



GRANITE FALLS WASHINGTON

GATEWAY TO THE MOUNTAIN LOOP

City of Granite Falls
215 S. Granite Avenue / P.O. Box 1440
Granite Falls, Washington 98252

P 360/691-6441
F 360/691-6734
www.ci.granite-falls.wa.us

DIAL-IN CONTACT PHONE NUMBER: (US) +1(253) 215-8782/MEETING ID: 838 0435 8306

The Granite Falls City Council will hold an in-person meeting in the Civic Center at 7:00 PM on September 6, 2023. Please use the phone number above for joining the meeting by telephone. You can also join by computer by clicking the Zoom meeting link: <https://us06web.zoom.us/j/83804358306>. Comments are encouraged any may be e-mailed to the city clerk in advance of the meeting, given in person, by telephone or computer connection.

CITY COUNCIL MEETING

SEPTEMBER 6, 2023

7:00 PM

AGENDA

1. **CALL TO ORDER**
2. **FLAG SALUTE**
3. **ROLL CALL**
4. **CONSENT AGENDA**
 - A. **AB 085-2023 Approval of August 2, 2023 Minutes**
 - B. **AB 086-2023 Approval of August 9, 2023 Minutes**
 - C. **AB 087-2023 Approval of August 16, 2023 Minutes**
 - D. **AB 088-2023 Approval of August 17, 2023 through September 6, 2023 claims checks #413618 through 413669 totaling \$699,376.89**
 - E. **AB 089-2023 Approval of August 1, 2023 through August 15, 2023 payroll claims checks consisting of nineteen EFT's totaling \$66,940.95**
5. **STAFF REPORTS**
6. **PUBLIC COMMENTS/RECOGNITION OF VISITORS-NON ACTION ITEMS**
(Speakers must sign up prior to the meeting. Individual comments will be limited to three minutes. Group comments shall be limited to five minutes.)
7. **NEW BUSINESS**
 - A. **AB 090-2023 Preliminary 2024 Budget Review**
 - B. **AB 091-2023 Consideration of Approving Resolution 2023-09 A Resolution of the City of Granite Falls, Washington, Authorizing Membership in the Association of Washington Cities (AWC) Risk Management Service Agency (RMSA)**

- C. AB 092-2023 Consideration of Adopting Ordinance No. 1042-2023 Deferral of Water and Sewer Connection charges for Nonresidential construction
- D. AB 093-2023 Consideration of approving Resolution 2023-10: A Resolution of the City of Granite Falls, Washington , for Authorizing signature of Washington Recreation and Conservation Office Local Parks Maintenance grant fund application for Acquisition of Equipment to Support Trail Deferred Maintenance in the amount of \$100,000
- E. AB 094-2023 Consideration to Approve the Snohomish County Housing and Community Development Urban County Consortium Interlocal Cooperation Agreement Amendment #2

- 8. CURRENT BUSINESS
- 9. MAYOR'S COMMENTS (5 minutes)
- 10. COUNCIL COMMENTS (15 minutes)
- 11. CITY MANAGER (5 minutes)
- 12. ADJOURNMENT

The City of Granite Falls strives to provide access and services to all members of the public.

**Notice - All proceedings of this meeting are sound recorded
Except Executive Sessions.**



Agenda Bill # 085-2023

CITY COUNCIL AGENDA BILL

Subject:

AB 085-2023 Approval of August 2, 2023 Minutes

Meeting Date: Wednesday, September 6, 2023

Date Submitted: August 2, 2023

Originating Department: City Clerk

Action Required:

Approval of consent agenda

Clearances:

☐ Mayor

☐ Police

☐ Public Works

☐ Attorney

Exhibits:

[08/02/2023 City Council Minutes](#)

☐ Engineering

☐ Planning

☐ Other: _____

Budgeted Amount:

Summary Statement:

The city council minutes are the official action taken and direction given at the meetings of the city council. Any councilmember may remove items from the consent agenda for discussion and the items would be voted on separately from the other consent agenda items.

Background:

Recommended Motion:

- 1) Motion to approve the minutes as shown. This can be accomplished as part of the motion to approve the consent agenda.
- 2) Motion to amend the [state date] minutes and approve the minutes as amended.



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CITY COUNCIL MEETING MINUTES AUGUST 2, 2023 7:00 PM

1. CALL TO ORDER (Via In-Person & Online Via Zoom)

Mayor Hartman called the City Council Meeting to order at 7:00 PM.

2. FLAG SALUTE

Mayor Hartman led the Council, Staff and Audience in the Pledge of Allegiance to the Flag.

3. ROLL CALL

City Council

Mayor Matthew Hartman	Present
Steven Glenn	Present
Tom FitzGerald	Present
Erin Hogan	Present
David Griggs	Present

City Staff

City Clerk Darla Reese
City Manager Brent Kirk
Community Dev. Director Eric Jensen

Consultants

Thomas Graafstra – Thompson, Guildner & Assoc.
Police Chief Tom Dalton – S.C.S.O.

4. CONSENT AGENDA

- A. AB 074-2023 Approval of July 5, 2023 Minutes
- B. AB 075-2023 Approval of July 20, 2023 through August 2, 2023 claims checks #413548 through #413576 totaling \$91,717.94
- C. AB 076-2023 Approval of July 1, 2023 through July 15, 2023 payroll claims consisting of Eighteen EFTs totaling \$62,534.07

Councilmember Hogan moved to approve the Consent Agenda. Councilmember Glenn seconded. Motion carried.

5. STAFF REPORTS

Community Dev. Director Jensen gave the following updates:

- Code Updates - Title 19 Unified Development Regulations
- National Night Out = Community Survey Response
- Show N' Shine = Community Survey
- Grant Funding for Recreation Funds – Deferred Maintenance Park Grant

Consultant Police Chief Dalton reported on the following items:

- National Night Out
 - Sheriff Fortney apologized for not being able to make it due to the fire in Marysville
- Motorcyclist arrest in Pinnacle Ridge
- Alpine speeding data results

City Manager Kirk gave a Public Works update including:

Miscellaneous

- Snohomish County DPW (Kelly Snyder) response to Bridge #102 letter
- Charles is out on vacation this week

Streets Department

- Alder Avenue Project – surprise lines found
- McDaniels working on relocating stairs and building retaining wall
- Stanley Street Project is currently in review with the Snohomish County Fire Marshal's Office

Other

- Halloween donation letters gone out for candy donations
- Buying fold out benches from Costco to use for festivals/events
- National Night Out = Gave out 550 hot dogs

Senior Center Members LeAnn & Mike gave an update on bingo and mentioned they would have snow cones and breakfast for sale during Show N' Shine.

6. PUBLIC COMMENTS/RECOGNITION OF VISITORS-NON-ACTION ITEMS

There were no public comments submitted for the record. No one online opted to speak during this portion of the meeting.

City Clerk Reese asked to have an Executive Session added to tonight's meeting as new item #12 under 110(1)(i) for potential litigation for 30 minutes with no action to follow.

Mayor Hartman added an Executive Session as item #12, potential litigation, for 30 minutes with no action to follow.

7. NEW BUSINESS

A. AB 077-2023 Consideration of Engineering/Design Contract for Stanley St. Sidewalks

Councilmember FitzGerald moved to approve scope of work and fee proposal contract for engineering design and construction services with Gray and Osborne Inc. for Stanley Street

Sidewalk project for \$97,900.00 and authorize City Manager to sign. Councilmember Hogan seconded. Motion carried.

B. AB 078-2023 Discussion and Potential Award of Contract for Wastewater Treatment Plant Upgrade Project

Bruce Straughn, 110 Anderson Ave.

Mr. Straughn spoke in opposition of awarding this bid tonight.

Councilmember Glenn moved to continue this to a special meeting on August 9, 2023.

Councilmember Griggs seconded. Motion carried.

8. CURRENT BUSINESS

There were no Current Business items for the Agenda.

9. MAYOR'S COMMENTS

Mayor Hartman had no comments.

10. COUNCIL COMMENTS

Councilmember Glenn had no comments.

Councilmember Hogan had no comments.

Councilmember Griggs gave an update on Show N' Shine.

Councilmember FitzGerald will be absent from the meetings of October 11th and 18th. He also discussed how he would like to see the GFC's rates – under a "growth pays for growth" approach.

11. CITY MANAGER

City Manager Kirk discussed how hard he has worked to try and get state dollars to help with the Wastewater Treatment Plant.

12. EXECUTIVE SESSION

8:17 PM –

Councilmember Hogan moved to recess to Executive Session under 110(1)(i), potential litigation, for 30 minutes starting at 8:17 PM and ending at 8:47 PM with no action to follow. Councilmember Glenn seconded. Motion carried.

8:47 PM –

City Clerk Reese went to the Council room doors, opened them, and voiced that Executive Session had ended. All in the lobby and online were welcome to rejoin the meeting at this time.

The meeting returned to regular session.

13. ADJOURNMENT

Mayor Hartman adjourned the meeting.

City Clerk Darla Reese, MMC

Mayor Matthew Hartman



Agenda Bill # 086-2023

CITY COUNCIL AGENDA BILL

Subject:

AB 086-2023 Approval of August 9, 2023 Minutes

Meeting Date: Wednesday, September 6, 2023

Date Submitted: August 9, 2023

Originating Department: City Clerk

Action Required:

Approval of consent agenda

Clearances:

☐ Mayor

☐ Police

☐ Public Works

☐ Attorney

Exhibits:

[08/09/2023 City Council Special Meeting Minutes](#)

☐ Engineering

☐ Planning

☐ Other: _____

Budgeted Amount:

Summary Statement:

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Background:

Recommended Motion:

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CITY COUNCIL SPECIAL MEETING MINUTES AUGUST 9, 2023 7:00 PM

1. CALL TO ORDER (Online and In-Person)

Mayor Hartman called the City Council Meeting to order at 7:00 PM.

2. ROLL CALL

City Council

Mayor Matthew Hartman	Present
Steven Glenn	Present
Erin Hogan	Present
Tom FitzGerald	Present
David Griggs	Present

City Staff

City Clerk Darla Reese
City Manager Brent Kirk
Community Dev. Director Eric Jensen

Consultants

Thomas Graafstra – Thompson, Guildner & Assoc.
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3. NEW BUSINESS

A. Action Item – Possible Acceptance of Bid, Rejection of all Bids, after Continued Discussion of Options related to the Wastewater Treatment Plant Upgrade

Councilmember FitzGerald moved to reject all bids received by the Wastewater Treatment Plant Upgrade and to direct staff to change the bidder qualification minimum requirements, to change the scope of work for project savings and to re-open the bidding to new bids and repost the bids for the project on the Wastewater Treatment Plant Upgrade for 2023. Councilmember Hogan seconded. Motion carried.

4. CURRENT BUSINESS

There were no Current Business items on the Agenda.

5. ADJOURNMENT

Mayor Hartman adjourned the meeting.

City Clerk Darla Reese, MMC

Mayor Matthew Hartman



Agenda Bill # 087-2023

CITY COUNCIL AGENDA BILL

Subject:

AB 087-2023 Approval of August 16, 2023 Minutes

Meeting Date: Wednesday, September 6, 2023

Date Submitted: August 16, 2023

Originating Department: City Clerk

Action Required:

Approval of consent agenda

Clearances:

☐ Mayor

☐ Police

☐ Public Works

☐ Attorney

Exhibits:

[August 16, 2023 Minutes](#)

☐ Engineering

☐ Planning

☐ Other: _____

Budgeted Amount:

Summary Statement:

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Background:

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CITY COUNCIL MEETING MINUTES AUGUST 16, 2023 7:00 PM

1. CALL TO ORDER (Via In-Person & Online Via Zoom)

Mayor Pro Tem Glenn called the City Council Meeting to order at 7:00 PM.

2. FLAG SALUTE

Mayor Pro Tem Glenn led the Council, Staff and Audience in the Pledge of Allegiance to the Flag.

3. ROLL CALL

City Council

Mayor Matthew Hartman	Absent
Steven Glenn	Present
Tom FitzGerald	Present
Erin Hogan	Present
David Griggs	Present

City Staff

City Clerk Darla Reese
City Manager Brent Kirk
Community Dev. Director Eric Jensen

Consultants

Thomas Graafstra – Thompson, Guildner & Assoc.
Police Chief Tom Dalton – S.C.S.O.

Councilmember Hogan moved to excuse Mayor Hartman due to medical issues. Councilmember FitzGerald seconded. Motion carried.

4. CONSENT AGENDA

- A. AB 079-2023 Approval of August 3, 2023 through August 16, 2023 claims checks #413577 through #413616 totaling \$151,446.78
- B. AB 080-2023 Approval of July 16, 2023 through July 31, 2023 payroll claims check #27526 through #27529 and Twenty-Four EFT's totaling \$117,553.94

Mayor Pro Tem Glenn added the July 19, 2023 Minutes to the Consent Agenda for approval.

City Clerk Reese mentioned a change in the claims. Checks #413577 through #413617 now includes a check to Snohomish County Public Works for the Stanley/Jordan signal in the amount of \$478.66. This brings the new claims total to \$151,925.44.

Councilmember Griggs moved to approve the Consent Agenda with the changes outlined by City Clerk Reese. Councilmember Hogan seconded. Motion carried.

Councilmember FitzGerald moved to strike Agenda item 8A from tonight's Agenda. Councilmember Griggs seconded. Motion carried.

5. STAFF REPORTS

Consultant Police Chief Dalton reported on the following items:

- E. Alpine violations (speeders)
- Citations issued within City limits and on the Mt. Loop Hwy. over the weekend
- Commercial vehicle enforcement in town (citations issued)

Community Dev. Director Jensen gave the following updates:

- Planning Commission Updates
 - Proposed Development Code cleanup amendments
 - Permanent Supportive Housing & Transitional Housing
- Community Survey outreach during Railroad Days
- Joint workshop meeting between City Council & Planning Commission
 - Asked Council to write down three discussion area of focus items for the meeting
 - Tuesday November 14, 2023 Meeting

City Clerk Reese gave an update on recent permits in review and being issued.

City Manager Kirk gave a Public Works update including:

Projects

- Alder Avenue Project
- Galena Street Project
- McDaniels Hardware Project
- 805 Stanley Project
 - Requesting a deferral of mitigation fees
- Old City Hall costs for upgrades
 - Bids for siding
 - Pressure washing
- Wastewater Treatment Plan Rebid Documents

Senior Center Members LeAnn & Mike thanked Deputy Dalton and City Manager Kirk for attending their Show N' Shine breakfast. Thanked Mayor Hartman for his generous donation to the bake sale. They also thanked Deputy City Manager Balentine for his "Ted Williams baseball picture" which helped raise \$75.00 and mentioned overall they are doing good with the bingo funds coming in.

Fred Cruger gave an update on the Granite Falls Museum including unique research requests they have received.

6. PUBLIC COMMENTS/RECOGNITION OF VISITORS-NON-ACTION ITEMS

There were no public comments submitted for the record. No one online opted to speak during this portion of the meeting.

7. NEW BUSINESS

A. AB 081-2023 Consideration of Interlocal Agreement with Snohomish County for Solid Waste Services

Councilmember Griggs moved to approve Interlocal agreement between Snohomish County and the City of Granite Falls regarding Solid Waste Management and authorize City Manager to sign. Councilmember Hogan seconded. Motion carried.

B. AB 082-2023 Consideration of Approval of Resolution 2023-08 – Granite Falls ADA Section 504 Self-Evaluation and Program Access Plan

Councilmember Griggs moved to approve Resolution 2023-08 regarding ADA Section 504 Self-Evaluation and Program Access Plan. Councilmember Hogan seconded. Motion carried.

C. AB 083-2023 Presentation – Tribal Affairs Summary and Coordination under the Washington State Growth Management Act and HB1717 Jax Thaxton - Intern

Mr. Thaxton gave a presentation and discussed the following titled slides with the City Council and members of the audience:

- Reconciling State and Tribal Relations – First Steps
- Legislation Directly Involving Local Jurisdictions
- Surveys of Tribal-County Planning Relations
- Tribal-Local Collaborative Regionalism Principles
- Our Opportunities
- Stillaguamish Watershed
- The Overarching Issue
- References

8. CURRENT BUSINESS

There were no Current Business items for the Agenda.

9. MAYOR'S COMMENTS

Mayor Hartman was absent from meeting.

10. COUNCIL COMMENTS

Councilmember Glenn stated his family attended the Festival of Dragons event at the Library. He also added why he is so grateful for living here.

Councilmember FitzGerald discussed the following items:

- Ribbon cutting for the new High School field/track was this week
- September 8th @ 6:30 pm will be the first home football game
- Misspoke in a previous meeting, correction = Dr. Middleton will be here until June 2024

Councilmember Hogan attended the Festival of Dragons event. She added that she will be out of town on September 6th and will miss that meeting.

Councilmember Griggs mentioned the Show N' Shine event raised approximately \$3,000 for the Granite Falls Boys & Girls Club.

11. CITY MANAGER

City Manager Kirk attended the ribbon cutting for the High School football field with Mayor Hartman and Deputy City Manager Balentine.

12. ADJOURNMENT

Mayor Pro Tem Glenn adjourned the meeting.

City Clerk Darla Reese, MMC

Mayor Matthew Hartman



Agenda Bill # 088-2023

CITY COUNCIL AGENDA BILL

Subject:

AB 088-2023 Approval of August 17, 2023 through September 6, 2023 claims checks #413618 through 413669 totaling \$699,376.89

Meeting Date: Wednesday, September 6, 2023

Date Submitted: September 1, 2023

Originating Department: City Treasurer

Action Required:

Approval of consent agenda

Clearances:

☐ Mayor

☐ Police

☐ Public Works

☐ Attorney

Exhibits:

☐ Engineering

☐ Planning

☒ Other: City Manager & Deputy City Manager

Budgeted Amount:

001 Current Expense = \$29,193.38

101 Streets = \$5,482.75

303 Cif/Streets = \$395,277.65

401 Water = \$12,529.89

402 Cif/Water = \$232,828.42

403 Sewer = \$20,700.34

405 Storm Drainage = \$2,602.69

630 Trust Agency = \$761.77

Summary Statement:

Claims are for August 17, 2023 through September 6, 2023.

Background:**Recommended Motion:**

- 1) Motion to accept the claims as presented. This can be accomplished as part of the motion to approve the consent agenda.
- 2) Motion to amend the claims and approve the [state change] claims as amended.



CITY COUNCIL AGENDA BILL

Subject:

AB 089-2023 Approval of August 1, 2023 through August 15, 2023 payroll claims checks consisting of nineteen EFT's totaling \$66,940.95

Meeting Date: Wednesday, September 6, 2023

Date Submitted: August 11, 2023

Originating Department: City Treasurer

Action Required:

Approval of consent agenda

Clearances:

☐ Mayor

☐ Police

☐ Public Works

☐ Attorney

Exhibits:

☐ Engineering

☐ Planning

☒ Other: City Manager & Deputy City Manager

Budgeted Amount:

001 Current Expense = \$28,092.27

101 Streets = \$6,054.43

401 Water = \$10,116.67

403 Sewer = \$19,861.21

405 Storm Drainage = \$2,816.37

Summary Statement:

Payroll is for August 1, 2023 through August 15, 2023.

Background:

Recommended Motion:

- 1) Motion to accept the payroll claims as presented. This can be accomplished as part of the motion to approve the consent agenda.
- 2) Motion to amend the payroll [state change] and approve the payroll as amended.



GRANITE FALLS WASHINGTON
GATEWAY TO THE MOUNTAIN LOOP

Agenda Bill # NA

CITY COUNCIL AGENDA BILL

Subject:

Staff Report - Passports

Meeting Date: Wednesday, September 6, 2023

Date Submitted: 9-1-2023

Originating Department: City Treasurer

Action Required:

None

Clearances:

☒ Mayor

☒ Police

☒ Public Works

☒ Attorney

Exhibits:

[Passport Services 8-31-2023](#)

☒ Engineering

☒ Planning

☒ Other: Passports

Budgeted Amount:

Summary Statement:

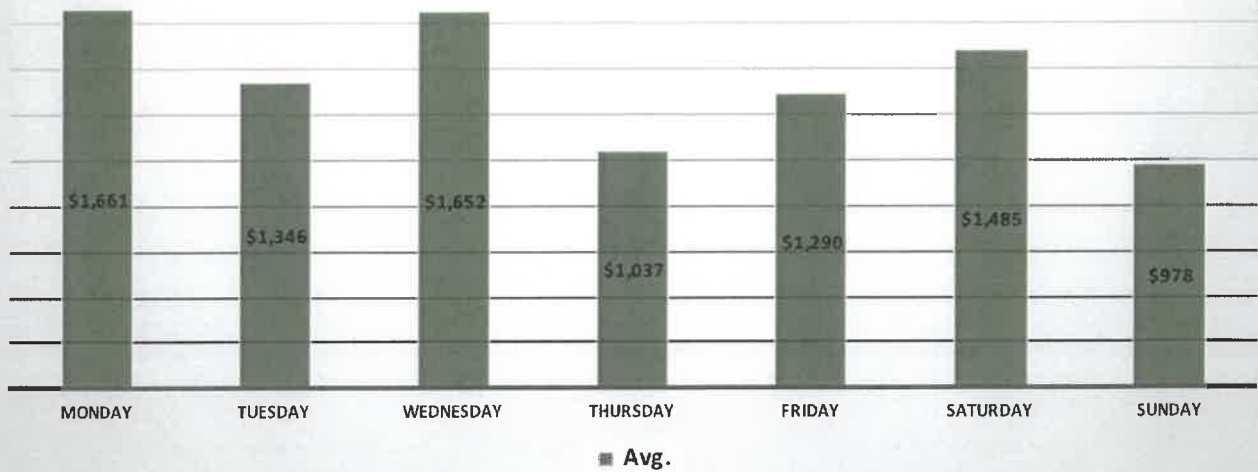
Passport services 8-31-2023

Background:

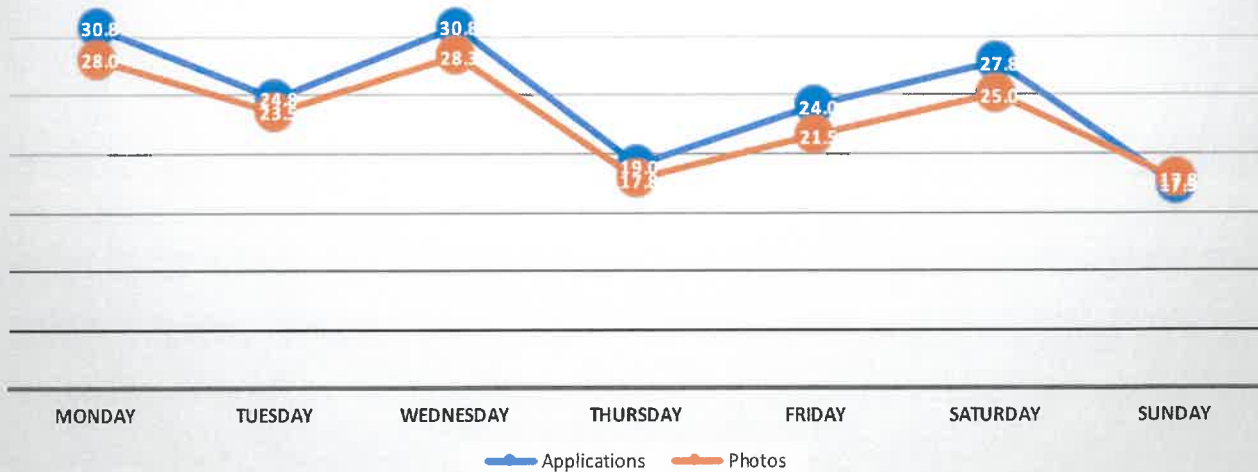
Recommended Motion:

As of Aug 31, 2023

30-day Statistics By Day



30-day Application & Photo Processing By Weekday



	Revenue since 6-6-2022	Revenue YTD 2023	Gross Margin YTD 2023
Total Revenue (since 6-6-2022)	\$ 578,050.21	\$ 394,194.21	\$ 129,354.07
30-day Annualized Revenue Trend	\$ 592,102.41		32.8%
	Gross Margin	% Sales	
Total Gross Margin (since 6-6-2022)	\$ 188,682.92	32.6%	
30-day Annual Projected Gross Margin	\$ 192,751.35	32.6%	
	# Processed	Last 30 day Avg. per day	Break Even
Total Passport Applications Processed	10,989	24.9	21.6
Total Passport Photos Taken	9,394	23.1	18.4



GRANITE FALLS WASHINGTON
GATEWAY TO THE MOUNTAIN LOOP

Agenda Bill # N/A

CITY COUNCIL AGENDA BILL

Subject:

Staff Reports

Meeting Date: Wednesday, September 6, 2023

Date Submitted: September 1, 2023

Originating Department: City Clerk

Action Required:

Clearances:

☐ Mayor

☐ Police

☐ Public Works

☐ Attorney

Exhibits:

[09/06/2023 City Clerk Report](#)

[09/06/2023 Community Development Director Report](#)

☐ Engineering

☒ Planning

☒ Other: City Clerk

Budgeted Amount:

Summary Statement:

Attached, please find staff reports from the city clerk and community development director for your review and information.

Background:

Recommended Motion:

City Clerk Staff Report September 6, 2023

Business Licenses (inside City):

Fridays Pros LLC
220 Raybird Ave.
Accounting

KBJ Welding Inc.
11029 Mountain Loop Hwy. Bldg. Shop
Welding, welding-permanent structure

Salty's Smoked Spuds (Radakovic, Tara)
107 Paradise Parkway
Mobile food vendor

Business Licenses (Outside City):

Petersen Brothers, Inc.
2008 East Valley Hwy. E.
Sumner, WA 98390
Concrete barrier guardrail

Star Roofing & Construction, Inc.
16912-9th Ave. SE
Mill Creek, WA 98012
Commercial roofing-aluminum gutters & downspouts

Avalon Project Inc.
14670 NE 8th St., Ste. 200
Bellevue, WA 98007
Construction

NW 1st Contracting
17301-119th PL NE
Arlington, WA 98223
Remodeling

Trinity Septic Care, LLC
13031 Green Mountain Rd.
Granite Falls, WA 98252
On-site wastewater treatment system inspector

Zenful Indigenous Massage LLC
24520-27th Ave. NE
Arlington, WA 98223
Massage therapist

-Continued-

U.S. Fence and Deck
6131-123rd Ave. SE
Snohomish, WA 98290
Construction estimates, contractor, construction, demolition-construction

BSBC (Blue Sky Behavior Care LLC)
7719 Perregrine PL
Arlington, WA 98223
Behavior health

Richter Plumbing (Richter Jeffrey K)
3028-124th Ave. NE
Lake Stevens, WA 98258
Plumbing-install, Repair, Plumbing Fixtures, Parts and Supplies

Building Permits Issued:

<i>ABCMcDaniel, LLC</i> 407 Jordan Rd. Retail hardware store	<i>Building Permit #2022-071</i>
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<i>Jesus Hernandez</i> 307 Prospect Ave. Single-Family Residence	<i>Building Permit #2023-050</i>
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<i>Robert Gallagher</i> 804 Darwin's Way Residential Gas Hot Water Heater Replacement	<i>Building Permit #2023-052</i>
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<i>Don Olson</i> 201 W. Pilchuck St. Residential Electric Hot Water Heater Replacement	<i>Building Permit #2023-053</i>
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<i>Jason Luker</i> 10502 Spruce Ave. Residential A/C Unit	<i>Building Permit #2023-054</i>
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<i>Stacey Seidman</i> 306 Noble Place Residential Furnace & A/C install	<i>Building Permit #2023-056</i>
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Memo

To: City Council
From: Eric Jensen, Community Development Director
CC: City Manager Brent Kirk
Date: August 31, 2023
Re: **Community Development Report to City Council**

Here is a summary of some recent activity in Community Development:

- Working with the City Manager, a proposed ordinance has been written to amend the code for adjusting the water and sewer connection charges collection process. After previously adjusting the timing for collection of water and sewer general facility charges for residential projects, we have heard from proponents of nonresidential projects seeking the same opportunity to adjust the timing of when to pay these charges later in the construction phase. This proposed ordinance is being presented for Council consideration at this September 6th Council meeting.
- The Washington Recreation and Conservation Office Local Parks Maintenance grant application is now complete and ready for submittal. With Council approval of the proposed resolution to authorize signature, the application can be submitted prior the September 18th deadline.
- Code updates are in progress for RV park and sign code provisions and will be presented to the Planning Commission at upcoming PC meetings.
- The GMA-mandated Racial Disparity Impact analysis work continues and Housing Needs Assessment data points are currently being updated as well.
- Thanks to our due diligence to report errors in County derived data, their planners reissued corrected *Future Land Use Supply* calculations for several cities, including Granite Falls. These numbers support our buildable lands analysis to determine the level of adequate land for residential and employment growth in each jurisdiction. Results of the corrected number for the City

continues to show ample buildable land to meet the expected growth targets and even allow for some additional capacity. This work is now complete.

- Just a reminder that the Community Survey collection remains open until Railroad Days. Staff recently visited various businesses to hand out QR codes and printed copies of the surveys for employees to complete. Next steps will be to directly transmit both to community organizations with the encouragement to participate in completing the survey.

Of note:

- I will be in attendance at the Washington State Planning Director's Conference next week Tues-Friday. Program activity of note at the conference include a legislative update from State and regional agencies as well as a Land Use case law update.
- We received correspondence from WA Commerce with the announcement that the City will receive \$100,000 to complete the mandated Climate Planning update for the Comprehensive Plan. While this particular section of the plan is not due for the City until 2029, the money will be set aside for such time in which we are ready to undertake this additional mandated work.
- For the next Council meeting on the 20th, I hope to take a few minutes to solicit your feedback on what priority issues you wish to discuss with the Planning Commission at the Joint workshop in November. Please think of the one, two or three important topics you wish to explore with the PC as it relates to the 20-year growth of the City.



Agenda Bill # AB 090-2023

CITY COUNCIL AGENDA BILL

Subject:

AB 090-2023 Preliminary 2024 Budget Review

Meeting Date: Wednesday, September 6, 2023

Date Submitted: August 26, 2023

Originating Department: City Treasurer

Action Required:

Discussion Only

Clearances:

☐ Mayor

☐ Police

☐ Public Works

☐ Attorney

Exhibits:

[1st Budget Meeting for 2024](#)

☐ Engineering

☐ Planning

☒ Other: Finance

Budgeted Amount:

All

Summary Statement:

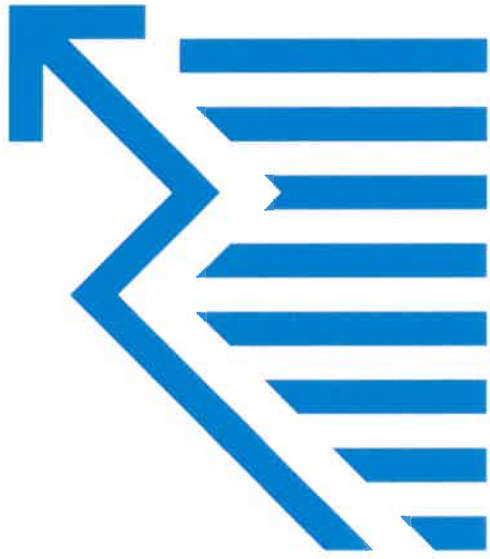
1st 2024 Budget Meeting

Background:

The Council will review the 2024 Budget Schedule, review 2022 actuals, 2023 Budget, and the 2023 - 2027 Trends.

Recommended Motion:

None



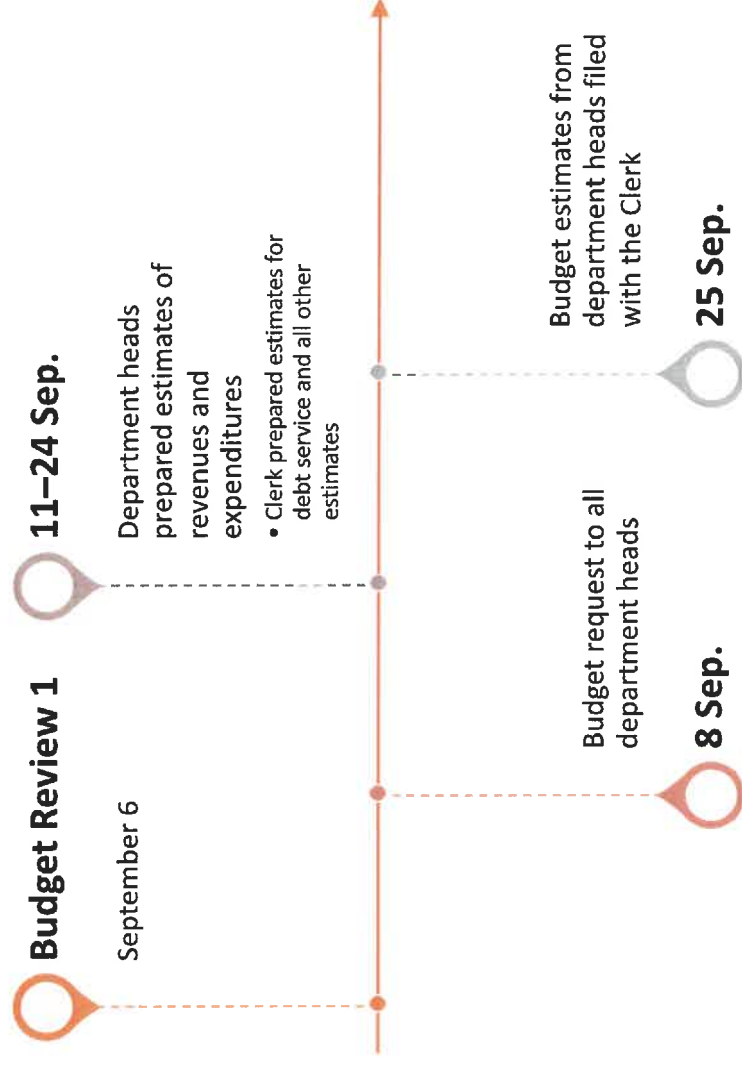
Jeff Balentine
September 6, 2023

2024 Budget Review

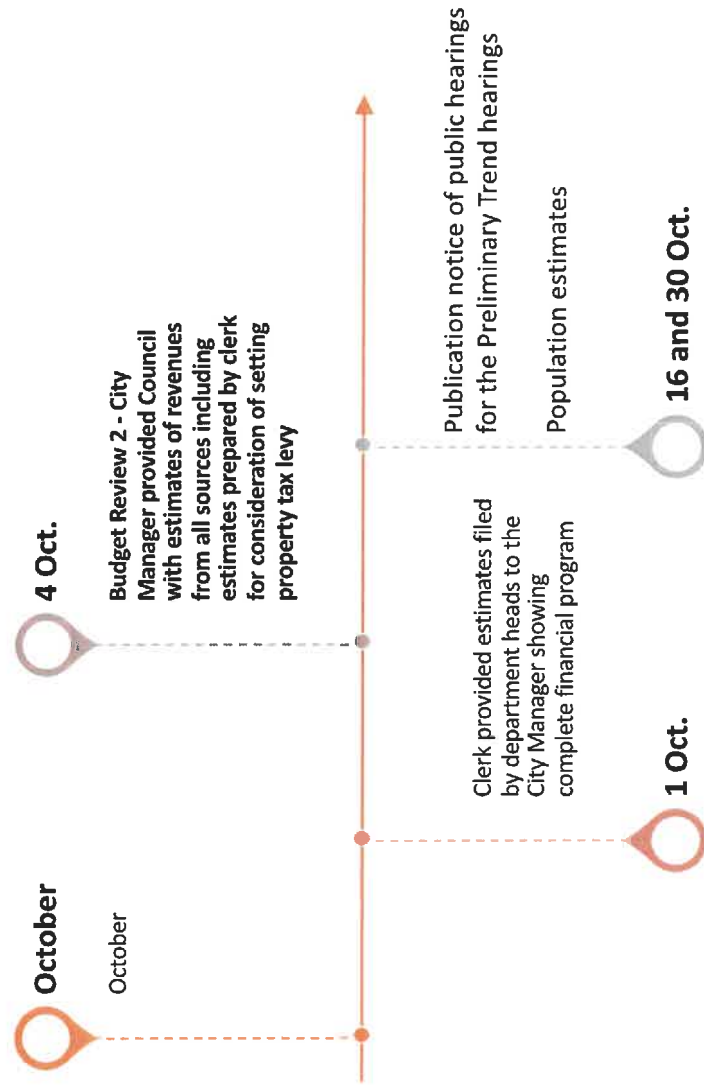
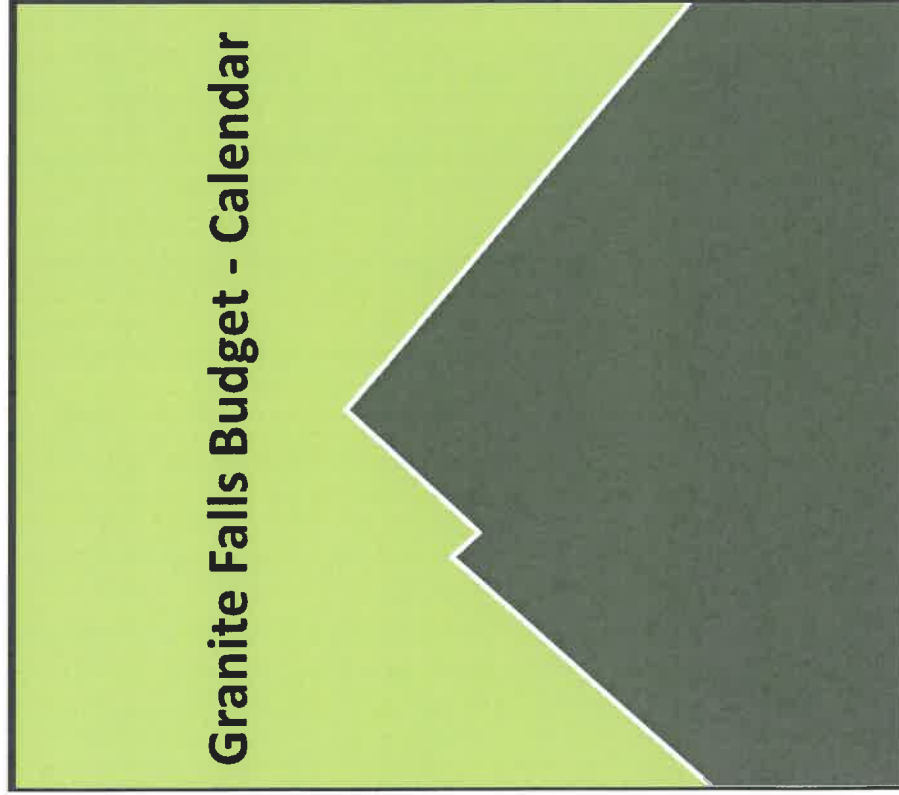
Granite Falls 2024 Budget- Calendar



Granite Falls Budget - Calendar



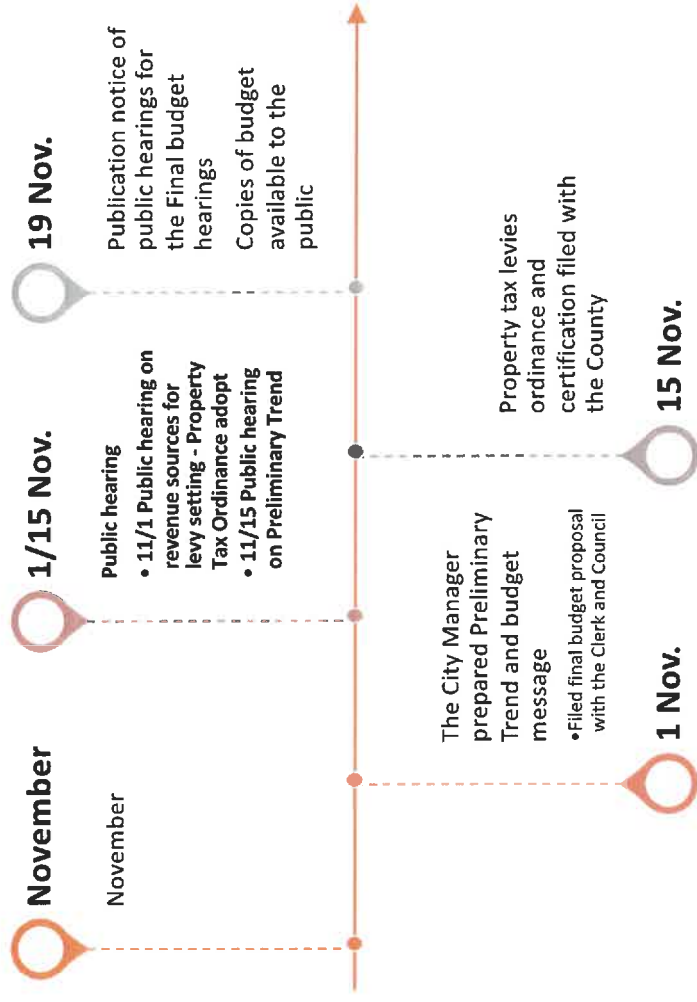
Granite Falls 2024 Budget- Calendar



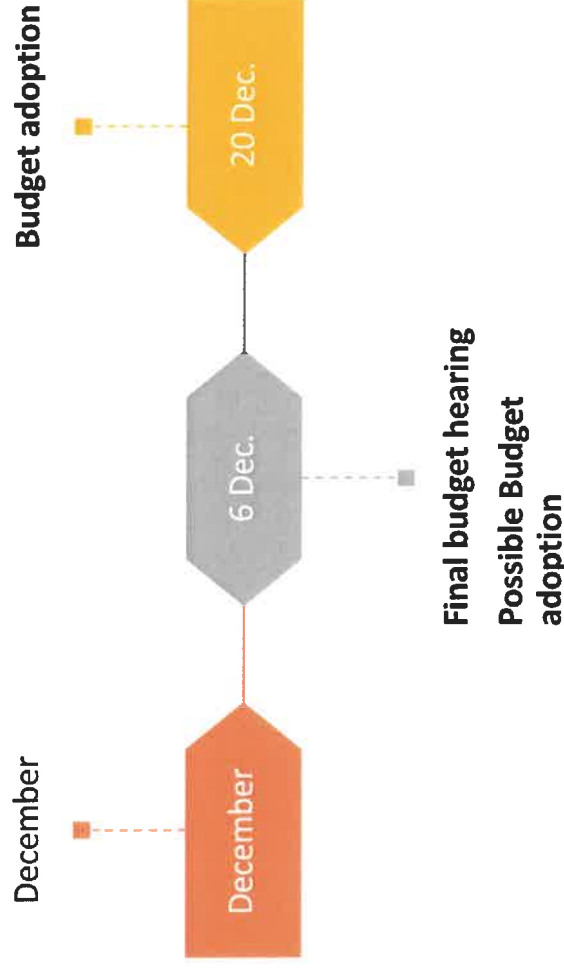
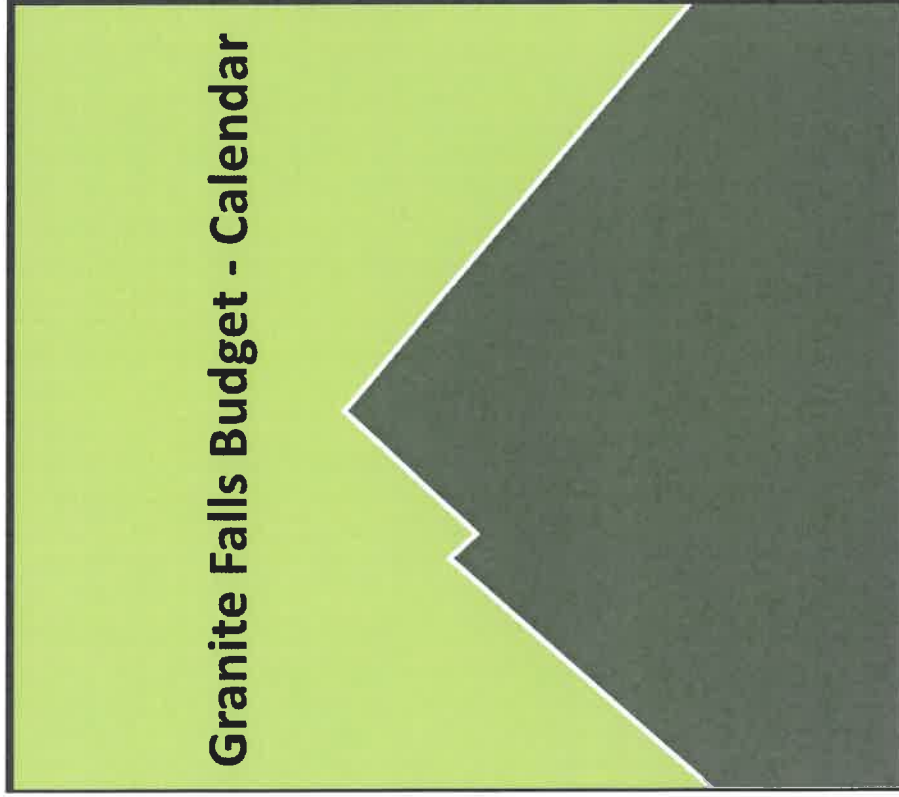
Granite Falls 2024 Budget- Calendar



Granite Falls Budget - Calendar



Granite Falls 2024 Budget- Calendar



Your 2023 Tax Dollar Breakdown – Residence \$556K Valuation

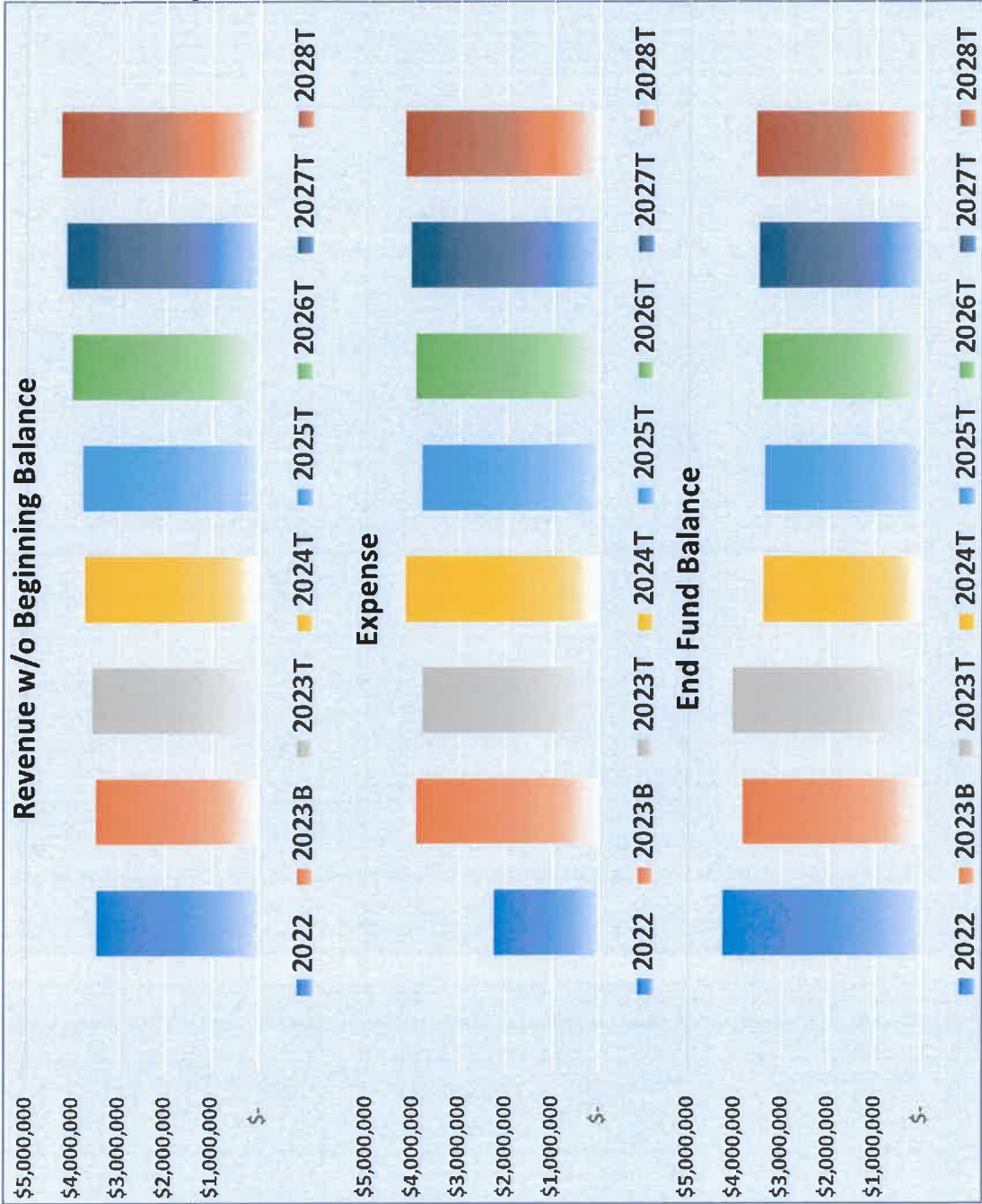
Annual Property Tax ~\$4,452



Granite Falls School District #332	\$0.34	Washington State	\$0.27	Fire District 17	\$0.17	City of Granite Falls	\$0.10	Snohomish County	\$0.06	Sno-Isle Library	\$0.04	Storm
------------------------------------	--------	------------------	--------	------------------	--------	-----------------------	--------	------------------	--------	------------------	--------	-------

Granite Falls
2024 General
Fund
Preliminary
Data

- 2024 – 2028
- 100% Utility Tax Transfer Back to Enterprise Funds
 - Balance of ARPA spent \$498K
 - New SnoCo Law Enforcement ILA +25%

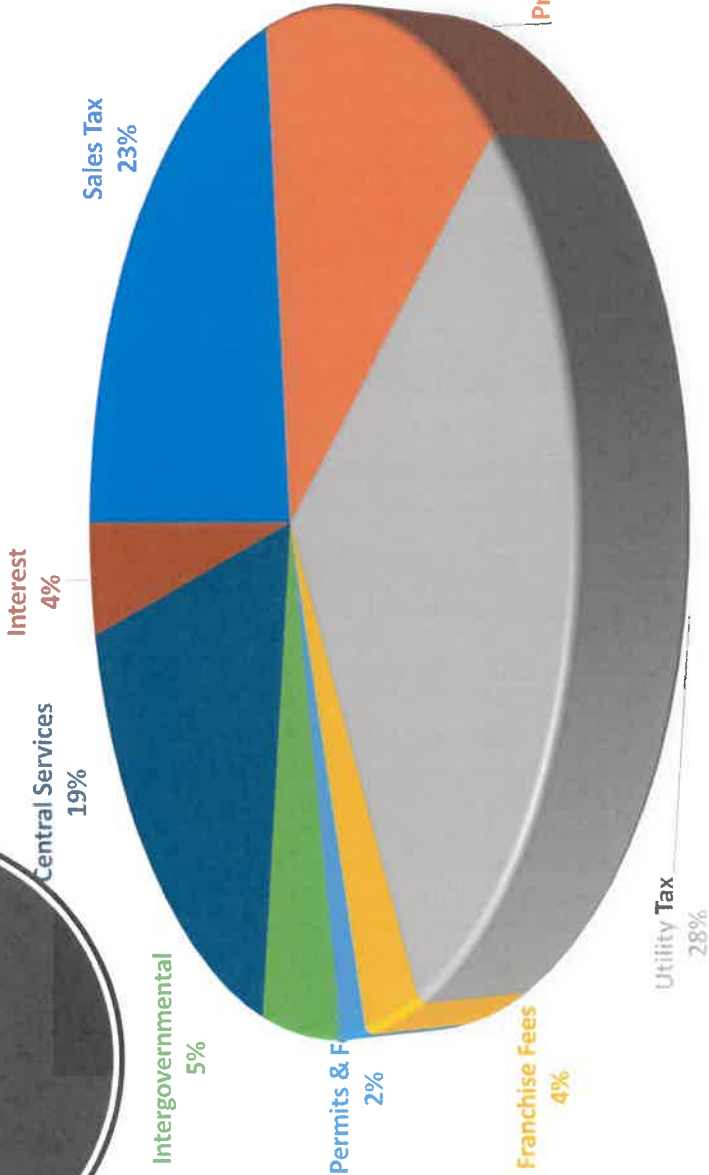


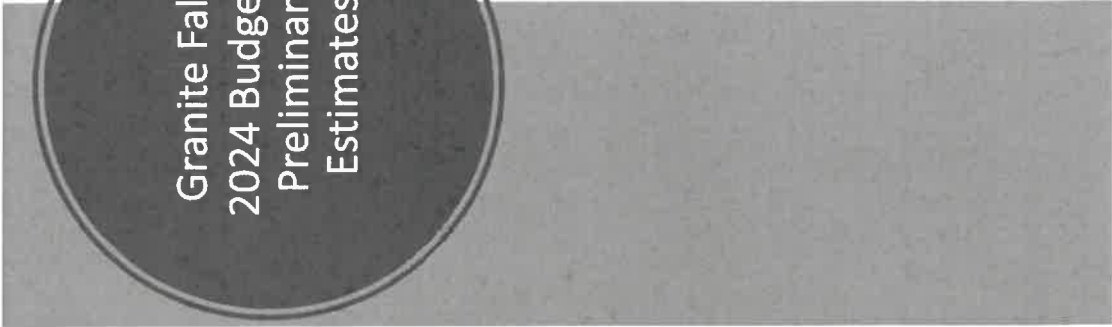


2024 Estimated General Fund Revenues



Category	2024B
Sales Tax	\$ 868,108
Property Tax	\$ 569,044
Utility Tax	\$ 1,050,372
Franchise Fees	\$ 127,139
Permits & Fees	\$ 60,219
Intergovernmental	\$ 197,717
Central Services	\$ 710,145
Interest	\$ 156,227
Total Revenue	\$ 3,738,973



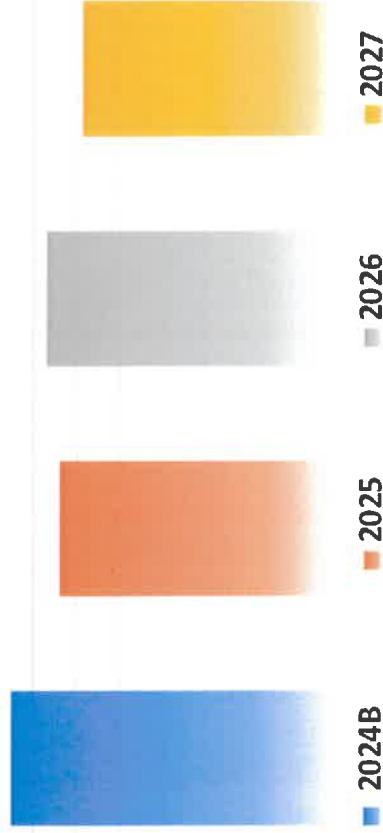


Granite Falls
2024 Budget—
Preliminary
Estimates



Estimated General Fund Revenues

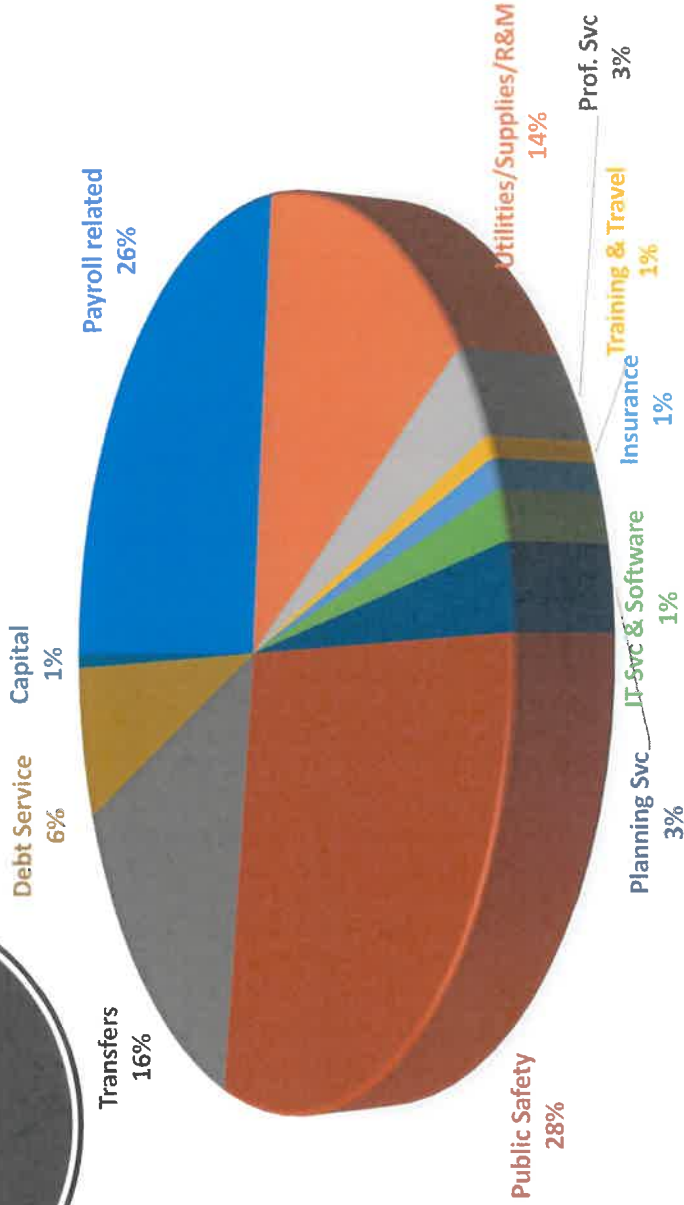
\$4,000,000
\$3,500,000
\$3,000,000
\$2,500,000
\$2,000,000
\$1,500,000
\$1,000,000
\$500,000
\$-



Category	2024B	2025	2026	2027
Sales Tax	\$ 868,108	\$ 881,130	\$ 894,346	\$ 907,762
Property Tax	\$ 569,044	\$ 574,735	\$ 580,482	\$ 586,287
Utility Tax	\$ 1,050,372	\$ 1,103,367	\$ 1,156,712	\$ 1,210,418
Franchise Fees	\$ 127,139	\$ 130,954	\$ 134,882	\$ 138,929
Permits & Fees	\$ 60,219	\$ 61,057	\$ 61,920	\$ 62,807
Intergovernmental	\$ 197,717	\$ 141,042	\$ 144,448	\$ 147,936
Central Services	\$ 710,145	\$ 744,142	\$ 897,013	\$ 937,918
Interest	\$ 156,227	\$ 138,647	\$ 137,516	\$ 139,762
Total Revenue	\$ 3,738,973	\$ 3,775,074	\$ 4,007,319	\$ 4,131,818



2024 Estimated General Fund Expenses – Category w/ ARPA



Category	2024B
Payroll related	\$ 1,097,853
Utilities/Supplies/R&M	\$ 585,897
Prof. Svc	\$ 131,317
Training & Travel	\$ 29,534
Insurance	\$ 40,771
IT Svc & Software	\$ 65,444
Planning Svc	\$ 110,318
Public Safety	\$ 1,162,440
Transfers	\$ 661,036
Debt Service	\$ 262,137
Capital	\$ 24,758
Total Expense	\$ 4,171,505

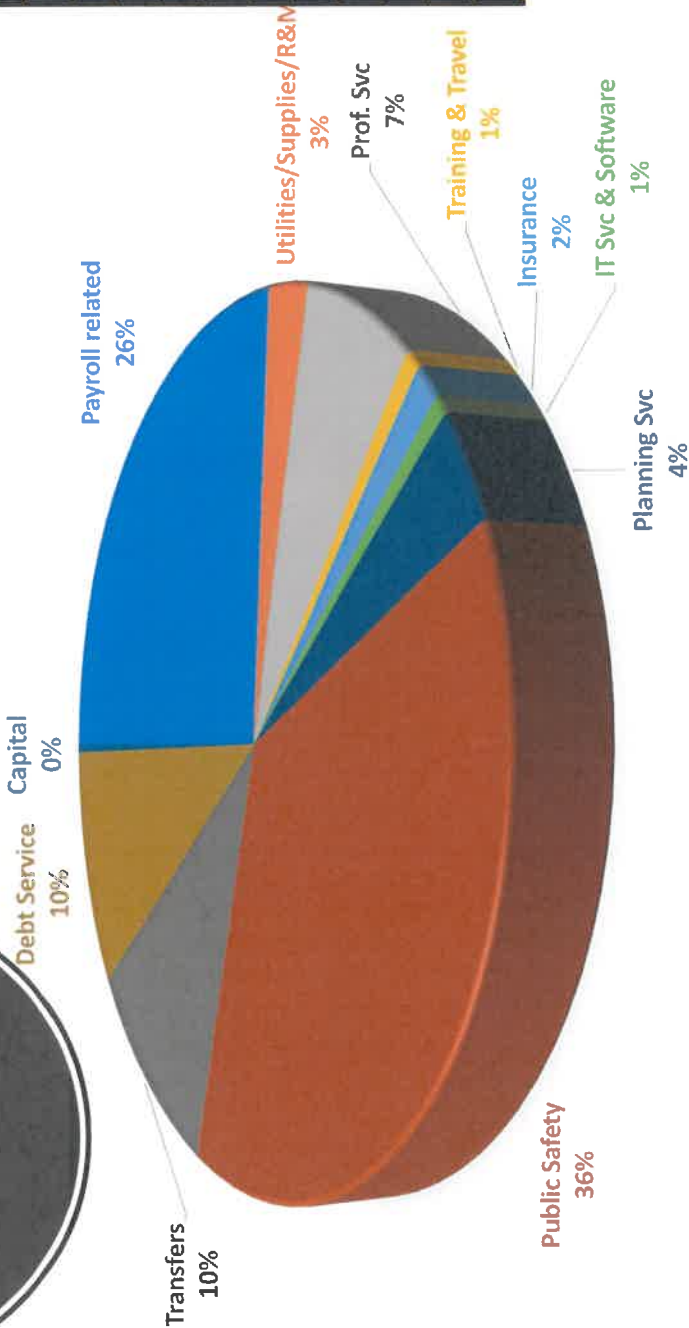
Granite Falls
2024 Budget—
Preliminary
Estimates



CITY OF
GRANITE FALLS

2024 Estimated General Fund Expenses – Category w/o ARPA

Category	2023T
Payroll related	\$ 693,968
Utilities/Supplies/R&M	\$ 74,247
Prof. Svc	\$ 194,719
Training & Travel	\$ 22,545
Insurance	\$ 39,777
IT Svc & Software	\$ 19,456
Planning Svc	\$ 106,413
Public Safety	\$ 966,361
Transfers	\$ 272,436
Debt Service	\$ 261,843
Capital	\$ 8,898
Total Expense	\$ 2,660,665





Estimated General Fund Expenses - Category

\$4,500,000
\$4,000,000
\$3,500,000
\$3,000,000
\$2,500,000
\$2,000,000
\$1,500,000
\$1,000,000
\$500,000
\$-



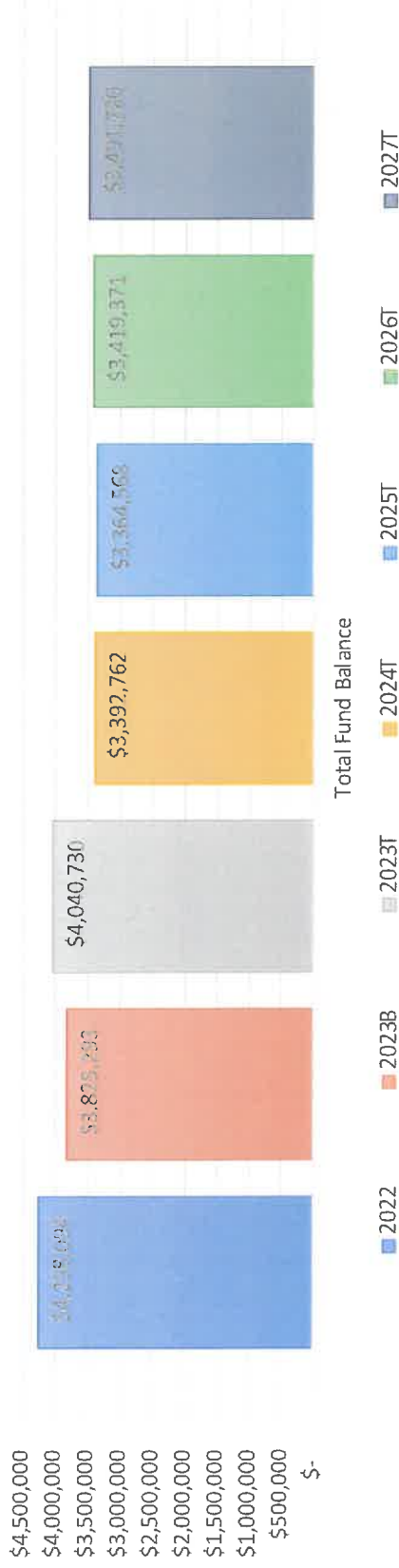
Category	2024B	2025	2026	2027
Payroll related	\$ 1,097,853	\$ 1,129,961	\$ 1,163,105	\$ 1,197,321
Utilities/Supplies/R&M	\$ 585,897	\$ 90,080	\$ 91,907	\$ 93,780
Prof. Svc	\$ 131,317	\$ 134,169	\$ 138,593	\$ 140,089
Training & Travel	\$ 29,534	\$ 30,047	\$ 30,574	\$ 31,113
Insurance	\$ 40,771	\$ 41,790	\$ 42,835	\$ 43,906
IT Svc & Software	\$ 65,444	\$ 67,080	\$ 68,757	\$ 70,476
Planning Svc	\$ 110,318	\$ 113,076	\$ 115,903	\$ 118,800
Public Safety	\$ 1,162,440	\$ 1,218,344	\$ 1,269,474	\$ 1,301,161
Transfers	\$ 661,036	\$ 702,351	\$ 743,666	\$ 784,981
Debt Service	\$ 262,137	\$ 261,255	\$ 262,229	\$ 261,997
Capital	\$ 24,758	\$ 15,113	\$ 25,475	\$ 15,846
Total Expense	\$ 4,171,505	\$ 3,803,267	\$ 3,952,517	\$ 4,059,469

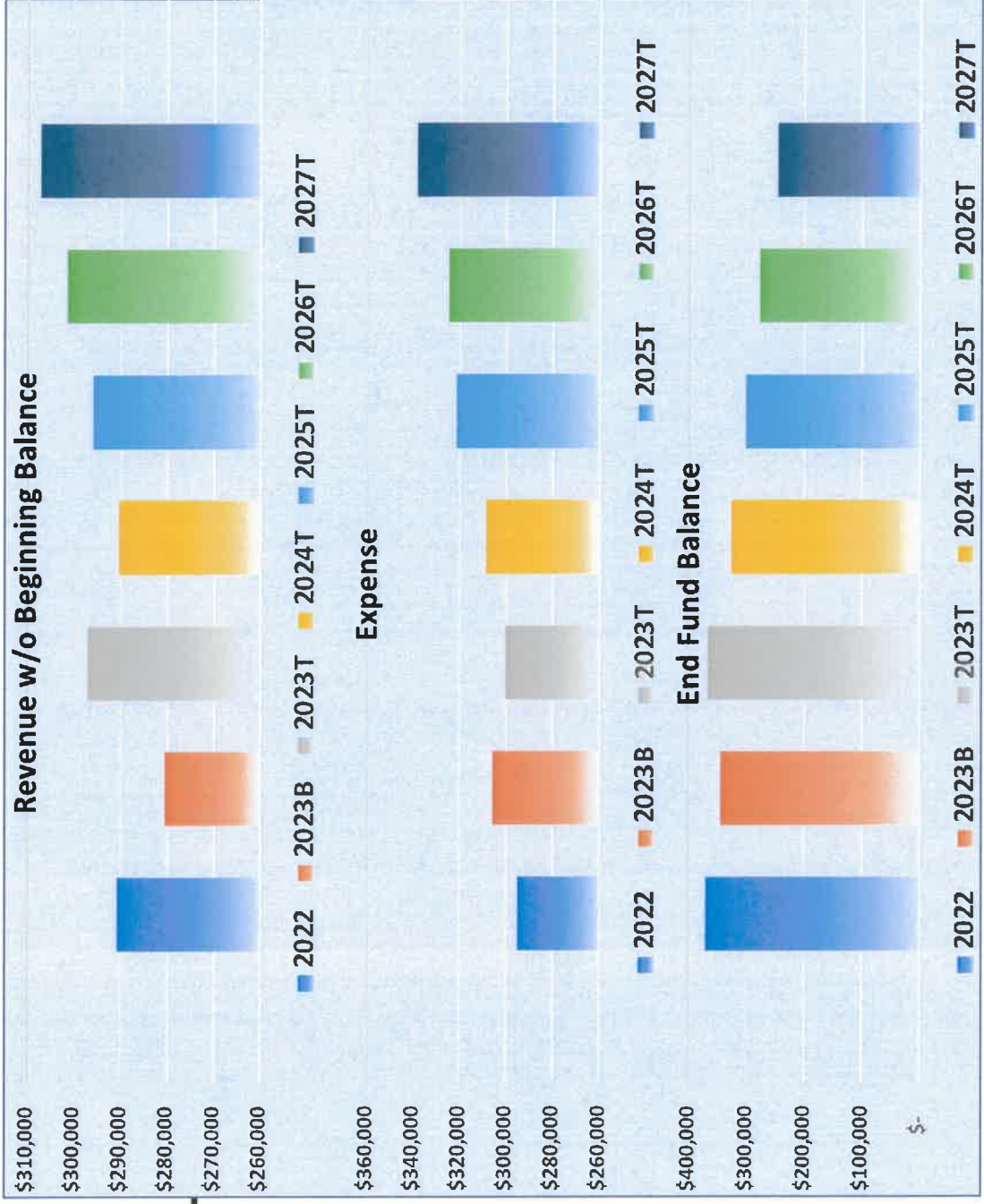
Granite Falls 2024 Budget— Preliminary Estimates



CITY OF
GRANITE FALLS

Estimated General Fund Reserves

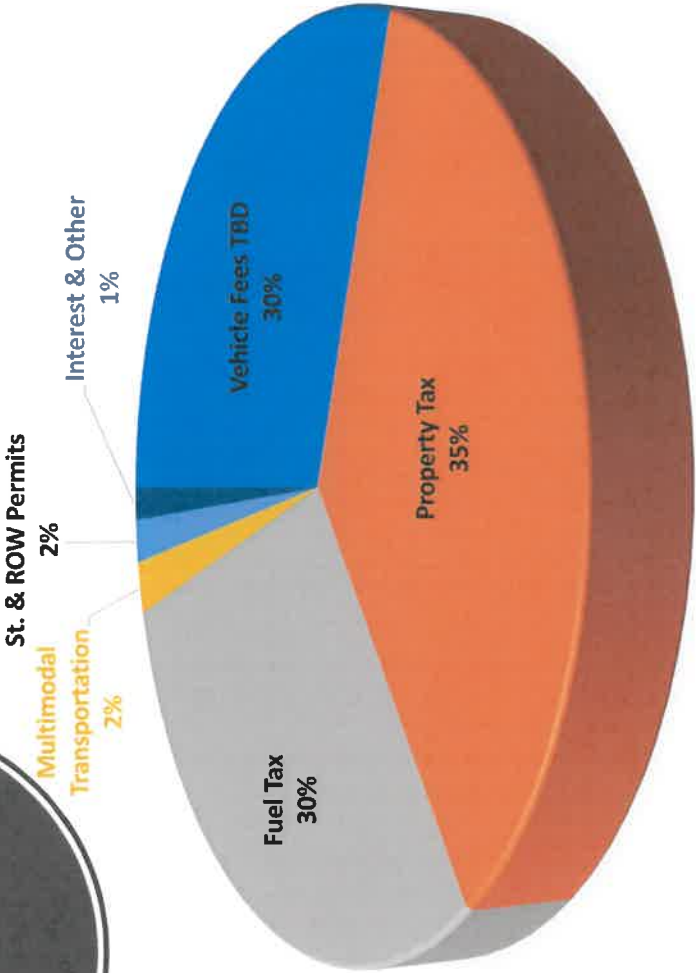




Granite Falls
2024 Street
Fund
Preliminary
Trend



2024 Estimated Street Fund Revenues



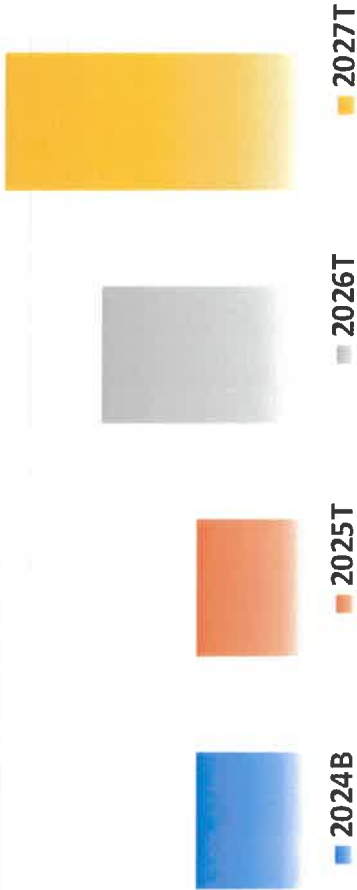
Category	2024B
Vehicle Fees TBD	\$ 87,037
Property Tax	\$ 100,420
Fuel Tax	\$ 88,290
Multimodal Transportation	\$ 5,908
St. & ROW Permits	\$ 5,000
Transfers	\$ -
Interest & Other	\$ 3,740
Total Revenue	\$ 290,394



Estimated Street Fund Revenues



\$304,000
\$302,000
\$300,000
\$298,000
\$296,000
\$294,000
\$292,000
\$290,000
\$288,000
\$286,000
\$284,000

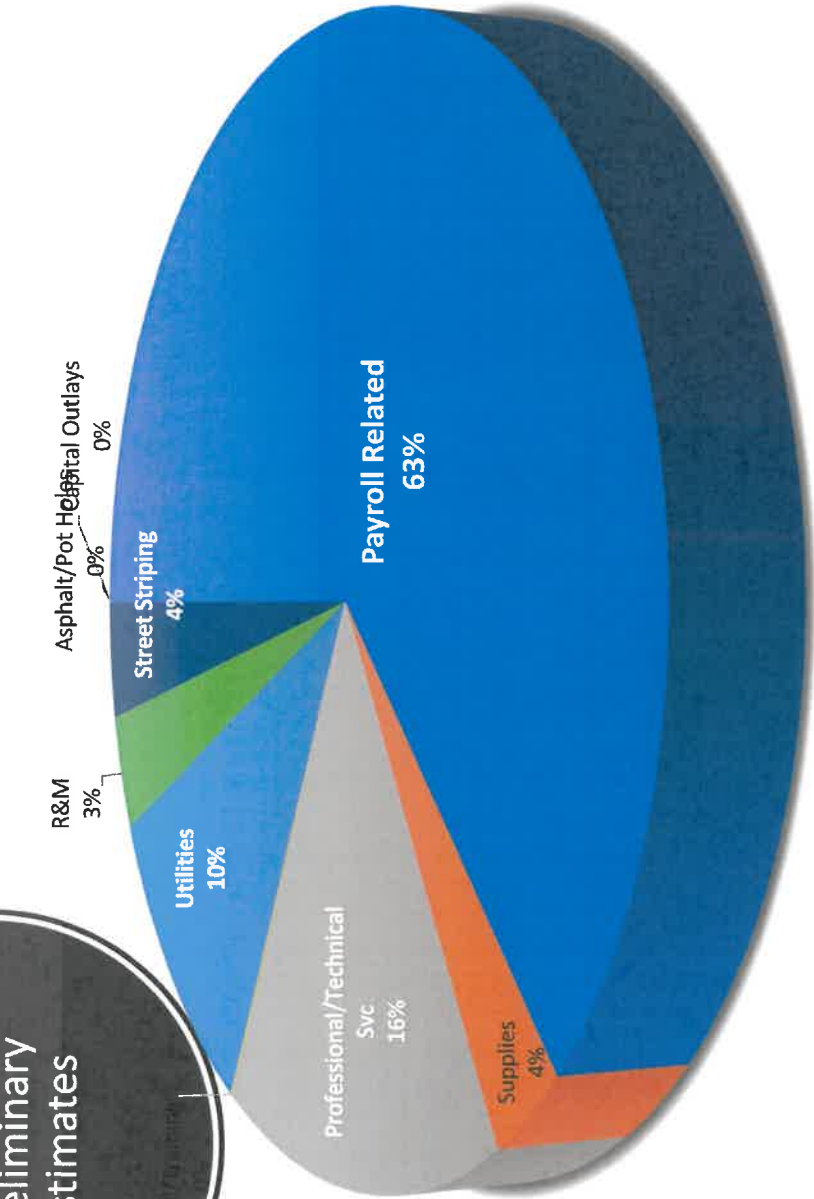


Category	2024B	2025	2026	2027
Vehicle Fees TBD	\$ 87,037	\$ 89,213	\$ 91,443	\$ 93,729
Property Tax	\$ 100,420	\$ 101,424	\$ 102,438	\$ 103,462
Fuel Tax	\$ 88,290	\$ 90,497	\$ 92,760	\$ 95,078
Multimodal Transportati	\$ 5,908	\$ 5,908	\$ 5,908	\$ 5,908
St. & ROW Permits	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Transfers	\$ -	\$ -	\$ -	\$ -
Interest & Other	\$ 3,740	\$ 3,833	\$ 3,929	\$ 4,027
Total Revenue	\$ 290,394	\$ 295,875	\$ 301,478	\$ 307,206

Granite Falls
2024 Budget—
Preliminary
Estimates



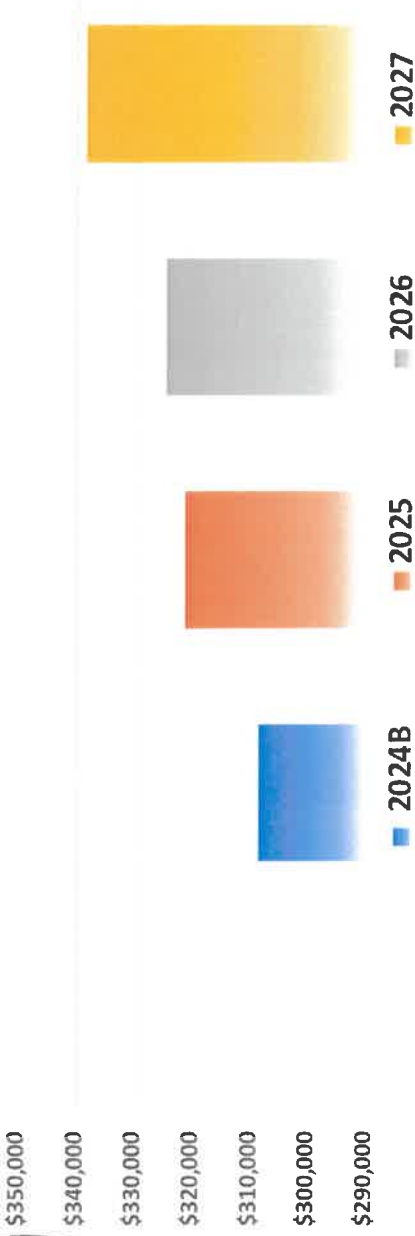
2024 Estimated Street Fund Expenses - Department



Category	2024 B
Payroll Related	\$ 193,646
Supplies	\$ 11,070
Professional/Technical Svc	\$ 48,806
Travel/Training	\$ 250
Utilities	\$ 32,428
R&M	\$ 11,019
Street Striping	\$ 11,300
Asphalt/Pot Holes	\$ -
Capital Outlays	\$ -
Total Expense	\$ 308,519



Estimated Street Fund Expenses - Department

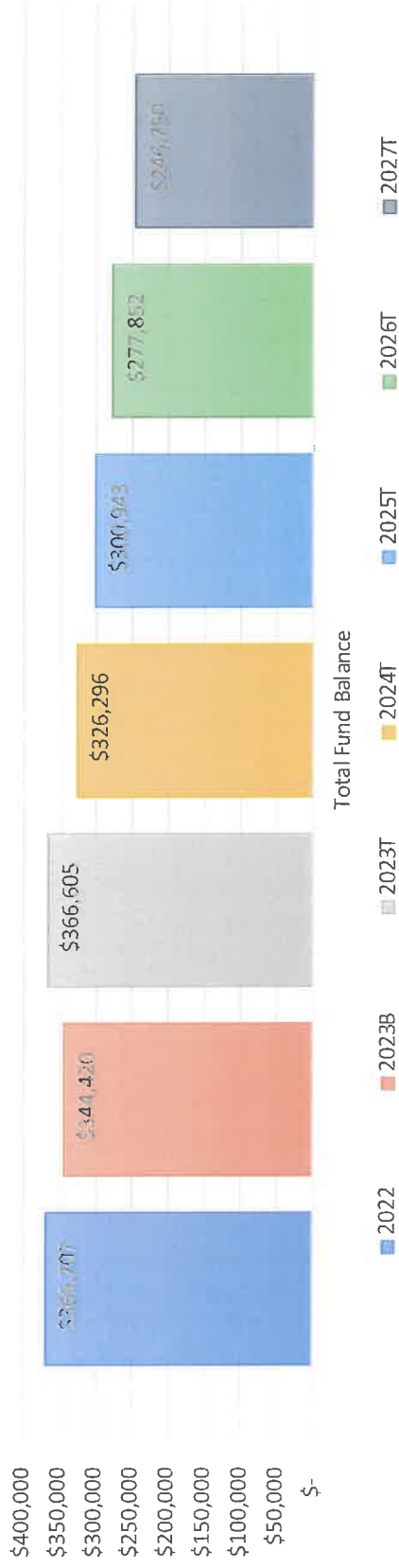


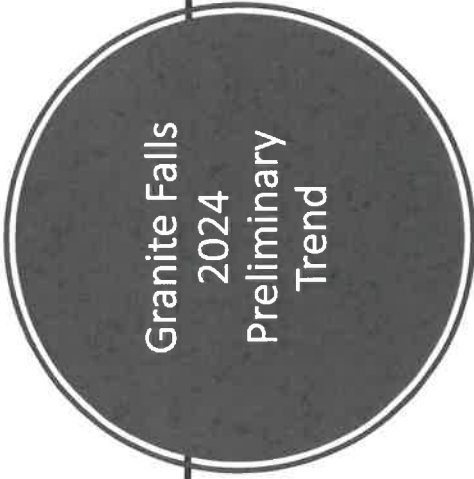
Category	2024B	2025	2026	2027
Payroll Related	\$ 193,646	\$ 199,696	\$ 205,951	\$ 212,421
Supplies	\$ 11,070	\$ 11,169	\$ 11,271	\$ 11,375
Professional/Technical Sv	\$ 48,806	\$ 50,036	\$ 51,428	\$ 52,991
Travel/Training	\$ 250	\$ -	\$ -	\$ -
Utilities	\$ 32,428	\$ 33,008	\$ 33,599	\$ 34,201
R&M	\$ 11,019	\$ 11,019	\$ 11,019	\$ 11,019
Street Striping	\$ 11,300	\$ 11,300	\$ 11,300	\$ 11,300
Asphalt/Pot Holes	\$ -	\$ 5,000	\$ -	\$ 5,000
Capital Outlays	\$ -	\$ -	\$ -	\$ -
Total Expense	\$ 308,519	\$ 321,228	\$ 324,568	\$ 338,307

Granite Falls 2024 Budget— Preliminary Budget



Estimated Street Fund Reserves





• Park Impact Fees

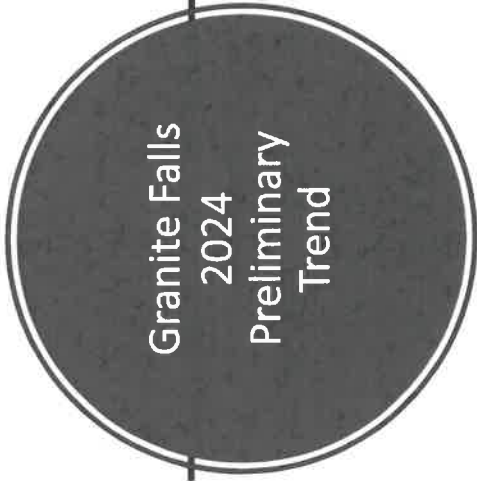
	<u>2022</u>	<u>2023 Budget</u>	<u>2023 Trend</u>	<u>2024 Trend</u>
Revenue	\$1,549	\$485	\$1,774	\$497
Expense	\$0	\$0	\$0	\$0
Reserve	\$48,193	\$48,678	\$49,967	\$49,175



• CIF Streets

	<u>2022</u>	<u>2023 Budget</u>	<u>2023 Trend</u>	<u>2024 Trend</u>
Revenue	\$552,098	\$2,481,364	\$2,513,445	\$85,719
Expense	\$481,984	\$3,590,520	\$3,295,159	\$2,000
Reserve	\$1,167,901	\$58,746	\$386,188	\$469,907

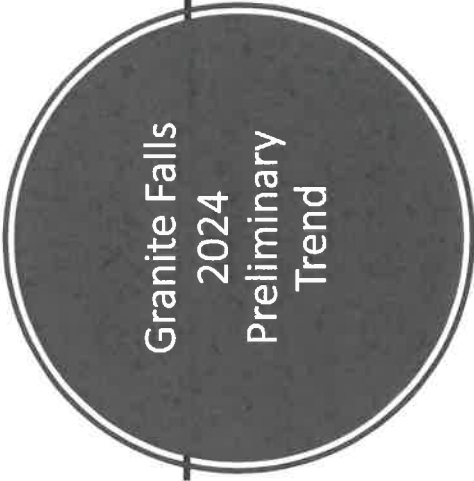
- TIB Grant - Galena Street Extension
- TIB Grant – Alder Overlay
- TIB Grant – Stanley St Sidewalk



• CIF Arterial Route

	<u>2022</u>	<u>2023 Budget</u>	<u>2023 Trend</u>	<u>2024 Trend</u>
Revenue	\$52,030	\$54,860	\$20,993	\$55,217
Expense	\$50,000	\$100,000	\$75,000	\$50,000
Reserve	\$57,645	\$12,505	\$3,638	\$17,722

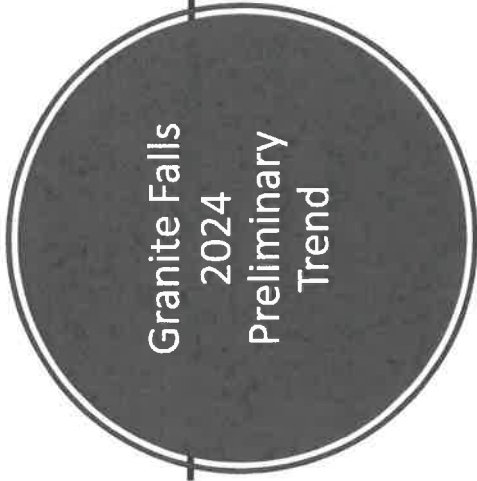
- Trend Mitigation down (reduced construction)



• CIF

	<u>2022</u>	<u>2023 Budget</u>	<u>2023 Trend</u>	<u>2024 Trend</u>
Revenue	\$15,958	\$71,607	\$71,981	\$622
Expense	\$30,054	\$80,600	\$55,600	\$0
Reserve	\$34,971	\$25,978	\$51,352	\$26,599

- SnoCo Grant - Frank Mason Park



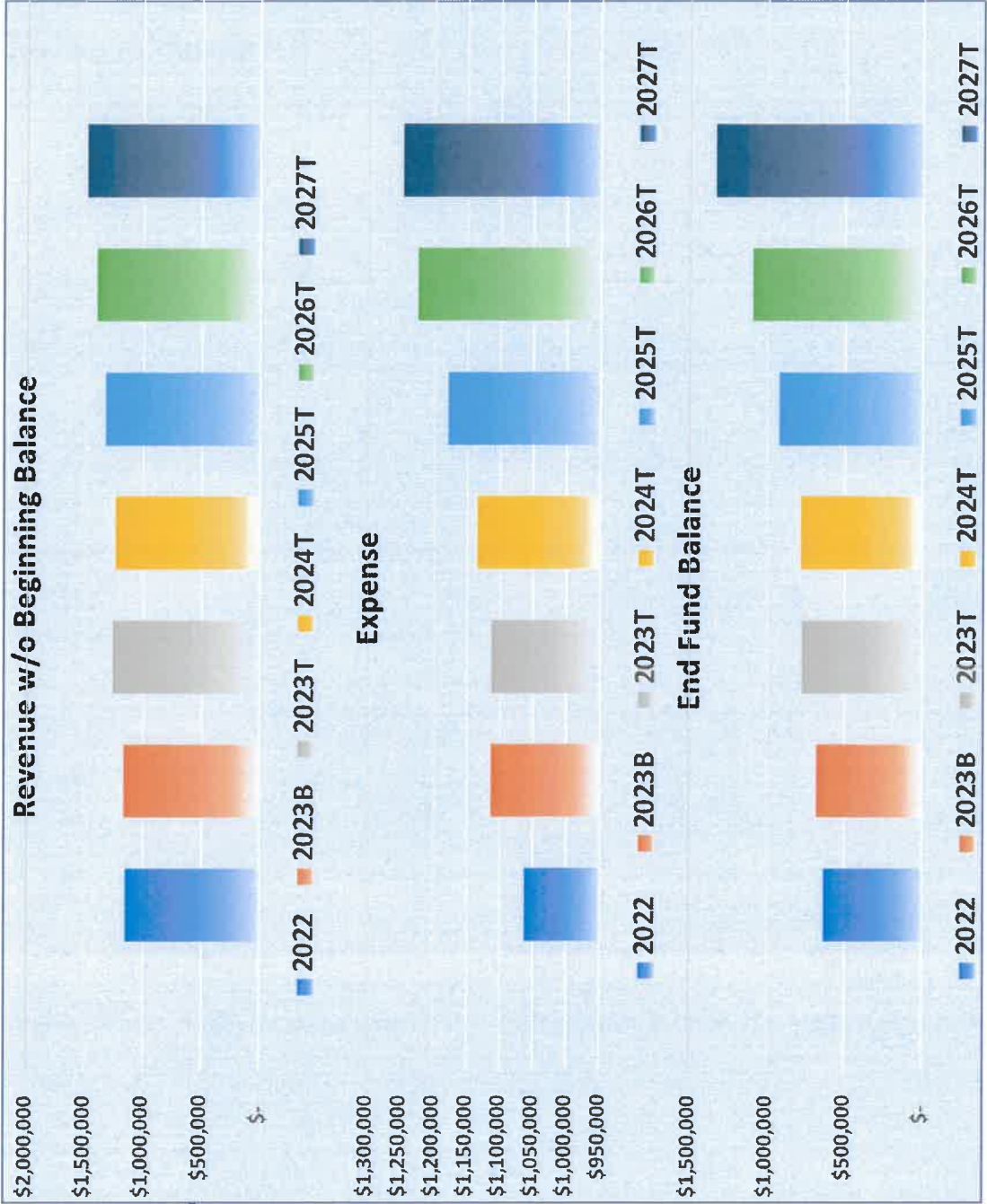
• REET Fund

	<u>2022</u>	<u>2023 Budget</u>	<u>2023 Trend</u>	<u>2024 Trend</u>
Revenue	\$459,001	\$234,391	\$249,304	\$234,536
Expense	\$250,000	\$420,000	\$420,000	\$0
Reserve	\$672,579	\$486,970	\$501,883	\$721,506

- Purchase of Church Property – Parks
- Transfer to Street CIF – Galena St Extension

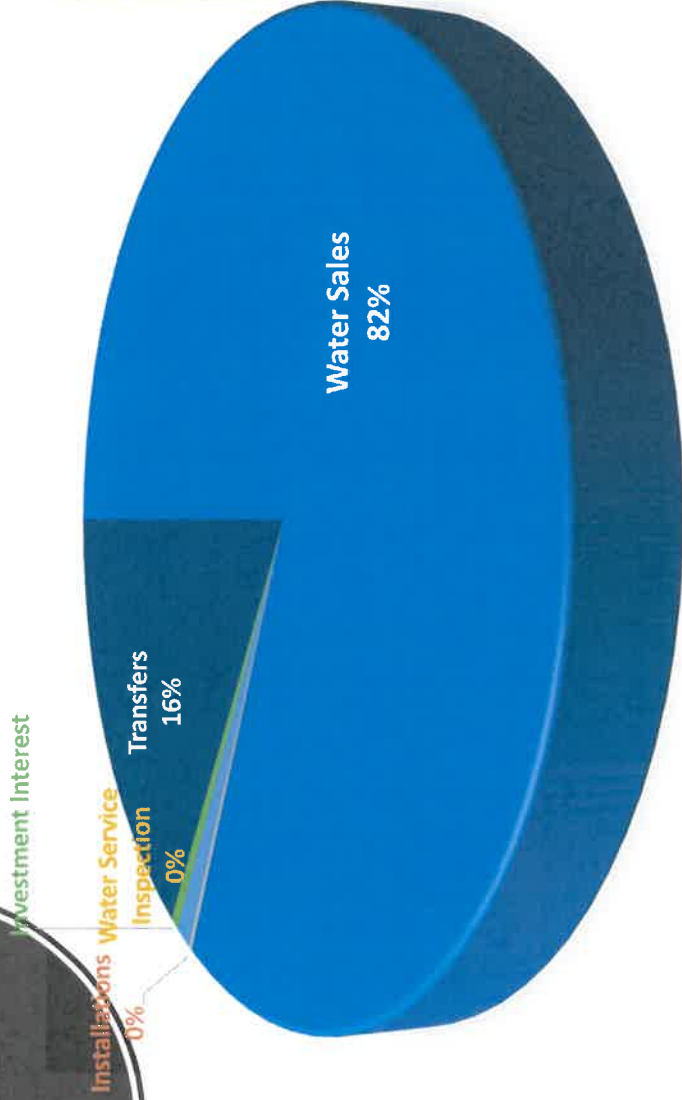
Granite Falls 2024 Water Fund Preliminary Trend

Add 300 ERUs annually starting 2025



Granite Falls
2024 Budget—
Preliminary
Estimates

2024 Estimated Water Fund Revenues



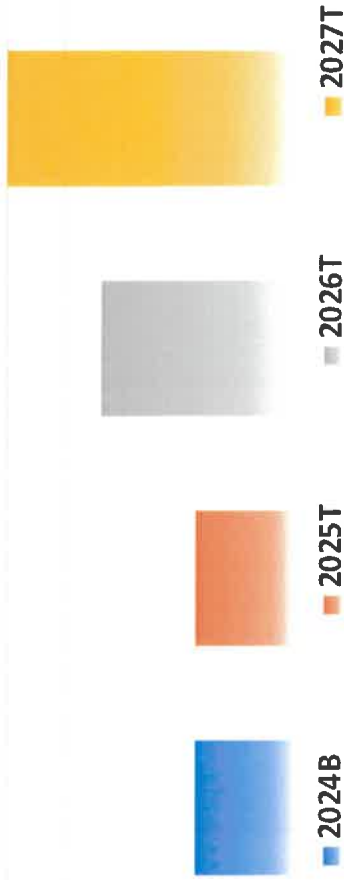
Category	2024B
Water Sales	\$ 1,011,064
Installations	\$ -
Reconnect Fees	\$ 2,653
Water Service Inspection	\$ -
Late Fees	\$ 13,085
Investment Interest	\$ 6,407
Transfers	\$ 202,743
Total Revenue	\$ 1,235,952



Estimated Water Fund Revenues



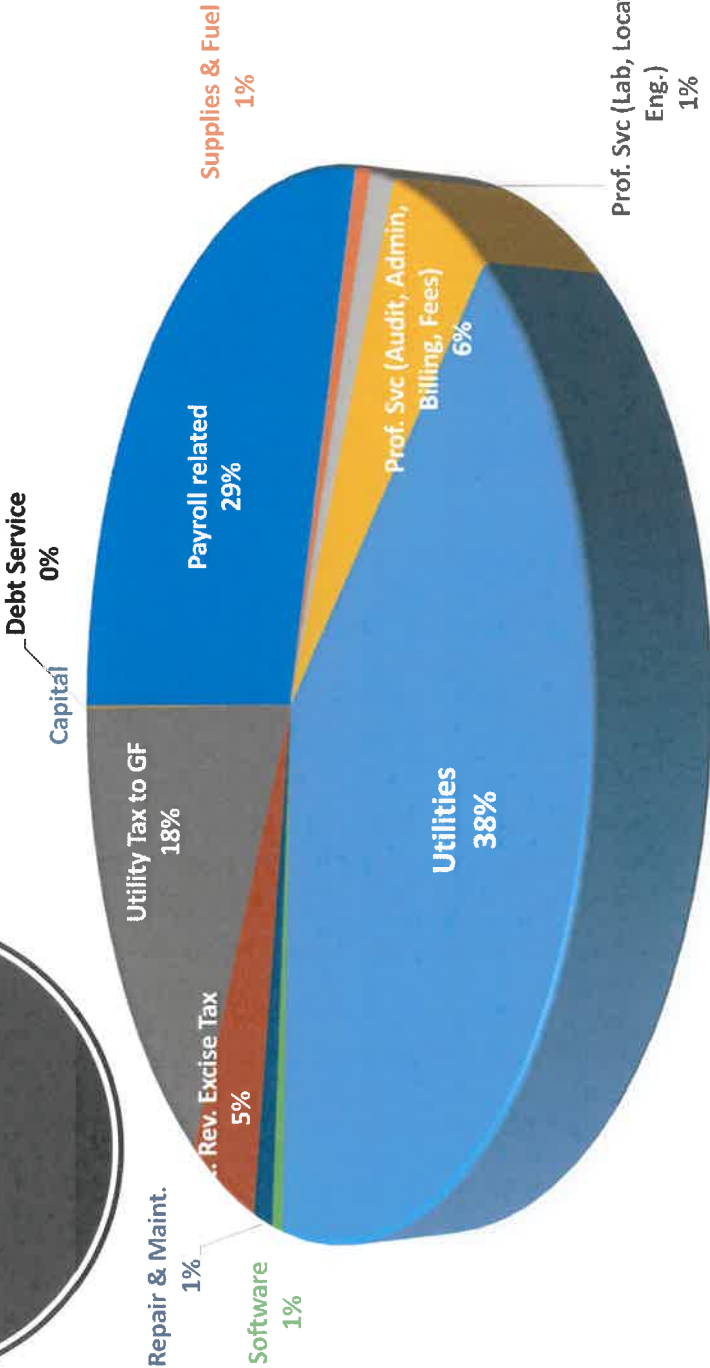
\$1,450,000
\$1,400,000
\$1,350,000
\$1,300,000
\$1,250,000
\$1,200,000
\$1,150,000



Category	2024B	2025	2026	2027
Water Sales	\$ 1,011,064	\$ 1,078,468	\$ 1,145,872	\$ 1,213,276
Installations	\$ -	\$ -	\$ -	\$ -
Reconnect Fees	\$ 2,653	\$ 2,830	\$ 3,007	\$ 3,184
Water Service Inspection	\$ -	\$ -	\$ -	\$ -
Late Fees	\$ 13,085	\$ 13,957	\$ 14,829	\$ 15,702
Investment Interest	\$ 6,407	\$ 6,567	\$ 6,731	\$ 6,899
Transfers	\$ 202,743	\$ 216,260	\$ 229,776	\$ 243,292
Total Revenue	\$ 1,235,952	\$ 1,235,952	\$ 1,318,081	\$ 1,400,215

Granite Falls
2024 Budget—
Preliminary
Estimates

2024 Estimated Water Fund Expenses - Category



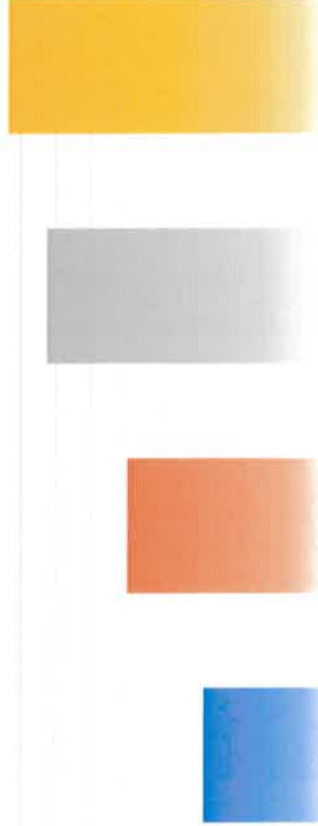
Category	2024B
Payroll related	\$ 329,042
Supplies & Fuel	\$ 10,100
Prof. Svc (Lab, Locate, Eng.)	\$ 16,412
Prof. Svc (Audit, Admin, Billing, Fees)	\$ 64,676
Utilities	\$ 436,212
Software	\$ 7,175
Repair & Maint.	\$ 14,198
Dept. Rev. Excise Tax	\$ 52,894
Utility Tax to GF	\$ 202,743
Debt Service	\$ 1,150
Capital	\$ -
Total Expense	\$ 1,134,604



Estimated Water Fund Expenses - Category



\$1,260,000
\$1,240,000
\$1,220,000
\$1,200,000
\$1,180,000
\$1,160,000
\$1,140,000
\$1,120,000
\$1,100,000
\$1,080,000
\$1,060,000

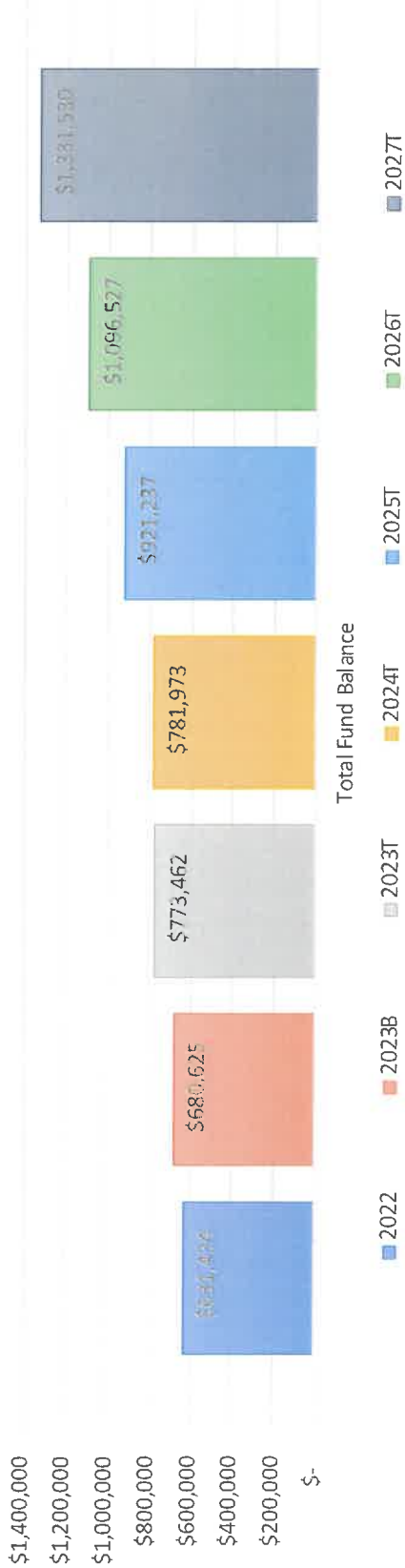


Category	2024B	2025	2026	2027
Payroll related	\$ 329,042	\$ 339,729	\$ 350,808	\$ 362,295
Supplies & Fuel	\$ 10,100	\$ 10,278	\$ 10,461	\$ 10,648
Prof. Svc (Lab, Locate, En	\$ 16,412	\$ 16,822	\$ 17,243	\$ 17,674
Prof. Svc (Audit, Admin, B	\$ 64,676	\$ 65,816	\$ 66,991	\$ 68,166
Utilities	\$ 436,212	\$ 449,280	\$ 462,740	\$ 476,604
Software	\$ 7,175	\$ 7,354	\$ 7,538	\$ 7,727
Repair & Maint.	\$ 14,198	\$ 14,553	\$ 14,917	\$ 15,290
Dept. Rev. Excise Tax	\$ 52,894	\$ 57,958	\$ 64,068	\$ 71,173
Utility Tax to GF	\$ 202,743	\$ 216,260	\$ 229,776	\$ 243,292
Debt Service	\$ 1,150	\$ 767	\$ 383	\$ -
Capital	\$ -	\$ -	\$ -	\$ -
Total Expense	\$ 1,134,604	\$ 1,178,817	\$ 1,224,926	\$ 1,247,350

Granite Falls 2024 Budget— Preliminary Estimates



Estimated Water Fund Reserves



Granite Falls 2024 Preliminary Trend

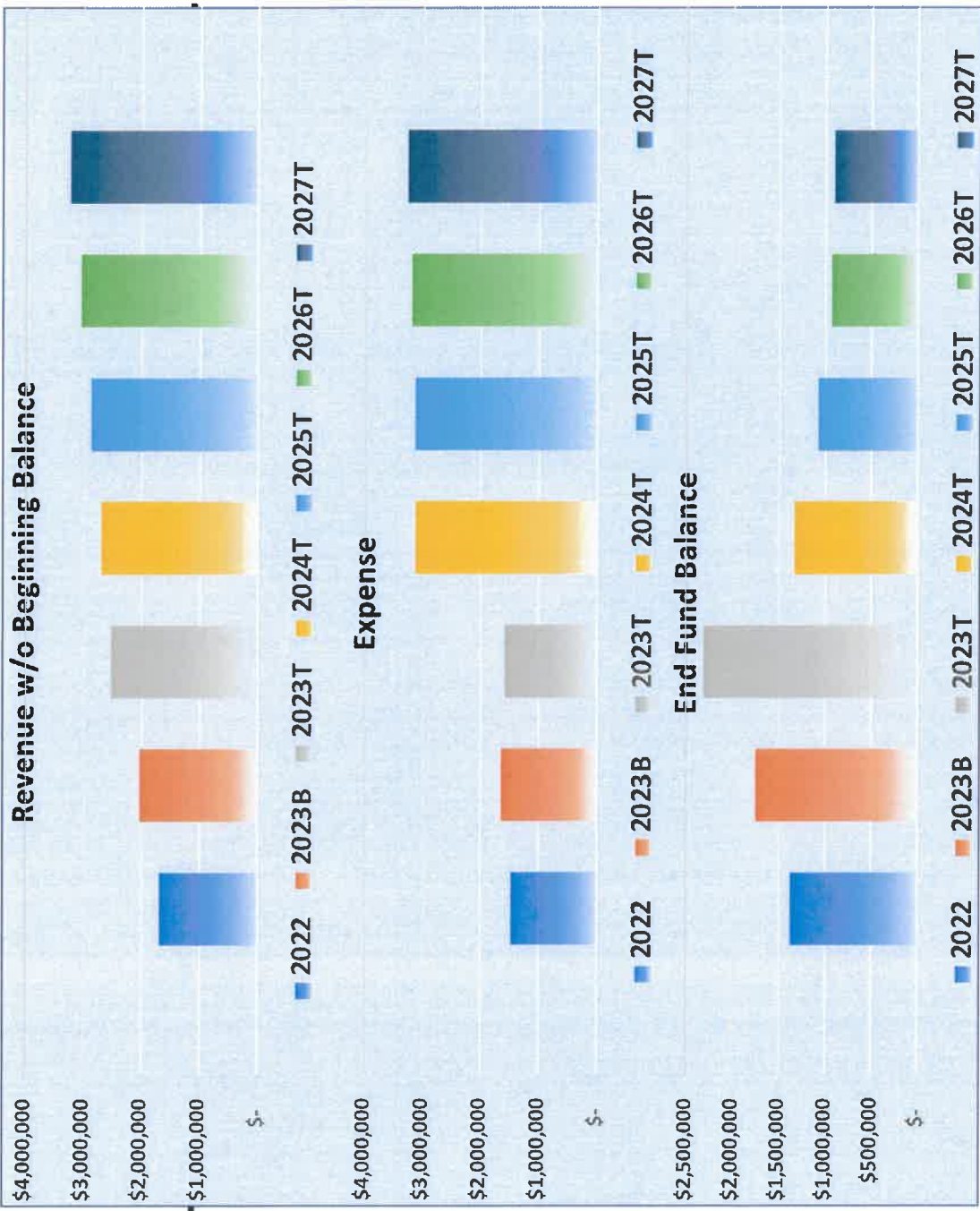
Water Capital Improvement Fund



• Water CIF Fund

	<u>2022</u>	<u>2023 Budget</u>	<u>2023 Trend</u>	<u>2024 Trend</u>
Revenue	\$100,003	\$60,423	\$114,926	\$60,841
Expense	\$47,864	\$528,255	\$389,112	\$96,146
Reserve	\$1,642,229	\$1,174,398	\$1,368,044	\$1,139,093

- 2023 Water Line Replacement – Alder
- GFC - PUD

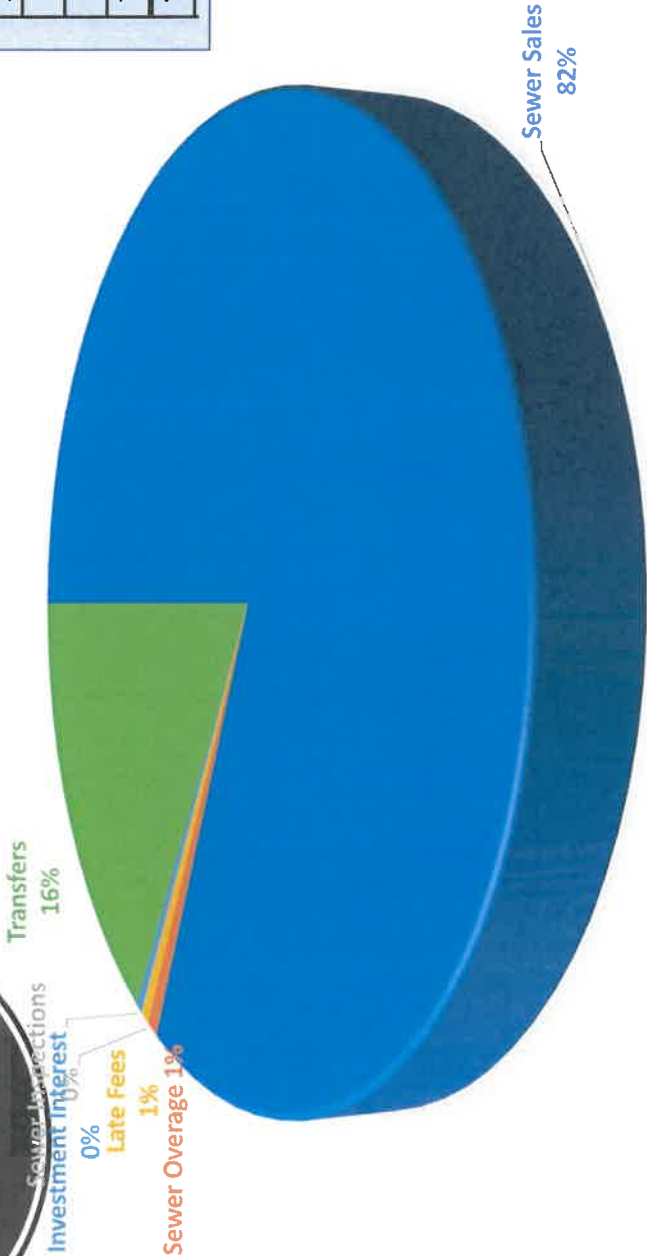


Granite Falls
2024 Sewer
Fund
Preliminary
Trend

Est annual debt service \$1.3M

Granite Falls
2024 Budget—
Preliminary
Estimates

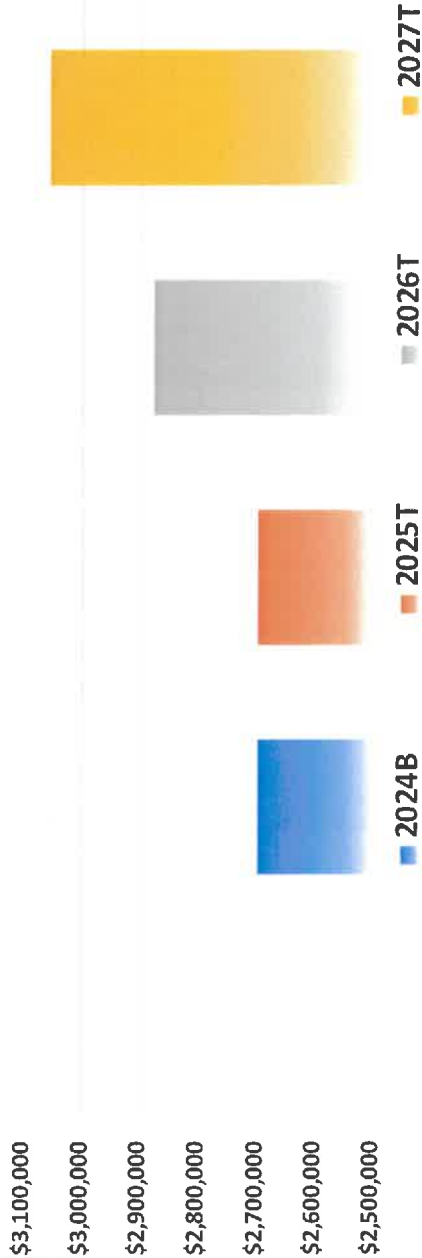
2024 Estimated Sewer Fund Revenues



Category	2024B
Sewer Sales	\$ 2,204,806
Sewer Overage	\$ 19,078
Sewer Inspections	\$ -
Late Fees	\$ 15,919
Investment Interest	\$ 13,234
Transfers	\$ 444,777
Total Revenue	\$ 2,697,814



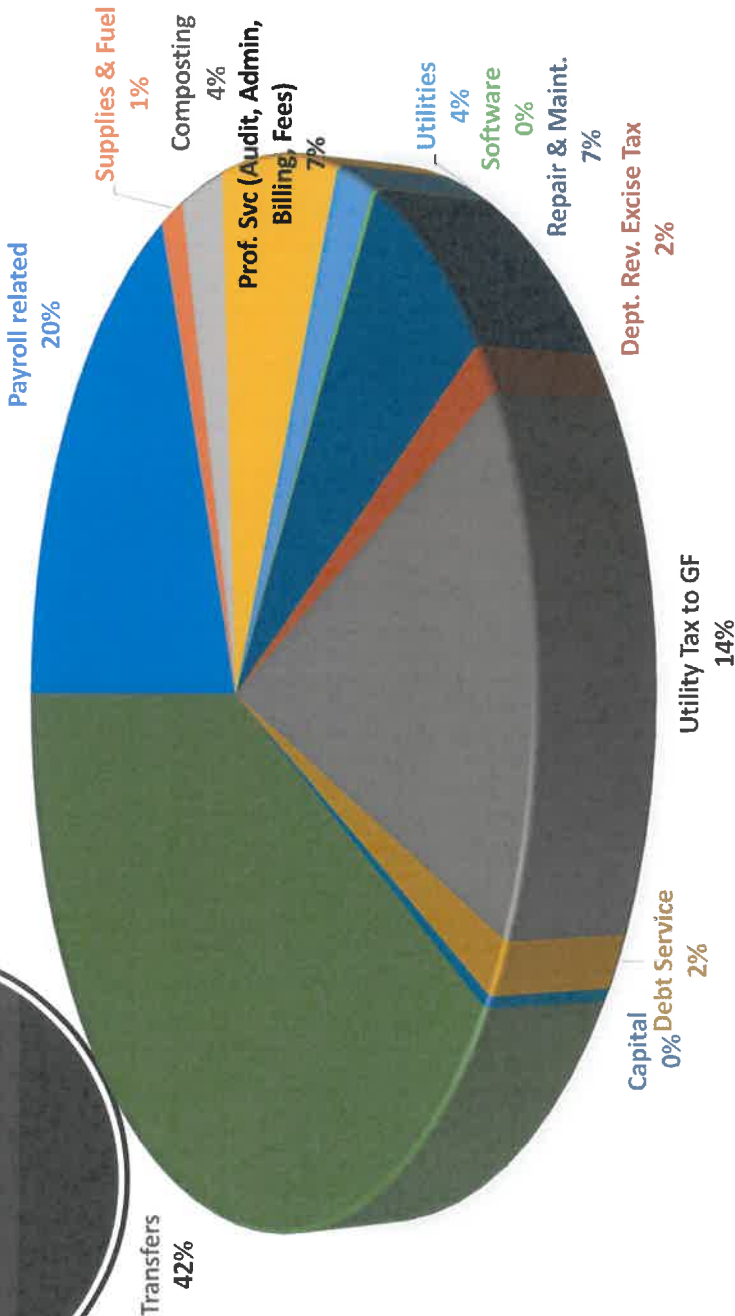
Estimated Sewer Fund Revenues



Category	2024B	2025	2026	2027
Sewer Sales	\$ 2,204,806	\$ 2,351,793	\$ 2,498,780	\$ 2,645,767
Sewer Overage	\$ 19,078	\$ 20,350	\$ 21,622	\$ 22,894
Sewer Inspections	\$ -	\$ -	\$ -	\$ -
Late Fees	\$ 15,919	\$ 16,980	\$ 18,041	\$ 19,103
Investment Interest	\$ 13,234	\$ 13,565	\$ 13,904	\$ 14,252
Transfers	\$ 444,777	\$ 474,429	\$ 504,080	\$ 533,732
Total Revenue	\$ 2,697,814	\$ 2,697,814	\$ 2,877,117	\$ 3,056,428

Granite Falls
2024 Budget—
Preliminary
Estimates

2024 Estimated Sewer Fund Expenses - Category



Category	2024B
Payroll related	\$ 614,274
Supplies & Fuel	\$ 45,664
Composting	\$ 87,125
Prof. Svc (Audit, Admin, Billing, Fees)	\$ 225,940
Utilities	\$ 67,263
Software	\$ 7,175
Repair & Maint.	\$ 220,539
Dept. Rev. Excise Tax	\$ 46,409
Utility Tax to GF	\$ 444,777
Debt Service	\$ 49,792
Capital	\$ 12,300
Transfers	\$ 1,301,773
Total Expense	\$ 3,123,030

Granite Falls
2024 Budget—
Preliminary
Estimates

Estimated Sewer Fund Expenses - Category



\$3,220,000
\$3,200,000
\$3,180,000
\$3,160,000
\$3,140,000
\$3,120,000
\$3,100,000
\$3,080,000

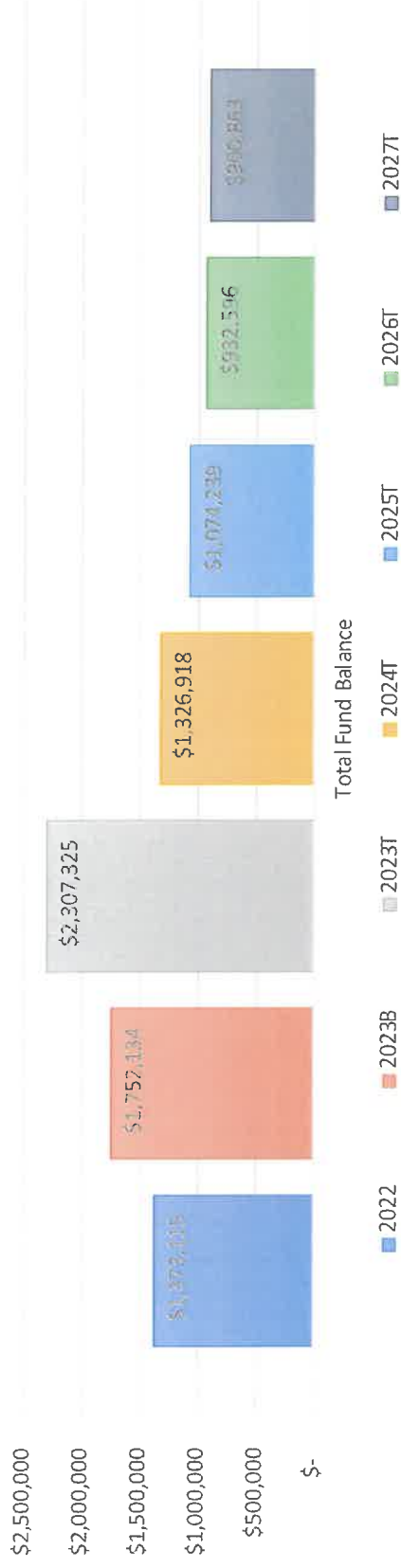


Category	2024B	2025T	2026T	2027T
Payroll related	\$ 614,274	\$ 634,106	\$ 654,661	\$ 675,968
Supplies & Fuel	\$ 45,664	\$ 46,805	\$ 47,975	\$ 49,175
Composting	\$ 87,125	\$ 89,303	\$ 91,536	\$ 93,824
Prof. Svc (Audit, Admin, E	\$ 225,940	\$ 169,375	\$ 173,323	\$ 177,370
Utilities	\$ 67,263	\$ 68,945	\$ 70,668	\$ 72,435
Software	\$ 7,175	\$ 7,354	\$ 7,538	\$ 7,727
Repair & Maint.	\$ 220,539	\$ 226,053	\$ 231,704	\$ 237,497
Dept. Rev. Excise Tax	\$ 46,409	\$ 49,492	\$ 52,575	\$ 55,657
Utility Tax to GF	\$ 444,777	\$ 474,429	\$ 504,080	\$ 533,732
Debt Service	\$ 49,792	\$ 49,553	\$ 49,315	\$ 49,077
Capital	\$ 12,300	\$ 12,608	\$ 12,923	\$ 13,246
Transfers	\$ 1,301,773	\$ 1,301,773	\$ 1,301,773	\$ 1,301,773
Total Expense	\$ 3,123,030	\$ 3,123,030	\$ 3,129,796	\$ 3,198,071

Granite Falls 2024 Budget— Preliminary Estimates



Estimated Sewer Fund Reserves



Granite Falls 2024 Preliminary Trend

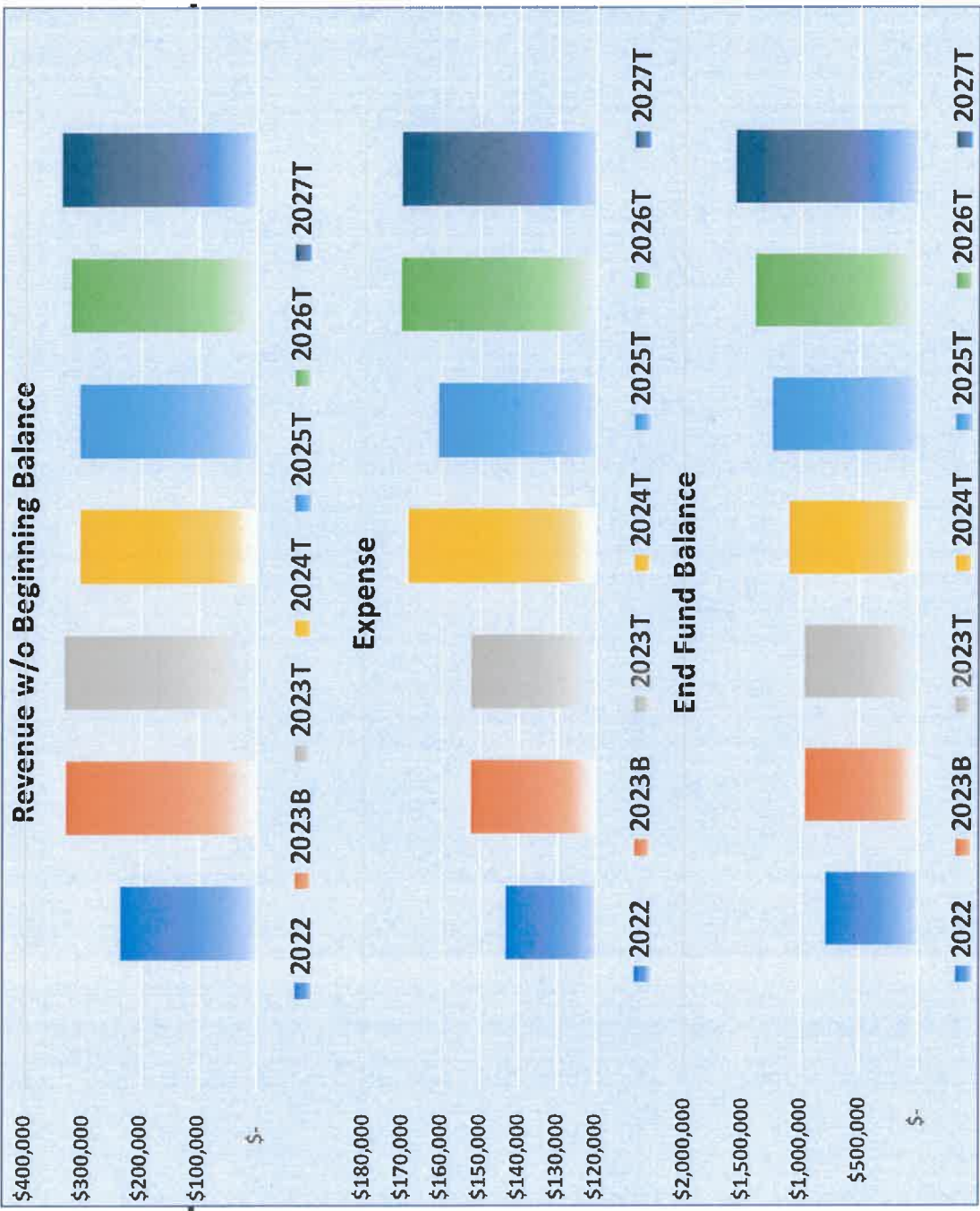


Sewer Capital Improvement Fund

- Sewer CIF Fund

	<u>2022</u>	<u>2023 Budget</u>	<u>2023 Trend</u>	<u>2024 Trend</u>
Revenue	\$100,373	\$18,374,396	\$18,462,327	\$18,375,423
Expense	\$1,366,763	\$18,343,333	\$18,333,333	\$18,333,333
Reserve	\$3,280,290	\$3,311,353	\$3,409,284	\$3,353,443

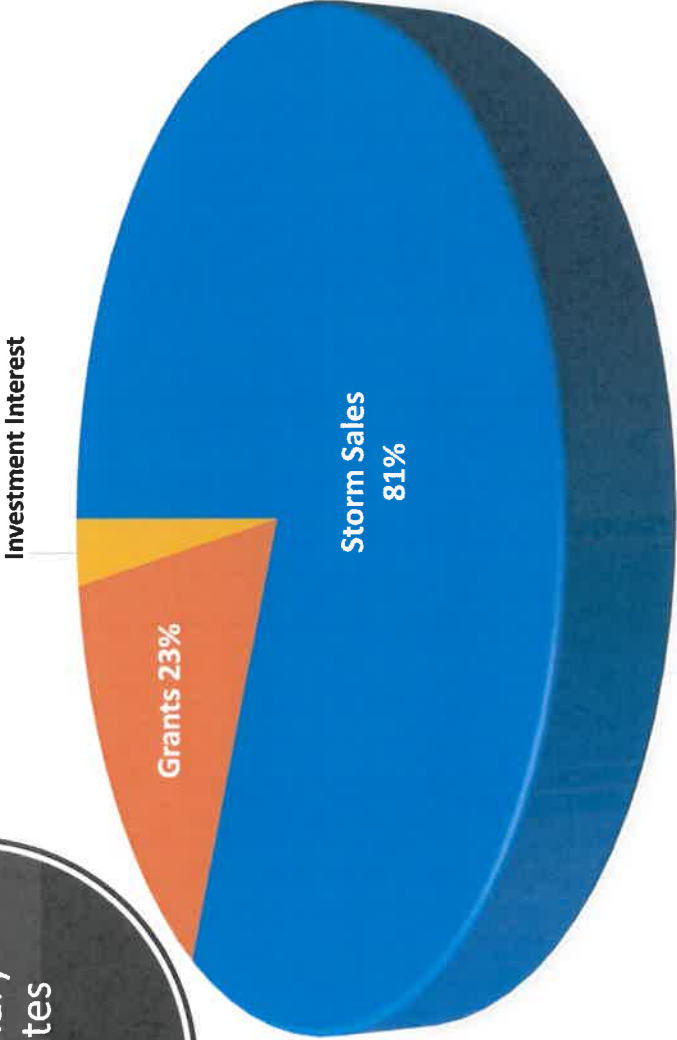
- Expense includes \$18.3M of \$36.6M WWTP Construction



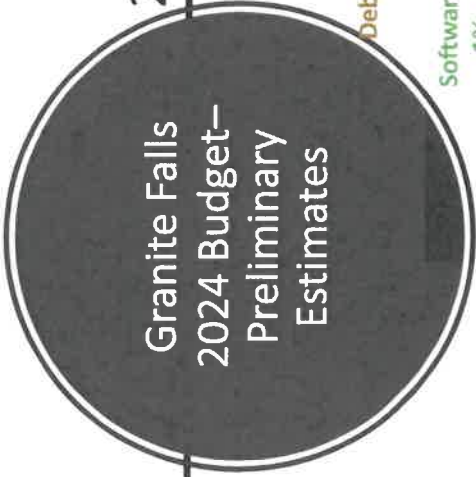
Granite Falls
2024 Storm
Fund
Preliminary
Trend



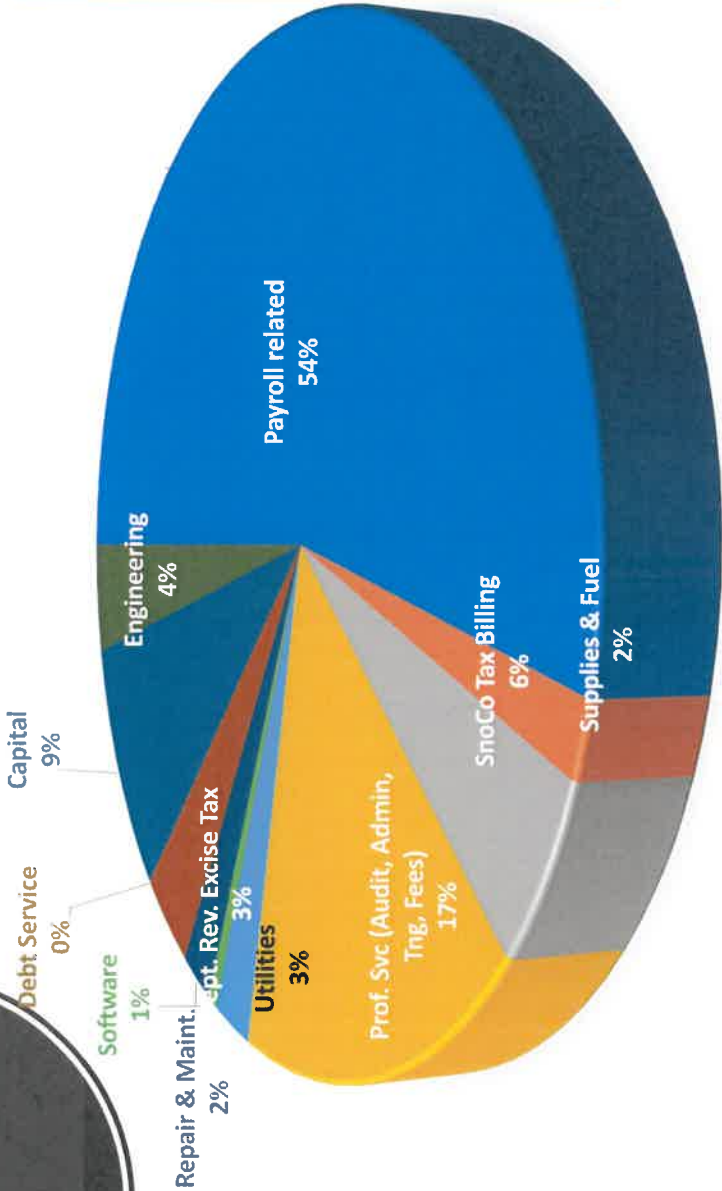
2024 Estimated Storm Fund Revenues



Category	2024B
Storm Sales	\$ 247,817
Grants	\$ 50,000
Sewer Fees	\$ -
Investment Interest	\$ 7,596
Total Revenue	\$ 305,413



2024 Estimated Storm Fund Expenses - Category



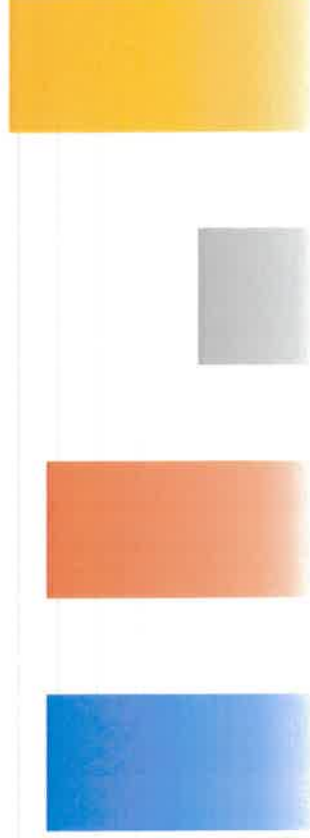
Category	2024B
Payroll related	\$ 90,738
Supplies & Fuel	\$ 3,729
SnoCo Tax Billing	\$ 9,720
Prof. Svc (Audit, Admin, Tng, Fees)	\$ 27,987
Utilities	\$ 4,161
Software	\$ 1,048
Repair & Maint.	\$ 3,588
Dept. Rev. Excise Tax	\$ 6,000
Locates	\$ 170
Debt Service	\$ -
Capital	\$ 15,000
Engineering	\$ 6,408
Total Expense	\$ 168,549

Granite Falls
2024 Budget—
Preliminary
Estimates

Estimated Storm Fund Expenses - Category



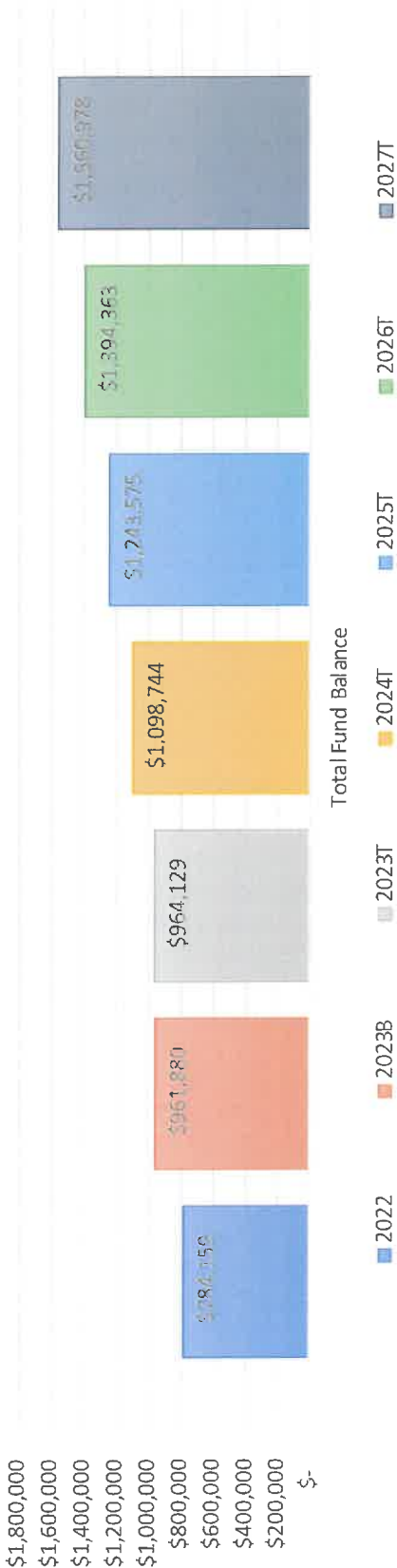
\$172,000
\$170,000
\$168,000
\$166,000
\$164,000
\$162,000
\$160,000
\$158,000
\$156,000
\$154,000



Category	2024B	2025	2026	2027
Payroll related	\$ 90,738	\$ 90,738	\$ 93,540	\$ 96,436
Supplies & Fuel	\$ 3,729	\$ 3,729	\$ 3,823	\$ 3,918
SnoCo Tax Billing	\$ 9,720	\$ 9,720	\$ 9,963	\$ 10,212
Prof. Svc (Audit, Admin, T	\$ 27,987	\$ 27,987	\$ 28,687	\$ 29,404
Utilities	\$ 4,161	\$ 4,161	\$ 4,265	\$ 4,371
Software	\$ 1,048	\$ 1,048	\$ 1,075	\$ 1,101
Repair & Maint.	\$ 3,588	\$ 3,588	\$ 3,677	\$ 3,769
Dept. Rev. Excise Tax	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,375
Locates	\$ 170	\$ 170	\$ 174	\$ 179
Debt Service	\$ -	\$ -	\$ -	\$ -
Capital	\$ 15,000	\$ 15,000	\$ 3,000	\$ 8,000
Engineering	\$ 6,408	\$ 6,408	\$ 6,568	\$ 6,732
Total Expense	\$ 168,549	\$ 168,549	\$ 160,771	\$ 170,498



Estimated Storm Fund Reserves



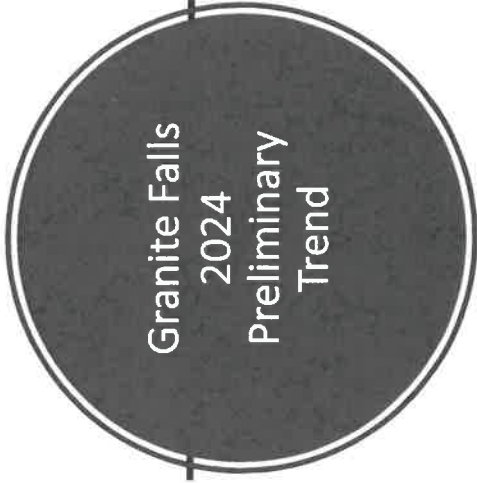
Granite Falls 2024 Preliminary Trend

Storm Capital Improvement Fund



• Sewer CIF Fund

	<u>2022</u>	<u>2023 Budget</u>	<u>2023 Trend</u>	<u>2024 Trend</u>
Revenue	\$10,247	\$3,725	\$13,458	\$3,819
Expense	\$6,000	\$25,000	\$0	\$0
Reserve	\$366,046	\$344,771	\$379,504	\$348,590

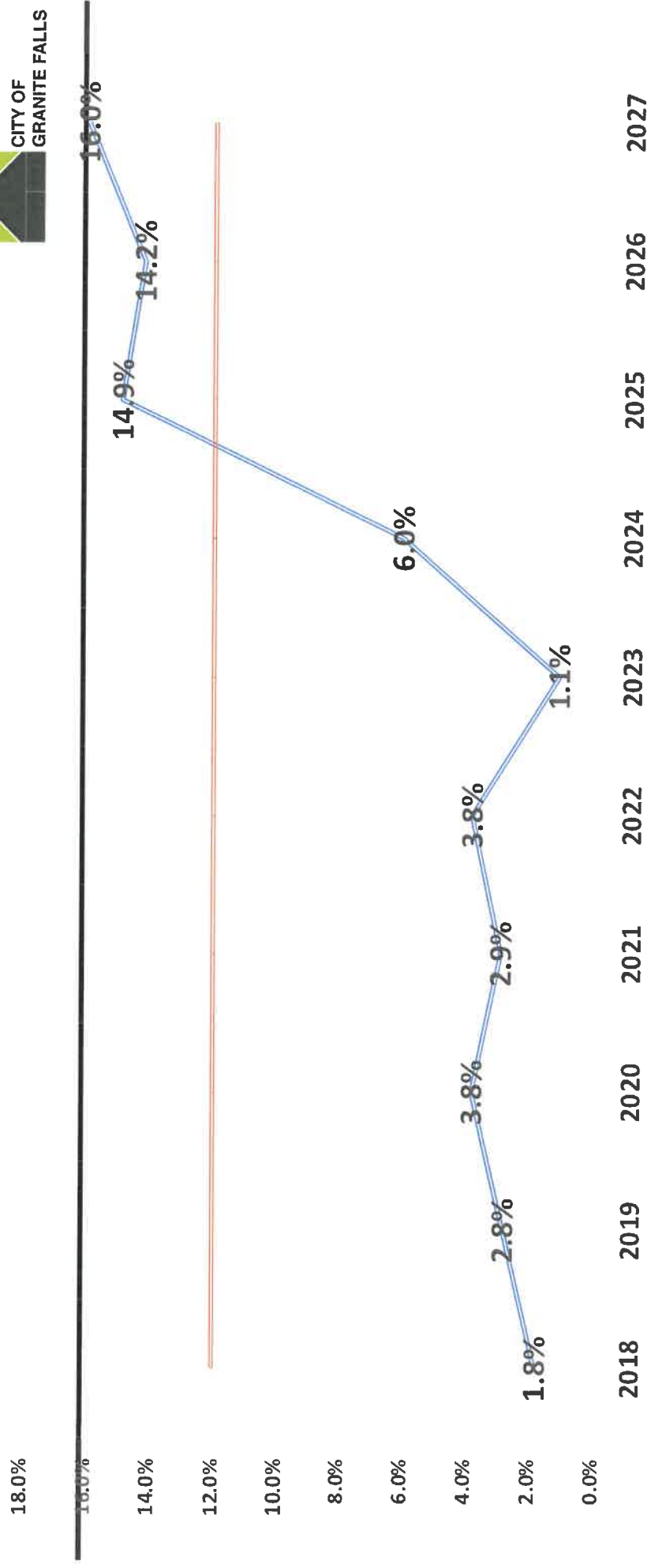


• Solid Waste Fund

	<u>2022</u>	<u>2023 Budget</u>	<u>2023 Trend</u>	<u>2024 Trend</u>
Revenue	\$1,166	\$900	\$3,820	\$922
Expense	\$0	\$0	\$0	\$0
Reserve	\$89,279	\$90,179	\$93,100	\$91,101

Debt Load

— Cash Position — SAO Benchmark



This ratio shows the percent of the total governmental fund revenues that are used to pay the principal and interest on loans and other debt.

2023 Non-Exempt Positions As of Jan 1, 2023



Position	Annualized (less OT) Min (2080 hours)	Annualized (less OT) Max (2080 hours)
Maint. Worker I	\$55,771 + OT	\$83,442 + OT
Maint. Worker II/ WWTP I	\$68,190 + OT	\$85,129 + OT
WWTP II	\$71,117 + OT	\$91,249 + OT
WWTP Supervisor	\$79,258 + OT	\$102,655 + OT
PW Ops Supervisor	\$83,802 + OT	\$107,199 + OT
Casual	\$40,496 + OT	\$52,576 + OT
Clerk	\$78,066 + OT	\$99,911 + OT
Deputy Clerk/Utilities	\$68,976 + OT	\$88,299 + OT
Passport	\$54,080 + OT	\$58,406 + OT
WWTP Supervisor	<i>Grandfathered</i> \$109,359 + OT	\$111,902 + OT
Maint. Worker II Prior to 1-1-2022	\$56,828 + OT	\$85,129 + OT

2022 Exempt Positions As of Jan 1, 2022



Position	Annual
City Manager (Note 1)	\$181,692
Deputy City Manager (Note 2)	\$137,177 (net from \$40,002 credit from FD17)
Passport Manager	\$80,638
Community Development Director	\$113,636

Note 1: 2024 City Manager contingency of 4%
Note 2: 2024 Deputy City Manager 4% COLA

Granite Falls Budget

Questions?

Thank You!

Granite Falls
Budget

CITY COUNCIL AGENDA BILL

Subject:

AB 091-2023 Consideration of Approving Resolution 2023-09 A Resolution of the City of Granite Falls, Washington, Authorizing Membership in the Association of Washington Cities (AWC) Risk Management Service Agency (RMSA)

Meeting Date: Wednesday, September 6, 2023

Date Submitted: August 28, 2023

Originating Department: City Treasurer

Action Required:

Consideration of Approving Resolution 2023-09 A Resolution of the City of Granite Falls, Washington, Authorizing Membership in the Association of Washington Cities (AWC) Risk Management Service Agency (RMSA).

Clearances:

☐ Mayor

☐ Police

☐ Public Works

☐ Attorney

☐ Engineering

☐ Planning

☒ Other: Finance

Exhibits:

[Resolution 2023-09](#)

[City of Granite Falls and AWC RMSA ILA](#)

[AWC RMSA Bylaws](#)

Budgeted Amount:

518 30 46 00 Insurance \$32,359.85

521 10 46 00 Insurance \$7,416.90

531 00 46 00 Insurance \$10,640.53

534 00 46 00 Insurance \$8,241.00

535 00 46 00 Insurance \$57,408.00

543 30 46 00 Insurance \$11,557.50

Summary Statement:

To become a member of the AWC Risk Management Service Agency (RMSA), the Council will need to review and approve the RMSA Bylaws and Interlocal Agreement. Upon completing this process, we will send the signed Interlocal Agreement back to AWC RMSA for their records. Additionally, the Council will need to approve the resolution approving the Interlocal Agreement and forward it to RMSA for their records. Once all necessary approvals have been obtained, AWC RMSA will arrange an initial onsite orientation and site visit to ensure all members are fully informed and prepared to engage with the agency.

Background:

Granite Falls, Washington, reviewed the proposals submitted for the RFP Insurance: Property, Casualty, Auto, and Liability in May 2023. The Council approved AWC RMSA as the most responsive bidder, resulting in an improvement in the City's risk mitigation plan and a reduction in costs. This review and approval of the RMSA Bylaws and ILA marks the final step towards formal membership in the RMSA Insurance Pool.

Recommended Motion:

1) Motion to Approve Resolution 2023-09 A Resolution of the City of Granite Falls, Washington, Authorizing Membership in the Association of Washington Cities (AWC) Risk Management Service Agency (RMSA).

CITY OF GRANITE FALLS
Granite Falls, Washington

RESOLUTION 2023-09

**A RESOLUTION OF THE CITY OF GRANITE FALLS, WASHINGTON,
AUTHORIZING MEMBERSHIP IN THE ASSOCIATION OF
WASHINGTON CITIES (AWC) RISK MANAGEMENT SERVICE
AGENCY (RMSA).**

WHEREAS, the City of Granite Falls, Washington, is a non-charter code city operating under the Council-Manager form of government pursuant to RCW Title 35A; and

WHEREAS, the Association of Washington Cities Risk Management Service Agency (AWC RMSA) is a municipal self-insurance pool formed on January 1, 1989, under RCW 48.62, to provide its members the opportunity to self-insure or pool their primary risks to enhance their ability to control their insurance programs and coverages and providing its members cost stability and the potential for long-term savings; and

WHEREAS, AWC RMSA is sponsored by the Association of Washington Cities as a service to Washington cities, towns, and special districts; and

WHEREAS, on September 6, 2023, the City of Granite Falls, Washington Council passed Resolution 2023-09 confirming the City of Granite Falls' application for membership in the AWC RMSA; and

WHEREAS, the City of Granite Falls, Washington has reviewed and analyzed the AWC RMSA Interlocal agreement, bylaws, other governing documents, and coverages with legal counsel for compliance with the Charter and Ordinances, or both, of the City of Granite Falls; and

WHEREAS, the City of Granite Falls, Washington, concludes that membership in the AWC RMSA would be beneficial in managing the municipal risks involved in providing services to our citizens;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRANITE FALLS, WASHINGTON THAT THE INTERLOCAL AGREEMENT BETWEEN THE CITY OF GRANITE FALLS, WASHINGTON AND THE AWC RMSA IN THE FORM ATTACHED HERETO AS EXHIBIT A IS HEREBY APPROVED AND THAT THE CITY OF GRANITE FALLS, WASHINGTON DOES HEREBY:

1. Authorize the City of Granite Falls, Washington's membership in the AWC RMSA;

2. Authorize the City of Granite Falls, Washington's City Manager, to execute the AWC RMSA Interlocal Agreement on behalf of the City of Granite Falls, Washington;
3. Agree to adhere to the AWC RMSA risk management philosophy and standards as set forth by the pool; and
4. Agree to enter into and abide by the AWC RMSA Interlocal Agreement and all other AWC RMSA governing documents, which, along with this Resolution, constitute a contract between the City of Granite Falls, Washington, and the AWC RMSA.

The City of Granite Falls will become a member starting January 1, 2024.

ADOPTED by the city council and **APPROVED** by the mayor this _____ day of _____, 2023.

CITY OF GRANITE FALLS

Matthew Hartman, Mayor

ATTEST:

Darla Reese, MMC, City Clerk

APPROVED AS TO FORM:

Thom Graafstra, City Attorney

**INTERLOCAL AGREEMENT OF
THE ASSOCIATION OF WASHINGTON CITIES
RISK MANAGEMENT SERVICE AGENCY
(AWC-RMSA)**

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INTERLOCAL AGREEMENT: OF THE ASSOCIATION OF WASHINGTON CITIES RISK MANAGEMENT SERVICE AGENCY

PREAMBLE

State law authorizes the formation of pooling organizations to provide insurance, to reduce the amount and frequency of the Members' losses, and to decrease the cost incurred by the Members in the handling and litigation of claims. This Agreement provides for self-insurance pooling and/or the economical purchase of Insurance coverage for Local Governmental Entities. This Agreement is made and entered into in the State of Washington by and among the Members organized and existing under the Constitution or laws of the State of Washington, hereinafter collectively referred to as "Members", and individually as "Member", which are parties signatory to this Agreement.

RECITALS

WHEREAS, Chapter 48.62 RCW provides that two or more local governmental agencies may, by Interlocal Agreement, provide insurance for any purpose by one or more of certain specified methods;

WHEREAS, the Association of Washington Cities, the sponsoring entity, of the Risk Management Service Agency ("Agency"), would like to maintain the long-standing relationship that has been achieved over the years because of the mutual goals of both entities, which is to support all cities and towns in Washington State;

WHEREAS, the Association of Washington Cities as sponsor of the Agency desires to provide its Members, as well as other Local Governmental Entities, the opportunity to jointly self-insure or pool their primary risks to enhance their ability to control their insurance programs and coverages;

WHEREAS, each of the parties to this Agreement desires to join together with the other parties for the purpose of pooling their self-insured losses and jointly purchasing excess insurance and administrative services in connection with a Joint Self-Insurance program for said parties; and

WHEREAS, it appears economically feasible and practical for the parties to this Agreement to do so;

NOW, THEREFORE, in consideration of all of the mutual benefits, covenants and agreements contained herein the parties hereto agree as follows:

ARTICLE 1 Definitions

The following definitions shall apply to the provisions of this Agreement:

- 1.1 **"Administrative Agent,"** shall mean the Association of Washington Cities that provides the contracted administrative services for the Agency.
- 1.2 **"Agency"** shall mean the Association of Washington Cities Risk Management Service Agency (RMSA).
- 1.3 **"Agreement"** shall mean the Interlocal Agreement, however amended, among and between the Agency and the Members.
- 1.4 **"Assessment"** shall mean the monies paid by the Members to the Agency.

- 1.5 **“Association”** shall mean the Association of Washington Cities.
- 1.6 **“Board of Directors”** or **“Board”** shall mean the governing body of the Risk Management Service Agency (RMSA) as duly elected by the members of the Agency.
- 1.7 **“Bylaws”** shall mean the document(s) that provides for the governance and operation of the Agency. “Bylaws” mean the Bylaws adopted by the Board of Directors of the Agency and all duly adopted amendments and revisions thereto, however amended.
- 1.8 **“Claim(s)”** means a demand for payment for damages against the Agency arising out of occurrences within the Coverage Agreement; or policy benefit because of the occurrence of an event that includes, but is not limited to, the destruction or damage of property or reputation, bodily injury or death and alleged civil rights violations.
- 1.9 **“Coverage Agreement”** shall mean the coverage document(s) established by the Board of Directors and intended to address the general claim operations of the Agency.
- 1.10 **“Excess insurance”** shall mean that insurance purchased or other financing arrangements made on behalf of the Agency to protect the funds of the Agency against catastrophes or against an unusual frequency of losses during a single year.
- 1.11 **“Fiscal Year”** shall mean that period of 12 months, from January 1 to December 31, which is established as the fiscal year of the Agency.
- 1.12 **“Insurance”** shall mean and include self-insurance through a funded program and/or commercial insurance contract.
- 1.13 **“Interlocal Agreement”** means an Agreement established under the Interlocal Cooperation Act defined in Chapter 39.34 RCW which permits local governmental units to make the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage and therefore, to provide services and facilities in a manner and pursuant to forms of governmental organization that will accord best with geographic, economic, population, and other factors influencing the needs and development of local communities.
- 1.14 **“Joint Self-Insurance Program”** means two or more Local Government Entities which have entered into a cooperative risk sharing Agreement subject to regulation under Chapter 48.62 RCW.
- 1.15 **“Local Governmental Entity”** shall mean every unit of local government, both general purpose and special purpose, and shall include, but not be limited to, counties, cities, towns, port districts, public utility districts, water districts, sewer districts, fire protection districts, irrigation districts, metropolitan municipal corporations, conservation districts, and other political subdivisions, governmental subdivisions, municipal corporations, and quasi municipal corporations.
- 1.16 **“Member”** – shall mean any eligible entity which participates in the Agency, pays the annual Assessment and is signatory to the Agency’s Interlocal Agreement.
- 1.17 **“Member Standards”** shall mean the required and advisory standards adopted by the Board of Directors in an effort to provide consistent administrative practices for members, with the goal of reducing property and liability losses.
- 1.18 **“Operating Committee”** shall mean the standing advisory committee to the Board.
- 1.19 **“Reassessment”** shall mean additional monies paid by the Members to the Joint Self-Insurance Program if claims shall exceed assets.

- 1.20 **“Risk Sharing”** means a decision by the Members of a Joint Self Insurance program to jointly absorb certain or specific financial exposures to risks of loss through the creation of a formal program of advance funding of actuarially determined anticipated losses; and/or joint purchase of Insurance or reinsurance as a Member of a Joint Self-Insurance program formed under Chapter 48.62 RCW.
- 1.21 **“Signatory”** or **“Signatories”** shall mean those parties who sign this Agreement, including execution by counterpart, thereby becoming a Member of the Agency bound by the terms of this Agreement.
- 1.22 **“Special Committee”** – shall mean committees of the Agency created by the Board of Directors.

ARTICLE 2 Risk Sharing

- 2.1 This Agreement is entered into by the Members to provide for Joint Self-Insurance pooling and/or the economical purchase of Insurance coverage, risk management services, and property and liability claims administration. Furthermore, the purpose of the Agreement is to reduce the amount and frequency of the Members' losses and to decrease the cost incurred by the Members in the handling and litigation of claims. This purpose shall be accomplished through the exercise of the powers of the Members jointly in the creation of a separate public Agency, the Association of Washington Cities Risk Management Service Agency, to direct and administer a Joint Self-Insurance Program wherein the Members will engage in certain activities, including but not limited to the following:
- 2.1.1 Risk Sharing
- 2.1.2 Joint purchase of insurance which may include, but is not limited to Excess and or reinsurance; and
- 2.1.3 Joint purchase of administrative and other services including:
- 2.1.3.1 Claims adjusting;
- 2.1.3.2 Data processing;
- 2.1.3.3 Risk management consulting;
- 2.1.3.4 Loss prevention;
- 2.1.3.5 Legal; and
- 2.1.3.6 Miscellaneous related services.
- 2.2 It is also the purpose of the Agreement to provide, to the extent permitted by law, for the inclusion at a subsequent date of such additional Local Government Entities organized and existing under the Constitution or laws of the State of Washington as may desire to become parties to this Agreement and Members of the Agency, subject to approval by the Board of Directors.
- 2.3 This Agreement may but is not required to provide, to the extent permitted by law, that the Agency may, at the discretion of its directors, contract with non-member Local Government Entities in the State of Washington.

Article 3 Agency Offices

- 3.1 Principal Executive Office

The principal executive office for the transaction of business of the Agency shall be located at 1076 Franklin St. SE, Olympia, WA 98501. The Administrative Agent in cooperation with the Board of Directors of the Agency shall have the authority to change the location of the principal executive office from time to time.

3.2 Other Offices

Other business offices may be at any time be established by the Administrative Agent in cooperation with the Board of Directors of the Agency at any place or places where the Agency is qualified to do business.

ARTICLE 4
Parties to Agreement

Each party to this Agreement certifies that it intends to and does contract with all other parties who are Signatories of this Agreement and, in addition, with such other parties as may later be added to and Signatories of this Agreement pursuant to Article 14. Each party to this Agreement also certifies that the deletion of any party from this Agreement, pursuant to Articles 16 and 17, shall not affect this Agreement nor such party's intent to contract as described above with the other parties to the Agreement then remaining.

ARTICLE 5
Term of Agreement

This Agreement shall become effective on January 1, 2017, and shall be of unlimited duration, but not less than one year, and will continue unless terminated as hereinafter provided in Article 19.

ARTICLE 6
Financial Obligations of Agency

Pursuant to Chapter 48.62 RCW, of the State of Washington, the debts, liabilities, and obligations of the Agency shall not constitute debts, liabilities, or obligations of any Member to this Agreement.

ARTICLE 7
Powers of the Agency

- 7.1 Agency shall have the powers provided for by law and is hereby authorized to do all acts necessary for the exercise of said powers, including, but not limited to, any or all of the following:
- 7.1.1 Contract or otherwise provide for risk management, claims administration and loss prevention services;
 - 7.1.2 Contract or otherwise provide legal counsel for the defense of Claims and/or other legal services;
 - 7.1.3 Consult with the Washington State Risk Manager and State Auditor;
 - 7.1.4 Jointly purchase Insurance coverage in such form and amount as the organization's participants may by contract agree;
 - 7.1.5 Incur debts, liabilities, or obligations;
 - 7.1.6 Acquire, receive, hold, or dispose of property, funds, services, and other forms of assistance from persons, firms, corporations, and governmental entities;
 - 7.1.7 Sue and be sued in its own name;
 - 7.1.8 Hire employees and agents; and

7.1.9 Exercise all powers necessary and proper to carry out the terms and provisions of this Agreement, or otherwise authorized by law.

7.2 Said powers shall be exercised to the terms hereof and in the manner provided by law.

ARTICLE 8

The Board of Directors and their Powers and Responsibilities

8.1 The Agency, its funds and service programs shall be administered by a Board of Directors.

8.2 Number of directors
There shall be seven (7) directors of the Agency, who shall be elected officials representing members of the Agency.

8.3 Acceptance of Appointment by directors
Each director shall sign a document accepting their appointment as director and agreeing to abide by the terms and provisions of this Agreement and the Bylaws.

8.4 Powers and Responsibilities of the Board of Directors
The Board of Directors of the Agency shall have the following powers and functions:

8.4.1 The Board shall have the power to review, amend, modify, adopt, override, or reject the Operating Committee's recommendations.

8.4.2 The Board shall review, modify if necessary, and approve the annual operating budget of the Agency.

8.4.3 The Board shall receive and review periodic accountings of all funds of the Agency.

8.4.4 Annually the Board shall review, amend, adopt, or reject the Operating Committee's recommendation of the Assessment, or Reassessment rate to be charged to the Members of the Agency.

8.4.5 The Board may review, modify if necessary, and approve the Coverage Agreement, the Agency's Bylaws, policies and Member Standards.

8.4.6 The Board shall have the power to conduct all business on behalf of the Agency, which the Agency may conduct under the provisions hereof and pursuant to law.

8.4.7 The Board shall determine and select Insurance, necessary to carry out the Joint Self-Insurance Program for the Agency.

8.4.8 The Board shall have authority to contract for or develop various services for the Agency, including, but not limited to, an Administrative Agent, claims adjusting, loss prevention, risk management consulting services, independent actuary services, insurance brokerage services, independent claims auditing services, and legal counsel.

8.4.9 The Board shall have such other powers and functions as are provided for in this Agreement, and the Bylaws, which are necessary to implement the purposes of this Agreement, including, but not limited to, the power to authorize contracts.

ARTICLE 9

Operating Committee

The Operating Committee shall consist of nine (9) representatives from Members. All members of the Operating Committee shall be non-elected officials. It is the Board's intent that the Operating

Committee is advisory to the Board and/or the Administrative Agent, regarding the operations of the Agency.

ARTICLE 10

Coverage

- 10.1 The type and limits of the Insurance coverage provided for Members by the Agency shall be established by the Board of Directors.
- 10.2 The Board may approve purchase of additional types or limits of coverage for Members interested in obtaining additional types or limits of coverage at additional cost to those Members. Such additional cost may include an administrative fee for the Agency's services.
- 10.3 The Board may arrange for the purchase of any other Insurance or services deemed necessary to protect the Agency or funds held by the Agency against catastrophe.

ARTICLE 11

Bond Requirements

The Board may require that the Administrative Agent authorized to disburse funds of the Agency, provide a fidelity bond in the amount as set by the Board, and provide that such bond be paid by the Agency.

ARTICLE 12

Responsibility of the Agency

The Agency shall perform the following functions in discharging its responsibilities under this Agreement:

- 12.1 Provide Insurance coverage as deemed necessary, including but not limited to a self-insurance fund and commercial insurance, as well as excess coverage or reinsurance, and other insurance. Such insurance, to be arranged by negotiation or bid, and/or purchase, as necessary;
- 12.2 Assist each Member's designated risk manager with the implementation of the risk management functions within the Member entity;
- 12.3 Provide loss prevention consulting services to Members as required;
- 12.4 Provide Claim adjusting and subrogation services for Claims covered by the Agency's Coverage Agreement;
- 12.5 Provide loss analysis by the use of statistical studies, data processing, and record and file-keeping services, to identify high exposure operations and to evaluate proper levels of self-retention and deductibles;
- 12.6 Assist Members, as requested, with review of their contracts to determine sufficiency of indemnity and insurance provisions;
- 12.7 Conduct risk management audits to review the participation of each Member in the program. The audit shall be performed by appointed Agency staff or, at the discretion of the Administrative Agent, and/or an independent auditor may be retained by contract to conduct the audits;
- 12.8 Provide for the defense of any civil action or proceeding brought against any officer, employee, Board member, or other agent of the Agency, in their official or individual capacity or both, on account of an act or omission within the scope of their agency as an agent of the Agency;

- 12.9 Abide by the rules and regulations as stated or hereinafter amended of RCW Chapter 48.62 and WAC 200-100; and
- 12.10 The Agency shall have such other responsibilities as deemed necessary by the Board of Directors in order to carry out the purposes of the Agreement.

ARTICLE 13

Responsibilities of Members

Members shall have the following responsibilities:

- 13.1 All Members must maintain membership in the Association of Washington Cities.
- 13.2 Each Member shall appoint an employee of the member entity to be responsible for the risk management function within that member entity and to serve as a liaison between the Member and the Agency.
- 13.3 Each Member shall implement a risk management policy which shall include implementing loss prevention recommendations, and complying with the Member Standards.
- 13.4 Each Member shall be responsible for payment of any Member-elected deductible, and/or appropriate deductible associated with the Member Standards.
- 13.5 Each Member shall promptly pay its Assessment, Reassessment, and any readjusted amount promptly to the Agency when due. After withdrawal or termination, each Member shall pay promptly to the Agency its share of any Reassessment and accrued interest at a rate determined by the Board, when and if required of it by the Board.
- 13.6 Each Member shall provide the Agency with such other information or assistance as may be necessary for the Agency to carry out the provisions of this Agreement.
- 13.7 Each Member shall in any and all ways cooperate with and assist the Agency, and any insurer of the Agency, in all matters relating to this Agreement and covered losses, and will comply with all Bylaws, policies, procedures and Member Standards as adopted or amended by the Board of Directors.
- 13.8 All members shall cooperate with the Agency and assist with any investigations, settlement discussions, defense or prosecution of suits, and cooperate and assist the Agency in enforcing any right of contribution, indemnity, or subrogation in which the Agency may have an interest by virtue of a payment made pursuant to the Bylaws, this Agreement, or the Coverage Agreement. Members shall also assist the Agency and attend hearings and trials as well as secure and give evidence and obtain the attendance of witnesses. Further, the members shall undertake appropriate due diligence and concur in exercising all things reasonably practicable to avoid or diminish any loss of or damage to the property insured under this agreement.

ARTICLE 14

New Members

- 14.1 Additional Members shall be permitted to become Signatories to this Agreement. All potential members to the Agency must be members of the Association of Washington Cities or become members prior to acceptance into the Agency. The Agency shall allow entry into the program of new members approved by the Board of Directors at such time during the year as the Board deems appropriate.

- 14.2 Members entering under this Article may be required to pay their share of expenses as determined by the Board, including those necessary to analyze their loss data and determine their Assessment.

ARTICLE 15

Defense of Agents

- 15.1 For purposes of this article, "agent" means any person who is or was: a director, an Operating Committee member, a Special Committee member, an officer, or an agent acting on behalf of the Agency or Administrative Agent.
- 15.2 The Agency shall provide for the defense of any agents and paying of any valid judgments and claims brought against any such agent arising from their actions or conduct in their official or individual capacity or both, on account of an act or omission within the scope of their responsibility; provided, however, this section shall not apply to those occurrences covered by an Agency policy of liability insurance or if the claim or judgment results from the intentional misconduct of said agent.

ARTICLE 16

Withdrawal

- 16.1 A Member signing this Agreement may not withdraw as a party to this Agreement and as a Member of the Agency for a one-year period commencing on the date said Member signs the Agreement.
- 16.1.1 After the initial one-year non-cancellable commitment provided pursuant to this Agreement, a Member may withdraw only at the end of the Agency's Fiscal Year, provided the Member has given the Agency a minimum of 12-month written notice of its intent to withdraw from this Agency.
- 16.2 A Member shall be entitled to withdraw from the Agency where the Member presents to the Board of Directors evidence demonstrating a material breach of contract by the Agency as regards its obligations to the Member. The Member shall be allowed to withdraw from the agency within ninety (90) days of any finding by the Board of Directors that a material breach of contract by the Agency has occurred. The withdrawal of any Member under the conditions identified here shall not however free it from any and all requirements made of any withdrawing Member.
- 16.3 No Member withdrawing from the agency shall be entitled to payment or return of any Assessment, Reassessment, contributions or monies contributed to the Agency or to the distribution of any assets of the Agency.

ARTICLE 17

Termination by Agency

- 17.1 The Agency shall have the right to terminate any Member's participation in the Agreement upon a motion approved by a vote of 66% or more of the entire Board of Directors. Prior to taking action on such a motion, the Board may, but is not required to, request that the Operating Committee review and make recommendations to the Board on any allegation giving rise to the request to terminate, including but not limited to failure to: comply with a written condition, disregard of risk management recommendations or Member Standards, noncompliance with any provision of this Agreement, and/or the Bylaws of the Agency.
- 17.2 Any Member so terminated from the Agency, shall be given at least one hundred eighty (180) days notice prior to the effective date of the termination. Any Member so terminated shall have a period of up to six (6) months coverage under the terms of this Agreement, or may affect alternate insurance or self-insurance arrangements if it so desires. Upon written receipt of confirmation from the terminating Member that the terminating Member has in force valid insurance or membership in another risk sharing pool, the effective date of the termination may

be adjusted by the Agency. Any Member so terminated shall be treated as if it had voluntarily withdrawn.

- 17.3 Upon termination from this Agreement, a Member shall not be entitled to payment or return of any Assessment, Reassessment, contributions or monies contributed to the Agency or to the distribution of any assets of the Agency.

ARTICLE 18

Effect of Withdrawal or Termination

- 18.1 The withdrawal of any Member from this Agreement shall not terminate the same for purposes of continuing to comply with all conditions and requirements of the Agreement, and survives the withdrawal or termination of any Member.
- 18.2 No Member by withdrawing or terminating from the Agreement shall be entitled to payment or return of any Assessment, Reassessment, consideration of property paid, or donated by the Member to the Agency, or to any distribution of assets.
- 18.3 The withdrawal or termination of any Member shall not cease its responsibility to contribute its share or Assessment, Reassessment, or funds to any fund or Joint Self-Insurance program created by the Agency until all Claims, or other unpaid liabilities, covering the period the Member was Signatory hereto have been finally resolved and a determination of the final amount of payments due by the Member or credits to the Member for the period of its membership has been made by the Board of Directors. In connection with this determination, the Board may exercise similar powers to those provided for in Article 17, *Termination by Agency*, of this Agreement.
- 18.4 The withdrawn or terminated Member shall be responsible for any applicable deductible that would have been applied related to a claim the same as if the Member was still in good standing with the Agency.
- 18.5 Any withdrawn or terminated Member may not be permitted to rejoin the Agency, or allowed to submit an application to rejoin the Agency for a period of three (3) years after the effective date of the Member's withdrawal or termination without Board approval.

ARTICLE 19

Termination and Distribution

- 19.1 This Agreement may be terminated at any time by the written consent of three-fourths (75%) of the Members, provided, however, that this Agreement and Agency shall continue to exist for the purpose of paying all debts and liabilities, disposing of all Claims, distributing net assets, and otherwise liquidating the affairs of the Agency. The Board of Directors is vested with all powers of the Agency during such liquidation, including the power to require Members, including those who were Members at the time the claim arose or at the time the loss was incurred, to pay their share of any additional amount of Reassessment deemed necessary by the Board for final disposition of all Claims, losses, and liabilities covered by this Agreement. Such additional Reassessment shall be determined and thereafter adjusted, if necessary.
- 19.2 Upon termination of this Agreement, all assets of the Agency shall be distributed only among the parties that are Members in good standing of the Agency on the date of termination of this Agreement. The assets shall be distributed in accordance with and proportionate to their Assessment, Reassessment and property contributions made during the term of this Agreement. The Board shall determine such distribution within six (6) months after the last pending claim or loss covered by this Agreement has been finally disposed of.
- 19.3 The Board is vested with all powers of the Agency for the purpose of liquidating and dissolving the business affairs of the Agency. These powers shall include the power to require Members,

including those which were Members at the time the claim arose or at the time the loss was incurred, to pay their share of any additional amount of assessment deemed necessary by the Board for final disposition of all Claims and losses covered by this Agreement. A Member's share of such additional assessment shall be determined on the same basis as that provided for annual assessments, and shall be treated as if it were the next year's annual assessment for that Member.

ARTICLE 20

Bylaws, Policy, Procedures and Member Standards

The Board may adopt Agency Bylaws, policies, procedures, and Member Standards or other documents that govern the day-to-day operations of the Agency. Each Member shall have access in electronic or written format.

ARTICLE 21

Notices

Notices to Members hereunder shall be sufficient if mailed to the last address, or electronic mail, provided to the Agency by the respective Member. Postal mail will be deemed received three (3) days after mailing.

ARTICLE 22

Amendment

This Agreement may be amended at any time by the written approval of the majority of all Members of the Agency. Amendments to the Agreement shall be adopted by ordinance or resolution of the governing board or council of each Member, signed by an authorized representative of each member, and a copy returned to the Agency

ARTICLE 23

Enforcement

The Agency is hereby granted the authority to enforce this Agreement. In the event action is instituted to enforce any term of this Agreement or any term of the Bylaws against any City Member which signed this Agreement, the substantially prevailing party in such dispute shall be entitled to its costs and reasonable attorney's fees.

ARTICLE 24

Prohibition Against Assignment

No Member may assign any right, claim, or interest it may have under this Agreement, except to a successor entity following reorganization. No creditor, assignee, or third-party beneficiary of any Member shall have any right, claim, or title to any part, share, interest, fund, assessment, or asset of the Agency. Should any participating Member reorganize in accordance with the statutes of the State of Washington, the successor in interest, or successors in interest, may be substituted as a Member upon approval by the Board.

ARTICLE 25

Severability

In the event that any article, provision, clause, or other part of this Agreement should be held invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability with respect to other articles, clauses applications, or occurrences, and this Agreement is expressly declared to be severable.

ARTICLE 26

Agreement Complete

The foregoing constitutes the full and complete Agreement of the parties. There are no oral understandings or agreements not set forth in writing herein.

ARTICLE 27

Conflicts

In the event of a conflict between this Agreement and the adopted Bylaws, policies, procedures, or the Member Standards, this Agreement shall take precedence.”

Article 28

Supersession

This Agreement supersedes and replaces all prior Interlocal Agreements and amendments thereto pertaining to the Agency.”

Article 29

Signature in Counterparts

This Agreement may be executed in any number of Counterparts and each of such Counterparts shall for all purposes constitute one Agreement, binding on all Members, notwithstanding that all Members are not Signatories to the same Counterpart. All references herein to this Agreement are deemed to refer to all such Counterparts.

Article 30

Section Headings

The section headings in this Agreement are inserted for convenience only and are not intended to be used in the interpretation of the contents of the sections they identify and introduce.

**Article 31
Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

**Article 32
Time**

Time is of the essence in this Agreement and each and every provision hereof.

**ARTICLE 33
Authorization of Signature**

Each Member signing this Agreement has passed the required Ordinance or Resolution authorizing and approving this Agreement, a copy of which Ordinance or Resolution is attached hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by authorized officials thereof.

Association of Washington Cities (AWC)
Risk Management Service Agency (RMSA)

(Member Name)

By 

Deanna Dawson, AWC CEO

By _____
_____, [Title]
(Printed name)

Date 11/10/2022_____

Date _____

**BYLAWS OF
THE ASSOCIATION OF WASHINGTON CITIES
RISK MANAGEMENT SERVICE AGENCY
(AWC RMSA)**

Amended June 27, 2018

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PURPOSE AND PREAMBLE

In an effort to provide the cities and towns of Washington State with insurance and risk management services, the Association of Washington Cities Risk Management Service Agency (AWC RMSA) was created with the Association of Washington Cities (AWC), a Washington non-profit corporation organized under 501 (c)(4) as its sponsoring entity. The AWC acts as the Administrative Agent, providing the AWC RMSA with contracted administrative services. Each participating Member joins and maintains membership in the AWC RMSA through the signed Interlocal Agreement.

Except where inconsistent with State Law or the Agency's Interlocal Agreement, these Bylaws provide for the governance and regulation of the AWC RMSA herein referred to as "the Agency".

ARTICLE 1 DEFINITIONS

The following definitions shall govern in these bylaws:

- Section 1. "Administrative Agent" – shall mean the Association of Washington Cities (AWC) which provides the contracted administrative services for the Agency.
- Section 2. "Agency" – shall mean the Association of Washington Cities Risk Management Service Agency (AWC RMSA).
- Section 3. "Annual Meeting" shall mean the business meeting of the entire membership, taking place annually.
- Section 4. "Assessment" – shall mean the moneys paid by the Members to the Agency.
- Section 5. "Board of Directors" or "Board" – shall mean the governing board of the Risk Management Service Agency (RMSA) as duly elected by the Members.
- Section 6. "Chief Executive" – shall mean the mayor, manager, or head official of a Member, who carries the primary authority to make executive level decisions on behalf of the Member.
- Section 7. "Claim" – shall mean demands made against the Agency arising out of occurrences which are within the Agency's Coverage Agreement, as developed by the Board of Directors.
- Section 8. "Coverage Agreement" – shall mean the coverage document established by the Board of Directors and intended to address the general claims operations of the Agency.
- Section 9. "Director" – shall mean one of the seven (7) members of the Board of Directors.
- Section 10. "Member" – shall mean any eligible entity which participates in the Agency, pays the annual Assessment and is signatory to the Agency's Interlocal Agreement.
- Section 11. "Operating Committee" – shall mean the standing advisory committee to the Board of Directors.
- Section 12. "Representative" – shall mean elected members of the Operating Committee or appointed members of a Special Committee.
- Section 13. "Special Committee" – shall mean committees of the Agency created by the Board of Directors.

ARTICLE 2 BOARD OF DIRECTORS

- Section 1. The Agency shall be governed by a seven-member Board of Directors. The statutorily granted powers of the Agency shall rest with the Board of Directors. The Board of Directors shall have the power to make all Agency governance decisions, including adopting, amending and repealing resolutions, bylaws and coverages.
- Section 2. All seven (7) board positions are elected at-large and shall only be open to elected officials from participating Members.
- Section 3. Terms
- Each Director shall serve a staggered three-year (3) term of office running from January through December.
- Section 4. Nominations and Elections
- a. The process to elect Directors to positions with expiring terms shall begin in September of the year preceding the expiration date of the term, with the term of office commencing January 1 and continuing for three (3) years.
 - b. Any elected official of any Member may run for a position on the Board of Directors by submitting a completed application to the Agency.
 - c. After all candidate applications have been received, ballots shall be mailed to each Member. The ballot shall be completed by the Chief Executive or designee of the Member and shall be sealed and returned to the Agency.
 - d. When the sealed ballots are returned, the ballots shall be opened and read into the record at a meeting of the Board of Directors in November or December.
- Section 5. Vacancies
- a. Vacancies which occur prior to a term expiring shall be filled from candidates whose names are submitted to the Board of Directors, pursuant to section 4 (b). The remaining Directors shall select candidates whose interests and qualifications add to the vision, mission and values of the Agency.
 - b. The Agency will notify all Members of the vacancy and interested candidates shall submit a completed application to the Agency for the remaining Directors' consideration.
 - c. Following the appointment to the vacancy, the newly appointed Director will immediately fill the vacant Board position and the Director's term will expire with the term of the vacant position.
- Section 6. Participation
- a. Each Director shall make every effort to attend and actively participate in all regular and special meetings of the Board of Directors.
 - b. A Director shall be automatically terminated if such Director fails to attend three (3) consecutive meetings of the Board without being excused from attendance by the President of the Board of Directors, as noted in the minutes. Proxies shall not be permitted.

- c. A Director shall lose their position on the Board when the Member which the Director represents withdraws or is terminated by the Board of Directors. If the Member withdraws from the Agency, the loss of voting rights shall be effective from the date of the notice of withdrawal. If the Member is terminated by the Board of Directors, the loss of voting rights shall be effective from the date of the notice from the Agency to the Member of the termination of membership.

Section 7. Officers of the Board of Directors

- a. The Board shall have a President and a Vice President.
- b. The Board shall elect a President and a Vice President at the last meeting of each odd numbered year. The term of office of the President and Vice President shall be two (2) years.
- c. President or Vice President vacancies which occur prior to a term expiring shall be filled at the next meeting by a majority vote of a quorum of the remaining Directors. Following the appointment to the vacancy, the newly appointed Officer will immediately fill the vacant position and their term will expire with the term of the vacant position.

Section 8. Duties of the President and the Vice President

- a. The President of the Board shall preside over and chair all of the regular and special meetings of the Board of Directors. In the absence of the President, the Vice President shall act in the President's place.
- b. The President, and the Vice President while acting in the President's place, shall also retain all voting rights.

Section 9. Special Committees of the Board of Directors

- a. This section shall not apply to the Operating Committee.
- b. The Board of Directors, by resolution adopted by a majority of the Directors in office, may create one or more Special Committees and shall appoint the Representatives thereof.
- c. A Special Committee must have at least five or more Representatives, all who shall serve at the pleasure of the Board of Directors.
- d. At least two Representatives of a Special Committee shall be Directors.
- e. All Special Committees and their Representatives shall be governed by the same requirements regarding meetings, notice and waiver of notice, quorum, and voting requirements as are applicable to the Board of Directors.
- f. The Board of Directors may, by resolution adopted by a majority of the Directors in office, terminate a Special Committee at any time.
- g. Each Special Committee Representative shall be reimbursed by the Agency for all expenses incurred for attending any Special Committee meeting or other Special Committee business in their formal capacity as a Representative of a Special Committee.

ARTICLE 3

CLAIMS SETTLEMENT AUTHORITY

The Board of Directors authorizes the Chief Executive Officer of the Administrative Agent to settle any claims which the Agency has authority to settle with total incurred values of up to \$500,000. The Board of Directors further authorizes the Chief Executive Officer of the Administrative Agent to grant levels of claims settlement authority to other Administrative Agent employees at his/her discretion, provided that these levels do not exceed the Chief Executive Officer's own authority. The Board of Directors will retain settlement authority for claims with total incurred values of \$500,001 and up to the reinsurance limit. Settlement authority shall be granted at meetings that have been noticed to members and posted on the Agency's website per requirements established in the Washington Administrative Code (WAC) Chapter 200-100.

ARTICLE 4

OPERATING COMMITTEE

Section 1. Purpose and Intent

- a. The Administrative Agent shall advise an Operating Committee on certain Agency operations.
- b. The intent of the Operating Committee is to provide recommendations to the Board of Directors relative to operational aspects of the Agency, including but not limited to:
 1. Annual Assessment Rating to be charged to the membership
 2. Insurance purchasing and changes to the Coverage Agreement
 3. Annual Budget and Financial Reports
 4. Claims, Loss Prevention and Membership Services

Section 2. Election and Terms

- a. The Chief Executive of any Member may nominate a non-elected official from that Member as a candidate for the Operating Committee.
- b. Once nominated, a candidate shall submit a completed application expressing their interest and describing their qualifications.
- c. Each Member with a representative present at the Annual Meeting shall elect the Representatives of the Operating Committee, by a majority vote. Each Member present may only be represented by one (1) vote
- d. Each Operating Committee Representative shall serve a two (2) year term of office beginning immediately from the date of election at the Annual Meeting and expiring at the end of the second Annual Meeting following the election. Terms for positions 1, 3, 5, 7, and 9 will expire two (2) years from the date of election at an Annual Meeting occurring in an even-numbered year. Terms for positions 2, 4, 6, and 8 will expire two (2) years from the date of election at an Annual Meeting occurring in an odd-numbered year.

Section 3. Vacancies

- a. Vacancies which occur prior to a term expiring shall be filled from candidates whose names are submitted to the Operating Committee. The remaining Operating Committee Representatives shall select candidates whose interests and qualifications add to the vision, mission and values of the Agency and to the role played by the Operating Committee.
- b. The Agency will notify all Members of the vacancy and the Chief Executive of any Member may nominate a non-elected official from that Member as a candidate for the vacancy on the

Operating Committee.

- c. Candidates who have been nominated and with interest in serving on the Operating Committee shall submit a completed application to the Agency for the remaining Representatives' consideration.
- d. Following the appointment to the vacancy, the newly appointed Representative will immediately fill the vacant Operating Committee position and the Representative's term will expire with the term of the vacant position.

Section 4. Participation and Termination

- a. Each Committee Representative shall make every effort to attend and actively participate in all regular and special meetings of the Operating Committee.
- b. Any Operating Committee Representative who is absent from three consecutive Operating Committee meetings, without being excused by the Chair of the Operating Committee may be dismissed from the Operating Committee by a majority vote of the remaining Operating Committee Representatives. Proxies shall not be permitted.
- c. A Representative shall lose their position on the Operating Committee when the Member which the Representative represents withdraws or is terminated by the Board of Directors. If the Member withdraws from the Agency, the loss of voting rights shall be effective from the date of the notice of withdrawal. If the member is terminated by the Board of Directors, the loss of voting rights shall be effective from the date of the notice from the Agency to the Member of the termination of membership.

Section 5. Officers of the Operating Committee

- a. The Operating Committee shall elect two Officers, a Chair and a Vice Chair, to conduct the affairs of the Operating Committee. The Officers of the Operating Committee shall be elected at the first regular meeting of every even-numbered year. The term of office for the Chair and Vice Chair shall be two (2) years.
- b. Chair or Vice Chair vacancies which occur prior to a term expiring shall be filled at the next meeting by a majority vote of a quorum of the remaining Committee members. Following the appointment to the vacancy, the newly appointed Officer will immediately fill the vacant position and their term will expire with the term of the vacant position.

Section 6. Ex-Officio Representatives to the Board of Directors

- a. The Chair or designee of the Operating Committee shall serve as an ex-officio member on the Board of Directors, serving as a liaison between the Operating Committee and the Board of Directors. This representative shall have no voting rights during meetings of the Board of Directors.
- b. The Ex-Officio's term on the Board of Directors shall coincide with their term on the Operating Committee.

**ARTICLE 5
MEETINGS OF THE AGENCY**

Section 1. Regular Meetings and Notice

- a. The Board of Directors, Operating Committee and Special Committees shall establish the

times and dates for their regular meetings.

- b. Written notice of each regular meeting shall be given to each Director of the Board of Directors and to each Representative of the Operating Committee and Special Committees of the Board. Notice will also be given to the Washington State Risk Manager's Office, and all other Members in the manner provided by the Revised Code of the State of Washington, Section 42.30, known as the Open Public Meetings Act (OPMA). Such notice shall specify:
 - 1. The place and time of such meeting
 - 2. Those matters which are intended to be presented for action by the Board or Committee.
 - 3. Such other matters, if any, as may be expressly required by statute or by the Agency's Bylaws or Interlocal Agreement.
- c. All notices of meetings, and the preliminary agenda for those meetings, shall be posted on the Agency's website per requirements established in the Washington Administrative Code (WAC) Chapter 200-100.

Section 2. Special Meetings

Special meetings of the Board, Operating Committee, or Special Committee for the purpose of taking any action permitted by the statute and the Agency's Interlocal may be called at any time by the Board President, Operating or Special Committee Chair or by not less than ten Members. Upon request in writing that a special meeting of the Board, Operating or Special Committee be called for any proper purpose and directed to the Board President, Vice President, Committee Chair or Vice Chair by any person or persons entitled to call a special meeting of the Board, Operating Committee, or Special Committee, the officer receiving such request shall cause notice to be given to the Members that a meeting will be held at a time requested by the person or persons calling the meeting, not less than 24 hours nor more than 60 days after receipt of the request. Notice of any special meeting of the Board, Operating Committee, or Special Committee shall be given in compliance with the Open Public Meetings Act.

Section 3. Quorum

To constitute a valid regular or special meeting, the presence by a simple majority of the Board Directors, Operating Committee or Special Committee Representatives is required.

Directors or Committee Representatives may participate in regular or special meetings by means of a conference by telephone or any similar communications equipment, one which enables all persons participating in the meeting to hear each other during the meeting, as well as that of the public, for meetings which are open to the public. Participation by such means shall constitute presence in person at a meeting and for meeting quorum purposes.

Section 4. Minutes

Any action by the Board, Operating Committee, or Special Committee shall be reported in the minutes of the next formal meeting of the Board, Operating Committee or Special Committee. All minutes shall be posted on the Agency's website.

Section 5. Rules of Operation

All meetings of the Board, Operating Committee or Special Committee shall be conducted with guidance from Roberts Rules of Order, except where such is in conflict with the Open Public Meetings Act, the governing Washington Administrative Code (WAC) Chapter 200-100, the Agency's Interlocal Agreement, or these Bylaws, whereupon the latter shall rule over the Roberts Rules of Order.

ARTICLE 6 INSPECTION OF THE AGENCY RECORDS

The accounting books and records, the list of Members, the Board Directors, and Representatives of the Operating and Special Committees shall be open to the inspection of any Member at any reasonable time. Such inspection by a Member may be made in person or by agent or attorney. The right of inspection includes the right to copy and make extracts at the expense of the party requesting such copies.

ARTICLE 7 AMENDMENTS

These Bylaws may be amended or repealed by the affirmative vote of a majority of the entire Board of Directors, except as otherwise provided by the Agency's Interlocal Agreement.

Nothing within these Bylaws shall be considered a waiver of the agreements and rights afforded in the Agency's Interlocal Agreement. Should any inconsistencies between these Bylaws and the Agency's Interlocal Agreement exist, the Agency's Interlocal Agreement shall prevail.

ARTICLE 8 MEMBERSHIP

Section 1. Annual Meeting of the Membership.

a. Time of Meeting

The regular Annual Meeting of the Members shall be held at such time and at such location as may be determined by the Board of Directors.

b. Notice

Written notice of the time and location of the Annual Meeting shall be given to all Members in the manner provided by RCW 42.30 and no more than 60 days and not less than 30 days before the date chosen by the Board of Directors. Such notice shall specify:

1. The time and place of the Annual Meeting;
2. Those matters intended to be presented for action by the Members; and
3. Such other matters, if any, as may be expressly required by statute or by the Agency Interlocal Agreement.

Section 2. New Member Entities

- a. The Board of Directors will consider the addition of new Members based on the information and recommendations provided by the Administrative Agent, and may consider input from the Operating Committee. Following an approval vote by the Board of Directors, a new Member shall become an active participating Member and the effective date shall commence on the date identified by the Board of Directors, provided the new Member has completed the following:

1. Adoption of a resolution by the Member's governing body, approving both the membership and the Agency Interlocal Agreement
2. Signing of the Agency Interlocal Agreement;

3. Payment of the assessment as quoted.

- b. It shall not be necessary for existing Members to re-sign or ratify the Agency Interlocal Agreement in order to allow the joining to the Agency Interlocal Agreement of new Members. Once any Member has signed the Agency Interlocal Agreement, it shall represent that Member's agreement to be bound, in the future, to all terms of the Agency Interlocal Agreement, with any new Member whose membership has been approved by the Board of Directors and who has completed the requirements of membership. Thereafter, the new Member shall be considered a party to the Agency Interlocal Agreement to the same extent as all original Members and for all purposes.

Section 3. Withdrawal of Membership

Members wishing to withdraw from the Agency must comply with all of the requirements specified in the Agency's Interlocal Agreement. Upon receipt of a Member's notice of withdrawal, written confirmation shall be sent to the withdrawing Member, confirming withdrawal from the Agency. The Board may, at any time prior to the effective date of withdrawal, choose to accept a withdrawn Member's rescission of their notice of withdrawal, allowing the Member to remain a Member of the Agency.

**ARTICLE 9
COVERAGE DETERMINATION AND APPEAL**

Section 1. Coverage Determination and Appeal

It shall be the duty and responsibility of the Administrative Agent, acting on behalf of the Agency, to make all initial determinations regarding rights to coverage and protections provided in the Coverage Agreement. Such determinations shall be made according to the procedures set forth in this article, and subject to the right of appeal set forth in this article.

- a. Upon receipt of notice of a Summons and Complaint against a Member or person claiming coverage or protection rights under the Coverage Agreement, the Administrative Agent shall, within a reasonable time after receipt of said notice, make a determination of any issue of coverage or right to protection afforded a Member or person.
- b. Upon making a determination of coverage or right to protection under the Coverage Agreement, the Administrative Agent shall notify the affected Member and/or person claiming coverage or protection of his or her determination in writing.
- c. The written determination of coverage to be prepared by the Administrative Agent shall advise the affected Member and/or person of one or more of the following:
 - 1. Whether the Agency will provide the affected Member and/or person legal counsel for defense of the Summons and Complaint.
 - 2. Whether the Agency is reserving any rights to make subsequent determinations regarding coverages or protections to be afforded the affected Member and/or person.
 - 3. Whether the Agency is denying rights to coverage or protection to the affected Member and/or person under the Coverage Agreement for the claims made in the Summons and Complaint under review. In the event that coverage for a claim or suit under the Coverage Agreement is denied to an Agency Member, the Administrative Agent shall inform the Member in writing of the appeal process of these Bylaws.
- d. In the event that the Administrative Agent determines that the Agency should reserve its rights to make subsequent determinations regarding coverages or protections to the

Member and/or person, or; determine that coverages or protections should be denied to a Member and/or person, the written notice of such a determination shall also state the reasons for any such reservation of rights or denial of rights to coverage or protections.

- e. In the event that a final determination of a Member's or person's rights to coverages or protections under the Coverage Agreement cannot be made by the Administrative Agent until after the facts of the Summons and Complaint are determined in a trial in a court of law or other legal forum, it shall be the duty and responsibility of the Administrative Agent to make a determination of any undetermined issue of coverage or protection within a reasonable time following the final judgment of the court or other legal forum responsible for determining the facts of the Summons and Complaint. Such a determination shall be made in writing to the affected Member and/or person and shall contain such necessary information as provided for in this Article.
- f. All written determinations by the Administrative Agent regarding coverages or protections afforded to a Member and/or person named as a defendant in a Summons and Complaint shall be deemed final and binding unless an aggrieved Member and/or aggrieved person files a timely Notice of Appeal of the decision to the Board of Directors in the manner specified in this Article.
- g. The Administrative Agent shall not be obligated to make any determinations of coverages or protections to be afforded by the Agency to a Member and/or person until a Summons and Complaint has been served upon the affected Member and/or person and until the Administrative Agent has had notice thereof. However, the Administrative Agent may, at their discretion, issue tentative written determinations of coverage or protection before a Summons and Complaint has been filed and/or served upon the Member, when it would appear to be in the best interest of the Agency to make such a tentative and advisory determination.

In the event the Administrative Agent decides to make a tentative determination of coverage or protection, and following receipt by the Administrative Agent of a Summons and Complaint, he or she shall remain obligated to provide a subsequent final written determination of coverage or protection issues, as provided in Sections 1 (a), (b), (c), (d), (e), and (f) of this Article.

Section 2. Appeal

Any written determination made by the Administrative Agent pursuant to Section 1. (c) and (d) of this Article denying coverages or protections of the Coverage Agreement to a Member and/or affected person shall be final, as provided in Section (f) of this Article, unless the procedures for Appeal, provided hereafter, are followed by the Member and/or person affected by the denial of coverage or protection. The following procedures for Appeal shall apply in all cases.

- a. Any Member or person aggrieved by the Administrative Agent's written determination to deny coverages or protections under the Coverage Agreement may appeal the decision of the Administrative Agent to the Board of Directors. The Appeal must be initiated by the aggrieved Member or person within thirty (30) days following receipt by the aggrieved Member or person, of the Administrative Agent's written determination denying coverage or protection. If an Appeal is not initiated within thirty (30) days, as provided herein, the Member or person shall be deemed to have waived any further right to appeal the decision of the Administrative Agent.
- b. An Appeal is deemed initiated for purposes of this Article when the aggrieved Member or person, or their legal representatives, serves a written Notice of Appeal upon the Administrative Agent or upon the President of the Board of Directors. The written Notice of Appeal shall include the following information:

1. The name of the aggrieved Member or person initiating the Appeal.
 2. A brief statement of facts identifying what determination of the Administrative Agent is being appealed and the reasons why the party appealing feels the decision of the Administrative Agent was incorrect. (A copy of the Administrative Agent's written determination may be attached by reference to the Notice of Appeal.)
 3. The signature of the person or authorized representative of the member initiating the Appeal or the signature of the appealing party's legal representative.
- c. Within thirty (30) days after an Appeal has been initiated, a meeting of the Board of Directors shall be convened by the President of the Board of Directors to hear the Appeal. Notice of the date set for hearing of the Appeal by the Board of Directors shall be sent to the appealing party not later than fifteen (15) days prior to the date set for the hearing. The President of the Board of Directors shall have the authority to set hearing dates for the Appeal and to grant a continuance of the hearing date where good cause for continuance is shown.
- d. The hearing by the Board of Directors may occur when a quorum of the Board of Directors, pursuant to these Bylaws, is present. Voting by the Board of Directors and the procedures for the meeting of the Board of Directors on the Appeal hearing shall be pursuant to these Bylaws. If a Director is an elected official off the Member initiating an Appeal, then the Director shall abstain from participation and from voting on any aspect of the appeal.
- e. The hearing of the Board of Directors on the Appeal shall proceed as follows:
1. The President of the Board of Directors shall administer the hearing and make all necessary procedural rulings during the hearing.
 2. The appealing party or his or her legal representatives, if any, shall proceed first, explaining the reasons why the party is aggrieved by the decision of the Administrative Agent. The appealing party shall present to the Board of Directors all relevant evidence, testimony, argument and legal authority to support his or her appeal to the Board of Directors. Thereafter, the Administrative Agent and/or the counsel to the Agency may present all relevant evidence, testimony, argument and legal authority in opposition to the appealing party's position. The Board of Directors shall allow one opportunity for rebuttal evidence and argument to each side thereafter.
 3. Following the presentation of evidence, testimony, argument, and legal authority, the Board of Directors may retire into executive session to discuss its consideration of the Appeal. Thereafter, the Board of Directors shall reconvene in public session to consider and vote on any motion made to determine the appeal. The Board of Directors may vote to uphold the decision of the Administrative Agent or to modify or reverse the decision of the Administrative Agent. The decision of the Board shall be reduced to writing and signed by the President of the Board of Directors and a copy thereof sent to the appealing party within fourteen (14) days following the final decision of the Board of Directors.
 4. The President of the Board of Directors may adjourn and reconvene any hearing on an appeal as may be necessary to preserve a fair hearing.
- h. A final decision of the Board of Directors determining an Appeal and not granting the appealing party the full relief sought shall not preclude the appealing party from seeking further, de novo, review of the Administrative Agent's determination and/or the Board of Directors determination in any other legal forum or court. However, no member or person

claiming coverage or protection under the Coverage Agreement may maintain any lawsuit or complaint against the Agency alleging any improper or incorrect denial of coverage or protections afforded to the member or person under the Coverage Agreement unless the member or person has first complied with all of the requirements of these Bylaws. Exhaustion of the Appeal process shall be a condition precedent to any subsequent legal action or suit by an aggrieved member or person.

ARTICLE 10

CONFLICT OF INTEREST AND APPEARANCE OF FAIRNESS

All Directors and Committee Representatives recognize that the Agency is a public body subject to state law regarding conflict of interest provisions and the guidelines of the appearance of fairness doctrine. Should situations arise where conflicts of interest or appearance of fairness issues are in question; the affected Director or Representative shall observe the advice of the Agency's legal counsel in a manner consistent with said provisions and guidelines. If an affected Director or Representative disagrees with the advice of the Agency's legal counsel, the Board of Directors may vote by majority to excuse a Director or Representative from a portion, or all of any executive session where a matter of potential legal conflict between the Agency and the Director, Representative, Member or person will be discussed.



Agenda Bill # 092-2023

CITY COUNCIL AGENDA BILL

Subject:

AB 092-2023 Consideration of Adopting Ordinance No.
1042-2023 Deferral of Water and Sewer Connection
charges for Nonresidential construction

Meeting Date: Wednesday, September 6, 2023

Date Submitted: August 31, 2023

Originating Department: Planning

Action Required:

Adoption of Ordinance No. 1042-2023

Clearances:

☐ Mayor

☐ Police

☐ Public Works

☒ Attorney

Exhibits:

[Ordinance No. 1042-2023](#)

☐ Engineering

☒ Planning

☒ Other: City Manager

Budgeted Amount:

\$0

Summary Statement:

This proposed ordinance is to provide an option for the payment of water and sewer general facility charges (GFCs) for commercial and industrial construction, which is currently due at issuance of building permit, to be deferred until the point of issuance of a Certificate of Occupancy for the completed building.

Background:

The City currently has a process in place for developers to defer to cost of water and sewer general facility charges for residential multifamily construction until the buildings are complete and ready to be occupied. This deferral program is a benefit to developers in that it allows them to avoid paying these costs upfront (usually through the use of a high interest bearing construction loan) by allowing them to wait until the building is complete and near the point of producing cashflow, without incurring interest on the money borrowed during the course of construction to cover these fees upfront. There is no detrimental impact to the City by offering this as an option and the City still has a lever to ensure that payment is made through the issuance of the final occupancy certificate, which is not given until all the fees have been paid and building is complete. Similar to large multifamily residential projects, the high cost of water and sewer hook up fees (GFCs) also impact commercial and industrial projects in a similar fashion. As such, City staff is recommending that this deferral program be extended to commercial and industrial construction general facilities charges to provide consistency in the application and handling of such fees for large scale projects.

The City currently charges a \$500 admin fee for developers utilizing this deferral program.

Recommended Motion:

- 1) Motion to adopt ordinance no. 1042-2023 and authorize Mayor to sign.

**CITY OF GRANITE FALLS
ORDINANCE NO. 1042-2023**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
GRANITE FALLS, WASHINGTON AMENDING BY PERMITTED
DEFERRAL THE COLLECTION DATE FOR SEWER
CONNECTION CHARGES AND WATER CONNECTION
CHARGES FOR NONRESIDENTIAL CONSTRUCTION OF
COMMERCIAL AND INDUSTRIAL UNITS BY AMENDING
GFMC 13.02.102 (A) RATES AND CHARGES – SEWER
CONNECTION CHARGE – COLLECTION – CREDIT AND GFMC
13.16.254(A) RATES AND CHARGES – WATER CONNECTION
CHARGE – COLLECTION – CREDIT; PROVIDING FOR
SEVERABILITY AND EFFECTIVE DATE**

WHEREAS, substantial nonresidential growth including commercial and industrial development may occur in the City and developers may seek reimbursement for utility improvements; and

WHEREAS, the City Council desires that City code more closely align with RCW 35.91 relating to utility reimbursement agreements,

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GRANITE FALLS,
WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Granite Falls Municipal Code Section 13.03.102 (A) Rates and Charges – Connection charge – Collection – Credit is hereby amended to read as follows:

13.02.102 Rates and charges – ~~Sewer~~ Connection charge – Collection – Credit.

(A) Unless credit is allowed under subsection (B) of this section, there shall be a sewer connection charge (general facility charge) collected, per unit, in an amount as established by resolution of the city council. Except as permitted in subsection (B) of this section, the sewer connection charge (general facility charge) shall be in the amount set and due at the time of payment. Unless deferred, payment may be made at either final short plat or subdivision approval or acceptance, or at the time of building permit issuance. Payment may be deferred for

- (1) a multifamily dwelling as defined in GFMC 19.02.130 M to final inspection/occupancy permit if the conditions of deferral are satisfied-, **and**
- (2) for a nonresidential use including commercial and industrial development as defined in both GFMC 19.02.130 C and I to final inspection/occupancy permit if the conditions of deferral below are satisfied.**

The conditions of deferral are (a) submittal of an application and payment of an administrative fee of \$500, (b) timely payment of all impact fees under Title 21 GFMC, and (c) completion of the multifamily dwelling with issuance of a final inspection/occupancy permit. If the conditions

of deferral are not satisfied, payment shall be due in full on failure of the conditions. Homes and businesses transferring from a septic system to the city wastewater system must pay the sewer connection charge prior to connection to the city wastewater system. Unless prohibited by law, water service may be denied or disconnected if payment of a connection fee is not made as required by this subsection.

Section 2. Granite Falls Municipal Code Section 13.16.254 Rates and charges – Water connection charge – Collection – Credit is hereby amended to read as follows:

13.16.254 Rates and charges – Water connection charge – Collection – Credit.

(A) Unless credit is allowed under subsection (B) of this section, there shall be a water connection charge (general facility charge) collected, per unit, in an amount as established by resolution of the city council. Except as permitted in subsection (B) of this section, the water connection charge (general facility charge) shall be in the amount set and due at the time of payment. Unless deferred, payment may be made at either final short plat or subdivision approval or acceptance, or at the time of building permit issuance. Payment may be deferred for

(1) a multifamily dwelling as defined in GFMC 19.02.130 M to final inspection/occupancy permit if the conditions of deferral are satisfied, **and**

(2) for a nonresidential use including commercial and industrial development as defined in both GFMC 19.02.130 C and I to final inspection/occupancy permit if the conditions of deferral below are satisfied.

The conditions of deferral are (a) submittal of an application and payment of an administrative fee of \$500, (b) timely payment of all impact fees under Title 21 GFMC, and (c) completion of the multifamily dwelling with issuance of a final inspection/occupancy permit. If the conditions of deferral are not satisfied, payment shall be due in full on failure of the conditions. Homes and businesses transferring from an alternate water source to the city system must pay the water connection charge prior to the time of connection. Unless prohibited by law, water service may be denied or disconnected if payment of a connection fee is not made as required by this subsection.

Section 3. Severability. If any section, sentence, clause, or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause, or phrase of this ordinance.

Section 4. Effective Date. This ordinance shall become effective five days after the date of its publication by summary.

ADOPTED by the City Council and APPROVED by the Mayor this ____ day of September,
2023

CITY OF GRANITE FALLS

Matthew Hartman, Mayor

ATTEST:

Darla Reese, City Clerk

APPROVED AS TO FORM:

Thom H. Graafstra, City Attorney

Date of Publication: _____

Effective Date: _____



Agenda Bill # 093-2023

CITY COUNCIL AGENDA BILL

Subject:

AB 093-2023 Consideration of approving Resolution 2023-10: A Resolution of the City of Granite Falls, Washington , for Authorizing signature of Washington Recreation and Conservation Office Local Parks Maintenance grant fund application for Acquisition of Equipment to Support Trail Deferred Maintenance in the amount of \$100,000

Action Required:

Approval of Resolution 2023-10

Meeting Date: Wednesday, September 6, 2023

Date Submitted: August 31, 2023

Originating Department: Planning

Clearances:

☐ Mayor

☐ Police

☒ Public Works

☒ Attorney

Exhibits:

[Resolution 2023-10 - Authorization for signature to Washington Recreation and Conservation Office Local Parks Maintenance grant program](#)

☐ Engineering

☒ Planning

☐ Other: _____

Budgeted Amount:

The total purchase cost of the vehicle equipment, a 2023 CASE S80SV TC CP 4WD backhoe, is \$159,356.42, of which \$100,000 would come from grant funding if awarded, and the difference being obligated by the City for \$59,356.42.

Summary Statement:

The State RCO Parks program is offering a one time grant funding opportunity to help Cities cover expenses related to park deferred maintenance projects. The City wishes to submit a grant application to help pay for the purchase of a backhoe to cover deferred maintenance of the City's park trails.

Background:**Recommended Motion:**

1) Motion to approve Resolution 2023-10 to authorize signature for the purpose of submitting grant application.

**CITY OF GRANITE FALLS
Granite Falls, Washington**

RESOLUTION NO. 2023-10

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRANITE FALLS, WASHINGTON, APPROVING THE WASHINGTON RECREATION AND CONSERVATION OFFICE LOCAL PARKS MAINTENANCE GRANT FUND APPLICATION FOR ACQUISITION OF EQUIPMENT TO SUPPORT TRAIL DEFERRED MAINTENANCE IN THE AMOUNT OF \$100,000.00

WHEREAS, funding is available from the Washington Recreation and Conservation Office Local Parks Maintenance Grant program for eligible projects; and

WHEREAS, the City is in need of adequate equipment to perform needed deferred maintenance on its park trail system; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRANITE FALLS, WASHINGTON AS FOLLOWS:

The Washington Recreation and Conservation Office Local Parks Maintenance Grant Fund Application dated August 31, 2023 and on file with the City Clerk, in the amount of \$100,000.00, is hereby approved and authorized for submittal.

Said Resolution was passed in open session by the City Council of the City of Granite Falls on the 6th day of September, 2023.

APPROVED by the Mayor this _____ day of September, 2023.

CITY OF GRANITE FALLS

Matthew Hartman, Mayor

ATTEST:

Darla Reese, City Clerk

APPROVED AS TO FORM:

Thom Graafstra, City Attorney

CITY COUNCIL AGENDA BILL

Subject:

AB 094-2023 Consideration to Approve the Snohomish County Housing and Community Development Urban County Consortium Interlocal Cooperation Agreement Amendment #2

Meeting Date: Wednesday, September 6, 2023

Date Submitted: September 1, 2023

Originating Department: City Treasurer

Action Required:

Consideration to Approve the Snohomish County Housing and Community Development Urban County Consortium Interlocal Cooperation Agreement Amendment #2.

Clearances:

☐ Mayor

☐ Police

☐ Public Works

☒ Attorney

Exhibits:

[Snohomish County Human Services Letter to the City of Granite Falls](#)

[Amendment 2 Snohomish County Housing and Community Development Urban County Consortium ILA](#)

[Amendment 1 Snohomish County Housing and Community Development Urban County Consortium ILA](#)

[Original Interlocal Cooperation Agreement - 1999](#)

☐ Engineering

☐ Planning

☒ Other: Deputy City Manager

Budgeted Amount:

NA

Summary Statement:

The Amendment to the ILA describes the requirements and responsibilities related to housing and community development as stipulated in the Amendment. Here are the main points:

1. As members of the Housing and Community Development Urban County Consortium, Snohomish County and the City of Granite Falls must comply with various regulations and acts mentioned in the Amended ILA.
2. The County and participating local entities must certify that the Urban County meets the specific housing and community development requirements in Section 104(b) of Title I of the Housing and Community Development Act of 1974 (see Note 1).
3. The County and participating local governments must adhere to the Fair Housing Act, the Civil Rights Act of 1964 (see Note 2), and their respective regulations to ensure non-discrimination and promote fair housing practices.

4. All participating entities must actively promote fair housing practices as required by 24 CFR § 91.225(a) (see Note 3) and associated documents like the Affirmatively Furthering Fair Housing Definitions and Certifications.

5. The County and participating entities must comply with Section 109 (see Note 4) and the implementing regulations at 24 CFR part 6 to ensure accessibility for individuals with disabilities in housing and community development.

6. The Amendment also requires implementation and compliance with other laws, such as the Americans with Disabilities Act (ADA), the Age Discrimination Act of 1975, and Section 3 of the Housing and Urban Development Act of 1968.

Overall, the Amendment outlines the responsibilities of Snohomish County and the participating local government concerning housing and community development, emphasizing non-discrimination, fair housing practices, and accessibility for individuals with disabilities.

Note 1:

Section 104(d) of federal law requires the implementation of a Residential Anti-displacement and Relocation Assistance Plan, provision of relocation assistance for displaced lower-income persons, and one-for-one replacement of lower-income dwelling units in the CDBG and HOME programs run by HUD.

Note 2:

The Fair Housing Act stops discrimination in housing based on race, color, national origin, religion, sex, familial status, and disability. Its goal is to prevent discrimination and reverse housing segregation.

Note 3

HUD regulations require annual submissions to include certifications, including one for affirmatively furthering fair housing. These certifications must be satisfactory to HUD and defined in section 91.5 of the regulations. Jurisdictions must comply with sections 5.151 and 5.152.

Note 4

Section 109 of the HCD Act of 1974, Title I, prohibits discrimination on the basis of race, color, national origin, disability, age, religion, and sex within Community Development Block Grant (CDBG) programs or activities.

Background:

Snohomish County Human Services has sent a certified letter and an email requesting immediate approval, signature, and return of the amended ILA no later than September 15, 2023. The package includes the letter and ILA Amendment 2.

This is an existing ILA that Snohomish County Cities such as Granite Falls have with the county and it automatically renews every three years.

Recommended Motion:

1) Move to approve Amendment #2 of the Interlocal Cooperation Agreement for Snohomish County Housing and Community Development Urban County Consortium and authorize the Mayor's signature.



Snohomish County

Human Services

3000 Rockefeller Ave., M/S 305
Everett, WA 98201-4046
(425) 388-7200
FAX (425) 259-1444
www.snoco.org

August 30, 2023

The Honorable Matt Hartman
Mayor of City of Granite Falls
215 S. Granite Falls
PO box 1440
Granite Falls, WA 98252

Dave Somers
County Executive

RE: Immediate Action Required

Amended Renewal I of Interlocal Cooperation Agreement for "Urban County"
Requalification with the U.S. Department of Housing and Urban Development (HUD)

Dear Mayor Hartman:

This letter is to inform you that you received a letter dated May 5, 2023 that renews the 2021-2023 Interlocal Cooperation Agreement with Snohomish County will be automatically renewed for Fiscal Years 2024-2026 (July 1, 2024, to June 30, 2027) unless you wish to pursue termination of the agreement, which must be done in writing. HUD CPD Notice 23-02 requires amended language to the Interlocal Cooperative Agreement with Snohomish County.

Snohomish County is designated as an "Urban County" under the HUD Block Grant programs, and thereby receives direct annual grants from HUD under these programs. The programs include Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grant (ESG). The funds are used to help meet affordable housing and community development needs in our community.

The cities and towns in the County have joined in the Urban County Consortium through Interlocal Cooperation Agreements. This increases the level of assured annual funding for use throughout the County and the participating cities and towns. We hope that you will continue to participate as a member of our Urban County Consortium.

Every three years, HUD requires Snohomish County to re-qualify as an "Urban County" for continued receipt of the grant funds by renewing the Interlocal Cooperation Agreements. Your current agreement for Federal Fiscal Years 2021, 2022 and 2023 extends through June 30, 2023. Under a notice from HUD (CPD-23-02), re-qualification must be done at this time to renew the agreement for Federal Fiscal Years 2024, 2025, and 2026 for the program grant period of July 1, 2024, through June 30, 2026.

If you intend to continue participating in the Urban County Consortium, you will need sign the Amended Interlocal Cooperation Agreement for the Urban County Requalification with the U.S. Department of Housing and Urban Development.

Upon execution of the amended renewal, membership in the Consortium will be binding for the 2024-2026 period. During that time, participating members of the Consortium may apply for

funding under the CDBG, HOME, and ESG funds that come to our Consortium, but may not apply for funding under the State CDBG program (membership does not preclude the Urban County or the members from applying to the State for HOME or ESG funds, if the State allows). Conversely, a city or town which is not a member of the Consortium cannot receive Urban County funding, but may apply to the State.

According to the letter dated May 5, 2023, If you intended to withdraw from the Urban County Consortium, you must have notified both the County and HUD in writing by June 15, 2023, that you will be terminating the agreement at the end of the current period and will not participate for the 2024-2026 qualification period. If you do not sign the amended agreement, your participation in the Urban County Consortium will terminate at the end of the current 2021-2023 renewal period. Updated contacts are provided below.

Jackie Anderson, Division Manager
Housing and Community Services.
M/S 305
3000 Rockefeller Ave
Everett, WA 98201

and

Carma Reed, Acting Director
Office of Community Planning & Development
U.S. Department of Housing and Urban Development
909 First Ave., Suite 300
Seattle, WA 98104-1000

Enclosed are two (2) originals of the amendment which the required changes. **The amendment must be authorized by formal action of the City Council and both copies signed by the authorized chief executive officer.** We much receive back two signed originals of the amendment and a copy of the Council's authorization (Motion, certified copy of minutes). Please mail these documents to be received by Jackie Anderson at the address above. In order to met our deadline for submission to HUD, **we must receive this documentation by September 15, 2023.**

We appreciate your current partnership and look forward to executing this amended renewing agreement and continuing this cooperative relationship. Please contact Jackie Anderson, Division Manager, Housing and Community Services, at (425) 388-3237 or jackiem.anderson@snoco.org if you have any questions.

Sincerely,



Jackie Anderson, Division Manager, Housing and Community Services
Snohomish County Human Services Department

August 30, 2023

Page 3

Enclosure/Attachment (#) 2

**SNOHOMISH COUNTY HOUSING AND COMMUNITY DEVELOPMENT
URBAN COUNTY CONSORTIUM**

INTERLOCAL COOPERATION AGREEMENT
Amendment 2

WHEREAS, Snohomish County, a political subdivision of the State of Washington (hereinafter referred to as “County”) and the City of Granite Falls (hereinafter referred to as “unit of local government”), pursuant to the Interlocal Cooperation Act of 1967, as amended, entered into an Interlocal Cooperation Agreement in 1999 together with other participating units of local government in Snohomish County for the Snohomish County Housing and Community Development Urban County Consortium; and

WHEREAS, the purpose of the Agreement is to qualify as an Urban County for receipt of Community Development Block Grant (hereinafter “CDBG”), HOME Investment Partnership Program (hereinafter “HOME”), Emergency Solutions Grant Program (hereinafter “ESG”) and such other funds as may be available from the U.S. Department of Housing and Urban Development as a result of the Urban County designation; and

WHEREAS, the original term of the agreement was for Federal Fiscal Years 2000, 2001, and 2002, and the Agreement has been automatically renewed for successive three-year terms through the current term for Federal Fiscal Years 2021, 2022, and 2023 in order to maintain the Urban County designation for receipt of CDBG, HOME, ESG, and other grant funds; and

WHEREAS, in order to maintain the Urban County designation for receipt of CDBG, HOME, ESG, and other grant funds for Federal Fiscal Years 2024, 2025, and 2026, the U.S. Department of Housing and Urban Development is requiring that the Agreement to add certain language regarding compliance with federal regulations.

NOW, THEREFORE, the County and the unit of local government hereby agree as follows:

1. Section 4 of the Agreement is amended to read:

Snohomish County and the unit of local government will take all actions necessary to assure compliance with the Urban County’s certification required by Section 104 (b) of Title I of the Housing and Community Development Act of 1974. Snohomish County and the unit of local government shall ensure that the grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964, and the implementing regulations at 24 CFR part 1, and the Fair Housing Act, and the implementing regulations at 24 CFR part 100 and will affirmatively further fair housing. See 24 CFR § 91.225(a) and Affirmatively Furthering Fair Housing Definitions and Certifications (86 FR 30779, June 10, 2021), to be codified at 24 CFR 5.151 and 5.152, available at <https://www.federalregister.gov/documents/2021/06/10/2021-12114/restoring->

affirmatively furthering fair housing definitions and certifications. Both parties must comply with Section 109 of Title I of the Housing and Community Development Act of 1974 and the implementing regulations at 24 CFR part 6, which incorporates Section 504 of the Rehabilitation Act of 1973, and the implementing regulation at 24 CFR part 8; Title II of the Americans with Disabilities Act, and the implementing regulations at 28 CFR part 35; the Age Discrimination Act of 1975, and the implementing regulations at 24 CFR part 146; and Section 3 of the Housing and Urban Development Act of 1968, and with other applicable laws.

2. All other terms and conditions of the original Agreement remain in full force and effect.

IN WITNESS WHEREOF, the undersigned parties have executed this **AGREEMENT**, this _____ day of _____, 2023.

FOR _____

ATTEST:

BY _____

BY _____

TITLE _____

TITLE _____

FOR SNOHOMISH COUNTY

ATTEST:

BY _____

BY _____

TITLE _____

TITLE _____

APPROVED AS TO FORM:

**SNOHOMISH COUNTY HOUSING AND COMMUNITY DEVELOPMENT
URBAN COUNTY CONSORTIUM**

**INTERLOCAL COOPERATION AGREEMENT
AMENDMENT 1**

WHEREAS, Snohomish County, a political subdivision of the State of Washington (hereinafter referred to as "County") and the City of Granite Falls, a political subdivision of the State of Washington "(hereinafter referred to as "unit of local government"), pursuant to the Interlocal Cooperation Act of 1967, entered into an Interlocal Cooperation Agreement (hereinafter the "Agreement") in 1999 together with other participating units of local governments in Snohomish County for the Snohomish County Housing and Community Development Urban County Consortium; and

WHEREAS, the purpose of the Agreement is to qualify as an Urban County for receipt of Community Development Block Grant (hereinafter "CDBG"), HOME Investment Partnership Program (hereinafter "HOME"), Emergency Solutions Grant Program (hereinafter "ESG") and such other funds as may be available from the U.S. Department of Housing and Urban Development as a result of the Urban County designation; and

WHEREAS, the original term of the agreement was for Federal Fiscal Years 2000, 2001, and 2002, and the Agreement has been automatically renewed for successive three-year terms through the current term for Federal Fiscal Years 2012, 2013, and 2014 in order to maintain the Urban County designation for receipt of CDBG, HOME, ESG and other grant funds; and

WHEREAS, in order to maintain the Urban County designation for receipt of CDBG, HOME, ESG and other grant funds for Federal Fiscal Years 2015, 2016, and 2017, the U.S. Department of Housing and Urban Development is requiring that the Agreement be amended to more clearly delineate the fair housing and civil rights obligations to which urban counties and units of local government are subject and to add a new requirement regarding the use of CDBG funds that was placed in the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2014, Pub. L. 113-76; and

WHEREAS, other minor revisions to the Agreement are necessary to meet the current requirements for cooperation agreements in the Urban County Qualification Notice for Federal Fiscal Years 2015, 2016, and 2017;

NOW, THEREFORE, the County, and the unit of local government, hereby agree as follows:

1. Section 1 of the Agreement is amended to read:

Each party authorizes the inclusion of its population and other demographic characteristics for purposes of qualification of Snohomish County as an Urban County as defined in the Act; joins together with all other participating units of general purpose

local government to qualify Snohomish County as an Urban County for Community Development Block Grant (hereinafter "CDBG"), HOME Investment Partnership Program (hereinafter "HOME"), Emergency Solutions Grant Program (hereinafter "ESG"), and such other funds as may be available from the U.S. Department of Housing and Urban Development as a result of the Urban County designation; agrees to cooperate to undertake, or assist in undertaking, community renewal and lower income housing assistance activities, specifically urban renewal and publicly assisted housing; and shall take all necessary actions to carry out the provisions of the approved Snohomish County Consolidated Plan. This agreement contemplates that identical agreements will be executed between the County and other cities and towns in Snohomish County and that the population and demographic data from those other cities and towns will further enable the County to qualify for CDBG, ~~and HOME, and ESG~~ funding. Such other cities and towns which enter into identical agreements are hereinafter referred to as "participating units of local government."

2. Section 2 of the Agreement is amended to read:

Snohomish County, as the applicant and grant recipient entity, assumes full decision making authority, including final funding award selections, policy making, and preparation and filing of the Consolidated Plan and annual Action Plan with the U.S. Department of Housing and Urban Development (hereinafter "HUD"), to carry out activities funded from Federal Fiscal Year 2000, 2001, and 2002 appropriations for the CDBG, ~~and HOME, and ESG~~ programs and any program income generated from the expenditure of such funds, and also assumes all obligations of the applicant as provided in the Act and the regulations promulgated thereunder.

3. Section 3 of the Agreement is amended to read:

Through the execution of this Agreement, the unit of local government understands and acknowledges that ~~it is not eligible to apply to the State for CDBG or HOME funding from Federal appropriations for the Federal Fiscal Years for which this Agreement is in effect, it is not eligible to apply for grants from Federal appropriations under the State CDBG Program; that it may only participate in receive a formula allocation under the HOME Program only through the Urban County; and that it may not participate in a HOME Consortium except with Snohomish County, and that this does not preclude the Urban County or the unit of local government from applying to the State for HOME funds, if the state allows; and that it may receive a formula allocation under the ESG Program only through the Urban County and that this does not preclude the Urban County or the unit of local government from applying to the State for ESG funds, if the state allows.~~

4. Section 4 of the Agreement is amended to read:

Snohomish County and the unit of local government will take all required actions necessary to assure compliance with the Urban County's certification required by Section 104 (b) of Title I of the Housing and Community Development Act of 1974, as amended,

regarding Title VI of the Civil Rights Act of 1964, the Fair Housing Act, and including the provisions of the Fair Housing Act, affirmatively furthering fair housing. Title VI of the Civil Rights Act of 1964, Section 109 of Title I of the Housing and Community Development Act of 1974 Both parties must comply with section 109 of Title I of the Housing and Community Development Act of 1974, which incorporates Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and with other applicable laws.

5. Section 5 of the Agreement is amended as follows:

Snohomish County shall not provide CDBG, ~~or~~ HOME, or ESG funding in or in support of any participating unit of local government that does not affirmatively further fair housing within its own jurisdiction or that impedes the County's action to comply with the County's fair housing certification.

6. Section 7 of the Agreement is amended as follows:

Pursuant to 24 CFR 570.501(b), the unit of local government is subject to the same requirements applicable to subrecipients ~~Snohomish County~~ including the requirement of cooperating through written agreement with Snohomish County as set forth in 24 CFR 570.503.

7. Section 14 of the Agreement is amended as follows:

This Agreement shall supersede all previous Urban County cooperation agreements and shall remain in full force and effect from July 1, 2000 to June 30, 2003, or thereafter until all CDBG, ~~and HOME, and ESG~~ funds received by the unit of local government from the County from Federal Fiscal Year 2000, 2001 and 2002 appropriations and any subsequent qualification periods under this Agreement and all Program Income generated by activities funded from those receipts are expended and all the activities assisted either with the original receipts or the Program Income are completed. Neither party may terminate or withdraw from this Agreement while this Agreement remains in effect as provided herein and by the Act and Regulations. However, in the event that there is a revision of the Act and/or the Regulations which would make this Agreement out of compliance with the Act or Regulations, both parties will review this Agreement to renegotiate those items necessary to bring the Agreement into compliance. Both parties understand and agree that refusal to renegotiate this Agreement will result in the effective termination of the Agreement as of the date it is no longer in compliance with the Act and/or Regulations as amended.

Each party shall adopt any amendment to the Agreement incorporating changes necessary to meet the requirements for cooperation agreements set forth in an Urban County Qualification Notice applicable for a subsequent three-year urban county qualification period and to submit such amendment to HUD as provided in the urban county qualification notice. Failure to comply with the requirements of this paragraph will void the automatic renewal for such qualification period.

8. Section 15 of the Agreement is amended as follows:

At the end of the initial three year term, this Agreement shall automatically renew for an additional three year term, and thereafter at successive three year intervals, unless and until either of the parties gives Notice to the other, in the required manner, of its intention to terminate the Agreement at the end of the current term. Such Notice must be given in writing by a certain date that will be specified in instructions issued by HUD in advance of each succeeding three year term. The County shall inform the unit of local government in writing of that deadline date for Notice to terminate and its right not to participate, at least 30 days in advance of said date. In the event Notice of intent to terminate is given, the Agreement shall terminate after all CDBG, ~~and HOME, and ESG~~ funds received by the unit of local government from the County from appropriations for the three Federal Fiscal Years of that current term, and all Program Income generated by activities funded from those receipts, are expended and all the activities assisted either with the original receipts or the Program Income are completed.

9. The following Section 16 is added to the Agreement:

The unit of local government may not sell, trade, or otherwise transfer all or any portion of such funds to another such metropolitan city, urban county, unit of local government, or Indian tribe, or insular area that directly or indirectly receives CDBG funds in exchange for any other funds, credits, or non-Federal considerations, but must use such funds for activities eligible under Title I of the Act pursuant to the Transportation, Housing, and Urban Development, and Related Agencies Appropriations Act, 2014. Pub. L. 113-76.

10. All other terms and conditions of the original Agreement remain in full force and effect.

[Signature Page Follows.]

IN WITNESS WHEREOF, the undersigned parties have executed this AGREEMENT, this
16 day of June, 2014.

FOR City of Granite Falls

BY [Signature]

TITLE Mayor Pro Tem

ATTEST:

BY Darla Reese

TITLE City Clerk

FOR SNOHOMISH COUNTY

BY [Signature] 8/5/14

TITLE GARY HAAKENSEN
Executive Director

ATTEST:

BY Cora E. Palmer

TITLE Admin. Asst.

APPROVED AS TO FORM:

Rebecca Wendling 5/28/2014

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Return Address:

Grants Administration, MS 304
Snohomish County Planning and Development Services
3000 Rockefeller Ave.
Everett, WA 98201



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07/22/1999 03:47 PM Snohomish
P.0006 RECORDED County

AUDITOR/RECORDER'S INDEXING COVER SHEET

Document title: Interlocal Cooperation Agreement

Grantor: City of Granite Falls

Grantee: Snohomish County

Reference Number(s) of Documents Assigned or Released: None

Legal description: Not applicable

Assessor's Property Tax Parcel/Account Number: Not applicable

**SNOHOMISH COUNTY HOUSING AND COMMUNITY DEVELOPMENT
URBAN COUNTY CONSORTIUM**

INTERLOCAL COOPERATION AGREEMENT

WHEREAS, the Congress of the United States of America has declared that the nation's cities, towns and smaller urban communities face critical social, economic, and environmental problems, and has enacted the Housing and Community Development Act of 1974, as amended (hereinafter "the Act") in response thereto; and

WHEREAS, the Act makes federal financial assistance available for:

1. Eliminating slums and blight, blighting influences and the deterioration of property in neighborhood and community facilities of importance to the welfare of the community;
2. Eliminating conditions detrimental to health, safety and welfare of the public through enforcement of regulatory standards, demolition, interim rehabilitation assistance and related activities;
3. Conserving and expanding the nation's housing stock so as to provide a decent home and suitable living environment for every person and primarily those of low income;
4. Expanding and improving the quantity and quality of community services, principally for persons of low income, which are essential for sound community development;
5. Utilizing land and other natural resources so as to afford the most rational and best arrangement of the residential, commercial, industrial, recreational, and other needed activity centers;
6. Reducing the isolation of income groups within communities and geographic areas by promoting and increasing the diversity and vitality of neighborhoods through lessening housing concentration of low income people and revitalizing deteriorating and deteriorated neighborhoods;
7. Restoring and preserving property of special value for historic, architectural, or aesthetic reasons;
8. Community revitalization in areas with population out-migration and/or stagnating or declining tax base; and
9. Conserving the nation's scarce energy resources, improving energy efficiency, and the providing of alternative and renewable energy source supplies; and

WHEREAS, the Act and the Regulations established thereunder (hereinafter "Regulations") establish certain eligibility requirements for receipt of federal financial assistance; and

WHEREAS, Snohomish County may be eligible to receive federal financial assistance under that Act as an "Urban County;" and

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WHEREAS, the Interlocal Cooperation Act of 1967 (Chapter 39.34, Revised Code of Washington) permits local governmental units to cooperate in a manner that will accord best with geographic, economic, demographic and other factors influencing the development of local communities;

NOW, THEREFORE, Snohomish County, a political subdivision of the State of Washington (hereafter referred to as "County"), and the City of Granite Falls, a political subdivision of the State of Washington (hereafter referred to as "unit of local government"), pursuant to the Interlocal Cooperation Act of 1967, in consideration of the promises and covenants hereinafter set forth, agree as follows:

1. Each party authorizes the inclusion of its population and other demographic characteristics for purposes of qualification of Snohomish County as an Urban County as defined in the Act; joins together with all other participating units of general purpose local government to qualify Snohomish County as an Urban County for Community Development Block Grant (hereinafter "CDBG"), HOME Investment Partnership Program (hereinafter "HOME"), and such other funds as may be available from the U.S. Department of Housing and Urban Development as a result of the Urban County designation; agrees to cooperate to undertake, or assist in undertaking, community renewal and lower income housing assistance activities, specifically urban renewal and publicly assisted housing; and shall take all necessary actions to carry out the provisions of the approved Snohomish County Consolidated Plan. This agreement contemplates that identical agreements will be executed between the County and other cities and towns in Snohomish County and that the population and demographic data from those other cities and towns will further enable the County to qualify for CDBG and HOME funding. Such other cities and towns which enter into identical agreements are hereinafter referred to as "participating units of local government."
2. Snohomish County, as the applicant and grant recipient entity, assumes full decision making authority, including final funding award selections, policy making, and preparation and filing of the Consolidated Plan and annual Action Plan with the U.S. Department of Housing and Urban Development (hereinafter "HUD"), to carry out activities funded from Federal Fiscal Year 2000, 2001, and 2002 appropriations for the CDBG and HOME programs and any program income generated from the expenditure of such funds, and also assumes all obligations of the applicant as provided in the Act and the regulations promulgated thereunder.
3. Through the execution of this Agreement, the unit of local government understands and acknowledges that it is not eligible to apply to the State for CDBG or HOME funding from Federal appropriations for the Federal Fiscal Years for which this Agreement is in effect, that it may only participate in the HOME Program through the Urban County, and that it may not participate in a HOME Consortium except with Snohomish County.

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4. Snohomish County and the unit of local government will take all required actions necessary to assure compliance with the Urban County's certification required by Section 104 (b) of Title I of the Housing and Community Development Act of 1974, as amended, including the provisions of the Fair Housing Act, Title VI of the Civil Rights Act of 1964, Section 109 of Title I of the Housing and Community Development Act of 1974, and other applicable laws.
5. Snohomish County shall not provide CDBG or HOME funding in or in support of any participating unit of local government that does not affirmatively further fair housing within its own jurisdiction or that impedes the County's action to comply with the County's fair housing certification.
6. The County and the unit of local government have each adopted and are each enforcing a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and a policy of enforcing applicable state and local laws against physically barring entrance to or exit from a facility or location which is the subject of such nonviolent civil rights demonstrations within jurisdictions.
7. Pursuant to 24 CFR 570.501(b), the unit of local government is subject to the same requirements applicable to Snohomish County including the requirement of cooperating through written agreement with Snohomish County as set forth in 24 CFR 570.503.
8. A Policy Advisory Board is hereby established which shall advise the County Council and Executive in matters of planning and administration of the Urban County program, including preparation of the Consolidated Plan and annual Action Plan, establishing and maintaining program management policies, and selecting among competing funding applications.
9. The Policy Advisory Board shall consist of the Snohomish County Executive (or his/her designee); three (3) members of the Snohomish County Council; one (1) Mayor or Council member to represent all participating units of local government whose population, independently, is 10,000 or greater; one (1) Mayor or Council member to represent all participating units of local government whose population, independently, is between 3,000 and 10,000; one (1) Mayor or Council member to represent all participating units of local government whose population, independently, is less than 3,000; one (1) Mayor or Council member to represent all participating units of local government at large; and one (1) Snohomish County citizen selected and appointed by the other eight (8) members of the Policy Advisory Board to serve ex officio as Chairperson of the Board. The four members representing participating municipalities shall each be selected and appointed in a manner agreed upon by the units of local government represented. Each Policy Advisory Board member shall have one vote in the Board's proceedings, except that the ex officio Chairperson shall vote only in the event of a tie.

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10. The Policy Advisory Board shall adopt bylaws, hold public hearings, advise on public and intergovernmental information and consultation processes, review and make recommendations on proposed plans, priorities, and policies, and review and make recommendations on proposed funding awards.
11. For the purpose of assisting in assessing funding applications for such characteristics as community need, conformance with adopted plans and priorities, nature and extent of benefit, financial or technical feasibility, or other factors bearing upon the merit of proposals competing for funding, a Technical Advisory Committee is hereby established which shall make recommendations to the Policy Advisory Board.
12. The Technical Advisory Committee shall consist of one (1) representative appointed by each participating unit of local government; two (2) representatives of Snohomish County appointed by the Snohomish County Executive; one (1) representative appointed by the Housing Authority of Snohomish County; and eight (8) Snohomish County residents appointed by the Policy Advisory Board to represent the following population groups: two residents representing low-income persons; two residents representing handicapped persons; two residents representing senior citizens; and two residents representing minority persons. Each Committee member shall have one vote.
13. Awards of all funds administered by the County under this Agreement shall be executed by written contractual agreements, in the form prescribed by the County, between the County and the participating units of local government or other eligible public and private nonprofit award recipients; and all activities receiving such financial assistance shall be carried out in compliance with those agreements and with all other applicable laws and regulations.
14. This Agreement shall supersede all previous Urban County cooperation agreements and shall remain in full force and effect from July 1, 2000 to June 30, 2003, or thereafter until all CDBG and HOME funds received by the unit of local government from the County from Federal Fiscal Year 2000, 2001 and 2002 appropriations and all Program Income generated by activities funded from those receipts are expended and all the activities assisted either with the original receipts or the Program Income are completed. Neither party may terminate or withdraw from this Agreement while this Agreement remains in effect as provided herein and by the Act and Regulations. However, in the event that there is a revision of the Act and/or the Regulations which would make this Agreement out of compliance with the Act or Regulations, both parties will review this Agreement to renegotiate those items necessary to bring the Agreement into compliance. Both parties understand and agree that refusal to renegotiate this Agreement will result in the effective termination of the Agreement as of the date it is no longer in compliance with the Act and/or Regulations as amended.

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15. At the end of the initial three year term this Agreement shall automatically renew for an additional three year term, and thereafter at successive three year intervals, unless and until either of the parties gives Notice to the other, in the required manner, of its intention to terminate the Agreement at the end of the current term. Such Notice must be given in writing by a certain date that will be specified in instructions issued by HUD in advance of each succeeding three year term. The County shall inform the unit of local government in writing of that deadline date for Notice to terminate, at least 30 days in advance of said date. In the event Notice of intent to terminate is given, the Agreement shall terminate after all CDBG and HOME funds received by the unit of local government from the County from appropriations for the three Federal Fiscal Years of that current term, and all Program Income generated by activities funded from those receipts are expended and all the activities assisted either with the original receipts or the Program Income are completed.

IN WITNESS WHEREOF, the undersigned parties have executed this AGREEMENT, this
15th day of July, 1999.

FOR City of Granite Falls

BY Gella R. Morris

TITLE Mayor

ATTEST:

BY Berry James

TITLE City Clerk

FOR SNOHOMISH COUNTY

BY Joan M Earl

TITLE JOAN M. EARL
Deputy Executive

ATTEST:

BY Connie Mennie

TITLE Executive Admin. Asst.

APPROVED AS TO FORM:

[Signature]
May 13, 1999

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