



City of Lake Stevens Vision Statement

By 2030, we are a sustainable community around the lake with a vibrant economy, unsurpassed infrastructure and exceptional quality of life.

CITY COUNCIL JOINT MEETING WITH ARTS COMMISSION AND PARKS BOARD

**Lake Stevens School District Educational Service Center (Admin. Bldg.)
12309 – 22nd Street NE, Lake Stevens**

Tuesday, December 10, 2019 – 6:00 p.m.

ARTS COMMISSION:

- Review of 2019 Accomplishments
- 2020 Work Program

PARKS BOARD:

- Review of 2019 Accomplishments
- 2020 Work Program

6:45 P.M. – 7:15 P.M.

Reception for Outgoing Mayor and Councilmembers

CITY COUNCIL REGULAR MEETING AGENDA

**Lake Stevens School District Educational Service Center (Admin. Bldg.)
12309 – 22nd Street NE, Lake Stevens**

Tuesday, December 10, 2019 – 7:30 p.m.

NOTE: WORKSHOP ON VOUCHERS AT 7:15 P.M.

CALL TO ORDER	7:30 p.m.	Mayor
PLEDGE OF ALLEGIANCE		Mayor
ROLL CALL		
APPROVAL OF AGENDA		Council President
CITIZEN COMMENTS		
COUNCIL BUSINESS		Council President

Lake Stevens City Council Regular Meeting Agenda

December 10, 2019

MAYOR'S BUSINESS

**CITY DEPARTMENT
REPORT**

Update

CONSENT AGENDA

*A	2019 Vouchers	Barb
*B	City Council Workshop Meeting Minutes of November 19, 2019	Kathy
*C	City Council Regular Meeting Minutes of November 26, 2019	Kathy
*D	Interlocal Agreement with Arlington re Social Worker Grant	Barb
*E	Amendment to Professional Services Agreement with Feldman & Lee re Public Defense Social Services Program	Barb
*F	Amendment to Public Defender Agreement with Feldman & Lee	Barb
*G	Interlocal Agreement with Snohomish County re Lake Management	Leah/Eric
*H	Agreement with WSDOT re SR 9 & 24 th Roundabout	Russ
*I	Amendment to Contract with Perteet re 20 th Street SE Design	Grace/Eric
*J	Everett Housing Authority <ul style="list-style-type: none">Resolution 2019-20 Authorizing Everett Housing Authority to Operate in Lake StevensResolution 2019-21 Authorizing Everett Housing Authority to Operate in Lake Stevens re Hawkins House	Russ

PUBLIC HEARING:

*K	Costco Development Agreement	Melissa/Russ
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ACTION ITEMS:

*L	Interlocal Agreement with Everett re Waterline	Russ
*M	Easement with PUD re Transformer at Pavilion Site	Aaron

DISCUSSION ITEMS:

EXECUTIVE SESSION:

ADJOURN

* ITEMS ATTACHED	** ITEMS PREVIOUSLY DISTRIBUTED	# ITEMS TO BE DISTRIBUTED
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THE PUBLIC IS INVITED TO ATTEND

Lake Stevens City Council Regular Meeting Agenda

December 10, 2019

Special Needs

The City of Lake Stevens strives to provide accessible opportunities for individuals with disabilities. Please contact Human Resources, City of Lake Stevens ADA Coordinator, (425) 622-9400, at least five business days prior to any City meeting or event if any accommodations are needed. For TDD users, please use the state's toll-free relay service, (800) 833-6384, and ask the operator to dial the City of Lake Stevens City Hall number.

NOTICE: All proceedings of this meeting are audio recorded, except Executive Sessions.



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LAKE STEVENS CITY COUNCIL
STAFF REPORT

Council Agenda Date: 12/10/2019

Subject: Elected Officials' Compensation

Contact Person/Department:	Julie Good/Human Resources Gene Brazel/City Administrator	Budget Impact: N/A
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RECOMMENDATION(S)/ACTION REQUESTED OF COUNCIL: None.

SUMMARY/BACKGROUND:

On November 25, 2019, the Salary Commission made a Motion to increase the City Council base rate of compensation, effective January 1, 2020, by the same Cost of Living Adjustment (COLA) as other City staff (e.g., 1.53% COLA = \$558.42 per month). (Current 2019 wage = \$550.00 per month).

The Salary Commission also made a Motion to increase the Mayor's 2019 base rate of compensation, effective January 1, 2020, by the same Cost of Living Adjustment (COLA) as other City staff (e.g., 1.53% COLA = \$2,233.66 per month). (Current 2019 wage = \$2,200.00 per month).

Additionally, the Salary Commission provided:

“The Salary Commission strongly encourages and requests, in the interest of transparency and civic leadership, that Council members [at City Council meetings] provide a brief summary or statement regarding any additional meetings they have attended, specifically highlighting items relevant to the City of Lake Stevens.”

A Public Hearing was conducted on December 2, 2019. No members of the public attended.

The decision of the Salary Commission shall go into effect January 1, 2020.

RECOMMENDATION: None.

APPLICABLE CITY POLICIES: None.

BUDGET IMPACT: Approximately \$1,300.00 per year.

ATTACHMENTS:

- Exhibit A: Salary Commission Meeting Minutes of November 25, 2019.
- Exhibit B: Salary Commission Meeting Minutes of December 2, 2019.

**CITY OF LAKE STEVENS
SALARY COMMISSION MEETING MINUTES**

Monday, November 25, 2019

City Hall Conference Room A, 1812 Main Street, Lake Stevens, WA

CALL TO ORDER: 5:34 p.m. by Commissioner Duerr

COMMISSIONERS PRESENT: Mike Duerr
Sue Fernalld
Michele Hampton
Sam Hassan

COMMISSIONERS ABSENT: None

STAFF MEMBERS PRESENT: Julie Good, Interim Human Resources Director and Risk Manager

OTHERS: None

Approval of Minutes: MOTION by Commissioner Hampton to accept and approve the minutes from the October 28, 2019 meeting, second by Commissioner Hassan. Commissioner Hampton initiated discussion regarding the minutes and whether she correctly recalled that there had been discussion regarding whether an increase in the elected official's compensation should be delayed until the budget is finalized. The minutes were amended to reflect the addition. MOTION passed unanimously.

MOTION by Commissioner Hampton to accept and approve the minutes from the October 28, 2019 meeting as amended, second by Commissioner Fernalld.

Discussion/Action Item:

Review of City of Lake Stevens elected officials' compensation: Commissioners reviewed the compensation received by elected official's so far this year, as well as the projections for the remaining months of 2019. Commissioner Fernalld recommended that if elected officials are compensated for attending a meeting, they should provide a summary of the meeting during a Council meeting. After discussion, the Commission agreed that if a recommendation for compensation adjustment is made, the Commission will strongly encourage the elected officials to report on each meeting they've attended.

MOTION by Commissioner Duerr to increase City Council 2019 base rate of compensation, effective January 1, 2020, by the same Cost of Living Adjustment (COLA) as other City staff (e.g., 1.53% COLA = \$558.42), seconded by Commissioner Hassan. Commissioner Hampton clarified that the COLA affects the base rate only; the compensation for meetings will remain at the current rate. MOTION passed unanimously.

MOTION by Commissioner Hampton to increase the Mayor's 2019 base rate of compensation, effective January 1, 2020, by the same Cost of Living Adjustment (COLA) as other City staff (e.g., 1.53% COLA = \$2233.66), seconded by Commissioner Duerr. MOTION passed unanimously.

The Salary Commission strongly encourages and requests, in the interest of transparency and civic leadership, that Council members provide a brief summary or statement regarding any additional meetings they have attended, specifically highlighting items relevant to the City of Lake Stevens.

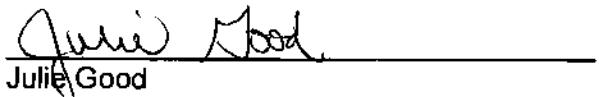
MOTION by Commissioner Duerr to schedule a Public Hearing on December 2, 2019 at 5:30 p.m. in City Hall Conference Room A, seconded by Commissioner Hassan. **MOTION** passed unanimously.

New Business:

No new business.

MEETING ADJOURNED at 6:31 p.m.

Respectfully Submitted:


Julie Good
Interim Human Resources Director/Commission Liaison

Approved By:


Michael Duerr
Chairperson

**CITY OF LAKE STEVENS
SALARY COMMISSION MEETING MINUTES**

Monday, December 2, 2019

City Hall Conference Room A, 1812 Main Street, Lake Stevens, WA

CALL TO ORDER: 6:05 p.m. by Commissioner Duerr

COMMISSIONERS PRESENT: Mike Duerr (5:20 p.m.)
Sue Fernalld (6:05 p.m.)
Michele Hampton (5:20 p.m.)

COMMISSIONERS ABSENT: Sam Hassan

STAFF MEMBERS PRESENT: Julie Good, Interim Human Resources Director and Risk Manager
Kathy Pugh, City Clerk

OTHERS: None

Approval of Minutes: **MOTION** by Commissioner Hampton to accept and approve the minutes from the November 25, 2019 meeting, second by Commissioner Fernalld. Commissioner Hampton initiated discussion regarding the minutes and requested the minutes reflect that the effective date of the increase to elected officials' salaries is effective January 1, 2020. The minutes were amended to reflect the addition. **MOTION** passed unanimously with the noted amendment.

Public Hearing:

The Public Hearing 'in consideration of the City of Lake Stevens salary Commission November 25, 2019 Recommendation: New Elected Official Salary Schedule effective January 1, 2020' was opened for public comment. No members of the public were present. The public comment portion of the Public Hearing was closed. The Public Hearing was closed.

New Business:

No new business.

MEETING ADJOURNED at 6:09 p.m.

Respectfully Submitted:

Julie Good
Interim Human Resources Director/Commission Liaison

Approved By:

Michael Duerr
Chairperson

BLANKET VOUCHER APPROVAL
2019

Payroll Direct Deposits	11/25/2019	\$262,566.15
Payroll Checks	49170-49171	\$3,276.86
Electronic Funds Transfers	ACH	\$163,991.19
Claims	49173-49238	\$1,317,967.68
Void Checks		
Total Vouchers Approved:		\$1,747,801.88

This 10th day of December 2019

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment or a contractual obligation, and that the claim is a just, due and unpaid obligation against the City of Lake Stevens, and that I am authorized to authenticate and certify to said claim.

Finance Director/Auditing Officer

Mayor

We, the undersigned Council members of the City of Lake Stevens, Snohomish County, Washington, do hereby approve for payment of the above mentioned claims:

Councilmember



December 10th, 2019

City Expenditures by Type on this voucher packet

Personnel Costs	\$	265,843	15%
Payroll Federal Taxes	\$	101,030	6%
Retirement Benefits - Employer	\$	56,456	3%
Other Employer paid Benefits	\$	646	0%
Employee paid benefits - By Payroll	\$	9,894	1%
Supplies	\$	8,887	1%
Professional Services	\$	155,224	9%
Capital *	\$	1,149,522	66%
Debt Payments	\$	300	0%
Total	\$	1,747,801.88	100%

Large Purchases

- * Frontier Village Access Improvements - \$549,129
- * North Cove Park/Pavilion Project - \$454,308
- * Engineering - 20th Street SE Bat lane - \$55,890



Total for Period	
\$1,481,958.87	

Checks to be approved for period 11/21/2019 - 12/04/2019

Vendor: Amazon Capital Services

Check Number: 49177

Invoice No	Check Date	Account Number	Account Name	Description	Amount
19P1-KWVQ-M16N	12/4/2019	001 008 521 20 31 00	LE-Office Supplies	Highlighters/Cable Ties/Exam Gloves	\$109.64
1DLD-LHRG-RLQD	12/4/2019	001 008 521 20 48 00	LE-Repair & Maintenance Equip	Key Fob	\$10.76
					\$120.40

Vendor: Amazon Capital Services

Check Number: 49178

Invoice No	Check Date	Account Number	Account Name	Description	Amount
1FKK-H1F7-MVWN	12/4/2019	001 005 518 10 31 00	HR-Office Supplies	Credit Steel Desk Orgainzer	(\$41.95)
1LR4-M1YP-7WLP	12/4/2019	001 007 558 50 31 02	PL-Permit Related Op. Costs	Mailing Tubs with Caps	\$56.31
1NHJ-GJMF-HXHR	12/4/2019	410 016 531 10 31 01	SW-Office Supplies	Laptop Shoulder Bag/Combination Lock	\$56.78
					\$71.14

Vendor: Aquatechnex LLC

Check Number: 49179

Invoice No	Check Date	Account Number	Account Name	Description	Amount
10916	12/4/2019	410 016 531 16 48 00	SW - Alum Treatment	2019 Alum Treatment	\$95,865.50
					\$95,865.50

Vendor: Barnes

Check Number: 49180

Invoice No	Check Date	Account Number	Account Name	Description	Amount
121619 BARNES	12/4/2019	001 008 521 20 43 00	LE-Travel & Per Diem	PerDiem - Meals CIT Training/Everett - Barnes	\$100.00
					\$100.00

Vendor: Canon Financial Services Inc

Check Number: 49181

Invoice No	Check Date	Account Number	Account Name	Description	Amount
20777692	12/4/2019	001 013 518 20 48 00	GG-Repair & Maintenance	Copier Maintenance CH	\$285.26
20778633	12/4/2019	101 016 542 30 48 00	ST-Repair & Maintenance	Copier Maintenance PW	\$17.08
20778633	12/4/2019	410 016 531 10 48 00	SW-Repairs & Maintenance	Copier Maintenance PW	\$17.08
					\$319.42

Vendor: Carter

Check Number: 49182

Invoice No	Check Date	Account Number	Account Name	Description	Amount
121619 CARTER	12/4/2019	001 008 521 20 43 00	LE-Travel & Per Diem	PerDiem - Meals CIT Training/Everett - Carter	\$100.00
					\$100.00

Vendor: CDW Government Inc

Check Number: 49183

Invoice No	Check Date	Account Number	Account Name	Description	Amount
VQR5800	12/4/2019	001 008 521 20 31 02	LE-Minor Equipment	Micro 16GB PC/Wireless Mouse/Keyboard/Intel Nuc Kit	\$576.47
VRG4516	12/4/2019	001 008 521 20 31 02	LE-Minor Equipment	Mini PC Mount	\$65.89
VSH5145	12/4/2019	410 016 531 10 31 02	SW-Operating Costs	Monitors	\$293.76
					\$936.12

Vendor: City of Everett

Check Number: 49184

Invoice No	Check Date	Account Number	Account Name	Description	Amount
I19004082	12/4/2019	001 008 521 20 31 01	LE-Fixed Minor Equipment	Region 1 Swat Team Patches	\$25.86 \$25.86

Vendor: City of Marysville

Check Number: 49185

Invoice No	Check Date	Account Number	Account Name	Description	Amount
POLIN 1*-0116	12/4/2019	001 008 523 60 41 00	LE-Jail	Prisoner Medical Oct 2019	\$50.00
POLIN 19-0120	12/4/2019	001 008 523 60 41 00	LE-Jail	Prisoner Housing/Medical Yakima Oct 2019	\$493.86
POLIN 19-0122	12/4/2019	001 008 523 60 41 00	LE-Jail	Prisoner Housing SCORE Oct 2019	\$1,612.39
POLIN 19-0126	12/4/2019	001 008 523 60 41 00	LE-Jail	Prisoner Housing Marysville Oct 2019	\$6,431.56
					\$8,587.81

Vendor: Code Publishing Co Inc

Check Number: 49186

Invoice No	Check Date	Account Number	Account Name	Description	Amount
65265	12/4/2019	001 003 514 20 41 00	CC-Professional Services	Muni Code Update Ordinance 1059/1068	\$1,338.09 \$1,338.09

Vendor: Colacurcio Brothers Inc

Check Number: 49187

Invoice No	Check Date	Account Number	Account Name	Description	Amount
PROGRESS 4	12/4/2019	305 010 594 76 60 00	North Cove Park Cap-Local	North Cove Park/Pavilion Project 18012	\$78,641.96
PROGRESS 4	12/4/2019	305 013 594 57 60 01	Pavillion - Grant Exp	North Cove Park/Pavilion Project 18012	\$352,046.21
PROGRESS 4	12/4/2019	305 016 595 30 60 02	Main Street Project - Local	North Cove Park/Pavilion Project 18012	\$23,620.20
					\$454,308.37

Vendor: Crystal Springs

Check Number: 49188

Invoice No	Check Date	Account Number	Account Name	Description	Amount
16015194 110919	12/4/2019	001 008 521 50 30 00	LE-Facilities Supplies	Bottled Water - Police Department	\$182.62 \$182.62

Vendor: Davido Consulting Group Inc

Check Number: 49189

Invoice No	Check Date	Account Number	Account Name	Description	Amount
26639	12/4/2019	410 016 594 31 60 01	SW - Capital Expenditure	Outlet Strategic Plan Engineering Services	\$22,629.71 \$22,629.71

Vendor: Dept of Retirement (Deferred Comp)

Check Number: 0

Invoice No	Check Date	Account Number	Account Name	Description	Amount
112519	11/26/2019	001 000 282 00 00 00	Payroll Liability Retirement	Employee Portion-State Defere	\$2,420.00 \$2,420.00

Vendor: Dept of Retirement PERS LEOFF

Check Number: 0

Invoice No	Check Date	Account Number	Account Name	Description	Amount
112519	11/26/2019	001 000 282 00 00 00	Payroll Liability Retirement	PERS LEOFF Contributions	\$56,207.97
112519NLEC	11/26/2019	001 000 282 00 00 00	Payroll Liability Retirement	NLEC Contributions	\$248.13
					\$56,456.10

Vendor: Dept of Revenue EFT

Check Number: 0

Invoice No	Check Date	Account Number	Account Name	Description	Amount
112019 DOR	12/4/2019	001 013 518 90 49 06	GG-Excise Tax	Excise Taxes Oct 2019	\$78.06
112019 DOR	12/4/2019	410 016 531 10 44 00	SW-Excise Taxes	Excise Taxes Oct 2019	\$7.07
					\$85.13

Vendor: Dicks Towing Inc

Check Number: 49190

Invoice No	Check Date	Account Number	Account Name	Description	Amount
SNO1531	12/4/2019	001 008 521 20 41 00	LE-Professional Services	Evidence Towing 2019-23888	\$126.27
SNO2869	12/4/2019	001 008 521 20 41 00	LE-Professional Services	Evidence Towing 2019-23042	\$126.27
					\$252.54

Vendor: EFTPS

Check Number: 0

Invoice No	Check Date	Account Number	Account Name	Description	Amount
112519	11/26/2019	001 000 281 00 00 00	Payroll Liability Taxes	Federal Payroll Taxes	\$101,029.79
					\$101,029.79

Vendor: Electronic Business Machines

Check Number: 49191

Invoice No	Check Date	Account Number	Account Name	Description	Amount
AR151566	12/4/2019	001 007 558 50 48 00	PL-Repairs & Maint.	Copier Repair & Maintenance PL	\$96.11
AR151566	12/4/2019	001 007 559 30 48 00	PB-Repair & Maintenance	Copier Repair & Maintenance PB	\$96.11
AR151566	12/4/2019	101 016 542 30 48 00	ST-Repair & Maintenance	Copier Repair & Maintenance PW	\$96.11
AR151566	12/4/2019	410 016 531 10 48 00	SW-Repairs & Maintenance	Copier Repair & Maintenance PW	\$96.12
					\$384.45

Vendor: Employment Security Department

Check Number: 49192

Invoice No	Check Date	Account Number	Account Name	Description	Amount
19-051158-RDUC5	12/4/2019	001 008 521 20 31 01	LE-Fixed Minor Equipment	Work History Research Case 19-22151	\$9.50
					\$9.50

Vendor: Everett Stamp Works

Check Number: 49193

Invoice No	Check Date	Account Number	Account Name	Description	Amount
28214	12/4/2019	001 007 558 50 31 02	PL-Permit Related Op. Costs	Plan Review Stamp	\$21.69
					\$21.69

Vendor: Everett Steel Inc

Check Number: 49194

Invoice No	Check Date	Account Number	Account Name	Description	Amount
278885	12/4/2019	001 010 576 80 31 00	PK-Operating Costs	Steel Angle/HR Round	\$334.19
					\$334.19

Vendor: Fireshield Inc

Check Number: 49195

Invoice No	Check Date	Account Number	Account Name	Description	Amount
1119 FIRESHIELD	12/4/2019	001 000 342 40 00 00	Protective Inspections - Fire	FIR2019-0057 Application Withdrawn	\$81.75
1119 FIRESHIELD	12/4/2019	633 000 389 30 00 08	Fire DistrictFees	FIR2019-0057 Application Withdrawn	\$545.00
					\$626.75

Vendor: Griffen

Check Number: 49196

Invoice No	Check Date	Account Number	Account Name	Description	Amount
8Z0851086	12/4/2019	001 011 515 91 41 00	LG-General Public Defender	Public Defender Services	\$300.00
8Z0908938	12/4/2019	001 011 515 91 41 00	LG-General Public Defender	Public Defender Services	\$300.00
					\$600.00

Vendor: HB Jaeger Co LLC

Check Number: 49197

Invoice No	Check Date	Account Number	Account Name	Description	Amount
17913048939	12/4/2019	410 016 531 10 31 02	SW-Operating Costs	Concrete Clay Caulder Coupling	\$128.69
					\$128.69

Vendor: HDR Engineering Inc

Check Number: 49198

Invoice No	Check Date	Account Number	Account Name	Description	Amount
1200230193	12/4/2019	304 016 595 60 60 05	Trestle/HOV Lane	Engineering Services - 20th Street BAT Lane Impr	\$55,889.81
					\$55,889.81

Vendor: Heinemann

Check Number: 49199

Invoice No	Check Date	Account Number	Account Name	Description	Amount
121619HEINEMANN	12/4/2019	001 008 521 20 43 00	LE-Travel & Per Diem	PerDiem - Meals CIT Training/Everett - Heinemann	\$100.00
					\$100.00

Vendor: Henley Leadership Group Inc

Check Number: 49200

Invoice No	Check Date	Account Number	Account Name	Description	Amount
1245554	12/4/2019	001 010 576 80 41 00	PK-Professional Services	PW Team Development Training	\$833.33
1245554	12/4/2019	101 016 542 30 41 02	ST-Professional Service	PW Team Development Training	\$833.33
1245554	12/4/2019	410 016 531 10 41 01	SW-Professional Services	PW Team Development Training	\$833.34
					\$2,500.00

Vendor: Highland Canine Training LLC

Check Number: 49201

Invoice No	Check Date	Account Number	Account Name	Description	Amount
20140625 3829	12/4/2019	001 008 521 40 49 01	LE-Registration Fees	Police K9 Supervisor Course - Barnes	\$259.00
					\$259.00

Vendor: Home Depot

Check Number: 49202

Invoice No	Check Date	Account Number	Account Name	Description	Amount
2014852	12/4/2019	101 016 544 90 31 02	ST-Operating Cost	Post Hole Digger/Bar/Concrete Mix	\$226.13
5014425	12/4/2019	410 016 531 10 31 02	SW-Operating Costs	PVC Sewer Pipe/Sewer Drain Caps	\$94.75
7015561	12/4/2019	001 007 558 50 31 02	PL-Permit Related Op. Costs	Wood Stakes for Permit Boards	\$12.66
					\$333.54

Vendor: HSA Bank

Check Number: 49173

Invoice No	Check Date	Account Number	Account Name	Description	Amount
112519	11/26/2019	001 000 284 00 00 00	Payroll Liability Other	Health Savings Account Employee Contributions	\$494.99
					\$494.99

Vendor: Hunter

Check Number: 49203

Invoice No	Check Date	Account Number	Account Name	Description	Amount
2337	12/4/2019	001 007 558 50 41 04	Permit Related Professional Sr	Hearing Examiner Services LUA 2019-0108	\$2,600.00 \$2,600.00

Vendor: Iron Mountain Quarry LLC

Check Number: 49204

Invoice No	Check Date	Account Number	Account Name	Description	Amount
0295854	12/4/2019	101 016 544 90 31 02	ST-Operating Cost	Rock	\$69.61 \$69.61

Vendor: J Thayer Company Inc

Check Number: 49205

Invoice No	Check Date	Account Number	Account Name	Description	Amount
1408570-0	12/4/2019	001 001 511 60 31 00	Legislative - Operating Costs	Binders	\$79.90
1408570-0	12/4/2019	001 007 558 50 31 00	PL-Office Supplies	Expo Erasers/Cube Hanger/Magnetic Board	\$160.04
1408570-0	12/4/2019	001 007 559 30 31 00	PB-Office Supplies	Folders	\$64.68
1408570-0	12/4/2019	001 013 518 20 31 00	GG-Operating Costs	Paper	\$50.03
1408570-1	12/4/2019	001 001 511 60 31 00	Legislative - Operating Costs	Index Tabs	\$13.18
1409731-0	12/4/2019	001 008 521 20 31 00	LE-Office Supplies	Toner/Folders/Binder Clips/Tape	\$312.34
1410753-0	12/4/2019	001 002 513 11 31 00	AD-Office Supply	Pen Refills	\$5.32
1410753-0	12/4/2019	001 013 518 20 31 00	GG-Operating Costs	Soap/Paper/Pens/Binder Clips	\$234.56
					\$920.05

Vendor: Kane

Check Number: 49206

Invoice No	Check Date	Account Number	Account Name	Description	Amount
112119 KANE	12/4/2019	410 016 531 10 32 00	SW-Fuel	Reimburse Gas - Innovative Partnership Conf - Kane	\$49.06
112119 KANE	12/4/2019	410 016 531 10 43 00	SW-Travel & Meetings	Reimburse Parking - Innovative Partnership Conf - Kane	\$9.10

\$58.16

Vendor: Lake Stevens Police Guild

Check Number: 49174

Invoice No	Check Date	Account Number	Account Name	Description	Amount
112519	11/26/2019	001 000 284 00 00 00	Payroll Liability Other	Employee Paid Union Dues	\$1,098.50 \$1,098.50

Vendor: Land Development Consultants Inc

Check Number: 49207

Invoice No	Check Date	Account Number	Account Name	Description	Amount
19555	12/4/2019	001 007 558 50 41 04	Permit Related Professional Sr	Permitting Review Services	\$2,741.25 \$2,741.25

Vendor: LN Curtis & Sons

Check Number: 49208

Invoice No	Check Date	Account Number	Account Name	Description	Amount
515544	12/4/2019	001 008 521 20 31 04	LE-Donation Exp - Other	Safety Vests - Explorers	\$463.74
521340	12/4/2019	001 008 521 20 31 01	LE-Fixed Minor Equipment	New Officer Uniform - M Cooper	\$817.25
523337	12/4/2019	001 008 521 20 31 01	LE-Fixed Minor Equipment	Fleece Jacket/Sweater - J Uber	\$256.10
523361	12/4/2019	001 008 521 20 31 01	LE-Fixed Minor Equipment	Updated Carrier/Name Patch/Covert Concealable Carrier	\$466.41
523362	12/4/2019	001 008 521 20 31 01	LE-Fixed Minor Equipment	Short Sleeve Polos - J Dreher	\$111.07
CM18702	12/4/2019	001 008 521 21 26 00	LE-Boating Clothing	Credit Jackets - INV323977	(\$305.94)
INV323977	12/4/2019	001 008 521 21 26 00	LE-Boating Clothing	Jackets	\$422.09
INV335279	12/4/2019	001 008 521 20 31 01	LE-Fixed Minor Equipment	Uniform Namebadge/Service Award Tab - M Cooper	\$27.15

INV335307	12/4/2019	001 008 521 20 31 01	LE-Fixed Minor Equipment	Pants - M Cooper	\$84.97
INV336242	12/4/2019	001 008 521 20 31 01	LE-Fixed Minor Equipment	Concealable Carrier/Trauma Pack/Armor - D Carter	\$1,034.41
INV336570	12/4/2019	001 008 521 20 31 01	LE-Fixed Minor Equipment	Polo - R Brooks	\$89.84
INV336768	12/4/2019	001 008 521 21 26 00	LE-Boating Clothing	Jacket Alterations - D Carter	\$166.20
INV336808	12/4/2019	001 008 521 20 31 01	LE-Fixed Minor Equipment	Clip-on Necktie - M Cooper	\$6.00
INV337925	12/4/2019	001 008 521 20 31 04	LE-Donation Exp - Other	Explorer Shoulder Patch	\$263.69
					\$3,902.98

Vendor: Lowes Companies

Check Number: 49209

Invoice No	Check Date	Account Number	Account Name	Description	Amount
911569	12/4/2019	410 016 531 10 31 02	SW-Operating Costs	Cordless Impact Wrench/Lock Set/Acetate	\$281.14
920687	12/4/2019	101 016 544 90 31 02	ST-Operating Cost	Electric Water Heater/Sink Faucet	\$197.66
920687	12/4/2019	410 016 531 10 31 02	SW-Operating Costs	Electric Water Heater/Sink Faucet	\$197.66
					\$676.46

Vendor: Motorola Solutions Inc

Check Number: 49210

Invoice No	Check Date	Account Number	Account Name	Description	Amount
13210809	12/4/2019	001 008 594 21 63 00	LE-Capital Outlays Equipment	PD Radios SN 481CUF2809 thru 481CUH2812	\$15,302.77
13211682	12/4/2019	001 008 594 21 63 00	LE-Capital Outlays Equipment	PD Radios SN 527CUH1017 thru 527CUH1019	\$10,643.84
16002605	12/4/2019	001 008 594 21 63 00	LE-Capital Outlays Equipment	PD Radios SN 481CUM3151	\$4,697.22
					\$30,643.83

Vendor: Nationwide Retirement Solution

Check Number: 0

Invoice No	Check Date	Account Number	Account Name	Description	Amount
112519	11/26/2019	001 000 282 00 00 00	Payroll Liability Retirement	Employee Portion-Nationwide	\$3,836.67

\$3,836.67

Invoice No	Check Date	Account Number	Account Name	Description	Amount
80346335 1119	12/4/2019	001 008 521 20 42 00	LE-Communication	Postage Supplies PD	\$105.73

\$105.73

Invoice No	Check Date	Account Number	Account Name	Description	Amount
N017504	12/4/2019	101 016 544 90 31 02	ST-Operating Cost	Inflater Gage	\$87.15
N017504	12/4/2019	410 016 531 10 31 02	SW-Operating Costs	Inflater Gage	\$87.14

\$174.29

Vendor: Owen Equipment Company

Check Number: 49213

Invoice No	Check Date	Account Number	Account Name	Description	Amount
00095705	12/4/2019	410 016 531 10 31 02	SW-Operating Costs	Blue Steel	\$443.58

\$443.58

Invoice No	Check Date	Account Number	Account Name	Description	Amount
201911PDUS00146	12/4/2019	101 016 543 30 41 02	ST-Software Maint & Support	Pix4Dmapper - Yearly Rental License	\$1,750.00
201911PDUS00146	12/4/2019	410 016 531 10 41 04	SW-Software Maint & Support	Pix4Dmapper - Yearly Rental License	\$1,750.00

\$3,500.00

Vendor: Place

Check Number: 49215

Invoice No	Check Date	Account Number	Account Name	Description	Amount
111419 PLACE	12/4/2019	001 007 558 50 43 00	PL-Travel & Mtgs	Hotel/Meals/Milage/Parking - Growth Mgmt Act Conf - M Place	\$338.85 \$338.85

Vendor: Rexcel USA Inc

Check Number: 49216

Invoice No	Check Date	Account Number	Account Name	Description	Amount
X655702	12/4/2019	303 016 594 42 60 01	Fuel System Construction	Conduit/Screw Set/Straps	\$140.89
X655774	12/4/2019	303 016 594 42 60 01	Fuel System Construction	Hammer/Shurtape/InstantFit Lamp	\$288.73 \$429.62

Vendor: Sans Institute

Check Number: 49217

Invoice No	Check Date	Account Number	Account Name	Description	Amount
8635815	12/4/2019	001 008 521 20 41 00	LE-Professional Services	Registration - Windows Forensic Analysis - J Wachtveitl	\$7,488.47 \$7,488.47

Vendor: Six Robblees Inc

Check Number: 49218

Invoice No	Check Date	Account Number	Account Name	Description	Amount
14-392445	12/4/2019	101 016 544 90 31 02	ST-Operating Cost	LED Signal Stat/Marker/Grommet/Right Angle	\$84.63
14-392445	12/4/2019	410 016 531 10 31 02	SW-Operating Costs	LED Signal Stat/Marker/Grommet/Right Angle	\$84.63
14-392644	12/4/2019	410 016 531 10 31 02	SW-Operating Costs	Ratchet St	\$64.97 \$234.23

Vendor: Snohomish County 911

Check Number: 49219

Invoice No	Check Date	Account Number	Account Name	Description	Amount
2042	12/4/2019	001 008 528 00 41 00	LE - SNO911	Dispatch Services	\$28,214.30 \$28,214.30

Vendor: Snohomish County Planning

Check Number: 49220

Invoice No	Check Date	Account Number	Account Name	Description	Amount
I000512417	12/4/2019	001 007 559 30 41 00	PB-Professional Srv	Oct 2019 ILA Building Inspections Hours	\$1,600.00 \$1,600.00

Vendor: Snohomish County PUD

Check Number: 49221

Invoice No	Check Date	Account Number	Account Name	Description	Amount
118459712	12/4/2019	001 010 576 80 47 00	PK-Utilities	200493443 Catherine Creek Park Electric	\$13.74
128373080	12/4/2019	001 010 576 80 47 00	PK-Utilities	203599006 City Shop Electric/Water	\$191.13
128373080	12/4/2019	101 016 543 50 47 00	ST-Utilities	203599006 City Shop Electric/Water	\$191.13
128373080	12/4/2019	410 016 531 10 47 00	SW-Utilities	203599006 City Shop Electric/Water	\$191.18
128376313	12/4/2019	101 016 542 63 47 00	ST-Lighting - Utilities	202013249 Traffic Signal 1933 79th Ave SE	\$94.44
128376313	12/4/2019	101 016 542 64 47 00	ST-Traffic Control -Utility	202013249 Traffic Signal 7441 20th St SE	\$76.13
151436607	12/4/2019	001 008 521 50 47 00	LE-Facility Utilities	203033030 Police Dept Electric	\$422.98
151436607	12/4/2019	001 008 521 50 47 00	LE-Facility Utilities	203033030 Police Dept Water	\$88.57
151443819	12/4/2019	001 010 576 80 47 00	PK-Utilities	203582010 Lundein Restrooms Electric	\$175.03
151443819	12/4/2019	001 010 576 80 47 00	PK-Utilities	203582010 Lundein Restrooms Water	\$261.99
151443819	12/4/2019	001 012 557 30 40 01	CS - VIC Utilities	203582010 Visitor Information Center Electric	\$141.73
151443819	12/4/2019	101 016 542 63 47 00	ST-Lighting - Utilities	203582010 Street Lights	\$58.01
154686334	12/4/2019	001 010 576 80 47 00	PK-Utilities	202340527 Decant Yard	\$18.35

154686334	12/4/2019	101 016 543 50 47 00	ST-Utilities	202340527 Decant Yard	\$18.35
154686334	12/4/2019	410 016 531 10 47 00	SW-Utilities	202340527 Decant Yard	\$18.36
157883623	12/4/2019	001 010 576 80 47 00	PK-Utilities	221908015 City Shop Mechanic	\$53.93
157883623	12/4/2019	101 016 543 50 47 00	ST-Utilities	221908015 City Shop Mechanic	\$53.92
157883623	12/4/2019	410 016 531 10 47 00	SW-Utilities	221908015 City Shop Mechanic	\$53.91
161066464	12/4/2019	101 016 542 63 47 00	ST-Lighting - Utilities	203728159 Traffic Signal	\$53.52
164277759	12/4/2019	101 016 542 63 47 00	ST-Lighting - Utilities	200178218 Street Lights 8533 15th St NE	\$85.07
164277759	12/4/2019	101 016 542 63 47 00	ST-Lighting - Utilities	200178218 Traffic Signal 8718 17th St NE	\$180.03
					\$2,441.50

Vendor: Snohomish County Sheriffs Office

Check Number: 49222

Invoice No	Check Date	Account Number	Account Name	Description	Amount
2019-5812	12/4/2019	001 008 523 60 41 00	LE-Jail	Jail Services Oct 2019	\$16,287.17

\$16,287.17

Vendor: Sound Publishing Inc

Check Number: 49223

Invoice No	Check Date	Account Number	Account Name	Description	Amount
EDH879946	12/4/2019	001 007 558 50 41 04	Permit Related Professional Sr	LUA2019-0166 Mt View Short Plat	\$77.59
EDH879960	12/4/2019	001 007 558 50 41 04	Permit Related Professional Sr	LUA2019-0163 Hartford Industrial LLC	\$79.40
EDH880211	12/4/2019	001 007 558 50 41 04	Permit Related Professional Sr	LUA2019-0178 Costco	\$139.13
EDH880998	12/4/2019	001 007 558 50 41 04	Permit Related Professional Sr	LUA2019-0178 Costco PH	\$122.84
EDH881028	12/4/2019	001 007 558 50 41 04	Permit Related Professional Sr	LUA2019-0179 Talon Ridge Final Plat	\$75.78
EDH881287	12/4/2019	001 013 518 30 41 01	GG-Advertising	Ordinances 1070/1072	\$41.39
EDH881456	12/4/2019	001 013 518 30 41 01	GG-Advertising	Arts Commission Special Meeting	\$23.29
EDH881458	12/4/2019	001 007 558 50 41 03	PL-Advertising	2019 Comp Plan Docket PH	\$75.78
EDH881481	12/4/2019	001 013 518 30 41 01	GG-Advertising	Salary Commission Meeting	\$26.91
EDH882386	12/4/2019	001 013 518 30 41 01	GG-Advertising	Salary Commission Meeting	\$30.53
EDH882387	12/4/2019	001 013 518 30 41 01	GG-Advertising	Salary Commission Meeting Cancellation	\$23.29

\$715.93

Vendor: SRV Construction Inc

Check Number: 49224

Invoice No	Check Date	Account Number	Account Name	Description	Amount
1251-01	12/4/2019	301 016 595 30 60 02	Village Access	Frontier Village Access Improvements	\$549,128.78
1251-01	12/4/2019	621 000 389 20 00 01	Retainage - Street Project	Frontier Village Access Improvements - Retainage	(\$27,373.92)

(\$27,373.92)

\$521,754.86

Vendor: Summers

Check Number: 49225

Invoice No	Check Date	Account Number	Account Name	Description	Amount
121619 SUMMERS	12/4/2019	001 008 521 20 43 00	LE-Travel & Per Diem	PerDiem - Meals Interview Techniques/Burien - B Summers	\$228.00

\$228.00

Vendor: Tacoma Screw Products Inc

Check Number: 49226

Invoice No	Check Date	Account Number	Account Name	Description	Amount
18261378	12/4/2019	101 016 544 90 31 02	ST-Operating Cost	Steel Corner Bolts	\$78.14
18261378	12/4/2019	410 016 531 10 31 02	SW-Operating Costs	Steel Corner Bolts	\$78.14
18261379	12/4/2019	101 016 544 90 31 02	ST-Operating Cost	Snap Links/Screw Pin Shackles/Deck/Cap Screws	\$146.10
18261379	12/4/2019	410 016 531 10 31 02	SW-Operating Costs	Snap Links/Screw Pin Shackles/Deck/Cap Screws	\$146.11

\$448.49

Vendor: Technological Services Inc

Check Number: 49227

Invoice No	Check Date	Account Number	Account Name	Description	Amount
14783	12/4/2019	001 008 521 20 48 00	LE-Repair & Maintenance Equip	Cooling System Inspection PT-15-62	\$451.39
14844	12/4/2019	001 008 521 20 48 00	LE-Repair & Maintenance Equip	Lube/Oil/Filter/Fluid Ck/Tire Rotation/Brake PT-19-81	\$189.46
					\$640.85

Vendor: United Rentals North America Inc

Check Number: 49228

Invoice No	Check Date	Account Number	Account Name	Description	Amount
167357874-009	12/4/2019	305 010 594 76 60 00	North Cove Park Cap-Local	Dozer Rental - North Cove	\$4,891.92
					\$4,891.92

Vendor: UPS

Check Number: 49229

Invoice No	Check Date	Account Number	Account Name	Description	Amount
0000074Y42469	12/4/2019	001 008 521 20 42 00	LE-Communication	Evidence Shipping	\$14.64
					\$14.64

Vendor: US Bank St Paul

Check Number: 49230

Invoice No	Check Date	Account Number	Account Name	Description	Amount
5440531	12/4/2019	210 000 592 75 85 00	2008 Bond Fees	LAKSGOREF08A Series 2008A Limited Tax Obligation	\$300.00
					\$300.00

Vendor: Valvick

Check Number: 49231

Invoice No	Check Date	Account Number	Account Name	Description	Amount
121619 VALVICK	12/4/2019	001 008 521 20 43 00	LE-Travel & Per Diem	PerDiem - Meals Interview Techniques/Burien - C Valvick	\$228.00
					\$228.00

Vendor: Vantagepoint Transfer Agents - 108991

Check Number: 49175

Invoice No	Check Date	Account Number	Account Name	Description	Amount
112519	11/26/2019	001 000 282 00 00 00	Payroll Liability Retirement	ICMA Deferred Comp - Employer Contribution	\$363.39
					\$363.39

Vendor: Vantagepoint Transfer Agents - 307428

Check Number: 49176

Invoice No	Check Date	Account Number	Account Name	Description	Amount
112519	11/26/2019	001 000 282 00 00 00	Payroll Liability Retirement	ICMA Deferred Comp - Employee Contribution	\$1,880.02
					\$1,880.02

Vendor: WAPRO

Check Number: 49232

Invoice No	Check Date	Account Number	Account Name	Description	Amount
624	12/4/2019	001 008 521 20 49 00	LE-Dues & Memberships	WAPRO Membership - Fox	\$25.00
625	12/4/2019	001 008 521 20 49 00	LE-Dues & Memberships	WAPRO Membership - Starkenburg	\$25.00
					\$50.00

Vendor: Washington Assoc of Sheriffs and Police Chiefs

Check Number: 49233

Invoice No	Check Date	Account Number	Account Name	Description	Amount
INV029109	12/4/2019	001 008 521 40 49 01	LE-Registration Fees	Registration - WASPC 2019 Fall Conf/Chelan - J Dyer	\$300.00
					\$300.00

Vendor: Washington State Criminal Justice

Check Number: 49234

Invoice No	Check Date	Account Number	Account Name	Description	Amount
201133530	12/4/2019	001 008 521 40 49 01	LE-Registration Fees	Registration - Collision Investigations - A Bryant	\$100.00 \$100.00

Vendor: Washington State Support Registry

Check Number: 0

Invoice No	Check Date	Account Number	Account Name	Description	Amount
112519	11/26/2019	001 000 284 00 00 00	Payroll Liability Other	Employee Paid Child Support	\$163.50 \$163.50

Vendor: Wave Broadband

Check Number: 49235

Invoice No	Check Date	Account Number	Account Name	Description	Amount
103946401-0007042	12/4/2019	001 002 513 11 42 00	AD-Communications	Telephone Service	\$23.64
103946401-0007042	12/4/2019	001 003 514 20 42 00	CC-Communications	Telephone Service	\$47.27
103946401-0007042	12/4/2019	001 004 514 23 42 00	FI-Communications	Telephone Service	\$47.28
103946401-0007042	12/4/2019	001 005 518 10 42 00	HR-Communications	Telephone Service	\$23.63
103946401-0007042	12/4/2019	001 006 518 80 42 00	IT-Communications	Telephone Service	\$70.90
103946401-0007042	12/4/2019	001 007 558 50 42 00	PL-Communication	Telephone Service	\$153.72
103946401-0007042	12/4/2019	001 007 559 30 42 00	PB-Communication	Telephone Service	\$23.63
103946401-0007042	12/4/2019	001 008 521 20 42 00	LE-Communication	Telephone Service	\$803.95
103946401-0007042	12/4/2019	001 012 575 30 42 00	CS-Historical-Communications	Telephone Service Museum	\$23.64
103946401-0007042	12/4/2019	001 012 575 50 42 00	CS-Community Center - Comm	Telephone Service Senior Ctr	\$23.63
103946401-0007042	12/4/2019	001 013 518 20 42 00	GG-Communication	Telephone Service	\$94.55
103946401-0007042	12/4/2019	101 016 543 30 42 00	ST-Communications	Telephone Service Shop	\$136.03
103946401-0007042	12/4/2019	410 016 531 10 42 00	SW-Communications	Telephone Service Shop	\$136.03
103946401-0007042	12/4/2019	510 006 518 80 49 04	LR - WaveBroadband Fiber Lease	Fiber Leases	\$1,884.99 \$3,492.89

Vendor: Welch Comer & Associates Inc

Check Number: 49236

Invoice No	Check Date	Account Number	Account Name	Description	Amount
55000010-002	12/4/2019	304 016 595 30 60 04	Frontier Village/4th Project	Village Way Construction Mgmt	\$31,600.00 \$31,600.00

Vendor: White

Check Number: 49237

Invoice No	Check Date	Account Number	Account Name	Description	Amount
112019 WHITE	12/4/2019	003 000 322 10 00 00	Building Permits	BLD2019-0714 Refund - Application Withdrawn	\$372.20 \$372.20

Vendor: Wynne and Sons Inc

Check Number: 49238

Invoice No	Check Date	Account Number	Account Name	Description	Amount
62840	12/4/2019	001 007 559 30 31 00	PB-Office Supplies	Business Cards - T Meyers	\$48.86
62841	12/4/2019	001 007 558 50 31 00	PL-Office Supplies	Business Cards - D Roth	\$48.86 \$97.72

**CITY OF LAKE STEVENS
CITY COUNCIL WORKSHOP MEETING**

Tuesday, November 19, 2019

Lake Stevens School District Educational Service Center (Admin. Bldg.)
12309 22nd Street N.E., Lake Stevens

Tuesday, November 19, 2019 – 7:00 p.m.

CALL TO ORDER: 7:01 p.m. by Mayor John Spencer

ELECTED OFFICIALS PRESENT: Councilmembers Kim Daughtry, Gary Petershagen, Brett Gailey and Todd Welch

ELECTED OFFICIALS ABSENT: Councilmembers Kurt Hilt, Rauchel McDaniel and Marcus Tageant

STAFF MEMBERS PRESENT: City Administrator Gene Brazel, Finance Director Barb Stevens, Community Development Director Russ Wright, Public Works Director Eric Durpos, Interim Human Resources Director/Risk Manager Julie Good, Police Commander Jeff Beazizo, City Clerk Kathy Pugh, Capital Projects Coordinator Aaron Halverson, Parks Coordinator Jill Meis, Planner Dillon Roth, Associate Planner Sabrina Gassaway

OTHERS:

Mayor Spencer called the meeting to order at 7:01 p.m. and turned the meeting over to Council President Petershagen. Councilmember President Petershagen announced an executive session to begin at 8:00 p.m. He added there will also be a brief discussion regarding appointing a councilmember to represent the city at Community Transit board meetings and an update on the interlocal agreement with Everett regarding the waterline.

Arts Commission/Parks Board Updated Mission Statements: Parks Coordinator Jill Meis said she was asked to review the Lake Stevens Municipal Codes (charters) for both the Arts Commission and Boards Board. She shared a handout and reviewed LSCM 2.29.050 Arts Commission. Coordinator Meis suggested that rather than limiting the Arts Commission's reporting, recommendations and communications only to the Mayor, the code be amended to provide that communications by the Arts Commission be made to the Mayor, staff and/or Council. Turning to LSCM 2.56.060, Coordinator Meis said she has reviewed this code section with the Parks Board and there are recommendations to update the code to (1) provide consistency with the Growth Management Act, remove obsolete sections regarding special events and remove duties that are now carried out by city and/or professional staff. The Park Board also requested the addition of language providing that the Parks Board provides input on the prioritization of parks projects and recreation programming, and that it assists with the scope and visioning of park development.

There was general consensus that these changes are appropriate, and Director Wright said staff will bring back an ordinance reflecting these changes.

Capital Improvement Projects/Transportation Improvements Projects Update: Capital Projects Coordinator Aaron Halverson distributed a handout and reviewed capital projects that are currently in the construction phase including the South Lake Stevens Path, North Cove Park Improvements, the Frontier Village Access Road and Cavalero Park. He next updated on projects currently in the design phase including the Police Station and Evidence Facility project and the Decant Facility, and responded to Councilmembers' questions. Regarding the Decant Facility the design is at about 60% and the city is working to partner with Lake Stevens Sewer District and PUD; the goal is to design a facility that will meet all three agencies' needs. Coordinator Halverson said the Public Works Shop remodel has been put on hold while other projects are completed. Coordinator Halverson then briefly updated on the 20th Street SE – Phase II, Segment I project and the 20th Street SE Trestle/BAT Lane project, both of which are overseen by Senior Engineer Grace Kane.

Responding to Councilmember Petershagen's question, Director Durpos commented city staff met with the Transportation Improvement Board (TIB) and there is money already earmarked and available for this project. The goal is to trade federal funds with City of Lynnwood who has a huge federal project going in exchange for Lynnwood's TIB grant, dollar-for-dollar, which would defederalize the 20th Street SE project. The hope is to go to bid at the beginning of the year; Puget Sound Regional Council is expected to approve the funding swap at their December 6th meeting. If the swap is approved this provides funding sooner than 2021 when the federal funds are available.

Councilmember Daughtry updated on his meeting with SCCIT and commented the governor is looking at pulling back TIB dollars for projects.

Councilmember Gailey believes it is critical that the 20th Street SE project move forward next summer in light of upcoming development projects.

Coordinator Halverson noted the Trestle BAT lane, which is a state mobility grant project.

Councilmember Daughtry commented at this point the regional mobility grant funds are not touched by I-976, but this could change.

Responding to Councilmember Welch's question, Coordinator Halvorsen said the hope is to complete both the BAT lane and the 20th Street SE Phase II construction next summer at roughly the same time.

Turning to Frontier Heights Park, Coordinator Halverson reviewed the first phase elements including paved paths, restoring turf and basketball court, and regrading. A playground may be included in this phase or in a future phase. The city is looking for outside funding on this project. Responding to Councilmember Daughtry's question, Coordinator Halverson said that civic groups can help with funding, and Director Wright said the city is requesting state funding in their capital request for 2020.

Coordinator Halverson updated on the 20th Street SE Playfield which is generally open for use, and added there is a long list of projects on the list, all of which are in the planning stages and do not yet have funding.

Employee Handbook: Interim Human Resources Director Good said the entire draft Handbook is before Council this evening. In April Councilmembers had questions and

requested changes and these are addressed in the material before Council this evening. Interim Director Good explained the cash out policy for compensatory time and said this decision is made by the City Administrator. She next reviewed how the Tuition Reimbursement program will work, saying it would allow for retraining, but a new position would not be created. She added this program also requires commitment from the employee to stay with the city a certain number of years and there is a \$2500 per calendar year cap on the reimbursement. Interim Director Good reviewed how the cashout of sick and vacation time for separating employees will be administered. There was Council consensus to bring this forward for approval on the consent agenda at the next meeting.

2019 Budget Amendment: Director Stevens reviewed the 2019 budget amendments. These include changes related to the new Police Department, the Decant Facility and the South Lake Stevens Path, and moving funds for city's electronic content management system from IT to the City Clerk budget where they more correctly belong to provide for training and implementation assistance with this software. Director Stevens said this will be brought forward next week on the consent agenda unless there are questions or concerns, and there were none.

Director Stevens next reviewed that the Fees Resolution needs to be amended to update for stormwater fees, based on the 2018 rate study that was completed. The amendment will include rate increases through 2024 and will be easily visible to customers. Director Stevens reviewed the rate increases in response to Councilmember Daughtry's questions. Director Stevens said this will be brought forward on the consent agenda next week.

Councilmember Daughtry said he is concerned with staffing levels in the Planning Department and requested positions be added to the 2020 budget including at least one senior planner and hiring of a building official. Mayor Spencer said an analysis will be brought back to the Council for consideration and suggested Council will need to adjust its comfort level to add a position. Director Stevens clarified there is already a building official budgeted but the city has not been able to fill it. Director Wright suggested perhaps the concerns could be addressed by hiring temporary staff. Councilmember Daughtry is concerned about staff burn out under the anticipated workload with the development of 20th Street SE.

Changes to Upcoming Council Meeting Schedule and Veterans Commission

Reappointments: City Clerk Pugh reviewed proposed changes to the upcoming Council schedule including holding a joint meeting with the Arts Commission and Parks Board beginning at 6 p.m. on December 10th and moving the start of the Council meeting that evening to 7:30 to allow for a brief reception for the outgoing Mayor and Councilmembers, changing the December 17th Council workshop meeting to a Special Meeting and cancelling the December 24th Council meeting. There was no objection to the proposed changes and this will be on the Consent Agenda for the November 26th meeting.

Clerk Pugh then reviewed reappointments to the Veterans Commission for terms beginning January 1, 2020. She noted three of the commissioners are scheduled to be reappointed to positions they already hold and asked that Council move forward with reappointing those positions. She added that concerns with reappointments to positions currently held by councilmembers could be revisited in January. Responding to Councilmember Daughtry's question, Clerk Pugh said the three councilmember appointments end December 31, 2020. There was brief discussion and consensus to move forward with the three appointments to the three non-councilmember positions at the November 26th meeting.

Wyatt Park Agreement with Snohomish County: Director Wright reviewed the history of working with Snohomish County to turn Wyatt Park over to the City. He said there is substantial agreement between the County and City as to the terms of the interlocal agreement and that the ILA includes the boat launch facility. Passholders for Snohomish County Parks will be allowed to use their park passes for parking, and the city will collect day use fees under the ILA. The hope is to complete this agreement before the end of the year so the property transfers at the beginning of 2020. Director Wright added Sunset Beach Park is not included in this ILA as it is outside of the current city limits and that the County will be more amenable to a transfer after the area is annexed. Responding to Councilmember Gailey's question, Director Wright said the city is not aware of any structural concerns that might arise in the next five years and Director Durpos added this has been looked at and reviewed with the Snohomish County maintenance department.

Everett Waterline: Director Wright said there are two separate interlocal agreements with Everett regarding the waterline. The first is a joint agreement regarding the waterline crossing at 91st and the other is a more regional agreement. Regarding the first agreement Everett and Lake Stevens are very close to agreement on language. This will allow the City to do the construction necessary to replace aged waterlines with Everett paying a proportionate share.

City Administrator Brazel did not have comments on the Everett Waterline agreement but said the city did receive WSDOT comments on the ILA for the roundabout at 24th and SR 9, and WSDOT is in agreement with project. Administrator Brazel did request language from the City Attorney to provide an exit plan if the bids are above the city's ability to pay its proportionate share of the project.

Council President Petershagen announced an executive session for 10 minutes beginning at 8:01 p.m. to discuss property acquisition, with no action to follow. Director Wright announced at 8:11 p.m. that the executive session was extended 5 minutes. The Workshop meeting reconvened at 8:18 p.m.

Land Use Update: Planner Dillon Roth provided an overview of the upcoming land use updates. He noted the update is quite large and will be brought forward in sections. The first update will be restructuring of the subdivision regulations, into one subdivision chapter. He reviewed the process and said this will go to the Planning Commission for public hearing on December 4 and to the City Council for public hearing on December 17. Planner Roth said a Land Use Advisory committee was formed to inform the process and provide input, and the Planning Commission has been included in the process. He also noted the city received a Department of Commerce grant for \$40,000 to assist with the cost in staff time of this amendment. Planner Rother then provided additional detail on the proposed subdivision code amendments, including an update to the density designations. Planner Roth and Director Wright provided clarifications on lot width in response to Councilmembers' questions.

Associate Planner Sabrina Gassaway reviewed the proposal to create new parameters for infill housing on vacant or under-utilized parcels within existing urban areas that are largely developed. This will provide flexibility and a variety of housing types. She shared photos of housing types that might accomplish this.

Responding to Councilmember Petershagen's question, Director Wright said that density will not affect the shoreline if current code standards are still maintained. Councilmember Petershagen encouraged that this potential development only be allowed on "road-divided" property.

Councilmember Daughtry asked if there is an indication from the market that this type of housing is desirable. Ms. Gassaway said a market analysis has not been done. Director Wright added that the City currently has an application that reflects this and there is a demand for this type of housing; he anticipated this demand will be growing. Ms. Gassaway added this type of housing will allow for aging in place and provide affordable housing.

Responding to Mayor Spencer's question, Associate Planner Gassaway explained that to qualify for infill building, the maximum buildable area on a parcel would be one acre and this takes into account that there are a number of areas encumbered by critical areas.

Costco Development Agreement: Director Wright said tonight's briefing is the second briefing on a potential Development Agreement with Costco. The first briefing was general and tonight's briefing is a review of the most current draft which includes financing. Director Wright commented that most of the agreement has not changed, and it includes provisions for if bids come in too high, timing, and mitigations. It also provides for a traffic mitigation process, SEPA vesting rights, general language as to amendments and contractual legal agreements. A public hearing is scheduled for November 26 and there will also be a description of the entire project and procedural elements. Director Wright said staff is available to answer questions.

At 9:00 p.m. Mayor Spencer reminded of the Council Rule to end meetings at 9:00 p.m. and there was consensus to continue the meeting to no later than 9:30 p.m.

In response to Councilmember Petershagen's question Director Wright said the drafting of the Development Agreement has been a cooperative effort between the City Attorney, Costco legal counsel and city staff.

Mayor Spencer said the Development Agreement once approved allows Costco to proceed with more certainty. He noted it provides for cost sharing and that cost sharing on transportation agreements are on public through roads which are in the City's plan for development. The agreement also provides for sewer latecomer fees and stormwater fees. Mayor Spencer commented that Costco intends to use innovative roofing and provide low impact parking as it relates to water retention and contamination/pollutant protections. This will be brought forward at the public hearing. Mayor Spencer added that a lot of the mitigation will occur on site and/or in the area as opposed to paying into a mitigation bank investment account. The City has worked with the Tulalip tribes to identify improvements and they are primarily on fish passages that have blockages on private property, including the Costco site; the City is extremely hopeful in working with the County that this project will result in a complete stream reach from the Snohomish River all the way up to the Costco project. Mayor Spencer believes the development will serve this growing area.

Councilmember Petershagen asked if the 2012 or 2014 Storm Water Manual will be used, and Director Wright confirmed it will be the 2014 Storm Water Manual and that the City is in compliance with the most recent storm drainage manual.

In response to Councilmember Petershagen's question, City Administrator Brazel clarified that the reference to an "off ramp" provides an opportunity for rebidding or redesign if costs come in too high on the 24th Street roundabout, and the plan provides an opportunity for all parties to come together to discuss how to move forward.

Councilmember Petershagen confirmed there is state funding available for this intersection, and Mayor Spencer commented the city's state legislators are on board to help this community be successful.

Director Wright said staff has been reviewing the 300-plus comments and put together a matrix of these comments and with city responses. He noted that all applications submitted by Costco will be presented on November 26th and that the public hearing will be on the development agreement. Council could hold over a decision on the Development Agreement based on comments and information that are brought forward that evening.

Community Transit Nomination: Councilmember Daughtry explained that cities appoint representatives to Community Transit and that small, medium and large sized cities then nominate from amongst their members representatives to sit on the Community Transit Board. Community Transit requires that cities provide the names of their representatives by January 8th, which is prior to the Council's first meeting in 2020. He requested to be nominated as the Lake Stevens representative and has been on the Community Transit Board for a number of years. There was agreement to bring this forward on the November 26th consent agenda.

There being no further business the meeting was adjourned at 9:14 p.m.

John Spencer, Mayor

Kathy Pugh, City Clerk

**CITY OF LAKE STEVENS
CITY COUNCIL REGULAR MEETING MINUTES**

Tuesday, November 26, 2019
Lake Stevens School District Educational Service Center (Admin. Bldg.)
12309 22nd Street N.E. Lake Stevens

CALL TO ORDER: 7:00 p.m. by Mayor Pro Tem Gary Petershagen

ELECTED OFFICIALS PRESENT: Councilmembers Kim Daughtry, Gary Petershagen, Kurt Hilt, Todd Welch, Rauchel McDaniel, Brett Gailey and Marcus Tageant

ELECTED OFFICIALS ABSENT: Mayor John Spencer

STAFF MEMBERS PRESENT: City Administrator Gene Brazel, Finance Director Barb Stevens, Community Development Director Russ Wright, Public Works Director Eric Durpos, Police Chief John Dyer, Commander Ron Brooks, Interim Human Resources Director/Risk Manager Julie Good, City Clerk Kathy Pugh, City Attorney Greg Rubstello, Police Sgt. Bob Summers, Corporal Brandon Fiske, Officers Adam Bryant, Judah Marshall and Alex Michael, and Explorer River Skinner, Surface Water Management Coordinator Leah Everett and Stormwater Engineer Technician Jon Stevens

OTHERS:

Mayor Pro Tem Gary Petershagen called the meeting to order at 7:00 p.m. and requested a moment of silence for Terri Spencer, Mayor Spencer's wife who passed away yesterday.

Pledge of Allegiance: Councilmember Welch led the Pledge of Allegiance.

Roll Call: All present.

Approval of Agenda:

Councilmember Petershagen requested Item D, Reappointment of Veterans Commissioners, on the Consent Agenda be moved ahead of administering the Oaths of Office to Board and Commission members. He also requested the public hearing for the Costco Development Agreement be heard first, followed by the 2020 Budget and Comprehensive Plan Updates. He then said the Executive Session scheduled for this evening is being removed from the agenda.

Moved by Councilmember Daughtry, seconded by Councilmember Tageant, to approve the agenda with the noted changes. On vote the motion carried (7-0-0-0).

Citizen Comments:

Sandra Bloomquist 12703 16th Street NE, Lake Stevens asked about the building being constructed at North Cove Park. City Administrator Brazel responded it is the new Pavilion building that is part of the Downtown Plan and will be a community and meeting space.

Jackie Longley, 2116 – 131st Avenue NE, Lake Stevens, said her road is not on the master plan for sidewalk additions and expressed concern that road widening work has removed the shoulder forcing walkers to walk on the street. She requested sidewalks for 131st Avenue NE be added to the master project list as a high priority. She added the street sign is missing.

Melissa Burns, 2110 – 131st Avenue NE, Lake Stevens, shares Ms. Longley's concerns and requested sidewalks for her street.

Reappointments to Veterans Commission: Moved by Councilmember Daughtry, seconded by Councilmember Tageant, to reappoint Veterans Commission members Dennis Ives, Karen Boe and Vern Rasmussen to four-year terms beginning January 1, 2020 and ending December 31, 2023. On vote the motion carried (7-0-0-0).

Board and Commission Oaths of Office: Mayor Pro Tem Petershagen administered the oath of office to Vern Rasmussen and Dennis Ives, who is reappointed to the Veterans Commission, Linda Hoult who is reappointed to the Planning Commission, and to newly appointed Library Board members Teresa Bannon, Jason Colby, Melissa Maffeo and Emily Stainbrook.

Council Business: Waived by Councilmembers.

City Department Report: Waived Department heads.

Lake Condition Update: Surface Water Management Coordinator Leah Everett and Stormwater Engineer Technician Jon Stevens provided a PowerPoint presentation on the state of the lake, noting that lake conditions have improved greatly and water quality is good. Phosphorus levels were reviewed and are steadily decreasing, and algae and milfoil are under control.

Consent Agenda:

MOTION: Moved by Councilmember Kurt, seconded by Councilmember Gailey, to approve the consent agenda as amended:

- A. 2019 Vouchers [Payroll Direct Deposits of \$218,961.34, Payroll Check Nos. 49060-49062 totaling \$4,137.81, Electronic Funds Transfers (ACH) of \$284,207.72, Claims Check Nos. 49063-49169 totaling \$957,958.19, Void Check No. 48930 in the amount of \$159.16, Total Vouchers Approved \$1,465,105.90;]
- B. City Council Regular Minutes of November 12, 2019;
- C. Changes to Council Meeting Schedule;
- D. [Removed];
- E. Resolution 2019-16 Setting Rates, Fees and Deposits;
- F. Ordinance No. 1077 Amending LSMC 3.44 re Cashier's Change Funds;
- G. 2020 Legislative Priorities;
- H. Appointment of Representative to Community Transit Board;
- I. Authorize Mayor and City Staff to Begin Search to Fill Vacant Council Position.

On vote the motion carried (7-0-0-0).

Public Hearing:

Resolution 2019-17 re Costco Development Agreement: Mayor Pro Tem Petershagen said this is a public hearing on the Development Agreement and reviewed the steps of the public hearing. He then opened the public hearing.

City Attorney Rubstello reviewed the process for moving a Development Agreement forward including that a public hearing is required. He then explained that a Development Agreement is a voluntary contract between a prospective developer/property owner and the city that specifies the standards that will govern the development of a particular property over a particular period of time. It sets forth the terms and conditions for development but does not authorize the actual development. The development agreement provides assurance to the developer that the rules and regulations in place at the time of the agreement will be in place over the term of the development project, and this provides assurance in financing. On the city's side it provides assurances that the developer will move forward with a project that will benefit the city. Development agreements also set out mitigations that will alleviate impacts of a project and timing of mitigations. Attorney Rubstello requested comments tonight be specific to the Development Agreement.

Councilmember Tageant recused himself from this hearing and left the room at 7:35 p.m.

Senior Planner Melissa Place provided a brief background on the project, including that the project is located at the southwest corner of SR 9 and 20th Street SE, and the proposal is for construction of an approximately 160,000 square foot warehouse with 809 parking spaces and 30 fueling stations. She commented the properties were annexed in 2009 as part of the Southwest annexation and were zoned Commercial as part of the city's 2012 20th Street SE subarea plan, which identified the area as a major employment center with expanding retail, business park and retail nodes. The proposed development area was identified specifically as a site for a large retailer. She commented briefly on the proposed access to the property.

Planner Place reviewed the five elements of the project which are the binding site plan, design review, Planned Action, SEPA and the Development Agreement. The binding site plan, design review and binding site plan will be consolidated for administrative decision as is allowed by the Lake Stevens Municipal Code. The Development Agreement is a legislative action requiring Council approval. Planner Place next commented on the SEPA review which includes both on- and off-site review. She noted an Environmental Impact Statement was completed for the site and briefly reviewed those results

Turning to public comments Planner Place said the city has received numerous public comments. She reviewed the city held a public meeting in July where numerous public comments were received. During that time the public had an opportunity to meet with and pose questions and concerns to Costco representatives. Comments received to date include environmental including critical areas, traffic and roadway, storm water and drainage, procedural, groundwater, utilities and infrastructure, convenience, economy, and noise, air quality and light. Planner Place said the city has provided a summary response by general topic to the comments received as of November 19, both online and mailed to parties of interest.

Planner Place said the next step in the land use permitting process is to complete the consolidated administrative review of the site plan, binding site plan, design review. This will take place once the city determines the project meets the adopted standards or can be conditioned to meet those adopted standards. Additional permits related to construction will follow.

Planner Place reminded this project is constantly evolving and that many of the reports and analyses that have been submitted and reviewed are preliminary at this point and that final reports will be reviewed in conjunction with the construction plan application.

Director Wright reviewed the tenents of the Development Agreement, noting this is a contract setting the legal terms for the project. Director Wright said the Development Agreement describes the project and regulations that the project will need to be follow as well as the various physical improvements that will be built or designed in partnership between the city and Costco. Director Wright reviewed that this property was annexed in 2009 and the city subsequently considered a growth strategy looking at where growth would be appropriate in this area, and the idea of an economic strategy based on neighborhood plans. This led to the adoption of the 20th Street SE subarea plan, including traffic analysis and infrastructure improvements for roads, stormwater and sewer infrastructure, all of which are described in the Development Agreement.

Director Wright said the Development Agreement alleviates some of the traffic concerns by providing a separate, distinct traffic corridor that parallels 20th Street SE, as well as development of other roadways that will take traffic off SR 9. Director Wright added the funding agreement portion calls out who designs and who pays for various parts of the infrastructure improvements. In addition to the city and Costco, contributors include Snohomish County, Washington State Department of Transportation, Lake Stevens Sewer District and the Tulalip Tribes. In closing, Director Wright noted the particular location in question was previously identified as suitable for a large retailer and this is in line with the vision that was developed earlier.

Costco representative Brian Whelan introduced himself and said he manages site selection for Costco. Mr. Whelan said the entire Costco development team is here this evening and they have been working on this development for over a year. The Costco team includes traffic, wetland and stream consultants as well as land use attorneys.

Mr. Whelan then commented that Lake Stevens residents are currently traveling to the Woodinville, Everett and Marysville Costco stores; after reviewing growth trends and projections for the Lake Stevens community Costco determined there is enough population in the Lake Stevens community to support a Costco. He noted there are currently 40,000 member households in the trade area identified as Lake Stevens and Costco's experience is that existing members in identified trade areas transfer to the new facility. Mr. Whelan said Costco anticipates that approximately 300 new employees will be hired for this facility and they will make a living wage, currently \$15.50 per hour plus benefits for both full and part-time employees. Additionally, the city will benefit because an estimated \$125 million in retail leakage will be stopped with the construction of a Costco retail store.

Mr. Whelan next briefly reviewed the project consisting of a 159,000 square foot building, 809 parking stalls and gas station with 24 fueling stations.

Mr. Whelan said to undertake a development such as this there is a need for a public/private partnership as the project cost is prohibitive without that partnership, partially due to the unique property characteristics of this site. He noted the site identified for this facility is already zoned commercial and there is an already-existing planned action for the property that was previously put in place by the City.

Mr. Whelan said that Costco approached the city about developing at the identified location and that collaboration between the parties and other agencies has been moving forward for more

than a year. At this point having a development agreement in place is necessary for the project to continue to move forward.

In closing Mr. Whelan complimented the Mayor for his leadership and direction in moving this project forward and city staff for their hard work and professionalism, saying that Costco has never had the kind of support and professionalism in moving forward with a project as Lake Stevens has demonstrated.

Mayor Pro Tem Petershagen invited questions of Council.

Responding to Councilmember Welch's question regarding the wetlands mitigation and the property to the south of the site, Director Wright responded this question arises from a comment that was received and that this issue could be removed from the Development Agreement. The city and Costco could continue to work with affected property owners to resolve the concern and then bring the mitigation forward for Council consideration at a later date.

Councilmember Hilt asked about the removal of the six fish culverts and if they are being removed due to the legal requirement. Director Wright said the culverts in question were not identified as part of the state program. Director Wright added that moving the culvert at Highway 9 where the roundabout will be built is necessary; the others are additional mitigation measures that were identified in working with the Tribes and the Army Corps of Engineers. Further responding to Councilmember Hilt, Director Wright said there have been lots of meetings with the Tulalip Tribes regarding alternative analyses, and the Tribes have provided direction but have not provided formal comments on the mitigation plan as it sits today.

Mayor Pro Tem Petershagen then opened the public comment portion of the hearing and asked that if there are groups represented by a single person or a designated spokesperson that they identify themselves. Spokespersons will be allowed more time to testify on behalf of a group, otherwise comments will be limited to three minutes. Additionally the City will continue to accept written comments and testimony.

Doug Turner, 3201 South Lake Stevens Road, Lake Stevens, owner of Turner Grocery, commented the city appears to have bent over backwards to accommodate Costco and that monetary figures show the city will fund 60% of an unknown total project cost. He is concerned that a proper SEPA has not been implemented and that the city has failed to comply with many of its own laws and ordinances. He added that critical wetlands need to remain protected for future generations. Mr. Turner referenced the July meeting as the only other public meeting on this project. Mr. Turner submitted 210 signatures against the project with nearly 400 more on line.

Tom Wiles, 4503 – 147th Avenue NE, Lake Stevens, a longtime resident of the city, encouraged the Council to approve the Development Agreement and thanked Brian Whelan and Russ Wright for their efforts.

Blanch Hopkins Kosche, Post Office Box 1074, Lake Stevens, said her roots go deep in the community. She commented since 1940 she has crossed the Trestle to do her shopping and she still drives across the Trestle to do her shopping. A Costco in Lake Stevens will eliminate trips across the Trestle.

Joyce Copley, 9513 – 28th Street NE, Lake Stevens, is excited about Costco. She said she has watched the area around the Smokey Point Costco thrive since Costco opened and she wants

that for Lake Stevens. She also supports the Costco because the sales tax revenues will provide for the needed sidewalks and road improvements.

Earl Gray, 2505 Meadow Drive, Lake Stevens, drives to the Everett Costco. He commented growth happens and noted the area was zoned for this type of development in 2012. He added that under the GMA growth cannot be stopped and property taxes on homes do not provide enough taxes to build infrastructure such as sidewalks, but sales tax will. Mr. Gray does support a strong mitigation plan. He closed by saying he believes Costco is a pretty good partner.

David Clay, 9307 – 45th Place SE, Lake Stevens, in the unincorporated area between Lake Stevens and Snohomish, is concerned about the proposed location and increased traffic at the intersection of SR 9 and 24th SE. Mr. Clay does not believe traffic mitigation will be effective and asked about the mitigation for Moser Creek, a salmon bearing stream. He is also concerned about the lack of noise and light mitigations. Mr. Clay is concerned his quality of life will be negatively impacted and does not support Costco at this location.

Agnes O'Connor, 2023 South Machias Road, Snohomish, lives at the eastern most point of 20th Street SE and is also concerned about traffic and people using Machias and Bunk Foss Roads as work arounds to increased traffic. She is also concerned about impacts to wetlands and salmon spawning areas. Ms. O'Connor is surprised by the location of the 30 gas pumps at the northeast corner of the site, which abuts right of way and the City of Everett water pipeline. Ms. O'Connor hopes this is assessed and incorporated into any final design. Ms. O'Connor requested information on traffic assessments.

Carol McDonal, 7709 – 28th Street SE, Lake Stevens, commented on the irregular UGA boundaries south of 20th Street SE. She believes all of the commercial along 20th Street SE, including the Costco are incompatible with the requirements of the GMA and requirements to leave natural boundaries. Ms. McDonal is also concerned the entire area has not been adequately studied, and said the entire area is interspersed with woodlands, wetlands and streams, that can be impacted by all commercial plans along 20th Street SE. She is also concerned about light pollution.

Marilyn Webber, 2725 South Lake Stevens Road, Lake Stevens, read the city's mission and vision statements for the record. She said the proposed Costco will have a huge imprint in an inappropriate location with increased traffic, noise and congestion, and negative impacts to fish streams. Ms. Webber is concerned about the loss of her ability to enjoy her home and yard, increased demands for public safety and negative impacts to City of Everett's water line and a tax burden of 60% of the development cost. Ms. Webber said there are too many negative impacts and this project does not follow the city's mission and vision statements and ignores the negative impacts of growth.

Brian Johnson, 2417 – 107th Drive NE, Lake Stevens, is a business agent for the Ironworkers Local 86. Mr. Johnson said the Ironworkers support this project and said that Costco is an excellent employer and will create jobs for residents of the city and a reduced commute. Residents will be able to shop locally and sales tax revenue will help to support infrastructure improvements.

Doug Crawford, 10007 – 38th Place SE, Lake Stevens, does not think Costco is a good fit. He is concerned the roundabout will not help traffic congestion, and added a Costco will negatively

affect small businesses in the area. Mr. Crawford commented growth and change are expected but how this happens is under the city's control.

Logan Mattingly, 11312 – 34th Street NE, Lake Stevens, believes Costco will be a great fit and will benefit younger people in the community by providing local employment opportunities. Mr. Mattingly also commented it will be safer to travel to work locally than commuting to Everett or Marysville, and that having sustainable job opportunities will be great.

Dan Meyers, 3313 – 127th Avenue NE, Lake Stevens, commented Costco represents a good change in his life. He is a working professional with three young children at home. He would stay in town if he did not need to travel to shop. Mr. Meyers commented big employers like Amazon and Microsoft are bringing people into Lake Stevens and there needs to be places to shop.

Sally Jo Sebring, 1023 – 99th Avenue SE, Lake Stevens, commented the letter submitted by Attorney Whipple covers a lot of her concerns. She believes the budget impact on the staff report of N/A seems inapplicable. Ms. Sebring asked if this project is a consolidated permitting process, and referenced the Lake Stevens Municipal Code. She provided copies of the pertinent code sections.

Anna Densmore, 11914 – 33rd Place NE, Lake Stevens, appreciated the comments on quality of life, but said it is very appealing to be able to shop where you live. She added that sometimes we are caught up in the past but we need to look to the future and the future is different.

At 8:54 p.m. Mayor Pro Tem Petershagen requested a motion to continue the meeting beyond 9:00 p.m.

MOTION: Moved by Councilmember Daughtry, seconded by Councilmember Hilt, to extend the meeting to 10:00 p.m. On vote the motion carried (6-0-1-0), Councilmember Tageant having previously excused himself and left the room.

Mary Berg, 9631 – 9th Street NE, Lake Stevens, appreciated tonight's meeting. She commented she would like to see the small-town life maintained in Lake Stevens because it attracts people and creates a nice environment and nice neighborhoods. Ms. Berg said if the area was zoned commercially at 20th Street SE and SR 9, SR 9 needs to be a 4-lane highway. Ms. Berg said she would like to see more green spaces in that area as well as green buildings and the use of permeable concrete.

Michele Hampton, Post Office 596, Lake Stevens, said she is not clear as to everything that is being committed to and the whys. Ms. Hampton requested a chart be created identifying the category, item, cost, and who pays how much of each cost. Ms. Hampton wants to understand what the city/taxpayers will be responsible for in terms of dollars and requested a vote on this development agreement be deferred until this information is provided.

Lily O'Brien, O'Brien, 2328 – 77th Avenue NE, Lake Stevens, has lived in the Lake City area of Seattle, with a multiplicity of stores both large and small. Ms. O'Brien believes having a Costco in a centralized location will be good for this area.

Randolph Slate, 11603 – 19th Street NE, Lake Stevens, has reviewed the Development Agreement and noted it provides for 809 vehicle parking stalls with an ability to expand the parking area to accommodate approximately 900 parking stalls in the future. He assumes this

is an additional 90 parking spots and asked where those additional parking spots will go, and what the environmental impact of those additional parking spots will be. He requested Council limit the parking to 809 parking stalls as proposed. Mr. Slate is also concerned about the off-site mitigation and he agrees that perhaps this mitigation should not be included in the development agreement until it is fully agreed to. Referencing Exhibit E1, he noted the city is committing to 100% payback on a regional drainage facility, and he believes the city should only be responsible for 24th Avenue improvements and only those portions as they relate directly to the city.

Kevin Colombana, 9904 Vernon Road, Lake Stevens, said that of all the retailers that could locate at this site Costco is his choice, and he does not see an issue with the morning commute as Costco does not open to the public until 10:00 a.m.

JoAnne Van Leuven, 1105 Springbrook Road, Lake Stevens, said that Costco is a wonderful neighbor and recognized that development is going to happen. Ms. Van Leuven said the Smokey Point Costco has been a good neighbor to her business located nearby to it. She would rather spend her money in this community.

Shawn Fitzpatrick, 708 – 87th Avenue SE, Lake Stevens, asked that the roads be done right the first time so they do not have to be rebuilt.

Al Lansing, 10610 – 20th Street SE, Lake Stevens, said it is now impossible to leave his driveway. He does not believe the roundabout on SR 9 is an improvement and that it will slow traffic down. Mr. Lansing commented SR 9 is the only north-south road in this area besides I-5, and he believes SR 9 needs to be widened to four lanes. Mr. Lansing is also concerned that Costco will negatively impact Safeway and Haggen's, and is concerned that the properties to the south of Costco are not wetlands, but are ponds. Finally Mr. Lansing commented the location is not practical because it will impede SR 9 and 20th Street SE.

Grant Perkins, 1809 – 88th Drive SE, Lake Stevens requested elaboration on why Councilmember Tageant excused himself from the hearing.

City Attorney Rubstello responded the public hearing tonight relates only to the Development Agreement.

Mayor Pro Tem Petershagen closed the public comment portion of the public hearing. He then invited further comments from staff and the City Attorney.

Director Wright reviewed the decision criteria. He noted the staff report outlines compliance of the development agreement to the municipal standards adopted by Council. He invited questions of Council and said staff is available to provide clarification.

Mayor Pro Tem Petershagen then invited additional comments and questions of Council and there were none. Mayor Pro Tem Petershagen suggested Council take some time to absorb both the written comments and oral testimony that has been received so far as it relates to the Development Agreement.

Councilmember Welch requested clarification as to why percentages instead of numbers were used for project costs.

Director Wright responded the development agreement is a contractual agreement being negotiated and neither Costco nor the city wants to artificially inflate numbers when the project actually goes out to bid for construction. Director Durpos added there is a total estimate for the project cost, and agreed with Director Wright's comments that the city does not typically put out the cost estimates so as to not artificially inflate the bids.

Councilmember Gailey asked about the gas station being located near the waterline and whether this mitigation has been considered. Director Wright said Costco may be able to respond to the question, but this is something that would be addressed in the overall protection. City Attorney Rubstello reminded that City of Everett is aware of the plans and the city is negotiating with Everett for conditions to cross the waterline and there will be improvements, including new pipe and other improvements, along with a number of restrictions being required by City of Everett.

Mayor Pro Tem Petershagen suggested keeping the public hearing open to the December 10 meeting and that Council take the opportunity to digest the information that has been presented.

City Attorney Rubstello said the recommendation of staff is to keep the public hearing open to the December 10th meeting which allows time for staff and Council to consider public comment that has been offered and that additional written comments could be submitted through December 10th.

MOTION: Moved by Councilmember Gailey, seconded by Councilmember McDaniel, to keep the public hearing on the Costco Development Agreement open and further the discussion on December 10. On vote the motion carried (6-0-1-0) with Councilmember Tageant absent from the room having earlier recused himself.

Mayor Pro Tem Petershagen thanked everyone for attending and briefly recessed the meeting at 9:20 p.m.

Mayor Pro Tem Petershagen reconvened the regular meeting of the City Council at 9:27 p.m. with Councilmember Tageant present.

Ordinance No. 1071 Adopting 2020 Budget: Mayor Pro Tem Petershagen opened the public hearing.

Director Stevens presented the staff report and said this is the second and final hearing for the proposed 2020 budget. She said the first public hearing was November 12, 2019 and she reviewed the changes requested from the first hearing, including changes to the beginning balance and some expenditure decreases, and reclassifying the planning manager to a senior planner. She added there is additional funding for consultants.

Director Stevens next reviewed changes with additional staffing in the Planning Department as requested by Councilmember Daughtry at the November 19th workshop meeting. She noted there are three vacant positions budgeted for 2020 including the Planning Manager, the Building Official and the Permit Coordinator Lead, as well as the Events Specialist. Following the November 19th meeting staff has reviewed this request and recommends reclassifying the Planning Manager to a Senior Planner Lead. Both this budget and the optional budget contain this recommendation which is a small cost savings. Also under this plan, the remaining vacancies would be filled.

Under the optional budget, Director Stevens has included a Building Inspector. This position would be primarily be funded through permit fees. The vacant Planning Manager position would still be reclassified to a Senior Planner Lead and the vacant Building Official and Permit Coordinator positions would be filled. Decreases under this option have to do with how consultants are utilized. Director Stevens commented one of the biggest challenges is the lack of available work space at City Hall for any additional staff.

Director Stevens said staff's recommendation is to move forward with the recommended proposed budget but she has prepared an alternative budget ordinance if Council's direction is to add the additional positions. She then invited questions from Council.

Responding to Councilmember Daughtry's question regarding space considerations, Director Wright said there is some potential to shift some employees to another location, as well as an option to bring in another modular building, but staff does not yet have cost estimates. Councilmember Daughtry said he still believes it is necessary to add additional Planning staff. He believes it is important to move forward to meet additional staffing needs now rather than overworking current staff.

Councilmember Welch agreed with Councilmember Daughtry's comments, noting there is more work than there is staff.

Director Wright also advised that Planner Roth resigned for a career advancement opportunity, and staff is already working to fill this upcoming vacancy as a Senior Planner. He recommended if Council wants to fill an additional planner spot that it be filled as an Associate Planner who does mid-range planning.

Councilmember Daughtry said he leaves it to directors to know what staffing they need, but that it is important to make sure we have staff to do the work.

Mayor Pro Tem Petershagen clarified when the budget would be impacted, and Director Wright anticipated filling positions in the February-March time frame.

Discussion ensued as to the costs of filling various planning positions, and Director Stevens said there will need to be additional analysis to add another planner.

Director Stevens said she has an alternate ordinance prepared that adds the optional additional position.

Mayor Pro Tem Petershagen opened the public comment portion of the hearing and there was none. He then closed the public comment portion of the hearing and invited additional discussion by Council, and there was none.

Mayor Pro Tem Petershagen then closed the public hearing.

MOTION: Moved by Councilmember Daughtry, seconded by Councilmember Welch, to approve Ordinance No. 1071, Option 2 (alternative ordinance), adopting the 2020 Budget. On vote the motion carried (7-0-0-0).

Comprehensive Plan Update: Mayor Pro Tem Petershagen opened the public hearing.

Director Wright presented the staff report and said various elements of the 2019 Comprehensive Docket and the Planning Commission's recommendation were presented to the City Council on November 12, 2019; he then reviewed the changes made as requested by the City Council at the November 12, 2019 public hearing. He said this is the second and final hearing and includes Comprehensive Plan Amendments, updated Zoning Map and updated planned action for the 20th Street Subarea. He added that additional mailings were sent out to affected property owners as requested by Council and no responses were received. He then invited questions from Council and there were none.

There was consensus to review and take public comment separately as to each ordinance.

Ordinance 1073 amending the Lake Stevens Comprehensive Plan including map and text amendments along with addenda to the Lake Stevens Center and 20th Street SE Subareas:
Mayor Pro Tem Petershagen invited questions of Council and there were none.

Mayor Pro Tem Petershagen then opened the public comment portion of the public hearing as it relates to Ordinance 1073.

Tracy Trout, 1706 – 123rd Drive NE, Lake Stevens, requested clarification on the Capital Facilities budget for transportation. Ms. Trout commented on 123rd Avenue NE between 20th NE and North Lakeshore Drive, saying she is concerned about the increase in price in this year's budget as compared to the price in 2018. Ms. Trout requested clarification as to whether the road will be closed as part of a proposed development and said if it is closed it will significantly affect traffic volumes on Main Street. Ms. Trout also wondered if the road will go through the park.

Director Durpos said the road is not planned to through the park, but the plan is to redo sidewalks up to the school as part of the sidewalk plan. Director Wright added this roadway is a remnant from the downtown framework plan. He said the increase in cost reflected in the transportation plan is an error.

Responding to Councilmember McDaniel's question on the road valuation, Director Wright clarified that was for a different project that is no longer viable, and that right of way is a different process.

MOTION: At 9:50 p.m., moved by Councilmember Hilt, seconded by Councilmember Gailey, to extend the meeting as long as necessary to complete business. On vote the motion carried (7-0-0-0).

Libby Osnes Erie, 2120 – 87th Avenue SE, Lake Stevens, commented on Ordinance 1074 regarding the zoning map. She opposes the portion of the commercial rezone that includes 87th Avenue SE and her residence, and commented that all of the properties on 87th Avenue SE are residences.

Charles Whipple, 10325 Sandy Beach Drive, Lake Stevens, commented on Ordinance 1073 saying he does not support multi-family units on the lakeshore. He believes this would negatively affect fish spawning areas in the lake, and is also concerned there is no traffic mitigation in place to support such multi-family housing.

David Toyer, 3705 Colby Avenue, Suite 1, Everett, said in reference to Ordinance 1073 that he appreciates all of the thought that went into the updated comprehensive plan including looking

at different types of housing and mixed housing that could be available, as well as the changes along the 20th Street SE corridor.

Dylan Sluder, with the Master Builders Association of King and Snohomish Counties, also appreciated the work on the Comprehensive Plan updates in Ordinance 1073 and supports the added flexibility in the water zone and the removal of the gross density language. He added that expediting of the zoning code updates would be appreciated.

Sally Jo Sebring, 1023 – 99th Avenue SE, Lake Stevens commented on Ordinances 1073 and 1074, saying she is concerned that parcels were added as commercial parcels along 20th Street SE and she has not seen signage in the area indicating proposed zoning changes. She is concerned that people did not receive notice of the proposed changes and this seems rushed.

There being no further public comment, Mayor Pro Tem Petershagen closed the public comment portion of the public hearing regarding Ordinance 1073 and invited additional questions and comments of Council.

Mayor Pro Tem Petershagen requested an amendment to the Land Use Element under the section “Waterfront Residential” and limited multi-family in waterfront parcels as follows:

MOTION: Moved by Councilmember Petershagen to amend Chapter 2, Land Use Element, under Waterfront Residential, to add a last sentence, “this reference of limited multi-family (4 or more units) would only be allowed in areas adjacent to the shoreline that are road divided properties.”

Councilmember Petershagen explained the reason for this proposed amendment is that the lake is the most critical area in the city’s UGA and he does not understand the reason for wanting to encourage multi-family near the shoreline. He is looking for balance but does not want to allow multi-family adjacent to the shoreline.

Councilmember Welch does not favor the amendment and believes the code is written to allow people to live closer to the lake without the high cost of purchasing a single-family residence.

Councilmember McDaniel commented that housing costs for lakefront properties are unattainable for most people and agrees the language should stay as proposed.

Councilmember Daughtry supports the amendment, saying limiting multi-family housing to road-divided properties provides a little separation and that dock construction will still fall under the Shoreline Master Program.

Councilmember Tageant does not support the amendment and believes condo development is not a bad thing and that more access to the lake is better. He added there are not many spots along the shoreline that will accommodate this type of development.

The motion to amend failed for lack of a second.

MOTION: Moved by Councilmember Welch, seconded by Councilmember Daughtry to approve Ordinance 1073 amending the Lake Stevens Comprehensive Plan, including map and text amendments along with addenda to the Lake Stevens Center and 20th Street SE Subareas. On vote the motion carried (7-0-0-0).

Ordinance 1074 amending the Official Zoning Map as a concurrent land use action with the 2019 Comprehensive Plan Update: Director Wright introduced Ordinance 1074 and said the changes to the Zoning Map reflect the updates in the Comprehensive Plan and provide consistency.

Mayor Pro Tem Petershagen opened the public comment portion of the public hearing on Ordinance 1074.

Scott Erie, 2120 – 87th Avenue SE, supported the comments made by Libby Osnes Erie and said they did not receive notice of the proposed zoning changes. He has questions on how rezoning these properties to commercial affects existing residences on the property and property owners' ability to make improvements to their properties. He asked what the timeline is for the zoning change.

Director Wright commented he is happy to answer questions outside of this forum. He added the request for the zoning change came as the result of a city-requested market analysis that identified that some zones were not functioning as required. The zoning change is intended to improve marketability of properties. Director Wright added the Council wants to cast the widest net, but that does not mean that redevelopment is imminent, and it still remains up to individual property owners to make decisions regarding their property.

Mayor Pro Tem Petershagen invited additional public comment and there was none. He then closed the public comment portion of the public hearing and invited additional questions and comments of Council.

Councilmember Daughtry asked if the David Toyer rezone request is included in Ordinance 1074. Director Wright responded that it can be if Council wants to add that change. Councilmembers Welch and Gailey agreed that it would be appropriate to include the Toyer rezone request with Ordinance 1074.

MOTION: Moved by Councilmember Welch, seconded by Councilmember Gailey to approve Ordinance 1074 amending the official Zoning Map as a concurrent land use action with the 2019 Comprehensive Plan update, including the rezone of property on 20th Street NE adjacent to Ashley Point, as requested by David Toyer. On vote the motion carried (6-0-1-0) with Councilmember Tageant abstaining due to a conflict of interest.

Ordinance 1075 revising the Planned Action Ordinance for the 20th Street SE corridor: Director Wright said this is brought forward based on the market analysis and is an update to reflect new land use thresholds moving away from office development to additional retail.

Mayor Pro Tem Petershagen invited questions and comments from Council and there were none. He then opened the public comment portion of the hearing on Ordinance 1075.

Patrick McCourt with Land Pro Group, 10515 20th Street SE, Lake Stevens, commended the staff on putting together the subarea plan. He commented on the difficulty of doing this along the 20th Street SE corridor because of the location of the Everett waterline in the right of way, and hopes that there will be flexibility in where the placement of buildings will be allowed along this corridor.

Mayor Pro Tem Petershagen invited additional public comment and there was none; he then closed the public comment portion of the public hearing.

Mayor Pro Tem Petershagen invited additional questions and comments of Council and there were none. He then closed the public hearing.

MOTION: Moved by Councilmember Welch, seconded by Councilmember Daughtry to approve Ordinance 1075 revising the Planned Action Ordinance for the 20th Street SE corridor. On vote the motion carried (7-0-0-0).

Action Items:

Resolution 2019-19 Amending Resolution 2019-11 Surplusing Properties Known as

Ridgeline: Director Wright presented the staff report and said the City acquired the property commonly known as the Ridgeline property through a property trade in May 2017. On June 11, 2019 the City Council approved Resolution 2019-11 surplusing a portion of the property along the 20th Street SE Corridor. He explained Resolution 2019-19 will supersede and replace Resolution 2019-11 to surplus the entirety of the property. He then invited questions from Council and there were none.

MOTION: Moved by Councilmember Welch, seconded by Councilmember Hilt, to approve Resolution 2019-19, a resolution authorizing the City Council to surplus real property and authorizing the Mayor or designee to convey or sell real property pursuant to Chapter 2.98 LSMC; this resolution supersedes Resolution 2019-11. On vote the motion carried (7-0-0-0).

Discussion Items: None.

Executive Session: None.

Adjourn:

Moved by Councilmember Welch, seconded by Hilt, to adjourn the meeting at 10:30 p.m. On vote the motion carried (7-0-0-0).

John Spencer, Mayor

Kathy Pugh, City Clerk



LAKE STEVENS CITY COUNCIL
STAFF REPORT

Council Agenda

Date: December 10, 2019

Subject: Agreement between City of Lake Stevens and City of Arlington for Joint Grant Administration

Contact

Person/Department: Barb Stevens, Finance Director **Budget Impact:** N/A

RECOMMENDATION(S)/ACTION REQUESTED OF COUNCIL: Authorize Mayor to Execute Amendment No. 2 to Interlocal Agreement between the City of Lake Stevens and the City of Arlington to Administer a Joint Office of Public Defense Grant for the Social Services Program.

SUMMARY/BACKGROUND: The Cities of Lake Stevens and Arlington entered into an Interlocal Agreement in 2018 to jointly administer a grant through the Office of Public Defense for Social Services. This is a collaborative program to help defendants in need of social services who cannot afford them. This program seeks to improve the quality of public defense in our cities by allowing our public defenders to work on more issues of law rather than social service and case management. The Interlocal Agreement was amended in March 2019 because the grant amount was increased.

The amount of the grant awarded for 2020-2021 \$22,000 each year for a total grant award of \$44,000.

Amendment No. 2 to the Interlocal Agreement identifies the new grant award and extends the Interlocal Agreement to December 31, 2021.

APPLICABLE CITY POLICIES:

BUDGET IMPACT: N/A

ATTACHMENTS:

- Exhibit A: Amendment No. 2 to Interlocal Agreement

ATTACHMENT A

SECOND AMENDMENT TO
INTERLOCAL AGREEMENT CONCERNING
GRANT FROM OFFICE OF PUBLIC DEFENDER

This agreement is made and entered into by and between the City of Lake Stevens, Washington (“Lake Stevens”) and the City of Arlington, Washington (“Arlington”), the parties to an Interlocal Agreement for a grant program through the Office of Public Defense having an effective date of January 1, 2019.

WHEREAS, Lake Stevens and Arlington entered into an Interlocal Agreement dated January 1, 2018 for the joint administration of grant funds received from the Office of Public Defense for a Public Defense Social Services Program (“Program”); and

WHEREAS, Lake Stevens and Arlington entered into the First Amendment to said Interlocal Agreement on March 19, 2019 to reflect the change in grant funding levels; and

WHEREAS, the Office of Public Defense has extended the grant for two years, beginning January 1, 2020 through December 31, 2021; and

WHEREAS, the Office of Public Defense has increased the grant funding to \$22,000 per year for each calendar year of the grant award, for a total grant award of \$44,000,

NOW, THEREFORE, for the mutual considerations received by the parties from this agreement, the Interlocal Agreement is hereby amended as follows:

1. Paragraph 3. Funds for the Program is hereby amended to read as follows:
 3. **Funds for the Program.** The funds for the Program shall be the annual grant proceeds in the amount of \$22,000 each calendar year, for a total of \$44,000 over the two-year term of the grant, and the local match of \$11,800 annually. Arlington shall pay 60% of the local match funds each year, being \$7,080.00 directly to Feldman & Lee, P.S. within thirty (30) days of invoice for the match funds. Lake Stevens shall pay 40% of the local match funds each year, being \$4,720 in addition to the grant funds within thirty (30) days of invoice from Feldman & Lee, P.S.
2. Paragraph 5. Termination is hereby amended to read as follows:
 5. **Termination.** This Agreement shall conclude on December 31, 2021, and terminate when closeout of all obligations under the Grant have occurred and been accepted by the granting agency. Provided however, this Agreement may be terminated by either party in the event the grant funding is discontinued or not received or if the portion which is to be match funding is not appropriated through the budget process of either party. In the event of termination, any unused funding shall be returned in proportion to the contributions of each party after payment of all expenses.

3. Except as herein amended, the Interlocal Agreement and First Amendment to Interlocal Agreement shall remain the same and in full force and effect.

Dated this _____ day of _____, 2019.

CITY OF LAKE STEVENS

CITY OF ARLINGTON

By: _____
Mayor

Attest/Authenticated:

By: _____
Mayor

Attest/Authenticated:

Clerk

Approved as to Form:

Clerk

Approved as to Form:

City Attorney

City Attorney



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LAKE STEVENS CITY COUNCIL
STAFF REPORT

Council Agenda

Date: December 10, 2019

Subject: Amendment No. 2 to Professional Services Agreement with Feldman & Lee, P.S. for Public Defense Social Services Program

Contact

Person/Department: Barb Stevens, Finance Director **Budget Impact:** N/A

RECOMMENDATION(S)/ACTION REQUESTED OF COUNCIL: Approve Amendment No. 2 to Professional Services Agreement with Feldman & Lee, P.S. for Public Defense Social Services Program.

SUMMARY/BACKGROUND: Since 2018 the cities of Arlington and Lake Stevens have shared grant funding for this public defender social services program. For the years 2020-2021 the grant award was \$22,000 each year for a total of \$44,000. Lake Stevens has a Professional Services Agreement with Feldman & Lee, P.S. to provide public defense and a separate Professional Services Agreement to provide indigent public defense services under this grant-funded program. With the grant award for the years 2020-2021 it is necessary to amend the Professional Services Agreement Social Services Program to extend the term of the agreement to December 31, 2021, matching the terms of the grant award.

As the lead agency on this grant, the City of Lake Stevens will continue to make payments from the grant funding on behalf of the City of Arlington as well as Lake Stevens' own payments. The city will receive quarterly reports from Feldman & Lee for social work performed with indigent defendants for both cities. These reports will show separately, by agency, work performed and amounts applied. The City of Arlington will receive an accounting of grant funds utilized on their behalf for reconciliation and reporting.

APPLICABLE CITY POLICIES:

BUDGET IMPACT:

ATTACHMENTS:

- Exhibit A: Amendment No. 2 to Professional Services Agreement for Public Defense Social Services Program

SECOND AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT
FOR PUBLIC DEFENSE SOCIAL SERVICES PROGRAM

This agreement is made and entered into by and between the City of Lake Stevens, Washington ("the City") and Feldman & Lee, P.S. ("the Attorney"), the parties to a Professional Services Agreement for public defense social services program having an effective date of January 1, 2018 ("the Agreement").

WHEREAS, the cities of Arlington and Lake Stevens have received grant funding to provide indigent public defense for the years 2020 and 2021, with Lake Stevens acting as lead agency under this grant; and

WHEREAS, the City and the Attorney previously entered into a Professional Services Agreement with an effective date of January 1, 2018 for public defense social services program, with an expiration date of December 31, 2019; and

WHEREAS, the City and the Attorney wish to extend the term of the Professional Services Agreement to be the same as that of the grant award; and

WHEREAS, the amount of the grant award for 2020 and 2021 has changed to \$22,000 each calendar year for a total grant award of \$44,000,

NOW, THEREFORE, for the mutual considerations received by the parties from this agreement, the City and Attorney agree as follows:

1. Paragraph III.1.b of the Agreement is amended to read as follows:
 - b. Effective January 1, 2020 the City shall pay the Attorney annually for services rendered for Lake Stevens cases from monies allocated in the grant from Office of Public Defense in an amount equal to 40% or \$8,800.00 and local match monies in the amount of \$4,720.00, plus actual documented costs related to pre-trial programs if additional grant funding is provided.
2. Paragraph III.1.c of the Agreement is amended to read as follows:
 - c. Effective January 1, 2020 the City shall pay the Attorney annually for the services rendered for the City of Arlington cases from monies only allocated in the grant from the Office of Public Defense in an amount equal to 60% or \$13,200.00 plus actual documented costs related to pre-trial programs if additional grant funding is provided. Any local contribution made by the City of Arlington will be paid directly from City of Arlington to Feldman & Lee, P.S. under terms mutually agreed upon.
3. Paragraph III.3 of the Agreement is amended to read as follows:

III.3 Time of Performance. Unless terminated earlier pursuant to Section VI.2, the attorney agrees that Services shall be provided from January 1, 2020 12 12:01 a.m. through December 31, 2021 at 11:59 p.m.

4. In all other respects the Agreement shall remain the same and be in full force and effect.

DATED this _____ day of December 2019.

CITY OF LAKE STEVENS

FELDMAN & LEE, P.S.

By: _____
John Spencer, Mayor

By: _____
James A. Feldman

APPROVED AS TO FORM:

Greg Rubstello, City Attorney



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LAKE STEVENS CITY COUNCIL
STAFF REPORT

Council Agenda

Date: December 10, 2019

Subject: Amendment No. 1 to Professional Services Agreement with Feldman & Lee, P.S. for Public Defense Services

Contact

Person/Department: Barb Stevens, Finance Director **Budget Impact:** N/A

RECOMMENDATION(S)/ACTION REQUESTED OF COUNCIL: Approve Amendment No. 1 to Professional Services Agreement with Feldman & Lee, P.S. for Public Defense Services.

SUMMARY/BACKGROUND: The city contracts with Feldman & Lee, P.S. for public defense services. The most recent contract was entered effective January 1, 2018 and expires December 31, 2020. The City also has a contract with Feldman & Lee to provide public defense under a grant for public defense social services program. The grant was renewed for the years 2020 and 2021. To avoid confusion staff recommends that both contracts with Feldman & Lee, for public defense services and for public defense services under the grant-funded program, have expiration dates of December 31, 2021. Based on this recommendation it is necessary to amend the Feldman & Lee Public Defense Services contract to extend the term to December 31, 2021.

APPLICABLE CITY POLICIES:

BUDGET IMPACT:

ATTACHMENTS:

- Exhibit A: Amendment No. 1 to Contract for Public Defense Services

AMENDMENT NO. 1 TO CONTRACT FOR
PUBLIC DEFENSE SERVICES

WHEREAS the City of Lake Stevens, a Washington municipal corporation ("City") and Feldman & Lee, P.S., a Washington corporation ("Attorney") entered into a contract for public defense services with an effective date of January 1, 2018; and

WHEREAS, City and Attorney have also entered into a contract for public defense social services under a grant-funded program with a beginning date of January 1, 2020 and an expiration date of January 31, 2021; and

WHEREAS, it is to the benefit of City and Attorney that both the contract for grant funded social services public defense and this contract for public defense services expire at the same time;

NOW, therefore, City and Attorney agree as follows:

1. Paragraph 3.3 Time of Performance is hereby amended to read as follows:

Unless terminated earlier pursuant to Section 3.7 or 3.17 below, the Attorney agrees that the Services shall be provided from January 1, 2018 at 12:01 a.m. through December 31, 2021 at 11:59 p.m.

2. Except as amended herein, all terms and conditions of the Contract for Public Defense Services shall remain in full force and effect as originally agreed to.

DATED this _____ day of December 2019.

CITY OF LAKE STEVENS

FELDMAN & LEE, P.S.

By: _____
John Spencer, Mayor

By: _____
James A. Feldman

APPROVED AS TO FORM:

Greg Rubstello, City Attorney



LAKE STEVENS CITY COUNCIL
STAFF REPORT

Council Agenda

Date: December 10, 2019

Subject: Lake Stevens/Snohomish County Lake Management ILA Update

Contact	Leah Everett, Stormwater Coordinator, and	Budget	\$0.00
Person/Department:	Eric Durpos, Public Works Director	Impact:	

RECOMMENDATION(S)/ACTION REQUESTED OF COUNCIL: Authorize Mayor to sign the Amendment No. 1 to Surface Water Management Services Interlocal Agreement with Snohomish County Surfacewater Management.

SUMMARY/BACKGROUND:

In 2007, the City of Lake Stevens and Snohomish County entered into a Lake Management Interlocal Agreement (ILA). This proposal seeks to amend that ILA to allow funds leftover from Snohomish County's portion of alum treatments from 2019-2021 to be used by the City to cover its portion of phosphorus control activities including phosphorus control treatments and watershed-wide education and outreach. In the event the actual costs of the County's obligations for 2019, 2020 and 2021 are less than \$30,300, the City is authorized to use the remaining funds for phosphorus control activities including phosphorus control treatments and watershed-wide education and outreach.

APPLICABLE CITY POLICIES: Consistent Lake Management Plan, Storm Water Capital Plan and 2019-2024 NPDES Permit

BUDGET IMPACT: None

ATTACHMENTS:

- Exhibit A: Amendment No. 1 to Surface Water Management Services ILA

**AMENDMENT NO. 1 TO
SURFACE WATER MANAGEMENT SERVICES
INTERLOCAL AGREEMENT
BY AND BETWEEN
SNOHOMISH COUNTY AND THE CITY OF LAKE STEVENS**

This Amendment No. 1 to Surface Water Management Services Interlocal Agreement By and Between Snohomish County and the City of Lake Stevens ("First Amendment") is made and entered into this _____ day of _____, 2019, by and between Snohomish County, a political subdivision of the State of Washington (hereinafter referred to as the "County") and the City of Lake Stevens, a Washington municipal corporation (hereinafter referred to as the "City").

RECITALS

WHEREAS, the Interlocal Cooperation Act, Chapter 39.34 Revised Code of Washington, permits local governmental units to make the most efficient use of their powers by enabling them to cooperate with other localities on the basis of mutual advantage; and

WHEREAS, the County and the City are parties to the Surface Water Management Services Interlocal Agreement By and Between Snohomish County and the City of Lake Stevens ("Agreement"), made and entered into on July 10, 2013; and

WHEREAS, the Agreement addresses management of Lake Stevens for phosphorus, and includes provisions for the suspension of aerator operations and aerator removal; and

WHEREAS, the aeration system lost effectiveness and was removed by the City; and

WHEREAS, the County and City wish to amend the Agreement regarding how to dispose of funds remaining in the aeration system equipment replacement and major repair reserve fund account established under the previous interlocal agreement between the County and the City dated April 27, 2007;

NOW, THEREFORE, for and in consideration of the mutual benefits conferred on both parties, the parties agree as follows:

Section 1 Section III.F(4), is hereby amended as follows:

The aeration system equipment replacement and major repair reserve fund account established under the previous interlocal agreement between the County and the City dated April 27, 2007,

(“the account”) shall be maintained and continued under this Agreement. The account was established for the following purposes: equipment replacement and major repair of the hypolimnetic aeration system, including the compressor and structural, mechanical, and electrical components of the system. In addition to these purposes, funds from the account may also be used to cover the costs of securing and removing the hypolimnetic aeration system from the lake. The City shall maintain the account and shall invest monies in the account in the normal manner of investing reserve accounts, and all interest accrued shall remain in the account. All expenditures for equipment replacement, major repairs, or aerator removal from the account shall be pre-approved by both the County Surface Water Management Director or the Director’s designee and the City. Should the County and the City by mutual agreement decide to permanently remove the aeration system from Lake Stevens, the County and the City may, after completion of the aerator removal, use any or all remaining funds in the account ~~((for other phosphorus control activities, including phosphorus control treatments and watershed-wide education and outreach. If any funds remain in the account two years after completion of the aerator removal, the City shall distribute all remaining funds, including interest, to the respective parties, in proportion to their contributions.))~~ as follows: \$30,300 shall be used by the City on behalf of the County to perform or reimburse the City for the cost of performing the County’s total phosphorus control obligations for 2019, 2020 and 2021. Any funds in excess of \$30,300 shall be used by the City to cover its portion of phosphorus control activities including phosphorus control treatments and watershed-wide education and outreach. In the event that the actual costs of the County’s obligations for 2019, 2020 and 2021 are less than \$30,300, the City is authorized to use the remaining funds for phosphorus control activities including phosphorus control treatments and watershed-wide education and outreach.

Section 2 All other terms and conditions of the Agreement shall remain in full force and effect except as expressly modified by this First Amendment.

Section 3 This First Amendment may be executed in counterparts, each of which shall constitute an original and all of which shall constitute one and the same First Amendment.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment as of the day and year first written above.

COUNTY:

Snohomish County, a political subdivision of the State of Washington

DISTRICT:

City of Lake Stevens, a Washington municipal corporation

By _____

Name: _____

Title: _____

By _____

Name: _____

Title: _____

Approved as to Form:

Deputy Prosecuting Attorney

Approved as to Form:

Attorney for the City of Lake Stevens



LAKE STEVENS CITY COUNCIL
STAFF REPORT

Council Agenda

Date: December 10, 2019

Subject: SR9 Roundabout Agreement

Contact Russ Wright
Person/Department: Community Development Director **Budget Impact:** _____

RECOMMENDATION(S)/ACTION REQUESTED OF COUNCIL: Authorize the Mayor or designee to execute the roundabout agreement with WSDOT.

SUMMARY/BACKGROUND:

The city and WSDOT has been negotiating the terms of an agreement to construct a roundabout at the intersection of SR9 and South Lake Stevens Road / 24th Avenue SE. This intersection improvement was identified in the city's capital facilities plan as necessary to implement the 20th Street SE Corridor Plan. This intersection will provide a vital and safe link between east and west Lake Stevens.

Staff introduced the agreement to City Council on December 3, 2019.

APPLICABLE CITY POLICIES: Capital Facilities Plan

BUDGET IMPACT: Expenditure of grant and traffic impact fees

ATTACHMENTS:

Roundabout Agreement with exhibits

GCB 3258

This Agreement is entered into between the Washington State Department of Transportation, hereinafter "WSDOT," and the City of Lake Stevens, Washington, hereinafter the "City," collectively the "Parties" and individually the "Party."

RECITALS

1. WSDOT will carry out a project, hereinafter the "Project," to construct a multi-lane roundabout at the intersection of State Route (SR) 9 and South Lake Stevens Road, hereinafter the "SR 9 Intersection." The approximate boundaries of the Project area are shown in Exhibit A in green. The City is developing the area to the west and northwest of the SR 9 Intersection and as a consequence there is a need for SR 9 Intersection improvements. These improvements will include, but are not limited to, paving, illumination system, Intelligent Transportation Systems (ITS), and signing, as shown in Exhibit B.
2. Centennial Creek flows through a culvert that is located under the east leg of the SR 9 Intersection. The Project will widen the east leg of the SR 9 Intersection and thus the need to modify this fish barrier culvert. Before construction of the Project begins, the City will, at the City's expense, obtain all necessary permits, replace the existing culvert with a fish passable structure, and realign the Centennial Creek streambed. Upon completion of the culvert, maintenance of the structure shall be the responsibility of WSDOT. Maintenance of the Centennial Creek streambed shall be the responsibility of the City.
3. The estimated cost of the Project is Four Million One Hundred Fifty Two Thousand Six Hundred Twenty Four Dollars (\$4,152,624), as shown in Exhibit B. A preliminary Project overview of the plan for the roundabout is set forth in Exhibit C.
4. The Washington State Legislature provided grant funding, sponsored by Senator Hobbs and Representatives Mead and Lovick, to the city of Lake Stevens to construct the Project in the amount of Two Million Dollars (\$2,000,000). WSDOT will administer the grant on behalf of the City.
5. Once WSDOT has expended \$2,000,000 for the Project, the City will fund all of the remaining Project costs.
6. WSDOT and the City agree it would be in the public's best interest to complete the Project because the roundabout will mitigate some of the increased traffic from the City's development by improving access to and from SR 9.

NOW, THEREFORE, pursuant to RCW 47.28.140, the above recitals that are incorporated herein as if fully set forth below, and in consideration of the terms, covenants, conditions, and performances contained herein, and the attached Exhibit A, Exhibit B, and Exhibit C, that are incorporated herein by this reference,

IT IS MUTUALLY AGREED AS FOLLOWS:

1. CONTRIBUTION

- 1.1 WSDOT agrees to provide \$2,000,000 to fund the Project. WSDOT's funding shall pay for the initial phases of the Project, including, but not limited to, design and right of way acquisition. Whatever portion of WSDOT's \$2,000,000 funding, if any, that is not expended for the Project's initial phases shall be applied towards Project construction.
- 1.2 Once WSDOT has expended \$2,000,000 for the Project, the City, in consideration of WSDOT constructing the Project, shall fund all remaining construction costs of the Project. As the total Project cost is estimated at \$4,152,624, as shown in Exhibit B, the City's remaining construction costs are estimated to be Two Million One Hundred Fifty Two Thousand Six Hundred Twenty Four Dollars (\$2,152,624). However, if WSDOT proceeds with the award of contract for the construction of the Project on mutual agreement of the City to proceed, the City agrees to pay all actual direct and indirect costs for the Project that exceed the \$2,000,000 amount provided by WSDOT.
- 1.3 WSDOT shall provide the City with written notification of the bid price for the Project. The City shall have seven (7) working days from the date of the written notification to provide WSDOT written approval of the bid price for the Project, or request the Project not be awarded. The City may request an extension of time in writing, provided that WSDOT receives the written request not later than five (5) working days after the City has received the written notification. WSDOT shall provide a written response indicating the number of working days extended, if any.

2. PAYMENT

- 2.1 Once WSDOT has expended all of WSDOT's \$2,000,000 funding for the Project, WSDOT shall send monthly invoices to the City seeking reimbursement of the remaining construction costs of the Project. The City agrees to pay each invoice for the remaining construction costs of the Project within sixty (60) calendar days from the day the City receives an invoice from WSDOT for the amount that is due consistent with Section 1 of this Agreement.

3. RIGHT OF ENTRY

- 3.1 The City hereby grants to WSDOT and its authorized agents, contractors, subcontractors, and employees, a right of entry upon City property and/or City right of way for purposes of performing the work outlined in this Agreement, subject to City permit requirements.
- 3.2 WSDOT hereby grants to the City and its authorized agents, contractors, subcontractors and employees a right of entry upon SR 9 right of way for purpose of replacing the culvert and inspecting the work outlined in this agreement, subject to written authorization by the WSDOT Construction Manager for the Project. Such written authorization, which may occur by email, shall be granted by the WSDOT Construction Manager so long as the City's inspection is consistent with the safety and scheduling needs of the Project.

4. MAINTENANCE AND OPERATION

- 4.1 Upon completion of the Project work outlined herein, the facilities within SR 9 right of way shall be owned by WSDOT and all future maintenance and operation of those

facilities shall be conducted at the sole cost and expense of WSDOT and without cost or expense to the City, subject to other agreements related to said facilities.

5. PARTY REPRESENTATIVES

5.1 For all communications under this Agreement the Parties designate the following representatives:

City of Lake Stevens	Washington State Department of Transportation
Eric Durpos Public Works Director City of Lake Stevens 1812 Main Street Lake Stevens, WA 98258 (425) 622-9441 edurpos@lakestevenswa.gov	Curt Winningham, P.E. Project Engineer Washington State Department of Transportation Northwest Region 15700 Dayton Ave. North PO Box 330310 Seattle, WA 98133 (206) 440-4301 WINNINC@wsdot.wa.gov

5.2 A Party may designate an alternative representative and in this event shall notify the other Party in writing.

6. GENERAL PROVISIONS

6.1 Amendment: This Agreement may be amended or modified only by the mutual agreement of the Parties. Such amendments or modifications shall not be binding unless they are in writing and signed by persons authorized to bind each of the Parties.

6.2 Termination:

- 6.2.1 This Agreement may be terminated if both Parties agree, in writing, to terminate the Agreement by those authorized to bind each Party.
- 6.2.2 This Agreement shall be terminated upon (a) completion of the Project construction of the roundabout, (b) final inspection and acceptance of the contractor's work by the City and WSDOT, and (c) final payment of all costs authorized by this Agreement.
- 6.2.3 The City or WSDOT may terminate this Agreement if, at any point up to thirty (30) calendar days prior to advertising the Project for competitive bid, the City has been unable to secure the additional estimated funding necessary to reimburse WSDOT for all of the remaining costs associated with Project construction of the roundabout.
- 6.2.4 If the City, pursuant to Section 1.3 of this Agreement, receives written notification of the bid price from WSDOT and requests that the Project not be awarded, the Parties will meet and decide whether to repackage work within the

Project and submit a new package for advertisement. If the Parties do not mutually agree to repackage work within the Project and submit a new package for advertisement, this Agreement shall terminate.

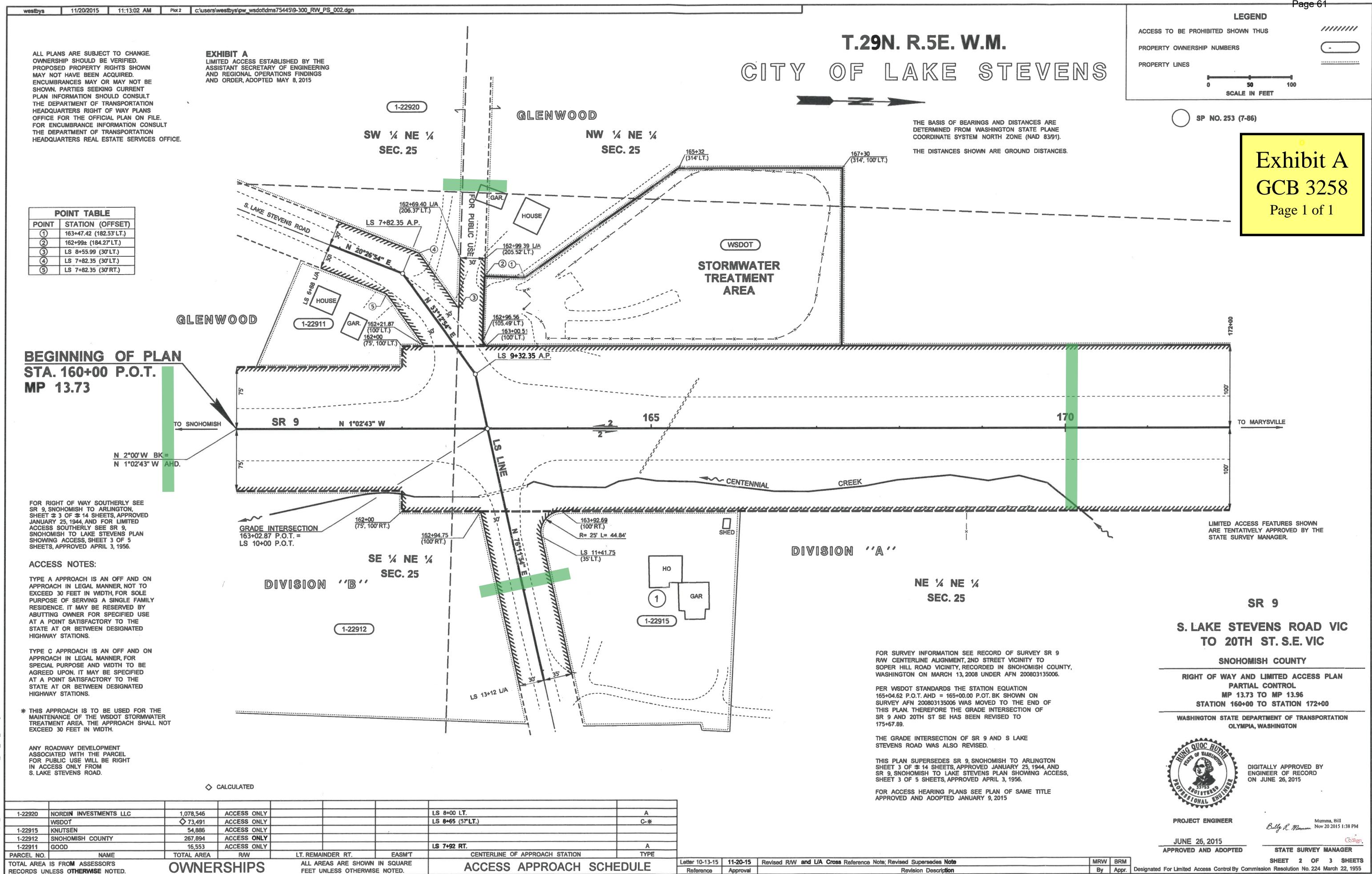
- 6.2.5 The termination of this Agreement shall not prejudice any rights or obligations accrued to the Parties prior to termination.
- 6.3 **Indemnification and Waiver:** Each of the Parties shall protect, defend, indemnify, and hold harmless the other Party and its employees and authorized agents, while acting within the scope of their employment as such, from any and all costs, claims, judgements, and/or awards of damages (both to persons and/or property), arising out of, or in any way resulting from, that Party's obligations performed or to be performed pursuant to the provisions of this Agreement. No Party shall be required to indemnify, defend, or hold harmless the other Party if the claim, suit, or action for injuries, death, or damages (both to persons and/or property) is caused by the negligence of the other Party; provided that, if such claims, suits, or actions result from the concurrent negligence of (a) WSDOT, its employees and authorized agents and (b) the City, its employees, contractors, consultants, or authorized agents, or involves those actions covered by RCW 4.24.115, the indemnity provisions provided herein shall be valid and enforceable only to the extent of the negligence of the other Party, its employees, contractors, consultants, and authorized agents. For this purpose, each of the Parties, by mutual negotiation, hereby waives, with respect to the other Party only, any immunity that would otherwise be available to it against such claims under the Industrial Insurance provisions of Title 51 RCW.
- 6.4 **Disputes:** In the event that a dispute arises under this Agreement, it shall be resolved as follows: WSDOT and the City agree to negotiate to resolve any issues. Should such negotiations fail to produce a satisfactory resolution then WSDOT and the City shall each appoint a member to a disputes board, these two members shall select a third board member not affiliated with either Party. The three-member board shall conduct a dispute resolution hearing that shall be informal and unrecorded. An attempt at such dispute resolution in compliance with aforesaid process shall be a prerequisite to the filing of any litigation concerning the dispute. Each Party shall be responsible for its own costs and fees and agree to share equally in the cost of the third disputes board member.
- 6.5 **Venue:** In the event that either Party deems it necessary to institute legal action or proceedings to enforce any right or obligation under this Agreement, the Parties agree that any such action or proceedings shall be brought in Thurston County Superior Court. Further, the Parties agree that each shall be solely responsible for payment of its own attorney's fees, witness fees, and costs.
- 6.6 **Audits/Records:** All records for the Project in support of all costs incurred shall be maintained by WSDOT for a period of six (6) years. The City shall have full access to and right to examine said records, during normal business hours and as often as it deems necessary. Should the City require copies of any records, it agrees to pay the costs thereof. The Parties agree that the Project work performed herein is subject to audit by either or both Parties and/or their designated representatives, and/or the State of Washington and/or the federal government.
- 6.7 **Term of Agreement:** Unless otherwise provided herein, the term of this Agreement shall commence as of the date this Agreement is fully executed.

6.8 **Severability:** Should any section, term or provision of this Agreement be determined to be invalid, the remainder of this Agreement shall not be affected and the same shall continue in full force and effect.

6.9 **Calendar Day:** Calendar day means any day on the calendar including Saturday, Sunday or a legal local, state, or federal holiday.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Party's date last signed below.

City of Lake Stevens	Washington State Department of Transportation
By:	By:
Printed: John Spencer	Printed: Amir Rasaie
Title: Mayor	Title: Assistant Regional Administrator Northwest Region
Date:	Date:
Approved as to Form City of Lake Stevens	Approved as to Form Washington State Department of Transportation
By:	By:
Printed:	Printed:
Title: City Attorney	Title: Assistant Attorney General
Date:	Date:



ROUNABOUT ESTIMATE - BREAKDOWN BY UNIT BID ITEM

SR: 9 MP: 13.76

Title: SR 9/South Lake Stevens Road - Intersection Improvements

WIN: A00913J

PIN: 100913J

Revised By:
John Crawford 8/28/2019

Exhibit B
GCB 3258
Page 1 of 1

Stnd. #	Bid Item Description	Unit Price	Unit	Quantity	Cost
Preparation					
0025	Clearing and Grubbing	\$60,000	ACRE	0.4	\$24,000
0050	Removal of Structures and Obstructions	\$1	LS	2,500	\$2,500
0150	Removing Traffic Island	\$50	SY	40	\$2,000
0170	Removing Beam Guardrail	\$8	LF	1,500	\$12,000
0182	Removing Beam Guardrail Anchor	\$400	EA	3	\$1,200
0310	Roadway Excavation Incl. Haul	\$80	CY	731	\$58,453
Grading					
0332	Pavement Repair Excavation Incl. Haul	\$75	SY	120	\$9,000
Surfacing					
5100	Crushed Surfacing Base Course	\$100	T	694	\$69,400
Hot Mix Asphalt					
5711	Planing Bituminous Pavement	\$10	SY	3,989	\$39,893
5739	HMA for Pavement Repair CL. 1/2 IN PG	\$350	T	20	\$7,064
5767	HMA for Mainline	\$150	T	429	\$64,403
5830	Job Mix Compliance Price Adjustment	Calc %		3%	\$1,932.08
5835	Compaction Price Adjustment	Calc %		5%	\$3,220
5875	Commercial HMA	\$350	T	505	\$176,750
Cement Concrete Pavement					
xxxx	Textured and Pigmented Cement Concrete Pavement	\$150	SY	1475	\$221,221
Erosion Control & Planting					
6403	ESC Lead	\$150	Day	18	\$2,700
6471	Inlet Protection	\$150	EA	7	\$1,050
6490	Erosion Water Pollution Control	\$1	LS	5000	\$5,000
6635	High Visibility Silt Fence	\$6	LF	2000	\$12,000
Traffic					
6700	Cement Concrete Traffic Curb and Gutter	\$40	LF	0	\$0
6719	Beam Guardrail Type 31 Non-Flared Terminal	\$2,800	EA	3	\$8,400
6757	Beam Guardrail Type 31	\$40	LF	1,500	\$60,000
6760	Beam Guardrail Transition Section Type	\$3,500	EA	3	\$10,500
6807	Plastic Line	\$1.50	LF	4,150	\$6,225
6828	Plastic Wide Lane Line	\$4.00	LF	1,010	\$4,040
6833	Plastic Traffic Arrows	\$400	EA	12	\$4,800
6847	Wide Dotted Entry Line	\$10	LF	240	\$2,400
6871	Plastic Traffic Letter	\$100	EA	20	\$2,000
9238	Plastic Yield Line Symbol	\$120	EA	48	\$5,760
6881	Plastic Drainage Marker	\$100	EA	6	\$600
6895	Temporary Pavement Marking - Short Duration	\$1.00	LF	8,300	\$8,300
6708	Roundabout Central Island Cement Concrete Curb (4 IN)	\$100	LF	314	\$31,416
6709	Roundabout Truck Apron Cement Concrete Curb (2 IN)	\$70	LF	456	\$31,887
6840	Precast Sloped Mountable Curb	\$30	LF	2,820	\$84,600
6904	Illumination System	\$1	LS	150,000	\$150,000
6914	ITS	\$1	LS	215,000	\$215,000
6890	Permanent Signing	\$1	LS	20,000	\$20,000
6956	Sequential Arrow Sign	\$7	HR	1,080	\$7,560
6973	Other Temporary Traffic Control	\$1	LS	56,562	\$56,562
6974	Traffic Control Supervisor	\$1	LS	25,200	\$25,200
6980	Flaggers	\$65	HR	1,080	\$70,200
6982	Construction Signing Class A	\$25	SF	250	\$6,250
6992	Other Traffic Control Labor	\$65	HR	720	\$46,800
6993	Portable Changeable Message Sign	\$10	HR	1,080	\$10,800
7447	Transportable Attenuator	\$18,000	EA	2	\$36,000
7449	Operation of Transportable Attenuator	\$70	HR	720	\$50,400
7450	Repair Transportable Attenuator	\$8,000	EST	1	\$8,000
xxxx	Contractor Provided Uniformed Police Officer	\$120	HR	180	\$21,600
xxxx	Painted Marking of Island	\$2	SF	26,600	\$53,200
Other					
7003	Type B Progress Schedule	1	LS	5000	\$5,000
7038	Roadway Survey	1	LS	20000	\$20,000
7480	Roadside Cleanup	1	EST	5000	\$5,000
7725	Reimbursement for Third Party Damage	1	EST	5	\$5
7736	SPCC Plan	1	LS	1250	\$1,250

Subtotal for Percentages

Bid Item Subtotal:	20.0%	\$1,783,542
Miscellaneous		\$356,708
Subtotal:		\$2,140,250
Mobilization	10.0%	\$214,025
Subtotal:		\$2,354,275
Sales Tax	9.0%	\$211,885
Bid Item Total:		\$2,566,160

Utility Agreements	\$0	EA	0	\$0
Washington State Patrol	\$100	HR	0	\$0
(700) Non-Bid Item Total:				\$0

Bid & (700) Non-Bid Item Total: \$2,566,160

Construction Engineering	14.0%	\$359,262
Contingencies	4.0%	\$102,646
Public Outreach	\$10,000	LS
(800) State Force Work/Supplied Materials		1
Construction Total:		\$10,000
		\$3,038,069
		\$3,040,000

Preliminary Engineering 22.0% \$564,555

Preliminary Engineering Total: \$564,555 \$565,000

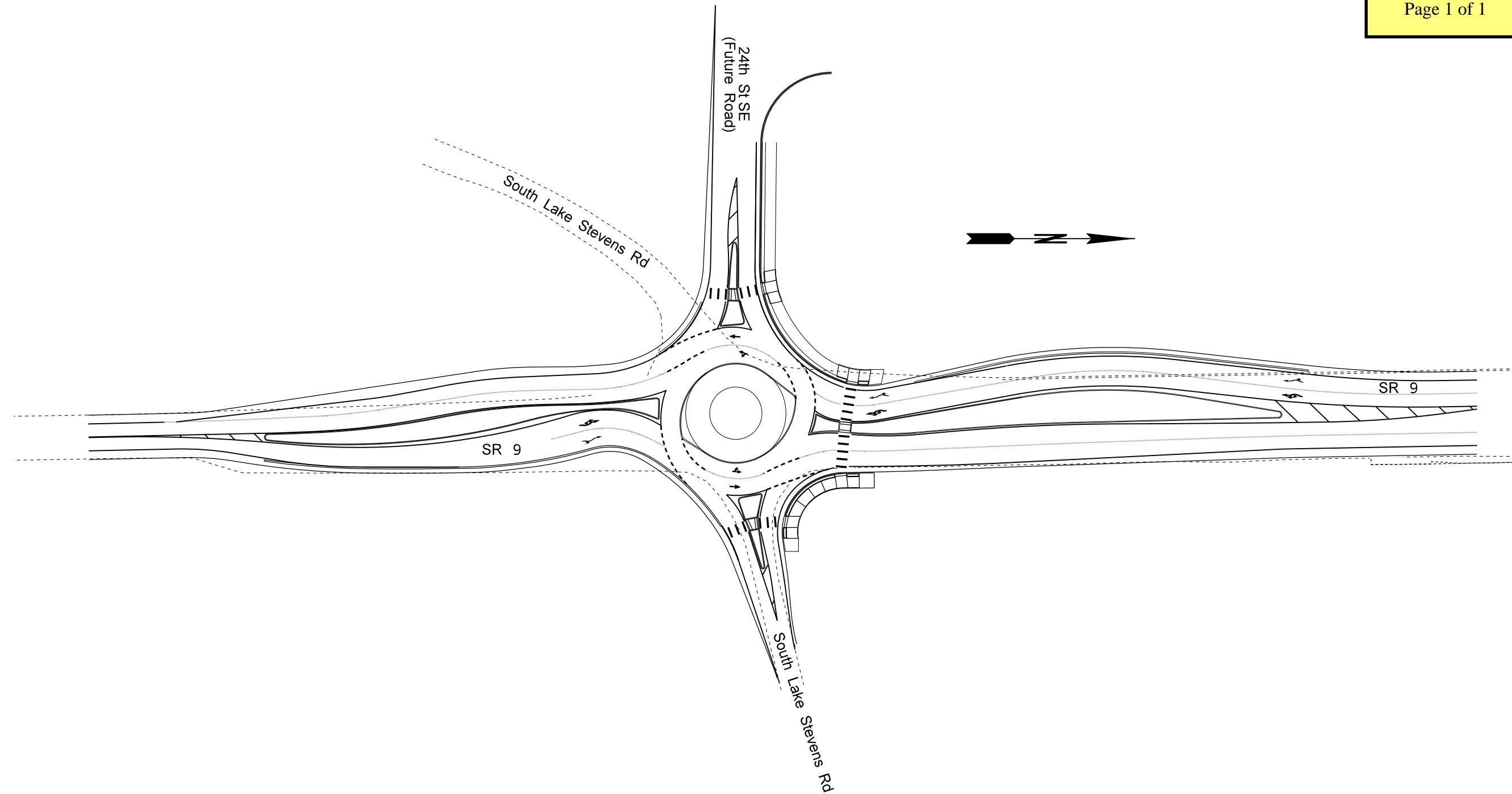
Right of Way				
Acquisition				
Administration				
Condemnation				
Relocation				
Right of Way Total:				
				\$550,000

Total Cost of Project: \$4,152,624 \$4,155,000

ASSUMPTIONS:

- 1 This project will need approximately 36 working days to complete all work.
- 2 Adjust Sales Tax to 9.0% per Washington State Department of Revenue website at the date of this estimate.
- 3 Construction Engineering adjusted to 14% and contingencies adjusted to 4% per Plans Preparation Manual dated November 2013.
- 4 Preliminary Engineering adjusted to 22% to match average historical PE cost of previous roundabout projects.
- 5 24th St SE is already built and will only require connecting with WSDOT infrastructure
- 6 The culvert on the east leg of the proposed RAB is already built.
- 7 The City and Costco will include the RAB wetland mitigation impacts when they purchase credits from the Sno. Co. Wetland Bank

Exhibit C
GCB 3258
Page 1 of 1



FILE NAME T:\412348\XL6109-Costco Roundabout\CAD\ContractPlans\XL6109_Exhibit.dgn

TIME 10:11:48 AM

DATE 12/4/2019

PLOTTED BY Camachm

DESIGNED BY J. CAMACHO-MORALES

ENTERED BY J. CAMACHO-MORALES

CHECKED BY A. SCHARRER

PROJ. ENGR. C. WINNINGHAM

REGIONAL ADM. M. COTTEN

REGION STATE
10 WASH

JOB NUMBER

CONTRACT NO.

LOCATION NO.

P.E. STAMP BOX

DATE

BY

FED.AID PROJ.NO.

LOCATION NO.

P.E. STAMP BOX

DATE

P.E. STAMP BOX

DATE

P.E. STAMP BOX

DATE

P.E. STAMP BOX



SR 9
SR 9 AND S LAKE STEVENS RD
INTERSECTION IMPROVEMENTS

EXHIBIT

Plot 1

PLAN REF NO

SHEET

1 OF

1

SHEETS

30% PRELIMINARY



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LAKE STEVENS CITY COUNCIL
STAFF REPORT

Council Agenda

Date: December 10, 2019

Subject: 20th Street Phase II – Supplemental Agreement #7 Perteet Engineering

Contact	Budget
Person/Department: <u>Eric Durpos/Grace Kane</u>	Impact: <u>\$55,000.00</u>

RECOMMENDATION(S)/ACTION REQUESTED OF COUNCIL: Authorize the Mayor to sign Supplemental Agreement #7 with Perteet Engineering in the amount of \$55,000.00

SUMMARY/BACKGROUND:

The 20th Street SE Phase II project provides for the widening of 20th Street SE from 300' west of 83rd Avenue SE to the intersection of 91st Avenue SE. This section will be a five-lane road section (2 general purpose lanes east and west bound with a center turn lane). The Engineer's estimate for construction is \$8,000,000, including Construction Management cost. The City has been awarded a Federal Grant in the amount of \$2,500,000 and a Transportation Improvement Board (TIB) grant in the amount of \$2,600,000 for the construction of this project.

Supplement #7 is needed for the additional effort in utility/project coordination, Environment permits, and additional interconnect design for the completion of bid ready construction plans and documents. Supplement #7 includes bid support.

This action is to enter into a seventh supplemental agreement with Perteet to take this project to advertisement. The maximum amount payable to Perteet for Supplement #7 is \$55,000.00, which is still within the previously approved budget for this project.

APPLICABLE CITY POLICIES: Consistent with 6 Year Transportation plan and City's Capital Plan

BUDGET IMPACT:

The total estimate construction cost of the project is \$8,000,000.

\$5,100,000 in grant funds with the remainder funded with Street and Stormwater Capital funds.

ATTACHMENTS:

- Perteet Scope & Fee Schedule

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**Washington State
Department of Transportation**

Supplemental Agreement Number <u>7</u>	Organization and Address Perteet, Inc. 2707 Colby Avenue, Suite 900 Everett, WA 98201	
Original Agreement Number LA 8543	Phone:	
Project Number STPUS-2664(003)	Execution Date March 9, 2015	Completion Date December 31, 2020
Project Title 20th Street S.E., Phase II	New Maximum Amount Payable \$878,416	
Description of Work See attached Exhibit "A", Scope of Services		

The Local Agency of City of Lake Stevens

desires to supplement the agreement entered in to with Perteet, Inc.

and executed on March 9, 2015 and identified as Agreement No. LA 8543

All provisions in the basic agreement remain in effect except as expressly modified by this supplement.

The changes to the agreement are described as follows:

I

Section 1, SCOPE OF WORK, is hereby changed to read:

See attached Exhibit "A"

II

Section IV, TIME FOR BEGINNING AND COMPLETION, is amended to change the number of calendar days for completion of the work to read: December 31, 2020 - No Change

III

Section V, PAYMENT, shall be amended as follows:

These additional services will cause an increase in the maximum amount payable in the amount of \$55,000 for a new maximum amount payable of \$878,416.

as set forth in the attached Exhibit A, and by this reference made a part of this supplement.

If you concur with this supplement and agree to the changes as stated above, please sign in the Appropriate spaces below and return to this office for final action.

By: Perteet, Inc. By: City of Lake Stevens


Consultant Signature

Approving Authority Signature

Date

EXHIBIT A

Scope of Services
City of Lake Stevens
20th Street SE Phase II Final Design and Right-of-Way Phase
(83rd Avenue SE to 91st Avenue SE)
Supplement 7

INTRODUCTION

The purpose of this supplemental scope of services is to provide additional assistance to the City of Lake Stevens in finalizing the design, including completing the Final signed contract documents (PS&E).

Federal STP funds for construction will not be available now until 2022 in accordance with direction from WSDOT. The Consultant will provide technical support to the City in efforts to secure alternative funding sources, including TIB. It is assumed that advertisement will occur in March 2020. Right-of-way acquisition and certification has already been approved. It is also assumed that the delay and change in funding will not affect approved environmental documentation and permitting for this project. Services over and above will be considered as an additional supplement. It is assumed that a delay in advertisement until March 2020 and potential funding source change will not trigger revisions and/or resubmittal of environmental documents and permits.

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

Task 1 – Management/Coordination/Administration (Supplemented)

1.1 Project Management Administration

Provide additional project management administration with regard to the additional design work described below. It is assumed that the current project duration will remain the same (December 2020) but the design phase will be completed by March 2020.

1.2 Project Coordination

Participate in additional project coordination conference calls and meetings with City staff related to the additional services. It is assumed that up to six (6) coordination meetings will be required to coordinate the additional project elements and delay in going to advertisement. Additional project coordination with the design team and City up to March 2020 is included in this subtask.

Deliverables:

- Project meeting agendas and notes

Task 3 – Utility Coordination (Supplemented)

3.2 Utility Coordination

The Consultant provide additional coordination with utilities up to when the project goes to advertisement (assumed to be March 2020). BPA will be coordinated with in conjunction with relocation of PUD's poles and the roadway widening. Previous coordination with BPA by the City and Consultant yielded no impacts to BPA poles and access.

Items in this task shall include:

- Coordinating and attending up to three (3) office meetings with BPA and Snohomish County PUD prior to advertisement. It is assumed that the proposed roadway widening will not be revised. BPA does not have any franchise agreement with the City.
- Additional coordination with PUD will be required to route their overhead and/or underground facilities in accordance with BPA setback and access requirements. Relocation of SCL poles east of the BPA poles will not be required.
- Coordinate with PUD on luminaire placement in conjunction, including calculations, with its pole relocations.
- Coordinate on the schedule for relocation of BPA poles if determined to be necessary.

It is assumed that the incorporation of any BPA design or relocation into the contract documents is not included in this scope of services. It is also assumed that the City will prepare inter-local agency agreements between the City and BPA as necessary. Any relocation costs, including traffic control, will not be included in the City construction contract.

Deliverables:

- Meeting Minutes

Task 4 – Environmental Documentation and Permits (Supplemented)

4.2 SEPA Checklist Preparation and Related Permit Assistance

Provide additional information to the City of Lake Stevens for preparation of the SEPA checklist. Information will include final excavation and fill quantities and summary review of current project documents. Prepare and provide draft SEPA checklist. Amend draft checklist after City review and sign for use in City SEPA determination

Provide related permit assistance to City: review HPA issue raised by WSDOT for prior-issued HPA. Combine Corps permit information into one file, assemble and provide related wetland permit and report information to the City of Lake Stevens.; review APE issue raised by WSDOT and coordinate with WSDOT and City for clarification.

Assumptions:

- The SEPA determination will not be appealed.
- SEPA notification and comment responses will be coordinated by the City.
- An HPA will not be required for the project.

20TH STREET SE PHASE II (83RD AVENUE SE TO 91ST AVENUE SE)

Agreement with Perteet Inc.

November 14, 2019

- The original APE will not need to be modified or resubmitted.

Deliverables:

- Draft and Final SEPA Checklist (Electronic)
- Related correspondence by phone or email with City.

Task 9 – PS&E (Supplemented)

The Consultant will provide additional design services for inclusion into the Final PS&E package.

9.3 Final PS&E

The Consultant will coordinate with the City on the proposed Food Bank to be constructed on the north side of 20th Street SE, west of 83rd Avenue SE and the proposed fire station also on the north side of 20th Street SE, west of 83rd Avenue SE (east of the proposed Food Bank). The design drawings will be revised to reflect access changes, utility pole locations and drainage outfall routing on the north side of the Food Bank from the stormwater facility constructed as part of this contract. In addition, should construction of the Food Bank be delayed, the drawings will reflect extension of the frontage improvement, including curb and drainage, to the western limits of the Food Bank. The Food Bank and new fire station directly east will reimburse the project with payment in-lieu of constructing the improvements themselves.

The Consultant will coordinate with the City to accommodate the drainage manhole for the new Parks parking lot near 88th Avenue SE, as well as the proposed eastbound far side bus stop at 83rd Avenue SE. It is assumed that this facility will not impact the BPA poles or setbacks.

The Consultant will coordinate with the City and Snohomish County on requested changes to the signal design and channelization layout at 83rd Avenue SE/20th Street SE. A coordination meeting to discuss the proposed approach to the revisions is included. The County maintains this signal for the City. Additional signal design coordination for the City's BAT Lane project will be coordinated with City staff. The City will lead all coordination with the BAT lane project as well as with Snohomish County.

9.35 Interconnect Design (New Task)

The Consultant will prepare an interconnect design for the project, connecting the 83rd Avenue SE and 91st Avenue SE signals. Interconnect plans will consist of plan sheets showing the approximate location of conduit, junction boxes, and vaults as necessary. Plans will also include wire callouts indicated conduit size and communications cables. Fiber optic splicing details are not included. It is assumed that the interconnect cable will terminate within the traffic signal controller cabinets at each end of the segment.

The Consultant will revise the specifications to align with the delay in advertisement (assumed to be March 2020) and funding source. This includes revisions required with removal of federal funds for construction.

Assumptions:

- It is assumed that the new bus stop at 83rd Avenue SE and signalization/channelization revisions will not require any new R/W to be acquired.

20TH STREET SE PHASE II (83RD AVENUE SE TO 91ST AVENUE SE)

Agreement with Perteet Inc.

November 14, 2019

- It is assumed that the separate bus lane project for the City will not generate any curb return, widening, grading, drainage, channelization or signal modifications to the plans.
- It is assumed with the delay in advertisement and target ad date of March 2020 (prior to April) that the WSDOT 2020 specifications will not be used. Updates to Amendments and GSPs will be included.

Deliverables:

- Updated electronic copy of the final plans (half size) in PDF format via e-mail
- Updated electronic copy of the opinion of cost summary submitted in PDF format via e-mail
- Updated electronic copy of the final bid documents Contract Specifications, including the Bid Schedule, submitted in PDF format via e-mail

9.4 Final QA/QC

An internal Consultant quality assurance/quality control review of additional deliverables will be conducted before the submittal to the City, as well as confirmation that comments received have been addressed. A record of comments received will be maintained.

Task 10 – Bid Support (Supplement)

The Consultant will support the City during the bidding phase of the project. The Consultant will respond to requests for clarifications and prepare Addendums. The effort for the assistance during bidding is limited to the fee identified in the fee schedule.

10.1 Provide Bid Clarifications

The Consultant will respond to Contractor questions as requested by the City during the bidding process. The Consultant will provide clarifications to the City, which may include minor Plan sheet revisions, Special Provision language, or information clarification. Significant design changes are assumed not to be required.

Deliverables:

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

10.2 Addenda

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

Assumptions:

- The Consultant will prepare addendums for the City to distribute during the bidding process.
- The City will prepare the bid tabulation.
- The City will determine if the bids are responsive or not.
- The City will track bid questions and communicate with bidders.
- Perteet will assist the City in posting the bid set and addendums.

20TH STREET SE PHASE II (83RD AVENUE SE TO 91ST AVENUE SE)

Agreement with Perteet Inc.

November 14, 2019

- The City will review bid tabulations against the opinion of cost (engineer's estimate).
- The effort for the preparation of the addendums will be limited to the fee hours identified in the fee worksheet.

Deliverables:

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



Project: Lk. Stevens - 20th St. SE Phase II - Supp 7

Client: City of Lake Stevens

PM: Kurt Ahrensfeld

Contract Start Date: 12/3/2018
Contract End Date: 12/31/2019
Contract Duration: 12 Months

Last Update Date: 12/3/2019
Perpet Project No.: 20120176.00197

Task	Billing Rate	Sr. Associate	Sr. Associate	Sr. Associate	Sr. Associate	Lead Engineer / Mgr	Engineer II	Technician III	Planner II	Accountant	Total Hours	Labor Dollars				
Task 1 - Management/Coordination/Administration	\$74.50	\$68.75	\$71.00	\$67.00	\$52.00	\$47.00	\$47.00	\$47.00	\$35.00	\$33.50	\$41.00	\$32.75				
1.1 - Project Management & Administration	16.00													4.00	20.00	
1.2 - Project Coordination	12.00				12.00										24.00	
Total Task 1 - Management/Coordination/Administration	28.00	0.00	0.00	0.00	12.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.00	44.00	\$2,841.00	
Task 3 - Utility Coordination	3.2 - Utility Coordination	4.00				8.00		4.00							16.00	\$902.00
Total Task 3 - Utility Coordination	4.00	0.00	0.00	0.00	8.00	0.00	4.00	0.00	0.00	0.00	0.00	0.00	0.00	16.00	\$902.00	
Task 4 - Environmental Documentation and Permits	4.2 - SEPA Checklist			8.00				2.00				8.00		18.00	\$990.00	
Total Task 4 - Environmental Documentation and Permits		0.00	0.00	8.00	0.00	0.00	2.00	0.00	0.00	0.00	8.00	0.00	18.00		\$990.00	
Task 9 - PS&E	9.3 - Final PS&E	8.00	8.00		12.00	24.00	8.00	8.00			12.00				80.00	\$4,352.00
	9.35 Interconnect Design					20.00				40.00	48.00				108.00	\$4,348.00
	9.4 - Final QA/QC	4.00		2.00					8.00						14.00	\$816.00
Total Task 9 - PS&E		12.00	8.00	2.00	32.00	24.00	8.00	8.00	40.00	60.00	0.00	0.00	0.00	202.00	\$9,516.00	
Task 10 - Bid Support	10.1 - Provide Bid Clarifications	4.00	4.00			8.00	8.00								24.00	\$1,365.00
	10.2 - Addenda	4.00				8.00	8.00				12.00				32.00	\$1,492.00
Total Task 10 - Bid Support		8.00	4.00	0.00	0.00	16.00	16.00	0.00	0.00	0.00	12.00	0.00	0.00	56.00	\$2,857.00	
Expenses																
Total Expenses		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00	
Total Hours		52.00	12.00	10.00	32.00	60.00	24.00	14.00	8.00	40.00	72.00	8.00	4.00	336.00		
Total Dollars		\$3,874.00	\$825.00	\$710.00	\$2,144.00	\$3,120.00	\$1,126.00	\$658.00	\$378.00	\$1,400.00	\$2,412.00	\$328.00	\$131.00		\$17,106.00	

Expenses:	
Miscellaneous Expenses	50
Totals:	50

SUMMARY		
Direct Salary Cost		\$17,106.00
Overhead Cost	189.23 %	\$32,370.00
Fee 32%		\$5,474.00
Labor		\$54,950.00
Expenses		\$50.00
Subconsultants		\$0.00
CONTRACT TOTAL		\$55,000.00



LAKE STEVENS CITY COUNCIL
STAFF REPORT

Council Agenda Date: December 10, 2019

Subject: Everett Housing Authority – Resolution of Need

Contact Person/Department: Russ Wright, Community Development Director

Budget Impact: N/A

RECOMMENDATION(S)/ACTION REQUESTED OF COUNCIL: Approve Resolution 2019-20 and 2019-21

BACKGROUND/ DISCUSSION:

The Hawkins Housing Senior Apartments is located at 9433 North Davies Road. The Hawkins House was formerly sponsored by Senior Services of Snohomish County and is now sponsored by the Everett Housing Authority (EHA). For EHA to operate within the Lake Stevens' city limits, EHA needs the City Council to adopt a resolution of need. Please see attachment 1 for more details about the Hawkins House and transfer of sponsorship.

BUDGET IMPACT: None

Attachments

1. EHA Letter to the City
2. Resolution 2019-20
3. Resolution 2019-21

Attachment 1



Service
Integrity
Respect
Community
Leadership
Wisdom
Creativity

July 2, 2018

John Spencer, Mayor
City of Lake Stevens
1812 Main Street
Lake Stevens, WA 98258

Dear Mr. John Spencer:

SUBJECT: Everett Housing Authority – Resolution of Need

In 2013, HOMAGE Senior Services fka Senior Services of Snohomish County (Senior Services) revised their core services, as a result shed its senior housing. It was Senior Services intention that these properties will continue serving Snohomish's vulnerable seniors as public asset. As a result, Senior Services asked if Everett Housing Authority (EHA) or Housing Authority of Snohomish County (HASCO) would be interested in the sponsorship of the properties. Eventually HASCO declined and EHA accepted the sponsorship of the properties. On July 14, 2014 HUD approved the transfer of the properties to EHA and is the current Project Owner's Management Agent.

The ownership structure of the properties is via a single asset 501C3 not for profit corporation with EHA the managing agent. As their properties were gifted and no cash considerations were made, with legal advice we believed EHA was able to provide social services, management and maintenance services to the residents of the property. The following are the properties and whom they serve in the City:

City of Lake Steven's
Hawkins House Senior Housing Association, dba Hawkins Housing Senior Apartments located at 9433 North Davies Road. The property serves 42 residents 62 and older with AMI's of less than 30% of which 7 are frail and elderly and 15 are at risk elders.

We are in the process of planning future renovations and improvements to the property that will involve refinancing, tax credits, ownership structure changes and the continuation of EHA's services. As a result, EHA is requesting the City to consider a Resolution of Need in an upcoming City Council meeting.

Please let us know if you would like to discuss the Resolution of Need and answer any questions you may have.

Thank you for your consideration,

Ashley Lommers-Johnson, Executive Director
Everett Housing Authority

Enclosures 2 – Resolution of Need

cc: Russell Wright, Community Development Director of Lake Stevens



CITY OF LAKE STEVENS
LAKE STEVENS, WASHINGTON

RESOLUTION NO. 2019-20

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE STEVENS,
WASHINGTON, DECLARING THE NEED FOR THE HOUSING AUTHORITY
OF THE CITY OF EVERETT TO OPERATE WITHIN THE BOUNDARIES OF
THE CITY.**

WHEREAS, RCW 35.82.070(13) provides that a housing authority may exercise its powers within the boundaries of any city not included in its area of operation if the governing or legislative body of that city adopts a resolution declaring that there is a need for the housing authority to exercise its powers within the city; and

WHEREAS, the City Council of the City of Lake Stevens, Washington (the "City"), has determined that there is a need for a housing authority to exercise its powers within the City; and

WHEREAS, the Housing Authority of the City of Everett (the "Authority") has indicated that it is willing to exercise its powers within the City;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAKE STEVENS, WASHINGTON, ASFOLLOWS:

Section 1. The City Council of the City declares that there is a need for the Authority to exercise its powers within the City and authorizes and ratifies the Authority's exercise of such powers within the City.

Section 2. This resolution shall be in full force and effect from and after its adoption and approval.

PASSED by the City Council of the City of Lake Stevens, Washington, this 10th day of December, 2019.

John Spencer, Mayor

ATTEST:

Kathy Pugh, City Clerk

CITY OF LAKE STEVENS
LAKE STEVENS, WASHINGTON

RESOLUTION NO. 2019-21

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE STEVENS,
WASHINGTON, DECLARING THE NEED FOR THE HOUSING AUTHORITY
OF THE CITY OF EVERETT TO OPERATE WITHIN THE BOUNDARIES OF
THE CITY.**

WHEREAS, RCW 35.82.070(13) provides that a housing authority may exercise its powers within the boundaries of any city not included in its area of operation if the governing or legislative body of that city adopts a resolution declaring that there is a need for the housing authority to exercise its powers within the city; and

WHEREAS, the owner of the Hawkins Housing Senior Apartments, located at 9433 North Davies Road (the “Project”), has requested that the Housing Authority of the City of Everett (the “Authority”) provide management services for the Project, and has further indicated an intent to transfer the Project to the Authority in the future; and

WHEREAS, the Authority has approached the City of Lake Stevens, Washington (the “City”), and asked whether the City Council is willing to determine that there is a need for the Authority to exercise its powers within the City with respect to the Projects;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAKE STEVENS, WASHINGTON, ASFOLLOWS:

Section 1. The City Council of the City declares that there is a need for the Authority to exercise its powers within the City in connection with the Project, including the acquisition, financing, ownership, operation, maintenance and/or management thereof, and authorizes and ratifies the Authority’s exercise of such powers within the City.

Section 2. This resolution shall be in full force and effect from and after its adoption and approval.

PASSED by the City Council of the City of Lake Stevens, Washington, this 10th day of December, 2019.

John Spencer, Mayor

ATTEST:

Kathy Pugh, City Clerk



LAKE STEVENS CITY COUNCIL
STAFF REPORT

Council Agenda
Date:

December 10, 2019

Subject: Costco Development Agreement

Contact Person/Department:	Russ Wright Planning & Community Development	Budget Impact:	N/A
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RECOMMENDATION(S)/ACTION REQUESTED OF COUNCIL:

1. **Continue the Public Hearing for the Costco Development Agreement.**
2. **Adopt, hold over or deny the Costco Development Agreement as conditioned and authorize the Mayor or designee to sign and through the adoption of Resolution 2019-17 (Exhibit 1).**

SUMMARY/BACKGROUND:

Costco Wholesale is requesting approval of a Binding Site Plan (LUA2019-0156), Site Plan Review (LUA2019-0080) and Design Review (LUA2019-0081) and two minor alterations to develop an approximately 160,000 square foot Costco warehouse with a fuel facility in the Commercial District, within the 20th Street SE Corridor Subarea, on seven parcels totaling nearly 36.74 gross acres. The net site area is nearly 21.67 acres after removing future roads, stormwater facility, wetland and mitigation areas, and an out lot. The development is proposed to be accessed off two new roads: 91st Ave SE and 24th St SE. Other related traffic improvements will include realigning South Lake Stevens Road and constructing a roundabout on SR-9 at the intersection of South Lake Stevens Road and 24th St SE. Additional permits related to the actual construction of public and private improvements will follow as separate applications.

In tandem, Costco has applied for a Development Agreement (**Exhibit 2**) on October 31, 2019 to establish the terms for future phased development for an assemblage of parcels. Under state law (Chapters 36.70B.170 through 36.70B.210 of the Revised Code of Washington), Development Agreements are designed to provide certainty to the city and the developer for major projects or phased proposals. Significant topics include establishing development and design standards, permitted uses, impacts fees, potential mitigation measures, phasing and vesting.

Staff, the City Attorney and representatives of Costco have been coordinating the terms of the development agreement as the proposed development affects the expansion of public infrastructure and construction of a private development. Staff has briefed City Council twice on the development agreement at workshops (October 15, 2019 and November 19, 2019). City Council held a public hearing on the development agreement on November 26, 2019, which was continued to December 10, 2019. City Council closed the public comment portion of the public hearing but held open the public comment period until 5:00 pm December 10th to receive additional written comments.

The various permits related to the Costco project have garnered a significant amount of public comment. The public comments for the various proposals are available toward the bottom of the page, on the city's website, at the following link: <https://www.lakestevenswa.gov/380/Current-Planning>.

Comments received after November 19, 2019 and up until 5:00 pm on November 26, 2019 were provided to the Council on November 26th. At that meeting, City Council closed the public comment portion of the public hearing but held open the public comment period until 5:00 pm December 10th to receive additional written comments. Public comments received after 5:00 pm on November 26th through 5:00 pm December 5th (packet deadline) are attached (Exhibit 3).

Any comments received after December 5th through 5:00 pm on December 10th will be provided to the Council at the dais. City staff has provided a response summary that is available on the city's website at the following link: https://www.lakestevenswa.gov/DocumentCenter/View/8046/Summary-Response-To-Public-Comments-11_19_19?bidId=

CHANGES

Major proposed changes to the development agreement since Council's review of it on November 26th include the following:

1. Section II Paragraph 3. Update description of offsite improvements, adding the language "and other offsite enhancements as practical" and "removing culvert replacements/removals."
2. Section II Paragraph 4.f. Delete reference to culverts and add "other offsite enhancement as practical."
3. Section II Paragraph 5.a. Delete reference to culverts and add "other offsite enhancement as practical."
4. Section II Paragraph 5.e. Delete reference to culvert agreements.
5. Section II Paragraph 11.a. Delete reference to culverts

The following additional changes were made to the Mitigation Construction and Funding Agreement

6. Section II Paragraph 4.d. Delete reference to culverts and add "other offsite enhancement as practical."
7. Section II Paragraph 4.f. Delete reference to culverts and add "other offsite enhancement as practical."
8. Section II Paragraph 5.a. Delete reference to culverts and add "SR9 Culverts and other offsite improvements for improved environmental function as practical."
9. Section II Paragraph 5.c. Delete entire paragraph related to fish culverts, renumber remainder.
10. Section II Paragraph 9. Delete reference to culverts and add "other offsite enhancement as practical."
11. Exhibit E-1 Delete reference to culverts and add "other enhancement as practical."
12. Exhibits D8 and D10 have been updated.

Pending the execution of the Development Agreement, Costco would submit Construction Plans and Building Permits for review to facilitate the development of the project.

Under the city's municipal code, Development Agreements are Type VI applications subject to City Council review and approval.

FINDINGS:

Process

The city issued a Planned Action Certification to construct the public roads of 91st Ave SE and the S. Lake Stevens Road Connector on April 22, 2019. The city issued an MDNS for the proposal to construct the public road of 24th St SE on April 22, 2019. The city issued a Planned Action Certification for the Costco project on June 6, 2019. Staff has issued a Notice of Application for the project, issued a Planned Action Certification for the project and duly advertised the public hearing. Staff has coordinated with the City Attorney's office and reviewed the Development Agreement against the requirements of LSMC 14.16C.055.

Decision Criteria

- (1) The proposed agreement is compatible with the goals and policies of the Comprehensive Plan;

The proposal is consistent with several goals and policies of the 2015-2035 Lake Stevens Comprehensive Plan and the 20th Street SE Corridor Subarea Plan, including but not limited to the following:

Land Use Element

- ***Policy 2.1.5*** Coordinate land use decisions with capital improvement needs for public facilities including streets, sidewalks, lighting systems, traffic signals, water, storm and sanitary sewer, parks and recreational facilities, cultural facilities and schools.
- ***Goal 2.4*** Encourage the continued planning of local growth centers to develop a balanced and sustainable community that provides a focus for employment, public, and residential development.
- ***Policy 2.4.4*** Ensure that adequate connections are made to link growth centers, subareas and adjacent residential areas.
- ***Goal 6.3*** Enhance retail and personal services growth to address the community's needs and expand the city's retail sales tax base.
- ***Goal 6.4*** Support employment growth in the city.

Economic Development Element

- ***Goal 6.1*** Improve the city's economic conditions for a healthy, vibrant, and sustainable community with a high quality of life.
- ***Goal 6.2*** Manage commercial growth in centers.
- ***Goal 6.3*** Enhance retail and personal services growth to address the community's needs and expand the city's retail sales tax base.
- ***Goal 6.4*** Support employment growth in the city.
- ***Policy 6.4.1*** Develop zoning for employment/business areas that is flexible to support employment growth and large employers.
- ***Goal 6.6*** Participate and foster public and private partnerships.

Capital Facilities Element

- ***Policy 9.2.2*** Capital improvement projects identified for implementation in this Plan and at a cost of at least \$10,000 shall be included in the Six-Year Schedule of Improvement.

- **Policy 9.3.2** *Appropriate funding mechanisms for developments' contribution of a fair share of other public facility improvements [such as recreation, drainage and solid waste] will be considered for implementation as the city develops them.*
- **Goal 9.4** *Provide needed capital improvements to maintain adopted levels of service.*

20th St SE Corridor Subarea Plan

- **Policy 1.4 – Incentives for Public Amenities in New Developments** *1.4.1 -Develop new land use regulations governing uses, intensities and heights that allow additional development potential in return for a development with specified public amenities (pg. 24).*
- **Goal 3:** *Identify business/office park locations, and areas of commercial/mixed use nodes and specific locations for higher density housing to create a vibrant district for economic development, jobs, regional shopping and housing options over a 10 to 20-year period with some areas developing earlier and others later depending upon access, market demand, environmental factors and other variables (pg. 30).*
- **Policy 3.1.4** *- Identify separate nodes for commercial/mixed-use development. For example, the southwest corner of 20th Street SE and SR- 9 is proposed for a large regional commercial development. The northwest corner of the same intersection or the northeast intersection of 20th Street SE and 79th Avenue SE could be identified for mixed-use development (pg. 31).*
- **Policy 4.3.1** *- Achieve more connectivity and accommodate development as it occurs, by identifying additional public streets of any class defined in the layered network or significant upgrades to existing streets as development occurs. For example, constructing a new street, 24th Street SE, in the southern part of the subarea would provide a secondary east-west connector for local vehicle access and could be developed as a trail street to support walking and biking (pg. 33).*
- **Goal 5:** *Development and infill projects should apply best management practices and integrate site design into the natural systems and greenbelts while striving to retain natural elements such as existing vegetation and significant trees and take advantage of mountain and valley views (pg. 37).*
- **Policy 5.2.3** *- New development within the subarea should utilize a variety of environmental enhancement and low impact development techniques such as rain gardens, pervious pavement, and other infiltration techniques as appropriate and feasible (pg. 38).*

(2) The proposed agreement is consistent with applicable development regulations;

The development agreement is consistent with applicable development regulations and the project will meet current development regulations or any allowed modifications.

(3) The proposed agreement provides for adequate mitigation of adverse environmental impacts; provided, that if the development is not sufficiently characterized at a project level, the agreement shall provide a process for evaluating and appropriately mitigating such impacts in the future; and

The Development Agreement sets out a conceptual strategy for mitigation of the potential impacts to the built and natural environment from the development. At the project level (i.e., during the review of construction and building permits) all mitigation documents must be finalized.

(4) The proposed agreement reserves authority to impose new or different regulations to the extent required by a serious threat to public health and safety.

The development agreement explicitly provides a provision reserving the city's authority to impose new or different regulations.

Contents

The proposed development agreement includes the minimum provisions required by RCW 36.70B.170 through 36.70B.210 and other measures as allowed under LSMC 14.16C.055(e).

Recording: *The Development Agreement will be recorded upon execution.*

Modification: *Any future modifications will follow the requirements of the LSMC.*

Appeal: *Appeal process is outlined below.*

RECOMMENDATION AND CONDITIONS OF APPROVAL:

STAFF RECOMMENDS that City Council authorize the Mayor to execute the Development Agreement in the form attached and APPROVE the Costco Development Agreement subject to the following conditions:

1. Acceptance by Costco of the revised Agreement AS ATTACHED AND WITH ALL CONDITIONS AND LIMITATIONS CONTAINED THEREIN;
2. The applicant shall record the Development agreement within 30-days of Council Approval.

APPEALS

- (1) A development agreement shall be subject to appeal in Snohomish County Superior Court in accordance with the provisions of the Land Use Petition Act, Chapter [36.70C](#) RCW.
- (2) The cost of transcribing the record of proceedings, of copying photographs, video tapes, and any oversized documents, and of staff time spent in copying and assembling the record and preparing the record for filing with the court shall be borne by the party filing the petition. If more than one party appeals the decision, the costs of preparing the record shall be borne equally among the appellants.

Attached

Exhibit 1 Resolution 2019-17

Exhibit 2 Development Agreement (w/ exhibits)

Exhibit 3 Public Comments received from November 26th – December 5th, 2019

BUDGET IMPACT: Future construction of capital improvements

Exhibit 1

**CITY OF LAKE STEVENS
Lake Stevens, Washington
RESOLUTION NO. 2019-17**

A RESOLUTION OF THE CITY OF LAKE STEVENS, WASHINGTON, APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF LAKE STEVENS (CITY), WASHINGTON, A WASHINGTON MUNICIPAL CORPORATION, AND COSTCO WHOLESALE CORPORATION (COSTCO), A WASHINGTON CORPORATION AND/OR ASSIGNS AND SUCCESSORS

WHEREAS, the Legislature, through RCW Sections 36.70B.170 through .210 has authorized the City to enter into development agreements; and

WHEREAS, the City owns approximately 13 acres of commercially zoned property known as the **"Ridgeline Property"** located at the intersection of 91st Avenue SE and 24th Street SE. The Ridgeline Property is currently landlocked with future access identified in the City's Capital Facilities Plan and 20th Street SE Corridor Subarea Plan (**"Corridor Plan"**), which is part of the City's Growth Management Act (**"GMA"**, Ch. 36.70A RCW) 2015-2035 Comprehensive Plan.

WHEREAS, the property is located within the 20th Street Corridor Subarea and has a comprehensive plan designation of Commercial and a zoning designation of Commercial District; and

WHEREAS, on October 31, 2019, Costco applied for a Development Agreement (LUA2019-0178) for the Costco Project; and

WHEREAS, the City and Costco will enter into a Real Estate Purchase and Sale Agreement (PSA), where the City has agreed to sell the Ridgeline Property to Costco; and

WHEREAS, Costco and its successors and/or assigns, agree to all requirements, terms and conditions of the Development Agreement **Exhibit No. 1**; and

WHEREAS, comprehensively evaluating the entire Costco project and all associated improvements, three distinct SEPA actions have been taken to date: 1) A Planned Action Certification for the construction of the Costco Warehouse and related infrastructure improvements 2) A Planned Action Certification for the public roads of 91st Ave SE and S. Lake Stevens Road Connector 3) An MDNS for the construction of 24th St SE.

- 1) The Costco property is within the Lake Stevens 20th Street SE Corridor Subarea for which a Planned Action EIS exists. The proposal for this SEPA action included the warehouse, parking stalls, fueling facility, and stormwater pond. This proposal qualifies as a planned action under the Lake Stevens 20th St. SE Corridor Subarea EIS adopted via Ordinance No. 878 and pursuant to Lake Stevens Municipal Code (LSMC) 14.38.120. The city issued a Planned Action Certification for the Costco project on June 6, 2019.
- 2) The city issued a Planned Action Certification to construct the public roads of 91st Ave SE and the S. Lake Stevens Road Connector on April 22, 2019. This project is consistent with the Lake Stevens Comprehensive Plan and the Capital Improvement Plan for the city. These

roads were identified in the 20th St. SE Corridor Subarea EIS as additional improvements needed to the road network that are necessary as a result of growth and which were assumed in the transportation analysis.

3) The city issued an MDNS for the proposal to construct the public road of 24th St SE on April 22, 2019. This project is consistent with the Lake Stevens Comprehensive Plan and the Capital Improvement Plan for the city. 24th St SE was identified in the 20th St SE Corridor Subarea Plan as a key connecting roadway but potential environmental impacts of the construction of this road were not fully analyzed in the 20th St SE Corridor EIS thus requiring a SEPA determination for the roadway itself; and

WHEREAS, LSMC 14.16C.055(c)(2) requires a Type VI Legislative Review process with no Planning Commission review; and

WHEREAS, a notice of the public hearing was duly noticed in the Everett Herald as required by LSMC 14.16B.630(b); and

WHEREAS, the City Council held a public hearing on November 26, 2019, which was continued to December 10, 2019 to consider the Development Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAKE STEVENS AS FOLLOWS:

Section 1. Development Agreement between the city of Lake Stevens, Washington, a Washington Municipal Corporation, and Costco Wholesale Corporation, a Washington Corporation and its Successors and/or Assigns, which is attached hereto and incorporated by reference as ***Exhibit No. 1***, is hereby approved.

Section 2. SEPA. The City has met SEPA requirement pursuant to Chapter 197-11 WAC and Chapter 16.04 LSMC and Ordinance 878.

Section 3. Findings. The approval of the Development Agreement is based upon the following specific findings required by section 14.16.055(d):

- (1) The proposed agreement is compatible with the goals and policies of the Comprehensive Plan;
- (2) The proposed agreement is consistent with applicable development regulations;
- (3) The proposed agreement provides for adequate mitigation of adverse environmental impacts; provided, that if the development is not sufficiently characterized at a project level, the agreement shall provide a process for evaluating and appropriately mitigating such impacts in the future; and
- (4) The proposed agreement reserves authority to impose new or different regulations to the extent required by a serious threat to public health and safety.

Section 4. Severability. If any section, sentence, clause or phrase of this resolution should be held invalid or unconstitutional by a court of competent jurisdiction, such invalidity or

unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this resolution.

Section 5. Effective Date. This resolution shall take effect immediately upon passage by the Lake Stevens City Council.

PASSED by the City Council of the City of Lake Stevens this _____ day of _____, 2019.

John Spencer, Mayor

ATTEST/AUTHENTICATION:

Kathy Pugh, City Clerk

APPROVED AS TO FORM:

Greg Rubstello, City Attorney

12/10/19 Exhibit 2

DEVELOPMENT AGREEMENT FOR CONSTRUCTION OF A COSTCO WHOLESALE MEMBERSHIP FACILITY

This Development Agreement (“**Agreement**”) is made this ____ day of _____, 2019 (“**Effective Date**”), by and among the City of Lake Stevens, a Washington municipal corporation (the “**City**”) and Costco Wholesale Corporation (“**Costco**”), a Washington corporation. The City and Costco may be referred to herein individually as a “**Party**” or collectively as the “**Parties**”.

I. RECITALS

- A. The City is a noncharter Optional Municipal Code city incorporated under the laws of the State of Washington. The City has authority to enact laws and enter into agreements to promote the health, safety and welfare of its citizens and thereby control the use and development of the Costco Property (as hereafter defined) and specify zoning and land use regulatory controls with the jurisdictional limits of the City.
- B. The City has authority under RCW 36.70B.170 through 36.70B.210 and Lake Stevens Municipal Code (“**LSMC**”) section 14.16C.055 to enter into a development agreement with a person having ownership or control of real property wherein they agree to development standards and other provisions that shall apply and govern and vest the development, use and mitigation of the real property. This Agreement is also entered into under the City’s general contracting authority and the City’s State Environmental Policy Act (“**SEPA**”) mitigation agreement authority.
- C. The City owns approximately 13 acres of commercially zoned property known as the “**Ridgeline Property**” located at the intersection of 91st Avenue SE and 24th Street SE. The Ridgeline Property is currently landlocked with future access identified in the City’s Capital Facilities Plan and 20th Street SE Corridor Subarea Plan (“**Corridor Plan**”), which is part of the City’s Growth Management Act (“**GMA**”, Ch. 36.70A RCW) 2015-2035 Comprehensive Plan.
- D. The City adopted the Corridor Plan pursuant to RCW 36.70A.080, which identifies preferred land uses, establishes development thresholds and defines the necessary capital improvements for implementation of the Corridor Plan to increase the City’s employment base and to promote economic development in this area.
- E. Pursuant to Chapters 35.77 and 47.26 RCW the City prepared and adopted its 2014-2019 Transportation Improvement Plan (“**TIP**”), consistent with the Capital Facilities Element of the City’s Comprehensive Plan, which includes two new road connections: 91st Avenue SE from 20th Street SE to 24th Street SE and 24th Street SE from 91st Avenue SE to State Route 9 (“**SR9**”).
- F. The City has adopted the 2014 Ecology Stormwater Manual for Western Washington and desires to construct a regional stormwater facility to facilitate and mitigate the development contemplated in the Corridor Plan.

12/10/19

- G. The City's Comprehensive Plan includes a Capital Facilities Element that identifies establishing a sidewalk trail along 20th Street SE and an east/west multi-modal path along 24th Street SE and South Lake Stevens Road. This trail system is also included and identified in the 20th Street SE Corridor subarea plan.
- H. Costco intends to purchase the approximately 13-acre Ridgeline Property from the City, and approximately 25 acres of adjacent real property owned by Nordin Investment, LLC ("Nordin Property"). All such property is located in the City of Lake Stevens, within the Corridor Plan planning area, in the vicinity of 20th Street SE and SR9. The Ridgeline Property and the Nordin Property are collectively referred to in this Agreement as the ("Costco Property"). Upon completion of the purchase and concurrent closing on the Ridgeline Property and the Nordin Property, Costco will own the real property legally described in **Exhibit A** and depicted on **Exhibit B**.
- I. Costco intends to develop, construct and operate on a portion of the Costco Property, in accordance with Costco's policies, a wholesale and retail general merchandise facility, which also may include, without limitation, a pharmacy, liquor sales, photo processing, butcher, deli and bakery services, optometry services, a tire sales and installation center, a propane sales and fueling center, a vehicle fueling facility, a car wash, office space, parking and other infrastructure improvements ("Costco Project"). A site plan for the Costco Project, following the completion of the onsite and offsite improvements, is attached as **Exhibit C**.
- J. Both the City and Costco find it desirable to enter into this Agreement to plan for the orderly development of the Costco Project and the necessary environmental mitigation and public transportation infrastructure to support the Costco Project.
- K. The City finds that Costco's presence in the community provides economic and community benefit to the City and its residents. The public benefits of entering into this Agreement for the Costco Project include, but are not limited to, Costco's participation in construction of roads and other public infrastructure, increased property and sales tax revenues, and the creation of employment opportunities for residents of the City and nearby communities in Snohomish County.
- L. The mutual goals that will be achieved through implementation of this Agreement include, without limitation:
 - i. Facilitating development of the Costco Project within the City's 20th Street SE Corridor Subarea, which will provide needed goods, services and employment opportunities to Lake Stevens' residents;
 - ii. Maximizing the effectiveness of public and private planning and financial resources to coordinate development of the Costco Project and related public infrastructure;
 - iii. Providing certainty and predictability for development of the Project; and
 - iv. Generating increased property and sales tax revenues for the City and Snohomish County.

12/10/19

II. AGREEMENT

1. **Costco Project.** In exchange for the promises and consideration contained in this Agreement, Costco shall have the right to construct the Costco Project on the Costco Property, which will include a building that contains approximately 160,000 square feet, plus an enclosed canopy, with parking for approximately 810 vehicles (with an ability to expand the parking area to accommodate up to approximately 900 vehicles in the future), and a fueling station with open canopy as generally depicted on **Exhibit C**. The target date for completion of the Costco Project is October 31, 2021.
2. **Parking.** Pursuant to Lake Stevens Municipal Code 14.72.020 Flexibility in Administration Required, the permit-issuing authority may permit deviations from the presumptive requirements and may require more parking or allow less parking whenever it finds that such deviations are more likely to satisfy the standard set forth in Section 14.72.010(a). Costco has provided a parking study to justify its need for additional parking beyond the maximum stalls allowed in LSCM 14.38.060. The City approves this request to allow parking up to 5.7 stall per 1,000 square feet for the Costco Project.
3. **Offsite Improvements.** The construction of the Costco Project is dependent on the construction of the following improvements that will be ultimately located off the Costco Project site: wetland mitigation and other offsite enhancement as practical, sewer facilities (e.g., lift station, force main and gravity lines) stormwater improvements, and transportation and utility improvements (hereinafter collectively “**Offsite Improvements**”). The Offsite Improvements are depicted on several sketches attached hereto as **Exhibit D**. The Costco Project and Offsite Improvements are collectively referred to in this Agreement as the “**Development**”. This Agreement provides for shared responsibility for financing and construction of the Offsite Improvements. A more detailed discussion of the project descriptions, construction timing, and financing for the Offsite Improvements is contained in the Mitigation Construction and Funding Agreement (“**MCFA**”), which is attached as **Exhibit E**.
4. The Offsite Improvements consist of the following:
 - a. Street and Roadway Improvements:
 - i. Intersection of 91st Avenue SE and 20th Street SE (“**91st Intersection Section A**”) **Exhibit D1**;
 - ii. 91st Avenue SE to the Ridgeline Property (“**91st Avenue SE Section B**”) **Exhibit D2**;
 - iii. 91st Avenue SE through the Ridgeline Property to 24th Street SE, a collector (“**91st Avenue SE Section C**”) **Exhibit D3**;
 - iv. 24th Street SE (a collector with a multi-modal path) (“**24th Street SE**”) **Exhibit D4**;
 - v. South Lake Stevens Road connection to 24th Street SE (“**S. Lake Stevens Road Connection**”) **Exhibit D5**; and

12/10/19

- b. Regional Stormwater Detention Facility (“**Regional Stormwater Facility**”) **Exhibit D6**.
- c. Sewer Lift Station, Gravity Sewer and Force Main (“**Sewer Facilities**”) **Exhibit D7**.
- d. Wetland mitigation (“**Wetland Mitigation**”) **Exhibit D8**.
- e. Extension of other utilities including but not limited to communications, power lines, water lines, and gas mains (“**Utility Extensions**”) **Exhibit D9**.
- f. SR9/24th Street Roundabout fish passage culvert (“**SR9 Culvert**”), and other offsite enhancement as practical **Exhibit D10**.

5. Responsibility for Design and Construction of the Offsite Improvements.

- a. Costco will be responsible for the design (except as otherwise provided herein) and construction of the following Offsite Improvements:
 - i. 91st Intersection Section A;
 - ii. 91st Avenue SE Section B;
 - iii. 91st Avenue SE Section C;
 - iv. 24th Street SE;
 - v. S. Lake Stevens Road Connection;
 - vi. Regional Stormwater Facility;
 - vii. Sewer Facilities;
 - viii. Wetland Mitigation;
 - ix. Utility Extensions; and
 - x. Other offsite enhancement as practical.
- b. The City will be responsible for the design of 91st Avenue SE Section B (Costco will construct this improvement). To the extent this work requires an Inter-Agency Agreement (“**IAA**”) with the City of Everett (“**Everett**”) with respect to Everett’s water line in the roadway, the City agrees to secure an IAA between Everett and the City (“**Everett IAA**”) in a timely manner.
- c. The Washington State Department of Transportation (“**WSDOT**”) shall be responsible for the design and construction of the SR9 Roundabout (except that Costco shall be responsible for the design and construction of the SR9 Culvert as necessary) under the terms set forth in an IAA between WSDOT and the City (“**WSDOT IAA**”), which the City agrees to secure in a timely manner.
- d. Costco will construct the Sewer Facilities for the Lake Stevens Sewer District (“**LSSD**”). To the extent this work requires an IAA with the LSSD, the City agrees to secure an IAA between LSSD and the City (“**LSSD IAA**”) in a timely manner.
- e. In addition to the City’s obligation to secure the Everett IAA, the WSDOT IAA, the LSSD IAA (as applicable), the City shall be responsible (at its sole cost and expense) for securing all agreements involving third parties (other than the City and Costco) that are necessary for the completion of the Offsite Improvements, including, without limitation (to the extent applicable): right-of-way acquisition agreements, temporary construction easements, and other similar agreements pertaining to the

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performance of the Offsite Improvements on property not owned or controlled by the Parties. The City agrees to use commercially reasonable efforts to pursue and secure the Everett IAA, the WSDOT IAA, the LSSD IAA (as applicable), and such other agreements with third parties (collectively, “**Third Party Agreements**”) on or before **December 31, 2019** in order to ensure that such agreements are in place and do not delay construction of the Costco Project or the Development. As a condition precedent to Costco’s performance under this Agreement, Costco shall have the right to review and approve (in Costco’s commercially reasonable discretion) all Third Party Agreements before they become effective.

6. **Future Performance of this Agreement and Opt-out.** The Parties intend that this Agreement will become effective upon mutual execution by the City and Costco, with the proviso that future performance is contingent on two events: (i) Costco’s and the City’s agreement on the bids received for construction of the Offsite Improvements (“**Mutual Agreement to Proceed**”) and (ii) Costco’s decision to close on the purchase of the Assemblage (“**Costco Closing Decision**”).
7. **Timing of Decision on Mutual Agreement to Proceed.** The Parties agree to cooperate in good faith to prepare mutually acceptable bid packages for the Offsite Improvements. Within seven (7) days of receipt of the bid responses, the Parties shall meet to review the bid responses and select the winning bidder. Within seven (7) days of the bid response review meeting, each Party shall notify the other in writing as to whether the bids are acceptable to that Party and indicate that Party’s intent to proceed (“**Notice of Intent to Proceed**”). If the Parties are not in agreement on proceeding, they shall meet and try to resolve their differences. If the Parties cannot reach agreement on proceeding, the Parties shall initiate the procedures in Paragraph 9 for winding down and terminating this Agreement.
8. **Timing of Costco’s Closing Decision.** Costco’s Notice of Intent to Proceed shall include Costco’s Closing Decision on whether to close on the purchase of the Assemblage, in accordance with the applicable purchase and sales agreements. Costco’s Closing Decision shall be in Costco’s sole and absolute discretion and may be based on factors other than the bid responses for construction of the Offsite Improvements. If Costco decides to close on the Assemblage, the closing shall occur within a commercially reasonable time thereafter. If Costco decides not to close on the purchase of the Assemblage, the Parties shall initiate the procedures in Paragraph 9 for winding down and terminating this Agreement.
9. **Early Termination and Wind-Down.** In the event the City and Costco fail to jointly agree upon the amount of the construction bids for the Offsite Improvements, or Costco decides not to proceed with the closing on the purchase of the Assemblage, then (a) this Agreement, including the MCFA (**Exhibit E**), shall be terminated, and the Parties shall be relieved of all obligations and responsibilities thereunder, and (b) upon written request from the City, Costco will transfer to the City all engineering and design plans and reports related to the construction of the Offsite Improvements; provided, however, that the responsibility for the payment of soft costs (as such term is defined in the MCFA), including soft costs incurred by Costco prior to the execution date of this Agreement, shall be as follows: (i) if the Parties mutually agree not to proceed, then the City shall reimburse Costco for fifty percent (50%) of the soft costs incurred by Costco prior to the date the Parties mutually

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agree not to proceed; (ii) if Costco desires to proceed, but the City chooses not to proceed, then the City shall reimburse Costco for one hundred percent (100%) of the soft costs incurred by Costco prior to the date the City chooses not to proceed; and (iii) if the City desires to proceed, but Costco chooses not to proceed, then Costco shall be responsible for one hundred percent (100%) of the soft costs incurred by Costco prior to the date Costco chooses not to proceed.

10. **Transportation Mitigation, Impact Fees, and Concurrency.** Costco's participation in funding and construction of the traffic improvements identified in the MCFA (**Exhibit E**) fully mitigates all SEPA and development regulation-based traffic mitigation, traffic impact fee and traffic concurrency requirements for the Costco Project and overall Development. The MCFA is part of this Agreement and is approved pursuant to RCW 36.70B.170 through 36.70B.210. Costco shall pay for the first TWO MILLION EIGHT HUNDRED THOUSAND AND NO/100 U.S. DOLLARS (\$2,800,000.00) of the costs of construction for portions of the Offsite Improvements (for streets and roads) as an offset against the amount of Transportation Mitigation, Impact Fees otherwise due pursuant to LSMC 14.112.090 as described in the MCFA. No additional traffic fees or traffic mitigation will be required to entitle the Costco Project. The City confirms that the Costco Project is concurrent. The City agrees that no further concurrency review and/or mitigation of transportation impacts are required for the Costco Project.

11. **Mitigation Fully Mitigates Development Impacts.**

a. **Offsite Mitigation.** In conjunction with traffic mitigation described in Paragraph 10, Costco's participation in the design and construction of the non-transportation Offsite Mitigation, including without limitation but not limited to the wetland mitigation (e.g., wetland creation, enhancement or restoration), wetland bank credit purchases, sewer lift station, stormwater pond, and utility extensions fully mitigate the identified impacts for the proposed Development. Unless the project scope is materially increased above the parameters for the Costco Project identified in Paragraph 1, or through additional SEPA review under Section 12.g and additional impacts are identified, no additional mitigation fees, impact fees, or mitigation shall be required for the Costco Project or overall Development.

b. **Onsite Mitigation.** As part of its overall mitigation and construction strategy for the Costco Project, to the extent commercially reasonable, Costco agrees to consider and implement low impact development techniques as deemed feasible and practicable using best available science for its management of stormwater and rehydration of wetlands and streams in proximity to the Costco Property.

12. **State Environmental Policy Act (Ch. 43.21C “SEPA”) / National Environmental Policy Act (40 CFR Parts 1500-1508 “NEPA”) Compliance.** SEPA and NEPA compliance for the Development shall occur in accordance with the provisions of this Paragraph:

a. **Planned Action Determination.** The Costco Property is within the area described in City Ordinance No. 878, which approved a SEPA Planned Action for the City's 20th Street SE Corridor Subarea, pursuant to RCW 43.21C.031 (“**Planned Action Ordinance**”), attached as **Exhibit F**. The Planned Action Ordinance and supporting documentation addressed the environmental impacts associated with development within the 20th Street SE Corridor Subarea in order to facilitate and expedite the environmental

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review of future individual development projects. The Development is an implementing project for purposes of the Planned Action Ordinance.

b. Confirmation of Consistency. The Development is consistent with the Planned Action Ordinance and thereby qualifies as a Planned Action Project that complies with Ch. 43.21C RCW and Ch. 16.04 LSMC.

c. Except as described below, no SEPA threshold determination, environmental impact statement, or additional SEPA review shall be required for the Development. Future development permit applications implementing this Agreement will not require additional SEPA review if the City confirms that the application is consistent with the Planned Action Determination.

d. Compliance for 24th Street SE Road Improvement. The 24th Street SE road improvement (“**24th Street SE Improvement**”) was not included in the Planned Action Ordinance. The City conducted SEPA review on the 24th Street SE Improvement and issued a Mitigated Determination of Non-Significance on April 22, 2019 (**Exhibit G**). This SEPA MDNS was not appealed and is now final and incorporated by reference into this Agreement. Subject to subsection g. below, no further SEPA review shall be required for construction of the 24th Street SE road improvement.

e. SEPA / NEPA Compliance for the SR9 Roundabout. The SR9 Roundabout was not included in the Planned Action Ordinance. The City in conjunction with WSDOT will conduct SEPA review on the SR9 Roundabout and issued a separate threshold determination.

f. NEPA. The City in conjunction with WSDOT and Costco will prepare NEPA documentation as necessary for impacts from the Development to satisfy any requirements related to obtaining an Army Corps Permit.

g. Further SEPA Compliance Included in this Agreement. Pursuant to RCW 36.70B.170(3)(c), this Agreement addresses the “mitigation measures, development conditions, and other requirements under Ch. 43.21C RCW” that are applicable to the Development. Pursuant to RCW 43.21C.240(2) & (3), the City finds that the mitigation measures in this Agreement and the analyses and mitigation required by other local, state, and federal laws and regulations provide adequate analysis of, and mitigation for, the identified adverse environmental impacts of the Development.

h. Submission of Documentation to Determine Development Consistency. For each permit application that would otherwise be subject to SEPA review, Costco shall submit a completed SEPA checklist, or other documents acceptable to the City’s Designated Official, to confirm consistency of the proposed development with this Agreement and the existing SEPA determinations. Submission of the future SEPA checklist or other documentation is for informational purposes to confirm consistency of the proposed development and mitigations established in this Agreement and shall not be a basis for additional SEPA process or mitigation so long as the proposed development conforms to the terms of this Agreement and no additional significant, adverse environmental impacts are identified using the following criteria.

i. Limitations on Additional SEPA Review and Mitigation for Implementing Applications. This Agreement is consistent with the Planned Action process, and the SEPA mitigation for the build out of the Development has been incorporated into this Agreement, particularly the MCFA (**Exhibit E**). As such, the Designated Official may

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require further SEPA review and mitigation only to the extent that an implementing entitlement approval or requested modification meets the following conditions:

- i. The City concludes that a requested entitlement application is likely to cause unmitigated, significant, adverse environmental impacts that have not been previously analyzed in the Planned Action process or other SEPA environmental documents; or
- ii. The City concludes, pursuant to WAC 197-11-600(3)(B), that substantial changes have been made to the development proposal that are likely to have significant, adverse impacts that have not been previously analyzed in the Planned Action process or other SEPA environmental documents; or
- iii. As otherwise required by RCW 43.21C.440 and WAC 197-11-169 and WAC 197-11-172.

13. Vested Rights and Term. The Development shall be governed by this Agreement and is vested to the applicable provisions of the City of Lake Stevens Municipal Code and other land use regulations and controls in effect on the Effective Date of this Agreement and by extension other vesting applications received by the City related to the Costco Project, specifically the binding site plan. Costco shall have the right to construct the Development in accordance with this Agreement and the City's substantive land use regulations and controls including, but not limited, to mitigation, zoning, and construction regulations in effect on the Effective Date. Per RCW 36.70B.170(3)(i), the term of this Agreement is five (5) years to commence on the Effective Date unless the expiration date is extended by the mutual written agreement of the Parties per Chapter 14.16A and 14.6B LSMC, but in no event shall the vesting period exceed one hundred and twenty (120) months (10 years) from the effective date of this Agreement. Unless otherwise agreed to by the Parties, Costco shall apply for all necessary permits and project approvals for the Development within the Agreement's five (5) year term. For purposes of this Agreement, the City's land use regulations and controls are "development standards" as that term is defined in RCW 36.70B.170(3) and are vested for the term of this Agreement and are material to Costco's decision to enter into this Agreement. Complete applications submitted during the term of this Agreement shall be governed by the City's land use regulations and controls in effect on the Effective Date of this Agreement regardless of whether those applications remain under review following the expiration of this Agreement.

14. Limitation on Imposition of New or Modified Land Use Regulations. In accordance with RCW 36.70B.180, during the term of this Agreement the City shall not modify or impose new or additional development standards applicable to the Development except as set forth in this Agreement: provided however, that to the extent this Agreement does not establish development standards, process, procedures, or similar elements covering a certain subject, element or condition, then the Development shall be governed by the City's land use regulations and controls in effect upon the Effective Date of this Agreement, except as follows:

- a. Stormwater Detention and Treatment. The stormwater standards applicable to the Costco Project are set forth in LSMC Chapter 11.06 and the 2014 DOE Stormwater Manual for Western Washington. Except as state law or NPDES permits

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may otherwise require, the Development is vested to these stormwater standards for five (5) year period established in Paragraph 12 (*Vested Rights and Term*).

b. Serious Threat to Public Health or Safety. The City Council may modify one or more of the City's land use regulations and controls during the term of this Agreement to the extent required to avoid a serious threat to the public health or safety. Any serious threat must be reasonably believed to be imminent and permanent.

c. Updated International Codes Apply. Notwithstanding the foregoing, the International Building Code, International Fire Code, and other construction codes in effect in the State of Washington, and as adopted by the City of Lake Stevens on the date of filing a complete building permit application for the Costco Project, shall apply.

15. Amendment. This Agreement may be amended as follows:

“**Major Amendments**” shall be processed consistent with LSMC 14.16C.055(g) and require a public hearing before the Lake Stevens City Council. Major Amendments are those that materially change the terms of this Agreement by:

- (i) Increasing the Costco Facility size by more than twenty (20) percent;
- (ii) Increasing the costs of the Offsite Improvements by more than twenty (20) percent;
- (iii) Delaying the construction of the Offsite Improvements by more than eighteen (18) months, unless the delay is the result of a *force majeure* as described in Paragraph 30; or
- (iv) Modifying the term of this Agreement.

All other proposed revisions will be considered “**Administrative Amendments**” and shall be reviewed and decided by the City’s Director of Planning and Community Development based on consistency with this Agreement and the provisions of the Lake Stevens Municipal Code.

16. Agreement to Run with the Land. For the term of this Agreement, the benefits and obligations of this Agreement shall run with the land and continue following the subdivision, leasing, or transfer of ownership to Costco’s successors and assigns.

17. Definitions. Words and phrases highlighted in bold herein shall have the meaning ascribed to them by this Agreement. All other words and phrases shall be interpreted using the ordinary meaning derived from dictionaries in common usage such as Oxford’s American Dictionary, Merriam-Webster’s Dictionary, or the American Heritage Collegiate Dictionary.

18. Construction of Documents. In the event there are any conflicts or ambiguities between the terms of the body of this Agreement, the terms of the Exhibits, the City’s Comprehensive Plan, or the LSMC, the terms of the body of this Agreement shall control.

19. Recitals and Exhibits Incorporated by Reference. All Recitals and Exhibits referenced in this Agreement are hereby incorporated by this reference and shall be considered as material terms of this Agreement.

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20. Integration. This Agreement and its component elements constitute the entire understanding between the Parties regarding the subject matter hereof, and no prior oral or written agreement shall be valid.
21. Headings. The headings used in this Agreement are for convenience only and shall not be used to interpret the terms of this Agreement.
22. Obligation to Abide by Law. The Parties acknowledge their respective obligations to abide by county, state and federal laws and regulations which may be applicable to this Agreement. Nothing herein shall prevent the City from enforcing such laws where applicable or where related to City funding requirements.
23. Reservation of Police Power or Condemnation Authority. By executing this Agreement, the City does not in any manner waive its police power or condemnation authority. This reservation of authority includes, but is not limited to, the authority to impose new or different regulations upon the Project to the extent required by a serious threat to public health or safety.
24. Covenant Running with Land. This Agreement and its component elements shall be covenants running with the land and shall be binding on the Parties and their successors and assigns, and on all subsequent purchasers, lessees or lessors, and transferors of every nature as set forth herein.
25. Recordation. Pursuant to RCW 36.70B.190, this Agreement shall be recorded with the Snohomish County Auditor at Costco's expense following final execution. Costco shall promptly provide the City with proof of such recording.
26. Agreement's Consistency with RCW 82.02.020. The mitigation payments and dedications established by this Agreement are consistent with the requirements of RCW 82.02.020 and mitigate the direct impacts that have been identified as a consequence of the Development. Costco, or any assignees, shall not assert a claim against the City asserting that (1) the City lacked a legal basis for imposing these agreed-upon payments and dedications; (2) that these payments and dedications lacked sufficient nexus or proportionality with the identified impacts of the Development; or (3) that the payments and dedications were greater than if these mitigation measures had been calculated using alternative rationales or formulae.
27. Authority. By executing this Agreement, each Party represents and warrants that it has taken all necessary steps under its corporate authorities to authorize such act, and that its execution of this Agreement is valid and binding for all purposes articulated herein.
28. Binding Effect; Assignability. This Agreement shall bind and inure to the benefit of the Parties hereto and their respective successors, heirs, legatees, representatives, receivers, trustees, successors, transferees and assigns.
29. Interpretation. This Agreement has been reviewed and revised by legal counsel for both Parties, and no presumption or rule construing ambiguity against the drafter of the document shall apply to the interpretation or enforcement of this Agreement. Nothing

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herein shall be construed as a waiver of the City's constitutional and statutory powers. Nothing herein shall be construed or implied that the City is contracting away its constitutional and statutory powers, except as otherwise authorized by law.

30. **Authority.** Each signatory to this Agreement represents and warrants that he or she has full power and authority to execute and deliver this Agreement on behalf of the Party for which he or she is signing, and that he or she will defend and hold harmless the other Parties and signatories from any claim that he or she was not fully authorized to execute this Agreement on behalf of the person or entity for whom he or she signed. Upon proper execution and delivery, this Agreement will have been duly entered into by the Parties, will constitute as against each Party a valid, legal and binding obligation that shall run with the land, and will be enforceable against each Party in accordance with the terms herein.
31. **Delays.** If either Party is delayed in the performance of its obligations in this Agreement due to Force Majeure, then performance of such obligation shall be excused for the period of delay. Force Majeure means extraordinary natural events or conditions such as war, riot, labor disputes, or other causes beyond the reasonable control of the obligated party. Except as otherwise provided in Paragraphs 6-8, the City's or Costco's inability to fund, or decision not to fund, any of its obligations shall not be an acceptable reason for delay.
32. **Notices.** All notices, requests, demands, and other communications called for or contemplated by this Agreement shall be in writing, and shall be duly given by mailing the same by certified mail, return receipt requested; or by delivering the same by hand, to the following addresses, or to such other addresses as the Parties may designate by written notice in the manner aforesaid.

Costco Wholesale Corporation

c/o Bruce Coffey
999 Lake Drive
Issaquah, WA 98027

And to its Attorney:
Stoel Rives LLP
c/o Patrick Mullaney
600 University Street
Suite 3600
Seattle, WA 98101

City of Lake Stevens
c/o Gene Brazel
City Hall
1812 Main Street
Lake Stevens, WA 98258

And to its Attorney:
Ogden Murphy Wallace
c/o Greg Rubstello
901 5th Avenue

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Suite 3500
Seattle, WA 98164

33. **Dispute Resolution.** It is the Parties' intent to work cooperatively and to resolve disputes in an efficient and cost-effective manner.

a. **Appeals of Permit Decisions.** All appeals of permit decisions related to the Development shall be governed by the applicable provisions of the LSMC.

b. **Settlement Meeting.** If any dispute arises between the Parties relating to this Agreement, then the Parties shall meet and seek to resolve the dispute in good faith, within ten (10) days after a Party's request for such a meeting. The City shall send the Designated Official and persons with information relating to the dispute, and Costco shall send an owner's representative and any consultant or other person with technical information or expertise related to the dispute.

c. **Unresolved Disputes.** In the event that the Parties are unable to resolve their dispute at the Settlement Meeting, either Party may provide the other Party with a Notice of Default, setting out the nature of the dispute and proposed resolution. The Party issuing the Notice of Default is referred to herein as the "**Non-Defaulting Party**" and the Party receiving the Notice of Default is referred to as the "**Defaulting Party**". The Defaulting Party shall have ten (10) business days to respond to Notice of Default. If the Defaulting Party fails to respond or the dispute remains unresolved at the end of the ten (10) day period, the Non-Defaulting Party may commence an action in Superior Court to enforce this Agreement. The Parties may in their joint discretion mutually agree to extend the ten (10) day period for cure. If an extension agreement is reached, the Non-Defaulting Party shall not exercise any legal remedies until and unless the applicable cure period has expired and the default remains materially uncured at such time.

d. **Governing Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. Venue for any judicial action arising out of or relating to this Agreement shall lie in King County Superior Court.

e. **Specific Performance.** The Parties specifically agree that damages are not an adequate remedy for breach of this Agreement and that the Parties are entitled to compel specific performance of all material terms of this Agreement by any Party in default hereof. All terms and provisions of this Agreement are material.

f. **Attorneys' Fees.** In any administrative or judicial action to enforce or determine a party's rights under this Agreement, the prevailing party (or the substantially prevailing party, if no one party prevails entirely) shall be entitled to reasonable attorneys' fees, expert witness fees, and costs, including fees and costs incurred in the appeal of any ruling of a lower court.

34. **No Third Party Beneficiary.** This Agreement is made and entered into for the sole protection and benefit of the Parties hereto and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

35. **Severability.** This Agreement does not violate any federal or state statute, rule, regulation or common law known; but any provision which is found to be invalid or in violation of any statute, rule, regulation or common law shall be considered null and void, with the remaining provisions remaining viable and in effect.

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36. Cooperation in Execution of Documents. The Parties agree to properly and promptly execute and deliver any and all additional documents that may be necessary to render this Agreement practically effective. This Paragraph shall not require the execution of any document that expands, alters or in any way changes the terms of this Agreement.
37. Exhibits. This Agreement includes the following exhibits which are incorporated by reference herein:
 - a. **Exhibit A** – Legal Description of Costco Property
 - b. **Exhibit B** – Sketch of Costco Property
 - c. **Exhibit C** – Costco Project Site Plan
 - d. **Exhibit D** – Sketches of the Offsite Improvements
 - e. **Exhibit E** – Mitigation Construction and Funding Agreement
 - f. **Exhibit F** – Ordinance 878 (SEPA Planned Action Ordinance)
 - g. **Exhibit G** – SEPA MDNS for 24th Street SE Road Improvement
38. Compliance with Other Regulatory Agency Requirements. The Parties expressly acknowledge that public agencies other than the City may impose standards, conditions and requirements upon the Development which are separate from, and additional to, those contained in this Agreement. Other public agencies with jurisdiction over the Development may include, without limitation, the Washington State Department Ecology, the Army Corps of Engineers, and the Washington State Department of Labor and Industries.
39. Full Understanding. The Parties each acknowledge, represent and agree that they have read this Agreement; that they fully understand the terms thereof; that they have had the opportunity to be fully advised by their legal counsel and any other advisors with respect thereto; and that they are executing this Agreement after sufficient review and understanding of its contents.
40. Final and Complete Agreement. This Agreement is integrated and constitutes the final and complete expression of the Parties on all subjects relating to the Development. This Agreement may not be modified, interpreted, amended, waived or revoked orally, but only by a writing signed by all Parties. This Agreement supersedes and replaces all prior agreements, discussions and representations on all subjects discussed herein, without limitation. No Party is entering into this Agreement in reliance on any oral or written promises, inducements, representations, understandings, interpretations or agreements other than those contained in this Agreement and the exhibits hereto.

[Signatures follow.]

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IN WITNESS WHEREOF, the parties have executed this Development Agreement on the date first set forth above.

CITY OF LAKE STEVENS

By: _____
John Spencer, Mayor

ATTEST:

Kathy Pugh, City Clerk

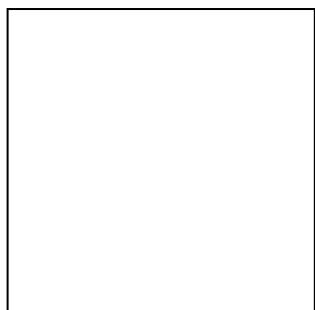
APPROVED AS TO FORM:

Greg A. Rubstello, City Attorney

STATE OF _____)
)
COUNTY OF _____) ss:
)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and s/he acknowledged that s/he signed this instrument, on oath stated that s/he was authorized to execute the instrument and acknowledged it as the Mayor, of City of Lake Stevens that executed the within and foregoing instrument, to be the free and voluntary act of such party of the uses and purposes mentioned in the instrument.

DATED: _____, 2019.



Print Name: _____

NOTARY PUBLIC in and for the State of _____, residing at: _____

My Appointment Expires: _____

[Signature follows.]

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IN WITNESS WHEREOF, the parties have executed this Development Agreement on the date first set forth above.

COSTCO WHOLESALE CORPORATION

By: _____
Name: _____
Its: _____

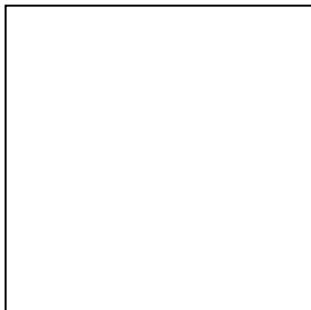
APPROVED AS TO FORM:

Patrick J. Mullaney, Attorney for Costco

STATE OF _____)
)
COUNTY OF _____) ss:
)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and s/he acknowledged that s/he signed this instrument, on oath stated that s/he was authorized to execute the instrument and acknowledged it as the _____, of the Costco Wholesale Corporation that executed the within and foregoing instrument, to be the free and voluntary act of such party of the uses and purposes mentioned in the instrument.

DATED: _____, 2019.



Print Name: _____
NOTARY PUBLIC in and for the State of _____, residing at: _____
My Appointment Expires: _____

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Development Agreement Exhibit E **Mitigation Construction and Funding Agreement**

This Mitigation Construction and Funding Agreement (“MCFA”) is intended to implement the Development Agreement for Construction of a Costco Wholesale Membership Facility (“Development Agreement”) entered into by the City of Lake Stevens, a Washington municipal corporation (the “City”) and Costco Wholesale Corporation, a Washington corporation (“Costco”). The City and Costco are referred to herein individually as a “Party” and collectively as the “Parties”. In consideration of the covenants and agreements contained in this MCFA, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Costco agree to implement the Development Agreement as set forth below.

I. RECITALS

- A. This MCFA is intended to set forth additional terms and conditions for the funding and construction of certain enumerated public infrastructure improvements necessary to (i) benefit the public through the improvement of the 20th Street SE Corridor and (ii) support and mitigate the development of the Costco Project.
- B. To construct the Costco Project and mitigate the impacts of the Costco Project, Costco will need to acquire both the City Property and the Nordin Property consisting of approximately 38 acres in the aggregate (“Costco Property”), which Costco Property will include land (in addition to that required for the Costco Project) required for right-of-way, wetland mitigation, and other off-site improvements, such as a sewer lift station and a stormwater detention pond (collectively, the “Offsite Improvements”).
- C. The Offsite Improvements will create a public benefit beyond mitigating the development impacts of the Costco Project and will be funded through a public/private partnership between the City and Costco.
- D. Both the City and Costco find it desirable to enter into this MCFA to plan for the orderly development of necessary public infrastructure to support economic development within the 20th Street SE Corridor Subarea, including the development of the Costco Project.
- E. The City finds that the development of the public infrastructure described in this MCFA is consistent with the Lake Stevens Comprehensive Plan, associated Transportation Improvement Plan, the City’s adopted development regulations and other applicable provisions of the Lake Stevens Municipal Code, Planned Action Ordinance 878 and the Development Agreement. The City’s approval of this Development Agreement and construction of the Costco Project will benefit the citizens of Lake Stevens by accelerating the completion of needed public infrastructure, providing a catalyst for additional commercial development in the 20th Street Corridor Subarea, and facilitating a development that will provide the City with additional sales tax revenue.

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II. AGREEMENT

1. Defined Terms. Undefined terms used herein shall have the meanings set forth in the Development Agreement.
2. Conflicts Between Documents. In the event of a conflict in the terms and conditions of the Development Agreement and this MCFA, the terms and conditions of this MCFA shall control.
3. Costco Project. As described in Development Agreement **Paragraph 1 (Costco Project)**, Costco intends to develop, construct, and operate on a portion of the Costco Property the Costco Project as generally depicted on Development Agreement **Exhibit C**.
4. Offsite Improvements. The Offsite Improvements necessary to construct the Costco Project consist of the following:
 - a. Street and Roadway Improvements:
 - i. Intersection of 91st Ave. SE and 20th St. SE (“**91st Intersection Section A**”);
 - ii. 91st Ave. SE to the Ridgeline Property (“**91st Avenue SE Section B**”);
 - iii. 91st Ave SE through the Ridgeline Property to 24th St. SE, a collector (“**91st Avenue SE – Section C**”);
 - iv. 24th Street SE (a collector with a multi-modal path) (“**24th Street SE**”);
 - v. South Lake Stevens Road Connection to 24th Street SE (“**S. Lake Stevens Road Connection**”); and
 - vi. SR9/24th Street SE Roundabout ROW Acquisition (if necessary) and Construction (“**SR9 Roundabout**”).
 - b. Regional Stormwater Detention Facility (“**Regional Stormwater Facility**”).
 - c. Sewer Lift Station, Gravity/Force Main (“**Sewer Facilities**”).
 - d. Wetland mitigation and other off-site enhancements to improve environmental functions as practical (“**Wetland Mitigation**”).
 - e. Extension of other utilities including but not limited to communications, power lines, water lines, sewer lines and gas mains (“**Utility Extensions**”).
 - f. SR9/24th Street Roundabout fish passage culvert (“**SR9 Culvert**”) as necessary.
5. Responsibility for Design and Construction of the Offsite Improvements.

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- a. Costco will be responsible for the design (except as otherwise provided herein) and construction of the following Offsite Improvements:
 - i. 91st Intersection Section A;
 - ii. 91st Avenue SE Section B;
 - iii. 91st Ave SE Section C;
 - iv. 24th Street SE;
 - v. S. Lake Stevens Road Connection;
 - vi. Regional Stormwater Facility;
 - vii. Sewer Facilities;
 - viii. Wetland Mitigation;
 - ix. Utility Extensions; and
 - x. SR9 Culverts and other offsite improvements for improved environmental function as practical.
- b. The City will be responsible for the design of 91st Avenue SE Section B (Costco will construct this improvement).
- c. The Washington State Department of Transportation (“**WSDOT**”) shall be responsible for the design and construction of the SR9 Roundabout under the terms set forth in the WSDOT IAA, except that Costco shall be responsible for the design and construction of the SR9 Culvert.
- d. Costco will build sanitary sewer for the Lake Stevens Sewer District (“**LSSD**”) under the terms set forth in the LSSD IAA (if applicable).
- e. The City will provide the right-of-way for the construction of 91st Intersection Section A and 91st Avenue SE Section B under the terms set forth in the Everett IAA (if applicable).
- f. Costco will provide the right-of-way for the construction of: 91st Ave SE Section C, 24th Street SE, and the S. Lake Stevens Road Connector.
- g. The City shall be responsible for procuring all other right-of-way and Third Party Agreements necessary for construction of the Offsite Improvements. Further, the City covenants that it owns sufficient right-of-way to construct the Offsite Improvements.
- h. Costco will own the stormwater and wetland mitigation tracts until construction is completed on those tracts, at which time Costco will convey

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the stormwater and wetland tracts to the City pursuant to the terms of a separate purchase and sale agreement.

- i. The City shall be responsible for all off-site utility relocation (coordination with utility purveyors and relocation of utilities), which shall be accomplished with no additional costs to Costco.
- j. The parties agree to enter into a Stormwater Maintenance Agreement, under which Costco will pay an annual stormwater maintenance and operation fee to the City, which shall be based on Costco's pro-rata share of the stormwater facility's capacity.
- k. The City will execute a commercially reasonable temporary construction easement to the extent any of Costco's construction of the Offsite Improvements impact City-owned land.

6. **Reimbursable Costs.** The Offsite Improvements costs reimbursable pursuant to this MCFA shall include, without limitation, reasonable soft and hard costs incurred by Costco, or its third-party consultants, to design and construct the Offsite Improvements ("Design and Construction Costs"), including Design and Construction Costs incurred by Costco prior to the execution date of the Development Agreement. As used herein, "soft costs" shall mean and refer to costs that are not direct construction costs, such as architectural, engineering, financing, legal, and other pre- and post- construction costs incurred in connection with the performance of the applicable construction work.

7. **City Reimbursement.** Upon conveyance and dedication to the City of the Offsite Improvements listed in Subparagraphs 5.a (i – ix) hereof, the City shall promptly reimburse Costco the applicable City Reimbursement Responsibility percentage set forth on the City Reimbursement Obligation table attached hereto as **Exhibit E-1** multiplied times the invoiced, reasonable and actual Design and Construction Costs paid by Costco for the applicable component of Offsite Improvements PROVIDED, the City shall receive credit for payment of the first Two Million Eight Hundred Thousand Dollars (\$2,800,000.00) otherwise due Costco consistent with Costco's payment obligation in lieu of Transportation Mitigation Impact Fees set forth in section 10 of the Development Agreement. The City is entering into the Development Agreement. The City is entering into the Development Agreement, including this MCFA as a binding agreement. The City is pledging its full faith and credit to fund the City's share of the Offsite Improvements. This promise from the City is material consideration for Costco's execution of the Development Agreement, including this MCFA. In the event the City fails to reimburse Costco within thirty (30) days following Costco's request for reimbursement, then the amount owed by the City to Costco will accrue interest from the date Costco's request for reimbursement was delivered to the City until paid in full at the prime rate of interest published in *The Wall Street Journal*, or similar publisher of business statistical data, plus two percent (2%); provided, however, that such rate shall not exceed, in any event, the highest rate of interest that may be charged under applicable law without the creation of liability for penalties or rights of offset or creation of defenses.

8. **Construction Oversight Responsibility.** Except for the design and construction of the SR9 Roundabout, which are WSDOT's responsibility, and the design of the 91st Avenue SE,

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which is the City's responsibility, Costco shall be responsible for the design and construction of the remaining Offsite Improvements. Costco shall select the vendors and contractors to construct the Offsite Improvements, and Costco shall be responsible for all necessary engineering design work, government approvals and permits, and administering the Offsite Improvements construction projects.

- a. Sixty Percent (60%) Meeting and Design Direction Cut-Off. The Parties shall meet after the sixty percent (60%) design level for the Offsite Improvements is completed, or as otherwise mutually agreed to, to discuss and decide upon value engineering and design direction. Prior to any decision to materially change the design directions after the sixty percent (60%) level, the Parties will meet to collaborate on and discuss the risks and costs to each Party associated with the proposed design direction change. A "**Material Change**" is defined as an increase in project cost of ten percent (10%) or a delay in project scheduling of more than six (6) months.
- b. Development of Bid Packages. Pursuant to Development Agreement **Paragraph 6 (Timing of Decision on Mutual Agreement to Proceed)**, the Parties shall collaborate on the development of the construction bid packages for the Offsite Improvements. Costco will provide the City with copies of the "**Final Bid Packages**", which are the documents that Costco will provide to contractors and sub-contractors ("**Contractors**") responding to the request for bid. The bid package will include "**Construction Contract Documents**," which are defined as the construction contracts, including number of contractor working days, engineer's estimates and other documents that Costco will present for execution to the Contractors that may be awarded the bid to construct an off-site project. Prior to advertising a project for bid, Costco and the City shall meet to review the Final Bid Packages and obtain the City's consent to the Final Bid Packages, which consent shall not be unreasonably withheld or delayed, so long as the bid package is consistent with the Development Agreement, applicable laws and regulations and the 60% design decisions.
- c. Approval of Bid Responses. Within seven (7) days of receipt of the bid responses, the Parties shall meet to review the bid responses and select the winning Contractors. Within seven (7) days of the bid response review meeting, each Party shall notify the other in writing as to whether the bids are acceptable to that Party and indicate that Party's intent to proceed ("**Notice of Intent to Proceed**").
- d. Pre-Construction Meeting. Prior to the commencement of a project, Costco shall notify the City of its intent to proceed with the construction. Costco shall schedule a meeting with the City and the general contractor to discuss the construction, scheduling, contractor accounting, contractor invoicing, contractor bill practice, Costco payments to the contractor and particular issues applicable to that project.

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- e. Costco Invoicing to City. Each month, Costco will provide the City with copies of the invoices it receives and pays from its Contractors. The invoices shall contain supporting documents considered by Costco in making payment. Upon request, Costco shall promptly provide the City with reasonable evidence of invoice payments.
- f. Invoice Disputes. Should the City dispute any portion of an invoice, the City shall provide Costco with written notice of the dispute and the City's basis for the dispute within thirty (30) days of receipt of the disputed invoice.
- g. Change Orders. Prior to implementing amendments or modifications to the Construction Contract Documents ("Change Order(s)") that could result in a material change to a project scope, including without limitation quantities, conditions, material type, schedule, or that could, in aggregate, cause a cumulative increase of ten percent (10%) or more in the Construction Contract Document project costs on a per project basis, Costco shall notify the City of the proposed Change Order(s) as soon as practicable and provide the Change Order(s) for City review and comment together with a detailed explanation of the need for the Change Order(s). Absent a compelling reason not to do so, Costco shall implement any reasonable comments that the City may provide with respect to such amendments or modifications.
- h. Costco Performance of Offsite Improvements. Costco shall diligently perform and complete the Offsite Improvements after bid award subject to issues that may arise outside of its control or through the Parties' mutual agreement to an extension. Such issues that are outside of Costco's control and that may affect timing include, without limitation outside agency permitting, permit appeals, or court decisions, but not Costco's inability to fund, or Costco's decision not to fund, project construction to completion. If issues arise that impact project construction, the Parties shall consult with one another to mutually determine how best to move forward.
- i. Conveyance of Offsite Improvements to the City. Upon completion of construction of an Offsite Improvement by Costco, and the final inspection and acceptance of the Offsite Improvement by the City, which shall not be unreasonably withheld or delayed, Costco shall convey the Offsite Improvement and associated right-of-way to the City. Following the City's acceptance of an off-site improvement, the City shall be responsible for future maintenance of these improvements.
- j. Identification of City Sales Tax Number. Costco's Contractors shall be required to identify the City's state sales tax number 3109 on payments of sales tax for materials used in construction of the Offsite Improvements. Invoices from contractors and suppliers shall include the required sales tax number.

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9. No Additional Requirements. As set forth in Development Agreement Paragraphs 10 and 11, Costco's participation in funding and construction of the traffic improvements identified in this MCFA fully mitigates all SEPA and development regulation-based traffic mitigation, traffic impact fee and traffic concurrency requirements for the Costco Project and overall Development, and Costco's participation in the design and construction of the non-transportation Offsite Mitigation, including without limitation the wetland mitigation (e.g., wetland creation, enhancement or restoration and other enhancements to improve environmental functions as practical), wetland bank credit purchases, sewer lift station, stormwater pond, and utility extensions fully mitigate the non-transportation impacts for the proposed Development (unless the project scope is materially increased above the parameters for the Costco Project identified in Development Agreement Paragraph 1. Consequently, the City agrees that no further concurrency review and/or mitigation of transportation impacts are required for the Costco Project, nor are any additional mitigation fees, impact fees, or other mitigation be required for the Costco Project or overall Development.

10. City Acknowledgement of Sufficient Right-of-Way. The City acknowledges that it has conducted a reasonable investigation and ascertained that sufficient right-of-way exists to construct the Off-Site Improvements. Should an unanticipated right-of-way deficiency arise, the City agrees to use its best efforts, including, if necessary, the possible exercise of its powers of eminent domain, to procure the needed right-of-way at no additional cost to Costco.

11. Agreement to Run with the Land. For the term of the Development Agreement, the benefits and obligations of this MCFA shall run with the land and continue following the subdivision, leasing, or transfer of ownership to Costco's successors and assigns.

12. Definitions. Words and phrases highlighted in bold herein shall have the meaning ascribed to them by the Development Agreement and this MCFA. All other words and phrases shall be interpreted using the ordinary meaning derived from dictionaries in common usage such as Oxford's American Dictionary, Merriam-Webster's Dictionary, or the American Heritage Collegiate Dictionary.

13. Construction of Documents. In the event there are any conflicts or ambiguities between the terms of the body of MCFA, the terms of the Development Agreement exhibits, the City's Comprehensive Plan, or the LSMC, the terms of the body of this MCFA shall control.

14. Recitals and Exhibits Incorporated by Reference. All Recitals and exhibits referenced in this MCFA are hereby incorporated by this reference and shall be considered as material terms of this MCFA.

15. Integration. The Development Agreement and this MCFA and their component elements constitute the entire understanding between the Parties regarding the subject matter hereof, and no prior oral or written agreement shall be valid.

16. Headings. The headings used in this MCFA are for convenience only and shall not be used to interpret the terms of this MCFA.

17. Obligation to Abide by Law. The Parties acknowledge their respective obligations to abide by county, state and federal laws and regulations which may be applicable to this MCFA.

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Nothing herein shall prevent the City from enforcing such laws where applicable or where related to City funding requirements.

18. Reservation of Police Power or Condemnation Authority. By executing this MCFA, the City does not in any manner waive its police power or condemnation authority. This reservation of authority includes, but is not limited to, the authority to impose new or different regulations upon the Project to the extent required by a serious threat to public health or safety.

19. Covenant Running with Land. This MCFA and its component elements shall be covenants running with the land and shall be binding on the Parties and their successors and assigns, and on all subsequent purchasers, lessees or lessors, and transferors of every nature as set forth herein.

20. Agreement's Consistency with RCW 82.02.020. The mitigation payments and dedications established by this MCFA are consistent with the requirements of RCW 82.02.020 and mitigate the direct impacts that have been identified as a consequence of the Costco Project. Costco, or any assignees, shall not assert a claim against the City asserting: (1) that the City lacked a legal basis for imposing these agreed-upon payments and dedications; (2) that these payments and dedications lacked sufficient nexus or proportionality with the identified impacts of the Costco Project; or (3) that the payments and dedications were greater than if these mitigation measures had been calculated using alternative rationales or formulae.

21. Binding Effect; Assignability. This MCFA shall bind and inure to the benefit of the Parties hereto and their respective successors, heirs, legatees, representatives, receivers, trustees, successors, transferees and assigns.

22. Interpretation. This MCFA has been reviewed and revised by legal counsel for both Parties, and no presumption or rule construing ambiguity against the drafter of the document shall apply to the interpretation or enforcement of this MCFA. Nothing herein shall be construed as a waiver of the City's constitutional and statutory powers. Nothing herein shall be construed or implied that the City is contracting away its constitutional and statutory powers, except as otherwise authorized by law.

23. Authority. Each signatory to this MCFA represents and warrants that he or she has full power and authority to execute and deliver this MCFA on behalf of the Party for which he or she is signing, and that he or she will defend and hold harmless the other Parties and signatories from any claim that he or she was not fully authorized to execute this MCFA on behalf of the person or entity for whom he or she signed. Upon proper execution and delivery, this MCFA will have been duly entered into by the Parties, will constitute as against each Party a valid, legal and binding obligation that shall run with the land, and will be enforceable against each Party in accordance with the terms herein.

24. Delays. If either Party is delayed in the performance of its obligations in this MCFA due to Force Majeure, then performance of such obligation shall be excused for the period of delay. **"Force Majeure"** means extraordinary natural events or conditions such as war, riot, labor disputes, or other causes beyond the reasonable control of the obligated party. The City's or Costco's inability to fund, or decision not to fund, any of its obligations shall not be an acceptable reason for delay.

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25. **Notices.** All notices, requests, demands, and other communications called for or contemplated by this MCFA shall be in writing, and shall be duly given by mailing the same by certified mail, return receipt requested; or by delivering the same by hand, to the following addresses, or to such other addresses as the Parties may designate by written notice in the manner aforesaid.

Costco Wholesale Corporation

c/o Bruce Coffey
999 Lake Drive
Issaquah, WA 98027

And to its Attorney:

Stoel Rives LLP
c/o Patrick Mullaney
600 University Street
Suite 3600
Seattle, WA 98101

City of Lake Stevens

c/o Gene Brazel
City Hall
1812 Main Street
Lake Stevens, WA 98258

And to its Attorney:

Ogden Murphy Wallace
c/o Greg Rubstello
901 5th Avenue
Suite 3500
Seattle, WA 98164

26. **Dispute Resolution.** It is the Parties' intent to work cooperatively and to resolve disputes in an efficient and cost-effective manner.

- a. **Settlement Meeting.** If any dispute arises between the Parties relating to this MCFA, then the Parties shall meet and seek to resolve the dispute in good faith, within ten (10) days after a Party's request for such a meeting. The City shall send the Designated Official and persons with information relating to the dispute, and Costco shall send an owner's representative and any consultant or other person with technical information or expertise related to the dispute.
- b. **Unresolved Disputes.** In the event that the Parties are unable to resolve their dispute at the Settlement Meeting, either Party may provide the other Party with a Notice of Default, setting out the nature of the dispute and proposed resolution. The Party issuing the Notice of Default is referred to herein as the "**Non-Defaulting Party**" and the Party receiving the Notice of Default

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is referred to as the “**Defaulting Party**”. The Defaulting Party shall have ten (10) business days to respond to Notice of Default. If the Defaulting Party fails to respond or the dispute remains unresolved at the end of the ten (10) day period, the Non-Defaulting Party may commence an action in Superior Court to enforce this MCFA. The Parties may in their joint discretion mutually agree to extend the ten (10) day period for cure. If an extension agreement is reached, the Non-Defaulting Party shall not exercise any legal remedies until and unless the applicable cure period has expired and the default remains materially uncured at such time.

c. Governing Law and Venue. This MCFA shall be governed by and construed in accordance with the laws of the State of Washington. Venue for any judicial action arising out of or relating to this MCFA shall lie in King County Superior Court.

d. Specific Performance. The Parties specifically agree that damages are not an adequate remedy for breach of this MCFA and that the Parties are entitled to compel specific performance of all material terms of this MCFA by any Party in default hereof. All terms and provisions of this MCFA are material.

e. Attorneys’ Fees. In any arbitration or judicial action to enforce or determine a party’s rights under this MCFA, the prevailing party (or the substantially prevailing party, if no one party prevails entirely) shall be entitled to reasonable attorneys’ fees, expert witness fees, and costs, including fees and costs incurred in the appeal of any ruling of a lower court.

27. No Third-Party Beneficiary. This MCFA is made and entered into for the sole protection and benefit of the Parties hereto and their successors and assigns. No other person shall have any right of action based upon any provision of this MCFA.

28. Severability. This MCFA does not violate any federal or state statute, rule, regulation or common law known; but any provision which is found to be invalid or in violation of any statute, rule, regulation or common law shall be considered null and void, with the remaining provisions remaining viable and in effect.

29. Cooperation in Execution of Documents. The Parties agree to properly and promptly execute and deliver any and all additional documents that may be necessary to render this MCFA practically effective; provided, however, that this Paragraph shall not require the execution of any document that expands, alters or in any way changes the terms of this MCFA.

30. Compliance with Other Regulatory Agency Requirements. The Parties expressly acknowledge that public agencies other than the City may impose standards, conditions and requirements upon the Development which are separate from, and additional to, those contained in this MCFA. Other public agencies with jurisdiction over the Development may include, without limitation, the Washington State Department Ecology, the Army Corps of Engineers, and the Washington State Department of Labor and Industries.

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31. Full Understanding. The Parties each acknowledge, represent and agree that they have read this MCFA; that they fully understand the terms thereof; that they have had the opportunity to be fully advised by their legal counsel and any other advisors with respect thereto; and that they are executing this MCFA after sufficient review and understanding of its contents.

32. Final and Complete MCFA. This MCFA is integrated and constitutes the final and complete expression of the Parties on all subjects relating to the Development. This MCFA may not be modified, interpreted, amended, waived or revoked orally, but only by a writing signed by all Parties. This MCFA supersedes and replaces all prior MCFAs, discussions and representations on all subjects discussed herein, without limitation. No Party is entering into this MCFA in reliance on any oral or written promises, inducements, representations, understandings, interpretations or agreements other than those contained in this MCFA and the exhibits hereto.

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Exhibit E-1

MCFA City Reimbursement Obligation

<u>Offsite Improvements</u>	<u>City's Reimbursement Responsibility¹</u>
Offsite Improvements Soft Costs ²	100%
91 st Intersection Section A and Utility Extensions	100%
91 st Avenue SE Section B and Utility Extensions	100%
91 st Avenue SE Section C and Utility Extensions	100%
24th Street SE and Utility Extensions	100%
S. Lake Stevens Road Connection	100%
Regional Stormwater Facility	100%
Sewer Facilities	80%
Wetland Mitigation	50%
SR9 Culvert	100%
Other enhancements to improve environmental functions as practical	0%

[END OF MCFA.]

¹ See Section II.10 of the Development Agreement for Costco's contribution for offsite streets and roads identified in the city's Capital Facilities Plan and 20th Street SE Corridor Subarea Plan.

² See Section II.9 of the Development Agreement for exceptions related to soft costs.

EXHIBIT "A"

Legal Description of Costco Property

A portion of the north half of tract 25, Plat of Glenwood Division "A", according to the plat thereof recorded in volume 7 of plats, page 46, records of Snohomish County Washington, lying west of State Road No 1-A;

Except the north 10 feet conveyed to Snohomish County by deed recorded under recording no. 2144563;

And also except that portion conveyed to Snohomish County by deed recorded May 16, 2008 under recording no. 200805160832.

And, the south half of tract 23, in the Plat of Glenwood, Division "A", according to the plat thereof recorded in volume 7 of plats, page 46, in Snohomish County, Washington;

Tract 24, in the plat of Glenwood, Division "A", according to the plat thereof recorded in volume 7 of plats, page 4-6, in Snohomish County, Washington;

Except the north 250 feet thereof:

And also except the south 50 feet thereof conveyed to the County of Snohomish by deed recorded under recording no. 486165:

Also excepting therefrom that portion described in agreed Decree of Appropriation in favor of Snohomish County, a Municipal Corporation. Filed March 30, 2010. Snohomish County Superior Court.
Case no. 09-2-04614-8,

The south half of tract 25 in the Plat of Glenwood, Division "A", according to the plat thereof recorded in volume 7 of plats, page 46, in Snohomish County, Washington lying south of 20th Street Southeast (Hewitt Avenue) and lying west of State Route 9;

Except the south 30 feet thereof conveyed to Snohomish County by deed recorded under Recording No. 486165;

Also excepting therefrom that portion described in agreed Decree of Appropriation in favor of Snohomish County, a Municipal Corporation, filed March 30, 2010, Snohomish County Superior Court,
Case No. 09-2-04614-8,

And all of tract 33; all being in the Plat of Glenwood, Division "A", according to the plat thereof recorded in volume 7 of plats, page 46, in Snohomish County, Washington;

And, that portion of lots 21 and 22, Plat of Glenwood, Division "A", according to the plat thereof recorded in volume 7 of plats, page 46, records of Snohomish County, Washington, lying southerly of the Following described line;

Beginning at the northeast corner of said lot 22;

Thence south $00^{\circ}18'17''$ west 360 feet to the point of beginning of said line;

Thence south $89^{\circ}02'10''$ west 126.25 feet;

Thence south 10 feet;

Thence south $89^{\circ}02'10''$ west 498.18 feet to the west line of said lot 21 and the end of said line.

Except the west 15 feet of said lot 21 conveyed to Snohomish County by instrument recorded under Auditor's File No. 486165.

Situate in the County of Snohomish, State of Washington.

EXHIBIT "B"

Sketch of Costco Property

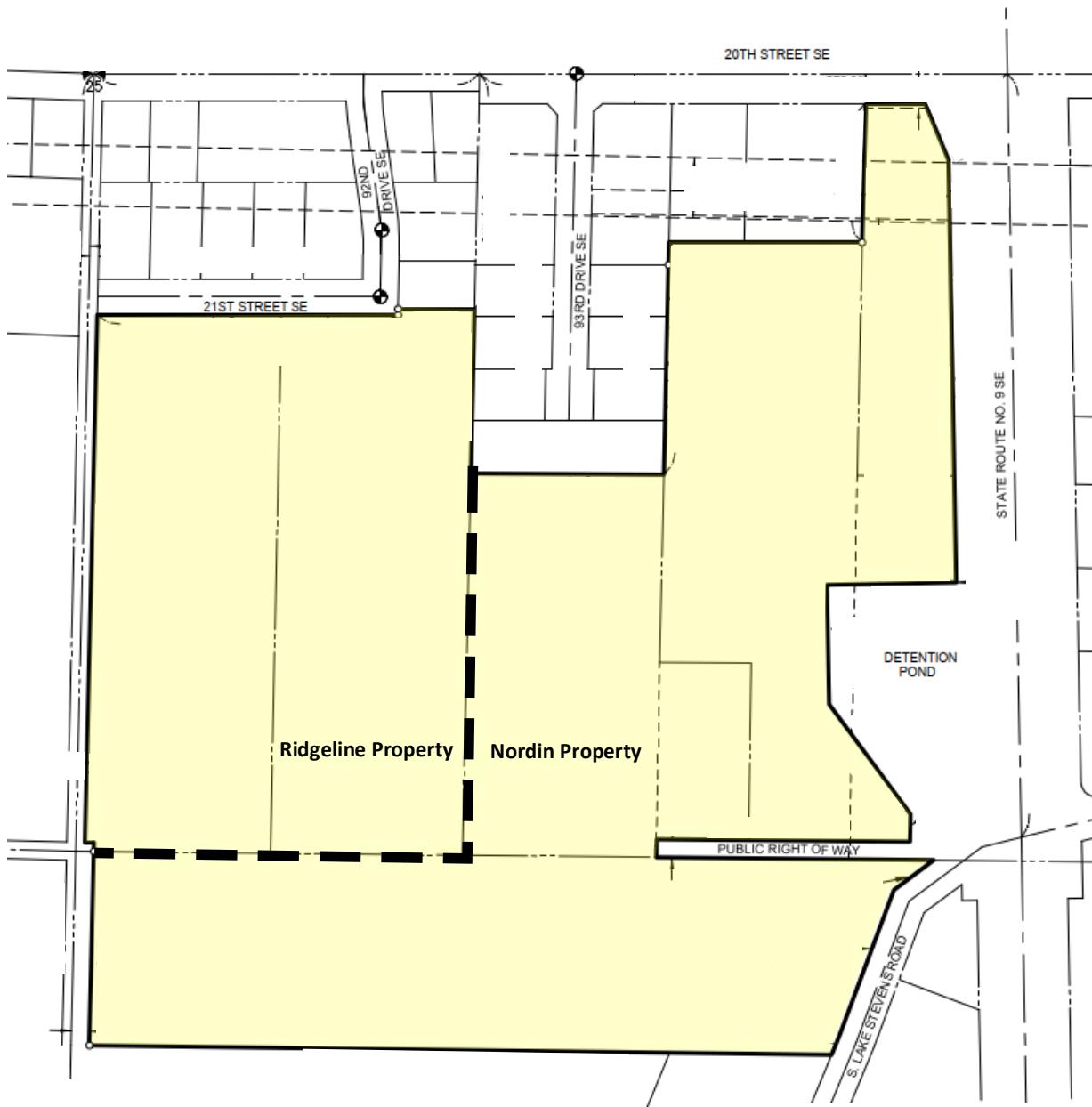


EXHIBIT "C"

Costco Project Site Plan

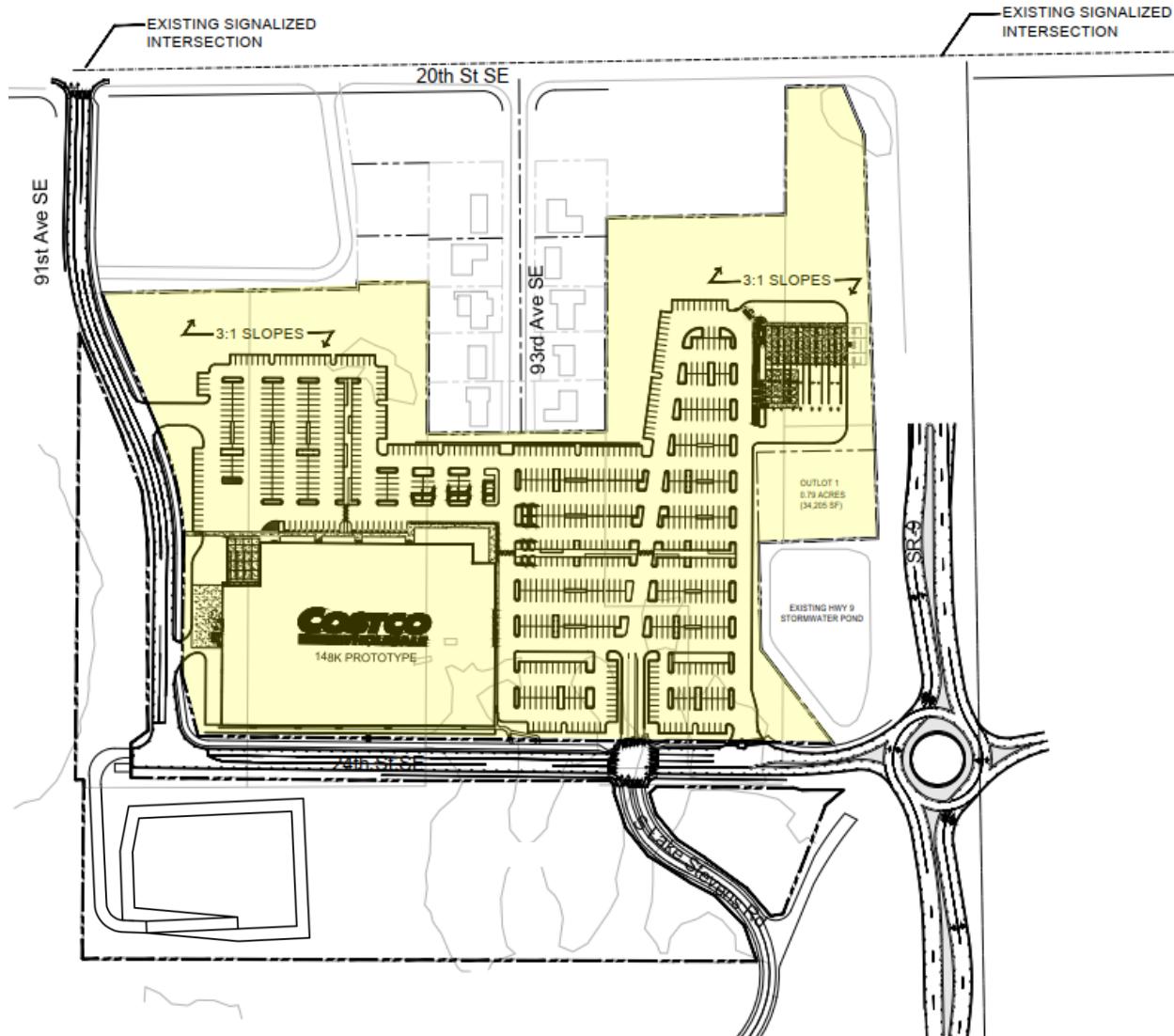


EXHIBIT "D1"

Sketch of Offsite Improvements
91st Avenue SE, Section A

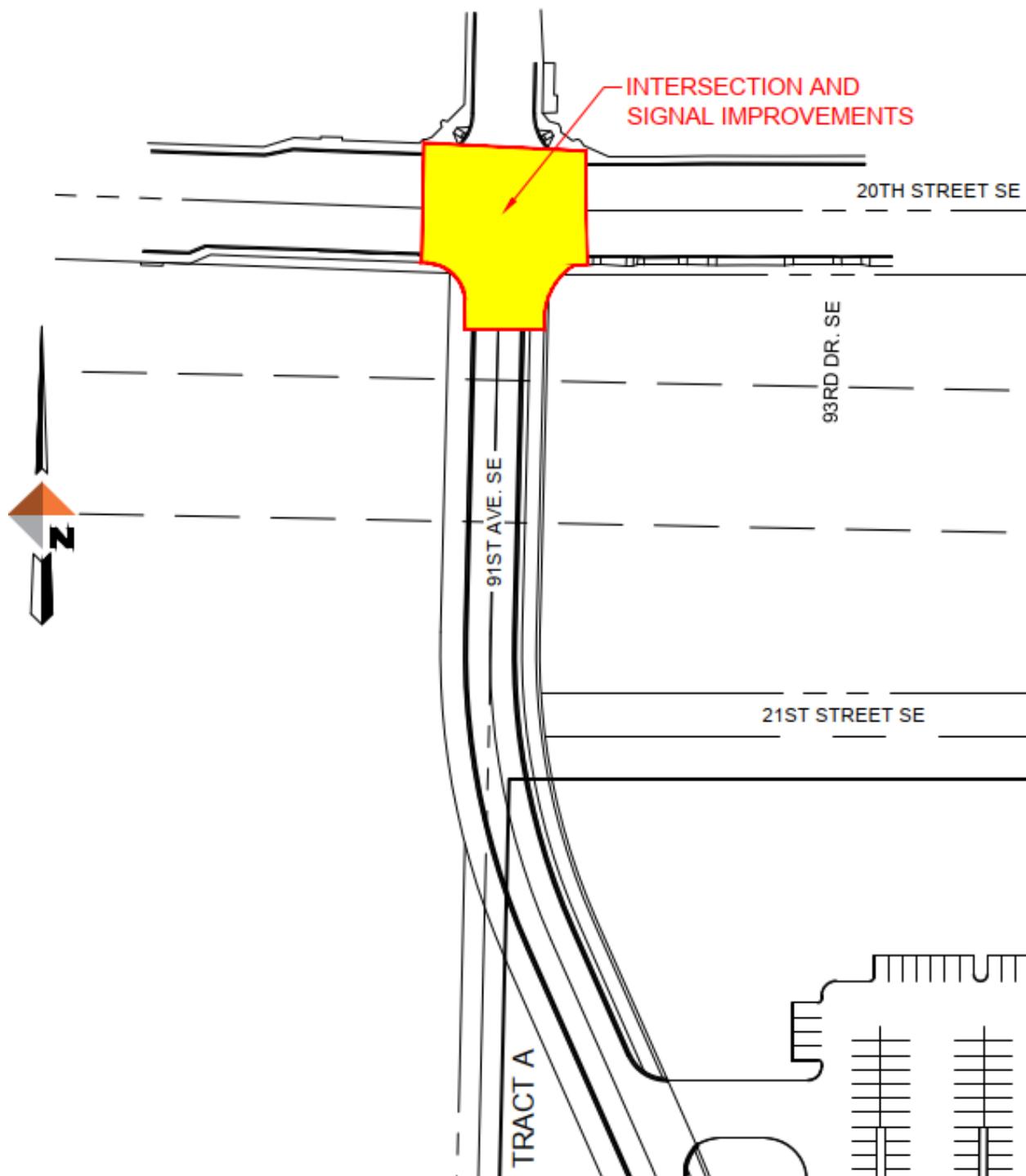


EXHIBIT "D2"

Sketch of Offsite Improvements
91st Avenue SE, Section B

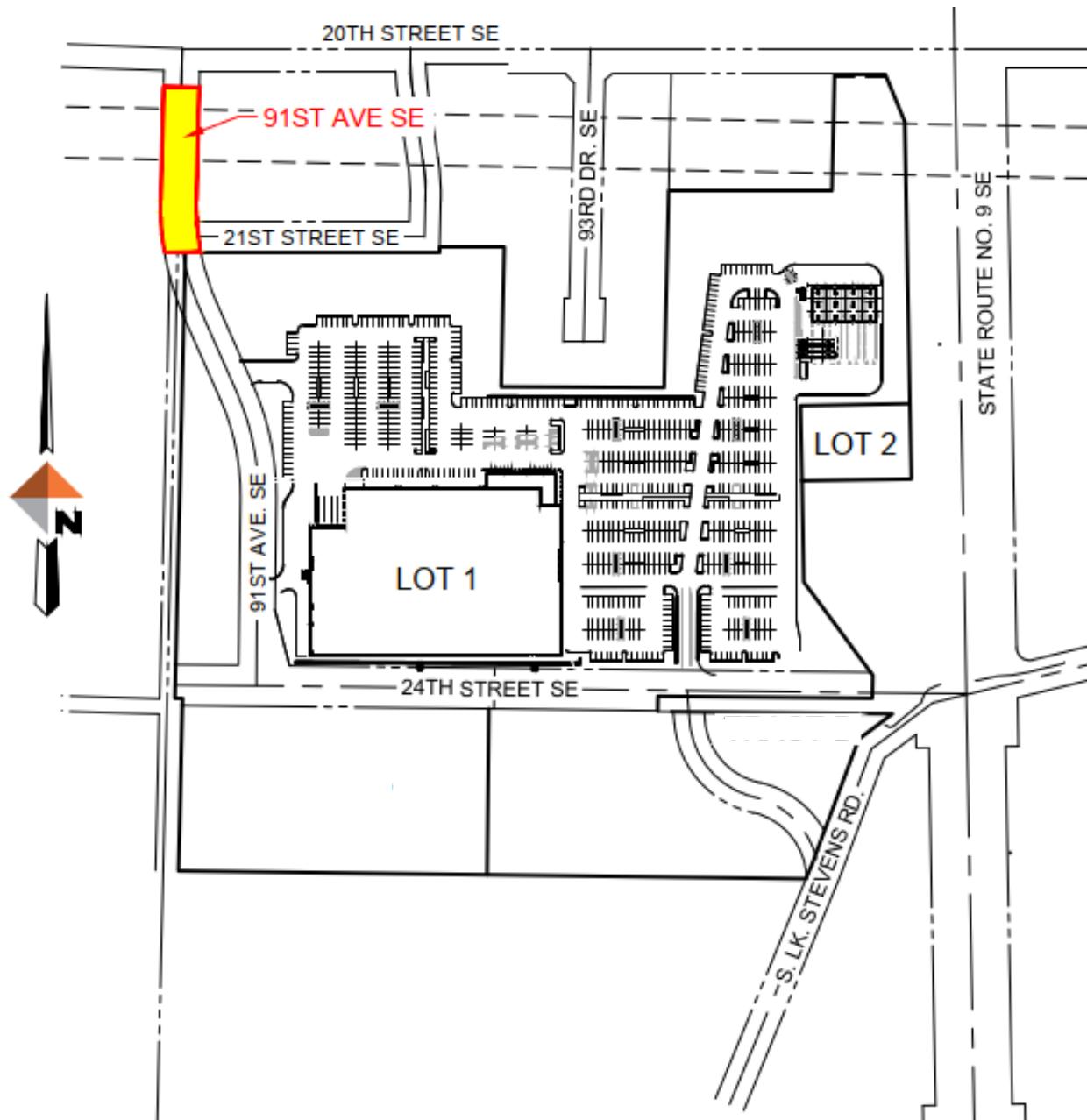


EXHIBIT "D3"

Sketch of Offsite Improvements
91st Avenue SE, Section C

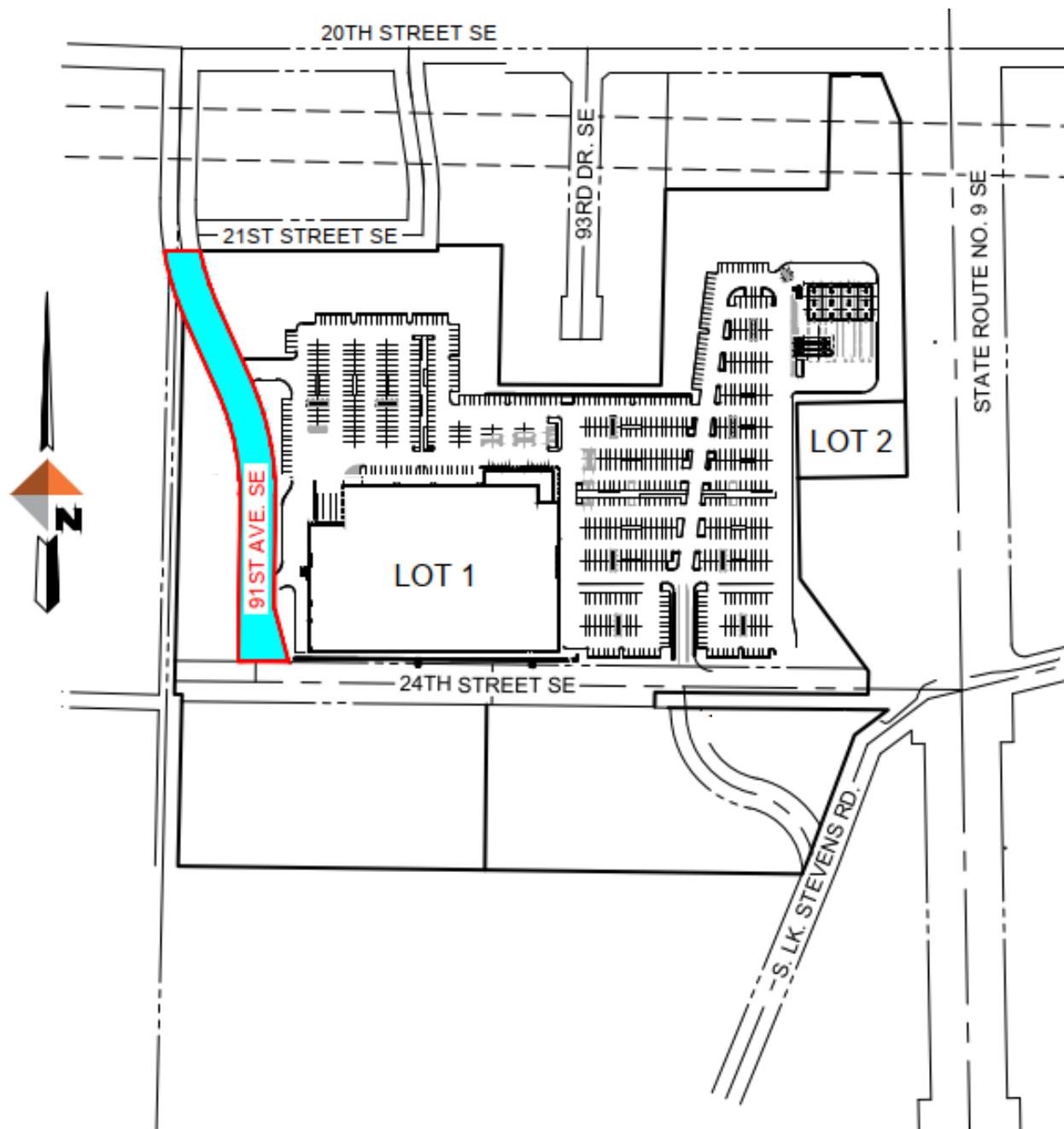


EXHIBIT "D4"

Sketch of Offsite Improvements
24th Street SE

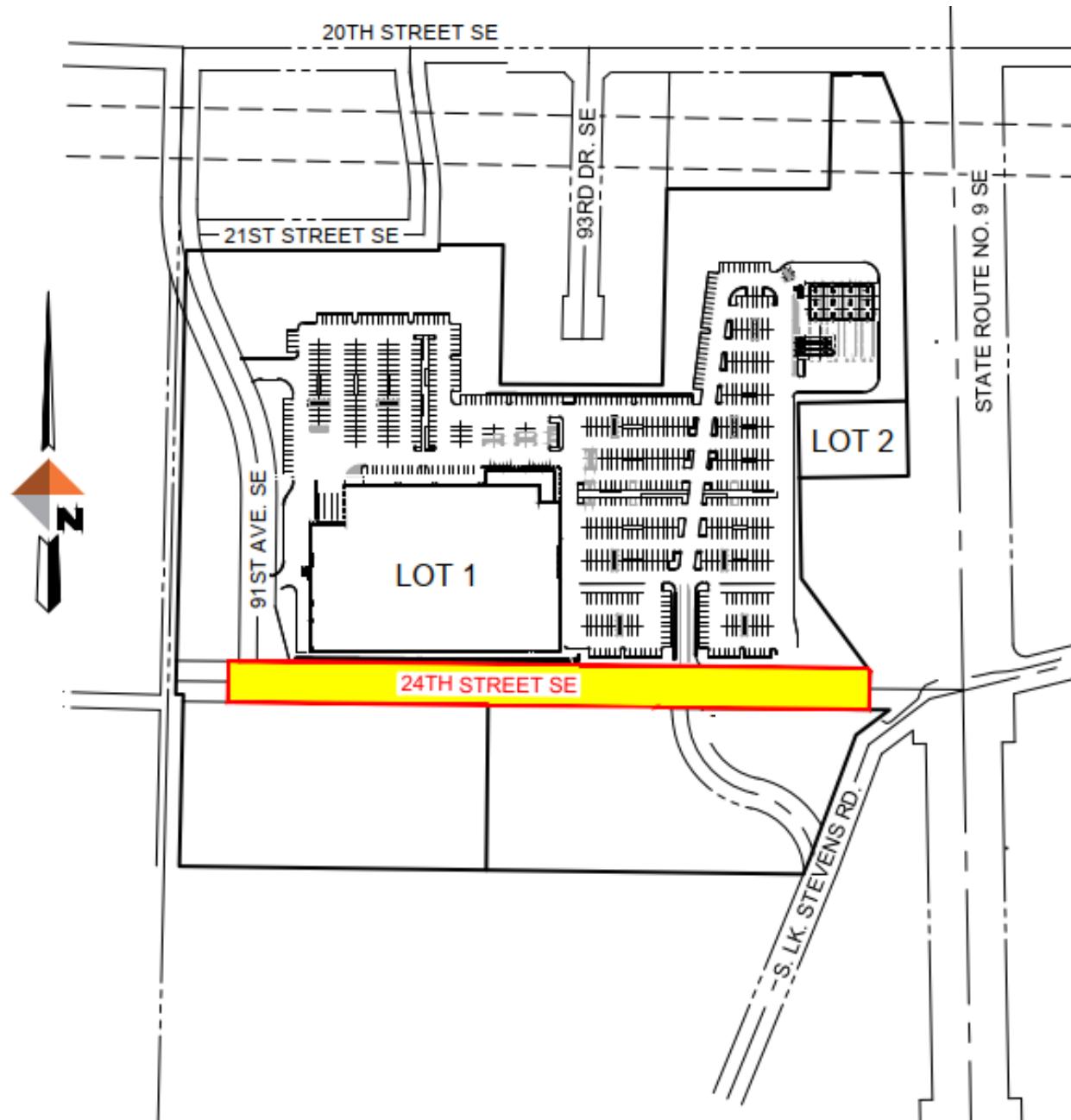


EXHIBIT "D5"

Sketch of Offsite Improvements
S Lake Stevens Road Connection

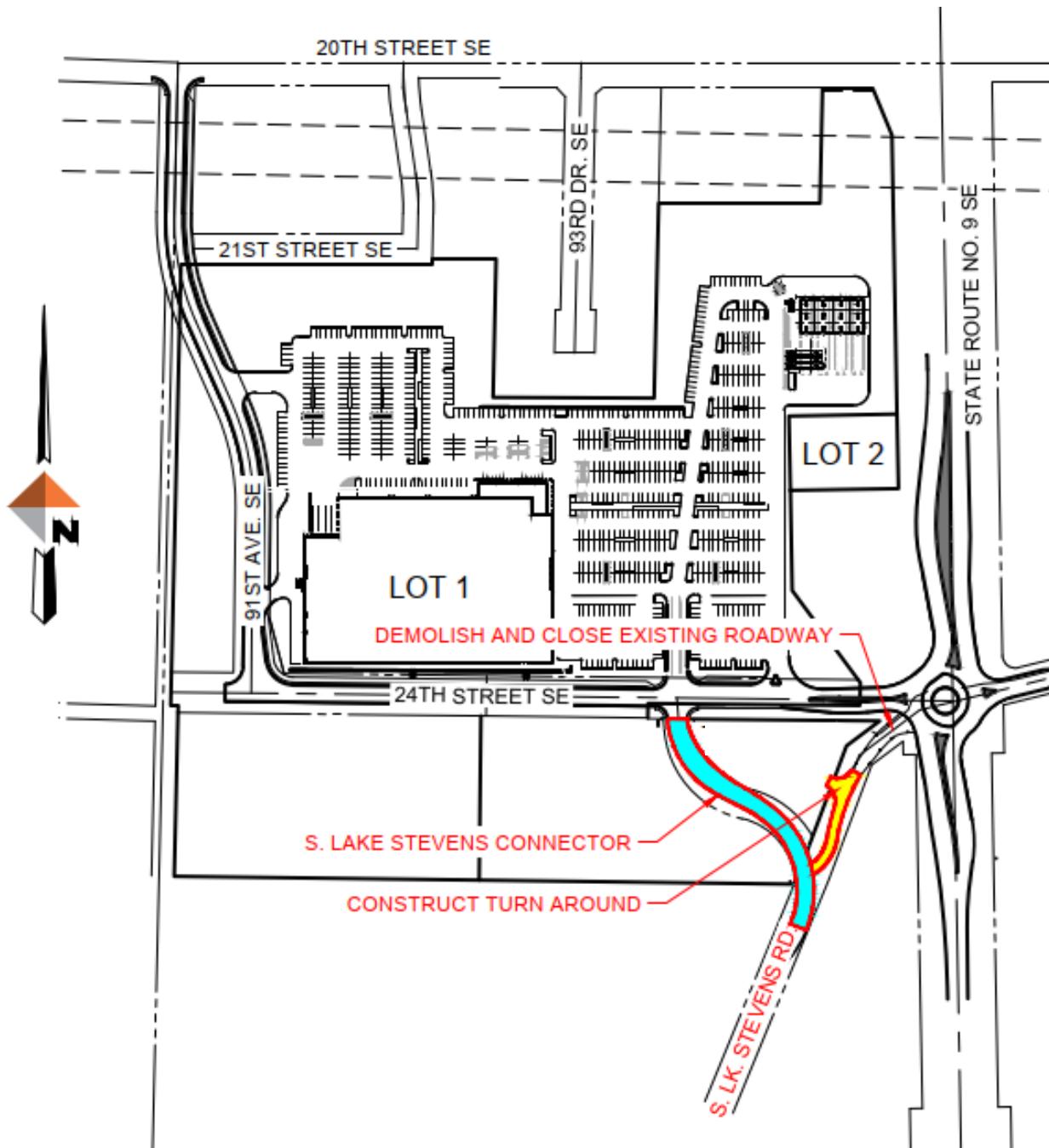


EXHIBIT "D6"

Sketch of Offsite Improvements
Regional Stormwater Facility

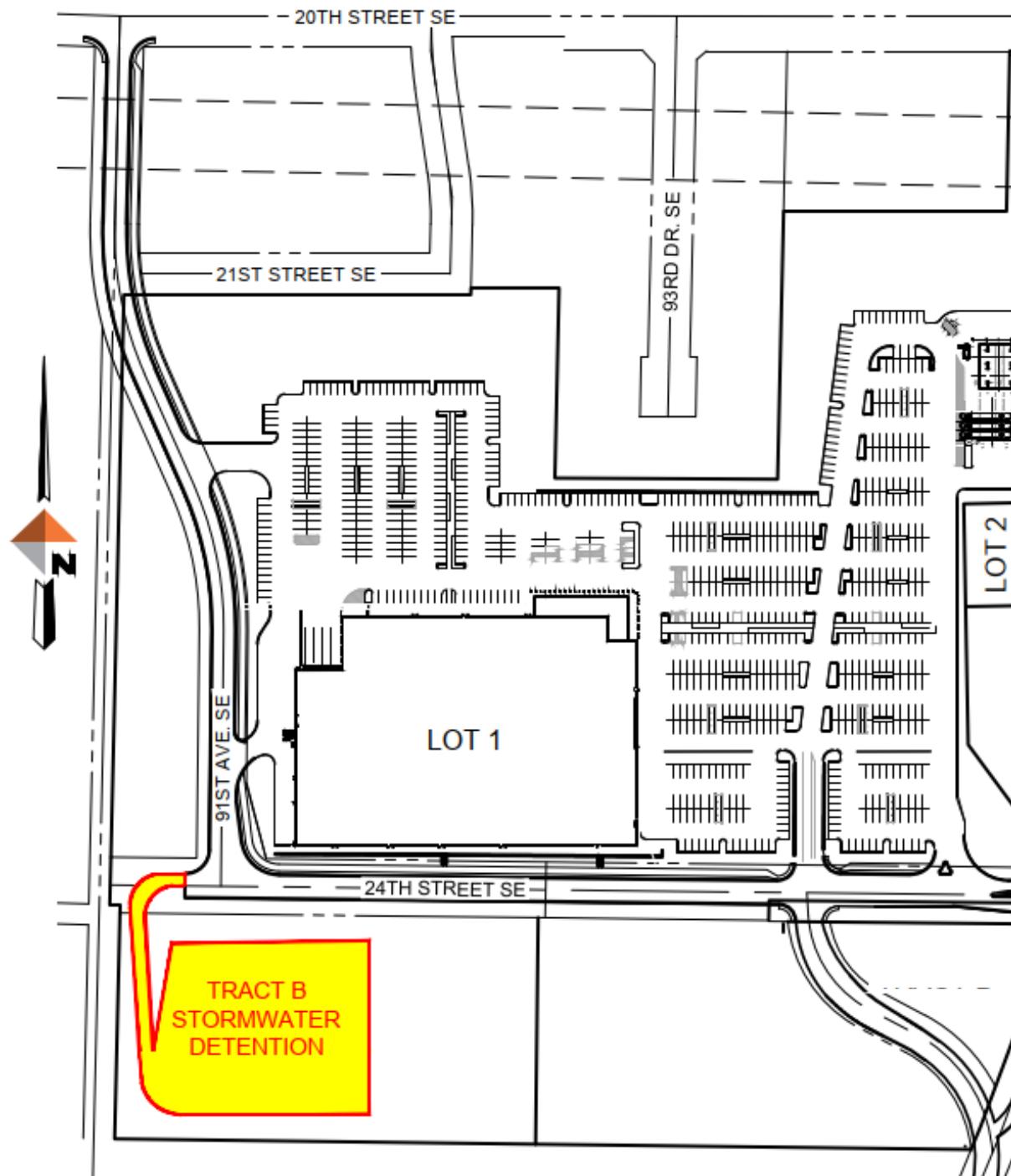


EXHIBIT "D7"

Sketch of Offsite Improvements
Sewer Facilities

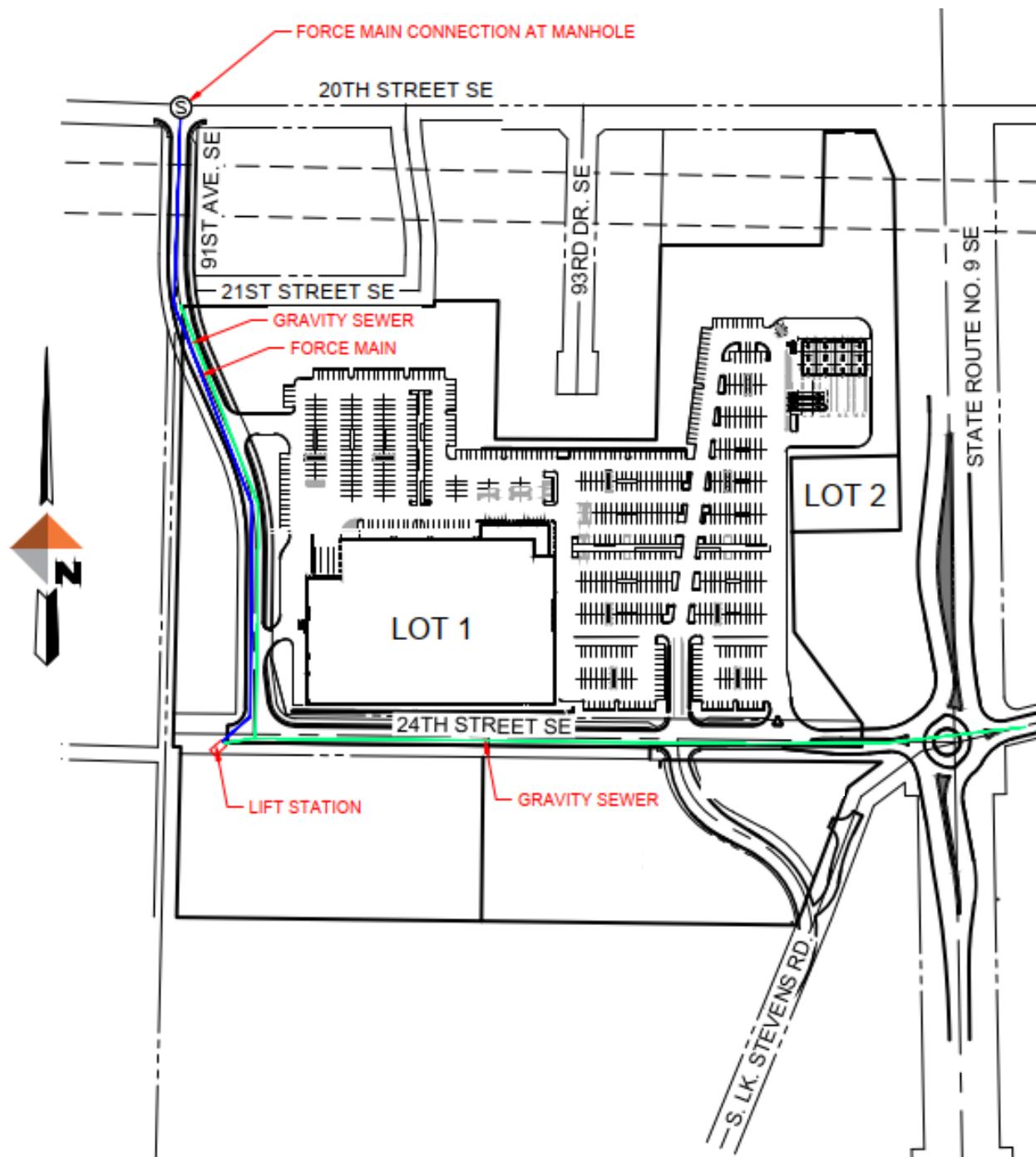


EXHIBIT "D8"

Sketch of Offsite Improvements
Wetland Mitigation

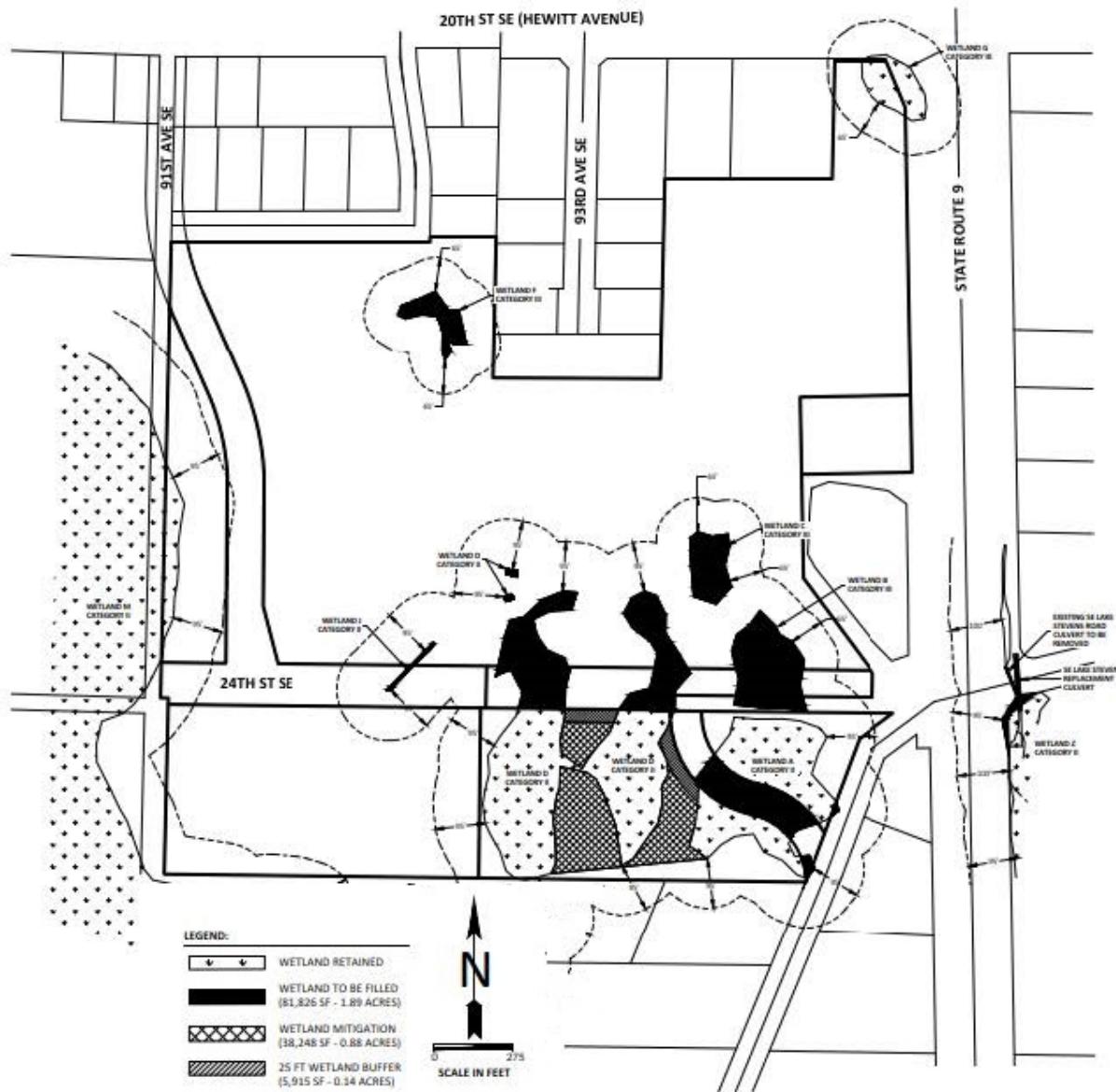


EXHIBIT "D9"

Sketch of Offsite Improvements
Utility Extensions

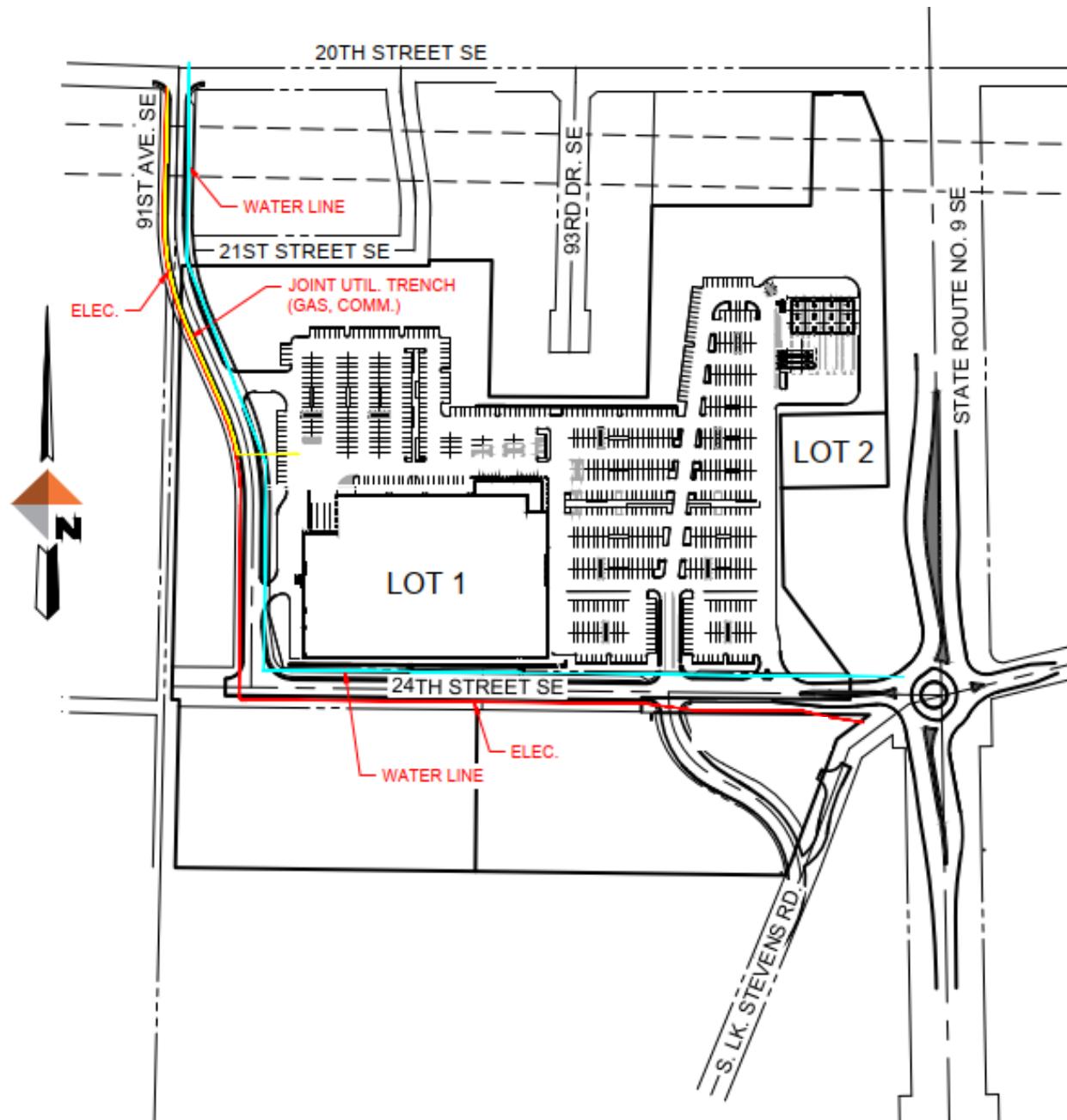


EXHIBIT "D10"

Sketch of Offsite Improvements
Fish Passage Culverts

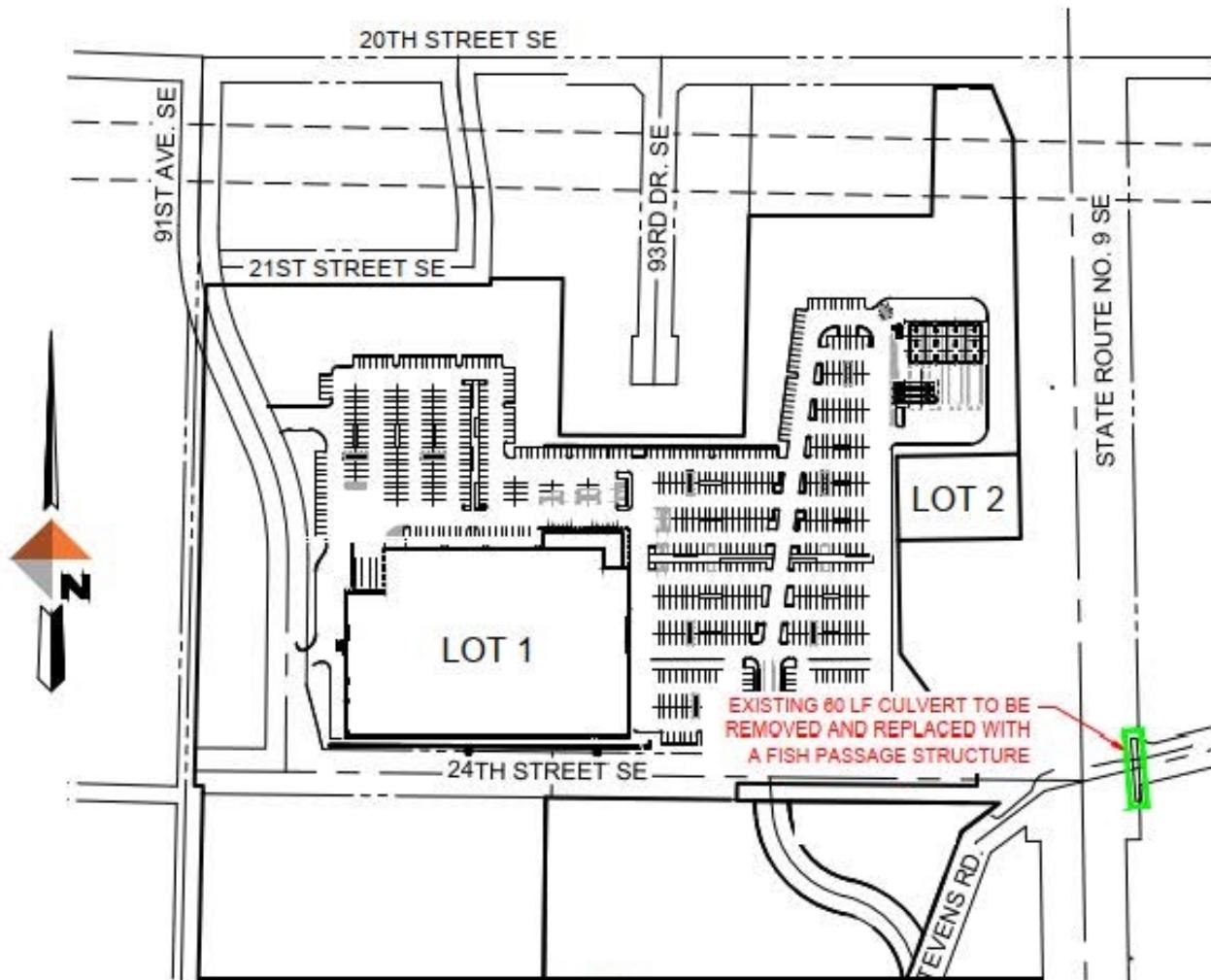


Exhibit 3

Jill Needham

From: Melissa Place
Sent: Wednesday, November 27, 2019 11:58 AM
To: Jill Needham
Subject: Fw: Revised Notice of Public Hearing for Costco

From: Michelle Phillips <bookie913@hotmail.com>
Sent: Tuesday, November 26, 2019 5:07 PM
To: Melissa Place <mplace@lakestevenswa.gov>
Subject: Re: Revised Notice of Public Hearing for Costco

Hi Melissa,

I cannot make the meeting tonight. Would you please pass along to the council that myself and my husband are PRO Costco. We live within 1/4 to 1/2 mile from the proposed location and are excited about the prospect of Costco and other businesses coming to Lake Stevens. Trying to get across the trestle is such a huge hassle.

Thank you,
Michelle and Paul Phillips
9824 32nd St SE
Lake Stevens
425-334-7428

From: Melissa Place <mplace@lakestevenswa.gov>
Sent: Tuesday, November 26, 2019 2:03 PM
To: Jennie Fenrich <jfenrich@lakestevenswa.gov>
Subject: Revised Notice of Public Hearing for Costco

Good afternoon, you are receiving this email as a party of record/interested party.

Please find attached the revised Notice of Public Hearing. Clarifications related to the decision-making and hearing process are included.

Thank you, Melissa

Melissa Place, Senior Planner
City of Lake Stevens | Planning & Community Development
1812 Main Street | PO Box 257
Lake Stevens, WA 98258-0257
425.622.9433 | mplace@lakestevenswa.gov

NOTICE: All emails and attachments sent to and from City of Lake Stevens are public records and may be subject to disclosure pursuant to the Public Records Act (RCW 42.56).

My regular hours are Monday, Tuesday, and Thursday, 8:00 am to 5:00 p.m. I am not in the office on Wednesdays and Fridays. I will review your email upon my return. If you need immediate assistance, please contact jfenrich@lakestevenswa.gov or call 425-622-9430.

Jill Needham

From: Melissa Place
Sent: Wednesday, November 27, 2019 12:10 PM
To: Jill Needham
Subject: Fw: Costco

From: d.garthley <d.garthley@frontier.com>
Sent: Wednesday, November 27, 2019 11:24 AM
To: Melissa Place <mplace@lakestevenswa.gov>
Subject: Costco

Would love to see a Costco in Lake Stevens. Would save on gas and the environment having to travel 45 minutes to one of the other Costco. Also would keep taxes in Lake Stevens.

Sent from my Verizon, Samsung Galaxy smartphone

Jill Needham

From: Melissa Place
Sent: Wednesday, November 27, 2019 12:06 PM
To: Jill Needham
Subject: Fw: Costco

From: Louise Johnson <mrsmomaj@yahoo.com>
Sent: Wednesday, November 27, 2019 8:33 AM
To: Melissa Place <mplace@lakestevenswa.gov>
Subject: Costco

Good Morning Melissa

Thank you for the Notice of Public Hearing. I personally will not attend a meeting, just because I don't care for emotional crowds.

However, I would like to express that I am personally in favor of Costco coming to Lake Stevens. It will bring jobs for all age groups , competitive gas prices; bulk shopping and shopping close to town. I will continue to shop at the local stores for non-bulk items my husband and I purchase, as I do now.

Right now, I do most shopping close to my office near the Lynnwood Costco Once I retire, I would then be driving to Snohomish or Woodinville to do my shopping. Why not keep the sales tax in Lake Stevens, along with the jobs?

We don't get to decide whether or not developers build more houses. If new houses were going in, I would be against that proposal.

The traffic is a nightmare. What should be a 30 minute commute from downtown Lake Stevens to my office in Lynnwood , is over an hour most days. This is because of the new homes

The landowner is going to sell the property to someone someday. I would prefer it to be a quality business such as Costco.

I have been a resident of Lake Stevens since 1960; and have seen a lot of changes. Costco would be one of the best changes for our town for many years.

Respectfully,

Louise Johnson

On Tuesday, November 26, 2019, 2:04:00 PM PST, Melissa Place <mplace@lakestevenswa.gov> wrote:

Good afternoon, you are receiving this email as a party of record/interested party.

Please find attached the revised Notice of Public Hearing. Clarifications related to the decision-making and hearing process are included.

Thank you, Melissa

Melissa Place, Senior Planner

City of Lake Stevens | Planning & Community Development

1812 Main Street | PO Box 257

Lake Stevens, WA 98258-0257

425.622.9433 |mplace@lakestevenswa.gov

NOTICE: All emails and attachments sent to and from City of Lake Stevens are public records and may be subject to disclosure pursuant to the Public Records Act (RCW 42.56).

My regular hours are Monday, Tuesday, and Thursday, 8:00 am to 5:00 p.m. I am not in the office on Wednesdays and Fridays. I will review your email upon my return. If you need immediate assistance, please contact jfenrich@lakestevenswa.gov or call 425-622-9430.

Jill Needham

From: Melissa Place
Sent: Wednesday, November 27, 2019 12:06 PM
To: Jill Needham
Subject: Fw: Costco

From: Doug Smith <stlhrsdrmr@comcast.net>
Sent: Wednesday, November 27, 2019 9:08 AM
To: Melissa Place <mplace@lakestevenswa.gov>
Subject: Costco

Would you please vote yes on Costco, it will create jobs for years to come, a steady paycheck for many family's, health insurance, new tax money for lake Stevens so we can improve our own infrastructure to this great city of ours. So please Vote Yes.

Jill Needham

From: Melissa Place
Sent: Wednesday, November 27, 2019 12:04 PM
To: Jill Needham
Subject: Fw: Public hearing, Costco party of Record
Attachments: Costo, letter 2.docx

From: Jeannette Maize <jcipmaize@hotmail.com>
Sent: Tuesday, November 26, 2019 5:34 PM
To: Melissa Place <mplace@lakestevenswa.gov>
Subject: Public hearing, Costco party of Record

Melissa Place,

I submitted a letter to you regarding the Proposed Costco on the 15th of October, and currently receive emails.

I will likely attend the meeting tonight, but want to be sure that I am included as a party of record for this public hearing.

I have attached a second, similar letter to insure that I am kept current in the process.

Thank You,
Jeannette Maize
425-377-1749

The City of Lake Stevens,

Progress at what price.

We are concerned neighbors who live beside **Moser Creek**, just downstream from the proposed **Costco with 30-pump gas station** site. We have lived in our home for over 20 years. We have planted over 100 trees and plants to preserve this fairytale-like niche within the woods. Today we have a healthy, forested wetland and creek system.

Moser creek is a Salmon bearing stream. Great blue heron, eagles, frogs, salamanders, owls, mountain beaver, opossum, raccoon, coyote, woodpeckers, songbirds, and rabbits, just to name a few, all thriving in this natural, healthy environment.

How will paving over these acres of natural habitat effect the forest, wetlands and Moser creek? What will be the inevitable consequences as they flow downstream?

How can the quantity and quality of the creek and surrounding wetlands be guaranteed?

Moser Creek can and has overflowed its banks in heavy downpours. Can Costco and The City of Lake Stevens guarantee that the destruction and paving over of acres of forested land and wetlands will not affect the volume or course of Moser Creek and natural springs surrounding our home?

Can Costco and the City of Lake Stevens promise that we will never find a slick sheen of gasoline or oily parking lot run-off in the currently healthy ecosystem that we have tried to maintain?

The footprint and nature of Costco with a **30-pump gas station** is simply too much for this sensitive environment, and the consequences will be devastating for the wetlands, Moser Creek, fish and wildlife.

Other concerns include the increased noise and traffic on our rural roads, HWY 9 and 20th Street SE, and the location of proposed roundabout at South Lake Stevens road, between 32nd Street SE and 20th Street SE. What route will Costco truck be taking to deliver and unload their semi-trucks? Will we be subjected to the loud, yet inevitable reversing alarm back up horns at all hours throughout the day and night?

Concerned Neighbors,

Jeannette and Jason Maize

425-377-1749

2831 91st Ave SE, Lake Stevens WA 98258

Jill Needham

From: Melissa Place
Sent: Wednesday, November 27, 2019 12:05 PM
To: Jill Needham
Cc: Russell Wright
Subject: Fw: Comments concerning Costco application

From: Josh DeWinter <josh.dewinter@gmail.com>
Sent: Wednesday, November 27, 2019 8:11 AM
To: Melissa Place <mplace@lakestevenswa.gov>
Subject: Comments concerning Costco application

Hi Melissa

Below are some comments concerning the proposed Costco development at Highway 9 and 20th I'd like to add to the record ahead of tonight's vote on the matter if possible. Thank you!

I represent a neighborhood committee of approximately 100 people who are concerned about the proposed Costco development at Highway 9 and 20th Ave SE in Lake Stevens. We are nearly unified in our belief that although beneficial for tax purposes, the accompanying losses to the community, in the form of increased traffic, light and noise pollution is not a deal Lake Stevens should be willing to make. This is city property that should be kept in city hands, not sold to a developer.

In addition, the involvement by Marcus Tageant as a real estate agent and simultaneous City Council member is a troubling conflict of interest. Despite Mr. Tageant's self recusal from voting on the matter, his ties to the project leave the city wide open to investigation and suit, and are seen as a very distasteful way of doing business by us.

We understand that Russ Wright, Lake Stevens Community Development Director, has stated that this will allow the city revenue to afford "new amenities". The argument that the city population will only rise in the future, and that we need business to aid that growth is looking at the problem the wrong way around. It's cause and effect. If the businesses are not in place to sustain a city of huge proportions, it won't grow that large in the first place. And while it is nice that this development will make one person's job easier, the destruction of the land and neighborhood peacefulness by such a huge corporate development is meaningless to the neighbors who's lives will change immeasurably with the decision to allow it. This appears on the outside as greed by a city that wants to accelerate its demise by sucking up as much tax revenue as possible at the expense of its residents. If this happens, it opens a gateway for more and more massive developments. Soon, Lake Stevens will look like Kirkland or Issaquah: a concrete jungle of retail and condominiums and traffic so close together, neighbors don't have a view.

This is not why we live in Lake Stevens. We didn't come here because we wanted to be in another Kirkland. We are glad to sacrifice retail options for the sake of living in a beautiful area, not crammed full of cars and bustling traffic. Traffic is already bad enough here. Please don't make it worse. Preserve Lake Steven's heritage as a peaceful lake community.

Please do not allow this.

Josh DeWinter
White Oaks Neighborhood Committee
Lake Stevens, WA

Melissa Place

From: Marilyn Tennison <marilyn.tennison@yahoo.com>
Sent: Wednesday, November 27, 2019 6:11 PM
To: Melissa Place
Subject: Lake Stevens Costco

I have written before in favor of the LS Costco and still feel a vast majority of citizens think this will be a valuable addition to our business community. It will increase our tax base, allowing for more needed and necessary road improvements for a growing residential community, and it will keep that spending local. The tressel and I-5 stay less congested by eliminating the need to commute to other Costco's in the county. Not only does this chain provide needed commodities and products, but also good paying jobs, instead of another housing development.

Please vote in favor of this new addition and add a wonderful neighbor to the Town of Lake Stevens.

Marilyn and Ray Tennison
2428 78th Ave SE
Lake Stevens, WA 98258

Sent from my iPhone

Melissa Place

From: ladybounty13@gmail.com
Sent: Wednesday, November 27, 2019 7:47 PM
To: Melissa Place
Subject: Costco

Dear Ms Place,

I hope that you are having a good evening and looking forward to a wonderful holiday. I just wanted to write you a short note, to let you know that my husband and I are most excited about the prospect of a Costco in our area. As such, we are quite hopeful that the council will approve the business, both for the good of its constituents and the city.

Thank you for your time.

Kindest regards,

Bounty Christian
16119 14th Street NE
Snohomish, WA 98290

Sent from Yahoo Mail on Android

Melissa Place

From: johnguz76 <johnguz76@aol.com>
Sent: Thursday, November 28, 2019 8:08 AM
To: Melissa Place
Subject: Costco project

Hello. As the owner of the proposed site you can bet im all for them coming to lk stevens. I feel they will be a huge asset to our community. They will be the anchor to the new business corridor thru to the mid high school. All these people complaining are just the not in my back yard people. I bet every one has a card and will shop there. The tax revenue will be huge for our city and we need that. Doug Turner i know him and he means well but progress happens lk stevens is growing and will continue to grow so i say get said project done. Doug Turner talks about his livelyhood what about mine. I should be able to sell my land to whoever i want to. So my vote is yes...

Sent from my Sprint Samsung Galaxy S9+.

Melissa Place

From: Charles Pearson <ckpear81@gmail.com>
Sent: Thursday, November 28, 2019 7:55 PM
To: Melissa Place
Subject: costco

To the Lake Stevens City Council:

As a resident not living in the city, but next to it, I feel the need to express my opinion regarding the proposed Costco.

First, my husband and I are totally in favor of this project.

We would encourage the city to make solid growth decisions that promote this area.

Change and growth are difficult, but we must look at the future. Costco will give our community a much needed economic boost.

There is going to be development at this site, I agree with many others in that I would rather see a business than more housing.

Just to the east of HWY 9 surrounding the 20th/South Lake Stevens road area, numerous new housing is currently being built.

If Costco is **not** allowed to enter our community, I see nothing but more housing and I question if the area can bear that much traffic.

Please look at New York City and how they ran off Amazon. We must ask ourselves if that is the path we wish to take.

Sincerely

Kathy Pearson

425-501-8524

Melissa Place

From: Jim Hart <k9hohriver@yahoo.com>
Sent: Friday, November 29, 2019 6:22 AM
To: Melissa Place
Subject: costco

Hey Out Of Towners, go build your fucken store somewhere else.

Fuck you

Jim Hart

Sent from Mail for Windows 10

Melissa Place

From: Cheryl Slaughter <ladysnake828@yahoo.com>
Sent: Friday, November 29, 2019 7:09 PM
To: Melissa Place
Subject: Yes to Costco

Greetings Ms. Place:

I live off 115th St, SE in Lake Stevens. I admit when I first heard about Costco opening here, my reaction was - you have to be kidding! But after researching the pros and cons, I vote we bring Costco in. So does my husband. We've had a lot of discussion on this. We both feel this would be good for the community. I wouldn't have to deal with crossing over to 5th to go to Everett or up to Snohomish Point.

With so many new people moving in here, we need a Costco as well as other stores. I for one will be happy to see the lower gas prices - I refuse to buy gas in Lake Stevens. 95% of my shopping occurs outside the Lake Stevens area. The revenue will benefit the community. As far as the traffic? A few well placed turn lanes or an extra lane will take care of that.

What I say NO to - is the cramming of hundreds of new homes on property that is supposed to hold 1/3 to 1/4 of what they are putting in! You can't even drive down our road with someone coming up due to all the cars parked on the road - courtesy of the 50 new houses that put up in the last year. These developers do nothing to help with the extra traffic.

Cheryl

"Love looks not with the eyes, but with the mind" *William Shakespeare*

"Friendship without self interest is one of the rare and beautiful things in life." *James Francis Byrnes*

"Be slow to fall into friendship; but when thou art in, continue firm and constant." *Socrates*



Melissa Place

From: Patty Lasell <pattylasell@yahoo.com>
Sent: Saturday, November 30, 2019 10:49 AM
To: Melissa Place
Subject: Costco question

Good Morning Ms Place:

My question is where will the money that Lake Stevens contributes (puts forward) come from, bonds, grants, etc.

Thank you,
Patricia Lasell
12406 5th PL NE, Lake Stevens

Sent from Mail for Windows 10

Melissa Place

From: Cathy Nelson <Cathy.Nelson@homestreet.com>
Sent: Sunday, December 1, 2019 12:27 PM
To: Melissa Place
Cc: Cathy Nelson
Subject: Action Item: Lake Stevens Costco (Totally Supportive)

Hi Melissa,

My name is Catherine Nelson and I am a resident of Lake Stevens. I am emailing you to share that I am totally supportive of Costco in Lake Stevens. Please consider this my vote. If you need anything else, please don't hesitate to contact me.

Thank you.
Cathy

Cathy Nelson, PHR
VP, Recruiting Manager

Direct: 206.264.4255
Mobile: 206.491.4812

[HomeStreet]Bank

Seattle Corporate Office
601 Union Street, Suite 2000
Seattle, WA 98101

Melissa Place

From: mikkilash@quidnunc.net
Sent: Sunday, December 1, 2019 1:12 PM
To: Melissa Place
Subject: Proposed Costco Project

Hi Melissa, my name is Marian Lash and I've been a Lake Stevens resident for 10 years. I believe that the new Costco Retail Warehouse will be a great addition to our community. It will be very convenient for Lake Stevens and other East of 5 communities.

I like that it will bring more employment opportunities as well as sales tax revenue which may mitigate rising property taxes. I know that my property taxes have risen to almost twice what I was paying 10 years ago.

Thank you for the opportunity to voice my opinion, Marian Lash 2514 85th Drive NE, V-2 Lake Stevens.
Wa.

Melissa Place

From: tjmearnest@gmail.com
Sent: Sunday, December 1, 2019 2:57 PM
To: Melissa Place
Subject: Yes to Costco!

Costco would be a great addition in the city of Lake Stevens for numerous reasons. The economic boost would be huge and would help with future growth and the tax base to our area. Costco is a great employer and a good neighbor.

Thank you!
Terrald and Maureen Earnest
1527 87th Ave NE
Lake Stevens. WA 98258

Sent from Mail for Windows 10

Melissa Place

From: Courtney O'Keefe <courtneyokeefe94@gmail.com>
Sent: Wednesday, December 4, 2019 5:12 AM
To: Melissa Place
Subject: Costco public comment

Good morning,

I wanted to express my support for the new Costco. This is just what our city needs. It will help bring in tax revenue to support our schools and growing community.

Thank you! Have a great day!

Sincerely,
Courtney O'Keefe
10513 24th ST SE
Lake Stevens, WA

Melissa Place

From: Thomas <thomasggg2552@msn.com>
Sent: Wednesday, December 4, 2019 8:21 AM
To: Melissa Place
Subject: Fw: costco

I still want costco to come to Lake Stevens for the same old reasons

Thomas Steenmeyer 12/4/2019 Thank You.

----- Forwarded Message -----

From: "Thomas" <thomasggg2552@msn.com>
To: "mplace@lakestevenswa.gov" <mplace@lakestevenswa.gov>
Sent: 10/14/2019 5:55:39 AM
Subject: costco

This household of 3 adults wants costco to come to Lake Stevens. Yes it would bring jobs and tax dollars but it may also reduce traffic on the hwy 2 trestle Because so many people are moving to this area.

Thomas Steenmeyer
812 Price Rd, Snohomish

Melissa Place

From: Bev Gardner <pakratz@aol.com>
Sent: Wednesday, December 4, 2019 5:34 PM
To: Melissa Place
Subject: Costco

I vote yes

~Bev Gardner

Melissa Place

From: Brooke Sandt <bsandt83@gmail.com>
Sent: Wednesday, December 4, 2019 5:54 PM
To: Melissa Place
Subject: YES TO COSTCO

Hi Melissa!

I know the public isn't voting, but that city council is, however, I just wanted to show my support along with the 100's + of others in the Lake Stevens Community Facebook group that would really like to see Costco here in Lake Stevens. Hoping for good news next week!

Melissa Place

From: Sonja Broze <slbroze@gmail.com>
Sent: Wednesday, December 4, 2019 5:56 PM
To: Melissa Place
Subject: Yes to Costco

Is my vote, thank you!

Sonja Broze

Melissa Place

From: Kristy Zeddies <kzeddies1@gmail.com>
Sent: Wednesday, December 4, 2019 6:23 PM
To: Melissa Place
Subject: YES TO COSTCO

My husband, myself & 2 children are voting YES to Costco!

Thank you,

Keith, Kristy, Tia & Jackson Zeddies
9210 5th PL SE
Lake Stevens, WA 98258
(425) 356-9196

Melissa Place

From: Andrea Duerr <andrea@lakestevensbrewingco.com>
Sent: Wednesday, December 4, 2019 7:37 PM
To: Melissa Place
Subject: Costco

I vote yes to costco.

Andrea Duerr

Melissa Place

From: Kelli Leese <kelli.leese.homes@gmail.com>
Sent: Wednesday, December 4, 2019 8:24 PM
To: Melissa Place
Subject: Yes costco please!!!!

Kelli Leese
John L Scott Real Estate
425-387-4939

Melissa Place

From: Jill Thompson <zachnjill@comcast.net>
Sent: Wednesday, December 4, 2019 8:43 PM
To: Melissa Place
Subject: Yes vote for Costco

Hello!

I just wanted to send a "yes" vote for putting Costco in Lake Stevens.

Thank you!

-Jill Thompson

Sent from my iPhone

Melissa Place

From: Kevin Colombana <kevin.colombana@gmail.com>
Sent: Wednesday, December 4, 2019 9:08 PM
To: Melissa Place
Subject: Costco

Costco is 100% best option for that space. It would be the biggest mistake in lake stevens history if we drive a wedge in this deal!!! Lets embrace costco!

Thank you,
Kevin Colombana
9904 Vernon rd
Lake Stevens, wa

Melissa Place

From: Douglas Symonds <dsymonds@salishnetworks.com>
Sent: Wednesday, December 4, 2019 10:28 PM
To: Melissa Place
Subject: YES TO COSTCO

As a resident of Lake Stevens, I feel Costco will be a great addition to our City. I see many positive attributes. For one, Costco attracts additional quality businesses & restaurants to the surrounding areas, which we desperately need in Lake Stevens. The tax revenues will help our city grow. Costco also pays well, so they attract high quality people for their employees.

If you're considering Wall Mart, please don't. Wall Mart does not pay well, and seems to attract more crime to the areas in which they reside... which is something that we definitely do not need in Lake Stevens. Also, as you know, there is a Wall Mart just 5 miles up the road, in Marysville. We don't need another one. Thank you.

Doug Symonds
11120 18th Street NE
Lake Stevens, WA 98259

doug.symonds@frontier.com



Greater Lake Stevens Chamber of Commerce

PO Box 439 – 10200 Lundein Parkway – Lake Stevens, WA 98258
425-334-0433 - info@lakestevenschamber.com

November 27, 2019

To: The City Council of Lake Stevens
RE: Costco Development Agreement, Resolution 2019-17



Councilmembers,

Please accept the support of the Greater Lake Stevens Chamber of Commerce for the passage of Resolution 2019-17, Costco Development Agreement. We feel Costco is a good employer for our citizens, that will bring significant tax revue needed to continue to improve and expand the infrastructure of Lake Stevens, allowing it to grow as a healthy, vibrant community with a high standard of living. We also support the resolution as it would contain and reduce the leakage of tax revenue to surround communities, and even bring tax revenue from those other communities into the city of Lake Stevens. We would welcome Costco to help meet the goals set out by the city.

Thank you for all your, and the staff's, hard work on the continued evolution of Lake Stevens.

Sincerely,

A handwritten signature in black ink that appears to read 'Lance Morehouse'.

Lance Morehouse
President, Board of Directors
Greater Lake Stevens Chamber of Commerce

A handwritten signature in black ink that appears to read 'Matt Tabor'.

Matt Tabor
Managing Director
Greater Lake Stevens Chamber of Commerce

DEC 04 2019

CITY OF LAKE STEVENS

Dear Planning Commission,

I worked for Costco for 14½ years. I started at the Lynnwood Business Center. From there I transferred to the Smokey Point store. After 10 years of that commute I went to the Everett warehouse.

My main concern is that we bought our house in 1989. We are west of Hwy 9. The traffic has gotten so bad out here. This was a 'Bedroom Community' when we moved here. We chose to commute to work. As did many. That is why we fought to keep Fred Meyer off of the top of Cavalero Hill.

I understand the growth has exploded in this area. Hearing the facts last night, I can see why Costco wants to come out here. To hear them last night it didn't sound like they even looked for an alternate sight. Why not the corner of Vernon Rd & 9. Or Hwy 92. I told the man that spoke last night for Costco I am not against the idea, just the location.

I truly believe that if you can find an alternate location that doesn't ruin the wetland here, you can still get the 'almighty' tax dollars from them.

Fish Do Matter!!! Not just in the lake!

Myka Schorsch

mykaschorsch@msn.com

John and Sandra Cooper
2618 106th Drive NE
Lk. Stevens, WA 98258
(425) 334-9459

December 5, 2019

Lake Stevens City Council
1812 Main Street
Lake Stevens, WA 98258



Re: Costco

Dear Council Members,

We are writing to you to voice our support for allowing Costco to be allowed to come into Lake Stevens.

Costco is a great company. It will provide great paying jobs with benefits for people in our area. They are known to make areas around them better and road improvements will be a benefit. The additional taxes our city will receive is another bonus of having them here, allowing the city to make other improvements.

Please put us down as being in support of Costco building in Lake Stevens.

Sincerely,

John and Sandra Cooper

Melissa Place

From: Lorna <lornajoos@comcast.net>
Sent: Thursday, December 5, 2019 11:49 AM
To: Melissa Place
Subject: Vote for Costco

Please count my YES vote for a COSTCO in Lake Stevens.

I was unable to attend the meeting on November 26th.

Thank You!
Lorna Osborne
8431 8th St SE
Lake Stevens, WA 98258

Sent from my iPhone

RECEIVED

DEC 05 2019

CITY OF LAKE STEVENS

5 DEC 2019

DEAR CITY OF LAKE STEVENS,

DARLENE AND I ARE
IN FAVOR OF A COSTCO INC
STORE BEING BUILT IN
LAKE STEVENS

THE PLUSES WAY, OUTWEIGH
THE NEGATIVES

DARLENE HAS BEEN A
CITIZEN OF LK STEVENS
SINCE 1972.

VERY SINCERELY,

Darlene A Bradford
2031 VERNON ROAD
LAKE STEVENS wa. 98258
Ph 425-334-5990

December 5, 2019

To: Lake Stevens Council

Re: Costco

RECEIVED

DEC 05 2019

CITY OF LAKE STEVENS

The public meeting held last month was interesting because I learned more about this project. Public comments as well as the presentation by Costco were informative. My preference would be to have a Costco in Lake Stevens rather than a Walmart, if there HAS to be a big box store, or ANY commercial establishment.

There are adjustments to be considered and made;

1. The public comments of “we will lose our night sky” alerted me that there will be lots of lighting for commercial industries. Low level “green” lighting is an option or a make it a requirement for Lake Stevens.
2. Traffic: input from family and friends who live in other areas (Mercer Island to Lynnwood) say that traffic problems are HUGE even though there were road corrections made where Costco is located. Comments like, “before Thanksgiving, an acquaintance drove to their local Costco at 10am opening, and she found the last parking spot.” The parking lot was full!
DO NOT TRIVIALIZE THE TRAFFIC PROBLEMS that will occur. I am sure that Costco and the council & planners can make some good decisions on the location of this popular store.
3. What about changing the location?
4. Does there HAVE to be 30 gas pumps? What about 25? Or less?
5. Above all, the environment is highly important. Costco, having built many stores, needs to consider seriously environmental values. In their presentation, I did not hear any of those values. They might as well start now because of the importance of our

environment. PCC (organic market) does build “green buildings”. Has Costco looked into any of this aspect?

6. What about installing fir trees (not the scrubby pine trees that everyone else uses) around the perimeter of the Costco building/parking lot? For the wildlife, and there will be plenty of displacement. Some quality plantings?

I am sure there is a lot more to consider. This is serious stuff to lose the small town flavor of Lake Stevens for the children and the future.

Sincerely,

Mary Berg

P O Box 656

(9631 9th St NE

Lake Stevens, WA 98258



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LAKE STEVENS CITY COUNCIL
STAFF REPORT

Council Agenda

Date: December 10, 2019

Subject: Everett Waterline ILA

Contact: Russ Wright **Budget Impact:**

RECOMMENDATION(S)/ACTION REQUESTED OF COUNCIL: Authorize the Mayor or designee to execute the ILA and negotiate any final changes with the City of Everett.

SUMMARY/BACKGROUND:

Lake Stevens and Everett have been negotiating the terms of an agreement to extend 91st Ave SE between 20th Street SE and 24th Street SE. The road project includes crossing the Everett Waterline Corridor. The ILA sets the terms for cost sharing and design as it relates to the replacement of the waterline in this area. The extension of 91st Ave SE was identified in the city's capital facilities plan as necessary to implement the 20th Street SE Corridor Plan. This extension will provide a vital and safe link between north and south Lake Stevens and protect the function of the waterline into the future. Staff last discussed the agreement with City Council on December 3, 2019.

APPLICABLE CITY POLICIES: Capital Facilities Plan

BUDGET IMPACT: Expenditure of traffic impact fees and other local funds

ATTACHMENTS:

ILA with exhibits

**INTERLOCAL AGREEMENT
BETWEEN
THE CITY OF EVERETT AND THE CITY OF LAKE STEVENS REGARDING
TRANSMISSION LINE REPLACEMENT AT 91ST AVE SE**

This Interlocal Agreement (this “*Agreement*”) is dated for reference purposes _____, 2019, and is between CITY OF EVERETT (“*Everett*”) and CITY OF LAKE STEVENS (“*Lake Stevens*”) (individually a “*Party*” and collectively the “*Parties*”), pursuant to Chapter 39.34 RCW and other applicable law.

RECITALS

A. Everett’s regional water system provides water to about 75% of Snohomish County, which is approximately 640,000 people, including Lake Stevens. Everett’s water transmission lines number two, three, and four run in a corridor through a portion of Lake Stevens. Each of the four pipelines is about four feet across and can each carry about 50 million gallons per day.

B. Lake Stevens intends to construct a road project improving 91st Ave. SE by extending this local collector roadway south to intersect with 24th Street SE. This project crosses the transmission line corridor. This project is generally described in the attached Exhibit A (the “*91st Ave Project*”). The estimated cost of the 91st Ave Project is \$_____.

C. The Parties have agreed that Lake Stevens’ contractors will construct certain work related to the transmission lines. This work is schematically shown in the attached Exhibit B. As set forth in Section 1 of this Agreement, this transmission line work will be paid 43% by Lake Stevens, and 57% by Everett. The estimated total cost of this transmission line work is \$_____ shown in the attached Exhibit C.

D. The Parties agree it is in the public’s best interest to extend the road and replace the transmission lines contemporaneously to save money and resources and to ensure the regional water supply is protected.

E. In addition, Everett will issue to Lake Stevens a Transmission Line Right of Way Use permit giving Everett’s permission for Lake Stevens’ 91st Ave Project across the transmission line corridor described in easements of record with Snohomish County. The permit sets forth certain terms and conditions relating to construction near the transmission lines and other matters related to the 91st Ave Project (the “*91st Ave Use Permit*”). The 91st Ave Use Permit is set forth in Exhibit D attached hereto. The 91st Ave Use Permit is conditioned on the full execution of this Agreement.

F. Subject to this Agreement and the 91st Ave Use Permit, Lake Stevens will be the lead agency responsible for design, permitting and construction for the 91st Ave Project and the Transmission Line Work.

NOW, THEREFORE, pursuant to RCW 39.34 and other applicable law, the above recitals are incorporated herein as if fully set forth below, and in consideration of the terms, covenants, conditions, and performances contained herein, and the attached Exhibit A, Exhibit B, Exhibit C, and Exhibit D, that are incorporated herein by this reference,

IT IS MUTUALLY AGREED AS FOLLOWS:

SECTION 1 91ST AVE PROJECT AND TRANSMISSION LINE WORK

A. Project.

1. Plans and Specifications.

(a) Design of the Transmission Line Work. As part of its design contract(s) for the 91st Ave Project, Lake Stevens will select a designer with input from Everett and direct its designer to prepare plans and specifications for the transmission line work in the 91st Ave Project. Lake Stevens will direct the transmission line designer to consult and coordinate with Everett.

(b) Specifications for Transmission Line Work. In addition to other transmission line specifications prepared by the designer, the bid package will contain the following specifications, as provided by Everett, relating to the transmission line work:

- (i) Specifications designating Everett as lead in the coordination, oversight and inspection of transmission line work during construction.
- (ii) Specifications designating Everett to oversee all connection of finished transmission line segments to existing transmission lines. Because this connection process requires shutdown of entire transmission lines, this connection must occur at specific times and must be completed in a matter of hours. The specifications will include Everett oversight of when the connection work can occur, the duration of the connection work, the inspection of the connections, and oversight of the contractor. Because connection work must occur within a tight time-window measured in hours, the specifications will include liquidated damages provisions if the connection time-window is missed by the contractor.

2. Design Review. Everett and Lake Stevens will provide review and comment on the plans and specifications for the transmission line work in the 91st Ave Project on the following schedule:

Design Milestone	Milestone Deadline
60% plans and specifications for transmission line work are available for comment	8 weeks after ILA
Comments due on 60% plans and specifications for transmission line work	2 weeks after 60% submittal (Task A)
90% plans and specifications for transmission line work are available for comment	5 weeks after 60% submittal (Task B)
Comments on 90% plans and specifications for transmission line work	3 weeks after 90% Submittal (Task C)
Everett provides to Lake Stevens approval of final transmission line plans and specifications for inclusion in Lake Stevens' 91st Ave Project bid package	10 weeks after 90% Submittal (Task C) _____

All portions of the table above may be adjusted by written agreement between the Directors of Public Works of Everett and Lake Stevens or their designees. For this Agreement, the final plans and specifications for transmission line work approved by Everett are the "***Final Transmission Line Project Plans and Specifications.***" For this Agreement, the term "***Transmission Line Work***" refers to all construction, materials, labor and other activities and items necessary to complete all work and improvements in accordance with the Final Transmission Line Project Plans and Specifications.

3. **Everett Approval of Final Plans.** Lake Stevens will provide the final project plans and specifications for the 91st Ave Project and the Transmission Line Work to Everett at least 30 days before the 91st Ave Project and Transmission Line Work are advertised for bid. Lake Stevens will not start construction unless Everett's Public Works Director or his designee has approved in writing such project plans and specifications. This approval will not be withheld so long as such plans and specifications include the Final Transmission Line Project Plans and Specifications and are in accordance with this Agreement and the 91st Ave Use Permit.

B. **Permitting.**

1. Lake Stevens will be the lead agency responsible for review and approval of permitting including but not limited to SEPA review, land disturbance and civil construction drawings in coordination with affected agencies and interested parties

2. Lake Stevens will apply for and obtain any necessary permits to allow for construction of the 91st Ave Project and the Transmission Line Work. Everett will fully cooperate with Lake Stevens in obtaining such permits.

C. **Procurement.**

1. **Construction Contract Award (Single Contract).** If Lake Stevens determines that the 91st Ave Project and Transmission Line Work will be awarded in a single contract, then Lake

Stevens will call for bids and execute a construction contract in accordance with the Lake Stevens' usual procurement processes and in accordance with the following:

(a) The 91st Ave Project bid package and contract will include the Final Transmission Line Project Plans and Specifications for the Transmission Line Work. The Transmission Line Work will be a separate bid schedule in the 91st Ave Project bid package. The bid package will inform bidders that the bid award will be determined based upon bidders' total bid amounts for the entire 91st Ave Project, including the Transmission Line Work.

(b) Everett may require inclusion of the supplemental responsibility criteria regarding contractor experience in transmission line or similar work for the Transmission Line Work. If so, Everett will provide the criteria for inclusion in the 91st Ave Project bid package. The criteria will allow a bidder to meet the criteria either through the experience of the bidder itself or by the experience of the bidder's designated transmission line subcontractor.

(c) The construction contract will contain a provision requiring Everett be added as an additional insured on the contractor's required liability insurance policies.

(d) The construction contract will contain a clause acceptable to Everett that assigns all contractor's and manufacturer's warranties related to the Transmission Line Work to Everett.

2. Construction Contract Award (Two Contracts). If Lake Stevens determines that the 91st Ave Project and Transmission Line Work will be awarded as two separate contracts, then Lake Stevens will call for bids and execute construction contracts in accordance with the Lake Stevens' usual procurement processes and in accordance with Sections 1.C.1(b)-(d) above.

3. No Obligation to Award. Lake Stevens may reject all bids or otherwise determine to not proceed with a construction contract for the 91st Ave Project at Lake Stevens' sole discretion. However, if Lake Stevens awards the 91st Ave Project, it must also award the Transmission Line Work in accordance with this Agreement.

D. Construction.

1. Lake Stevens shall complete the 91st Ave Project and all Transmission Line Work, in accordance with the Final Transmission Line Project Plans and Specifications and in accordance with the 91st Ave Use Permit. Lake Stevens will designate Everett as lead in the coordination, oversight and inspection of Transmission Line Work. Lake Stevens will substantially complete the Transmission Line Work no later than the date of substantial completion of the 91st Ave Project.

2. Everett will be invited to attend all construction meetings that involve the Transmission Line Work. Everett will manage all connections to the transmission lines and the operational coordination, including when the work can occur, the duration of the work, the inspection of the connections, and oversight of the contractor.

3. Lake Stevens shall not execute change orders for the Transmission Line Work without Everett's prior written approval, which Everett will not unreasonably withhold, delay or condition.

4. Lake Stevens may execute portions of the 91st Ave Project and Transmission Line Work in phases.

E. Completion of Transmission Line Work.

1. Everett may use the Transmission Line Work prior to final inspection and final acceptance as necessary for water operations, expected immediately after connections are made and approved for use.

2. Upon completion of the Transmission Line Work, Lake Stevens will notify Everett that the Transmission Line Work is ready for final inspection. Everett shall promptly perform a final inspection and provide punch-list items, if any, to Lake Stevens.

3. Upon the completion of such punch-list items and the release of any contractor or similar liens or claims against the Transmission Line Work and the approval by Everett of such completion and release, which approval will not be unreasonably withheld, then: (i) Lake Stevens will accept the Transmission Line Work from the contractor, (ii) the Transmission Line Work is the property of Everett, and (c) Everett has responsibility for the maintenance and operation of the Transmission Line Work.

4. Everett and Lake Stevens will cooperate to execute any documents (such as bills of sale) necessary to document Everett's ownership of the Transmission Line Work. Lake Stevens will transfer to Everett within 30 days after the completion of the Transmission Line Work (i) record drawings (as-built) of the Transmission Line Work and (ii) any contractor or manufacturer's warranties for the Transmission Line Work.

5. After acceptance by Lake Stevens of the Transmission Line Work in accordance with this Agreement, Everett has the exclusive right to determine whether to assert claims against the Transmission Line Work contractor or subcontractors or others with respect to the Transmission Line Work (such as, for example, enforcement of contractor warranties). Everett will bear all its own costs related to such claims. Lake Stevens will cooperate with Everett regarding such claims.

F. Cost Share.

1. Lake Stevens will be responsible for 100% of cost of 91st Ave Project.

2. Everett will reimburse Lake Stevens 57% of all design and construction costs paid by Lake Stevens for Transmission Line Work. This includes 57% of all costs arising from or relating to any claims asserted by construction contractors relating to the Transmission Line Work. In the event of such a claim, the Parties will meet and confer, and Lake Stevens will not settle such a claim without the prior approval of Everett, which will not be unreasonably withheld, delayed or conditioned. Each Party will bear the costs of their own staff.

3. The 57% cost share is based on calculations shown for reference in Exhibit C. However, the 57% share is fixed and not subject to adjustment, regardless of errors than may exist in Exhibit C.

G. Payment.

1. Lake Stevens will invoice Everett for Everett's 57% share of the Transmission Line Work. The Parties anticipate that Lake Stevens will invoice Everett as Lake Stevens makes payments to Transmission Line Work designers and contractors. An invoice will document in reasonable detail the amounts expended by Lake Stevens for Transmission Line Work.

2. Everett agrees to pay each invoice for its 57% of the Transmission Line Work within sixty (60) calendar days from the day it receives an invoice from Lake Stevens. Upon completion and acceptance of the Transmission Line Work and resolution of contractor claims (if any), the Parties will true-up the payments, so that Everett has paid its 57% share of all design and construction costs paid by Lake Stevens for the Transmission Line Work.

H. Right of Entry.

Everett grants Lake Stevens and its authorized agents, contractors, subcontractors, and employees, a right of entry upon the Water Corridor for purposes of the 91st Ave Project and the Transmission Line Work.

SECTION 2: GENERAL PROVISIONS

A. Maintenance and Operation

1 Upon completion of the Project work outlined herein, the waterline shall remain in ownership of Everett.

2 All future maintenance and operation and recovery of materials and work under warranty of the water line project shall be conducted at the sole cost and expense of Everett and without cost or expense to Lake Stevens, subject to other agreements related to said facilities.

B. Administration. Each Party to this Agreement shall designate an individual (an "Administrator"), who may be designated by title or position, to oversee and administer such party's participation in this Agreement for the purposes of compliance with RCW 39.34.030. The parties' initial Administrators shall be the following individuals:

City of Lake Stevens	City of Everett
Eric Durpos Public Works Director City of Lake Stevens 1812 Main Street Lake Stevens, WA 98258 (425) 622-9441 edurpos@lakestevenswa.gov	Ryan Sass Public Works Director City of Everett 3200 Cedar St. Everett, WA 98201

Either party may change its Administrator at any time by delivering written notice of such party's new Administrator to the other party.

C. Governing Law. The laws of the State of Washington, without giving effect to principles of conflict of laws, govern all matters arising out of or relating to this Agreement.

D. Term of Agreement. Unless otherwise provided herein, the term of this Agreement shall commence as of the date this Agreement is fully executed.

E. Duration/Expiration. This Agreement expires upon completion of the true-ups set forth in Section 1.G above.

F. Amendment. No amendment to this Agreement will be effective unless in writing and signed by the Mayor of Everett and by an authorized representative of Lake Stevens.

G. Termination:

1. This Agreement may be terminated if both Parties agree, in writing, to terminate the Agreement. This termination must be signed by the Mayor of Everett and by an authorized representative of Lake Stevens.

2. This Agreement shall be terminated upon (ii) completion and final inspection and acceptance of the Transmission Line Work by the Parties as set forth in Section 1.E above, and (c) completion of the true-ups set forth in Section 1.G above.

3. The termination of this Agreement shall not prejudice any rights or obligations accrued to the Parties prior to termination.

H. Indemnification and Waiver. Each of the Parties shall protect, defend, indemnify, and hold harmless the other Party and its employees and authorized agents, while acting within the scope of their employment as such, from any and all costs, claims, judgements, and/or awards of damages (both to persons and/or property), arising out of, or in any way resulting from, that Party's

negligence or breach of obligations performed or to be performed pursuant to the provisions of this Agreement. No Party shall be required to indemnify, defend, or hold harmless the other Party if the claim, suit, or action for injuries, death, or damages (both to persons and/or property) is caused by the negligence of the other Party; provided that, if such claims, suits, or actions result from the concurrent negligence of (a) the Parties and their employees, contractors, consultants, or authorized agents, or involves those actions covered by RCW 4.24.115, the indemnity provisions provided herein shall be valid and enforceable only to the extent of the negligence of the other Party, its employees, contractors, consultants, and authorized agents. For this purpose, each of the Parties, by mutual negotiation, hereby waives, with respect to the other Party only, any immunity that would otherwise be available to it against such claims under the Industrial Insurance provisions of Title 51 RCW.

I. Disputes: In the event that a dispute arises under this Agreement, it shall be resolved as follows: the Parties agree to negotiate to resolve any issues. Should such negotiations fail to produce a satisfactory resolution the Parties shall proceed to mediation, using a mutually agreeable mediator. Each Party shall be responsible for its own costs and fees and agree to share equally in the cost of the mediator.

J. Venue. In the event that either Party deems it necessary to institute legal action or proceedings to enforce any right or obligation under this Agreement, the Parties agree that any such action or proceedings shall be brought exclusively before the Snohomish County Superior Court. Further, the Parties agree that each shall be solely responsible for payment of its own attorney's fees, witness fees, and costs.

K. Attorney's Fees and Costs. The prevailing party in any action brought to enforce any obligations under this Agreement shall be entitled to recover from the non-prevailing party or parties an amount equal to the reasonable attorney's fees and costs incurred by the prevailing party, including without limitation any costs incurred on appeal or in any bankruptcy proceeding.

L. Severability. If any provision of this Agreement is unenforceable to any extent, the remainder of this Agreement, or the application of that provision to any persons or circumstances other than those as to which it is held unenforceable, will not be affected by that unenforceability and will be enforceable to the fullest extent permitted by law.

M. Notice. For a notice under this Agreement to be valid, it must be in writing and the sending party must use one of the following methods of delivery: (i) personal delivery to the address stated below; (ii) first class postage prepaid U.S. Mail to the address stated in Section 2.A above; or (iii) nationally recognized courier to the address stated below, with all fees prepaid.

N. Compliance with the Washington State Public Records Act. The parties acknowledge they are subject to the Public Records Act, chapter 42.56 RCW. Both parties shall cooperate with each other so that each may comply with all of its obligations under the Public Records Act.

O. Recording of this Agreement. This Agreement shall be recorded or otherwise made available to the public in accordance with RCW 39.34.040.

P. Complete Agreement. Except for the 91st Ave Use Permit, this Agreement constitutes the entire agreement of the parties relating to the subject matter of this Agreement. This Agreement supersedes and replaces all other written or oral agreements thereto.

Q. Waiver. No waiver of satisfaction of any condition or nonperformance of an obligation under this Agreement will be effective unless it is in writing and signed by the party granting the waiver, and no such waiver will constitute a waiver of satisfaction of any other condition or nonperformance of any other obligation.

R. No Third-Party Beneficiaries. The provisions of this Agreement are for the sole benefit of the parties to this Agreement. No other persons have any rights or remedies under this Agreement.

S. No Separate Entity Necessary. The parties agree that no separate legal or administrative entities are necessary to carry out this Agreement.

T. City of Everett Rights in the Water Corridor. This Agreement is solely for the 91st Ave Project. Everett reserves all its rights relating to its transmission line corridor, including without limitation those rights pursuant to easements granted to Everett and rights pursuant to the State Environmental Policy Act and any other applicable law.

[SIGNATURES ON FOLLOWING PAGE]

Dated as of the reference date set forth above:

CITY OF EVERETT

By: _____
Cassie Franklin, Mayor

Date: _____

APPROVED AS TO FORM:

City Attorney
Date: _____

ATTEST:

City Clerk
Date: _____

CITY OF LAKE STEVENS

By: _____
John Spencer, Mayor

Date: _____

APPROVED AS TO FORM:

City Attorney
Date: _____

ATTEST:

City Clerk
Date: _____

EXHIBIT A

91ST AVE PROJECT

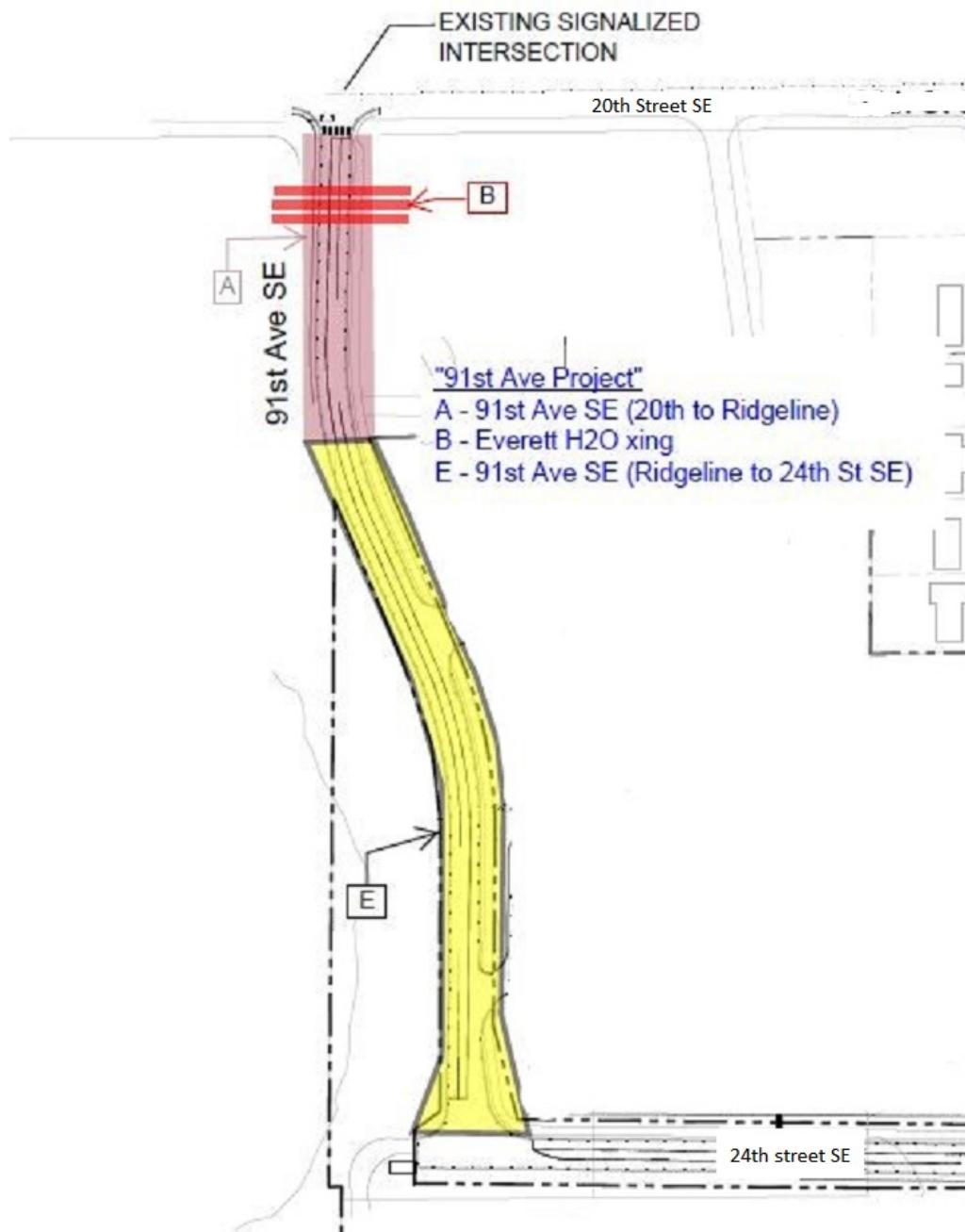
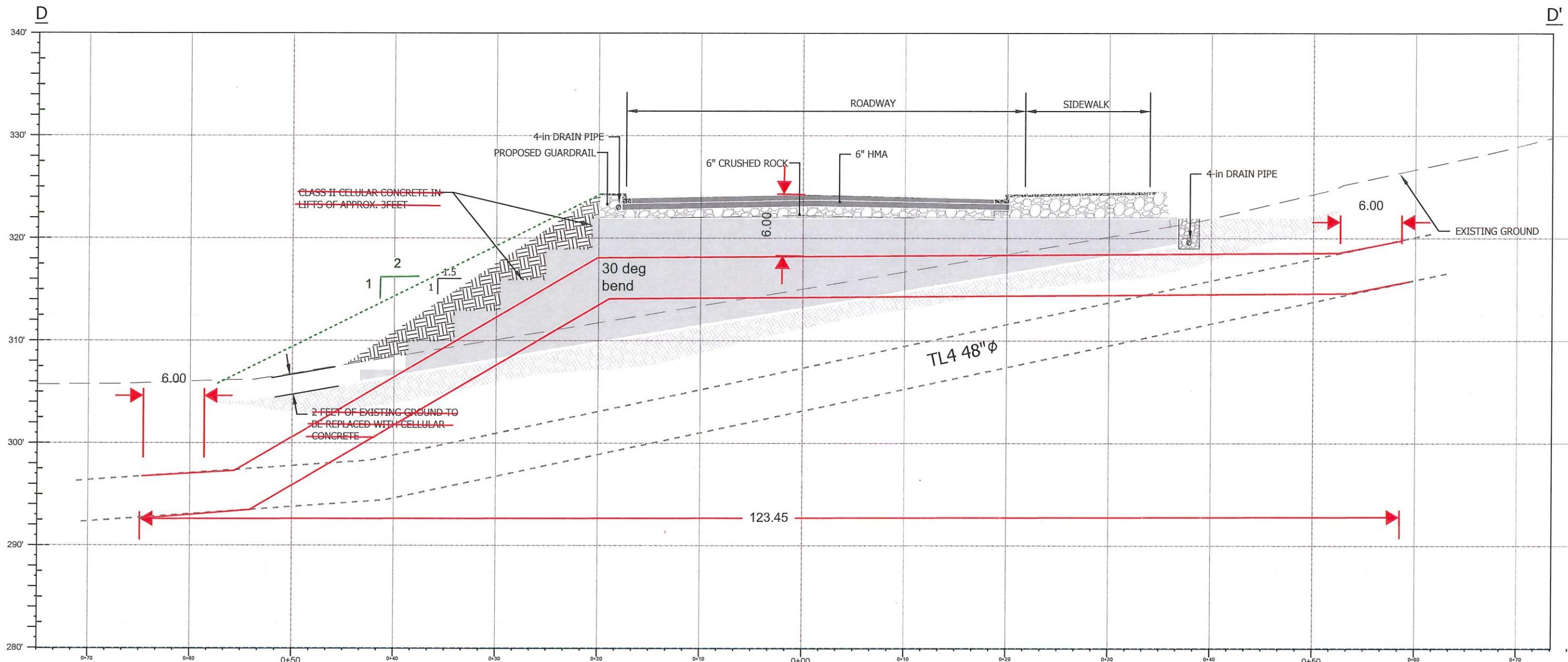


EXHIBIT B



* NOTE: LAKE STEVENS UTILITIES CROSSINGS WILL BE LOCATED BELOW TRANSMISSION LINE. MINIMUM SEPARATION SHALL BE 18".

GENERAL NOTES:

1. PROPOSED CONCEPTUAL CROSS-SECTION (ACTUAL GEOMETRY MAY VARY BASED ON CONTRACTOR MEANS AND METHODS).
2. LOCATIONS AND DEPTHS OF PIPELINES ARE INFERRED FROM POTHOLING INFORMATION.
3. 4-INCH DIAMETER, SCHEDULE 40, PERFORATED, PLASTIC DRAIN. THE SUB-DRAIN PIPE DISCHARGE SHOULD BE TIGHT LINED TO A SUITABLE OUTLET TO THE SOUTH.

SCALE 10V:10H



HWAGEOSCIENCES INC.

24TH STREET SE AND 91ST AVENUE SE
EXTENSION PROJECT
91ST AVENUE CROSSING
LAKE STEVENS, WASHINGTON

SECTION D-D'
CONCEPTUAL CELLULAR
CONCRETE FILL DETAIL

FIGURE NO.	4C
DRAWN BY: BFM	
CHECK BY: DS	
PROJECT NO.	2017-039-21
DATE	04.02.2018
TASK	100-1400

EXHIBIT C

Cost Sharing - Replacement and Relocation of Everett Transmission Lines
Due to Extension of 91st Ave SE by Lake Stevens

	TL2	TL3	TL4	Total
<i>Background Data:</i>				
Capital Cost Estimate (2020 dollars)	\$ 302,000	\$ 302,000	\$ 302,000	\$ 906,000
Pipe Material	Concrete	Steel	Concrete	
Date of Original Construction	1993	1936	1960	
Age in 2020 (Yrs)	27	84	60	
<i>Tentative agreement: share cost based on remaining life of transmission lines (TLs).</i>				
Everett Analysis of Cost Share:				
Assumed Total Useful Life (Yrs)	100	100	100	
Remaining Useful Life (Yrs)	73	16	40	
Everett Cost Share:				
Present Value of Construction	\$ 302,000	\$ 302,000	\$ 302,000	\$ 906,000
Remaining Useful Life	73	16	40	
Present Value - Everett Cost Share	\$ 81,540	\$ 253,680	\$ 181,200	\$ 516,420
Everett % of Total	27%	84%	60%	57%
Present Value - Lake Stevens Cost Share	\$ 220,460	\$ 48,320	\$ 120,800	\$ 389,580
Lake Stevens % of Total	73%	16%	40%	43%
Reconciliation	\$ 302,000	\$ 302,000	\$ 302,000	\$ 906,000

EXHIBIT D
Application for
WATER TRANSMISSION LINE
RIGHT-OF-WAY USE PERMIT

Date _____

Owner	Mailing Address	City	Zip	Phone
-------	-----------------	------	-----	-------

Applicant	Mailing Address	City	Zip	Phone
-----------	-----------------	------	-----	-------

Description of Work _____

Project address or approximate location _____

ATTACH:

- 1 copy of plans for proposed work
- Show property lines
- Outline and dimension all existing and proposed structures and roadways/drives in the Right-of-Ways
- Show existing utilities in the Right-of-Way
- Show any proposed grade changes in the Right-of-Way

DO NOT WRITE BELOW THIS LINE

PERMIT CONDITIONS: _____

ACKNOWLEDGMENT OF CONDITIONS

The undersigned owner/applicant hereby agrees to hold and save harmless the City of Everett from any and all claims for damages, costs, expenses, or causes of action that may arise because of installation and maintenance of the improvement or other right-of-way use hereto applied for and further agrees to remove same upon notice from the City and to replace public property damaged thereby.

Approved for Construction	Date
Final Inspection	Date

Signature of Property Owner

WORK AUTHORIZED BY THIS PERMIT MUST BE STARTED WITHIN 180 DAYS OF DATE PERMIT IS ISSUED AND THEREAFTER IS TO BE DILIGENTLY PURSUED TO COMPLETION. THIS PERMIT MAY BE CANCELED BY THE CITY UPON ANY STOPPAGE OF WORK ON THIS PROJECT OVER 90 DAYS DURATION.



PUBLIC WORKS DEPARTMENT
3200 Cedar Street
Everett WA 98201
Phone: (425) 257-8827



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LAKE STEVENS CITY COUNCIL
STAFF REPORT

Council Agenda Date: December 10, 2019

Subject: North Cove Park – PUD Distribution Easement

Contact	Aaron Halverson	Budget	
Person/Department:	<u>Public Works</u>	Impact:	<u>None</u>

RECOMMENDATION(S)/ACTION REQUESTED OF COUNCIL: Authorize the Mayor to sign the attached Distribution Easement granting Snohomish County Public Utility District (PUD) an easement to locate and maintain a transformer in North Cove Park. The transformer will provide power to the City's Pavilion building that is currently under construction.

SUMMARY/BACKGROUND: PUD needs to relocate a transformer from the southwest corner of North Cove Park plaza to the southeast corner of the plaza (closer to Main Street) to serve the City's new Pavilion building. The attached distribution easement provides PUD the property rights necessary to locate and maintain the transformer.

APPLICABLE CITY POLICIES: N/A

BUDGET IMPACT: None

ATTACHMENTS:

- Exhibit A: PUD Distribution Easement



Energizing Life in Our Communities

November 26, 2019

City of Lake Stevens
Attn: Ty Eshelman
PO Box 257
Lake Stevens, WA 98258

RE: 1820 Main Street, Lake Stevens

Dear Mr. Eshelman,

Enclosed is a standard easement form which grants permission to Snohomish County PUD No. 1 for installation and maintenance of the electrical facilities on the property referenced above.

Please sign the easement in the presence of a notary, keep a copy for your records and return the original to:

**ATTN: Real Estate (O-1) JJS
Snohomish County PUD
PO Box 1107
Everett, WA 98206-9989**

Please also include documentation such as Articles of Incorporation that verifies the individual granting the easement has the authorization to do so on behalf of the City of Lake Stevens.

Unfortunately, we are not able to accept scanned/mailed copies of the signed easements. In order to process your easement and record it with Snohomish County, we will need the signed and notarized original documents mailed back to us.

If you have any further questions, please contact me at (425) 783-4339.

Sincerely,

Jennifer Southard
Real Estate Services
Enclosures

AFTER RECORDING, PLEASE RETURN TO:

Public Utility District No. 1 of Snohomish County
Attn: Jennifer Southard
Agent IV, Real Estate Services
P.O. Box 1107
Everett, Washington 98206-1107

E-
WO#100051599 N# 10000090814

DISTRIBUTION EASEMENT

Grantor ("Owner"): City of Lake Stevens, a Washington municipal corporation
Grantee: Public Utility District No. 1 of Snohomish County
Short Legal Description: Ptn. of NW 1/4, SE 1/4, Sec. 08, Twp. 29, R. 6
Tax Parcel No: 00553800002500

THIS DISTRIBUTION EASEMENT ("Easement") is made this _____ day of _____ 2019, by and between City of Lake Stevens, a Washington municipal corporation ("Owner"), and Public Utility District No. 1 of Snohomish County, a Washington State municipal corporation ("District"). The Owner, and District are sometimes referred to individually herein as "Party" and collectively as "Parties". The District is referred to as "Grantee".

WHEREAS, Owner is the owner of certain lands and premises situated in the County of Snohomish, State of Washington, legally described as follows (hereinafter "Property"):

LOTS 25 THROUGH 27, RENAS ADDITION TO LAKE STEVENS, BEING A PORTION OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER, SECTION 08, TOWNSHIP 29, RANGE 6 EAST, W.M. LESS ROAD.

Situate in the County of SNOHOMISH, State of Washington

WHEREAS, the Grantee is desirous of acquiring certain rights and privileges across, over, under, upon and through the Property.

NOW, THEREFORE, the Parties agree as follows:

1. Distribution Easement. Owner, for good and valuable consideration, receipt of which is hereby acknowledged, hereby conveys and grants to Grantee, its agents, contractors, successors and assigns, a non-exclusive easement for the perpetual right, privilege, and authority to patrol, construct, erect, reconstruct, alter, improve, extend, repair, operate, and maintain overhead and/or underground electric distribution lines and facilities, Grantee-owned communication wires and cables, and other necessary or convenient appurtenances, across, over, under, through and upon the following portion of Owner's Property (hereinafter "Easement Area"):

THE SOUTH TEN FEET (10') OF THE EAST TEN FEET (10') OF THE ABOVE DESCRIBED REAL PROPERTY.

2. Access To and Across Property. Grantee has the right of ingress to and egress from the Easement Area across the adjacent Property of Owner where same is reasonably necessary for the purpose of exercising its easement rights described in Section 1.

3. Owner's Reservation of Rights and Use of Easement Area. Owner reserves the right to use the Easement Area in a manner that does not interfere with the Grantee's use of the Easement Area, and/or present a hazard to Grantee's electric distribution lines and facilities, communication wires and cables, and other appurtenances. The Owner shall not construct or permit to be constructed any structures of any kind in the Easement Area without prior approval of the Grantee.

4. Clearing of Power Line Right of Way. Grantee has the right at all times to clear said Easement Area and keep the same clear of all brush, debris and trees.

5. Trimming or Removal of Hazardous/Danger Trees. Grantee has the right at all times to cut, slash, or trim and remove brush, timber or trees from the Property which in the opinion of Grantee constitute a hazard to said lines and facilities, communication wires and cables, and other appurtenances or the Grantee's access thereto. Trees, brush or other growth shall be deemed hazardous to the lines or facilities or access of the Grantee when they are of such a height that they could, upon falling, strike the nearest edge of the Easement Area at a height of more than fifteen feet (15'). Except in emergencies, Grantee shall, prior to the exercise of such right, identify such trees and make a reasonable effort to give Owner prior notice that such trees will be trimmed or removed.

6. Title to Removed Trees, Vegetation and Structures. The title to all brush, debris, trees and structures removed from the Easement Area and the Property pursuant to Sections 4 and 5 shall be vested in the Grantee, and the consideration paid for this Easement and rights herein described is accepted by Owner as full compensation for said removed brush, debris, trees and structures. Owner shall be entitled to request fallen timber be set aside for Owner's personal use. Grantee shall make reasonable effort to set aside said fallen timber provided doing the same is safe in Grantee's sole opinion. Title to any fallen timber set aside in this manner shall revert to the Owner.

7. Restoration Provision. To the extent that Owner's Property is disturbed and/or damaged by Grantee's exercise of its rights hereunder, Grantee shall restore the condition of the Property as nearly as reasonably possible to its existing condition prior to said exercise of its rights.

8. Title to Property. The Owner represents and warrants having the lawful right and power to sell and convey this Easement to Grantee.

9. Binding Effect. This Easement and the rights and obligations under this Easement are intended to and shall run with the Property and shall benefit and bind the Parties and their respective heirs, successors and assigns.

10. Governing Law and Venue. This Easement shall be governed by and construed in accordance with the laws of the State of Washington. The venue for any action to enforce or interpret this Easement shall lie in the Superior Court of Washington for Snohomish County, Washington.

11. Authority. Each party signing this Easement, if on behalf of an entity, represents that they have full authority to sign this Easement on behalf of such entity.

12. Grantee Acceptance. By recording this Easement, Grantee hereby accepts all provisions set forth under this agreement.

IN WITNESS WHEREOF, this instrument has been executed the day and year first above written

OWNER(S):
City of Lake Stevens

By: _____

Its: _____

(REPRESENTATIVE ACKNOWLEDGMENT)

State of Washington

County of _____

I certify that I know or have satisfactory evidence that _____
signed this instrument, on oath stated that (he/she/they) (was/were) authorized to execute the instrument and
acknowledged it as the _____ of City of Lake Stevens to be the free
and voluntary act for the uses and purposes mentioned in the instrument.

Given under my hand and official seal this _____ day of _____, 201_____.

(Seal or Stamp)

Signature of
Notary Public _____
Print Name: _____
Residing at: _____

My appointment expires _____