

Marysville City Council Work Session

September 21, 2009

7:00 p.m.

City Hall

Call to Order

Pledge of Allegiance

Roll Call

Committee Reports

Presentations

A. Puget Sound Clear Air Agency (PSCAA) Air Monitoring, Criteria and Toxic Pollutants.

Discussion Items

Approval of Minutes (*Written Comment Only Accepted from Audience.*)

1. Approval of September 8, 2009 City Council Work Session Minutes.

Consent

2. Approval of September 9, 2009 Claims in the Amount of \$658,539.18; Paid by Check No.'s 57980 through 58100 with No Check No.'s Voided.

3. Approval of September 16, 2009 Claims.

4. Approval of September 18, 2009 Payroll.

Review Bids

5. Award Annual Janitorial Services Contract.

Public Hearings

6. Central Marysville Annexation Prezone Public Hearing (*to be held on September 28, 2009*).

7. Development Agreement between the City of Marysville and Shasta Ridge, LLC. (*to be held on September 28, 2009*).

New Business

8. FY 2010-2011 Phase II Stormwater Pass-Through Grants Program Grant Agreement between the State of Washington Department of Ecology and the City of Marysville.

Work Sessions are for City Council study and orientation – Public Input will be received at the September 28, 2009 City Council meeting.

Marysville City Council Work Session

September 21, 2009

7:00 p.m.

City Hall

9. A **Resolution** Authorizing the Establishment of a Health Reimbursement Arrangement/Voluntary Employees' Beneficiary Association ("HRA VEBA") Plan.
10. A **Resolution** of the City of Marysville Declaring the Need for the Housing Authority of Snohomish County to Acquire and Operate Real Property within the Boundaries of the City of Marysville.

Legal

Mayor's Business

Staff Business

Call on Councilmembers

Executive Session

- A. Litigation
- B. Personnel
- C. Real Estate

Adjourn

Special Accommodations: The City of Marysville strives to provide accessible meetings for people with disabilities. Please contact Tracy Jeffries, Assistant Administrative Services Director, at (360) 363-8000 or 1-800-833-6384 (Voice Relay), 1-800-833-6388 (TDD Relay) two days prior to the meeting date if any special accommodations are needed for this meeting.

COUNCIL



MINUTES

Work Session *September 8, 2009*

Call to Order / Pledge of Allegiance

Mayor Kendall called the meeting to order at 7:00 p.m. and led those present in the Pledge of Allegiance.

Roll Call

Chief Administrative Officer Mary Swenson gave the roll call. The following staff and councilmembers were in attendance.

- Mayor:** Dennis Kendall
- Council:** Councilmember Jon Nehring, Councilmember Carmen Rasmussen, Councilmember Jeff Seibert, Councilmember Jeff Vaughan and Councilmember Donna Wright
- Absent:** Councilmember John Soriano, Councilmember Lee Phillips
- Also Present:** Chief Administrative Officer Mary Swenson, Finance Director Sandy Langdon, City Attorney Craig Knutson, Chief Smith, Public Works Director Kevin Nielsen, and Recording Secretary Laurie Hugdahl.

CAO Swenson noted that Councilmember Phillips had informed them that he would be unable to attend tonight due to a family emergency.

She also noted that Councilmember Soriano was out of town.

Motion made by Councilmember Seibert, seconded by Councilmember Rasmussen, to excuse the absence of Councilmember Soriano. **Motion** carried unanimously (5-0).

Committee Reports

None

Presentations

None

Discussion Items

Approval of Minutes

1. Approval of July 20, 2009 City Council Work Session Minutes.
2. Approval of July 27, 2009 City Council Meeting Minutes.

Consent

3. Approval of July 29, 2009 Claims in the Amount of \$185,119.46; Paid by Check No.'s 57227 through 57350 with no Check No.'s Voided.
4. Approval of August 5, 2009 Claims in the Amount of \$1,932,197.91; Paid by Check No.'s 57351 through 57475 with No Check No.'s Voided.
5. Approval of August 12, 2009 Claims in the Amount of \$984,394.44; Paid by Check No.'s 57476 through 57582 with Check No.'s 57243 and 57286 Voided.
6. Approval of August 19, 2009 Claims in the Amount of \$222,520.76; Paid by Check No.'s 57583 through 57706 with Check No. 57376 Voided.
7. Approval of August 26, 2009 Claims in the Amount of \$1,182,440.71; Paid by Check No.'s 57707 through 57862 with Check No. 57604 Voided.
8. Approval of September 2, 2009 Claims in the Amount of \$1,690,600.45; Paid by Check No.'s 57863 through 57979 with No Check No.'s Voided.
9. Approval of August 5, 2009 Payroll in the Amount of \$1,259,254.45; Paid by Check No.'s 21687 through 21751.
10. Approval of August 20, 2009 Payroll in the Amount of \$830,591.83; Paid by Check No.'s 21752 through 21803.
11. Approval of September 4, 2009 Payroll.

Review Bids

Public Hearings

New Business

12. Local Agency Agreement - Supplement No. 1 for the 67th Avenue NE Overlay Project thereby Deobligating \$29,793 in Funds Back to American Recovery and Reinvestment Act.

Mayor Kendall explained that money that was not spent will be put back into the pool to be used for other projects. Director Nielsen informed Council that the street is completed.

13. Contract for Disposal / Recycle of Scrap Metals with J.K. Eastbury not to exceed \$10,000 Per Year.

Mayor Kendall reviewed this item. There were no further comments or questions.

14. Interlocal Agreement between Snohomish County and the City of Marysville for Regional Auto Theft Task Force.

Chief Smith explained that Snohomish County is responsible for oversight and management of the task force. The funding was cut tremendously this year throughout the state. Their funding takes care of approximately 80% of the officer in the auto theft task force.

15. Communication Site Sublease / License Renewal with Department of Justice Increasing the Annual Lease to \$14,328.72 and Extending the Lease Period to September 30, 2010.

Mayor Kendall reviewed the changes to this renewal. There were no further comments or questions.

16. Distribution Easement to Accommodate the Relocation of the Snohomish County PUD Overhead Power line.

Director Nielsen stated that this is up at Lake Goodwin. They will be modifying the easement slightly for next week. There was general discussion about requirements for locating PUD power lines.

18. Community Development Staff Recommendation to Approve Special Event Application; Marysville Family YMCA / "September" Fun Run for Community Health & Wellness"

Mayor Kendall reviewed this item.

Legal

Mayor's Business

17. Salary Commission Appointments; Robert L. Weiss and Toni Mathews.

Mayor Kendall explained that there will be two more Salary Commission appointments after these.

Other:

There will be a Memorial Service 9/11 at 8:46 a.m.

Staff Business

Sandy Langdon gave an update on I-1033, which is an initiative to limit general fund revenues. Mary Swenson informed Council that several cities are taking positions on this initiative and Marysville has been contacted to join them.

Kevin Nielsen:

- 67th channelization is changed and restriped.
- Cedar is also redone and restriped.
- There were a lot of sidewalk repairs done during August. The extreme weather caused a lot of buckling this year. He discussed the impacts of the extremely cold winter followed by the extremely hot summer.
- Maintenance programs have completed all sewer and storm vactoring for the year.
- Water filtration plant ran perfectly through the summer. They will continue to push the boundaries further south as this is resulting in significant savings.
- Will be bidding for 47th to get the roadway completed.
- Paving on State Avenue is complete and is very smooth. Notice about a ribbon-cutting will come soon.
- The Downtown Master Plan and Downtown Access will be presented at Friday's Public Works Committee meeting.

Chief Smith:

- The improved roadways are very nice.
- The police department's take-home vehicle policy will be drastically modified. They believe this will result in substantial revenue savings.
- A serial robber was recently captured as a result of the excellent work by Detective Dan Vinson.
- Proact Team continues to serve search warrants on a regular basis. In the City of Snohomish recently seized ½ pound of cocaine and \$500,000 in cash. The Snohomish Police Department was very impressed and excited about the professionalism of the department.
- Lake Stevens and Snohomish both want to be part of the Tact team. More discussion on this will follow.
- He gave an update on the department's participation in the Iron Man.

Craig Knutson informed Council that they are preparing a development agreement for Shasta Ridge subdivision. This was started in the county and they want to rely on improvements they did there while still complying with city's wetlands and storm drainage requirements to the maximum extent possible. A public hearing on the development agreement will be held before the city council in the near future.

Mary Swenson commended Chief Smith for completing the Iron Man.

Councilmembers

Jeff Vaughan had no comments.

Carmen:

- 67th Avenue looks wonderful.
- Kevin Nielsen and Chief Smith did a great job at the Chamber of Commerce's "Buy Local" event.
- She commended the parks and recreation department for all their great event offerings.
- She congratulated Detective Vinson for his contribution to the police department and to the city.

Jon Nehring:

- He expressed appreciation for the great parks programs over the summer.
- He asked if there are any new retail sales tax numbers. Sandy Langdon said the numbers are down from last year, but have leveled out a little. Numbers for June were down more than expected, but are still within the revised budget.
- He asked about preparations being done for winter. Kevin stated that they have more sand this year than they did for last year since they recouped a lot of it. They have extra chains for every vehicle. They also received FEMA money from last year. They developed a new plowing route that they think will be more efficient on arterials. If they have a similar event to last year they will run 24/7.

Donna Wright:

- The Chamber of Commerce presentation by Kevin Nielsen and Chief Smith was great. People along Cedar are concerned about the change from four lanes to two lanes.
- She will not be at the public works meeting because she will be out of town.

Jeff Seibert asked for an update on the bridge since he saw survey stakes there. Kevin Nielsen provided an update and replied that they are scheduled for the same construction period. He informed the Council that they just received notice that the old bridge is now deemed a historic monument and needs to be disassembled carefully so it can be reassembled. There will obviously be changes to the bid specs as a result of this. He gave an update on other permitting and mitigation issues.

Mayor Kendall asked if the rail had been checked yet. Kevin indicated he would follow up on this.

Donna Wright asked when the Hotel/Motel item would be on the agenda. Mary Swenson indicated it would be on the agenda for next week.

Adjournment

Seeing no further business Mayor Kendall adjourned the meeting at 7:51 p.m.

Approved this _____ day of _____, 2009.

Mayor
Dennis Kendall

Asst. Admin. Svcs. Director
Tracy Jeffries

CITY OF MARYSVILLE

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: September 28, 2009

AGENDA ITEM: Claims	AGENDA SECTION:
PREPARED BY: Sandy Langdon, Finance Director	AGENDA NUMBER:
ATTACHMENTS: Claims Listings	APPROVED BY: 
	MAYOR CAO
BUDGET CODE:	AMOUNT:

Please see attached.

RECOMMENDED ACTION:

The Finance and Executive Departments recommend City Council approve the **September 9, 2009** claims in the amount of **\$658,539.18** paid by **Check No.'s 57980 through 58100** with no Check No.'s voided.

COUNCIL ACTION:

BLANKET CERTIFICATION

CLAIMS
FOR
PERIOD-9

I, THE UNDERSIGNED, DO HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT THE MATERIALS HAVE BEEN FURNISHED, THE SERVICES RENDERED OR THE LABOR PERFORMED AS DESCRIBED HEREIN AND THAT THE **CLAIMS** IN THE AMOUNT OF **\$658,539.18 PAID BY CHECK NO.'S 57980 THROUGH 58100 WITH NO CHECK NUMBER'S VOIDED** ARE JUST, DUE AND UNPAID OBLIGATIONS AGAINST THE CITY OF MARYSVILLE, AND THAT I AM AUTHORIZED TO AUTHENTICATE AND TO CERTIFY SAID CLAIMS.



AUDITING OFFICER

9/14/09

DATE

MAYOR

DATE

WE, THE UNDERSIGNED COUNCIL MEMBERS OF MARYSVILLE, WASHINGTON DO HEREBY APPROVE FOR PAYMENT THE ABOVE MENTIONED **CLAIMS** ON THIS **9th DAY OF SEPTEMBER 2009.**

COUNCIL MEMBER

**CITY OF MARYSVILLE
 INVOICE LIST**

FOR INVOICES FROM 09/03/2009 TO 09/09/2009

<u>CHK #</u>	<u>VENDOR</u>	<u>ITEM DESCRIPTION</u>	<u>ACCOUNT #</u>	<u>ITEM AMOUNT</u>
57980	SONJA ABELS	REFUND CLASS FEES	00110347.376009.	20.00
57981	ADVANTAGE BUILDING SERVICES	JANITORIAL SERVICES	00100010.541010.	935.65
	ADVANTAGE BUILDING SERVICES		00101250.541010.	1,036.46
	ADVANTAGE BUILDING SERVICES		00103530.541010.	1,114.17
	ADVANTAGE BUILDING SERVICES	EXTRA CLEANING @ KBSCC	00105250.541000.	144.00
	ADVANTAGE BUILDING SERVICES	JANITORIAL SERVICES	00105250.541000.	671.96
	ADVANTAGE BUILDING SERVICES		00105380.541000.	901.22
	ADVANTAGE BUILDING SERVICES		40141580.541000.	72.16
	ADVANTAGE BUILDING SERVICES		40142480.541000.	599.35
	ADVANTAGE BUILDING SERVICES		40143410.541000.	1,477.08
	ADVANTAGE BUILDING SERVICES		40143780.541000.	467.88
57982	MITZI AHLES	REFUND DEPOSIT FOR RENTAL	001.239100.	100.00
57983	ROY A ALDERMAN	REIMBURSE MILEAGE	40143410.543010.	71.91
57984	ALLIED EMPLOYERS LABOR RELATIONS	9/09 MEMBERSHIP DUES	00100310.541000.	2,254.85
57985	ALPINE PRODUCTS INC	TRAFFIC PAINT	10110564.531000.	538.17
	ALPINE PRODUCTS INC		10110564.531000.	1,215.89
	ALPINE PRODUCTS INC	AIR VALVE SOLENOID DIST BLOCK	50100065.534000.	588.57
57986	APPLIED PROFESSIONAL SERVICES	20TH ST & 91ST AVE SE WORK DON	40141180.541000.	333.25
57987	ARAMARK UNIFORM SERVICES	UNIFORM CLEANING	50100065.526000.	32.99
57988	REBECCA BELL	REFUND CLASS FEES	00110347.376009.	20.00
57989	OWEN EQUIPMENT COMPANY	MOTOR KNOB RING,NUT	50100065.534000.	32.55
	OWEN EQUIPMENT COMPANY	STARTER SWITCH KNOB,RING,NUT	50100065.534000.	93.77
57990	BICKFORD FORD-MERCURY	BLOWER MOTORS,WHEEL,SEAL,RETA	50100065.534000.	173.52
57991	KARINA BOSTON	REFUND DEPOSIT FOR RENTAL	001.239100.	100.00
57992	RAE BOYD, APRN, BC	INMATE MEDICAL CARE	00103960.541000.	4,110.00
57993	BOYDEN ROBINETT & ASSOCIATES LP	UB 241210456000 12104 56TH DR	401.122110.	42.50
57994	BOYDEN ROBINETT & ASSOCIATES LP	UB 245726120000 5726 120TH PL	401.122110.	47.50
57995	RACHEL BRANDSMA	REFUND SECURITY DEPOSIT	001.239100.	200.00
57996	BRICKMAN JR, ROBERT	UB 130630000000 11432 47TH AVE	401.122110.	30.18
57997	DON BROOKS	REFUND DEPOSIT FOR RENTAL	001.239100.	100.00
57998	CABLE WHOLESALE	PERIPHERAL REPLACEMENTS	503.231700.	-2.78
	CABLE WHOLESALE		50350390.535000.RPLC	35.03
57999	CNR, INC	MAINTENANCE CONTRACT 7/09	50300090.541000.	1,355.79
58000	COMCAST	EMERGENCY RESPONSE	40143410.549000.0931	1,793.00
58001	DEPT OF COMMERCE	PRINCIPAL & INTEREST (DWRFL)	45000072.572000.	23,288.49
	DEPT OF COMMERCE		45000072.572000.	222,397.82
	DEPT OF COMMERCE		45000083.583000.	11,644.24
	DEPT OF COMMERCE		45000083.583000.	50,039.51
58002	CONCRETE NOR'WEST	WASHED ROCK	10111561.549000.	101.72
58003	MERRITT SCOTT CONNER	INSTRUCTOR SERVICES	00105250.541020.	108.00
58004	CONSOLIDATED ELECTRIAL DIST INC	LIGHT FOR LIBRARY	00112572.531000.	145.56
58005	COOK PAGING (WA)	PAGER SERVICE	10111230.542000.	3.74
	COOK PAGING (WA)		40143410.542000.	3.74
58006	NATHAN COOKSTON	WATCHDOG METER REFUND	401.245200.	123.00
58007	CO-OP SUPPLY	GRASS SEED,STRAW BALE	40140480.531000.	47.94
58008	WA DEPT OF CORRECTIONS	INMATE MEALS	00103960.531250.	1,762.22
58009	COVAD COMMUNICATIONS	INTERNET SERVICES	50300090.541000.	239.95
58010	VONNIE CRAWFORD	INSTRUCTOR SERVICES	00105250.541020.	195.00
58011	CROP PRODUCTION SERVICES, INC	GREENS FERTILIZER	42047165.531930.	2,236.75
58012	HUMBERTO CUAYAHUTI	REFUND DEPOSIT FOR RENTAL	001.239100.	100.00
58013	DE JONG SAWDUST & SHAVINGS	5 YDS PLAY CHIPS	00105380.531000.	183.26
	DE JONG SAWDUST & SHAVINGS		00105380.531000.	183.26
	DE JONG SAWDUST & SHAVINGS		00105380.531000.	183.26
	DE JONG SAWDUST & SHAVINGS		00105380.531000.	183.26
	DE JONG SAWDUST & SHAVINGS		00105380.531000.	183.26
58014	DELL MARKETING LP	REPLACEMENT KEYBOARDS	50350390.535000.RPLC	73.83

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<u>CHK #</u>	<u>VENDOR</u>	<u>ITEM DESCRIPTION</u>	<u>ACCOUNT #</u>	<u>ITEM AMOUNT</u>
58015	ARLINE DEPALMA	INSTRUCTOR SERVICES	00105250.541020.	220.00
58016	DIEGO, LAURA & PAUL	UB 031230000000 6203 86TH ST N	401.122110.	95.25
58017	E&E LUMBER INC	RETURN FASTENERS	00105380.531000.	-7.82
	E&E LUMBER INC	CABLE TIES	00105380.531000.	6.51
	E&E LUMBER INC	DUSTER	00105380.531000.	7.37
	E&E LUMBER INC	MARKING PAINT	00105380.531000.	13.66
	E&E LUMBER INC	HAMMER BIT	00105380.531000.	35.83
	E&E LUMBER INC	CONCRETE	00105380.531000.	38.44
	E&E LUMBER INC	FASTENERS,LUMBER	00105380.531000.	49.89
	E&E LUMBER INC	CONCRETE	00105380.531000.	96.11
	E&E LUMBER INC	LUMBER,DRYWALL	31000076.563000.P0901	94.91
	E&E LUMBER INC	SPACKLE	50200050.531000.	7.59
58018	FENCE SYSTEMS NW INC	FENCE REPAIRS @ RESERVOIRS	40140280.548000.	3,487.15
58019	EMERALD HILLS COFFEE SERVICE	COFFEE SUPPLIES	10605250.549000.	72.29
58020	EVERETT CARBONIC	CARBON DIOXIDE	401.141400.	50.23
58021	THE DAILY HERALD COMPANY	SUBSCRIPTION-PARKS & REC	00105380.531000.	144.00
58022	EVERGREEN FOOD & GOODS	REFUND DEPOSIT FOR RENTAL	001.239100.	58.00
58023	FARWEST GOLF CARS OF WA INC	SPARK PLUGS,BRUSH STARTER	42047165.548000.	201.89
	FARWEST GOLF CARS OF WA INC	CLUTCH ASSEMBLY	42047165.548000.	705.52
58024	FEDEX	SHIPPING EXPENSE	42047061.549000.	11.08
58025	CRAIG A. FULLERTON	CONSULTING-PROPERTY SEARCH	00100110.541000.	1,480.00
58026	SUSAN GEBAUER	REFUND DEPOSIT FOR RENTAL	001.239100.	100.00
58027	GENERAL STOREFRONTS INC	DOOR REPAIR	42047061.548000.	130.32
58028	CHRIS GORDON	REFUND CLASS FEES	00110347.376009.	20.00
58029	GRAYBAR ELECTRIC CO INC	(4) LIGHT BULBS	00105380.531000.	31.58
58030	GREENSHIELDS INDUSTRIAL SUPPLY	ADAPTER	50100065.534000.	8.89
	GREENSHIELDS INDUSTRIAL SUPPLY	POWER STEERING HOSE	50100065.534000.	42.35
58031	GREG RAIRDON'S DODGE CHRYSLER JEEP	BATTERY TRAY,BRACKET,NUTS,BOLT	50100065.534000.	131.66
58032	ANDREA HARTLAND KINGSFORD	REIMBURSE FABRIC PURCHASE	00105120.531080.	44.16
58033	ROSE HAYES	INSTRUCTOR SERVICES	00105250.541020.	80.00
58034	HD FOWLER COMPANY	ADAPTERS	401.141400.	46.13
	HD FOWLER COMPANY	RESETTERS	401.141400.	420.55
58035	AMANDA HERTZ	INSTRUCTOR SERVICES	00105250.541020.	20.40
58036	INTEGRA TELECOM	ACCT #010495321	00100020.542000.	161.66
	INTEGRA TELECOM		00100050.542000.	192.07
	INTEGRA TELECOM		00100110.542000.	54.97
	INTEGRA TELECOM		00100310.542000.	70.31
	INTEGRA TELECOM		00100720.542000.	14.43
	INTEGRA TELECOM		00101023.542000.	75.07
	INTEGRA TELECOM		00101130.542000.	45.55
	INTEGRA TELECOM		00102020.542000.	412.03
	INTEGRA TELECOM		00103010.542000.	115.08
	INTEGRA TELECOM		00103121.542000.	142.40
	INTEGRA TELECOM		00103222.542000.	484.70
	INTEGRA TELECOM		00103528.542000.	25.31
	INTEGRA TELECOM		00103630.542000.	12.66
	INTEGRA TELECOM		00103960.542000.	156.45
	INTEGRA TELECOM		00104190.542000.	192.86
	INTEGRA TELECOM		00104230.542000.	14.76
	INTEGRA TELECOM		00105120.542000.	169.55
	INTEGRA TELECOM		00105250.542000.	27.67
	INTEGRA TELECOM		00105515.542000.	65.79
	INTEGRA TELECOM		00143523.542000.	100.33
	INTEGRA TELECOM		10111230.542000.	78.99
	INTEGRA TELECOM		40142480.542000.	138.59
	INTEGRA TELECOM		40143410.542000.	12.66

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58036	INTEGRA TELECOM	ACCT #010495321	40143410.542000.	256.67
	INTEGRA TELECOM		41046170.542000.	12.66
	INTEGRA TELECOM		42047061.542000.	74.40
	INTEGRA TELECOM		50100065.542000.	39.28
	INTEGRA TELECOM		50148058.542000.	13.65
	INTEGRA TELECOM		50200050.542000.	25.42
	INTEGRA TELECOM		50300090.542000.	100.54
58037	JOAN JORGENSEN	REFUND DEPOSIT FOR RENTAL	001.239100.	100.00
	JOAN JORGENSEN		00110347.376014.	35.00
58038	JOURNEY LINES INC.	BUS TRIP TO MARINERS 9/1/09	00105120.531050.	475.00
58039	KESSELRINGS GUN SHOP INC	AMMUNITION	00103740.531000.	1,024.32
58040	KIDZ LOVE SOCCER INC	INSTRUCTOR SERVICES	00105120.531032.0812	144.00
	KIDZ LOVE SOCCER INC		00105120.531032.0812	192.00
	KIDZ LOVE SOCCER INC		00105120.531032.0812	576.00
	KIDZ LOVE SOCCER INC		00105120.531032.0812	576.00
	KIDZ LOVE SOCCER INC		00105120.531032.0812	852.00
	KIDZ LOVE SOCCER INC		00105120.531032.0812	1,152.00
58041	KIWANIS	REFUND DEPOSIT FOR RENTAL	001.239100.	58.00
58042	HOLLY KOHL	REIMBURSE MILEAGE	00100020.543000.	48.84
58043	JOHN KOSTER BUSINESS ROUND TABLE	ROUNDTABLE 10/1/09	00100110.549000.	50.00
58044	LANCE KOTY	REFUND DEPOSIT FOR RENTAL	001.239100.	100.00
58045	LOWES HIW INC	PLANTS	00105380.531000.	192.98
58046	MARYSVILLE AWARDS	EOM PLAQUE ENGRAVING-KINNEY, P	00100110.549000.	8.04
58047	MARYSVILLE PRINTING	STATEMENT FORMS	00103222.531000.	390.96
	MARYSVILLE PRINTING	BASKETBALL FLYERS	00105120.531040.	547.34
58048	MARYSVILLE YOUTH SOCCER ASSOC.	GARBAGE SRVCS @ 09 SOCCER	00105120.531030.	468.19
58049	CITY OF MARYSVILLE	STORMWATER @ 1015 STATE	00101250.547000.	64.90
	CITY OF MARYSVILLE		00101250.547000.	116.48
	CITY OF MARYSVILLE		00101250.547000.	206.34
	CITY OF MARYSVILLE	WTR/SWR @ 7115 GROVE	42047165.547000.	198.59
	CITY OF MARYSVILLE	WTR/SWR/GRB @ 7007 GROVE	42047165.547000.	808.50
	CITY OF MARYSVILLE	WATER @ 6810 84TH ST NE	42047165.547000.	23,364.21
58050	RANDY MAYGARD	REFUND EHM FEES	00108342.323600.	187.00
58051	MONTY, BERTROM E	UB 130250000000 11214 47TH AVE	401.122110.	17.10
58052	JANET MYER	INSTRUCTOR SERVICES	00105250.541020.	140.80
58053	NORTH SOUND HOSE & FITTINGS	HEATER HOSE	50100065.534000.	22.70
58054	NORTHWEST CASCADE INC	(4) HONEY BUCKETS	00105120.531010.	413.30
	NORTHWEST CASCADE INC	CREDIT HONEY BUCKET	00105380.545000.	-63.73
	NORTHWEST CASCADE INC	HONEY BUCKET	00105380.545000.	103.33
58055	NORTHWEST HANDLING SYSTEMS, INC.	WATER PUMP,GSKT,THERMOSTAT,BE)	50100065.534000.	193.10
58056	VANCE P ODELL	PROFESSIONAL SERVICES	00105515.541040.	6,000.00
58057	OFFICE DEPOT	OFFICE SUPPLIES	00100020.531000.	6.01
	OFFICE DEPOT		00100020.531000.	31.38
	OFFICE DEPOT		00102020.531000.	31.37
	OFFICE DEPOT		00103010.531000.	20.00
	OFFICE DEPOT		00103010.531000.	176.82
	OFFICE DEPOT		00103222.531000.	12.93
	OFFICE DEPOT		00103222.531000.	140.26
	OFFICE DEPOT		00103222.531000.	149.28
	OFFICE DEPOT		00104190.531000.	5.00
	OFFICE DEPOT		00105120.531000.	20.27
	OFFICE DEPOT		40143410.531000.	6.00
	OFFICE DEPOT		40143410.531000.	31.37
	OFFICE DEPOT		40143410.531000.	32.48
	OFFICE DEPOT		50100065.531000.	5.23
	OFFICE DEPOT		50200050.531000.	5.23

**CITY OF MARYSVILLE
 INVOICE LIST**

FOR INVOICES FROM 09/03/2009 TO 09/09/2009

<u>CHK #</u>	<u>VENDOR</u>	<u>ITEM DESCRIPTION</u>	<u>ACCOUNT #</u>	<u>ITEM AMOUNT</u>
58058	PACIFIC NW BUSINESS PRODUCTS INC	OFFICE SUPPLIES	00103222.531000.	226.81
58059	PACIFIC POWER PRODUCTS	GREENS MOWER REEL	42047165.548000.	178.37
58060	THE PARTS STORE	AIR FILTERS	501.141100.	42.55
	THE PARTS STORE	OIL FILTERS	501.141100.	54.21
	THE PARTS STORE	WIPER BLADES,BULBS,FLASHER,FIL	501.141100.	103.75
	THE PARTS STORE	RADIATOR CAP	50100065.534000.	4.43
	THE PARTS STORE	SPARK PLUGS	50100065.534000.	18.83
	THE PARTS STORE	BATTERY W/CORE CHRG	50100065.534000.	86.83
58061	PEARSON, IRENE	UB 880310000000 5012 72ND PL N	401.122110.	7.82
58062	PELZER GOLF SUPPLIES	PENCILS	420.231700.	-21.48
	PELZER GOLF SUPPLIES		42047267.531000.	271.22
58063	PETROCARD SYSTEMS INC	FUEL CONSUMED	00100020.532000.	131.03
	PETROCARD SYSTEMS INC		00102020.532000.	559.30
	PETROCARD SYSTEMS INC		00103222.532000.	4,809.98
	PETROCARD SYSTEMS INC		00105380.532000.	1,549.53
	PETROCARD SYSTEMS INC		10111230.532000.	1,020.39
	PETROCARD SYSTEMS INC		40143880.532000.	4,185.34
	PETROCARD SYSTEMS INC		40145040.532000.	42.30
	PETROCARD SYSTEMS INC		41046060.532000.	2,760.73
	PETROCARD SYSTEMS INC		42047165.532000.	37.08
	PETROCARD SYSTEMS INC		50200050.532000.	239.57
58064	NAOMI PIERCE-THORINSON	REFUND DEPOSIT FOR RENTAL	001.239100.	100.00
58065	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #462-002-547-0	00105380.547000.	29.09
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #258-014-292-1	00105380.547000.	56.50
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #258-010-895-5	00105380.547000.	56.81
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #670-001-300-3	10110463.547000.	61.57
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #690-001-250-8	10110463.547000.	1,860.33
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #600-001-260-6	10110463.547000.	1,988.12
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #660-001-330-1	10110463.547000.	12,605.67
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #345-002-250-8	10111864.547000.	57.31
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #295-001-624-2	40140180.547000.	568.61
	PUD NO 1 OF SNOHOMISH COUNTY	ACCT #543-001-786-2	40142280.547000.	387.80
58066	RADIOSHACK	TV REMOTE	00100010.531000.	8.68
58067	PETE REEDER	REFUND DEPOSIT FOR RENTAL	001.239100.	100.00
58068	DEPARTMENT OF RETIREMENT SYSTEMS	AUGUST CONTRIBUTIONS	632.239900.	71,426.49
58069	SHIRLEY RICHARDSON	REFUND DEPOSIT FOR RENTAL	001.239100.	58.00
58070	RIVER OAKS COMMUNICATIONS CORP	VERIZON/FRONTIER TRANSFER PROJ	00100720.541000.	820.26
58071	TAMARA ROBBINS	INSTRUCTOR SERVICES	00105250.541020.	62.07
58072	ROY ROBINSON CHEVROLET	BOLT	50100065.534000.	2.51
	ROY ROBINSON CHEVROLET	WINDSHIELD WASHER PUMP,DIODE	50100065.534000.	57.55
	ROY ROBINSON CHEVROLET	LATCH,LIGHT ASSEMBLY	50100065.534000.	73.65
	ROY ROBINSON CHEVROLET	TAILGATE LATCH,ACTUATOR,SWITCH	50100065.534000.	126.96
58073	ERIKA SALINAS	REFUND DEPOSIT FOR RENTAL	001.239100.	100.00
58074	SNOHOMISH COUNTY HUMAN RESOURCES	EMPLOYMENT LAW UPDATE	00100310.549000.	75.00
58075	SENIOR SERVICES OF SNOHOMISH COUNTY	HEALTHY COMM BY DESIGN FORUM	00100060.549000.	25.00
58076	CRAIG SHANKLE	INSTRUCTOR SERVICES	00105250.541020.	56.00
58077	SHERRIFF, NICOLE	UB 760880500001 5909 67TH AVE	401.122110.	129.96
58078	SIX ROBBLEES INC	BRAKE RETURN SPRING	50100065.534000.	4.90
58079	NANCY SUE SMITH	REFUND DEPOSIT FOR RENTAL	001.239100.	100.00
58080	SNOHOMISH COUNTY TREASURER	CRIME VICTIM/WITNESS FUNDS	00102570.551000.	638.13
58081	SNOPAC	DISPATCH SERVICES	00104000.551000.	63,332.40
58082	SONITROL	SECURITY MONITORING SERVICES	00100010.541000.	191.00
	SONITROL		00103530.541000.	293.00
	SONITROL		00105250.541000.	126.00
	SONITROL		00105380.541000.	116.00
	SONITROL		40142480.541000.	330.00

**CITY OF MARYSVILLE
 INVOICE LIST**

FOR INVOICES FROM 09/03/2009 TO 09/09/2009

<u>CHK #</u>	<u>VENDOR</u>	<u>ITEM DESCRIPTION</u>	<u>ACCOUNT #</u>	<u>ITEM AMOUNT</u>
58082	SONITROL	SECURITY MONITORING SERVICES	40143410.541000.	372.00
58083	SOUND PUBLISHING INC	09 PARKS & REC GUIDE	00100720.541000.	4,610.77
	SOUND PUBLISHING INC		00105120.544000.	5,612.48
58084	SHARON STANDISH	REFUND DEPOSIT FOR RENTAL	001.239100.	100.00
58085	STRATEGIES 360 INC	PROFESSIONAL SERVICES	00100110.549000.E0801	15,000.00
58086	TAPLIN, SAMUEL	UB 212820000000 12605 48TH DR	401.122110.	30.52
58087	TEXTRON FINANCIAL CORPORATION	LEASE EZ GO GOLF CARTS	42047165.545000.	970.00
58088	THYSSENKRUPP ELEVATOR CORP	PREVENTATIVE MAINTENANCE	00100010.548000.	172.99
	THYSSENKRUPP ELEVATOR CORP		00103530.548000.	172.99
58089	TITLEIST	VOKEY WEDGE	420.141100.	79.99
58090	DEPT OF TRANSPORTATION NW REGION	PROJECT COSTS 7/09	40143410.541000.	96.07
58091	UNITED PIPE & SUPPLY INC	METER BOX EXTENSIONS	401.141400.	149.87
58092	UNITED RENTALS	FORKLIFT RENTAL	40143410.548000.	534.21
58093	VERIZON NORTHWEST	ACCT #107355912203	00100020.542000.	56.36
	VERIZON NORTHWEST		00100050.542000.	56.36
	VERIZON NORTHWEST		00100110.542000.	56.36
	VERIZON NORTHWEST		00100310.542000.	56.36
	VERIZON NORTHWEST		00102020.542000.	225.44
	VERIZON NORTHWEST		00103010.542000.	112.72
	VERIZON NORTHWEST		00103222.542000.	56.36
	VERIZON NORTHWEST		00103530.542000.	225.44
	VERIZON NORTHWEST		00103960.542000.	112.72
	VERIZON NORTHWEST		00104000.542000.	112.72
	VERIZON NORTHWEST		00104190.542000.	169.08
	VERIZON NORTHWEST		00105250.542000.	56.36
	VERIZON NORTHWEST		00105380.542000.	281.80
	VERIZON NORTHWEST		00112572.542000.	56.36
	VERIZON NORTHWEST		00143523.542000.	56.36
	VERIZON NORTHWEST	ACCT #109367558610	10110564.547000.	49.40
	VERIZON NORTHWEST	ACCT #107567892708	10110564.547000.	51.68
	VERIZON NORTHWEST	ACCT #107355912203	10111230.542000.	56.36
	VERIZON NORTHWEST		40142480.542000.	0.03
	VERIZON NORTHWEST		40142480.542000.	225.44
	VERIZON NORTHWEST		40143410.542000.	305.39
	VERIZON NORTHWEST		42047061.542000.	169.08
	VERIZON NORTHWEST		42047061.549100.	112.72
58094	VOLUNTEERS OF AMERICA	2010 FUNDING FOR 211 COMM INFO	00100090.549000.	5,629.50
58095	WASHINGTON STATE TREASURER	PUBLIC SAFETY & BLDG REVENUE	001.237010.	33,918.99
	WASHINGTON STATE TREASURER		001.237030.	751.50
58096	WEED GRAAFSTRA AND BENSON INC PS	FORFEITURES 8/09	00103121.541000.	1,040.00
	WEED GRAAFSTRA AND BENSON INC PS	LEGAL SERVICES	00105515.541000.	476.00
	WEED GRAAFSTRA AND BENSON INC PS		00105515.541000.	11,937.00
	WEED GRAAFSTRA AND BENSON INC PS		31000076.563000.G0701	142.50
	WEED GRAAFSTRA AND BENSON INC PS		40143410.541000.	680.00
	WEED GRAAFSTRA AND BENSON INC PS		40143410.541000.	11,936.99
	WEED GRAAFSTRA AND BENSON INC PS		40145040.541000.	200.00
58097	WESTERN FACILITIES SUPPLY INC	JAIL SUPPLIES	00103960.531000.	250.98
	WESTERN FACILITIES SUPPLY INC	JANITORIAL SUPPLIES-RESTAURANT	42047165.531700.	15.36
	WESTERN FACILITIES SUPPLY INC		42047165.531700.	210.65
58098	WILCO-WINFIELD, LLC	WETTING AGENT	42047165.531900.	131.16
58099	LISA WILCOX	REFUND DEPOSIT FOR RENTAL	001.239100.	100.00
58100	WSSUA	UMPIRES FOR SOFTBALL GAMES	00105120.531010.	3,420.00

WARRANT TOTAL:

658,539.18

**CITY OF MARYSVILLE
EXECUTIVE SUMMARY FOR ACTION**

CITY COUNCIL MEETING DATE: September 28, 2009

AGENDA ITEM: Annual Janitorial Services Contract Award	AGENDA SECTION:	
PREPARED BY: Holly Kohl, Engineering Aide, Project Compliance	APPROVED BY: <i>sl</i> <i>lu</i>	
ATTACHMENTS: <ul style="list-style-type: none"> • Janitorial Services Contract 		
	MAYOR	CAO
BUDGET CODE: Various Buildings	AMOUNT \$X	

DESCRIPTION:

The Office of State Procurement in conjunction with Fleet & Facilities has recently solicited bids for janitorial services at the City of Marysville. X bids were received and the most responsive bidder was X in the amount of \$X. The term of this contract is from 10-1-2009 through 9-31-2010. This Contract can be renewed for up to nine additional years upon agreement of the State Office of Procurement, City of Marysville, and X.

Bid submittals received by the State on X;

Company	Yearly Bid Amount

<p>RECOMMENDED ACTION: Staff recommends that Council authorize the Mayor to award and sign the Janitorial Contract to X in the amount of \$ X.</p>
<p>COUNCIL ACTION:</p>

CITY OF MARYSVILLE

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: September 28, 2009

AGENDA ITEM: Phase II Stormwater Pass-through Grant	AGENDA SECTION:	
PREPARED BY: Kari Chennault, Program Engineer – Surface Water	APPROVED BY: <i>ke</i> <i>ke</i>	
ATTACHMENTS: <ul style="list-style-type: none"> • 3 copies of the Grant Agreement 		
	MAYOR	CAO
BUDGET CODE: 40150334.340314	AMOUNT: \$50,000 Grant Funding	

DESCRIPTION:

The Department of Ecology is offering NPDES Phase II jurisdictions, such as the City of Marysville, a \$50,000 grant to be used for expenses dictated by the NPDES Phase II Permit. The money can be used for activities such as public education and outreach, public involvement and participation, illicit discharge detection and elimination, pollution prevention, water quality monitoring, etc. This is a non-match and non-competitive grant that would benefit Marysville’s Surface Water Division if accepted.

RECOMMENDED ACTION: Staff recommends that Council Authorize the Mayor to sign the Grant Agreement.
COUNCIL ACTION:

CITY OF MARYSVILLE

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: September 28, 2009

AGENDA ITEM: PA 07041 – Central Marysville Annexation PreZone PH	AGENDA SECTION: Public Hearing	
PREPARED BY: Chris Holland, Senior Planner	APPROVED BY:	
ATTACHMENTS: 1. Memo to City Council, dated 9/14/09 2. DRAFT Planning Commission Minutes, dated 9/9/09		
	MAYOR	CAO
BUDGET CODE:	AMOUNT:	

DESCRIPTION:

The Central Marysville Annexation (CMA) is approximately 2,847-acres in size consisting of 7,275 parcels of property. Of the 7,275 parcels of property, 91 parcels would experience a change in land use, if pre-zoned consistent with the Marysville Comprehensive Plan. The areas experiencing a change in land use are depicted and described in the attached memo, dated September 14, 2009.

The Planning Commission (PC) held a duly advertised public hearing on September 9, 2009 to consider pre-zoning the properties located within the CMA consistent with the Marysville Comprehensive Plan. Attached hereto are the Draft PC Minutes, dated September 9, 2009, recommending Marysville City Council pre-zone the properties located within the CMA consistent with the Marysville Comprehensive Plan, as amended by the PC.

Pursuant to RCW 35A.14 when a municipality intends to establish zoning regulations concurrently upon annexation, the legislative body is required to hold a minimum of two (2) public hearings. The first public hearing is scheduled on Monday, September 28, 2009 and the second is scheduled on Monday, November 2, 2009.

RECOMMENDED ACTION:

Receive testimony from the public, subsequent to final action at a second public hearing scheduled on November 2, 2009.

COUNCIL ACTION:



COMMUNITY DEVELOPMENT DEPARTMENT
80 Columbia Avenue ♦ Marysville, WA 98270
(360) 363-8100 ♦ (360) 651-5099 FAX

MEMORANDUM

DATE: September 14, 2009
TO: Marysville City Council
FROM: Chris Holland, Senior Planner
RE: Central Marysville Annexation Pre-Zoning Public Hearing
PA 07041
CC: Dennis L. Kendall, Mayor
Mary Swenson, Chief Administrative Officer
Gloria Hirashima, CD Director
Cheryl Dungan, Planning Manager – Land Use

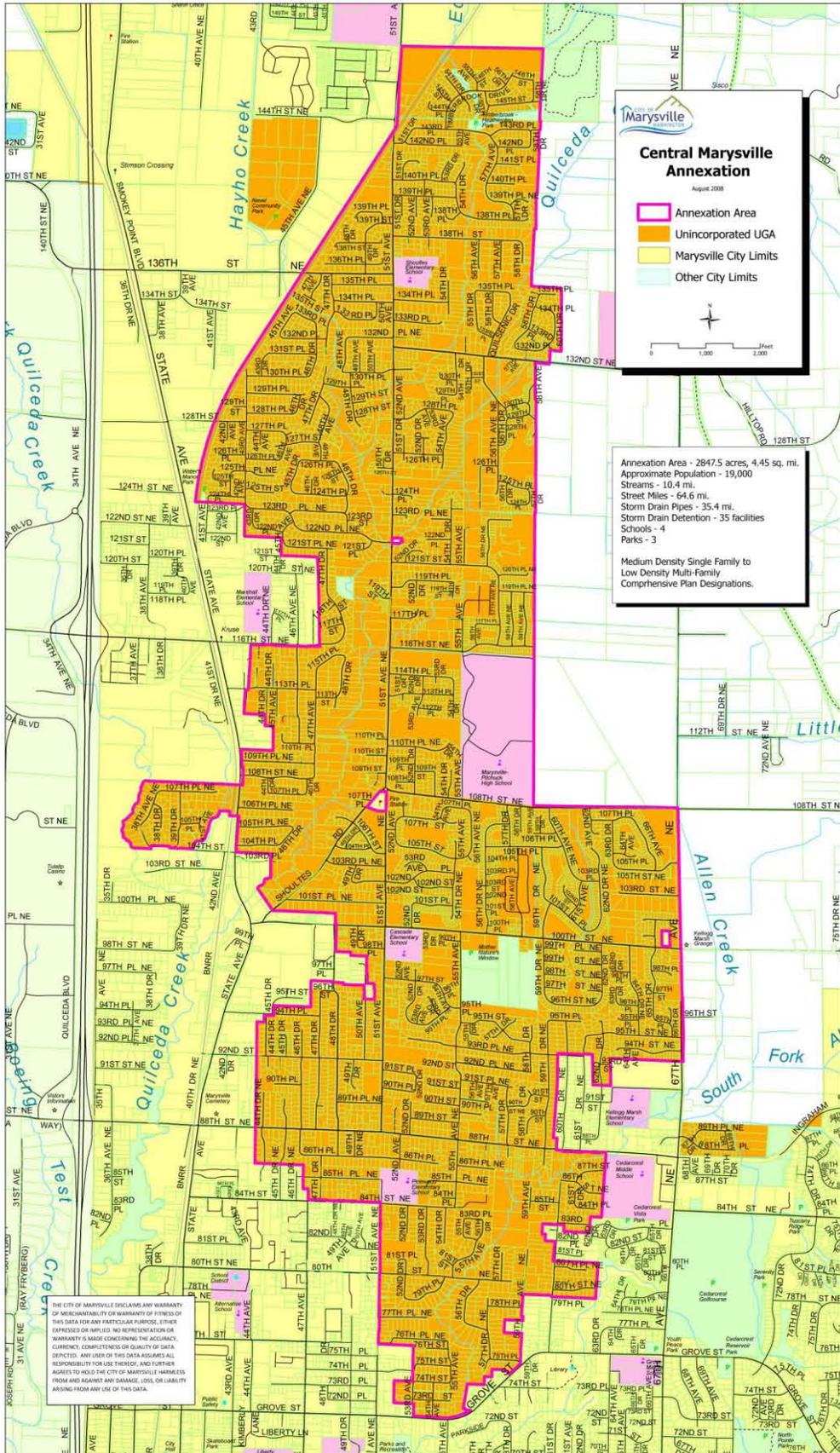
In order to adopt zoning regulations within the Central Marysville Annexation (CMA) area, one (1) public hearing is required before the Marysville Planning Commission (PC), which was held on Wednesday, September 9, 2009, and two (2) public hearings are required to be held before the Marysville City Council in accordance with RCW 35A.14. The required public hearings before City Council are scheduled on Monday, September 28, 2009, and Monday, November 2, 2009.

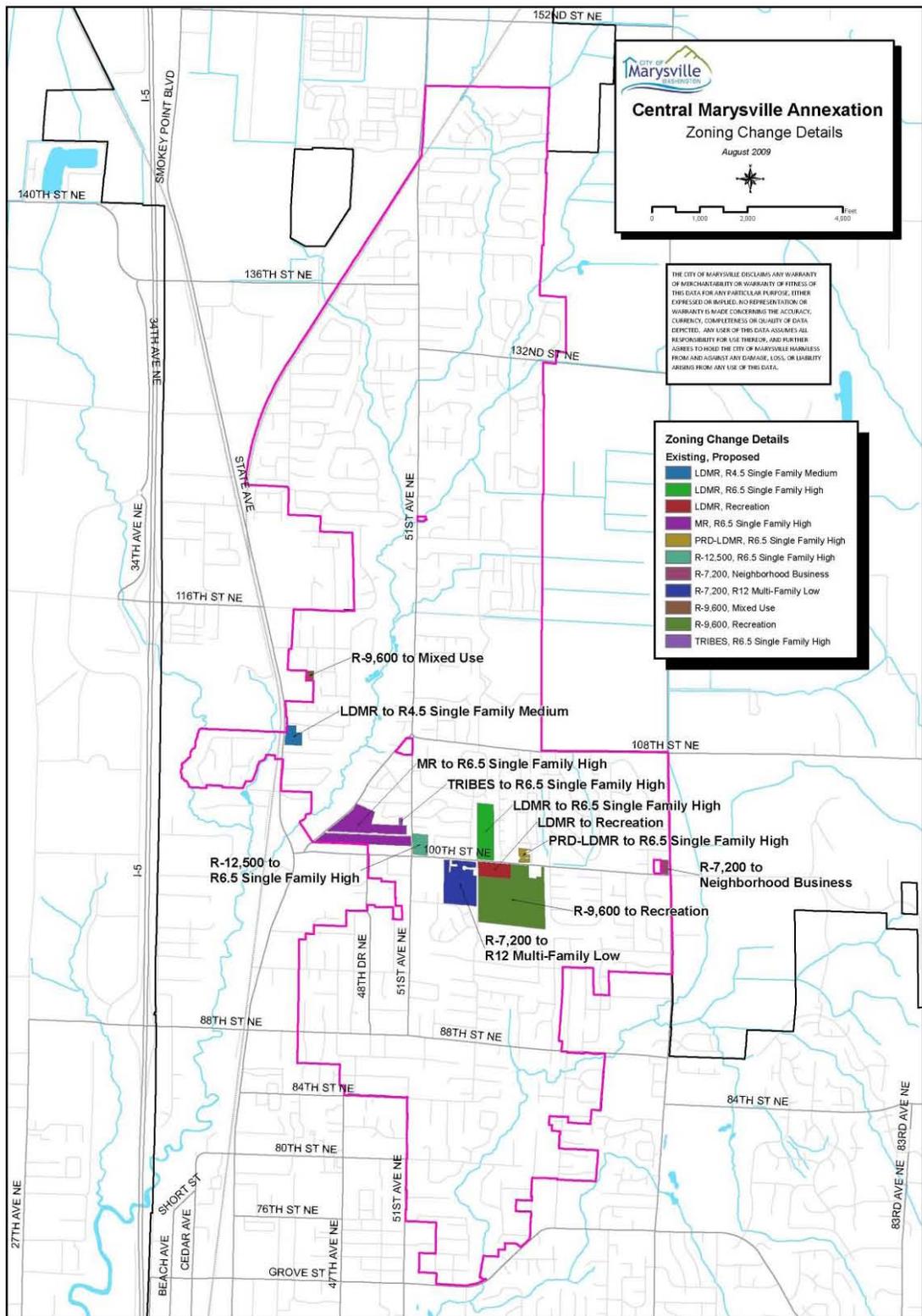
The Central Marysville Annexation generally encompasses an area north of Grove Street, east of State Avenue, south of the 14800 Block and west of 67th Avenue NE and is approximately 2,847-acres in size. The following are the proposed Marysville Comprehensive Plan land use designations, implementing Zoning designations, and approximate acreage of each land use classification, within the CMA:

Marysville Comprehensive Plan	Implementing Zone	Acreage
Medium Density, Single-family	R-4.5	1,483
High Density, Single-family	R-6.5	1,274
Low Density, Multi-family	R-12	39
Medium Density, Multi-family	R-18	4.1
Recreation	REC	40.6
General Commercial	GC	1.6
Mixed Use	MU	0.7
Neighborhood Business	NB	1.3

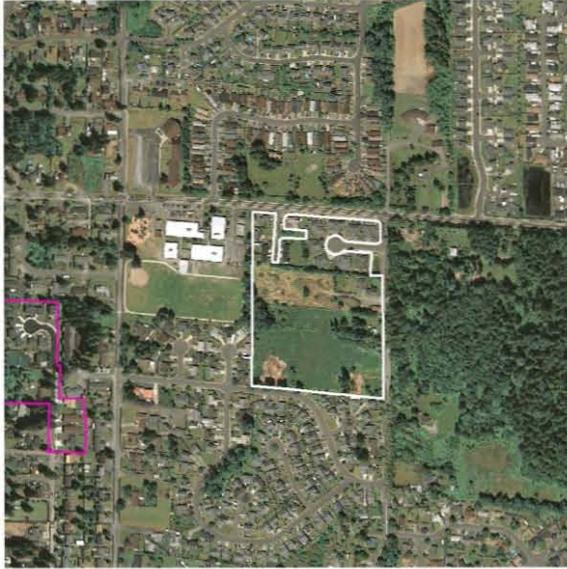
There are 7,275 parcels of property located within the CMA. Of the 7,275 parcels of property, 91 parcels will experience a change in land use. The areas experiencing a change in land use are depicted on Page 3 and are more specifically depicted and described on Pages 4 – 15.

Subsequent to receiving testimony at the required public hearings, Staff, respectfully requests Marysville City Council confirm the recommendation of the Marysville Planning Commission, Pre-Zoning the properties located within the CMA consistent with the Marysville Comprehensive Plan.





Southeast corner of 100th St. NE and 55th Ave. NE



Acreage: 13.6

County Zoning: R-7200

City Comp Plan: Low Density, Multi-Family

City Zoning: R-12

Existing Uses: Single family, condo/duplex and undeveloped (vacant) property

Affect: The County zoning designation of R-7200 allows single-family development at a density of approximately 6 d.u./acre. Marysville’s implementing zone (R-12) would allow both single-family and multi-family development at a density of 12 d.u./acre.

Parcels affected:

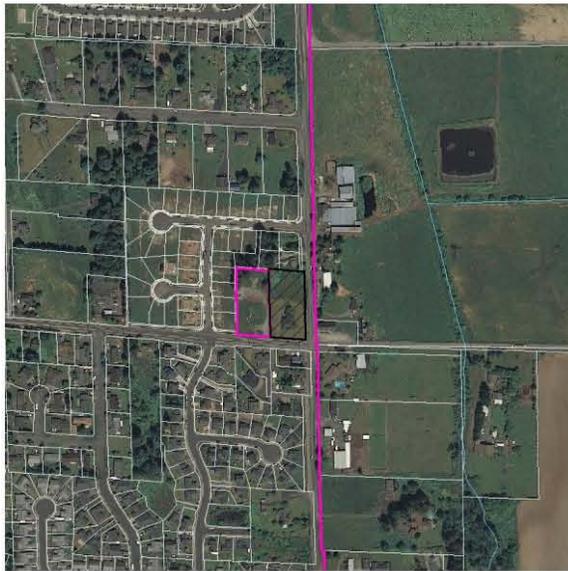
APN	PROPERTY OWNER	ADDRESS	SNOCO ZONING (existing)	MARYSVILLE ZONING (proposed)
00822200000200	PETERSON MARSHALL V & PAO-PETERSON LOLIT	5415 99TH PL NE UNIT A	R-7,200	R-12
00822200000700	KRUMENACKER ROBERT & CHERYL JOY	5414 99TH PL NE	R-7,200	R-12
00822200000400	ERHARDT JOHN M REVOCABLE LIVING TRUST	5401 99TH PL NE	R-7,200	R-12
00822200000600	STOTT FAMILY REVOCABLE LIVING TRUST	5406 99TH PL NE	R-7,200	R-12
00822200000500	EVERETT RICHARD H	5402 99TH PL NE	R-7,200	R-12
30051500305000	RAY SCOTT & DIANE	UNKNOWN	R-7,200	R-12
30051500307400	TEAM MERRITT III LLC	9926 53RD DR NE	R-7,200	R-12
30051500307500	PHILLIPE PETER G/NOLAN JENNIFER L	9920 53RD DR NE	R-7,200	R-12
00928900000100	HARVEY JUSTIN K & DIANA C	9915 53RD DR NE	R-7,200	R-12
00928900000300	DEL PILAR NESTOR A	9912 53RD DR NE	R-7,200	R-12
00928900000400	STUBBS CYNTHIA M	9914 53RD DR NE	R-7,200	R-12
30051500301700	MAPLE GORDON T & SHARLENE M	5320 100TH ST NE	R-7,200	R-12
00928900000200	AKIMENKO VLADIMIR A & TAMARA A	9915 53RD DR NE UNIT B	R-7,200	R-12
00822200000203	PETERSON MARGO	5415 99TH PL NE UNIT B	R-7,200	R-12
00822200000100	MILLER THOMAS R	5427 99TH PL NE	R-7,200	R-12

Southeast corner of 100th St. NE and 55th Ave. NE

Parcels affected (continued):

APN	PROPERTY OWNER	ADDRESS	SNOCO ZONING (existing)	MARYSVILLE ZONING (proposed)
00822200000300	GRAY EARL D	5411 99TH PL NE	R-7,200	R-12
00822200000800	STOTT FAMILY REVOCABLE LIVING TRUST	5422 99TH PL NE	R-7,200	R-12
30051500302100	RAY SCOTT & DIANNE	9820 55TH AVE NE	R-7,200	R-12
30051500302200	NIELSON JOHN R & SUZETTE M	9806 55TH AVE NE	R-7,200	R-12
30051500301800	KANG WILLIAM & MARGARET LIVING TRUST	9706 55TH AVE NE	R-7,200	R-12

Northwest corner of 100th St. NE and 67th Ave. NE



Acreage: 1.04

County Zoning: R-7200

City Comp Plan: Neighborhood Business

City Zoning: NB

Existing Use: Vacant. Old Schoolhouse was recently demolished.

Affect: The County zoning designation of R-7200 allows single-family development at a density of approximately 6 d.u./acre. The purpose of Marysville’s implementing zone (NB) is to provide convenient daily retail and personal services for a limited service area. Single-family homes are not allowed in the NB zone.

Parcel affected:

APN	PROPERTY OWNER	ADDRESS	COUNTY ZONING (existing)	MARYSVILLE ZONING (proposed)
30051500101800	SCHOOLHOUSE DEVELOPMENT LLC	10008 67TH AVE NE	R-7,200	NB

Southeast corner of 100th St. NE and 55th Ave. NE



Acreage: 39.3

City Comp Plan: Recreation

PC Recommended Zoning: *R-12 for Turk parcels*

Existing Uses: Mother Nature’s Window Park and three (3) single-family residences.

Affect: The County zoning designation of LDMR allows one (1) d.u. per 4,000 SF, or approximately 10.89 d.u./acre. R-9600 allows approximately 4.5 d.u./acre. The purpose of Marysville’s zone (REC) is to establish areas appropriate for public and private recreational uses. Single-family and multi-family development is not allowed in the REC zone.

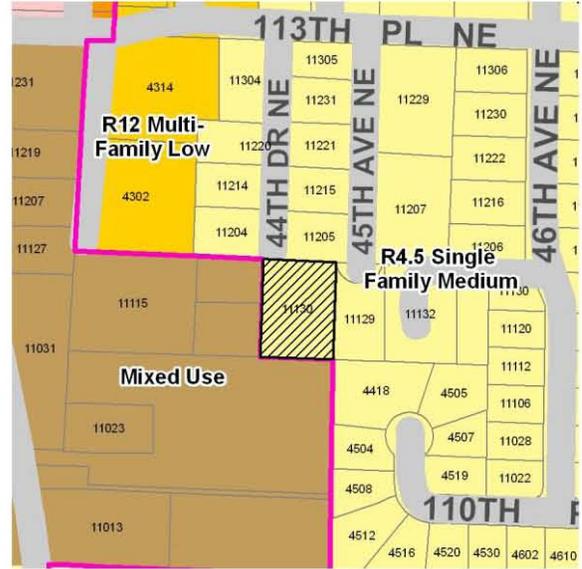
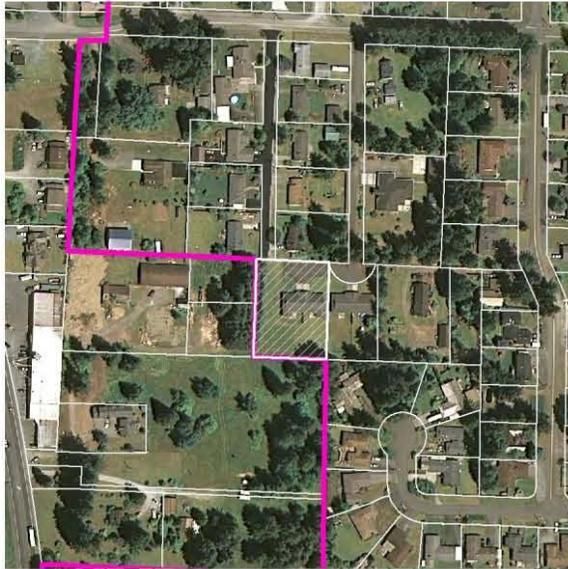
County Zoning: LDMR, R-9600

City Zoning: REC

Parcels affected:

APN	PROPERTY OWNER	ADDRESS	COUNTY ZONING (existing)	MARYSVILLE ZONING (proposed)	PC RECOMMENDATION
30051500300600	TURK MERTON C	5504 100TH ST NE	LDMR	Recreation	R-12
30051500304500	TURK MERTON C	5530 100TH ST NE	LDMR	Recreation	R-12
30051500300300	TURK BRIAN	5628 100TH ST NE	LDMR	Recreation	R-12
30051500300800	SNOHOMISH CO PROP MGMT	UNKNOWN	R-9,600	Recreation	Recreation
30051500300500	SNOHOMISH CO PROP MGMT	9623 55TH AVE NE	R-9,600	Recreation	Recreation
30051500300700	SNOHOMISH CO PROP MGMT	UNKNOWN	R-9,600	Recreation	Recreation
30051500300100	SNOHOMISH CO PROP MGMT	UNKNOWN	R-9,600	Recreation	Recreation
30051500305100	SNOHOMISH CO PROP MGMT	UNKNOWN	R-9,600	Recreation	Recreation

11130 45th Avenue NE



Acreage: 0.71

City Comp Plan: Mixed Use

PC Recommended Zoning: *R-4.5*

Existing Use: Duplex

Affect: The County zoning designation of R-9600 allows single-family development at a density of approximately 4.5 d.u./acre. The purpose of Marysville’s implementing zone (MU) is to provide for pedestrian and transit-oriented high-density employment uses together with limited complementary retail and higher density residential development in locations within activity centers. Single-family is not a permitted use in the MU zone, however, multi-family is permitted outright at a base density of 28 d.u./acre.

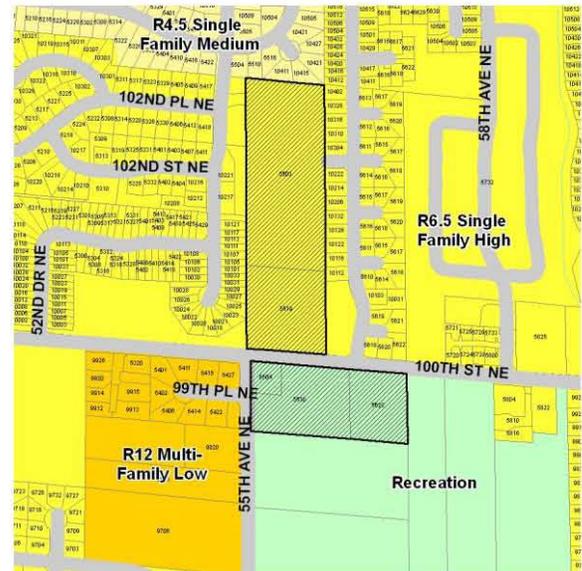
County Zoning: R-9600

City Zoning: MU

Parcel affected:

APN	PROPERTY OWNER	ADDRESS	COUNTY ZONING (existing)	MARYSVILLE ZONING (proposed)	PC RECOMMENDATION
30050900410100	GRIFFIN STEVEN J & RHONDA L	11130 45TH AVE NE	R-9,600	MU	<i>R-4.5</i>

5503 & 5519 100th St. NE



Acreage: 9.27

City Comp Plan: High Density, Single-family

Existing Uses: Two (2) single-family residences and farming activity.

Affect: The County zoning designation of LDMR allows one (1) d.u. per 4,000 SF, or approximately 10.89 d.u./acre. Marysville’s implementing zone (R-6.5) allows 6.5 d.u./acre with a minimum lot size of 5,000 SF.

Parcels affected:

County Zoning: LDMR

City Zoning: R-6.5

APN	PROPERTY OWNER	ADDRESS	COUNTY ZONING (existing)	MARYSVILLE ZONING (proposed)
30051500203600	DAVIS JAMES H	5503 100TH ST NE	LDMR	R-6.5
30051500202600	DAVIS MOSES H	5519 100TH ST NE	LDMR	R-6.5

101st Place NE, East of Shoultes Road, West of 51st Ave. NE



Acreage: 19.4

County Zoning: MR

City Comp Plan: High Density, Single-family

City Zoning: R-6.5

Existing Uses: Large lot single-family homesites.

Affect: The County zoning designation of MR allows high density residential land uses such as townhouses and apartments at a density of one (1) d.u. per 2,000 SF, or approximately 21.78 d.u./gross acre. Marysville’s implementing zone (R-6.5) allows 6.5 d.u./acre with a minimum lot size of 5,000 SF. Multi-family development is not permitted in the R-6.5 zone, except as part of a Planned Residential Development (PRD).

Parcels affected:

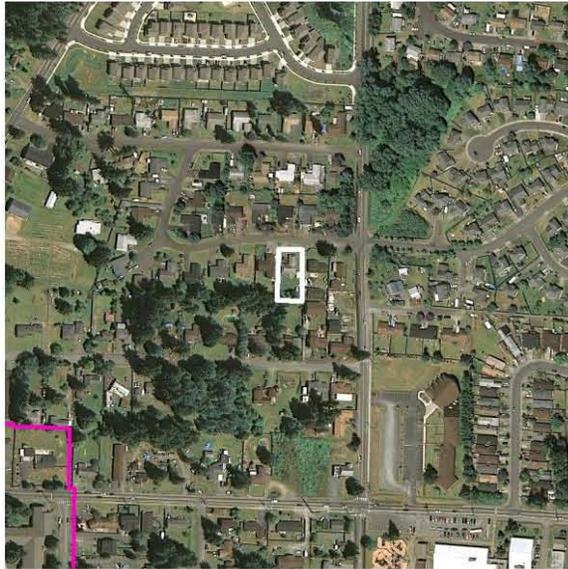
APN	PROPERTY OWNER	ADDRESS	COUNTY ZONING (existing)	MARYSVILLE ZONING (proposed)
30051600106500	GIESLER EDWARD / MARCY	10121 SHOULTES RD	MR	R-6.5
30051600107100	RYNNING RICHARD	4728 101ST PL NE	MR	R-6.5
30051600108400	VANASSCHE KENNETH W & SHERALYN	4804 101ST PL NE	MR	R-6.5
30051600106200	ROSS ROBERT S & MICHELLE D	4807 101ST PL NE	MR	R-6.5
30051600106100	DICKIE SCOTT	4727 101ST PL NE	MR	R-6.5
30051600106300	WALL WILLIAM F	4715 101ST PL NE	MR	R-6.5
30051600106400	JOHNSON BRAD R & MARGARET M	4701 101ST PL NE	MR	R-6.5
30051600106700	STEEN WALTER M & ARLENE M	4619 101ST PL NE	MR	R-6.5
30051600106600	BARTLETT DANIEL JAMES	4607 101ST PL NE	MR	R-6.5
30051600104800	FEDERSPIEL PAUL	10303 SHOULTES RD	MR	R-6.5
30051600105000	DICKIE FLOYD V & CHARLEEN D TRUST	10221 SHOULTES RD	MR	R-6.5
30051600107900	MESSICK LINDEN & DONNA L	4702 101ST PL NE	MR	R-6.5
30051600107800	KACHEL KATHLEEN A	4716 101ST PL NE	MR	R-6.5
30051600108100	STEINEKE CLARENCE H	10025 SHOULTES RD	MR	R-6.5
30051600108200	TAYLOR WILLIAM D & MARY L	4524 101ST PL NE	MR	R-6.5
30051600108000	SANTOSE JEFFERY B	4622 101ST PL NE	MR	R-6.5

101st Place NE, East of Shoultes Road, West of 51st Ave. NE

Parcels affected (continued):

APN	PROPERTY OWNER	ADDRESS	COUNTY ZONING (existing)	MARYSVILLE ZONING (proposed)
30051600107200	SUREEPISARN BOONE / DOUGAN LAURA	4604 101ST PL NE	MR	R-6.5
30051600108300	MITCHELL DEAN L	4616 101ST PL NE	MR	R-6.5
30051600105300	MOON CARRIE	5025 101ST PL NE	MR	R-6.5
30051600105400	BONN JUSTIN	5009 101ST PL NE	MR	R-6.5
30051600106900	SULLIVAN JOHN P & KIM E	5001 101ST PL NE	MR	R-6.5
30051600105200	ADAMS FRANK	4925 101ST PL NE	MR	R-6.5
30051600106800	MIRANDA MIGUEL V & AMELIA	4917 101ST PL NE	MR	R-6.5
30051600106000	STONE VERNON L & MARLYS G	4907 101ST PL NE	MR	R-6.5
30051600111500	LOMINICK ROBERT T	4829 101ST PL NE	MR	R-6.5
30051600105900	JOHNSON TODD A & DONICA M	4821 101ST PL NE	MR	R-6.5
30051600108500	WESTON COLLEEN M	4814 101ST PL NE	MR	R-6.5
30051600108700	PALFREY SHEILA RAE	4822 101ST PL NE	MR	R-6.5
30051600107400	PRICE FAMILY TRUST FBO JONATHAN PRICE	4832 101ST PL NE	MR	R-6.5
30051600107000	PRICE FAMILY TRUST FBO JONATHAN PRICE	UNKNOWN	MR	R-6.5
30051600110600	KUTZ GIVEN	10225 SHOULTES RD	MR	R-6.5
30051600104900	DICKIE FAMILY TRUST	10209 SHOULTES RD	MR	R-6.5
30051600108600	MURPHY WILLIAM MICHAEL & KAREN A	5002 101ST PL NE	MR	R-6.5
30051600107300	HOUSTON SHERRY R	5020 101ST PL NE	MR	R-6.5
30051600107700	BORRESON DENNIS E	UNKNOWN	MR	R-6.5
30051600107500	MILLER JUSTINE M & JOHN C	10030 51ST AVE NE	MR	R-6.5
30051600107600	CABRERA HUGO & ELVIRA PENA	5026 101ST PL NE	MR	R-6.5

5012 102nd Place NE



Acres: 0.28

City Comp Plan: High Density, Single-family

Existing Use: Single-family Residence

Affect: The County has designated the property as Tribes because it is owned by a Tribal Member and the property is held in Trust by the U.S. Government. Snohomish County chose to designate the property as Tribes because County or City government cannot regulate land use on lands held in Trust by the U.S. Government. Marysville’s implementing zone (R-6.5) allows 6.5 d.u./acre with a minimum lot size of 5,000 SF. Establishing the R-6.5 zone would have no affect on this parcels Federal Trust status. However, if the parcel were to be sold to a non-Indian, the property would lose its Trust status and would be regulated per the underlying zoning classification.

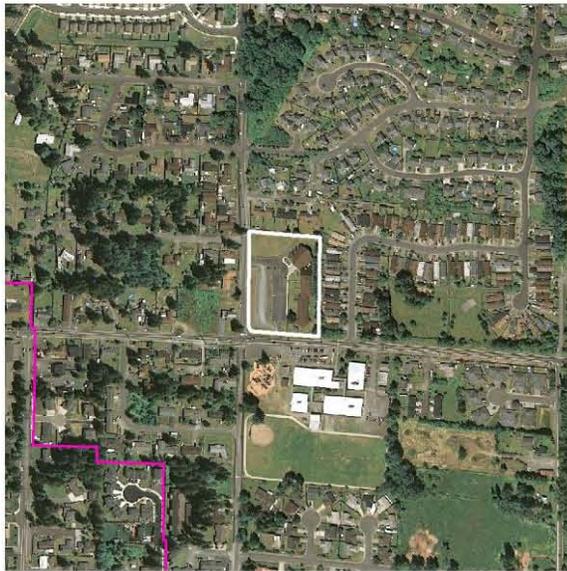
County Zoning: Tribes

City Zoning: R-6.5

Parcel affected:

APN	PROPERTY OWNER	ADDRESS	COUNTY ZONING (existing)	MARYSVILLE ZONING (proposed)
00442700002000	INDIAN LAND	5012 102ND PL NE	TRIBES	R-6.5

5115 100th St. NE



Acreage: 3.05

County Zoning: R-12,500

City Comp Plan: High Density, Single-family

City Zoning: R-6.5

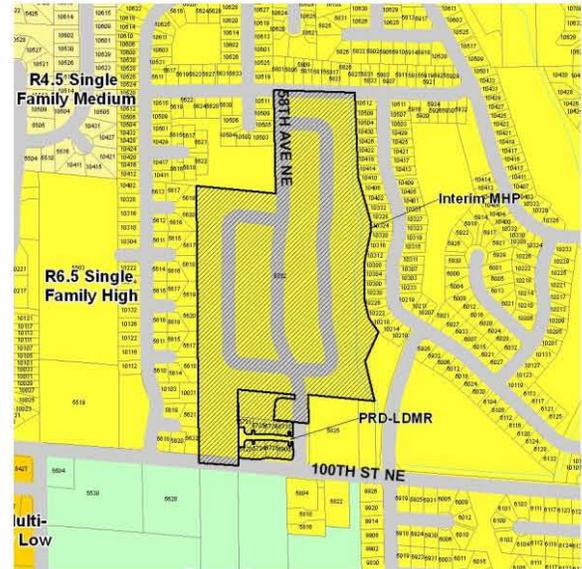
Existing Use: Mountain View Presbyterian Church

Affect: The County zoning designation of R-12,500 is categorized as an “other zone” classification that is no longer a primary implementing zone, but is used in special circumstances due to topography, natural features, or the presence of extensive critical areas. This site is development with a church and does not meet any of the “other zone” criteria. The R-12,500 allows single-family development at a density of approximately 3.5 d.u./acre. Marysville’s implementing zone (R-6.5) allows 6.5 d.u./acre with a minimum lot size of 5,000 SF, which is consistent with the surrounding area.

Parcel affected:

APN	PROPERTY OWNER	ADDRESS	COUNTY ZONING (existing)	MARYSVILLE ZONING (proposed)
30051500202200	MOUNTAIN VIEW PRESBYTERIAN CHURCH	5115 100 th ST NE	R-12,500	R-6.5

Kellogg Village MHP & Kellogg Village Condo's



Acres: 22

County Zoning: Interim MHP, PRD-LDMR

City Comp Plan: High Density, Single-family

City Zoning: R-6.5

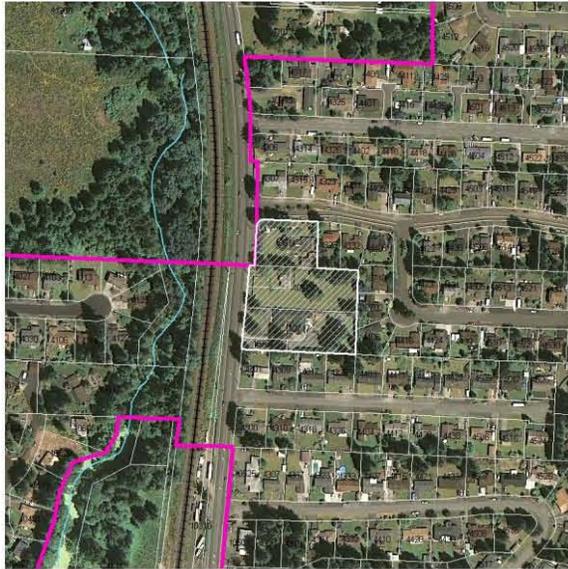
Existing Uses: 154 mobile home units, and 9 condominiums.

Affect: The County zoning designation of Kellogg Village MHP is Interim MHP, which is a “interim-holding” zone to preserve affordable housing within Snohomish County. Kellogg Village Condo’s zoning is PRD-LDMR which allows a combination of detached homes on small lots, townhouses and apartments at a density of 9 d.u./net acre. Marysville’s implementing zone (R-6.5) allows 6.5 d.u./acre with a minimum lot size of 5,000 SF. Multi-family development is not permitted in the R-6.5 zone.

Parcels affected:

APN	PROPERTY OWNER	ADDRESS	COUNTY ZONING (existing)	MARYSVILLE ZONING (proposed)
01026500000100	ROBINETT INVESTMENT COMPANY LLC	5732 100TH PL NE UNIT 1	PRD-LDMR	R-6.5
01026500000200	BOYDEN INVESTMENT COMPANY LLC	5728 100TH PL NE UNIT 2	PRD-LDMR	R-6.5
01026500000300	ROBINETT INVESTMENT COMPANY LLC	5724 100TH PL NE UNIT 3	PRD-LDMR	R-6.5
01026500000400	BOYDEN INVESTMENT COMPANY LLC	5720 100TH PL NE UNIT 4	PRD-LDMR	R-6.5
01026500000500	ROBINETT INVESTMENT COMPANY LLC	5721 100TH PL NE UNIT 5	PRD-LDMR	R-6.5
01026500000600	BOYDEN INVESTMENT COMPANY LLC	5725 100TH PL NE UNIT 6	PRD-LDMR	R-6.5
01026500000700	ROBINETT INVESTMENT COMPANY LLC	5729 100TH PL NE UNIT 7	PRD-LDMR	R-6.5
01026500000800	BOYDEN INVESTMENT COMPANY LLC	5733 100TH PL NE UNIT 8	PRD-LDMR	R-6.5
01026500000900	BOYDEN ROBINETT	UNKNOWN	PRD-LDMR	R-6.5
30051500201000	BOYDEN ROBINETT	5711 100TH ST NE	Interim MHP	R-6.5

South of 108th Street NE, east of Smokey Point Blvd.



Acreage: 2.76

County Zoning: LDMR

City Comp Plan: Medium Density, Single-family

City Zoning: R-4.5

Existing Uses: Two (2) single-family residences, and three (3) duplexes

Affect: The County zoning designation of LDMR allows one (1) d.u. per 4,000 SF, or approximately 10.89 d.u./acre. Marysville’s implementing zone (R-4.5) allows 4.5 d.u./acre with a minimum lot size of 5,000 SF.

Parcels affected:

APN	PROPERTY OWNER	ADDRESS	COUNTY ZONING (existing)	MARYSVILLE ZONING (proposed)
30051600111300	WOLFE CHAD C	10707 SMOKEY POINT BLVD	LDMR	R-4.5
30051600100900	WOLFE CHAD C	10717 SMOKEY POINT BLVD	LDMR	R-4.5
30050900406000	WILHELMIA DANA	10811 SMOKEY POINT BLVD	LDMR	R-4.5
30051600101000	RAY SCOTT R & DIANNE L	10723 SMOKEY POINT BLVD	LDMR	R-4.5
30051600202700	WILHELMI DONALD E & MARCIA A	10729 SMOKEY POINT BLVD	LDMR	R-4.5

CITY OF MARYSVILLE

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: September 28, 2009

AGENDA ITEM: Shasta Ridge Development Agreement	AGENDA SECTION: Public Hearing	
PREPARED BY: Cheryl Dungan, Planning Manager –Land Use	APPROVED BY:	
ATTACHMENTS: 1. Draft Development Agreement 2. Shasta Ridge MDNS 3. Shasta Ridge Preliminary Plat Map 4. Ordinance 2784		
	MAYOR	CAO
BUDGET CODE:	AMOUNT:	

DESCRIPTION:

On July 29, 2009, the City Council approved Ordinance 2784 (attachment 4) which provided a process for the Hearing Examiner to review substantial revisions to County approved preliminary plats based on specific circumstances and criteria. One of the requirements was that the City Council and the property owner/developer enter into a development agreement to allow the owner/developer to retain vested right for limited County land use regulations in consideration of construction and/or installation of County required infrastructure and submittal to the City of a new preliminary plat application that complies with all other City land use regulations.

On August 4, 2009, the City received an application for a substantial revision to an existing 78 single family lot County approved preliminary subdivision known as Shasta Ridge. The substantially revised preliminary plat application is for 110 single family lots (92 attached and 18 detached units). The attached *Draft Development Agreement* recommends that the already constructed storm drainage facilities on the property be accepted as outlined in Section 4.2 of the draft agreement. The draft agreement also recommends the approved wetland tract and buffers, which were established by County Code, and due to existing infrastructure also be accepted, provided the mitigation measures outlined in Section 4.3 of the draft agreement are implemented.

The revised preliminary plat design is consistent with the City’s comprehensive plan, development regulations, and standards, except for the above referenced drainage facilities and wetland buffers. The revised design is superior to the previously approved design and provides additional open space and a public park; and a mitigated determination of non-significance has been issued for the revised preliminary plan and the *Draft Development Agreement*.

RECOMMENDED ACTION: City staff recommends the City Council approve and authorize the Mayor to sign the <i>Development Agreement</i> .

COUNCIL ACTION:

{PRIVATE }

DEVELOPMENT AGREEMENT

BY AND BETWEEN

THE CITY OF MARYSVILLE AND SHASTA RIDGE, LLC

THIS DEVELOPMENT AGREEMENT, hereinafter referred to as the "Agreement," is entered into effective on the ___ day of _____, 2009, by and between the City of Marysville, hereinafter referred to as the "City," and Shasta Ridge, LLC, hereinafter referred to as the "Applicant," in connection with the real property described herein, hereinafter referred to as the "Property," for the purposes and on the terms and conditions set forth herein.

WHEREAS, the Applicant controls certain real property located on the west side of 83rd Avenue NE, approximately 300 feet south of the 83rd Ave. NE/40th Street intersection, on Parcel Numbers (APN) 00590700021500, 00590700021800 and 00590700023800,

W/wp/ mv/dev.ag.Shasta Ridge

described in **Exhibit A** (the "Property");

WHEREAS, the Applicant submitted a preliminary plat application to Snohomish County for a 73 single family lot subdivision, which was approved by the County on January 8, 2007, based on the County's determination that the application was in compliance with all County land use requirements that were applicable when the complete application was submitted to the County;

WHEREAS, following approval of the preliminary plat, the applicant constructed and installed infrastructure including streets, stormwater detention and conveyance systems, water and sewer systems, in compliance with County regulations;

WHEREAS, before final plat approval was granted by Snohomish County, the Property was annexed into the City of Marysville and the applicant has submitted a substantially revised preliminary plat application to the City of Marysville for 110 single family

lots (a mixture of 92 attached and 18 detached units);

WHEREAS, Section 20.12.130 of the Marysville Municipal Code provides as follows:

The Hearing Examiner may determine that applications for substantial revisions of preliminary plats that were approved by Snohomish County be approved, based on the following circumstances and conditions:

- (1) The preliminary plat was approved by Snohomish County in compliance with all County land use requirements that were applicable when the complete application was submitted to the County;
- (2) All conditions of County approval have been satisfied, including construction and/or installation of all required infrastructure;
- (3) The property owner/developer has provided a sworn and notarized declaration that the preliminary plat approved by the County can no longer be developed due to adverse market conditions and the inability to secure financing;
- (4) The City Council and the property owner/developer have entered into a development agreement pursuant to Ch. 36.70B RCW, which provides for the property owner/developer to retain vested rights for compliance with specified, limited County land use regulations in consideration of construction and/or installation of all County required infrastructure and submittal to the City of a new preliminary plat application that complies with all other City land use regulations; and
- (5) The City's SEPA Responsible Official has determined that the new preliminary plat application and development agreement comply with the State Environmental Policy Act.

WHEREAS, the Applicant has provided the City a sworn and notarized declaration that the preliminary plat approved by the County can no longer be developed due to adverse market conditions and the inability to secure financing;

WHEREAS, City staff is recommending that the already constructed storm drainage facilities on the Property be accepted; provided that impervious coverage, which is actually less in the revised preliminary plat, is not increased; and further provided that the applicant maximizes the use of low impact development techniques as set forth in Section 4.2 below;

WHEREAS, City staff is also recommending that the wetland tract and buffers, which were established per County code, also be accepted, because the plat infrastructure is in place, with the streets constructed at the edge of the buffer, so that it would be infeasible to widen the buffers unless the utilities and streets were relocated, which is not economically feasible or

environmentally acceptable; provided that mitigation measures are implemented as set forth in Section 4 below;

WHEREAS, City staff's recommendation is based on the following facts: (1) the revised preliminary plat design is consistent with the City comprehensive plan, development regulations, and standards, except for the above referenced drainage facilities and wetland buffers; (2) the revised preliminary plat design is superior to the previously approved design and provides additional open space and a public park; and (3) the City's SEPA Responsible Official has issued a mitigated determination of non-significance for the revised preliminary plat and this Development Agreement;

WHEREAS, the City recognizes the public benefits available from the development of the property as proposed by the Applicant;

WHEREAS, in authorizing development agreements pursuant to RCW Sections 36.70B.170-210, the Legislature found that the lack

of certainty in the approval of development projects can result in a waste of public and private resources, escalate housing costs for consumers, and discourage the commitment to comprehensive planning which would make maximum efficient use of resources at the least economic cost to the public;

WHEREAS, the execution of a development agreement is a proper exercise of the City police power and contractual authority, in order to ensure development that is consistent with the Comprehensive Plan and with applicable development regulations adopted by the City as part of its authority to plan under Chapter 36.70A RCW, and to mitigate the impacts of such development;

WHEREAS, the City held a public hearing on September 28, 2009, to consider this Development Agreement, and the City Council adopted Resolution No. _____, approving this Development Agreement, consistent with RCW 36.70B.200 and MMC 20.12.130; and

NOW THEREFORE, for good and sufficient consideration and the mutual promises and covenants contained in the Agreement, the Applicant and the City agree as follows:

1.0 RECITALS

1.1 **Ownership.** The Property currently is owned by the following parties: _Shasta Ridge, LLC, 505 Cedar Avenue, Suite B-1, Marysville, WA 98270.

1.2 **Applicant.** Shasta Ridge, LLC, a Washington corporation, and its successors and assigns, herein referenced as "Applicant," is the owner of the Property that is the subject of this Development Agreement.

1.3 **Warranty of Applicant's Authority.** Applicant hereby warrants to the City that Applicant is authorized to commence negotiation of this Development Agreement and to so bind the Property and all fee owners, subject to and contingent upon acquisition of the Property by Applicant or its successors or assigns. If said acquisition fails to occur, then this Agreement and all obligations set forth herein shall be deemed null and void.

1.4 **Identity of the City.** The City is a noncharter, code City organized pursuant the Optional Municipal Code, Title 35A RCW. The City operates within the Mayor-Council form of government.

1.5 **Warranty of City's Authority.** The City is delegated authority by RCW 36.70B.170 through 36.70B.200 to enter into development agreements as a proper exercise of the municipal

police power and contract authority. This Agreement is entered into pursuant to the said authority. It is hereby warranted that the undersigned Mayor has full authority to so enter into this Agreement pursuant to a duly adopted motion of the Marysville City Council.

1.6 **Public Notice.** The City has provided advance notice of opportunity for participation by the public and adjacent land owners.

1.7 **Legal Effect.** Pursuant to MMC 20.12.130, this Development Agreement is a precondition to the Hearing Examiner's decision on the revised preliminary plat and shall have no legal effect independent of the Hearing Examiner's decision.

2.0 LAND USE REGULATIONS

2.1 **Zoning Classification.** The Property is currently zoned __ R-

6.5, High Density Single Family as defined at Section 19.12.030 of the Marysville Municipal Code. The said zoning shall apply to and govern and vest the development of the Property during the term of this Agreement, which is five (5) years from date of full execution.

2.2 Development Regulations. All City development regulations in existence on the effective date of this Agreement, shall apply to and govern and vest the development of the Property during the term of this Agreement, except as modified by Sections 4.3 and 4.4 hereof.

2.3 Use of Property. It is agreed by the parties hereto that development and use of the Property shall be primarily for single family residential use consisting of 92 attached units and 18 detached units, or as otherwise approved by the Hearing Examiner.

3.0 APPLICATION OF CITY AND COUNTY REGULATIONS

3.2. **City Comprehensive Plan Compliance.** The City recognizes that the gross density of the proposed 110 lot plat conforms to the City Comprehensive Plan with respect to use and density.

4.0 CONDITIONS

Subject to approval of the preliminary plat by the Hearing

Examiner, the parties agree that the preliminary plat shall be subject to the following conditions:

4.1 **Infrastructure.** The Applicant shall provide all necessary infrastructure and make necessary street frontage improvements subject to the adopted City of Marysville Engineering Design and Development standards, except that the stormwater improvements shall be as set forth in Section 4.2 below.

4.2 **Stormwater.** The parties agree that the City will accept the already constructed storm drainage facilities on the Property; provided that impervious coverage, which is

actually less in the redesigned development, is not increased; provided further that the applicant maximizes the use of low impact development techniques such as dispersion, bioretention, protection of native vegetation areas, and preservation and amendment of topsoils, as described in the LID Technical Guidance Manual for Puget Sound and Ch. 19.49 MMC; and provided further that the City's SEPA Responsible Official determines that the stormwater runoff from the development, as managed and regulated pursuant to this condition, will not cause probable significant adverse environmental impacts.

4.3 **Wetlands.** The parties agree that the City will accept the wetland tract and buffers, which were established per County code, because the plat infrastructure is in place, with the streets constructed at the edge of the buffer, so that it would be infeasible to widen the buffers unless utilities and streets were ripped out, which is not economically feasible or

environmentally acceptable; provided that all other requirements of Ch. 19.24 MMC are complied with, including the mitigation measures set forth in MMC 19.24.100, 19.24.110, and 19.24.120; and provided further that the City's SEPA Responsible Official determines that the development, as conditioned in this Section, will not cause probable significant adverse environmental impacts to wetlands on the Property.

4.4 Revised Regulations. Pursuant to RCW 36.70B.170(4), this Development Agreement shall reserve authority for the City to impose new or different regulations to the extent required by a serious threat to the public health and safety.

4.5 Environmental Review. The parties agree that the mitigated determination of nonsignificance issued by the City's SEPA Responsible Official will apply to the revised preliminary plat application, in accordance with the State Environmental Policy Act, Ch. 43.21C RCW.

5.0 DISPUTE RESOLUTION

5.1 **Party Consultation.** In event of any dispute as to interpretation or application of the terms or conditions of this Agreement, the Applicant and the Chief Administrative Officer or designee shall meet within ten (10) business days after request from any party for the purpose of attempting, in good faith, to resolve the dispute. The meeting may, by mutual agreement, be continued to a date certain in order to include other parties or persons, or to obtain additional information.

5.2 **Appeal to Council.** In the event that a dispute is not resolved through party consultation pursuant to Section 5.1, above, the matter shall be scheduled for mediation before a

mutually agreed upon neutral party.

5.3 **Judicial Appeal.** If the matter has not settled through mediation, any aggrieved party may file an action in the Snohomish County Superior Court, as may be allowed by law and court rules.

6.0 GENERAL PROVISIONS

6.1 **Term** This Development Agreement shall be effective for a term of 5 years following the date of execution. Upon expiration of such period, this Development Agreement can be extended for the term of the associated preliminary plat approval or as otherwise determined by the Hearing Examiner.

6.2 **Termination.** Unless terminated in accordance with the provisions hereof, or amended in writing by a document signed by all parties hereto, this Development Agreement is enforceable during its term by any party to the Development Agreement. Thereafter, this Development Agreement is enforceable with respect to any continuing obligation of the parties that survive termination, as set forth herein.

6.1 **Recording.** This Agreement shall, when approved by the City Council and executed by the parties hereto, be filed as a matter of public record in the office of the Snohomish County Auditor. It is the intent to have this Agreement, so long as it is in force, to be considered, interpreted, and

regarded as a covenant running with the land.

6.2 **Applicable Law.** This Agreement shall be governed by and be interpreted in accordance with the laws of the State of Washington.

6.3 **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the successors and assigns of each party hereto. Except where expressly provided otherwise, the parties acknowledge that Applicant shall have the right to assign or transfer all or any portion of the interests, rights and obligations under this Agreement to other parties acquiring an interest or estate in the Property. Consent by the City shall not be required for any transfer or rights pursuant to this Agreement.

6.4 **Transfer of Ownership.** Any conveyance of the Property by

Owner with transfer or assignment of rights pursuant to this Agreement by Owner shall release Owner from any further obligations, duties or liabilities under this Agreement to the extent of such transfer or assignment.

6.5 **Severability.** If any provision of this Agreement is determined to be unenforceable or invalid by a court of law, then this Agreement shall thereafter be modified to implement the intent of the parties to the maximum extent allowable under law.

6.6 **Modification.** This Agreement shall not be modified or amended except in writing signed by the City and Applicant or their respective successors in interest.

6.7 **Merger.** This Agreement represents the entire agreement of the parties with respect to the subject matter hereof.

There are no other agreements, oral or written, except as expressly set forth herein.

6.8. Duty of Good Faith. Each party hereto shall cooperate with the other in good faith to achieve the objectives of this Agreement. The parties shall not unreasonably withhold requests for information, approvals or consents provided for, or implicit, in this Agreement. The parties agree to take further actions and execute further documents, either jointly or within their respective powers and authority, to implement the intent of this Agreement and any subsequent Development Agreement.

6.9 Disclosure Upon Transfer. Applicant agrees that in the event of a proposed sale, gift, transfer, segregation, assignment or devise of the Property, Applicant shall disclose the existence of this Agreement to the interested

party.

6.10 **No Presumption Against Drafter.** This Agreement has been reviewed and revised by legal counsel for all parties and no presumption or rule that ambiguity shall be construed against the party drafting the document shall apply to the interpretation or enforcement of this Agreement.

6.11 **Notices.** All communications, notices and demands of any kind which a party under this Agreement is required or desires to give to any other party shall be in writing and be either (1) delivered personally, (2) sent by facsimile transmission with an additional copy mailed first class, or (3) deposited in the U.S. mail, certified mail postage prepaid, return receipt requested, and addressed as follows:

If to the City:

City of Marysville

1049 State Avenue

Marysville, WA 98270

Chief of Administrative

Officer

If to the Applicant:

With a copy to:

Notice by hand delivery or facsimile shall be effective upon receipt. If deposited in the mail, notice shall be deemed received 48 hours after deposit. Any party at any time by notice to the other party may designate a different address or person to which such notice shall be given.

6.12 **Indemnification.** The Applicant shall indemnify, defend and hold the City, its officers, agents, employees and elected officials harmless from all suits, claims, or liabilities of any nature, including attorney's fees, costs and expenses for on account of injuries or damages sustained by persons or property resulting from the negligent (sole or concurrent) acts or omission of the City, its agents, or employees under this agreement or in connection with work performed under the agreement. Applicant's indemnification shall include the above referenced claims, liabilities,

fees, costs, and expenses relating to or arising out of any delays associated with construction of the project, including, but not limited to, issuance or appeals of permits, third party actions, change in laws or regulations, inclement weather, natural disasters, strike and any other delay not within the control of the City or its contractor.

6.13 Contractual Relationships. This agreement does not constitute the Applicant as the agent or legal representative of the City for any purpose whatsoever. The Applicant is not granted any express or implied right or authority to assume or create any obligation or responsibility on behalf of in the name of the City or to bind the City in any manner or thing whatsoever.

6.14 Non-waiver. This agreement shall not be construed as a waiver of any and all other development regulations of the

City or other governmental agencies applicable to the
development of Applicant's property.

IN WITNESS WHEREOF, the undersigned have set their hands the day and date set out next to their signatures.

APPLICANT:

Date

By: _____

CITY OF MARYSVILLE

Date

By: _____

Dennis Kendall, Mayor

Approved as to Form:

Grant K. Weed, City Attorney

EXHIBIT A

LEGAL DESCRIPTION

PLAT CERTIFICATE
SCHEDULE A

(Continued)

Order No.: 5723364

LEGAL DESCRIPTION

PARCEL A:

PARCEL 2 OF SNOHOMISH COUNTY BOUNDARY LINE ADJUSTMENT RECORDED UNDER AUDITOR'S FILE NUMBER 200705070438, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

LOTS 210 AND 215, SUNNYSIDE FIVE ACRE TRACTS, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 7 OF PLATS, PAGE 19, IN SNOHOMISH COUNTY, WASHINGTON;

EXCEPT THAT PORTION OF SAID TRACT 210 DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID TRACT 210;

THENCE SOUTH 00°47'02" WEST ALONG THE EAST LINE OF SAID TRACT 210, A DISTANCE OF 95.02 FEET TO THE SOUTH LINE OF THE NORTH 95.00 FEET OF SAID TRACT 210;

THENCE NORTH 87°54'46" WEST ALONG SAID SOUTH LINE A DISTANCE OF 160.00 FEET;

THENCE NORTH 00°47'02" EAST A DISTANCE OF 95.02 FEET TO THE NORTH LINE OF SAID TRACT 210;

THENCE SOUTH 87°54'46" EAST ALONG SAID NORTH LINE A DISTANCE OF 160.00 FEET TO THE POINT OF BEGINNING.

PARCEL B:

TRACT 218, SUNNYSIDE FIVE ACRE TRACTS, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 7 OF PLATS, PAGE 19, RECORDS OF SNOHOMISH COUNTY, WASHINGTON.

PARCEL C:

TRACT 238, SUNNYSIDE FIVE ACRE TRACTS, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 7 OF PLATS, PAGE 19, RECORDS OF SNOHOMISH COUNTY, WASHINGTON.

ALL SITUATE IN THE COUNTY OF SNOHOMISH, STATE OF WASHINGTON.

EXHIBIT B



COMMUNITY DEVELOPMENT

80 Columbia Avenue ♦ Marysville, WA 98270
(360) 363-8100 ♦ (360) 651-5099 FAX

Mitigated
Determination of Non-Significance

File Number: PA 09029
Applicant: Shasta Ridge, LLC
505 Cedar Ave., Suite B-1
Marysville, WA 98270
Lead Agency: City of Marysville
Community Development Department
SEPA Contact: Cheryl Dungan, Planning Manager – Land Use
(360) 363-8206

A. Request

The applicant is requesting preliminary approval of a Planned Residential Development (PRD) consisting of a total of 110 lots, including 92 attached single family dwelling units and 18 detached single family dwelling units. The proposal includes the utilization of residential density incentives, including the construction of, and dedication to the City, of an approximately 1.5-acre active public park. In addition to the public park, approximately 3.7 acres are being set aside as wetland and Native Growth Protection Area (NGPA). The request represents a substantial revision to a 73-lot preliminary plat that was originally approved by Snohomish County (Project File Number 05-128835). Construction of roads, utilities, and stormwater facilities has been substantially completed on the site; however, the applicant has indicated that the preliminary plat approved by the County can no longer be developed due to adverse market conditions and the inability to secure financing.

B. Site Description

The site, which is approximately 17.6 acres in size, is located on the west side of 83rd Ave. NE, approximately 300-foot south of the 83rd Ave. NE/40th St. intersection, on Assessor Parcel Numbers (APN) 00590700021500, 00590700021800 and 00590700023800. The site has been graded and roads, utilities and stormwater infrastructure have been substantially installed. The site is bordered on the north and south by larger lot single-family residential development, on the west by a utility corridor, and on the east by 83rd Ave. NE.

C. Development Agreement

The Marysville City Council passed Ordinance 2784, relating to substantial revisions of County approved plats, which became effective August 3, 2009. The ordinance amended Section 20.12 MMC, *Preliminary Subdivision Review*, to allow the Hearing Examiner to approve applications for substantial revisions of preliminary plats that were approved by Snohomish

County based on certain circumstances and conditions, including the approval of a development agreement between the City and the applicant.

A draft Development Agreement has been prepared for the subject proposal. Within the draft Development Agreement, staff is recommending that the property owner retain vested rights for compliance with Snohomish County stormwater requirements and critical areas buffers in consideration of construction and installation of all County required infrastructure and compliance with all other City land use regulations. This is based on a finding that the County-required infrastructure has been installed and that the proposed substantial revision would result in additional public benefit, including additional open space and a public park, over what could be developed based on the design approved by Snohomish County.

D. Utilities

The sewer purveyor for the site is the City of Marysville and the water purveyor is Snohomish Public Utility District (PUD). The site is served by a temporary sewer main that extends north to the site from the plat of Heartland Estates Division III. According to the SEPA Mitigated Determination of Non-Significance (MDNS) that was issued for the extension of the sewer to the subject site, within 90 days of sanitary sewer being available from the future planned route to the west of the Shasta Ridge subdivision, Shasta Ridge LLC, or future owner(s) or assign(s), shall abandon the temporary portion of the sewer main in accordance with City of Marysville requirements and re-route sewer for the Shasta Ridge subdivision via the line to the west.

Stormwater will be conveyed to the detention vault located within proposed Tract 999, and discharged to the property to the west. The existing storm system has been constructed consistent with Snohomish County regulations, which required conformity with the 1992 *Washington State Department of Ecology Stormwater Management Manual for the Puget Sound Basin*, Volumes I-IV and Chapter 30.63A, *Drainage*, of Snohomish County Code. The draft Development Agreement proposes the allowance of the already-constructed storm drainage facilities provided that impervious surface coverage is not increased, and that the applicant maximizes the use of low impact development (LID) techniques. According to information submitted by the applicant, the new proposal actually includes less impervious surface than was originally proposed in the county-approved plat.

E. Critical Areas

A "*Critical Area Study and IDD Wetland Mitigation Plan*", prepared by Wetland Resources, Inc., dated April 24, 2006 was submitted to and accepted by Snohomish County. The report identified three wetlands located on the site. The wetlands were delineated and rated as Category 3 wetlands according to Snohomish County regulations governing critical areas. Category 3 wetlands typically receive a 25-foot buffer under Snohomish County code. One approximately 1,728 SF wetland was filled, as permitted under Snohomish County code. As mitigation for filling the wetland, 42,391 SF of additional forested buffer areas abutting the required buffer areas were retained as NGPA.

The City of Marysville Critical Areas regulations require wetland buffers ranging from 35-feet (Category IV) to 125-feet (Category I). As the subject site has already been substantially constructed, areas that may have been within a buffer required under current City of Marysville regulations have already been highly disturbed through construction of roads, utilities and lot grading. The Draft Development Agreement proposes the allowance of the

county-approved wetland buffers provided that all other requirements of Chapter 19.24 MMC are complied with. This is due to the fact that the plat infrastructure is in place, with streets and graded lots at the edge of the buffer, so that it would be infeasible to widen the buffers unless utilities and streets were ripped out, which is not economically feasible or environmentally acceptable.

The applicant submitted a revised '*Critical Area Study and IDD Wetland Mitigation Plan*', dated 6/7/07, that provides for mitigation of potential impacts to trees within the buffer areas due to grading activities within 15 ft. of the buffer through the planting of conifer trees in the NGPA areas. The applicant will be required to install mitigation as proposed in the mitigation plan, remove invasive species and provide as-built drawings that indicate planting species and location. Additionally, the buffer near lots 50-54 has become overgrown with invasive species, primarily Himalayan Blackberry. The invasive species in this area will be required to be removed and the area be planted in accordance with Section 19.24.100(3) MMC.

Wetland fencing and signage will be required to be installed adjacent to the wetland buffer consistent with Section 19.24.380 MMC.

F. Traffic/Circulation

Roads have already been constructed throughout the plat. The site accesses from 83rd Ave. NE via two new east/west public roads. One of these roads, 40th St. NE, is stubbed to the property's western boundary for future extension. The project's north/south road is stubbed to the north and south project limits for future extension as well.

Dedication of right-of-way does not appear to be required along 83rd Ave. NE. Multiple projects that were approved and constructed to the south of the subject site under County jurisdiction were not required to dedicate right-of-way along the west side of 83rd Ave. NE. It is expected that right-of-way will be dedicated as properties on the east side of 83rd Ave. NE develop in order to achieve the full planned future right-of-way width of 70-feet for 83rd Ave. NE.

The development's roads, with the exception of 40th St. NE, which is classified as a minor streetscape arterial, will be required to comply with the "PRD Access Street with Parking" standard, as identified in the *City's Engineering Design and Development Standards (EDDS)*, or as otherwise determined by the City Engineer. The applicant is proposing the utilization of rolled curb on Roads A, B, E and F due to the number of and proximity of driveways. Additionally, the landscape strip on roads A, B and E is proposed to be located behind the sidewalk. Modifications to the "PRD Access Street with Parking" standards are permitted when an applicant demonstrates compliance with the criteria outlined in Section 19.48.080(2)(b) and (4).

The applicant is also proposing modification of the small lot access requirements outlined in Section 19.48.070(4) MMC, which requires that at least 25 percent of the dwellings on lots less than 5,000 SF have vehicle access points via a method other than direct street access unless steep slopes or site-specific constraints preclude meeting this requirement. Due to the constructed infrastructure, there are sight-specific constraints that preclude meeting this requirement in its entirety. In order to partially satisfy the small lot access requirement, the applicant is proposing to access eight units from an auto court, which will require approval by the City Engineer of a variance to the maximum number of units that are currently allowed to be accessed from an auto court (six). The City Engineer has indicated support of the variance provided the auto court surfacing is constructed with scored concrete, paving blocks, bricks, or other ornamental pavers to clearly indicate that the entire surface is intended for pedestrians as

well as vehicles; that the end of the auto court is sized to provide a minimum of 24 feet backup distance from the edge of any garage, driveway apron or parking area; and that the ability for vehicles to turn around is demonstrated. Additionally, in order to meet the intent of the small lot access requirement, prior to construction plan approval, the applicant will be required to submit a plan for review that provides alternative materials and design to be utilized for driveways (i.e. stamped concrete, pavers, ribbon driveways, etc.). Driveways shall be designed so as to avoid the appearance of a large expanse of pavement or concrete and to provide additional green space and/or visual interest to the street edge.

The City of Marysville adopted Title 18B, relating to traffic impact fees and mitigation of the transportation impacts and providing for the amendment of the city's comprehensive plan by the adoption of a revised street capital facilities plan as a sub-element of the city's comprehensive plan. The plan contains traffic mitigation fee rates needed to finance growth-related impacts. The subject development does generate traffic on city streets, which are a part of the street network covered under this mitigation program.

Costs for street improvements within the vicinity of the subject property as well as other street improvement projects within the City have been calculated by the City's Transportation Plan. The estimated proportionate share contribution towards these improvements are \$6,300.00 per detached single family unit and \$4,599.00 per attached single family unit. The applicant's Traffic Study prepared by Gibson Traffic Consultants estimates that this project will generate 678.07 average daily trips (ADT), with 52 AM peak-hour trips and 63 PM peak-hour trips. Credit is being given for three single-family detached homes. Therefore, the mitigation fee for this project would be equal to \$517,608.00 (92 attached SFR x \$4,599.00 + 18 detached SFR x \$6,300.00) - \$18,900.00 credit for 3 detached SFRs).

One of the new roads, 40th St. NE, is included in the adopted fee basis for the City's Traffic Impact Fee (TIF) calculations. Therefore, the construction costs of 40th St. NE may be credited toward the project's traffic impact fees. Prior to final plat approval, the applicant will be required to provide an itemized list of costs associated with the construction of the road for review by the City and a determination of the allowable credit.

Pursuant to the interlocal agreement (ILA) between the City and Snohomish County the development must mitigate impacts to county roads. There are two options for determining the development's proportionate share mitigation. The applicant may (1) prepare a comprehensive traffic study to determine the development's proportionate share impact to county adopted capacity improvements or (2) the applicant may have its proportionate share impact mitigation based on its average impact to County facilities as described in exhibit 2 of the ILA. The applicant submitted an offer to Snohomish County Public Works in the amount of \$24,613.94, to which the County agreed.

G. Issues of Concern and Neighborhood Meeting

The City received two letters regarding the proposal. The primary concerns identified in the letters are as follows (with staff responses following each):

- The notices of application that were posted at the property were either removed or blown over.
Staff posted the property in accordance with City of Marysville Municipal Code public notice requirements and returned to the site once to re-post the signs.

- The site has been used for illegally setting off of fireworks.
The Marysville Police Department should be contacted if this continues to be an issue.
- There is currently no public transit service provided along 83rd Ave. NE.
According to Community Transit, there are no immediate plans to enhance or increase services in the subject area at this time. Additional service may be considered as the population in the area increases.
- Street light installation has not been completed.
Street lights will be required to be installed in accordance with Snohomish PUD and City of Marysville requirements prior to final subdivision approval.
- During prior construction on the site, dust has been an issue for neighboring property owners.
During future project construction, site development is required to be in compliance with City of Marysville requirements and the Department of Ecology Stormwater Management Manual for Western Washington, which includes provisions for dust control.
- Sewer capacity in the area.
The City's Public Works division has recently determined that there is sufficient capacity for the subject proposal, as well as the proposed project referenced in the email from Mr. Ted Trepanier, dated 8/8/09 (Exhibit # 28).

Additional items of concern expressed at the neighborhood meeting held on August 26, 2009, at Sunnyside Elementary are as follows (with staff responses following each):

- Surface water runoff impact on adjacent properties.
Surface water will be required to be detained and treated according to the final, approved Development Agreement and Snohomish County standards, which require compliance with the Department of Ecology Stormwater Management Manual for Western Washington. The Manual requires that the post-development rate of stormwater discharge is not increased over the non-developed condition.
- Treatment of the road stubs at the north and south sides of the project site.
The road stubs at the north and south ends of the project site will be required to be fenced in order to deter access to private property.

H. Schools:

The City of Marysville adopted Title 18C, relating to school impact fees and mitigation of impacts to the Lake Stevens School District as a result of new development and providing for the amendment of the city's comprehensive plan by the adoption of Lake Stevens' School District Capital Facilities Plan as a supplement of the City's Comprehensive Plan. The plan contains school mitigation fees needed to finance growth-related impacts. The subject development does generate an impact on Lake Stevens' schools. School impact fees will be assessed on individual units at the time of building permit application based upon fee amounts in effect at the time, and are to be paid prior to issuance of a building permit.

I. Parks

The City of Marysville adopted Title 18A, relating to park impact fees and mitigation of the park impacts and providing for the amendment of the city's comprehensive plan by the adoption of a revised park capital facilities plan as a sub-element of the city's comprehensive

plan. The plan contains park mitigation fee rates needed to finance growth-related impacts. The subject development does generate an impact on city parks, which are a part of the park system covered under this mitigation program. Park mitigation payments shall be made prior to issuance of building permits.

The subject proposal includes the construction and dedication of an approximately 1.5 acre active public park; therefore, the applicant is eligible for credit for up to the actual cost of construction against the impact fee that would be chargeable under 18A.04.060 or 18A.04.070 MMC.

The applicant is also proposing the provision of a recreation easement across the detention vault tract to access the utility corridor to the west of the site, which is the location of a proposed regional trail.

J. Environmental Impacts:

The proposed development could result in the following adverse environmental impacts:

1. Increase in the amount and rate of storm water runoff and attendant pollutants from the introduction of paved and building-roof surfaces.
2. Increase in erosion, surface water pollutants, siltation and sedimentation as a result of site preparation and construction.
3. Increase in demand for police, fire protection, schools, and other public services generated by the resultant development.
4. Increase in noise, dust, light and glare from construction activity and subsequent use of the site.
5. Increase in vehicular traffic on 83rd Ave. NE as well as other City and County streets and roadways in the vicinity.

The City of Marysville derives the authority to require mitigation from Chapter 18.20, Procedures and Policies for Implementing the State Environmental Policy Act, and Chapter 18.24 Mitigation of Impacts Resulting from Development Proposals. Section 18.24.010 states, "It is the policy of the city of Marysville to implement the State Environmental Policy Act, RCW 43.21C, by requiring development to mitigate any and all impacts directly resulting from same which adversely affects the environment for the public health, safety or welfare. Mitigation measures including dedication of property to public use and voluntary payments into the city's growth management fund, shall be a material consideration in the approval, modification and denial of all such proposals."

Mitigation Measures:

The following mitigation measures are required to minimize the probable significant adverse environmental impacts as a result of development and subsequent use of the proposed development:

1. Prior to preliminary plat approval, the applicant shall obtain approval of a Development Agreement in order to retain critical area buffers and storm drainage facilities that were approved per Snohomish County standards.
2. Development of and future use of the site shall be in accordance with the approved Development Agreement.
3. Prior to construction plan approval, the applicant shall submit a plan for review that provides alternative materials and design to be utilized for driveways (such

as stamped concrete, pavers, ribbon driveways, etc.). Driveways shall be designed so as to avoid the appearance of a large expanse of pavement or concrete and to provide additional green space and/or visual interest to the street edge.

4. The auto court shall comply with the following minimum requirements:
 - The auto court shall be constructed with material such as scored concrete, stamped asphalt, paving blocks, bricks, or other ornamental paving that clearly indicates that the entire surface is intended for pedestrians as well as vehicles.
 - The court end of the auto court shall be sized to provide a minimum of 24-foot back up distance from the end of any garage, driveway apron, or parking area and the ability for vehicles to turn around must be demonstrated.
5. Within 90 days of sanitary sewer being available from the future planned route to the west of the Shasta Ridge subdivision, Shasta Ridge, LLC, or future owner(s) or assign(s), shall abandon the temporary portion of the subject sewer main in accordance with City of Marysville requirements and re-route sewer for the Shasta Ridge subdivision via the line to the west.
6. Prior to final subdivision approval, a six-foot fence constructed of cedar, or other material approved by the Community Development Department, shall be constructed at the north and south road stubs of the development's north/south road, and signage shall be installed that indicates that the road will be extended in the future.
7. Prior to final subdivision approval, the applicant shall provide a wetland buffer enhancement/planting and monitoring plan in accordance with Chapter 19.24 MMC. Enhancement shall be completed prior to final plat approval.
8. The applicant shall participate on a proportionate share basis towards the City's street system. 40th St. (Sunnyside Blvd. to 83rd Ave. NE) is included in the adopted fee basis for Traffic Impact Fee (TIF) calculations; therefore, the construction costs of 40th St. NE may be credited toward the project's traffic impact fees. In order to determine the amount of credit for which the applicant is eligible, an itemized list of costs associated with the construction of the road shall be submitted for review. Payment of any owing traffic impact fees shall be made prior to final subdivision approval.
9. The applicant shall participate on a proportionate share basis towards the County's street system in the amount of \$24,613.94. Payment shall be made prior to final subdivision approval.
10. Prior to final subdivision approval, the applicant shall submit an itemized list of costs associated with construction of the public park in order to determine the credit in park impact fees for which the applicant is eligible.

The conditions listed above along with the City of Marysville's codes governing noise, land use, traffic, drainage, fire protection and building will provide substantial mitigation of the aforementioned environmental impacts. The City of Marysville derives the authority to

require mitigation from Section 19.22, Procedures and Policies for Implementing the State Environmental Policy Act, and Section 18.24 Mitigation of Impacts Resulting from Development proposals.

THRESHOLD DETERMINATION: The lead agency has determined that this proposal, as conditioned, does not have a probable significant adverse impact on the environment. An environmental impact statement (EIS) IS NOT required under RCW 43.21C.030(2)(c). This decision was made after review by the City of Marysville of a completed environmental checklist and other information on file with this agency. This information is available for public review upon request.

This MDNS is issued under 197-11-350; the lead agency will not act on this proposal for 15 days from the date below. Written comments may be submitted to the lead agency at the address below. The 15-day appeal period shall run concurrently with the comment period.

RESPONSIBLE OFFICIAL: Gloria Hirashima
POSITION/TITLE: Community Development Director
ADDRESS: 80 Columbia Avenue
Marysville, WA 98270

DATE: September 2nd, 2009 Signature Cheryl Dungan
Cheryl Dungan, Planning Manager –
Land Use, for responsible official

For further information, contact the Marysville Community Development Department at (360) 363-8100.

Reviewed by: Ch

Prepared by: AS

The issuance of this Determination of Non-significance should not be interpreted as acceptance or approval of the proposal as presented. The City of Marysville reserves the right to deny or approve said proposal subject to conditions if it is determined to be in the best interests of the city and/or necessary for the general health, safety and welfare of the public to do so.

DISTRIBUTION:

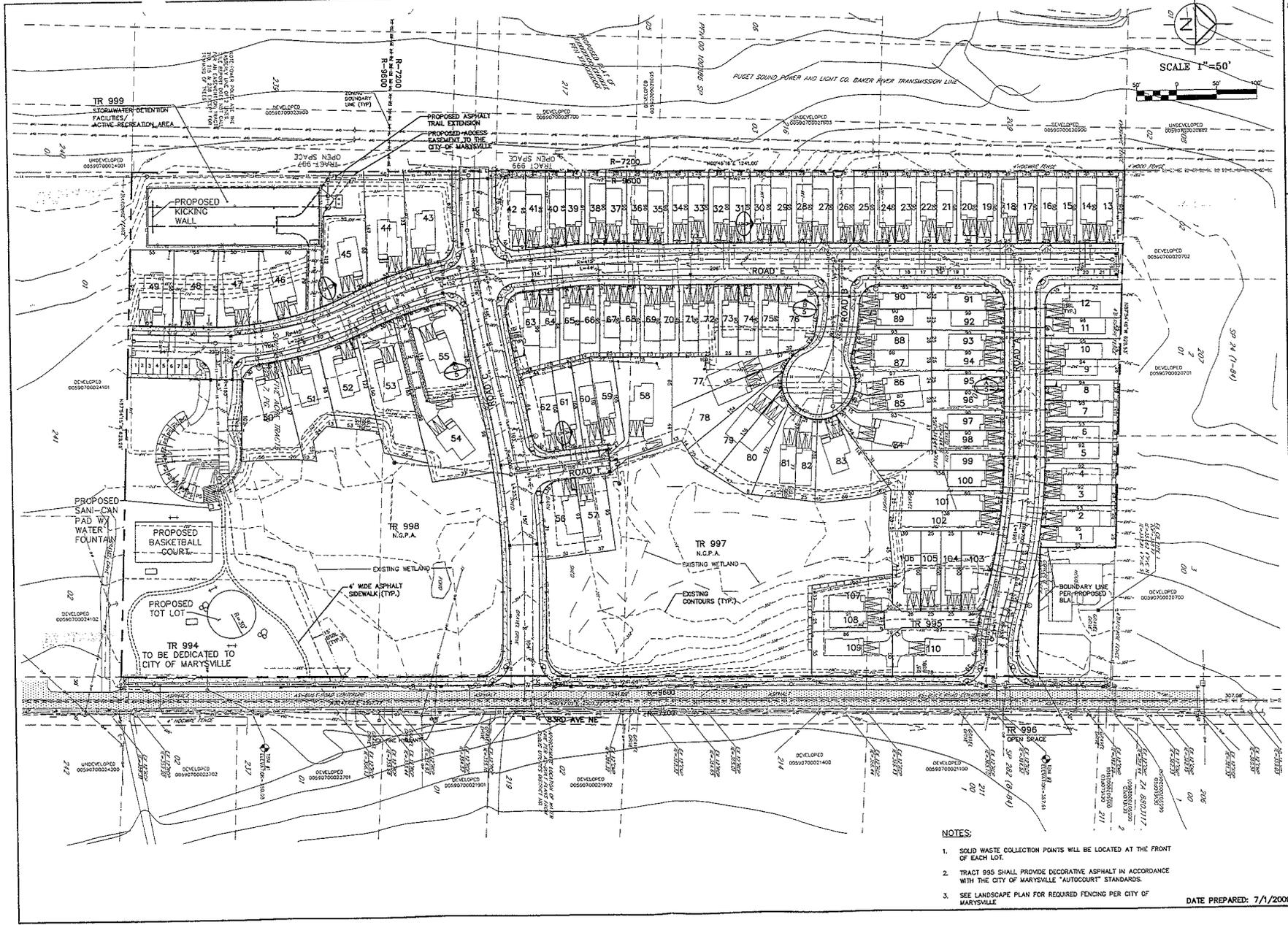
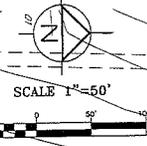
- Owner/Applicant
- Washington State Department of Ecology – Environmental Review
- Tulalip Tribes
- Snohomish County Public Works Department
- Lake Stevens School District
- Marysville Public Works Department
- Marysville Globe
- Ted Trepanier (1601 Broadway, Everett, WA 98201)
- Floyd and Cathy Ryan (4212 83rd Ave. NE, Marysville, WA 98270)
- Kathy and John McMullen (3826 83rd Ave. NE, Marysville, WA 98270)
- Denise Rexroth (8110 44th St. NE, Marysville, WA 98270)
- Penny Doran (8110 44th St. NE, Marysville, WA 98270)

SEPA Appeal Procedure

A fee of \$500.00 must accompany all SEPA appeals.

19.22.070(3) Appeals.

- (a) Any agency or aggrieved person may appeal the procedures or substance of an environmental determination of the responsible official under SEPA as follows:
 - (i) A DNS. Written notice of such an appeal shall be filed with the responsible official within 15 days after the date of issuance of the DNS. The appeal hearing shall be consolidated with the hearing(s) on the merits of the governmental action for which the environmental determination was made.
 - (ii) A DS. Writing notice of the appeal shall be filed with the responsible official within 15 days after the date of issuance of the DS. The appeal shall be heard by the city council within 30 days thereafter.
 - (iii) The Adequacy of an EIS. Written notice of appeal shall be filed with the responsible official within 15 days after the issuance of the final EIS. The appeal hearing shall be consolidated with the hearing(s) on the merits of the governmental action for which the EIS was issued.
 - (iv) Appeals of intermediate steps in the SEPA process shall not be allowed.
 - (v) For any appeal under this section, the city shall provide for a record that shall consist of the following:
 - (A) Finding and conclusions;
 - (B) Testimony under oath; and
 - (C) A taped or written transcript.
 - (vi) Determination by the responsible official shall carry substantial weight in any appeal proceeding.



- NOTES:**
- SOLID WASTE COLLECTION POINTS WILL BE LOCATED AT THE FRONT OF EACH LOT.
 - TRACT 995 SHALL PROVIDE DECORATIVE ASPHALT IN ACCORDANCE WITH THE CITY OF MARYSVILLE "AUTOCOURT" STANDARDS.
 - SEE LANDSCAPE PLAN FOR REQUIRED FENCING PER CITY OF MARYSVILLE

DATE PREPARED: 7/1/2009



WASHINGTON
**SHASTA RIDGE
 PRELIMINARY PLAT**

SHEET	2
2	1
04-8064	

CITY OF MARYSVILLE
Marysville, Washington

ORDINANCE NO. 2784

AN ORDINANCE OF THE CITY OF MARYSVILLE, WASHINGTON, RELATING TO EXTENSIONS OF DEVELOPMENT APPROVAL EXPIRATION PERIODS, RELATING TO SUBSTANTIAL REVISIONS OF COUNTY APPROVED PLATS, AND AMENDING SECTIONS 15.09.080, 16.04.010, 19.52.090, 20.12.120, 20.20.080, AND 20.48.050, AND ADOPTING SECTION 20.12.130, OF THE MARYSVILLE MUNICIPAL CODE.

WHEREAS, in order to prevent the expiration of preliminary subdivisions, short subdivisions, conditional use permit, binding site plan, construction plan and building permit approvals during the national economic crisis, extensions of expiration periods for preliminary subdivision, short subdivision, conditional use permit, binding site plan, construction plan and building permit approvals are needed; and

WHEREAS, the expiration of preliminary subdivision, short subdivision, conditional use permit, binding site plan, construction plan and building permit approvals adversely affects financial institutions and other investors that have provided financing in support of development proposals; and

WHEREAS, providing a longer extension of preliminary subdivision, short subdivision, conditional use permit, binding site plan, construction plan and building permit approvals to allow applicants to file for and complete final approval may help stave off business closures and further job losses; and

WHEREAS, allowing applicants to request up to a 36-month extension of preliminary subdivision, short subdivision, conditional use permit and binding site plan approval would allow for better debt recovery and provide property owners the time needed for financing and construction; and

WHEREAS, allowing applicants to request up to three, one-year extensions of building permits would allow for better debt recovery and provide property owners the time needed for financing and construction; and

WHEREAS, allowing substantial revisions of County approved preliminary plats that are no longer developable due to adverse market conditions would allow property owners/developers to retain vested rights for specified, limited County land use regulations and would allow the City to obtain infrastructure benefits and compliance with all other current City land use regulations; and

WHEREAS, the Revised Code of Washington (RCW) 58.17.140 allows cities, towns, or counties to adopt by ordinance procedures which would allow extensions of time to obtain final plat approval; and

WHEREAS, the City Council finds that it is in the best interest of citizens of the City of Marysville and the local economy to make available a longer extension of preliminary subdivision, short subdivision, conditional use permit, binding site plan, construction plan and building permit approvals to allow applicants sufficient time to complete construction;

WHEREAS, the City Council was briefed by City staff on _____, 2009 and held a public hearing on _____, 2009, to consider the entire record on the proposed amendments and to hear public testimony on this ordinance.

NOW, THEREFORE, BE IT ORDAINED:

Section 1. Marysville Municipal Code Section 15.09.080 is amended to read as follows:

15.09.080 Construction plan approval.

(1) Construction plans for projects reviewed under the development code shall be approved for a period of 60 months from the date the city signs the “City of Marysville Construction Drawing Review Acknowledgement” block included on the civil construction plans or until expiration of the preliminary plat, preliminary short plat, binding site plan, conditional use permit or site plan approval.

(2) The city may grant an extension of up to 12 months, if substantial progress has been made by the applicant to complete construction of the approved project. Extensions shall be considered on a case by case basis by the public works director or designee and will require a letter to be submitted to the city requesting the extension. Said letter shall demonstrate that the project has made substantial construction progress, the reason for the extension request, and an estimated timeline for completion of construction.

(3) When the approval period (or any extension thereof) expires, the city’s approval of the construction plans shall be deemed automatically withdrawn. In order to receive further consideration by the city after such expiration and automatic withdrawal, construction plans must be re-submitted and must comply with then current code requirements.

Section 2. Marysville Municipal Code Section 16.04.010 is amended to read as follows:

16.04.010 Adoption by reference, exclusions and exemptions.

(1) Certain documents, copies of which are on file in the office of the building official of the city of Marysville, being marked and designated as the “International Building Code and the International Residential Code, and the International Building Code Standards, 2006 Edition,” published by the International Code Council, except for the provisions in subsections (3), (4) and (5) of this section, are adopted as the building code of the city of Marysville for regulating the erection, construction, enlargement, alteration, repair, moving, removal, conversion, demolition, occupancy, equipment, use, height, area and maintenance of buildings or structures in the city of Marysville, providing for the issuance of permits and the collection of fees therefor, and providing for penalties for the violation thereof. Each and all of the regulations, provisions, penalties, conditions and terms of said code are incorporated and made a part of this chapter as if fully set forth in this chapter.

(2) IBC and IRC Sections 101.1 Title. These regulations shall be known as the building code of the city of Marysville, Washington, hereinafter referred to as “this code.”

(3) Exclusions from Adoption by Reference. The following IBC Section 101.4 referenced codes are excluded and not adopted by reference as the building code for the city of Marysville:

- 101.4.1 Electrical
- 101.4.4 Plumbing
- 101.4.5 Property Maintenance
- 101.4.7 Energy
- Chapter 34 Existing Buildings

(4) Section 105.5 of the International Building Code is not adopted and the following is substituted:

Expiration (IBC 105.5). Every permit issued by the building official under the provisions of the code shall expire by limitation and become null and void two (2) year(s) from the date of issue. Issued permits may be extended for one year periods subject to the following conditions:

1. An application for permit extension together with the applicable fee is submitted to the community development department at least seven (7), but no more than sixty (60), calendar days prior to the date the original permit becomes null and void. Once the permit extension application is submitted, work may continue past the expiration date of the original permit, provided that the extension application is not denied. If the extension application is denied, all work must stop until a valid permit is obtained.
2. If construction of a building or structure has not substantially commenced, as determined by the building official, within two years from the date of the first issued permit and the building and the structure is no longer authorized by the zoning code or other applicable law, then the permit shall not be extended.
3. An applicant may request a total of two permit extensions, provided there are no substantial changes in the approved plans and specifications.
4. The building official may extend a building permit beyond the second extension only to allow completion of a building, structure or mechanical system, which is authorized by the original permit and is substantially constructed. If substantial work, as determined by the building official, has not commenced on a building and/or structure authorized in the original permit, then a new permit will be required for construction to proceed.
5. The building official may revise a permit at the permittee's request, but such a revision does not constitute a renewal or otherwise extend the life of the permit.

EXCEPTION: Until December 31, 2011, a third extension may be granted by the building official for building permits where substantial work has not commenced, if:

1. The applicant provides a sworn and notarized declaration that substantial work has not commenced as a result of adverse market conditions and inability to secure financing to commence construction;

2. The applicant pays applicable permit extension fees; and
3. There are no substantial changes in the approved plans or specifications.

(5) Work Exempt from Permits. For purposes of Marysville Municipal Code, both IBC and IRC Sections 105.2, Work exempt from permit, are amended to read as follows:

Exemptions from permit requirements of this code shall not be deemed to grant authorization for any work to be done in any manner in violation of the provisions of this code or any laws or ordinance of this jurisdiction. Permits shall not be required for the following:

Building:

1. One story detached accessory structures used as tool and storage sheds, playhouses and similar uses, provided the floor area does not exceed 120 square feet.
2. Fences not over 6 feet high.
3. Oil derricks.
4. Retaining walls which are not over 4 feet in height measured from the bottom of the footing to the top of the wall, unless supporting a surcharge or impounding Class I, II, or III-A liquids.
5. Water tanks supported directly on grade in the capacity does not exceed 5,000 gallons and ratio of height to diameter or width does not exceed 2 to 1.
6. Sidewalks, platforms, decks and driveways not more than 30 inches above grade and not over any basement or story below and which are not part of an accessible route.
7. Painting, papering, tiling, carpeting, cabinets, counter tops and similar finish work.
8. Temporary motion picture, television, and theater stage sets and scenery.
9. Prefabricated swimming pools accessory to Group R-3 occupancy, as applicable in Section 101.2, which are less than 24 inches deep, which do not exceed 5,000 gallons and are installed entirely above ground.
10. Shade cloth structures constructed for nursery or agricultural purposes and not including service systems.
11. Swings and other playground equipment accessory to detached one- and two-family dwellings.

12. Window awnings supported by an exterior wall which do not project more than 54 inches from the exterior wall and do not require additional support of Group R-3, as applicable in Section 101.2, and Group U occupancies.
13. Moveable cases, counters and partitions not over 5 feet 9 inches in height.

Section 3. Marysville Municipal Code Section 19.52.090 is amended to read as follows:

19.52.090 Planning director review – Time limitations.

Permit approvals which are subject to review per MMC 19.52.040 shall have a time limit of two years from issuance or date of the final appeal decision, whichever is applicable, in which any required conditions of approval must be met; however, conditional use approval for schools shall have a time limit of five years. The time limit may be extended one additional year by the planning director or the hearing examiner if the applicant provides written justification prior to the expiration of the time limit. For the purpose of this chapter, issuance date shall be the date the permit is issued or date upon which the hearing examiner's decision is issued on an appeal of a permit, whichever is later. A permit is effective indefinitely once any required conditions of approval have been met.

Exception: Effective until December 31, 2011, a one-time, 36-month time extension, less any previously approved one-year extension, may be granted by the Community Development Director for any unexpired Conditional Use Permit approved prior December 31, 2009, if the applicant or successor:

- a. Files with the Community Development Director a sworn and notarized declaration that final short subdivision approval will be delayed as a result of adverse market conditions and an inability of the applicant to secure financing; and
- b. Is current on all invoices for work performed by the department on the short subdivision review.

Section 4. Marysville Municipal Code Section 20.12.120 is amended to read as follows:

20.12.120 Limitations on approval.

Final subdivision approval must be acquired within five years of preliminary approval, after which time the preliminary subdivision approval is void. The five-year time frame shall commence from the effective date of the decision approving the subdivision. An extension may be granted by the city council for one year if the applicant has attempted in good faith to submit the final plat within the five-year time period; provided, however, the applicant must file a written request with the city council requesting the extension at least 30 days before expiration of the five-year period.

Exception: Effective until December 31, 2011, a one-time, 36-month time extension, minus any previously approved time-extension, may be granted by City Council for any unexpired preliminary plat approved prior to December 31, 2007, if the applicant or successor:

- a. Files with the City Council a sworn and notarized declaration that final subdivision approval will be delayed as a result of adverse market conditions and inability of the applicant to secure financing; and
- b. Is current on all invoices for work performed by the department on the subdivision review.

Section 5. Marysville Municipal Code Section 20.20.080 is amended to read as follows:

20.20.080 Time limits for action.

(1) Approval Within 60 Calendar Days. Preliminary short subdivisions shall be approved, disapproved or returned to the applicant within 60 calendar days from the date of filing a complete application, unless the applicant consents to a written extension of such time period; provided, that if an environmental impact statement is required as provided in RCW 43.21C.030, the time period shall not include the time spent preparing and circulating the EIS.

(2) Limitation on Approval.

(a) Final short subdivision approval must be acquired within five years of preliminary approval, after which time the preliminary short subdivision approval is void. The five-year time frame shall commence from the effective date of the decision approving the short subdivision. An extension may be granted by the Community Development Director for one year if the applicant has attempted in good faith to submit the final short plat within the five-year time period; provided, however, the applicant must file a written request with the Community Development Director requesting the extension at least 30 days before expiration of the five-year period.

Exception: Effective until December 31, 2011, a one-time, 36-month time extension, less any previously approved one-year extension, may be granted by the Community Development Director for any unexpired preliminary short plat approved prior December 31, 2008, if the applicant or successor:

- a. Files with the Community Development Director a sworn and notarized declaration that final short subdivision approval will be delayed as a result of adverse market conditions and inability of the applicant to secure financing; and
- b. Is current on all invoices for work performed by the department on the short subdivision review.

(3) A short subdivision application shall not be deemed as filed until all of the application requirements of this title have been met at which time the city shall indicate by sending a letter to the applicant within 21 calendar days from receipt of the application.

(4) Records. All records of the proceedings concerning the preliminary short subdivision shall be kept in the planning department.

Section 6. Marysville Municipal Code Section 20.48.050 is amended to read as follows:

20.48.050 Time limitation for action.

The applicant must complete all conditions of preliminary approval within five years following the date of preliminary approval, after which the preliminary approval is void. An extension may be granted by the planning department for one year if the applicant has attempted in good faith to complete the requirements of preliminary approval within the original time period; provided, however, the applicant must file a written request with the

planning department requesting the extension at least 30 days prior to the expiration of the original time period. If the binding site plan was approved through the public review process this extension request must be made to the city council.

Exception: Effective until December 31, 2011, a one-time, 36-month time extension, less any previously approved one-year extension, may be granted by the Community Development Director for any unexpired Binding Site Plan approved prior December 31, 2008, if the applicant or successor:

- a. Files with the Community Development Director a sworn and notarized declaration that final short subdivision approval will be delayed as a result of adverse market conditions and inability of the applicant to secure financing; and
- b. Is current on all invoices for work performed by the department on the short subdivision review.

Section 7. The city council intends that no preliminary subdivision, short subdivision, conditional use permit, binding site plan, construction plans or building permit be extended for a total of more than three years. Some applicants already may have obtained an extension of preliminary approval from the City of up to one year under the current code. In such cases, an extension of approval by the City may not exceed three years minus the length of the pre-existing extension. For example, an applicant that has received a one-year extension under the current version of the MMC may receive up to an additional two-year extension under the amendments adopted by this ordinance.

Section 8. Chapter 20.12 of the Marysville Municipal Code is hereby amended by adopting MMC 20.12.130 to read as follows:

20.12.130 Substantial Revisions of County Approved Preliminary Plats.

The Hearing Examiner may determine that applications for substantial revisions of preliminary plats that were approved by Snohomish County be approved, based on the following circumstances and conditions:

- (1) The preliminary plat was approved by Snohomish County in compliance with all County land use requirements that were applicable when the complete application was submitted to the County;
- (2) All conditions of County approval have been satisfied, including construction and/or installation of all required infrastructure;
- (3) The property owner/developer has provided a sworn and notarized declaration that the preliminary plat approved by the County can no longer be developed due to adverse market conditions and the inability to secure financing;
- (4) The City Council and the property owner/developer have entered into a development agreement pursuant to Ch. 36.70B RCW, which provides for the property owner/developer to retain vested rights for compliance with specified, limited County land use regulations in consideration of construction and/or installation of all County required infrastructure and submittal to the City of a new preliminary plat application that complies with all other City land use regulations; and
- (5) The City's SEPA Responsible Official has determined that the new preliminary plat application and development agreement comply with the State Environmental Policy Act.

Section 9. Severability. If any section, sentence, clause or phrase of this ordinance is held to be invalid or unconstitutional by the Growth Management Hearings Board (Board) or 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. Provided, however that if any section, sentence, clause or phrase of this ordinance is held to be invalid by the Board or a court of competent jurisdiction, then the section, sentence, clause or phrase in effect prior to the effective date of this ordinance shall be in full force and effect for that individual section, sentence, clause or phrase as if this ordinance had never been adopted.

PASSED by the City Council and approved by the Mayor this 20th day of July, 2009.

CITY OF MARYSVILLE

By Dennis L. Kendall
DENNIS KENDALL, MAYOR

ATTEST:

By Tracy Jeffries
TRACY JEFFRIES, CITY CLERK
AARIL O'BRIEN Deputy

Approved as to form:

By Grant K. Weed
GRANT K. WEED, CITY ATTORNEY

Date of Publication: 7/29/09

Effective Date (5 days after publication): 8/3/09

CITY OF MARYSVILLE

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: September 28, 2009

AGENDA ITEM: Phase II Stormwater Pass-through Grant	AGENDA SECTION:	
PREPARED BY: Kari Chennault, Program Engineer – Surface Water	APPROVED BY: <i>jc</i>	
ATTACHMENTS: <ul style="list-style-type: none"> • 3 copies of the Grant Agreement 		
	MAYOR	CAO
BUDGET CODE: 40150334.340314	AMOUNT: \$50,000 Grant Funding	

DESCRIPTION:

The Department of Ecology is offering NPDES Phase II jurisdictions, such as the City of Marysville, a \$50,000 grant to be used for expenses dictated by the NPDES Phase II Permit. The money can be used for activities such as public education and outreach, public involvement and participation, illicit discharge detection and elimination, pollution prevention, water quality monitoring, etc. This is a non-match and non-competitive grant that would benefit Marysville's Surface Water Division if accepted.

RECOMMENDED ACTION: Staff recommends that Council Authorize the Mayor to sign the Grant Agreement.
COUNCIL ACTION:



**FY 2010-2011 PHASE II STORMWATER PASS-THROUGH
GRANTS PROGRAM
GRANT AGREEMENT BETWEEN THE
STATE OF WASHINGTON DEPARTMENT OF ECOLOGY
AND
the City of Marysville**

THIS is a binding agreement entered into, by, and between the state of Washington Department of Ecology (DEPARTMENT), and the City of Marysville (RECIPIENT). The purpose of this agreement is to provide funds to the RECIPIENT to carry out the requirements described herein.

PART I. GENERAL INFORMATION

Project Title: **Phase II Stormwater Pass-through Grant Program**

Grant Number: **61000232**

RECIPIENT Name and Address: **City of Marysville, 80 Columbia Ave., Marysville, WA 98270**

RECIPIENT Contact: **Kari Chennault**
Telephone Number: **(360) 363-8277**
Fax Number: **(360) 363-8284**
E-Mail Address: **kchennault@marysvillewa.gov**

RECIPIENT Billing Contact: **Allena Olson**
Telephone Number: **(360) 363-8123**
Fax Number: **(360) 363-8284**
E-Mail Address: **aolson@marysvillewa.gov**

RECIPIENT Federal ID Number: **91-6001459**

DEPARTMENT Project/Financial Manager:
Mailing Address: **Water Quality Program
Washington State Department of Ecology
P.O. Box 47600
Olympia, WA 98504-7600**
Telephone Number: **360- 407-6502**
Fax Number: **360- 407-7151**
E-Mail Address:

DESIGNATED LOCAL
GOVERNMENT PARTNERS
(if applicable)
ECY 070-357

Phase II Stormwater Pass-through Grant

Grant No. _____

For partnerships, the lead government and partners must submit a copy of the signed agreement in Appendix B with each copy of the grant agreement.

DEPARTMENT Funding Source: **2010-2011 Biennial Operating Budget/Local Toxics Control Account**

Total Cost (up to \$50,000 each recipient): **\$ 50,000**

Total Eligible Cost (up to \$50,000 each Recipient): **\$ 50,000**

DEPARTMENT Share (\$50,000 each Recipient): **\$ 50,000**

DEPARTMENT Maximum Percentage: **100%**

The effective date of this grant agreement is 7/1/11. Any work performed prior to the effective date of this agreement will be at the sole expense and risk of the RECIPIENT.

This agreement expires on **June 30, 2011**.

PART II. PERFORMANCE MEASURES

A. Water Quality Goal.

Improved stormwater management and water quality protection associated with development and implementation of a stormwater management program.

B. Project Outcomes.

Local Government Stormwater Grants for local governments to receive grants for municipal stormwater programs, including but not limited to implementation of Phase II municipal stormwater National Pollutant Discharge Elimination System (NPDES) permits.

C. Post Project Assessment.

The RECIPIENT agrees to submit a brief survey three years after project completion regarding the key project outcomes and the status of environmental results or goals from the project. The DEPARTMENT's Performance Measures Lead will e-mail the RECIPIENT the Post Project Assessment Survey.

The DEPARTMENT may conduct on-site interviews and inspections, and may otherwise evaluate the Project. The DEPARTMENT will enter the information provided into its performance measures database to be provided to the Washington State Legislature, United States Environmental Protection Agency, and other natural resource agencies.

Approximate Post Project Assessment Date: June 30, 2012

Phase II Stormwater Pass-through Grant

Grant No. _____

PART III. PROJECT DESCRIPTION

The RECIPIENT’s stormwater project will address implementation or management of municipal stormwater programs.

PART IV. PROJECT BUDGET

Phase II Stormwater Pass-through Grant Program	
ELEMENTS	TOTAL ELIGIBLE COST (TEC)*
Task 1 – Project Administration/Management (limited to 10% of total)	\$ 5,000
Task 2 – Implementation and management of Stormwater Program	\$ 45,000
Total (limited to \$50,000 per Recipient partner)	\$ 50,000
*The DEPARTMENT's Fiscal Office will track to the Total Eligible Project Cost.	
MATCHING REQUIREMENTS (There are no matching requirements)	
DEPARTMENT Share FY 2010-11 (100% of TEC)	\$ 50,000

Payment Request Submittals. Payment requests will not be submitted more often than monthly, unless allowed by the DEPARTMENT’s Project/Financial Manager. The DEPARTMENT’s Project/Financial Manager may require the RECIPIENT to submit regular payment requests to ensure efficient and timely use of funds.

Payment Schedule. Payments will be made on a cost-reimbursable basis.

PART V. SCOPE OF WORK

The RECIPIENT shall ensure that this project is completed according to the details of this agreement. The RECIPIENT may elect to use its own forces or it may contract for professional services necessary to perform and complete project related work. The RECIPIENT certifies by signing this agreement that all applicable requirements have been satisfied in the procurement of any professional services. Eligible and ineligible project costs are separate and identifiable for billing purposes. If professional services are contracted, the RECIPIENT shall submit a copy of the final contract to the DEPARTMENT’s Project/Financial Manager.

Task 1 - Project Administration/Management

- A. The RECIPIENT shall administer the project. Responsibilities will include, but not be limited to: maintenance of project records; submittal of payment vouchers, fiscal forms, and progress reports; compliance with applicable procurement, contracting, and interlocal agreement requirements; application for, receipt of, and compliance with all required

Phase II Stormwater Pass-through Grant

Grant No. _____

permits, licenses, easements, or property rights necessary for the project; and submittal of required performance items.

- B. The RECIPIENT shall manage the project. Efforts will include: conducting, coordinating, and scheduling project activities and assuring quality control. Every effort will be made to maintain effective communication with the RECIPIENT's designees; the DEPARTMENT; all affected local, state, or federal jurisdictions; and any interested individuals or groups. The RECIPIENT shall carry out this project in accordance with any completion dates outlined in this agreement.
- C. The RECIPIENT shall submit all invoice voucher submittals and supportive documentation, to the DEPARTMENT's Project/Financial Manager. Copies of all applicable forms shall be included with an original A19-1A, and shall be submitted to the DEPARTMENT. Blank forms are found in Administrative Requirements for Recipients of Ecology Grants and Loans at <http://www.ecy.wa.gov/biblio/9118.html>

Required Forms:

- Form A19-1A (original signature)
- Form B2 (ECY 060-7)
- Form C2 (ECY 060-9)
- Form D (ECY 060-11)

Where Eligible Costs Have Incurred:

- Form E (ECY 060-12)
- Form F (ECY 060-13)
- Form G (ECY 060-14)
- Form H (F-21)
- Form I (ECY 060-15)

- D. If work conducted results in a report, the RECIPIENT shall submit the following to the DEPARTMENT's Project/Financial Manager and in the quantities identified:
 - Draft project completion reports – one electronic copy
 - Final project completion reports – five copies
 - Electronic copy of final project completion report

The RECIPIENT shall submit two copies of any document(s) which requires DEPARTMENT approval. Once approval is given, one copy will be returned to the RECIPIENT. If the RECIPIENT needs more than one approved copy, the number of submittals should be adjusted accordingly.

Task 2 – Implementation of Stormwater Planning and Management Needs

- A. The RECIPIENT shall address stormwater management needs that protect or restore water quality. The RECIPIENT may conduct work related to implementation of activities required by the municipal stormwater National Pollutant Discharge Elimination System (NPDES) permits.

Phase II Stormwater Pass-through Grant

Grant No. _____

B. Check the boxes that represent the activities funded under this grant:

- Public education and outreach activities
- Public involvement and participation activities
- Illicit discharge detection and elimination (IDDE) program activities, including:
 - Mapping or geographic information systems of municipal separate storm sewer systems (MS4s);
 - Staff training
 - Activities to identify and remove illicit stormwater discharges;
 - Dry weather outfall screening procedures and field activities;
 - Complaint hotline database or tracking system improvements.
- Activities to support programs to control runoff from new development, redevelopment, and construction sites, including:
 - Development of an ordinance and associated technical manual
 - Inspections before, during, and upon completion of construction, or for post-construction long-term maintenance.
 - Training for plan review and/or inspection staff
- Pollution prevention, good housekeeping, and operation and maintenance program activities, such as:
 - Inspecting and/or maintaining the MS4 infrastructure
 - Developing and/or implementing policies, procedures, or stormwater pollution prevention plans at municipal properties or facilities.
- Annual reporting activities, including developing a summary of identified barriers to the use of low impact development.
- Establishing and refining stormwater utilities, including stable rate structures.
- Water quality monitoring to implement permit requirements for a Water Cleanup Plan (TMDL). Note that any monitoring funded by this program requires submittal of a Quality Assurance Project Plan that Ecology approves prior to awarding funding for monitoring.
- Developing a report to plan for monitoring the next permit cycle.
- Equipment purchases that result directly in improved compliance with permit requirements. Allowed costs for equipment purchases must be specific to implementing a permit requirement (such as a vector truck) rather than general use (such as a general use pick-up truck). Qualified equipment purchases include but are not limited to:
 - Illicit discharge testing equipment and materials
 - Vector truck or sweeper truck for MS4 maintenance activities
 - Electronic devices dedicated to mapping of MS4 facilities and attributes
 - Software dedicated to tracking permit implementation activities
- Other activities consistent with the funding purposes of this program that support stormwater management programs or permit compliance, which can be completed by the June 30, 2009, deadline. Provide brief description in the space below:

Grant No. _____

PART VI. SPECIAL TERMS AND CONDITIONS

- A. Commencement of Work. In the event that the RECIPIENT fails to commence work on the project funded herein within four months after the effective date of this agreement, or by any date mutually agreed upon in writing for commencement of work, the DEPARTMENT reserves the right to terminate this agreement.
- B. DEPARTMENT Funding Recognition. The RECIPIENT shall acknowledge and inform the public about DEPARTMENT funding participation in this project as appropriate. Examples include project signs and/or acknowledgement in published materials and reports, the news media, or other public announcements. Projects addressing site-specific locations must utilize appropriately sized and weather-resistant signs.
- C. Equipment Purchase. The purchase of equipment may be eligible under this project. If the RECIPIENT determines that equipment is needed to achieve the project outcomes, a request must be made to the DEPARTMENT. All equipment purchases must have prior approval by the DEPARTMENT. Allowable equipment purchases include equipment needed to implement permit requirements (such as a vector truck) rather than for general use (such as general use pick-up truck).
- D. Indirect Rate. To acknowledge overhead costs, the RECIPIENT may charge an indirect rate up to 25 percent based on RECIPIENT employee's direct salary and benefit costs incurred while conducting project related work, provided that prior to signature of this agreement, the DEPARTMENT's Project/Financial Manager may require a list of items included in the indirect rate during negotiations or thereafter. Items that are generally included in an indirect rate are identified in Administrative Requirements for Recipients of Ecology Grants and Loans.
- E. Meetings/Light Refreshments. The RECIPIENT may spend up to \$50 per meeting for light refreshments associated with this project. The total amount spent for light refreshments under this agreement cannot exceed \$300.
- F. Minority and Women's Business Participation. The RECIPIENT agrees to solicit and recruit, to the extent possible, certified minority-owned (MBE) and women-owned (WBE) businesses in purchases and contracts initiated after the effective date of this agreement.

Contract awards or rejections cannot be made based on MBE or WBE participation. M/WBE participation is encouraged, however, and the RECIPIENT and all prospective bidders or persons submitting qualifications should take the following steps, when possible, in any procurement initiated after the effective date of this agreement:

1. Include qualified minority and women's businesses on solicitation lists.
2. Assure that qualified minority and women's businesses are solicited whenever they are potential sources of services or supplies.

Grant No. _____

3. Divide the total requirements, when economically feasible, into smaller tasks or quantities, to permit maximum participation by qualified minority and women's businesses.
4. Establish delivery schedules, where work requirements permit, which will encourage participation of qualified minority and women's businesses.
5. Use the services and assistance of the State Office of Minority and Women's Business Enterprises (OMWBE) and the Office of Minority Business Enterprises of the U.S. Department of Commerce, as appropriate.

The RECIPIENT shall report to the DEPARTMENT at the time of submitting each invoice, on forms provided by the DEPARTMENT, payments made to qualified firms. Please include the following information:

1. Name and state OMWBE certification number (if available) of any qualified firm receiving funds under the invoice, including any sub-and/or sub-subcontractors.
2. The total dollar amount paid to qualified firms under this invoice.

- G. Progress Reports. The RECIPIENT shall submit quarterly Progress Reports to the DEPARTMENT's Project/Financial Manager. Payment requests will not be processed without a Progress Report.

Reporting Periods.

- January 1 through March 31
- April 1 through June 30
- July 1 through September 30
- October 1 through December 31

Reporting Due Date. Quarterly Progress Reports are due 15 days following the end of the quarter.

Report Content. At a minimum, all Progress Reports must contain a comparison of actual accomplishments to the objectives established for the period, the reasons for delay if established objectives were not met, analysis and explanation of any cost overruns, and any additional pertinent information specified in this agreement.

- H. Water Quality Monitoring. Prior to initiating water quality monitoring activities, the RECIPIENT must prepare a Quality Assurance Project Plan (QAPP) that follows Ecology's *Guidelines and Specifications for Preparing Quality Assurance Project Plans for Environmental Studies*, February 2001 (Ecology Publication No. 01-03-003).

The RECIPIENT must submit the QAPP to the DEPARTMENT for review, comment, and must be approved before starting the environmental monitoring activities.

The RECIPIENT must use an environmental laboratory accredited by Ecology to analyze water samples for all parameters to be analyzed that require bench testing.

The RECIPIENT should manage all monitoring data collected or acquired under this agreement in order to be available to secondary users and meet the "ten-year rule."

Grant No. _____

Monitoring Data Submittal / Environmental Information Management System. Funding recipients that collect water quality monitoring data must submit all appropriate data to Ecology through the Environmental Information Management System (EIM).

PART VII. ALL WRITINGS CONTAINED HEREIN

This agreement, the appended GENERAL TERMS AND CONDITIONS, the DEPARTMENT's current edition of *Administrative Requirements for Recipients of Ecology Grants and Loans ("Yellow Book")*, and the *Local Government Stormwater Grants Program FY 2008* contain the entire understanding between the parties, and there are no other understandings or representations other than as set forth or incorporated by reference, herein. No subsequent modification(s) or amendment(s) of this agreement shall be of any force or effect unless signed by authorized representatives of the RECIPIENT and DEPARTMENT and made a part of this agreement, EXCEPT that in response to a request from the RECIPIENT, the DEPARTMENT may redistribute the grant budget. The DEPARTMENT or RECIPIENT may change their respective staff contacts without the concurrence of either party.

IN WITNESS WHEREOF, the parties hereby execute this Grant:

STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

City of Marysville
JURISDICTION

KELLY SUSEWIND, P.E., P.G. DATE
WATER QUALITY PROGRAM MANAGER

NAME: DATE
TITLE:

APPROVED AS TO FORM ONLY
ASSISTANT ATTORNEY GENERAL

(Revised 8/14/09)

Grant No. _____

Appendix A

GENERAL TERMS AND CONDITIONS
Pertaining to Grant and Loan Agreements of
the Department of Ecology

A. RECIPIENT PERFORMANCE

All activities for which grant/loan funds are to be used shall be accomplished by the RECIPIENT and RECIPIENT's employees. The RECIPIENT shall only use contractor/consultant assistance if that has been included in the agreement's final scope of work and budget.

B. SUBGRANTEE/CONTRACTOR COMPLIANCE

The RECIPIENT must ensure that all subgrantees and contractors comply with the terms and conditions of this agreement.

C. THIRD PARTY BENEFICIARY

The RECIPIENT shall ensure that in all subcontracts entered into by the RECIPIENT pursuant to this agreement, the state of Washington is named as an express third-party beneficiary of such subcontracts with full rights as such.

D. CONTRACTING FOR SERVICES (BIDDING)

Contracts for construction, purchase of equipment and professional architectural and engineering services shall be awarded through a competitive process, if required by State law. RECIPIENT shall retain copies of all bids received and contracts awarded, for inspection and use by the DEPARTMENT.

E. ASSIGNMENTS

No right or claim of the RECIPIENT arising under this agreement shall be transferred or assigned by the RECIPIENT.

F. COMPLIANCE WITH ALL LAWS

1. The RECIPIENT shall comply fully with all applicable Federal, State and local laws, orders, regulations and permits.

Prior to commencement of any construction, the RECIPIENT shall secure the necessary approvals and permits required by authorities having jurisdiction over the project, provide assurance to the DEPARTMENT that all approvals and permits have been secured, and make copies available to the DEPARTMENT upon request.

2. Discrimination. The DEPARTMENT and the RECIPIENT agree to be bound by all Federal and State laws, regulations, and policies against discrimination. The RECIPIENT further agrees to affirmatively support the program of the Office of Minority and Women's Business Enterprises to the maximum extent possible. If the agreement is federally-funded, the RECIPIENT shall report to the DEPARTMENT the percent of grant/loan funds available to women or minority owned businesses.

3. Wages And Job Safety. The RECIPIENT agrees to comply with all applicable laws, regulations, and policies of the United States and the State of Washington which affect wages and job safety.

Grant No. _____

4. Industrial Insurance. The RECIPIENT certifies full compliance with all applicable state industrial insurance requirements. If the RECIPIENT fails to comply with such laws, the DEPARTMENT shall have the right to immediately terminate this agreement for cause as provided in Section K.1, herein.

G. KICKBACKS

The RECIPIENT is prohibited from inducing by any means any person employed or otherwise involved in this project to give up any part of the compensation to which he/she is otherwise entitled or, receive any fee, commission or gift in return for award of a subcontract hereunder.

H. AUDITS AND INSPECTIONS

1. The RECIPIENT shall maintain complete program and financial records relating to this agreement. Such records shall clearly indicate total receipts and expenditures by fund source and task or object.

All grant/loan records shall be kept in a manner which provides an audit trail for all expenditures. All records shall be kept in a common file to facilitate audits and inspections.

Engineering documentation and field inspection reports of all construction work accomplished under this agreement shall be maintained by the RECIPIENT.

2. All grant/loan records shall be open for audit or inspection by the DEPARTMENT or by any duly authorized audit representative of the State of Washington for a period of at least three years after the final grant payment/loan repayment or any dispute resolution hereunder. If any such audits identify discrepancies in the financial records, the RECIPIENT shall provide clarification and/or make adjustments accordingly.

3. All work performed under this agreement and any equipment purchased, shall be made available to the DEPARTMENT and to any authorized state, federal or local representative for inspection at any time during the course of this agreement and for at least three years following grant/loan termination or dispute resolution hereunder.

4. RECIPIENT shall meet the provisions in OMB Circular A-133 (Audits of States, Local Governments & Non Profit Organizations), including the compliance Supplement to OMB Circular A-133, if the RECIPIENT expends \$500,000 or more in a year in Federal funds. The \$500,000 threshold for each year is a cumulative total of all federal funding from all sources. The RECIPIENT must forward a copy of the audit along with the RECIPIENT'S response and the final corrective action plan to the DEPARTMENT within ninety (90) days of the date of the audit report.

I. PERFORMANCE REPORTING

The RECIPIENT shall submit progress reports to the DEPARTMENT with each payment request or such other schedule as set forth in the Special Conditions. The RECIPIENT shall also report in writing to the DEPARTMENT any problems, delays or adverse conditions which will materially affect their ability to meet project objectives or time schedules. This disclosure shall be accompanied by a statement of the action taken or proposed and any assistance needed from the DEPARTMENT to resolve the situation. Payments may be withheld if required progress reports are not submitted.

Grant No. _____

Quarterly reports shall cover the periods January 1 through March 31, April 1 through June 30, July 1 through September 30, and October 1 through December 31. Reports shall be due within thirty (30) days following the end of the quarter being reported.

J. COMPENSATION

1. Method of compensation. Payment shall normally be made on a reimbursable basis as specified in the grant agreement and no more often than once per month. Each request for payment will be submitted by the RECIPIENT on State voucher request forms provided by the DEPARTMENT along with documentation of the expenses. Payments shall be made for each task/phase of the project, or portion thereof, as set out in the Scope of Work when completed by the RECIPIENT and approved as satisfactory by the Project Officer.

The payment request form and supportive documents must itemize all allowable costs by major elements as described in the Scope of Work. Instructions for submitting the payment requests are found in "Administrative Requirements for Ecology Grants and Loans", part IV, published by the DEPARTMENT. A copy of this document shall be furnished to the RECIPIENT. When payment requests are approved by the DEPARTMENT, payments will be made to the mutually agreed upon designee.

Payment requests shall be submitted to the DEPARTMENT and directed to the Project Officer assigned to administer this agreement.

2. Period of Compensation. Payments shall only be made for actions of the RECIPIENT pursuant to the grant/loan agreement and performed after the effective date and prior to the expiration date of this agreement, unless those dates are specifically modified in writing as provided herein.

3. Final Request(s) for Payment. The RECIPIENT should submit final requests for compensation within forty-five(45) days after the expiration date of this agreement and within fifteen (15) days after the end of a fiscal biennium. Failure to comply may result in delayed reimbursement.

4. Performance Guarantee. The DEPARTMENT may withhold an amount not to exceed ten percent (10%) of each reimbursement payment as security for the RECIPIENT's performance. Monies withheld by the DEPARTMENT may be paid to the RECIPIENT when the project(s) described herein, or a portion thereof, have been completed if, in the DEPARTMENT's sole discretion, such payment is reasonable and approved according to this agreement and, as appropriate, upon completion of an audit as specified under section J.6. herein.

5. Unauthorized Expenditures. All payments to the RECIPIENT may be subject to final audit by the DEPARTMENT and any unauthorized expenditure(s) charged to this grant/loan shall be refunded to the DEPARTMENT by the RECIPIENT.

6. Mileage and Per Diem. If mileage and per diem are paid to the employees of the RECIPIENT or other public entities, it shall not exceed the amount allowed under state law for state employees.

7. Overhead Costs. No reimbursement for overhead costs shall be allowed unless provided for in the Scope of Work hereunder.

Grant No. _____

K. TERMINATION

1. For Cause. The obligation of the DEPARTMENT to the RECIPIENT is contingent upon satisfactory performance by the RECIPIENT of all of its obligations under this agreement. In the event the RECIPIENT unjustifiably fails, in the opinion of the DEPARTMENT, to perform any obligation required of it by this agreement, the DEPARTMENT may refuse to pay any further funds thereunder and/or terminate this agreement by giving written notice of termination.

A written notice of termination shall be given at least five working days prior to the effective date of termination. In that event, all finished or unfinished documents, data studies, surveys, drawings, maps, models, photographs, and reports or other materials prepared by the RECIPIENT under this agreement, at the option of the DEPARTMENT, shall become Department property and the RECIPIENT shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials.

Despite the above, the RECIPIENT shall not be relieved of any liability to the DEPARTMENT for damages sustained by the DEPARTMENT and/or the State of Washington because of any breach of agreement by the RECIPIENT. The DEPARTMENT may withhold payments for the purpose of setoff until such time as the exact amount of damages due the DEPARTMENT from the RECIPIENT is determined.

2. Insufficient Funds. The obligation of the DEPARTMENT to make payments is contingent on the availability of state and federal funds through legislative appropriation and state allotment. When this agreement crosses over state fiscal years the obligation of the DEPARTMENT is contingent upon the appropriation of funds during the next fiscal year. The failure to appropriate or allot such funds shall be good cause to terminate this agreement as provided in paragraph K.1 above.

When this agreement crosses the RECIPIENT's fiscal year, the obligation of the RECIPIENT to continue or complete the project described herein shall be contingent upon appropriation of funds by the RECIPIENT's governing body; Provided, however, that nothing contained herein shall preclude the DEPARTMENT from demanding repayment of ALL funds paid to the RECIPIENT in accordance with Section O herein.

3. Failure to Commence Work. In the event the RECIPIENT fails to commence work on the project funded herein within four months after the effective date of this agreement, or by any date mutually agreed upon in writing for commencement of work, the DEPARTMENT reserves the right to terminate this agreement.

L. WAIVER

Waiver of any RECIPIENT default is not a waiver of any subsequent default. Waiver of a breach of any provision of this agreement is not a waiver of any subsequent breach and will not be construed as a modification of the terms of this agreement unless stated as such in writing by the authorized representative of the DEPARTMENT.

M. PROPERTY RIGHTS

1. Copyrights and Patents. When the RECIPIENT creates any copyrightable materials or invents any patentable property, the RECIPIENT may copyright or patent the same but the DEPARTMENT retains a royalty-free, nonexclusive and irrevocable license to reproduce,

Grant No. _____

publish, recover or otherwise use the material(s) or property and to authorize others to use the same for federal, state or local government purposes.

Where federal funding is involved, the federal government may have a proprietary interest in patent rights to any inventions that are developed by the RECIPIENT as provided in 35 U.S.C. 200-212.

2. Publications. When the RECIPIENT or persons employed by the RECIPIENT use or publish information of the DEPARTMENT; present papers, lectures, or seminars involving information supplied by the DEPARTMENT; use logos, reports, maps or other data, in printed reports, signs, brochures, pamphlets, etc., appropriate credit shall be given to the DEPARTMENT.

3. Tangible Property Rights. The DEPARTMENT's current edition of "Administrative Requirements for Ecology Grants and Loans", Part V, shall control the use and disposition of all real and personal property purchased wholly or in part with funds furnished by the DEPARTMENT in the absence of state, federal statute(s), regulation(s), or policy(s) to the contrary or upon specific instructions with respect thereto in the Scope of Work.

4. Personal Property Furnished by the DEPARTMENT. When the DEPARTMENT provides personal property directly to the RECIPIENT for use in performance of the project, it shall be returned to the DEPARTMENT prior to final payment by the DEPARTMENT. If said property is lost, stolen or damaged while in the RECIPIENT's possession, the DEPARTMENT shall be reimbursed in cash or by setoff by the RECIPIENT for the fair market value of such property.

5. Acquisition Projects. The following provisions shall apply if the project covered by this agreement includes funds for the acquisition of land or facilities:

a. Prior to disbursement of funds provided for in this agreement, the RECIPIENT shall establish that the cost of land/or facilities is fair and reasonable.

b. The RECIPIENT shall provide satisfactory evidence of title or ability to acquire title for each parcel prior to disbursement of funds provided by this agreement. Such evidence may include title insurance policies, Torrens certificates, or abstracts, and attorney's opinions establishing that the land is free from any impediment, lien, or claim which would impair the uses contemplated by this agreement.

6. Conversions. Regardless of the contract termination date shown on the cover sheet, the RECIPIENT shall not at any time convert any equipment, property or facility acquired or developed pursuant to this agreement to uses other than those for which assistance was originally approved without prior written approval of the DEPARTMENT. Such approval may be conditioned upon payment to the DEPARTMENT of that portion of the proceeds of the sale, lease or other conversion or encumbrance which monies granted pursuant to this agreement bear to the total acquisition, purchase or construction costs of such property.

N. SUSTAINABLE PRODUCTS

In order to sustain Washington's natural resources and ecosystems, the RECIPIENT is encouraged to implement sustainable practices where and when possible. These practices include use of clean energy, and purchase and use of sustainably produced products (e.g. recycled paper). For more information, see www.ecy.wa.gov/sustainability..

O. RECOVERY OF PAYMENTS TO RECIPIENT

Grant No. _____

The right of the RECIPIENT to retain monies paid to it as reimbursement payments is contingent upon satisfactory performance of this agreement including the satisfactory completion of the project described in the Scope of Work. In the event the RECIPIENT fails, for any reason, to perform obligations required of it by this agreement, the RECIPIENT may, at the DEPARTMENT's sole discretion, be required to repay to the DEPARTMENT all grant/loan funds disbursed to the RECIPIENT for those parts of the project that are rendered worthless in the opinion of the DEPARTMENT by such failure to perform.

Interest shall accrue at the rate of twelve percent (12%) per year from the time the DEPARTMENT demands repayment of funds. If payments have been discontinued by the DEPARTMENT due to insufficient funds as in Section K.2 above, the RECIPIENT shall not be obligated to repay monies which had been paid to the RECIPIENT prior to such termination. Any property acquired under this agreement, at the option of the DEPARTMENT, may become the DEPARTMENT'S property and the RECIPIENT'S liability to repay monies shall be reduced by an amount reflecting the fair value of such property.

P. PROJECT APPROVAL

The extent and character of all work and services to be performed under this agreement by the RECIPIENT shall be subject to the review and approval of the DEPARTMENT through the Project Officer or other designated official to whom the RECIPIENT shall report and be responsible. In the event there is a dispute with regard to the extent and character of the work to be done, the determination of the Project Officer or other designated official as to the extent and character of the work to be done shall govern. The RECIPIENT shall have the right to appeal decisions as provided for below.

Q. DISPUTES

Except as otherwise provided in this agreement, any dispute concerning a question of fact arising under this agreement which is not disposed of in writing shall be decided by the Project Officer or other designated official who shall provide a written statement of decision to the RECIPIENT. The decision of the Project Officer or other designated official shall be final and conclusive unless, within thirty days from the date of receipt of such statement, the RECIPIENT mails or otherwise furnishes to the Director of the DEPARTMENT a written appeal.

In connection with appeal of any proceeding under this clause, the RECIPIENT shall have the opportunity to be heard and to offer evidence in support of this appeal. The decision of the Director or duly authorized representative for the determination of such appeals shall be final and conclusive. Appeals from the Director's determination shall be brought in the Superior Court of Thurston County. Review of the decision of the Director will not be sought before either the Pollution Control Hearings Board or the Shoreline Hearings Board. Pending final decision of dispute hereunder, the RECIPIENT shall proceed diligently with the performance of this agreement and in accordance with the decision rendered.

R. CONFLICT OF INTEREST

No officer, member, agent, or employee of either party to this agreement who exercises any function or responsibility in the review, approval, or carrying out of this agreement, shall participate in any decision which affects his/her personal interest or the interest of any corporation, partnership or association in which he/she is, directly or indirectly interested; nor shall he/she have any personal or pecuniary interest, direct or indirect, in this agreement or the proceeds thereof.

Grant No. _____

S. INDEMNIFICATION

1. The DEPARTMENT shall in no way be held responsible for payment of salaries, consultant's fees, and other costs related to the project described herein, except as provided in the Scope of Work.

2. To the extent that the Constitution and laws of the State of Washington permit, each party shall indemnify and hold the other harmless from and against any liability for any or all injuries to persons or property arising from the negligent act or omission of that party or that party's agents or employees arising out of this agreement.

T. GOVERNING LAW

This agreement shall be governed by the laws of the State of Washington.

U. SEVERABILITY

If any provision of this agreement or any provision of any document incorporated by reference

V. PRECEDENCE

In the event of inconsistency in this agreement, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence in the following order: (a) applicable Federal and State statutes and regulations; (b) Scope of Work; (c) Special Terms and Conditions; (d) Any terms incorporated herein by reference including the "Administrative Requirements for Ecology Grants and Loans"; and (e) the General Terms and Conditions.

SS-010 Rev. 04/04

Grant No. _____

Appendix B

PARTNERSHIP AGREEMENT FOR ECOLOGY GRANTS

FY2010-2011 PHASE II STORMWATER PASS-THROUGH GRANTS

The cities, towns, and counties listed below agree to partner under one grant agreement for the FY2010 -2011 Phase II Stormwater Pass-through Grants. The grant shall be administered on behalf of the partners by the Lead Phase II Local Government. Each partner local government is a city, town, or county permittee under the Phase II Western Washington Municipal Stormwater General Permit or the Phase II Eastern Washington Municipal Stormwater General Permit.

Lead Phase II Local Government: _____

Phase II permit coverage number: _____

Signature of authorized representative: _____

Title

Date _____

Partner Local Government #1: _____

Phase II permit coverage number: _____

Signature of authorized representative: _____

Title

Date _____

Partner Local Government #2: _____

Phase II permit coverage number: _____

Signature of authorized representative: _____

Title

Date _____

Phase II Stormwater Pass-through Grant

Grant No. _____

Partner Local Government #3: _____

Phase II permit coverage number: _____

Signature of authorized representative: _____

Title

Date _____

Partner Local Government #4: _____

Phase II permit coverage number: _____

Signature of authorized representative: _____

Title

Date _____

If you require special accommodations or need this document in a format for the visually impaired, call [program name] at [section secretary phone number]. Persons with hearing loss can call 711 for Washington Relay Service. Persons with a speech disability can call 877-833-6341.

CITY OF MARYSVILLE

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: September 28, 2009

AGENDA ITEM: Adoption of the HRA VEBA (Health Reimbursement Arrangement/Voluntary Employees' Beneficiary Association Medical Expense Plan (VEBA))	AGENDA SECTION:	
PREPARED BY: Kristie Guy, Assistant Human Resources Director	APPROVED BY:	
ATTACHMENTS: <ol style="list-style-type: none"> 1. Resolution Authorizing the Establishment of a Health Reimbursement Arrangement/Voluntary Employees' Beneficiary Association (HRA VEBA) Plan 2. Employer Adoption Agreement 3. VEBA Trust for Public Employees in the Northwest 4. VEBA Medical Expense Plan 		
	MAYOR	CAO
BUDGET CODE:	AMOUNT:	

DESCRIPTION:

This HRA VEBA Trust was created in 1990 to provide public employers in the Northwest a method to provide employees supplemental benefits; particularly post-retirement medical savings accounts. The Trust is a non-profit benefit plan operated for the benefit of public employees in Idaho, Oregon, and Washington.

A VEBA is a voluntary employees' beneficiary association authorized by Internal Revenue Code Section 501(c)(9). Hundreds of public employers in the Northwest have adopted the HRA VEBA Plan - a VEBA program which offers a health reimbursement arrangement (HRA). An HRA provides employees and retirees with a tax-free source of funds to pay or reimburse qualified out-of-pocket health care expenses and premiums incurred by the employee, spouse, and qualified dependents.

Participation in the HRA VEBA is mandatory by all employee group members. A few common funding sources are 1) Mandatory employee contributions (no individual elections permitted), 2) Sick leave, vacation, personal, and other leave cash outs, 3) Part or all of a future pay raise or COLA, and 4) Premium savings from lower-cost medical plans.

RECOMMENDED ACTION: That City Council authorize the Mayor to sign the: <ol style="list-style-type: none"> 1. Resolution Authorizing the Establishment of a Health Reimbursement Arrangement/Voluntary Employees' Beneficiary Association (HRA VEBA) Plan 2. HRAVEBA Employer Adoption Agreement
COUNCIL ACTION:

CITY OF MARYSVILLE
Marysville, Washington

Resolution No. _____

**RESOLUTION AUTHORIZING THE ESTABLISHMENT OF A HEALTH
REIMBURSEMENT ARRANGEMENT/VOLUNTARY EMPLOYEES'
BENEFICIARY ASSOCIATION ("HRA VEBA") PLAN**

WHEREAS, the Internal Revenue Code Section 501(c)(9) allows for the creation of a voluntary employees' beneficiary association which is a tax-exempt health and welfare trust; and

WHEREAS, IRS regulations and guidelines allow an employer to offer health reimbursement arrangement (HRA) plans; and

WHEREAS, such HRA plans are available to governmental employers in the Northwest; and

WHEREAS, the Voluntary Employees' Beneficiary Association for Public Employees in the Northwest Trust ("Trust") offers and will administer an HRA entitled "Voluntary Employees' Beneficiary Association Medical Expense Plan for Public Employees in the Northwest as Amended and Restated January 1, 2007" ("Plan"); and

WHEREAS, The City of Marysville ("Employer") has determined that establishing an HRA plan which provides a tax-free defined contribution account for employees to pay for medical, dental, vision and tax qualified long-term care premiums and non-covered healthcare expenses is in the best interest of the Employer and its employees; and

WHEREAS, the Employer desires to establish an HRA plan for its employees; and

WHEREAS, the Employer desires to use the services of the Trust to administer such Plan; and

WHEREAS, such HRA established by the Employer will be administered in accordance with the Plan documents provided by the Trust on file in the Employer's main office.

NOW, THEREFORE, the Board of Directors hereby resolves as follows:

Section 1. Effective October 1, 2009, the Employer hereby elects to participate in the Plan and Trust as presently constituted or hereafter amended using the Trust as its plan administrator for the benefit of eligible employees as defined by Employer policies or collective bargaining agreements.

Section 2. The Plan will be funded with Employer contributions in amounts determined from time to time pursuant to Employer policies and collective bargaining agreements.

Section 3. The Chief Administrative Officer, Assistant Human Resources Director, or other person is authorized to execute documents and establish procedures consistent with Plan and Trust provisions and applicable Employer policies and collective bargaining agreements necessary to effect the adoption and administration of the Plan.

PASSED by the city Council and APPROVED by the Mayor this _____ day of _____, 2009.

CITY OF MARYSVILLE

By: _____
DENNIS L. KENDALL, MAYOR

Attest:

By: _____
TRACY JEFFRIES, CITY CLERK

Approved as to form:

By: _____
GRANT K. WEED, CITY ATTORNEY

Date of Publication: _____

Effective Date: _____
(5 days after publication)

HRA VEBA Employer Adoption Agreement

Employer Data Page

Employer contact information will be kept on file by VEBA Service Group, LLC and the third-party administrator, Meritain Health. This will help these primary service providers communicate with the appropriate individual(s) when questions or issues arise. **Please immediately notify your VEBA Service Group, LLC representative if your primary contact information changes.**

SECTION 1: EMPLOYER INFORMATION

Employer Name: City of Marysville

Employer Address: 1049 State Ave, Marysville, WA 98270, attn: Human Resources

Employer Phone: 360-363-8000

Employer Fax: 360-658-4648

SECTION 2: CONTACT INFORMATION

a) Contact for General Plan Communications: ⁽¹⁾

Contact Name: Kristie Guy

Contact Title: Assistant HR Director

Mailing Address (if different than above): _____

Telephone: 360-363-8084

E-mail: kguy@marysvillewa.gov

⁽¹⁾ Here please identify the primary business or administrative contact who will need to receive official Plan communications (such as amendments) and other time sensitive administrative and operational communications and information. This person will receive your counter-signed Adoption Agreement and Employer Welcome kit.

b) Contact for Enrollment/Payroll Contribution Matters: ⁽²⁾

Contact Name: Connie Messerly

Contact Title: HR Specialist

Mailing Address (if different than above): _____

Telephone: 360-363-8093

E-mail: cmesserly@marysvillewa.gov

⁽²⁾ Here please identify the person who is generally responsible for facilitating participant enrollment and employer contribution remittance.

**EMPLOYER ADOPTION AGREEMENT
VEBA TRUST FOR PUBLIC EMPLOYEES IN THE NORTHWEST**

Provisions:

1. Formal Authorization of Employer. The Employer, by formal action of its governing body or other authorized action, has formally established an employee benefit plan or arrangement pursuant to which it desires to make one or more contributions to the VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION MEDICAL EXPENSE PLAN FOR PUBLIC EMPLOYEES IN THE NORTHWEST (the "Plan" also known as "HRA VEBA") offered by the VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION TRUST FOR PUBLIC EMPLOYEES IN THE NORTHWEST (the "Trust"). Through this Employer Adoption Agreement the Employer applies for participation in the Plan and Trust, to be effective if and when accepted by the Third-party Administrator. Upon such acceptance by the Third-party Administrator and the funding of any contributions into the Trust, the Employer shall be considered to be a sponsor of the Plan with respect to its employees and shall have adopted and become subject to the provisions of the Plan and Trust. The Employer acknowledges that it understands and agrees that: (a) Neither the Plan, the Trust, nor the Plan/Trust's auditor performs audit work or otherwise examines to assure that any contribution from the Employer to the Trust is in accordance with the Employer's plan or arrangement and that this determination is the sole responsibility of the Employer; (b) In the event the Employer's plan or arrangement for contributions is determined by the IRS to permit individual employee elections and thereby results in taxable income to affected employees, the Employer shall hold harmless and indemnify the Plan, Trust, and their agents for liability which may result therefrom.

2. Employer Plan Design Selection. Pursuant to collective bargaining agreements, other written agreements, or Employer benefits policies, whichever is applicable, the Employer hereby elects the following options under the Plan:

- (a) Participant Accounts. [check one only ¹]

Commencement of Benefits shall be as follows, provided the Employee becomes a Participant as defined by Section 1.3.13 of the Plan.

¹ In almost all cases Employer will select only one Participant Account option which will apply to all Participant Accounts established by said Employer. However, more than one option may be selected if an Employer wants to (1) establish more than one type of Participant Account per Employee; or (2) establish different types of Participant Accounts across multiple Employee groups.

Example 1—Employer wants to establish two types of Participant Accounts per employee: one that permits in-service and post-separation benefits and is 100% vested, and one that permits post-separation benefits only subject to vesting.

Example 2—Employer wants to establish different types of Participant Accounts for certain Employee groups. For Employee group A, Employer wants to establish Participant Accounts that permit post-separation benefits only subject to vesting. For Employee group B, Employer wants to establish Participant Accounts that permit in-service and post-separation benefits and are 100% vested.

If Employer selects more than one Participant Account option, language must be attached which clearly describes, by Employee group, which type(s) of Participant Account(s) are to be established for each eligible Participant.

Adoption Agreement –continued

- (i) In-service and post-separation coverage; 100% vested. Participants shall immediately be eligible to file claims for qualified expenses and premiums incurred anytime after a Participant Account is established with respect to such Employee.
- or
- (ii) Post-separation coverage only; 100% vested. Participants shall be eligible to file claims for qualified expenses and premiums incurred after separation from service. Employer must notify the Third-party Administrator of such Employees' separation dates by submitting a completed Participant Status Change Form.
- or
- (iii) In-service and post-separation coverage; subject to vesting. Participants shall be eligible to file claims for qualified expenses and premiums incurred while in-service and post-separation after having met any vesting requirements. Employer must notify the Third-party Administrator of such Employees' claims eligibility dates, separation dates, and/or vested account percentages by submitting a completed Participant Status Change Form.
- or
- (iv) Post-separation coverage only; subject to vesting. Participants shall be eligible to file claims for qualified expenses and premiums incurred post-separation and after having met any vesting requirements. Employer must notify the Third-party Administrator of such Employees' separation dates and vested account percentages by submitting a completed Participant Status Change Form.

(b) Employer Account. [check one only]

An Employer Account can be used to hold assets to offset other post-employment benefits (OPEB) liabilities revealed by Governmental Accounting Standards Board Statement No. 45 (GASB 45) accounting rules. An Employer Account can also be established for the purpose of accepting Participant Account forfeitures due to a Participant's death or failure to meet vesting requirements, if any.

- (i) Employer is not establishing any Employer Account.
- or
- (ii) Employer is establishing one or more Employer Accounts.

SCHEDULE A
TO
EMPLOYER ADOPTION AGREEMENT

In most cases, Employers may attach applicable excerpts from collective bargaining agreements, memorandums of understanding, other written agreements, Employer policies, etc. which contain clear descriptions of the required information.

PLAN ADOPTION

1. Formal Employer Action.

Attached to this Schedule A is a copy of the formal action taken by Employer to adopt the Plan.

Formal Employer action is commonly:

- (a) **A resolution or similar action** (sample language available upon request); and
- (b) Separate and apart from collective bargaining agreements, memorandums of understanding, other written agreements, Employer policies, etc. which contain Employee group-specific details such as funding methods and corresponding eligibility requirements.

DESCRIPTION OF ELIGIBILITY PROVISIONS AND FUNDING METHODS

2. Participating Employee Groups. [check one only]

- (a) Attached to this Schedule A (preferred method); or
- (b) Set forth below

is information which lists the name(s) of the Employee group(s) currently eligible to participate in the Plan.

<u>Members of the Marysville Police</u>	_____
<u>Officer's Association (MPOA)</u>	_____
_____	_____

Schedule A –continued

3. Employer Contribution Methods and Eligibility Requirements. [check one only]

(a) Attached to this Schedule A (preferred method); or

(b) Set forth below

is information which:

- (i) describes, by Employee group, the Employer contribution method(s) applicable to each; and
- (ii) defines the corresponding eligibility requirements.

As mentioned earlier, in most cases this information can be supplied by attaching the cover page and applicable excerpts from collective bargaining agreements, memorandums of understanding, other written agreements, Employer policies, etc. which contain clear descriptions of Employer contribution methods and corresponding definitions of eligibility.

The shaded area below provides an example of how to submit the required information if Employer selects option 3(b) above.

EXAMPLE

Employee Group Name	Group Size (# of members)	Contribution Method(s)	Eligibility Requirement(s)
Bargaining Unit A	15	\$100/month mandatory employee contribution	All active employee group members
Bargaining Unit B	27	Sick leave & vacation leave cash out	All active employee group members who separate from service

Please describe and define the specifics for each employee group below.

Employee Group Name	Group Size (# of members)	Contribution Method(s)	Eligibility Requirement(s)
MPOA	59	\$50/month mandatory employee contribution	All active employee group members
MPOA	59	Vacation cashout at retirement - leave in excess of 240 hours up to 480 hours.	All active employee group members

Schedule A –continued

4. Vesting Requirements. [check one only]

- (a) All Employer contributions are 100% vested at all times (most common).
- (b) Attached to this Schedule A; or
- (c) Set forth below

is information which includes a description, by Employee group, of any vesting requirements applicable to Participant Accounts which must be satisfied before a Participant becomes eligible to file claims.

If vesting applies, Employer is responsible for tracking when an Employee becomes eligible to file claims after having met the Employer's vesting requirements and providing such notification to the Third-party Administrator. Notification shall include what percentage of the Participant's account balance is vested (e.g. 100% vested; 50% vested, 0% vested, etc.). An Participant Status Change Form for this purpose is required and can be requested from the Third-party Administrator.

NOTE: Employer must complete and submit a Definition of Eligibility/Funding Method Change Form prior to the adoption and implementation of future changes. Future change include adding new participating employee groups; adding new funding methods; changing existing funding methods; adding an Employer Account, etc. The required form is supplied with the Employer Adoption Agreement, or it can be requested from the Third-party Administrator or your VEBA Service Group, LLC service representative when necessary.

Also, when groups renew participation without making any changes, please send VEBA Service Group, LLC copies of such collective bargaining language or other documents. This will help keep current information on file for you.

VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION

For

PUBLIC EMPLOYEES IN THE NORTHWEST

TRUST.

ARTICLE I.

Name of Trust.

The name of this Trust is the VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION TRUST FOR PUBLIC EMPLOYEES IN THE NORTHWEST.

ARTICLE II.

Definitions.

- 2.1 **"Administrator"**: The Board of Trustees.
- 2.2 **"Benefits"**: Any benefits provided by the Plan.
- 2.3 **"Dependent"**: An Employee's spouse or dependent as determined under IRC § 105(b).
- 2.4 **"Effective Date"**: The effective date of this amended and restated Trust document.
- 2.5 **"Employee"**: Any employee who has met the eligibility requirements of the Plan.
- 2.6 **"Employer"**: A county, city, town, special purpose district, or similar entity in Washington, Oregon, and Idaho, whose purpose is to provide public services to its citizens, and is authorized to do so by state statute.
- 2.7 **"Employer Account"**: Refers to the account maintained with respect to any Employer to record its contributions which have not been allocated to Participant Accounts, and adjustments related thereto, and established for the purpose of providing benefits permitted under IRC § 501(c)(9).
- 2.8 **"Employer Adoption Agreement"**: Refers to an Employer Adoption Agreement executed by an Employer and accepted by the Third-party Administrator, as the same may be

amended and restated or replaced from time to time.

2.9 "Fund" or "Trust Fund": All cash, securities, contracts, property and assets of whatever kind and nature, together with all earnings thereon, deposited with, and owned, held or otherwise acquired through or by the Trustees pursuant to the provisions of this Trust Agreement.

2.10 "Insurer": Any insurance company issuing a contract for purposes of the Plan.

2.11 "IRC": The Internal Revenue Code of 1986, as amended from time to time.

2.12 "Membership Enrollment Form": The form provided by the Trustees that must be completed by an Employee in order to participate in this Plan.

2.13 "Participant": Any Employee, including a former or retired Employee, who has met the eligibility and participation requirements established in the Plan and who is currently participating in the Benefits of the Trust.

2.14 "Participant Account": The account(s) maintained for a Participant to record his/her share of the deposits of the Employer and adjustments relating thereto.

2.15 "Person": Any individual, trust, estate, partnership, joint venture, association, company, or corporation.

2.16 "Plan": The VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION MEDICAL EXPENSE PLAN sponsored by this Trust and adopted by an Employer.

2.17 "Public Service Agency Category": There shall be two (2) public service agency categories: 1) counties, cities, towns; and 2) special purpose districts.

2.18 "Third-party Administrator": Third-party Administrator means a third-party appointed or contracted by the Trustees from time to time to administer all or a portion of the Plan.

2.19 "Trust" or "Trust Agreement": The Trust established by this Trust Agreement.

2.20 "Trustees": Persons serving as Trustee in accordance with Articles V and VI of the Trust. Such Persons shall sign this Trust in their capacity as Trustees.

ARTICLE III.

Establishment and Purpose of Trust.

3.1 This Trust is hereby amended and restated effective January 1, 2007 and replaces any prior Trust Agreement in its entirety. This Trust is for the purpose of creating a fund to provide for the payment of hospitalization, medical, surgical, dental, disability income, death benefits and severance pay or other benefits that qualify under Internal Revenue Code § 501(c)(9), to Participants, including their Dependents, and their designated beneficiaries.

3.2 This Trust is intended to qualify as a "voluntary employees' beneficiary association" within the meaning of § 501(c)(9) of the Internal Revenue Code of 1986, as amended, and there shall be no amendment of this Trust which shall change or alter the fundamental purposes of this Trust as described in Section 3.1. All contributions hereunder and all assets and earnings of the Trust are solely and irrevocably dedicated to the payment of Benefits of the kind and type described in Section 3.1.

ARTICLE IV.

Contributions.

4.1 Each Employer shall contribute to the Trust, in cash, the cost of providing Benefits under the Plan for its Participants at such time, or times, and in such manner as shall be determined by the Trustees.

4.2 The Third-party Administrator shall maintain separate and distinct sub-accounting records for each Participant Account and Employer Account, and the Third-party Administrator shall account for the assets with respect to each Participant Account and Employer Account separately from the assets held with respect to all other Participant Accounts and Employer Accounts.

4.3 The liabilities, expenses, costs and charges associated with each particular Participant Account and Employer Account shall be charged against the assets of the Trust held with respect to that particular Participant Account or Employer Account.

ARTICLE V.

The Trustees.

5.1 The Trustees, by signing this document, create and accept this Trust and agree to hold and administer all property and assets received by them or tendered to them as Trustees, together with all earnings thereon, solely for the uses and purposes provided for by this document and in accordance with the terms and subject to the conditions and restrictions set forth by this trust.

5.2 The Trustees shall hold in trust and administer for the benefit of trust beneficiaries those funds deposited by Employers to the Trust.

5.2.1 To self-administer, or to contract for and delegate the administration of the Plan to one or more Third-party Administrators.

5.2.2 To determine from time to time the Benefits to be provided for Participants under the Plan, provided that such Benefits are of the kind and type designated in Section 3.1.

5.2.3 To establish from time to time administrative procedures, specifications, and conditions applicable to the payment or provision of Benefits to Participants under the Plan.

5.2.4 To determine from time to time the manner and method of funding payment of, or otherwise providing Benefits specified by the Plan to, Participants, their Dependents, and their beneficiaries under the Plan, including without limitation insurance, direct cash payment or reimbursement from the Trust Fund, or hospitalization, medical or dental services provided by medical or dental groups, hospitals, clinics, or otherwise qualified Persons and, in connection therewith, to select, designate, contract and otherwise deal with any duly qualified and licensed insurance company and/or medical or dental groups, hospitals, clinics and other Persons to underwrite any such insurance and/or medical and dental services, as the case may be.

5.2.5 To direct and arrange for the payment or provision of all services to which Participants and their Dependents are eligible under the Plan.

5.2.6 To investigate and verify claims of Participants and their Dependents, and medical or dental groups, hospitals, clinics or other qualified Persons which provide benefits or services to Participants and their Dependents under the Plan.

5.2.7 To determine and establish the level of cash reserves of the Trust as may be necessary, appropriate or desirable for the proper execution, administration and accomplishment of the purposes and objectives of the Plan.

5.2.8 To determine from time to time the amount of and intervals of contributions hereto, in order to defray the cost of providing Benefits to their Participants.

5.2.9 To direct, determine and authorize the investment, reinvestment, payment, disbursement and other disposition of the Trust Fund in accordance with the terms, conditions and purposes, but subject to the restrictions and limitations of, the Plan and Trust

Agreement.

5.2.10 To make and publish such rules, regulations and other specifications as may be necessary or desirable to carry out the provisions of the Plan.

5.2.11 To decide any dispute or question arising from or under the Plan.

5.2.12 To determine and settle all questions arising in connection with the administration, interpretation, and application of the Plan, including questions of eligibility, the status and right of Participants and Dependents, or beneficiaries, and any other Person hereunder, and the payment or provision of Benefits hereunder.

5.2.13 To do all other acts and things, and in connection therewith to execute all such instruments and documents as may be necessary, appropriate, desirable, or convenient for the accomplishment of the purposes and objectives of this Trust.

5.3 The Trustees shall not be responsible for any of the following:

5.3.1 The validity of this Trust Agreement or any Plan.

5.3.2 The form, validity, sufficiency, or effect of any contract or policy for the payment or provision of Benefits under the Plan which may be entered into or purchased.

5.3.3 The act of any Person or Persons which may cause the termination, rescission, or other invalidation of any such contract or policy for the payment or provision of Benefits under the Plan.

5.3.4 The inability of the Trust Fund, or of any Person with whom the Trustees may contract for the payment or provision of the Benefits under the Plan, or the insufficiency of the assets of either, to pay, provide, or otherwise furnish any Benefits provided for under the Plan.

5.3.5 Any delay occasioned by any restriction or provision in the Trust Agreement, rules or regulations adopted by the Trustees thereunder, or any contract procured or entered into in the course of the administration of the Plan and/or authorizing the making of any investment or reinvestment permitted by the Trust Agreement, any loss of, or to, the Trust, or any diminution in the Trust Fund, except as hereinafter provided in the Trust Agreement.

5.4 The Trustees shall receive contributions hereunder, dividends on any insurance contracts, and other assets and monies required to be paid, or otherwise tendered

to them, and shall hold the same until applied to the purposes of this Trust.

5.5 The Trustees shall use and apply the assets comprising the Trust Fund for the following purposes:

5.5.1 To purchase and/or pay premiums for contracts such as insurance contracts and otherwise arrange for the provision of all Benefits and services to which Participants and their Dependents and beneficiaries are entitled pursuant to and in accordance with the terms of the Plan.

5.5.2 To provide for the payment of all reasonable and necessary expenses incurred in enforcing the rights of the Trust Fund to collect any contributions from any Employer, or other monies, and to provide for the administration of the Trust Fund, including the employment of such administrative, legal, expert, and clerical assistance, and the purchase or leasing of such facilities, materials, supplies, and equipment as the Trustees shall deem necessary or appropriate for such purposes.

5.5.3 The Trustees shall have full power and authority to invest and reinvest the Trust Fund in any investment permitted by law, including, without limiting the generality of the terms thereof, the power:

5.5.3.1 To invest in bonds, annuities, notes, mortgages, commercial paper, preferred stock, and common stock; other securities, rights, and obligations; personal property; insurance company contracts; shares or certificates of participation issued by investment companies, investment trusts, and mutual funds.

5.5.3.2 To retain or liquidate any investment described in 5.5.3.1 at such time or times and on such terms and conditions or otherwise as they may deem appropriate.

5.5.3.3 To renew or extend the time of payment of any obligation due or becoming due.

5.6 The Trustees are granted from the following additional powers of management of the Trust Fund with respect to funds not applied as per 5.5.3 which shall constitute part of the Trust Fund and which are held by said Trustees in trust hereunder.

5.6.1 The power to retain any securities or property, dividend or distribution with respect to securities held by said Trustees in the Trust Fund.

5.6.2 The power to sell at public or private sale for cash, or upon credit, any securities held in the Trust Fund, upon such terms and conditions as the Trustees shall

deem proper.

5.6.3 The power to exchange any securities held in the Trust Fund for other securities and to exercise conversion, option, subscription, and similar rights with respect to any securities held under the Trust, and to make payments in connection therewith.

5.6.4 The power to vote in person, or by proxy, at corporate or other meetings, and to participate in or consent to any voting trust, reorganization, dissolution, merger or other action affecting any securities held in the Trust or the issuers hereof, and to make payments in connection therewith.

5.6.5 The power to acquire, hold, or dispose of property in unregistered form, or in the name of the Trustees without designation of fiduciary capacity, or in the name of a nominee.

5.6.6 The power to compromise and adjust all debts or claims due to, or made against, the Trust.

5.6.7 The power to employ agents and provide for such clerical, actuarial, accounting, and other services as may be required to carry out the provisions of the Trust.

5.6.8 To retain in cash in non-interest bearing accounts, without any liability for interest thereon, such portion of the Trust Fund as shall constitute a reasonable reserve for the payment or provision of Benefits under the Plan, and current operating expenses of the Plan or Trust.

5.7 Distributions. The Trustees shall, from time to time upon the written direction of the Participant or agent of the Participant or Employer (with respect to an Employer Account), make distributions from the Trust Fund to or for the benefit of such Persons, in such manner, in such amounts, and for such purposes as may be specified in such directions. In making such distribution, the Trustees shall follow the provisions of the Plan, shall assure themselves that the Participant is entitled to his/her requested distribution and shall not make any distributions, either during the existence or upon discontinuance of the Plan, which would cause any part of the Trust Fund to be used for or diverted to purposes other than as provided in the Plan and in this Trust. Distributions shall be made:

5.7.1 By the Trustees' or Insurer's by check payable to the Person to whom such distribution is to be made. Trust distributions to Participants shall be sent to the Participants' last known address;

5.7.2 By the Trustees' check payable to the Insurer for the benefit of such Person; or

5.7.3 By insurance contracts or service contracts held for the benefit of the Participant to whom or with respect to whom the distribution is being made.

5.8 Insurance Contracts. In the event the Trustees apply for insurance contracts, the Trustees shall apply for, and take all such steps and acts as may be necessary and proper to secure such Contracts with one or more insurers and on such rating or risk terms as the Trustees shall determine to be appropriate for the provision of Benefits under the Plan, and shall remit to such insurance company, or companies, such amount or amounts as may be necessary to pay the premiums therefore. The Trustees shall be the policyholder and the sole owner of such contracts and shall have the power to exercise any and all rights and perform any and all obligations as policyholder and sole owner thereunder. The Trustees shall have all of the incidents of ownership of such contracts. Neither the Employer nor the Plan Beneficiaries shall have any incidents of ownership or rights to control such contracts.

5.9 Records.

5.9.1 The Trustees shall keep a full, accurate and detailed record of all transactions of the Trust which any Employer may examine at any time during the regular business hours of the Trustees.

5.9.2 The Trustees shall provide each Participant with an annual statement of his/her Participant Account and each Employer with an annual statement of its Employer Account, if any.

5.10 Trustee Compensation. Compensation to the Trustees must be reasonable, may be paid to the Trustees, and to the extent not so paid, shall constitute a charge upon the Trust Fund, and a lien for the payment thereof shall be impressed upon any cash, securities or other property held by the Trustees hereunder; provided, however, that if a Trustee is also an employee of any Employer, he/she shall not be entitled to compensation for his/her services hereunder as Trustee. All other reasonable charges of the Trustees, all reasonable costs incurred by the Trustees in the performance of their duties hereunder, including legal services rendered to the Trustees, and all taxes of any kind or nature whatsoever that may be levied or assessed under existing and future laws against the Trust Fund shall be paid out of the Trust Fund and, until paid, shall constitute a charge upon the Trust Fund.

ARTICLE VI.

Trustee Resignation and Replacement

6.1 A Trustee may resign upon written notice to the remaining Trustees, which shall be effective ninety (90) days after delivery. A Trustee may be removed by unanimous vote of the other Trustees, which shall be effective ten (10) days after delivery of notice of such vote. In the event of such resignation or removal, a successor Trustee shall be elected by a majority vote of the voting Participants associated with that Trustee's Public Service Agency Category, and said successor Trustee shall become vested with all rights, powers, duties, privileges, responsibilities and immunities as Trustee hereunder as if he/she originally had been designated as a Trustee in this Agreement. Upon such election and acceptance, the resigning or removed Trustee shall if necessary, endorse, transfer, assign, convey, and deliver to the successor Trustee all of the funds, securities and other property then held by said Trustee under the Trust Agreement, in order that the successor Trustee may properly administer the Trust hereunder.

6.2 Successor Trustees. Upon any resignation or removal of all of the Trustees, and if successor Trustees have not been elected within ninety (90) days, the senior officers of the two Employers with the largest number of Participants in each Public Service Agency Category shall be nominated to serve as temporary Trustees until replacements are elected.

ARTICLE VII.

Liability of the Trustees

7.1 The Trustees shall be liable only for the safe-guarding and administration of the Trust Fund in accordance with the provisions of this Trust Agreement, and any amendments or supplements thereto. The duties and responsibilities of the Trustees shall be in accordance with the provisions of this Trust Agreement, and no further duties or responsibilities shall be implied. The Trustees shall not be responsible for the adequacy of the Trust Fund to meet and discharge any and all payments required under the Plan.

7.2 The Trustees may consult with counsel, and shall not be liable for, or to any Person, Participant, or Employer for any action taken, suffered, or omitted to be taken in good faith in accordance with the opinion of said counsel.

7.3 The Trustees shall not incur any liability or responsibility for the failure of, or refusal of, any Insurer or other party providing services, or real or personal property to the Trust to take any action requested by the Trustees, or to issue any contract which shall be requested by the Trustees.

7.4 The Trustees shall not be liable for any loss to the Trust Fund, or any act done or omitted by them, unless the same shall have been due to their own negligence, willful misconduct, or bad faith.

7.5 Taxes. If the whole or any part of the Trust Fund or a Participant Account

or an Employer Account becomes liable for the payment of any tax which, in the opinion of the Trustees, a Participant or a Employer shall be required to pay, the Trustees shall have full power to use any Trust assets to do whatever the Trustees deem necessary to defend against such tax liability and/or to pay such tax out of any property in their hands for the benefit of the Person whose interest hereunder is so liable. Prior to making any payment, the Trustees may require such releases from any lawful taxing authority they deem necessary. The Trustees and the Trust shall have no personal or other liability for any nonpayment of tax resulting from any Trust activity including but not limited to holding Plan assets, providing Plan Benefits, investing Plan assets, or a distribution of Trust assets or Plan accounts.

ARTICLE VIII.

Indemnification of Trustees, Officers, and Others

8.1 Right to Indemnification. Each Person who is or was a Trustee or officer of the Trust (including a Person's personal representative) who was or is made a party or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, investigative or by or in the right of the Trust, or otherwise (hereinafter a "proceeding") by reason of the fact that he or she (or a Person of whom he or she is a personal representative) is or was a Trustee or officer of the Trust or, being or having been such a Trustee or officer, is or was serving at the request of the Trust as a Trustee, officer, partner, trustee, employee, agent or in any other relationship or capacity whatsoever, including of any other foreign or domestic Trust, partnership, joint venture, employee benefit plan or trust or other trust, enterprise or other private or governmental entity, agency, board, commission, body or other unit whatsoever (hereinafter an "indemnitee"), whether the basis of such proceeding is alleged action or inaction in an official capacity as a Trustee, officer, partner, trustee, employee, agent or in any other relationship or capacity whatsoever, shall be indemnified and held harmless by the Trust, against all expenses, liabilities, and losses (including but not limited to attorneys' fees, judgments, claims, fines, ERISA and other excise and other taxes and penalties, and other adverse effects and amounts paid in settlement), reasonably incurred or suffered by the indemnitee if the indemnitee acted in good faith and without negligence or willfulness, and in the reasonable belief that his/her conduct was in the best interests of the Plan Participants and beneficiaries; provided, however, that no such indemnity shall indemnify any Person from or on account of acts or omissions of such Person finally adjudged by a court of competent jurisdiction to have violated or failed to meet the standard of care set forth in Section 7.4 of the Trust Agreement. The standard of care and indemnification standards of the Trust shall be determined by the Trust provisions except to the extent any provision of the Washington Revised Code must apply.

The right to indemnification granted in this Article is a contract right and includes the right to payment by, and the right to receive reimbursement from, the Trust of all expenses as they are incurred in connection with any proceeding in advance of its final disposition (hereinafter an "advance of expenses"); provided, however, that an advance of expenses received by an indemnitee in his/her capacity as a Trustee or officer (and not in any other capacity in which service was or is rendered by such indemnitee unless required by the Board of Trustees) shall be made only upon (i) receipt by the Trust of a written undertaking (hereinafter an "undertaking") by or on behalf of such indemnitee, to repay advances of expenses if and to the extent it shall ultimately be determined by order of a court having jurisdiction (which determination shall become final upon expiration of all rights to appeal), hereinafter a "final adjudication", that the indemnitee is not entitled to be indemnified for such expenses under this Article, and (ii) receipt by the Trust of written affirmation by the indemnitee of his/her good faith belief that he or she has met the standard of conduct applicable under the Trust and (if any) under the Washington State law necessary for indemnification by the Trust under this Article.

8.2 Right of Indemnitee to Bring Suit. If any claim for indemnification under Section 8.1 of this Article is not paid in full by the Trust within sixty days after a written claim has been received by the Trust, except in the case of a claim for an advance of expenses, in which case the applicable period shall be twenty days, the indemnitee may at any time thereafter bring suit against the Trust to recover the unpaid amount of the claim. If the indemnitee is successful in whole or in part in any such suit, or in any suit in which the Trust seeks to recover an advance of expenses, the Trust shall also pay to the indemnitee all the indemnitee's expenses in connection with such suit. The indemnitee shall be presumed to be entitled to indemnification under this Article upon the Trust's receipt of indemnitee's written claim (and in any suits relating to rights to indemnification where the required undertaking and affirmation have been received by the Trust), and thereafter the Trust shall have the burden of proof to overcome that presumption. Neither the failure of the Trust (including its Board of Trustees or independent legal counsel) to have made a determination prior to the commencement of such suit that the indemnitee is entitled to indemnification, nor an actual determination by the Trust (including its Trustees or independent legal counsel) that the indemnitee is not entitled to indemnification, shall be a defense to the suit or create a presumption that the indemnitee is not so entitled. It shall be a defense to a claim for an amount of indemnification under this Article (other than a claim for advances of expenses prior to final disposition of a proceeding where the required undertaking and affirmation have been received by the Trust) that the claimant has not met the standards of conduct applicable under the Trust and (if any) under any Washington State law to entitle the claimant to the amount claimed, but the Trust shall have the burden of proving such defense.

8.3 Non-Exclusivity of Rights. The rights to indemnification (including, but not limited to, payment, reimbursement and advances of expenses) granted in this Article shall

not be exclusive of any other powers or obligations of the Trust or of any other rights which any Person may have or hereafter acquire under any statute, the common law, the Trust Agreement, Bylaws, agreement, vote of disinterested Trustees, or otherwise. Notwithstanding any amendment to or repeal of this Article, any indemnitee shall be entitled to indemnification in accordance with the provisions hereof with respect to any acts or omissions of such indemnitee occurring prior to such amendment or repeal.

8.4 Insurance, Contracts and Funding. The Trust may purchase and maintain insurance, at its expense, to protect itself and any Person (including a Person's personal representative) who is or was a Trustee, officer, employee or agent of the Trust or who is or was a Trustee, officer, partner, trustee, employee, agent, or in any other relationship or capacity whatsoever, including of any other foreign or domestic Trust, partnership, joint venture, employee benefit plan or trust or other trust, enterprise or other private or governmental entity, agency, board, commission, body or other unit whatsoever, against any expense, liability or loss, whether or not the power to indemnify such Person against such expense, liability or loss is now or hereafter granted to the Trust under any Washington State law. The Trust may enter into contracts granting indemnity, to any such Person whether or not in furtherance of the provisions of this Article, and may create trust funds, grant security interests and use other means (including, without limitation, letters of credit) to secure and ensure the payment of indemnification amounts.

8.5 Indemnification of Employees and Agents. The Trust may, by action of the Trustees, provide indemnification and pay expenses in advance of the final disposition of a proceeding to employees and agents of the Trust with the same scope and effect as the provisions of this Article with respect to the indemnification and advancement of expenses of Trustees and officers of the Trust or pursuant to rights granted under, or provided by, any Washington State law or otherwise.

8.6 Separability of Provisions. If any provision or provisions of this Article shall be held to be invalid, illegal or unenforceable for any reason whatsoever (i) the validity, legality and enforceability of the remaining provisions of this Article (including without limitation, all portions of any sections of this Article containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby, and (ii) to the fullest extent possible, the provisions of this Article (including, without limitation, all portions of any section of this Article containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

8.7 Partial Indemnification. If an indemnitee is entitled to indemnification by the Trust for some or a portion of expenses, liabilities or losses, but not for the total amount thereof, the Trust shall nevertheless indemnify the indemnitee for the portion of such

expenses, liabilities and losses to which the indemnitee is entitled.

8.8 Successors and Assigns. All obligations of the Trust to indemnify any indemnitee: (i) shall be binding upon all successors and assigns of the Trust (including any transferee of all or substantially all of its assets and any successor by merger or otherwise by operation of law), (ii) shall be binding on and inure to the benefit of the spouse, heirs, personal representatives and estate of the indemnitee, and (iii) shall continue as to any indemnitee who has ceased to be a Trustee, officer, partner, trustee, employee or agent (or other relationship or capacity).

ARTICLE IX

Insurers & Other Parties Dealing With the Trustees.

No Insurer or other party except Trustees shall be considered a party to this Trust Agreement and each shall be fully protected in assuming that the Trustees are as shown on the latest notification received at their principal office, and shall be protected in acting in accordance with any written direction of the Trustees and shall have no duty to see to the application of funds paid to the Trustees by it, nor be required to question any action directed by the Trustees. Notwithstanding any other provisions of this Article, any Insurer or other party by dealing with the Trustees in the application of contributions hereunder shall be deemed to agree to supply annually to, or at the direction of, the Trustees, such information about its transactions regarding Participants as the Secretary of the Treasury, or his/her delegate, shall prescribe as being required from the Trustees.

ARTICLE X.

Duration, Amendment & Termination.

10.1 Subject to the provisions of Section 3.2, the Trustees shall have the right at any time, and from time to time, to modify or amend the Trust Agreement, in whole or in part; provided, however, that no amendment shall:

10.1.1 Cause any of the assets of the Trust to be used for or diverted to purposes other than those permitted by IRC § 501(c)(9).

10.1.2 Have any retroactive effect so as to deprive any Participant or his/her beneficiary of any accrued or vested Benefit, except that such changes may be made as are required by the Internal Revenue Service in order for the Trust to be approved and qualified under the IRC and its regulations as a voluntary employees' beneficiary association and in compliance with any applicable law.

10.1.3 Create or effect any discrimination in favor of any class of Employees to the extent such discrimination is prohibited by applicable law.

10.1.4 Increase the duties or liabilities of the Trustees without their consent.

10.2 It is the expectation of the Trustees that this Trust Agreement and the payment of contributions hereunder will be continued indefinitely, but continuance of the Trust Agreement is not assumed as a contractual obligation of the Trustees. The Trustees may terminate the Trust Agreement at any time. This Trust shall continue in existence as long as there are any assets in the Trust. This Trust may be amended or terminated only as provided in this Article.

10.3 Upon the termination of this Trust, the Trustees shall thereupon use and apply the Trust Fund for the payment of all obligations of the Trust. Any remaining funds shall be used and applied by the Trustees, in accordance with the Plan, to provide additional Benefits of the kind and type described in Section 3.1 to the Participants or for such other similar or related purposes as shall not adversely affect the tax exempt status of the Trust under state or federal law.

ARTICLE XI.

Controversies, Legal Actions & Counsel.

11.1 Controversy. If any controversy arises with respect to this Trust, the Trustees shall take action as they deem advisable, whether by legal proceedings, compromise or otherwise. The Trustees may retain the funds or property involved without liability pending settlement of the controversy. The Trustees shall be under no obligation to take any legal action of whatever nature unless there shall be sufficient property in the Trust to save the Trustees harmless with respect to any expenses or losses to which they may be subjected.

11.2 Parties. In any action or other judicial proceedings affecting this Trust no Employer, Participant or other Persons having any interest in this Trust shall be entitled to any notice or service of process. Any judgment entered in such a proceeding or action shall be binding on all Participants, Employers, or Persons claiming under this Trust. Provided, however, that nothing in this Trust shall be construed as to deprive a Participant of his/her right to seek adjudication of his/her rights by administrative process, or by a court of competent jurisdiction.

ARTICLE XII.

Miscellaneous.

12.1 Title. Title to the Trust Fund shall be vested in and remain exclusively in the Trustees, and neither any Employer nor any Participant, his/her Dependents, nor beneficiaries shall have any right, title or interest therein or thereto, or in or to any contributions made hereunder.

12.2 No "In Lieu" Provision. Neither a Participant, his/her Dependents, nor beneficiaries shall have the right to receive any part of the Trust Fund or contributions hereto in lieu of, or instead of, the Benefits provided under the Plan.

12.3 No Assignment, Encumbrance. Neither a Participant, his/her Dependents, nor beneficiaries nor any Employer shall have any right to assign the coverage he or it may have, or the Benefits to which he or it is entitled, under the Plan or this Trust, or to transfer, sell, encumber, or otherwise dispose of the same, either upon termination of this Trust, or otherwise, and no part of the contributions hereto, or of the Trust Fund, shall be subject to the claim of the creditors of any Participant, his/her Dependents, or beneficiaries nor any Employer; provided, however, that nothing contained herein shall prohibit or otherwise restrict the right of any Participant to assign any of his/her rights under any group life insurance policy purchased hereunder, or to assign any of his/her rights to receive payment for Benefits to which he or it is entitled hereunder, to any doctor, dentist, medical group, dental group, hospital, clinic, or other qualified Person or Persons which provide hospitalization, medical and/or dental services and Benefits to such Participant, or to the Dependents of a Participant.

12.4 Documentation/Instruments. No Person dealing with the Trustees in relation to this Trust shall be obligated to see to the application of any money or property of the Trustees, or to see that the terms of this Trust have been complied with, or be obliged to inquire into the necessity or expediency of any act of the Trustees, and every instrument executed by the Trustees shall be conclusive in favor of every Person relying thereon:

12.4.1 That, at the time of delivery of said instrument, the Trust hereby created was in full force and effect;

12.4.2 That said instrument was issued in accordance with the terms and conditions contained in this Trust Agreement; and,

12.4.3 That the Trustees are duly authorized and empowered to execute such instrument.

12.5 Receipt. The receipt given by the Trustees for any monies or other properties received by them shall effectively discharge the Person or Persons paying or transferring the same, and such Person or Persons shall not be bound to see to the application or be

answerable for the loss or misapplication thereof.

12.6 Participation. Participation hereunder shall not be deemed to be the cause for, an inducement to, or a condition of the employment of any Participant. Nothing contained in the Plan or this Trust Agreement shall be deemed to give any Participant the right to be retained in the employ of any Employer, nor shall any Participant, his/her Dependents or beneficiaries, or the estate of any such Participant have any right to payment of any assets comprising the Trust Fund except as such payment may be provided under the terms of the Plan and then only to the extent that assets are available in the hands of the Trustees for the making of any such payment.

12.7 Legal Right of Action. Neither the creation of this Trust, the establishment of the Plan, the creation of the Trust Fund, nor any account under the Plan or Trust shall be construed as giving any Employer, Participant, or any other Person or Persons, any legal right against the Trustees or any Employer except as otherwise expressly provided for herein.

12.8 Adequacy of Benefits. Any Benefits payable under this Plan shall be paid or provided solely from the Trust Fund and the Trustees do not assume any liability for the adequacy thereof.

12.9 The Plan. This Trust, the Plan, the Employer Adoption Agreement and the Membership Enrollment Form are all parts of a single, integrated employee benefit system and shall be construed together. In the event of any conflict between the terms of this Trust, the Employer Adoption Agreement, the Membership Enrollment Form and the terms of the Plan, such conflict shall be resolved first by reference to the Trust, except as more specifically addressed in the Plan, then the Plan, then the Employer Adoption Agreement, then the Membership Enrollment Form.

12.10 Notices & Directions. Whenever a notice or direction is given by a Participant or Employer to the Trustees, the Trustees shall be protected in acting upon any such notice, resolution, order, certificate, or other communication believed by them to be genuine and to have been signed by the proper party or parties.

12.11 Venue. This Trust is created and accepted in the State of Washington and shall be administered and construed under the laws thereof, and all questions concerning the interpretation or legality of this Trust shall be determined in accordance with the laws of said State.

12.12 Gender. Whenever used in this Trust, the masculine gender shall include both the feminine and neuter, and wherever appropriate, the singular shall include the plural or the plural shall also be read as the singular.

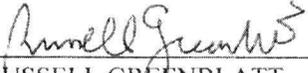
12.13 Titles. All titles used in this Trust Agreement are for purposes of identification only and shall have no bearing on the meaning, construction, or interpretation of the sections or articles to which they refer.

12.14 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and said counterparts shall constitute but one and the same instrument, there being but one Trust Agreement, and this Trust Agreement may be sufficiently evidenced by any one counterpart.

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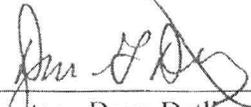
IN WITNESS WHEREOF, the Trustees have caused this Trust Agreement to be executed and attested by their duly authorized officers, and the Trustees have hereunto affixed their signatures, all as of this 1st day of February, 2007.

Approved:
KATTEN MUCHIN ROSENMAN LLP

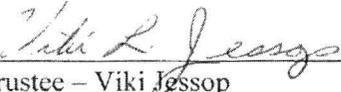


RUSSELL GREENBLATT
TRUST ATTORNEY

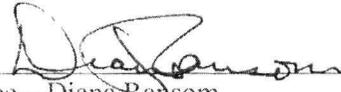
COUNTY, CITY, TOWN PUBLIC SERVICE AGENCY TRUSTEES



Trustee - Doug Detling

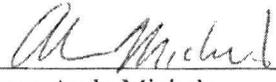


Trustee - Viki Jessop

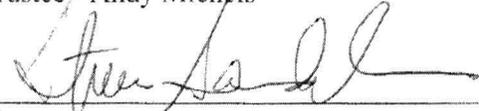


Trustee - Diana Ransom

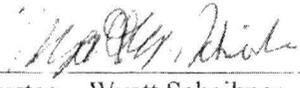
SPECIAL PURPOSE DISTRICT PUBLIC SERVICE TRUSTEES



Trustee - Andy Michels



Trustee - Steve Sandelius



Trustee - Wyatt Scheibner

VEBA Trust NW Agreement - Signatory Page
January 1, 2007

**VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION
MEDICAL EXPENSE PLAN FOR PUBLIC EMPLOYEES IN THE NORTHWEST**

**AS AMENDED AND RESTATED
January 1, 2007**

Article I.

Name, Documents & Definitions

1.1 Name. The name of this Plan is the VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION MEDICAL EXPENSE PLAN ("Plan"). It is offered by a voluntary employees' beneficiary association under Internal Revenue Code § 501(c)(9).

1.2 Plan Documents. This Plan document, together with the Trust Agreement, the individual Membership Enrollment Form, and the Employer Adoption Agreement shall constitute this entire Plan. This Plan document is hereby amended and restated and replaces the prior Plan document in its entirety.

1.3 Definitions.

1.3.1 "Administrator" means the Board of Trustees.

1.3.2 "Benefits" refers to payments or reimbursements for qualified health benefits as described in Section 5.1.

1.3.3 "Dependent" means Employee's spouse or dependent as determined under IRC § 105(b).

1.3.4 "Effective Date" for this Plan document shall be January 1, 2007.

1.3.5 "Employee" means any current or former employee of the Employer, as defined by Treasury Regulation § 1.501(c)(9)-2(b), except employees excluded as a result of collective bargaining agreements, agreements substantially similar to collective bargaining agreements, or as a result of an individual Employer's nondiscriminatory employer benefits policies.

1.3.6 "Employer" means a county, city, or town, or special purpose district, or similar entity in Washington, Oregon, and Idaho, whose purpose is to provide public services to its citizens, and is authorized to do so by state statute.

1.3.7 "Employer Account" refers to the account maintained with respect to any Employer to record its contributions which have not been allocated to Participant Accounts, and adjustments related thereto, and established for the purpose of providing benefits permitted under IRC § 501(c)(9).

1.3.8 "Employer Adoption Agreement" means an Employer Adoption Agreement executed by an Employer and accepted by the Third-party Administrator, as the same may be amended and restated or replaced from time to time.

1.3.9 "Fiduciaries" under this Plan are the Trustees and the Third-party Administrator.

1.3.10 "IRC" means the Internal Revenue Code of 1986, as amended from time to time.

1.3.11 "Investment Account" means any investment account established by the Trustees to fund benefits. The Trustees' power to invest funds is described in the Trust.

1.3.12 "Membership Enrollment Form" means the form provided by the Trustees that must be completed by the Employee in order to participate in this Plan.

1.3.13 "Participant" means an Employee for whom deposits have been received by the Trust and for whom a completed and signed Membership Enrollment Form has been received by the Third-party Administrator.

1.3.14 "Participant Account" refers to the account maintained for a Participant to record his/her share of the deposits of the Employer and adjustments relating thereto.

1.3.15 "Plan" refers to the VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION MEDICAL EXPENSE PLAN sponsored by this Trust and adopted by an Employer.

1.3.16 "Plan Year" is from October 1 to September 30, except the first year for this Plan with an effective date other than October 1 shall run from such effective date until the next September 30.

1.3.17 "Third-party Administrator" means a third-party appointed or contracted by the Trustees from time to time to administer all or a portion of the Plan.

1.3.18 "Trust or Trust Agreement" refers to the Voluntary Employees' Beneficiary Association for Public Employees in the Northwest Trust and as it may be constituted from time to time.

1.3.19 "Trustees" refers to the individuals serving as Trustees in accordance with the Trust.

Article II. **Participation**

2.1 In General. Subject to the limitations of Section 2.2, and subject to the eligibility provisions of applicable local and State law, an Employee becomes a Participant under this Plan at the time of the first Employer deposit to this Plan on behalf of the Employee, and proper completion of a Membership Enrollment Form.

2.2 Limitations. This Plan does not permit any condition for eligibility or benefits which would discriminate in favor of any class of Participants to the extent such discrimination is prohibited by applicable law.

2.3 Duration of Participation. Upon becoming a Participant in the Plan, an Employee's status as a Participant shall continue for as long as the Participant has a positive balance in any Participant Account. In addition, Participant status shall continue for two (2) consecutive Plan Years during which all Participant Accounts for such Participant remain exhausted. If a Participant Account remains exhausted for two (2) complete and consecutive Plan Years, then Employee's status as a Participant shall terminate on the first day of the Plan Year that commences immediately after such two (2) year period. An eligible Employee who has lost his or her status as a Participant may subsequently become a Participant in the Plan as prescribed in Section 2.1.

Article III.
Funding of Benefits

3.1 Contributions. Each individual Employer shall contribute to this Plan on behalf of its eligible Employees on terms pursuant to collective bargaining agreements, other written agreements, or Employer benefits policies, whichever is applicable. Employer contributions shall be specifically allocated to one or more Participant Accounts or to an Employer Account for the purpose of providing for payment of the benefits described hereinafter or maintained in an Employer Account, as directed by the Employer. The liabilities, expenses, costs and charges associated with each particular Participant and Employer Account shall be charged against the assets of the Trust held with respect to that particular Participant or Employer Account.

Article IV.
Accounts

4.1 Participant Accounts and Employer Accounts. Accounting records shall be maintained by the Third-party Administrator to reflect that portion of the Trust with respect to each Participant and with respect to each Employer (regarding its contributions which have not been allocated to Participant Accounts), and the contributions, income, losses, increases and decreases for expenses or benefit payments attributable to each such account. The Trustees shall not be required to maintain separate investments for any account.

4.2 Receipt of Deposits. Deposits for any Plan Year will be credited as received by the Trustees.

4.3 Accounting Steps. As of each calendar month, the Third-party Administrator shall:

4.3.1 FIRST, charge to each Participant Account and Employer Account all fees, payments or distributions made under this Plan to or for the benefit of the Participant or his beneficiary, or the Employer, as the case may be, that have not been charged previously;

4.3.2 SECOND, adjust each Participant Account and Employer Account upward or downward, by an amount equal to the net income or loss accrued under this Plan by the Account; and

4.3.3 THIRD, allocate and credit any Employer deposit to this Plan that is made during the month to a Participant Account or Employer Account.

4.4 Use of Employer Accounts. Funds within each Employer Account are, at the direction of the Employer, either to be allocated to Participant Accounts or to be applied in any manner permitted by IRC § 501(c)(9) and the Plan and Trust and in accordance with the rules, policies and procedures established by the Third-party Administrator.

Article V. Benefits

5.1 Description. Benefits must be payments or reimbursement for health benefits as defined by IRC §213(d) and excludable from income under IRC §§ 105 and 106, as amended from time to time. Reimbursements for health benefits are limited to health benefits not provided by Social Security, Medicare, or any other medical and health insurance contracts held by the Participants, their Dependents, or the Employer, and the reimbursements may not be made for items paid by any other insurance contract or for expenses that are deducted by the Participant under any other section of the Internal Revenue Code.

5.1.1 Commencement of Benefits. Benefits commence for expenses incurred on or after the date the Administrator receives a deposit on behalf of a Participant and in accordance with any limitations contained in the Plan Documents.

5.1.2 Expenses. Benefits are payable for expenses incurred by the Participant or the Participant's Dependents.

5.1.3 Payment of Benefits. Insurance premium payments may be paid by the Third-party Administrator directly to insurance companies, health maintenance organizations or preferred provider organizations or to the Employer for COBRA benefits, or may be reimbursed directly to the Participant. Payments for Benefits may be made directly to the service provider, or reimbursed to the Participant. Payments and reimbursements shall be made in accordance with rules and regulations established by the Third-party Administrator from time to time.

5.1.4 All Benefits will terminate when a Participant Account has no funds remaining. Notwithstanding the above, after the death of the Participant's last Dependent, any funds then remaining in the Participant Account shall be used for Benefits for the Participant's heir(s). Effective October 1, 2009, the immediately preceding sentence shall no longer be effective and instead, any remaining positive balance in deceased Participants' Accounts shall be forfeited and reallocated as directed by the Employer and in accordance with the rules, policies and procedures established by the Third-party Administrator..

Article VI.
General Provisions

6.1 Source of Benefits. The Plan's obligation to any Participant for Benefits, or to any surviving spouse or Dependent or heir for Benefits in the event of the Participant's death under the Plan shall be limited to the balance in such Participant's Participant Account. Neither the Employer, Trustees or Third-party Administrator nor any of their agents, subcontractors, representatives, agents, officers, or employees, shall be responsible for any Benefits under the Plan.

6.2 Investment of Participant Accounts and Employer Accounts. The Trustees shall determine the options to be made available through the Trust for the investment of Participant Accounts and Employer Accounts. For Participant Accounts, each Participant shall elect one or more of the options. Participant elections shall be made and changed in accordance with procedures established by the Trustees and as may be amended from time to time. Each Employer Account shall be invested by the Trustee (or a qualified investment manager appointed by the Employer) in the investment options directed by the Employer. In the event no election has been made with respect to a Participant Account or Employer Account, that Account shall be invested in one or more options whose investment objective is stable value. Separate investments shall not be required to be maintained with respect to separate Participant Accounts or Employer Accounts.

6.3 Mechanics of Payment from Participant Accounts. The Participant, or in the event of the Participant's death, a spouse or Dependent's guardian, or if no spouse or Dependent(s) remain eligible to file claims, the heir (if permitted by Section 5.1.4) may submit a request for eligible benefits to the Third-party Administrator for the Trustee:

6.3.1 To pay Benefits directly to an insurance company, health benefit plan, HMO or PPO for qualified insurance premiums, including qualified long-term care premiums; or

6.3.2 To pay Benefits to the Employer for qualified insurance premiums or COBRA premium payments; or

6.3.3 To pay Benefits to the Participant for reimbursement of qualified medical expenses and/or premiums; or

6.3.4 To pay out-of-pocket premium expenses for Medicare coverage.

6.3.5 The Third-party Administrator shall provide written notice of a denial of a request for Benefits. In the event written notice of a denial of a request for Benefits is not received by the claimant within 60 days of the date the written claim is submitted to the Third-party Administrator, the request shall be deemed denied as of that date.

6.3.6 Any claimant whose request for Benefits has been denied or deemed denied, in whole or in part, or such claimant's authorized representative, may appeal said denial of Plan benefits by submitting to the Third-party Administrator a written request for a review of such denied claim. Any such request for review must be delivered to the Third-party Administrator no later than sixty (60) days from the date the claimant received written notification of the Third-party Administrator's initial denial of the

claimant's request for Benefits or from the date the claim was deemed denied, unless the Third-party Administrator, upon the written application of the claimant or his authorized representative, shall in its discretion agree in writing to an extension of said period.

6.3.7 During the period prescribed in paragraph 6.3.6 for filing a request for review of a denied claim, the Third-party Administrator shall permit the claimant to review pertinent documents and submit written issues and comments concerning the claimant's request for Benefits.

6.3.8 Upon receiving a request by a claimant, or his authorized representative, for a review of a denied claim, the Third-party Administrator shall deliver the complete file to the Trustees, who shall consider such request promptly and shall advise the claimant of their decision within sixty (60) days from the date on which said request for review was received by the Third-party Administrator, unless special circumstances require an extension of time for reviewing said denied claim. In the event special circumstances require an extension of time for reviewing said denied claim, the Third-party Administrator shall, prior to the expiration of the initial 60-day period referred to above, provide the claimant with written notice of the extension and of the special circumstances which require such extension and of the date by which the Trustees expect to render their decision. In no event shall such extension exceed a period of one hundred twenty (120) days from the date on which the claimant's request for review was received by the Third-party Administrator. The Trustees' decision shall be furnished to the claimant and shall:

- 6.3.8.1 Be written in a manner calculated to be understood by the claimant;
- 6.3.8.2 Include specific reasons for their decision; and
- 6.3.8.3 Include specific references to the pertinent Plan provisions on which the decision is based.

6.3.9 The Trustees may, in their discretion, determine that a hearing is required in order to properly consider the claimant's request for review of a denied claim. In the event the Trustees determine that such hearing is required, such determination shall, in and of itself, constitute special circumstances permitting an extension of time in which to consider the claimant's request for review.

6.3.10 The claims procedures set forth in this Article 6 shall be strictly adhered to by each Participant or Dependent under this Plan, and no judicial or arbitration proceedings with respect to any claim for Plan benefits hereunder shall be commenced by any such Participant or Dependent until the proceedings set forth herein have been exhausted in full.

6.4 Mechanics of Payment from Employer Accounts. The Employer, or its agent or authorized officer, may submit a request to the Third-party Administrator to transfer funds from the Employer's Account to be allocated to Participant Accounts or applied in any manner permitted by IRC § 501(c)(9) and the Plan and Trust and in accordance with the rules, policies and procedures established by the Third-party Administrator in accordance with the rules, policies and procedures established by the Third-party Administrator.

Article VII.
Administrator

7.1 Rights & Duties. The Trustees shall enforce this Plan in accordance with its terms and shall be charged with its general administration. The Trustees may delegate administrative duties to the Third-party Administrator. The Third-party Administrator shall exercise all of its discretion in a uniform, nondiscriminatory manner and shall have all necessary power to accomplish those purposes, including but not limited to the power:

7.1.1 To determine all questions relating to the eligibility of Employees to participate.

7.1.2 To compute and certify to the Trustees the amount and kind of benefits payable to the Participants and their Dependents.

7.1.3 To maintain all the necessary records for the administration of this Plan other than those maintained by the Trustees.

7.1.4 To prepare and file or distribute all reports and notices required by law.

7.1.5 To authorize all the disbursements by the Trustees from the Trust.

7.1.6 To direct the investments to be made by the Trustees in a manner consistent with the objectives of the Plan and authorized by the Trust.

7.1.7 To make and publish such rules for the regulation of this Plan that are not inconsistent with the terms hereof.

7.1.8 If a Third-party Administrator has been named, it shall assume and perform each and every duty and responsibility delegated to it by the Trustees.

7.2 Information. To enable the Third-party Administrator to perform its functions, the Employer shall supply it with full and timely information on all matters relating to Employer deposits on behalf of a Participant and Participant entitlement to benefits. The Employer shall also supply the Third-party Administrator with full and timely information on all matters relating to Employer deposits to an Employer Account. The Third-party Administrator shall maintain such information and advise the Trustees of such other information as may be pertinent to the Trustees' administration of the Trust.

7.2.1 The Trust shall forward to each Participant information necessary to use their Participant Account and receive reimbursement of Benefits. The information will include a summary of the Plan, including claim procedures and forms.

7.2.2 The Trust shall also mail within a reasonable amount of time after receipt of the deposit a written acknowledgement to the Participant with a Participant Account or the Employer with an Employer Account, whichever is applicable, acknowledging establishment of the Participant Account or Employer Account; confirmation of the amount received; a description of the Plan and information on filing claims with copies of the necessary forms, if applicable; and a toll-free contact telephone number for error corrections or questions.

7.2.3 The Trust shall provide a written statement prepared upon a Participant's or Employer's request, and at least semi-annually in January and July for each Participant and Employer, which shall include the following information: Participant's or Employer's name and address, whichever is applicable; account number; contributions; total Account value at statement date; interest earned or other shared gain or loss; payout and disbursement activities, ending/forward balance; toll-free contact telephone number for error corrections or questions on reading the statement.

7.3 **Compensation & Expenses.** All expenses of administering the Plan shall be paid by reasonable reductions of investment earnings and/or assessments from Participant Accounts, allocated in a nondiscriminatory manner along similarly situated employees, as determined by the Trustees from time to time. The Employer shall not be responsible for any such expenses allocated to Participant Accounts. Reasonable expenses and/or assessments associated with administering Employer Accounts as determined by the Trustees from time to time shall be paid by reasonable reductions of investment earnings and/or assessments from Employer Accounts .

7.4 **Consultants, Advisors & Managers.** The Trustees may employ such consultants, advisors, and investment managers as they reasonably deem necessary or useful in carrying out their duties hereunder, all of which shall be considered expenses of administering the Plan.

7.5 **Liability Limitation.** The Employer, the Administrator and the Third-party Administrator shall not be liable for the acts or omissions to act of any investment manager appointed to manage the assets of the Plan and Trust. The Trustees shall not be liable for the acts or omissions to act of any investment manager appointed to manage the assets of the Plan and Trust if the Trustee in appointing and monitoring such manager acted with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person would use in the conduct of an enterprise of a like character and with like aims.

7.6 **Notices & Directions.** The address for delivery of all communications shall be, for the Employer, the principal office of the Employer marked to the attention of the Personnel Director of the Employer (or other person designated by the employer), for the Third-party Administrator, the address certified by it for such purpose, and for the Trustees, the address certified by it for such purpose.

7.7 **Funding Policy & Procedures.** The Trustees shall formulate policies, practices, and procedures to carry out the funding of the Plan, which shall be consistent with the Plan objectives and the provisions of applicable law.

Article VIII. **Amendment & Termination**

8.1 **Permanency.** It is the expectation of the Employer that this Plan, and the payment of deposits hereunder, will be continued indefinitely, but continuance of this Plan is not assumed as a contractual obligation of the Employer. This Plan may be amended or terminated only as provided in this Article.

8.2 Exclusive Benefit Rule. It shall be impossible for any part of the deposits in Participant Accounts under this Plan to be used for, or diverted to, purposes other than the exclusive benefit of the Participants or their Dependents.

8.3 Amendments.

8.3.1 The Trustees shall have the right to amend this Plan from time to time, and to amend or cancel any such amendments in accordance with Article III of the Trust.

8.3.2 Such amendments shall be as set forth in an instrument in writing executed by the Trustees. Any amendment may be current, retroactive, or prospective, in each case as provided therein and provided, however, that such amendment must comply with Article III of the Trust Agreement.

8.4 Discontinuance of Contributions. The Employer shall have the right to discontinue contributions without prior notice by delivering written notice of termination to the Trustees.

8.5 Termination of Plan. The Trustees shall have the right to terminate this Plan without prior notice unless required by law by delivering written notice of termination to the Employer and Participants. In case of termination, the Trustees shall also notify the Employers and Participants of the Trustees' decision with regard to disposition of the assets, based on the following options:

- a. A direct in-kind transfer of assets to a substantially similar 501(c)(9) trust;
- b. A series of installment payments over a set period of the assets from the Trust attributable to this Plan to another 501(c)(9) trust; or
- c. An immediate cash payment to another IRC § 501(c)(9) trust or another program, including an IRC § 115 trust or program, providing benefits permitted by IRC § 501(c)(9), subject to any contractual adjustments due upon such a transfer.

In any event, the Employer and the Trustees shall work to prevent adverse consequences to other Employers contributing to and Participants in the Trust as a result of any Employer's decision or action with respect to these options. An Employer whose Employer Account or whose Employees' Participant Accounts are to be transferred from the Trust agrees to pay the Trust all reasonable costs resulting from the disposition or transfer of the assets that are to be transferred.

Article IX.
Miscellaneous

9.1 The Trust. This Plan, the Trust, the Employer Adoption Agreement and the Membership Enrollment Form are all parts of a single, integrated employee benefit system and shall be construed together. In the event of any conflict between the terms of this Plan and the Membership Enrollment Form, the Employer Adoption Agreement and the terms of the Trust, such conflict shall be resolved first by reference to the Trust, except as more specifically addressed in the Plan, then the Plan, then the Employer Adoption Agreement, then the Membership Enrollment Form.

9.2 Applicable Law. Except as required in § 514 of the Employee Retirement Income Security Act of 1974 ("ERISA"), this Plan shall be construed, administered, and governed under the laws of the State of Washington. If any provision of this Plan shall be invalid or unenforceable, the remaining provisions hereof shall continue to be fully effective.

9.3 Gender & Number. Words used in the masculine shall apply to the feminine where applicable, and when the context requires, the plural shall be read as the singular and singular as the plural.

9.4 Headings. Headings used in this Plan are inserted for convenience of reference only, and any conflict between such headings and the text shall be resolved in favor of the text.

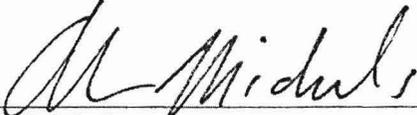
9.5 Unclaimed Accounts. In the event 3 years shall have passed since the date that a Participant Account which is payable has had contributions made to it, withdrawals made from it, or communications or other expressions of interest received by the Third-party Administrator from or on behalf of the Participant, the Participant Account shall be disposed of in accordance with the applicable state statute for unclaimed or abandoned property.

9.6 Limitation on Rights. Neither the establishment of this Plan, nor any modification or amendment thereof, nor the payment of any benefits, nor the issuance of any insurance contracts shall be construed as giving any Participant, or any person whomsoever, any legal or equitable right against the Trustees, the State of Washington, its agencies, officers, employees, and institutions of higher education, or the Employer or Administrator or Third-party Administrator or any of their agents or employees, nor any right to the assets of the Plan.

9.7 Assignment. The interest of any Participant or Employer in any assets held on his or its behalf by the Trustee shall not be subject to assignment or alienation, either by voluntary or involuntary act of the Participant or by operation of law, and shall not be subject to assignment, attachment, execution, garnishment, or any other legal or equitable process, except to the extent required by law.

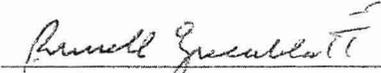
9.8 Counterparts. This Plan may be adopted in an original and any number of counterparts, each of which shall be deemed to be an original of one and the same instrument.

IN WITNESS WHEREOF, Andy Michels, Chairman of the Board of Trustees,
being duly authorized, on this 24 day of January, 2007 signed this Plan Document.

By: 
Andy Michels

Approved:

KATTEN MUCHIN ROSENMAN LLP

By: 
Russell Greenblatt
Trust Attorney

CITY OF MARYSVILLE

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: September 28, 2009

AGENDA ITEM: Housing Authority of Snohomish County	AGENDA SECTION: New Business	
PREPARED BY: Gloria Hirashima, Community Development Director	APPROVED BY:	
ATTACHMENTS: 1. Letter from Housing Authority of Snohomish County dated 8/14/09 2. Draft Resolution		
	MAYOR	CAO
BUDGET CODE:	AMOUNT:	

DESCRIPTION:

The Housing Authority of Snohomish County has a commitment from Snohomish County to receive Neighborhood Stabilization Program (NSP) funds to acquire property within the City of Marysville for the purpose of constructing and operating a multi-family apartment building.

In order for the Housing Authority (“Authority”) to proceed with the purchase, they are requesting that the city adopt a resolution declaring a need for the Authority to function within its boundary. The Housing Authority currently owns and maintains other housing within the City and has worked cooperatively with the City to address housing needs in the Marysville area.

RECOMMENDED ACTION: City staff recommends the City Council approve and authorize the Mayor to sign the <i>Resolution</i> .

COUNCIL ACTION:

**CITY OF MARYSVILLE
Marysville, Washington**

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY OF MARYSVILLE DECLARING THE
NEED FOR THE HOUSING AUTHORITY OF SNOHOMISH COUNTY
TO ACQUIRE AND OPERATE REAL PROPERTY WITHIN THE
BOUNDARIES OF THE CITY OF MARYSVILLE.**

WHEREAS, the City of Marysville has not yet activated the Housing Authority of the City of Marysville for all areas of the City pursuant to Chapter 35.82 RCW; and

WHEREAS, RCW 35.82.070(13) provides that a housing authority may exercise its powers outside of its area of operation under certain conditions; and

WHEREAS, the Housing Authority of Snohomish County desires to acquire and operate property located in the City at 1222 Ash Avenue and 1219 Beach Avenue (“the Project”);

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

SECTION 1. Declaration of Need. The City declares that there is a need for the Housing Authority to exercise its powers within the boundaries of the City in connection with the acquisition and operation of the Project, and hereby requests and authorizes the Housing Authority of Snohomish County to so exercise its powers in connection with the Project.

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

PASSED by the City Council and approved by the Mayor this _____ day of _____, 2009.

CITY OF MARYSVILLE

By _____
DENNIS L. KENDALL, MAYOR

ATTEST:

By _____
TRACY JEFFRIES, CITY CLERK

Approved as to form:

By _____
GRANT K. WEED, CITY ATTORNEY

Date of Publication: _____

Effective Date (5 days after publication): _____