substantial evidence contained in the written record based on the criteria set forth below. Following approval, the applicant and the Council must enter into a written agreement setting forth the particular terms under which the applicant has been granted the right to occupy and use the public ways of the City.

(3) In evaluating a master permit application under this chapter, the Council will, consistent with Federal and State law, examine the following criteria:

- (a) Whether all requisite licenses, certificates, and authorizations from applicable Federal, State, and local agencies have been obtained by the applicant;
- (b) The capacity of the public right-of-way to accommodate additional utility and wireless telecommunications facilities if the master permit is granted;
- (c) The effect, if any, on public health, safety and welfare if the master permit is granted;
- (d) The availability of reasonable alternate routes and/or locations in the right-of-way for the proposed facilities;
- (e) Whether denial of the use of the right-of-way would materially inhibit or limit the ability of the service provider to compete in a fair and balanced regulatory environment.
- (e) Applicable Federal, State, and local statutes, regulations, ordinances, and policies related to utility, wireless telecommunications, and other facilities, including City construction standards;

(f) Such other factors as may demonstrate that the grant to use the public right-of-way will serve the community interest.

(4) The duration of a master permit is five years unless revoked or modified under the provisions of this chapter.

(5) No master permit granted under this chapter confers any exclusive right, privilege, license, or franchise to occupy or use the public right-of-way of the City for delivery of wireless services or any other purposes. Further, no master permit may be construed as a right, title or interest in the public ways, but is the right solely to use and occupy the public right-of-ways for the limited purposes and terms stated within the grant. No master permit may be construed as a warranty of title.

5.38.120 Compensation to the City.

The City may fix a fair and reasonable compensation to be paid annually for the use of the right-of-way granted to the applicant under a master permit that is a reasonable approximation of the City's costs, including the costs of third-party review, if any; provided, that the City and an applicant may agree to the compensation to be paid; and provided that the compensation fixed or agreed upon is consistent with RCW 35.21.860.

5.38.130 Nondiscrimination.

A Permittee which purports to serve the general public must make its wireless telecommunication services available to any customer within its permitted area who requests such service, without discrimination as to the terms, conditions, rates or charges for the permittee's services; provided, however, that nothing in this title prohibits a Permittee from making reasonable classifications among differently situated customers.

5.38.140 Amendment of Permit.

Except as otherwise provided within a master permit agreement, a new master permit agreement and grant is required for any wireless carrier or service provider that seeks to extend the area covered by the master permit or to locate its wireless facilities in public rights-of-way in the City which are not included in a master permit previously granted under this chapter. If ordered by the city to locate or relocate its wireless telecommunications facilities in public rights-of-way not included in a previously granted master permit, the City must grant a master permit amendment without further application.

5.38.150 Renewal application – Master Permit.

(A) A Permittee may activate a formal process for renewal, by submitting an application for renewal, a completed master permit renewal application with the city clerk. The application must include the following:

- (1) The information required under AMC XX.XX.060;
- (2) Any information required under the master permit agreement between the City and the applicant;
- (3) All deposits or charges required under this Chapter; and
- (4) An application fee to be set by Council.

5.38.160 Renewal approval.

(A) The City must issue a written determination granting or denying the renewal application in whole or in part. If the renewal request is denied, the written determination must include substantial evidence of the reason(s) for denial, based on the standards set forth below. Prior to granting or denying renewal of a master permit under this Chapter, the Council must conduct a public hearing and make a decision based on the following criteria:

- (1) The continuing capacity of the public right-of-way to accommodate the applicant's existing facilities;
- (2) The applicant's compliance with the requirements of this title and the master permit agreement;
- (3) Applicable federal, state, and local wireless telecommunications laws, rules and policies; and
- (4) Such other factors that may demonstrate that the continued grant to use the public right-of-way will serve the community interest.

(B) The Council may not deny a renewal application based on violations of the master permit unless the applicant has been given notice and an opportunity to cure.

(C) Any service provider whose proposal for renewal has been denied by the City, or has been otherwise adversely affected by a failure of the City to act, may appeal such final decision or failure to act within 120 days in any Court of competent jurisdiction.

5.38.170 Terms of use and occupancy.

(A) The use and occupancy of public right-of-way in the City by any person constructing, maintaining or operating wireless, utility, or other facilities must conform to the terms and conditions of this chapter.

(B) Existing facilities installed or maintained by a telecommunications carrier, public utility or other entity over, under or across public right-of-way within the City in accordance with an expired franchise agreement or other City-issued permit may be operated by the wireless carrier or public utility at the locations at which such facilities exist; provided, however, that maintenance, repair, relocation, and/or expansion of such facilities are not permitted unless and until the public utility or telecommunications carrier, or other entity obtains all permits and approvals required by this chapter.

(C) All work by a wireless carrier, public utility, or other entity in the public right-of-way must comply with all construction standards and specifications adopted by the City as now exist or are hereafter amended, including but not limited to those set forth in Chapters 15.32 and 19.68 AMC.

5.38.180 Specifications.

(A) All work to be performed under a construction permit issued under this chapter must conform to all applicable City codes, ordinances, and standards adopted by the City. In case of any conflict, the most stringent provision applies.

(B) No wireless, utility, other facilities, or work related thereto may protrude into or over any portion of a public right-of-way opened to vehicle or pedestrian travel in such a manner as to create a risk of endangering the use of such place by vehicles or pedestrian travel. In addition, in the event the requested construction permit involves encroachment or partial obstruction of a sidewalk or other walkway open to the public, a minimum of five feet of unobstructed sidewalk or other walkway must be maintained at all times.

(C) During any period of any relocation, construction or maintenance of its facilities within the public right-of-way, a wireless telecommunications carrier, public utility or other person must conduct their activities so as not to unreasonably interfere with the free passage of traffic or the use of adjoining property. Such person must, at all times, post and maintain proper barricades and comply with all applicable safety regulations during such period of construction as required by the ordinances of the City and the laws of the State of Washington, including RCW 39.04.180, for the construction of trench safety systems.

(D) An applicant must, within 10 business days of completion of work, submit at no cost to the City, current and accurate as-built drawings showing the location of any facilities installed or constructed within the public right-of-way under a permit issued pursuant to this chapter or otherwise. As-builts must show all of the applicant's facilities in the right-of-way including but not limited to wireless telecommunications facilities, utility facilities, power poles,

guy poles and anchors, overhead transformers, pad-mounted transformers, submersible transformers, conduit, substation (with its name) pedestals, pad-mounted junction boxes, vaults, switch cabinets, and meter boxes.

5.38.190 Exceptions.

(A) A construction permit is not required when public utilities, wireless carriers, or City contractors are responding to emergencies that require work in the public right-of-way, such as water or sewer main breaks, gas leaks, downed power lines, or similar emergencies; provided, however, that the Council must be notified by the responding utility, carrier, or contractor verbally or in writing, on the next business day following onset of the emergency. Nothing in this section relieves a responding public utility, carrier, or contractor from the requirement of obtaining a construction permit after beginning emergency work in a public right-of-way.

(B) A construction permit fee is not required for City-sponsored capital improvement projects for water, sewer, drainage, or road construction maintenance, including associated work required by a public utility.

5.38.200 Security fund.

(A) Prior to commencement of any activities approved under a master permit, the Permittee must establish a permanent security fund with the City by depositing the amount of \$50,000, or such greater amount as deemed necessary by the Council, with the City in cash, an unconditional letter of credit, or other instrument acceptable to the City, which fund must be maintained at the sole expense of the Permittee so long as any of the Permittee's utility or wireless facilities are located within the public right-of-way of the City.

(B) The fund must serve as security for the full and complete performance of the terms and conditions of this chapter and master permit, including any costs, expenses, damages, or loss the City pays or incurs, including civil penalties, because of any failure attributable to the Permittee to comply with the codes, ordinances, rules, regulations, or permits of the City.

(C) The fund may be used to repair the public right-of-way, return it to its original condition, or to complete a project within the right-of-way if the Permittee ceases work mid-way through construction, or abandons its facility(ies) and appurtenances thereto.

(D) Before any sums are withdrawn from the security fund, the City must give written notice to the Permittee:

(1) Describing the act, default or failure to be remedied, or the damages, costs or expenses which the City has incurred by reason of the Permittee's act or default;

(2) Providing a reasonable opportunity for the Permittee to first remedy the existing or ongoing default or failure, if applicable;

(3) Providing a reasonable opportunity for the Permittee to pay any monies due the City before the City withdraws the amount thereof from the security fund, if applicable; and

(4) That the Permittee will be given an opportunity to review the act, default or failure described in the notice with the City or his or her designee.

(E) Permittees are required to replenish the security fund within 14 days after written notice from the City that there is a deficiency in the amount of the fund.

(F)

(G) Upon Permittee's removal of all facilities from the right of way and expiration of the agreement, permits and/or licenses, the city shall refund the balance remaining in this fund, including any accrued interest, to the Permittee within 14 days.

(H)

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Commented [KA12]: Allowing the city to retain the balance of these funds would be an unearned windfall.

5.38.210 Performance bond.

A performance bond written by a corporate surety acceptable to the City Engineer equal to at least 150 percent of

The City of Anacortes Municipal Code is current through Ordinance _____ and legislation passed through _____, 2018.

Anacortes Municipal Code

Chapter 5.38 PUBLIC UTILITY AND WIRELESS

TELECOMMUNICATIONS RIGHT-OF-WAY USE*

the estimated cost of removing the Permittee's facilities and restoring the public right-of-way to their pre-construction condition must be deposited before the construction permit is issued. Said bond is required to remain in full force until 60 days after completion of the construction and/or improvements within the public right-of-way, and

The City of Anacortes Municipal Code is current through Ordinance _____ and legislation passed through _____, 2018.

must warrant all such restoration work for a period of two years following completion and/or termination of the construction. Those Permittees performing annual work within the rights-of-way may provide an annual performance bond, in an amount approved by the City Engineer, at the beginning of each year to cover all excavations. The purpose of this bond is to guarantee the removal of partially completed and/or nonconforming facilities and to fully restore the public right-of-way to the pre-construction condition. The City Engineer may use the funds from the performance bond to complete removal and fully restore the public right-of-way to its pre-construction condition if the Permittee fails to do so.

5.38.220 Insurance.

Commented [KA13]: Request the option to self insure.

Unless otherwise provided in a master permit or construction permit, each Permittee must, as a condition of the master permit and construction permit, secure and maintain the following liability insurance policies insuring both the Permittee, its agents, representatives, employees, contractors or subcontractors, and the City and its elected and appointed officers, officials, agents, employees, representatives, engineers, consultants, and volunteers as co-insureds against any claims which may arise from or in connection with the exercise of the rights, privileges, and authority granted to the Permittee under the permit(s):

(A) Comprehensive Commercial General Liability Insurance. Commercial General Liability Insurance on an "occurrence" basis including coverage for Premises and Operations Liability, Products and Completed Operations, Contractual Liability, Independent Contractors, Stop Gap/Employer's Liability, Broad Form Property Damage, Explosion, Collapse and Underground Hazards, and Personal Injury Liability. Such insurance will provide limits of not less than two million dollars (\$2,000,000) per occurrence and ten million dollars (\$10,000,000) in the aggregate. Coverage limits can be achieved with a combination of the primary and umbrella/excess policies. Products/Completed Operations Liability Insurance will be provided for a period of at least six years after completion and/or termination of construction. Any deductible or self-insured retention must be disclosed and is subject to approval of the City. The policy for the Permittee must include without limitation coverage for hazards commonly referred to as "XCU" and contain a severability of interests provision.

(B) Automobile Liability Insurance. A policy of Automobile Liability, including coverage for Permittee's owned, non-owned, leased or hired vehicles providing a minimum limit for Bodily Injury and Property Damage of five million dollars (\$5,000,000) per combined single limit each accident. The limit can be achieved with a combination of the primary and umbrella/excess policies.

(C) Workers Compensation Insurance. Statutory Worker's Compensation and Employers Liability insurance as prescribed by applicable law.

(D) City as an Additional Insured on Policies. The Commercial General Liability and Automobile Liability and Umbrella/Excess Liability insurance policies required must name the City of Anacortes as an additional insured on a primary and non-contributory basis on Forms CG 20 26 and CG 20 37 or their equivalents for a public body. Carriers furnishing insurance are required to waive all rights of subrogation against the City. The Permittee must obtain the written agreement on the part of each insurance company to notify the City at least forty-five (45) days prior to cancellation or non-renewal of any such insurance, except ten (10) days' notice of cancellation due to non-payment of premium.

(E) Evidence of Insurance. With respect to each policy, Permittee must provide the City prior to commencement of the Work, proof that it has procured the requisite insurance, including copies of any applicable policies, declaration pages, and/or endorsements. PERMITTEE IS NOT ENTITLED TO COMMENCE WORK AUTHORIZED UNDER ITS PERMIT(S) UNTIL THE CITY HAS RECEIVED AND APPROVED THE CERTIFICATE OF INSURANCE.

(F) Errors and Omissions. Permittee must maintain throughout the period of the applicable permit and for a period of six (6) years thereafter, a standard professional errors and omissions insurance policy of a form and with an insurance company satisfactory to the City. Permittee's insurance policies must incorporate a provision requiring giving written notice to the City at least sixty (60) days prior to any cancellation, non-renewal or material modification of the policies. Permittee's professional errors and omissions insurance will be in the minimum

amount of \$1,000,000 including contractual liability, with all coverage retroactive to the earlier of the date of the applicable permit or the commencement of design services in relation to the permit(s).

(G) Compliance by contractors and subcontractors. Permittee is required to ensure that each of its contractors and subcontractors complies with all requirements in this Section; provided that Permittee must require its contractors and subcontractors to maintain commercially reasonable limits of insurance, given the contractor's and subcontractor's scope of work. Permittee must provide evidence of insurance of contractors and subcontractors upon request by the City.

(H) In addition, each such insurance policy must contain an endorsement which provides that the policy may not be cancelled, reduced in coverage, nor the intention not to renew be stated until 60 days after receipt by the City of a written notice to that effect. Within 30 days after receipt of such notice by the City, and in no event later than 15 days prior to the cancellation or nonrenewal, the Permittee must obtain and furnish to the City replacement insurance policies meeting the requirements of this section.

5.38.230 Hold harmless/indemnity.

(A) The Permittee must, to the fullest extent permitted by law, indemnify, defend and hold harmless the City, and its elected and appointed officers, officials, agents, employees, representatives, engineers, consultants, and volunteers as co-insureds (collectively the "Indemnified Parties" or individually, each an "Indemnified Party"), from and against any and all claims, liability, penalties, fines, costs, damages, losses and causes of action, arising out of or resulting from, or alleged to arise out of, relate to, or to result from the performance or non-performance of any construction performed at the instance of Permittee, or performance or non-performance of any services performed at the instance of Permittee (hereinafter singularly and collectively referred to as "Indemnity Claims"), but only to the extent directly or indirectly caused by the negligence or willful misconduct of Permittee, its contractors, subcontractors or supplier of any tier, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable. Permittee, at its sole expense, must promptly dispose of Indemnity Claims, defend all lawsuits and similar proceedings filed against an Indemnified Party on the account of Indemnity Claims, pay all awards and judgments rendered against an Indemnified Party in connection therewith, and reimburse each Indemnified Party for all reasonable expenses incurred by such Indemnified Party in connection with Indemnity Claims and lawsuits and arbitrations and similar proceedings including, but not limited to, attorneys' fees, expert witness fees, court costs, arbitration costs and all other reasonable costs (not limited to statutory costs).

(B) If Indemnity Claims are caused or alleged to be caused in part by any joint or concurrent negligent act (either active or passive) or omission by an Indemnified Party, Permittee will indemnify, defend and hold harmless such Indemnified Party, as provided above, from such Indemnity Claims to the extent such Indemnity Claims arise out of or result from the negligence or willful misconduct of Permittee or its contractors, subcontractors or suppliers of any tier, or anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, or anyone whose acts Permittee may be responsible or liable. In no event will Permittee be obligated to indemnify an Indemnified Party for Indemnity Claims which arise out of or result from the sole negligence of such Indemnified Party or its agents, servants or independent contractors who are directly responsible to such Indemnified Party, excluding Permittee.

(C) In addition, the City may require that any person, public utility, or wireless carrier accepting such a master permit or construction permit provide the City with additional indemnification, such as an indemnification from a parent company.

(D) The indemnification provided for herein does not apply to injuries to persons or damage to property caused by or resulting from the sole negligence of the City, its agents or employees.

(E) For the sole purpose of effecting the indemnification obligations herein, the Permittee, by accepting a master permit, specifically and expressly waives any immunity that may be granted it under any applicable Workers' Compensation Act, disability benefit acts or other employee benefit acts.

5.38.240 Inspections.

All work performed within public right-of-way is subject to periodic inspection by the Council to assure compliance with any conditions attached to the permit, the requirements of this chapter, and the requirements of any applicable City code or standard.

5.38.250 Revocation of master permits and construction permits.

(A) Following a notice of violation and opportunity to cure, the Council may revoke or suspend any approval issued under this chapter for cause, in accordance with existing tariff or applicable State law whenever:

- (1) The work does not proceed in accordance with the plans as approved or the conditions of approval, is not in compliance with the requirements of this chapter, other City ordinances, resolutions, or State law;
- (2) The service provider fails to provide adequate service or otherwise fails to comply with the terms of its master permit or construction permit;
- (3) The service provider has made a misrepresentation of material fact in applying for such approval;
- (4) The Council determines that inadequate measures are being taken to protect the public, adjoining property, public right-of-way, or wireless telecommunications, utility or other facilities in such public right-of-way, or that any excavation or fill endangers or will endanger the public, adjoining property, public right-of-way, or wireless telecommunications or utility facilities in such public right-of-way.

(B) Upon suspension or revocation of an approval under this chapter, all permit-related activities of the public right-of-way must cease, except as authorized or directed by the Council.

5.38.260 Correction and discontinuance of a Master Permit.

(A) Whenever the Council determines that any condition on any public right-of-way is in violation of a master permit or any other provision of this chapter related thereto, or exists without a master permit, the Council may order the correction or discontinuance of such condition or any activity causing such condition.

(B) The Council also has all powers and remedies available under State law and this chapter, to secure the correction or discontinuance of any condition specified in this section.

(C) The Council is authorized to use any or all of the following methods in ordering correction or discontinuance of any such conditions or activities as it determines appropriate:

- (1) Serving of oral or written directives to Permittee or other responsible person requesting immediate correction or discontinuance of the specified condition;
- (2) Service of a written notice of violation, ordering correction or discontinuance of a specific condition or activity within thirty (30) days
- (3) Service of a written notice to remove an object or facility within twenty-four (24) hours and summary removal if the object or thing is a hazard to public safety, with notice of such removal to the owner, if known;
- (4) Revocation of previously granted master permit(s) where Permittee or other responsible person has failed or refused to comply with requirements imposed by the City related to such permits; or
- (5) Issuance of an order to immediately stop work until authorization is received from the City to proceed.

(D) Any utility or wireless facility, or any other object or thing which occupies any public right-of-way without a master permit or in violation of the master permit conditions is a nuisance both public and private.

(E) All expenses incurred by the Council, including attorney's fees and legal expenses, in abating the condition or any portion thereof constitutes a civil debt owing to the Council jointly and severally by such persons who have

been given notice or who own the object or thing or placed it in the public right-of-way, which debt is collectible in the same manner as any other civil debt.

5.38.270 Correction and discontinuance of a Construction Permit.

(A) Whenever the City Engineer determines that any condition on any public right-of-way is in violation of a construction permit or any other provision of this chapter related thereto, or exists without a construction permit, the City Engineer may order the correction or discontinuance of such condition or any activity causing such condition.

(B) The City Engineer also has all powers and remedies available under State law and this chapter, to secure the correction or discontinuance of any condition specified in this section.

(C) The City Engineer is authorized to use any or all of the following methods in ordering correction or discontinuance of any such conditions or activities as it determines appropriate:

- (1) Serving of oral or written directives to Permittee or other responsible person requesting immediate correction or discontinuance of the specified condition;
- (2) Service of a written notice of violation, ordering correction or discontinuance of a specific condition or activity within thirty (30) days;
- (3) Service of a written notice to remove an object or facility within twenty-four (24) hours and summary removal if the object or thing is a hazard to public safety, with notice of such removal to the owner, if known;
- (4) Revocation of previously granted construction permit(s) where Permittee or other responsible person has failed or refused to comply with requirements imposed related to such permits; or
- (5) Issuance of an order to immediately stop work until authorization is received from the City to proceed.

(D) Any utility or wireless facility, or any other object or thing which occupies any public right-of-way without a construction permit or in violation of construction permit conditions is a nuisance both public and private.

(E) All expenses incurred by the City Engineer, including attorney's fees and legal expenses, in abating the condition or any portion thereof constitutes a civil debt owing to the City Engineer jointly and severally by such persons who have been given notice or who own the object or thing or placed it in the public right-of-way, which debt is collectible in the same manner as any other civil debt.

5.38.280 Removal.

Any person accepting a master permit or construction permit pursuant to this chapter for the installation of any utility or wireless carriers must remove such facilities when they are no longer required, or if the master or construction permit has been revoked as provided in this chapter. Such removal must occur within 90 days of receiving notice from the Council ordering such removal. Unless otherwise approved by the City in writing, no person is permitted to abandon utility or wireless facilities within a public right-of-way, and then only under such conditions as may be prescribed by the Council.

5.38.290 Displacement for public use.

(A) A wireless carrier, public utility, or other person under order of the Council must, upon a minimum 60 days' written notice, move or adjust its underground or overhead facilities located within the public right-of-way which interfere with any public improvement authorized or ordered by the City. The relocation must be done at the expense of the telecommunications carrier, public utility, or other person, subject to the exceptions in RCW 35.99.060(d) and existing tariffs, which may require the City to pay for displacement in certain circumstances. The actual number of days must be specified by the Council in the Council's order.

(B) When a public improvement is required to accommodate or allow development or other activity by a party other than the City, then a wireless telecommunications carrier, public utility or other person which moves or adjusts its facilities is entitled to recover its associated costs and expenses from such other party.

(C) Such persons must indemnify, hold harmless, and pay the costs of defending the City against claims or liabilities for delays on public improvement projects caused by their failure to relocate their facilities in a timely manner unless caused by circumstances beyond their control.

5.38.300 Additional ducts or conduits.

Any person constructing underground ducts or conduits pursuant to this chapter must, upon request, provide the City with additional ducts for its use. Such additional ducts or conduits must be of a size and configuration specified by the City and be dedicated to the City. The City has the right to use the ducts and conduits for any purpose, including but not limited to leasing them to other entities, subject to the following provisions.

(A) The City must enter into a contract with the service provider consistent with RCW 80.36.150, and the incremental costs of adding the ducts and conduits under this section will be borne by the City. If the City makes the additional duct or conduit and related access structures available to any other entity for the purposes of providing wireless services for hire, sale, or resale to the general public, the rates to be charged, as set forth in the contract with the entity that constructed the conduit or duct, must recover at least the fully allocated costs of the service provider. The service provider must state both contract rates in the contract.

(B) Except as otherwise agreed by the City and the service provider, the City agrees that he requested additional duct or conduit space and related access structures will not be used by the City to provide wireless service for hire, sale, or resale to the general public.

(C) The City will not require that the additional duct or conduit space be connected to the access structures and vaults of the service provider.

(D) The value of the additional duct or conduit requested by the City will not be considered a public works construction contract.

(E) This section does not apply to the provision of an institutional network by a cable television provider under federal law.

5.38.310 Joint use of poles.

(A) All wireless facilities permitted pursuant to the terms of this chapter or otherwise located within the City of Anacortes must be made available for use by the owner or initial user thereof, together with as many other wireless service providers as can be technically collocated thereon.

(B) Nothing contained within this chapter prevents the owner of such poles from charging a reasonable pole attachment fee that does not exceed the fair market value for the space occupied by said collocated facilities; except that if the owner is the City, it may not charge more than the reasonable approximation of its reasonable costs.

5.38.320 City use for noncommercial government communication.

Any person erecting or maintaining poles within public right-of-way allows the City the right, free of charge, to attach, maintain and operate traffic and traffic safety signals, as noncommercial governmental communication and signals, wires and/or fixtures within available surplus space on the poles erected and so maintained.

5.38.330 Appearance.

Any person erecting or maintaining poles under authority of this chapter must ensure that its poles are maintained in a manner that does not significantly distract from the visual appearance of the pole. Such maintenance may include cleaning, replacement, painting or repainting of the pole. Wooden utility poles are not required to be painted.

5.38.340 Moving of building(s) and/or equipment.

Any person maintaining overhead wireless or utility facilities in public right-of-way must, upon seven days' notice from the Council, disconnect or move said facilities to allow for the moving of building(s) and/or equipment across or along any such public right-of-way; provided, however, that the advance notice may be reduced to 24 hours if the facilities are below the minimum clearance set by law or regulation or in the case of an emergency. The cost of moving such facilities must be in accordance with existing tariffs or applicable State law, and borne as follows:

(1) by the owner of the facilities if: (a) the wires, cables or appurtenances are below the minimum vertical clearance required by State law, City ordinance, or rules of the Council, (b) above the surface of the public right-of-way, or (c) no adjustment would be necessary if the minimum clearance had been maintained; or (2) by the person desiring to move the building(s) and/or equipment under all other circumstances.

5.38.350 Billings and collections.

The Council, jointly with the Finance Director, may establish procedures pertaining to the billing and collection of fees and charges adopted pursuant to this chapter.

5.38.360 Liability.

The Council and other employees charged with the enforcement and administration of this chapter, acting for the City in good faith and without malice in the discharge of their duties, do not thereby render themselves liable personally for damages that may accrue to persons or property as a result of an act required or by reason of an act or omission in the discharge of such duties.

5.28.370 Tree trimming.

Any wireless carrier or public utility required by State statute or regulation to trim or remove trees which may interfere with their facilities must ensure that their tree trimming activities protect the appearance, integrity and health of the trees to the extent reasonably possible. The wireless carrier or public utility must prepare and maintain a tree trimming schedule to ensure compliance with this provision and to avoid exigent circumstances where tree cutting, trimming or removal is necessary to protect the public safety or continuity of service without the regard for the appearance, integrity or health of the trees that planned maintenance would otherwise allow. The wireless carrier or public utility must submit the schedule to the City Engineer. Except where exigent circumstances do not permit, the wireless carrier or public utility must give the owner the property on which the trees are located at least five days' advance written notice of the tree trimming. Tree trimming on any City streets must comply with the standards developed by the City's street tree advisory committee.

5.38.380 Underground facilities.

(A) The undergrounding requirements of this section apply where the wireless telecommunications carrier, public utility, or other person's facilities consist of cable or any other facilities which are capable of being placed underground. This section does not apply to antennas or other facilities, which are required to remain above-ground, in order to be functional.

(B) In any area of the City in which there are no aerial facilities other than antennas or other facilities required to remain above-ground in order to be functional or otherwise for the provision of wireless services, or in any public right-of-way in which all wireless telecommunications wires and cables, and electric power wires, cables, 15,000 volts and lower, and other aerial facilities capable of undergrounding have been placed underground, no person is permitted to erect poles or to run or suspend wires, cables or other facilities thereon, but must lay such wires, cables or other facilities underground in the manner required by the City pursuant to this section, and Chapters 15.32 and 19.68 AMC, if applicable.

(C) If utility or street improvement projects are anticipated within the same public right-of-way within 12 months of a Permittee's proposed construction, the City may permit interim installation of above-ground facilities. In the event that the City does not require the undergrounding of such facilities at the time of initial installation, the City may, at any time in the future, require the conversion of such above-ground and/or aerial facilities to underground installation at the carrier, utility, or other person's expense, with exceptions as set forth in RCW 35.99.060(d).

(D) The City must allow new electric power lines and cables operating above 15,000 volts to be constructed above-ground when location within the City right-of-way is approved by the City Engineer.

(E) Whenever a service provider or public utility undertakes an undergrounding project in any area of the City, it must underground their above-ground facilities in the manner specified by the City, concurrently and together with the other affected carriers, utilities, and other persons in the affected area. The location of any such relocated and underground facilities must be approved by the Council. Such service provider must underground their facilities at no cost to the City, except as provided in RCW 35.99.060(d).

(F) In the event that the City undertakes any public improvement which would otherwise require, in the discretion of the Council, the relocation of carrier, utility, or other person's above-ground facilities, the Council may, by written notice to such persons, direct that any such facilities be converted to underground facilities. Any such conversion must be done subject to and in accordance with applicable schedules and tariffs on file with the WUTC or such other regulatory agency having jurisdiction.

5.38.390 Joint trenching.

Recognizing that trenching and excavation within public right-of-way can significantly degrade the quality and longevity of street surfacing and seriously inconvenience the public, all Permittees must afford other wireless carriers, public utilities, and the City an opportunity to share in the use of their excavations and trenches within public right-of-way. In the event that the City, a wireless carrier, or a public utility desires to share in a Permittee's excavation, it must provide a written request to do so. Joint use of excavations are subject to the following conditions:

(A) Such joint use may not unreasonably delay the work of the party causing the excavation to be made;

(B) Any party desiring to share in an excavation may be required to pay the fair and reasonable pro rata cost of said excavation. Such joint use must be arranged and accomplished on terms and conditions satisfactory to both parties; and

(C) Either party may deny such request for safety reasons.

5.38.400 Notice of tariff changes.

A Permittee must, when making application for any changes in tariffs affecting the provisions of this chapter or any approval issued hereunder, notify the City in writing of the application and provide the Council with a copy of the submitted application. The Permittees must further provide the Council with a copy of any actual approved tariff change affecting any approval issued pursuant to this chapter.

5.38.410 One-call locator.

All carriers, utilities, Permittees, and other persons must, before commencing any construction within a public right-of-way, comply with all of the requirements set forth in Chapter 19.122 RCW, the one-call locator service.

5.38.420 Violation – Penalties.

(A) No person may violate or fail to comply with this chapter.

Anacortes Municipal Code
Chapter 5.38 PUBLIC UTILITY AND WIRELESS
TELECOMMUNICATIONS RIGHT-OF-WAY USE*

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(B) A violation of or failure to comply with any provision of this chapter is a civil infraction subject to the enforcement provisions of Chapter 1.24 AMC.

(C) A violation or failure to comply with any provision of this chapter, including any order of the Council authorized by this chapter, is, in addition to any other remedies, grounds for the Council to revoke the underlying permit issued to the Permittee, if any, and grounds for the denial of any additional permits under this chapter until the Permittee is in full compliance with the provisions of this chapter.

(D) Violation of a stop-work order issued pursuant to AMC XX.XX.250 or 260 constitutes a gross misdemeanor, punishable by not more than 90 days in jail and a fine not exceeding \$1,000, or both.

Grage, Libby

Subject: FW: T-Mobile Comments, Anacortes Planning Commission Continued Public Hearing on Wireless Telecommunications Draft Regulations, January 30, 2019

Attachments: T-Mobile redline pages, Anacortes Planning Commission 1-30-2019.pdf

From: Atkins, Linda [<mailto:lindaatkins@dwt.com>]

Sent: Wednesday, January 30, 2019 4:40 PM

To: Cleland-McGrath, Christine <christinec@cityofanacortes.org>; Doll, Andrea <andread@cityofanacortes.org>; MacKenzie, Ward <wardm@cityofanacortes.org>; McNett, Jeremy <jeremym@cityofanacortes.org>; Moffitt, Amber <amberm@cityofanacortes.org>; Mount, Jeff <mountj@cityofanacortes.org>; Graf, Jeffrey <jeffg@cityofanacortes.org>; Measamer, Don <don@cityofanacortes.org>; Swetnam, Darcy <darcys@cityofanacortes.org>

Cc: Tacy Hass <Tacy.Hass@foster.com>

Subject: RE: T-Mobile Comments, Anacortes Planning Commission Continued Public Hearing on Wireless Telecommunications Draft Regulations, January 30, 2019

Attached on behalf of T-Mobile in redline format are some additional recommended changes to the proposed Wireless Telecommunications Draft Regulations.

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Our mission is to maintain and improve the quality of life reflecting community expectations through a focus on public participation and employees-mayor-council teamwork.



Planning Commission

**Municipal Building Council Chambers
904 Sixth Street**

**January 30, 2019
5:00 p.m.**

PRELIMINARY AGENDA

1. **Roll Call**
2. **Continued Public Hearing: Wireless Telecommunications Draft Regulations**

Draft Regulations

The City of Anacortes encourages people with disabilities to participate in public meetings. For assistance with special needs, please contact the City Clerk at 360-299-1960 in advance of the meeting.

Chapter 19.68

WIRELESS SERVICE FACILITIES

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- (5) A description of compliance with the additional requirements in this Chapter for collocating and/or for conditional uses, if applicable.
- (6) If new equipment cabinets, generators, or any other ground equipment components are being proposed: (i) an assessment of noise that shows compliance with City and/or Federal noise standards.
- (7) A stamped report by a state of Washington registered professional engineer demonstrating compliance with radio-frequency emissions standards as set forth in Section 19.68.240.
- (B) New facilities. In addition to the application materials delineated in subsection (A) above, an application for a new wireless facility must provide:
- (1) A notarized statement by the applicant as to whether construction of a new facility will accommodate collocating of additional antennas for future users.
- (2) An explanation of how the proposed new facility at the proposed location is necessary to do one of the following: fill a significant gap in service, to introduce new services, to densify a network, or to otherwise improve service capabilities.
- (3) A description of the suitability of the use of existing facilities, including towers or other structures to provide the services to be provided through the use of the proposed new facility.
- (4) Any other engineering report(s) required to show feasibility of meeting the applicable criteria in subsections (A) and/or (B) as applicable;
- (A) Third Party Review. The City may require the applicant to submit its materials to a third-party for review, as may be reasonably necessary to determine compliance with this Chapter, such as an engineer or architect, by way of example only.
- (C) Fee. Every application for a wireless service facility permit or wireless conditional use permit must be accompanied by an application fee which will be set by the City Council in its unified fee schedule, to reimburse the City for the costs of reviewing the application, including any third-party review required by the City, and fees equal to the a reasonable approximation of the objectively reasonable costs for the attachment to or use of property owned or controlled by the City.

19.68.110 Permit approval process.

- (A) Wireless service facility permit (WSF). The review process for wireless service facility permit applications is that for a Type 1 (Administrative Ministerial Action) as delineated in Section 19.20.030 AMC.
- (B) Wireless conditional use permit (WCUP). The review process for wireless conditional use permit applications is that for a Type 3-HE review, delineated in Section 19.20.030 AMC. The criteria for a conditional use permit as set forth in other provisions of the City's code does not apply.
- (C) This permit approval process does not apply to Eligible Facility Requests.

19.68.120 Permit review — general criteria.

- (A) In evaluating a permit application under this Chapter, the decision-maker must examine the following criteria:
- (1) Whether all requisite licenses, certificates, and authorizations from applicable Federal, State, and local agencies have been obtained by the applicant;
- (2) Whether the applicant has shown that its proposed facility or colocation meets the standards and criteria set forth in this Chapter, including the visibility and performance criteria set forth in Section 19.68.200;
- (3) Whether the applicant has shown that its proposed facility meets any additional requirements in this Chapter for collocating and/or conditional uses, if applicable.
- (B) For a new wireless facility ~~or excluding a new Small Wireless Facility~~, whether it is necessary to fill a significant gap in service, to introduce new services, to densify a network, or to otherwise improve service capabilities.

Commented [LA1]: FCC Order prohibits requiring a service justification for a SWF.

(C) Decision. After considering all information submitted, and the record on file and from any hearing, the decision-maker will decide whether to grant, deny, or grant the permit with conditions, and must issue a written decision containing findings of fact supported by substantial evidence, based on the criteria above.

(D) Issued permit. Any wireless service facility permit that is issued under this Chapter must contain the location, nature, and extent of approved use, together with all conditions that are imposed. A copy of the permit will be kept on file and reviewed annually by the administering City official. If, at any time, the use no longer complies with the stated conditions, the owner will be declared in violation of this chapter.

19.68.130 Permit review — supplemental criteria for conditional uses.

(A) In addition to the general criteria for approval uses set forth in this Chapter, the following criteria apply to all permits denominated as conditional uses:

(1) The applicant must demonstrate that visual, noise, and other impacts associated with the proposed facility have been minimized to the maximum extent possible using existing concealment technology, site design, noise abatement techniques, concealment, disguise, camouflage, and/or the use of architecturally compatible improvements to existing structures where permitted, and/or underground placement of ancillary equipment. In evaluating the site design, consideration will be given to whether the facility will blend into the surrounding topography, tree coverage, foliage, and other natural features and whether locating the facility in alternative locations upon the subject property, or reasonably available properties, would better conceal the facility through use of existing natural and built features;

(2) To the extent technically feasible, the applicant must demonstrate compatibility of the proposed structure with the height and mass of existing buildings in the area.

(3) The applicant must demonstrate that the design of the proposed facility complies with the purpose and intent of this chapter, including, but not limited to, the visibility and performance standards set forth in AMC 19.68.200 which most closely match the proposed facility;

(4) The applicant must demonstrate that alternative locations, including other colocations and alternative support structures, are not available for the proposed facility;

(5) The applicant must demonstrate that the proposed facility is not in conflict with the health and safety of the community;

(6) The applicant must demonstrate that the proposed facility will be supported by adequate public facilities or services and will not adversely affect public services to the surrounding area or conditions can be established to mitigate adverse impacts on such facilities.

(B) In evaluating any proposed wireless service facility denominated as a conditional use, the Director may, at the expense of the applicant, retain an outside consultant to review the technical, design and other materials submitted by the applicant in conjunction with the proposal.

19.68.140 Completeness review.

(A) Completeness Review. Applications must be reviewed for completeness within thirty days of receipt, except for applications to site Small Wireless Facilities, which must be reviewed for completeness within ten days of receipt. If the application is not reviewed for completeness within the applicable timeframe, it will be deemed complete.

(B) Tolling. For applications to site Small Wireless Facilities, the review period resets once an applicant submits its additional materials. For all other applications deemed incomplete, the review period is tolled for up to sixty days. Once an applicant submits additional materials, the review timeframe begins to run again. If the applicant does not submit the required materials, the City may deny the application.

(C) Submittal of Additional Materials. If an applicant submits additional materials, the Director must provide notice within ten (10) days as to any additional materials identified in the original notice that were not provided with the supplemental materials. Second or subsequent notices of incompleteness may not specify missing documents or information that was not delineated in the original notice of incompleteness. For second or subsequent notices of incompleteness, the review timeframe will be tolled for all applications including for siting Small Wireless Facilities. If the applicant does not submit the required materials, the City may deny the application.

Commented [LA2]: This requirement needs to be qualified to acknowledge that height required for a wireless facility is dictated by technical network requirements.

19.68.180 Prohibited Locations.

(A) Lattice and guyed wire towers are not permitted in any zoning district.

(B) Commercial advertising including billboards and business identification signs may not be used as alternative antenna support structures.

19.68.190 Permitted locations.

New wireless service facilities, which includes new Small Wireless Facilities are permitted as follows, with the type of permit indicated. For those facilities located within a "right-of-way", a master permit and construction permit for such use is required under the provisions of Chapter XX.XX. The zones referred to below are defined in the City's general zoning code.

Type of Facility	Residential Zones (RI, R2, R2A, R3, R3A, R4, R4A, OT)	Mixed Use Zones (CBD, C, MMU, CM, CM2, P)	Industrial Zones (LM, LMI, MS, HM, I, AZ)
Monopole	Permitted with WCUP	Permitted with WSF, except permitted with WCUP in P and except not permitted in CBD	Permitted with WSF
Utility Poles	Permitted with WCUP	Permitted with WSF, except permitted with WCUP in P, and except not permitted in CBD	Permitted with WSF
Electric Transmission Towers	Permitted with WSF, except permitted with WCUP in OT.	Permitted with WSF, except permitted with WCUP in P and except not permitted in CBD	Permitted with WSF
Water Tank Mounted	Permitted with WSF, except permitted with WCUP in OT	Permitted with WSF	Permitted with WSF
Playfield, Ballfield and Stadium Light Mounted Facilities	Permitted with WCUP	Permitted with WSF	Permitted with WSF
Building Attached	Permitted with WSF, only on buildings with nonresidential uses, and except permitted with WCUP in OT	Permitted with WSF	Permitted with WSF
Stealth Support Structure	Permitted with WSF, except permitted with WCUP in OT	Permitted with WSF, except permitted with WCUP in P	Permitted with WSF
Small Wireless Facility	Permitted with WSF	Permitted with WSF	Permitted with WSF
Other Types Not Listed	Permitted with WCUP	Permitted with WCUP	Permitted with WCUP

19.68.200 Visibility and performance standards.

All wireless service facilities locating within Anacortes must comply with the following standards:

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(A) Standards for all types of facilities:

General	1. All portions of the facility must be the minimum size necessary to support operation of the facility, as certified by the provider's licensed engineer. Where multiple facilities are proposed to be located in close proximity, they may be required to be consolidated in one equipment housing structure; provided that this requirement does not apply to small wireless facilities. 2. Owners and operators must provide information regarding the opportunity for the co-location of facilities. Provision for future co-location may be required if technically feasible and where opportunities for smaller facilities with fewer impacts are limited due to topography, lack of existing above ground structures or other circumstances. To determine feasibility, the applicant must submit an engineer's report regarding the feasibility of co-location.
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Commented [LA3]: This change is necessary to accommodate SWF design. For example, T-Mobile's SWF is a unified enclosure containing antennas and all radio equipment; this unified enclosure is mounted at the top of an existing utility pole or other structure, and it cannot be placed inside an equipment housing structure containing other wireless facility equipment.

Antennas (including Small Wireless Facilities)	1. In general, an antenna array must either be flush mounted within 12 inches of the support structure, or within 12 inches of the face of the building it is attached to; or be contained in a canister that is a continuation of the support structure and is centered on top of the support structure; or be placed pursuant to the City's adopted design standards, subject to the concealment requirements below. 2. All antennas or arrays must be a color and material that matches the support structure. 3. Roof-mounted installation is permitted when the City's adopted design and the Appearance and Screening requirements below have been met. The antennas, mounting brackets and any concealment structures are exempt from the height limit of the underlying zone to the extent that the total height of such facilities does not increase the overall building height by 18 feet, or 50 percent of the original building height, whichever is less.
Equipment Cabinets, Shelters, and Undergrounding	1. All equipment necessary for the operation of the facility must be concealed, either within an existing building, within an architecturally compatible addition to an existing building, or within a new building which is architecturally compatible with other buildings on the site and adjoining properties; or located underground with exceptions as stated in Chapter AMC 15.32, and excepting equipment cabinets and shelters, which may be located above ground, and <u>where technically feasible and practicable given the location</u>, landscaped and screened pursuant to the City's typical landscaping requirements. 2. This section does not apply to antennas or other facilities that are required to remain above-ground in order to be functional, or if it would otherwise materially inhibit wireless service. 3. Underground shelters are not allowed where such shelters would interfere with existing uses of public land including, but not limited to, public rights-of-way. Equipment enclosures less than or equal to five cubic feet, with no single dimension over three feet, may be mounted directly on a street pole. These dimension limitations do not apply to Small Wireless Facilities. 4. Equipment cabinets and shelters are permitted upon abutting private property and may be located within public rights-of-way, pursuant to the applicable requirements and obtaining the appropriate permits specified in Chapter AMC XX.XX. 5. The size of equipment cabinets and shelters must be minimized to the greatest extent possible. 6. Prefabricated concrete and metal structures for equipment enclosures are not permitted unless treated with a facade giving the appearance of masonry or wood siding and are compatible with the existing neighborhood and surrounding setting.
Appearance and Screening	The following standards must be met to ensure the facility minimizes its visual impact: 1. Design and configurations must be compatible with the existing neighborhood, blend in with the surrounding setting, and/or are screened from surrounding uses and properties. 2. Design and configurations must minimize visual intrusion of the facility on surrounding uses and properties. Such techniques may include, for example: containing transmission and power cables and other conduit within any support structure, locating facilities underground, or otherwise screening the facility; minimizing the lateral projection of antenna arrays to the greatest extent technically feasible; and integrating antenna arrays into the design of any structure to which they are attached. The applicant must submit an engineer's report regarding the feasibility of the lateral projection of antenna arrays. 3. <u>To the extent technically feasible and practicable given the location, monopoles</u> Facilities on private property must be screened through the use of mature trees that <u>will reach a mature height of</u> are a minimum of 20 feet tall and planted to screen at least 80 percent of the area around the facility, if technically feasible. 4. For stealth supported structures, the structure must be designed to resemble an object that would be commonly found in the area, including, but not limited to, a flagpole, a clock or bell tower, a tree that is a native conifer species, or a silo. Antennas, to the maximum extent feasible, must be concealed by the stealth support structure, or must not be easily recognized. To determine feasibility, the applicant must submit an engineer's report regarding the feasibility of concealing the antennas.
Noise	Noise reduction measures must comply with the City and/or Federal noise regulations, whichever demonstrates the least amount of noise impact for the nearest residential dwelling(s) at any time of day or night, as measured from the closest point from the exterior of the dwelling to the wireless facility. Such requirements are exempt during testing of alternative power sources (i.e., power generators or similar emergency power sources).
Landscaping	1. Facilities and/or equipment cabinets must be surrounded with a minimum of four feet wide landscaping, in the applicable zones set forth in the City's general zoning provisions, if technically feasible. 2. <u>To the extent technically feasible, monopoles</u> owers must be landscaped with a buffer of plant materials that effectively screens the view of the tower compound from properties used for residences. In some cases, natural growth around the property perimeter may provide a sufficient buffer. 3. Existing mature tree growth and natural land forms on the site must be preserved to the maximum extent possible.

Setbacks	1. In residential zones, towers, antennas, monopoles, and other wireless facilities and equipment pertaining thereto must not be closer than the greater of 20' or 100% of the tower height from the adjoining lot line. 2. In non-residential zones, facilities must comply with the setback requirements set forth in the applicable zoning code, Chapter 17 AMC, and meet or exceed the City or Federal noise regulations, whichever demonstrates the least amount of noise impact for the nearest residential dwelling(s), as measured from the closest point from the exterior of the dwelling to the facility. 3. The setback may be reduced if the applicant uses noise abatement techniques, such as decorative noise walls, to achieve equivalent or greater reduction of visual and noise impacts from the facility. 4. For co-locations, new equipment associated with the facility must be placed no closer to existing residential uses than any existing equipment enclosure on the subject property.
Spacing	1. In residential zones, towers and their antennas must not be closer than 200' or 100% of the tower height from the nearest residential dwelling(s), as measured from the closest point from the exterior of the dwelling to the facility. 2. In non-residential zones, there are no spacing requirements. 3. The minimum spacing requirements herein will not apply if they have the effect of materially inhibiting wireless service.

(B) Standards for specific types of facilities:

New Monopoles (including Small Wireless Facilities) and Stealth Wireless Support Structures	Any wireless service provider which proposes to construct a new monopole or stealth supported facility must provide, as part of its permit application, written findings from a qualified engineer which demonstrate that: 1. Either there are no other facilities reasonably available for colocation; or 2. Any existing facilities reasonably available are not technologically suitable for use by the applicant; and 3. The proposed monopole has been designed in a manner that will allow for the colocation of at least one additional antenna array on the structure, if technically feasible. 4. The height of the monopole may not exceed 120 feet or the height of similar structures permitted in the zone within which it is located, whichever is greater.
Colocating Monopoles or Utility Poles Within Public Rights-of-Way	1. More than one facility may be colocated on any monopole <u>or wireless support structure</u>, subject to the permits and technical feasibility. 2. Monopoles-New wireless support structures located within public rights-of-way must be located a minimum of 500 feet apart; a shorter distance may be approved if the applicant submits an engineering analysis and equipment specifications that demonstrate the reduced distance is necessary to provide adequate coverage and/or capacity. 3. Where a utility located upon a monopole <u>facility to be colocated on structure or pole within the right of way</u> requires vertical separation between existing its facilities and the antenna(s), the structure/pole and antenna may be raised or replaced with a taller structure to accommodate the minimum separation requirement, not to exceed 20 feet in the public right-of-way. Any additions must be constructed of similar materials, and have surface treatments which match the color and texture of the original facility.
Electric Transmission Towers or Utility Poles Outside Public Rights-of-Way	Where a utility facility located upon the a support structure (such as electric transmission tower) requires vertical separation between its existing facilities and the antenna(s), the structure/pole and antenna may be raised by a mount or replaced with a taller structure to accommodate the minimum separation requirement, not to exceed 30 feet. Any additions must be constructed of similar materials, and have surface treatments which match the color and texture of the original facility.
Playfield, Ballfield and Stadium Light Mounted Facilities	Only one facility is permitted on any playfield, ballfield, or stadium light. Where lighted signs and illuminated areas are permitted, such illuminating devices must be shaded and directed so as not to be visible from any residentially zoned property.
Building Attached	The equipment for roof-mounted antennas within the OT zone must be located within the same building on which the antennas are located. This provision will not apply to Small Wireless Facilities if it has the effect of materially inhibiting the provision of service.

Commented [LA4]: New poles for SWF are not appropriately categorized as "monopoles" due to the substantial design differences, including typically relatively low heights of SWF compared to typical macro facility. See definition of "wireless support structure" on packet page 7, which appears intended to include a new pole for a SWF.

Commented [LA5]: See definition of "monopole" on packet page 6. The language here appears to be intended to address new wireless support structures (not monopoles per se)

19.68.210 Requirements for colocations.

(A) All wireless facilities colocating within the City of Anacortes must meet the following standards. This section does not apply to Eligible Facilities Requests.

19.68.250 Testing of facilities required — Noise emissions.

(A) The owner or operator of a wireless service facility must conduct tests necessary to demonstrate compliance with all applicable local regulations regarding the noise emissions of the facility when notified in writing by the Director that a noise complaint has been received regarding the facility. All such tests must be performed by or under the supervision of a licensed environmental noise consultant competent to perform such tests and interpret the data gathered.

(B) When such a report is required, a report, certified by a licensed environmental noise consultant, setting forth the observed noise levels at the property line of the property upon which the facility is located must be submitted. The report must account for background noise and other noise sources and demonstrate the noise levels emitted by the facility, including any air conditioning or ventilation equipment contained therein. Such report must address standards set forth within noise reduction measures within noise provisions in Section 17.54.010 AMC or the standards set forth with the Federal Interagency Committee on Urban Noise, whichever demonstrates the least amount of noise impact for the nearest residential dwelling(s), at any time of day or night, as measured from the closest point from the exterior of the dwelling to the wireless facility.

(C) The Director may retain a technical expert in environmental noise measurement to verify the noise measurements and certification. The cost of such a technical expert must be borne by the owner or operator of the facility, if said facility fails to comply with applicable State or local noise standards.

(D) This section does not apply during the testing of alternative power sources (i.e., power generators).

19.68.260 Security fencing.

All wireless service facilities must be protected from unauthorized entry. ~~To the extent technically feasible, the perimeter of all wireless service facilities which include an antenna support structure must be secured with security fencing which does not exceed seven feet in height. Wireless service facilities that do not include an antenna support structure must be protected from unauthorized entry through appropriate means approved by the Director or his or her designee on a case-by-case basis consistent with the purpose of protecting the public health, safety, and welfare.~~

Commented [LA6]: The term “antenna support structure” is not defined; security fencing as a requirement makes sense only for monopoles located on properties not within the right of way.

19.68.270 Abandonment of facilities.

Any antenna support structure that has had no antennas mounted upon it for a period of six months, or if the antennas mounted thereon are not operated for a period of six months, will be considered abandoned, and the owner thereof must remove such structure and any accompanying equipment and enclosure within 90 days after receipt of a notice from the Director to do so. The Director may extend this time period to a maximum of six additional months. The owner or operator of all wireless service facilities must, when requested by the Hearing Examiner, submit a written report, signed under penalty of perjury, which demonstrates whether or not there has been a cessation in use of the facility for a period of six months during the prior year. If a facility and associated equipment are not removed within 90 days after receipt of a notice from the Hearing Examiner requiring said removal, the Hearing Examiner may seek and obtain a court order directing such removal and imposing a lien upon the real property upon which such wireless service facility is situated in an amount equal to the cost of removal. In the event that more than one wireless service provider is using the antenna support structure, the antenna support structure will not be considered abandoned until all such users cease using the structure as provided in this section.

Commented [LA7]: Not a defined term.

19.68.280 Signs.

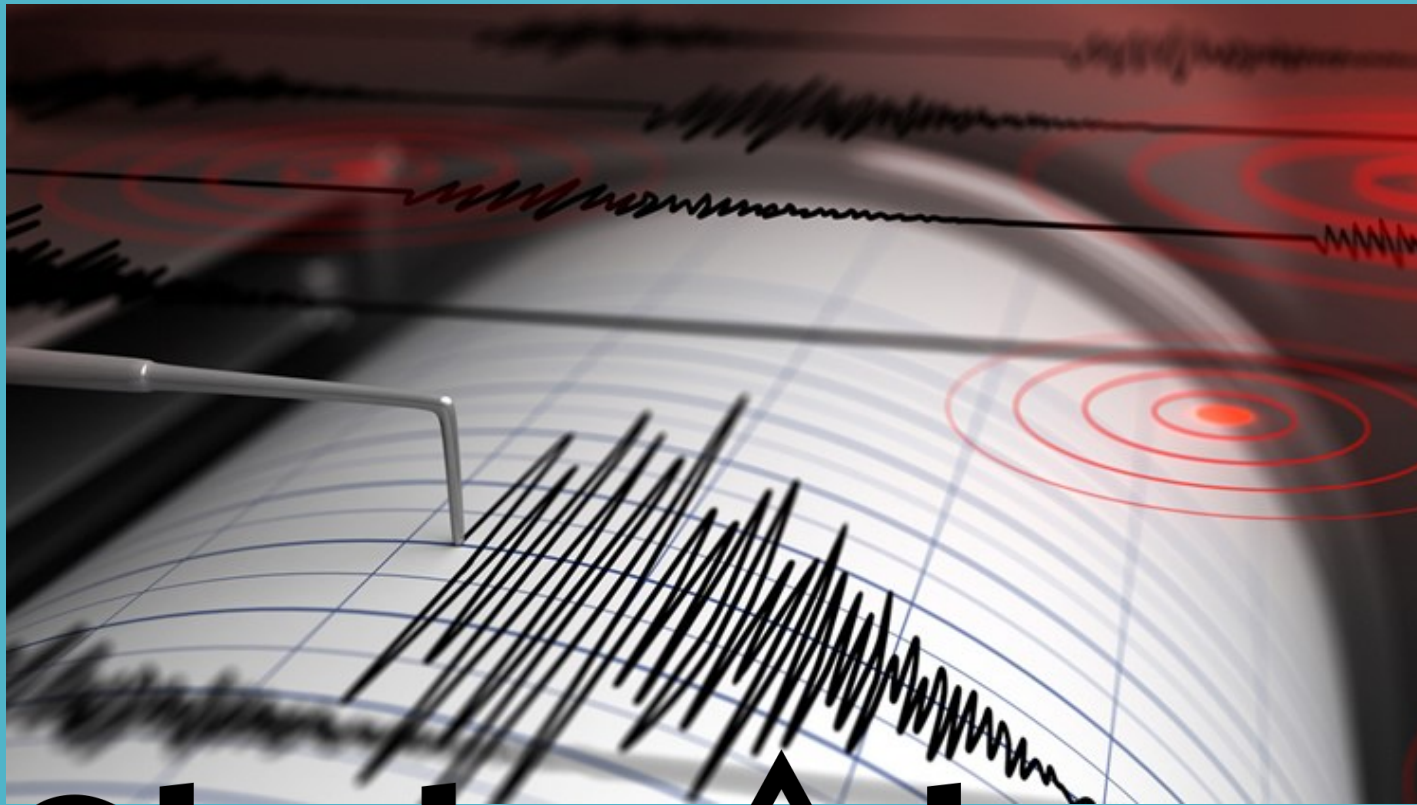
Except as approved as part of a plan to conceal, disguise, or camouflage a wireless service facility, no signs, symbols, flags, banners, or similar devices must be placed on, attached to, painted, or inscribed upon any antenna support structure or alternative antenna support structure. Notwithstanding the foregoing, an applicant and/or land owner may place not more than four signs measuring 12 by 18 inches upon or near a wireless service facility which:

(A) state that trespassers will be prosecuted;

(B) list the names and telephone numbers of persons to be contacted in the event of an emergency;

(C) identify the applicant and/or land owner or person responsible for operating the wireless facility; and/or

(D) contain information necessary and convenient for the person operating the wireless service facility to identify the wireless service facility.



Shake^{Δ!}Alert

Earthquake Early Warning
Pilot Project Orientation

February 2019

EARTHQUAKE EARLY WARNING

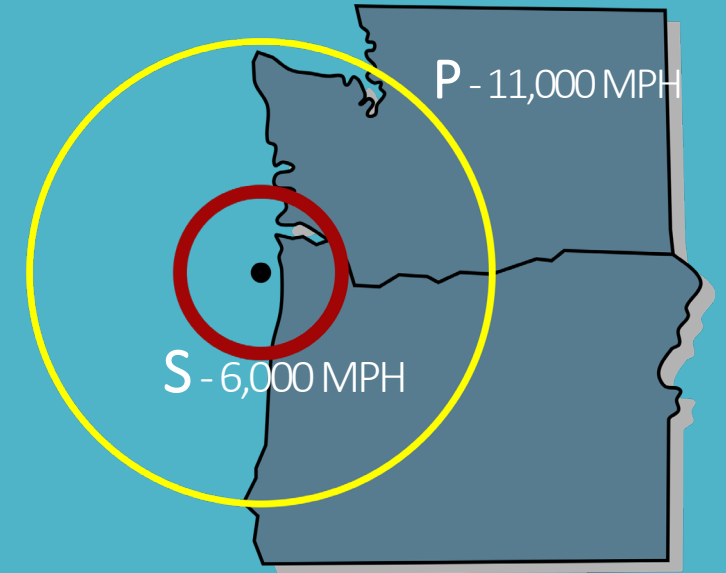
Participants:

Pacific Northwest Seismic Network – Signal Processing

United States Geological Survey – Administration

Varius Inc. – Application/Implementation

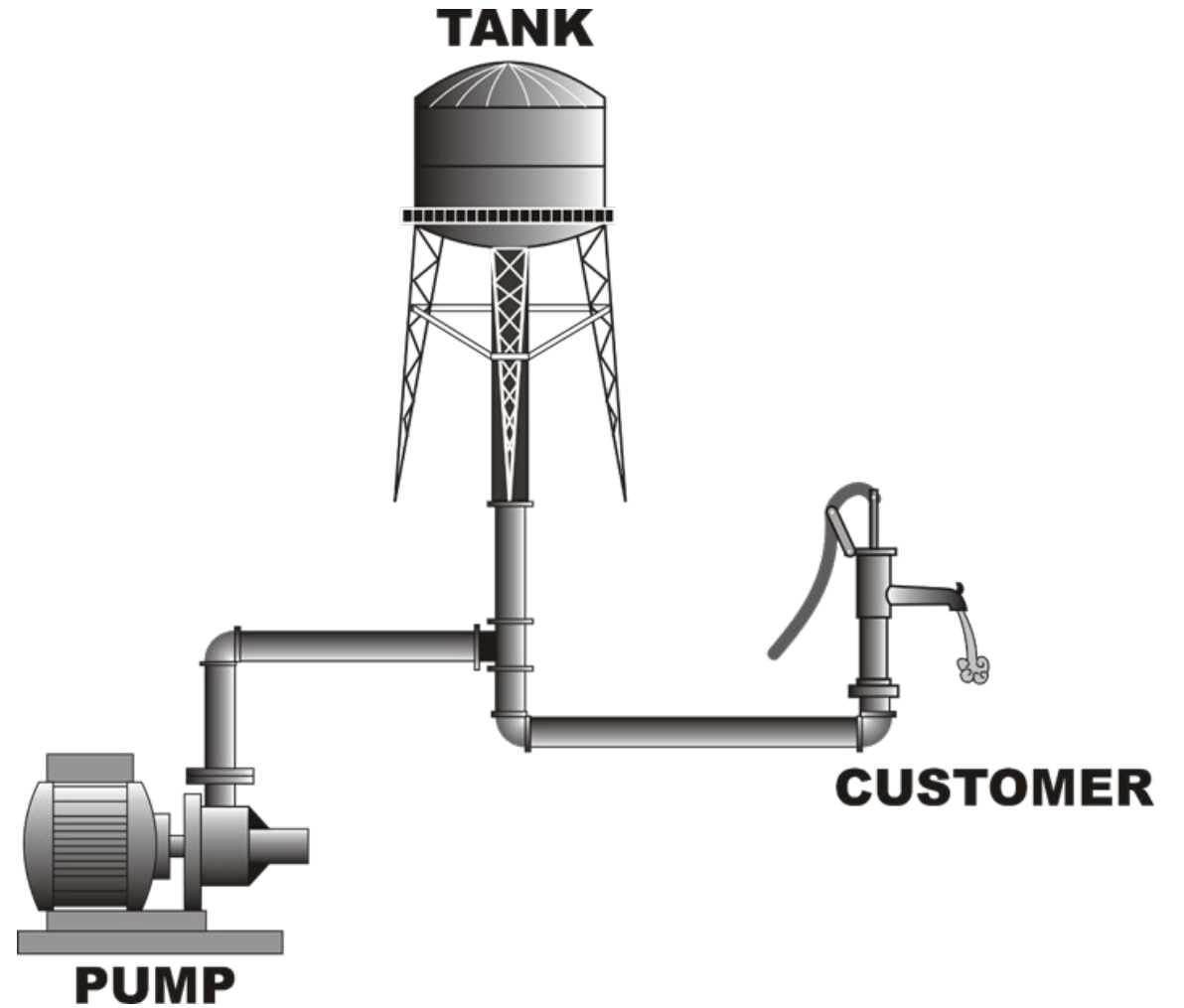




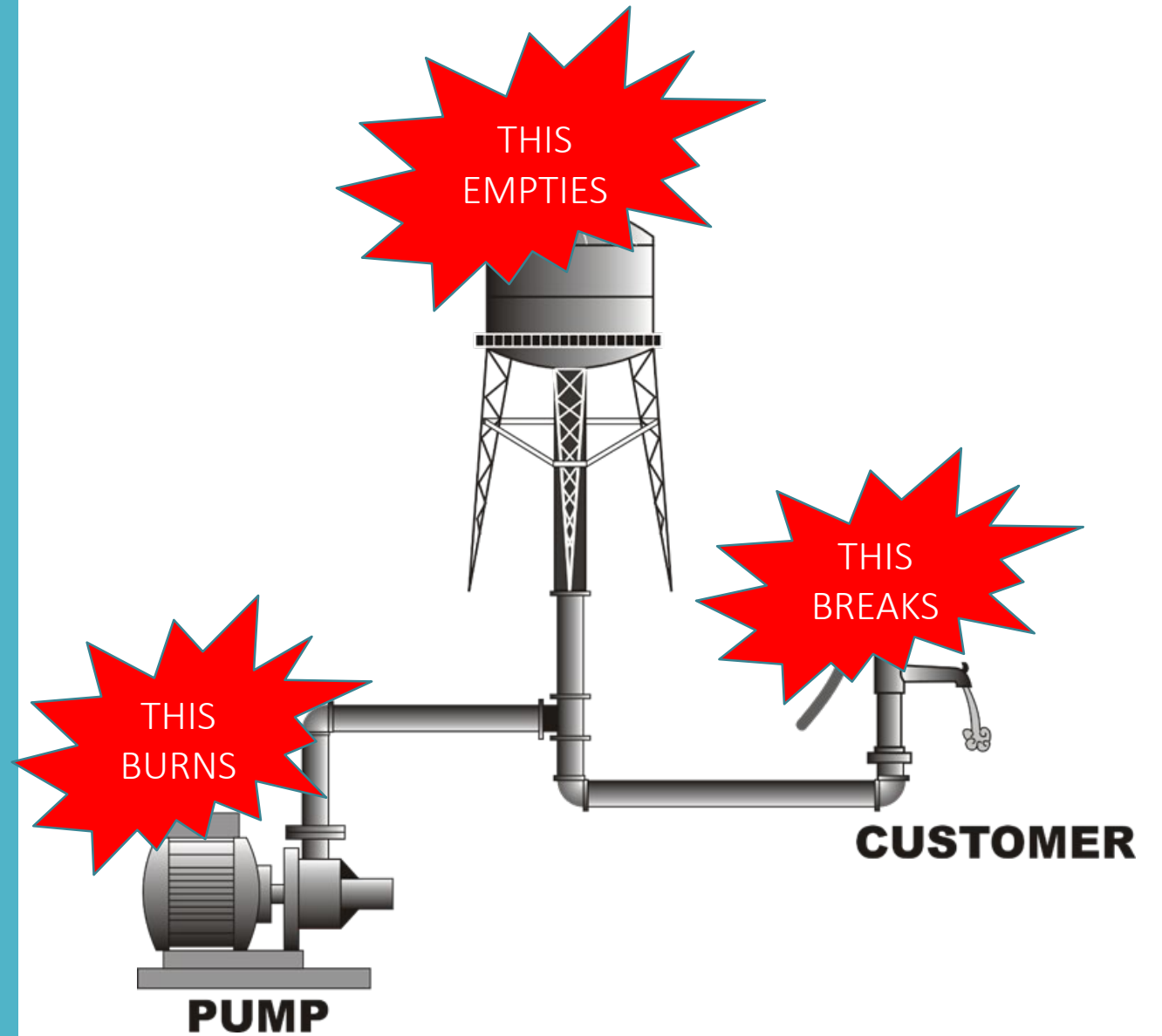
Waves – acoustics vs
displacement

How is Early Warning Possible?

Typical Municipal Water System



During an Earthquake...





Burning Pump Station



Ruptured Water Main

Failed Tank

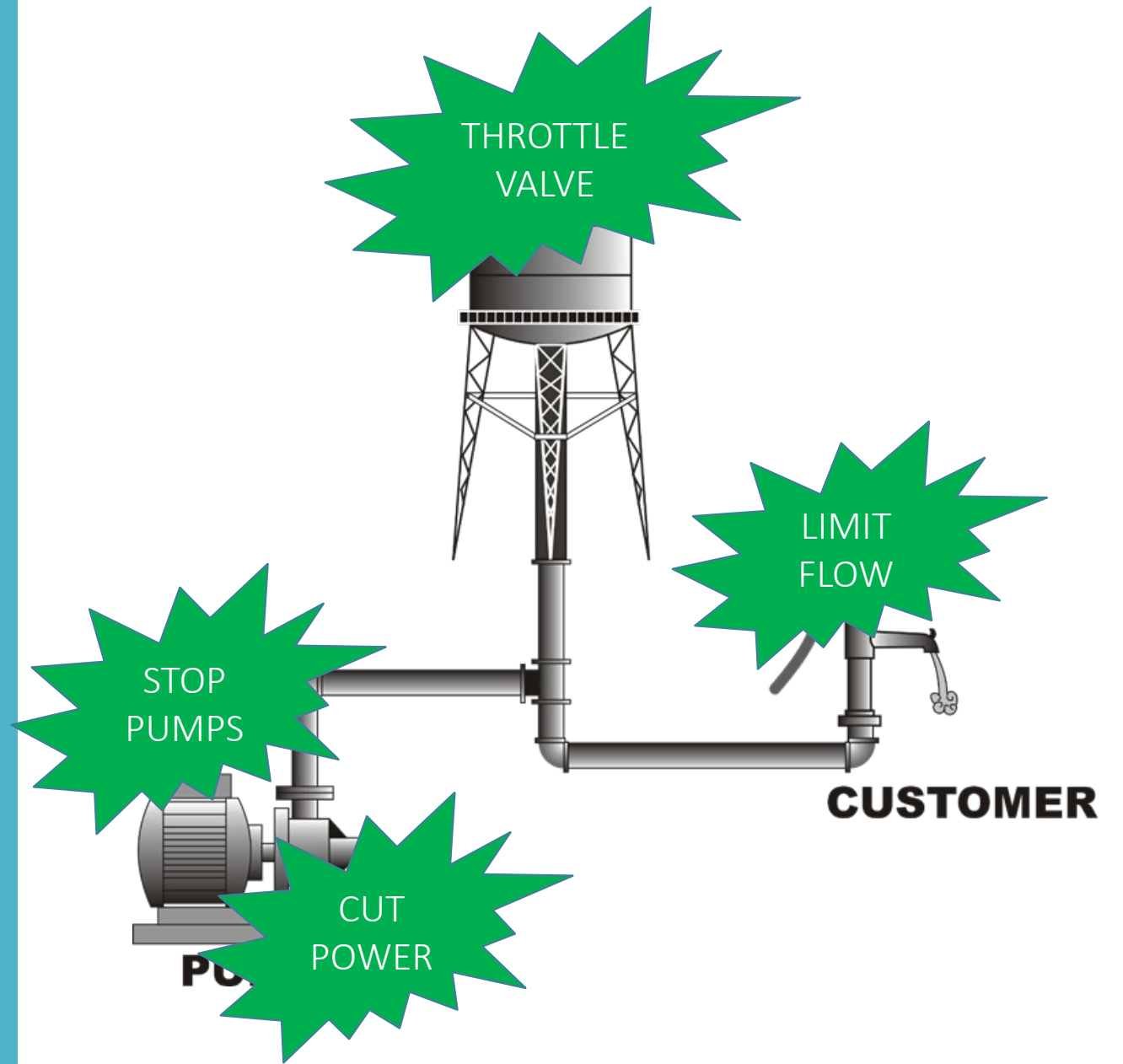


If You Had Warning?....

What would you
do?

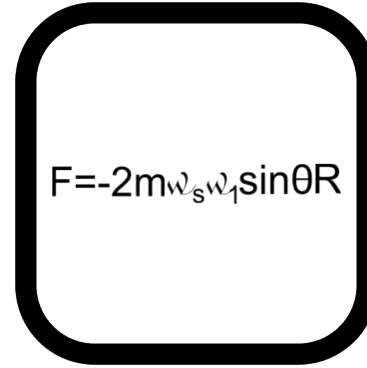
If You Had Warning...

(Automated Actions)

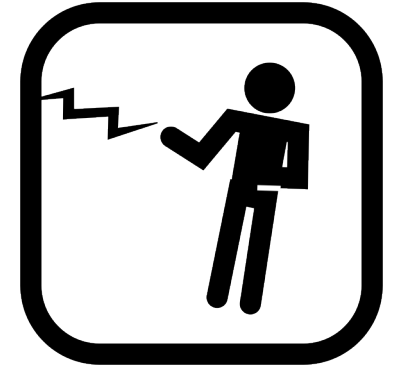


If You Had Warning...

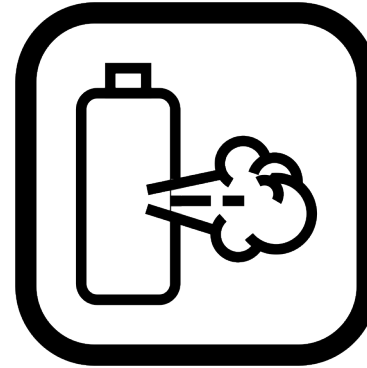
(Personnel Alerts)



STOP
MOTORS



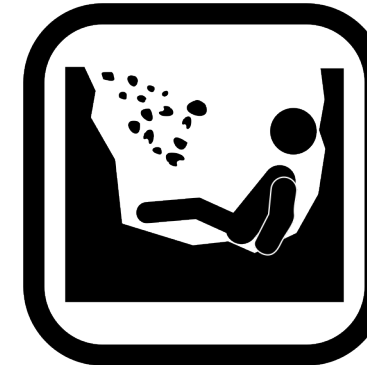
ISOLATE
POWER



ISOLATE
HAZARDS



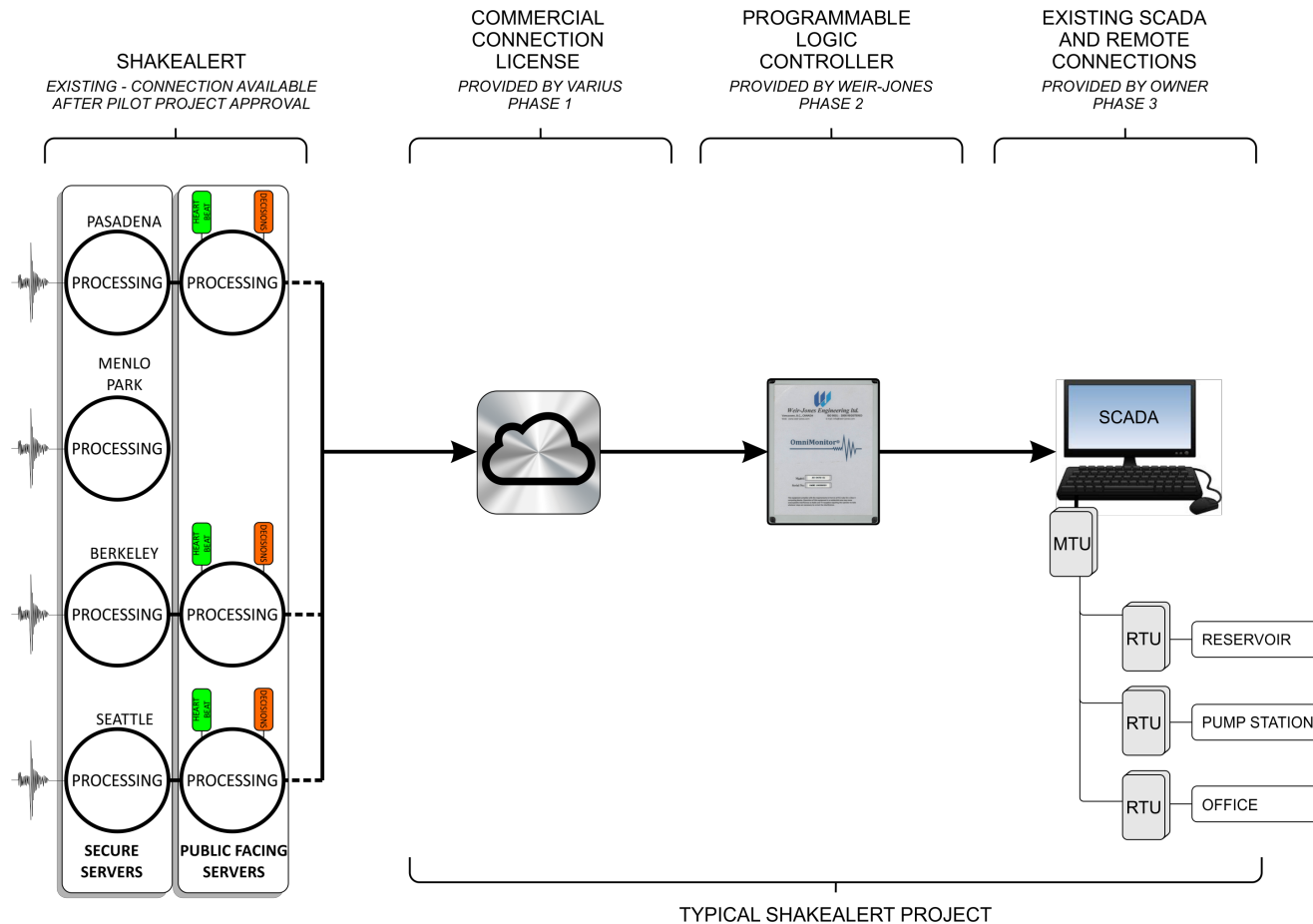
EVACUATE
BUILDINGS



EVACUATE
TRENCHES



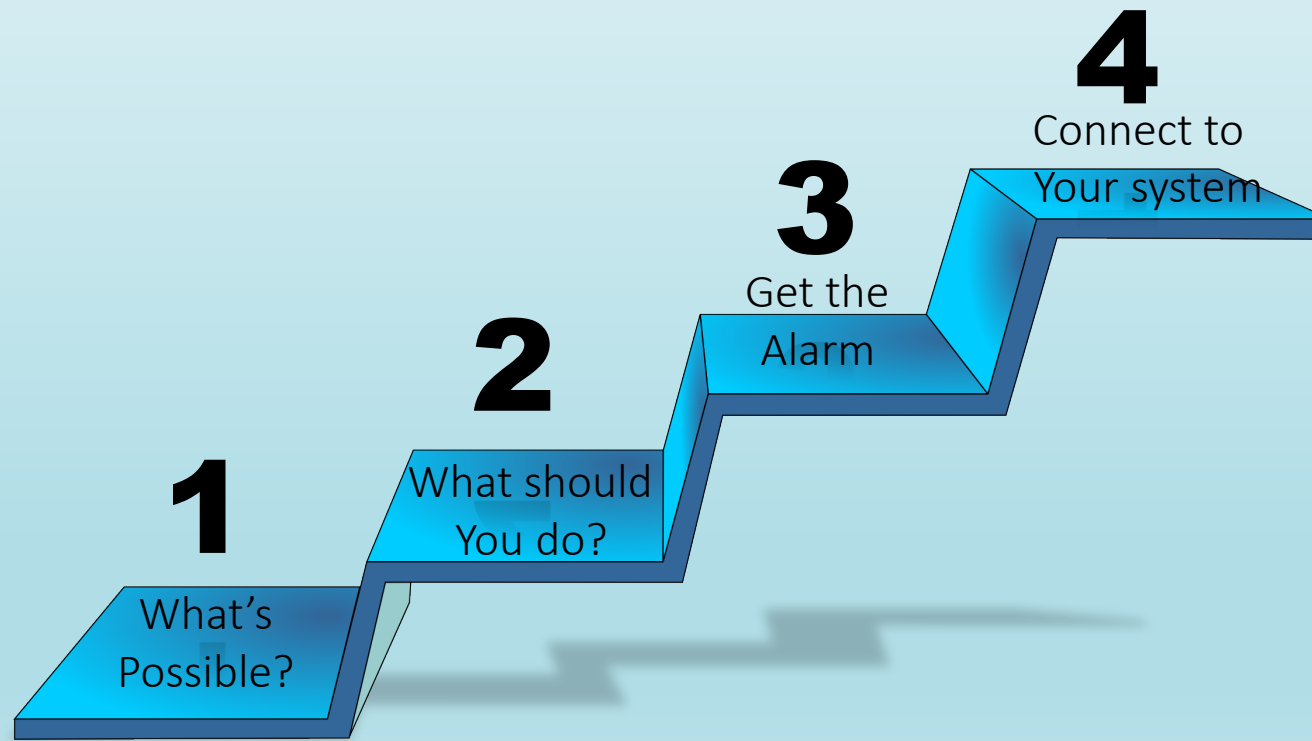
GET OFF
SCAFFOLDING

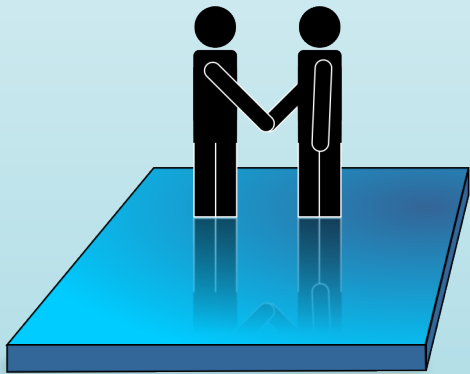


Early Warning Block Diagram

So... you want ShakeAlert:

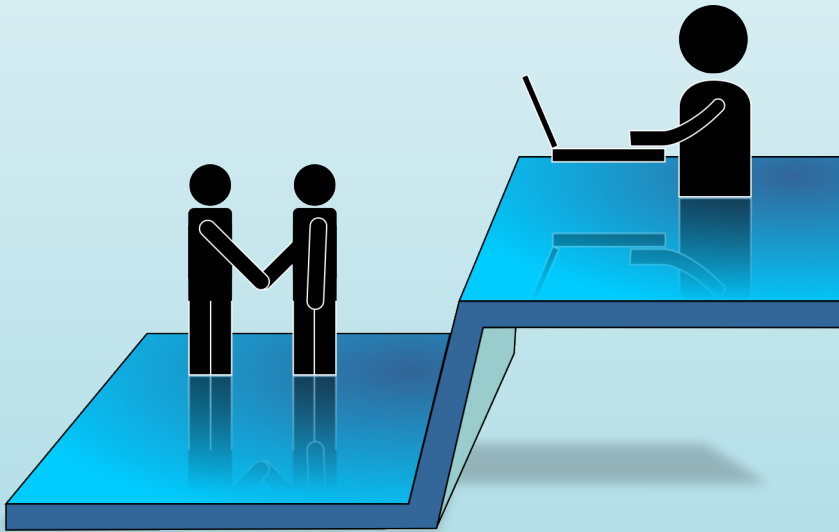
Four steps to earthquake protection:





STEP 1

This
Presentation,
Orientation

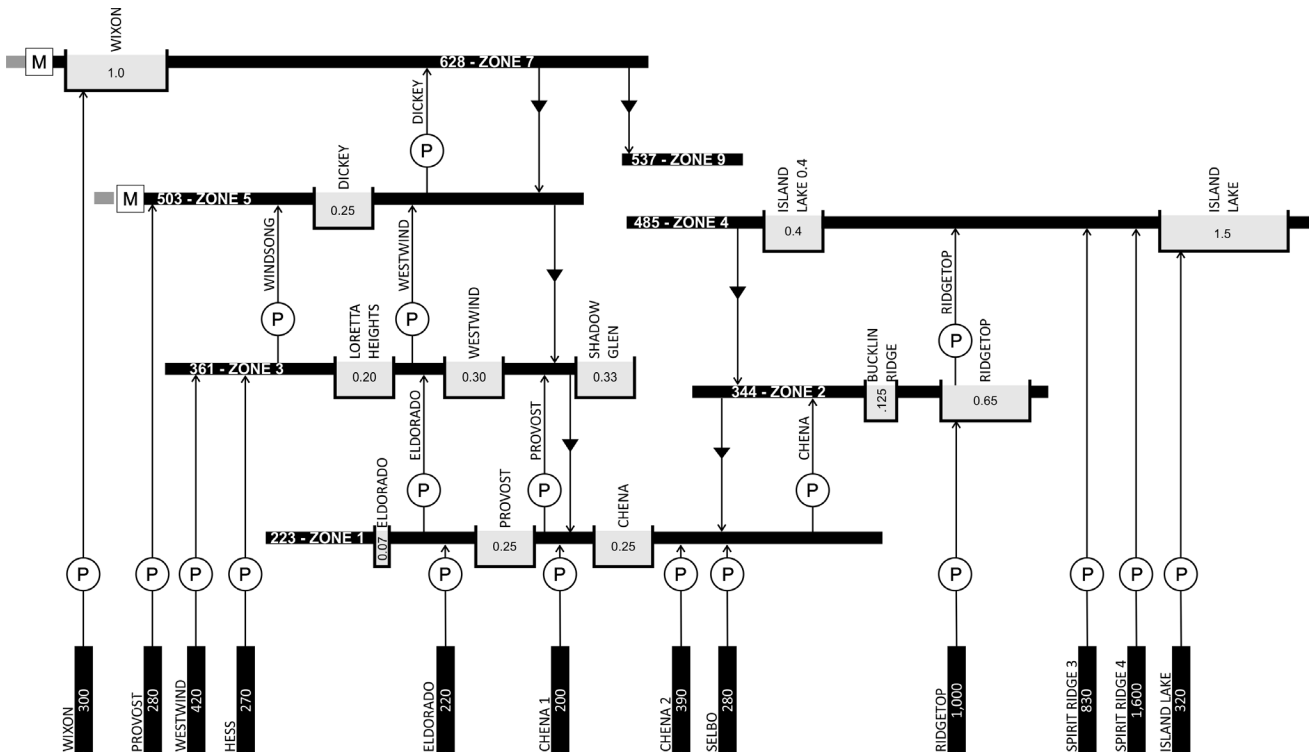


STEP 2

- a. Planning
- b. Predesign
- c. Policies

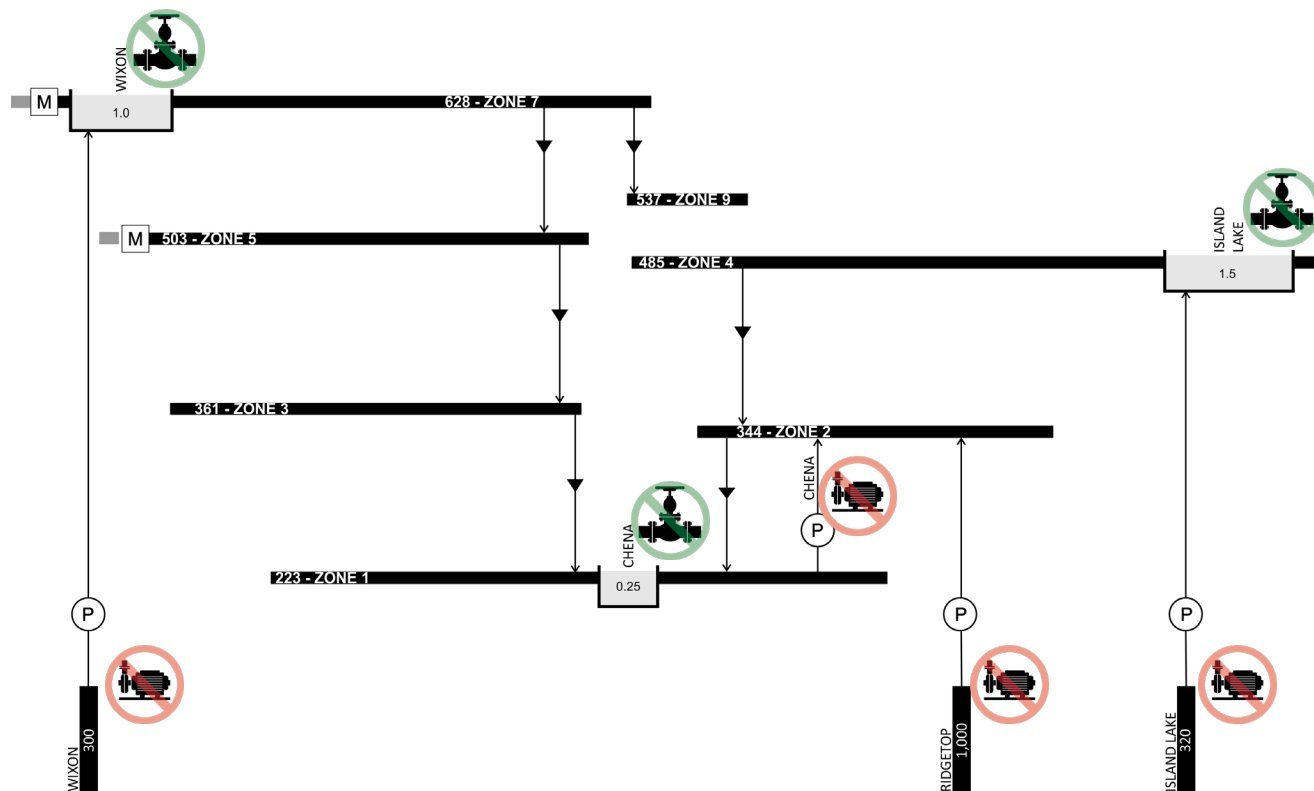
CASE STUDY

Silverdale Water District



HYDRAULIC PROFILE

12 Wells
12 Reservoirs
7 Boosters

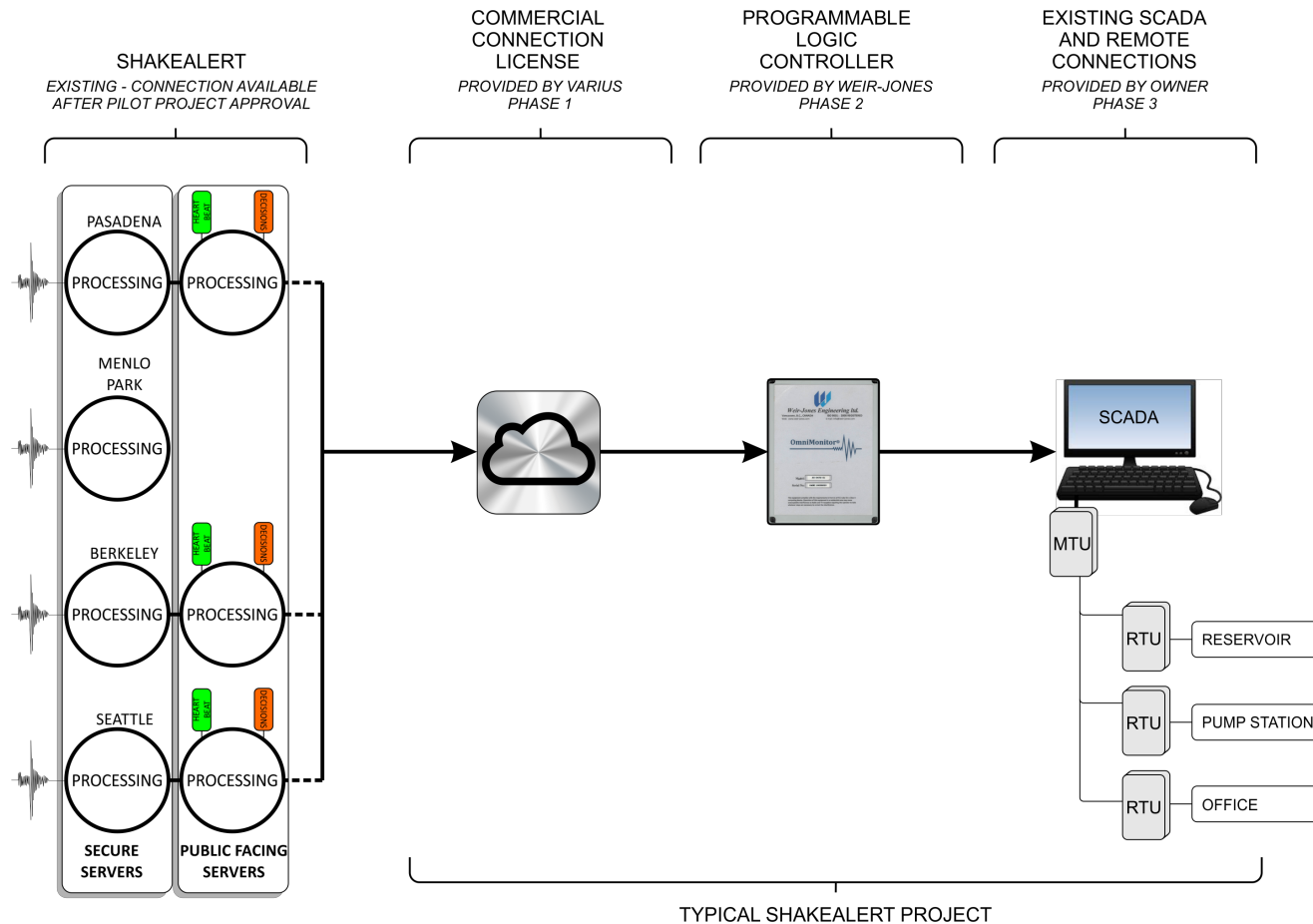


HARDENED FACILITIES

- 3 Wells
- 3 Reservoirs
- 1 Booster

CASE STUDY

Silverdale Water District



Early Warning Block Diagram

Policies:



Long vs. Short Term Supply

First responder volume and who makes a curtailment decision.



Alarm Reset

Automatic or manual and who decides to reset?



Facility Shutdown

Probability of damage vs. likelihood of protection.



System Test

Automatic or manual, real shutdown vs. simulated shutdown.



User Hierarchy

Would you let a user assume some risk?



Wholesale vs. Retail

Are all customers the same (cost sharing, risk sharing, preparedness)?



Security

SCADA integration vs. standalone system?

DESIGN REPORT SAMPLE

SOOS CREEK WATER AND SEWER DISTRICT

Earthquake Early Warning – Pilot Project Implementation Predesign Report

Daniel R. Ervin, P.E.
Varius Incorporated



The seismic resiliency of a water and sewer system dictates the seismic resiliency of an entire urban region. As a result, it is critical for water and sewer systems to rapidly recover from earthquake impacts. In order to maximize resiliency, there is a need for municipal utility systems to manage seismic programs and implement sound seismic practices.

The United States Geological Survey (USGS) has recently developed a new and powerful technology to give early warning of an impending earthquake. This new technology (called **ShakeAlert**™ on the West Coast of the United States) can be used to prepare for earthquakes and minimize their damage and destruction. Water and sewer systems can take advantage of this new technology to save lives and assets following a large, destructive earthquake. In April 2017, the USGS invited select members of the public to participate in the new ShakeAlert earthquake early warning system which is designed to protect West Coast businesses and residents from a large Cascadia Subduction Zone earthquake. ShakeAlert is currently in beta-testing mode while the accuracy and reliability of the system is being evaluated. Selected users can participate in the beta-testing process by becoming a "Pilot Project" participant through early adoption of the technology and an agreement to participate and assist the USGS in gathering data and perfecting the alarm signal. The Soos Creek Water and Sewer District (District) has been invited to participate in the ShakeAlert system and become one of the early adopters of the early warning technology. Water systems are suitable early adopters of Earthquake Early Warning technology because they can use the warning signal to save a community's most precious resource, water, and they can do this at low cost and low risk. In October 2018, the District authorized a study (by Varius Inc) to identify the details of how Earthquake Early Warning could be used to benefit the District.

I. Background

The earthquake early warning system uses a network of sensors installed up and down the west coast of the United States to "listen" for the acoustic signature of an earthquake (commonly referred to as the "P" wave). The sensors pass data in real-time to computer networks at Cal Tech, Cal Berkeley, and the University of Washington where the size and epicenter of the earthquake is estimated, and the warning signal is processed. This information is then made available to the public through servers at the University of Washington and participating universities. An early warning alarm of several seconds up to 4 minutes can be pushed forward to users via an internet connection from the University of Washington.

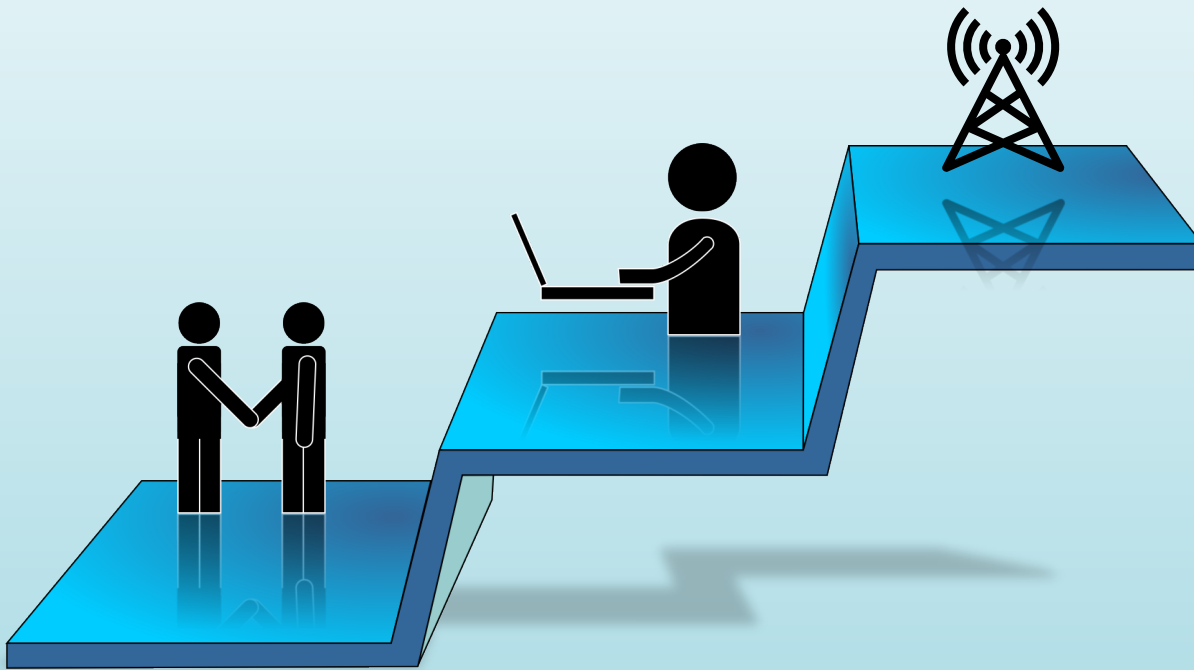
The invitation to participate in the earthquake early warning Pilot Project is limited to organizations and agencies that can take advantage of the alarm signal and take actions to reduce financial losses or improve public health and safety during and after a quake. The actions taken must be fault-tolerant and present little or no liability from false alarms or missed alarms. This limitation will remain in place for several years while the ShakeAlert system is tested, tuned, and perfected.

The District fits the Pilot Project criteria and the District is a suitable candidate for Pilot Project participation in the ShakeAlert system. This will give the District and their customers access to the ShakeAlert system now, before the Earthquake Early Warning system is available to the public.

To become a ShakeAlert user, four steps must be completed.

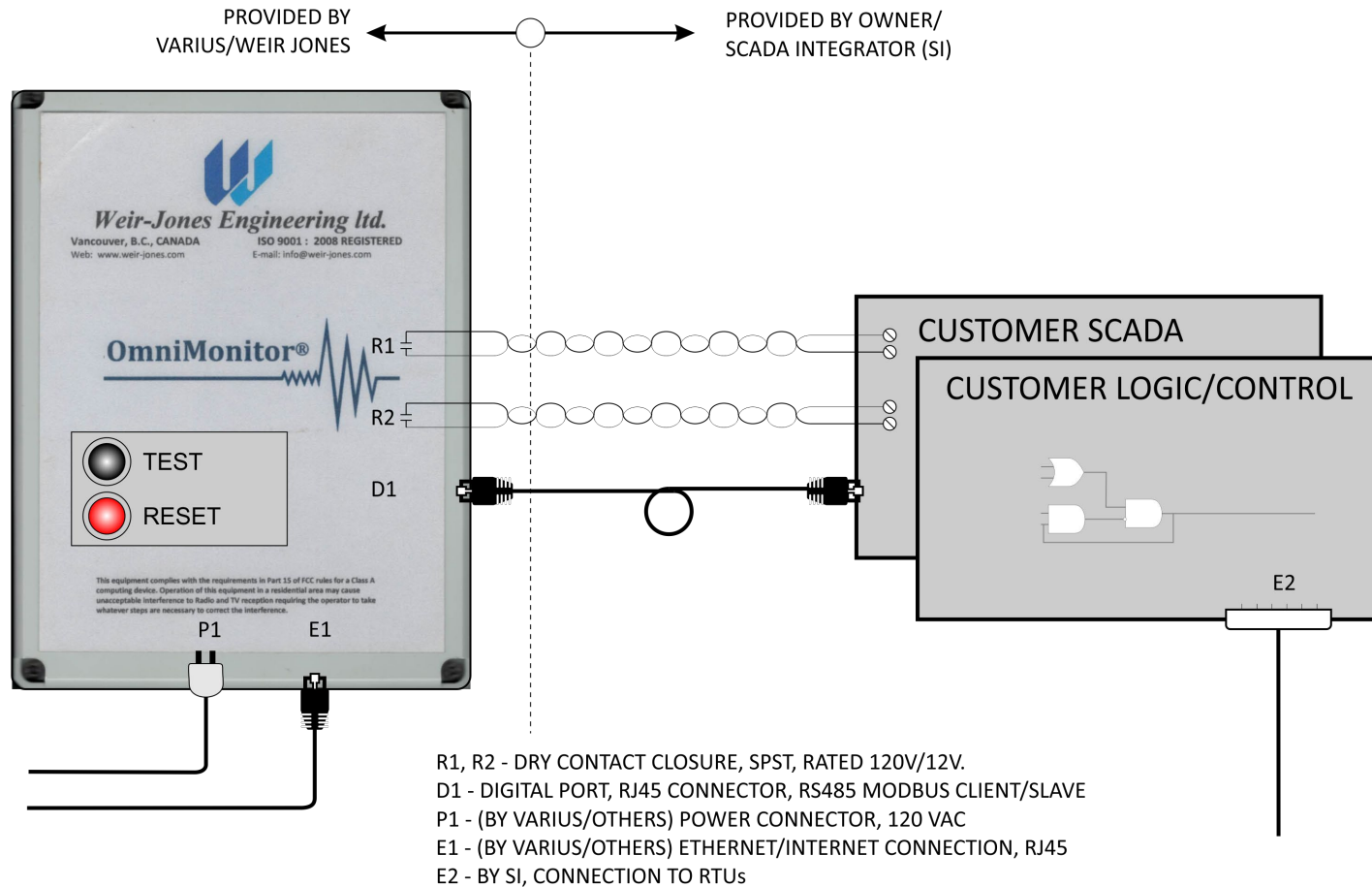
1. The District must develop a **plan** that details how the ShakeAlert signal can be beneficially used in the District to save lives and reduce damage. These uses must be fault-tolerant and able to accommodate false and missed alarms without damage or significant cost.
2. The District must develop **policies** which will ensure that the ShakeAlert alarm will be contained within the District and its authorized personnel (no public notification is allowed at this time) and that the alarm will not cause damage or present a nuisance to the public.
3. The District must make an **application** to the USGS and request Pilot Project status. The Pilot Project application relies on the work included in the first two steps and this information is used by USGS to determine if the District is a suitable beta-testing (Pilot) partner.
4. Following Pilot Project approval, the District must acquire the ability to **connect** to the servers at the University of Washington and convert the USGS alarm signal into a format that can be used by the existing Supervisory Control and Data Acquisition system.

Following completion of these four steps the District will be able to automatically respond to an earthquake alarm and "harden" the water system before destructive shaking begins. The intent of the hardening action is to minimize damage, reduce losses, and improve the reliability of the public water supply and sewage collection system. Recent experience with other large earthquakes in other parts of the

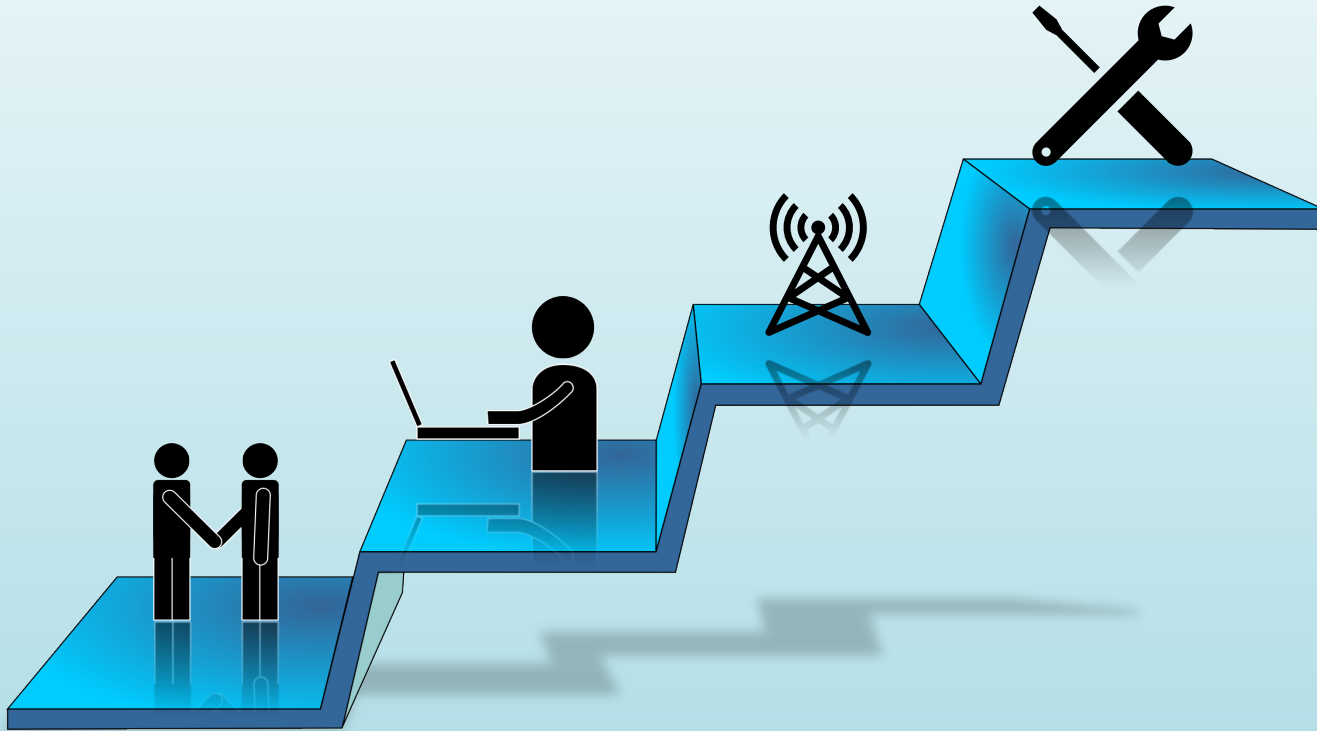


STEP 3

- a. U.S.G.S. Application
- b. Install ShakeAlert



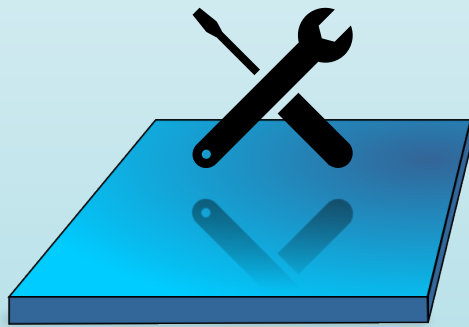
Early Warning Connection Diagram



STEP 4

- a. Facility Connections
- b. SCADA Programming

So... you want ShakeAlert... – Step 4



THROTTLE VALVE



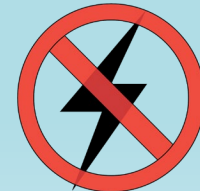
CLOSE VALVE



STOP PUMP



KILL POWER





Contact Information:

Dan Ervin

Varius Inc.

425 269 8479

dan.ervin@variusinc.com

Bill Steele

Pacific Northwest Seismic
Network

wsteele@uw.edu

QUESTIONS?

me

website

dan.ervin@variusinc.com

email





City Council Contract Agenda Bill

Meeting Date: 2/25/2019 **Agenda Item:** 7d

Subject: Contract Award - Water System Earthquake Early Warning System – Phases 1 & 2
19-038-WTR-001

Staff Contact: Fred Buckenmeyer

Approved for Submittal to Council by:
Darcy Swetnam, City Attorney

Action Type: Contract Award

Summary Statement: City staff seeks City Council consent to award a contract in the amount of \$65,000.00 to Varius, Inc. provide the professional services necessary for the completion of Phase 1 and Phase 2 of the Water System Earthquake Early Warning System project. This contract provides for the integration of early warning capability into select facilities in the City's water system, as a pilot testing participant, to help protect the City facilities and reduce damage following an earthquake.

Background:

1. **History:** The Pacific Northwest Seismic Network (PNSN) at the University of Washington and the U.S. Geological Survey (USGS) have developed a program designed to provide early warning of earthquakes. The result of that collaboration, named "ShakeAlert," has been approved for innovative testing in selected public water and sewer municipalities in Washington and Oregon. ShakeAlert consists of an extensive network of sensors spread throughout California, Oregon, and Washington, each connected to computer systems at the University of Washington, Caltech, and California Berkeley, and configured to provide early warning of an earthquake. The City can take advantage of early warning technology and use it to improve the survivability of the regional water system, reduce loss following an earthquake, and potentially save lives.

The project will be pursued in phases as outlined, wherein later phases will be initiated following completion of the earlier phases. Varius Inc. (Varius) will perform Phases 1 and 2, and it is anticipated that Phase 3 will be performed by Varius and other contractors following the Phase 1 and 2 work. It is anticipated that since this is new technology, these efforts will be highly interactive and involve a collaboration of City staff, Varius staff, and PNSN/USGS staff. Also, it is anticipated that the scope contemplated today may change due to a rapidly advancing state of the art in earthquake warning early (EEW) technology.

2. **Key Terms:**
 - Work will be performed on a time and materials basis not-to-exceed \$65,000.00.
 - The period of performance is through 4/30/19.
3. **Competitive Bidding:** This work is considered a Personal Service and as such the City asked the Consultant for a proposal that included a scope of work and fees. The Project Manager then evaluated the proposal and determined the scope meets our needs and the fees are fair and reasonable.

Previous Council/Committee Action: N/A

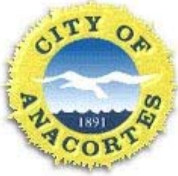
Competing Viewpoints Considered: N/A

Recommended Motion: I move that City Council authorize the Mayor to sign a contract 19-038-WTR-001 with Varius, Inc. in the amount of \$65,000.00 to perform the Water System Earthquake Early Warning System – Phases 1 & 2.

Alternative Actions: Not award the contract

Attachments: Contract 19-038-WTR-001

Contractor	Varius, Inc.
Contract Amount	\$65,000.00
Earmarked Funds	\$0
BARS #	401.000.594.34.63
Budget Amendment Required?	No
Start Date	Inception
End Date	4/30/19



CONTRACT 19-038-WTR-001

**Between
THE CITY OF ANACORTES
AND
VARIUS, INC.**

WATER SYSTEM EARTHQUAKE EARLY WARNING SYSTEM – PHASES 1 & 2

This Agreement, hereinafter referred to as "Agreement", made and entered into between the City of Anacortes, hereinafter referred to as the "City", and Varius, Inc., hereinafter referred to as the "Consultant";

WHEREAS, the City requires professional services of the Consultant;

NOW, THEREFORE, in consideration of mutual benefits accruing, it is agreed by and between the parties hereto as follows:

1. **Scope of Work.** Under this Agreement, the Consultant shall provide professional services necessary for the completion of Phase 1 and Phase 2 of the Water System Earthquake Early Warning System project. The work is detailed in Exhibit A, which is hereby incorporated by reference and made a part hereof. Work shall be performed under the direction of the Project Manager, Jeff Marrs, who may be reached at (360) 428-1598 or email jeffm@cityofanacortes.org.
2. **Price.** The work performed under this Agreement shall be performed on a time-and-materials (T&M) basis not-to-exceed **Sixty-Five Thousand Dollars (\$65,000.00)**. The per Phase cost breakdown is included in Exhibit A.
3. **Period of Performance.** The period of performance under this Agreement is from inception through April 30, 2019.
4. **Subcontracts.** The Consultant shall give notice in advance of placing any subcontract and will identify subcontracts before subcontracted work begins. "Subcontract" means any contract entered into by a sub-consultant to furnish supplies or services for performance of the prime Consultant or a sub-consultant. It includes, but is not limited to, purchase orders, and changes and modifications to purchase orders. The following information shall be included (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 sub-consultant, (iv) proposed subcontract price. Unless consent or approval specifically provides otherwise, consent by the City shall not constitute a determination –
 - (1) of the acceptability of any subcontract terms or conditions;
 - (2) Of the allowability of any cost under this Agreement,; or
 - (3) To relieve the Consultant of any responsibility for performing this Agreement.

The Consultant shall give immediate written notice, reference Clause Notices, of any action or suit filed and prompt notice of any claim made against the Consultant by any sub-consultant or vendor that, in the opinion of the Consultant, may result in litigation related in any way to this Agreement, with respect to which the Consultant may be entitled to reimbursement from the City.

5. **Invoicing.** All invoices shall include a cover page that states: Company Name, Invoice Date, Due Date (30 days), Invoice Number, Invoice Period, Project Manager Name, AGREEMENT Number, Agreement Price, amount requested per invoice and cumulative invoiced amount. Invoices shall include actual hours worked by Period, by Labor Category. The Consultant must invoice at least **MONTHLY** for quantities delivered during the invoice period, and no more frequently than monthly, and allow 30 calendar days from receipt of the invoice for payment. 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

The City shall notify the Consultant within fifteen (15) calendar days from receipt of invoice if there are any objections or disputes with the invoice. The Consultant 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.

6. **Ownership and Use of Documents.** All finished and unfinished documents and material prepared by the Consultant with funds paid by the City pursuant to the terms of this Agreement shall become the property of the City and shall be forwarded to the City upon its request. Documents and materials shall include but not be limited to plans, specifications, reports, electronic and non-electronic data, and other design documents prepared by the Consultant. Pursuant to RCW 42.56.70, all information and documents produced under this Agreement may be subject to public disclosure.

7. **Defense and Indemnity Agreement.** Consultant shall defend, indemnify and hold the Public Entity, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or resulting from the acts, errors or omissions of the Consultant in performance of this Agreement, except for injuries and damages caused by the sole negligence of the Public Entity.

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 Consultant and the Public Entity, its officers, officials, employees, and volunteers, the Consultant's liability, including the duty and cost to defend, hereunder shall be only to the extent of the Consultant's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Consultant'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.

8. **General and Professional Liability Insurance.**

A. Insurance Term: The Consultant shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

B. No Limitation: Consultant's maintenance of insurance as required by this Agreement shall not be construed to limit the liability of the Consultant 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: Consultant shall obtain insurance of the types and coverages described below:

1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be as least as broad as Insurance Services Office (ISO) form CA 00 01.
2. Professional Liability insurance appropriate to the Consultant's profession.

D. Minimum Amounts of Insurance: Consultant 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. Professional Liability insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.

E. Other Insurance Provision: The Consultant's Automobile Liability insurance policy is to contain, or be endorsed to contain that it 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 Consultant's insurance and shall not contribute with it.

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

G. Verification of Coverage: Consultant shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Consultant before commencement of the work.

H. Notice of Cancellation: The Consultant shall provide the City with written notice of any policy cancellation within two business days of their receipt of such notice.

I. Failure to Maintain Insurance: Failure on the part of the Consultant 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 Consultant 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 sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due the Consultant from the City.

9. **Inspection.** The Project Manager shall have power to reject instruments of services which fail to comply with the requirements of this Agreement, but in case of dispute the Consultant may appeal to the City Attorney, whose decision shall be final. The Consultant shall comply with any and all orders and instructions given by the representative of the particular Department administering the Agreement in accordance with the terms of the Agreement. Nothing herein contained shall be taken to relieve the Consultant of his/her obligations or

responsibilities under the Agreement. However, the Consultant shall be responsible for its own methods and conduct during the period of performance.

10. **Standard of Care.** The Consultant represents that the Consultant has the necessary knowledge, skill, and experience to perform the Services required by this Agreement. Consultant and any persons employed by Consultant shall use their professional skill and efforts to perform the Work in a professional manner consistent with sound engineering practices, in accordance with the usually and customary professional care required for services of the type described in the Scope of Work herein. The City's remedy for a failure to meet the above Standard of Care shall be the re-performance of the Service or an equitable adjustment in the monies paid for the Professional Services, at the City's discretion

11. **Registered or Licensed.** The City is prohibited from executing an Agreement with a Consultant who is not registered or licensed as required by the laws of the state. In addition, a City of Anacortes business license is required for any business working inside the city limits whose annual value of products, gross proceeds of sales, or gross income of the business in the city is more than \$2,000. Business licenses can be obtained through the State of Washington Department of Revenue (DOR) Business Licensing Service (BLS) at bls.dor.wa.gov.

12. **Discrimination Prohibited.** During the performance of this Agreement, the Consultant and subConsultants shall not discriminate in violation of any applicable federal, state and/or local law or regulation on the basis of age, sex, race, creed, religion, color, national origin, marital status, disability, honorably discharged veteran or military status, pregnancy, sexual orientation, gender identity, or any other classification protected under federal, state, or local law. This provision shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, selection for training, and the provision of services under this Agreement. Consultant agrees to comply with the applicable provisions of State and Federal Equal Employment Opportunity and Nondiscrimination statutes and regulations.

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

14. **The City's Right to Terminate Agreement.**

A. Termination for Default

If the Consultant 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 Consultant 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 Consultant shall not be entitled to receive any further payments under the Agreement until all work called for 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 Consultant. The Consultant 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 Consultant 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 Consultant shall be entitled to payment for actual work performed at unit Agreement prices for completed items of work. An equitable adjustment in the Agreement price for partially completed items of work will be made, but such adjustment shall not include provision 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.

15. **Changes/Additional Work.** The City may engage Consultant to perform services in addition to those listed in this Agreement, and Consultant 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 Consultant 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.

16. **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.

17. **Non-assignable.** The services to be provided by the Consultant shall not be assigned or subcontracted without the express written consent of the City.

18. **Covenant Against Contingent Fees.** The Consultant warrants that he has not employed or retained any company or person, other than a bona fide employee working solely for the Consultant, to solicit or secure this Agreement, and that he has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the Consultant, any fee, commission, percentage, brokerage fee, 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.

19. **Disputes**

A. General

Differences between the Consultant 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 Consultant 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 Contracting Agent or the City, or (2) the happening of any event or occurrence, unless the Consultant 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 Consultant 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. Consultant 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 Consultant 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 Consultant 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 Consultant arising of this Agreement, or any obligation hereunder the dispute shall first be referred to the representatives designated by the City and the Consultant 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.

20. **Force Majeure.** Definition: Except for payment of sums due, neither party shall be liable to the other or deemed in default under this Agreement if and to the extent that such party's performance of this Agreement is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the party affected and could not have been avoided by exercising reasonable diligence. Force majeure shall include acts of God, war, riots, strikes, fire, floods, epidemics, or other similar occurrences. Notification: If either party is delayed by force majeure, said party shall provide written notification within forty-eight (48) hours. The notification shall provide evidence of the force majeure to the satisfaction of the other party. 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 Consultant shall have no recourse against the City.

21. **Compliance with Laws.** The Consultant 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. The Consultant specifically agrees to pay any applicable business and occupation (B&O) taxes, which may be due on account of this Agreement.

22. **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.

23. **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.

24. **Survival of Agreement Termination.** The articles relating to Defense and Indemnity Agreement, Ownership and Use of Documents, The City's Right to Terminate Agreement, Governing Law, and Disputes, shall survive completion of the services, payment in full of the compensation and termination of this Agreement.

25. **Notices.** Notices to the City of Anacortes shall be sent to the following address:

CITY:	CONSULTANT:
City of Anacortes	Varius, Inc.
Tiffany Matson	Dan Ervin, P.E.
904 6 th Street	13843 62nd Ave NE
PO Box 547	Kirkland, WA 98034
Anacortes, WA 98221	

Receipt of any notice shall be deemed effective three days after deposit of written notice in the U.S. mails, with proper postage and properly addressed.

The parties acknowledge that there has been an opportunity to negotiate the terms and conditions of this Agreement and agree to be bound accordingly;

CITY OF ANACORTES

VARIUS, INC.

By _____
Laurie Gere, Mayor

By _____
Signature

Date _____

Printed Name

Title _____

Date _____

CITY OF ANACORTES CONTRACT 19-038-WTR-001
WATER SYSTEM EARTHQUAKE EARLY WARNING SYSTEM – PHASES 1 & 2

EXHIBIT A

The City of Anacortes (City) operates a regional water system that serves the daily and emergency needs of over 65,000 retail service customers. As part of its responsibility to serve the public, the City plans for emergencies and maintains resources to respond to meet basic life and safety needs following natural disasters, including earthquakes.

The Pacific Northwest Seismic Network (PNSN) at the University of Washington and the U.S. Geological Survey (USGS) have developed a program designed to provide early warning of earthquakes. The result of that collaboration, named “ShakeAlert,” has been approved for Pilot Testing in selected public water and sewer municipalities in Washington and Oregon. ShakeAlert consists of an extensive network of sensors spread throughout California, Oregon, and Washington, each connected to computer systems at the University of Washington, Caltech, and California Berkeley, and configured to provide early warning of an earthquake.

The City can take advantage of early warning technology and use it to improve the survivability of the regional water system, reduce loss following an earthquake, and potentially save lives.

This project involves the integration of early warning capability into select facilities in the City’s water system, as a pilot testing participant, to help protect the City facilities and reduce damage following an earthquake. The project will be pursued in phases as outlined below, wherein later phases will be initiated following completion of the earlier phases. Varius Inc. (Varius) will perform Phases 1 and 2, and it is anticipated that Phase 3 will be performed by Varius and other contractors following the Phase 1 and 2 work. It is anticipated that since this is new technology, these efforts will be highly interactive and involve a collaboration of City staff, Varius staff, and PNSN/USGS staff. Also, it is anticipated that the scope contemplated today may change due to a rapidly advancing state of the art in earthquake warning early (EEW) technology. Since the ShakeAlert system is a combined effort by many entities and consists of new and emerging technologies, no one can warrant that the system will operate perfectly. However, the agencies involved are using their best efforts to provide a system that can help change the outcome of inevitable earthquakes.

Phase 1 – Planning and Predesign Report

1. Review the existing Water Comprehensive Plan and other relevant documents and develop a working knowledge of the municipal water system.
2. Meet with City staff and identify how EEW can be integrated into the municipal water system, current administrative processes, City policies, and response capabilities and identify areas and topics where previous planning efforts have not considered the impacts and opportunities of EEW.

3. Develop a list of policies or planning opportunities for further investigation and development (for example, how much water should be reserved for post-event fire suppression and how much should be reserved for long-term potable supply).
4. Identify actions that can be taken to harden the water system following an early warning alarm to protect water system assets and improve post-earthquake municipal services. Develop a list of facilities where EEW can be implemented and the actions that are most likely to be beneficial at those facilities.
5. Identify priority actions at those facilities to increase serviceability and usability following an earthquake (i.e., close a valve, disconnect power, etc.).
6. Meet with City staff and discuss the items developed from previous tasks. Develop consensus regarding goals and policies.
7. Prepare a report that identifies the policies and criteria to implement EEW, the facilities to be hardened following an EEW alarm and the actions and improvements needed to implement the hardening actions at each facility. The report shall be configured so that it can be used as an appendix or chapter in the next Comprehensive Water System Plan update and can be used as a reference for the USGS Pilot application.
8. Prepare for and attend Council meetings and/or public meetings as requested by City staff to discuss and describe the planned implementation.
9. Develop a budget and schedule for the recommended improvements including the capital improvements needed in the water system (if any). Assist City staff, as requested, to implement improvements based on the budget and schedule provided.

Phase 2 – USGS Application, Enable ShakeAlert

1. Prepare and submit a Pilot Project Application for USGS and PNSN review to add Anacortes to the ShakeAlert alarm program. The application will be submitted to USGS and the PNSN following City review and approval of the application document.
2. Assist USGS and PNSN staff as necessary to respond to questions or provide additional information for processing the Application.
3. Using the items developed in Phase 1, identify and recommend an architecture for implementing EEW. This is likely to include a standalone PLC running dedicated software and connected to the existing SCADA system. (For budgeting purposes, we have assumed we will be using an OmniMonitor from Weir-Jones and Associates, a device manufactured for and dedicated to earthquake early warning). Varius will purchase and provide the OmniMonitor as part of this contract and will assist the City in providing connection instructions and startup services. The City will provide an 18" wide by 24" tall mounting board adjacent to the SCADA Master (assuming the Master is the installation location) and will provide 120 vac power and an ethernet internet connection within 36" of the mounting board. City staff will also provide a data port (coax) to the MTU and program the MTU to accept the alarm signal.

4. Assist City staff to acquire the hardware and software identified above. (The budget listed includes the purchase cost of the OmniMonitor hardware and software, however, installation and programming of the SCADA system (if necessary) are not included in this SOW for Phase 2).
5. Assist City staff in developing a list of criteria and an architecture for integrating EEW into the existing SCADA system. It is assumed this will be transmitted to the City's existing SCADA integrator for programming and startup/testing.
6. Assist City staff to test and startup the EEW system, provide training to City staff as requested, and develop O&M manuals as requested.

Budget & Schedule

Payment shall be on a time and expense basis using the estimates provided below and Varius's standard rates and charges.

Phase 1 - Planning and Predesign Report	\$50,000
Phase 2 – Pilot Application, Enable ShakeAlert	\$15,000

Phase 1 will begin as soon as Notice to Proceed is issued to Varius Inc. and the work will be completed within two (2) months of Notice to Proceed.

The Phase 2 Pilot Application will be completed within two (2) months of Notice to Proceed. Acceptance (or rejection) of the application is beyond the control of Varius and the City, and no date is warranted or implied for USGS approval.

Timelines in this Scope of Work are estimates only due to delays that result from factors beyond Varius's control.



City Council Agenda Bill

Meeting Date: 2/25/2019

Agenda Item: 7e

Subject: Authorizing a sewer rate increase based on recommended rates from Financial Consulting Services (FCS) Group.

Staff Contact: Steve Hoglund, Fred Buckenmeyer

Approved for Submittal to Council by	
x	Laurie Gere, Mayor
x	Steve Hoglund, Finance Director
x	Darcy Swetnam, City Attorney

Action Type	
	Ordinance No.
	Code Revision?
	Resolution No. 2036
	Contract
	Public Hearing
	Staff Report

Summary Statement: FCS Group has recommended a 7% annual rate increase for 6 years for the Sewer utility. This will be the first in that series. The actual increase in the attached unified fee schedule for 2019 is 4% as it takes into consideration a 3% CPI increase that was incorporated on January 1.

Background: Council authorized the FCS contract on June 25 to perform a cost of service and rate review of the Sewer Utility. That review showed a shortfall of funding based on the Sewer Utility CFP and projected revenue streams. FCS recommended 6 annual increases of 7% each over the 2019-2026 timeframe to support operating and capital expenses.

Budget Impact	
Amount Budgeted	
Budget Account (BARS)	
Proposed Expenditure	
Budget Amendment Required?	
Revenue Source	

Proposed Contract	
Contractor	
Amount	
Start Date	
End Date	

Previous Council/Committee Action: [June 25, 2018](#) approval of Rate Study Contract; [November 26, 2018](#) rate study presentation by FCS; February 4, 2019 Public Works Committee discussion; [February 19, 2019](#) City Council meeting discussion.

Competing Viewpoints Considered: Capital spending could be curtailed, and a smaller or no rate increase adopted.

Recommended Motion: I move to authorize Resolution 2036 adopting the unified fee schedule with updated sewer rates.

Alternative Actions: Do not approve resolution

Attachments (listed in order presented): Resolution 2036

RESOLUTION NO 2036

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANACORTES UPDATING
THE UNIFIED FEE SCHEDULE FOR UTILITY FEES AND CHARGES TO ADOPT A RATE
INCREASE OF THE CITY SEWER UTILITY

WHEREAS, the Anacortes City Council is empowered by City code to pass fees for the utilities by resolution, and;

WHEREAS, On June 25, 2018 City Council authorized the Mayor to enter into a contract with Financial Consulting Services (FCS) to perform a Sewer Cost of Service and Rate Design Study; and

WHEREAS, On November 26, 2018 FCS group presented to City Council the results of their review which included a 7% rate increase each year starting in 2019 through fiscal year 2026; and

WHEREAS, Council recognizes current Sewer rates sufficiently cover operational expenses but fall short of meeting capital obligations as identified in the 2019-2026 Capital Facilities Plan, and that General Facility Charges Revenues continue to drop creating a shortfall in required revenue sources, thus making adoption of the 7% recommended rate increase a prudent and necessary, yet difficult action; and

WHEREAS, A CPI increase of 3% was incorporated into the Sewer rates on January 1, 2019, thus reducing the 2019 rate increase requirement to 4%, and in the subsequent 5 years increases will be a total of 7% each year.

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Anacortes, Washington, that:

Section 1.

1. Attachment A hereto is hereby adopted, replacing the previously adopted version.
2. In addition to the rates set forth in Attachment A there shall be charged an additional amount equal to the amount of any tax levy for the utility, which amount shall be part of the total bill payable by the customer.

Section 2. This resolution shall take effect for utility charges incurred on and after March 1, 2019.

PASSED and APPROVED on this 25th day of February, 2019.

AYES _____

NAYS _____

ABSENT _____

CITY OF ANACORTES:

BY: _____
LAURIE M. GERE, MAYOR

ATTEST:

APPROVED AS TO FORM:

Steve D. Hoglund
City Clerk Treasurer

Darcy J. Swetnam, WSBA # 40530
City Attorney

WATER

Regular water rates are indexed annually by the treasurer to reflect one hundred percent of any change from the Consumer Price Index for Seattle-Tacoma-Bremerton-All Urban Wage Earners (CPI-U) for the previous October.

Seattle-Tacoma-Bremerton-All Urban Wage Earners (CPI-U), October 2017-October 2018 3.080%

Residential and Commercial Rates changed for 2019 based on FCS Rate Study not CPI. See study materials for information.

2019 rates inclusive of 'Effect of City Utility Tax' which was previously separated out on bills and statements.

Rates Effective 1/1/2018						Rates Effective 1/1/2019					
Water Residential and Commercial Charges											
Monthly Fixed Charge											
Meter Size (Inches)	Residential		Commercial		Multi-Family	Residential	Commercial		Multi-Family		
5/8 × ¾	\$	17.92	\$	26.92	\$ 20.03	\$	19.86	\$	29.83	\$	22.20
¾	\$	17.92	\$	26.92	\$ 20.03	\$	19.86	\$	29.83	\$	22.20
1	\$	29.94	\$	44.94	\$ 33.45	\$	33.19	\$	49.81	\$	37.07
1½	\$	59.69	\$	89.62	\$ 66.70	\$	66.16	\$	99.34	\$	73.93
2	\$	95.55	\$	143.47	\$ 106.77	\$	105.91	\$	159.02	\$	118.34
3					\$ 213.54				318.03	\$	236.68
4					\$ 333.73				497.04	\$	369.90
6					\$ 667.65				994.37	\$	740.01
8					\$ 1,068.28				1,591.04	\$	1,184.07
Monthly Consumption Charge											
	Residential		Commercial		Multi-Family	Residential	Commercial		Multi-Family		
All consumption per cubic foot (CF)	\$	0.019900	\$	0.029900	\$ 0.022300	\$	0.022057	\$	0.033141	\$	0.024717
All consumption per gallon*	\$	0.002660	\$	0.003997	\$ 0.002981	\$	0.002949	\$	0.004430	\$	0.003304
*Utility meters and billing system operate using cubic feet, some rounding may occur when reviewing billed amounts in gallon format.											
~Base rates and consumption rates are subject to a 50% surcharge for out of City limits service											
Water General Facilities Charges~											
Meter Size (Inches)	GFC In-City		Including taxes & fees			GFC In-City	Including taxes & fees				
5/8 × ¾	\$	2,703.69	\$	4,038.91		\$	2,786.97	\$	4,254.08		
1	\$	3,649.99	\$	5,105.05		\$	3,762.42	\$	5,391.64		
1½	\$	7,299.96	\$	9,217.34		\$	7,524.82	\$	9,779.31		
2	\$	11,679.94	\$	14,152.09		\$	12,039.71	\$	15,044.54		
3	\$	23,359.88	\$	27,311.41		\$	24,079.42	\$	29,085.13		
4	\$	36,499.82	\$	42,115.64		\$	37,624.11	\$	44,880.81		
6	\$	72,999.64	\$	83,238.51		\$	75,248.22	\$	88,757.69		
8	\$	116,799.41	\$	132,585.96		\$	120,397.14	\$	141,409.92		
10	\$	167,899.15	\$	190,157.98		\$	173,070.88	\$	202,837.53		

Water Rates

All rates subject to change based on City Council decisions

~ GFC Rate includes meter installation fees. If installation costs exceed current installation fee, additional fees will be assessed.

~ Outside City Limits rate is 1.5x the In-City rate.

Water Agriculture Irrigation*

Agriculture Meter (double check)	\$	354.20		\$	392.60	\$	392.60
Agriculture Consumption Rate*	\$	231.83	Per Million Gallons	\$	256.96	\$	961.51 Per Million Gallons
*Agriculture water charged for variable rate only, fixed costs of water system not included.							

*Agriculture water charged for variable rate only, fixed costs of water system not included.

~As of April 1, 2019, all customers will pay \$961.51 per million gallons of water used.

As of April 1, 2020, all customers will pay \$1684.22 per million gallons of water used.

As of April 1, 2021, all customers will pay the full wholesale rate in place at that time charged to regional customers of the Anacortes water system.

~Per Council Resolution 2012

Water Additional Fees

Meter Installation Fee, up to 1"	\$	860.21	\$	1,003.94
Meter Installation Fee deposit, greater than 1"	\$	860.21 towards install cost	\$	886.71 towards install cost
Standpipe Water Charges	\$	0.022770 Per Cubic Foot	\$	0.033141 Per Cubic Foot
Construction Meter Charges*	\$	50.00	\$	56.61
Flat fee up to 60 days, up to 1000CF, billed at standpipe rate after CF cap.				
Water service fee*	\$	75.00	\$	75.00
After hours additional water service fee*	\$	75.00	\$	75.00

*Not subject to CPI adjustments

ALL RATES ARE SUBJECT TO CHANGE BASED ON CITY COUNCIL DECISIONS

SEWER

Regular sewer rates are indexed annually by the treasurer to reflect one hundred percent of any change from the Consumer Price Index for Seattle-Tacoma-Bremerton-All Urban Wage Earners (CPI-U) for the previous October.

Seattle-Tacoma-Bremerton-All Urban Wage Earners (CPI-U), October 2017-October 2018 3.080%

2019 rates inclusive of 'Effect of City Utility Tax' which was previously separated out on bills and statements.

*Based on the sewer rate study, to fund needed infrastructure sewer rates will increase 4% effective 3/1/2019

Rates Effective 1/1/2019				*Rates Effective 3/1/2019				
Sewer Residential and Commercial Charges								
Monthly Fixed Charge								
Meter Size (Inches)	Residential		Commercial		Residential		Commercial	
5/8 × ¾	\$	37.41	\$	37.41	\$	38.91	\$	38.91
¾	\$	44.91	\$	44.91	\$	46.71	\$	46.71
1	\$	52.40	\$	52.40	\$	54.50	\$	54.50
1½	\$	67.35	\$	67.35	\$	70.04	\$	70.04
2			\$	108.53			\$	112.87
3			\$	411.63			\$	428.10
4			\$	523.90			\$	544.86
Monthly Consumption Charge								
	Residential		Commercial		Residential		Commercial	
SIC 1 consumption per cubic foot	\$	0.02663	\$	0.02663	\$	0.02770	\$	0.02770
SIC 1 consumption per gallon*	\$	0.00356	\$	0.00356	\$	0.00370	\$	0.00370
SIC 2 consumption per cubic foot			\$	0.03326			\$	0.03459
SIC 2 consumption per gallon*			\$	0.00445			\$	0.00463
SIC 3 consumption per cubic foot			\$	0.06474			\$	0.06733
SIC 3 consumption per gallon*			\$	0.08650			\$	0.08996
SIC 4 consumption per cubic foot			\$	0.01053			\$	0.01095
SIC 4 consumption per gallon*			\$	0.00141			\$	0.00147
SIC 4: BOD per pound			\$	1.39655			\$	1.45241
SIC 4: TSS per pound			\$	0.85213			\$	0.88622

*Utility meters and billing system operate using cubic feet, some rounding may occur when reviewing billed amounts in gallon format.

Septic Waste Dump Fee

Yearly Discharge Card	\$	53.76		\$	55.91
Per Gallon Fee					
Waste Generated on Fidalgo Island	\$	0.1075		\$	0.1118
Waste Generated off Fidalgo Island	\$	0.1290		\$	0.1342

Sewer General Facilities Charges

Type	GFC In-City	Including taxes & fees	GFC In-City	Including taxes & fees
Singe Family	\$ 9,090.50	\$ 9,774.74	\$ 9,090.50	\$ 9,774.74
Duplex	\$ 18,181.01	\$ 19,549.47	\$ 18,181.01	\$ 19,549.47

SOLID WASTE

Regular solid waste rates are indexed annually by the treasurer to reflect one hundred percent of any change from the Consumer Price Index for Seattle-Tacoma-Bremerton-All Urban Wage Earners (CPI-U) for the previous October.

Seattle-Tacoma-Bremerton-All Urban Wage Earners (CPI-U), October 2017-October 2018 3.080%

2019 rates inclusive of 'Effect of City Utility Tax' which was previously seperated out on bills and statements.

These rates do not include the State Refuse Tax of 3.6%

Rates effective 1/1/2018

Rates effective 1/1/2019

Solid Waste Residential Rates, includes structures with more than one living unit

Contents	Tote Sizes	Minimum # of Totes	Maximum # of Totes	Monthly Rate	Additional Totes	Monthly Rate	Additional Totes
Organics Tote	32, 64, 96 gallon	n/a	n/a	\$11.75	\$11.75	\$13.76	\$13.76
Recyclables Tote	32, 64, 96 gallon	1	n/a	\$9.61	\$9.61	\$11.26	\$11.26
Refuse Tote	21 gallon	1	1	\$7.47	n/a	\$8.76	n/a
Refuse Tote	32 gallon	n/a	3	\$13.88	\$13.88	\$16.26	\$16.26

Solid Waste Commercial Rates

Contents	Tote Sizes	Minimum # of Totes	Maximum # of Totes	Monthly Rate	Additional Totes	Monthly Rate	Additional Totes
Organics Tote - Restaurants only	96 gallon	n/a	n/a	\$16.59	\$16.59	\$19.43	\$19.43
Recyclables Tote	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Refuse Tote	21 gallon	n/a	1	\$7.26	n/a	\$8.50	n/a
Refuse Tote	32 gallon	n/a	5	\$13.88	\$13.88	\$16.26	\$16.26
Refuse Tote	96 gallon	n/a	2	\$38.44	\$38.44	\$45.03	\$45.03

Recycling Container Rates - Residential

Container Size	Monthly Rate	Extra Collections	Monthly Rate	Extra Collections
1 Cubic Yard	\$26.69	\$16.02	\$31.27	\$18.76
2 Cubic Yard	\$48.05	\$21.36	\$56.28	\$25.02
3 Cubic Yard	\$74.74	\$26.69	\$87.55	\$31.27
6 Cubic Yard	\$96.10	\$32.03	\$112.57	\$37.52
8 Cubic Yard	\$138.81	\$42.71	\$162.60	\$50.03

Refuse Drop Box Rental Rates PERMANENT - Commercial

Container Size	Monthly Rate, for rented box only	Delivery Fee	Tonnage Fee Per Ton*	Haul Fee Compactor Box	Haul Fee Non Compactor Box	Monthly Rate, for rented box only	Delivery Fee	Tonnage Fee Per Ton*	Haul Fee Compactor Box	Haul Fee Non Compactor Box
10 Cubic Yard	\$106.78	\$80.08	At Cost plus \$1.00/ton	\$197.54	\$176.18	\$125.08	\$93.81	At Cost plus \$1.00/ton	\$231.39	\$206.38
30 Cubic Yard	\$106.78	\$80.08	At Cost plus \$1.00/ton	\$197.54	\$176.18	\$125.08	\$93.81	At Cost plus \$1.00/ton	\$231.39	\$206.38

*Not subject to CPI adjustments

*Not subject to CPI adjustments

Refuse Drop Box Rental Rates TEMPORARY - Prepayment Required

Container Size	Delivery, Removal & 7 Days	Haul Fee Non Compactor Box	Tonnage Fee Per Ton*	Daily Rate, Starting 8th Day	Pre-Pay amount, includes tax
10 Cubic Yard	\$ 288.30	\$176.18	At Cost plus \$1.00/ton	\$16.02	\$334.52
30 Cubic Yard	\$ 288.30	\$176.18	At Cost plus \$1.00/ton	\$16.02	\$334.52

*No subject to CPI adjustments

Delivery, Removal & 7 Days	Haul Fee Non Compactor Box	Tonnage Fee Per Ton*	Daily Rate, Starting 8th Day	Pre-Pay amount, includes tax
\$337.70	\$206.38	At Cost plus \$1.00/ton	\$18.76	\$349.86
\$337.70	\$206.38	At Cost plus \$1.00/ton	\$18.76	\$349.86

*No subject to CPI adjustments

Refuse Container Rates PERMANENT - Commercial

Container Size	Monthly Rate	Extra Collections
1.5 Cubic Yard	\$101.44	\$26.69
2 Cubic Yard	\$122.79	\$32.03
3 Cubic Yard	\$176.18	\$42.71
6 Cubic Yard	\$347.03	\$90.76
8 Cubic Yard	\$464.48	\$117.46

Monthly Rate	Extra Collections
\$118.82	\$31.27
\$143.84	\$37.52
\$206.38	\$50.03
\$406.50	\$106.31
\$544.08	\$137.58

Refuse Container Rates TEMPORARY - Prepayment required

Container Size	Delivery, Removal & 7 Days	Daily Rate, Starting 8th Day	Extra Collections	Pre-Pay amount, includes tax
1.5 Cubic Yard	\$101.44	\$3.20	\$58.73	\$117.70
2 Cubic Yard	\$117.46	\$4.27	\$69.41	\$136.29
3 Cubic Yard	\$138.81	\$5.87	\$85.42	\$161.07
6 Cubic Yard	\$197.54	\$10.68	\$138.81	\$229.21
8 Cubic Yard	\$240.25	\$16.02	\$176.18	\$278.77

Delivery, Removal & 7 Days	Daily Rate, Starting 8th Day	Extra Collections	Pre-Pay amount, includes tax
\$118.82	\$3.75	\$68.79	\$123.10
\$137.58	\$5.00	\$81.30	\$142.54
\$162.60	\$6.88	\$100.06	\$168.45
\$231.39	\$12.51	\$162.60	\$239.72
\$281.42	\$18.76	\$206.38	\$291.55

Solid Waste Additional Fees

Description	Per Unit
Additional Organics Dump	\$5.34
City Garbage Bags	\$4.27
City Garbage Bags - Retail Outlet Price	\$4.00
Non-Refrigerated Appliance	\$26.69
Organics Tote Cleaning Fee	\$10.68
Refrigerated Appliance	\$37.37
Refuse Overtime Call-Out, Per Hour	\$58.73
Replacement Tote Due To Negligence	At Cost plus \$10.42
Special Haul Per Cubic Yard	\$37.37
Refuse Return Trip	\$26.69
Organics Return Trip	\$10.00
Recycling Return Trip	\$10.00

Per Unit
\$6.25
\$5.00
\$4.69
\$31.27
\$12.51
\$43.78
\$68.79
At Cost plus \$10.42
\$43.78
\$31.27
\$10.00
\$10.00

STORM

Effective 1/1/2018 until 12/31/2022, the monthly fixed rate charge for storm residential and commercial charges will not be subject to CPI adjustments. Rate changes are as indicated below.

Regular storm rates are indexed annually by the treasurer to reflect one hundred percent of any change from the Consumer Price Index for Seattle-Tacoma-Bremerton-All Urban Wage Earners

Seattle-Tacoma-Bremerton-All Urban Wage Earners (CPI-U), October 2016-October 2017 3.080%

All rates now inclusive of 'Effect of City Utility Tax' which was previously separated out on bills and statements.

	Rates Effective 1/1/2017	Rates Effective 1/1/2018	Rates Effective 1/1/2019	Rates Effective 1/1/2020	Rates Effective 1/1/2021	Rates Effective 1/1/2022
Storm Residential and Commercial Charges						

Monthly Fixed Charge

Single Family Residential (flat fee)	\$	5.51	\$	9.68	\$	10.22	\$	11.29	\$	12.37	\$	13.44
Commercial per ERU per Month	\$	5.51	\$	9.68	\$	10.22	\$	11.29	\$	12.37	\$	13.44
One ERU is 3,600 square feet of impervious area												

Effective 1/1/2019 until 12/31/2022 HM and LM1 zones rate reduction will decrease by 5% per year. Effective 1/1/2023 until 12/31/2028 this rate reduction will decrease by 10% per year. Effective 1/1/2029 all storm charges for properties located in the HM or LM1 zones will be charged the current charges without any reductions. The minimum billed will be 100% of 1 ISU.

Monthly Fixed Charge (HM and LM1 Zones)

	Rates Effective 1/1/2018	Rates Effective 1/1/2019	Rates Effective 1/1/2020	Rates Effective 1/1/2021	Rates Effective 1/1/2022
% of current rate	10%	15%	20%	25%	30%
Single Family Residential (flat fee)	\$ 0.97	\$ 1.53	\$ 2.26	\$ 3.09	\$ 4.03
Commercial per ERU per Month	\$ 0.97	\$ 1.53	\$ 2.26	\$ 3.09	\$ 4.03

Monthly Fixed Charge (HM and LM1 Zones)

	Rates Effective 1/1/2023	Rates Effective 1/1/2024	Rates Effective 1/1/2025	Rates Effective 1/1/2026	Rates Effective 1/1/2027	Rates Effective 1/1/2028
% of current rate	40%	50%	60%	70%	80%	90%

Storm General Facilities Charges

Type												
Per 3,600 square feet of impervious area	\$	1,442.36	\$	1,485.65	\$	1,531.42	\$	1,577.36	\$	1,624.68	\$	1,674.72
Including Tax	\$	1,550.93	\$	1,597.48	\$	1,646.69	\$	1,696.09	\$	1,746.97	\$	1,800.78

IMPACT FEES

Unless otherwise determined, regular impact fees are indexed annually by the treasurer to reflect one hundred percent of any change from the Consumer Price Index for Seattle-Tacoma-Bremerton-All Urban Wage Earners (CPI-U) for the previous October.

Seattle-Tacoma-Bremerton-All Urban Wage Earners (CPI-U), October 2017-October 2018

3.080%

Transportation impact fee rates are increased annually by the treasurer using the Engineering News Record Construction Index (CCI) as a basis for the increase.

Engineering News Record Construction Index (CCI), October 2017-October 2018

3.384%

Park Impact Fee Rate Schedule

Rates Effective		1/1/2018	1/1/2019	Park Impact Fee adopted via Ord. 2474 Rate Basis: Park & Recreation Impact Fee Study/Report dated Oct. 19, 1998
Land Uses	Unit of Measure	Rate	Rate	
Single family	Dwelling	\$615.00	\$615.00	
Multi-family	Dwelling	\$615.00	\$615.00	

Fire Impact Fee Rate Schedule

Rates Effective		1/1/2018	1/1/2019	Fire Impact fee rate adopted via Ord. 2295 Rate Basis: See Ord. 2295
Land Uses	Unit of Measure	Rate	Rate	
All commercial & residential structures with 3+ stories	Gross floor area above 2nd story	\$1.00 / sq. ft.	\$1.00 / sq. ft.	

Transportation Impact Fee Rate Schedule

Rates Effective		1/1/2018	1/1/2019	Transportation Impact fee rate adopted via Ord. 3011 Rate Basis: 2016 Comprehensive Plan Transportation Element
Land Uses	Unit of Measure*	Rate	Rate	
Cost per New P.M. Trip Generated		\$2,641.40	\$2,730.77	
Residential				Notes: 1. Transportation impact fee rates are increased annually by the treasurer using the Engineering News Record Construction Index (CCI) as a basis for the increase. 2. P.M. peak hour trips are determined by using the latest version of the ITE Trip Generation Manual published by the Institute of Transportation Engineers (ITE) for the land use(s) that are the subject of the permit. PM peak hour is the sixty minute period between 4:00 p.m. and 6:00 p.m. with the greatest sum of traffic volumes on a roadway segment or passing through the area of a transportation improvement project. Other trip generation rate sources approved by the City may be used where ITE data are based on a limited survey base or where there may be special trip generating characteristics of the proposal. 3. If the land use does not fit into any of the categories specified in the land use table in the ITE Trip Generation Manual, the City Engineer may use the most directly comparable type of land use. Review Fee for independent fee calculation: \$500 + additional staff time spent in the review and cost of consultant services if the City deems these services to be necessary.
Single family (detached)	Dwelling	\$ 2,641.40	\$ 2,730.77	
Apartment (rental, low/med/high rise)	Dwelling	\$ 1,637.67	\$ 1,693.08	
Low-Rise Apartment (rental, 1-2 levels)	Dwelling	\$ 1,532.01	\$ 1,583.85	
Mid-Rise Apartment (rental, 3-10 levels)	Dwelling	\$ 1,030.15	\$ 1,065.00	
High-rise (rental, more than 10 levels)	Dwelling	\$ 924.49	\$ 955.77	
Residential condominium/townhouse (ownership units) with at least 1 other owned unit in structure)	Dwelling	\$ 1,373.53	\$ 1,420.00	
Low-rise res. condo/townhome	Dwelling	\$ 2,060.29	\$ 2,130.00	
High-Rise Residential Condo/Townhome	Dwelling	\$ 1,003.73	\$ 1,037.69	
Mobile Home	Dwelling	\$ 1,558.43	\$ 1,611.16	
Commercial - Services				
Bank (drive-in)	sq. ft. / GFA	\$ 64.19	\$ 66.36	
Day Care	sq. ft. / GFA	\$ 32.17	\$ 33.26	
Hotel/Motel	room	\$ 1,584.84	\$ 1,638.46	
Gasoline/Service Station	fueling position	\$ 36,636.22	\$ 37,875.83	
Gasoline/Service Station w/ Convenience Mart	fueling position	\$ 35,685.31	\$ 36,892.75	
Quick Lubrication Vehicle Stop	servicing position	\$ 13,708.87	\$ 14,172.71	

Marina	berth	\$ 501.87	\$ 518.85
<i>Institutional</i>			
Elementary School	student	\$ 396.21	\$ 409.62
Middle School	student	\$ 422.62	\$ 436.92
High School	student	\$ 343.38	\$ 355.00
Church	sq. ft. / GFA	\$ 1.45	\$ 1.50
Hospital	sq. ft. / GFA	\$ 2.46	\$ 2.54
Assisted Living, Nursing Home, Group Home	bed	\$ 766.01	\$ 791.92
<i>Industrial</i>			
Light Industry/Manufacturing/Industrial Park	sq. ft. / GFA	\$ 2.56	\$ 2.65
Warehousing/Storage	sq. ft. / GFA	\$ 0.85	\$ 0.87
Mini Warehouse	sq. ft. / GFA	\$ 0.69	\$ 0.71
			\$ -
<i>Restaurant</i>			\$ -
Restaurant	sq. ft. / GFA	\$ 19.78	\$ 20.45
Fast Food Restaurant (w/ drivethrough)	sq. ft. / GFA	\$ 86.24	\$ 89.16
Coffee/Donut Shop with Drive-Through Window	sq. ft. / GFA	\$ 113.05	\$ 116.88
Coffee/Donut Shop without Drive-Through Window	sq. ft. / GFA	\$ 107.64	\$ 111.28
<i>Commercial - Retail</i>			
Specialty Retail Center (small strip shopping center)	sq. ft. / GFA	\$ 7.16	\$ 7.40
Apparel Store	sq. ft. / GFA	\$ 10.12	\$ 10.46
Automobile Sales	sq. ft. / GFA	\$ 6.92	\$ 7.15
Auto Parts Sales	sq. ft. / GFA	\$ 15.80	\$ 16.33
Supermarket	sq. ft. / GFA	\$ 25.04	\$ 25.89
Convenience Market (open 24 hrs)	sq. ft. / GFA	\$ 138.44	\$ 143.12
Furniture Store	sq. ft. / GFA	\$ 1.19	\$ 1.23
Nursery/Garden Center	sq. ft. / GFA	\$ 18.33	\$ 18.95
Pharmacy/Drugstore (w/ drivethrough)	sq. ft. / GFA	\$ 26.18	\$ 27.06
Hardware/Building Materials Store	sq. ft. / GFA	\$ 11.86	\$ 12.26
Discount Merchandise Store (Free Standing)	sq. ft. / GFA	\$ 13.15	\$ 13.60
<i>Commercial - Office</i>			
General office building (multiple tenants)	sq. ft. / GFA	\$ 3.94	\$ 4.07
Single tenant office building	sq. ft. / GFA	\$ 4.60	\$ 4.75
Medical/Dental Office Building	sq. ft. / GFA	\$ 9.43	\$ 9.75
*For uses with a standard of measure in square feet, trip rate is given as trips per 1,000 square feet, and impact fee is dollars per square foot.			

Engineering and development fees

Unless otherwise determined, regular engineering and development fees are indexed annually by the treasurer to reflect one hundred percent of any change from the Consumer Price Index for Seattle-Tacoma-Bremerton-All Urban Wage Earners (CPI-U) for the previous October.

Seattle-Tacoma-Bremerton-All Urban Wage Earners (CPI-U), October 2017-October 2018

3.080%

Originally Adopted by ordinance 2266

Rates Effective 1/1/2019

Application for encroachment agreement	\$ 100.00	
Application for utility extension	\$ 100.00	
Application for street improvement waiver	\$ 100.00	
Application for curb cut permit	\$ 50.00	
Application for street cut/R.O.W. permit		
Inside traveled way	\$ 50.00	
Outside traveled way	\$ 20.00	
Engineering plan reviews	0.5% approved engineering estimate for all public works improvements	
Construction inspection	\$ 500.00	plus
	1.5% approved engineering estimate for all public works improvements, with a reduction of up to 50% of the percentage fee approvable by the director of engineering and development services when he/she finds that the developer provides on-site construction inspection and construction engineering through private consultants to the same standard as that of the city	
Reinspection fees for curb cuts, street cuts and sewer connections	additional one-half of the original permit fee	
Sewer inspection fee	\$ 50.00	
Monitoring clearing and grading permitted activity	\$ 100.00 plus \$ 25.00 per acre	

City of Anacortes Contracting Ordinance and Purchasing Policy

February 19, 2019



Discussion Overview



Process for developing Documents



City Contract and purchase Info



Contracting Ordinance



Purchasing Policy



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Process for Developing Documents



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Policy/ Authority Adopted by Council

Contracting Authority

- Resolution 1301: 2/22/1994:
Mayor can sign contracts not to exceed \$5,000
- Resolution 1591: 3/4/2002:
Mayor can sign Public Works contracts not to exceed \$30,000
- Resolution 1735: 12/18/2006:
Mayor can sign contracts not to exceed \$30,000
- Resolution 1818: 2/7/2011:
Mayor can sign contracts for water treatment plant not to exceed \$100,000

Purchasing Policy

- Current purchasing policy was adopted in 2012

Procedural Background

- Council and staff began discussing the need for an update to the purchasing policy in 2016
- Staff began work on an update to the contracting ordinance and the purchasing policy mid-2017
- 1st draft of documents was prepared in November of 2017
- Finance Committee met to consider the draft and policy questions
 - December 6, 2017
 - July 11, 2018
 - November 14, 2018
 - January 9, 2019
- Prior to the final draft discussed at the January 9th CFC meeting, the draft was vetted with key staff members who will use the ordinance and policy, including
 - Department Heads
 - Finance staff
 - PW managers

City Contract and Purchase Info



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Contract and Purchasing Statistics from 2018

- Contracts
 - 279 New Contracts (Value: \$19,918,088.54)
 - 90 Contract Modifications
 - 26 Invitations to Bid/Requests for Proposals
 - 585 Invoices processed (\$9,812,743.17 paid)
 - 12% increase over 2017
- Purchases
 - 5190 Purchases
 - \$2,445,784 Total of all purchases

Contracting Ordinance



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Relevant Legal Authority

- Contracting authority for a non-charter code city is vested in the legislative body
- City Council may delegate some of that contracting authority to the Mayor
- Any authorization not specifically delegated remains with City Council
- All Interlocals must be approved by Council – Interlocal Cooperation Act RCW 39.34.030

Contracting Ordinance – Code Structure

- 1.30.010 – General Provisions: Purpose, Applicability, Definitions
- 1.30.020 – Form
- 1.30.030 – Review: Finance Director, City Attorney, Department Head
- 1.30.040 – Approval by Mayor
- 1.30.050 – Approval by City Council
- 1.30.060 – Ratification
- 1.30.070 – Number, Recording, and Retention

Purchasing Policy



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Legal Authority

- Competitive bidding is designed to provide a fair forum for those interested in bidding on public contracts and to help ensure that public contracts are performed satisfactorily and efficiently at the least cost to the public, while avoiding fraud and favoritism in their award. *Gostovich v. West Richland*, 75 Wn. 2d 583, 587 (1969).

Purchasing Policy - Structure

- I. General
- II. Ethics of Procurement
- III. Accountability and Communication
- IV. Grants and Federal Funding
- V. Controlled Commodities
- VI. Determining Contract Value
- VII. Bid Splitting
- VIII. Signature Authority and Approval
- IX. Electronic Signatures
- X. Types of Projects
- XI. Public Works
- XII. Services
- XIII. Purchasing Materials, Supplies, Equipment
- XIV. Exceptions to Competitive Process
- XV. Additional/Special Considerations
- XVI. Disposal of Surplus Property
- XVII. Trade-Ins
- XVIII. Sales Tax and Use Tax
- XIX. Freight
- XX. Payments
- XXI. Appendices

Levels of Competition

- Minimal Competition: Small contracts and purchases below limits. Agencies may seek quotes directly from individual vendors
- Informal Competition: Vendor lists and small public works rosters. Agencies may be able to follow less stringent competitive requirements for projects below a certain threshold by selecting business from small works rosters and vendor lists.
- Formal Competitive Bidding: Above thresholds,

Local Preference – materials, supplies, equipment

Price	Local Preference Allowed
\$0-\$2,500	<u>Policy:</u> All departments shall make a good faith effort to purchase goods within the City when available and suitable to City needs at a price that is competitive
	<u>Legal Restrictions:</u> Even below bid threshold, City has obligation to procure goods at the best price as steward of public funds. Therefore, City may not require only local purchases.
\$2,501-\$7,500	<u>Policy:</u> Departments encouraged to attempt to obtain at least one quote from a local business when procuring under the bid threshold. Should take into account price, delivery times, and return policy.
	<u>Legal Restrictions:</u> Even below bid threshold, City has obligation to procure goods at the best price as steward of public funds. Therefore, City may not require only local purchases.
\$7,501 +	<u>Policy:</u> RCW 39.30.040 allows local sales tax revenue generated by purchase to be considered in determine lowest responsive and responsible bid.
	<u>Legal Restrictions:</u> Over bid thresholds, Cities are only allowed to procure goods as expressly provided by state law. The only allowance for local preference in state law is as provided in RCW 39.30.040, which allows jdx to take sales tax revenue into account.

Questions?

darcys@cityofanacortes.org





City Council Agenda Bill

Meeting Date: 2/19/2019

Agenda Item: 7a and 7b

Subject: Contracting Ordinance and Purchasing Policy

Staff Contact: Darcy Swetnam

Approved for Submittal to Council by	
x	Laurie Gere, Mayor
x	Steve Hoglund, Finance Director
x	Darcy Swetnam, City Attorney

Action Type	
x	Ordinance No. 3036
	Code Revision? Yes
x	Resolution No. 2030

Summary Statement: Tonight's presentation is for discussion only to introduce to Council and the public the draft of the Contracting Ordinance and Purchasing Policy.

Background: Staff have been working for some time on updating the City's contracting ordinance and purchasing policy to align with state law requirements and provide clear guidance to staff and contracting parties. Ordinance 3036 and Resolution 2030 are presented together because they provide the framework for all City procurement and contracting. Ordinance 3036 clearly lays out Council delegation of authority for contracting, while clarifying key requirements of all City contracts. Resolution 2030 adopts the purchasing policy, which identifies City rules for procurement, contracting, and contract administration. These drafts have been reviewed extensively by the Council Finance Committee. They have also been reviewed by City Department Heads and key City staff user groups, including the public works management team, project managers, and administrative support staff. The drafts presented tonight incorporate feedback and comments from all of these groups.

Budget Impact	
Amount Budgeted	N/A

Previous Council/Committee Action: The purchasing policy and contracting ordinance have been presented to and amended by the Council Finance Committee. There have been three meetings over the past year where these items were considered.

Competing Viewpoints Considered: N/A

Recommended Motion: No motion recommended at this time.

Alternative Actions: N/A

Attachments (listed in order presented): Ordinance 3036, Resolution 2030 with attached Purchasing Policy.

**City of Anacortes
Ordinance No. 3036**

An Ordinance of the City of Anacortes, Washington, adopting a new Chapter 1.30 in the Anacortes Municipal Code and repealing Resolutions

Whereas Resolution 1301, adopted in 1994, authorized the Mayor to execute contracts with total dollar values of less than \$5,000 without City Council approval; and

Whereas Resolution 1591, adopted in 2002, authorized the Mayor to execute Public Works contracts with total dollar values of less than \$30,000 without City Council approval; and

Whereas Resolution 1735, adopted in 2006, authorized the Mayor to execute contracts City-wide with total dollar values of less than \$30,000 without City Council approval; and

Whereas Resolution 1818, adopted in 2011, authorized the Mayor to execute contract change orders associated with the Water Treatment Plant Improvement Project with total dollar values of less than \$100,000 during the project without City Council approval;

Whereas the City is in the process of implementing an Electronic Records Management System capable of retaining documents consistent with RCW Chapter 40.14 and WAC Chapters 434-662 and 434-663 governing preservation and destruction of public records and standards for imaging systems accuracy and durability;

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

- Section 1. A new Chapter 1.30 is created in the Anacortes Municipal Code to read as shown in Attachment A.
- Section 2. Resolutions 1301, 1591, 1735, and 1818, and the provisions of any other resolution delegating contract authority are repealed.
- Section 3. Consistent with RCW 35A.12.130, this ordinance takes effect five days after passage and publication.

PASSED AND APPROVED this ____ day of _____, 2019.

CITY OF ANACORTES:

Laurie Gere, Mayor

ATTEST:

Steven D. Hoglund, City Clerk-Treasurer

Approved as to Form:

Darcy Swetnam, City Attorney

Attachment A
Chapter 1.30 Contracts

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1.30.070 Numbering, Recording, and Retention	4

Chapter 1.30.010 General Provisions

Purpose.

- A. Per RCW 35A.11.010, the City's authority to contract, and be contracted with, is vested in the City Council.
- B. The City Council wishes to delegate certain authority to contract to the Mayor and provide for the orderly review, presentation, and publication of City contracts.

Applicability.

- A. Generally. This Chapter applies to all contracts, as defined in this section, between the City of Anacortes and any person or entity, and amendments to contracts.
- B. Exceptions. This Chapter does not apply to:
 - 1. Agreements for the purchase of goods, not used in connection with a public works project, that are provided for in the City budget.
 - 2. Any agreements for the acceptance of donations or interests in real property, which are addressed in Chapter 3.10 AMC.

Definitions.

- A. "Contract" means any agreement, written or spoken, between two or more parties that is intended to be enforceable by law, and includes, but is not limited to:
 - 1. Public Works agreements;
 - 2. Personal services agreements;
 - 3. Employment contracts;
 - 4. Grant agreements;
 - 5. Agreements pursuant to the Interlocal Cooperation Act, RCW Chapter 39.34;
 - 6. Leases of real property.
- B. "Goods" means products, materials, supplies, or equipment.

Chapter 1.30.020 Form

- A. Contracts must be written in the name of the City of Anacortes and not any particular city official or department.
- B. Contracts for services must include a detailed scope of work.
- C. The City Attorney must develop form contracts to implement these requirements.

Chapter 1.30.030 Review

- A. All contracts must be reviewed by the City Clerk-Treasurer, the City Attorney, the Department Head responsible for the agreement, and Contract Specialist prior to approval.

Chapter 1.30.040 Approval by mayor.

- A. The mayor is authorized to approve contracts that meet all of the following criteria:
 - 1. The contract is exclusively for the City's purchase of goods which are not to be used in connection with any public work.
 - 2. The contract amount is within budget authority for the specified BARS numbers.
 - 3. The total aggregate value of the contract is less than \$30,000.
 - 4. The contract is made, and the vendor has been selected, consistent with the City's purchasing policy.
 - 5. The contract has been approved by the City Attorney.
- B. The mayor is authorized to approve modifications to contracts that meet all of the following criteria:
 - 1. One of the following applies:
 - a. The modification, either singly or combined with all previous modifications, results in a total contract value under \$30,000.00; OR
 - b. Cost modifications for contracts with an original value between \$30,000-\$99,999 which results in a new total contract amount less than \$10,000 over the original contract amount; OR
 - c. Cost modifications for contracts with an original value \$100,000 or more which results in a new total contract amount less than 110% over the original contract amount.
 - 2. The modification does not modify the contract's general terms and conditions or extend the term of the contract more than one year.
 - 3. The modification has been approved by the City Attorney.
- C. Any contract that the mayor is not authorized to approve may only be approved by the City Council.
- D. All agreements made pursuant to the Interlocal Cooperation Act at RCW 39.34 must be approved by the City Council.
- E. The mayor may not delegate authority to sign contracts to any other person.

- F. The City Council reserves the authority to modify this delegation of authority by resolution or motion.

Chapter 1.30.050 Approval by City Council

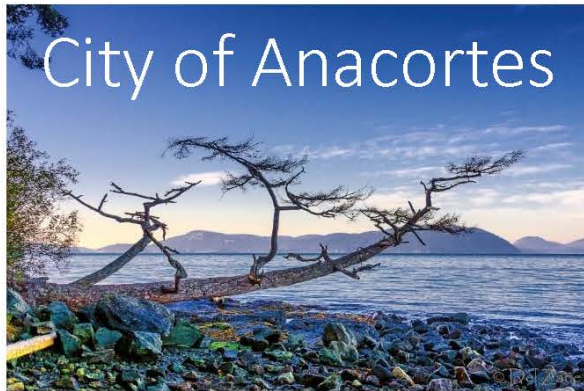
- A. Any contract to be approved by City Council must be presented in its entirety to the City Council, with all attachments.
- B. Prior to presentation to City Council, all contracts must be reviewed in accordance with Section 1.30.030.

Chapter 1.30.060 Ratification

- A. Contracts executed inconsistent with this Chapter are not valid contracts unless ratified by action of the City Council.

Chapter 1.30.070 Numbering, Recording, and Retention

- A. The City Contract Specialist must assign every contract and modification a unique identifier. Contracts must be identified in the form YY-###-CAT-###, where YY is the two-digit year of work and ### is a number with leading zeros incremented for each contract approved that resets to 1 at the beginning of each year. CAT is the category of the contract, and the final ### is the number of the instrument related to the project.
- B. Effective August 1, 2018, all contracts must be recorded in the City's Electronic Records Management System and made available to the public on the City's website within five days of approval.
- C. After recording in the City's Electronic Records Management System and verification of imaging accuracy, the paper version of a contract may be destroyed consistent with RCW.



PURCHASING POLICY



2019

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I. GENERAL

A. Purpose

This document is intended to direct the purchase of goods and services at a reasonable cost. An open, fair, documented, and competitive process is to be used whenever reasonable and possible. The purchasing function's integrity, efficiency, and effectiveness are critical elements of sound government.

B. Objectives

The objectives of the city's purchasing program are as follows:

- To provide a uniform system to obtain supplies, materials, equipment, and services in an efficient and timely manner;
- To facilitate responsibility and accountability with the use of city resources;
- To ensure equal opportunity and competition among suppliers and contractors;
- To promote effective relationships and clear communication between the city and its suppliers and contractors;
- To comply with the comprehensive State procurement statutes which govern expenditures of public funds;
- To promote use of recycled materials and products, and dispose of surplus and scrap materials with regards to cost savings and the environment.

C. Scope

These guidelines apply to purchases of:

- Public works projects
- Professional services (including architectural and engineering design)
- Non-professional services
- Supplies, materials, and equipment

The guidelines do not apply to the acquisition, sale, or lease of real property. If grant funding is involved in the proposed purchase, applicable requirements should be obtained from the funding agency. Such requirements may be more restrictive than the city's policy.

D. Controlling Laws

All purchases shall comply with appropriate and relevant federal, state, and city laws and policies. If the appropriate and relevant federal or state laws, regulations, grants, or requirements are more restrictive than these guidelines, such laws, regulations, grants, or requirements should be followed.

The City Attorney shall be consulted when questions regarding potential conflicts arise. Applicable laws and regulations will be cited throughout this document.

II. ETHICS OF PROCUREMENT

A. Gifts and Conflicts of Interest

The city is committed to providing a very fair, transparent and equitable process to our purchases. We ask all staff participating in a solicitation and/or award process to be thoughtful of any perceived or actual conflicts of interest. Many of the situations defined as prohibited conduct in the city's [Personnel Policies](#) could arise in the procurement context.

1. Reasonable Person Standard. The city seeks to avoid situations that involve conflicts of interests or the appearance of such conflicts based on inappropriate opportunities to influence the solicitation and/or award process. The city uses the measures of how a reasonable person would perceive the situation. A reasonable person standard might consider how the situation would appear if covered by a news story, or viewed from the perspective of a public interest group. Common questions to ask are: Could you comfortably explain your actions? Would taxpayers believe you were acting in their best interest?
2. Limitations on gifts. City staff should refuse gifts, meals and invitations to events such as concerts or sporting events, that could be reasonably perceived as: improperly influencing performance of your official duties; a reward for awarding a contract; or offered or given to influence, find favor, or with a reasonable expectation of creating an obligation to the giver.

Vendors are prohibited from offering gifts during the solicitation and ensuing contract award process.

Contact the Legal Department for assistance if you encounter unusual situations.

B. Former Employees as Vendors/Consultants/Contractors

Contact Legal before initiating a contract with former city employees to determine if doing so would create an actual conflict of interest or the appearance of a conflict of interest.

III. ACCOUNTABILITY AND COMMUNICATIONS

City staff involved in specification development must carefully consider conflicts of interest and other public accountability rules. Consider each of the following:

A. Public Disclosure

The city's procurement process, and the submittals, materials, information, decisions and many of the notes related to that process are all public records subject to public disclosure unless an exemption applies under the Washington Public Records Act (PRA), Chapter [42.56 RCW](#).

- Submittals are subject to disclosure. Certain state law exemptions may apply and disclosure may be reasonably delayed to avoid unreasonable interference with the evaluation and award decision.
- Your notes are subject to disclosure as they pertain to the city's official business, processes and decisions. Do not make remarks or comments that you would not be comfortable sharing with a public audience.
- Keep those notes that help to document the process and decisions, and clearly organize them so they can be understood in the future.
- Important notes and materials that are significant to documenting the decision and process should be given to the Contract Specialist at the end of the process and saved in the event of a public records request.
- The city is not required to create summaries or new public records in response to a PRA request. The city is not required to do research or analysis for vendors under PRA. However, summaries or analyses are subject to disclosure if the city has already created such records.
- Further information regarding public disclosure may be obtained from the Public Records Coordinator.

B. Maintain Confidentiality

Documents, decisions, information and opinions are generally to be kept confidential, except as required to be disclosed under the Public Records Act. Do not share information other than with city staff who are directly involved in the evaluation and selection process. Project Managers, the Contract Specialist, and in some cases selection advisory committee members, may contact respondents to city solicitations seeking additional information and clarification regarding vendor submittals, as well as to negotiate a contract. However, conversations or contact with respondents regarding details of the evaluation process should otherwise be limited, and care must be taken to maintain the objectivity of the evaluation process. If respondents call with questions, particularly with regard to evaluation, or to request documents, refer them to the Contract Specialist.

C. Fair, Prudent and Thorough Evaluation

The process must be fair to all respondents; be thoughtful and deliberative in order to preserve the integrity of the public bid process.

1. The Project Manager, and city staff invited to assist in specification development, solicitation efforts, and/or award processes, must be considerate of conflicts of interest and other public accountability rules.
2. In the event a member of a RFP selection advisory committee has a conflict of interest, he or she must immediately withdraw from the process. If you have a conflict or perceived conflict of interest, you must consult with the Legal Department.

Use caution:

- a) when discussing any aspect or any opinion you might have of the solicitation process, vendors, bids or results until the award is complete.
- b) to avoid actions that give, or may be perceived to give, preferential treatment to any vendor.

IV. GRANTS & FEDERAL FUNDING

Are you trying to procure something that involves any type of grant or federal funding? Then STOP!



Purchases or work that have received a grant or federal funding may not be covered by this manual. These types of purchases often have their own procurement requirements.

ALL GRANTS ARE DIFFERENT, so one size does not fit all. Some grants simply require you to use your own procurement rules, while others require you to insert their contracting clauses into your contract. Contact Legal for advice on how to proceed. We will review your specific grant and guide you on what the next steps are.

The City of Anacortes' internal controls for Federal Awards are detailed in the [Federal Award Standards](#) document.

V. CONTROLLED COMMODITIES

The following items require approval from designated people. They are:

- Cell phones, telephone equipment - **IT Manager**.
- Computers and related equipment, printers, scanners and copiers, software or systems - **IT Manager**.
- Anything purchased using Equipment Rental and Revolving (ER&R) funds – **Fleet Services Manager**.

VI. DETERMINING CONTRACT VALUE

Contract value refers to the total aggregate value of the contract including all base periods, plus potential renewal periods.

- Example #1: A three year contract for \$40,000 per year is considered a \$120,000 contract.
- Example #2: A contract originally routed as a one year \$25,000 contract. If a renewal is negotiated for an additional year for another \$25,000, the aggregate value of the contract becomes \$50,000, which will require City Council authorization.
- Exception: Hardware/software maintenance agreements are treated as stand-alone agreements and do not need to be aggregated to the original hardware/ software purchase agreement.

VII. BID SPLITTING

The breaking of any project into units, or accomplishing any projects by phases, is prohibited if it is done for the purpose of avoiding compliance with bidding statutes¹.

The Washington Supreme Court has held that a city cannot break a public work into phases for the purpose of estimating the cost of a public works project, even though those phases are performed at different intervals of time. Instead, a city, while completing the actual project in phases, must total the cost of all phases of the public work or purchase. If the aggregate cost exceeds the applicable bid limit, the city must bid each phase of the project even though a single phase may cost less than the bid limit.

To avoid bid splitting:

- A. Combine all phases of a public work project when estimating cost.
- B. Combine the total of foreseen identical items purchased at the same time or within a calendar years' time, in which the cost exceeds competition limits (i.e. office supplies, laundry services, janitorial paper products, etc.)
- C. Items that are designed, or intended to be used together (i.e., water meters and covers), and the cost exceeds competition limits should be bid together.

¹ [RCW 35.23.352\(1\)](#)

VIII. SIGNATURE AUTHORITY AND APPROVAL

Per [RCW 35A.11.010](#), the City's authority to contract, and be contracted with, is vested in the City Council. City Council has delegated authority to the Mayor to execute contracts and modifications that meet the criteria of Anacortes Municipal Code Chapter 1.30². **Only the Mayor has the designated signature authority to sign contracts and binding agreements for the City.**

City Council approval is required for public works, professional, purchased, or personal services contracts that:

- A. Are contracts with a total aggregate value of \$30,000 or more
or
- B. Are cost modifications that, either singly or combined with all previous modifications, pushes the total contract amount from under to over the \$30,000 signature threshold
or
- C. Are cost modifications for contracts with an original value between \$30,000-\$99,999 that results in a new total contract amount \$10,000 or more over the original contract amount.
or
- D. Are cost modifications for contracts with an original value \$100,000 or more that results in a new total contract amount 110% over the original contract amount

Example 1: a \$200,000 contract has a modification for \$18,000 for a new contract amount of \$218,000. The original contract amount is over \$100k so the next step is to figure out if the new total contract amount is 110% over the original value(D). 110% of \$200,000 would be \$220,000, so this modification does not result in a new total contract amount 110% over the original contract amount and does not need to be approved by Council.

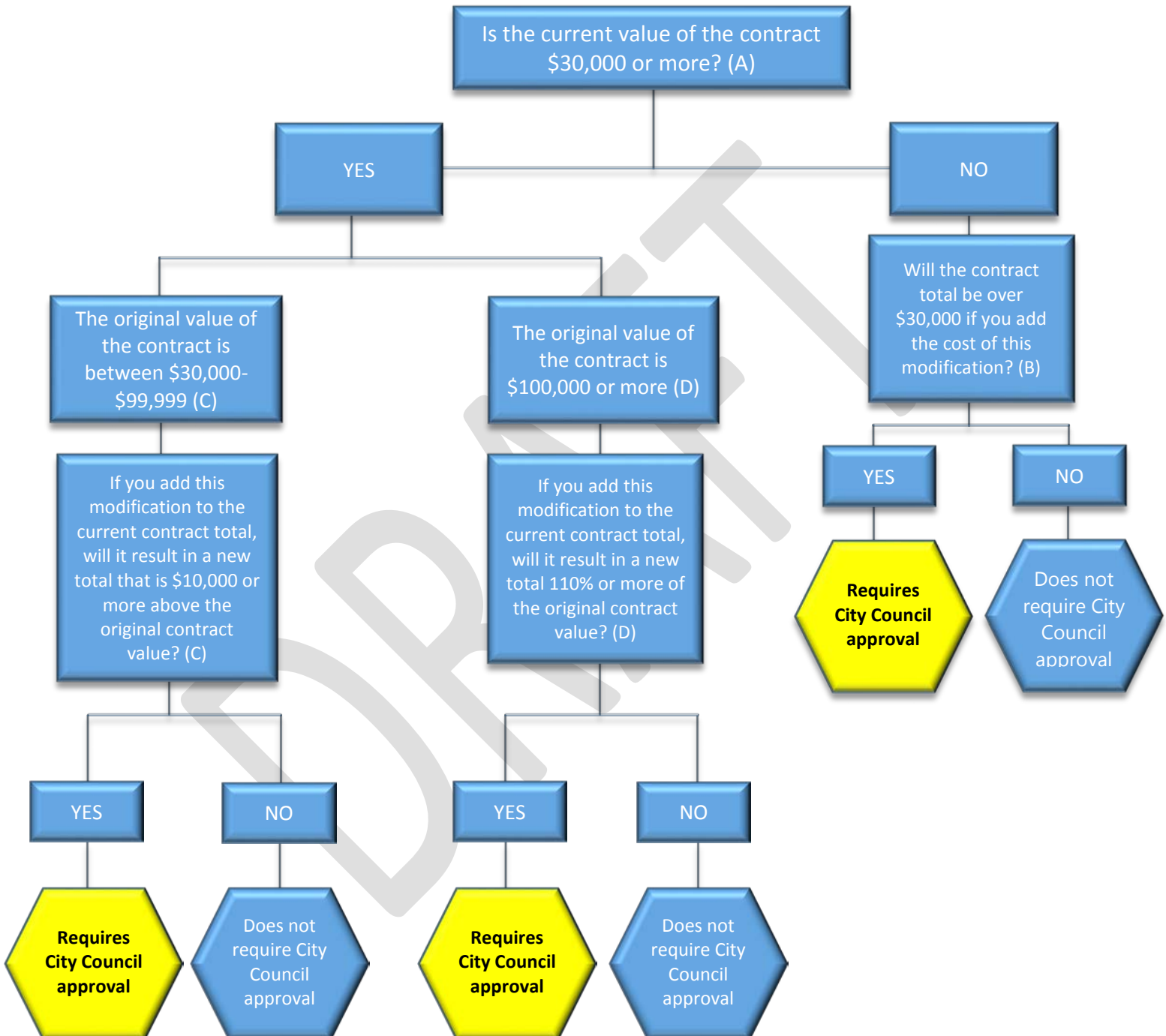
Example 2: a \$35,000 contract already had modification #1 for \$5,000 approved and executed. Now there is a new modification #2 for \$6,000. The original contract amount is between \$30,000-\$99,999, so the next step is to determine if this modification results in a new contract amount \$10k or more over the original contract value(C). Adding together Mod 1 and Mod 2 equals \$11,000 which is over \$10,000, so modification #2 does need to be approved by Council.

Example 3: a \$10,000 contract has a modification of \$1,500 for a new contract amount of \$11,500. The modification does not have a total value of \$30k or more(A), does not push the total contract amount over the \$30k threshold(B), and is not for a contract with an original value between \$30,000-\$99,999(C) or \$100k or more(D), so it does not need to be approved by Council.

Example 4: a \$25,000 contract has already had a modification #1 of \$1,000 and now has a modification #2 of \$5,000 for a new contract amount of \$31,000. Modification #1 did not meet any of the requirements of A, B, C, or D so it did not need to be approved by Council. Combined with the previous modification, modification #2 does push the total contract amount from under to over the \$30k signature threshold(B) and so it does need to be approved by Council.

² Ordinance 3036

Contract Modification Approval Requirements



IX. ELECTRONIC SIGNATURES

Electronic (digital) signatures are defined under [RCW 19.34.020](#):

"Digital signature" means an electronic signature that is a transformation of a message using an asymmetric cryptosystem such that a person having the initial message and the signer's public key can accurately determine:

- (a) Whether the transformation was created using the private key that corresponds to the signer's public key; and
- (b) Whether the initial message has been altered since the transformation was made."

The City, pursuant to [RCW 19.360.020\(5\)](#), declares DocuSign as the electronic signature provider for the City. Specifically, the Mayor, City Attorney, and Finance Director, and their designees, are authorized to use DocuSign, or any future replacement of such platform, to affix electronic signatures to electronic records. A City document that is required by law to be signed in non-electronic media may not be digitally or electronically signed. This Section does not supersede the requirements detailed in Section VIII or Ordinance 3036.

X. TYPES OF PROJECTS

Local government purchases and projects generally fall into one of five categories:

[Public works](#): All work, construction, alteration, repairs, or improvements to physical property, other than ordinary maintenance, that are paid for by a municipality.

[Professional architecture and engineering services](#): Professional services provided by a consultant that fall under architecture, engineering, land surveying, or landscape architecture.

[Personal services](#): Technical expertise provided by a consultant to accomplish a specific study, project, task, or other work statement, not including professional architecture and engineering services.

[Purchased services](#): Services provided by vendors for the routine, necessary, and continuing functions of a local agency, mostly related to physical work.

[Materials, Supplies, Equipment](#): Purchases of goods, equipment, supplies, or materials that are not connected with a public works project.



PUBLIC WORKS



XI. PUBLIC WORKS

A. Definition: What is a Public Work?

This covers more than you think: "all work, construction, alteration, repair or improvement other than ordinary maintenance"³ to pretty much any structure or facility the city owns. L&I considers "ordinary maintenance" to be that performed by your own staff, so that means every time you call in a carpenter, plumber, electrician, painter, roofer, elevator repair technician, tree trimmer, fencing company, HVAC repair technician, equipment operator or other person wearing tools who isn't city staff, the purchase falls under public works procurement rules.

Contact the Contract Specialist if there is any question whether your project falls under "Public Works" or as to which procurement process is necessary.

ALL public work in ANY amount requires a written contract, payment of prevailing wages, and insurance.

B. THRESHOLDS:

Public Works			
	DOLLAR LIMIT	FORMAL BID PROCESS	APPROVAL
Single Trade or Craft	\$0-\$40,000	Optional	\$0-\$29,999 = Mayor \$30,000+ = City Council
	Over \$40,000	Required	City Council
Multi Trade or Craft	\$0-\$65,000	Optional	\$0-\$29,999 = Mayor \$30,000+ = City Council
	Over \$65,000	Required	City Council
	DOLLAR LIMIT	QUOTES	APPROVAL
Using MRSC Small Works Roster	\$0-\$34,999	Minimum 3 quotes requested	\$0-\$29,999 = Mayor \$30,000+ = City Council
	\$35,000-\$149,999	Minimum 5 quotes requested	City Council
	\$150,000-\$300,000	Minimum 5 quotes requested and must notify all contractors on roster list	City Council
	DOLLAR LIMIT	PROCUREMENT PROCESS	APPROVAL
Unit-Priced On-Call Contracts	\$0-\$300,000	Follow the Small Works Roster Rules	\$0-\$29,999 = Mayor \$30,000+ = City Council

"Craft" or "trade" means a recognized construction trade or occupation for which minimum wage categories are established by the Department of Labor and Industries of the State of Washington in the locality of the city's projects or purchases.

³ [RCW 39.04.010](#)

C. Day Labor

The city may use our own employees to perform public works projects with an estimated cost up to \$40,000 (single craft) or \$65,000 (multiple craft). For larger projects, you must contract with a responsible contractor. However, the city must provide a report to the state auditor of the costs of all public works in excess of \$5,000 that are not let by contract. For any project using city workers that costs in excess of \$25,000, the city must publish a description of the project and its estimated cost in its official newspaper at least fifteen days before beginning the work⁴.

D. Determining the Cost of a Public Work

The total construction cost of each **project** must be estimated in order to correctly apply bid limit dollar amounts to determine if a public works project must be competitively bid. The estimate shall include all phases and anticipated contracts for the entirety of the project, and include materials, supplies, equipment, and labor on the construction of that project AND applicable sales and use taxes. However, the value of volunteer labor, material, or equipment need not be included in the cost estimate for a public works project, as these are not a cost to the agency. If the total project amount is over the bid thresholds then all contracts, no matter the individual dollar amount, must be procured through the bid process. The estimate may be prepared by an outside third party, however the final cost estimate must be validated by the city. The estimate needs to be prepared before any work begins and should be sent to the Contract Specialist.

E. Procuring Through Quotes

Projects for single craft or multiple crafts with a reasonably anticipated price equal to or less than the dollar thresholds do not require the use of competitive quotes or bids.

- It is recommended the Project Manager make every effort to obtain more than one quote.
- The Project Manager forwards solicitation, quotes, and project information to the Contract Specialist who administers the contract process.

F. Small Works Roster (SWR)⁵

When the estimated cost of a public works project is \$300,000 or less, the city may follow the Small Works Roster (SWR) process⁶ for construction of a public work or improvement as an alternative to the general competitive bidding requirements. The City of Anacortes has contracted with the Municipal Research and Services Center of Washington (MRSC) for the city use of a statewide electronic database for small public works roster and consulting services developed and maintained by MRSC.

⁴ [RCW 39.04.020](#)

⁵ [RCW 39.04.155](#)

⁶ [Resolution 1836](#)

Publication:

At least once a year, on behalf of the city, MRSC shall publish in a newspaper of general circulation within the jurisdiction a notice of the existence of the roster or rosters and solicit the names of contractors for such roster or rosters. Responsible contractors shall be added to the appropriate MRSC roster or rosters at any time that they submit a written request and necessary records.

To use the SWR:

- Notifications and postings must emphasize that bids will be accepted only from contractors on the small works roster.
 - Sample text: *In accordance with competitive bid requirements set forth under RCW 39.04.155, Small Works Roster Contract Procedures, the City of Anacortes is pleased to invite you to submit a bid under the subject solicitation. Contractors who bid on this project must be registered on the Small Works Roster by the time that bids are due.*
- Notifications and postings should list if bonds and prevailing wage will be required.
- Project Manager or Contract Specialist contacts contractors off the Small Works Roster. Invitation for quotations shall include an estimate of the scope and nature of the work to be performed, materials and equipment to be furnished, and the date, time and location to return quote. However, detailed plans and specifications need not be included in the invitation.
- At the time bids are solicited, the city shall not inform a contractor of the terms or amount of any other contractor's bid for the same project.
- No city employee may negotiate with any of the bidders. Some submissions may involve errors, omissions, or other irregularities; contact Legal to decide how to handle them.
- The Project Manager or Contract Specialist shall make a written record of each contractor's bid on the project and of any conditions imposed on the bid. Immediately after an award is made, the bid quotations obtained shall be recorded, open to public inspection, and available by telephone inquiry.
- The Project Manager forwards solicitation, quotes, and project information to the Contract Specialist who initiates the contract process.
- Formal bids are not required.
- Advertising is not required.
- Bid bonds are not required.
- A signed contract IS required.
- Prevailing wage IS required.
- Insurance IS required.

Small Works Roster “Limited Public Works Process” – up to \$34,999

- If a work, construction, alteration, repair, or improvement project is estimated to cost less than thirty-five thousand dollars (\$35,000), the city may award such a contract using the limited public works process.⁷
- A minimum of three electronic or written quotations from the appropriate small works roster is to be solicited and the contract shall be awarded to the lowest responsible bidder⁸.
- The city will maintain a list of the contractors contacted and contracts awarded during the previous 24 months under the limited public works process, including contractor name, registration number, amount of contract, brief description of work and date contract awarded.
- If the contract value is \$30,000 or more it is required to be approved for award by City Council.

Small Works Roster Process - Between \$35,000 and \$149,999

- Quotations may be invited from all appropriate contractors on the appropriate small works roster. As an alternative, quotations may be invited from at least five contractors on the appropriate small works roster who have indicated the capability of performing the kind of work being contracted, in a manner that will equitably distribute the opportunity among the contractors on the appropriate roster.
- The contract is required to be approved for award by City Council.

Small Works Roster Process - Between \$150,000 and \$300,000

- Quotations may be invited from all appropriate contractors on the appropriate small works roster. As an alternative, quotations may be invited from at least five contractors on the appropriate small works roster who have indicated the capability of performing the kind of work being contracted, in a manner that will equitably distribute the opportunity among the contractors on the appropriate roster. However, if the city chooses to solicit bids from less than all the appropriate contractors on the appropriate small works roster the city must also notify the remaining contractors on the roster that quotations on the work are being sought. The city has the sole option of determining whether this notice to the remaining contractors is made by:
 - o publishing notice in a legal newspaper in general circulation in the area where the work is to be done;
 - o mailing a notice to these contractors; or
 - o sending a notice to these contractors by facsimile or email
- The contract is required to be approved for award by City Council.

⁷ [RCW 39.04.155\(3\)](#)

⁸ [RCW 39.04.350](#)

G. Formal Bid Process – Public Works

Competitive bidding is designed to prevent favoritism in awarding public work contracts and to enable local governments to obtain the best work or supplies at the most reasonable prices. It is also designed to provide a fair forum for bidders and to protect the public interest.

1. The Project Manager submits the project information, including technical specifications, bid and contract timeframes, pre-bid conference dates/times (if applicable), and BARS # to the Contract Specialist.
2. The Contract Specialist compiles the bid package.
3. The notice to bid is to be published in the city's official newspaper, or a newspaper of general circulation most likely to bring responsive bids, at least 13 days prior to the submittal deadline. The notice shall state the nature of the work for which plans and specs will then be available free of charge online and on file.
4. Bids must be sealed and filed with the City Clerk within the time specified.
5. Each bid requires a bid proposal deposit of 5% or more in the form of cashier's check, postal money order, or surety bond.
6. Public bid opening is required.
7. The Project Manager verifies the bids meet the requirements of the Invitation to Bid and notifies the Contract Specialist of the lowest responsive bid.
8. The Contract Specialist verifies the contractor is a responsible bidder.
9. The Contract Specialist determines contract award approval requirements, and if required, schedules and prepares the City Council documents.
10. The Contract Specialist administers the contract process.

H. Requests for Bid Documents

The City of Anacortes Purchasing Policy requires that the City maintain the integrity of official bid documents sets, provide swift response when incorporating addenda changes, and communicate in a singular, fair, and equitable manner to registered bidders.

Builders Exchange of Washington (BXWA) provides prime bidders, subcontractors, suppliers, and other interested parties, virtual free-of-charge access to a complete set of project bid documents, including the ability to download, view, print, order full/partial plan sets from numerous reprographic sources, and free access to an on line digitizer/take-off tool.

Therefore, the City designates BXWA as the official source of bid packages for most capital public work projects, which insures that all bidders receive complete documentation, including all addendum, changes, and clarifications.

I. Unit-Priced Contracts – On-Call and Systemwide Maintenance

Effective June 7, 2018, all cities, towns, and port districts are authorized to use unit-priced contracts⁹. A unit-priced public works contract, sometimes called an “on-call” public works contract, is when a local government contracts for an unknown number of small public works projects over a fixed period of time (“indefinite quantity, indefinite frequency”). State statute defines a unit-priced contract as:

“[A] competitively bid contract in which public works are anticipated on a recurring basis to meet the business or operational needs of the [agency type], under which the contractor agrees to a fixed period indefinite quantity delivery of work, at a defined unit price for each category of work.”

While traditional public works contracts are awarded for specific projects/scopes with a specific total dollar value, unit-priced contracts are not associated with a particular project, do not guarantee any amount of work, and do not establish a total dollar value (although the contract may cap the dollar value at a certain level over the life of the contract). Instead, the agency agrees to pay a defined “unit price” for certain types of anticipated (but unplanned) work or trades over a certain time period.

The prices for different tasks may be based upon different units. Commonly used units include:

- Weight, such as tons
- Surface area, such as square feet or acres
- Volume, such as gallons or cubic yards
- Length/depth, such as linear feet or vertical linear feet
- Time, such as hours
- Quantity of items
- Lump sum per task

When a specific project is identified, individual work orders are authorized based upon either a “not-to-exceed” time and materials basis or a negotiated lump sum amount using the previously established unit prices.

COA Unit-Priced On-Call Contract Requirements:

1. Can only be used for activities that are not specifically planned and have no set project-specific budget.
2. The contract total aggregate value is limited to a maximum of \$300,000, the Small Works Roster threshold.
3. The term of the contract must expire at the end of the current budget cycle or within two years, whichever is first.
4. The Small Works Roster procedures must be used for procurement.
5. Modifications: During the course of a contract, there may be occasions when the original unit prices do not address particular work items that are needed. In those situations, new line items may be added by contract modification.

⁹ [RCW 35.23.352](#)

To Bid a Unit-Priced On-Call Contract:

- Use the Small Work Roster procedures applicable to the estimate total aggregate value of the contract.
- The Invitation to Bid must:
 - o Specify that the contract will expire when the work orders total the estimate total aggregate value (\$300,000 maximum) including WA sales tax, or the contract term expiration date, whichever occurs first.
 - o Specify how work orders will be issued and include a sample work order.
 - o State that there is no minimum volume of work guaranteed.
 - o Specify that Prevailing Wage rates in effect at the beginning date of contract year must be applied.
 - o Specify that Prevailing Wage rates must be updated and Intents and Affidavits submitted to Labor and Industries annually (12-month contract period).

Unit Priced Systemwide Maintenance and Repair Contracts:

There are also some systemwide maintenance and repair contracts that are sometimes referred to as “on-call contracts” but actually fall under traditional public works contracting as long as the scope is clearly and properly defined.

To qualify as a traditional public works contract instead of an on-call contract, a systemwide maintenance or repair contract must cover specific activities planned in advance and budgeted (as opposed to on-call contracts which cover activities that are not specifically planned and have no set budget).

Examples include:

- Sewer or storm drain “jetting” (cleaning) up to a certain budget amount, but not an exact number of linear feet
- Sidewalk/trail construction or reconstruction in relation to the city’s pedestrian master plan (not necessarily a fixed quantity), up to a certain budget amount
- Storm pond maintenance
- Annual contracts for pavement crack sealing, chip seals, overlays, etc.

These contracts can be structured so that they qualify as public works projects with readily determinable quantities and costs related to a fixed scope. Systemwide maintenance and repair contracts should not cover unanticipated projects or emergency repairs, which would fall under on-call contracting.

J. Withdrawal of Bids – Cancellation of Awards

Bids may be modified or the bid may be withdrawn by written notice received prior to the time set for opening in the office designated in the invitation for bids. After bid opening, withdrawal of bids shall be permitted only to the extent that the bidder can show by clear and convincing evidence presented in a sworn affidavit or declaration submitted no later

than 5:00 p.m. on the first business day after bid opening, that a clerical mistake was made and not a mistake in judgment, and the bid price actually intended. All decisions to permit the withdrawal of bids after bid opening, or to cancel awards or contracts based on bid mistakes, shall be made by the Mayor after consulting with legal counsel.

K. Cancellation of Invitations for Quotations or Bids

An invitation for quotations or bids may be canceled at the discretion of the department director. The reasons shall be made part of the contract file. Each invitation for quotations or bids issued by the city shall state that the invitation may be canceled. Notice of cancellation shall be sent to all parties that have been provided with a copy of the invitation. The notice shall identify the invitation for quotations or bids and state briefly the reasons for cancellation.

L. Responsive Bid

What is a Responsive Bid?

Responsive bids are bids that are submitted on time with all of the information the city requested. Bids submitted after the submittal deadline or at the wrong location should be rejected as non-responsive – in other words, the city will neither accept nor open late bids. If a contractor claims extenuating circumstances, refer them to the City Attorney.

Typically, bidders must provide the following information at the time of bidding:

- Sealed bids, with the name of the project and the time and date of the bid opening clearly stated on the outside of the bid packet
- Bid guarantee in the form of a bid bond, cashier's check, certified check, or personal money order
- Lump sums, unit prices, and total prices in the spaces provided on all of the bid forms, including all appropriate sales taxes
- Receipt of addenda acknowledged
- Acknowledgment of attendance at mandatory pre-bid meeting (to be verified)
- Non-collusion affidavit certificate
- Mandatory bidder responsibility questionnaire with all items filled in

While it is possible to do a brief check when the bids are first opened, the city reserves the right to ascertain full compliance with the bid proposal requirements after a more detailed review, generally within a maximum of 30-45 days.

Additional items may be required shortly after bid opening:

- If supplemental bidder responsibility criteria are required (see below), a separate questionnaire must be filled out and submitted within 72 hours after bid opening. However, this questionnaire should only be required of the apparent low bidder and the next two lowest bidders

- For projects that cost an estimated \$1 million or more, a list of all subcontractors for HVAC, plumbing, or electrical work must be submitted¹⁰. The bidder may also submit itself for any of these categories. This list may either be submitted within one hour after the bid opening (the preferred method) or at the time the bid is submitted.

In addition, [RCW 39.04.350\(2\)](#) allows agencies to adopt additional relevant responsible bidder criteria for individual projects. Supplemental criteria may be on two levels:

- A basic level that may include such things as no delinquent state taxes, no federal debarment, minimal prevailing wages violations, no excessive claims against retainage and bonds, no public bidding violations, no termination for cause or default, and unwarranted lawsuits with respect to public contracting.
- A secondary level whose criteria relate to the nature of a specific project. For example, the city may require that a contractor must have completed three projects of a similar scope and dollar volume within the past five years.

These supplemental criteria and associated evaluation methods must be provided in the invitation to bid or bidding documents.

M. Responsible Bidder

The city is required to award public works contracts to a responsible bidder with the lowest responsive bid¹¹. This applies to informal bidding, such as a small works roster, as well as formal competitive bids.

Responsible bidders¹² must meet a number of mandatory criteria. The bidder must:

- At the time of bidding be a registered contractor in compliance with chapter [18.27 RCW](#)
- Have a current Washington State Unified Business Identifier (UBI) number
- If applicable, have industrial insurance/workers' comp coverage required in [Title 51 RCW](#)
- Have an Employment Security Department (ESD) account as required in [Title 50 RCW](#)
- Have a state excise tax registration number as required in [Title 82 RCW](#)
- Not be disqualified from bidding under RCW [39.06.010](#) or [39.12.065\(3\)](#)
- Not have any apprenticeship violations, if applicable
- Certify through a sworn statement that they are not a willful violator of labor laws in reference to [RCW 49.48.082](#).

¹⁰ [RCW 39.30.060](#)

¹¹ [RCW 39.04.010](#)

¹² [RCW 39.04.010](#), [RCW 39.04.350](#)

N. Bid Deposit, Performance Bond, and Payment Bond for Public Works Improvement Projects

Whenever competitive quotes or bids are required, a bidder may be required to make a deposit in the form of a certified check or bid bond in an amount equal to not less than five percent of the total bid, which percentage shall be specified in the call for bids. As part of any bid submitted, the bidder shall be required to warrant that the bid is a genuine bid, and that he/she has not entered into collusion with any other bidder or any other person. All public works contractors shall furnish a performance bond and a payment bond in an amount equal to the total amount of the contract on a form approved by the City Attorney. In lieu of a performance bond on contracts of \$150,000 or less a contractor may request to have 10 percent of the contract retained for a period of 30 days after the date of final acceptance¹³. The request will be evaluated and accepted or rejected by Legal.

O. Retainage

State law¹⁴ requires the city to withhold up to five percent (5%) of the contract price earned by the city's contractor during performance of public work and construction contracts. The withheld amount, known as "retainage," is for the benefit of laborers and material suppliers in the event the contractor fails to pay them. Retainage may also be used to satisfy tax claims by the Department of Revenue and/or the city, prevailing wage related claims by the Department of Labor and Industries, unemployment compensation related claims by the Employment Security Department, and contract performance claims by the city itself. Retainage is not paid ("released") to the contractor until appropriate releases are received from the involved state agencies and city departments/divisions.

A contractor has several options in how retainage will be held¹⁵:

1. The most common is to have the city withhold and retain five percent (5%) from each payment made during performance of the contract in a non-interest bearing fund.
2. A bond in-lieu-of retainage (aka "retainage bond") may be submitted by the contractor on the city's standard form or one that is acceptable to the city for all or any portion of the contract retainage amount.
3. The amount(s) retained may be deposited by the city in an interest bearing account. Interests on such monies shall be paid to the contractor and is not subject to withdrawal until after final acceptance of the work.
4. An escrow account may be jointly established by the contractor and the city with a bank. This escrow option must utilize the city's standard forms. The monies placed in escrow must be converted into bonds and securities approved by the city and any interest is paid to the contractor as it accrues.

¹³ [RCW 39.08.010](#)

¹⁴ [Chapter 60.28 RCW](#)

¹⁵ [RCW 60.28.011](#)

Retainage requirements are not mandatory for non-public works supplies or services, but may be used in the discretion of the department/division. Note that even when the city has required a performance bond for these types of contracts, retainage is not held unless specified in the solicitation and contract. This is rare.

At the conclusion of contract performance, any retainage reserved by the city will be released or otherwise disbursed according to the city's standardized contract close out process.

P. Prevailing Wages

- State law requires prevailing wages to be paid by the contractor on all public works projects and all public building service maintenance contracts¹⁶. To see the list of applicable labor categories go to State of Washington Department of Labor and Industries [website](#). Prevailing wage questions may be directed to the Department of Labor and Industries (L&I), Prevailing Wage Section, 360-902-5335.
- Public works contracts require that each and every employer on the project file a Statement of Intent to Pay Prevailing Wages (Intent), and Affidavit of Wages Paid (Affidavit), regardless of the size of the contract. The forms are filed with L&I and, once they are approved, are submitted by the employer to the city's Contract Specialist.
- Owner/Operators that do not have any employees do not need to pay themselves prevailing wages, however, they do still need to file Intents and Affidavits with the Department of Labor and Industries and list in section 3 of the form that they are Owner/Operator.
- For all public works contracts, except janitorial and building service maintenance contracts, the applicable prevailing wage rates shall be those in effect on the submittal due date. These rates shall remain in effect throughout the duration of the contract. If a contract is not awarded within six months of the submittal due date, the applicable prevailing wage rates shall be those in effect on the date the contract is awarded, and shall remain in effect for the duration of the contract¹⁷.
- For janitorial, building service maintenance contracts, and unit-priced contracts, the prevailing wage rates in effect on the submittal due date are the minimum rates that must be paid for the first year of such contract and thereafter. However, any janitorial, building service maintenance contract, and unit priced contract, of more than one year in duration must include wage increase language specifying that wages will be altered annually to follow the most recent publication of prevailing wage rate¹⁸.

¹⁶ [RCW 39.12](#)

¹⁷ [WAC 296-127-011](#)

¹⁸ [WAC 296-127-023](#)

- Specification documents must state that workers shall receive the prevailing rate of wage. The specifications must either list all of the applicable prevailing wage rates, or else provide the URL address for L&I's [Prevailing Wage Rates for Public Works Contracts](#) with the exact wage publication date and county. NOTE: Prevailing wage rates are adjusted twice annually – usually in the spring and fall.
- Payments by the city are not allowed when contractors have not submitted an Intent form that has been approved by the L&I industrial statistician. The city may not release retainage until all contractors and subcontractors have submitted an Affidavit form that has been certified by L&I. The requirement to submit these forms should also be stated in the contract.
- There is no minimum dollar amount for public work or prevailing wage. Prevailing wages must be paid for any work, construction, alteration, repair or improvement, other than ordinary maintenance, that the city causes to be performed by a private party through a contract.
- Should the city fail to comply the city can be held responsible for any unpaid prevailing wages.

****Federal Prevailing Wage Requirements**

The federal government has its own public works prevailing wage requirements, or wage decisions, established by the Davis-Bacon Act (DBA). For any public works project receiving federal funding, contractors must pay the higher of the state or federal wage rates¹⁹. This should also be stated in the bid specifications and contracts.

To look up current federal wage decisions by trade and county, see Wage Determinations Online [Selecting DBA Wage Decisions](#).

¹⁹ [WAC 296-127-025](#)



SERVICES



XII. SERVICES

The first step in successfully contracting for services is to determine the category of service that you will be contracting for, as there are distinct differences between service types and the manner of solicitation. Distinguishing between services and public work is also important, as services may have different bidding requirements.

A. Architectural and Engineering Services (A&E Services)

Professional architecture and engineering (A&E) services are services provided by any person, other than an employee of the agency, that fall under the general statutory definitions of:

- Architecture (Chapter [18.08 RCW](#))
- Engineering (Chapter [18.43 RCW](#))
- Land surveying (Chapter [18.43 RCW](#))
- Landscape architecture (Chapter [18.96 RCW](#))

Purchases of A & E Services

Architectural and Engineering consultants are initially selected based upon their qualifications, rather than price. The defining characteristic of chapter [39.80 RCW](#) is its strict insistence on qualification-based selection (QBS) of A&E professionals. In contrast to public works contracts, purchases (equipment, materials, and supplies), and purchased service contracts, an agency **cannot consider price** in the selection process for professional A&E services: it must select the most qualified firm, and then negotiate a price for the work contemplated. There are two ways to select an A&E firm based upon their qualifications:

1. Procure using a request for proposals (RFP) process. This process requires the city representative to develop a written scope of the project and any criteria used to select the service provider and then select a qualified contractor from the city's MRSC architectural, landscape architectural, and engineering service roster, following the procedures of [39.80 RCW](#).
2. If the Project Manager does not choose to use the appropriate roster, then a formal Request for Qualification (RFQ) process must be followed, following the procedures of [39.80 RCW](#). Contact the Contract Specialist for assistance.

The city will negotiate a contract with the most qualified firm at a price which the city determines is fair and reasonable. In making its determination the city shall take into account the estimated value of the services to be rendered as well as the scope, complexity, and professional nature. If the city is unable to negotiate a satisfactory contract with the firm selected at a price the city determines to be fair and reasonable, negotiations shall be terminated and the city shall begin negotiations with the next highest qualified firm. Forward all documentation to the Contract Specialist for archiving. Once a firm has been selected, the information will be provided to the Contract Specialist who then administers the contract process.

B. Personal Services

Services provided by independent consultants that require specialized knowledge, advanced education, professional licensing or certification and where the primary service provided is mental or intellectual, involving the consistent exercise of judgment and discretion.

- Examples: accountants, attorneys, consultants, graphic artists, strategic planning, studies/analysis, training, certification services

Purchases of Personal Services

1. Send a written solicitation to qualified firms or individuals describing the needed services. The MRSC Consultant Roster can be used if desired. Request prices, schedules, and qualifications.
2. If a formal Request for Proposals is needed, contact the Contract Specialist for assistance.
3. Submit all proposals and any evaluation documents to the Contract Specialist who then administers contract process.

C. Purchased Services

Purchased services are those provided by vendors for routine, necessary, and continuing functions of a local government agency, mostly relating to physical activities. These services are usually repetitive, routine, or mechanical in nature, support the agency's day-to-day operations, involve the completion of specific tasks or projects, and involve minimal decision-making. For most purchased services, the main determinant of award is price and there are no bid limits or requirements for advertising, bonds and/or retainage, or, depending on the specific facts, prevailing wages. Contractors whose work includes only observing, directing, verifying, and reporting would not have a prevailing wage requirement. There are a number of purchased services, however, that hover over that thin gray line between purchased services and public works contracting. Purchased service contracts require, on the whole, much less paperwork than public works contracts. If a particular contract is very near the gray line, the conservative approach is to consider it a public works contract.

Contact the Contract Specialist if there is any doubt as to if a project is a purchased service or public work.

- Examples: janitorial services, elevator or equipment inspection (but not *repair*), grounds keeping, pest control, moving services, fire extinguisher inspection, vehicle towing

L&I considers some service contracts, such as HVAC maintenance or road striping, to be public works and subject to public works bidding requirements.

Purchases of Purchased Services

1. Determine if you will procure through obtaining quotes, a formal bid, or RFP. The Contract Specialist must be involved in the formal bid or RFP process.
2. If obtaining quotes, request quotes from 1 or more qualified firms or individuals describing the desired services. Request prices (including prevailing wage if applicable), schedules, and qualifications.
3. Evaluate the proposals and determine the lowest responsible bidder.
4. Submit proposals and all evaluation documents to the Contract Specialist who then administers contract process.

D. Publication

[RCW 39.80.030](#) requires that the city shall publish in advance the city's requirement for professional services. The city may comply with this section by (1) publishing an announcement on each occasion when professional services provided by a consultant are provided by the city; or (2) announcing generally to the public its projected requirements for any category of type of professional service to create a Consultant Roster. Advertising for the Consultant Roster must be done at least once a year by MRSC on the city's behalf. The MRSC Consultant Roster will distinguish between professional architectural and engineering services as defined in [RCW 39.80.020](#) and other consulting services. Firms or persons providing consulting services shall be added to the appropriate roster at any time they submit a written request and necessary records. The city reserves the right to publish an announcement on each occasion when professional services or other consulting services are required.



MATERIALS, SUPPLIES, AND EQUIPMENT



XIII. PURCHASING MATERIALS, SUPPLIES, EQUIPMENT

(Unrelated to Public Work/Construction, Services, A&E)

At first glance, one would think there would be no trouble figuring out what purchases fall into the category of “materials, supplies, and equipment” not used in connection with a public work project or improvement. Stationery, rubber bands, fire trucks, and copy machines come to mind. And, services should also be pretty easy to identify. But sometimes the situation is ambiguous.

Distinguishing between public works and materials, supplies and equipment not used in a public work is important, as different bidding requirements apply to each.

Common sense can be a good guide in this area of the law, but sometimes gray areas can create confusion and uncertainty. If you are concerned about a specific situation, consult the Contract Specialist.

A. THRESHOLDS:

DOLLAR LIMIT	PROCUREMENT PROCESS	APPROVAL*	LOCAL PREFERENCE
\$ -0- to \$2,500	Competition not required Departments encouraged to determine price is fair and reasonable and document in department files.	Department Head	All departments shall make a good faith effort to purchase goods within the City of Anacortes when they are available and suitable to city needs at a price that is competitive.
\$2,501 to \$7,500	3 Quotes Requested Must be attached to the electronic invoice	Department Head	Departments are encouraged to attempt to obtain at least one quote from a local business when procuring under the bid threshold. Staff should take into account price, delivery times, and return policies when evaluating quotes.
\$7,501 to \$15,000	MRSC Vendor Roster or Formal Sealed Bid Process (Contact Contract Specialist)	Department Head	RCW 39.30.040 allows any local sales tax revenue generated by the purchase to be considered in determining the lowest responsive and responsible bid. Any other preferences favoring local businesses are not permitted during any formal bid process.
\$15,001+	Must use Formal Sealed Bid Process (Contact Contract Specialist)	Department Head	RCW 39.30.040 allows any local sales tax revenue generated by the purchase to be considered in determining the lowest responsive and responsible bid. Any other preferences favoring local businesses are not permitted during any formal bid process.

***Approval:** The Department Head may only approve purchases that are provided for in the city budget. Any vendor provided contracts should first be reviewed by the Contract Specialist and can only be signed by the Mayor.

All dollar limits include freight, handling, set-up cost, and appropriate sales tax.

It is the Department Head's/Division Manager's responsibility to appoint who shall make purchases for their department on the city's behalf under the respective quote limits.

B. Informal Competitive Quotes - Materials, Supplies or Equipment between \$2,501-\$7,500

1. A city representative shall make an effort to contact at least three vendors. Departments are encouraged to attempt to obtain at least one quote from a business within the City of Anacortes. The number of vendors contacted may be reduced if the item being sought is only available from a smaller number of vendors. When fewer than three quotes are requested or if there are fewer than three replies, an explanation shall be attached to the electronic invoice.
2. Whenever possible, quotes will be solicited on a lump sum or fixed unit price basis.
3. At the time quotes are solicited, the city representative shall not inform a vendor of any other vendor's quote.
4. A written record shall be made by the city representative of each vendor's quote on the materials, supplies, or equipment, and of any conditions imposed on the quote by such vendor.
5. It is allowable to use criteria other than cost (e.g., qualifications, available staff, delivery timelines, return policies, etc.) in making an award.
6. Award shall be made to the vendor submitting the lowest and best responsible quote.
7. Whenever there is a reason to believe that the lowest acceptable quote is not the best price obtainable, all quotes may be rejected and the city may obtain new quotes.
8. Attach all quotes to the electronic invoice.

Notes:

- If your quote is of a complex nature, let the Contract Specialist obtain the quotes for you to ensure everything is apples-to-apples.
- In the request for quotes, be sure technical information defines acceptable quality and insure vendors are quoting on equal and comparable items. All vendors must be provided the same information. If one vendor offers an acceptable alternate, it must be re-quoted using the alternate specifications.
- The city will not pay for any technical information from the vendor. If the information is to be shared with other vendors, it must be stated so up front. If you use a vendor's technical information without their approval, you may find yourself in a legal tangle.
- Staff may arrange on-site demonstrations or delivery of preview/trial merchandise but must keep in mind that just because you have demoed

someone's product does not mean you will be able to buy it. Competition may still be required and it must be made clear to the vendor beforehand that no preferential treatment will be given.

- Obtain freight pricing (FOB Destination, Freight Prepaid).

C. Vendor Roster – Materials, Supplies, or Equipment \$0 -\$15,000

When purchasing materials, supplies, or equipment not connected to a public works project in the amount of \$15,000 or less, the city may award purchasing contracts by a vendor list process²⁰. The City of Anacortes has contracted with the Municipal Research and Services Center of Washington (MRSC) for the city use of a state wide electronic vendor roster developed and maintained by MRSC.

Publication:

At least twice a year, on behalf of the city, MRSC shall publish in a newspaper of general circulation within the district a notice of the existence of a roster(s) of vendors for materials, supplies, and equipment, and shall solicit names of vendors for the roster.

To use the Vendor Roster, the Project Manager:

- Drafts a written description of the specific materials, supplies, or equipment to be purchased, including the number, quantity, quality, and type desired, the proposed delivery date, and any other significant terms of purchase.
- Makes a good faith effort to contact at least three (3) of the vendors on the roster to obtain telephone or electronic solicitation quotations from the vendors for the required materials, supplies, or equipment.
- Doesn't share telephone quotation from one vendor with other vendors solicited for the bid on the materials, supplies, or equipment.
- Saves a written record of each vendor's bid on the material, supplies, or equipment, and of any conditions imposed on the bid by such vendor and attaches them to the electronic invoice.

D. Formal Bid Process – Materials, Supplies, or Equipment \$7,501+

Unless the Vendor Roster process is used, purchases of supplies, goods, materials, and/or equipment over \$7,500 that are not part of a public works and improvements contract must call for bids using the formal bid process, with price being the primary factor in the contract award decision. Purchases of custom or specialty goods, and/or products that are subject to proprietary design or similar rights, are sometimes conducted using the Request for Proposal (RFP) process, with price performance criteria as well as price being factors in the contract award decision. Contact the Contract Specialist to discuss whether the formal bid or RFP process best fits your situation.

- Unless otherwise specifically approved by the City Council, all contracts relating to the purchase of materials, equipment, or supplies shall be in accordance with

²⁰ [RCW 39.04.190](#), Resolution 2030

the city budget.

- The Project Manager notifies the Finance Department regarding any budget transfers to cover funding.
- The Project Manager submits the project information, including technical specifications, bid and contract timeframes, pre-bid conference dates/times (if applicable), BARS #, as well as a list of potential vendors (if applicable), to the Contract Specialist.
- The Contract Specialist compiles the bid package and administers the bid process.
- An invitation for bids shall be issued which shall include the specifications and the contractual terms and conditions applicable to the procurement.
- Public notice of the invitation for bids shall be published at least once in a newspaper of general circulation. The public notice shall state the date and time of bid opening. Bids not received by the date and time stated for bid opening will not be accepted or considered.
- Bids shall be opened publicly and recorded at the time and place designated in the invitation for bids.
- Withdrawal of Bids - Cancellation of Awards. Bids may be modified or the bid may be withdrawn by written notice received in the office designated in the invitation for bids prior to the time set for opening. After bid opening, withdrawal of bids shall be permitted only to the extent that the bidder can show by clear and convincing evidence presented in a sworn affidavit or declaration submitted no later than 5:00 p.m. on the first business day after bid opening, that a clerical mistake was made and not a mistake in judgment, and the bid price actually intended. All decisions to permit the withdrawal of bids after bid opening, or to cancel awards or contracts based on bid mistakes, shall be made by the Mayor after consulting with legal counsel.
- The Project Manager verifies the bids meet the requirements of the Invitation to Bid and notifies the Contract Specialist of the lowest responsible bidder.
- Award. The award of bid shall be made to the lowest responsible bidder whose bid meets the specifications and evaluation criteria set forth in the invitation for bids. The City may reject all bids at its discretion.
- The Contract Specialist administers the contract process, if applicable.
- The Project Manager places the order.

E. Lowest Responsible Vendor

The following factors, in addition to price, may be taken into account by the city in determining the lowest responsible vendor. If any or all of these criteria will be applied during the evaluation process then they must be included in the Invitation to Bid:

1. The ability, capacity, and skill of the vendor to perform the contract;
2. The character, integrity, reputation, judgment, experience, and efficiency of the

- vendor;
3. Whether the vendor can perform the contract within the time specified;
 4. The quality of performance of previous contracts or services;
 5. The previous and existing compliance by the vendor with laws relating to the contract;
 6. Such other information as may be secured having a bearing on the decision to award the contract.

If recommendation for award is being made to anyone other than the low bidder, send a memo stating specific reasons why the low bid is not acceptable to the Contract Specialist for evaluation.

F. Life Cycle Costing

In considering the purchase of materials, equipment, supplies, whenever there is a reason to believe that applying the "life cycle costing" method of quote evaluation would result in the lowest total cost to the City, first consideration shall be given to purchases with the lowest life cycle cost which complies with the specifications.

G. Telecommunications and Data Processing (Computer) Equipment or Software

Recognizing the unique aspects of computer and telecommunication systems, the legislature established an alternative process for making such purchases. [RCW 39.04.270](#), which is available to all municipalities, allows purchases through use of an alternative competitive negotiation process requiring, at a minimum, the following steps:

1. A request for proposals (RFP) must be published in a newspaper of general circulation at least 13 days before the last date on which the proposals will be received.
2. The RFP must identify significant evaluation factors, including price, and their relative importance.
3. The city must provide reasonable procedures for technical evaluation of the proposals, identification of qualified sources, and selection for awarding the contract.
4. The award must be made to the qualified bidder whose proposal is "most advantageous" to the city.
5. The city may reject all proposals for good cause and request new proposals.

XIV. EXCEPTIONS TO THE COMPETITIVE PROCESS

The Washington State statutes²¹ contain exceptions to the previously discussed bidding requirements. Exceptions, when exercised, should make good business sense and be in the best interest of the city.

It is important to note that ONLY the requirement for competitive bidding or advertising is waived. It does not waive any contractual requirements, approvals, or insurance requirements.

NOTE: If you think your project or purchase falls under one of the exceptions to the bid law, think again. The bid laws are there for a reason – to try to ensure that cities get the best buy for their money. Many of the projects or purchases that a city might consider to fall within exceptions are in the “gray” area of the law. If there is any doubt, the Finance Director or Contract Specialist should check with the city’s auditor.

Exemptions to the competitive bidding requirements:

- Purchases that are clearly and legitimately limited to a single source of supply
 - o Licensed or patented good or service
 - o Items that are uniquely compatible with existing equipment, inventory, systems, programs or services
 - o Meets City standards (i.e. water meters)
 - o Factory-authorized warranty services
- Purchases involving special facilities or market conditions
 - o Item is of special design, shape or manufacture that matches or fits with existing equipment, inventory, systems; used items; auctions
- Purchases in an emergency
- Inter-Governmental Cooperative Purchases
- Purchases of insurance or bonds
- Pollution control facilities and some neighborhood “self-help” projects may be exempt from bidding requirements
- Cities may hire the state or county to do road projects without going out for bids

A. Brand Name and Sole Source Purchases

Brand Name Bidding

Cities may advertise for bids by specifying a particular brand name item as long as the responsible officials have exercised their judgment and determined that a certain brand name is of higher quality or is better suited to the municipality’s needs. In *Smith v. City of Seattle*, the city advertised for bids for incandescent lamps, specifying a particular brand. In a suit brought by a maker of a similar lamp, the court stated that as long as the officials involved exercised their discretion in determining that a particular brand of lamps was more desirable, the city’s procedure was proper in the absence of abuse of

²¹ [RCW 39.04.280](#), [RCW 39.34.030](#),
[RCW 39.30.045](#), [RCW 35.21.278](#)

discretion or fraud. In this case, the fact that the city had used the specified lamps previously and they had performed satisfactorily provided a rational basis for city authorities to limit the bid advertisement to that specified brand of lamps, and the court found no abuse of discretion. There is no requirement that bid specifications naming a particular brand also include a phrase such as "or an equal brand." Contact the Contract Specialist for assistance in determining and documenting the brand name need, and preparation of bidding documents.

Sole Source Purchases

A sole source is a unique exception to the city's purchasing policies. A sole source situation is when it is only feasible to obtain a good or service from one supplier or service provider. Sole source conditions include such things as: (a) products, systems, information, or services that are subject to patent or other proprietary use rights; (b) supplies or services that only one vendor is capable of providing or authorized to provide; (c) items that are available from a single source and such items are required in order to function with existing equipment, systems, programs, or services; (d) situations where the sole source is the only practical way to meet the city's requirements or delivery deadlines; and/or (e) security requirements or information mandates that limit procurement from only a single vendor.

- Unless a specific sole source condition exists, the department/division and project manager shall follow standard competitive solicitation process.
- If there is any doubt, the department/division should pursue a competitive solicitation.
- Specifications must be expansive as possible to ensure the greatest pool of bidders to compete. There must be a clear and appropriate reason for specifications that narrow the field to a sole source.
- A late start to the project does not justify a sole source.
- Prior contracts with a vendor for work on a project is not necessarily an appropriate reason for a sole source waiver.
- The department/division making such a waiver request must document sufficient information that objectively establishes there is only a single source or that a patented or proprietary use right restriction exists. If you have used expansive specifications and find significant data that indicate a sole source, complete a [Sole Source Justification Form](#) and submit to the Contract Specialist.
- Sole source waivers require a City Council resolution.
- The Contract Specialist will prepare the City Council documents and administer the contract process.

B. Special Market Conditions

Special Market Conditions – What Are They?

[RCW 39.04.280\(1\)\(b\)](#) provides a “special market conditions” waiver from the bidding requirements for purchases of materials, supplies, or equipment. To use this exemption, the City Council must pass a resolution stating “the factual basis for the exception”.

What are special market conditions? No definition is given in the statutes. Some have suggested that if supplies or used equipment are offered at a very favorable price and will be sold before a city will have a chance to complete the bidding process, there is a special market condition. However, since there have been no court cases or attorney general’s opinion on this subject, if an employee wishes to invoke “special market conditions” to waive the bidding requirements, the Contract Specialist and City Attorney should be consulted.

Auctions

Sometimes the city will find exactly what it needs, at a favorable price, at an auction. Obviously, seeking bids would be impossible in an auction setting. [RCW 39.30.045](#) authorizes a city to acquire supplies, materials, and equipment through an auction conducted by the United States or any agency thereof, an agency of the state of Washington, a municipality or other government agency, or any private party, without bids, if the items to be purchased can be obtained at a competitive price. This authority, it would seem, would allow a city to make a purchase on an internet-based auction service, such as eBay, as well as through more traditional, in-person auctions. The Department Head must pre-approve an upper bidding limit, (which must be within the approved city budget), for the person doing the bidding.

C. Emergency Purchases

For purposes of this section “emergency” means unforeseen circumstances beyond the control of the city that either: (a) present a real, immediate threat to the proper performance of essential functions; or (b) will likely result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken. Competitive bidding may be waived subject to the following process:

1. Obtain concurrence of the Department Head or designee that a qualifying emergency requiring immediate acquisition of goods or services exists.
2. The Project Manager must inform the contractor that prevailing wage rates apply and the paperwork will be required as soon as possible, and before payment is made.
3. Promptly notify the Contract Specialist of emergency situations by submitting a memo describing the situation as soon as an emergency is known.
4. The Contract Specialist prepares the contract and City Council documents.
5. Once approved by City Council, the Contract Specialist sends the contract, bonds

and insurance requirements to the contractor. Work may begin without the required documents but the executed contract must be obtained, along with an executed bonds, and insurance documentation, as soon as possible, and before any payment is made.

State law requires that if a contract is awarded without competitive bidding due to an emergency, a written finding of the existence of an emergency must be made by the governing body or its designee and duly entered of record no later than two weeks following the award of the contract²².

Public works and improvements emergencies (e.g., broken water main, washed out road, sewer main break, etc.) require contract, performance bond, prevailing wages, and insurance. Local, state and federal laws do not exempt these requirements during an emergency.

D. Inter-Governmental Cooperative Purchases

[RCW 39.34.030](#) allows the city to join with other governmental agencies for the purchase of supplies, equipment, or services. This is done by entering into a written Intergovernmental Cooperative Purchasing Agreement (also known as an “interlocal agreement”). Contact the Contract Specialist for assistance through this process.

Prior to making a purchase under such an agreement, the city must ensure that the procedure used by the agency that originally awarded the bid, proposal, or contract is allowable within the city’s purchasing policy by using the [Cooperative Purchasing Checklist](#). The originating agency must also have fulfilled one of two additional public notice requirements:

- Posted the bid or solicitation notice on a web site established and maintained by a public agency, purchasing cooperative, or similar service provider, for purposes of posting public notice of bid or proposal solicitations.
- Provided an access link on the state's web portal to the notice.

The originating agency’s procurement, advertisement, contract documents, and the completed [Cooperative Purchasing Checklist](#) must be saved with the city’s contract documents.

The city may also make a bid call with another government entity as a joint purchase that complies with the procurement requirements of both jurisdictions. When practical, the city should include language in its solicitations that allows other public agencies to purchase from Anacortes’ contracts, provided that other agencies provide similar rights and reciprocal privileges to the City of Anacortes.

The City Council must approve all Intergovernmental Cooperative Purchasing Agreements.

²² [RCW 39.04.280](#)

E. Pollution Control Facilities

Chapter [70.95A RCW](#), relating to pollution control facilities and enacted in 1973, may offer an important exception to bidding requirements. The term “facility” is defined to mean “any land, building, structure, machinery, system, fixture, appurtenance, equipment or any combination thereof . . . which is used or to be used . . . in furtherance of the purpose of abating, controlling, or preventing pollution.” “Pollution” is defined broadly to include water pollution, land pollution, solid waste disposal, thermal pollution, radiation contamination, or noise pollution. To exercise this exemption, the Project Manager must receive a written certification from the Department of Ecology, or applicable regulating agency, that the project is designed to abate, control, and/or prevent pollution. The Contract Specialist must be involved in this process.

F. Neighborhood “Self-Help” Projects

The city may contract with certain groups to do neighborhood improvement projects without regard to the competitive bidding laws. These groups include chambers of commerce, service organizations, community, youth, or athletic associations, or other similar associations located in and providing service to the immediate neighborhood. The contracting association may make park and recreation improvements, install equipment and artwork, and provide maintenance services while being reimbursed by the city for its expenses. The consideration received by the city (the improvements, artwork, etc.) must be at least equal to three times the city’s payment to the association. All payments made by the city under the authority of this section for all such contracts in any one year shall not exceed twenty-five thousand dollars or two dollars per resident within the boundaries of the city, whichever is greater.

G. State or County Construction or Repair of Streets²³

By passing a resolution, the City Council may authorize Skagit County to construct, repair, or maintain a city street. The city pays the “actual cost” of the work, with the payment being deposited in the county road fund. The state Department of Transportation may also provide engineering assistance road projects or do the actual construction. The state is reimbursed from the city’s share of the motor vehicle excise tax in the motor vehicle fund. Such agreements with the county or the state do not require competitive bids.

²³ [RCW 47.24.050](#)

XV. ADDITIONAL/SPECIAL CONSIDERATIONS

When hiring anybody to do anything for the city, there are three main requirements that need to be met.

A. Certificates of Insurance

The contractor or consultant must furnish the city with a Certificate of Insurance, naming the City of Anacortes as primary and noncontributory **additional insureds with an additional attached endorsement**. Insurance requirements are determined by the City Attorney.

B. Washington State Contractor's License

It is unlawful for the city to hire *anyone* to perform public work on our property that does not have a valid State of Washington Contractor's License. If someone is not properly licensed, DO NOT HIRE THEM. You may look up a contractor to determine if they have a valid Contractor's License at:

- [Department of Labor and Industries](#)
- [Department of Revenue](#)

C. City of Anacortes Business License

A City of Anacortes business license is required for any business working inside the city limits whose annual value of products, gross proceeds of sales, or gross income of the business in the city is more than \$2,000. You may look up business licenses on the [Department of Revenue website](#).

XVI. DISPOSAL OF SURPLUS PROPERTY

The city has a separate policy for the disposal of surplus property. Refer to the [Fixed Asset Policies and Procedures](#) for more information.

XVII. TRADE-INS

Trade-Ins are allowed on new purchases if approved by Legal and Finance in advance. Trade-Ins must be negotiated, documented at "Fair Market Value" by the Project Manager, and declared surplus ahead of time.

Fair Market Value can be obtained by finding comparable units that have been sold at online auctions, e.g. www.publicsurplus.com, www.ebay.com, www.rockanddirt.com, www.ironplanet.com or other online sources such as Edmunds.com, Kelley Blue Book, or NADA. www.govdeals.com is a good place to find auction results for comparables.

Trade-Ins may also be requested ahead of time in the Bid Specifications as a "Guaranteed Buy Back". Work with Legal if you would like to consider this option.

XVIII. SALES TAX AND USE TAX

A. Sales Tax

The City of Anacortes is not sales tax exempt. State law defines which activities are subject to the retail sales tax. Generally, all sales of tangible personal property to consumers for their own use are considered retail sales, as well as a variety of services.

Sales tax is "destination based" for shipped or delivered merchandise and is collected based on the location where the buyer receives or takes possession of the merchandise.

- Destination based tax does not apply to the sales of motor vehicles, trailers, semi-trailers, aircraft, watercraft, modular homes, manufactured and mobile homes, towing services, and florists. Sales tax is based on the seller's location even if the seller delivers the items to customers.
- Sales tax on services are coded to the location where they are performed.
- Over-the-counter (in person) sales are based on the location of the sale.

To look up tax rates, visit the Washington State Department of Revenue (DOR) [website](#).

B. Use Tax

Use tax is a tax on goods and certain services that are paid to the state when sales tax is owed but was not collected by the seller. For example, if the seller should have collected sales tax on the sale, or sales tax is owed because the seller is out of state and does not collect Washington sales tax, the city still owes the tax and pays it to the state in the form of use tax. Use tax is destination based.

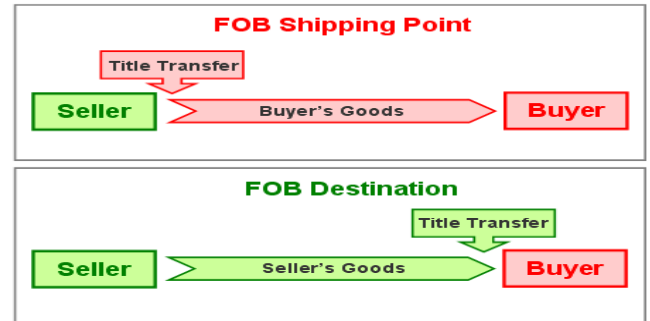
Use tax is due if:

- Goods are purchased in another state that does not have a sales tax or a state with a sales tax lower than Washington's. For example, items purchased from a business in Oregon to be used in Washington are subject to use tax.
- Goods are purchased from someone who is not authorized to collect sales tax. For example, purchases of furniture from an individual through a newspaper classified ad or a purchase of artwork from an individual collector.
- Goods are purchased out of state by subscription, through the Internet, or from a mail order catalog company. Some of these companies collect Washington's sales tax, but if the company from which you order does not, the city still must pay use tax.
- Personal property is acquired with the purchase of real property.

XIX. FREIGHT

A. Shipping Terms

Whenever you are purchasing an item that will incur freight charges, always request that it be shipped Freight-On-Board (FOB) Destination, Freight Prepaid. What this means is that the vendor you ordered the merchandise from owns it until it reaches your door and there won't be a separate invoice for freight. If anything should happen to the merchandise during shipping, the vendor (not the city) is responsible for filing the claims with the carrier. FOB determines at what point the ownership transfers. If an item is FOB origin, the city owns the merchandise from the point of shipping while it is in transit.



Freight prepaid or collect refers to who is responsible for paying shipping charges - the city or the seller.

B. Receiving Freight

It is the responsibility of the individual who signs for the carrier's delivery receipt to properly receive all cartons they are signing for. Anyone who accepts and signs for receipt of goods, acknowledges that the item was received and accepted as delivered.

Get what you sign for

1. Confirm the package or carton is being delivered to the proper location.
2. Verify the number of cartons, crates or pieces is correct according to quantities on the packing slip.
3. Open packages and verify order is correct.

Damaged Cartons

Any person receiving freight must make a notation on the carrier's delivery receipt of apparent damage to packages. State the specific type of damage on the delivery receipt and obtain the driver's signature (not just initials) on your copy of the receipt.

Concealed Damage

If the shipment of goods received showed no sign of damage upon receipt, but damage to the contents is found upon opening, concealed damage exists.

1. Call the carrier immediately upon discovery of the damage and request an inspection. Notate the date and the person contacted.
2. Notify the vendor to file a claim.
3. All shipping cartons should be retained for inspection on any damage.
4. When making a request for an inspection, advise the carrier whenever possible what the value of the damaged goods is. If the value is less than \$50.00, most

carriers will frequently waive inspection. Indicate person contacted on the claim form.

5. When an inspection is made, specific damages should be notated by both parties and signed by both on the inspection report. Send the report to the vendor and keep a copy for the city records.

XX. PAYMENTS

Inform all vendors to send invoice(s) to:

City of Anacortes
Accounts Payable
PO Box 547
Anacortes, WA 98221
360-299-1962
or by email to accountspayable@cityofanacortes.org

All questions regarding payments should be directed to the city Accounts Payable.

Invoices related to contracts are processed by the Contract Specialist.

The City of Anacortes offers EFT/ACH deposit for remittances. If a vendor would like to apply they need to complete the [EFT/ACH form](#) and return it to the City of Anacortes.

Accounts payable checks are paid on the next business day after approval at a regular City of Anacortes City Council meeting.

A P-Card is an alternate way to pay for something. See the City's [policy](#) for details and requirements.

XXI. APPENDICES

A. Glossary

Bid

The executed document submitted by a bidder in response to an invitation to bid (ITB), a request for proposals, or a request for quotations.

Bid Bond

A bond or deposit submitted with a bid, for a sum not less than 5% of the bid amount (including sales tax). Designed to help ensure that a bid has been made in good faith and that the bidder will enter into a contract if a bid is accepted.

Bidder

A person or legal entity who submits a bid in response to a solicitation.

Change Order

Work that is added or removed from the original scope of work, as agreed upon in the contract signed by city and contractor before work began. As the work proceeds, either the city or the contractor decides a change is needed to be made to accommodate unforeseen factors. Change orders can be agreed to by the Project Manager, but does not obligate any party until a contract modification is fully executed.

Contract

A verbal or written, legally binding mutual promise between two or more parties.

Contract Modification

Written modification to a contract (sometimes called an amendment). A modification may include one or more change orders, and must be fully executed by both parties before it obligates the contractor to render services, or the city to pay for services rendered, in excess to the original contract.

Final Acceptance

Final acceptance occurs when the city formally accepts the work as complete, and it starts the clock for releasing retainage held on the contract. The Notice of Final Acceptance cannot be issued until all requirements of the contract have been met including, but not limited to:

- Intents to Pay Prevailing Wages for the contractor and any subcontractors have been approved by the Department of Labor and Industries
- Final invoice for the project received by the city
- The Project Manager has determined the contractor has completed the required deliveries or performed the required services
- All as-builts have been received by the city

Fully Executed

A document is fully executed when all parties have agreed to the terms and conditions by signing and dating the document, and initialing any changes.

Notice of Completion

After final acceptance of any public works project over \$35,000, a public agency must file a Notice of Completion with the Department of Revenue (DOR), Department of Labor and Industries (L&I), and Employment Security Department (ESD)²⁴. Each state agency must approve the Notice of Completion separately, at which point each agency will send a certificate of release certifying that all applicable taxes, premiums, and penalties have been paid. If DOR, L&I, or ESD report that there are unpaid taxes or fees, the agency must pay the missing amount to the state within 10 days and subtract it from the retainage²⁵.

Request for Proposal (RFP)

All documents, whether attached or incorporated by reference, utilized for soliciting competitive proposals. The RFP procedure permits negotiation of proposals and prices, as distinguished from competitive bidding and a notice inviting bids. The procedure allows changes to be made after proposals are opened and contemplates that the nature of the proposals and/or prices offered will be negotiated prior to award.

Request for Quotation/Qualification (RFQ)

A document generally used for obtaining a summary of qualifications from prospective providers of professional services.

Payment Bonds

The purpose of a payment bond is to guarantee that the Contractor shall “pay all laborers, mechanics and sub-contractors.”

Performance Bonds

The purpose of a performance bond is to guarantee that the Contractor shall “faithfully perform all provisions of the contract.”

Sealed Bid

A bid which has been submitted in a sealed envelope to prevent its contents from being revealed before the deadline for the submission of all bids.

Specifications

A description of what the purchaser seeks to buy or accomplish - and consequently what a bidder must be responsive to in order to be considered for award of a contract. May be a description of the physical or functional characteristics, or the nature of a supply or service. May also include a description of any requirements for inspecting, testing, or preparing a supply or service item for delivery.

²⁴ [RCW 60.28.051](#)

²⁵ [RCW 60.28.060](#)

B. Matrix of Contract Requirements

Yes = REQUIRED; No = OPTIONAL

City of Anacortes Contract Requirements

	Estimated Cost	Quotes	Formal Bids	Advertisement & Public Bid Opening	Bid Bond	Council Approval	Retainage	Performance / Payment Bonds	Intents & Affidavits	Notice of Final Acceptance	Notice of Completion
Public Works											
Single Trade or Craft	\$0-\$40,000	1+	No	No	No	If \$30K+	5%, or 10% with Bonds Waiver	Yes, or Waiver with 10% Retainage	Under \$2,500 use the no-fee Combined Form; \$2,500+ Yes	Yes	If \$35K+
	\$40,001-\$150,000	Not allowed	Yes	Yes - 13 Days Before Bid Opening	Yes - 5% of Bid	Yes	5%, or 10% with Bonds Waiver	Yes, or Waiver with 10% Retainage	Yes	Yes	Yes
	\$150,000+	Not allowed	Yes	Yes - 13 Days Before Bid Opening	Yes - 5% of Bid	Yes	5%	Yes	Yes	Yes	Yes
Multiple Trade or Craft	\$0-\$65,000	1+	No	No	No	If \$30K+	5%, or 10% with Bonds Waiver	Yes, or Waiver with 10% Retainage	Under \$2,500 use the no-fee Combined Form; \$2,500+ Yes	Yes	If \$35K+
	\$65,001-\$150,000	Not allowed	Yes	Yes - 13 Days Before Bid Opening	Yes - 5% of Bid	Yes	5%, or 10% with Bonds Waiver	Yes, or Waiver with 10% Retainage	Yes	Yes	Yes
	\$150,001+	Not allowed	Yes	Yes - 13 Days Before Bid Opening	Yes - 5% of Bid	Yes	5%	Yes	Yes	Yes	Yes
MRSC Small Works Roster (SWR)	\$0-\$34,999	3+	No	No	No	If \$30K+	5%, or 10% with Bonds Waiver	Yes, or Waiver with 10% Retainage	Yes	Yes	No
	\$35,000-149,999	All on Roster list or 5+	No	No	No	Yes	5%, or 10% with Bonds Waiver	Yes, or Waiver with 10% Retainage	Yes	Yes	Yes
	\$150,000-\$300,000	5+, must notify all contractors on the roster list	No	No	No	Yes	5%	Yes	Yes	Yes	Yes
	Over \$300,000	Can't use SWR - See bid requirements above									
Materials, Supplies, Equipment (Unrelated to Public Work/Construction, Services, A/E)											
	\$0-\$2,500	1+	No	No	No	No	No	No	No	No	No
	\$2,501-\$7,500	3+	No	No	No	No	No	No	No	No	No
	\$7,501+	Not allowed	Yes	Yes - No Min # of Days	No	No	No	No	No	No	No
MRSC Vendor List	\$0-\$15,000	3+	No	No	No	No	No	No	No	No	No
	Over \$15,000	Can't use Vendor List - See bid requirements above									
Personal Services											
May Use MRSC Consultant Roster	Any Amount	1+	No	No	No	If \$30K+	No	No	No	No	No
Purchased Services											
	Any Amount	1+	No	No	No	If \$30K+	No	No	Possibly	No	No
Architectural and Engineering (A/E) Professional Services											
	Any Amount	Both a RFQ and RFP Required - NO Quotes or Bids		Yes - No Min # of Days	No	If \$30K+	No	No	No	No	No
MRSC Consultant Roster	Any Amount	RFP Required - NO Quotes or Bids		No	No	If \$30K+	No	No	No	No	No



Anacortes City Council

Proposed Agenda Items for the Next Eight Weeks Beginning March 4, 2019

Subjects listed below have been tentatively suggested for consideration by the Anacortes City Council on the dates indicated. Items may be added to, removed from or rearranged on this list. Routine business such as approval of minutes and vouchers are not included. The complete Preliminary Agenda for each meeting is published at 3:00 on the Wednesday prior to the meeting. Published Agendas are subject to change and may be updated following the posting period. For additional information on agenda topics, please contact the City Clerk's office at 360-299-1960 to be directed to the sponsoring staff member.

March 4, 2019

- Interlocal 267 Amendment 1 with Skagit County - BLS OTEP Training Hub
- Public Hearing: Ordinance 3030: Fire Impact Fees (Discussion/Possible Action)
- Ordinance 3035: Safety Suggestion Incentive Program for Employees (Discussion/Possible Action)
- Contract Award: WTP SCADA Systems Upgrade - Engineering Services Phase 1 #19-031-WTR-001 (Action)
- Executive Session (30 Minutes) : Potential Litigation or Litigation per RCW 42.30.110 (i)

March 11, 2019

- Contract Award: Emergency Management Services 19-015-IDS-001
- Planning Commission Recommendation: Development Regulations and Zoning Map Amendments (Discussion)
- Presentation: Museum Newspapers Exhibit Opening March 13 (Discussion)

March 18, 2019

- Planning Commission Recommendation: Development Regulations and Zoning Map Amendments (Discussion)

March 25, 2019

- Planning Commission Recommendation: Development Regulations and Zoning Map Amendments (Discussion)

April 1, 2019

April 8, 2019

April 15, 2019

April 22, 2019

Upcoming City Council Committee Meetings

The public is welcome to attend City Council Committee Meetings.

- Planning - CANCELLED, Monday, Feb 25, 2019, 5:00 PM, Main Conference Room, City Hall
- Public Works, Monday, Mar 4, 2019, 5:00 PM, Main Conference Room, City Hall
- Port/City Liaison, Tuesday, Mar 5, 2019, 8:30 AM, Port of Anacortes
- Planning, Monday, Mar 11, 2019, 5:00 PM, Main Conference Room, City Hall
- Skagit County Law & Justice Council, Wednesday, Mar 13, 2019, 8:15 AM, Mount Vernon
- Finance, Wednesday, Mar 13, 2019, 5:00 PM, Main Conference Room, City Hall
- Public Works, Monday, Mar 18, 2019, 5:00 PM, Main Conference Room, City Hall
