

Next Ord: 1720-11  
Next Res: 853-11

VISION STATEMENT

SEDRO-WOOLLEY IS A FRIENDLY CITY THAT IS CHARACTERIZED BY CITY GOVERNMENT AND CITIZENS WORKING TOGETHER TO ACHIEVE A PROSPEROUS, VIBRANT AND SAFE COMMUNITY

MISSION STATEMENT

TO PROVIDE SERVICES AND OPPORTUNITIES WHICH CREATE A COMMUNITY WHERE PEOPLE CHOOSE TO LIVE, WORK AND PLAY

**CITY COUNCIL AGENDA**

**November 9, 2011**

**7:00 PM**

**Sedro-Woolley Municipal Building**

**Council Chambers**

**325 Metcalf Street**

1. Call to Order
2. Pledge of Allegiance
3. Consent Calendar

NOTE: Agenda items on the Consent Calendar are considered routine in nature and may be adopted by the council by a single motion, unless any Councilmember wishes an item to be removed. The Council on the regular agenda will consider any item so removed after the Consent Calendar.

- a. Minutes from Previous Meeting (Including November 2, 2011 Work Session)
  - b. Finance
    - Claim Checks #73178 to #73257 in the amount of \$391,773.36. (Voided Check #73195)
    - Payroll Checks #51634 to #51739 in the amount of \$252,802.32.
  - c. Memo of Agreement with EMC for Maintaining Tactical Radio Infrastructure
  - d. Second Amended Agreement for Fire and Emergency Medical Services and Joint Operation of Facilities with Fire District No. 8
  - e. Setting a Public Hearing on November 22, 2012 to consider adoption of the 2012 Budget
  - f. Final Acceptance - 2011 Sanitary Sewer Pipeline and Manhole Improvements Project - SRV Construction Inc.
  - g. Agreement for Legal Services - Jennifer Bouwens
  - h. Employment Contract - Fire Chief Dean Klinger
  - i. Employment Contract - Police Chief Doug Wood
  - j. Resolution 852-11 - Appointing Brian Stiles as Judge for the Municipal Court
4. Proclamation - United Way
  5. Public Comment (Limited to 3-5 minutes)

**PUBLIC HEARING**

6. Storm Water Utility Rate Increase (2<sup>nd</sup> reading)
7. Property Tax Levy Ordinances (1<sup>st</sup> reading)

**UNFINISHED BUSINESS**

8. Ordinance - Business License Title Update (2<sup>nd</sup> reading)

**NEW BUSINESS**

9. 2012 Budget (1<sup>st</sup> reading)
10. Personnel Policies Update
11. Sedro-Woolley Community Skate Park

**COMMITTEE REPORTS AND REPORTS FROM OFFICERS**

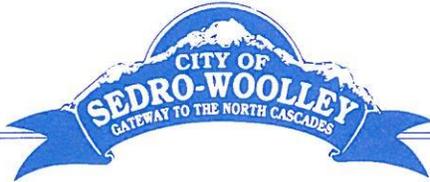
12. SR 20 Widening Project Update

*There may be an Executive Session immediately preceding, during or following the meeting.*

CITY COUNCIL AGENDA  
REGULAR MEETING

NOV 09 2011

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 1-3



DATE: November 9, 2011  
TO: Mayor Anderson and City Council  
FROM: Patsy Nelson, Finance Director  
SUBJECT: 1) CALL TO ORDER; 2) PLEDGE OF ALLEGIANCE; 3) CONSENT  
CALENDAR

1. CALL TO ORDER - The Mayor will call the November 9, 2011 Regular Meeting to Order. The Finance Director will note those in attendance and those absent.

\_\_\_ Ward 1 Councilmember Pat Colgan  
\_\_\_ Ward 2 Councilmember Tony Splane  
\_\_\_ Ward 3 Councilmember Thomas Storrs  
\_\_\_ Ward 4 Councilmember Keith Wagoner  
\_\_\_ Ward 5 Councilmember Hugh Galbraith  
\_\_\_ Ward 6 Councilmember Rick Lemley  
\_\_\_ At-Large Councilmember Brett Sandström

2. PLEDGE OF ALLEGIANCE - The Mayor will lead the City Council and citizens in the Pledge of Allegiance to the United States of America.
3. CONSENT CALENDAR - Mayor will ask for Council approval of Consent Calendar items.

NOV 09 2011

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CITY OF SEDRO-WOOLLEY  
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7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 32

Regular Meeting of the City Council  
October 26, 2011 – 7:00 P.M. –City Hall Council Chambers

ROLL CALL: Present: Mayor Mike Anderson, Councilmembers: Pat Colgan, Tony Splane, Tom Storrs, Hugh Galbraith, Rick Lemley and Brett Sandström. Staff: Recorder Brue, Finance Director Nelson, City Supervisor/Attorney Berg, Planner Moore, Fire Chief Klinger and Police Sgt. Dougher.

The Meeting was called to order at 7:00 P.M.

Pledge of Allegiance

Consent Calendar

- Minutes from Previous Meeting
- Finance
  - Claim Checks #73072 to #73177 in the amount of \$734,727.99.
  - Payroll Checks #51528 to #51633 in the amount of \$186,410.24.
- Interlocal Agreement – Upper Skagit Community for Reciprocal Library Borrowing
- Interlocal Agreement – LaConner Regional Library District for Reciprocal Library Borrowing
- Interlocal Agreement – Skagit County for Provision of Community Services – 2012
- Interlocal Agreement – Skagit County for Work Performed, Materials, and Use of Equipment with Operator
- Request for Approval of Interagency Agreement – FY2012-2013 Puget Sound Local Source Control Specialists Partnership
- Frontier Communications PRI Contract Renewal

Councilmember Colgan moved to approve the consent calendar Items A through H. Seconded by Councilmember Storrs. Motion carried (6-0).

Public Comment

Gerald Chandler – 606 Greenstreet Blvd., representing the Volunteer Firefighters addressed the Council on the upcoming benefit BBQ to be held Saturday, October 29<sup>th</sup> at the Community Center from 11-6:00 P.M. The BBQ will benefit Ryan Lockwood a 26 year volunteer who has had some serious medical issues with no insurance coverage. Chandler encouraged all to attend or consider a donation.

City Supervisor/Attorney Berg reported on a conversation with Jim Bower of Barbury Cove. Barbury Cove is a small boat manufacturing facility located at 500 Metcalf St.

The letter expressed unfairness in requiring garbage service that is neither needed nor wanted. Bower expressed belief the policy to be unconstitutional under the commerce clause. In discussion with Bower, Berg said he told him he would go on record on his behalf with his comments to the Council.

Councilmember Splane expressed an interest in exempting him from the garbage requirement in order to encourage his business in hopes that it will grow.

Discussion ensued regarding the compulsory fee system, illegal dumping, snowbirds, encouragement to stay and expand businesses and effect of compulsory fee system on illegal dumping.

Berg noted he will contact Bower to inform him that the Council held a good discussion regarding his comments and invite him to attend a Council meeting to express his concerns in person for consideration.

Councilmember Lemley – questioned the outcome of the Boots to Burn event held this past weekend. Gerald Chandler noted the event brought in approximately \$20,000 with minimal expense. The proceeds benefit the Northwest Children's Burn Foundation and Camp Phoenix.

## **PUBLIC HEARING**

### Redistricting

City Supervisor/Attorney Berg reviewed the proposed redistricting. He noted the County Auditor expressed concern with the mapping not being possible without the hiring of a consultant, however, after checking with the County GIS department they are satisfied with the work completed in-house. Berg noted there may be a bill from the County for a review of the voting precincts.

Mayor Anderson opened the public hearing at 7:14 PM.

Mayor Anderson closed the public hearing at 7:14:30 P.M.

Councilmember Lemley moved to approve Ordinance No. 1718-11 An Ordinance Amending SWMC 1.12 to Adjust the Boundaries of the City's Wards Following the 2010 U.S. Census. Seconded by Councilmember Splane. Motion carried (6-0).

## **UNFINISHED BUSINESS**

### Retaining Impact Fee and General Facility Charge Credits for Buildings that are Demolished

Planner Moore reviewed the proposed ordinance for credits for buildings that are demolished. He noted this will be considered a 1<sup>st</sup> read due to the substantial changes

from what was originally presented. The proposed ordinance incorporates several aspects discussed at the Council worksession. The items incorporated into the ordinance are 1) No expiration date; 2) Record credit certificate on property; 3) Monthly sewer to be paid at 50% of the current rate; and 4) Credits are not transferrable to another property. Moore expressed concern of item 3 and entertained additional questions or comments from Council.

Discussion ensued regarding policies of neighboring cities, debt obligations for sewer, properties on septic, purpose of ordinance to get rid of abandoned buildings by giving incentives, obligation to sewer fund and affect on buildings already demolished.

Moore noted that being a first read no decision is expected.

Council requested a report at the next meeting on 1) How many vacant lots are currently paying for sewer; 2) Number of code enforcement issues within the past five years; and 3) Policies of other neighboring cities.

## **NEW BUSINESS**

### Park Fee Ordinance – Community Center Rates for Annual Users

City Supervisor/Attorney Berg introduced the Park Fee Ordinance. He noted this would be a good candidate for action even though it is a first read. He reported currently there is an annual user of the Community Center that has expressed concern of the recent rate increases. The proposed ordinance would establish a new rate for annual users of \$175.00 per use. Annual users are defined as qualified users on a reoccurring basis of at least three times per month, each month of the year.

Discussion ensued regarding possible lease with the party for a full year commitment and questioned the discontinuation of a rule from 1976 which limited rental to a maximum of one time per month.

Councilmember Sandström moved to adopt Ordinance No. 1719-11 An Ordinance Establishing a New Rental Rate for Annual Users of the Community Center.

Councilmember Splane seconded. Motion carried (6-0).

### Stormwater Utility

City Supervisor/Attorney Berg presented a history and information regarding the proposed ordinance. He noted that at the time of implementation of the Stormwater Utility Council chose to charge far under the amount recommended. The City is facing additional mandates under the NPDES Phase II permits which have driven the costs to an unsustainable level at current rates. Berg reported the utilities committee met and is recommending a rate increase of \$1.75 per month per ERU. Some of the additional requirements include inspections and cleaning 100% of the stormwater system with deadlines approaching, annual inspections, and enforcement of privately owned

stormwater systems and public education, inspections and enforcement of non point source pollution issues such as car washes. The reason the state is requiring is because the number one source of pollution in the Puget Sound is stormwater runoff.

Discussion took place of what the increase would cover with direction requested from the Council in order to continue with preparation of the draft budget.

## **COMMITTEE RPORTS AND REPORTS FROM OFFICERS**

### SR 20 Widening Project Update

City Supervisor/Attorney Berg reported on the progress of the SR20 Widening Project in the absence of Engineer Freiburger. Some discussion ensued regarding the functional swale in front of Three Rivers with Fire Chief Klinger questioning if there are plans for a guard rail.

Police Sgt. Dougher – reported some activity in the local bars which caused problems. She noted they do have a plan in place for the upcoming weekend as it is Halloween weekend.

Fire Chief Klinger – again reminded Council of the fundraiser for Ryan Lockwood and also reported the Boot to Burn event was very successful. He thanked everyone for their support.

Planner Moore – pointed out general information regarding mobile vendors placed in the Council packets.

City Supervisor/Attorney Berg – reviewed a proposed agreement with the Sedro-Woolley Rotary Club regarding AV equipment. Berg requested Council authorization for the Mayor to enter into an agreement. He also noted the Rotary Club plans to purchase 100 new chairs for the community center.

Councilmember Lemley requested direction for abstaining from the vote as he is a board member of Rotary.

Councilmember Colgan moved to authorize the Mayor to sign the agreement regarding Audio/Visual Equipment with the Rotary. Seconded by Councilmember Storrs.

Councilmember Sandström cautioned regarding public use of the AV equipment and questioned whether limitations should be placed. City Supervisor/Attorney Berg noted that the equipment would be in connection with the use of the building at an additional fee to be determined at a later time. Some discussion followed.

Motion carried (5-0-1 Councilmember Lemley abstained).

City Supervisor/Attorney Berg – reported the 2012 Budget has been very difficult with cost increases outweighing the anticipated revenues. He noted there is less room for flexibility as a result of budget cuts in 2009 and 2010. The short term savings tools have also been utilized to the point they are no longer available. The balanced budget will be presented at the worksession on November 2<sup>nd</sup> in the Fire Training Room beginning at 7:00 P.M.

Councilmember Colgan – announced the Halloween Parade on Monday starting at 5:00 P.M.

Councilmember Splane – questioned construction activity on Northern Ave.

Fire Chief Klinger noted the project is a PUD project and they are doing an upgrade of the water line with three new hydrants as part of their ongoing water line maintenance.

Councilmember Galbraith – questioned the activity at the old Forest Service building.

City Supervisor/Attorney Berg noted the tribe continues to move forward with cleaning of the building in order to relocate their tribal office once completed. Plans are also moving forward for a walk in clinic and pharmacy.

Councilmember Sandström – thanked the graffiti patrol for their quick response to a spray paint incident in his alley. He also reported on the two residents in the cemetery as shown by the census for redistricting.

The meeting was adjourned to Executive Session at 7:56 P.M. for the purpose of collective bargaining under RCW 42.30.140 (4) with no decision anticipated. The length of the session is expected to be approximately 15 minutes.

The meeting reconvened at 8:18 P.M.

Councilmember Splane moved to adjourn. Seconded by Councilmember Galbraith. Motion carried.

The meeting adjourned at 8:18 P.M.

NOV 09 2011

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CITY OF SEDRO-WOOLLEY  
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7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 3a

Council Worksession

November 2, 2011 – 7:00 P.M. – Public Safety Training Room

The worksession was called to order at 7:00 P.M. by Mayor Mike Anderson.

ROLL CALL: Present: Mayor Mike Anderson, Councilmembers: Tom Storrs, Tony Splane, Pat Colgan, Keith Wagoner, Hugh Galbraith, Rick Lemley and Brett Sandström. Staff: City Supervisor/Attorney Berg, Finance Director Nelson, Fire Chief Klinger, Engineer Freiburger and WWTP Supervisor Allen.

### **Mayors 2012 Preliminary Budget**

- City Supervisor/Attorney Berg discussed the big picture of the 2012 Preliminary Budget. He discussed increased costs and additional cost cuts which would result in reduced services, a proposed reorganization of public works and unusual items. Finance Director Nelson added to the discussion reviewing revenue projections, cash balances, 2011/2012 comparisons and fund ratios.

### **Emergency Sewer Repair**

- Engineer Frieberger explained the issue of a missing stub in the Fruitdale area and the cost incurred when the Citizen attempted to connect.

Councilmember Galbraith moved to authorize the Mayor to award contract 2011-PW-22 with L.A. Excavation & Selective Logging, Inc. of Clear Lake, WA on an emergency basis with cost not to exceed \$20,000. Seconded by Councilmember Splane. Motion carried (7-0).

### **Solid Waste Privatization**

- City Supervisor/Attorney Berg reported on an exploratory meeting with Waste Management resulting in much discussion. Berg will research and report back on Council's additional questions.

### **Executive Session**

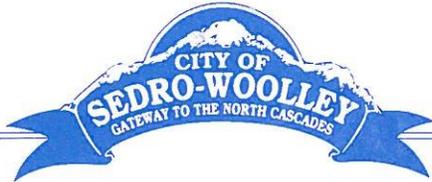
- The worksession adjourned to executive session at 9:10 P.M. for the purpose of collective bargaining under RCW 42.30.140(4) for approximately 20 minutes with no decision anticipated.

The worksession reconvened at 9:30 P.M.

The worksession adjourned at 9:30 P.M. with all in favor.

NOV 09 2011

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 36



DATE: November 9, 2011  
TO: Mayor Anderson and City Council  
FROM: Patsy Nelson, Finance Director  
SUBJECT: FINANCE - CLAIMS

Attached you will find the Claim Checks register proposed for payment for the period ending November 9, 2011.

Motion to approve Claim Checks #73178 to #73257 in the amount of \$391,773.36. (Voided Check #73195)

Motion to approve Payroll Checks #51634 to #51739 in the amount of \$252,802.32.

If you have any comments, questions or concerns, please contact me for information during the working day at 855-1661. This will allow me to look up the invoices that are stored in our office.

CITY OF SEDRO-WOLLEY  
 SORTED TRANSACTION WARRANT REGISTER  
 11/09/2011 (Printed 11/04/2011 09:39)

PAGE 1

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
73178	A-1 MOBILE LOCK & KEY	REPAIRS/MAINT-EQUIP	SAN	876.42
		WARRANT TOTAL		876.42
73179	ADS EQUIPMENT INC	MAINT OF PUMPING EQUIP	SWR	129.61
		WARRANT TOTAL		129.61
73180	ANDERSON, MIKE	MEALS/TRAVEL	EXE	41.82
		WARRANT TOTAL		41.82
73181	ARAMARK UNIFORM SERVICES	MISC-LAUNDRY	CEM	5.60
		MISC-LAUNDRY	ST	6.74
		LAUNDRY	SWR	7.51
		WARRANT TOTAL		19.85
73182	ASSOC PETROLEUM PRODUCTS	AUTO FUEL	CS	171.44
		AUTO FUEL	PD	67.28
		AUTO FUEL	PD	75.79
		AUTO FUEL	PD	1,677.31
		AUTO FUEL/DIESEL	FD	609.95
		AUTO FUEL/DIESEL	CEM	73.79
		AUTO FUEL/DIESEL	ST	255.99
		AUTO FUEL/DIESEL	ST	335.41
		AUTO FUEL/DIESEL	ST	264.30
		AUTO FUEL/DIESEL	SWR	100.93
		AUTO FUEL/DIESEL	SWR	225.28
		AUTO FUEL/DIESEL	SWR	54.49
		AUTO FUEL/DIESEL	SAN	1,467.49
		AUTO FUEL/DIESEL	SAN	2,535.01
		AUTO FUEL/DIESEL	SAN	70.49
		AUTO FUEL/DIESEL	SWTR	126.45
		AUTO FUEL/DIESEL	SWTR	245.37
		WARRANT TOTAL		8,356.77
73183	AT & T	TELEPHONE	FIN	12.62
		TELEPHONE	LGL	5.74
		TELEPHONE	IT	3.45
		TELEPHONE	PLN	1.14
		TELEPHONE	ENG	16.06
		TELEPHONE	PD	47.03
		TELEPHONE	FD	9.18
		TELEPHONE	INSP	2.29
		TELEPHONE	ST	4.58
		TELEPHONE	LIB	2.29
		TELEPHONE	SWR	5.74
		TELEPHONE	SAN	4.58
		WARRANT TOTAL		114.70
73184	BANK OF NEW YORK MELLON	BOND PRINCIPAL-G/O BONDS		165,000.00
		BOND INTEREST-G/O BONDS		23,175.00
		BOND INTEREST		52,400.00
		WARRANT TOTAL		240,575.00

CITY OF SEDRO-WOLLEY  
 SORTED TRANSACTION WARRANT REGISTER  
 11/09/2011 (Printed 11/04/2011 09:39)

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
73185	BANK OF AMERICA	SUPPLIES	LIB	22.94
		WARRANT TOTAL		22.94
73186	BAY CITY SUPPLY	OPERATING SUP - CITY HALL	PK	290.03
		OPERATING SUPPLIES	SAN	54.66
		WARRANT TOTAL		344.69
73187	BERG VAULT COMPANY	LINERS	CEM	124.00
		WARRANT TOTAL		124.00
73188	BIOSCIENCE, INC.	MAINTENANCE OF LINES	SWR	1,725.00
		WARRANT TOTAL		1,725.00
73189	CEDRA EMERGENCY PHYSICIANS	PRISONERS	PD	686.00
		WARRANT TOTAL		686.00
73190	CENTRAL WELDING SUPPLY	REPAIR/MAINT-STREETS	ST	51.26
		REPAIR/MAINT-STREETS	ST	146.39
		WARRANT TOTAL		197.65
73191	CODE PUBLISHING INC.	CODE BOOK	LGS	328.83
		WARRANT TOTAL		328.83
73192	COLEMAN, JOHN	EMPLOYEE WELLNESS	PLN	20.25
		WARRANT TOTAL		20.25
73193	COLLINS OFFICE SUPPLY, INC	SUPPLIES	FIN	19.02
		SUPPLIES	FIN	32.33
		OFFICE/OPERATING SUPPLIES	PD	10.36
		OFFICE/OPERATING SUPPLIES	PD	28.11
		WARRANT TOTAL		89.82
73194	COMCAST	INTERNET SERVICES	IT	104.90
		WARRANT TOTAL		104.90
73196	CORRECTIONAL INDUSTRIES	PROFES. SVCS. REIMBURSE	ENG	5.93
		PROFES. SVCS. REIMBURSE	ENG	5.93
		PROFES. SVCS. REIMBURSE	ENG	28.89
		WARRANT TOTAL		40.75
73197	CUES	MAINTENANCE OF LINES	SWR	446.27
		MAINTENANCE OF LINES	SWR	752.57
		WARRANT TOTAL		1,198.84
73198	E & E LUMBER	MACHINERY & EQUIPMENT	PD	15.34
		REPAIRS/MT-RIVERFRONT	PK	14.88
		REPAIR/MT-SENIOR CENTER	PK	21.61
		REPAIR/MT-LIONS ROADSIDE PARK		11.25
		MAINTENANCE OF LINES	SWR	31.92
		MAINT OF GENERAL EQUIP	SWR	9.91
		OPERATING SUPPLIES	SWR	21.86
		SMALL TOOLS & MINOR EQUIP	SWR	13.34

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WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
		WARRANT TOTAL		140.11
73199	ENTERPRISE OFFICE SYSTEMS	SUPPLIES	FIN	149.24
		SUPPLIES	FIN	74.92
		WARRANT TOTAL		224.16
73200	EMERGENCY MEDICAL PRODUCTS INC	OPERATING SUPPLIES	FD	355.90
		WARRANT TOTAL		355.90
73201	FRONTIER	TELEPHONE	PD	53.00
		TELEPHONE	FD	135.22
		TELEPHONE	PK	82.30
		PUBLIC UTILITIES-CITY HALL	PK	29.48
		TELEPHONE	CEM	60.12
		TELEPHONE	LIB	105.82
		TELEPHONE	SWR	236.47
		TELEPHONE	SAN	52.75
		WARRANT TOTAL		755.16
73202	GAYLORD BROS.	SUPPLIES	LIB	143.96
		WARRANT TOTAL		143.96
73203	GREAT AMERICA LEASING COR	REPAIR/MAINTENANCE-EQUIP	LIB	139.63
		WARRANT TOTAL		139.63
73204	HONEY BUCKET	UTILITIES-PORTABLE TOILETS	PK	75.00
		WARRANT TOTAL		75.00
73205	HUMANE SOCIETY OF SKAGIT	HUMANE SOCIETY	PD	198.00
		WARRANT TOTAL		198.00
73206	IKON OFFICE SOLUTIONS	REPAIRS & MAINTENANCE	PD	27.20
		REPAIRS/MAINT-EQUIP	FD	27.20
		WARRANT TOTAL		54.40
73207	INGRAM LIBRARY SERVICES	BOOKS, PERIOD, RECORDS	LIB	20.24
		BOOKS, PERIOD, RECORDS	LIB	267.24
		BOOKS, PERIOD, RECORDS	LIB	20.73
		WARRANT TOTAL		308.21
73208	JOHN, RONALD	LEOFF & PERS RETIREMENT	PD	78.00
		WARRANT TOTAL		78.00
73209	KESTI, KEVIN	FEES-CDL ENDORCEMENT	ST	110.00
		WARRANT TOTAL		110.00
73210	LANGUAGE EXCH. INC. (THE)	LANGUAGE INTERPRETER	JUD	232.00
		WARRANT TOTAL		232.00
73211	LAST LEAF PRODUCTIONS	SUMMER READ PROGRAM	LIB	250.00
		WARRANT TOTAL		250.00

CITY OF SEDRO-WOOLLEY  
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WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
73212	LEMLEY CHAPEL INC	CEMETERY FEES		10.00
		WARRANT TOTAL		10.00
73213	MOTOR TRUCKS, INC.	REPAIRS/MAINT-EQUIP	SAN	4,268.47
		OPERATING SUPPLIES	SAN	15.15
		WARRANT TOTAL		4,283.62
73214	NAT'L GEOGRAPHIC SOCIETY	BOOKS, PERIOD, RECORDS	LIB	59.00
		WARRANT TOTAL		59.00
73215	NORTH CASCADE FORD	REPAIRS/MAINT-EQUIP	FD	176.04
		REPAIRS/MAINT-EQUIP	FD	602.15
		WARRANT TOTAL		778.19
73216	OFFICE DEPOT	SUPPLIES	ENG	26.55
		OPERATING SUPPLIES	SWTR	47.54
		WARRANT TOTAL		74.09
73217	OMWBE	DUES/SUBSCRIPTIONS	ENG	100.00
		WARRANT TOTAL		100.00
73218	OLIVER-HAMMER CLOTHES	SAFETY EQUIPMENT	SWR	150.92
		WARRANT TOTAL		150.92
73219	ORCA PACIFIC INC.	OP SUPPLIES-CHEMICALS	SWR	491.36
		WARRANT TOTAL		491.36
73220	PACIFIC SCIENCE CENTER	EARLY LITERACY	LIB	442.00
		WARRANT TOTAL		442.00
73221	PAT RIMMER TIRE CTR, INC	REPAIR & MAINT - AUTO	PD	187.76
		WARRANT TOTAL		187.76
73222	PARTSMASTER	OPERATING SUPPLIES	SWR	76.14
		SMALL TOOLS & MINOR EQUIP	SWR	19.27
		WARRANT TOTAL		95.41
73223	PETERSON, DEBRA	TRAVEL	LIB	112.20
		WARRANT TOTAL		112.20
73224	PETTY CASH-DEBRA PETERSON	SUPPLIES	LIB	19.10
		EARLY LITERACY	LIB	12.42
		WARRANT TOTAL		31.52
73225	PUGET SOUND ENERGY	PUBLIC UTILITIES	PD	24.21
		REPAIRS & MAINTENANCE	PD	9.93
		PUBLIC UTILITIES	FD	88.62
		UTILITIES-RIVERFRONT	PK	421.44
		UTILITIES-COMMUNITY CTR	PK	176.28
		UTILITIES-SENIOR CENTER	PK	342.08
		UTILITIES-TRAIN	PK	32.69
		UTILITIES-HAMMER SQUARE	PK	246.59

WARRANT	VENDOR NAME	DESCRIPTION	AMOUNT
		UTILITIES-BINGHAM & MEMORIAL P	60.44
		UTILITIES - SHOP PK	53.39
		UTILITIES - SHOP PK	17.68
		UTILITIES - OTHER PK	10.92
		PUBLIC UTILITIES-CITY HALL PK	2,200.88
		PUBLIC UTILITIES CEM	47.65
		PUBLIC UTILITIES ST	7.59
		PUBLIC UTILITIES ST	103.84
		PUBLIC UTILITIES ST	322.20
		PUBLIC UTILITIES ST	78.76
		PUBLIC UTILITIES LIB	241.61
		ADVERTISING HOT	39.64
		PUBLIC UTILITIES SWR	9,040.84
		PUBLIC UTILITIES SAN	120.32
		PUBLIC UTILITIES SWTR	79.70
		WARRANT TOTAL	13,767.30
73226	QUIRING MONUMENTS, INC.	LINERS CEM	80.00
		WARRANT TOTAL	80.00
73227	SCIENTIFIC SUPPLY	OPERATING SUPPLIES SWR	224.62
		WARRANT TOTAL	224.62
73228	SEAWESTERN FIRE FIGHTING EQUIP.	REPAIRS/MAINT-EQUIP FD	102.79
		WARRANT TOTAL	102.79
73229	SEDRO-WOLLEY AUTO PARTS	REPAIRS/MAINT-EQUIP FD	22.71
		OPERATING SUPPLIES SWR	68.17
		REPAIRS/MAINT-EQUIP SAN	282.33
		REPAIRS/MAINT-EQUIP SAN	57.35-
		REPAIRS/MAINT-EQUIP SAN	18.62
		REPAIRS/MAINT-EQUIP SAN	4.48-
		WARRANT TOTAL	330.00
73230	SEDRO-WOLLEY HIGH SCHOOL	MISC-DUES/SUBSCRIPTIONS PK	210.00
		WARRANT TOTAL	210.00
73231	SEDRO-WOLLEY VOLUNTEER	SALARIES-VOLUNTEERS FD	13,150.50
		WARRANT TOTAL	13,150.50
73232	SIGN POST (THE)	ADVERTISING HOT	1,500.00
		WARRANT TOTAL	1,500.00
73233	SK CO DEPT OF EMERG MGMT	DEPT OF EMERG MANAGEMENT EMG	3,739.12
		WARRANT TOTAL	3,739.12
73234	SKAGIT COUNTY TREASURER	CRIME VCTM & WITNSS PROG LGL	86.09
		WARRANT TOTAL	86.09
73235	SKAGIT FARMERS SUPPLY	OPERATING SUPPLIES-PROPANE ST	32.23
		SUPPLIES - KENNEL	24.63
		WARRANT TOTAL	56.86

CITY OF SEDRO-WOOLLEY  
 SORTED TRANSACTION WARRANT REGISTER  
 11/09/2011 (Printed 11/04/2011 09:39)

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
73236	SKAGIT HYDRAULICS, INC.	REPAIR/MAINTENANCE-EQUIP	ST	411.43
		REPAIR/MAINTENANCE-EQUIP	ST	854.74
		WARRANT TOTAL		1,266.17
73237	SKAGIT RADIOLOGY INC.	PRISONERS	PD	146.00
		PRISONERS	PD	226.00
		WARRANT TOTAL		372.00
73238	SKAGIT VALLEY HOSPITAL	PRISONERS	PD	2,384.83
		PRISONERS	PD	142.45
		PRISONERS	PD	1,143.12
		PRISONERS	PD	212.85
		WARRANT TOTAL		3,883.25
73239	SKAGIT PUBLISHING	LEGAL PUBLICATIONS	LGS	45.00
		ADVERTISING/LEGAL PUBLIC	PLN	220.00
		WARRANT TOTAL		265.00
73240	STAPLES BUSINESS ADVANTAGE	MACHINERY & EQUIPMENT	PD	135.20
		OPERATING SUPPLIES	SAN	151.47
		WARRANT TOTAL		286.67
73241	SRV CONSTRUCTION INC.	OTHER IMPROVEMENTS	SWR	71,172.75
		WARRANT TOTAL		71,172.75
73242	STOWES	UNIFORMS/ACCESSORIES	PD	248.28
		WARRANT TOTAL		248.28
73243	TRAFFIC SAFETY SUPPLY CO.	CONST-SR20 WIDENING		167.87
		WARRANT TOTAL		167.87
73244	TRUE VALUE	OPERATING SUPPLIES	PD	1.72
		SMALL TOOLS & MINOR EQUIP	PK	13.83
		OPERATING SUPPLIES	CEM	1.07
		OPERATING SUPPLIES	ST	49.53
		OPERATING SUPPLIES	SWR	7.54
		OPERATING SUPPLIES	SWR	28.10
		OPERATING SUPPLIES	SWR	2.79
		WARRANT TOTAL		104.58
73245	UNITED BLOWER INC.	MAINT OF GENERAL EQUIP	SWR	225.80
		WARRANT TOTAL		225.80
73246	UNITED GENERAL HOSPITAL	PRISONERS	PD	1,333.50
		WARRANT TOTAL		1,333.50
73247	VALLEY AUTO SUPPLY	SMALL TOOLS & MINOR EQUIP	SWR	54.09
		REPAIRS/MAINT-EQUIP	SAN	3.51
		OPERATING SUPPLIES	SAN	4.54
		OPERATING SUPPLIES	SAN	28.18
		WARRANT TOTAL		90.32

CITY OF SEDRO-WOLLEY  
 SORTED TRANSACTION WARRANT REGISTER  
 11/09/2011 (Printed 11/04/2011 09:39)

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
73248	VALLEY FREIGHTLINER INC	REPAIR/MAINTENANCE-EQUIP	ST	254.18
		WARRANT TOTAL		254.18
73249	VERIZON WIRELESS	TELEPHONE	EXE	67.33
		TELEPHONE	FIN	57.33
		TELEPHONE	LGL	59.92
		TELEPHONE	IT	57.33
		NEXTEL CELL PHONES		114.66
		NEXTEL CELL PHONES		14.11
		TELEPHONE	PD	57.90
		TELEPHONE	PD	559.15
		TELEPHONE	PD	397.90
		TELEPHONE	FD	129.03
		TELEPHONE	FD	148.44
		TELEPHONE	INSP	14.11
		TELEPHONE	PK	149.15
		TELEPHONE	CEM	14.11
		TELEPHONE	ST	74.22
		NEXTEL CELL PHONES		217.55
		NEXTEL CELL PHONES	SAN	153.44
		WARRANT TOTAL		2,285.68
73250	VISION FORMS, LLC	POSTAGE	SWR	1,261.25
		POSTAGE	SAN	601.52
		OPERATING SUPPLIES	SWTR	77.62
		WARRANT TOTAL		1,940.39
73251	WA ST DEPT OF TRANSPORT	CONST-SR20 WIDENING		955.79
		WARRANT TOTAL		955.79
73252	WA ST OFF OF TREASURER	STATE REMITTANCES-COURT		4,679.10
		WARRANT TOTAL		4,679.10
73253	WSU URBAN IPM & PEST SAFE ED	MISC-TUITION/REGISTRATION	ST	100.00
		MISC-TUITION/REGISTRATION	ST	100.00
		MISC-TUITION/REGISTRATION	ST	100.00
		WARRANT TOTAL		300.00
73254	WELCH, DAVID	UNIFORMS/ACCESSORIES	PD	94.30
		WARRANT TOTAL		94.30
73255	WHIDBEY ISLAND BANK	OTHER IMPROVEMENTS	SWR	3,448.30
		WARRANT TOTAL		3,448.30
73256	WOOD'S LOGGING SUPPLY INC	POSTAGE	PD	12.00
		POSTAGE	FD	23.91
		OPERATING SUPPLIES	ST	29.15
		MAINTENANCE OF LINES	SWR	36.79
		MAINT OF GENERAL EQUIP	SWR	8.20
		OPERATING SUPPLIES	SAN	10.20
		WARRANT TOTAL		120.25

WARRANT	VENDOR NAME	DESCRIPTION	AMOUNT
73257	BHAN CHANG THAI CUISINE	DUMPSTER DEPOSIT	153.46
		WARRANT TOTAL	153.46
		RUN TOTAL	391,773.36

FUND	TITLE	AMOUNT
001	CURRENT EXPENSE FUND	36,399.61
101	PARK FUND	4,459.92
102	CEMETERY FUND	416.34
103	STREET FUND	3,692.54
104	ARTERIAL STREET FUND	1,123.66
105	LIBRARY FUND	1,859.18
108	STADIUM FUND	1,539.64
111	DOG FUND	24.63
230	1996 G/O BOND REDEMPTION FUND	188,175.00
401	SEWER FUND	90,295.38
407	1998 SEWER REVENUE BOND FUND	52,400.00
412	SOLID WASTE FUND	10,810.78
425	STORMWATER	576.68
TOTAL		391,773.36

DEPARTMENT	AMOUNT
001 000 000	4,679.10
001 000 011	373.83
001 000 012	232.00
001 000 013	109.15
001 000 014	345.46
001 000 015	151.75
001 000 017	165.68
001 000 018	171.44
001 000 019	241.39
001 000 020	312.13
001 000 021	10,278.80
001 000 022	15,583.36
001 000 024	16.40
001 000 025	3,739.12
FUND CURRENT EXPENSE FUND	36,399.61
101 000 076	4,459.92
FUND PARK FUND	4,459.92
102 000 000	10.00
102 000 036	406.34
FUND CEMETERY FUND	416.34
103 000 042	3,692.54
FUND STREET FUND	3,692.54
104 000 042	1,123.66
FUND ARTERIAL STREET FUND	1,123.66
105 000 072	1,859.18
FUND LIBRARY FUND	1,859.18
108 000 019	1,539.64
FUND STADIUM FUND	1,539.64
111 000 021	24.63
FUND DOG FUND	24.63
230 000 082	188,175.00
FUND 1996 G/O BOND REDEMPTION FUND	188,175.00
401 000 035	90,295.38
FUND SEWER FUND	90,295.38
407 000 082	52,400.00
FUND 1998 SEWER REVENUE BOND FUND	52,400.00
412 000 000	153.46
412 000 037	10,657.32
FUND SOLID WASTE FUND	10,810.78
425 000 039	576.68

CITY OF SEDRO-WOLLEY  
SORTED TRANSACTION WARRANT REGISTER  
11/09/2011 (Printed 11/04/2011 09:39)

VENDOR	VENDOR NAME	INVOICE NUMBER	REFERENCE	INVOICE DATE	DUE DATE	COMMENTS
	FUND STORMWATER		576.68			
	TOTAL		391,773.36			

# Memo

CITY COUNCIL AGENDA  
REGULAR MEETING

NOV 09 2011

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 30

**To:** Mayor Anderson and the City Council

**From:** Chief Doug Wood 

**Date:** 10-24-2011

**Re:** Memo of Agreement for Maintaining Tactical Radio Infrastructure

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ISSUE Should the city council authorize the Mayor to sign a Memo of Agreement for Maintaining the Tactical Radio Infrastructure?

BACKGROUND Several years ago Sheriff Grimstead secured funds through a grant to add two Tactical Radio Frequencies that could be used by any agency for tactical situations. We share radio frequencies with other agencies however these new frequencies could be used in situations where it is not feasible to use the common ones. The costs for the infrastructure were paid for by grant funds but the maintenance was not. The Police Chiefs and Sheriffs have agreed to share the maintenance costs.

RECOMMENDED ACTION:

Staff recommends that the Council authorize Mayor Anderson to sign the agreement between the Skagit County Emergency Management Council and the Sedro-Woolley Police Department.

**MEMO OF AGREEMENT  
BETWEEN  
SKAGIT COUNTY EMERGENCY MANAGEMENT COUNCIL  
AND  
SEDRO WOOLLEY POLICE DEPARTMENT**

**FOR THE PURPOSE OF  
MANAGING AND MAINTAINING  
THE COMMON LAW TACTICAL RADIO INFRASTRUCTURE**

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**I. IDENTITY OF PARTIES**

THE PARTIES OF THIS AGREEMENT ARE:

- A. The Skagit County Emergency Management Council, hereinafter referred to as the “EMC”, and
- B. Sedro Woolley Police Department, also known as “SWPD”, a limited purpose municipal corporation of the State of Washington, hereinafter referred to as “Agency”.

**II. RECITATIONS**

WHEREAS, AGENCY is organized to provide public safety protection for the area and citizens within its boundaries, and,

WHEREAS, AGENCY has contracted with the EMC for Skagit 911 to provide dispatch services, and,

WHEREAS, The EMC has provided in the Interlocal Cooperation Agreement for a County-Wide Public Safety Communications Center #9901040106 that allocation of financial responsibility between local governments and agencies for service specific capital expenditures shall be funded by the agencies of the specific service that receive benefit

**III. AGREEMENT**

NOW, THEREFORE, for and in consideration of the mutual benefits of this agreement and the considerations recited herein, the PARTIES do hereby agree as follows:

- A. Equipment was purchased to support a county wide “Common Law Tactical Radio Infrastructure” to support Skagit County Law agencies. This infrastructure included all components in the 9-1-1

computerized radio system, radio/microwave equipment to transmit and receive signals to a transmit site and radio equipment to transmit and receive radio signals to and from the 9-1-1 center.

- B. Skagit 911 shall manage and maintain this county wide Common Law Tactical Radio Infrastructure system to support Skagit County Law agencies to include costs for administration, repairs, maintenance, insurance and replacement of the equipment and system described herein.
- C. Skagit County Law agencies shall pay to the EMC an annual amount for the recurring management and maintenance costs of the Common Law Radio Infrastructure as determined on a fee schedule to include a split share of costs based on
  - o The 5 year call volume average for the concluded year prior to the preparation of the budget as determined in Addendum "A" Fee Schedule Description of the Contracts for service or Interlocal agreement.

The agency amount will be billed and is to be paid in quarterly increments in January, April, July and October of each year. See Attachment B.
- D. This agreement shall continue from year to year and may only be terminated by the parties as set forth in the primary contract for service or Interlocal Agreement.
- E. Either Party further agrees to abide by and support all rules and regulations as are adopted by the EMC.
- F. General Liability and Indemnification guidelines shall follow those stated in the Interlocal Agreement or the primary contract for service.

#### **IV. ADHERENCE TO LAWS**

This agreement is subject to all applicable State and Federal laws. Should any article, section, or portion thereof of this Agreement be held unlawful or invalid by any court, agency or board of competent jurisdiction, the parties shall enter into negotiations for the purpose of arriving at a mutually satisfactory replacement of such article or section only.

#### **V. SAVINGS CLAUSE**

Should any part hereof or any provision herein contained be rendered or declared invalid by reason of any existing or subsequently enacted legislation

or by a decree of a court or competent jurisdiction, such invalidation of such part or portion of this Agreement shall not invalidate the remaining portions thereof, and the remaining parts of portions remain in full force and effect.

## **VI. ENTIRE AGREEMENT**

This Agreement and all if its Articles, Appendices and/or Attachments constitute the entire Agreement between the parties and no oral statement shall add to nor supersede any of its provisions. Each party agrees that it has had the unlimited right to make proposals that are subject for inclusion in this Agreement and waives the right to oblige the other party to negotiate any matters to become effective until the expiration of this Agreement.

WHEREFORE, the parties have executed this Contract on the dates set forth below.

**SEDRO WOOLLEY POLICE  
DEPARTMENT**

By \_\_\_\_\_

Its \_\_\_\_\_

Date: \_\_\_\_\_, 2011

Attest:

By \_\_\_\_\_

Its \_\_\_\_\_

Date: \_\_\_\_\_, 2011

\_\_\_\_\_

**EMERGENCY MANAGEMENT COUNCIL  
SKAGIT 911**

By \_\_\_\_\_

Deb Welsh, Interim Director  
Skagit 911

Date: \_\_\_\_\_, 2011

By \_\_\_\_\_

Ron Wesen, Skagit County Commissioner  
EMC, Chairman

Date: \_\_\_\_\_, 2011

Attest:

\_\_\_\_\_  
Shirley Haehn  
Administrative Clerk of the Board

# LAW TACTICAL RADIO INFRASTRUCTURE SYSTEM

## ADDENDUM A

### MAINTENANCE AND MANAGEMENT COSTS - 2012

Cost: \$ 7,000.00

Agency	2006-2010 Call Vol	Percent of Total	Agency Share	Agency Costs Annual Total	Quarterly Amount
Anacortes	9982	14.00%	\$980.19	\$980.19	\$245.05
Burlington	9728	13.65%	\$955.25	\$955.25	\$238.81
Mount Vernon	22123	31.03%	\$2,172.39	\$2,172.39	\$543.10
Sedro-Woolley	8416	11.81%	\$826.42	\$826.42	\$206.60
SCSO	18923	26.55%	\$1,858.16	\$1,858.16	\$464.54
Swinomish	1745	2.45%	\$171.35	\$171.35	\$42.84
Upper Skagit	369	0.52%	\$36.23	\$36.23	\$9.06
<b>Total</b>	<b>71286</b>	<b>100.00%</b>	<b>\$7,000.00</b>	<b>\$7,000.00</b>	<b>\$1,750.00</b>

NOV 09 2011

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 33

**SECOND AMENDED AGREEMENT FOR FIRE AND EMERGENCY  
MEDICAL SERVICES AND JOINT OPERATION OF FACILITIES**

This ~~Second Amended~~ Agreement is entered into between **SKAGIT COUNTY FIRE PROTECTION DISTRICT NO. 8**, a municipal corporation, hereafter referred to as "District", and the **CITY OF SEDRO-WOOLLEY**, a municipal corporation, hereafter referred to as "City".

This Agreement is entered into by the City under the authority of RCW 35A.111.040 and the District under the authority of RCW 52.12.031 and in conformity with Chapter 39.34 RCW, the Interlocal Cooperation Act.

The District and the City require a contract for the City to provide fire prevention, suppression and medical aid services to an area within the boundaries of the District and for mutual assistance between the parties.

This second amendment includes additional payments from the District to the City to allow for increased staffing. Initially, the District is bearing the majority of the economic burden for this increased staffing. It is the intent of the parties to ensure cost equity over time and when this contract is renegotiated in the future, this intent should be given due consideration in determining the future payment per call amount.

To carry out the purposes of this Agreement and in consideration of the benefits to be received by each party, it is agreed as follows:

- 1. Effective Date and Termination of Agreement.** This Second Amended Agreement shall be effective on January 1, 20~~12~~09 and shall remain in effect for a period of ~~four~~ive years or until either party shall give to the other party ninety days written notice of termination. This Second Amended Agreement replaces the prior Amended Agreement between the parties effective January 1, 200~~9~~8; that Agreement remains in effect until December 31, 20~~11~~08.
- 2. Emergency Response Services.** The fire and basic life support services to be rendered by each party under the terms of the Agreement shall be rendered on the same basis as such protection is rendered to other areas within such party's jurisdiction, but neither party assumes liability for failure to do so by reason of any circumstances beyond its control. In the event of simultaneous fires or medical aid calls within or outside of a party's jurisdiction whereby facilities of the responding party is taxed beyond its, ability to render equal protection, the officers and agents of the responding party shall have discretion as to which calls shall be answered first. The responding party shall be the sole judge as to the most expeditious manner of handling and responding to emergency calls.
- 3. Command Responsibility at Emergency Scene.** The Chief Officer or Senior Officer of the party to which the response is made shall be in command of the operations under which the equipment and personnel sent by the responding party

shall serve; provided that the responding equipment and personnel shall be under the immediate supervision of the Officer in Charge of the responding apparatus. The Operational Command, however, may be relinquished to the Senior Officer of any fire department rendering assistance under the terms of this Agreement.

4. **Equipment to be Supplied by District.** The purpose of this Section is to provide the City with apparatus specifically suited to calls within the District. The District agrees that during the term of this Agreement, it will furnish for the use by the City, a Tender and Rescue Vehicle, to be stationed at the City fire station and to be used by the City fire department personnel without restrictions under the following conditions:
  - 4.1 The City agrees that it will not take the District's vehicles outside of Skagit County without prior District notification.
  - 4.2 The District shall have the authority to utilize the vehicles for emergency incidents only, without prior notification being given to the City.
  - 4.3 The District shall have the authority to utilize the vehicles for non-emergency purposes only after prior notification has been given to the City.
5. **Use of City Equipment.** The City firefighting and aid vehicles stationed at the City fire station shall be used by the City as reserve response units for emergency calls located within the District regardless of where used.
6. **Mutual Assistance.** In the event either party shall request the other party to provide station coverage when the requesting party's personnel and equipment are out of the station at the scene of an emergency, the party shall immediately take the following action:
  - 6.1 Determine if the responding party has equipment and personnel available to respond to the requesting party and determine the nature of the equipment and number of personnel available.
  - 6.2 Determine what available equipment and what available personnel should be dispatched in accordance with the operating plans and procedures established by the parties.
  - 6.3 In the event the needed equipment and personnel are available, to dispatch such equipment and personnel to the station with proper operating instructions.
  - 6.4 In the event the needed equipment and personnel are not available, to immediately advise the requesting party of such fact.
  - 6.5 Mutual aid response service by the City to the District between 1800 hours and 0600 hours, Monday through Friday and between 1800 hours on Friday and

0600 hours on Monday in the areas North of Mosier Road and East of Minkler Lake.

The mutual assistance proved for in this paragraph shall be furnished without compensation.

7. **Equipment Maintenance.** The District agrees that it will maintain and repair its equipment located at the City station during the term of this Agreement at its expense and that on termination of this Agreement, it will remove such equipment; provided, however, in the event any District vehicle or equipment located at the City station is destroyed or damaged as a result of the negligent action of City personnel, the City shall be responsible for the repair or replacement of such equipment or vehicles.
8. **Insurance.** Each party shall provide insurance coverage for all facilities and equipment owned or purchased by such party and used under the terms of this Agreement. Each of the parties also agrees to provide commercial general liability and auto liability insurance coverage covering the actions of personnel of such party with policy limits of at least \$1,000,000.00 and to name the other party as an additional insured on such policies.
9. **Liability.** Each of the parties shall, at all times, be solely responsible for the acts or the failure to act of its personnel that occur or arise in any way out of the performance of this contract by its personnel only and to save and hold the other party and its personnel and officials harmless from all costs, expenses, losses and damages, including cost of defense, incurred as a result of any acts or omissions of the party's personnel relating to the performance of this contract.
10. **Personnel.**
  - 10.1 The City shall provide training to its firefighter personnel as prescribed by the District relative to the County addressing system, road name familiarity and incident locator information.
  - 10.2 The City shall ~~increase its staff~~ its department with four (4) paid ing by two additional part-time firefighters (working in twelve hour shifts) with the funding shared equally by the City and the District as detailed provided by the District in Paragraph 11.2 below. These additional firefighters are intended to allow the City to staff its station from 0600 to 1800 Monday to Friday, thereby improving call responses to District calls. The District's Chief may, in consultation with the City's Chief, occasionally utilize the two additional employees for District work detail. This work detail would not interfere with a timely response to either the City or District calls.
11. **Compensation to City by District.** The District agrees to compensate the City for services provided by the City by reimbursing the City for response to emergencies within the District subject to the following limitations:

- 11.1 All responses provided by the City shall be reimbursed at the rate of two hundred fifty-three dollars and thirty-six cents (\$253.36) per call.
- 11.2 The District shall pay the City an additional sum equal to one-half of the cost of ~~four paid~~two part-time firefighters which is currently \$~~60,486.40~~94,100.00. ~~and will not exceed \$70,137.60 per year~~ This amount will be updated annually to reflect the actual costs. This payment will be made quarterly as discussed in Paragraph 11.3 below.
- 11.3 The District shall pay the City for the services on a quarterly based calendar year within forty-five days following receipt of the billing statement.
- 11.4 Emergency responses by the City to the District between the hours of 1800 and 0600, Monday through Friday and between the hours of 1800 on Friday through 0600 on Monday, shall be provided without compensation under the provisions of paragraph six of this Agreement.
- 12. Notices.** All notices, requests, demands and other communications required by this Agreement shall be in writing and, except as expressly provided elsewhere in this Agreement, shall be deemed to have been given at the time of delivery if personally delivered or at the time of mailing if mailed by first class, postage pre-paid and addressed to the party at its address as stated in this Agreement or at such address as any party may designate at any time in writing.
- 13. Severability.** If any provision of this Agreement or its application is held invalid, the remainder of the Agreement or the application of the remainder of the Agreement shall not be affected.
- 14. Modification.** This Agreement represents the entire agreement between the parties. No change or attempted waiver of any of the provisions of this Agreement shall be binding on either of the parties unless executed in writing by authorized representatives of each of the parties. The Agreement shall not be modified, supplemented or otherwise affected by the course of dealing between the parties.
- 15. Benefits.** This Agreement is entered into for the benefit of the parties to this Agreement only and shall confer no benefits, direct or implied, on any third persons.
- 16. Annual Report.** The District Chief and the City Fire Chief shall jointly provide an annual report to both parties. This report shall include but is not limited to the following:
- 16.1 Number of responses for each party broken down by zone, vehicle usage, costs involved in responses and forecasts for the upcoming year.

|

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| Dated: \_\_\_\_\_, 2011~~08~~

**SKAGIT COUNTY FIRE DISTRICT #8**

**CITY OF SEDRO WOOLLEY**

By: \_\_\_\_\_  
Commissioner

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
Commissioner

Attest: \_\_\_\_\_  
City Clerk

By: \_\_\_\_\_  
Commissioner

Approved as to form:

By: \_\_\_\_\_  
District Secretary

\_\_\_\_\_  
City Attorney

NOV 09 2011

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 30

# Memorandum

**To:** Mayor Anderson and City Council

**From:** Patsy Nelson *Patsy*

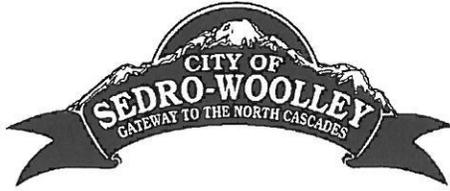
**Date:** 11/2/2011

**Re:** 2012 Budget Ordinance Hearing

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## **Recommended Action**

Staff recommends the Council move to set a public hearing to consider adoption of the 2012 Budget Ordinance on Tuesday, November 22, 2011 at 7:00 p.m.



CITY COUNCIL AGENDA  
REGULAR MEETING

NOV 09 2011

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 3f

**CITY OF SEDRO-WOOLLEY**  
Sedro-Woolley Municipal Building  
325 Metcalf Street  
Sedro-Woolley, WA 98284  
Phone (360) 855-0771  
Fax (360) 855-0733

David E. Lee, PE  
Assistant City Engineer

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MEMO TO: City Council and Mayor Mike Anderson

FROM: David E. Lee, PE

RE: **Final Acceptance**  
**2011 Sanitary Sewer Pipeline and Manhole Improvements Project**  
SRV Construction Inc.

DATE: November 2, 2011 (for Council review November 9, 2011)

ISSUE Should Council approve final acceptance of the 2011 Sanitary Sewer Pipeline and Manhole Improvements Project as constructed by SRV Construction Inc. of Oak Harbor, WA in the amount of \$ 160,440.82 (including sales tax)?

**BACKGROUND/DISCUSSION**

The construction contract for the 2011 Sanitary Sewer Pipeline and Manhole Improvements Project with SRV Construction Inc. of Oak Harbor, WA was executed on August 11, 2011. The work was started on September 7, 2011, with substantial completion on October 12, 2011 and final completion on October 19, 2011.

We have filed Notice of Completion documents with Washington Department of Labor & Industries, Department of Revenue and Employment Security. Once clearance is received from these agencies, retention will be released.

**FINANCIAL**

Funds for this project are available from the Account 401 Other Improvements item. Following is a summary of revenue and estimated costs for the project.

**REVENUE**

Account 401.000.035.596.35.63.00 Other Improvements	\$ 160,441
<b>Subtotal</b>	<b>\$ 160,441</b>

**ESTIMATED EXPENDITURES - CONSTRUCTION COSTS**

Construction Contract final cost -rounded	\$ 160,441
<b>Total</b>	<b>\$ 160,441</b>

**ANALYSIS**

The original construction contract for this project totaled \$ 156,366.31. One change orders was issued, which increased the contract by \$ 7,546.95 to \$ 163,913.26. The increase was due to added work to facilitate the long term efficiency of a sewer main serving businesses in the downtown area. Factoring in the changes and the actual quantities, the work came in under budget at \$ 160,440.82.

**MOTION**

***Move for final acceptance of the 2011 Sanitary Sewer Pipeline and Manhole Improvements Project as constructed by SRV Construction Inc. of Oak Harbor, WA in the amount of \$ 160,440.82 (including sales tax).***



## NOTICE OF COMPLETION OF PUBLIC WORKS CONTRACT

Contractor's UBI Number: 601 348 242

Date: 11/2/2011

Name & Address of Public Agency
City of Sedro-Woolley 325 Metcalf Street Sedro-Woolley, WA 98284 <b>UBI Number:</b> 298-001-552

Department Use Only
Assigned to:
Date Assigned:

*Notice is hereby given relative to the completion of contract or project described below*

<b>Project Name</b> 2011 Sanitary Sewer Pipeline and Manhole Improvements Project	<b>Contract Number</b> 2011-PW-20	<b>Job Order Contracting</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Description of Work Done/Include Jobsite Address(es)</b> Sanitary Sewer Pipeline and Manhole Improvements Various locations - Inside City Limits		
<b>Federally funded road transportation project?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>Contractor's Name</b> SRV Construction Inc.		<b>Telephone Number</b> 360-675-7100
<b>Contractor Address</b> PO Box 481, Oak Harbor, WA 98277		
<b>If Retainage is Bonded, List Surety's Name (or attach a copy)</b>		
<b>Surety Agent's Address</b>		
<b>Date Contract Awarded</b> 8/10/2011	<b>Date Work Commenced</b> 9/7/2011	<b>Date Work Completed</b> 10/19/2011
<b>Date Work Accepted</b> 11/9/2011		

Contract Amount	\$	144,516.00			
Additions (+)	\$	3,765.72		Liquidated Damages \$	
Reductions (-)	\$			Amount Disbursed \$	153,026.73
<b>Sub-Total</b>	\$	148,281.72		Amount Retained \$	7,414.09
Amount of Sales Tax Paid at <u>.082</u>					
(If various rates apply, please send a breakdown)	\$	12,159.10			
<b>TOTAL</b>	\$	<b>160,440.82</b>		<b>TOTAL \$</b>	<b>160,440.82</b>

*NOTE: These two totals must be equal*

**Please List all Subcontractors Below:**

Subcontractor's Name:	UBI Number:	Affidavit ID (if known)
Utility Construction Management Company LLC	601 348 242	



NOV 09 2011

**AGREEMENT FOR LEGAL SERVICES**

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 39

**THIS AGREEMENT** is made and entered into as of this \_\_\_\_ day of November, 2011, by and between the CITY OF SEDRO-WOOLLEY, acting by and through its City Attorney, hereinafter referred to as the "City," and JENNIFER BOUWENS, hereinafter referred to as the "Law Firm."

**WHEREAS** the City has need of legal services for the provision of a competent attorney to effectively prosecute those people charged by the City with misdemeanors in the Sedro-Woolley Municipal Court, including appeals at all appellate levels; and

**WHEREAS** the Law Firm has expertise in this area of practice, and is able to provide advice and representation;

**NOW, THEREFORE**, it is hereby agreed as follows:

1. Legal Services: The Law Firm agrees to provide legal services in connection with the City's Request for Proposals ("RFP") dated October 1, 2006. For the purposes of this Agreement, the aforesaid RFP is incorporated into this agreement as though fully set forth. Agreed deviations from the RFP and responsive proposal include: (a) Limits for liability insurance are set at \$500,000.00; and (b) compensation is fixed regardless of the number of trials within the contract term.
2. Service: The Law Firm will make every effort to expedite such legal matters promptly and efficiently according to the highest legal and ethical standards.
3. Term: Services to be provided pursuant to this agreement shall commence on January 1, 2012, and terminate on December 31, 2012. The term of this agreement may be extended upon the mutual agreement of the parties.
4. Fees: For the work under this agreement, the City shall pay the Law Firm as sole compensation for the services performed under this agreement, the sum of \$2,500.00 per month. Additionally, the City agrees to reimburse Law Firm for its actual costs in attending one WSAMA conference in 2012, up to a maximum of \$1,000.00.
5. Services are Personal: The legal services described herein shall be provided by the following attorneys: Jennifer Bouwens. The City has entered into this agreement based upon the skills and qualifications of the attorneys named above, who will provide the services described herein. While this attorney will be the primary attorney providing such services, the Law Firm may, from time to time, assign other attorneys to provide services with the City's consent as to individuals assigned.
4. Billing Procedures: Billings should be submitted on a monthly basis. Each billing statement should set forth for each date services were performed:

A brief summary of the services provided;  
The number of hours, or fractions of hours, spent by each provider.

Payment shall be made through the City's ordinary payment process, and shall be considered timely if made within 30 days of receipt of a properly completed invoice.

All payments shall be subject to adjustment for any amounts, upon audit or otherwise, determined to have been improperly invoiced. In no event shall the total of the City's payment pursuant to this Agreement exceed the amount set forth hereinabove.

5. Interaction with City:

A. The City Attorney for the City shall be responsible for managing this contract on behalf of the City.

B. The Law Firm will keep City well informed of all disputes between the Law Firm and its clients represented pursuant to this Agreement. The Law Firm, at such times and such form as the City may require, shall furnish the City with periodic reports pertaining to the work and services undertaken pursuant to this agreement.

6. Independent Contractor Status: The Law Firm shall at all times perform its duties and responsibilities and carry out all services as an independent contractor.

The Law Firm, at its sole expense, shall obtain and keep in force any and all necessary licenses, permits, and tax certificates. The Law Firm shall maintain a professional liability policy with policy limits as set forth in the RFP to protect Law Firm and the City from losses and claims which may arise out of or result from performance of duties related to this Agreement, including Worker's Compensation and professional liability insurance.

The Law Firm shall obtain a business license under the Sedro-Woolley Municipal Code.

7. Suspension or Termination:

A. Disposal of files upon termination of contract.

B. Disposition of open cases upon termination of contract.

C. City may suspend or terminate the performance of services under this Agreement by written notice to the Law Firm, in whole, or from time to time in part, at the City's discretion based upon Law Firms violation of the terms of this Agreement.

8. Indemnification: The Law Firm shall indemnify and hold harmless the City, its officials, officers, agents, employees, volunteers, and representatives from, and shall process and defend at its sole expense, any and all claims, demands, damages, suits at law or at equity, liabilities, losses, judgments, liens, expenses, and cost arising out of or occasioned by the negligent performance, negligent acts, and/or omissions by the Law Firm and its employees relative to any activity and/or services covered hereunder. In the event of

recovery due to the aforementioned circumstances, the Law Firm shall pay any judgment or lien arising therefrom, including any and all costs as part thereof.

9. Non-discrimination: The Law Firm agrees to take all necessary and affirmative steps to ensure compliance with all federal, state and City laws and policies regarding non-discrimination and equal employment opportunities. The Law Firm shall not discriminate in any employment action or in the representation of any client because of race, creed, color, national origin, marital status, sex, age, or the presence of any sensory, mental or physical handicap.

In the event of non-compliance by the Law Firm with any of the non-discrimination provisions of this Agreement, the City will have the right, at its option, to cancel the Agreement in whole or in part by written notice. If the Agreement is canceled after partial performance, the City will be obligated to pay only for that portion of the total work authorized under this Agreement that is satisfactorily completed.

10. Conflict of Interest: In addition to Rule of Professional Conduct 1.7, the Law Firm shall comply with all federal and state conflict of interest laws, statutes and regulations as they shall apply to all parties and beneficiaries under this Agreement.

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement as of the day and year first written above.

**CITY OF SEDRO-WOOLLEY**

**LAW FIRM**

By \_\_\_\_\_  
Mayor signature

By \_\_\_\_\_  
Jennifer Bouwens  
WSBA No. 32768

Tax ID # \_\_\_\_\_

Attest:

306 Pine Street No. B  
Mount Vernon, WA 98273

\_\_\_\_\_  
Finance Director

Approved as to form:

\_\_\_\_\_  
City Attorney

NOV 09 2011

AMENDMENT TO EMPLOYMENT AGREEMENT

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 3b

THIS Amendment, made and entered into this 9<sup>th</sup> day of November, 2011, by and between the City of Sedro-Woolley, a municipal corporation, hereinafter called "Employer," and Dean B. Klinger, hereinafter called "Employee," both of whom understand as follows:

WITNESSETH:

WHEREAS, the parties are subject to an employment agreement dated July 1, 2005; and

WHEREAS, that agreement was amended on June 25, 2008 to extend the term and make other changes; and

WHEREAS, it is the desire of the Employer to extend Employee's contract; and

WHEREAS, it is the desire of the Employee to remain employed by the City;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

**Section 1. The following amendments are made to the Employment Agreement dated July 1, 2005 as amended on June 25, 2008:**

**A. Section 2. C. is revised to read as follows:**

**Section 2. C. Term**

Employee agrees to remain in the exclusive employ of Employer until December 31, 2015, and neither to accept other employment nor to become employed by any other employer until said termination date, unless said termination date is affected as hereinafter provided.

**Section 2. All other provisions remain unchanged.**

**Section 3. This amendment shall become effective immediately.**

IN WITNESS WHEREOF, the City of Sedro-Woolley has caused this amendment to be signed and executed in its behalf by its Mayor, and duly attested by its Finance Director, and the Employee has signed and executed this agreement, both in duplicate, the day and year first above written.

CITY OF SEDRO-WOOLLEY

EMPLOYEE

By: \_\_\_\_\_  
Mike Anderson, Mayor

\_\_\_\_\_  
Dean B. Klinger

Attest:

\_\_\_\_\_  
Finance Director

Approved As to Form:

\_\_\_\_\_  
City Attorney

NOV 09 2011

AMENDMENT TO EMPLOYMENT AGREEMENT

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 3

THIS Amendment, made and entered into this 9<sup>th</sup> day of November, 2011, by and between the City of Sedro-Woolley, a municipal corporation, hereinafter called "Employer," and Doug Wood, hereinafter called "Employee," both of whom understand as follows:

WITNESSETH:

WHEREAS, the parties are subject to an employment agreement dated May 3, 2005; and

WHEREAS, that agreement was amended on October 22, 2008 to extend the term and make other changes; and

WHEREAS, it is the desire of the Employer to extend Employee's contract; and

WHEREAS, it is the desire of the Employee to remain employed by the City;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

**Section 1. The following amendments are made to the Employment Agreement dated May 3, 2005 as amended on October 22, 2008:**

**A. Section 2. C. is revised to read as follows:**

**Section 2. C. Term**

Employee agrees to remain in the exclusive employ of Employer until December 31, 2015, and neither to accept other employment nor to become employed by any other employer until said termination date, unless said termination date is affected as hereinafter provided.

**Section 2. All other provisions remain unchanged.**

**Section 3. This amendment shall become effective immediately.**

IN WITNESS WHEREOF, the City of Sedro-Woolley has caused this amendment to be signed and executed in its behalf by its Mayor, and duly attested by its Finance Director, and the Employee has signed and executed this agreement, both in duplicate, the day and year first above written.

CITY OF SEDRO-WOOLLEY

EMPLOYEE

By: \_\_\_\_\_  
Mike Anderson, Mayor

\_\_\_\_\_  
Doug Wood

Attest:

\_\_\_\_\_  
Finance Director

Approved As to Form:

\_\_\_\_\_  
City Attorney

NOV 09 2011

RESOLUTION NO.

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 3

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEDRO-WOOLLEY APPOINTING BRIAN  
STILES AS JUDGE FOR THE SEDRO-WOOLLEY MUNICIPAL COURT

WHEREAS, pursuant to the provisions of RCW 3.50, the City of Sedro-Woolley did establish a municipal court on November 23, 1987 to be effective on January 1, 1988, and

WHEREAS, said court was established with exclusive original jurisdiction over traffic infractions arising under City ordinances, exclusive original criminal jurisdiction of all violations of City ordinances, and all other exclusive jurisdiction as conferred by law; and

WHEREAS, pursuant to SWMC 2.16.030, the Mayor has the authority to appoint the municipal judge, subject to confirmation by the City Council, for a term of four years;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Sedro-Woolley that the Mayor's appointment of Brian Stiles as Judge of the Sedro-Woolley Municipal Court for a term beginning January 1, 2012 and ending December 31, 2015 is hereby confirmed.

PASSED by the City Council of the City of Sedro-Woolley, Washington, and approved by its Mayor at a regular meeting of said Council held on the \_\_\_\_ day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
MAYOR

Attest:

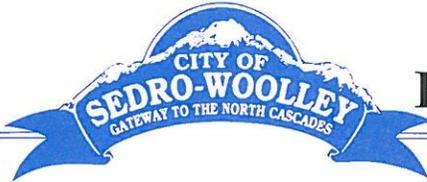
\_\_\_\_\_  
Finance Director

Approved as to form:

\_\_\_\_\_  
City Attorney

NOV 09 2011

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 4



# PROCLAMATION

## UNITED WAY CAMPAIGN IN SKAGIT COUNTY NOVEMBER 2011

*WHEREAS, the citizens of Sedro-Woolley are characterized by their determination to help each other in times of need; and*

*WHEREAS, this spirit of caring for one another is expressed by volunteers working with the United Way of Skagit County to raise funds for health and human service needs; and*

*WHEREAS, there are many local non profit agencies that are supported by United Way so health and human services needs can be met; and*

*WHEREAS, the United Way Campaign is an effective and efficient way to raise funds to support the very important work of these agencies*

**NOW, THEREFORE, BE IT RESOLVED AND IT IS HEREBY ORDERED BY THE CITY COUNCIL OF SEDRO-WOOLLEY** that November is proclaimed "United Way Campaign Month" in Sedro-Woolley. The Mayor and City Council encourage everyone in the community to step forward with vigor and generosity to help your fellow man by volunteering and contributing financially to the United Way.

**IN TESTIMONY WHEREOF, WE HEREUNTO SET OUR HANDS AND AFFIX THE OFFICIAL SEAL OF OUR OFFICE THIS 9TH DAY OF NOVEMBER 2011.**

*Sedro-Woolley City Council  
Sedro-Woolley, Washington*

\_\_\_\_\_  
*Mike Anderson, Mayor*

*City Council Members*

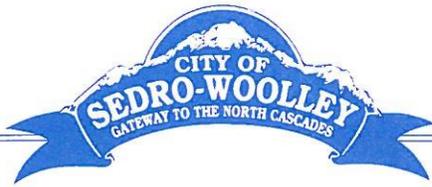
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attest: \_\_\_\_\_

NOV 09 2011

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 5

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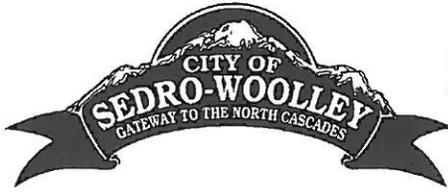
SUBJECT: PUBLIC COMMENT

Name:  
Address:  
Narrative:

PUBLIC  
HEARING(S)

CITY COUNCIL AGENDA  
REGULAR MEETING

NOV 09 2011



7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 6

**CITY OF SEDRO-WOOLLEY**  
Sedro-Woolley Municipal Building  
325 Metcalf Street  
Sedro-Woolley, WA 98284  
Phone (360) 855-9922  
Fax (360) 855-9923

Eron M. Berg  
City Supervisor/Attorney

---

MEMO TO: City Council  
FROM: Eron Berg  
RE: Storm Water Utility (*Second Reading*)  
DATE: November 9, 2011

ISSUE: Should the Council revise SWMC 2.46 to increase the monthly stormwater charge to \$5.25 per ERU?

BACKGROUND: This is a second reading and public hearing tonight.

Sedro-Woolley first imposed a stormwater utility rate charge in late 2007. The rate was established at \$3.50 per month per ERU (an ERU is an average developed residential property). At that time, the rate study presented to the Council showed a need in excess of \$8.00 per month per ERU.

As a result of the continued implementation of the NPDES Phase II permit from the U.S. Government, via the State of Washington Department of Ecology, Sedro-Woolley faces additional mandates in our stormwater utility which have driven the costs to an unsustainable level at our current rates.

The utilities committee met and is recommending consideration of a rate increase of \$1.75 per month per ERU. The attached ordinance increases rates by that amount effective with the bills mailed in January. This rate increase is estimated to result in additional stormwater revenue of \$110,000 per year. The preliminary draft budget has stormwater short by \$107,741 in 2012 and includes no funding for capital projects in the future. Sedro-Woolley was just awarded a small grant from Ecology which will cover some of this shortfall and in the next two years, if funding from the state is not cut, will allow the stormwater utility to establish a small capital reserve.

RECOMMENDATION: Following a public hearing: Motion to adopt the draft ordinance which revises SWMC 2.46 to increase the monthly stormwater charge to \$5.25 per ERU.

**ORDINANCE NO. \_\_\_\_\_ -11**

**AN ORDINANCE AMENDING THE FEES AND CHARGES FOR USE OF THE CITY OF SEDRO-WOOLLEY STORM AND SURFACE WATER UTILITY SYSTEM AND AMENDING PORTIONS OF SEDRO-WOOLLEY MUNICIPAL CODE CHAPTER 2.46**

**WHEREAS**, the City has established a Stormwater Utility; and

**WHEREAS**, the purpose of this utility is to collect funds to regulate and operate a system of collection and treatment of storm and surface water; and

**WHEREAS**, it is recognized that storm and flood control measures benefit all citizens of Sedro-Woolley; and

**WHEREAS**, the City is subject to the implementation of the NPDES Phase II permit as written by the State and issued upon the City; and

**WHEREAS**, the NPDES Phase II permit creates substantial additional work for the City in maintaining, monitoring, regulating and reporting regarding the handling of storm and surface water in the City; and

**WHEREAS**, it has been determined that additional revenue for this utility is needed to complete additional capital improvements in the future, repay debt incurred for this purpose and operate the utility; and

**WHEREAS**, it is known today that additional revenue will be required to fund any significant capital improvements in the future;

**NOW THEREFORE, THE CITY COUNCIL DOES HEREBY ORDAIN AS FOLLOWS:**

**SECTION 1.** SWMC 2.46.080 is amended to read as follows:

It is the intention of the city to impose a baseline standard residential storm drainage fee equaling five dollars and twenty five cents per month. This equivalent residential unit (ERU) fee is based on the assumption that the average single-family lot equals approximately ten thousand square feet.

The fees for other customer classifications shall use this ten thousand square-foot ERU baseline as the basis for the calculation of the fee.

**SECTION 2.** SWMC 2.46.090 is amended to read as follows:

The following ERU-derived fees shall apply. The derived ERU-based fees shall be billed in whole units and are billed to the next higher unit (for example, if a parcel has a forty-three thousand five hundred square-foot area, the parcel's owner would be billed for five ERUs; if a parcel has two thousand square-foot area, the parcel's owner would be billed

for one ERU) and in no case shall the ERU-based fee be less than five dollars and twenty five cents.

Class 1 customers includes all single-family residential units and all multifamily and condominium units with one unit. Class 1 fee: five dollars and twenty five cents per month per unit.

Class 2 customers includes all multifamily units and condominium with two or more units. Class 2 fee: fifty percent of the Class 1 fees on a per-unit basis.

Class 3 customers includes all commercial and industrial customers. Class 3 fee: five dollars and twenty five cents per month for every ten thousand square feet of land area or ten dollars and fifty cents per month for every ten thousand square feet of impervious surface.

Class 4 customers includes all public-use customers (schools, hospitals, churches, government buildings, etc.). Class 4 fee: five dollars and twenty five cents per month for every ten thousand square feet of land area or ten dollars fifty cents per month for every ten thousand square feet of impervious surface.

Class 5 customers includes all mixed-use structures. Class 5 fee: five dollars and twenty five cents per month per commercial unit for every ten thousand square feet of land area and five dollars and twenty five cents per month for every residential unit. However, should there be more than three residential units, the fee shall be fifty percent of the Class 1 fees on a per-unit basis.

**SECTION 3.** SWMC 2.46.150(b) is hereby repealed.

**SECTION 4.** These fees shall be imposed and become effective for the billings mailed out by the City in January 2012 for services provided in December 2011.

**SECTION 5.** If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional, the invalidity or unconstitutionality thereof shall not affect the validity or constitutionality of any other section, clause or phrase of this ordinance.

**SECTION 6.** This ordinance shall be effective five (5) days after passage and publication as provided by law.

**PASSED** by majority vote of the members of the Sedro-Woolley City Council this \_\_\_\_\_ day of \_\_\_\_\_, 2011, and signed in authentication of its passage this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

---

Mike Anderson, Mayor

Attest:

---

Patsy Nelson, Finance Director

Approved as to form:

---

Eron Berg, City Attorney

Filed with the City Clerk:	October 20, 2011
Public Hearing:	November 9, 2011
First Reading:	October 26, 2011
Second Reading:	November 9, 2011
Passed by the City Council:	
Date of Publication:	
Effective Date:	

NOV 09 2011

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 7

# Memorandum

**To:** Mayor Anderson and City Council  
**From:** Patsy Nelson *Patsy*  
**Date:** 11/2/2011  
**Re:** Property Tax Levy Ordinances Public Hearing (first reading)

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**Background information:** The attached property tax ordinance has two components. The first is voter approved bond tax revenues and the second is general property tax revenues.

Voter Approved Bond Tax Revenues Part of the ordinance is for the debt service for the Public Safety Building which was previously approved by the voters of Sedro-Woolley. Low-income senior citizens and disabled persons do not pay this tax. The 2012 tax request is \$210,000 which is the same as 2009, 2010 and 2011.

General Property Tax Revenues As the population of the City is greater than 10,000, we fall under the Implicit Price Deflator (IPD) levy limit factor. The IPD limits the property tax levy to the lesser of 100% plus inflation or 101 percent (plus new construction and annexation). The Department of Revenue calculates the rate of inflation based upon the percentage change in the IPD. For the 2012 tax year the change in the IPD is 2.755 percent which limits the 2012 property tax to 101% of the 2011 dollar amount of tax (plus any new construction & annexations). Properties in the two areas annexed in 2010 after the property tax cut off date will pay property taxes to the City in 2012 at the same rate as those properties previously existing within the City limits.

The Skagit County Auditor's Office has issued the City's preliminary assessed valuation of \$720,384,890 for the regular levy which is \$72,032,280 less than last year. The decrease in assessed valuation will increase the tax rate. Attached are preliminary tax rate calculations based upon a tax increase of 0% and an increase of 1%. The final assessed valuations and resulting tax rate, will not be known until January, 2012.

If the Council were to decide upon a levy increase in the amount of 1%, it would result in \$17,395 of additional property tax. Low-income senior citizens and disabled persons either do not pay this tax or receive a tax reduction, as determined by the Skagit County Assessor's Office. The use of this 1% tax increase is not limited to the general fund. It may be restricted for specific items such as the acquisition of Park land, etc.

The attached ordinance is consistent with the Mayor's preliminary budget which reflects 2012 property taxes at the same dollar amount as 2011 (plus new construction & annexations).

Other general fund revenues are anticipated to remain at their current level or with slight increases extending through 2012. All indicators predict a long, slow economic recovery.

ORDINANCE NO. -11

AN ORDINANCE OF THE CITY OF SEDRO-WOOLLEY APPROVING THE PROPERTY TAX LEVY.

WHEREAS, The City Council of the City of Sedro-Woolley has properly given notice of the public hearing held November 9, 2011, to consider the City of Sedro-Woolley 2012 Real Estate Property Tax Levy; and

WHEREAS, the City Council, after hearing, and after duly considering all relevant evidence and testimony presented, has determined that the City of Sedro-Woolley will not require an increase or decrease in general property tax revenue from the previous year, in addition to the increase resulting from the addition of new construction and improvements to property, addition of properties as a result of annexation and any increase in the value of state assessed property, in order to discharge the expected expenses and obligations of the City of Sedro-Woolley and in its best interest; and

WHEREAS, per a 1996 citizen voted and approved GO Bond issuance, it is necessary to increase property taxes to pay GO Bond principal and interest; and

WHEREAS, the City's actual levy amount from the previous year was \$1,739,520; and

WHEREAS, the population of this City is more than 10,000; and now, therefore,

IT IS HEREBY ORDAINED, by the City Council of the City of Sedro-Woolley, an increase in the regular property tax levy shall not be imposed in addition to the increase resulting from the addition of new construction and improvements to property, addition of properties as a result of annexation and any increase in the value of state-assessed property. It is further ordained that the City Council hereby authorizes the 2012 levy in the amount of an increase of 0.00% from last year, or \$0.00 not to exceed the levy limit as allowed by law.

Also levied here is an amount necessary to fund the debt service of the 1996 G/O Bond Fund (Public Safety Building) in the amount of \$210,000.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR THIS 22nd DAY OF NOVEMBER, 2011.

\_\_\_\_\_  
Mike Anderson, Mayor

ATTEST:

\_\_\_\_\_  
Finance Director

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

**PRELIMINARY ASSESSED VALUE  
FOR COMPUTATION OF PROPERTY  
LEVY FOR DISTRICTS WITH  
POPULATION MORE THAN 10,000  
2011 LEVY FOR 2012 TAXES**

**TAXING DISTRICT: City of Sedro Woolley**

**Tax Base for Regular Levy**

1. Preliminary total district taxable value (excluding boats, timber assessed value and senior citizen exemptions from regular levy). Tax base for regular levy:	\$708,951,915
2. 2011 State Assessed Utility value:	\$11,432,975
<b>Preliminary Total Tax Base for Regular Levy</b>	<b><u>\$720,384,890</u></b>

**Tax Base for Excess and Voted Bond Levies**

3. Less assessed value of the senior citizen/disability exempt property:	\$14,761,915
4. Plus 2011 Timber Assessed Value (TAV):	\$0
5. Tax Base for Excess and Voted Bond Levies (1+2-3+4):	<b><u>\$705,622,975</u></b>

**PRELIMINARY  
LEVY LIMIT CALCULATION  
2011 LEVY FOR 2012 TAXES**

<b>A.</b> Highest regular tax which could have been lawfully levied beginning with the 1985 levy.				
Year: 2011	\$1,739,520	X	100% =	\$1,739,520
<b>B.</b> Current year's assessed value of new construction and improvements in original district before the annexation occurred times last years levy rate.				
A.V.	\$5,057,294	X	2.1952079357 / \$1,000 =	\$11,102
<b>C.</b> Current year's assessed value of state assessed property in original district if annexed, less last years value of state assessed property. The remainder to be multiplied by last year's regular levy rate.				
\$ _____	-	\$ 11,432,975	=	\$ _____
Current Yr. A.V.		Previous Yr. A.V.		Remainder
\$ _____	X	\$ 2.1952079357	/	\$1,000 =
Remainder		Last Years Levy Rate		
<b>D.</b> Regular Property Tax Limit: A+B+C =				<b><u>\$1,750,622</u></b>

**PRELIMINARY LEVY RATE  
COMPUTATION**

**Regular Levy**

Type of Taxing District:

Statutory **maximum** dollar rate for taxing district: \$3.3750

The dollar amount of the **certified levy** divided by the assessed value

$$\$1,750,622 \quad / \quad \$720,384,890 = \quad , \quad 2.43012 \quad *$$

For **Regular Rate**, enter the lesser of the statutory maximum dollar rate or the certified levy rate:

**\$2.43012**

*\*Not to exceed the Statutory Maximum rate shown above!*

**PRELIMINARY ASSESSED VALUE  
FOR COMPUTATION OF PROPERTY  
LEVY FOR DISTRICTS WITH  
POPULATION MORE THAN 10,000  
2011 LEVY FOR 2012 TAXES**

**TAXING DISTRICT: City of Sedro Woolley**

**Tax Base for Regular Levy**

1. Preliminary total district taxable value (excluding boats, timber assessed value and senior citizen exemptions from regular levy). Tax base for regular levy:	\$708,951,915
2. 2011 State Assessed Utility value:	\$11,432,975
<b>Preliminary Total Tax Base for Regular Levy</b>	<b><u>\$720,384,890</u></b>

**Tax Base for Excess and Voted Bond Levies**

3. Less assessed value of the senior citizen/disability exempt property:	\$14,761,915
4. Plus 2011 Timber Assessed Value (TAV):	\$0
5. Tax Base for Excess and Voted Bond Levies (1+2-3+4):	<b><u>\$705,622,975</u></b>

**PRELIMINARY  
LEVY LIMIT CALCULATION  
2011 LEVY FOR 2012 TAXES**

<b>A. Highest regular tax which could have been lawfully levied beginning with the 1985 levy.</b>				
Year: 2011	\$1,739,520	X	101% =	\$1,756,915
<b>B. Current year's assessed value of new construction and improvements in original district before the annexation occurred times last years levy rate.</b>				
A.V.	\$5,057,294	X	2.1952079357 / \$1,000 =	\$11,102
<b>C. Current year's assessed value of state assessed property in original district if annexed, less last years value of state assessed property. The remainder to be multiplied by last year's regular levy rate.</b>				
\$ _____	-	\$ 11,432,975	=	\$ _____
Current Yr. A.V.		Previous Yr. A.V.		Remainder
\$ _____	X	\$ 2.1952079357	/ \$1,000 =	
Remainder		Last Years Levy Rate		
<b>D. Regular Property Tax Limit: A+B+C =</b>				<b><u>\$1,768,017</u></b>

**PRELIMINARY LEVY RATE  
COMPUTATION**

**Regular Levy**

Type of Taxing District:

Statutory **maximum** dollar rate for taxing district: \$3.3750

The dollar amount of the **certified levy** divided by the assessed value

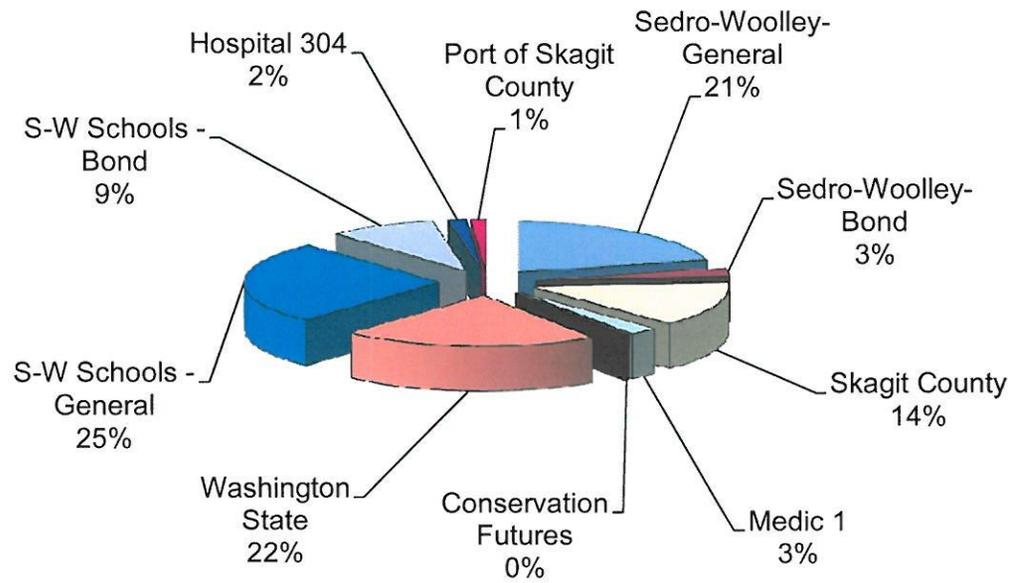
$$\$1,768,017 \quad / \quad \$720,384,890 = \quad 2.45427 \quad *$$

For **Regular Rate**, enter the lesser of the statutory maximum dollar rate or the certified levy rate:

**\$2.45427**

*\*Not to exceed the Statutory Maximum rate shown above!*

## 2011 Property Tax

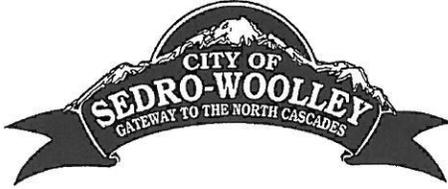


UNFINISHED  
BUSINESS

CITY COUNCIL AGENDA  
REGULAR MEETING

NOV 09 2011

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 8



**CITY OF SEDRO-WOOLLEY**  
Sedro-Woolley Municipal Building  
325 Metcalf Street  
Sedro-Woolley, WA 98284  
Phone (360) 855-9922  
Fax (360) 855-9923

Eron M. Berg  
City Supervisor/City Attorney

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MEMO TO: City Council  
FROM: Eron Berg  
RE: Business License Title Update  
DATE: November 9, 2011

ISSUE: Should the Council adopt the attached ordinance repealing, amending and adding to SWMC Title 5?

BACKGROUND: This item is on for a second reading tonight. Your first reading was September 28, 2011 (council memo attached).

Changes from the first reading to this reading include:

A. Additional language allowing and regulating mobile vending including:

A definition: "Mobile Vending" or "Mobile Vendors". Sales of services and/or merchandise including food that occurs at or in a mobile vehicle, cart, trailer or similar vehicle that can be moved from location to location, but not including, however, the following:

1. Mobile vending that occurs during and as a part of Community Events which includes Founders' Day, Blast From the Past, Loggerodeo, 4<sup>th</sup> of July, Thanksgiving, City of Lights Festival, and such other events as the City Council may from time to time designate.
2. "Open Air Vending" which means the sales of services and/or merchandise including food that occurs at a table or other temporary location that is not an integral extension of an already existing permanently sheltered business. Open Air Vending does not include garage sales.
3. Mobile vending which occurs as part of a Special Event as defined in SWMC 12.44.

A fee with additional requirements as follows: Mobile Vendors. An annual license fee of one thousand dollars (\$1,000.00) and compliance with the following requirements:

- a. Mobile vending is allowed on private property when invited by the property owner;  
and
- b. Mobile vending is allowed on public streets provided the following conditions are met: (1) The vehicle must be legally parked and cannot use more than a single designated parking space; (2) The vehicle or cart may not obstruct any street or sidewalk for the passage of

other vehicles or pedestrians or result in non-compliance with the Americans with Disabilities Act As Amended (ADAAA); (3) The vehicle must not operate in a single location for more than one hour at a time. For purposes of this section, one location is defined as one city block; and

c. Nothing in this Section shall relieve any person who is operating as a mobile vendor from compliance with all other requirements of the Sedro-Woolley Municipal Code, including but not limited to, for example, zoning, sewer, and mandatory solid waste service requirements.

B. The addition of a new license fee for taverns, bars and lounges of \$1,000 per year to help defray a small portion of the SWPD overtime that results from those businesses.

Specialty Business License: each person engaged in the following business in the city shall pay an annual basic license fee as indicated below:

1. Taverns, bars and lounges selling beer, wine and or spirits, operating under license or authority of the Washington State Liquor Control Board, an annual license fee of one thousand dollars (\$1,000.00);

As we are implementing our new relationship with the State BLS office, this ordinance should be adopted tonight. Of course, you are free to make any changes prior to adoption.

RECOMMENDATION: Motion to adopt the attached ordinance repealing, amending and adding to SWMC Title 5.

SEP 28 2011

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 6

# Memorandum

**To:** Mayor Anderson & City Council

**From:** Patsy Nelson *Patsy*

**Date:** 9/21/2011

**Re:** Business Licenses & Regulations Code Update –first read

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**ISSUE:** Shall the Council adopt the draft ordinance updating the business licenses and regulations section of the code to reflect partnering with Washington State as well as updating some vintage sections?

**BACKGROUND:** Business license processing and partnering with Washington State Business License Services was discussed at the April 6 work session and the Interlocal Agreement was approved at the April 13 meeting. Since that time, the Licensing Section was moved from the Department of Licensing to the Department of Revenue as part of the State's cost savings program.

The changes relating to partnering are consistent with the model ordinance presented at the April 6 meeting.

Other changes are proposed to streamline various vintage regulations such as amusement devices, vending machines, pool, billiards, cardrooms, and dance halls. Consolidating the various licenses into the following three classes is also proposed. 1.) Specialty Business License for pawnbrokers, taxicabs and establishments operating under the Washington State Liquor board. Businesses in this classification tend to require more of our police department's time. The current license fee of \$35 plus the entertainment license fee of \$100 would be combined for these establishments. 2.) Nonprofit Business License issued at no cost to 501(c)(3) entities. 3.) All other businesses would fit into the General Business License category which would retain the \$35 fee. The former Class 1 license of \$75 is eliminated.

**RECOMMENDATION:** Motion to adopt Ordinance \_\_\_\_\_-11, an ordinance amending the business licenses and regulations section of the Sedro-Woolley Municipal Code.

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY OF SEDRO-WOOLLEY REPEALING,  
AMENDING AND ENACTING NEW SECTIONS OF THE SEDRO-WOOLLEY  
MUNICIPAL CODE TITLE 5**

WHEREAS The City Council of the City of Sedro-Woolley hereby finds that some of its laws regarding business licenses and regulations are outdated and do not reflect best practices; and

WHEREAS, The City Council of the City of Sedro-Woolley desires to repeal unnecessary sections, amend sections that may be improved and to add new sections; and

WHEREAS, the City Council finds that it is in the interests of the public health, safety and welfare to adopt the sections set forth below, now therefore;

THE CITY COUNCIL OF THE CITY OF SEDRO-WOOLLEY,  
WASHINGTON, DO ORDAIN AS FOLLOWS:

**SECTION 1.** Chapter 5.04 of the Sedro-Woolley Municipal Code is hereby amended to read as follows:

**BUSINESS LICENSES**

**Sections:**

- 5.04.010**     **Definitions.**
- 5.04.020**     **Purposes.**
- 5.04.030**     **License fees.**
- 5.04.040**     **Procedure for obtaining license.**
- 5.04.050**     **Examinations of business premises.**
- 5.04.055**     **Fire inspection certificates.**
- 5.04.060**     **Penalties.**
- 5.04.070**     **Additional remedies.**
- 5.04.080**     **License—Compliance—Revocation.**
- 5.04.090**     **License—Needed for defense.**
- 5.04.330**     **Unpaid license fee.**
- 5.04.360**     **Exemptions.**

**5.04.380 Publishers.**

**5.04.420 Duties of the city clerk.**

**5.04.010 Definitions.**

The following terms when used in this chapter shall have the meanings designated below:

A. "Person" means all individuals, partnerships, domestic and foreign corporations, associations, syndicates, joint ventures, and societies transacting and carrying on any business in the city of Sedro-Woolley, Washington.

B. "Business" means professions, trades, occupations, shops and all and every kind of calling, but **not including**, however, the following:

1. Suppliers who do not have a place of business in the city and those engaged solely in wholesale selling to licensed retailers;

2. Any person whose income is based solely on an hourly, daily, weekly, monthly or annual wage or salary;

3. Any person transacting and carrying on any business which is exempt from a license fee by virtue of the Constitution of the United States, the Constitution of the state of Washington, or the laws of the United States or the state of Washington;

4. Vendors in a temporary bazaar or community fair, including mobile vendors, for which a master license has been given to the sponsor thereof;

5. Rental or lease of real property by an owner, provided that the owner of any structure on real property shall obtain a fire inspection certificate for each property from the Sedro-Woolley fire department if required by this chapter; and provided that any business on the property shall, if otherwise required by Section 5.40.030, obtain a business license. Rentals with added services, including but not limited to hotels, motels, storage facilities, and bed-and-breakfasts, shall obtain a business license;

6. Beginning July 1, 2008, entities located outside of the City of Sedro-Woolley which are merely complying with destination-based sourcing sales tax rules without engaging in other business activities within the City (e.g. sales of goods in the city delivered via common carriers without engaging in other business activities) do not need a City of Sedro-Woolley business license;

7. Any instrumentality of the United States, the State of Washington, or political subdivisions thereof with respect to the exercise of governmental functions;

8. Newspaper carriers under the age of 18

C. "Mobile Vending" or "Mobile Vendors". Sales of services and/or merchandise including food that occurs at or in a mobile vehicle, cart, trailer or similar vehicle that can be moved from location to location, but not including, however, the following:

1. Mobile vending that occurs during and as a part of Community Events which includes Founders' Day, Blast From the Past, Loggerodeo, 4<sup>th</sup> of July, Thanksgiving, City of Lights Festival, and such other events as the City Council may from time to time designate.

2. "Open Air Vending" which means the sales of services and/or merchandise including food that occurs at a table or other temporary location that is not an integral extension of an already existing permanently sheltered business. Open Air Vending does not include garage sales.

3. Mobile vending which occurs as part of a Special Event as defined in SWMC 12.44.

D. The agent or agents of a nonresident proprietor engaged in a business for which a license is required by this chapter shall be liable for the payment of the fee thereon as herein provided and for the penalties for failure to pay the same or to comply with the provisions of this chapter to the extent and with like effect as if such agent or agents were themselves proprietors.

#### **5.04.020 Purposes.**

A. To provide revenue for municipal planning, policing, and regulatory purposes and to provide revenue to pay for the necessary expense required to issue the license for and to regulate the businesses licensed.

B. The license fees levied by this chapter shall be independent and separate from any permit fees now or hereafter required of any person to engage in any business by any ordinance of the city, regulating any business herein required to be licensed, and all such businesses shall remain subject to the regulatory provisions of any such ordinances or ordinances now or hereinafter in effect, and the persons engaged in all such businesses shall be liable for the payment of any license fees for which provision has been made herein.

C. The levy or collection of a license fee upon any business shall not be construed to be a license or permit of the city to the person engaged therein to engage therein, in the event such business shall be unlawful, illegal, or prohibited by the ordinance of the city or the laws of the state or the United States.

#### **5.04.030 License fees.**

A. No person shall engage in business in the city without first having applied for, paid for and obtained the license therefore for the current year, as provided herein, and without having first complied with any and all applicable provisions of this chapter

B. Specialty Business License: each person engaged in the following business in the city shall pay an annual basic license fee as indicated below:

1. Taverns, bars and lounges selling beer, wine and or spirits, operating under license or authority of the Washington State Liquor Control Board, an annual license fee of one thousand dollars (\$1,000.00);

2. Clubs/Societies operating under license or authority of the Washington State Liquor Control Board, an annual license fee of one hundred thirty five dollars (\$135.00);

3. Restaurants serving beer, wine and or spirits, operating under license or authority of the Washington State Liquor Control Board which also provide entertainment including but not limited to pool, darts, dancing, live music and karaoke, an annual license fee of one hundred thirty five dollars (\$135.00);

4. Pawnbrokers. An annual license fee of one hundred thirty five dollars (\$135.00) and no person shall be issued a license to operate a pawnbroker unless he or she possesses the following qualifications:

- a. Is at least twenty-one years of age;
- b. Is a resident of the state of Washington for at least six months prior to filing application;
- c. Has not been convicted of any offense involving moral turpitude or intent to defraud or any property crime, within three years prior to the time of application.

I. When an application for a license to operate a pawnbroker, duly signed and notarized, and accompanied by required information, has been received by the police chief, he shall investigate the statements contained therein and may obtain such other information concerning the applicant's character, integrity, personal habits, past conduct and general suitability to maintain a pawnshop within the city.

II Each application for a pawnbroker's shall be accompanied by a complete set of fingerprints of the applicant, utilizing a fingerprint form provided by the city police department.

III. All applications shall become null and void after sixty days from the date of filing if the application for any reason is denied or is not obtained by the applicant.

5. Mobile Vendors. An annual license fee of one thousand dollars (\$1,000.00) and compliance with the following requirements:

a. Mobile vending is allowed on private property when invited by the property owner; and

b. Mobile vending is allowed on public streets provided the following conditions are met: (1) The vehicle must be legally parked and cannot use more than a single designated parking space; (2) The vehicle or cart may not obstruct any street or sidewalk for the passage of other vehicles or pedestrians or result in non-compliance with the Americans with Disabilities Act As Amended (ADAAA); (3) The vehicle must not operate in a single location for more than one hour at a time. For purposes of this section, one location is defined as one city block; and

c. Nothing in this Section shall relieve any person who is operating as a mobile vendor from compliance with all other requirements of the Sedro-Woolley Municipal Code, including but not limited to, for example, zoning, sewer, and mandatory solid waste service requirements.

6. Taxicabs

a. An annual license fee of one hundred thirty five dollars (\$135.00) and no taxicab license or driver's permit shall be issued to any person who:

1. Has been convicted of an offense of such a nature to indicate that he or she is unfit to hold a license or a permit;

2. Is guilty of committing two or more offenses for which mandatory revocation of driver's license is provided by law;

3. Has been convicted of manslaughter resulting from the operation of a motor vehicle or convicted of negligent homicide;

4. Is intemperate or addicted to the use of narcotics.

b. Any license or permit issued may be revoked if the holder is found guilty of the above mentioned disabilities or physically or mentally unfit upon complaint of the police chief or a committee of the city council designated for that purpose by the council as a whole, at which hearing the holder or licensee may appear and be heard on his own behalf.

c. No person may be issued a taxicab license or driver's permit within one year after his conviction in any local, state, or federal court or authority, of the violation of any ordinance or law pertaining to the sale or possession of alcoholic beverages, and any license or permit issued shall be revoked for one year upon the conviction of the holder of a violation of local, state, or federal ordinances, laws, or regulations pertaining to the sale or possession of alcoholic beverages.

d. The payment of such license fee shall permit the owner or operator to operate as many taxicabs under one license as he may desire.

e. Nothing herein contained shall prevent the operator of a taxicab licensed to operate in another city or town or within this or other county, from entering and leaving the city for picking up or depositing passengers in the usual course of business.

C. General Business License: all persons engaged in business in the city not included in Specialty or Nonprofit Business License sections shall pay an annual basic license fee of thirty-five dollars.

D. Nonprofit Business License: Business and organizations which have IRS 501(c)(3) nonprofit tax status, for activities within the scope of their IRS 501(c)(3) purpose, are exempted from any fees in this Chapter; however, they are not exempted from registering with the City of Sedro-Woolley, provided that:

1. The organization shall provide proof of IRS 501(c)(3) status
2. the activity shall not include the sale of food, beverages, cigarettes or gambling, and
3. The owner of property used for this exempt purpose shall obtain a fire inspection certificate if required by this chapter.

E. The license required by this chapter shall have a term as established by the State of Washington BLS, in cooperation with the City.

F. Each branch establishment or separate location of a business conducted by any person shall, for the purpose thereof, be a separate business and subject to the license therefore provided for herein.

G. If any person be engaged in operating or carrying on in the city more than one business, then such person shall pay the license herein prescribed for as many of said businesses as are carried on by such person.

H. A change of physical location of a business inside the city will require approval by the city before business may commence at the new location, and may require the filing of a new Master Business Application.

#### **5.04.040 Procedure for obtaining license.**

A. All licenses shall be issued and renewed by the State of Washington Department of Revenue Business Licensing Services (BLS). Building and Fire

inspections and approvals must be issued before an initial Business License is issued. All licenses and permits are subject to revocation at any time by the council for cause.

B. Application for the business license shall be made by submitting a completed Master Business application, and any appropriate addenda forms to the BLS, in cooperation with the City. Said application shall be accompanied by payment of all respective license fees due for that application and the BLS application handling fee.

C. No license issued to do business within the limits of the city shall be transferable. Only the individuals to whom the license is issued shall be eligible to operate on that license.

D. All persons operating on or doing business under license issued by the Business Licensing Services shall, at all times, keep such license either on their person or properly displayed while so operating within the city limits.

E. Issuance of a business license shall not relieve the applicant from the need to comply with all other applicable city ordinances.

**5.04.050 Examinations of business premises.**

City officials shall have the authority to investigate and examine all places of business licensed or subject to license under this chapter at any reasonable time for the purpose of determining whether such place of business is complying with the provisions of the chapter.

**5.04.055 Fire inspection certificates.**

A. The owner of nonresidential, commercial, industrial, or multifamily residential structures on real property shall obtain an annual fire inspection certificate for each property from the Sedro-Woolley fire department.

B. For purposes of this chapter, multifamily residential rental property shall be defined as a building containing three or more dwelling units or a single dwelling unit in a building used primarily for nonresidential purposes. Hotel, motel, and “bed and breakfast” facilities shall be considered commercial facilities.

C. The owner of the real property shall be primarily responsible for obtaining the fire inspection certificate; however, the tenant or lessee may obtain the fire inspection certificate for the owner, as the owner’s agent.

**5.04.060 Penalties.**

Failure to renew the license on or before the expiration date established by the Business Licensing Services may result in the charge of a delinquent renewal penalty or the cancellation of the license. If a license is cancelled, filing of a new Master Business application, payment of all appropriate fees and reapproval by the City may be required in order to continue conducting business in the City.

B. Nothing herein contained shall be taken or construed as vesting any right in any license as a contract obligation on the part of the city as to the amount of the fee hereunder. Other or additional taxes or fees and the fees herein provided for may be increased or decreased and additional or other fees provided for and levied in any and all instances at any time by the city.

C. The conviction of any person for violation of any of the provisions of this chapter shall not operate to relieve such person from paying any fee or penalty thereupon for which such person shall be liable, nor shall the payment of any such fee be a bar to or prevent prosecution in the city court of any complaint for the violation of any of the provisions of this chapter.

D. All persons, firms and corporations who perform labor, services and construction within the city (as provided in Rule II, WAC 458-20-145), shall report the city "Location Code Number 2908" on their sales/excise tax returns to the state of Washington, Department of Revenue. On any violation hereof, the amount of local sales and use taxes due the city shall be paid to the city by the violator, together with a penalty of one hundred percent in addition to all other penalties, fines and remedies provided in this chapter.

**5.04.070 Additional remedies.**

A. In addition to the penalties provided in this chapter and as separate and distinct remedies, the city may sue in any court of competent jurisdiction to obtain a judgment and enforce collection thereof by execution for any license fee or tax due under this chapter.

B. The city may seek an injunction prohibiting a person from engaging in any unlicensed business.

C. In any action or suit authorized by this section, the city, if it prevails, shall recover a reasonable attorney's fee to be set by the court, in addition to its costs and disbursements.

**5.04.080 License—Compliance—Revocation.**

Every license shall be taken and held subject to all of the ordinances and police regulations of the city existing at the time of the issuance thereof, and also subject to revocation by the city council at their discretion at any time upon refunding the price paid, proportionately for the unexpired term of such license; and upon conviction of any license for the violation of any ordinance regulating the licensed business, the city council shall have power to revoke the license without notice and without repayment of the unearned portion of the license fee, whereupon the license shall be forfeited. The conditions contained in this section shall constitute a part of each license issued by the city.

**5.04.090 License—Needed for defense.**

Upon the trial of any action brought for the violation of any license ordinance of the city, the defendant shall be deemed not to have procured or have in force the required license unless he produces such license in court and proves that the same has been properly issued and the fee therefor paid, and in any such action the fact that the defendant has represented himself as engaging in any business or calling for which a license is required shall be conclusive evidence of the liability of the defendant to pay for such license and procure the issuance thereof.

**5.04.100 Home Occupation Business.**

A business owner intending to conduct business from a residence located within the city must provide proof of residency within the city and obtain approval per SWMC 17.68. The proof of residency and home occupation permit application must be filed directly with the City separate from the Master Business application submitted to the Business Licenses Services, and must be received and approved by the City before the business license application can be approved.

**SECTION 2.** Chapter 5.06 of the Sedro-Woolley Municipal Code is hereby amended to read as follows:

## **UTILITY TAX**

**Sections:**

- 5.06.010 Definitions.**
- 5.06.020 Utility tax levied—Rate.**
- 5.06.025 Cellular telephone utility tax levied—Rate.**
- 5.06.030 License requirement.**
- 5.06.040 Allocation of income—Cellular telephone service.**
- 5.06.050 Remittance.**
- 5.06.060 Taxpayer engaged in more than one business.**
- 5.06.070 Deductions.**
- 5.06.080 Record retention requirements.**
- 5.06.090 Tax delinquency—Unlawful acts.**
- 5.06.100 Quitting, selling or transferring business.**
- 5.06.110 Tax not exclusive.**
- 5.06.120 Rate changes.**
- 5.06.130 Appeal procedure.**
- 5.06.140 Over or underpayment of tax.**
- 5.06.150 Pass-through to customer.**
- 5.06.155 Use of funds.**

**5.06.010 Definitions.**

Unless the context clearly indicates otherwise, the words phrases and terms used in this chapter shall have the following meanings:

A. “Cellular telephone service” means a two-way voice and data telephone/telecommunications system based in whole or substantially in part on wireless radio communications which is not subject to regulation by the Washington State Utilities and Transportation Commission (WUTC). This includes cellular mobile service. The definition of cellular mobile service includes other wireless radio communications services such as specialized mobile radio (SMR), personal communications services (PCS), and any other evolving wireless radio communications technology which accomplishes a purpose similar to cellular mobile service. Cellular telephone service is included within the definition of “telephone business” for the purposes of this chapter.

B. "City clerk" means the city clerk of Sedro-Woolley and his or her designees or agents.

C. "Competitive telephone service" means the providing by any person of telecommunications equipment or apparatus, or service related to that equipment or apparatus such as repair or maintenance service, if the equipment or apparatus is of a type which can be provided by persons that are not subject to regulation as telephone companies under Title 80 RCW and for which a separate charge is made.

D. "Gross income" means the value proceeding or accruing from the sale of tangible property or service, and receipts (including all sums earned or charged, whether received or not) by reason of investment of capital in the business engaged in (including rentals, royalties, interest and other emoluments however designated excluding receipts or proceeds from the sale or use of real property or any interest therein and the proceeds from the sale of notes, bonds, mortgages, or other evidences of indebtedness, or stocks and the like and without any deduction on account of the cost of the property sold, cost of materials used, labor costs, interest or discount paid, or any expenses whatsoever, and without any deduction on account of losses. Further deductions and exceptions from gross income upon which the fee or tax described in this chapter is computed are set forth in Section 5.06.070 of this chapter.

E. "Person" or "persons" means persons of either sex, firms, copartnerships, corporations, limited liability companies, and other associations, whether acting by themselves or through servants, agents or employees, and shall include the city of Sedro-Woolley for purposes of imposition and collection of this tax.

F. "Taxpayer" means any person liable for the license fee or tax imposed by this chapter.

G. "Tax year" or "taxable year" means (1) the year commencing January 1st and ending on December 31st, of such year, or (2) the taxpayer's fiscal year when permission is obtained from the city clerk to use that period as the tax year, or (3) the year commencing December 15th and ending on December 14th of the following calendar year when permission is obtained from the city clerk to use that period as the tax year.

H. "Telephone business" means the business of providing access to a local telephone network, local telephone network switching service, toll service or coin telephone services or providing telephonic, video, data or similar communication or transmission for hire, via a local telephone network, toll line or channel cable, microwave, or similar communication or transmission system. The term includes cooperative or farmer line telephone companies or associations operating an exchange. Telephone business also includes cellular telephone service, provided, that the utility tax therefore shall be collected under Section 5.06.025 of this chapter. Telephone business does not include the providing of competitive telephone service, the providing of cable television service, nor the providing of broadcast services by radio and television stations.

**5.06.020 Utility tax levied—Rate.**

On and after April 1, 2005, there is levied on and shall be collected from every person a tax for the act or privilege of engaging in certain business activities,

measured by the application of the respective rates against gross income as follows:

A. Telephone Business. Upon every person engaged in or carrying on any telephone business (excluding cellular telephone service) within the city of Sedro-Woolley, a fee or tax equal to six percent of the total gross income from such business in the city of Sedro-Woolley. Tax liability imposed under this section shall not apply to that portion of gross income derived from charges to another telecommunications company, as defined in RCW 80.04.010, for connecting fees, switching charges, or carrier access charges relating to intrastate toll telephone services, or for access to, or charges for, interstate services, or charges for network telephone service that is purchased for the purpose of resale.

B. Solid Waste. Upon every person engaged in or carrying on the business of collecting solid waste, recyclable materials or yard waste, a tax equal to two percent of the total gross income from such business in the city of Sedro-Woolley, but not including income from the sale of recyclable materials or yard waste.

C. Sewer System. Upon every person engaged in or carrying on the business of operating a sanitary sewer system, a tax equal to two percent of the total gross income from such business in the city of Sedro-Woolley.

#### **5.06.025 Cellular telephone utility tax levied—Rate.**

On and after January 1, 2006, there is levied on and shall be collected from every person a tax for the act or privilege of engaging in certain business activities, measured by the application of the respective rates against gross income as follows:

Cellular Telephone Business. Upon every person engaged in or carrying on any cellular telephone service business within the city of Sedro-Woolley a fee or tax equal to six percent of the total gross income from such business in the city of Sedro-Woolley. Tax liability imposed under this section shall not apply to that portion of gross income derived from charges to another telecommunications company, as defined in RCW 80.04.010, for connecting fees, switching charges, or carrier access charges relating to intrastate toll telephone services, or for access to, or charges for, interstate services, or charges for network telephone service that is purchased for the purpose of resale.

#### **5.06.\_\_\_\_ Public utilities.**

A. There is levied upon, and shall be collected from, every person, firm or corporation engaged in carrying on the following business for hire or for sale of a commodity or a service within or partly within the corporate limits of the city, the tax for the privilege of so doing business as hereinafter defined:

1. Upon any cable television business, there shall be levied a tax equal to six and one half percent of the total gross subscriber revenues from business in the city.

2. There is levied a tax on the sale, delivery or distribution of electricity and electrical energy, and for the privilege of carrying on said business such tax shall be equal to six percent of the total gross revenue derived from sales of such

electricity to ultimate users within the city; provided, however, that there shall not be any tax levied for the installation charges of electrical units.

3. There is levied a tax on the sale, delivery, distribution or furnishing of natural gas for domestic, business or industrial consumption, and for the privilege of carrying on said business such tax shall be equal to six percent of the total gross income from such business in the city; provided, however, that there shall not be any tax levied for installation charges of gas energy units. B. The tax imposed by this section shall be due and payable in quarterly installments and remittance shall be made on or before the thirtieth day of the month next succeeding the end of the quarterly period in which the tax accrued, such quarterly periods being, as follows:

1. First quarter: January, February, March;
2. Second quarter: April, May, June;
3. Third quarter: July, August, September;
4. Fourth quarter: October, November, December.

This section shall be effective January 1, 1982, and the first payment made under this section shall be made on or before April 30, 1982, for the first quarter. On or before said due date, the taxpayer shall file with the city clerk a written return upon such form and setting forth such information as the clerk reasonably requires, together with payment of the amount of the tax.

C. In computing the tax, there shall be deducted from gross operating revenues, the following items:

1. The amount of credit losses and uncollectibles actually sustained by the taxpayer;
2. Amounts derived from transactions in interstate or foreign commerce or from any business which the city is prohibited from taxing under the Constitutions of the United States or the state.

D. Each taxpayer shall keep records reflecting the amount of his gross operating revenues, and such records shall be open at all reasonable times to the inspection of the city clerk or her duly authorized subordinates for verification of said tax returns or for the fixing of the tax of a taxpayer who fails to make such returns.

E. If any person, firm or corporation subject to this section fails to pay any tax required by this section within thirty days after the due date thereof, there shall be added to such tax a penalty of one percent per month of the amount of such tax, and any tax due under this section and unpaid and all penalties thereon shall constitute a debt to the city and may be collected by court proceedings, which remedy shall be in addition to all other remedies.

F. Any money paid to the city through error or not otherwise in payment of the tax imposed by this section or in excess of such tax, upon request of the taxpayer, shall be credited against any tax due or to become due from such taxpayer under this section or, upon the taxpayer ceasing to do business in the city, shall be refunded to the taxpayer.

G. Any person, firm or corporation subject to this section who fails or refuses to make the required tax returns or to pay the tax when due, or who makes any false statement or representation in or in connection with any such tax return, or

otherwise violates or refuses or fails to comply with this section, is guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not to exceed three hundred dollars or by imprisonment in the city or county jail for a term of not to exceed ninety days, or by both such fine and imprisonment.

**5.06.040 Allocation of income—Cellular telephone service.**

A. Service Address. Payments by a customer for the telephone service from telephones without a fixed location shall be allocated among taxing jurisdictions to the location of the customer's principal service address during the period for which the tax applies.

B. Presumption. There is a presumption that the service address a customer supplies to the taxpayer is current and accurate, unless the taxpayer has actual knowledge to the contrary.

C. Roaming Phones. When the service is provided while a subscriber is roaming outside the subscriber's normal cellular network area, the gross income shall be assigned consistent with the taxpayer's accounting system to the location of the originating cell site of the call, or to the location of the main cellular switching office that switched the call.

D. Dispute Resolution. If there is a dispute between or among the city of Sedro-Woolley and one or more other cities, as to the service address of a customer who is receiving cellular telephone services and the dispute is not resolved by negotiation among the parties, then the dispute shall be resolved by the city of Sedro-Woolley and the other city or cities by submitting the issue for settlement to the Association of Washington Cities (AWC). Once the taxes on the disputed revenues have been paid to one of the contesting cities, the cellular telephone service company shall have no further liability with respect to additional taxes on the disputed revenues so long as it changes its billing records for future revenues to comport with the settlement facilitated by AWC.

**5.06.050 Remittance.**

A. Monthly Remittance. The tax imposed by this chapter shall be reported and remitted to the city of Sedro-Woolley monthly on or before the last day of the subsequent month. If a taxpayer commences to engage in business at any time other than the first day of the month, then the taxpayer's first return and tax payment shall be based upon and cover the portion of the month during which the taxpayer engaged in business.

B. Returns. The remittance shall be in legal tender and shall be accompanied by a return on a form to be provided and prescribed by the city clerk. The taxpayer shall be required to swear or affirm in writing on the return that the information therein given is full and true and that the taxpayer knows it to be so. If the total tax for which any person is liable under this chapter is not reasonably expected to exceed one hundred dollars in any month, the taxpayer may file a written request with the city clerk to file and pay taxes due under this chapter annually. Such requests are subject to approval by the city clerk.

**5.06.060 Taxpayer engaged in more than one business.**

Any person engaged in, or carrying on more than one activity or business subject to the tax imposed by this chapter, shall pay the tax so imposed on each such business or activity.

**5.06.070 Deductions.**

In computing the tax imposed by this chapter, the following may be deducted from the measure of the tax:

A. Adjustments made to a billing or to a customer account or to a telecommunications company accrual account in order to reverse a billing or charge that had been made as a result of third-party fraud or other crime and was properly a debt of a customer and for which the taxpayer can provide documentation to the city of Sedro-Woolley.

B. All cash discounts allowed and actually granted to customers of the taxpayer during the tax year and for which the taxpayer can provide documentation to the city of Sedro-Woolley.

C. Amounts derived from transactions in interstate or foreign commerce, or from business done for the government of the United States, its officers or agents in their official capacity, and any amount paid by the taxpayer to the United States or the state of Washington, as excise taxes.

D. The amount of credit losses actually sustained by taxpayers whose regular books are kept on an accrual basis.

E. Amounts derived from business which the city of Sedro-Woolley is prohibited from taxing under the Constitution or the laws of this state or the United States.

F. Amounts derived from collection of recyclables from commercial and industrial customers.

**5.06.080 Record retention requirements.**

It shall be the duty of every person required to obtain an occupation license and liable for payment of any tax imposed by this chapter to keep and preserve for a period of five years such books and records as will accurately reflect the amount of gross income from the business, and from which can be determined the amount of any tax for which the person may be liable under the provisions of this chapter. The term "books and records" as used in this section includes but is not limited to copies of the taxpayer's federal income tax returns, federal excise tax returns, state of Washington excise tax returns, and copies of income tax and excise tax audits made by the United States or the state of Washington and furnished to such person. The taxpayer's books and records shall be available for examination at all reasonable times by the city clerk and his or her duly authorized.

In the case of any taxpayer who does not keep the necessary books and records within the city of Sedro-Woolley for examination, it shall be sufficient if such person produce the same within the city of Sedro-Woolley as instructed or required by the city clerk.

Any taxpayer who fails, neglects, or refuses to produce such books and records in accordance with this chapter, or fails to file a return, in addition to being

subject to other civil and criminal penalties provided by this chapter, is subject to a tax assessment in an amount determined by the city clerk in accordance with the provisions of this chapter, which tax assessment shall be deemed prima facie correct and shall be the amount of fee or tax owing to the city of Sedro-Woolley by the taxpayer unless the person can prove otherwise by competent evidence. The taxpayer shall be notified by mail by the city clerk of the amount of tax assessment imposed pursuant to this section, together with any penalty and/or interest due, and the total of such amounts shall thereupon become immediately due and payable.

**5.06.090 Tax delinquency—Unlawful acts.**

A. Penalties and Interest. For each payment due, if such payment is not made by the due date thereof, there shall be added penalty and interest as follows:

1. If paid one to ten days late, there shall be a penalty of ten percent added to the amount of tax due.

2. If paid eleven to twenty days late, there shall be a penalty of fifteen percent added to the amount of tax due.

3. If paid twenty-one to thirty days late, there shall be a penalty of twenty percent added to the amount of tax due.

4. If paid thirty-one to sixty days late, there shall be a penalty of twenty-five percent added to the amount of tax due.

5. In addition to the above penalty, the city of Sedro-Woolley shall charge the taxpayer interest on all taxes due at the rate of one percent per month or portion thereof that such amounts are past due.

6. The tax imposed by this chapter and all penalties and interest thereon shall constitute a debt to the city of Sedro-Woolley and may be collected by court proceedings in the same manner as any other debt which remedy shall be in addition to all other available remedies. Any judgment entered in favor of the city of Sedro-Woolley may include an award to the city of Sedro-Woolley of all court and collection costs including attorneys' fees to the extent permitted by law. Amounts delinquent more than sixty days may be assigned to a third party for collection in which case the amount of any collection charges shall be in addition to all other amounts owed. Amounts due shall not be considered paid until the city of Sedro-Woolley has received payment for the full amount due or has discharged the amount due and not paid.

B. Unlawful Acts. It is unlawful for any person liable for the tax imposed by this chapter to fail to pay the tax when due or for any person, firm, or corporation to make any false or fraudulent return or any false statement in connection with the return.

C. Criminal Penalties. Any person who intentionally violates any provision of this chapter shall be guilty of a misdemeanor and upon conviction thereof punished pursuant to state law or city ordinance.

**5.06.100 Quitting, selling or transferring business.**

Whenever any taxpayer quits business, or sells out, exchanges, or otherwise disposes of such business, any tax payable under this chapter shall become

immediately due and payable, and such taxpayer shall, within ten days thereafter, make a return and pay the tax due; and any person who becomes a successor shall become liable for the full amount of any unpaid tax, interest, and penalties and shall withhold from the purchase price an amount sufficient to pay any tax due from the taxpayer until such time as the taxpayer shall produce a receipt from the city of Sedro-Woolley showing payment in full of any tax due or a certificate that no tax is due. If such tax, interest or penalty has not been paid by the taxpayer within ten days from the date of such sale, exchange, or disposal, the successor shall become liable for the payment of the full amount of tax, interest and penalties. The successor's liability shall be limited to the purchase price or fair market value of the business purchased if no cash transaction took place. No successor shall be liable for any tax due from the taxpayer from whom the successor has acquired a business or stock of goods if the successor gives written notice to the city clerk of such acquisition and no assessment is issued by the city clerk within six months of receipt of such notice against the former operator of the business. Taxpayer's account will remain on an active status and be subject to all taxes, penalties and interest until such time as the city clerk is notified in writing that the taxpayer has discontinued business activity within the city of Sedro-Woolley. Nothing in this chapter is intended nor shall it be construed to prohibit the successor from engaging in business in the city of Sedro-Woolley pending resolution of the successor's tax liability.

**5.06.110 Tax not exclusive.**

The tax levied herein shall be additional to any license fee or tax imposed or levied under any other law or under any other ordinance of the city of Sedro-Woolley.

**5.06.120 Rate changes.**

No change in the rate of tax upon persons engaging in the telephone business, including cellular telephone service, shall apply to business activities occurring before the effective date of the change. Furthermore, except for a change in the tax rate authorized by RCW 35.21.870, no change in the rate of the tax on the telephone business may take effect sooner than sixty days following the enactment of the ordinance codified in this chapter establishing the change. The city of Sedro-Woolley shall send to each cellular telephone service company at the address on its occupation license, a copy of any ordinance changing the rate of tax upon cellular telephone service promptly upon its enactment.

**5.06.130 Appeal procedure.**

Any taxpayer aggrieved by the amount of the fee or tax found by the city clerk to be required under the provisions of this chapter may, upon full payment of the amount assessed, appeal from such finding by filing a written notice of appeal with the city clerk within fourteen days from the date such taxpayer was given notified in writing of such amount. The clerk shall, as soon as practicable, fix a time and place for the hearing of such appeal before the city council, which time shall be not more than sixty days after the filing of the notice of appeal, and shall

cause a notice of the time and place thereof to be delivered or mailed to the appellant. At such hearing before the city council, the taxpayer shall be entitled to be heard and to introduce evidence in his or her own behalf. The city council shall render a decision, together with findings of fact and conclusions of law, based upon the evidence presented at the time of the hearing and all material on file in the case. The city council's decisions shall indicate the correct amount of the fee or tax owing. The city council's decision shall be final. The appellant or the city of Sedro-Woolley may appeal the decision of the city council to the Superior Court of Washington in and for Skagit County within thirty days after the date of the city council's decision. The city council, through the mayor may, by subpoena, require the attendance of any person, and may also require him or her to produce any pertinent books and records. Any person served with such subpoena shall appear at the time and place therein stated and produce the books and records required, if any, and shall testify truthfully under oath administered by the mayor as to any matter required of him or her pertinent to the appeal, and it is unlawful for him or her to fail or refuse to do so.

**5.06.140 Over or underpayment of tax.**

In the event that any person makes an overpayment and within two years of the date of such overpayment makes application for a refund or credit, the person's claims shall be allowed and a refund made by the city of Sedro-Woolley upon determination by the city clerk that no other sums are owed by the person to the city of Sedro-Woolley. If a person determines that the tax has been underpaid and without notice by any party pays the amount due to the city of Sedro-Woolley, such amount shall not be subject to penalty.

**5.06.150 Pass-through to customer.**

The taxpayer may pass any tax in this chapter on to a customer, client, or purchaser, showing the additional amount on the billing for or invoice. However, doing so shall not cause the customer, client, or purchaser to become a "taxpayer" for purposes of this chapter.

**5.06.155 Use of funds.**

All monies collected from the tax upon cellular telephone services shall be deposited into the Facilities Maintenance Reserve Fund (Fund 303) and used only for construction of, acquisition of real estate for, or repairs to city municipal buildings, including fixtures and appliances.

**SECTION 3.** Chapter 5.012 of the Sedro-Woolley Municipal Code is hereby amended to read as follows:

**PAWNBROKERS**

**Sections:**

- 5.12.010 Definitions.**
- 5.12.020 Exclusions.**

- 5.12.030 Record of transactions.**
- 5.12.040 Report to police chief.**
- 5.12.050 Lost or stolen property.**
- 5.12.060 Hold on stolen property.**
- 5.12.070 Inspection of goods.**
- 5.12.080 Inspection of premises.**
- 5.12.090 Hold on pawned or pledged property.**
- 5.12.100 Rates of interest—State statute adopted by reference.**
- 5.12.110 Prohibited acts—Violation—Penalty.**

**5.12.010 Definitions.**

For the purposes of this chapter:

A. “Pawnbroker” means every person engaged, in whole or in part, in the business of loaning money on the security of pledges, or received by way of pledge or pawn, goods, wares, or merchandise of any kind of personal property thereon, or to loan money or deposit of personal property, shall be deemed to be a pawnbroker.

**5.12.030 Record of transactions.**

It shall be the duty of every pawnbroker doing business in the city, to at all times keep and maintain in his place of business, a book or other permanent record in which shall be legibly written in the English language, at the time of each loan, purchase of used or secondhand goods, a record thereof, containing:

- A. The date of transaction;
- B. The name of the person or employee conducting said transaction on behalf of the pawnbroker or secondhand dealer;
- C. The name, date of birth, street and house number, city, state, telephone number, and identification number of the person with whom the transaction is conducted. The identification number shall be obtained from a valid Washington State driver’s license or identification card, or similar license or card from another jurisdiction. No other form of identification than those listed therein above may be used, and the person or employee conducting the transaction shall have the duty of examining the identification and obtaining the identification and obtaining the identification number for each such transaction;
- D. The name, age, street, and house number of the owner of the property bought or received in pledge, pawn, trade, barter, or consignment;
- E. Description of the property bought or received in pledge, in trade or consignment. The description shall include any model number, serial number, brand name, letters or marks inscribed thereon, as well as any distinctive characteristics of the property; provided, that when the article bought or received is furniture, or the contents of any house or room, actually inspected on the premises, a general record of the transaction shall be sufficient;
- F. The price paid or the amount loaned;
- G. The number of any pawn ticket issued therefor;
- H. The signature of the person with whom the transaction is conducted.

**5.12.040 Report to police chief.**

It shall be the duty of every pawnbroker to have ready for the police chief's inspection by twelve noon of every business day, a blank form to be furnished by the Sedro-Woolley police department filled in with the true and correct description of the record of all transactions had on the preceding day, as set forth in Section 5.12.030. A copy of such records shall be forwarded at the conclusion of each business week to the city police department.

**5.12.050 Lost or stolen property.**

Any pawnbroker having good cause to believe that any property in his possession has been previously lost or stolen, shall immediately report such fact to the city police department, together with the name of the owner, if known, and the date when and the name of the person from whom the property was received.

**5.12.060 Hold on stolen property.**

Following notification from a law enforcement agency that an item of property has been reported as stolen the pawnbroker shall hold that property intact and safe from alteration, damage, or commingling. The pawnbroker shall place an identifying tag or other suitable identification upon the property so held. Property held shall not be released for one hundred twenty days from the date of police notification unless released by written consent of the applicable law enforcement agency or by order of a court of competent jurisdiction. The pawnbroker shall give ten days written notice before the expiration of the one hundred twenty-day holding period to the applicable law enforcement agency about the stolen property. If notice is not given within the required ten-day period, then the hold on the property shall continue for an additional one hundred twenty days. The applicable law enforcement agency may renew the holding period for additional one hundred twenty-day periods as necessary.

**5.12.070 Inspection of goods.**

Such record, and all goods received, shall at all times during the ordinary hours of business be open to the inspection of the prosecuting attorney or any peace officer.

**5.12.080 Inspection of premises.**

Any peace officer or the prosecuting attorney may enter any business licensed as a pawnshop in the city, or any premises in any way connected physically or otherwise with the pawnshop, including vehicles used in connection therewith, at any time during normal business hours. Such peace officers or prosecuting attorney is authorized to make such inspection and take such action as may be required to enforce the provisions of any business licensed under this chapter.

**5.12.090 Hold on pawned or pledged property.**

No property bought or received in pawn or pledge by any pawnbroker shall be removed from his place of business, except when redeemed by the owner thereof, for a period of four days after the receipt thereof in writing to the city police chief

as required in Section 5.12.030, unless previously inspected by the city police chief and released in writing.

**5.12.100 Rates of interest—State statute adopted by reference.**

RCW Section 19.60.060, a statute of the state, is adopted by reference.

**5.12.110 Prohibited acts—Violation—Penalty.**

Every pawnbroker and every clerk, agent or employee of such pawnbroker, who shall:

- A. Fail to make an entry of any material matter in his book or record kept as required in Section 5.12.030;
- B. Make any false entry therein;
- C. Falsely obliterate, destroy or remove from his place of business such book or record;
- D. Refuse to allow inspections as required in Section 5.12.070;
- E. Fail to make available the record of transactions as regulated in Section 5.12.030;
- F. Fail to report to the police chief any property received that he believes or has reason to believe, to be lost or stolen as required in Section 5.12.050;
- G. Remove any property from his place of business within four days except as provided in Section 5.12.090;
- H. Receive any property from any person under the age of eighteen years, any common drunkard, any habitual user of narcotic drugs, any habitual criminal, any person in an intoxicated condition, any known thief or receiver of stolen property, whether such person be acting on his own behalf or as the agent of another.

Any person in violation of the foregoing prohibited acts shall be guilty of a gross misdemeanor punishable by a fine of not to exceed five thousand dollars, imprisonment not to exceed one year, or both.

**SECTION 4.** Chapter 5.24 of the Sedro-Woolley Municipal Code is hereby amended to read as follows:

**TAXICABS**

**Sections:**

- 5.24.030 Safety inspection.**
- 5.24.070 Insurance required.**
- 5.24.090 Penalty for violations.**
- 5.24.100 Obedience to law required.**

**5.24.030 Safety inspection.**

No taxicab or temporary vehicle may be used as a taxicab which is not in a good state of repair and in a safe condition, or which does not meet the specifications of the State Motor Vehicle Code, or the ordinances of the city, and the police chief, or other officer or person designated by him may require as a condition of the operation of any vehicle that it is inspected periodically as he may direct, or that it be inspected at any time. After any inspection no vehicle may be operated until any defective conditions found are corrected to the satisfaction of the inspecting officer or person.

**5.24.070 Insurance required.**

No taxicab may be operated in this city unless the owner first procures and has in subsistence automobile liability insurance in such form and amount as is now, or may hereafter be required, by state law applicable to liability insurance upon taxicabs operated outside incorporated cities and towns.

**5.24.090 Penalty for violations.**

Any person violating any of the provisions of this chapter shall be guilty of a misdemeanor and subject to a fine of not to exceed one thousand dollars, or imprisonment in the city jail for not to exceed ninety days, or to both such fine and imprisonment, and in addition his taxicab license shall be revoked for one year for a violation of the provisions of Section 5.24.060, and may be revoked or suspended for not to exceed ninety days for other violations hereof.

**5.24.100 Obedience to law required.**

Taxicab operators shall abide by all rules of the road and obey all laws, rules and regulations pertaining to the operation of motor vehicles in public places under the laws of the state of Washington and the ordinances of the city of Sedro Woolley.

**SECTION 5.** Chapter 5.32 of the Sedro-Woolley Municipal Code is hereby amended to read as follows:

**LIQUOR**

**Sections:**

- 5.32.010 Liquor defined.**
- 5.32.020 Hours.**
- 5.32.030 Unlawful to sell without license.**
- 5.32.040 Possession—Intent to sell.**
- 5.32.050 Penalty for violations.**

**5.32.010 Liquor defined.**

“Liquor” includes the four varieties of liquor herein defined (alcohol, spirits, wine and beer), and all fermented, spirituous, vinous or malt liquor, or combinations thereof; and mixed liquor, a part of which is fermented, spirituous,

vinous or malt liquor, or otherwise intoxicating; and every liquid or solid or semisolid or other substance, patented or not, containing alcohol, spirits, wine or beer, and all drinks or drinkable liquids and all preparations or mixtures capable of human consumption, and any liquid, semisolid, solid or other substance, which contains more than one percent of alcohol by weight shall be conclusively deemed to be intoxicating. Liquor does not include confections or food products that contain one percent or less of alcohol by weight.

**5.32.020 Hours.**

The closing hours and/or the hours of liquor establishments to be open within the city limits of Sedro Woolley shall be set in accordance with the existing state laws and/or the current rules and regulations of the Washington State Liquor Control Board as promulgated from time to time.

**5.32.030 Unlawful to sell without license.**

It is unlawful for any person to keep or possess liquor on premises conducted or maintained by him as principal or agent within the city limits, with intent to sell the same, without a valid license issued to him under the provisions of the Washington State Liquor Act to sell liquor.

**5.32.040 Possession—Intent to sell.**

The possession of liquor by such principal or agent on premises conducted or maintained by him, under federal authority, as a retail dealer in liquors, shall be prima facie evidence of the intent to sell liquor.

**5.32.050 Penalty for violations.**

Any person who violates any provision of this chapter shall be guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not to exceed one thousand dollars, or by confinement in the city jail for not to exceed ninety days, or by both such fine and imprisonment.

**SECTION 6.** Chapter 5.36 of the Sedro-Woolley Municipal Code is hereby amended to read as follows:

**FRANCHISES**

**Sections:**

- 5.36.010 Agreement required for construction or excavations.**
- 5.36.020 Agreement—Granting.**
- 5.36.030 Poles—Size and setting.**
- 5.36.040 Number of poles at intersection.**
- 5.36.050 Nuisance.**
- 5.36.060 Penalty for violations.**
- 5.36.070 Repairs and extensions.**

**5.36.010 Agreement required for construction or excavations.**

No person, corporation or public utility district shall build or construct or extend any railroad of any kind, or any street railway, telegraph line, telephone line, electric light line, cable, water line or fiber optic line, in any street or alley of the city without first obtaining a franchise agreement therefor from the city council. No person or corporation shall make excavations of any kind, or place any pole, or deposit any material or anything in any street or alley of the city, for the purpose or with the intention of building, constructing or extending any such railroad, street railway, telegraph line, telephone line, electric light line, cable, water line or fiber optic line without first obtaining such franchise agreement from the city council.

**5.36.020 Agreement—Granting.**

If a person or corporation applying to the city council for any such permit, shall have a valid and existing franchise or permission for the structure desired under any valid ordinance of the city, it shall be the duty of the council to grant such agreement, if necessary, to the proper exercise of such franchise; provided that, the work is done under the supervision of the City Engineer / Public Works Director or other designated officer or employee of the city. The city council, in granting any such permit, so regulates and defers the granting thereof, that the sufficient portion of such street, alley or public place shall, as far as possible, be open for public use for the purpose of traffic, and in all cases any work of the city or its contractors or employees, shall have precedence over all other work of every kind.

**5.36.030 Poles—Size and setting.**

All persons, companies or corporations whatsoever, now occupying or which shall hereafter occupy the streets or the alleys of the city by means of poles and wires for the transmission of electricity, or any other purpose are hereby— from placing their poles save and except as hereinafter designated: All poles shall be not less than fifteen inches at the butt and taper to not less than nine inches at the small end, and shall be thirty-five feet from the top of walk grade to the top of the pole. All poles shall be set so that the side of the pole facing the street shall be twelve inches from the centerline or face of the curb. At street intersections poles must be set at each corner of the street. All poles shall be shaved and painted any uniform color.

**5.36.040 Number of poles at intersection.**

At each street corner within the city there shall be but one pole for carrying the wires running along both north and south, and east and west intersecting streets so that at street intersections there shall not be more than one pole on each of the four corners.

**5.36.050 Nuisance.**

All railroads, street railways, telegraph lines and electric light lines, posts, wires, poles and other structures, or other apparatus, constructed, maintained or placed in any street or alley of the city, in violation of this chapter, shall be deemed a public nuisance, and shall be abated with or without action, and such other proceedings shall be taken thereof as are authorized by law for the prevention, abatement or punishment of nuisance.

**5.36.060 Penalty for violations.**

Any person or corporation who shall violate this chapter, or aid any violation thereof shall be deemed guilty of causing a public nuisance, and on conviction thereof shall be punished with a fine of one thousand dollars, or by imprisonment in the city jail for a term not to exceed ninety days.

**5.36.070 Repairs and extensions.**

It shall be no defense to any prosecution or proceeding under this chapter, that the franchise to build or construct such railroad, railway, telegraph line, telephone line, electric light line, cable, water line or fiber optic line has been granted by an ordinance of the city, but this chapter shall not be so construed as to require a permit for the making of any ordinary repair, to any structure, when such repairs are made in good faith, and not for the purpose of making any extension to any such structure. It is expressly understood that the replacing of any pole in any street of the city with another pole is an extension of the system, and not a repair within this chapter.

**SECTION 7.** Chapter 5.40 of the Sedro-Woolley Municipal Code is hereby amended to read as follows:

**GAMBLING**

**Sections:**

- 5.40.010 Definitions.**
- 5.40.020 Tax levied on certain activities—Rates.**
- 5.40.030 Tax—Quarterly computation—Exceptions.**
- 5.40.040 Tax—Administration and collection—Forms.**
- 5.40.050 Tax—Method of payment.**
- 5.40.060 Tax—Failure to pay—Penalty.**
- 5.40.070 Tax—Declaration of intent required.**
- 5.40.080 Tax—Recordkeeping.**
- 5.40.090 Tax—Overpayment or underpayment.**
- 5.40.100 Tax—Failure to make return.**
- 5.40.110 Tax—Additional to other fees.**
- 5.40.120 City treasurer—Rulemaking authority.**
- 5.40.130 Unpaid taxes deemed debt to city.**
- 5.40.140 Right to recovery.**

#### **5.40.150 Violation—Penalty.**

##### **5.40.010 Definitions.**

For the purposes of this chapter the words and terms used shall have the same meaning as each has under Chapter 218, Laws of 1973, 1st Ex. Sess. and Chapter 9.46 RCW, each as amended, and under the rules of the Washington State Gambling Commission, Chapter 230 WAC, unless otherwise specifically provided or the context in which they are used in this chapter clearly indicates that they be given some other meaning.

##### **5.40.020 Tax levied on certain activities—Rates.**

There is levied upon all persons, associations and organizations conducting or operating within this jurisdiction any of the activities listed below a tax in the following amounts to be paid to the city:

A. Bingo and raffles in the amount of five percent of the gross receipts of a bingo game or raffle less the amount awarded as cash or merchandise prizes.

B. Amusement games in the amount of two percent of the gross receipts less the amount awarded as prizes. Taxation of amusement games shall only be in an amount sufficient to pay the actual cost of enforcement of the provisions of RCW Chapter 9.46.

C. No tax shall be imposed under the authority of this section on bingo or amusement games when such activities or any combination thereof are conducted by any bona fide charity or nonprofit organization as defined in RCW Chapter 9.46. which organization has no paid operating or management personnel and has gross receipts from bingo or amusement game, or a combination thereof, not exceeding five thousand dollars per year, less the amount awarded as cash or merchandise prizes. No tax shall be imposed on the first ten thousand dollars of gross receipts less the amount awarded as cash or merchandise prizes from raffles conducted by any bona fide charitable or nonprofit organization as defined in RCW Chapter 9.46.

D. Any punchboards or pull tabs for for-profit or commercial stimulant operations, in the amount of five percent of the gross receipts directly from the operation of the punchboards or pull tabs themselves.

E. Any punchboards or pull tabs for bona fide charitable or nonprofit organizations as defined by RCW Chapter 9.46 in the amount of five percent of the gross receipts directly from the operation of the game less the amount awarded as cash or merchandise prizes.

F. Card playing, in the amount of ten percent of the gross receipts received as fees charged persons for the privilege of playing in card games.

G. Other gambling activities not above specified shall be ten percent of the gross receipts.

H. Taxes imposed under this section become a lien upon personal and real property used in the gambling activity in the same manner as provided for under RCW 84.60.010. The lien shall attach the date the tax becomes due, and shall relate back and have priority against real and personal property to the same extend as ad valorem taxes.

I. The revenue from the tax imposed by this section shall be used primarily for the purpose of the enforcement of RCW Chapter 9.46 by the city of Sedro-Woolley.

**5.40.030 Tax—Quarterly computation—Exceptions.**

Each of the various taxes imposed by this chapter shall be computed on the basis of activity during each calendar quarter year, shall be due and payable in quarterly installments and remittance therefor, together with return forms, shall be made to the city on or before the last day of the month next succeeding the quarterly period in which the tax accrued, that is, on January 31st, April 30th, July 31st, and October 31st of each year: provided, that the following exceptions to this payment schedule shall be allowed or required:

A. Except as provided in subsection B of this section, whenever any person, association or organization taxable under the provisions of this chapter conducting or operating a taxable activity on a regular basis discontinues operation of that taxable activity for a period of more than five consecutive weeks, or quits business, sells out or otherwise disposes of its business, or terminates the business, any tax due under the provisions of this chapter shall become due and payable, and such taxpayer shall, within ten days thereafter, make a return and pay the tax due.

B. It is recognized that some bona fide charitable or bona fide nonprofit organization taxpayers will be conducting or operating taxable activities only upon an occasional and random basis. Except as provided in subsection C of this section, when such a taxpayer conducts only one taxable activity during any calendar quarter, the duration of each such activity does not exceed one consecutive calendar day, and the gross receipts therefrom do not exceed one hundred dollars per quarter, that taxpayer need not remit the tax due with a return therefor until on or before January 31st of the year following that year in which the activity took place. Such returns shall be made upon a special form to be supplied by the city treasurer.

C. Whenever it appears to the city treasurer that the collection of taxes from any person, association or organization may be in jeopardy, the city treasurer, after not less than ten days' notice to the taxpayer, is authorized to require that taxpayer to remit taxes and returns at such shorter intervals than quarterly or annually, as the city treasurer shall deem appropriate under the circumstances.

**5.40.040 Tax—Administration and collection—Forms.**

A. Administration and collection of the various taxes imposed by this chapter shall be the responsibility of the city treasurer. Remittance of the amount due shall be accompanied by a completed return form prescribed and provided by the city treasurer. The taxpayer shall be required to swear and affirm that the information given in the return is true, accurate and complete.

B. The city treasurer is authorized, but not required, to mail to taxpayers forms for returns. Failure of the taxpayer to receive such a form shall not excuse a taxpayer from making the return and timely paying all taxes due. The city

treasurer shall make forms available to the public in reasonable numbers in the city treasurer's office during regular business hours.

C. In addition to the return form, a copy of the taxpayer's semi-annual report to the Washington State Gambling Commission, required by WAC 230-08, for the period in which the tax accrued, shall accompany remittance of the tax amount due.

**5.40.050 Tax—Method of payment.**

Taxes payable under the provisions of this chapter shall be remitted to the city treasurer, on or before the time required, by bank draft, certified check, cashier's check, personal check, money order or in cash. If payment is made by draft or check, the tax shall not be deemed paid until the draft or check is honored in the usual course of business, nor shall the acceptance of any sum by the city treasurer be an acquittance or discharge of the tax unless the amount paid is the full amount due. The return, and copy of semi-annual report to the Washington State Gambling Commission, shall be filed in the office of the city treasurer after notation by that office upon the return of the amount actually received from the taxpayer.

**5.40.060 Tax—Failure to pay—Penalty.**

A. If full payment of any tax or fee due under the provisions of this chapter is not received by the city treasurer on or before the date due, there shall be added to the amount due a penalty fee as follows:

- 1—10 days late, 5% of tax due
- 11—20 days late, 10% of tax due
- 21—31 days late, 10% of tax due
- 32—60 days late, 20% of tax due.

B. In no event shall the penalty amount be less than ten dollars. In addition to this penalty, the city treasurer may charge the taxpayer interest of ten percent of all taxes and fees due for each thirty-day period, or portion thereof, that such amounts are past due.

C. Failure to make payment in full of all tax amounts and penalties within sixty days following the day the tax amount initially became due shall be both a civil and a criminal violation of this section.

**5.40.070 Tax—Declaration of intent required.**

In order that the city may identify those persons who are subject to taxation under the provisions of this chapter, each person, association or organization shall file with the city treasurer a sworn declaration of intent to conduct an activity taxable under the provisions of this chapter upon a form to be prescribed by the city treasurer together with a copy of the license issued therefor by the Washington State Gambling Commission. The filing shall be made not later than thirty days prior to conducting or operating the taxable activity. No fee shall be charged for such filing, which is not for the purpose of regulation of this activity, but for the purposes of administration of this chapter only.

Failure to timely file shall not excuse any person, association or organization from any tax liability.

**5.40.080 Tax—Recordkeeping.**

A. Each person, association or organization engaging in an activity taxable under this chapter shall maintain records respecting that activity which truly, completely and accurately disclose all information necessary to determine the taxpayer's tax liability under the provisions of this chapter during each base tax period. Such records shall be kept and maintained for a period of not less than three years. In addition, all information and items required by the Washington State Gambling Commission, under WAC 230-08, and the United States Internal Revenue Service respecting taxation, shall be kept and maintained for the periods required by those agencies.

B. All books, records and other items required to be kept and maintained under the provisions of this section shall be subject to, and immediately made available for, inspection and audit at any time, with or without notice, at the place where such records are kept, upon demand by the city treasurer or his designees, for the purpose of enforcing the provisions of this chapter.

C. Where a taxpayer does not keep all of the books, records or items required to be kept or maintained under this section in this jurisdiction so that the city treasurer may examine them conveniently, the taxpayer shall either:

1. Produce all of the required books, records or items within this jurisdiction for such inspection within ten days following a request of the local official that he do so; or

2. Bear the actual cost of inspection by the city treasurer or his designee, at the location at which such books, records or items are located; provided, that a taxpayer choosing to bear these costs shall pay in advance to the city treasurer the estimated cost thereof, including but not limited to, round trip fare by the most rapid means, lodging, meals and incidental expenses. The actual amount due, or to be refunded, for expenses shall be determined following such examination of the records.

D. A taxpayer who fails, neglects or refuses to produce such books and records either within or without this jurisdiction, in addition to being subject to other civil and criminal penalties provided by this chapter, shall be subject to a jeopardy fee or tax assessment by the city treasurer.

E. This penalty fee or jeopardy assessment shall be deemed prima facie correct and shall be the amount of fee or tax owing the city treasurer by the taxpayer unless he can prove otherwise by competent evidence. The taxpayer shall be notified by mail by the city treasurer of the amount of tax so determined by jeopardy assessment, together with any penalty and/or interest, and the total of such amounts shall thereupon become immediately due and payable.

**5.40.090 Tax—Overpayment or underpayment.**

If, upon application by a taxpayer for a refund or for an audit of his records, or upon any examination of the returns or records of any taxpayer, it is determined by the city treasurer that within three years immediately preceding receipt by the

city treasurer of the application by the taxpayer for a refund or an audit, or, in the absence of such an application, within the three years immediately preceding the commencement by the city treasurer of such examination:

A. A tax or other fee has been paid in excess of that properly due, the total excess paid over all amounts due to the city within such period of three years shall be credited to the taxpayer's account or shall be credited to the taxpayer at the taxpayer's option. No refund or credit shall be allowed with respect to the city treasurer more than three years before the date of such application or examination.

B. A tax or other fee has been paid which is less than that properly due, or no tax or other fee has been paid, the city treasurer shall mail a statement to the taxpayer showing the balance due, including the tax amount or penalty assessments and fees, and it shall be a separate, additional violation of this chapter, both civil and criminal, if the taxpayer fails to make payment in full within ten calendar days of such mailing.

**5.40.100 Tax—Failure to make return.**

If any taxpayer fails, neglects or refuses to make and file his return as and when required under the provisions of this chapter, the city treasurer is authorized to determine the amount of tax payable, together with any penalty and/or interest assessed under the provisions of this chapter, and notify such taxpayer by mail of the amount so determined, which amount shall thereupon become the tax and penalty and/or interest, and shall become immediately due and payable.

**5.40.110 Tax—Additional to other fees.**

The tax levied in this chapter shall be additional to any license fee or tax imposed or levied under any law or any other ordinance of Sedro Woolley, except as otherwise expressly provided in this chapter.

**5.40.120 City treasurer—Rulemaking authority.**

The city treasurer shall have the power, and it shall be his duty, from time to time, to adopt, publish and enforce rules and regulations not inconsistent with this chapter or with superior law, for the purpose of carrying out the provisions of this chapter, and it shall be unlawful to violate or fail to comply with any such rule or regulation.

**5.40.130 Unpaid taxes deemed debt to city.**

Any tax due and unpaid under the provisions of this chapter and all penalties or fees shall constitute a debt to the city, a municipal corporation, and may be collected by court proceedings the same as any other debt in like amount which shall be in addition to all other existing remedies.

**5.40.140 Right to recovery.**

The right of recovery by the city from the taxpayer for any tax provided under the provisions of this chapter shall be outlawed after the expiration of three calendar years from the date such tax became due. The right of recovery against

the city because of overpayment of tax by any taxpayer shall be outlawed after the expiration of three calendar years from the date such payment was made.

**5.40.150 Violation—Penalty.**

Any person violating or failing to comply with any of the provisions of this chapter or any lawful rule or regulation adopted by the city treasurer pursuant thereto, upon conviction thereof, shall be punished by a fine in any sum not to exceed one thousand dollars, or by imprisonment for a term not exceeding ninety days, or by both such fine and imprisonment.

Any taxpayer who engages in, or carries on, any gambling activity subject to a tax under the provisions of this chapter without having complied with the provisions of this chapter shall be guilty of a violation of this chapter for each day during which the gambling activity is carried on.

**SECTION 8.** Section 5.04.320 of the Sedro-Woolley Municipal Code is hereby repealed in its entirety.

**SECTION 9.** Sections 5.12.120, 5.12.130, 5.12.140, and 5.12.150 of the Sedro-Woolley Municipal Code are hereby repealed in its entirety.

**SECTION 10.** Sections 5.12.130 of the Sedro-Woolley Municipal Code is hereby repealed in its entirety.

**SECTION 11.** Section 5.24.010, 5.24.020, 5.24.040, 5.24.050, 5.24.060, and 5.24.080 of the Sedro-Woolley Municipal Code are hereby repealed in its entirety.

**SECTION 12.** Chapter 5.08 of the Sedro-Woolley Municipal Code is hereby repealed in its entirety.

**SECTION 13.** Chapter 5.16 of the Sedro-Woolley Municipal Code is hereby repealed in its entirety.

**SECTION 14.** Chapter 5.20 of the Sedro-Woolley Municipal Code is hereby repealed in its entirety.

**SECTION 15.** Chapter 5.28 of the Sedro-Woolley Municipal Code is hereby repealed in its entirety.

**SECTION 16.** Chapter 5.48 of the Sedro-Woolley Municipal Code shall remain unchanged.

**SECTION 17. Effective date.** This ordinance shall be in full force and effect five (5) days after its passage, approval and publication as provided by law.

**SECTION 18. Severability.** If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional, the invalidity or unconstitutionality thereof shall not affect the validity or constitutionality of any other section, clause or phrase of this ordinance.

**PASSED** by majority vote of the members of the Sedro-Woolley City Council this \_\_\_\_ day of \_\_\_\_\_, 2011, and signed in authentication of its passage this \_\_\_\_ day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
Mike Anderson, Mayor

Attest:

\_\_\_\_\_  
Patsy Nelson, Finance Director

Approved as to form:

\_\_\_\_\_  
Eron Berg, City Attorney

First Reading: September 28, 2011  
Second Reading: November 9, 2011  
Passed by the City Council:  
Signed by the Mayor:  
Date of Publication:

NEW  
BUSINESS

NOV 09 2011

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 9

# Memorandum

**To:** Mayor Anderson and City Council  
**From:** Patsy Nelson *Patsy*  
**Date:** 11/04/11  
**Re:** 2012 Budget (first reading)

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The attached ordinance summarizes the budget amounts for each fund as detailed in the Mayor's 2012 Preliminary Budget which was presented and discussed at the November Worksession. All funds have been balanced according to Council goals and direction as outlined in the Mayor's 2012 Budget Memo. Staff will be available to answer any additional Council questions.

As discussed at the worksession, it is anticipated that changes will be made to the Mayor's Preliminary Budget before the second reading on November 22. Staff will attempt to prepare the required changes and deliver them to Council with sufficient time for review.

AN ORDINANCE ADOPTING THE ANNUAL BUDGET FOR THE CITY OF SEDRO-WOOLLEY, WASHINGTON, FOR THE FISCAL YEAR ENDING DECEMBER 31, 2012.

WHEREAS, the Mayor of the City of Sedro-Woolley, Washington, completed and placed on file with the City Finance Director, a proposed budget and estimate of the amount of the moneys required to meet the public expenses, bond retirement and interest, reserve funds and expenses for the City of Sedro-Woolley for the fiscal year ending December 31, 2012, and a notice was published that the Sedro-Woolley City Council would meet on the 22nd day of November, 2011, at the hour of 7:00 P.M., at the Sedro-Woolley City Hall, for the purpose of making and adopting a budget for the year 2012, and giving taxpayers within the city limits of Sedro-Woolley an opportunity to be heard upon said budget; and

WHEREAS, the Sedro-Woolley City Council did meet at said time and place and did then consider the matter of said proposed budget; and

WHEREAS, the proposed budget does not exceed the lawful limit of taxation allowed by law to be levied on the property within the City of Sedro-Woolley for the purposes set forth in said budget, and the estimated expenditures set forth in said budget being all necessary to carry on the government of said City for said year and being sufficient to meet the various needs of said City during said period.

NOW, THEREFORE, the City Council of the City of Sedro-Woolley do ordain as follows:

Section 1. The budget for the City of Sedro-Woolley, Washington, for the year 2012 is hereby adopted at the fund level in its final form and content as set forth in the document entitled City of Sedro-Woolley 2012 Annual Budget, three copies of which are on file in the Office of the Finance Director.

Section 2. Estimated resources, including fund balances or working capital from each separate fund of the City of Sedro-Woolley, and aggregate totals for all such funds combined, for the year 2012 are set forth in summary form below, and are hereby appropriated for expenditure at the fund level during the year 2012 as set forth below:

FUND:	AMOUNT:
001 GENERAL FUND	4,729,372
101 PARKS FUND	744,739
102 CEMETERY FUND	141,028
103 STREET FUND	756,454
104 ARTERIAL STREET FUND	1,076,864
105 LIBRARY FUND	408,775
106 CEMETERY ENDOWMENT FUND	114,796
107 RESERVE FOR CITY PARKS FUND	3,603
108 STADIUM FUND (HOTEL/MOTEL)	46,133
109 SPECIAL INVESTIGATIONS FUND	12,954
111 DOG FUND	751
113 PATHS AND TRAILS FUND	41,876
205 G/O BOND REDEMPTION FUND 2008	291,516
206 G/O BOND 2008 RESERVE FUND	155,850
230 G/O BOND 1996 REDEMPTION FUND	286,607
302 RESERVE FOR CURRENT EXPENSE CAPITAL FUND	423,358
303 FACILITIES MAINTENANCE RESERVE FUND	128,808
310 MITIGATION RES FOR POLICE FUND	63,007
311 MITIGATION RES FOR PARKS FUND	118,111
312 MITIGATION RES FOR FIRE FUND	22,831
332 PWTF SEWER CONSTRUCTION FUND	314,600
401 SEWER OPERATIONS FUND	3,399,492
402 RESERVE FOR SEWER OPERATIONS FUND	563,381
407 98 SEWER REV BOND REDEPTION FUND	785,027
410 RESERVE FOR SEWER FACILITES FUND	2,338,589
411 98 SEWER REV BOND RESERVE FUND	376,482
412 SOLID WASTE OPERATIONS FUND	1,953,286
413 SOLID WASTE RATE STABILIZATION FUND	115,369
425 STORMWATER FUND	457,363
501 EQUIPMENT REPLACEMENT FUND	972,332
621 SUSPENSE (SWSD)	41,950
TOTAL ALL FUNDS	20,885,304

Section 3. The City Finance Director is directed to transmit a certified copy of the budget hereby adopted to the Association of Washington Cities.

Section 4. This ordinance shall be in force and take effect five (5) days after its publication according to law.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR THIS 22ND DAY OF NOVEMBER, 2011.

\_\_\_\_\_  
Mike Anderson, Mayor

ATTEST:

\_\_\_\_\_  
Finance Director

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

NOV 09 2011

Issue Date: November 9, 2011  
Issued By: Eron Berg, City Supervisor  
Approved By: City Council  
Effective: December 1, 2011

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 10

## Policy \_\_\_ Dual Insurance Coverage

### A. Establishment of Policy

- Voluntary program for employees and/or dependents who are eligible for medical benefits from the City of Sedro-Woolley.
- Employees must certify eligibility annually during open enrollment.
- Dual insurance benefit is limited to medical coverage only. Dental and vision insurance will remain in effect for all eligible employees and dependents per AWC requirements for participation.
  - Prior to removing medical insurance for an eligible employee and/or dependents, employees are required to sign a waiver certifying that they and/or their dependents have other medical insurance. This waiver includes acknowledgement that proof of continuous, comprehensive medical coverage is required to re-enroll the employee and/or eligible dependents in a City of Sedro-Woolley plan. *Note: If a court has established that you are financially responsible for a dependent child you are advised to speak with an attorney prior to enrolling in this program.*
  - Employees and/or eligible dependents are only eligible to rejoin the City's medical insurance program during open enrollment. Open enrollment is from November 15 to December 15 of each year (for coverage beginning January 1 of the following year). The only exception would be if an employee and/or eligible dependent loses their (non-City) medical coverage during the middle of the year. In this situation the employee and/or dependent is eligible to rejoin the City's program on the 1<sup>st</sup> day of the month following loss of insurance.
  - Employees are required to notify the Payroll Department of the City of Sedro-Woolley immediately if any dependent who has been removed from the City's medical insurance no longer qualifies as an eligible dependent for medical benefits through their non-City medical coverage. The incentive payment will be adjusted to reflect the dependent's loss of eligibility. Failure to do so will cause repayment of the ineligible costs and payments.
  - Incentives shall be paid as follows: For an eligible employee, \$200.00 per month; for an eligible spouse, \$200.00 per month; for an eligible child, \$100.00 per month (maximum of two children as no additional cost savings are achieved by the city for additional children). Incentives shall be paid into the employee's HRA-VEBA account.
  - This program will remain in effect until employee informs the City of Sedro-Woolley of a change or the dependent is no longer eligible for medical insurance, or the City modifies or cancels the program.
  - Employees may be denied participation based upon minimum enrollment requirements from AWC.

### B. Scope & Applicability

- Applies to employees who were eligible for medical benefits from the City of Sedro-Woolley prior to December 1, 2011.
- Limited to non-union employees and/or dependents who are eligible for insurance benefits through the City of Sedro-Woolley and who have other coverage. Employees, spouses and dependents are eligible to be removed from the insurance program.
  - May be extended to represented employees as bargained in the future. The City Supervisor is authorized to enter into MOU's extending this policy to bargaining unit employees.
  - **The City of Sedro-Woolley retains the right to revoke, modify, or cancel the policy at any time and as it sees appropriate.**

NOV 09 2011

7:00 P.M. COUNCIL CHAMBERS  
AGENDA NO. 10

Issue Date: November 10, 2011  
Issued By: City Supervisor  
Approved By: City Council  
Effective: December 1, 2011

## Policy \_\_\_-2011 Wireless Devices

### A. GENERAL

Wireless data and voice service provides a substantial benefit to City government. Costs fluctuate with the introduction of new tariffs, technology, and equipment, and should be carefully managed. This policy describes departmental and staff responsibilities and choices for acquiring, using, and monitoring the use of such devices. This policy applies to mobile cellular telephone and data services used on cellular telephones and on multi-function devices (such as Nextels or PDAs). This policy is intended to supplement Ordinance 1564-06 (SWMC 2.62) regarding City ethics and use/misuse of City equipment. It is the intent of the City Council that use of City-owned wireless devices consistent with this policy does not violate the City's code of ethics.

This policy is updated based on IRS Notice 2011-72.

### B. ACQUISITION

Wireless communication devices and services are paid for by department funds, subject to available funding in the adopted budget. The Information Technology Department may be consulted for cellular telephone purchases and must be consulted for plans that require data access to City servers, such as blackberry email plans. In some cases, there may be a charge for acquiring licenses to allow access to City data applications. The Information Technology Department sets, reviews and revises, and publishes standards for wireless communication devices.

### C. PROGRAM OPTIONS

Three wireless communication device programs are available. Department directors are responsible for choosing the correct program.

**1. City Owned Devices:** City employees who need access to wireless voice and/or data services to perform the usual functions of their positions may be provided with such a device by the City.

**2. Employee Owned Devices:** City employees who use wireless data and cellular telephone service to perform city business on their personal wireless communication device may bill the City for the actual cost of business communication to the employee if the total monthly bill exceeds the rate plan minutes. This option is recommended for staff who have sporadic or minimal need to use these devices for City business.

**3. Hybrid Plans:** Some employees may want to use a single device for both personal and business uses, depending on class of service. For example, on a multifunction device that has a separate allocation for voice and data, one service may be primarily paid for by the City and the other service may be primarily paid for by the staff member. Each option is described in more detail below.

### D. PROGRAM DETAILS

**1. City-Owned Wireless Communication Devices** - A department head may

authorize an individual to be provided a cellular telephone or other wireless communication device if there is a reasonable public benefit.

City-owned wireless communication devices are intended for official use. Rate plans should be "right-sized" to the business needs of each employee. Service must be provided on a month-to-month basis rather than on a contractual basis for set periods of time.

Usage of city-owned wireless communication devices for personal purposes is acceptable, but is to be minimal, similar to the accepted use of City telephones and/or email.

Each plan assignment needs to be reviewed at a minimum of every 12 months to verify that it continues to be the most cost effective program for the user. During the annual plan review, personal usage is not to be included in analysis of the correct rate plan.

Employees must reimburse the City for all personal calls, texts or data usage that exceed the plan limits including all applicable long-distance, roaming charges and taxes. Plan limits will be based upon assigned minutes as identified by the I.T. Director.

Each individual assigned a City-owned wireless communication device is responsible for reconciling all invoices within 20 days of the invoice date. Bills are to be paid using the City's payable procedures. The employee must then fully reimburse the City for all non-business cellular calls that exceed the plan limits, before the bill is due for payment, by documenting them on the Cellular Charge Settlement form and attaching the corresponding payment. For bills that include incidental personal calls that do not exceed the plan limits, employees must identify the number of personal minutes but shall not be required to make any payment.

Each department head shall establish departmental review and record keeping procedures for staff wireless communication device usage to ensure compliance with this policy. The department will designate a department Wireless Communication Device Coordinator (see section E).

**2. Employee Owned Wireless Communication Devices** - City employees are allowed to use discounted plans for government employees from AT&T, Sprint, Verizon, or any other vendor offering these types of plans. Some vendors allow employees to choose a plan at their retail stores using a government employee code. All personal wireless communication devices are the employee's responsibility and not the liability of the City. If the total monthly bill exceeds the rate plan minutes, employees may request reimbursement from the City for all business calls or data usage up to the amount the bill exceeded the rate plan. All applicable long-distance, roaming charges and taxes should be included in the request for reimbursement.

**A. This section applies only to exempt employees: At the discretion of the department head, with the approval of the City Supervisor, an employee may be compensated with a monthly allowance to offset the cost of maintaining a personal cell phone which is available and required for work, provided:**

**i. The monthly allowance may not exceed the monthly amount paid by the City for a similar City-owned device as determined by the Finance Director and any allowance will be reported as taxable income to the employee;**

**ii. The employee must carry the cell phone at times as required by the City;**

**iii. The cell phone and plan must be compatible with the City's cell phone standard; and**

**iv. The City may cancel the allowance with 30 days notice at any time for any reason.**

**3. Hybrid Plans** – If the total bill on a hybrid plan is the responsibility of the City (the City receives invoices directly), then payment is to be handled similar to City-Owned plans (number 1 above). Otherwise, the process defined in the personal devices (number 2 above) shall be used.

#### **E. AUDIT**

Each department head will designate a department Wireless Communication Device Coordinator who will be responsible for keeping the contact information for both City-owned devices and personal devices (to the extent that personal devices are used for City business). The coordinators are not responsible for any ordering or billing issues associated with personal devices.

Wireless Communication Device accounts may be audited by the State Auditor's Office, the Internal Revenue Service and the City's Finance Department. Personal usage that is not reimbursed or other violations of this policy can result in disciplinary action including withdrawal of wireless communication device privileges and/or termination from employment.

#### **F. PRIVACY**

The City of Sedro-Woolley is required to comply with the Public Disclosure Act Chapter 42.56 RCW. This act establishes a strong state mandate in favor of disclosure of public records. As such, the information on any City-owned wireless communication device, including personal information, may ultimately be subject to disclosure as a public record and/or may be reviewed by the City at any time. Employees should be advised that no expectation of privacy should be assumed with the use of City owned wireless devices.

COMMITTEE  
REPORTS  
AND  
REPORTS  
FROM  
OFFICERS